

BUDGET, FINANCE & ECONOMIC DEVELOPMENT COMMITTEE

Financial Update
November 30, 2021



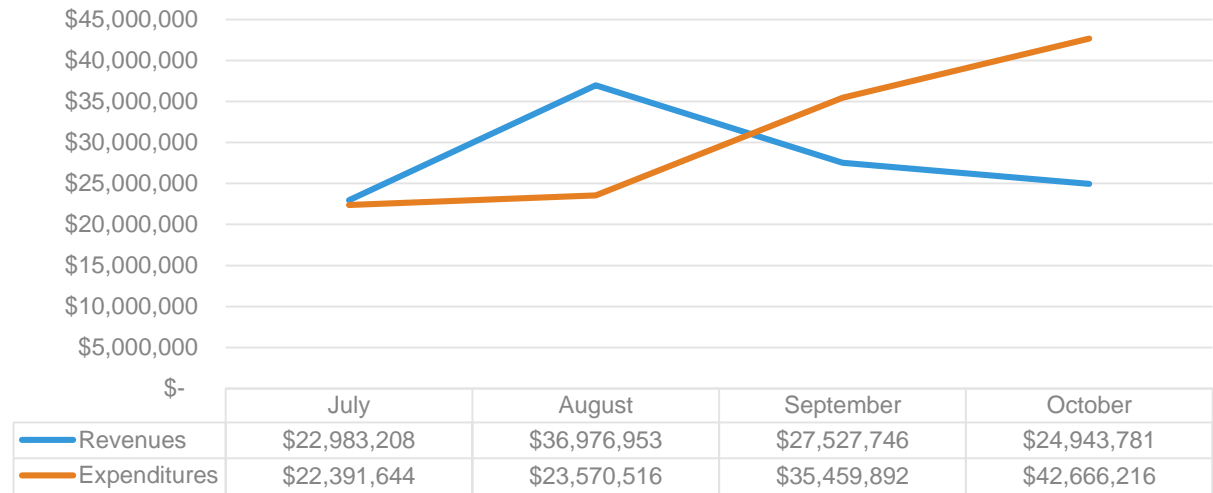
LEXINGTON



4 Month Performance Review (Actuals)

October FY22	
Revenues	112,431,688
Expenses	(124,088,268)
Transfers	(4,846,168)
Surplus/(Deficit)	(16,502,749)

FY22 Four Month Actual



Factors to Consider

- No significant increase to budget variances from September to October
- Property tax collections occur in November and represent LFUCG's largest revenue collection month
- Expenditure variances are the result of hiring challenges, partially offset by increased overtime and separation payouts
- Revenue estimates will be updated after 2nd Quarter to reflect actual performance
- Positive variances are expected to be depleted by compensation adjustments approved in October



October 2021 YTD Actual Compared to Adopted Budget

October YTD Actual Compared to Adopted YTD Budget

<u>Revenue Category</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Var</u>
OLT- Employee Withholding	69,954,110	65,130,000	4,824,110	7.4%
OLT - Net Profit	10,095,352	9,220,000	875,352	9.5%
Insurance	10,523,279	11,770,000	(1,246,721)	-10.6%
Franchise Fees	8,895,707	8,800,000	95,707	1.1%
TOTALS	99,468,448	94,920,000	4,548,448	4.8%



October 2021 YTD/October 2020 YTD Current Year Compared to Prior Year

<u>Revenue Category</u>	<u>Oct '21 YTD</u>	<u>Oct '20 YTD</u>	<u>Variance</u>	<u>% Var</u>
OLT- Employee Withholding	69,954,110	61,922,965	8,031,145	13.0%
OLT - Net Profit	10,095,352	17,161,518	(7,066,166)	-41.2%
Insurance	10,523,279	10,862,753	(339,474)	-3.1%
Franchise Fees	8,895,707	8,634,038	261,669	3.0%
TOTALS	99,468,448	98,581,274	887,174	0.9%



2022 Fiscal year – Cash Flow Variance Revenue (Actual to Budget)

For the four months ended October 31, 2021

	Actuals	Budget	Variance	% Var
<u>Revenue</u>				
Payroll Withholding	69,954,110	65,130,000	4,824,110	7.4%
Net Profit	10,095,352	9,220,000	875,352	9.5%
Insurance	10,523,279	11,770,000	(1,246,721)	-10.6%
Franchise Fees	8,895,707	8,800,000	95,707	1.1%
Other Licenses & Permits	1,435,665	1,261,787	173,878	13.8%
Property Tax Accounts	714,460	838,802	(124,342)	-14.8%
Services	9,362,145	7,997,783	1,364,362	17.1%
Fines and Forfeitures	65,950	84,333	(18,383)	-21.8%
Intergovernmental Revenue	128,714	106,316	22,398	21.1%
Casualty Loss Recoveries	3,500	-	3,500	-
Property Sales	110,661	33,333	77,328	232.0%
Investment Income	45,701	63,883	(18,182)	-28.5%
Other Financing Sources	40,000	40,000	0	-
Other Income	1,056,444	719,617	336,827	46.8%
Total Revenues	\$112,431,688	\$106,065,854	\$6,365,834	6.0%



