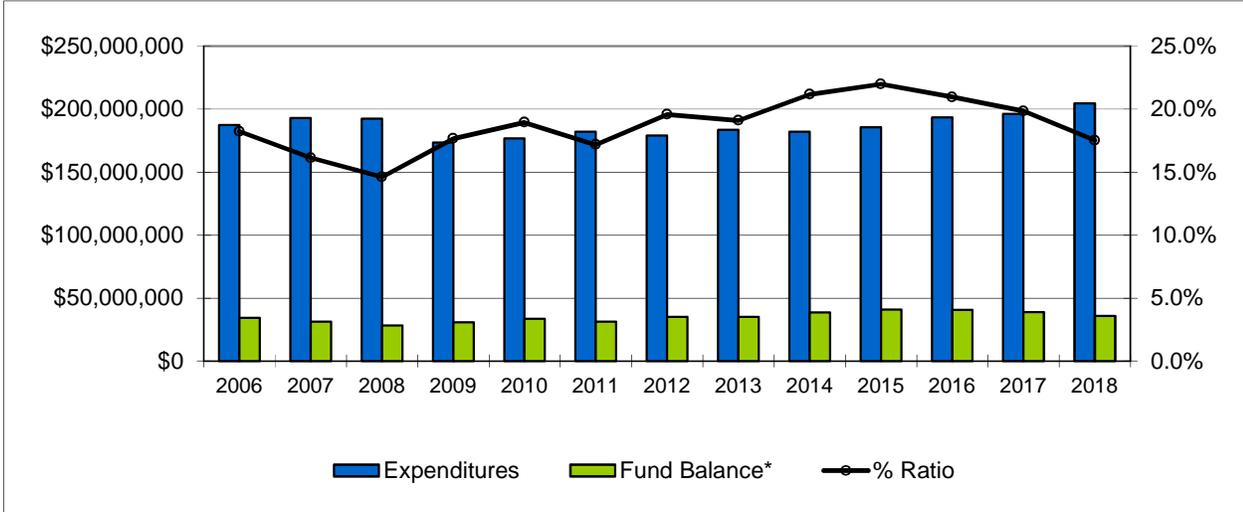


**GENERAL & SPECIAL REVENUE FUNDS  
Expenditures, Unassigned Fund Balance**



Expenditures and Unassigned Fund Balance  
General and Special Revenue Funds

| Year | Expenditures  | Unassigned Fund Balance* | % Ratio |
|------|---------------|--------------------------|---------|
| 2006 | \$187,410,318 | \$34,138,957             | 18.2%   |
| 2007 | \$192,949,494 | \$31,116,045             | 16.1%   |
| 2008 | \$192,284,111 | \$28,084,566             | 14.6%   |
| 2009 | \$173,554,267 | \$30,647,610             | 17.7%   |
| 2010 | \$176,668,309 | \$33,470,181             | 18.9%   |
| 2011 | \$182,118,157 | \$31,279,803             | 17.2%   |
| 2012 | \$178,864,749 | \$35,018,044             | 19.6%   |
| 2013 | \$183,572,744 | \$35,044,540             | 19.1%   |
| 2014 | \$182,030,739 | \$38,529,672             | 21.2%   |
| 2015 | \$185,600,393 | \$40,785,044             | 22.0%   |
| 2016 | \$193,403,740 | \$40,511,885             | 20.9%   |
| 2017 | \$196,131,849 | \$38,906,837             | 19.8%   |
| 2018 | \$204,499,771 | \$35,831,938             | 17.5%   |

**Policy and Practice**

The County will maintain unrestricted fund balances to provide necessary working capital to avoid cash flow interruptions and short-term borrowing to fund daily operations and to maintain the County's Aaa/AAA bond ratings.

The unassigned governmental (general and special revenue) fund balance to governmental expenditures ratios will be maintained at a minimum of 11%. The current target is between 15 and 16%, or about eight weeks of working capital for operations.

Fund balance reserves will not be used to offset continuous operation costs.

To the extent possible, reserves will be used to provide operating efficiencies over the long term.

\*Does not include unrealized gains or losses on investments. While the County typically holds these investments to maturity or life of the security, generally accepted accounting principles require that these investments be recorded at their fair value.

