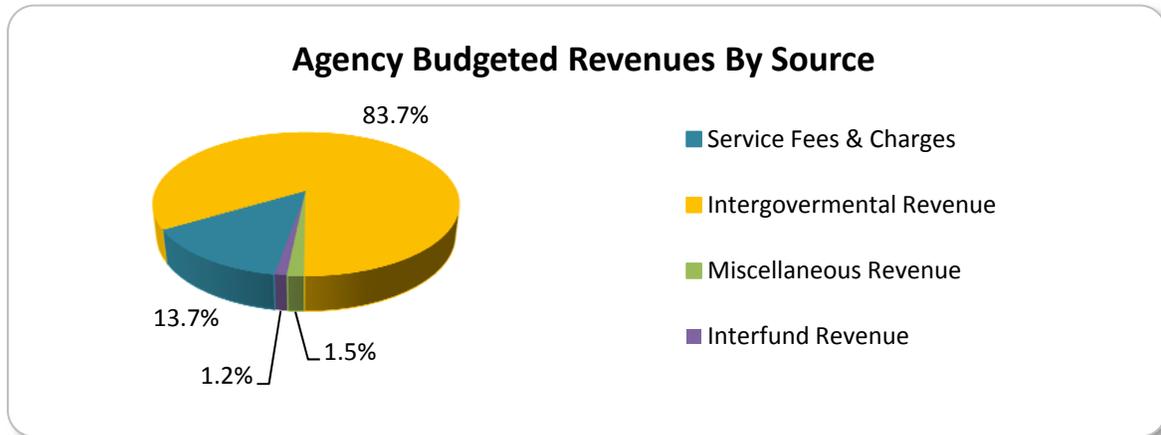
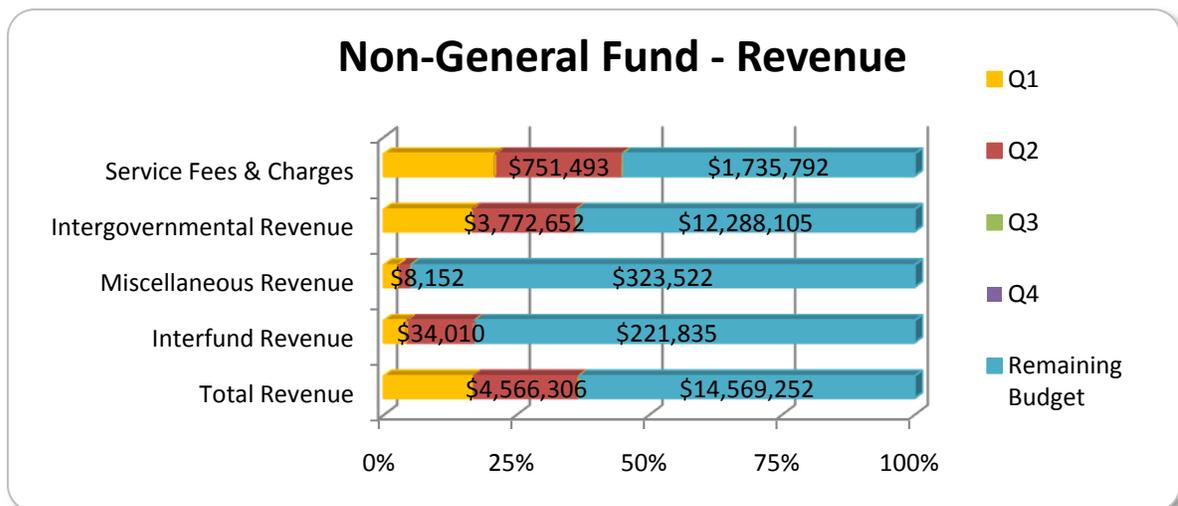


Non-General Fund Analysis



- The main sources of Non-General Fund revenue for Child Support Enforcement are: federal grants (\$9,244,674), state subsidy/reimbursements (\$2,945,045), processing charges (\$2,931,811, from a 2% administration charge for processing payments), and CSEA-Federal Incentives (\$2,254,041).



