

Comprehensive Annual Financial Report Fiscal Year 2017

City of Hampton Virginia



Hampton
VIRGINIA

Hampton City Council
December 13, 2017
Fiscal Year 2017 CAFR



Purpose

To provide an overview of the
Comprehensive Annual Financial
Report for the fiscal year ended
June 30, 2017



Agenda

Auditor's Presentation

Finance Department's Presentation

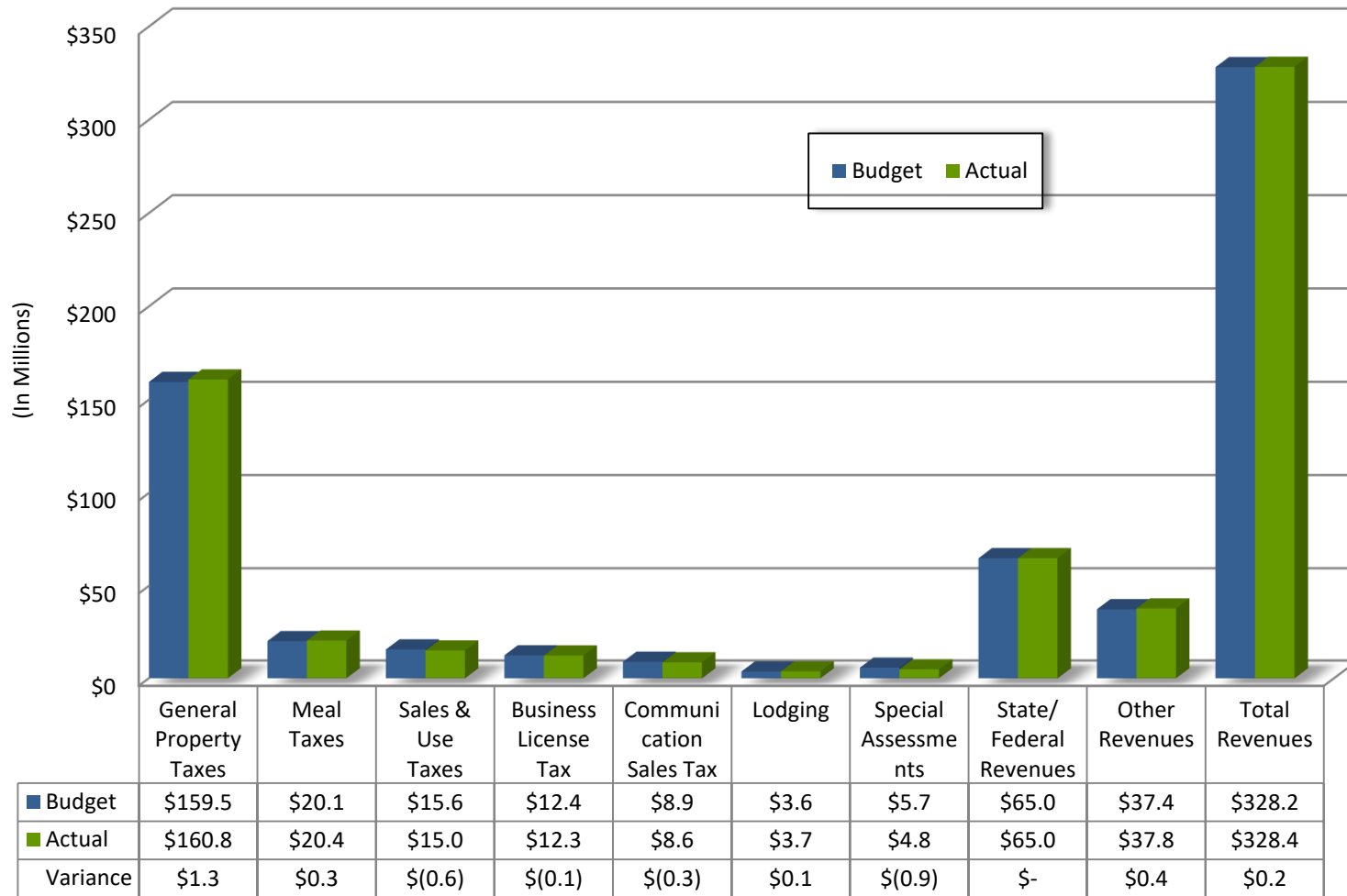
Questions

Summary of General Fund Financial Results

**CITY OF HAMPTON
SUMMARY REVIEW OF FINANCIAL RESULTS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	(In Millions)		Favorable (Unfavorable) Variance
	<u>Budget</u>	<u>Actual</u>	
Revenues (Excluding Appropriations From Fund Balance & School Funds)	\$ 328.21	\$ 328.43	\$ 0.22
Expenditures (Including Transfers & Excluding Budget Savings)	<u>340.84</u>	<u>328.36</u>	12.48
Excess of Revenues over Expenditures		0.07	
Net Changes in Other Components of Fund Balance		<u>(0.04)</u>	
Net Increase (Decrease) in Unassigned Fund Balance		0.03	
Unassigned Fund Balance June 30, 2016		<u>54.30</u>	
Unassigned Fund Balance June 30, 2017		<u><u>\$ 54.33</u></u>	

