

FY 2021 Mid-Year General Fund Budget Projection

**A Statistical Look at the Data
Through 12/31/2020**



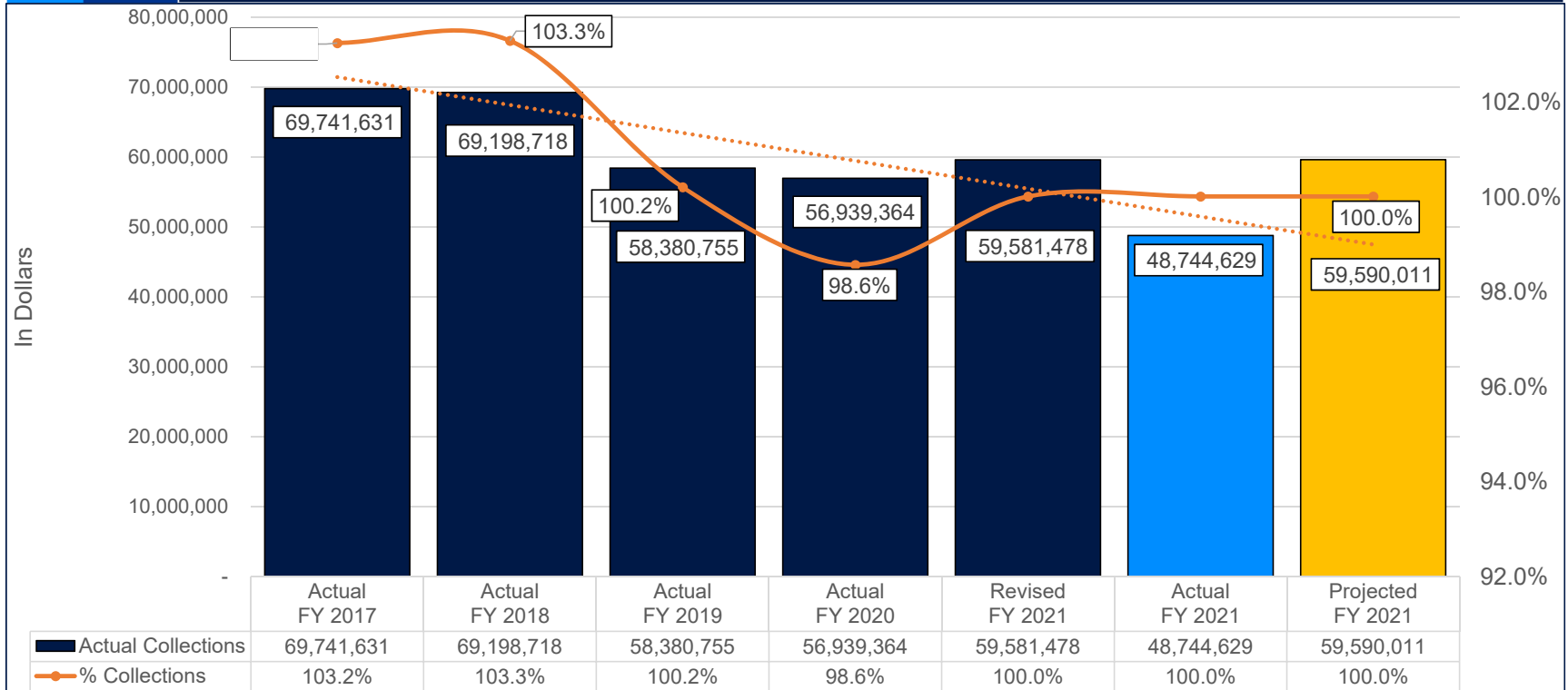
General Fund Revenue

Union County FY 2021 General Fund Year End Projection *(Through Dec 31 2020)*

Category	Actual FY 2018	Actual FY 2019	Actual FY 2020	Revised FY 2021	Actual FY 2021	YE Proj. FY 2021	%
Revenues							
Ad Valorem Taxes and Fees	69,198,718	58,380,755	56,939,364	59,581,478	48,744,629	59,590,011	100.0%
Local Option Sales Tax	43,070,620	45,818,820	48,720,847	46,556,839	13,026,999	49,526,382	106.4%
Other Taxes	2,916,298	3,182,688	3,207,810	3,441,120	2,231,297	3,342,725	97.1%
Intergovernmental Revenue, Unrestrict	11,408,872	12,791,821	13,715,528	15,146,211	1,900,002	14,901,976	98.4%
Intergovernmental Revenue, Restrict.	3,444,298	3,469,631	3,541,732	3,779,137	(67,835)	3,422,827	90.6%
Intergovernmental Revenue, Federal	16,203,387	15,729,414	15,919,507	18,044,815	5,028,929	17,960,461	99.5%
Intergovernmental Revenue, State	2,791,681	2,438,219	2,889,077	3,822,661	1,177,660	3,226,466	84.4%
Non-Enterprise Charges for Services	10,310,022	10,201,320	10,867,794	10,511,456	4,933,823	10,224,638	97.3%
Investment Revenue	877,699	2,504,675	2,004,419	741,841	(964,318)	750,000	101.1%
