

# **FY 2021 Q1 FINANCIAL RESULTS**

## **July 1, 2020 – September 30, 2020**

December 2, 2020  
Council Work Session

# Topics for Discussion

- **General Fund**

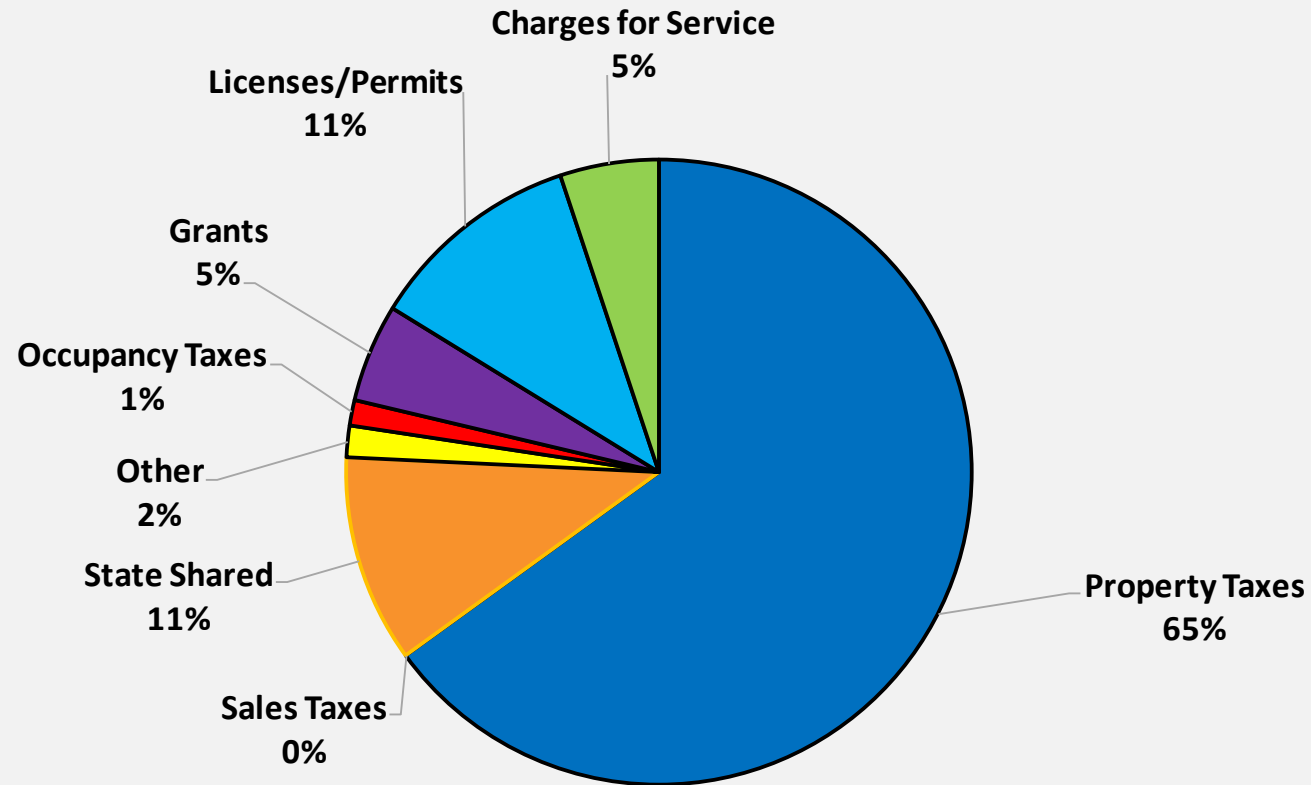
- Revenues
- Personnel Expenditures
- Operating Expenditures

- **Enterprise Funds**

- Transit
- Parking
- Housing
- Stormwater

# General Fund FY 21 Q1 Revenues

FY 21 Q1 Revenue Sources  
as a % of Total Revenues



# Property Taxes

| Fiscal Year | Q1 Revenue | Total Revenue* | % Collected in Q1 |
|-------------|------------|----------------|-------------------|
| FY 2021     | 4,376,418  | 32,587,500     | 13.4%             |
| FY 2020     | 4,218,146  | 31,960,930     | 13.2%             |
| FY 2019     | 4,332,601  | 31,779,093     | 13.6%             |
| FY 2018     | 3,508,251  | 30,273,964     | 11.6%             |
| FY 2017     | 3,856,012  | 29,273,288     | 13.2%             |

