

Attachment A

Albemarle County Quarterly Financial Report - General Fund Quarter Ended March 31, 2023 vs. Quarter Ended March 31, 2022

	FY23 Adopted Budget	FY23 Revised Budget	FY23 Actual Through Q3	Actual as a % of Revised Budget	FY22 Adopted Budget	FY22 Revised Budget	FY22 Actual Through Q3	Actual as a % of Revised Budget
GENERAL FUND REVENUE								
Real Estate Tax	197,654,889	197,654,889	99,508,533	50.3%	172,951,851	183,722,422	89,089,381	48.5%
Personal Property Tax	35,944,588	35,944,588	19,625,012	54.6%	31,691,832	34,236,186	18,510,782	54.1%
Business-Driven Taxes	17,344,348	17,344,348	11,498,493	66.3%	14,236,506	16,720,564	10,515,006	62.9%
Consumer-Driven Taxes	49,164,496	49,164,496	31,430,482	63.9%	37,932,756	42,575,508	26,043,873	61.2%
Other Local Taxes	14,756,987	14,756,987	9,057,741	61.4%	11,591,893	13,597,521	8,694,298	63.9%
Other Local Revenue	9,526,691	10,038,256	10,998,327	109.6%	8,816,114	9,773,428	7,847,927	80.3%
Subtotal, Local	324,391,999	324,903,564	182,118,588	56.1%	277,220,952	300,625,629	160,701,267	53.5%
State	28,801,879	29,102,001	17,787,505	61.1%	24,802,726	25,346,067	14,960,128	59.0%
Federal	8,266,645	8,310,554	5,155,130	62.0%	7,135,311	7,275,641	4,676,118	64.3%
Transfers	3,604,144	3,860,009	2,746,305	71.1%	2,780,227	4,487,918	3,425,980	76.3%
TOTAL, GENERAL FUND REVENUE	365,064,667	366,176,128	207,807,529	56.8%	311,939,216	337,735,255	183,763,493	54.4%
	FY23 Adopted Budget	FY23 Revised Budget	FY23 Actual Through Q3	Actual as a % of Revised Budget	FY22 Adopted Budget	FY22 Revised Budget	FY22 Actual Through Q3	Actual as a % of Revised Budget
GENERAL FUND EXPENDITURE								
Administration	26,375,658	29,749,190	16,154,004	54.3%	18,188,382	22,144,876	13,966,308	63.1%
Judicial	6,963,217	7,338,688	4,886,773	66.6%	5,958,384	6,870,825	4,279,433	62.3%
Public Safety	53,478,910	46,803,713	32,733,353	69.9%	48,073,990	50,804,533	34,084,596	67.1%
Public Works	8,126,282	9,242,104	6,063,926	65.6%	6,901,972	8,105,136	5,266,535	65.0%
Health & Welfare	24,527,532	25,058,764	17,384,842	69.4%	22,620,823	22,823,823	15,273,170	66.9%
Parks, Recreation & Culture	9,618,543	9,673,543	7,007,393	72.4%	8,521,456	8,948,546	6,372,025	71.2%
Community Development	13,087,081	13,789,615	7,286,262	52.8%	11,073,404	12,525,830	7,137,238	57.0%
City/County Revenue Sharing	15,545,227	15,545,227	15,545,227	100.0%	15,411,834	15,411,834	15,411,834	100.0%
Transfer to School Operations	167,453,853	167,453,853	125,590,390	75.0%	141,108,965	152,894,248	114,670,686	75.0%
Transfers to Capital & Debt	35,820,668	35,820,668	8,658,654	24.2%	30,547,608	37,537,389	12,777,962	34.0%
Other Transfers	1,983,176	12,297,844	11,665,639	94.9%	1,761,448	1,860,216	1,257,097	67.6%
Other Non-Departmental	5,304,441	4,990,428	1,172,391	23.5%	4,706,808	11,081,528	572,021	5.2%
Subtotal, Non-Departmental	226,107,365	236,108,020	162,632,300	68.9%	193,536,663	218,785,215	144,689,601	66.1%
TOTAL, GENERAL FUND EXPENDITURES	368,284,588	377,763,639	254,148,853	67.3%	314,875,074	351,008,784	231,068,907	65.8%
Budgeted Use of Fund Balance	3,219,921	11,587,511	-	0.0%	2,935,858	13,273,529	-	0.0%

Discussion

General Fund Revenues

Year-to-date total revenues in Q3 of FY 23 were \$207,807,529 compared to \$183,763,493 in Q3 of FY 22. In percentage terms, FY 23 YTD actual revenues as a percentage of FY 23 Revised Budget revenues were 56.8%, compared to 54.4% in FY 22.