2022 Fiscal Year – Cash Flow Variance Expense (Actual to Budget)

<i>For the four months ended October 31, 2021</i>				
	Actuals	Budget	Variance	% Var
<u>Expense</u>				
Personnel	72,369,035	74,575,853	2,206,818	3.0%
Operating	14,466,412	22,596,034	8,129,622	36.0%
Insurance Expense	1,264,962	1,236,866	(28,096)	-2.3%
Debt Service	27,946,941	27,946,941	0	-
Partner Agencies	7,588,384	7,532,493	(55,891)	-0.7%
Capital	452,534	805,596	353,062	43.8%
Total Expenses	\$124,088,268	\$134,693,783	\$10,605,515	7.9%
Transfers	4,846,169	5,090,279	244,110	3.1%
Change in Fund Balance	(\$16,502,749)	(\$33,718,208)	\$17,215,459	



2022 Fiscal Year - Cash Flow Variance Revenue (CY to PY)

<i>For the four months ended October 31, 2021</i>				
	FY 2022	FY 2021	Variance	% Var
<u>Revenue</u>				
Payroll Withholding	69,954,110	61,922,965	8,031,145	13.0%
Net Profit	10,095,352	17,161,518	(7,066,166)	-41.2%
Insurance	10,523,279	10,862,753	(339,474)	-3.1%
Franchise Fees	8,895,707	8,634,038	261,669	3.0%
Other Licenses & Permits	1,435,665	1,198,533	237,132	19.8%
Property Tax Accounts	714,460	611,275	103,185	16.9%
Services	9,362,145	7,171,980	2,190,165	30.5%
Fines and Forfeitures	65,950	58,960	6,990	11.9%
Intergovernmental Revenue	128,714	83,375	45,339	54.4%
Casualty Loss Recoveries	3,500	-	3,500	-
Property Sales	110,661	50,222	60,439	120.3%
Investment Income	45,701	1,117	44,584	3,990.3%
Other Financing Sources	40,000	-	40,000	-
Other Income	1,056,444	780,593	275,851	35.3%
Total Revenues	\$112,431,688	\$108,537,329	\$3,894,359	3.6%



2022 Fiscal Year - Cash Flow Variance Expense (CY to PY)

<i>For the four months ended October 31, 2021</i>				
	FY 2022	FY 2021	Variance	% Var
<u>Expense</u>				
Personnel	72,369,035	67,284,616	(5,084,419)	-7.6%
Operating	14,466,412	14,047,949	(418,463)	-3.0%
Insurance Expense	1,264,962	1,016,316	(248,646)	-24.5%
Debt Service	27,946,941	27,442,716	(504,225)	-1.8%
Partner Agencies	7,588,384	5,839,429	(1,748,955)	-30.0%
Capital	452,534	108,150	(344,384)	-318.4%
Total Expenses	\$124,088,268	\$115,739,176	(\$8,349,092)	-7.2%
 Transfers	 4,846,169	 1,817,129	 (3,029,040)	 -322.0%
 Change in Fund Balance	 (\$16,502,749)	 (\$9,018,976)	 (\$7,483,773)	



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

Total ARPA Received
\$60.6 Million

Total ARPA Allocated
\$38.5 Million
Includes pending Council action

Total ARPA Expected
\$121.2 Million

Total ARPA Available
\$82.7 Million

For the period through October 31, 2021

		Actuals	Budget	Variance
Revenue				
LFUCG Allocation		\$ 60,589,029	\$ 121,178,058	\$ 60,589,029
Total Revenues		\$ 60,589,029	\$ 121,178,058	\$ 60,589,029
Total Expenses		\$ 383,295	\$ 38,480,500	\$ (38,097,205)
TOTAL - ARPA SLFRF		\$ 60,205,734	\$ 82,697,558	\$ (22,491,824)



