

BUDGET, FINANCE & ECONOMIC DEVELOPMENT COMMITTEE

Financial Update

October 27, 2020



LEXINGTON



LFUCG COVID Overarching Factors

- Revenue fluctuations due to:
 - 2 Net Profit collections in FY21 – delayed due date
 - Uncertain COVID-related tax implications
 - Decreased collections for COVID-impacted services (parks, golf courses, EMS)
- Expense Management
 - Payroll expense management
 - Professional service contract management
 - Debt service restructuring



COVID Unemployment Indicators

- \$800k decrease in Payroll Withholdings from 2019 to 2020

Unemployment Indicators	
2019 Payroll Withholdings	\$49,895,955
2020 Payroll Withholdings	\$49,096,237
Variance	\$799,718
Total Payroll Loss based on 2.25% remittance (3 months)	\$35,543,022
Estimated # Jobs Lost – Assumed payrate of \$12/hr	5,696 jobs



FY 2021 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 2021</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2020</u>
July	75	450	2,329	5,057	36,760	89,851	39,163	95,358
August	75	450	1,132	4,058	22,028	77,099	23,235	81,607
September	95	450	2,788	8,930	61,565	72,184	64,448	81,564
<u>Totals</u>	245	1,350	6,248	18,045	120,353	239,134	126,846	258,529



September 2020 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	49,096,237	44,862,144	4,234,093	9.4%
OLT - Net Profit	8,383,631*	5,579,141	2,804,490	50.3%
Insurance	8,437,561	8,335,372	102,189	1.2%
Franchise Fees	6,135,550	6,211,273	(75,723)	-1.2%
TOTALS	72,052,979	64,987,930	7,065,049	10.9%

**excludes \$7.3 million in anticipated FY21 end of year adjustment to revenue for Accounts Receivable balance adjustment.*

