

# Annual Comprehensive Financial Report Fiscal Year 2022

## City of Hampton Virginia



*Hampton*  
VIRGINIA

**Hampton City Council**  
**December 14, 2022**  
**Fiscal Year 2022 ACFR**



# Purpose

To provide an overview of the  
Annual Comprehensive  
Financial Report for the fiscal  
year ended June 30, 2022



# Agenda

**Auditor's Presentation**

**Finance Department's Presentation**

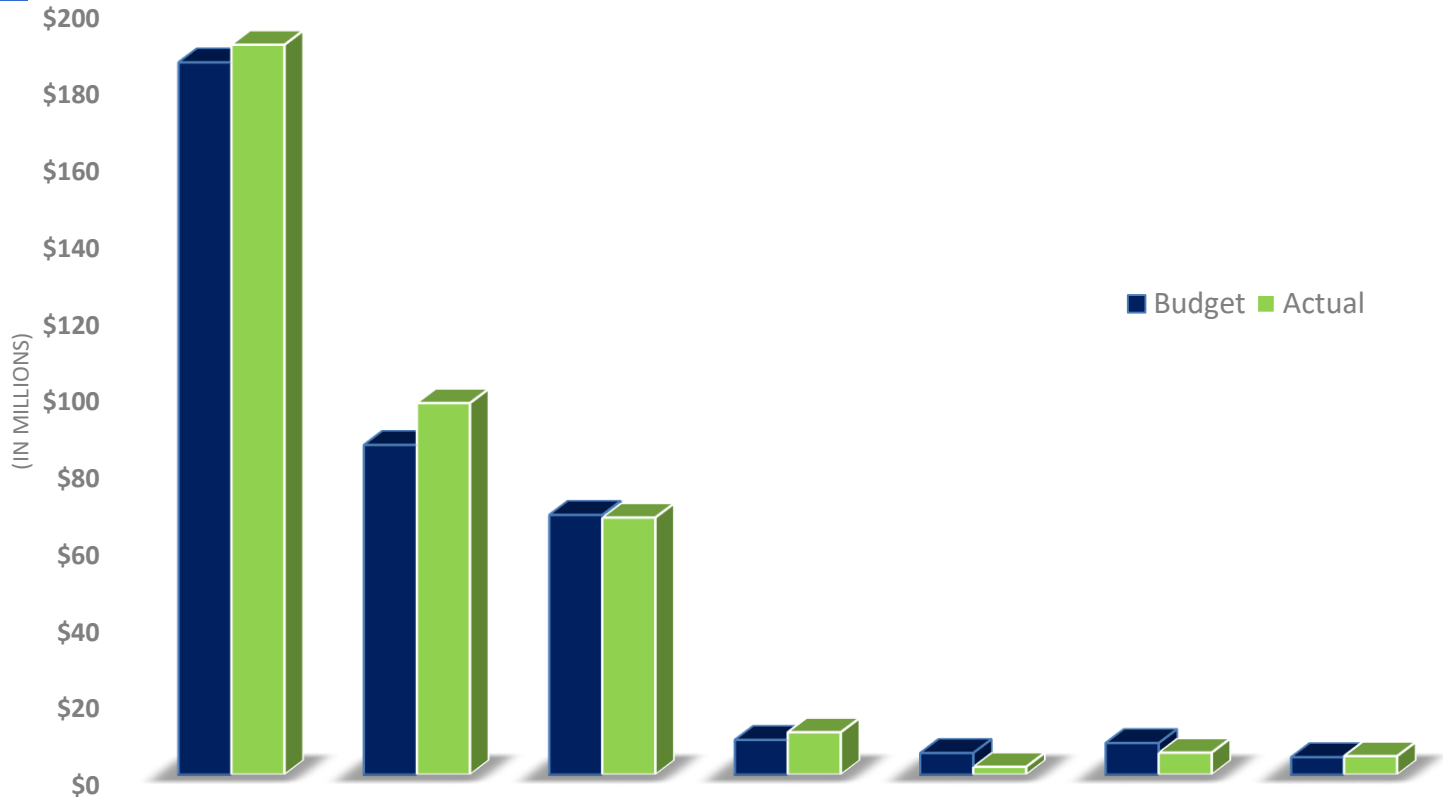
**Questions**

# Summary of General Fund Financial Results

**CITY OF HAMPTON  
SUMMARY REVIEW OF FINANCIAL RESULTS  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	(In Millions)		Favorable (Unfavorable) Variance
	<u>Budget</u>	<u>Actual</u>	
Revenues (Excluding Appropriations From Fund Balance & School Funds)	\$ 366.1	\$ 377.1	\$ 11.0
