



FY 2018-19 FINANCIAL REPORT (UNAUDITED)

(JULY 1, 2018 – JUNE 30, 2019)

GENERAL FUND: BUDGET VS ACTUAL

Overall, the General Fund performed better than expected. The Amended Budget shows the Town expected to reduce General Fund Reserve by \$1.32 million for debt payment and the capital improvement program. Even accounting for transfers for debt payment and capital improvement, the General Fund experienced a net increase of \$726,064, as shown in Table 1 (RIGHT). Total revenues exceeded expectation while spending was less than budgeted.

General Fund Revenues

Total General Fund revenues through June 30, 2019 are \$18.39 million, exceeding budget by \$860,000 or 5%. The three main contributors are **Sales tax**, **cardroom tax**, and **use of money and property**.

FY 2018-19 **sales tax** revenue includes a one-time catch-up distribution of sales tax revenues from previous fiscal years. The State of California changed its sales tax reporting and distribution software resulting in a delay in distribution in FY 2017-18. In reality, sales tax revenues have flattened due to the flattening of auto sales and the increase in online purchases. The Town is expecting this trend to continue into FY 2019-20.

Cardroom tax exceeded the budget by \$275,957. Cardroom tax is an unpredictable revenue source and as a result the Town forecasts cardroom tax revenues more conservatively than others revenue sources. **Use of money and property** is primarily consist of interest earnings, which has exceeded budget expectations. This is a result of better than expected performance in investments. A majority of the Town's investments are in the State and County investment pools and both focus more on short-term secured investments, such as treasury notes and agency-backed securities. [See the annual investment report for more information.](#)

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TABLE 1: GENERAL FUND BUDGET TO ACTUAL THRU JUNE 2019

GENERAL FUND	2018-19 Amended Budget	Actuals Through 06/30/19	% of Annual Budget
REVENUES:			
SALES TAX	11,750,000	12,066,527	103%
CARDROOM TAX	4,245,000	4,520,957	107%
PROPERTY AND OTHER TAXES	724,000	771,940	107%
USE OF MONEY AND PROPERTY	317,302	559,861	176%
OTHER REVENUES	498,020	475,328	95%
REVENUES TOTAL	17,534,322	18,394,614	105%
EXPENDITURES (BY CATEGORIES):			
SALARY, WAGES, & BENEFITS	10,036,370	9,692,268	97%
PROFESSIONAL & CONTRACT SERVICES	2,953,228	2,273,069	77%
SUPPLIES & SERVICES	1,179,960	1,113,962	94%
FACILITY OPERATIONS	598,790	555,423	93%
INSURANCE (LIABILITY / PROPERTY)	652,500	655,326	100%
CAPITAL OUTLAY	56,700	46,450	82%
EXPENDITURES TOTAL	15,477,548	14,336,497	93%
OTHER FINANCING SOURCES IN (OUT):			
TRANSFERS IN	15,600,000	15,600,000	100%
TRANSFERS OUT	(18,976,905)		100%
To General Fund Reserves		(15,600,000)	
To Other Funds		(1,282,053)	
To Pension Trust		(2,050,000)	
OTHER FINANCING SOURCES TOTAL	(3,376,905)	(3,332,053)	99%
NET CHANGE IN GENERAL FUND	(1,320,131)	726,064	-55%

General Fund Expenditures

Overall General Fund expenditures are 93% of total budget. The two main contributors are **salary, wages, & benefits** and **professional & contract services**. In FY 2018-19, the Town had an average of 1.5 vacancies throughout the year resulting in a budget saving of \$344,000 in **salary, wages, & benefits**. Of the \$680,000 budget savings in **professional & contract services**, \$300,000 is due to delay of two development projects and \$300,000 of unspent budget to address emergencies, special studies, and projects that was pushed to FY 2019-20. Some examples of emergencies, special studies, and projects include roadway or pothole repair, lightpole & signage replacement, traffic & feasibility studies, and codification of the Town's Municipal Codes.

Insurance (liability / property) is slightly more than budget to pay for premium costs and the Town's deductible on insurance claims.

The Town's General Fund also supports the capital program, debt services, sewer operations, and city properties. The FY 2018-19 budget included a \$675,000 transfer for capital projects, \$301,700 transfer for debt services payments and management, and \$108,263 transfer for sewer operations. [See Capital Program Update for more information.](#)

FUND BALANCE SUMMARY – ALL FUNDS

Total Fund Balance (excluding trust funds) is \$29.6 million at June 30, 2019 - a reduction of \$3.9 million from last year. The main driver is FY 2018-19 marked the end of the construction phase of the Town Hall Renovation project. FY 2018-19 also included a transfer of \$1.0 million to the Pension Trust and \$1.05 million to CalPERS to reduce the total pension unfunded liability. Table 2 (BELOW) also lists the various General Fund reserves balances.

