

Attachment A

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

	FY23 Adopted Budget	FY23 Revised Budget	FY23 Actual Through Q1	Actual as a % of Revised Budget	FY22 Adopted Budget	FY22 Revised Budget	FY22 Actual Through Q2	Actual as a % of Revised Budget
GENERAL FUND REVENUE								
Real Estate Tax	197,654,889	197,654,889	97,510,803	49.3%	172,951,851	183,722,422	87,476,712	47.6%
Personal Property Tax	35,944,588	35,944,588	17,638,643	49.1%	31,691,832	34,236,186	16,797,103	49.1%
Business-Driven Taxes	17,344,348	17,344,348	1,101,726	6.4%	14,236,506	16,720,564	1,111,855	6.6%
Consumer-Driven Taxes	49,164,496	49,164,496	19,519,447	39.7%	37,932,756	42,575,508	15,764,322	37.0%
Other Local Taxes	14,756,987	14,756,987	6,988,650	47.4%	11,591,893	13,577,521	6,338,648	46.7%
Other Local Revenue	9,526,691	10,038,256	6,625,024	66.0%	8,816,114	9,773,428	5,124,683	52.4%
Subtotal, Local	324,391,999	324,903,564	149,384,293	46.0%	277,220,952	300,605,629	132,613,322	44.1%
State	28,801,879	29,096,826	14,513,879	49.9%	24,802,726	25,298,764	12,529,732	49.5%
Federal	8,266,645	8,288,308	3,546,329	42.8%	7,135,311	7,246,605	2,491,978	34.4%
Transfers	3,604,144	4,098,000	1,885,325	46.0%	2,780,227	4,244,140	2,658,143	62.6%
TOTAL, GENERAL FUND REVENUE	365,064,667	366,386,698	169,329,826	46.2%	311,939,216	337,395,138	150,293,176	44.5%
	FY23 Adopted Budget	FY23 Revised Budget	FY23 Actual Through Q1	Actual as a % of Revised Budget	FY22 Adopted Budget	FY22 Revised Budget	FY22 Actual Through Q2	Actual as a % of Revised Budget
GENERAL FUND EXPENDITURE								
Administration	26,375,658	29,657,752	9,873,908	33.3%	18,188,382	22,017,998	8,994,677	40.9%
Judicial	6,963,217	7,338,688	3,144,656	42.9%	5,958,384	6,823,522	3,068,341	45.0%
Public Safety	53,478,910	46,803,713	26,832,317	57.3%	48,073,990	50,788,533	23,061,127	45.4%
Public Works	8,126,282	8,966,617	3,815,003	42.5%	6,901,972	7,681,678	3,519,580	45.8%
Health & Welfare	24,527,532	25,031,343	11,287,962	45.1%	22,620,823	22,794,787	10,339,063	45.4%
Parks, Recreation & Culture	9,618,543	9,673,543	4,727,911	48.9%	8,521,456	8,948,546	4,209,011	47.0%
Community Development	13,087,081	13,789,615	4,624,387	33.5%	11,073,404	12,770,830	5,054,838	39.6%
City/County Revenue Sharing	15,545,227	15,545,227	-	0.0%	15,411,834	15,411,834	-	0.0%
Transfer to School Operations	167,453,853	167,453,853	83,726,927	50.0%	141,108,965	152,894,248	76,447,124	50.0%
Transfers to Capital & Debt	35,820,668	35,820,668	8,194,138	22.9%	30,547,608	37,537,389	10,100,797	26.9%
Other Transfers	1,983,176	12,297,844	1,248,595	10.2%	1,761,448	1,851,768	870,405	47.0%
Other Non-Departmental	5,304,441	5,265,915	1,059,686	20.1%	4,706,808	11,237,854	374,399	3.3%
Subtotal, Non-Departmental	226,107,365	236,383,507	94,229,345	39.9%	193,536,663	218,933,093	87,792,725	40.1%
TOTAL, GENERAL FUND EXPENDITURES	368,284,588	377,644,780	158,535,489	42.0%	314,875,074	350,758,987	146,039,363	41.6%
Budgeted Use of Fund Balance	3,219,921	11,258,082	-	0.0%	2,935,858	13,363,849	-	0.0%

Discussion

General Fund Revenues

Year-to-date (YTD) total revenues in Q2 of FY 23 were \$169,329,826, compared to \$150,293,176 in Q2 of FY 22. In percentage terms, FY 23 YTD actual revenues as a percentage of FY 23 Revised Budget revenues were 46.2%, compared to 44.5% in FY 22.