\* FY 2021 budgeted revenue  
FY 2017-2020 actual revenue

Average collections: Q1-13%; Q2-68%; Q3-17%; Q4-2%

# Sales Taxes

| Tax Collected<br>by State | Tax Received<br>by Town | Actual<br>Collection | % Change<br>P/Y | Budget<br>Projection | +/-            |
|---------------------------|-------------------------|----------------------|-----------------|----------------------|----------------|
| March 2020                | June 2020               | 1,270,193            | ( 4.8%)         | 1,201,154            | 69,039         |
| April 2020                | July 2020               | 1,117,686            | (12.0%)         | 1,005,917            | 111,769        |
| May 2020                  | Aug 2020                | 1,281,121            | ( 1.4%)         | 1,153,009            | 128,112        |
| June 2020                 | Sept 2020               | <u>1,514,160</u>     | 13.3%           | <u>1,362,744</u>     | <u>151,416</u> |
|                           |                         | 5,183,160            |                 | 4,722,825            | 460,335        |
|                           |                         |                      |                 |                      |                |
| July 2020                 | Oct 2020                | 1,413,050            | 12.7%           | 1,190,784            | 222,266        |
| Aug 2020                  | Nov 2020                | <u>1,341,178</u>     | ( 0.2%)         | <u>1,276,738</u>     | <u>64,440</u>  |
|                           |                         | 2,754,228            |                 | 2,467,522            | 286,706        |

# Sales Tax Takeaways

- Sales taxes are received by the Town three months in arrears
- There were no FY 21 collections in the 1<sup>st</sup> quarter.
- Growth in sales tax is budgeted based on prior year actual receipts
- Town projected 10% decrease for FY 2020 (March – June) collections and 5% decrease for FY 2021 collections
- \$460,335 additional sales tax collected in FY 20 & \$286,706 in FY 21
- With two months FY 21 collections, we are at 6% sales tax growth
- Factors that have impacted sales: NC phased close orders; online sales; federal stimulus checks

