



Albemarle County

Legislation Text

File #: 20-513, **Version:** 1

AGENDA DATE: 10/7/2020

TITLE:

Preliminary Unaudited FY 20 End-of-year Revenues and Expenditures

SUBJECT/PROPOSAL/REQUEST: This provides a first look at the preliminary unaudited FY 20 end-of-year revenues and expenditures

ITEM TYPE: Consent Information Item

STAFF CONTACT(S): Richardson, Kamptner, Birch, Allshouse, L., Bowman, Vinzant

PRESENTER (S): N/A

LEGAL REVIEW: Not Required

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: The Finance and Budget Department has preliminarily closed out the financial records for FY 20, which ended on June 30, 2020. In April 2020, staff reduced the revenue assumptions for the last quarter of the year and instructed all departments to reduce expenditures due to the anticipated but unknown impacts of the COVID-19 pandemic on the County's budget. Staff continues to closely monitor our financial situation on a regular basis. In preparation for the audit and the development of the Comprehensive Annual Financial Report, this executive summary provides the Board of Supervisors with high level preliminary unaudited information about FY 20.

STRATEGIC PLAN: Mission: To enhance the well-being and quality of life for all citizens through the provision of the highest level of public service consistent with the prudent use of public funds.

DISCUSSION: Overall, the FY 20 Revenues, which were budgeted at \$315.5M, are projected to come in at \$315.8M, which is a \$327K increase over the budget. Due to the impacts of COVID-19 in the last quarter, our consumer driven revenues, such as food and beverage taxes and Transient Occupancy taxes, are projected to come in at \$2.6M lower than the FY 20 budget, however, this decrease is offset by an additional \$2.2M in real estate revenues.

The preliminary FY 20 business-driven taxes, budgeted at \$16.1M, were \$264K less than the budgeted amount in FY 20, while the local personal property taxes came in at \$1.0M over budget. Business-driven tax revenues are primarily based on the previous year's business activity, so staff will continue to monitor this revenue category very closely in the current year.

While our preliminary FY 20 Revenues are anticipated to be slightly higher than budgeted, the FY 20 expenditures are projected to be \$8.6M less which is 2.7% the FY 20 budgeted amount. The County deliberately restricted expenditures throughout the County during the last quarter by freezing positions, reducing training, and implementing other reductions, such as the elimination of summer park recreational programming.

The official FY 20 year-end results will not be finalized until after the audit and in the development of the Comprehensive Annual Financial Report (CAFR). The FY 20 CAFR is scheduled be provided to the Board of Supervisors in December, after review from the Audit Committee on November 23. This information will inform further modifications to our FY 21 budget and set the base for our FY 22 budget development.

BUDGET IMPACT: This executive summary provides preliminary unaudited year end actuals for the FY 20 budget.

RECOMMENDATION:

This is for information only. No Board action is required.

ATTACHMENTS:

Attachment A - FY 20 End of Year Preliminary Results Major Drivers and COVID 19 Related Impacts