

# 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**

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



## 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%
<b>TOTALS</b>	<b>72,052,979</b>	<b>64,987,930</b>	<b>7,065,049</b>	<b>10.9%</b>

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



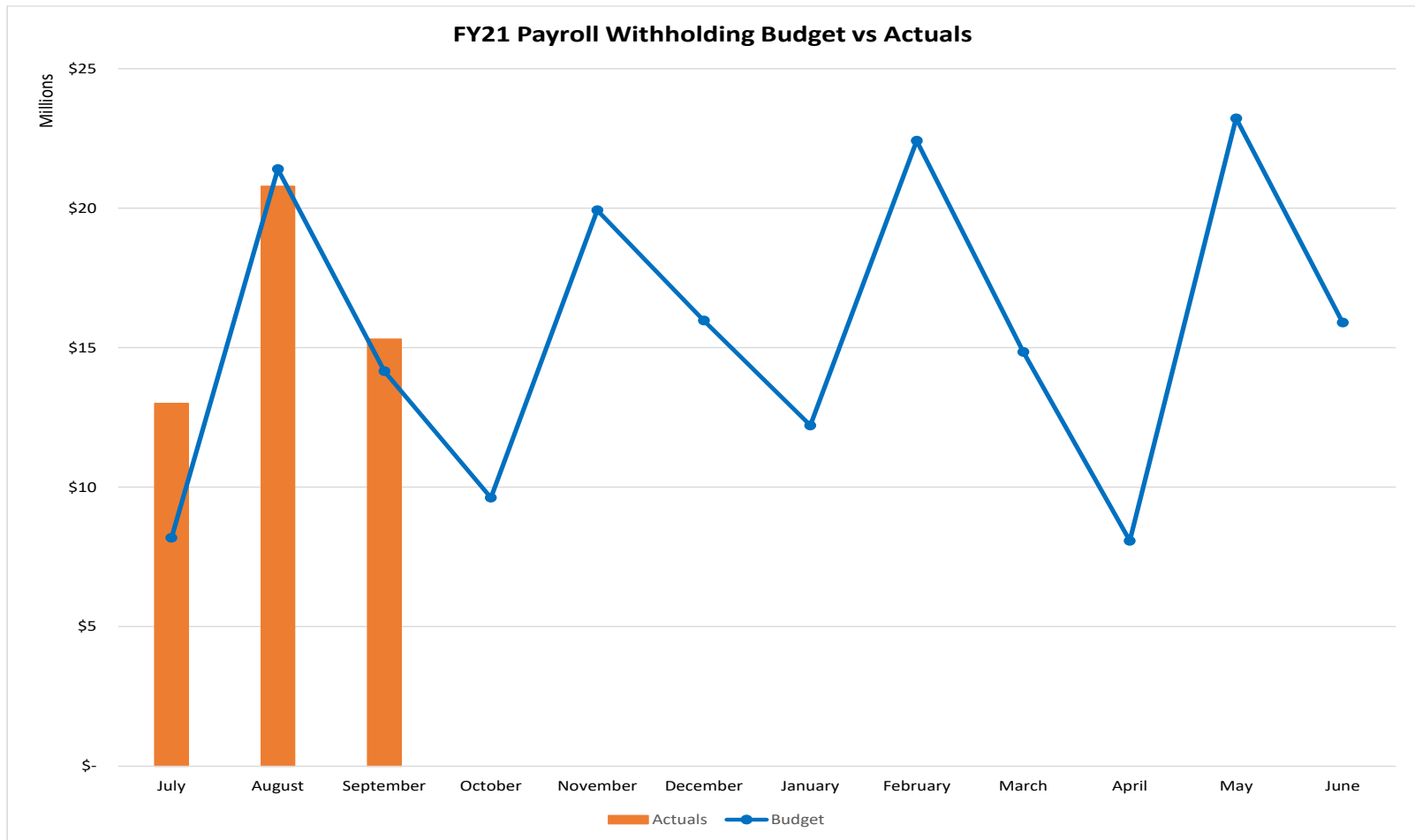
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## September 2020 YTD/September 2019 YTD Current Year Compared to Prior Year

<b><u>Revenue Category</u></b>	<b><u>Sep-20</u></b>	<b><u>Sep-19</u></b>	<b><u>Variance</u></b>
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
<b>TOTALS</b>	<b><u>72,052,979</u></b>	<b><u>70,672,869</u></b>	<b><u>1,380,110</u></b>

