

Attachment A

Albemarle County Quarterly Financial Report - General Fund Quarter Ended March 31, 2022 vs. Quarter Ended March 31, 2021

	FY22 Adopted Budget	FY22 Revised Budget	FY22 Actual Through Q3	Actual as a % of Revised Budget	FY21 Adopted Budget	FY21 Revised Budget	FY21 Actual Through Q3	Actual as a % of Revised Budget
GENERAL FUND REVENUE								
Real Estate Tax	172,951,851	183,722,422	89,089,381	48.5%	165,220,017	165,220,017	87,474,202	52.9%
Personal Property Tax	31,691,832	34,236,186	18,510,782	54.1%	28,415,266	28,415,266	16,673,954	58.7%
Business-Driven Taxes	14,236,506	16,720,564	10,515,006	62.9%	15,003,995	15,003,995	9,841,660	65.6%
Consumer-Driven Taxes	37,932,756	42,575,508	26,043,873	61.2%	36,537,219	36,537,219	22,030,549	60.3%
Other Local Taxes	11,591,893	13,597,521	8,694,298	63.9%	8,671,734	8,671,734	7,922,330	91.4%
Other Local Revenue	8,816,114	9,773,428	7,847,927	80.3%	9,190,425	9,265,425	6,248,822	68.0%
Subtotal, Local	277,220,952	300,625,629	160,701,267	53.5%	263,038,656	263,113,656	150,191,517	57.1%
State	24,802,726	25,346,067	14,960,128	59.0%	24,753,797	24,804,407	14,066,121	56.8%
Federal	7,135,311	7,275,641	4,676,118	64.3%	7,041,656	7,062,266	4,553,790	64.7%
Transfers	2,780,227	4,487,918	3,425,980	76.3%	3,120,169	3,120,169	2,340,127	75.0%
TOTAL, GENERAL FUND REVENUE	311,939,216	337,735,255	183,763,493	54.4%	297,954,278	298,100,498	171,151,553	57.4%
	FY22 Adopted Budget	FY22 Revised Budget	FY22 Actual Through Q3	Actual as a % of Revised Budget	FY21 Adopted Budget	FY21 Revised Budget	FY21 Actual Through Q3	Actual as a % of Revised Budget
GENERAL FUND EXPENDITURE								
Administration	18,188,382	22,144,876	13,966,308	63.1%	16,589,729	17,931,411	12,195,405	68.0%
Judicial	5,958,384	6,870,825	4,279,433	62.3%	5,917,819	5,944,565	3,962,890	66.7%
Public Safety	48,073,990	50,804,533	34,084,596	67.1%	48,427,583	41,756,867	26,529,617	63.5%
Public Works	6,901,972	8,105,136	5,266,535	65.0%	6,495,065	7,385,578	5,199,086	70.4%
Health & Welfare	22,620,823	22,823,823	15,273,170	66.9%	22,247,057	23,499,035	16,898,817	71.9%
Parks, Recreation & Culture	8,521,456	8,948,546	6,372,025	71.2%	8,578,283	8,538,166	5,954,455	69.7%
Community Development	11,073,404	12,525,830	7,137,238	57.0%	10,445,084	10,659,570	7,363,821	69.1%
City/County Revenue Sharing	15,411,834	15,411,834	15,411,834	100.0%	14,589,313	14,589,313	14,589,313	100.0%
Transfer to School Operations	141,108,965	152,894,248	114,670,686	75.0%	134,184,078	134,184,078	100,638,059	75.0%
Transfers to Capital & Debt	30,547,608	37,537,389	12,777,962	34.0%	30,142,066	30,142,066	16,161,591	53.6%
Other Transfers	1,761,448	1,860,216	1,257,097	67.6%	1,668,008	1,748,008	1,164,076	66.6%
Other Non-Departmental	4,706,808	11,081,528	572,021	5.2%	1,110,166	6,451,075	471,734	7.3%
Subtotal, Non-Departmental	193,536,663	218,785,215	144,689,601	66.1%	181,693,631	187,114,540	133,024,773	71.1%
TOTAL, GENERAL FUND EXPENDITURES	314,875,074	351,008,784	231,068,907	65.8%	300,394,251	302,829,731	211,128,864	69.7%
Budgeted Use of Fund Balance	2,935,858	13,273,529	-	0.0%	2,439,973	4,800,453	-	0.0%