TABLE 2: FUND BALANCE SUMMARY FOR ALL FUNDS							
FUND TITLE	Fund	Fund Balance @ 7/1/18	Revenues YTD 06/30/19	Expenditures YTD 06/30/19	Net Transfers In/(Out)	Net Change in Fund Balance	Fund Balance @ 6/30/19
GENERAL FUND	11						
BUDGET STABILIZATION		14,900,000	0	0	(14,900,000)	(14,900,000)	0
RETIREE HEALTH CARE COST		42,000			(42,000)	(42,000)	0
DEBT REDUCTION		600,000	0	0	(600,000)	(600,000)	0
LITIGATION RESERVE		100,000	0	0	0	0	100,000
INSURANCE RESERVE		100,000	0	0	0	0	100,000
DISASTER RESERVE		750,000	0	0	0	0	750,000
UNASSIGNED		7,964,213	18,394,614	(14,336,497)	(1,040,053)	3,018,064	10,982,277
GENERAL FUND RESERVE	12				0	0	
BUDGET STABILIZATION		0	0	0	12,000,000	12,000,000	12,000,000
DEBT REDUCTION		0	0	0	600,000	600,000	600,000
ACCRUED LEAVE PAYOUT RESERVE		0	0	0	650,000	650,000	650,000
GENERAL FUND TOTAL		24,456,213	18,394,614	(14,336,497)	(3,332,053)	726,064	25,182,277
SPECIAL FUNDS							
GAS TAX	21	15,403	66,552	(22,633)	0	43,920	59,323
MEASURE A	22	174,399	68,359	0	0	68,359	242,758
TRANSPORTATION GRANT	23	(11,269)	11,269	0	0	11,269	0
PARK IN-LIEU	24	0	0	0	0	0	0
HOUSING IMPACT FEES	25	0	62,505	0	197,176	259,681	259,681
PUBLIC SAFETY GRANTS	27	18,118	508	(8,095)	0	(7,586)	10,532
COPS GRANT	29	173,934	151,942	(180,412)	0	(28,469)	145,465
SPECIAL FUNDS TOTAL		370,585	361,136	(211,139)	197,176	347,173	717,758
CAPITAL							
CAPITAL IMPROVEMENT	31	8,015,221	122,201	(5,459,947)	(1,367,058)	(6,704,803)	1,310,418
STREET CAPITAL	32	0	153,878	(428,279)	1,964,841	1,690,440	1,690,440
CAPITAL FUNDS TOTAL		8,015,221	276,079	(5,888,225)	597,783	(5,014,363)	3,000,858
DEBT							
COP DEBT SERVICE	43	2,541	133	(301,669)	301,614	79	2,620
DEBT FUND TOTAL		2,541	133	(301,669)	301,614	79	2,620
ISF							
VEHICLE / FLEET REPLACEMENT ISF	61	651,891	96,472	(113,433)	0	(16,961)	634,930
INTERNAL SERVICE FUND (ISF) TOTAL		651,891	96,472	(113,433)	0	(16,961)	634,930
ENTERPRISE							
SEWER OPERATING	81	0	824,239	(932,502)	108,263	0	0
SEWER CAPITAL	82	0	0	0	0	0	0
CITY PROPERTIES	83	0	194,131	(161,814)	0	32,318	32,318
ENTERPRISE FUND TOTAL		0	1,018,371	(1,094,316)	108,263	32,318	32,318
TOTAL FOR ALL FUNDS (NON TRUST)		33,496,451	20,146,805	(21,945,279)	(2,127,217)	(3,925,690)	29,570,761
TRUST							
OPEB TRUST	71	2,792,836	1,944,464	(628,859)	0	1,315,605	4,108,441
RETIREMENT TRUST	72	20,731	36,382	(1,050,992)	2,050,000	1,035,390	1,056,121
TRUST FUNDS TOTAL		2,813,567	1,980,846	(1,679,851)	2,050,000	2,350,995	5,164,562
TOTAL FOR ALL FUNDS		36,310,018	22,127,651	(23,625,130)	(77,217)	(1,574,695)	34,735,323

ADDITIONAL DETAILS AND INFORMATION

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