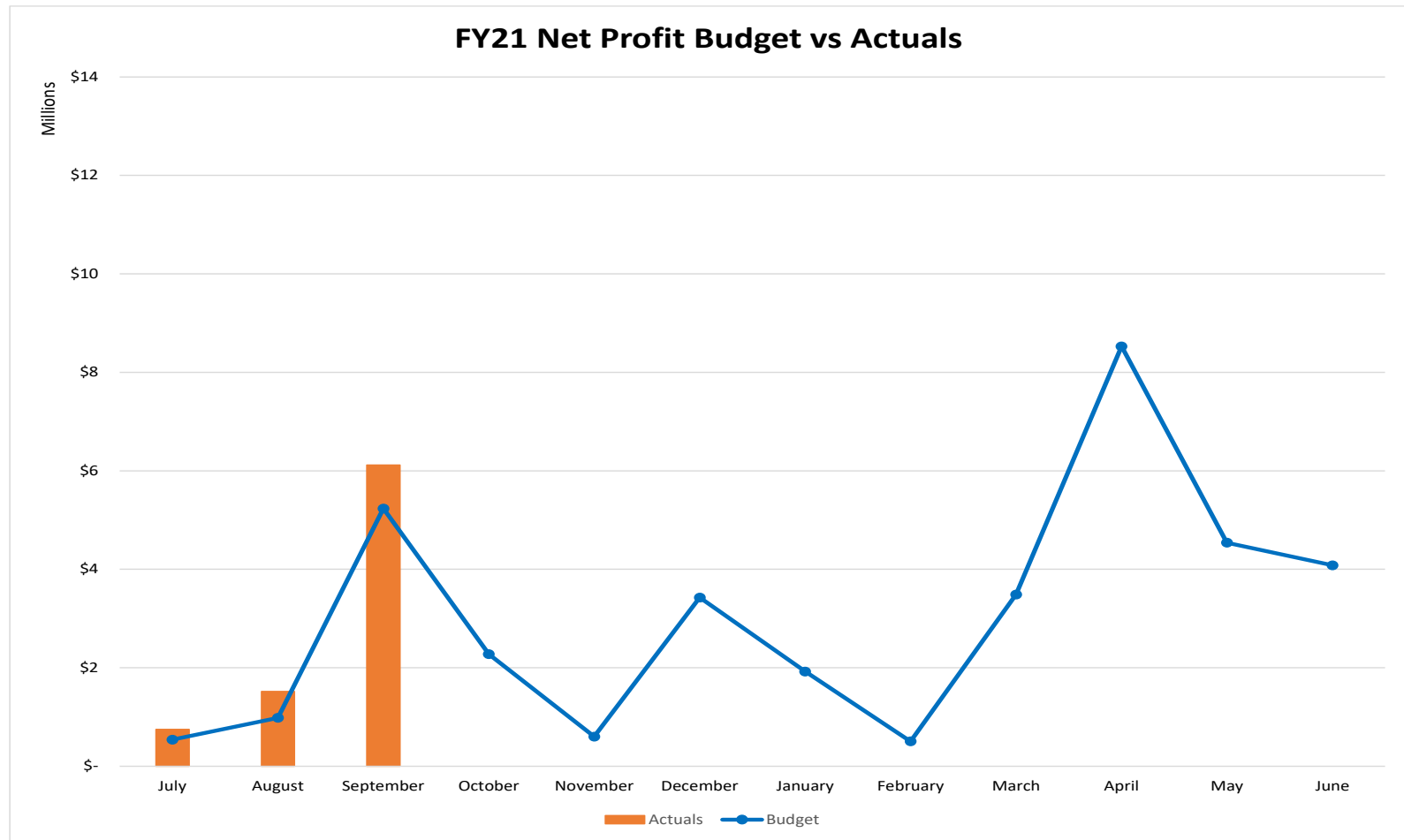


# FY21 Payroll WH Actuals vs. Budget





# 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
<b><u>Revenue</u></b>				
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%
<b>Total Revenues</b>	<b>\$78,662,287</b>	<b>\$73,076,143</b>	<b>\$5,586,144</b>	<b>7.6%</b>