Discussion

General Fund Revenues

Year-to-date total revenues in Q3 of FY 22 were \$183,763,493 compared to \$171,151,553 in Q3 of FY 21. In percentage terms, FY 22 YTD actual revenues as a percentage of FY 22 Revised Budget revenues were 54.4%, compared to 57.4% in FY 21.

Significant year-to-year variances are highlighted below:

- Real Estate Tax - In FY 22, actual Q3 revenues as a percentage of budget equaled 48.5% vs. 52.9% in FY 21. Actual Q3 revenues equaled \$89,089,381 vs. \$87,474,202 in FY 21. The primary reason for the percentage variance: the FY 21 budget was built at the start of the pandemic and revised later in the fiscal year, whereas a major revenue update for the FY 22 budget was done in the second quarter (December). The primary reason for the actual dollar variance: higher property values and new construction values in FY 22 as opposed to those in FY 21.
- Personal Property Tax - In FY 22, actual Q3 revenues as a percentage of budget equaled 54.1%

vs. 58.7% in FY 21. Actual Q3 revenues equaled \$18,510,782 vs. \$16,673,954 in FY 21. The primary reason for the percentage variance: the FY 21 budget was built at the start of the pandemic and revised later in the fiscal year, whereas a major revenue update for the FY 22 budget was done in the second quarter (December). The primary reason for the actual dollar variance: increased personal property values (mainly vehicle valuations) in FY 22 as opposed to those experienced in FY 21.

- **Business-Driven Taxes** - In FY 22, actual Q3 revenues as a percentage of budget equaled 62.9% vs. 65.6% in FY 21. Actual Q3 revenues equaled \$10,515,006 vs. \$9,841,660 in FY 21. The primary reason for the percentage variance: the FY 21 budget was built at the start of the pandemic and revised later in the fiscal year, whereas a major revenue update for the FY 22 budget was done in the second quarter (December). The primary reason for the actual dollar variance: increased Business, Professional and Occupational License collections.
- **Consumer-Driven Taxes** - In FY 22, actual Q3 revenues as a percentage of budget equaled 61.2% vs. 60.3% in FY 21. Actual Q3 revenues equaled \$26,043,873 vs. \$22,030,549 in FY 21. The primary reason for the variance: increased sales, food and beverage, and transient occupancy taxes relative to FY 21 as the economy stabilizes through the pandemic.
- **Other Local Taxes** - In FY 22, actual Q3 revenues as a percentage of budget equaled 63.9% vs. 91.4% in FY 21. Actual Q3 revenues equaled \$8,694,298 vs. \$7,922,330 in FY 21. The primary reason for the percentage variance: the FY 21 budget was built at the start of the pandemic and revised later in the fiscal year, whereas a major revenue update for the FY 22 budget was done in the second quarter (December). The primary reason for the actual dollar variance: increased Public Service Corporation tax collections, and increased collection of delinquent taxes.
- **Other Local Revenue** - In FY 22, actual Q3 revenues as a percentage of budget equaled 80.3% vs. 68.0% in FY 21. Actual Q3 revenues equaled \$7,847,927 vs. \$6,248,822 in FY 21. The primary reasons for this variance: increased Parks and Recreation revenue and Police and Sheriff Reimbursable Overtime revenue due to returning more closely to pre-Pandemic levels of programming, increases in Emergency Medical Services Cost Recovery revenue, and one-time revenue reimbursement from Dominion Energy for Electric Vehicle Charging Stations.
- **State Revenue** - In FY 22, actual Q3 revenues as a percentage of budget equaled 59.0% vs. 56.8% in FY 21. Actual Q3 revenues equaled \$14,960,128 vs. \$14,066,121 in FY 21. The primary reasons for this variance: related to the timing of collections for State Fire Service program revenue and reimbursements from the State for Social Services programs.
- **Transfers** - In FY 22, actual Q3 revenues as a percentage of budget equaled 76.3% vs. 75.0% in FY 21. Actual Q3 revenues equaled \$3,425,980 vs. \$2,340,127 in FY 21. The reasons for this variance: a one-time transfer from the capital budget to support the Clerk of the Circuit Court to digitize land and older civil and criminal records prior to courthouse renovations, the one-time reappropriation of unspent FY 21 funding for computer replacement purchases, the one-time receipt of private donation funds for Fire rescue equipment, and the one-time transfer of Capital Fund's fund balance to the Business Process Optimization (BPO) Reserve for expenses that are more appropriate for the operating than the capital budget.

