

FY 2017 Revenue and Expenditure 2nd Quarter Update

Board of Supervisors Budget Work Session

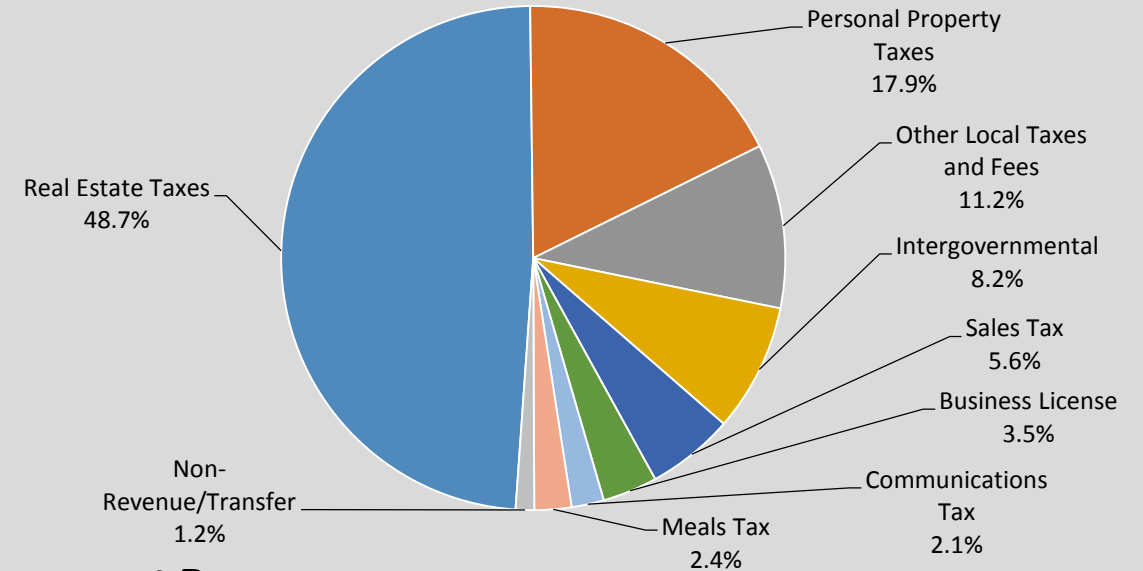
January 24, 2017

Work Session Agenda

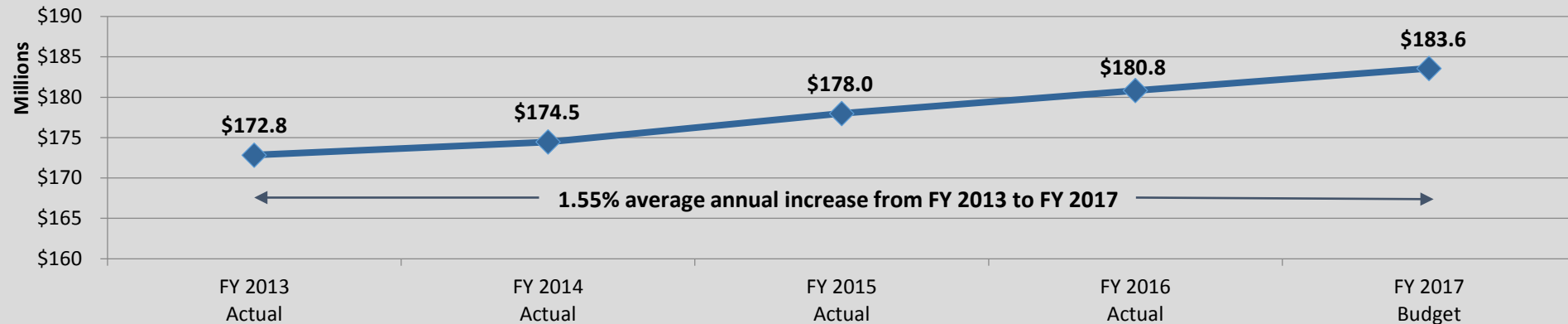
- FY 2017 Revenue Update
- FY 2017 Expenditure Update
- Next Steps

