

FY 2021 Q2 FINANCIAL RESULTS

July 1, 2020– December 31, 2020

January 27, 2021
Council Meeting

Topics for Discussion

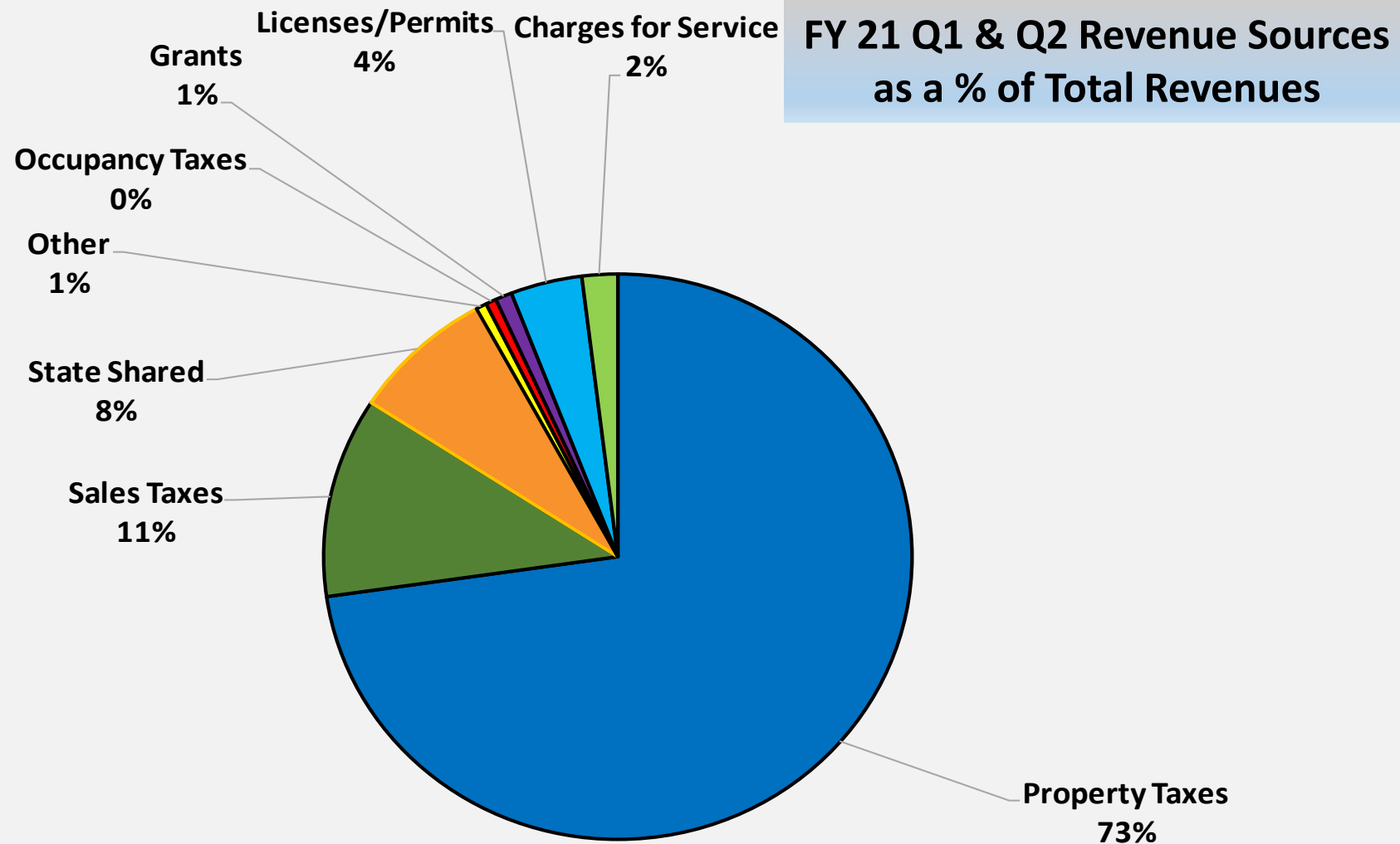
- **General Fund**

- Revenues
- Personnel Expenditures
- Operating Expenditures

- **Enterprise Funds**

- Transit
- Parking
- Housing
- Stormwater

General Fund FY 21 Q1 & Q2 Revenues



Property Taxes

Fiscal Year	Q2 Revenue	Total Revenue	% Collected in Q2
FY 2021	26,414,912	32,587,500	81.1%
FY 2020	25,918,210	31,960,930	81.1%
FY 2019	24,350,015	31,779,093	76.6%
FY 2018	23,736,343	30,273,964	78.4%
FY 2017	22,392,939	29,273,288	76.5%