Interfund Transfers	14,445	6,993,613	4,615,157	1,446,305	1,006,120	1,446,305	100.0%
Other Revenue	7,022,921	6,807,199	7,493,161	7,440,390	1,029,750	7,788,500	104.7%
Fund Balance Appropriated	-	-	-	4,782,554	-	-	0.0%
Debt Proceeds - Restricted	-	-	18,555,798	-	-	-	-
Total	\$ 167,258,961	\$ 168,318,155	\$ 188,470,194	\$ 175,294,807	\$ 78,047,056	172,180,291	98.2%

- **Ad Valorem collections** trending to 100% of budget, collections currently slightly higher than FY 2020
- Current sales tax trending **significantly higher than COVID influenced -4.5% decrease** to FY 2021 budget
- **Intergovernmental revenue close to** budget (Trending at 97% collections as a group)
- **Non-Enterprise Charges for services** below budget for Parks, Library, Ag; offset by increase to Building Code & Enviro. Health
- **Investment Revenue** uncertain due to economic conditions, conservatively expecting full collection
- **Interfund Revenue** \$535k from UCPS capital project, \$900k various CARES ACT funding allocations
- **Other Revenue**, \$6.3M is hospital rental income (Atrium), Ag Center rental trending below budget due to COVID restrictions
- **Fund Balance Appropriated** \$1.6M budgeted to support Business Incentive Grants, \$3.1M FY 2020 Budget Roll