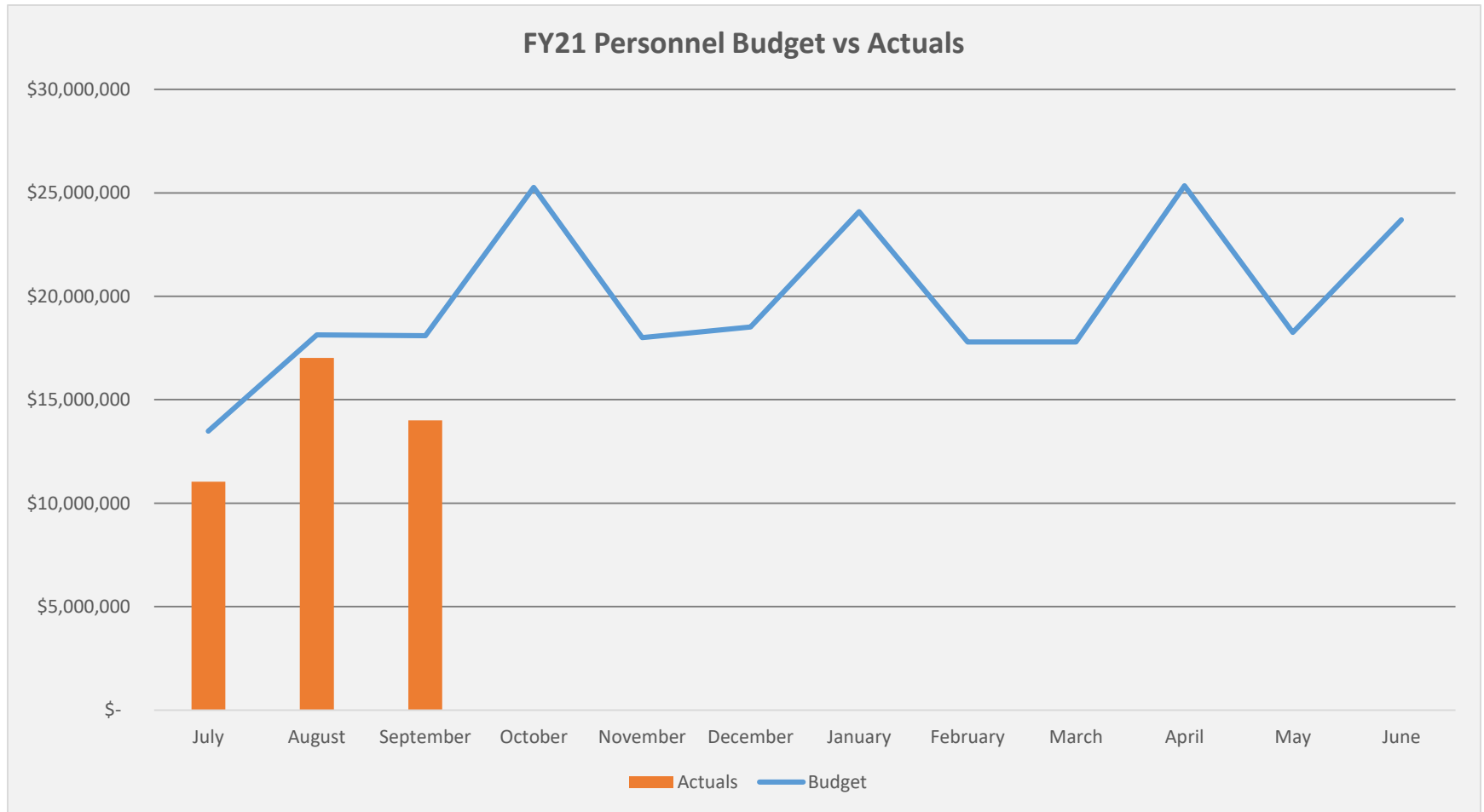


## 2021 Fiscal Year – Cash Flow Variance Expense (Actual to Budget)

<i>For the three months ended September 30, 2020</i>				
	Actuals	Budget	Variance	% Var
<b><u>Expense</u></b>				
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%
<b>Total Expenses</b>	<b>\$76,888,857</b>	<b>\$88,897,748</b>	<b>\$12,008,891</b>	<b>13.5%</b>
 Transfers	 1,361,975	 379,350	 (982,625)	 199.8%
<b>Change in Fund Balance</b>	<b>\$411,455</b>	<b>(\$16,200,955)</b>	<b>\$16,612,410</b>	