Expenditures (Including Transfers & Excluding Budget Savings)	<u>378.2</u>	<u>365.1</u>	13.1
Excess of Revenues over Expenditures		12.0	
Net Changes in Other Components of Fund Balance		<u>(1.2)</u>	
Net Increase (Decrease) in Unassigned Fund Balance		10.8	
Unassigned Fund Balance June 30, 2021		<u>80.8</u>	
Unassigned Fund Balance June 30, 2022		<u>\$ 91.6</u>	

# General Fund Revenues Budget vs. Actual



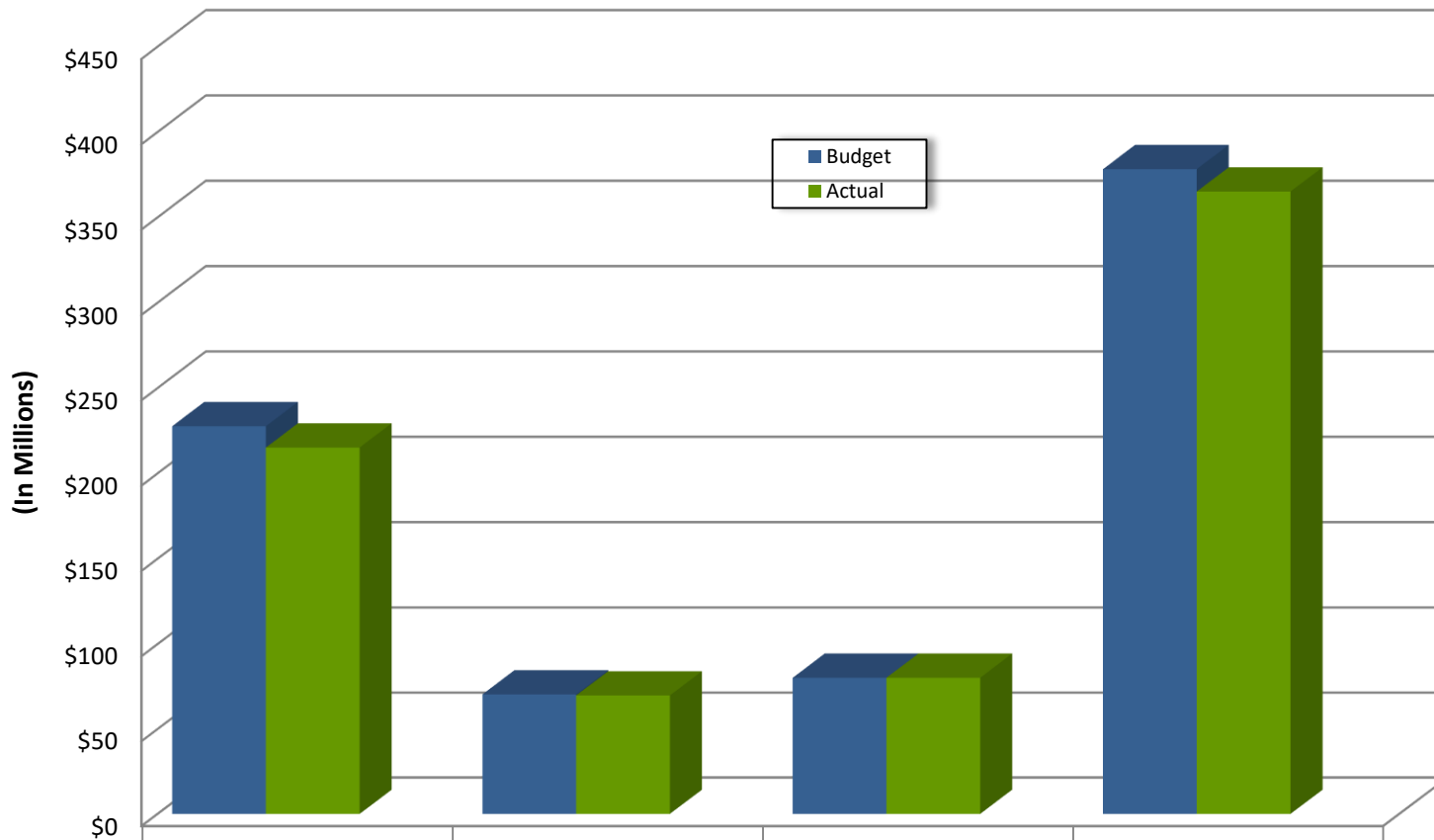
	General Property Taxes	Other Local Taxes	State/Federal Revenues	Charges for Services	Special Assessment	Misc.	Combined Other Categories
<b>Budget</b>	\$ 185.4	\$ 85.8	\$ 67.6	\$ 9.0	\$ 5.6	\$ 8.2	\$ 4.5
<b>Actual</b>	\$ 190.0	\$ 96.7	\$ 66.9	\$ 11.0	\$ 2.0	\$ 5.7	\$ 4.8
	\$ 4.6	\$ 10.9	\$ (0.7)	\$ 2.0	\$ (3.6)	\$ (2.5)	\$ 0.3