# Occupancy Taxes

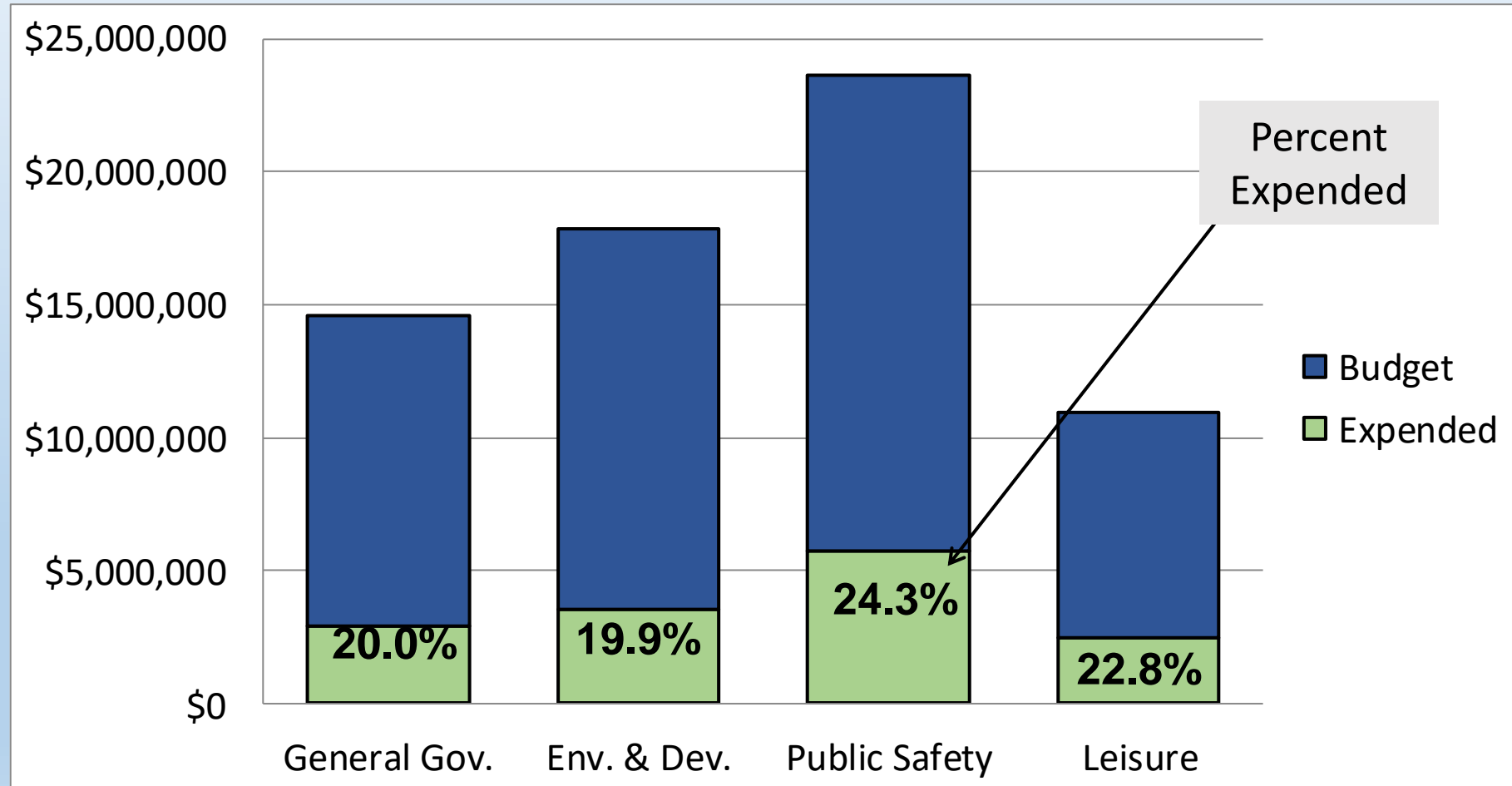
| Month           | Actual Collection | P/Y Collection | % Change P/Y |
|-----------------|-------------------|----------------|--------------|
| Jul 19 – Feb 20 | 872,674           | 847,174        | 3.0%         |
| March 2020      | 51,750            | 118,439        | (56.3%)      |
| April 2020      | 9,390             | 122,105        | (92.3%)      |
| May 2020        | 17,938            | 145,659        | (87.7%)      |
| June 2020       | <u>34,546</u>     | <u>115,626</u> | (70.1%)      |
|                 | 986,298           | 1,349,003      | (26.9%)      |
|                 |                   |                |              |
| July 2020       | 38,033            | 101,685        | (62.6%)      |
| August 2020     | 51,416            | 108,875        | (52.8%)      |

