



FY 2019-20 FINANCIAL REPORT

(JULY 1, 2019 – December 31, 2019)

The mid-year financial update communicates the Town's financial health through the first half of the fiscal year. It is also the starting point in the development of the next year's annual budget.

GENERAL FUND: BUDGET VS ACTUAL

Through December 31, the Town received \$7,902,000 in general fund revenues and spent \$8,243,000 in operating expenditures. Small capital purchases are made as part of operations but capital improvements and purchases larger than \$10,000 are recorded in the capital, internal service, and enterprise funds.

Comparing this year to last year, the general fund revenues and expenditures are trending consistently to the same period in FY 2018-19.

General Fund Revenues

As shown in Table 1 (RIGHT), 45% of the general fund revenues is received in the first half of the year. Consistent with the same period in FY 2018-19, **sales tax** and **cardroom tax** revenues represent 41% and 54% of total budget, respectively.

Total **sales tax** revenues through December 31, 2019 is \$4,679,000. At 41% of budget, total sales tax revenues is trending slightly behind the same period in FY 2018-19. This is due to the growing number of vacancies in the 280 Metro Shopping Center and the two vacant lots along AutoRow. The prior year's sales tax revenues also included a one-time catchup distribution of FY 2017-18 sales tax revenues in the first half of FY 2018-19.

Cardroom tax of \$2,313,000 represents six months of payments, consistent with the prior year. Each payment has been higher than the prior year. However, the Town continues to be cautious with this revenue stream as threats continue to be an issue. City Council continues to attend the California Gambling Control Commission meetings to voice our opposition to additional card game restrictions on cardroom establishments. The restrictions would only allow certain high revenue generating card games to be offered at tribal owned casinos and disallow such games in non-tribal cardroom establishments.

TABLE 1: GENERAL FUND BUDGET TO ACTUAL THRU DEC 2019

GENERAL FUND (IN THOUSANDS)	2018-19 Actuals			2019-20 Budget to Actuals		
	Thru 6/30/19	Thru 12/31/18	% of Actual	Budget	Thru 12/31/19	% of Budget
REVENUES:						
SALES TAX	12,067	5,249	44%	11,400	4,679	41%
CARDROOM TAX	4,521	2,100	46%	4,264	2,313	54%
PROPERTY AND OTHER TAXES	772	371	48%	752	341	45%
USE OF MONEY AND PROPERTY	560	318	57%	610	289	47%
OTHER REVENUES	475	191	40%	710	278	39%
REVENUES TOTAL	18,395	8,229	45%	17,736	7,902	45%
EXPENDITURES (BY CATEGORIES):						
SALARY, WAGES, & BENEFITS	9,692	5,181	53%	11,044	5,725	52%
PROFESSIONAL & CONTRACT SERVICES	2,273	1,008	44%	3,049	1,100	36%
SUPPLIES & SERVICES	1,114	528	47%	1,373	554	40%
FACILITY OPERATIONS	555	216	39%	721	236	33%
INSURANCE (LIABILITY / PROPERTY)	655	603	92%	741	623	84%
CAPITAL OUTLAY	46	10	21%	43	6	14%
EXPENDITURES TOTAL	14,336	7,547	53%	16,972	8,243	49%
OTHER FINANCING SOURCES IN (OUT):						
NET TRANSFERS	(3,332)	(3,171)	95%	(1,775)	(1,406)	79%
OTHER FINANCING SOURCES TOTAL	(3,332)	(3,171)	95%	(1,775)	(1,406)	79%
NET CHANGE IN GENERAL FUND	726	(2,489)	-343%	(1,011)	(1,748)	173%

General Fund Expenditures

Overall General Fund expenditures are 49% of total budget. The two largest categories are **salary, wages, & benefits** and **insurance**. The Town paid in full unfunded pension liabilities in July to save \$30,312 in interest payments for the year. As for **insurance**, the Town pays workers compensation, general liability and property insurances in the first quarter of the year. In general, insurance increased by 5% due to claim loss history.

