



COUNTY OF HANOVER
FINANCE COMMITTEE

To: File

From: Jacob Sumner, Director of Finance and Management Services

Re: BOS Finance Committee Meeting Summary – 8/18/20

Meeting date: 8/18/20

Attendees:

Committee Members:

Canova Peterson, Finance Committee Chairman, Board of Supervisors
Faye Prichard, Board of Supervisors
Sue Dibble, Board of Supervisors

Staff: John Budesky, County Administrator Jacob Sumner, Director of Finance	Presenters: Shelly Wright, Budget Division Director Lauren Null, Finance Division Director
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Agenda:

- FY20 Preliminary Year End Financial Statements
- FY20 to FY21 Reappropriations
- FY21 Debt Issuances – VPSA (Schools)
- FY21 Debt Issuances – VRA Refunding (Airport Fund)
- CARES Act Funding – 2nd Round

Discussion: Call to Order at 3:00 p.m.; Adjourned at 4:45 p.m.

- 1. FY20 Preliminary Year End Financial Statements:** Jacob Sumner introduced the preliminary financial statements for the County, Public Utilities and the School Division Operating Fund. He described the budget to actual variances in the County's General Fund amounting to \$19.0M in operating balance primarily for use in the subsequent year budget. He, also, discussed the financial impact of COVID-19 on the County's revenues and its response to implement budget adjustments. Mr. Sumner also presented budget to actual results for Public Utilities and Schools. The Unassigned Fund Balance for the General Fund was reported at 13.5% of revenues increasing above the prior year and above the policy. Proposed changes to Assigned Fund Balance was also discussed with the Finance Committee concurring on Administration's recommendation for assignments.
- 2. FY20 to FY21 Reappropriations:** Shelly Wright presented the total reappropriations of \$2.8M from the General Fund, Airport Fund, Department of Public Utilities Fund and the School Operating Fund. The Committee requested staff to place this item on the September 9th consent agenda, as was the process for the previous year reappropriations.

- 3. FY20 Debt Issuances – VPSA (Schools):** Jacob Sumner briefed the Finance Committee on the County’s application to the Virginia Public School Authority’s fall debt pool. The County will be financing \$10.0M to fund various School capital improvement projects including roof repairs, auditorium renovations, HVAC repairs and upgrades, school grounds upgrades, safety and security, school building upgrades, kitchen modernizations, and gymnasium repairs. A public hearing will be held at the Board of Supervisor’s September 23rd meeting.
- 4. FY20 Debt Issuances – VRA Refunding (Airport Fund):** Jacob Sumner reported information to the Finance Committee regarding the refunding/rate reset opportunity for the Airport Fund’s 2007 Virginia Airport Revolving Fund issuance. Upon acceptance of the interest rate reset, the rate would be reduced from 5.08% to 1.31% for the remainder of the loan (July 2027). The Airport Fund would recognize approximately \$120,000 in interest savings over this time period. A resolution accepting the rate reset will be on the September 9th Consent Agenda.
- 5. CARES Act Funding – Round Two:** Jacob Sumner briefed the Finance Committee on the second round of CARES Act funding that was released by the State. He reviewed the projects totaling \$9.4M with \$5.1M allocated to the County General Fund/Capital Improvement Fund and \$4.3M to the School Operating Fund/School Capital Improvement Fund. Due to the dollar amount of the appropriation request, a public hearing will be held at the August 26th Board of Supervisors meeting.