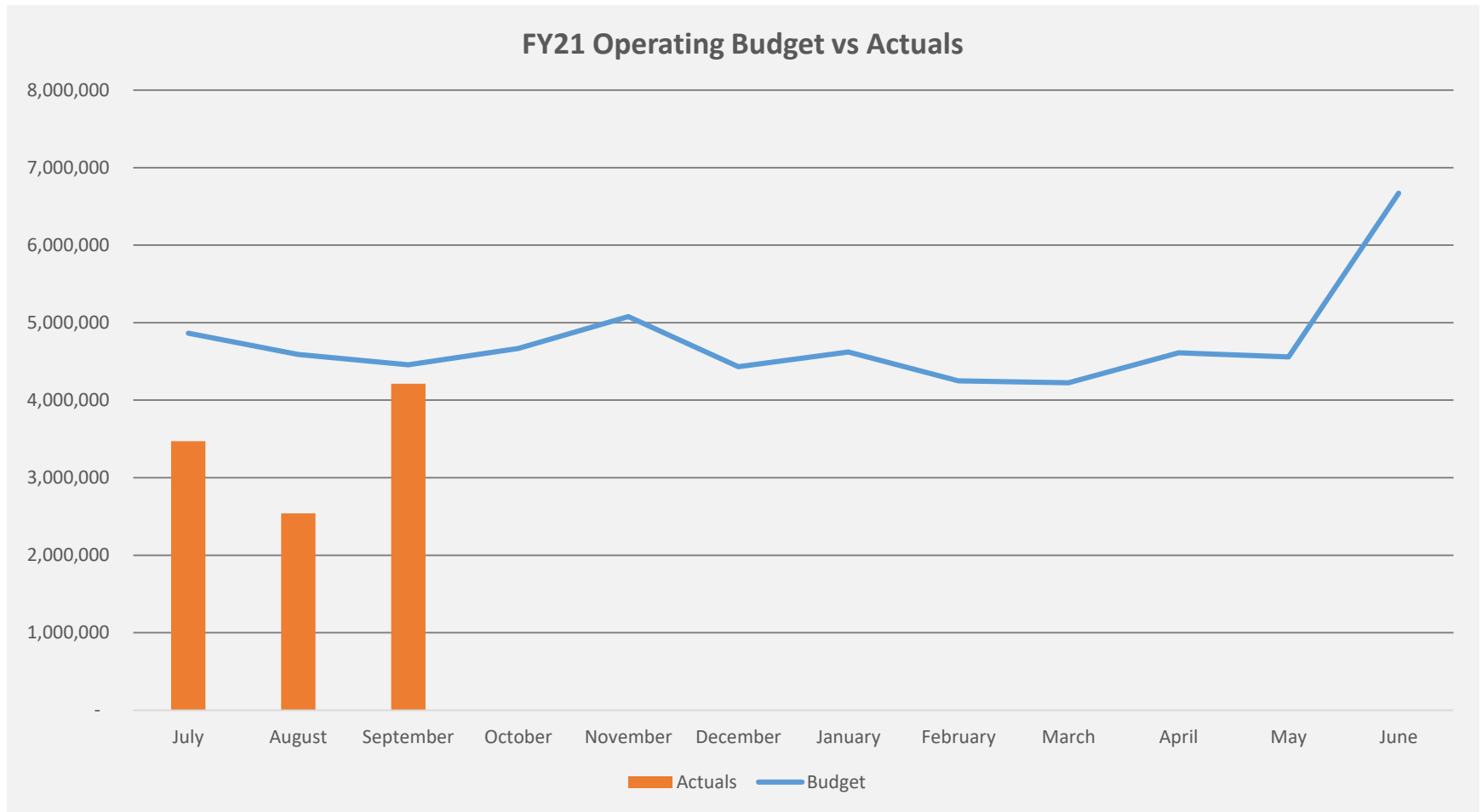


# FY21 Personnel Budget v. Actuals





# 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
<b><u>Revenue</u></b>				
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%
<b>Total Revenues</b>	<b>\$78,662,287</b>	<b>\$79,517,857</b>	<b>(\$855,570)</b>	<b>-1.1%</b>

