

BUDGET COMMITTEE OF THE WHOLE

Financial Update

May 25, 2017

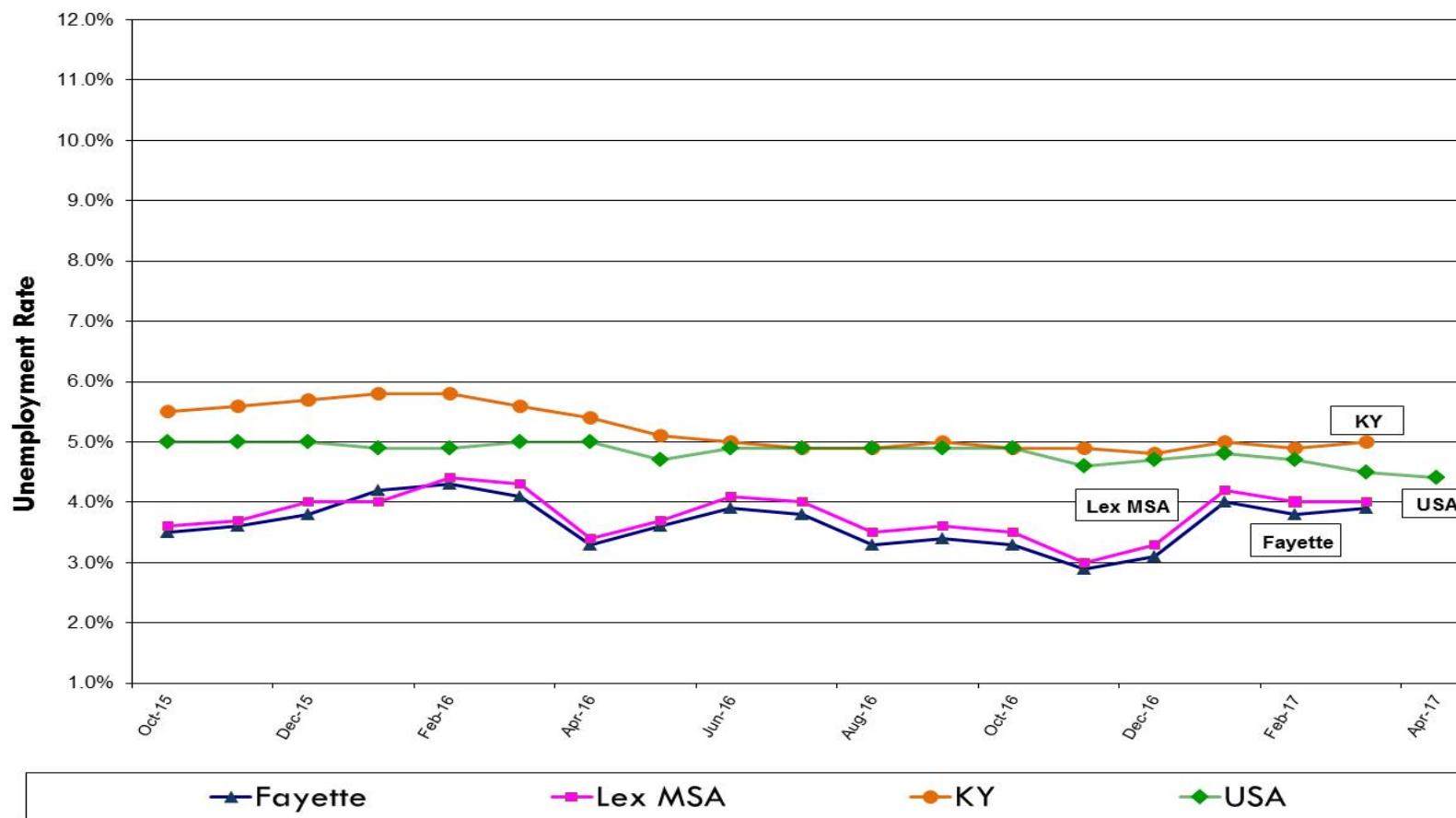


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Comparative Unemployment Rates