# General Fund Revenues

## Significant Revenue Budget

	VARIANCE FAVORABLE (UNFAVORABLE)
<b>GENERAL PROPERTY TAXES:</b> Actual exceeded the budget as a result of supply chain issues causing used car assessments to increase.	\$4.6M
<b>SALES &amp; USE TAX:</b> Steady growth due to the recovery from the impact of COVID-19 pandemic along with inflation. As the costs of good and services rise, the tax associated with them rises accordingly.	\$2.5M
<b>MEAL TAX:</b> Continued recovery from the impact of the COVID-19 pandemic and also a shift of spending from goods spent during the pandemic to services.	\$4.3M
<b>LODGING AND TRANSIT:</b> Increase reflects the recovery from the impact of the COVID-19 pandemic. Increase in hotel occupancy and the average daily rate for hotel rooms.	\$2.0M
<b>SPECIAL ASSESSMENTS:</b> Collections were less than revenue estimates.	(\$3.7M)

# General Fund Expenditures Budget vs. Actual



	City Departments	Transfer to Other Funds	Transfer to Schools	Total Expenditures
■ Budget	\$227.6	\$70.4	\$80.2	\$378.2
■ Actual	\$215.1	\$69.8	\$80.2	\$365.1
Variance	\$(12.5)	\$(0.6)	\$-	\$(13.1)

