

Information Item

Date: December 14, 2020

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Ben Rowe, Assistant City Manager
Patrice Y. Toney, Budget and Evaluation Director

Subject:
Revenue Update

Strategic Focus Area: Service Excellence

Strategic Objective: Ensure Service Delivery Efficiency and Effectiveness

Strategic Plan Action Item: No

Key Work Item: Yes



As part of the FY 2020-21 budget planning process, staff was directed to provide regular updates on major revenues. Attached is the Revenue Report for December. It includes an update on General Fund revenues and charts showing trends for Sales Taxes, Occupancy Tax Fund, Utilities Franchise Taxes, Fairgrounds Fund, and Parking Fund.

Since last month's update, staff has updated year-end projections for sales tax. Countywide sales for Forsyth County were projected to decline 20% for August. Those distributions increased over 24%, due to significantly less refunds than for August 2019 (-2.89 M). The year-end projection has been updated to assume that those refunds will affect a future distribution. Staff projected a 20% reduction for countywide sales for September and continue to monitor monthly taxable sales and any impact from the COVID-19 pandemic.

The revenue summary table has also been updated to reflect the amended budget for charges for sales and service and fund balance, reflecting the \$2.6 M in CARES Act funds received by Forsyth County, approved via amendment in August 2020, as well as the estimated additional use of fund balance for year-end transfers to the Fairgrounds Fund.

Occupancy taxes continue to trend well below last year's numbers, averaging approximately a 50.4% reduction compared to last year's actuals.