



QUARTERLY FINANCIAL REPORT

FIRST QUARTER 2018-19

(July 1, 2018 – September 30, 2018)

This report provides an overview and summarized information on Town Finances. For the Town of Colma, the General Fund represents the most significant portion of the annual revenue and expenditures. Therefore, the focus of the report will be on the performance of the General Fund, unless otherwise noted. The format of the report compares preliminary data from the Prior Year actual results to the Current Year Budget / Quarterly Actual.

GENERAL FUND FINANCIAL POSITION

The 2018-19 General Fund budget for revenue is \$18.5 million, expenditures is \$16.6 million, and transfers is \$1.0 million. A transfer represents moving resources from one fund to another fund. The primary General Fund transfers in the current year budget are for Capital Project funding (\$675,000) and Debt Service (\$299,869).

	FISCAL YEAR 2017-2018			FISCAL YEAR 2018-2019		
	Actual Thru June 2018	Actual Thru Sept 17	% of Actual for Period	Adopted Budget	Actual Thru Sept 2018	% of Budget
Revenue	\$ 18,827,257	\$ 1,987,326	11%	\$ 18,999,322	\$ 1,689,905	9%
Expenditures	(14,675,107)	(4,664,377)	32%	(16,552,708)	(4,837,641)	29%
Net Transfers In/(Out)	(1,154,320)	29,499	-3%	(974,869)	(675,000)	69%
Net Change	2,997,830	(2,647,552)		1,471,745	(3,822,737)	
Beginning Balance	21,547,834	21,547,834		24,545,664	24,545,664	
Balance Year to Date	<u>\$ 24,545,664</u>	<u>\$ 18,900,283</u>		<u>\$ 26,017,409</u>	<u>\$ 20,722,927</u>	

As shown in the table above, total revenues collected through September 2018 is nine percent of the budget and expenditures is 29 percent of budget. It is part of the Town's normal operation for revenues to track less than 25 percent and expenditures to track greater than 25 percent in the first quarter. This is primarily due to timing where revenue receipts are typically three to six months delayed and annual lump-sum payments are made at the beginning of the fiscal year.

MAJOR GENERAL FUND REVENUE SOURCES

Through September 2018, the Town collected \$1.7 million in General Fund revenues and 91 percent is from one of the four major revenue sources for the Town.

	FISCAL YEAR 2017-2018			FISCAL YEAR 2018-2019		
	Actual Thru June 2018	Actual Thru Sept 17	% of Actual for Period	Adopted Budget	Actual Thru Sept 2018	% of Budget
General Fund Revenues						
Sales tax	\$ 11,397,118	\$ 994,732	9%	\$ 11,750,000	\$ 799,280	7%
Cardroom tax	4,339,128	758,670	17%	4,235,000	730,638	17%
Sewer service charges	741,035	-	0%	819,500	-	0%
Property tax	589,482	711	0%	587,300	1,546	0%
Non-major revenues	1,760,494	233,213	13%	1,157,522	158,440	14%
Total General Fund Revenues	<u>\$ 18,827,257</u>	<u>\$ 1,987,326</u>	11%	<u>\$ 18,549,322</u>	<u>\$ 1,689,905</u>	9%

As shown on the table above, *sales tax* revenues collected through September 2018 is \$799,280. The FY 2018-19 distribution is \$195,452 less than the *sales tax* revenue distributed for the same

period is resulted from timing issues. The \$994,732 in 2017-18 represents two *sales tax* distributions, while the \$799,280 in 2018-19 represents one. *Cardroom tax* revenues are tracking the same as 2017-18 for the same periods. *Sewer service charges* are collected by the County of San Mateo at the same time as *property tax*, which are paid in December and April of each year. Only supplemental property tax and transfer tax revenues are distributed by the County throughout the year. Other non-major revenues include:

Non-Major General Fund Revenues	FISCAL YEAR 2017-2018			FISCAL YEAR 2018-2019		
	Actual Thru June 2018	Actual Thru Sept 17	% of Actual for Period	Adopted Budget	Actual Thru Sept 2018	% of Budget
Other taxes	\$ 146,422	\$ 12,250	8%	\$ 143,700	\$ 676	0%
Use of money and property	695,218	60,980	9%	512,802	68,606	13%
Other charges for services	139,002	31,262	22%	135,870	35,520	26%
Licenses and permits	271,046	43,191	16%	123,840	23,328	19%
Other revenues	389,042	69,659	18%	105,300	4,974	5%
Fines and forfeitures	65,128	10,872	17%	69,000	19,382	28%
Revenues from other agencies	54,636	5,000	9%	67,010	5,955	9%
Total Non-Major General Fund Revenues	\$ 1,760,494	\$ 233,213	13%	\$ 1,157,522	\$ 158,440	14%