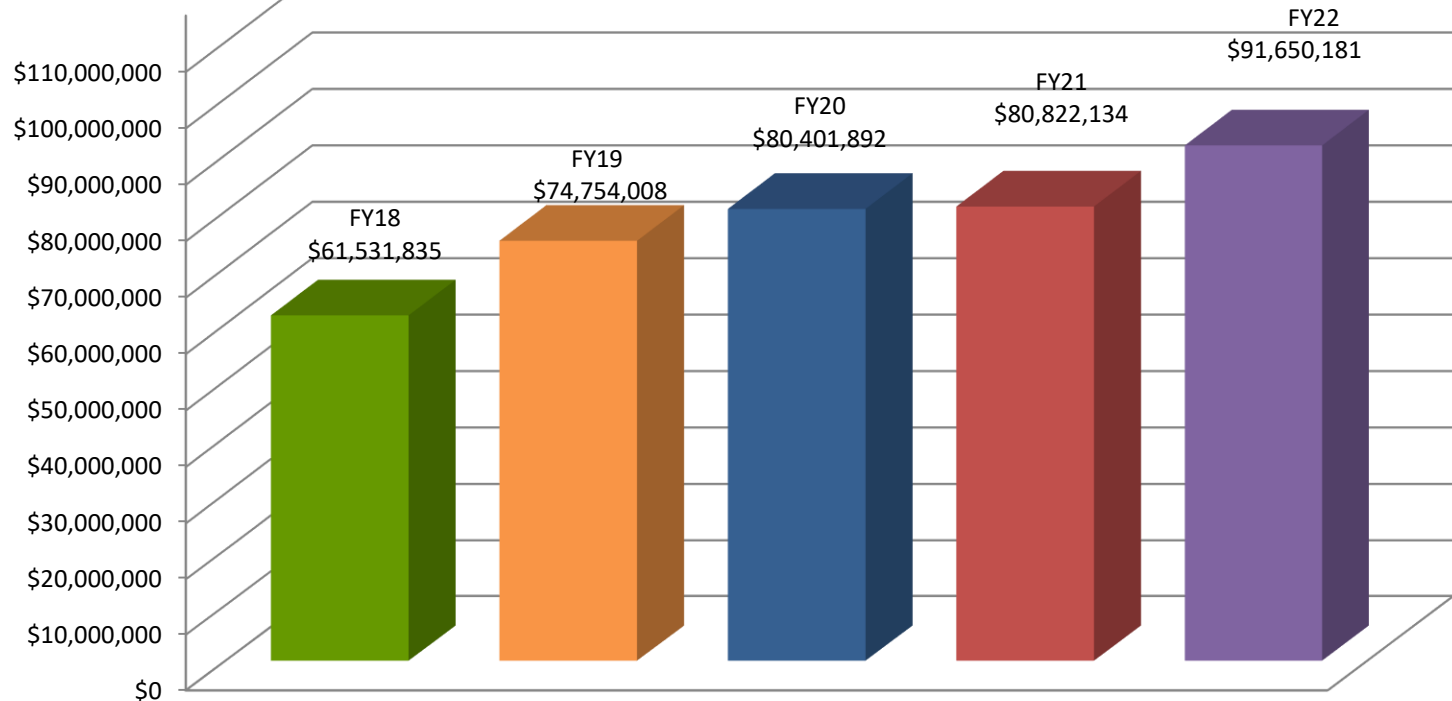
# General Fund Expenditures

## Significant Appropriation Variances

	VARIANCE FAVORABLE (UNFAVORABLE)
<b>POSITION AND BENEFIT SAVINGS PRIMARILY FROM VACANT POSITIONS (including retention bonus savings)</b>	\$4.9M
<b>SPECIAL ASSESSMENTS: Collections were less than revenue estimate</b>	\$3.7M
<b>TRANSFERS TO OTHER FUNDS: Debt Service Savings (\$332K), Enterprise Fund (\$10K) and Special Revenue (\$200K)</b>	\$0.5M
<b>HUMAN SERVICES: Position and benefit savings along with policy changes over the last two fiscal years that affected eligibility, therefore, produced a reduction in services provided</b>	\$1.4M