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## SUMMARY OF FUND BALANCE PROJECTIONS

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Projections of fund balance are an indicator of the estimated financial condition of the County at year-end. Fund balances are projected separately for General, Special Revenue, Enterprise, Internal Service, Debt, and Capital Project Fund types. For a description of the County's financial structure see the Strategic Planning and Budget Policies Section of the 2018 Adopted Budget. For descriptions of funds see the Summary section.

### December 31, 2017 (unaudited)

The current year projection (year-end 2017) is based on year-to-date information together with departmental estimates of revenues, expenditures and net transfers for various fund types. Total combined estimates of fund balances at December 31, 2017 are projected at \$179.9 million, a decrease of \$8.8 million from December 31, 2016 year-end combined fund balances. Of the combined fund balance amount, \$142.2 million is restricted or committed (by the Grantor, State Law, County Board, etc.) or assigned for specific future use exclusively within each particular fund. A summary of projected fund balance by fund type is described below.

**General Fund Balance** - The estimated fund balance for the General Fund at December 31, 2017 is projected at \$55.7 million, a decrease of \$3.0 million from 2016. Revenues were \$0.6 million under expenditures. Net transfers out of the General Fund were \$2.4 million. The unassigned portion of the fund balance is estimated at \$37.7 million, a \$1.6 million decrease from the 2016 unassigned fund balance of \$39.3 million.

**Special Revenue Fund Balance** - The December 31, 2017 estimated fund balance is \$9.2 million, a decrease of \$0.7 million from 2016. Revenues were \$11,000 over expenditures. Net transfers out of Special Revenue Funds were \$0.7 million, which includes a transfer of \$465,000 from the Walter Tarmann Parkland Acquisition Fund to the Capital Projects Fund.

**Working Capital** - The unassigned General Fund balance provides working capital for eleven weeks of operations based on the 2018 expenditure budget. In addition, the ratio of governmental funds unassigned fund balance to governmental expenditures for year-end 2017 is estimated at 19.8%. This estimated percentage exceeds the County's goal of at least 11%, which provides sufficient cash flow for the County's operations. It also exceeds the County's target goal of 15-16%.

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## SUMMARY OF FUND BALANCE PROJECTIONS, Cont.

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**Enterprise Fund Balance** – Year-end 2017 fund balance is projected at \$59.5, a decrease of \$1.0 million from 2016. The enterprise funds include three golf courses, two indoor ice arenas, radio services, a materials recycling facility, and an airport. Enterprise fund balances include non-spendable capital assets.

**Internal Service Fund Balance** - Year-end 2017 fund balance is estimated at \$31.2 million, a decrease of \$1.9 million from 2016. Internal service fund balances include non-spendable capital assets.

**Debt Service Fund Balance** - Year end 2017 fund balance is estimated at \$1.2 million, a decrease of \$782,000 from 2016.

**Capital Projects Fund Balance** – Year-end 2017 fund balance is projected at \$23.1 million, a decrease of \$1.4 million from 2016. The entire fund balance is reserved for existing capital projects until the projects are closed. Fund balances remaining may be reserved to fund future capital projects.

### December 31, 2018

The year-end 2018 projection is based on 2018 budgeted revenues, expenditures, and estimates on completion of capital projects appropriated in prior years. At year-end 2018, total combined fund balances are estimated at \$167.7 million, a decrease of \$12.2 million from the estimated 2017 level. Of the estimated combined year end 2018 total fund balance, \$133.1 million is restricted, committed or assigned specific future use within the particular funds, and \$34.6 million is estimated to be the unassigned fund balance. This is an estimated decrease in unassigned fund balance of about \$3.1 million from year-end 2017.

**General Fund Balance** - The estimated fund balance for the General Fund is projected at \$50.9 million, a decrease of \$4.8 million from the 2017 estimate. This decrease results from the planned use of \$3.2 million in the 2018 budget and transfers out of \$1.6 million. Transfers out include \$905,200 for capital projects, \$640,000 for debt service, and \$90,000 for transportation.

The unassigned portion of the fund balance is estimated at \$34.6 million.

**Special Revenue Fund Balance** - The December 31, 2018 estimated fund balance is \$8.3 million, a decrease of \$0.9 million from 2017. This decrease results from the planned use of fund balances in the 2016 budget of \$666,000, and transfers of \$358,000 from the Walter Tarmann Parkland Acquisition Fund for capital projects.

**Working Capital** - The ratio of governmental funds unreserved fund balance to governmental expenditures for year-end 2018 is estimated at 17.5%, a decrease from the 19.8% estimate for year-end 2017.

