

Quarterly Financial Report



Quarter Ended March 31, 2017

Introduction

The Albemarle County *Quarterly Financial Report* (QFR) for the quarter ended March 31, 2017 displays general fund revenue and expenditure data using many of the same line item titles found in Exhibit 12 of the County's *Comprehensive Annual Financial Report* (CAFR).

The *Quarterly Financial Report* document consists of six parts:

1. Analysis (page 3 & 4) of YTD FY 17 revenues and expenditures that changed by more than 2% and that also experienced dollar changes of more than \$200,000 between Q3 of FY 16 and Q3 of FY 17.
2. A detailed table (pages 5 – 7) that shows (1) YTD actual dollar amounts of revenues and expenditures for FY 17 and FY 16; (2) budgeted dollar amounts of revenues and expenditures for FY 17 and FY 16; and (3) YTD actual revenues and expenditures as percentages of budgeted revenues and expenditures for FY 17 and FY 16.
 - An examination of the percentages for both fiscal years reveals the rate at which YTD actual revenues and expenditures in the current fiscal year are approaching budgeted amounts, compared with the rate at which YTD actual revenues and expenditures in the prior fiscal year approached budgeted amounts.
 - As an example of this comparison, the figure contained on Page 5, in Column D, Line No. 20 reveals that, in the third quarter of FY 17, the expenditures that the County incurred and paid for Finance was 72.90% of the budgeted amount while, as shown in Column H, Line No. 20, the expenditures that Albemarle incurred and paid for Finance in the third quarter of FY 16 was 70.00% of the budgeted amount.
3. A table (page 8) listing County Executive authorized transfers and appropriations during the Q3 of FY 17 as reported by the Office of Management and Budget.
4. Pie charts (pages 9 & 10) that show (1) the budgeted and actual percentage share of various revenue streams for FY 17, and (2) the budgeted and actual percentage share of various expenditures for FY 17.

Albemarle County Quarterly Financial Report – Introduction

5. A table (page 11) that shows School Fund (1) YTD actual dollar amounts of revenues and expenditures for FY 17 and FY 16; (2) budgeted dollar amounts of revenues and expenditures for FY 17 and FY 16; and (3) YTD actual revenues and expenditures as percentages of budgeted revenues and expenditures for FY 17 and FY 16.
6. An Investment Activity Summary (page 12) that represents total cash and investments, including ratios of liquidity and yield, as of March 31, 2017.

Albemarle County
Analysis of Significant Variances in General Fund
Quarter Ended March 31, 2017

Revenues

Description of Significant Year-to-Year Variances

Line 2 – Revenues Local, Other Local Taxes	<p>In FY 17, actual YTD revenues as a percentage of FY 17 budgeted amount came to 61.21% vs. 58.48% in FY 16. Actual YTD revenues equaled \$31,749,514 vs. \$29,298,019 in FY 16. The primary contributors to the increase compared to FY 16 are as follows:</p> <ol style="list-style-type: none"> 1. With new and/or relocating businesses and establishments continuing to occupy new and available shopping spaces and developments along the Route 29 corridor and within the newly opened 5th Street Station, there has been an increase in the collection of business licenses (including utility companies, contractors, direct retailers, maintenance & repair companies, rental properties, wholesale merchants, and other business entities). 2. There has also been an increase in collection of fees associated with recordation taxes and seller's taxes. Most notable of the transactions are those associated with the sale of the Shops at Stonefield and with the sale of the Forest Lakes Shopping Center.
Line 11 – Intergovernmental, Contributions from Other Entities	<p>In FY 17, actual YTD revenues as a percentage of FY 17 budgeted amount came to 41.47% vs. 39.32% in FY 16. Actual YTD revenues equaled \$2,366,870 vs. \$2,098,568 in FY 16. This variance is due primarily to the increase in the amounts of authorized transfers for the water resource fund and the fire/rescue service fund.</p>
Line 13 – Revenue – Government	<p>In FY 17, actual YTD revenues as a percentage of FY 17 budgeted amount came to 78.95% vs. 76.67% in FY 16. Actual YTD revenues equaled \$4,188,761 vs. \$3,751,639 in FY 16. Besides the overall increase in expected aid from the government, there were several additional sources of revenue received through federal agencies such as the Fish/Wildlife Foundation and the Federal Emergency Relief Administration (for final reimbursement for damages sustained during the Derecho of June 2012).</p>

Note: Significant variances are defined as differences of more than two percentage points *and* \$200,000.