General Fund Revenues Budget vs. Actual

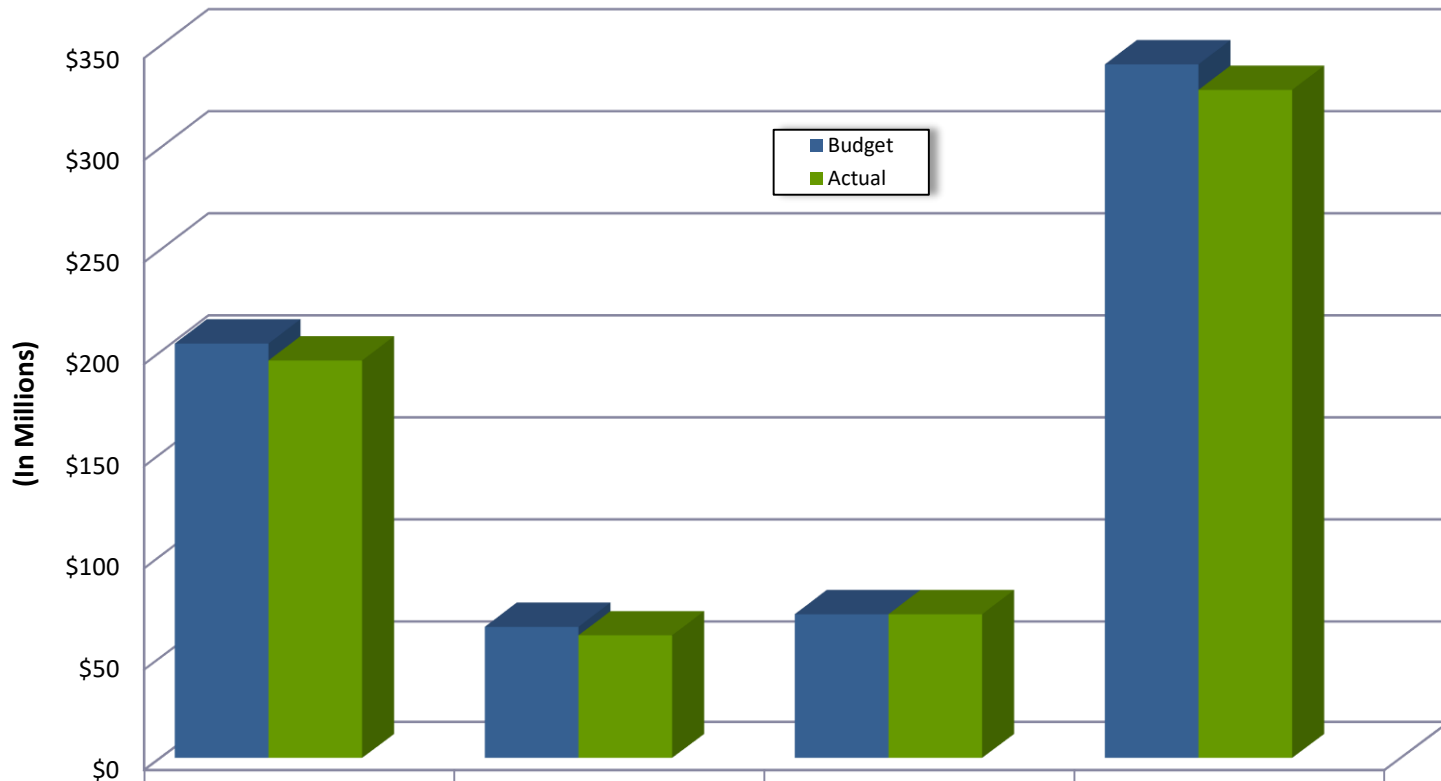


General Fund Revenues

Significant Revenue Budget Variances

	VARIANCE FAVORABLE (UNFAVORABLE)
GENERAL PROPERTY TAXES: Real estate property tax collections exceeded the budget because of supplemental assessments from new construction and abatements were less than anticipated. On the other hand, personal property tax revenues were less than estimated revenues.	\$1.3M
MEAL TAXES: We continue to experience inflationary growth in this tax.	\$0.3M