General Fund Expenditures

YTD total expenditures in Q3 of FY 22 were \$231,068,907 compared to \$211,128,864 in Q3 of FY 21. In percentage terms, FY 22 YTD actual expenditures as a percentage of FY 22 Revised Budget expenditures were 65.8%, compared to 69.7% in FY 21.

Significant year-to-year variances are highlighted below:

- **Administration** - In FY 22, actual Q3 expenditures as a percentage of budget equaled 63.1% vs. 68.0% in FY 21. Actual Q3 expenditures equaled \$13,966,308 vs. \$12,195,405 in FY 21. The

primary reasons for the percentage budget variance: funding appropriated to County Attorney, Finance and Budget, and Information Technology, as part of the December 1, 2021 budget update appropriation; and the primary reason for the dollar variance is expenditures for increased efforts in Human Resources and Performance and Strategic Planning.

- Judicial - In FY 22, actual Q3 expenditures as a percentage of budget equaled 62.3% vs. 66.7% in FY 21. Actual Q3 expenditures equaled \$4,279,433 vs. \$3,962,890 in FY 21. The primary reasons for the budget variance: the re-appropriation for equipment, materials, and supply expenses planned in FY 21 that will be incurred in FY 22; appropriation to digitize land, civil and criminal records; and appropriation of funds for one-time bonuses for Sheriff's deputies.
- Public Safety - In FY 22, actual Q3 expenditures as a percentage of budget equaled 67.1% vs. 63.5% in FY 21. Actual Q3 expenditures equaled \$34,084,596 vs. \$26,529,617 in FY 21. The primary reason for this variance: a one-time transfer of both budget and actual expenses of approximately \$6.8 million from General Fund expenditures in the Police Department and Fire Rescue Department to be reimbursed by federal Coronavirus, Aid, Relief and Economic Security (CARES) Act Coronavirus Relief Fund (CRF) funds to establish a Pandemic Response, Recovery, and Reconstitution Reserve.
- Health and Welfare - In FY 22, actual Q3 expenditures as a percentage of budget equaled 66.9% vs. 71.9% in FY 21. Actual Q3 expenditures equaled \$15,273,170 vs. \$16,898,817 in FY 21. The primary reasons for this variance: are FY 21 costs related to emergency financial assistance to households due hardships caused by the COVID 19 pandemic.
- Community Development - In FY 22, actual Q3 expenditures as a percentage of budget equaled 57.0% vs. 69.1% in FY 21. Actual Q3 expenditures equaled \$7,137,238 vs. \$7,363,821 in FY 21. The primary reasons for this percentage budget variance: funding appropriated to Community Development Department and Economic Development Office, as part of the December 1, 2021 budget update appropriation and FY 21 reappropriations.
- Transfers to Capital and Debt – In FY 22, actual Q3 expenditures as a percentage of budget equaled 34.0% vs. 53.6% in FY 21. Actual Q3 expenditures equaled \$12,777,962 vs, \$16,161,591 in FY 21. The primary reasons for this variance: timing of some capital transfers which occurred in the first and second quarters in FY21 and are scheduled to be done later in the year in FY22.