# General Fund Unassigned Fund Balance

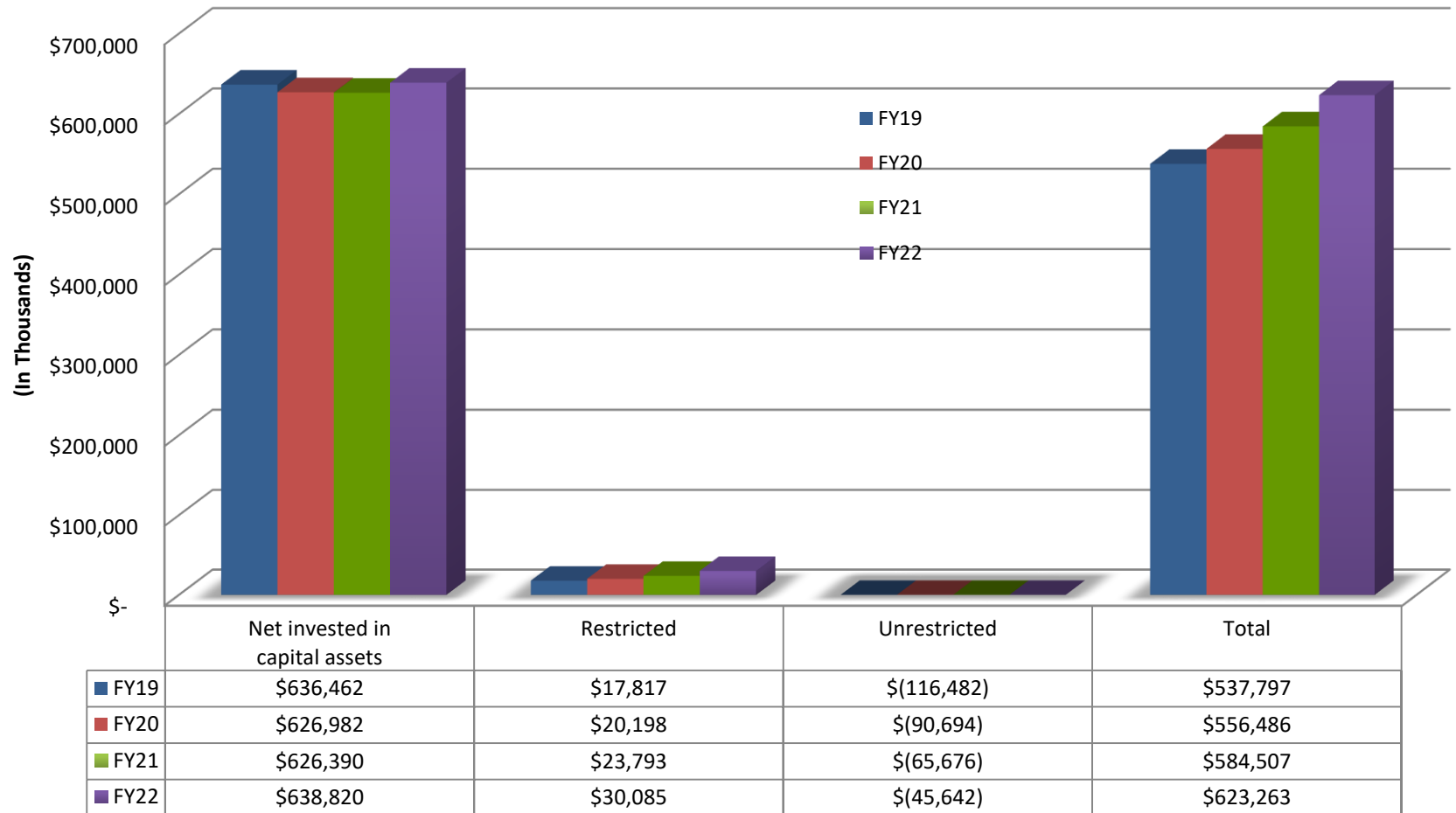


Actual FB as a % of Revenues	13.3%	15.8%	16.5%	15.9%	17.2%
Policy %	10.0%	10.0%	10.0%	10.0%	10.0%
In Excess of Policy %	3.3%	5.8%	6.5%	5.9%	7.2%
In Excess of Policy \$	\$15.1	\$27.5	\$31.8	\$30.1	\$38.4

# 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
  - Net OPEB Liability
- ❖ Provide information to assess the City's long-term, total financial condition (Net Position)

# Governmental Activities – Net Position



# Business-Type Activities–Net Position