Significant year-to-year variances are highlighted below:

- Consumer-Driven Taxes - In FY 23, actual Q2 revenues as a percentage of budget equaled 39.7% vs. 37.0% in FY 22. Actual Q2 revenues equaled \$19,519,447 vs. \$15,764,322 in FY 22. The primary reason for this variance: food and beverage and transient occupancy tax rates were increased for FY 23 resulting in an increase in actual revenue collection amounts and increased collections for local sales and use taxes.
- Other Local Revenue - In FY 23, actual Q2 revenues as a percentage of budget equaled 66.0% vs. 52.4% in FY 22. Actual Q2 revenues equaled \$6,625,024 vs. \$5,124,683 in FY 22. The primary reasons for this variance: increased bank interest on investments and a timing variance on the receipt EMS billing revenue.

- Federal Revenue - In FY 23, actual Q2 revenues as a percentage of budget equaled 42.8% vs. 34.4% in FY 22. Actual Q2 revenues equaled \$3,546,329 vs. \$2,491,978 in FY 22. The primary reason for this variance is a timing variance in the receipt of reimbursement revenue for the Department of Social Services.
- Transfers - In FY 23, actual Q2 revenues as a percentage of budget equaled 46.0% vs. 62.6% in FY 22. Actual Q2 revenues equaled \$1,885,325 vs. \$2,658,143 in FY 22. The primary reasons for this variance: a transfer to the General Fund for the Clerk of Courts records digitization project and a re-appropriation of the Capital Fund's fund balance to the Business Process Optimization (BPO) Reserve.

General Fund Expenditures

YTD total expenditures in Q2 of FY 23 were \$158,535,489 compared to \$146,039,363 in Q2 of FY 22. In percentage terms, FY 23 YTD actual expenditures as a percentage of FY 23 Revised Budget expenditures were 42.0%, compared to 41.6% in FY 22.

Significant year-to-year variances are highlighted below:

- Administration - In FY 23, actual Q2 expenditures as a percentage of budget equaled 33.3% vs. 40.9% in FY 22. Actual Q2 expenditures equaled \$9,873,908 vs. \$8,994,677 in FY 22. The primary reasons for the budget variance: funding provided for organizational projects during FY 23 that is intended to be spent over several years, the redesign of the Human Resources Department to create stand-alone departments for Public Schools and County Government, and a timing variance in the payment of technology maintenance and licensing contracts.
- Public Safety - In FY 23, actual Q2 expenditures as a percentage of budget equaled 57.3% vs. 45.4% in FY 22. Actual Q2 expenditures equaled \$26,832,317 vs. \$23,061,127 in FY 22. The primary reasons for the budget variance: Transferring \$10,000,000 in Public Safety Pay that will be reimbursed as a transfer to the ARPA Reserve. This action was not included in the Adopted Budget for clarity in reporting. If this action was included at the time of budget adoption, the budget comparisons for FY 22 to FY 23 and in the future, FY 23 to FY 24 may have appeared unclear due to this one-time circumstance. The primary reason for the actuals variance is a timing variance related to the County's payments to the Albemarle County Regional Jail and Volunteer Fire rescue agencies and an increased transfer for vehicle replacement.
- Public Works - In FY 23, actual Q2 expenditures as a percentage of budget equaled 42.5% vs. 45.8% in FY 22. Actual Q2 expenditures equaled \$3,815,003 vs. \$3,519,580 in FY 22. The primary reasons for this variance: increased contribution amount for the Rivanna Solid Waste Authority, the re-appropriation of funding for the Schroeder's Branch Study, and transferring the building related budget and expenses for the Public Safety Operations Center from the Space Reserve to the Facilities Operations and Maintenance.
- Community Development - In FY 23, actual Q2 expenditures as a percentage of budget equaled 33.5% vs. 39.6% in FY 22. Actual Q2 expenditures equaled \$4,624,387 vs. \$5,054,838 in FY 22. The primary reason for this variance: a timing variance related to the County's quarterly payment for Jaunt.
- Transfers to Capital and Debt – In FY 23, actual Q2 expenditures as a percentage of budget equaled 22.9% vs. 26.90% in FY 22. Actual Q2 expenditures equaled \$8,194,138 vs. \$10,100,797 in FY 22. The primary reason for this variance: timing of some capital transfers that occurred in the second quarter in FY22 and are scheduled to be done later in the year in FY23.
- Other Transfers – In FY 23, actual Q2 expenditures as a percentage of budget equaled 10.2% vs. 47.0% in FY 22. Actual Q2 expenditures equaled \$1,248,595 vs. \$870,405 in FY 22. The primary reason for the budget variance is transferring \$10,000,000 in Public Safety Pay that will be

reimbursed as a transfer to the ARPA Reserve. The primary reason for the actual variance is a transfer to the grants funds and transfer for computer replacement.

- Other Non-Departmental – In FY 23, actual Q2 expenditures as a percentage of budget equaled 20.1% vs. 3.3% in FY 22. Actual Q2 expenditures equaled \$1,059,686 vs. \$374,399 in FY 22. The primary reason for this variance: a timing variance related to County payments for tax relief to the elderly/disabled.