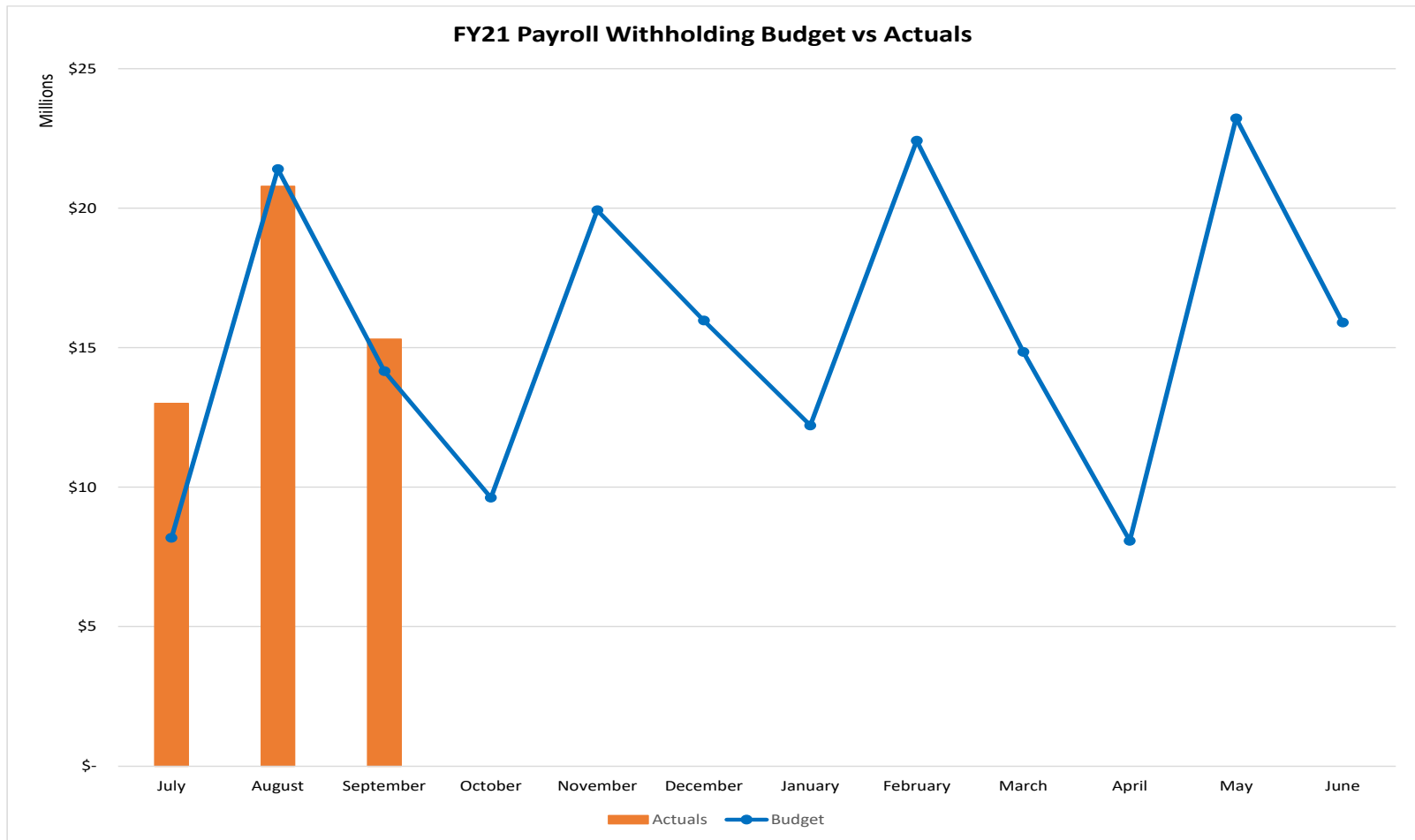


September 2020 YTD/September 2019 YTD Current Year Compared to Prior Year

<u>Revenue Category</u>	<u>Sep-20</u>	<u>Sep-19</u>	<u>Variance</u>
OLT- Employee Withholding	49,096,237	49,895,955	(799,718)
OLT - Net Profit	8,383,631*	6,051,252	2,332,379
Insurance	8,437,561	8,595,928	(158,368)
Franchise Fees	6,135,550	6,129,733	5,818
TOTALS	<u>72,052,979</u>	<u>70,672,869</u>	<u>1,380,110</u>