# Department Fees

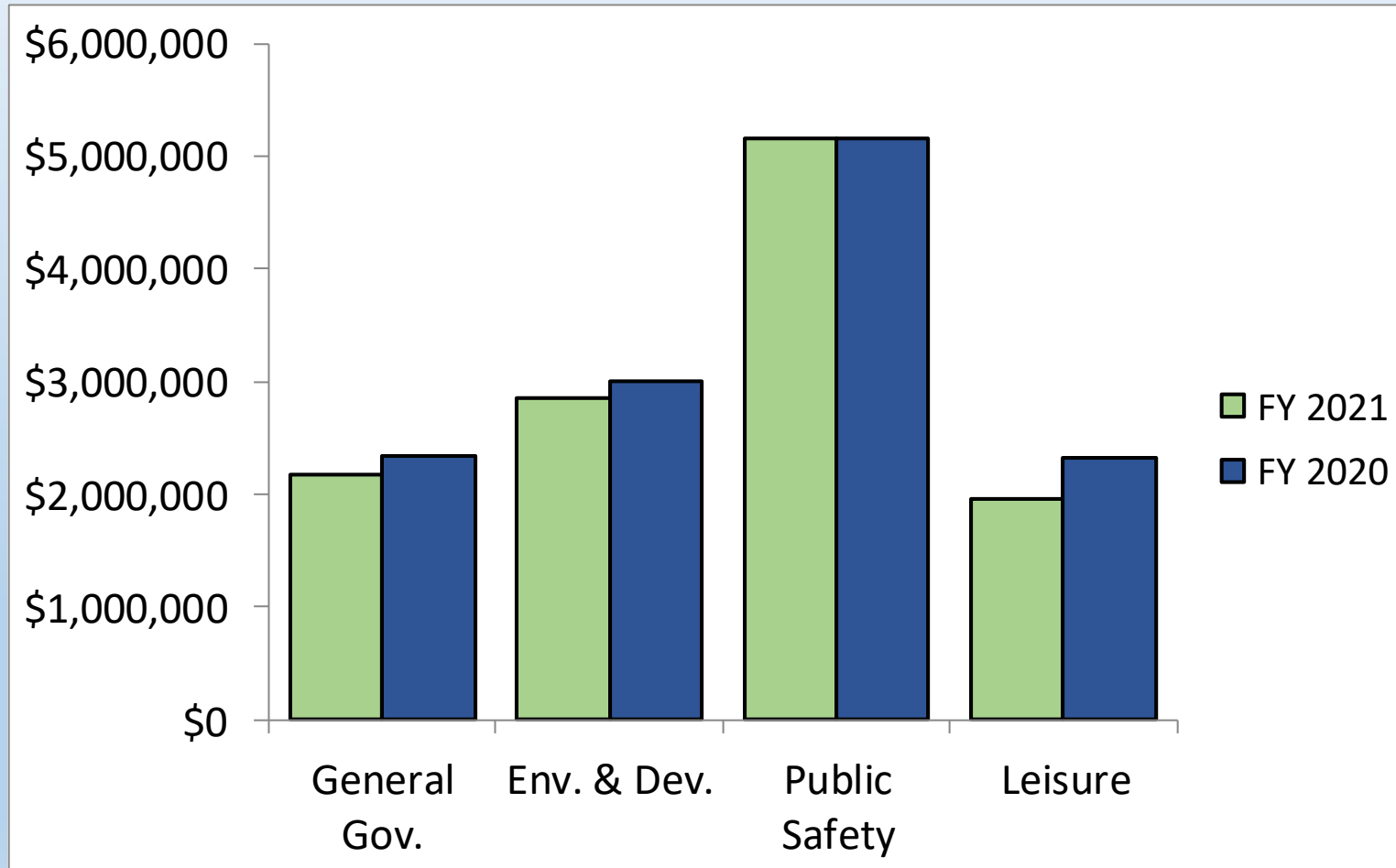
| Department                | FY 2021 Q1 | FY 2020 Q1 | Difference |
|---------------------------|------------|------------|------------|
| General                   | 98,696     | 95,518     | 3,178      |
| Planning                  | 159,961    | 89,491     | 70,470     |
| Building & Dev't Services | 533,353    | 390,881    | 142,472    |
| Public Works              | 217,126    | 237,307    | (20,181)   |
| Police                    | 3,372      | 5,760      | (2,388)    |
| Fire                      | 102,341    | 89,373     | 12,968     |
| Parks & Recreation        | (23,292)   | 295,320    | (318,612)  |
| Library                   | -          | 2,132      | (2,132)    |
| Total                     | 1,091,557  | 1,205,782  | (114,225)  |