**SUMMARY OF PROJECTED FUND BALANCE  
AS OF DECEMBER 31, 2017**

SCHEDULE 1

|   | General<br>Fund        | Special<br>Revenues | Enterprise               | Internal<br>Service      | Debt Service             | Capital<br>Projects      | Totals                   |
|---|------------------------|---------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Revenues:</b>  |                        |                     |                          |                          |                          |                          |                          |
| General Intergovernmental                                   | \$39,234,700           | \$16,839,688        | \$1,048,718              | \$ 29,000                | \$ -                     | \$2,156,400              | \$59,308,506             |
| Taxes   | 83,773,051             | 6,464,737           | 122,563                  | -                        | 13,209,500               | 1,747,000                | 105,316,851              |
| Fines/Licenses  | 2,875,378              | 144,000             | -                        | -                        | -                        | -                        | 3,019,378                |
| Charges for Services  | 24,888,708             | 1,699,148           | 5,847,506                | 4,712,191                | -                        | -                        | 37,147,553               |
| Interdepartmental Revenue                                   | 3,754,739              | 654,700             | 549,997                  | 31,584,371               | -                        | -                        | 36,543,807               |
| Interest Income   | 1,875,000              | -                   | -                        | -                        | 60,000                   | 150,000                  | 2,085,000                |
| Other Revenue   | 11,991,650             | 1,337,982           | 2,630,153                | 2,245,795                | 170,065                  | 10,000,000               | 28,375,645               |
| <b>Total Revenues</b>                                       | <b>\$168,393,226</b>   | <b>\$27,140,255</b> | <b>\$10,198,937</b>      | <b>\$38,571,357</b>      | <b>\$13,439,565</b>      | <b>\$14,053,400</b>      | <b>\$271,796,740</b>     |
| <b>Expenditures:</b>  |                        |                     |                          |                          |                          |                          |                          |
| Personnel Costs   | \$102,448,692          | \$9,559,196         | \$2,926,680              | \$5,415,640              | \$ -                     | \$ -                     | \$120,350,208            |
| Operating Expenses  | 52,152,928             | 12,512,511          | 7,259,524                | 34,698,705               | -                        | -                        | 106,623,668              |
| Interdepartmental Charges                                   | 13,397,666             | 4,880,522           | 1,487,848                | 613,544                  | -                        | -                        | 20,379,580               |
| Fixed Assets/Capital Projects                               | 1,003,135              | 177,199             | -                        | -                        | -                        | \$17,323,412             | 18,503,746               |
| Debt Service  | -                      | -                   | -                        | -                        | 14,731,180               | -                        | 14,731,180               |
| <b>Total Expenditures</b>                                   | <b>\$169,002,421</b>   | <b>\$27,129,428</b> | <b>\$11,674,052 (A)</b>  | <b>\$40,727,889 (A)</b>  | <b>\$14,731,180</b>      | <b>\$17,323,412</b>      | <b>\$280,588,382</b>     |
| <b>Excess of Revenues over/(under)<br/>Expenditures (A)</b> | <b>(\$609,195) (B)</b> | <b>\$10,827</b>     | <b>(\$1,475,115) (B)</b> | <b>(\$2,156,532) (B)</b> | <b>(\$1,291,615) (B)</b> | <b>(\$3,270,012) (B)</b> | <b>(\$8,791,642) (B)</b> |

Footnotes:

(A) Net of capital projects expenditures and revenues.

(B) Negative amounts reflect planned use of restricted, committed, or assigned fund balances for one time or temporary purposes.