GENERAL FUND EXPENDITURES

Overall the expenditures for the first quarter are expected to trend within the adopted budget (FY 2017-18 = 32% and FY 2018-19 = 29%). Information related to significant deviations are discussed below:

	FISCAL YEAR 2017-2018			FISCAL YEAR 2018-2019		
	Actual Thru June 2018	Actual Thru Sept 17	% of Actual for Period	Adopted Budget	Actual Thru Sept 2018	% of Budget
Salaries & Benefits	\$ (9,113,484)	\$ (2,703,615)	30%	\$ (10,036,370)	\$ (2,742,993)	27%
Operating Services & Supplies	(1,574,179)	(321,763)	20%	(2,003,460)	(331,281)	17%
Contractual / Professional Service	(2,188,083)	(253,716)	12%	(2,464,728)	(176,494)	7%
Infrastructure Maint Contract Svcs	(376,255)	(49,630)	13%	(421,500)	(91,433)	22%
Sewer Services	(824,336)	(815,248)	99%	(974,150)	(897,791)	92%
Insurance (Liability / Property)	(598,770)	(520,404)	87%	(652,500)	(597,649)	92%
Total Expenditures	\$ (14,675,107)	\$ (4,664,377)	32%	\$ (16,552,708)	\$ (4,837,641)	29%

- **Sewer Services** (\$897,791) and **Insurance** (\$597,649) are paid at the beginning of each fiscal year. As a result, the expenditure to date for both categories are 92 percent of budget.
- **Contractual/Professional Services** (\$176,494) are typically one to two months behind in issuing invoices to the Town for payment.
- **Salaries & Benefits** (\$2,742,993) includes the annual unfunded pension liabilities payment to CalPERS in the beginning of each year.

ADDITIONAL GENERAL FUND DETAILS AND INFORMATION

This reporting format was prepared by the Finance Department to highlight in summary fashion key indicators of the Town General Fund Financial performance. Additional Financial Reports – including earlier Quarterly Financial Reports, Audits and Budgets are available on the Town website at www.colma.ca.gov. This report will be posted on the Town website after it has been reviewed by the City Council.

HIGH LEVEL SUMMARY – ALL FUNDS

The Table below provides a summary of “All Funds” and their activity for the two quarters ending September 30, 2018. This report highlights in summary fashion key indicators of the Town Financial performance.

As mentioned earlier the General Fund is the most significant fund when it comes to the operations of the Town, however, it is also appropriate to consider the other sources of funding. As shown below, The Town Hall Capital (Fund 33) has zero balance as it reflects the depletion of the Certificate of Participation (COP) debt funding for the Town Hall Renovation project.

TOWN OF COLMA QUARTERLY REPORT OF ALL FUNDS (PRELIMINARY BALANCE AND ACTIVITY - CASH BASIS) QUARTER 1 - FISCAL YEAR 2018-2019

Fund Type / Name	Fund Balance @ 7/1/2018 (unaudited)	Year-to-date Revenue	Year-to-date Expenditures	Transfers In/(Out)	Fund Balance @ 9/30/2018
General Fund					
General Fund (11)	\$ 24,545,664	\$ 1,689,905	\$ (4,837,641)	\$ (675,000)	\$ 20,722,927
Subtotal	24,545,664	1,689,905	(4,837,641)	(675,000)	20,722,927
Special Revenue					
State Gas Tax Fund (21)	15,402	10,731	-	-	26,133
Measure A Transportation (22)	174,399	10,602	-	-	185,000
Transportation Grant (23)	(11,269)	23,711	-	-	12,441
State Police Grant (27)	18,118	508	(1,432)	-	17,195
Police Grant / COPS (29)	166,189	48,747	(52,939)	-	161,996
Subtotal	362,838	94,298	(54,371)	-	402,765
Capital Project Funds					
General Capital (31)	7,933,515	-	(2,940,930)	675,000	5,667,586
Town Hall Capital (33)	(0)	-	-	-	(0)
Subtotal	7,933,515	-	(2,940,930)	675,000	5,667,586
Debt Service Funds					
COP Debt Services (43)	2,541	11	-	-	2,552
Subtotal	2,541	11	-	-	2,552
Internal Service Fund					
Fleet Replacement (61)	651,891	-	(39,102)	-	612,789
Subtotal	651,891	-	(39,102)	-	612,789
Trust Funds*					
OPEB-Retiree Medical (71)	2,792,836	472,008	(187,198)	-	3,077,645
Pension Trust (72)	20,731	339	(13)	-	21,057
Subtotal	2,813,567	472,346	(187,211)	-	3,098,703
GRAND TOTAL	\$ 36,310,016	\$ 2,256,560	\$ (8,059,255)	\$ -	\$ 30,507,321

* These Trust Funds were established to report funding contributed to an irrevocable trust for retirement benefit purposes. The funds are not available to the Town for General Operating and / or discretionary expenditures.