FY 2017 General Government Revenue Budget

General Government Revenue Budget	
Total FY 2017 Adopted Revenue Budget	\$183,259,215
Budget Amendments through December 31 st (Board Approved)	\$305,202
Total FY 2017 Amended Revenue Budget	\$183,564,417



**Total General Government Revenue
FY 2013 through FY 2017**



2nd Quarter Actual Revenue Comparison – General Government

(Through December 31st)

Category	2 nd Quarter FY 2016	2 nd Quarter FY 2017	Difference YTD	% Difference YTD	FY 2017 Budget to Actual Outlook
Real Estate	\$43,117,554	\$43,492,017	\$374,463	0.87%	Slight Growth (1% to 2%)
Personal Property	\$1,716,705	\$1,917,781	\$201,076	11.71%	Slight Decline (-1% to -2%)
Other Local Taxes and Fees*	\$8,637,255	\$8,768,998	\$131,703	1.21%	Slight-to-Moderate Growth (2% to 3%)
Intergovernmental	\$6,940,815	\$6,803,622	(\$137,193)	-1.98%	Slight Growth (1% to 2%)
Sales Tax	\$4,080,362	\$4,253,052	\$172,690	4.23%	Slight-to-Moderate Growth (2% to 3%)
Business License	\$307,247	\$619,859	\$312,652	101.76%	Flat (0%)
Communications Tax	\$1,589,678	\$1,557,175	(\$32,503)	-2.04%	Slight Decline (-1% to -2%)
Hotel/Motel Tax	\$497,120	\$514,806	\$17,686	3.56%	Moderate-to-High Growth (3% to 4%)
Meals	\$1,779,709	\$1,887,713	\$108,004	6.07%	Moderate-to-High Growth (3% to 4%)
Transfers	\$20,000	\$0	(\$20,000)	-100.00%	N/A
Total	\$68,686,445	\$69,815,023	\$1,128,578	1.64%	Slight-to-Moderate Growth (1% to 2%)

*Note: Other Local Taxes includes the following categories: Other Property Taxes, Consumer Utility, Bank Franchise, Motor Vehicle License, Recordation and Conveyance, Other Local Taxes, Permits, Fees, & Licenses, Fines and Forfeitures, Use of Money and Property, Charges for Services, Recovered Costs, and Miscellaneous Revenue

South Peak CDA

- South Peak CDA receives 70% of the following revenues generated 20 years.
 - Real Estate
 - Personal Property
 - Sales
 - Business License
 - Hotel/Motel
 - Meals
- In FY 2016, South Peak CDA realized \$521,192 from total revenue collections.

Total Revenue Generation FY 2013 through FY 2016					
	FY 2013	FY 2014	FY 2015	FY 2016	Total
South Peak CDA	\$15,723	\$129,288	\$305,155	\$521,192	\$971,358
Roanoke County	\$6,738	\$55,490	\$130,781	\$223,368	\$416,296

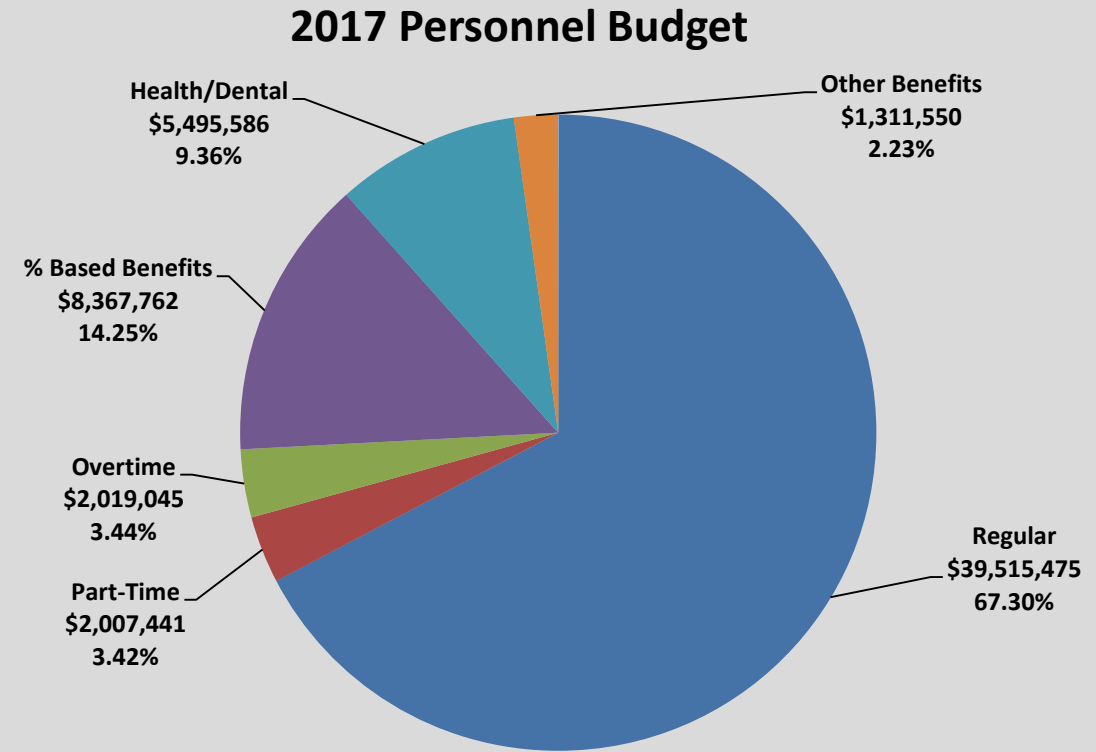
2nd Quarter Actual Expenditure – General Government