Expenditures**Description of Significant Year-to-Year Variances**

Line 20 – Administration, Finance	In FY 17, actual YTD expenditures as a percentage of FY 17 budgeted amount came to 72.90% vs. 70.00% in FY 16. Actual YTD expenditures equaled \$3,926,915 vs. \$3,565,013 in FY 16. The majority of the increase is attributable to the costs associated with filling positions that were vacant during the same period in FY 16. Finance was able to fill three positions in Real Estate, two positions in Revenue Administration, and one position in Financial Management.
Line 49 – Education, Transfers to Schools Debt Service	In FY 17, actual YTD expenditures as a percentage of FY 17 budgeted amount came to 84.03% vs. 77.88% in FY 16. Actual YTD expenditures equaled \$11,052,921 vs. \$9,842,386 in FY 16. This variance is primarily attributable to the principle and interest payment/expenditures for the 2015B Bond that began in FY 17.
Line 63 – Contributions - Reserves	During the first quarter of FY 17, the Board appropriated and contributed an infusion of \$430,414 to the Healthcare Reserve Fund. No such transfer occurred in FY 16.
Line 67 – Transfer Accounts	In FY 17, actual YTD expenditures as a percentage of FY 17 budgeted amount came to 38.62% vs. 31.58% in FY 16. Actual YTD expenditures equaled \$4,230,146 vs. \$3,024,319 in FY 16. This variance is due primarily to the timing of various transfers. For example, in FY 16, all of the transfers to General Government Debt Service and the Fire Rescue Service Fund were completed in either the 3 rd or the 4 th Quarters of the fiscal year. In FY 17, transfers to these funds were completed on a quarterly basis. Additionally, and as mentioned above, principle and interest payment/expenditures for the Bond issue of 2015B began in FY 17.

Note: Significant variances are defined as differences of more than two percentage points *and* \$200,000.

Albemarle County Quarterly Financial Report - General Fund
Quarter Ended March 31, 2017 vs. Quarter Ended March 31, 2016

Albemarle County Quarterly Financial Report - General Fund
Quarter Ended March 31, 2017 vs. Quarter Ended March 31, 2016

