

Attachment B**General Fund Revenue and Expenditure Results**

	FY22 Adopted	FY22 Revised		\$ Variance	% Variance
GENERAL FUND REVENUE	Budget	Budget	FY22 Actual	(Proj-Rev)	(Proj/Rev)
Property Taxes	213,892,295	227,793,129	232,723,027	4,929,898	102.2%
Other Local Taxes	54,512,543	63,059,072	63,978,126	919,054	101.5%
Permits, Fees & Licenses	2,500,136	2,753,157	3,605,609	852,452	131.0%
Fines & Forfeitures	271,573	272,717	310,213	37,496	113.7%
Use of Money & Property	1,226,107	1,379,959	1,476,624	96,665	107.0%
Charges for Services	3,773,259	3,801,773	4,220,164	418,391	111.0%
Miscellaneous	271,898	692,681	754,684	62,003	109.0%
Recovered Costs	833,141	1,148,141	1,419,539	271,398	123.6%
Subtotal, Local	277,280,952	300,900,629	308,487,986	7,587,357	102.5%
Contribution from School Board	41,183	41,183	41,183	-	100.0%
State	24,802,726	25,346,067	27,685,472	2,339,405	109.2%
Federal	7,135,311	7,275,641	7,572,391	296,750	104.1%
Transfers	7,900,084	9,406,277	4,195,745	(5,210,532)	44.6%
TOTAL, GENERAL FUND REVENUE	317,160,256	342,969,797	347,982,777	5,012,980	101.5%
GENERAL FUND EXPENDITURE	FY22 Adopted	FY22 Revised		\$ Variance	% Variance
	Budget	Budget	FY22 Actual	(Proj-Rev)	(Proj/Rev)
Administration	18,228,382	22,539,348	20,283,697	(2,255,651)	90.0%
Judicial	5,958,384	6,871,052	6,254,372	(616,680)	91.0%
Public Safety	49,243,522	52,354,212	49,999,504	(2,354,708)	95.5%
Public Works	6,778,772	7,880,040	7,461,164	(418,876)	94.7%
Health & Welfare	22,023,765	22,256,765	20,849,841	(1,406,924)	93.7%
Parks, Recreation & Culture	8,521,456	8,948,546	8,751,407	(197,139)	97.8%
Community Development	10,332,072	11,563,852	10,557,360	(1,006,492)	91.3%
City/County Revenue Sharing	15,411,834	15,411,834	15,411,834	-	100.0%
Transfer to School Operations	146,354,534	158,153,319	159,350,640	1,197,321	100.8%
Transfers	33,850,585	55,136,844	55,164,035	27,191	100.0%
Other Non-Departmental	3,392,808	7,387,514	1,179,255	(6,208,259)	16.0%
Subtotal, Non-Departmental	199,009,761	236,089,511	231,105,764	(4,983,747)	97.9%
TOTAL, GENERAL FUND EXPENDITURES	320,096,114	368,503,326	355,263,109	(13,240,217)	96.4%
Budgeted Use of Fund Balance	2,935,858	25,533,529			
Change in Fund Balance (Actual Revenue - Actual Expenditures)				(7,280,332)	

General Fund Revenues

General Fund revenues, excluding use of fund balance, total \$347,982,777 in FY 22. This amount is \$5.0 million or 1.5% above the revised budget. The difference between the revised budget and actual revenues is primarily due to the following:

- **Property Taxes** are \$232.7 million, \$4.9 million or 2.2% above the revised budget. This is primarily due to the net impact of a Calendar Year 2022 (CY 22) real estate reassessment greater than the projected CY 22 reassessment in the FY 22 Revised Budget, actual collection rates, and any other adjustments in values and billings.
- **Other Local Taxes** are \$64.0 million, \$0.9 million or 1.5% above the revised budget. This is primarily due to Business, Professional, and Occupational Licenses (BPOL), which is approximately \$1.3 million above the appropriated budget. Consumer-driven taxes, also, displayed positive budget variances. Sales tax, food and beverage tax, and transient occupancy tax collections were \$1.4 million, \$1.2 million, and \$286,000, respectively, above their appropriated budgets. Consumer utility taxes, however, were \$2.9 million below the appropriated budget due to the reclassification of \$3.3 million in Communications Sales and Use Tax from a local to a state revenue to align with current State reporting guidance.
- **State Revenues** are \$27.7 million, \$2.3 million or 9.2% above the revised budget. This is primarily due to the reclassification of \$3.3 million in Communications Sales and Use Tax from a local to a state revenue to align with current State reporting guidance.
- **Federal Revenues** are \$7.6 million, \$0.3 million or 4.1% above the revised budget. This is primarily due to revenues to reimburse the Department of Social Services for expenditures that are accounted for in the Federal Revenues category instead of the State Revenue category. The budget is based on anticipated allocation between state and federal revenues, the actual is based on activity during the year.

General Fund Expenditures

General Fund expenditures total \$355,263,109 for FY 22. This amount is \$13.2 million or 3.6% below the revised budget. The difference between the revised budget actual expenditures is primarily due to the following:

- \$6.9 million in operating costs for items reappropriated from FY 22 to FY 23.
- \$3.3 million in unexpended reserves, such as the Pandemic Reserve and Reserve for Contingencies. The Pandemic Reserve is not recommended for re-appropriation to FY 23 because a) pandemic impacts that have been identified as ongoing are included in departments' FY 23 budgets, b) a reserve for unanticipated pandemic costs, if needed, exists as part of the County's planned American Rescue Plan Act (ARPA) funding.
- \$2.1 million in departmental salary and benefit savings, primarily due to employee turnover and vacant positions.
- \$1.2 million in Department of Social Services State and Federal Programs that are largely reimbursed by related revenue.

Fund Balance Policies

The General Fund maintains an unassigned fund balance, which is the accumulation of prior actual revenues minus actual expenditures. The General Fund's fund balance is a "rainy day" reserve for unforeseen emergencies and a critical component of bond rating process. It is not an ongoing fund source and is not to be used to fund ongoing expenditures. Policies around the General Fund's fund balance are included in the County's Financial Management Policies.

Attachment B: FY 22 General Fund Results and Financial Policy Compliance

At the end of FY 22, the General Fund's unassigned fund balance was \$60.3 million. Of the \$60.3 million in unassigned fund balance:

- \$43.1 million is required to meet the County's policy requirements for unassigned fund balance.

Policy	Amount
Unassigned Fund Balance <i>(10% of Operating Revenues, which is the General Fund + School Fund - General Fund transfer to School Fund)</i>	\$ 43,115,538

- \$8.6 million is required to meet the County's 2% Budget Stabilization Reserve policy.

Policy	Amount
Budget Stabilization Reserve <i>(2% of Operating Revenues, which is the General Fund + School Fund - General Fund transfer to School Fund)</i>	\$ 8,623,108

At the end of FY 22, the General Fund's committed fund balance was \$13.6 million representing a) funds already appropriated in the FY 23 budget, b) re-appropriations for uncompleted projects or purchase orders from FY 22 to FY 23, and c) funds designated for the School Reserve Fund.

Debt Policies

Recognizing the importance of long-term financial obligations to its overall financial condition, the County sets targets around its debt to assessed value ratio and its annual debt service as a percentage of revenues. The FY 22 debt ratio calculations are within policy limits as long-term debt as a percentage of assessed value is at 0.8% and debt service as a percentage of operating revenues is at 5.5%.

Policy	Amount
Long-Term Debt as % of Assessed Value <i>(total long-term debt obligations as a percentage of the estimated market value of taxable property should not exceed 2%)</i>	0.8%

Policy	Amount
Debt Service as % of Operating Revenues <i>(ratio of debt service expenditures to revenues (General Fund + School Fund - General Fund transfer to School Fund) should not exceed 10%)</i>	5.5%