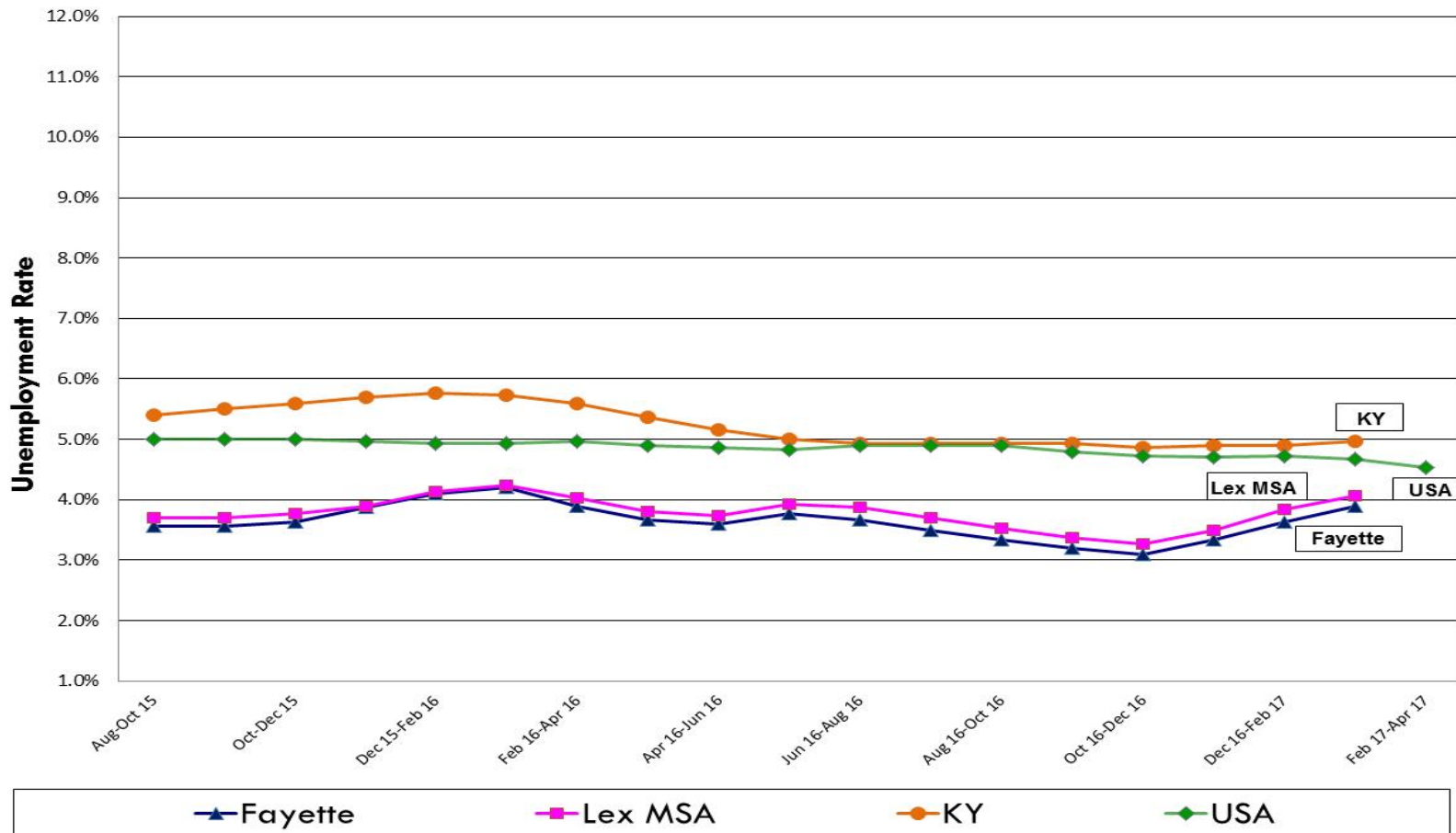
Fayette County, Lexington MSA, Kentucky, USA