		A	B	C	D			E	F	G	H
					Actual as a						Actual as a
				FY 17	% of					FY 16	% of
		FY 17	FY 17	Actual	Revised			FY 16	FY 16	Actual	Revised
Line		Adopted	Revised	Through	Budget			Adopted	Revised	Through	Budget
No.	Item	Budget	Budget	Quarter 3	(Col C/Col B)			Budget	Budget	Quarter 3	(Col G/Col F)
Judicial											
25	Circuit Court	\$ 181,357	\$ 181,357	\$ 124,890	68.86%	\$	177,571	\$ 177,571	\$ 128,441	72.33%	
26	General District Court	41,328	41,328	14,001	33.88%		40,488	40,488	16,231	40.09%	
27	Magistrate	4,050	4,050	4,178	103.16%		4,650	4,650	3,469	74.60%	
28	Juvenile Court	126,445	126,445	(7,000)	-5.54%		116,296	123,296	-	0.00%	
29	Clerk of Court	914,181	954,152	675,203	70.76%		863,108	873,566	627,083	71.78%	
30	Sheriff	2,423,671	2,426,367	1,759,520	72.52%		2,350,929	2,368,732	1,808,409	76.35%	
31	Commonwealth Attorney	1,275,064	1,275,064	849,707	66.64%		1,278,164	1,285,321	869,200	67.63%	
32	Total Judicial	\$ 4,966,096	\$ 5,008,763	\$ 3,420,499	68.29%	\$	4,831,206	\$ 4,873,624	\$ 3,452,832	70.85%	
Public Safety											
33	Police	\$ 17,223,824	\$ 17,102,381	\$ 12,744,328	74.52%	\$	17,471,930	\$ 17,589,452	\$ 12,637,830	71.85%	
34	Fire/Rescue	11,854,182	11,874,982	8,890,637	74.87%		11,760,726	11,971,529	9,032,507	75.45%	
35	Regional Jail	3,745,702	3,777,375	2,846,829	75.37%		3,587,234	3,587,234	2,724,338	75.95%	
36	Building Codes	1,389,452	1,389,452	1,059,474	76.25%		1,372,968	1,372,968	1,033,290	75.26%	
37	ECC - General Fund 1000	2,354,327	2,360,053	1,765,745	74.82%		2,263,654	2,263,654	1,697,741	75.00%	
38	Contributions - Public Safety	1,700,036	1,691,920	1,236,565	73.09%		1,645,710	1,645,710	1,248,423	75.86%	
39	Total Public Safety	\$ 38,267,523	\$ 38,196,163	\$ 28,543,578	74.73%	\$	38,102,222	\$ 38,430,547	\$ 28,374,129	73.83%	
Public Works											
40	Solid Waste, Recycling	\$ 640,149	\$ 640,149	\$ 484,364	75.66%	\$	611,100	\$ 611,100	\$ 286,235	46.84%	
41	Facilities Development	182,855	182,855	139,259	76.16%		211,142	\$ 211,142	172,193	81.55%	
42	General Services	4,114,103	4,267,580	2,761,103	64.70%		4,104,357	4,170,812	2,695,547	64.63%	
43	Total Public Works	\$ 4,937,107	\$ 5,090,584	\$ 3,384,726	66.49%	\$	4,926,599	\$ 4,993,054	\$ 3,153,974	63.17%	
Human Development											
44	Social Services	\$ 17,028,814	\$ 17,236,612	\$ 12,770,355	74.09%	\$	15,314,677	\$ 15,405,275	\$ 11,258,880	73.08%	
45	Contributions to Agencies & Tax Relief	5,002,990	5,023,934	3,512,405	69.91%		4,771,643	4,832,135	3,327,261	68.86%	
46	Total Human Development	\$ 22,031,804	\$ 22,260,546	\$ 16,282,760	73.15%	\$	20,086,320	\$ 20,237,410	\$ 14,586,141	72.08%	
Education											
47	Piedmont Va. Community College	\$ 23,981	\$ 23,981	\$ 17,986	75.00%	\$	23,510	\$ 23,510	\$ 17,633	75.00%	
48	Transfer to Schools Fund	116,892,513	116,892,513	87,669,385	75.00%		114,033,502	114,042,097	85,533,722	75.00%	
49	Transfer to Schools Debt Service	13,153,688	13,153,688	11,052,921	84.03%		12,756,859	12,638,449	9,842,386	77.88%	
50	Transfer to Schools CIP	-	-	-	0.00%		76,915	147,558	110,668	75.00%	
51	Total Education	\$ 130,070,182	\$ 130,070,182	\$ 98,740,291	75.91%	\$	126,890,786	\$ 126,851,614	\$ 95,504,409	75.29%	

Albemarle County Quarterly Financial Report - General Fund
Quarter Ended March 31, 2017 vs. Quarter Ended March 31, 2016