Average collections: Q1-13%; Q2-68%; Q3-17%; Q4-2%
(Q1 & Q2 = 81%)

Key takeaway – property taxes collections are where we expect as of the end of Q2

Sales Taxes

Tax Collected by State	Tax Received by Town	Actual Collection	% Change P/Y	Budget Projection	+/-
July 2020	Oct 2020	1,413,050	12.7%	1,190,784	222,266
Aug 2020	Nov 2020	1,341,178	(0.2%)	1,276,738	64,440
Sep 2020	Dec 2020	<u>1,395,747</u>	1.1%	<u>1,312,159</u>	<u>83,588</u>
		4,149,975		3,779,681	370,294
Oct 2020	Jan 2021	1,388,165	3.6%	1,272,886	115,279

- Sales taxes are received by the Town three months in arrears
- Growth in sales tax is budgeted based on prior year actual receipts
- Town projected 5% decrease for FY 2021 collections
- \$485,573 additional sales tax collected in first 4 months of FY 2021; 4.13% growth
- Factors impacting sales: NC phased close orders; online sales; federal stimulus checks

Occupancy Taxes

Month	Actual Collection	P/Y Collection	% Change P/Y
July 2020	38,033	110,691	(65.6%)
August 2020	51,416	108,875	(52.8%)
September 2020	35,660	132,836	(73.2%)
October 2020	51,216	140,899	(63.7%)
November 2020	<u>36,213</u>	<u>119,782</u>	(69.8%)
	212,538	613,083	(65.3%)

Department Fees

Department	FY 2021 Q2	FY 2020 Q2	Difference
General	224,299	215,958	8,341
Planning	258,792	230,588	28,204
Building & Dev't Services	1,002,682	1,036,138	(33,456)
Public Works	432,447	465,783	(33,336)
Police	47,902	22,069	25,833
Fire	183,966	217,974	(34,008)
Parks & Recreation	(10,700)	543,194	(553,894)
Library	<u>-</u>	<u>4,384</u>	<u>(4,384)</u>
Total	2,139,388	2,736,088	(596,700)

General Fund FY 21 Q1 & Q2 Expenditures

- At the end of the 2nd quarter, we would expect to have spent about 50% of the budget; actual is at 43%
- Town has saved \$1 million in personnel savings from the hiring freeze
- Town has saved \$1.2 million in operating costs resulting from FY 21 budget cuts in the areas of maintenance, streets and vehicles and from close monitoring of large purchases