Category	FY 2017 Amended Budget	FY 2017 Actual Expenditure	Balance	% of Budget Spent
Personnel	\$57,801,859	\$28,709,332	\$29,092,527	49.67%
Non-Personnel	33,065,296	12,764,083	20,301,213	38.60%
Transfers	94,086,518	14,755,786	79,330,733	15.68%
Encumbrances	---	369,317	(369,317)	N/A
Total	\$184,953,673	\$56,598,518	\$128,355,155	30.60%

- Non-Personnel & Transfers actual expenditures low due to timing of posting expenditures.
- Transfers anticipated to expend entire budget plus an additional \$239,000 for South Peak CDA.

FY 2017 Personnel Projections

Category	Year-End Projection
Salaries, Full-Time & Part-Time	\$921,539
% Based Benefits	274,640
Overtime	(77,602)
Other Benefits	(210,941)
Salary Lapse	(915,000)
Projected Year-End Balance	(\$7,363)

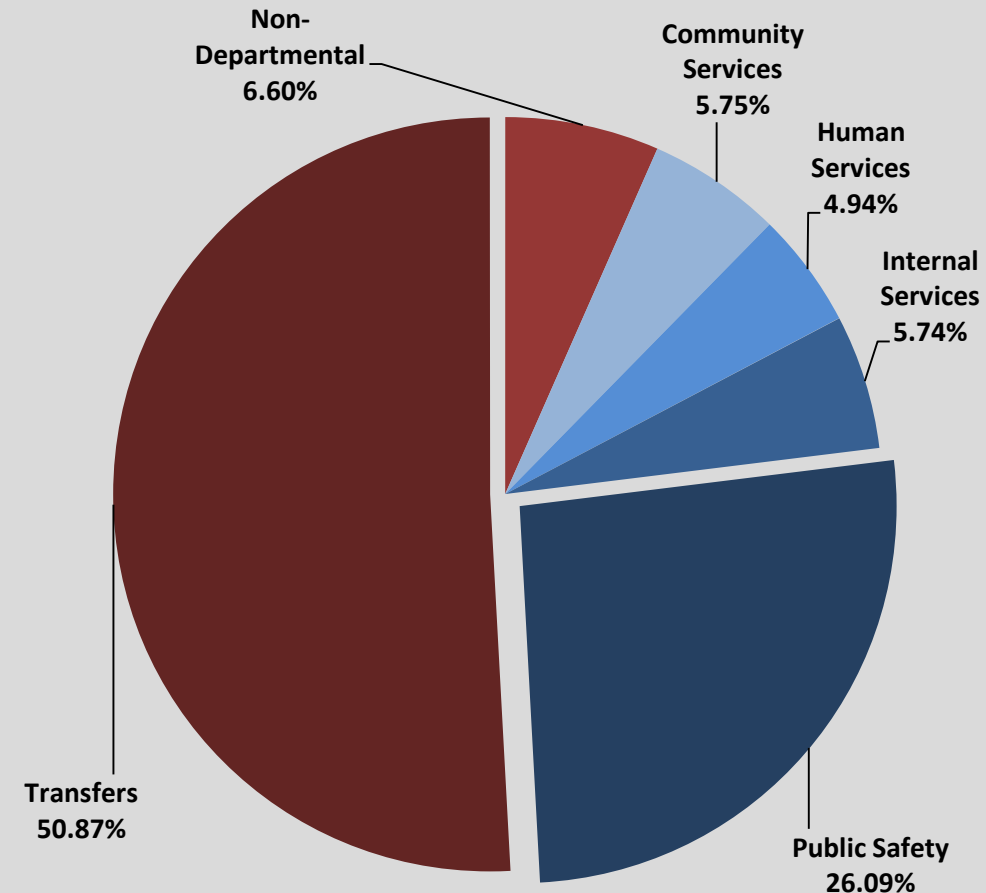


- Year-to-date savings result of vacancies, offset by \$915,000 salary lapse.
- Other benefits deficit projection due to separation of employment expenditures.

FY 2017 General Government Expenditures

Functional Team	FY 2017 Amended Budget	FY 2017 YTD	Remaining Balance	% Spent
Community Services	\$10,633,191	\$4,922,851	\$5,710,340	46.30%
Human Services	9,140,875	4,578,325	\$4,562,550	50.09%
Internal Services	10,625,177	5,064,800	\$5,560,377	47.67%
Public Safety	48,259,015	23,183,186	\$25,075,829	48.04%
<i>Functional Team Subtotal</i>	<i>\$78,658,258</i>	<i>\$37,749,162</i>	<i>\$40,909,096</i>	<i>47.99%</i>
Encumbrances	---	369,317	(369,317)	N/A
Non-Departmental	12,208,897	3,724,253	8,484,644	30.50%
Transfers	94,086,518	14,755,786	\$79,330,733	15.68%
Total General Government	\$184,953,672	\$56,598,518	\$128,355,155	30.60%

FY 2017 Amended Budget



FY 2017 Revenue and Expenditure Reconciliation

Revenue	Amount
Total Revenue Budget	\$183,564,417

Expenditure	Amount