		A	B	C	D			E	F	G	H
					Actual as a						Actual as a
				FY 17	% of					FY 16	% of
		FY 17	FY 17	Actual	Revised			FY 16	FY 16	Actual	Revised
Line		Adopted	Revised	Through	Budget			Adopted	Revised	Through	Budget
No.	Item	Budget	Budget	Quarter 3	(Col C/Col B)			Budget	Budget	Quarter 3	(Col G/Col F)
Parks, Recreation, and Culture											
52	Towe Park	\$ 179,332	\$ 179,332	\$ 79,096	44.11%	\$	174,037	\$ 174,037	\$ 67,175	38.60%	
53	Parks & Recreation	2,461,222	2,603,522	1,834,675	70.47%		2,392,704	2,407,269	1,787,839	74.27%	
54	Libraries	4,243,565	4,243,565	3,173,554	74.79%		4,040,320	4,040,320	3,022,930	74.82%	
55	Contributions - Parks	841,165	841,165	640,749	76.17%		842,933	842,933	643,325	76.32%	
56	Total Parks, Rec. and Culture	\$ 7,725,284	\$ 7,867,584	\$ 5,728,073	72.81%	\$	7,449,994	\$ 7,464,559	\$ 5,521,268	73.97%	
Community Development											
57	Community Development	\$ 4,592,536	\$ 4,884,123	\$ 3,325,611	68.09%	\$	4,613,495	\$ 4,624,600	\$ 3,248,596	70.25%	
58	Housing	482,913	482,913	355,100	73.53%		492,091	614,591	351,199	57.14%	
59	Soil & Water Conservation	118,107	118,107	89,112	75.45%		105,582	105,582	74,394	70.46%	
60	Extension Programs	208,683	208,683	146,708	70.30%		192,968	192,968	138,075	71.55%	
61	Contributions - Comm. Dev.	1,702,127	1,702,127	1,314,087	77.20%		1,548,865	1,548,865	1,198,017	77.35%	
62	Office of Economic Development	371,899	462,776	250,249	54.08%		352,235	472,276	228,694	48.42%	
63	Contributions - Reserves	-	430,414	430,414	100.00%		-	-	-	0.00%	
64	City/County Revenue Sharing	15,767,084	15,767,084	15,767,084	100.00%		16,058,668	16,058,668	16,058,668	100.00%	
65	Total Community Develop.	\$ 23,243,349	\$ 24,056,227	\$ 21,678,366	90.12%	\$	23,363,904	\$ 23,617,550	\$ 21,297,643	90.18%	
66	TOTAL EXPENDITURES	\$ 244,322,759	\$ 246,095,000	\$ 187,444,989	76.17%	\$	238,328,054	\$ 239,347,854	\$ 181,180,224	75.70%	
Transfers Out, Contingencies, and Refunds											
67	Transfer Accounts	\$ 10,919,128	\$ 10,953,726	\$ 4,230,146	38.62%	\$	8,914,199	\$ 9,576,572	\$ 3,024,319	31.58%	
68	Contingency Accounts	2,091,511	1,855,863	492,589	26.54%		1,786,910	1,481,077	528,647	35.69%	
69	Refunds	167,000	167,000	40,691	24.37%		167,000	167,000	45,625	27.32%	
70	Total Trans Out, Contributions, and Refunds	\$ 13,177,639	\$ 12,976,589	\$ 4,763,426	36.71%	\$	10,868,109	\$ 11,224,648	\$ 3,598,591	32.06%	
71	TOTAL EXPENDITURES & TRANSFERS	\$ 257,500,398	\$ 259,071,589	\$ 192,208,415	74.19%	\$	249,196,163	\$ 250,572,503	\$ 184,778,815	73.74%	
72	TOTAL REVENUES - EXPENDITURES	\$ -	\$ -	\$ (48,601,669)		\$	-	\$ -	\$ (48,537,588)		