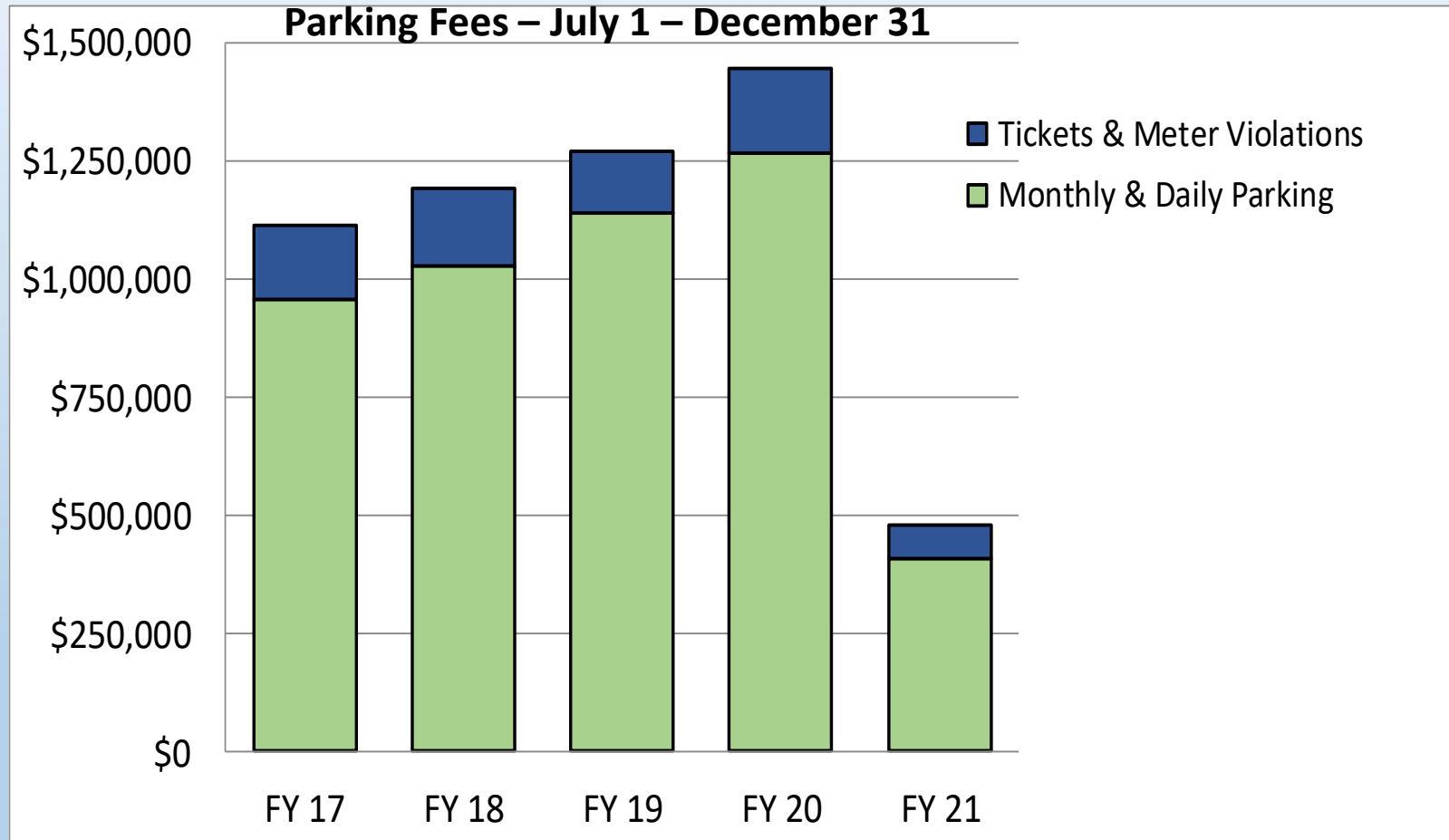
ENTERPRISE FUNDS



Transit Fund

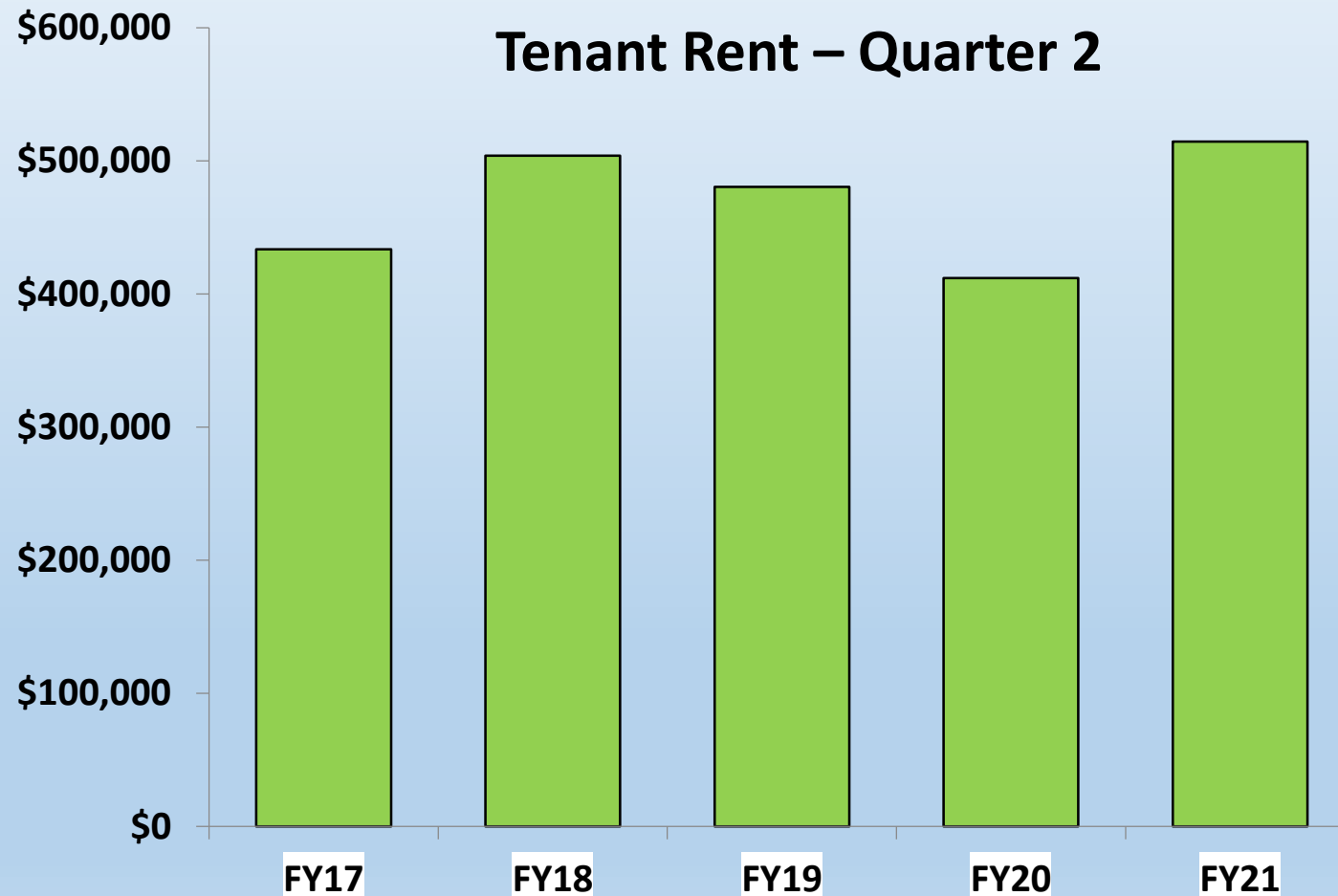
- Property taxes collected at 81% (comparable with prior years)
- Intergovernmental revenues low because FTA, state, & bus rapid transit funds typically received later in the year
- UNC & Carrboro contributions billed and collected
- CARES \$ allocation
- Personnel expenditures are on target at 47% of budget