INTEREST FROM INVESTMENTS: The Federal Reserve increased their interest rates three times during fiscal year 2017. This has positively impacted some of the investment interest rates.	\$0.4M
SALES AND USE TAX: The impact of e-commerce on retail stores	(\$0.6M)
SPECIAL ASSESSMENT FOR THE COMMUNITY DEVELOPMENT AUTHORITIES: Collections were less than revenue estimates for Peninsula Towne Center CDA.	(\$0.9M)

General Fund Expenditures Budget vs. Actual



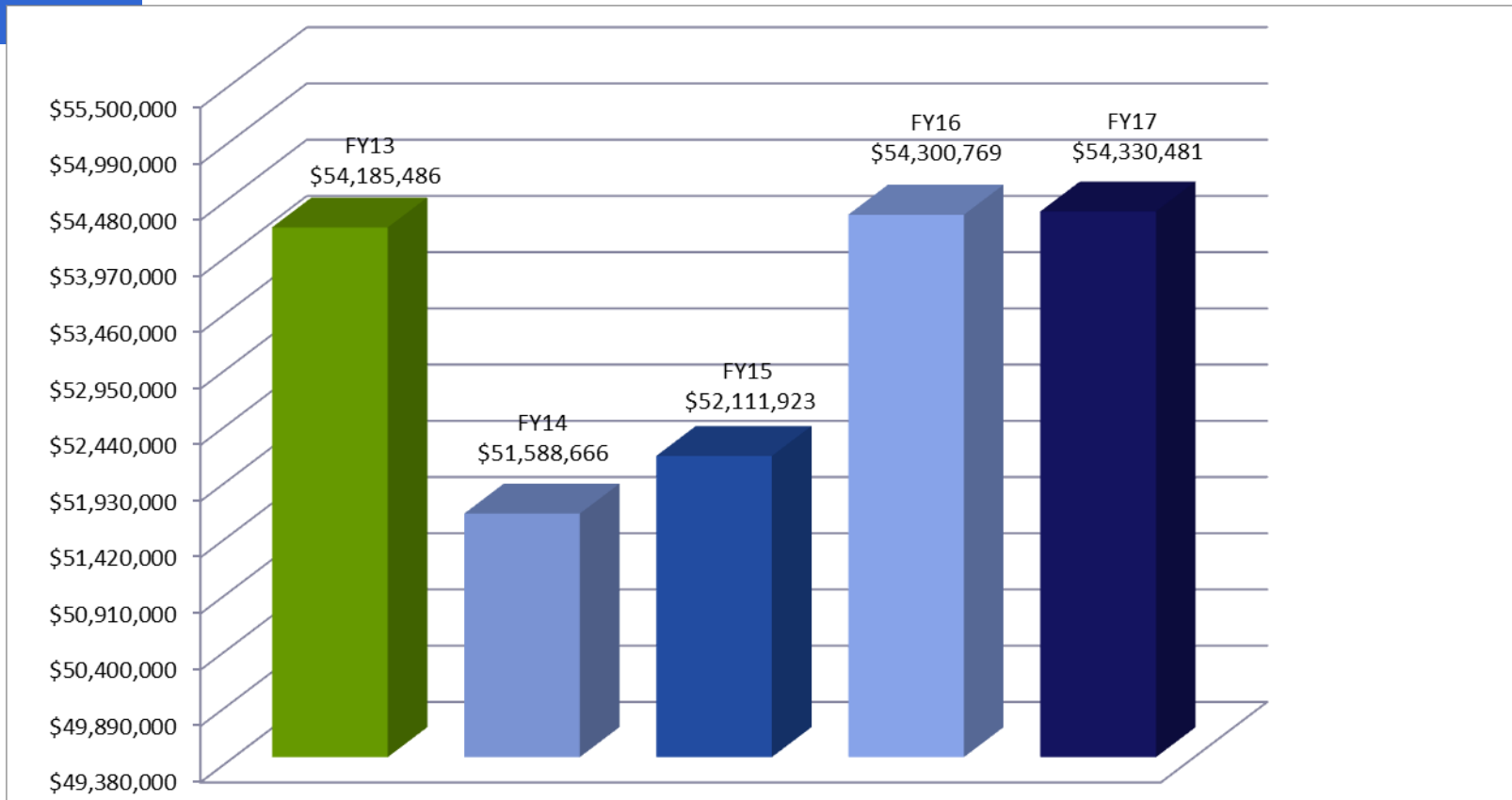
	City Departments	Transfer to Other Funds	Transfer to Schools	Total Expenditures
■ Budget	\$204.1	\$65.3	\$71.5	\$340.9
■ Actual	\$195.8	\$61.1	\$71.5	\$328.4
Variance	\$(8.3)	\$(4.2)	\$-	\$(12.5)