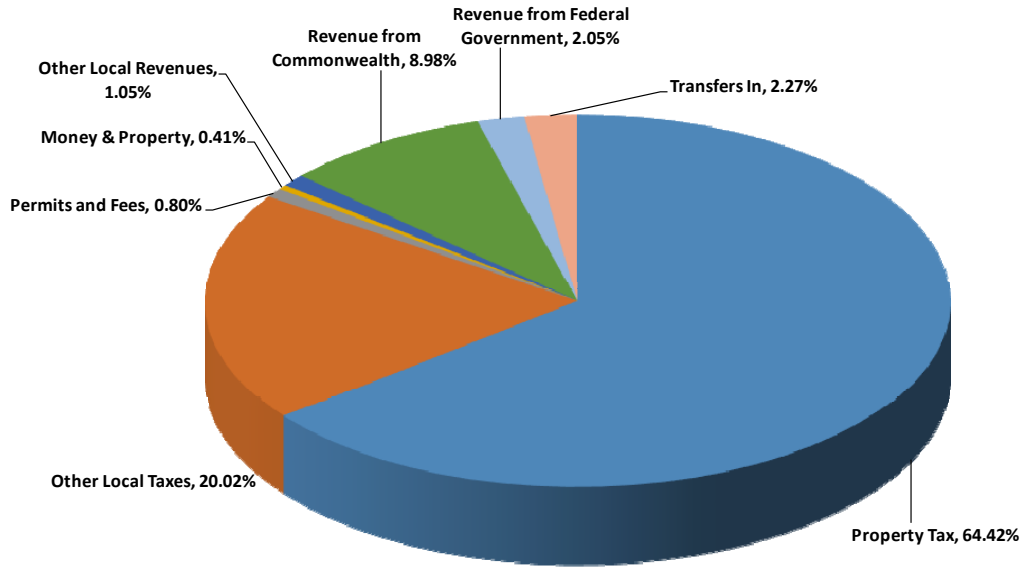
Source: Albemarle County Enterprise Reporting (ER) system, April 11, 2017.

County Executive Approved FY 17 Adjustments

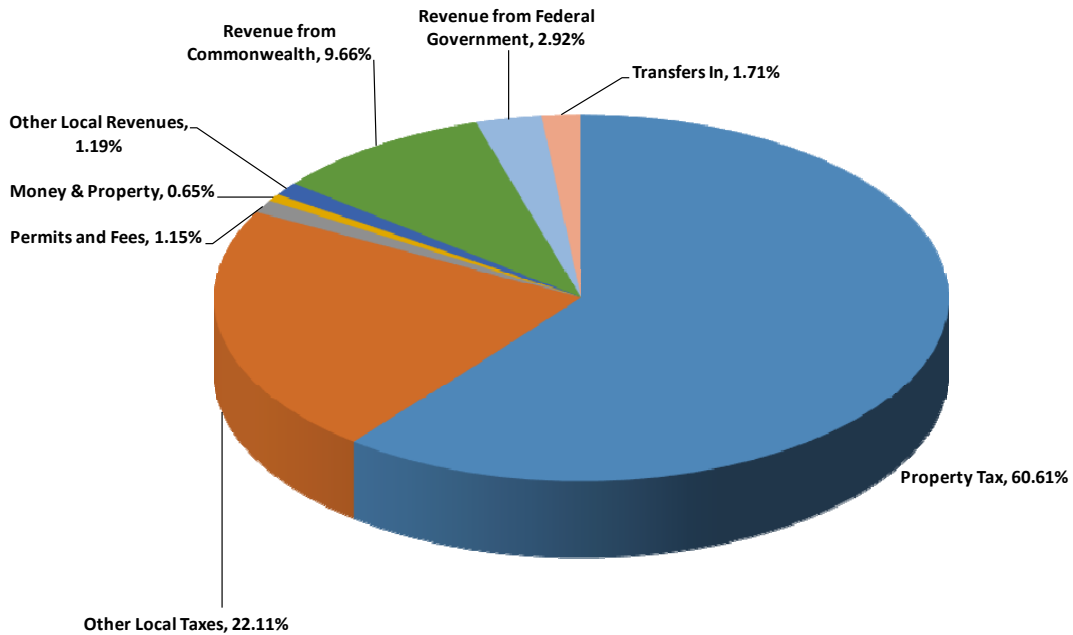
Fund	Description	Amount	Date Approved
General Fund County Executive Adjustments			
1000	Q1 Priority Driven Budget - OMB contract services and part-time help	\$ 16,735.00	7/28/2016
1000	Q1 Training Pool Distribution	5,698.00	9/12/2016
1000	Q1 Innovation Fund - Department of Finance Payment Kiosk	32,452.00	9/16/2016
1000	CE Transfer: FES to ACRJ/Magistrate	920.00	11/9/2016
1000	Q2 Training Pool Distribution	11,452.00	11/21/2016
1000	Q3 Training Pool Distribution	13,300.00	2/15/2017
1000	Q3 Innovation Fund	57,800.00	2/24/2017
1000	Q3 Training Pool Distribution	1,750.00	3/9/2017
1000	Q3 County Executive Search Funding	24,000.00	3/20/2017
1000	Q3 Lapse Adjustment	77,710.00	3/22/2017
Total General Fund County Executive Transfer Adjustments		\$ 241,817.00	
General Government CIP Fund County Executive Adjustments			
9010	Q1 Burley-Lane Field Poles and Lighting Replacement	\$ 25,450.00	9/16/2016
	Q3 Stormwater management Improvement Program for 2418 Commonwealth Drive		
9100	Sinkhole	5,000.00	1/6/2017
Total General Government CIP Fund County Executive Adjustments		\$ 30,450.00	
Updates to FY 17 CIP Project carry forward amounts to reflect end-of-year timing adjustments			
9000	CIP Carry Forward Amendment 1	\$ (1,183,717.03)	6/29/2016
9010	"	(7,957,462.01)	6/29/2016
9050	"	(1,150,471.11)	6/29/2016
9100	"	(57,499.23)	6/29/2016
Proffer	"	(627,058.76)	6/29/2016
9000	CIP Carry Forward Amendment 2	(471,713.62)	7/29/2016
9010	"	(843,815.59)	7/29/2016
9050	"	(142,203.58)	7/29/2016
9100	"	(24,748.44)	7/29/2016
9000	CIP Carry Forward Amendment 3	(4,415.91)	11/19/2016
9000	CIP Carry Forward Amendment 4	(3,814.46)	11/19/2016
9010	"	(782.25)	11/19/2016
9050	"	(63,696.85)	11/19/2016
Total CIP Carry Forward County Executive Budget Adjustments		\$ (12,531,398.84)	