Parking Fund (Impact due to COVID-19)



- As a result of COVID-19, the Town stopped charging March - July
- Parking fees resumed August 1st at new rates (\$1.50 hourly & \$125 monthly)
- Monitoring expenses wherever possible to help offset revenue shortfalls
- Evaluating short-term strategies to help parking sustain through impacts of COVID-19

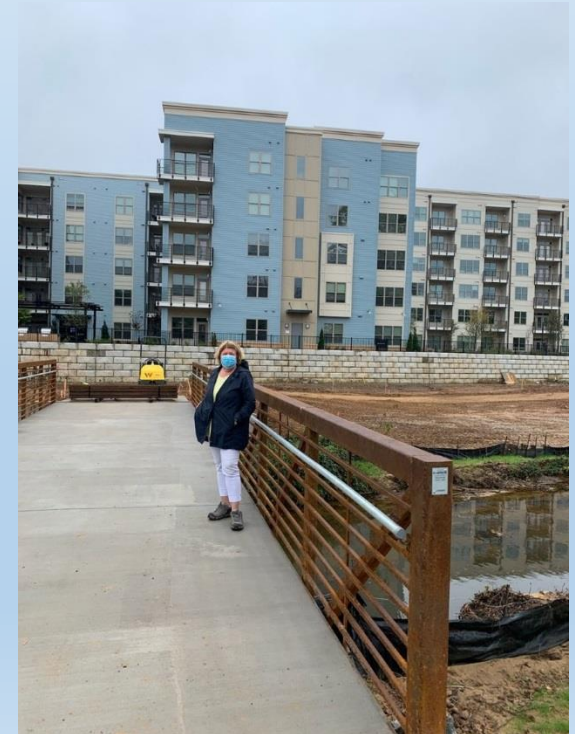
Housing Fund



- Tenant rent fairly consistent with prior year revenues
- Annual federal grant funds drawn; no CARES \$ drawn
- Personnel expenditures are on target at 49% of budget

Stormwater Fund

- Stormwater fees are billed on same schedule as property taxes
- \$1.2 million in FY 21 (July – November; 1 month delay in collections)
- Personnel expenditures are on target at 50% of budget
- Booker Creek Storm Basin Park under construction
- 2018 bond issuance debt service



Next Steps (Tentative Dates)

- February 5/6/8 Council Retreat
- February 24 Initial Budget Public Forum
- March 17/April 14 Work Sessions
- May 5 Manager's Recommended Budget