**SUMMARY OF PROJECTED FUND BALANCE  
AS OF DECEMBER 31, 2017**

SCHEDULE 2

|   | General<br>Fund     | Special<br>Revenues | Enterprise     | Internal<br>Service | Debt Service | Capital<br>Projects | Totals              |
|---|---------------------|---------------------|----------------|---------------------|--------------|---------------------|---------------------|
| Fund Balance December 31, 2016  | \$58,728,067        | \$9,918,361         | \$60,491,264   | \$33,069,466        | \$2,027,731  | \$24,475,783        | \$188,710,672       |
| Restricted/Committed/Assigned Fund Balance                                | 19,441,434          | 9,918,361           | 60,491,264     | 33,069,466          | 2,027,731    | 24,475,783          | 149,424,039         |
| Unassigned Fund Balance January 1, 2017                                   | \$39,286,633        | \$0                 | \$0            | \$0                 | \$0          | \$0                 | \$39,286,633        |
| Excess of Revenues over (under)<br>Expenditures (A)                       | (609,195)           | 10,827              | (1,475,115)    | (2,156,532)         | (1,291,615)  | (3,270,012)         | (8,791,642)         |
| Net Operating Transfers in (out)  | (2,400,454)         | (696,000)           | 465,000        | 248,054             | 510,000      | 1,873,400           | 0                   |
| Excess of Revenues & Other Financing<br>Sources over (under) Expenditures | (\$3,009,649)       | (\$685,173)         | (\$1,010,115)  | (\$1,908,478)       | (\$781,615)  | (\$1,396,612)       | (\$8,791,642)       |
| Total Projected Fund Balance Dec. 31, 2017                                | 55,718,418          | 9,233,188           | 59,481,149     | 31,160,988          | 1,246,116    | 23,079,171          | 179,919,030         |
| Restricted/Committed/Assigned Fund Balance                                | 18,036,833 (B)      | 9,233,188           | 59,481,149 (C) | 31,160,988 (C)      | 1,246,116    | 23,079,171          | 142,237,445         |
| Total Projected Unassigned Fund Balance                                   | <u>\$37,681,585</u> | <u>\$0</u>          | <u>\$0</u>     | <u>\$0</u>          | <u>\$0</u>   | <u>\$0</u>          | <u>\$37,681,585</u> |

Footnotes:

- (A) Negative amounts reflect planned use of restricted, committed, or assigned fund balances for one time or temporary purposes.  
 (B) Includes \$6,179,808 assigned in the 2017 Budget.  
 (C) The Enterprise and Internal Service Fund balances include fixed assets and may include some unreserved funds.

**SUMMARY OF PROJECTED FUND BALANCE  
AS OF DECEMBER 31, 2018**

SCHEDULE 3

|   | General<br>Fund | Special<br>Revenues | Enterprise     | Internal<br>Service | Debt Service | Capital<br>Projects | Totals         |
|---|-----------------|---------------------|----------------|---------------------|--------------|---------------------|----------------|
| Fund Balance December 31, 2017  | \$55,718,418    | \$9,233,188         | \$59,481,149   | \$31,160,988        | \$1,246,116  | \$23,079,171        | \$179,919,030  |
| Restricted/Committed/Assigned Fund Balance                                | 18,036,833      | 9,233,188           | 59,481,149     | 31,160,988          | 1,246,116    | 23,079,171          | 142,237,445    |
| Unassigned Fund Balance January 1, 2018                                   | \$37,681,585    | \$0                 | \$0            | \$0                 | \$0          | \$0                 | \$37,681,585   |
| Excess of Revenues over (under)<br>Expenditures (A)                       | (3,246,450)     | (665,687)           | (1,439,554)    | (2,802,863)         | (1,338,340)  | (2,695,200)         | (12,188,094)   |
| Net Operating Transfers in (out)  | (1,610,200) (B) | (268,000)           | 308,000        | (987,000)           | 640,000      | 1,917,200           | 0              |
| Excess of Revenues & Other Financing<br>Sources over (under) Expenditures | (\$4,856,650)   | (\$933,687)         | (\$1,131,554)  | (\$3,789,863)       | (\$698,340)  | (\$778,000)         | (\$12,188,094) |
| Total Projected Fund Balance Dec. 31, 2018                                | 50,861,768      | 8,299,501           | 58,349,595     | 27,371,125          | 547,776      | 22,301,171          | 167,730,936    |
| Restricted/Committed/Assigned Fund Balance                                | 16,255,082      | 8,299,501           | 58,349,595 (C) | 27,371,125 (C)      | 547,776      | 22,301,171          | 133,124,250    |
| Total Projected Unassigned Fund Balance                                   | \$34,606,686    | \$0                 | \$0            | \$0                 | \$0          | \$0                 | \$34,606,686   |

Footnotes:

(A) Budgeted fund balances are responsible for the deficit figures.

(B) Includes planned transfer out of \$905,200 for Capital Projects, \$640,000 for Debt Service, and \$90,000 for Transportation

(C) The Enterprise and Internal Service Fund balances include fixed assets and may include some unreserved funds.