Source: Albemarle County Office of Management and Budget

**FY 17 General Fund - Revised Budget Revenues & Transfers In
\$259,071,589**

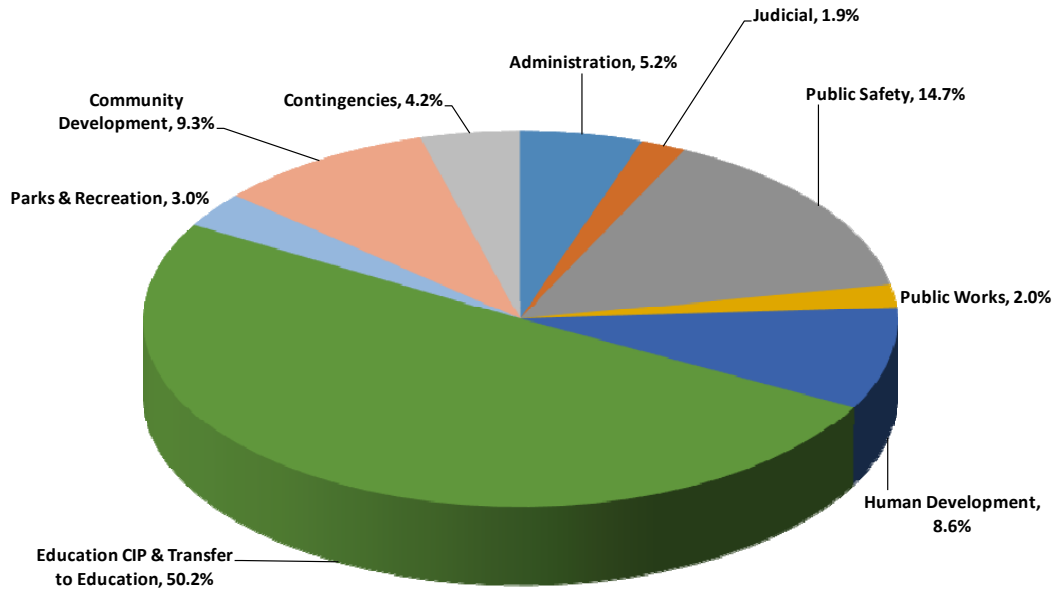


**FY 17 General Fund - YTD Actual Revenues & Transfers In
\$143,606,745**



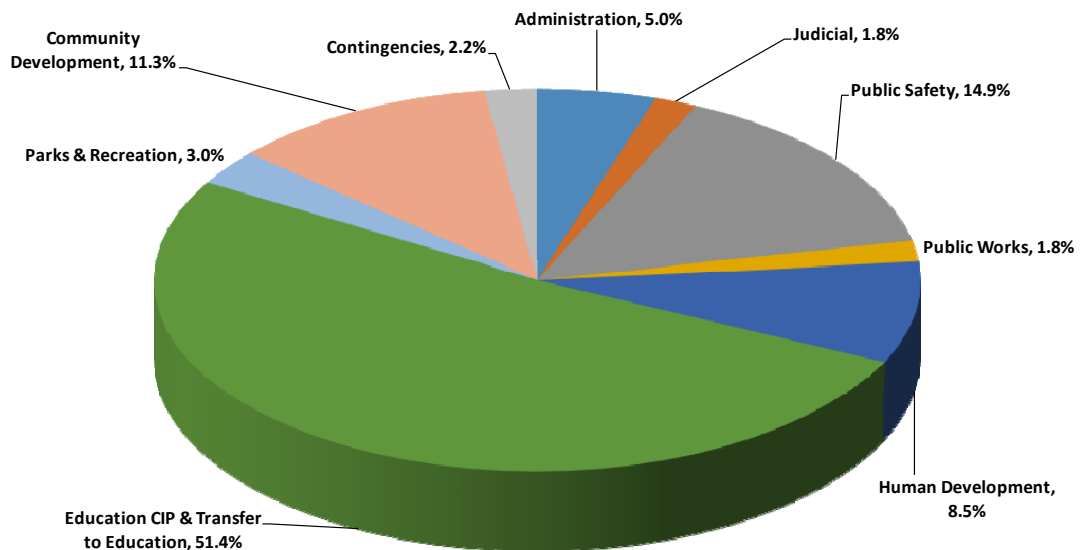
FY 17 General Fund - Revised Budget Expenditures & Transfers Out

\$259,071,589



FY 17 General Fund - Year End Actual Expenditures + Transfers Out

\$192,208,415



Albemarle County Public Schools

Quarter Ended March 31, 2017 vs. Quarter Ended March 31, 2016

		A	B	C	D			E	F	G	H
				FY 17	Actual					FY 16	Actual
		FY 17	FY 17	Actual	As % of			FY 16	FY 16	Actual	As % of
Line		Adopted	Revised	Expenditures	Revised			Adopted	Revised	Expenditures	Budget
No.	Item	Budget	Budget	Through Q3	(Col C/Col B)			Budget	Budget	Through Q3	(Col G/Col F)
REVENUES											
1	Use of Money	\$ 394,000	\$ 394,000	\$ 323,320	82.06%	\$	421,000	\$ 421,000	\$ 270,488	64.25%	
2	Charges for Services	1,077,585	1,077,585	573,490	53.22%		909,585	948,845	258,835	27.28%	
3	Miscellaneous	319,229	319,229	386,292	121.01%		263,857	263,857	487,990	184.94%	
4	Recovered	591,196	621,196	457,476	73.64%		570,141	600,141	381,600	63.59%	
5	Appropriation from primary government	118,659,916	119,145,027	87,669,385	73.58%		116,057,469	116,057,469	85,525,127	73.69%	