Comparative Unemployment Rates Three Month Moving Average

Fayette County, Lexington MSA, Kentucky, USA





Comparison of Economic Indicators

2016 / 2017

| Economic Indicators | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|--|------|-------|-------|---------|-------|-------|---------|-------|-------|---------|-------|-------|---------|
| Fayette County Unemployment Rate | 2015 | 4.2% | 4.2% | 4.1% | 3.6% | 4.1% | 4.2% | 4.2% | 3.6% | 3.6% | 3.5% | 3.6% | 3.8% |
| | 2016 | 4.2% | 4.3% | 4.1% | 3.3% | 3.6% | 3.9% | 3.8% | 3.3% | 3.4% | 3.3% | 2.9% | 3.1% |
| | 2017 | 4.0% | 3.8% | 3.9% | N/A | | | | | | | | |
| Quarterly Fayette County Employment | 2015 | - | - | 185,062 | - | - | 189,584 | - | - | 191,038 | - | - | 197,966 |
| | 2016 | - | - | 188,039 | - | - | 192,063 | - | - | 194,300 | - | - | N/A |
| | 2017 | - | - | N/A | - | - | N/A | - | - | N/A | - | - | N/A |
| Fayette County Permits Issued | 2015 | 1,134 | 1,858 | 1,019 | 1,108 | 1,431 | 1,551 | 1,319 | 1,523 | 1,595 | 1,394 | 1,220 | 1,158 |
| | 2016 | 937 | 1,206 | 1,510 | 1,631 | 1,453 | 2,071 | 1,042 | 744 | 860 | 737 | 742 | 721 |
| | 2017 | 876 | 739 | 924 | 899 | - | - | - | - | - | - | - | - |
| Fayette County New Business Business Licenses | 2015 | 197 | 224 | 330 | 749 | 362 | 198 | 198 | 283 | 264 | 286 | 238 | 160 |
| | 2016 | 203 | 248 | 445 | 564 | 658 | 299 | 173 | 260 | 219 | 231 | 211 | 153 |
| | 2017 | 201 | 253 | 418 | 468 | - | - | - | - | - | - | - | - |
| Home Sales (MSA) | 2015 | 571 | 651 | 884 | 963 | 1,140 | 1,346 | 1,334 | 1,165 | 1,072 | 1,054 | 815 | 919 |
| | 2016 | 640 | 773 | 950 | 1,139 | 1,313 | 1,419 | 1,230 | 1,338 | 1,155 | 1,050 | 1,012 | 1,081 |
| | 2017 | 776 | 794 | 1,060 | 1,067 | - | - | - | - | - | - | - | - |
| Fayette County Foreclosures | 2015 | 33 | 20 | 36 | 24 | 18 | 43 | 18 | 41 | 12 | 43 | 41 | 26 |
| | 2016 | 22 | 36 | 25 | 27 | 31 | 21 | 26 | 40 | 14 | 31 | 31 | 16 |
| | 2017 | 27 | 17 | 16 | 19 | - | - | - | - | - | - | - | - |

N/A indicates information not available.

BLS Release Dates for Fayette Co. Quarterly Employment - 6 months after quarter end



FY 2017 Code Enforcement Nuisance Abatement/Lien Collections

| <u>Month</u> | <u>Administrative Collection</u> | | <u>Miscellaneous</u> | | <u>Penalty & Interest</u> | | <u>Total Collections</u> | |
|---------------|----------------------------------|----------------|----------------------|----------------|-------------------------------|----------------|--------------------------|----------------|
| | <u>Fees</u> | | | | | | | |
| | <u>FY 2017</u> | <u>FY 2016</u> | <u>FY 2017</u> | <u>FY 2016</u> | <u>FY 2017</u> | <u>FY 2016</u> | <u>FY 2017</u> | <u>FY 2016</u> |
| July | 225 | 476 | 253 | 546 | 15,545 | 18,043 | 16,022 | 19,065 |
| August | 1,125 | 600 | 802 | 308 | 10,163 | 14,984 | 12,090 | 15,892 |
| September | 545 | 969 | 2,153 | 2,072 | 71,112 | 52,780 | 73,810 | 55,821 |
| October | 1,275 | 1,125 | 2,132 | 2,115 | 39,069 | 45,592 | 42,476 | 48,832 |
| November | 975 | 525 | 962 | 1,250 | 27,457 | 25,220 | 29,394 | 26,995 |
| December | 300 | 1,575 | 1,456 | 2,626 | 48,596 | 61,590 | 50,352 | 65,791 |
| January | 525 | 1,200 | 2,230 | 2,063 | 43,903 | 45,565 | 46,658 | 48,828 |
| February | 675 | 375 | 1,118 | 1,352 | 22,898 | 34,201 | 24,691 | 35,928 |
| March | - | 750 | 1,352 | 3,499 | 43,981 | 99,525 | 45,333 | 103,774 |
| April | 375 | 1,899 | 768 | 1,397 | 25,878 | 43,667 | 27,022 | 46,963 |
| <u>Totals</u> | 6,020 | 9,494 | 13,226 | 17,228 | 348,603 | 441,167 | 367,848 | 467,889 |