# General Fund FY 21 Q1 Expenditures



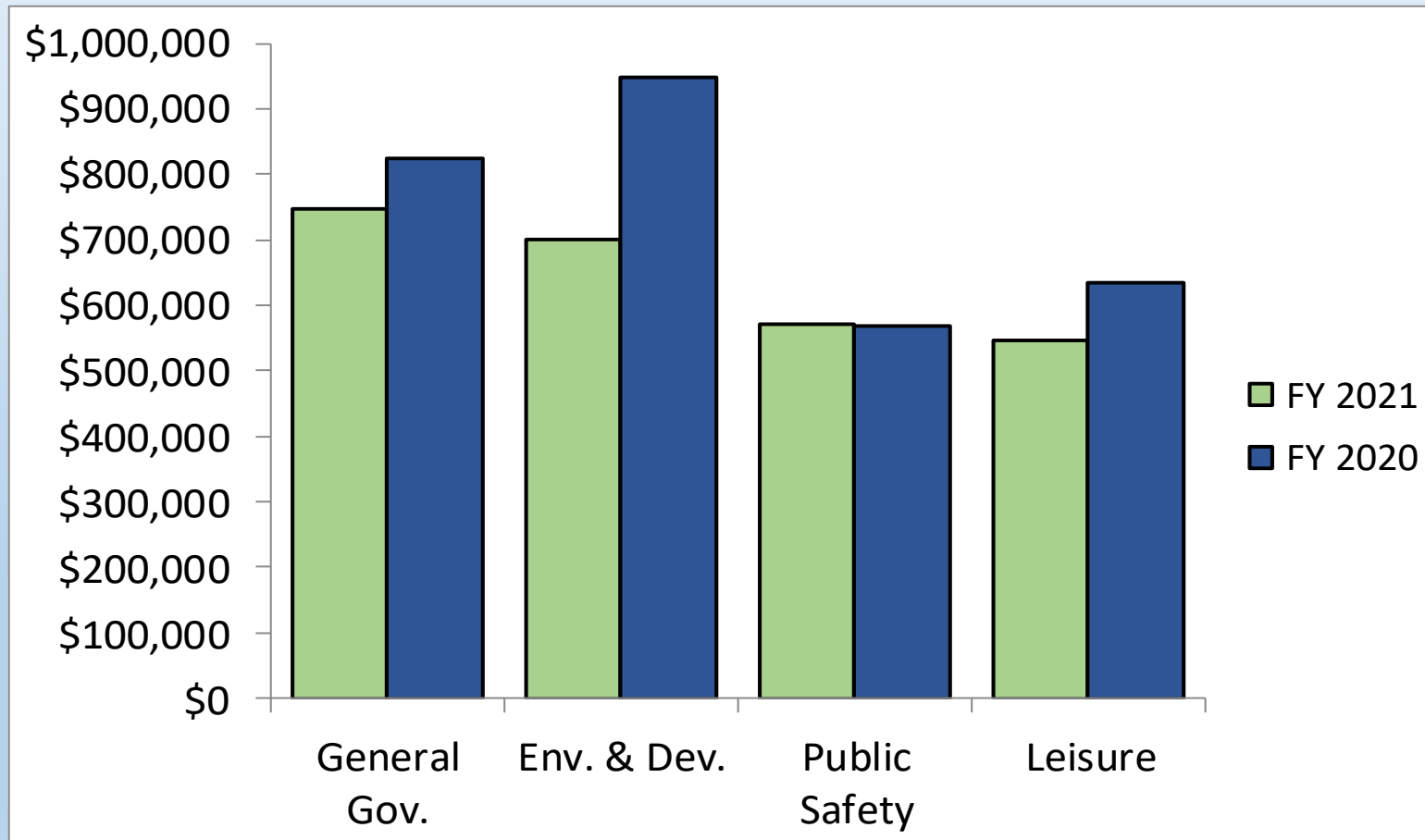
# General Fund FY21 Q1 Personnel Costs



Savings generated by hiring freeze:

|            |                |
|------------|----------------|
| Gen Gov't  | 171,511        |
| Env & Dev  | 153,012        |
| Pub Safety | 2,284          |
| Leisure    | <u>375,535</u> |
|            | 702,342        |

# General Fund FY21 Q1 Operating Costs



Savings generated Q1:

|            |               |
|------------|---------------|
| Gen Gov't  | 77,073        |
| Env & Dev  | 248,562       |
| Pub Safety | (4,272)       |
| Leisure    | <u>88,852</u> |
|            | 410,215       |