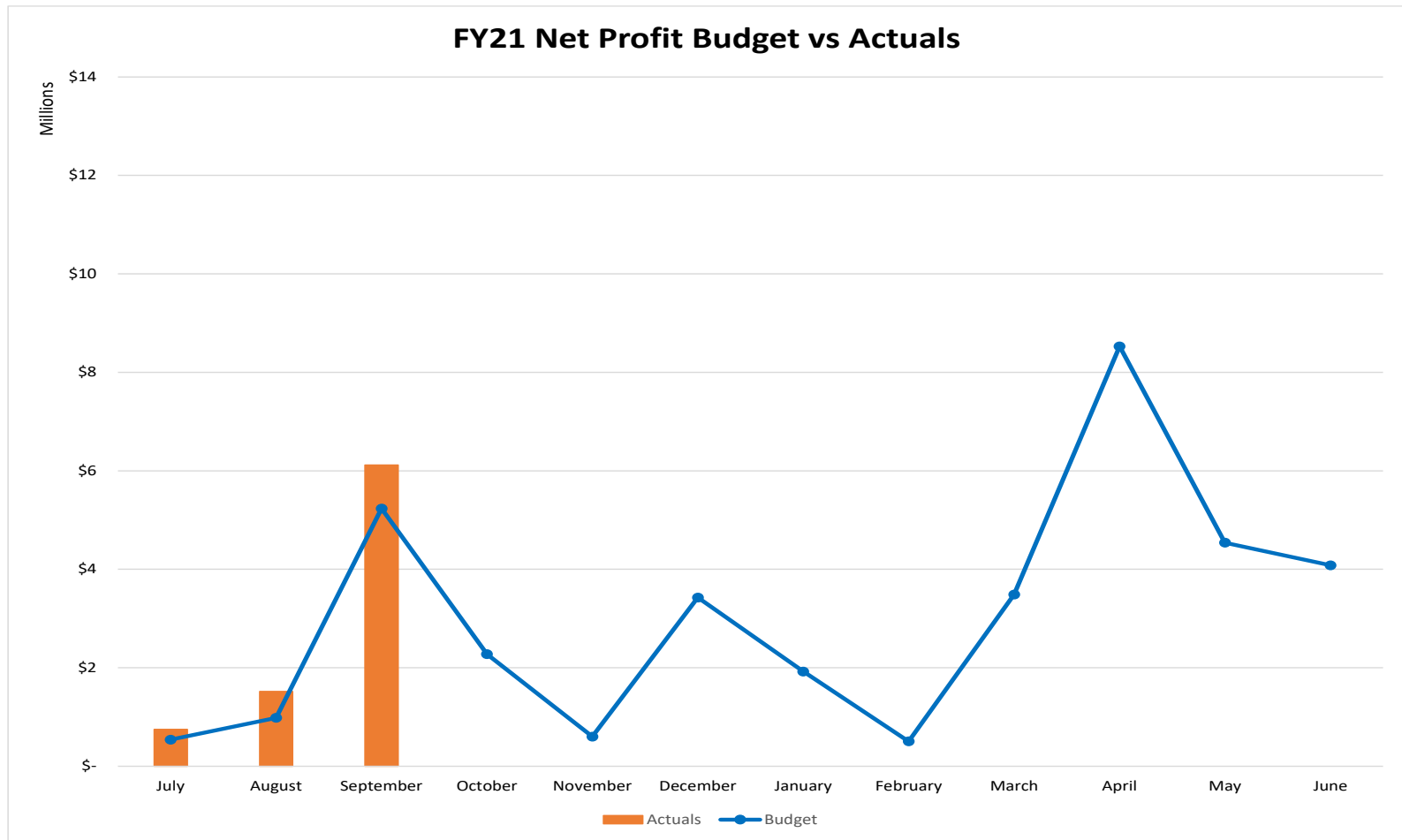


FY21 Payroll WH Actuals vs. Budget





FY21 Net Profit Actuals vs Budget





2021 Fiscal Year – Cash Flow Variance Revenue (Actual to Budget)

For the three months ended September 30, 2020

	Actuals	Budget	Variance	% Var
<u>Revenue</u>				
Payroll Withholding	49,096,237	44,862,144	4,234,093	9.4%
Net Profit	8,383,631*	5,579,141	2,804,490	50.3%
Insurance	8,437,561	8,335,372	102,189	1.2%
Franchise Fees	6,135,550	6,211,273	(75,723)	-1.2%
Other Licenses & Permits	701,226	715,889	(14,662)	-2.0%
Property Tax Accounts	449,498	512,810	(63,312)	-12.3%
Services	4,926,413	5,946,235	(1,019,822)	-17.2%
Fines and Forfeitures	38,765	63,500	(24,735)	-39.0%
Intergovernmental Revenue	18,276	75,029	(56,753)	-75.6%
Property Sales	15,403	52,500	(37,097)	-70.7%
Investment Income	1,117	280,213	(279,096)	-99.6%
Other Financing Sources	-	-	-	
Other Income	458,610	442,037	16,573	3.7%
Total Revenues	\$78,662,287	\$73,076,143	\$5,586,144	7.6%