The Town's General Fund also supports the capital program, debt services, sewer operations, and city properties. The FY 2019-20 budget includes a \$1,317,000 transfer for capital projects, \$297,369 transfer for debt services payments and management, and \$160,700 transfer for sewer operations. Capital transfers are done at the beginning of the year and based on budget, whereas debt service and sewer is transferred throughout the year and based on actual spending. [See Capital Program Update for more information.](#)

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FUND BALANCE SUMMARY – ALL FUNDS

Total Fund Balance at December 31, 2019 is \$28.3 million excluding trusts and \$33.9 million including trusts. Ignoring the trust funds, revenues for all funds total \$8.61 million and expenditures total \$10.05 million. Due to when invoices are due and when taxes are distributed, the Town maintains a \$4.0 million to \$7.0 million balance in the checking accounts and maintains the rest in less liquid investment portfolios. Additionally, the general fund supports debt service payments and sewer operation. The cash transfer from general fund to debt service occurs twice a year and the transfer to sewer occurs at the end of the year based on actual spending needs.

FUND TITLE		Fund	Fund Balance @ 7/1/19	Revenues YTD 12/31/19	Expenditures YTD 12/31/19	Net Transfers In/(Out)	Net Change in Fund Balance	Fund Balance @ 12/31/19
GENERAL FUND	GENERAL FUND	11						
	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		10,982,278	7,901,808	(8,243,421)	(1,317,000)	(1,658,614)	9,323,664
	GENERAL FUND RESERVE	12				0	0	
	BUDGET STABILIZATION		12,000,000	0	0	0	0	12,000,000
	DEBT REDUCTION		600,000	0	0	0	0	600,000
	ACCRUED LEAVE PAYOUT RESERVE		650,000	0	0	0	0	650,000
	GENERAL FUND TOTAL		25,182,278	7,901,808	(8,243,421)	(1,317,000)	(1,658,614)	23,523,664
SPECIAL FUNDS	GAS TAX	21	59,321	31,747	(7,814)	0	23,933	83,254
	MEASURE A	22	242,757	31,152	0	0	31,152	273,909
	HOUSING IMPACT FEES	25	259,681	0	0	0	0	259,681
	PUBLIC SAFETY GRANTS	27	10,532	0	(3,667)	0	(3,667)	6,865
	COPS GRANT	29	145,464	101,250	(98,967)	0	2,283	147,747
	SPECIAL FUNDS TOTAL		717,755	164,149	(110,448)	0	53,701	771,456
CAPITAL	CAPITAL IMPROVEMENT	31	1,310,417	626	(184,157)	1,272,000	1,088,469	2,398,886
	STREET CAPITAL	32	1,690,440	31,282	(315,682)	45,000	(239,400)	1,451,040
	CAPITAL FUNDS TOTAL		3,000,857	31,908	(499,838)	1,317,000	849,069	3,849,926
DEBT	COP DEBT SERVICE	43	2,620	59	(90,734)	89,405	(1,270)	1,350
	DEBT FUND TOTAL		2,620	59	(90,734)	89,405	(1,270)	1,350
ISF	VEHICLE / FLEET REPLACEMENT ISF	61	634,930	1,116	(70,973)	0	(69,857)	565,073
	INTERNAL SERVICE FUND (ISF) TOTAL		634,930	1,116	(70,973)	0	(69,857)	565,073
ENTERPRISE	SEWER OPERATING	81	0	425,472	(948,234)	0	(522,762)	(522,762)
	SEWER CAPITAL	82	11,732	0	(1,294)	0	(1,294)	10,438
	CITY PROPERTIES	83	90,482	81,019	(89,186)	0	(8,167)	82,315
	ENTERPRISE FUND TOTAL		102,214	506,491	(1,038,714)	0	(532,224)	(430,010)
TOTAL FOR ALL FUNDS (NON TRUST)			29,640,654	8,605,531	(10,054,129)	89,405	(1,359,193)	28,281,461
TRUST	OPEB TRUST	71	4,108,440	806,323	(663,784)	0	142,539	4,250,979
	RETIREMENT TRUST	72	1,056,122	381,921	(1,482)	0	380,439	1,436,561
	TRUST FUNDS TOTAL		5,164,562	1,188,244	(665,266)	0	522,978	5,687,540
TOTAL FOR ALL FUNDS (NON TRUST)			34,805,216	9,793,774	(10,719,395)	89,405	(836,215)	33,969,001

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.