Total Expenditure Budget	\$184,953,673
Capital Reserves (FY 16-17 carryover)	(\$1,389,256)
Total Adjusted Expenditure Budget	\$183,564,417

Children's Services Act Fund

	FY 2012 Actuals	FY 2013 Actuals	FY 2014 Actuals	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Projected
Revenues	\$5,765,494	\$5,027,829	\$4,382,370	\$5,008,494	\$5,324,498	\$5,360,756
Expenditures	\$4,831,995	\$5,176,661	\$5,130,610	\$6,084,210	\$6,808,984	\$6,905,689
Net Income/Loss	\$933,499	(\$148,833)	(\$748,240)	(\$1,075,716)	(\$1,484,486)	(\$1,544,933)
Beginning Balance	\$5,238,600	\$6,172,100	\$6,023,267	\$5,275,027	\$4,199,311	\$2,714,825
Ending Balance	\$6,172,100	\$6,023,267	\$5,275,027	\$4,199,311	\$2,714,825	\$1,169,892

- Recurring Revenues not supporting Annual Costs.
- Fund Balance draw down for 5 straight years.
- FY 2013 and FY 2014 reduced total annual contribution from \$3,253,000 to \$1,853,000.
- Fund Balance projected to be depleted by the end of FY 2018.
- Staff will provide options to address in FY 2018 Budget.

FY 2017 Year-End

- General Government overall revenues appear to be on target.
- Expenditures anticipated to be slightly below budget.
- Children's Services Act funding will need to be addressed in FY 2018 due to fund balance depletion.

Next Steps

- Office of Management and Budget in conjunction with the Finance Department continues to monitor revenues and expenditures and update projections
- Revenue Team will finalize FY 2017 - 2018 revenue projections at end of January
- Preliminary FY 2017 - 2018 revenue projections will be presented to the Board at February 28, 2017 work session
 - In advance of public hearing to establish Maximum Tax Rate (March 28, 2017)
- County Administrator's Proposed FY 2017 - 2018 Budget presentation scheduled for March 14, 2017

Questions and Comments