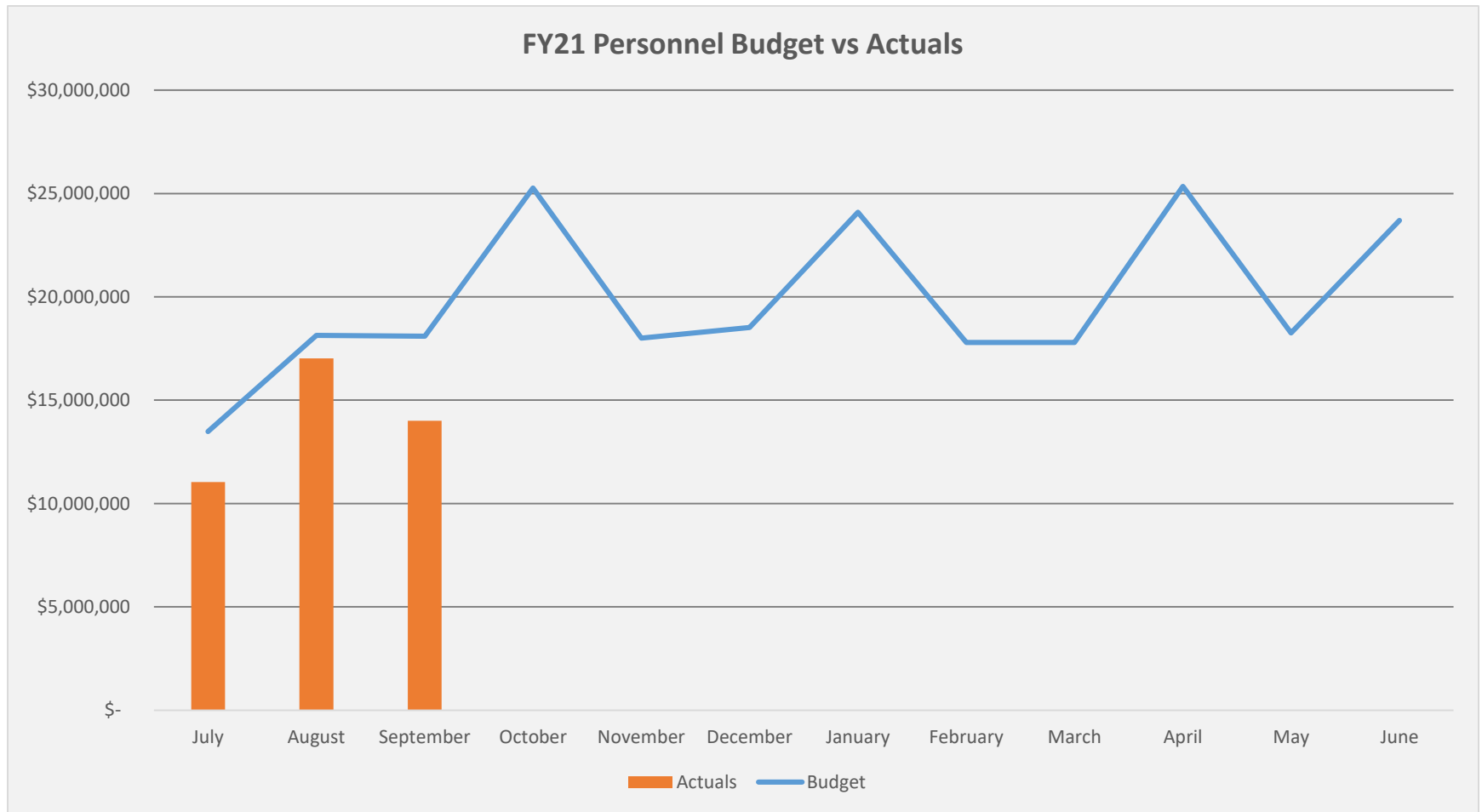


2021 Fiscal Year – Cash Flow Variance Expense (Actual to Budget)

<i>For the three months ended September 30, 2020</i>				
	Actuals	Budget	Variance	% Var
<u>Expense</u>				
Personnel	42,070,576	49,716,870	7,646,293	15.4%
Operating	10,222,084	13,908,512	3,686,428	26.5%
Insurance Expense	994,241	958,105	(36,136)	-3.8%
Debt Service	18,827,394	19,346,665	519,271	2.7%
Partner Agencies	4,672,554	4,919,882	247,329	5.0%
Capital	102,009	47,714	(54,295)	-113.8%
Total Expenses	\$76,888,857	\$88,897,748	\$12,008,891	13.5%
 Transfers	 1,361,975	 379,350	 (982,625)	 199.8%
Change in Fund Balance	\$411,455	(\$16,200,955)	\$16,612,410	

