

Preliminary Fiscal Highlights General Fund
Through Second Quarter July 1, 2020 – December 31, 2020

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund (e.g., all 100 funds at CAFR Level; General, Risk Management, SWAP, Reappraisal Reserve, Capital Financing Plan, Benefits Plan and LEO Separation Allowance), the Debt Service Fund and the Sewer Utility Fund. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the Capital Projects Funds and the Enterprise Capital Projects Funds.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the function level for all annually budgeted funds and at the project level for the multi-year funds.

This analysis for the General sub-funds excludes other financing uses (e.g., transfers out) for costs or other financing sources (e.g., transfer in). In addition, it does not include encumbrance balances as of December 31st because they are funds that have been set aside as committed but not yet spent.

Based on a budgetary extract from SAP for the first six months of the fiscal year, expenditures compared to budget for FY21 for the first six months trended slightly lower than FY 2020 expenditures compared to budget, 46.42% and 49.13%, respectively, which is a positive. The spending controls put in place Spring 2020 have continued through the current fiscal year in light of managing unknowns related to COVID-19.

Based on a budgetary extract from SAP for the first six months of the fiscal year, revenues collected compared to budget for FY 2021 for the first six months trended slightly higher than FY20 revenues collected compared to budget, 64.73% and 60.54%, respectively, which is a positive.

Based on the fiscal analysis for the first six months of the FY 2021 and comparing those results to the first six months of FY 2020, the County remains fiscally strong. If the trending continues for the next six months of the fiscal year as it has in the first six months, staff does not see the County spending fund balance in FY 2021 and no negative impact on our reserves. However, the County will need to continue to manage the FY 2021 budget as it has past budgets. In addition, measures that have been put into place due to the COVID pandemic (e.g., vacant positions frozen, not providing pay increases to employees, etc.) may need to continue, yet will require further evaluation.

The County is issuing \$70 million of General Obligation Bond refunding debt next month. In addition, in the spring of this fiscal year, the County will be issuing a significant amount of new debt (\$150M) primarily for funding of DPS projects. As such, the County needs to continue with sound and fiscal management as we have in the past to ensure we retain sufficient cash reserves, strong fund balance, etc. to remain fiscally strong.

The following tables reflect summary revenue and expenditure summaries. The Budget Department will present the traditional detailed quarterly budget update in February. The link to the first quarter budget update follows: [FY 2021 First Quarter Budget Update](#).

Preliminary General Fund 2nd Quarter Update
Revenues as of December 31, 2020

Sub-fund	Functional Area Name	Current Budget	Collected Amount	Variance	% of Budget Collected
100 General	Taxes	361,599,220.00	253,780,320.04	(107,818,899.96)	70.18%
	Licenses & permits	517,500.00	345,617.37	(171,882.63)	66.79%
	Intergovernmental	72,314,903.00	23,068,253.38	(49,246,649.62)	31.90%
	Contributions & donations	449,217.00	68,834.77	(380,382.23)	15.32%
	Investments	2,010,000.00	3,963.47	(2,006,036.53)	0.20%
	Rent	136,836.00	28,243.79	(108,592.21)	20.64%
	Service charges	23,582,195.00	13,259,798.60	(10,322,396.40)	56.23%
	Other revenues	535,250.00	527,773.55	(7,476.45)	98.60%
	Total	461,145,121.00	291,082,804.97	(170,062,316.03)	63.12%
102 Risk Management	Service charges	3,849,805.00	3,849,805.00	-	100.00%
103 SWAP	Investments	1,500,000.00	916,659.04	(583,340.96)	61.11%
125 Capital Financing Plan	Taxes	37,577,441.00	30,776,281.42	(6,801,159.58)	81.90%
	Investments	10,000.00	537.57	(9,462.43)	5.38%
	Rental	598,280.00	305,304.18	(292,975.82)	51.03%
	Total	38,185,721.00	31,082,123.17	(7,103,597.83)	81.40%
150 Benefits Plan	Service charges	2,819,067.00	1,594,756.20	(1,224,310.80)	56.57%
	Total	2,819,067.00	1,594,756.20	(1,224,310.80)	56.57%
General Fund	Total all general sub-funds	507,499,714.00	328,526,148.38	(178,973,565.62)	64.73%

Note:

As of December 31, 2019, the percentage of revenues collected to date compared to budget was 60.54%.

Preliminary General Fund 2nd Quarter Update
Expenditures as of December 31, 2020

Sub-fund		Functional Area Name	Current Budget	Expended Amount	Variance	% of Budget Spent
100	General	General Government	61,584,164.13	26,018,666.26	35,565,497.87	42.25%
		Public Safety	69,284,548.61	33,043,700.96	36,240,847.65	47.69%
		Transportation	412,500.00	118,038.61	294,461.39	28.62%
		Environmental Protection	6,039,977.62	2,338,603.60	3,701,374.02	38.72%
		Economic & Physical Development	8,452,551.02	2,249,486.41	6,203,064.61	26.61%
		Human Services	101,869,751.16	39,787,156.22	62,082,594.94	39.06%
		Education	167,394,009.70	95,039,135.84	72,354,873.86	56.78%
		Cultural & Recreational	13,416,740.37	6,537,864.01	6,878,876.36	48.73%
		Total	428,454,242.61	205,132,651.91	223,321,590.70	47.88%
102	Risk Management	General Government	3,887,999.61	2,633,241.87	1,254,757.74	67.73%
103	SWAP	General Government	723,959.00	-	723,959.00	0.00%
105	Reappraisal Reserve	General Government	1,064,980.00	159,591.06	905,388.94	14.99%
125	Capital Financing Plan	General Government	840,982.43	31,400.79	809,581.64	3.73%
150	Benefits Plan	General Government	17,895,546.10	3,034,490.62	14,861,055.48	16.96%
		Public Safety	6,706,446.00	2,739,794.63	3,966,651.37	40.85%
		Environmental Protection	413,721.00	90,930.83	322,790.17	21.98%
		Economic & Physical Development	155,645.00	84,398.99	71,246.01	54.23%
		Human Services	6,108,875.00	2,633,535.13	3,475,339.87	43.11%
		Cultural & Recreational	984,465.00	348,581.96	635,883.04	35.41%
		Utilities	221,944.00	105,377.75	116,566.25	47.48%
		Total	32,486,642.10	9,037,109.91	23,449,532.19	27.82%
160	LEO Separation Allowance	General Government	525,000.00	263,094.89	261,905.11	50.11%
General Fund		Total all general sub-funds	467,983,805.75	217,257,090.43	250,726,715.32	46.42%

Note:

As of December 31, 2019, the percentage of expended to date compared to budget was 49.13%.