Significant year-to-year variances are highlighted below:

- Business Driven Taxes - In FY 23, actual Q3 revenues as a percentage of budget equaled 66.3% vs. 62.9% in FY 22. Actual Q3 revenues equaled \$11,498,493 vs. \$10,515,006 in FY 22. The primary reasons for this variance: increased collections for Business and Professional Licenses.
- Consumer-Driven Taxes - In FY 23, actual Q3 revenues as a percentage of budget equaled 63.9% vs. 61.2% in FY 22. Actual Q3 revenues equaled \$31,430,482 vs. \$26,043,873 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 Q3 revenues as a percentage of budget equaled 109.6% vs. 80.3% in FY 22. Actual Q2 revenues equaled \$10,998,327 vs. \$7,847,927 in FY 22. The

primary reasons for this variance: increased bank interest on investments, and a timing variance on the receipt EMS billing revenue.

- State Revenue – In FY 23, actual Q3 revenues as a percentage of budget equaled 61.1% vs. 59.0% in FY 22. Actual Q3 revenues equaled \$17,787,505 vs. \$14,960,128 in FY 22. The primary reasons for this variance: is a timing variance in the receipt of reimbursement revenue for the Department of Social Services, and State Aid for Police Protection revenue.
- Federal Revenue - In FY 23, actual Q3 revenues as a percentage of budget equaled 62.0% vs. 64.3% in FY 22. Actual Q2 revenues equaled \$5,155,130 vs. \$4,676,118 in FY 22. The primary reasons for this variance: is a timing variance in the receipt of reimbursement revenue for the Department of Social Services.
- Transfers - In FY 23, actual Q3 revenues as a percentage of budget equaled 71.1% vs. 76.3% in FY 22. Actual Q3 revenues equaled \$2,746,305 vs. \$3,425,980 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 Q3 of FY 23 were \$254,148,853 compared to \$231,068,907 in Q3 of FY 22. In percentage terms, FY 23 YTD actual expenditures as a percentage of FY 23 Revised Budget expenditures were 67.3%, compared to 65.8% in FY 22.

Significant year-to-year variances are highlighted below:

- Administration - In FY 23, actual Q3 expenditures as a percentage of budget equaled 54.3% vs. 63.1% in FY 22. Actual Q3 expenditures equaled \$16,154,004 vs. \$13,966,308 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 Q3 expenditures as a percentage of budget equaled 69.9% vs. 67.1% in FY 22. Actual Q3 expenditures equaled \$32,733,353 vs. \$34,084,596 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.
- Health and Welfare - In FY 23, actual Q3 expenditures as a percentage of budget equaled 69.4% vs. 66.9% in FY 22. Actual Q3 expenditures equaled \$17,384,842 vs. \$15,273,170 in FY 22. The primary reasons for this variance in actual expenditures is personnel costs related to additional FTE's added as part of the FY 23 Adopted budget and as part of mid-year supplemental appropriations, as well as lower vacancy rates in FY23 than were experienced in FY 22.
- Transfers to Capital and Debt – In FY 23, actual Q3 expenditures as a percentage of budget equaled 24.2% vs. 34.0% in FY 22. Actual Q3 expenditures equaled \$8,658,654 vs. \$12,777,962 in FY 22. The primary reasons for this variance: timing of some capital transfers which 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 Q3 expenditures as a percentage of budget equaled 94.9% vs.

67.6% in FY 22. Actual Q3 expenditures equaled \$11,665,639 vs. \$1,257,097 in FY 22. The primary reasons 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 the transfer to the ARPA Reserve for the Public Safety Pay, a transfer to the grants funds and transfer for computer replacement.

- Other Non-Departmental – In FY 23, actual Q3 expenditures as a percentage of budget equaled 23.5% vs. 5.2% in FY 22. Actual Q3 expenditures equaled \$1,172,391 vs. \$572,021 in FY 22. The primary reasons for this variance: a timing variance related to County payments for tax relief to the elderly/disabled.