6	Revenue from Commonwealth	48,638,514	48,638,514	32,442,923	66.70%		45,823,333	45,823,333	30,815,483	67.25%	
7	Revenue from the Federal Government	2,992,498	2,992,498	629,710	21.04%		3,022,498	3,022,498	1,776,692	58.78%	
8	TOTAL REVENUES	\$ 172,672,938	\$ 173,188,049	\$ 122,482,596	70.72%	\$	167,067,883	\$ 167,137,143	\$ 119,516,216	71.51%	
EXPENDITURES											
9	Instruction	\$ 131,243,851	\$ 131,440,329	\$ 84,013,859	63.92%	\$	127,084,678	\$ 127,084,678	\$ 80,114,965	63.04%	
10	Admin, Attendance and Health	7,796,070	7,897,511	6,494,120	82.23%		7,399,807	7,429,807	6,710,183	90.31%	
11	Pupil Transportation Services	9,922,358	9,982,195	6,200,580	62.12%		10,020,623	10,059,883	6,084,396	60.48%	
12	Operation and Maintenance Services	16,045,655	16,045,655	11,127,897	69.35%		15,502,045	15,502,045	10,939,342	70.57%	
13	Building Services	489,388	489,388	214,263	43.78%		320,949	320,949	161,501	50.32%	
14	Technology	3,125,933	3,125,933	2,302,669	73.66%		2,970,028	2,970,028	2,238,818	75.38%	
15	Transfers	4,049,683	4,049,683	1,786,681	44.12%		3,769,753	3,769,753	1,547,425	41.05%	
16	TOTAL EXPENDITURES	\$ 172,672,938	\$ 173,030,694	\$ 112,140,070	64.81%	\$	167,067,883	\$ 167,137,143	\$ 107,796,630	64.50%	