Ad Valorem

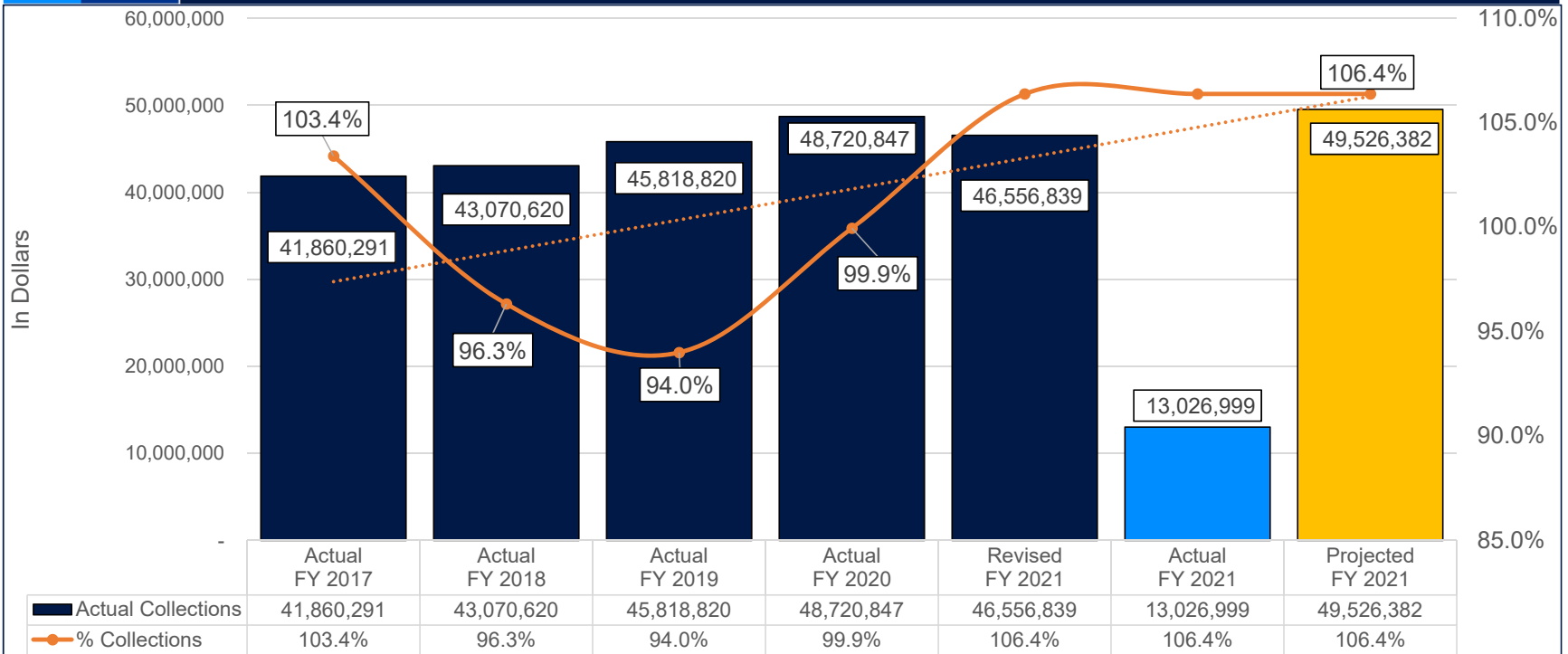


- Current Ad Valorem Collections are slightly ahead of previous year through December 31st
- Collections through December 31st represent 81.8% of budget, as compared with 81.5% in FY 2020
- Mid-year projection indicates 100.0% annual collection of Ad Valorem revenue budget

Sales Tax

Local Option Sales Tax

Working Projections Document



- FY 2021 Budget includes a 4.5% reduction from previous year base in anticipation of COVID losses
- Actual collections lag three months behind sales, four months of data is available for this analysis
- FY 2021 collections ahead of budget, expected to exceed current budget at year end (roughly \$3M)
- Mid-year projection indicates 106.4% annual collection of Local Option Sales Tax revenue budget
- Average % increase to collections over FY 2020 (NC – 8.2%; Union – 12.3%);

General Fund Expense

Union County FY 2021 General Fund Year End Projection *(Through Dec 31 2020)*

Category	Actual FY 2018	Actual FY 2019	Actual FY 2020	Revised FY 2021	Actual FY 2021	YE Proj. FY 2021	%
Expenditures							
Employee Compensation	46,503,205	51,406,454	57,012,089	64,442,708	28,750,695	62,637,680	97.2%
Employee Benefits	29,043,672	32,498,995	34,725,669	30,492,920	14,442,661	29,930,922	98.2%
Operating Cost	28,956,229	28,583,381	27,512,714	30,809,460	11,595,513	28,281,739	91.8%
Capital Outlay	2,121,393	2,198,806	2,257,343	3,767,882	1,562,555	3,125,110	82.9%
Contracts, Grants, and Subsidies	6,323,678	6,707,809	6,928,964	10,005,455	3,402,504	8,665,496	86.6%
Debt Service	44,754,827	52,790,977	49,836,042	30,628,182	16,525,453	30,628,182	100.0%
Interdepartmental Charges	(1,700,668)	(2,298,165)	(2,760,121)	(3,861,174)	(1,592,677)	(3,758,910)	97.4%
Interfund Transfers, Out	9,250,064	2,607,470	8,377,220	3,583,849	-	3,583,849	100.0%
Contingency	-	-	-	200,013	-	-	0.0%
Fund Balance Contribution	-	-	-	5,225,512	-	5,225,512	100.0%
Total	165,252,400	174,495,727	183,889,920	175,294,807	74,686,704	168,319,580	96.0%