April 2017 MTD Actual Compared to Adopted Budget

| <u>Revenue Category</u> | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>% Var</u> |
|---------------------------|-------------------|-------------------|-----------------|--------------|
| OLT- Employee Withholding | 10,708,365 | 9,642,825 | 1,065,540 | 11.1% |
| OLT - Net Profit | 10,531,536 | 11,791,676 | (1,260,140) | -10.7% |
| Insurance | 2,583,845 | 1,769,405 | 814,440 | 46.0% |
| Franchise Fees | 2,417,198 | 2,072,428 | 344,770 | 16.6% |
| TOTALS | 26,240,943 | 25,276,334 | 964,609 | 3.8% |



April 2017 YTD Actual Compared to Adopted Budget

| <u>Revenue Category</u> | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>% Var</u> |
|---------------------------|--------------------|--------------------|--------------------|--------------|
| OLT- Employee Withholding | 155,881,846 | 155,416,185 | 465,661 | 0.3% |
| OLT - Net Profit | 27,631,724 | 31,271,717 | (3,639,993) | -11.6% |
| Insurance | 25,466,261 | 23,574,620 | 1,891,641 | 8.0% |
| Franchise Fees | 20,655,033 | 21,235,266 | (580,233) | -2.7% |
| TOTALS | 229,634,865 | 231,497,788 | (1,862,923) | -0.8% |



April 2017 YTD/April 2016 YTD Current Year Compared to Prior Year

| <u>Revenue Category</u> | <u>Apr '17 YTD</u> | <u>Apr '16 YTD</u> | <u>Variance</u> | <u>% Var</u> |
|---------------------------|--------------------|--------------------|-------------------|--------------|
| OLT- Employee Withholding | 155,881,846 | 146,704,053 | 9,177,794 | 6.3% |
| OLT - Net Profit | 27,631,724 | 29,512,490 | (1,880,766) | -6.4% |
| Insurance | 25,466,261 | 23,204,927 | 2,261,334 | 9.7% |
| Franchise Fees | 20,655,033 | 19,068,006 | 1,587,027 | 8.3% |
| TOTALS | 229,634,865 | 218,489,475 | 11,145,389 | 5.1% |



2017 Fiscal year – Cash Flow Variance Revenue (Actual to Budget)

| <i>For the ten months ended Apr 30, 2017</i> | | | | |
|--|----------------------|----------------------|--------------------|--------------|
| | ACTUAL | BUDGET | Variance | |
| <u>Revenue</u> | | | | |
| <i>Payroll Withholding</i> | \$155,881,846 | \$155,416,185 | \$465,661 | 0% |
| <i>Net Profit</i> | 27,686,584 | 31,271,716 | (3,585,132) | -11% |
| <i>Insurance</i> | 25,466,261 | 23,574,620 | 1,891,641 | 8% |
| <i>Franchise Fees</i> | 20,655,033 | 21,235,266 | (580,233) | -3% |
| <i>Other Licenses & Permits</i> | 4,356,452 | 4,083,459 | 272,993 | 7% |
| <i>Ad Valorem</i> | 22,228,768 | 22,267,914 | (39,146) | 0% |
| <i>Services</i> | 18,226,513 | 17,137,178 | 1,089,335 | 6% |
| <i>Fines and Forfeitures</i> | 216,158 | 204,086 | 12,072 | 6% |
| <i>Property Sale</i> | 192,789 | 255,830 | (63,041) | -25% |
| <i>Intergovernmental</i> | 439,115 | 326,311 | 112,804 | 35% |
| <i>Investment Income</i> | 80,768 | 422,394 | (341,626) | -81% |
| <i>Other Financing Sources</i> | 55,000 | 55,000 | 0 | 0% |
| <i>Other Income</i> | 2,149,243 | 2,341,855 | (192,612) | -8% |
| Total Revenue | \$277,634,531 | \$278,591,814 | (\$957,283) | -0.3% |