General Fund Expenditures

Significant Appropriation Variances

	VARIANCE FAVORABLE (UNFAVORABLE)
TRANSFERS TO OTHER FUNDS: Projects in the Capital Projects Fund were at various stages of completion; most of this funding was re-appropriated in FY18 to complete these projects (\$3.0M). Debt Service savings (\$915K), CSA Match (\$194K), EDA Fund (\$106K), and Bass Pro (\$89K) reductions	\$4.2M
POSITION AND BENEFIT SAVINGS PRIMARILY FROM VACANT POSITIONS	\$3.7M
PAYMENTS TO THE CDA'S: The City bills and collects the special assessment on behalf of the CDA's and all collections are paid to the CDA's	\$0.9M
HUMAN SERVICES APPROPRIATIONS	\$0.9M

General Fund Unassigned Fund Balance

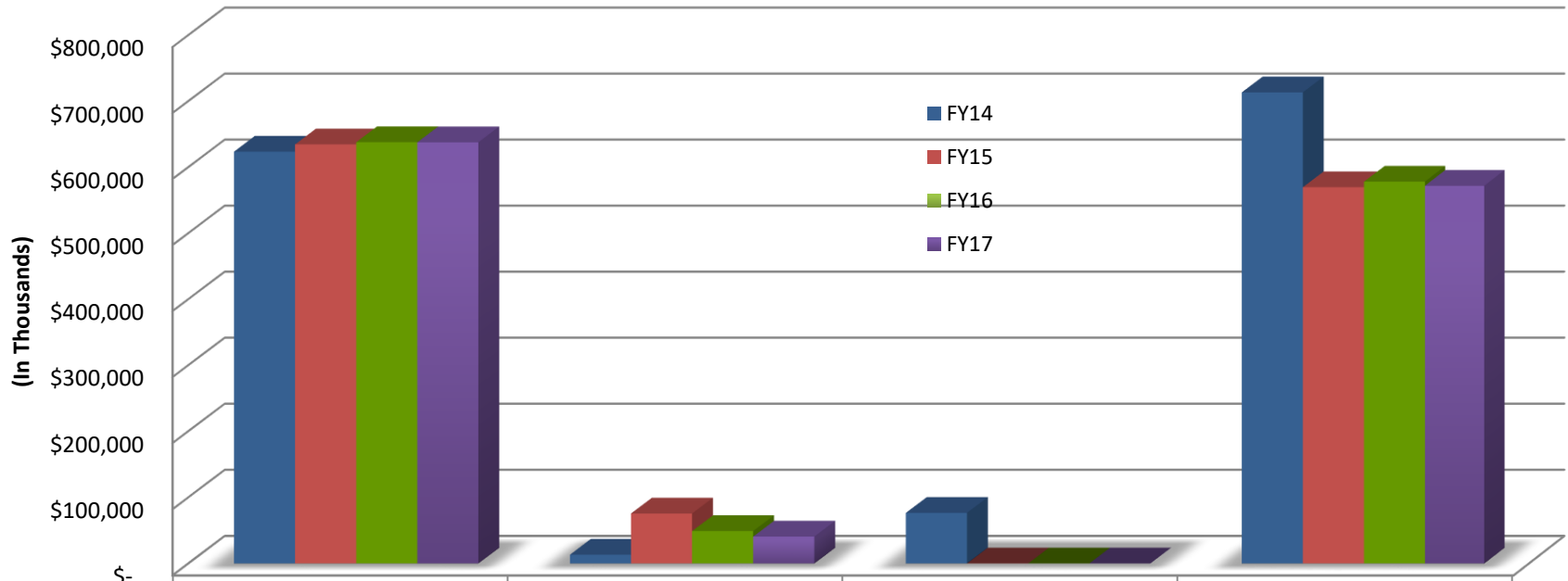


	FY13	FY14	FY15	FY16	FY17
Actual FB as a % of Revenues	12.7%	11.6%	11.8%	12.1%	11.9%
Policy %	10.0%	10.0%	10.0%	10.0%	10.0%
In Excess of Policy %	2.7%	1.6%	1.8%	2.1%	1.9%
In Excess of Policy \$	\$11.5	\$7.2	\$8.0	\$9.2	\$8.8