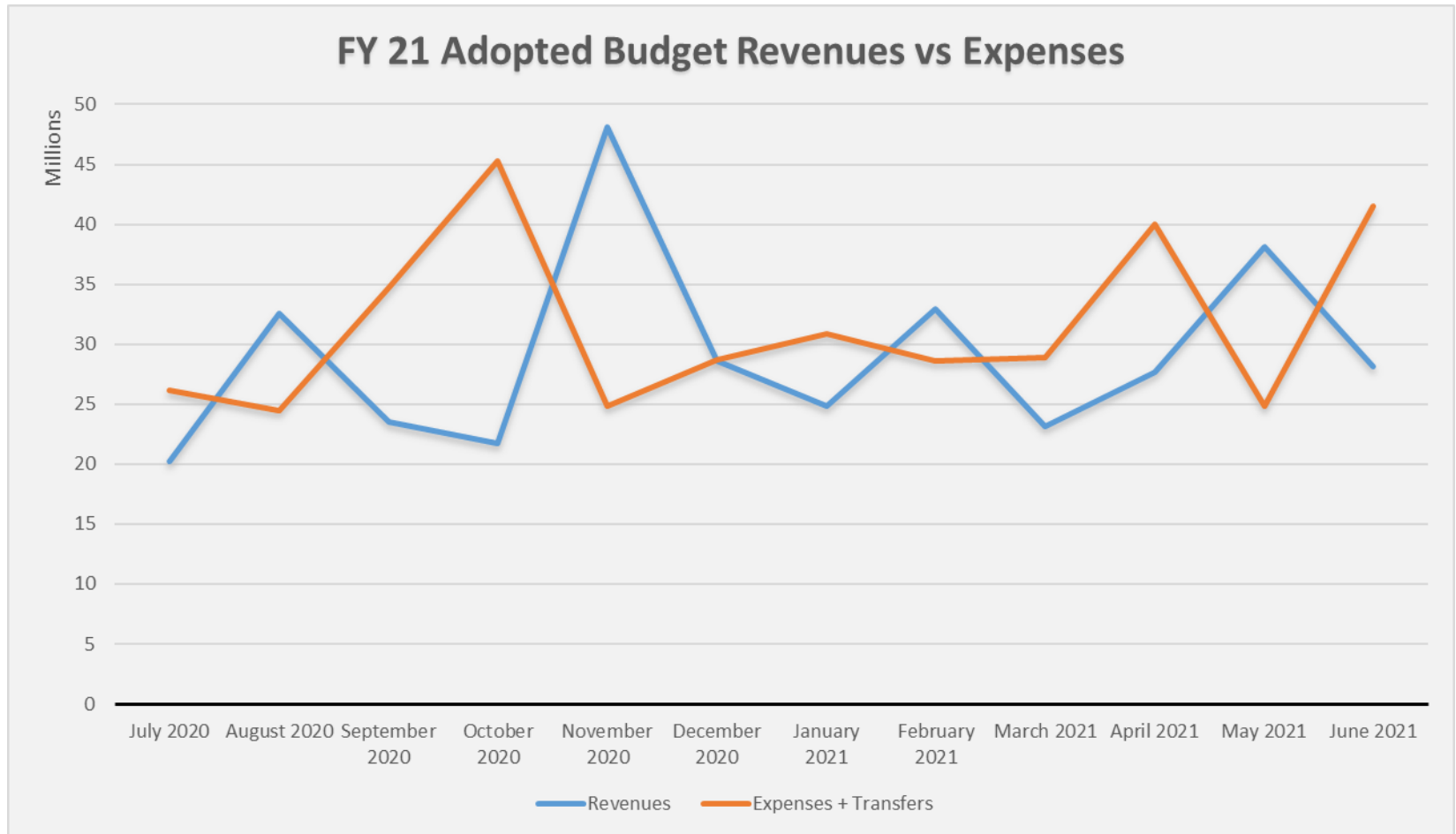


## 2021 Fiscal Year - Cash Flow Variance Expense (CY to PY)

<i>For the three months ended September 30, 2020</i>				
	FY 2021	FY 2020	Variance	% Var
<b><u>Expense</u></b>				
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%
<b>Total Expenses</b>	<b>\$76,888,857</b>	<b>\$87,587,717</b>	<b>\$10,698,860</b>	<b>12.2%</b>
<b>Transfers</b>	<b>1,361,975</b>	<b>1,268,918</b>	<b>(93,057)</b>	<b>-7.3%</b>
<b>Change in Fund Balance</b>	<b>\$411,455</b>	<b>(\$9,338,777)</b>	<b>\$9,750,232</b>	



# FY21 Adopted Budgeted Revenues v. Expenses



# Questions?



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