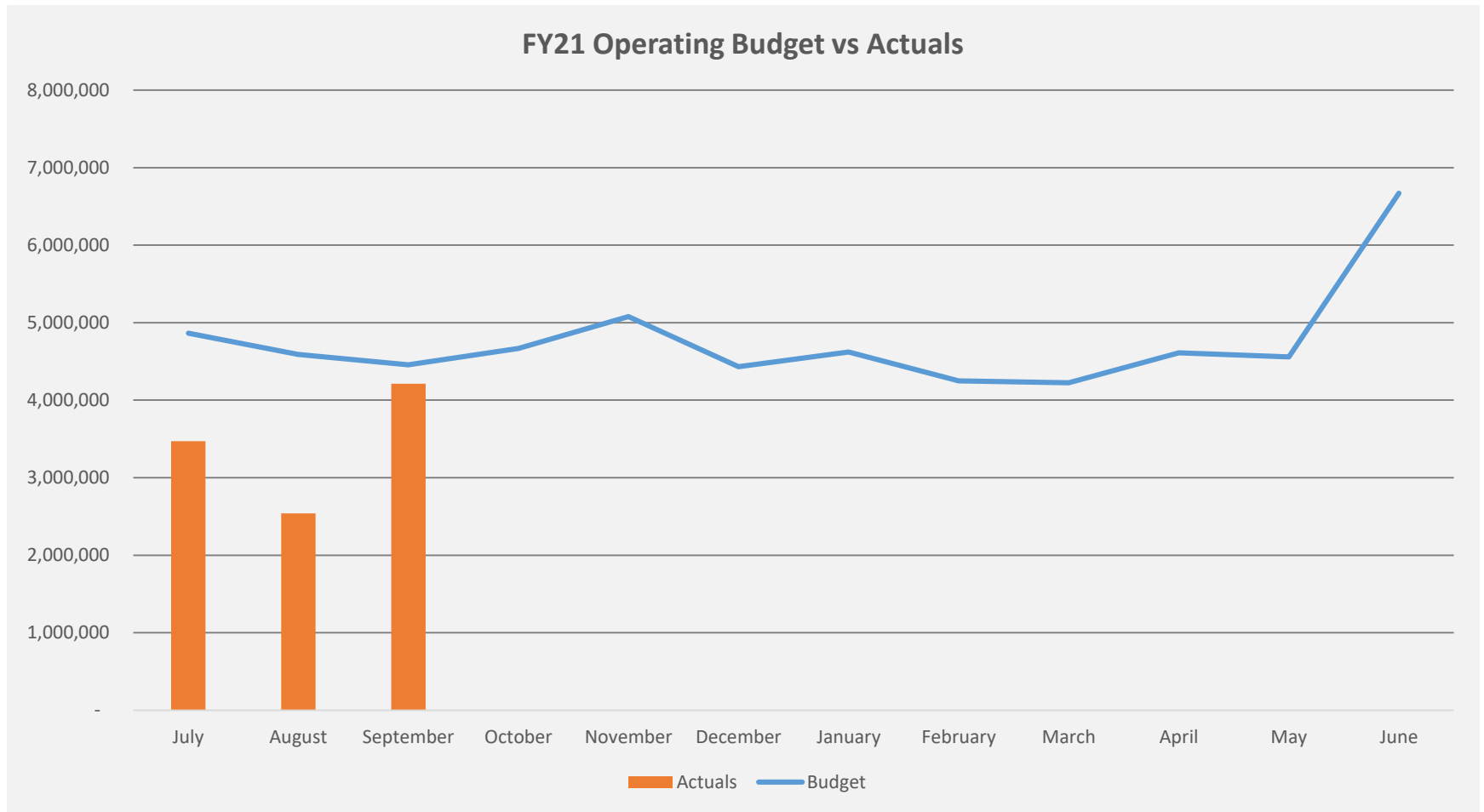


FY21 Personnel Budget v. Actuals





FY21 Operating Budget v. Actuals





2021 Fiscal Year - Cash Flow Variance Revenue (CY to PY)

<i>For the three months ended September 30, 2020</i>				
	FY 2021	FY 2020	Variance	% Var
<u>Revenue</u>				
Payroll Withholding	49,096,237	49,895,955	(799,719)	-1.6%
Net Profit	8,383,631*	6,051,252	2,332,379	38.5%
Insurance	8,437,561	8,595,928	(158,368)	-1.8%
Franchise Fees	6,135,550	6,129,733	5,818	0.1%
Other Licenses & Permits	701,226	703,716	(2,489)	-0.4%
Property Tax Accounts	449,498	369,247	80,250	21.7%
Services	4,926,413	6,397,756	(1,471,344)	-23.0%
Fines and Forfeitures	38,765	46,915	(8,150)	-17.4%
Intergovernmental Revenue	18,276	33,415	(15,139)	-45.3%
Property Sales	15,403	40,561	(25,158)	-62.0%
Investment Income	1,117	347,560	(346,443)	-99.7%
Other Income	458,610	905,818	(447,208)	-49.4%
Total Revenues	\$78,662,287	\$79,517,857	(\$855,570)	-1.1%