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through October 31, 2021

			Actuals	Budget	Variance
Expense					
EC 1: Public Health			\$ 48,398	\$ 395,000	\$ (346,602)
1.05	Personal Protective Equipment	Personal Protective Equipment for LFUCG	\$ 1,186	\$ 225,000	\$ (223,814)
1.10	Mental Health Services	NAMI - Mental Health Court Funding	\$ 47,212	\$ 170,000	\$ (122,788)
EC 2: Negative Economic Impacts			\$ 140,649	\$ 3,777,500	\$ (3,636,851)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Emergency Financial Assistance for Residents	\$ 40,589	\$ 200,000	\$ (159,411)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Recovery Supportive Living Assistance (RSLA)	\$ 59,100	\$ 200,000	\$ (140,900)
2.07	Job Training Assistance	Workforce Development Grants to Service Partners	\$ -	\$ 200,000	\$ (200,000)
2.10	Aid to Nonprofit Organizations	Explorium of Lexington - Children's Museum Assistance	\$ -	\$ 125,000	\$ (125,000)
2.10	Aid to Nonprofit Organizations	LexArts Nonprofit Services Contract	\$ -	\$ 325,000	\$ (325,000)
2.10	Aid to Nonprofit Organizations	Lyric Theater Assistance	\$ 40,959	\$ 127,500	\$ (86,541)
2.11	Aid to Tourism, Travel, or Hospitality	Ecton Park Improvements - Concess/Rstrm Facilities for Local U	\$ -	\$ 300,000	\$ (300,000)
2.11	Aid to Tourism, Travel, or Hospitality	Lakeside Irrigation Replacement	\$ -	\$ 1,300,000	\$ (1,300,000)
2.11	Aid to Tourism, Travel, or Hospitality	Visit LEX/Hospitality Industry Recovery	\$ -	\$ 1,000,000	\$ (1,000,000)
EC 3: Services to Disproportionately Impacted Communities			\$ 37,456	\$ 14,233,000	\$ (14,195,544)
3.10	Housing Support: Affordable Housing	Shropshire Affordable Housing Project Site Improvements	\$ -	\$ 750,000	\$ (750,000)
3.10	Housing Support: Affordable Housing	Affordable Housing	\$ -	\$ 10,000,000	\$ (10,000,000)
3.11	Housing Support: Services for Unhoused Persons	Homelessness Allocation	\$ 37,456	\$ 750,000	\$ (712,544)
3.11	Housing Support: Services for Unhoused Persons	COVID-19 Alternate Shelter for Winter Warming	\$ -	\$ 1,400,000	\$ (1,400,000)
3.12	Housing Support: Other Housing Assistance	Code Enforcement Grants for Residents with Low Income	\$ -	\$ 200,000	\$ (200,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space for Disadvantaged Pop - ADA Im	\$ -	\$ 125,000	\$ (125,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - Douglas Park - Pool Ir	\$ -	\$ 175,000	\$ (175,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - Mary Todd Park - Bas	\$ -	\$ 118,000	\$ (118,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - Northeastern Park - Pl	\$ -	\$ 250,000	\$ (250,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - Phoenix Park - Inclusiv	\$ -	\$ 150,000	\$ (150,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - Pine Meadows Park - F	\$ -	\$ 150,000	\$ (150,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - River Hill Park - Sports	\$ -	\$ 165,000	\$ (165,000)

*"Budget" reflects pending Council action



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through October 31, 2021

			Actuals	Budget	Variance
Expense (Continued)					
EC 4: Premium Pay			\$ -	\$ 13,375,000	\$ (13,375,000)
4.01	Premium Pay	Premium Pay for High Exposure LFUCG Staff	\$ -	\$ 13,000,000	\$ (13,000,000)
4.01	Premium Pay	Premium Pay for Fayette County Sheriff's Office	\$ -	\$ 375,000	\$ (375,000)
EC 5: Infrastructure			\$ -	\$ -	\$ -
EC 6: Revenue Replacement/Government Services			\$ 156,792	\$ 6,700,000	\$ (6,543,208)
6.01	Provision of Government Services	Economic Development Grants to Service Partners	\$ 149,372	\$ 300,000	\$ (150,628)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Berry Hill Park - Basketball Court	\$ -	\$ 175,000	\$ (175,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Buckhorn Park - Phase II Improvement	\$ -	\$ 45,000	\$ (45,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Dogwood Park - Basketball Court	\$ -	\$ 95,000	\$ (95,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Gardenside Park - Playground	\$ -	\$ 150,000	\$ (150,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Masterson Station Park - Playground	\$ -	\$ 150,000	\$ (150,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Meadowthorpe Park - Roof Repair	\$ -	\$ 80,000	\$ (80,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Raven Run Park - Prather House Roc	\$ -	\$ 50,000	\$ (50,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Shilito Park - Access Imprvmnt Parkin	\$ 3,975	\$ 400,000	\$ (396,025)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Southland Park - Access Imprvmnt Pa	\$ 3,445	\$ 100,000	\$ (96,555)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Woodland Park - Restroom Facilities	\$ -	\$ 525,000	\$ (525,000)
6.01	Provision of Government Services	Government Employee Pay Supplements	\$ -	\$ 4,600,000	\$ (4,600,000)
6.01	Provision of Government Services	Critical Government Needs - Broadband Study with Scott County	\$ -	\$ 30,000	\$ (30,000)
EC 7: Administrative			\$ -	\$ -	\$ -
Total Expenses			\$ 383,295	\$ 38,480,500	\$ (38,097,205)

*"Budget" reflects pending Council action

Questions?



LEXINGTON