- Employee Compensation typically underspends budget due to vacancies (2.5% - 3.0%); (in line with previous years)
- Employee Benefits typically underspend budget in line with Employee Compensation; (in line with previous years)
- In response to the expected COVID-19 driven loss of sales tax, thirty-five vacant positions frozen through Dec. 31 2020
- **Operational underspending** not uncommon, often carried forward to next fiscal year due to extended project time lines
- Total Operating Cost Budget **reduced \$1.4M or 5.0%** since FY 2020 (*Target Based Budget Process*)
- **Capital Outlay** typically underspends, budget often carried forward to next fiscal year due to extended project time lines
- **Contracts, Grants and Subsidies** underspending mainly in business incentive grants not requesting repayment (\$1M)
- General Fund Debt Service obligations **decrease over time (prior debt)**; new/recent debt in Debt Service Fund
- **Interfund Transfers** are annual payments to other funds. (PayGo, Fire Capital, Additional Debt Payments, etc.)
- Fund Balance Contribution (\$5.23 million) is 1x net benefit to the general fund from OPEB Trust repayments

Revenue & Expense

Union County FY 2021 General Fund Year End Projection *(Through Dec 31 2020)*

Category	Actual FY 2018	Actual FY 2019	Actual FY 2020	Revised FY 2021	Actual FY 2021	YE Proj. FY 2021	%
Revenues							
Ad Valorem Taxes and Fees	69,198,718	58,380,755	56,939,364	59,581,478	48,744,629	59,590,011	100.0%
Local Option Sales Tax	43,070,620	45,818,820	48,720,847	46,556,839	13,026,999	49,526,382	106.4%
Other Taxes	2,916,298	3,182,688	3,207,810	3,441,120	2,231,297	3,342,725	97.1%
Intergovernmental Revenue, Unrestrict	11,408,872	12,791,821	13,715,528	15,146,211	1,900,002	14,901,976	98.4%
Intergovernmental Revenue, Restrict.	3,444,298	3,469,631	3,541,732	3,779,137	(67,835)	3,422,827	90.6%
Intergovernmental Revenue, Federal	16,203,387	15,729,414	15,919,507	18,044,815	5,028,929	17,960,461	99.5%
Intergovernmental Revenue, State	2,791,681	2,438,219	2,889,077	3,822,661	1,177,660	3,226,466	84.4%
Non-Enterprise Charges for Services	10,310,022	10,201,320	10,867,794	10,511,456	4,933,823	10,224,638	97.3%
Investment Revenue	877,699	2,504,675	2,004,419	741,841	(964,318)	750,000	101.1%
Interfund Transfers	14,445	6,993,613	4,615,157	1,446,305	1,006,120	1,446,305	100.0%
Other Revenue	7,022,921	6,807,199	7,493,161	7,440,390	1,029,750	7,788,500	104.7%
Fund Balance Appropriated	-	-	-	4,782,554	-	-	0.0%
Debt Proceeds - Restricted	-	-	18,555,798	-	-	-	-
Total	\$ 167,258,961	\$ 168,318,155	\$ 188,470,194	\$ 175,294,807	\$ 78,047,056	172,180,291	98.2%
Expenditures							
Employee Compensation	46,503,205	51,406,454	57,012,089	64,442,708	28,750,695	62,637,680	97.2%
Employee Benefits	29,043,672	32,498,995	34,725,669	30,492,920	14,442,661	29,930,922	98.2%
Operating Cost	28,956,229	28,583,381	27,512,714	30,809,460	11,595,513	28,281,739	91.8%
Capital Outlay	2,121,393	2,198,806	2,257,343	3,767,882	1,562,555	3,125,110	82.9%
Contracts, Grants, and Subsidies	6,323,678	6,707,809	6,928,964	10,005,455	3,402,504	8,665,496	86.6%
Debt Service	44,754,827	52,790,977	49,836,042	30,628,182	16,525,453	30,628,182	100.0%
Interdepartmental Charges	(1,700,668)	(2,298,165)	(2,760,121)	(3,861,174)	(1,592,677)	(3,758,910)	97.4%
Interfund Transfers, Out	9,250,064	2,607,470	8,377,220	3,583,849	-	3,583,849	100.0%
Contingency	-	-	-	200,013	-	-	0.0%
Fund Balance Contribution	-	-	-	5,225,512	-	5,225,512	100.0%
Total	165,252,400	174,495,727	183,889,920	175,294,807	74,686,704	168,319,580	96.0%
Over/(Under)	2,006,561	(6,177,572)	4,580,274	-	3,360,352	3,860,712	-

Thank You!

