

MONTGOMERY COUNTY BOARD OF COMMISSIONERS MEETING



May 16, 2019

2018 GENERAL FUND FINANCIAL RESULTS (UPDATE)

General Fund (in thousands)	2018* Budget	As of 5.16.19 2018** Preliminary	\$ Variance vs 18 Budget	Adjusted 2018 Preliminary
Beginning Fund Balance	\$ 82.2	\$ 82.2		\$ 82.2
Revenues	407.2	417.1		417.1
Expenses	403.4	411.7		411.7
Revenues in Excess of Expense	3.8	5.4	→ 1.6	3.8
Ending Fund Balance (Unassigned)	\$ 86.0	\$ 87.6		\$ 86.0
Ending FB as a % of Annual Operating Revenues	21.1%	21.0%		→ 20.6%

*2018 Budget with Actual 2017 Ending Fund Balance

**Unaudited Preliminary Financial Results

- 2018 financial performance includes \$5.4 million of Revenue in Excess of Expense
 - \$1.6 million higher compared to 2018 Budget (\$3.8 million)
 - Previously discussed goal of designating \$1.6 million of fund balance for funding future pension plan costs
 - Governmental Accounting Standards Board (GASB) requires BOC approval
 - 2018 Ending Fund Balance would be \$86 M or 20.6% of Revenue

2017 GENERAL FUND BALANCE SHEET WITH \$1.6 MILLION ASSIGNMENT

- Example of financial statement presentation based on 2017 General Fund Balance Sheet:
 - Clearly designates the assigned portion of fund balance for future pension costs
 - Meets GASB requirements
 - Moody's calculation of fund balance reserve based on "Unassigned" fund balance as a percentage of actual revenue

COUNTY OF MONTGOMERY, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents (Note B)	\$ 29,082,301
Investments (Note B)	50,407,899
Accounts receivable	965,358
Taxes receivable, net	1,617,865
Due from	
Other funds (Note K)	5,834,587
Other governmental units	4,729,967
Prepaid items and other assets	<u>2,101,234</u>
TOTAL ASSETS	<u>\$ 94,739,211</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
LIABILITIES	
Accounts payable and accrued expenses	\$ 6,822,515
Due to other funds (Note K)	<u>3,498,920</u>
TOTAL LIABILITIES	<u>10,321,435</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue, property taxes	<u>97,147</u>
FUND BALANCES	
Nonspendable, prepaid items and other assets	2,101,234
Assigned to future pension costs	1,646,213
Unassigned	<u>80,573,182</u>
TOTAL FUND BALANCES	<u>84,320,629</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
	<u>\$ 94,739,211</u>