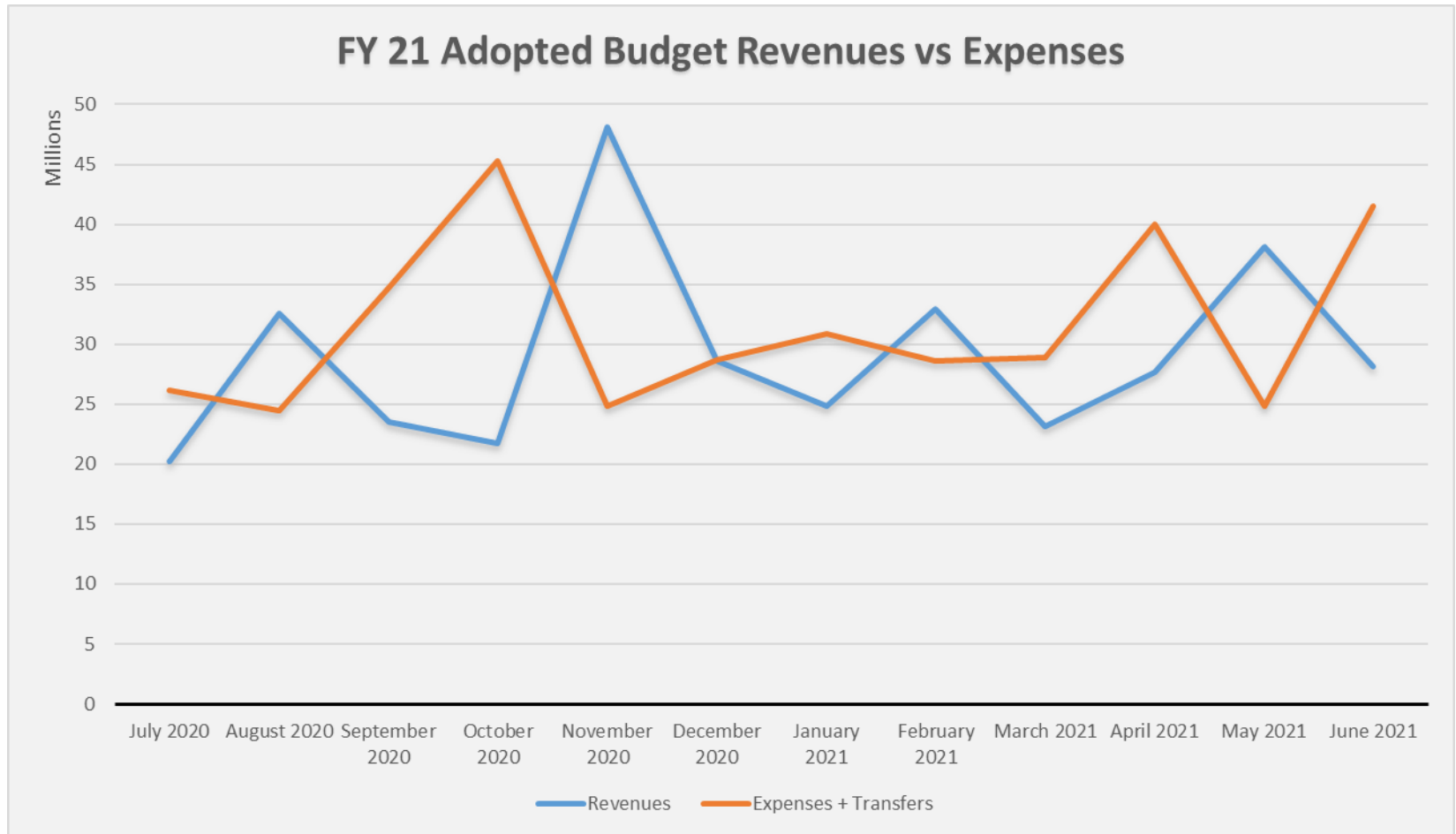


2021 Fiscal Year - Cash Flow Variance Expense (CY to PY)

<i>For the three months ended September 30, 2020</i>				
	FY 2021	FY 2020	Variance	% Var
<u>Expense</u>				
Personnel	42,070,576	50,263,995	8,193,419	16.3%
Operating	10,222,084	11,685,049	1,462,966	12.5%
Insurance Expense	994,241	932,937	(61,304)	-6.6%
Debt Service	18,827,394	18,513,360	(314,034)	-1.7%
Partner Agencies	4,672,554	6,131,228	1,458,674	23.8%
Capital	102,009	61,148	(40,861)	-66.8%
Total Expenses	\$76,888,857	\$87,587,717	\$10,698,860	12.2%
Transfers	1,361,975	1,268,918	(93,057)	-7.3%
Change in Fund Balance	\$411,455	(\$9,338,777)	\$9,750,232	



FY21 Adopted Budgeted Revenues v. Expenses



Questions?



LEXINGTON