



COMMONWEALTH OF VIRGINIA  
COUNTY OF HENRICO

John A. Vithoukias  
County Manager

February 23, 2021

The Honorable Board of Supervisors  
County of Henrico  
Virginia

Honorable Members of the Board:

I am pleased to present this report on financial trends prepared for the period of FY2009-10 through FY2019-20 by the Department of Finance, Office of Management and Budget. This marks the *thirty-fifth* year that we have prepared this report prior to examination of the operating budget for the subsequent fiscal year. The Financial Trends Monitoring System is a unique document in that economic trends presented are different than the typical budgetary indicators seen by the Board of Supervisors during the year.

This report analyzes existing economic conditions in Henrico County using twenty-eight financial indicators. The Financial Trend Monitoring System monitors changes in financial conditions by combining pertinent information from budgetary and financial reports and integrating it with economic and demographic data from Regional, State, and National Sources. Each year this report is updated to provide you with the information necessary to make informed decisions about the future of Henrico County. In addition, it allows you to see historical information over an eleven-year period, giving you the ability to verify the financial premises of the County. Furthermore, the Financial Trends Monitoring System examines the county holistically by looking at the largest operating funds, which include the General Fund, Special Revenue Fund, and the Debt Service Fund as well as reviewing potential indicators in the Enterprise Fund.

As you review this document, you will notice continued improvement or maintenance of status quo in the County's economic indicators despite the COVID-19 pandemic. Of the twenty-eight individual trends, only two are noted as having immediate warning signs with six additional indicators warranting continued monitoring as the impacts of the pandemic are realized. With limited resource growth and macro-economic concerns growing at the national and international levels, it is important to emphasize the importance of estimating resources conservatively, operating efficiently, and continuing to invest in the County's core services.

We will continue to provide this information to the Board of Supervisors to verify our financial position. This information allows your decisions to be proactive rather than reactive, in keeping with our status as one of the finest managed localities in the nation. Please let me know if you would like to discuss anything concerning our results.

Sincerely,  
  
John A. Vithoukias  
County Manager