Source: Albemarle County Enterprise Reporting (ER) system, April 12, 2017.

Investment Activity Summary – Quarter Ended March 31, 2017

- As of March 31, 2016 the County has currently \$75,081,923 available to invest. Of this amount, 68.37% is in very liquid positions.
- This quarter, the County purchased 3 securities totaling just over \$12 million with a weighted average yield of 0.73%. The county's portfolio value was roughly \$33 million over the quarter and \$9.9 million of investments matured near quarter-end.
- The County's weighted average yield (excluding liquidity) for the quarter increased from 0.63% to 0.71% and the average maturity (excluding liquidity) increased from 169 to 183 days.
- On the County's approximately \$75 million portfolio, with only \$33 million invested in non-liquid positions, the County earned \$49,400 during the quarter.
- The County's portfolio is beginning to pick up yield and should continue to do so as we continue to invest the liquidity position in longer term securities.

Current Portfolio Statistics	
Total Portfolio Value This Quarter (Including Liquidity)	\$75,081,923
Total Portfolio Value This Quarter (Excluding Liquidity)	\$23,729,898
Total Investments Made This Quarter	\$12,736,441
Weighted Average Yield (Excluding Liquidity)	0.71%
Weighted Average Yield (Including Liquidity)	0.45%
Weighted Average Maturity (Excluding Liquidity)	183 days
Weighted Average Maturity (Including Liquidity)	58 days

Asset Class	Type	Amount	Current Allocation	Prior Allocation	Quarter Change	Current Target
Liquidity						
	Concentration Account	25,996,302	34.62%	63.47%	-28.85%	6.66%
	Earnings Credit	25,000,000	33.30%	13.93%	19.36%	6.66%
	LGIP	335,621	0.45%	3.09%	-2.64%	6.66%
Subtotal		51,331,923	68.37%	80.50%	-12.13%	19.98%
Banker's Acceptances/CDs						
	CD	0	0.00%	0.00%	0.00%	10.00%
Subtotal		0	0.00%	0.00%	0.00%	10.00%
Agencies						
	FHLM	7,250,000	9.66%	2.79%	6.87%	13.73%
	FNMA	6,250,000	8.32%	3.72%	4.61%	13.73%
	FHLB	1,000,000	1.33%	3.71%	-2.38%	13.73%
	FFCB	0	0.00%	0.00%	0.00%	13.73%
Subtotal		14,500,000	19.31%	10.21%	9.10%	55.02%
Treasury						
	TR	9,250,000	12.32%	9.29%	3.03%	10.00%
Subtotal		9,250,000	12.32%	9.29%	3.03%	10.00%
Commercial Paper						
	CP	0	0.00%	0.00%	0.00%	0.00%
Subtotal		0	0.00%	0.00%	0.00%	0.00%
Grand Total		75,081,923	100.00%	100.00%	0.00%	100.00%