	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	YTD	Total*
Prior Year Actuals	\$3,746,210	\$4,318,957	\$3,514,626	\$7,272,760	\$8,065,167	\$18,852,553
Current Year Actuals	\$3,876,152	\$4,566,306			\$8,442,458	\$23,011,710

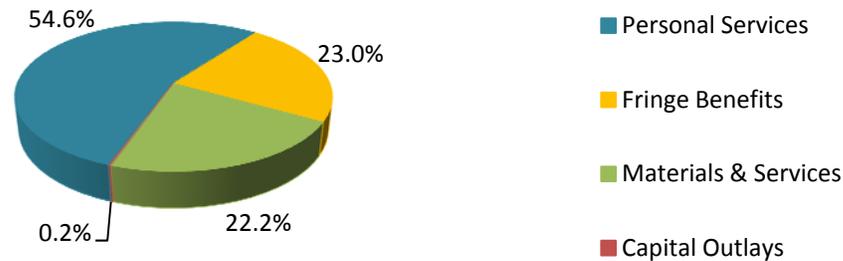
* Current year total represents revised budget.

- Second quarter revenue of \$4,566,306 represents 19.8% of the budgeted amount for the year. YTD revenues of \$8,442,458 represent 36.7% of the budgeted amount for the year.
- Budgeted revenues are currently overstated by \$3,800,504. The journal entry for the increase in American Recovery and Reinvestment Act (ARRA) revenue in Fund 2213, which was approved in Resolution No. 0331-10, did not include the necessary corresponding decrease of revenue to Fund 2029. If a correct journal entry had been made, the second quarter revenue would represent 23.8% of the budgeted amount for the year, and the YTD revenues would represent 43.9% of the budgeted amount. This is slightly ahead of the pace set last year through the second quarter when 42.8% of the total revenue had been received.

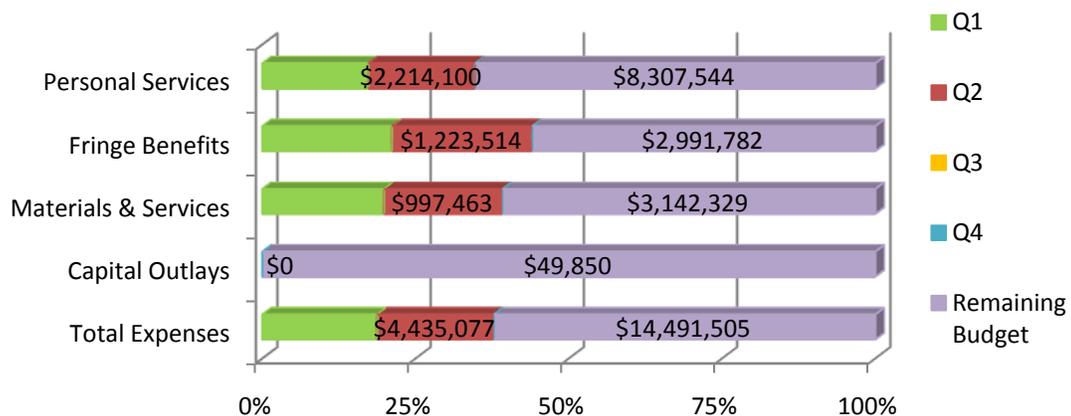
- Intergovernmental Revenue in Fund 2029 was affected by the oversight in not reducing revenue. If Fund 2029 had been properly reduced by the same amount that Fund 2213 was increased, the \$3,772,652 received in the 2nd quarter would represent 24.4% of the budgeted amount for the year, and the amount received for the YTD would represent 45.1%. Included in the Intergovernmental Revenue budget is \$5,536,521 in ARRA funds. Of this amount, \$2,212,509 was received in the 2nd quarter. Under ARRA, reimbursement is claimed when state incentive funds are spent by the county.
- The Miscellaneous Revenue estimate for 2010 is overstated by \$275,595 due to a difference in reporting between the State and the County. Employee healthcare contributions are reflected by the County as a credit to expenditures while the State reflects these contributions as revenue. OMB will work with CSEA to determine the best way to address these reporting differences.
- The Interfund Revenue category represents reimbursement for the contract with the Sheriff. The variance is due to the timing of invoices, and the processing of requests for reimbursement.
- There were no other significant one-time revenues received in the 2nd quarter.