Government-Wide Financial Statements

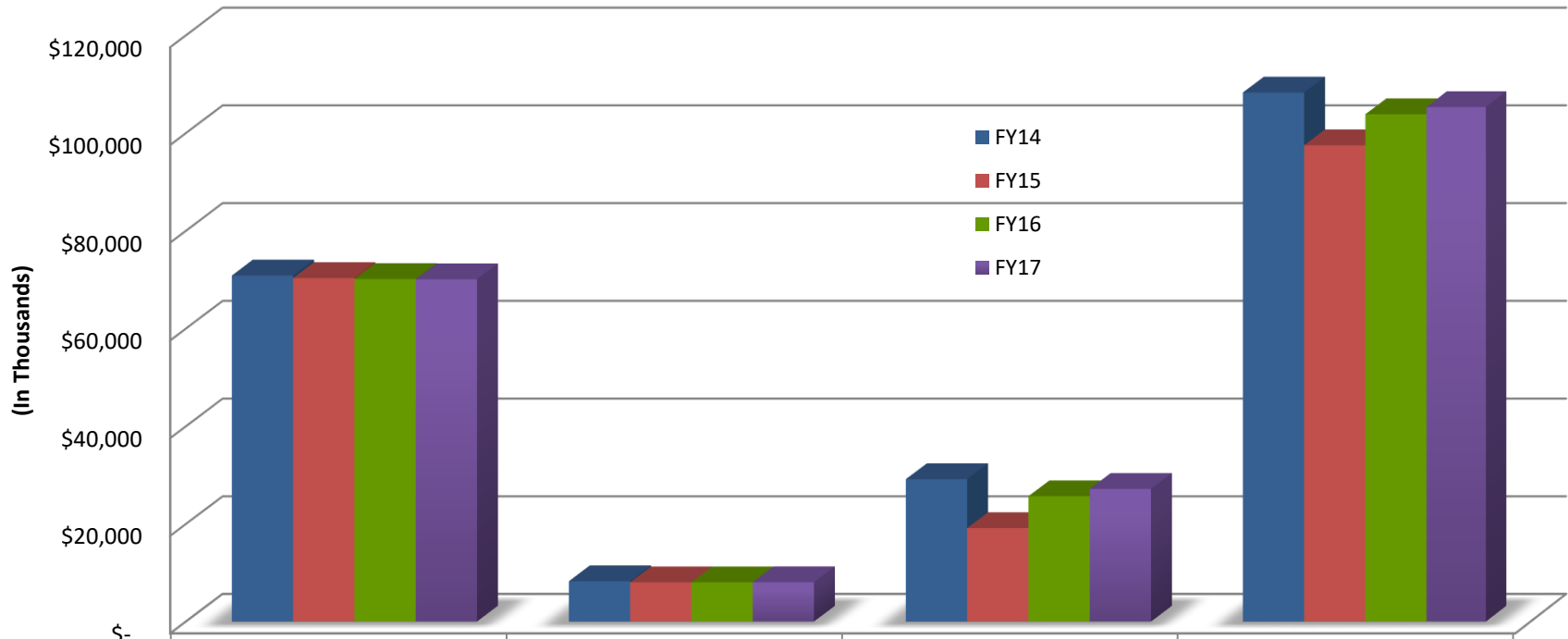
- ❖ Designed to view the City as a single economic unit, not just a collection of funds
- ❖ Uses a basis of accounting similar to corporate America
 - Capital assets
 - Long-term debt
 - Net pension liability
- ❖ Provide information to assess the City's long-term, total financial condition (Net Position)

Governmental Activities – Net Position



	Net invested in capital assets	Restricted	Unrestricted	Total
■ FY14	\$623,505	\$13,271	\$76,514	\$713,290
■ FY15	\$634,537	\$75,606	\$(140,469)	\$569,674
■ FY16	\$637,860	\$49,062	\$(108,850)	\$578,072
■ FY17	\$637,617	\$40,733	\$(106,561)	\$571,789

Business-Type Activities–Net Position



	Net invested in capital assets	Restricted	Unrestricted	Total
■ FY14	\$70,855	\$8,256	\$29,174	\$108,285
■ FY15	\$70,321	\$8,031	\$19,149	\$97,501
■ FY16	\$70,136	\$8,037	\$25,679	\$103,852
■ FY17	\$70,078	\$8,048	\$27,189	\$105,315