2017 Fiscal Year – Cash Flow Variance Expense (Actual to Budget)

| <i>For the ten months ended April 30, 2017</i> | | | | |
|--|----------------------|----------------------|--------------------|-----------|
| | ACTUAL | BUDGET | Variance | |
| <u>Expenses</u> | | | | |
| Personnel | (\$171,402,847) | (\$167,483,280) | (\$3,919,567) | -2% |
| Operating | (34,346,065) | (43,325,107) | \$8,979,042 | 21% |
| Debt Service | (31,557,566) | (34,429,594) | \$2,872,028 | 8% |
| Partner Agencies | (17,383,037) | (17,484,029) | \$100,992 | 1% |
| Insurance - Expense | (1,169,006) | (1,229,530) | \$60,524 | 5% |
| Operating Capital Expenditures | (2,998,101) | (4,715,239) | \$1,717,138 | 36% |
| Total Expenses | (258,856,621) | (268,666,779) | \$9,810,158 | 4% |
| <u>Interfund Transfers</u> | | | | |
| Transfers | (9,179,054) | (3,337,459) | (5,841,595) | -175% |
| Change in Fund Balance | 9,598,856 | 6,580,990 | 3,017,866 | |



2017 Fiscal Year - Cash Flow Variance Revenue (CY to PY)

| | Apr 2017 | Apr 2016 | Variance | |
|--|----------------------|----------------------|--------------------|-------------|
| <u>Revenue</u> | | | | |
| <i>Payroll Withholding</i> | \$155,881,846 | \$146,704,053 | \$9,177,794 | 6% |
| <i>Net Profit</i> | 27,686,584 | 29,512,490 | (1,825,906) | -6% |
| <i>Insurance</i> | 25,466,261 | 23,204,927 | 2,261,334 | 10% |
| <i>Franchise Fees</i> | 20,655,033 | 19,068,006 | 1,587,027 | 8% |
| <i>Other Licenses & Permits</i> | 4,356,452 | 4,170,333 | 186,119 | 4% |
| <i>Ad Valorem</i> | 22,228,768 | 21,638,472 | 590,295 | 3% |
| <i>Services</i> | 18,226,513 | 20,543,883 | (2,317,370) | -11% |
| <i>Fines and Forfeitures</i> | 216,158 | 156,671 | 59,487 | 38% |
| <i>Property Sale</i> | 192,789 | 156,906 | 35,883 | 23% |
| <i>Intergovernmental</i> | 439,115 | 373,407 | 65,708 | 18% |
| <i>Investment Income</i> | 80,768 | 562,744 | (481,976) | -86% |
| <i>Other Financing Sources</i> | 55,000 | 0 | 55,000 | 0% |
| <i>Other Income</i> | 2,149,243 | 3,228,798 | (1,079,555) | -33% |
| Total Revenue | \$277,634,531 | \$269,320,691 | \$8,313,841 | 3.1% |



2017 Fiscal Year - Cash Flow Variance Expense (CY to PY)

| | <i>Apr 2017</i> | <i>Apr 2016</i> | <i>Variance</i> | |
|---------------------------------------|----------------------|----------------------|----------------------|------------|
| <u>Expenses</u> | | | | |
| Personnel | (\$171,402,847) | (\$162,157,037) | (\$9,245,810) | -6% |
| Operating | (34,346,065) | (34,997,639) | \$651,574 | 2% |
| Debt Service | (31,557,566) | (30,098,961) | (\$1,458,605) | -5% |
| Partner Agencies | (17,383,037) | (17,286,678) | (\$96,358) | -1% |
| Insurance - Expense | (1,169,006) | (8,988,200) | \$7,819,194 | 87% |
| Operating Capital Expenditures | (2,998,101) | (1,028,755) | (\$1,969,346) | -191% |
| Total Expenses | (258,856,621) | (254,557,270) | (\$4,299,351) | -2% |
| <u>Interfund Transfers</u> | | | | |
| Transfers | (9,179,054) | (12,285,775) | 3,106,722 | 25% |
| Change in Fund Balance | 9,598,856 | 2,477,645 | \$7,121,211 | |

Questions?



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