Non-General Fund Analysis

Agency Budgeted Expenses By Type



Non-General Fund - Expenses



	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	YTD	Total*
Prior Year Actuals	\$4,769,563	\$4,212,310	\$4,632,943	\$5,835,864	\$8,981,873	\$19,450,680
Current Year Actuals	\$4,358,833	\$4,435,077			\$8,793,910	\$23,285,415

* Current year total represents revised budget.

- Second quarter expenditures of \$4,435,077 represent 19.1% of the budgeted amount for the year. YTD expenditures of \$8,793,910 represent 37.8% of the budgeted amount for the year.
- 2010 appropriations are currently overstated by \$3,800,504. The journal entry for the increase in appropriations in Fund 2213 (ARRA CSEA), which was approved in Resolution No. 0331-10, did not include the necessary corresponding decrease in appropriations in Fund 2029 (Child Support Enforcement). This oversight results in double-counting the appropriations available in the expenditure categories in the chart above. The total budgeted amount for 2010 should be 19,484,912, rather than \$23,285,415. The second quarter total expenditure of \$4,435,077 should represent 22.8% of the budgeted amount for the year, and the YTD total expenditures should represent 45.1% of the budgeted amount for the year. A corrective journal entry will be completed at the first opportunity.
- Likewise, if the appropriations in Fund 2029 had been properly reduced by the same amount of the increase in Fund 2213, the YTD expenditures for the Personal Services, for Fringe Benefits, and for



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Materials & Services would represent 43.6%, 47.6%, and 46.1%, respectively, of the budgeted amounts in those categories.

- Second quarter expenditures from ARRA funds were \$1,502,089.
- There were no significant one-time expenses in the 2nd quarter.

Non-General Fund Analysis

Personal Services

<u>Quarter</u>	<u>Agency Budget</u>	<u>Actual Expenditures</u>	<u>% of Budget Expended</u>
1st Quarter	\$2,928,395	\$2,202,442	75.2%
2nd Quarter	\$2,928,395	\$2,214,100	75.6%
3rd Quarter	\$3,441,580		
4th Quarter	\$3,425,716		
Total	\$12,724,086	\$4,416,542	34.7%

Revised Personal Services

<u>Quarter</u>	<u>Agency Budget</u>	<u>Actual Expenditures</u>	<u>% of Budget Expended</u>
1st Quarter	\$2,336,189	\$2,202,442	94.3%
2nd Quarter	\$2,336,189	\$2,214,100	94.8%
3rd Quarter	\$2,725,553		
4th Quarter	\$2,725,553		
Total	\$10,123,484	\$4,416,542	43.6%

- This revised Personal Services table represents inclusion of the pending corrective journal entry. Based on 2nd quarter expenditures, CSEA Personal Services expenditures are in line with the budget.

Budget Corrective Items

Approved

- Resolution No. 0154-10 authorized a non-general fund supplemental appropriation in the amount of \$248,350 for the ARRA stimulus funding that was received in December 2009, which was not included in the 2010 budget.
- Resolution No. 0331-10 authorized a non-general fund supplemental appropriation in Fund 2213 in the amount of \$3,800,504 for ARRA stimulus funding.
- Resolution No. 0474-10 authorized a transfer of General Fund appropriations from the Commissioners Reserves in the amount of \$818,512 and Non-General Fund supplemental appropriations in the amount of \$431,979 to various agencies. These appropriations were to be used to provide a 1% salary and wage increase to non-bargaining employees.

Pending

- Corrective journal entries will need to be approved to remove the unneeded appropriations and reduce the revenues in Fund 2029 in the amounts corresponding to the increases in Fund 2213 that were approved in Resolution No. 0331-10.

Not Recommended

- There have been no requests for budget adjustments not approved to date.

Budget Recommendations

- Based upon this analysis, there are no recommendations for budget savings or organizational performance improvements at this time.