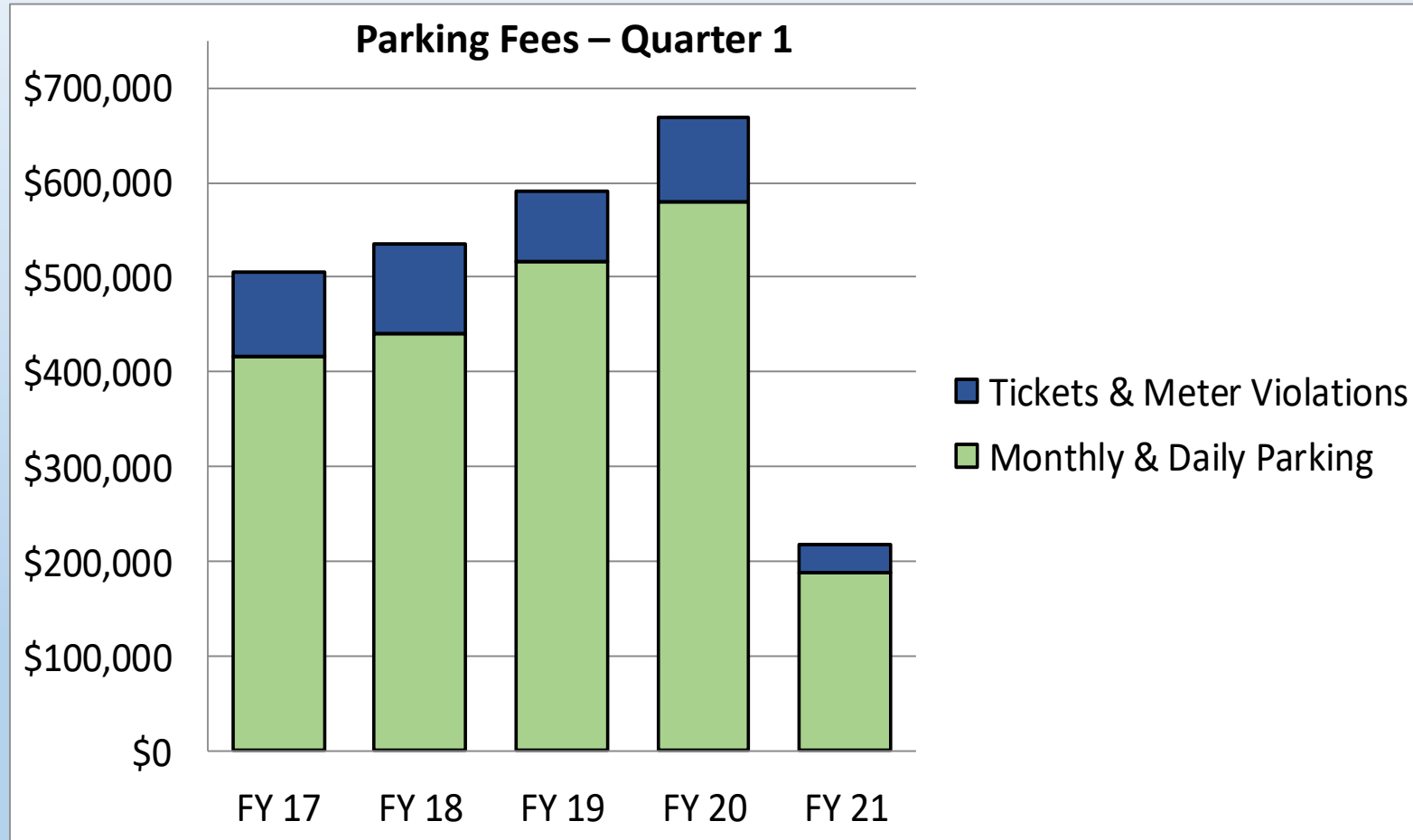
# ENTERPRISE FUNDS



# Transit Fund

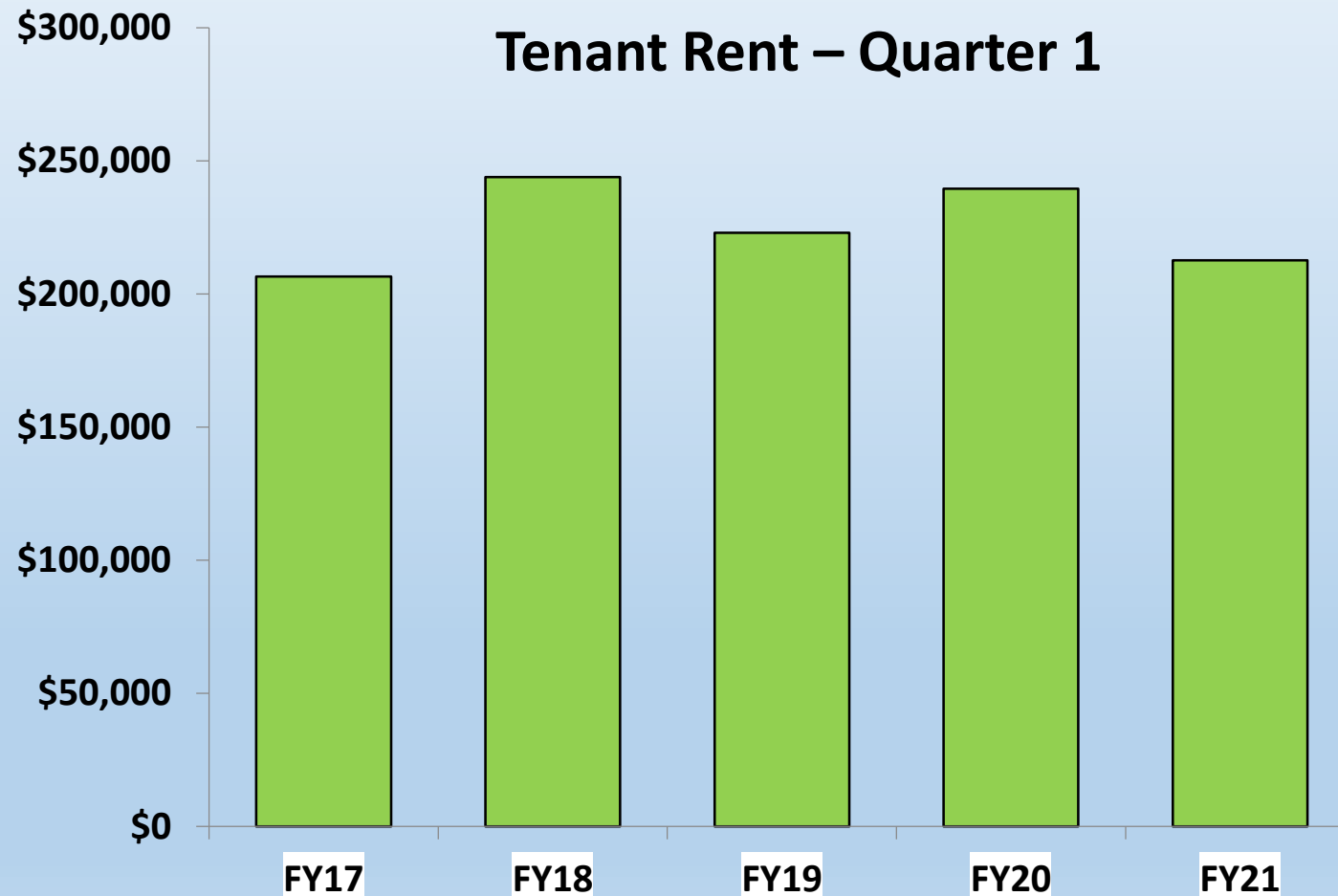
- Property taxes collected at 13% (comparable with prior years)
- Intergovernmental revenues low because FTA, state, & bus rapid transit funds typically received later in the year
- UNC contract is still being negotiated
- SMAP funds / CARES \$
- Appropriated fund balance budget is carryforward for the Bus Rapid Transit project
- Personnel expenditures are on target at 24% 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 1<sup>st</sup> at new rates (\$1.50 hourly & \$125 monthly)
- Monitoring expenses wherever possible to help offset revenue shortfalls

# Housing Fund



- Tenant rent fairly consistent with prior year revenues
- Federal grant funds not drawn in Q1 as funds were not available; will be drawn in Q2
- Personnel expenditures are on target at 24% of budget

# Stormwater Fund

- Stormwater fees are billed on same schedule as property taxes
- \$241,290 in FY21 Q1 (July & August – 1 month delay in collections)
- Personnel expenditures are on target at 26% of budget
- Elliott Road Storage Project is under construction
- 2017 bond issuance – debt service due in Nov & May





