



# FY 2020-21 MID-YEAR FINANCIAL REPORT

## (JULY 1, 2020 – December 31, 2020)

### GENERAL FUND: BUDGET VS ACTUAL

General Fund revenues through December 31, 2020 are \$5.7 million – 44% of budget. **Sales tax** and **cardroom tax** revenues represent 88% of total revenues through December 31, 2020. Sales and cardroom tax revenue budget were significantly reduced from prior years due to the COVID-19 financial crisis. The FY 2020-21 projection for sales tax was \$1.0 million less than historical average. Cardroom tax was projected to be \$3.0 million less than historical. With the availability of two COVID-19 vaccines and positive direction of COVID-19 cases, the Town expects to meet budget.

In response to the COVID-19 financial crisis, the Town deployed a number of cost cutting measures, including deferring all major equipment and vehicle purchases, halting recruitment for less critical positions, reducing contribution to pension and OPEB trust contribution, and restricting spending on non-essential services. By December 30, 2020, the Town spent 50% of budgeted expenditure and expects to stay within budget by June 30, 2021.

In May 2020, the City Council authorized to reduce the Town's unassigned reserve by \$2.2 million to bridge the operating deficit as a result of the COVID-19 financial crisis. As of December 30, 2020, the Town is expecting to use less than requested for FY 2020-21.

### GENERAL FUND RESERVES

As show in Table 2 (RIGHT), unassigned General Fund reserves reduced at June 30, 2020 and December 31, 2020 is resulted from the COVID-19 financial crisis. Due to the COVID-19 pandemic, businesses and operations halted immediately impacting the Town's cardroom and sales tax revenues. In May, the City Council approved the use unassigned reserve in the amounts of \$2.54 million in FY 2019-20 and \$2.20 million in FY 2020-21 to bridge the operating deficit. Through cost containment and better than expected sales tax revenue, the Town's unassigned reserve reduced \$1.5 million, rather than the Council approved \$2.54 million.

TABLE 1: GENERAL FUND BUDGET TO ACTUAL THRU DEC 2020

GENERAL FUND (IN THOUSANDS)	2019-20 Actuals			2020-21 Budget to Actuals		
	Thru 6/30/20	Thru 12/31/19	% of Actual	Budget	Thru 12/31/20	% of Budget
<b>REVENUES:</b>						
SALES TAX	11,400	3,874	34%	10,432	4,454	43%
CARDROOM TAX	4,264	1,914	45%	1,109	612	55%
PROPERTY AND OTHER TAXES	752	341	45%	729	343	47%
USE OF MONEY AND PROPERTY	610	183	30%	373	115	31%
OTHER REVENUES	710	278	39%	390	217	56%
<b>REVENUES TOTAL</b>	<b>17,736</b>	<b>6,591</b>	<b>37%</b>	<b>13,033</b>	<b>5,741</b>	<b>44%</b>
<b>EXPENDITURES (BY CATEGORIES):</b>						
SALARY, WAGES, & BENEFITS	11,044	5,728	52%	9,874	5,132	52%
PROFESSIONAL & CONTRACT SERVICES	3,049	1,100	36%	2,531	912	36%
SUPPLIES & SERVICES	1,373	554	40%	931	426	46%
FACILITY OPERATIONS	721	236	33%	471	171	36%
INSURANCE (LIABILITY / PROPERTY)	741	623	84%	730	669	92%
CAPITAL OUTLAY	43	6	14%	1	1	100%
<b>EXPENDITURES TOTAL</b>	<b>16,972</b>	<b>8,247</b>	<b>49%</b>	<b>14,537</b>	<b>7,311</b>	<b>50%</b>
<b>OTHER FINANCING SOURCES IN (OUT):</b>						
NET TRANSFERS	(1,775)	(89)	5%	(699)	(39)	6%
<b>OTHER FINANCING SOURCES TOTAL</b>	<b>(1,775)</b>	<b>(89)</b>	<b>5%</b>	<b>(699)</b>	<b>(39)</b>	<b>6%</b>
<b>NET CHANGE IN GENERAL FUND</b>	<b>(1,011)</b>	<b>(1,746)</b>	<b>173%</b>	<b>(2,202)</b>	<b>(1,609)</b>	<b>73%</b>
<b>EXPENDITURES (BY DEPARTMENT):</b>						
GENERAL GOVERNMENT	4,000	2,187	55%	3,853	2,118	55%
PUBLIC SAFETY	8,441	4,232	50%	7,444	3,900	52%
PUBLIC WORKS & PLANNING	2,694	1,038	39%	2,104	913	43%
FACILITY OPERATIONS	721	236	33%	471	171	36%
RECREATION	1,116	555	50%	664	209	31%
<b>EXPENDITURES TOTAL</b>	<b>16,972</b>	<b>8,247</b>	<b>49%</b>	<b>14,537</b>	<b>7,311</b>	<b>50%</b>

TABLE 2: GENERAL FUND RESERVES HISTORY

GENERAL FUND RESERVE	Actual @ 6/30/2019	Actual @ 6/30/2020	Actual @ 12/31/2020
<b>COMMITTED RESERVES (12)</b>			
BUDGET STABILIZATION	12,000,000	12,000,000	12,000,000
DEBT REDUCTION	600,000	600,000	600,000
ACCRUED LEAVE PAYOUT	650,000	715,000	540,670
<b>COMMITTED RESERVES TOTAL</b>	<b>13,250,000</b>	<b>13,315,000</b>	<b>13,140,670</b>
<b>ASSIGNED RESERVES (11)</b>			
LITIGATION	100,000	100,000	100,000
INSURANCE	100,000	100,000	100,000
DISASTER RESPONSE & RECOVERY	750,000	750,000	750,000
<b>ASSIGNED RESERVES TOTAL</b>	<b>950,000</b>	<b>950,000</b>	<b>950,000</b>
<b>UNASSIGNED RESERVE (11)</b>	<b>10,982,278</b>	<b>9,568,432</b>	<b>7,959,222</b>
<b>TOTAL GENERAL FUND RESERVE</b>	<b>25,182,278</b>	<b>23,833,432</b>	<b>22,049,892</b>

This report summarizes the Town's mid-year financial status by providing an analysis of revenues and expenditures through the first half of the fiscal year for the General Fund and other non-major funds. The intent of this report is to provide a brief update on how these funds are performing in comparison to the adjusted budget. This mid-year financial report is prepared using a "soft-close", an abbreviated closing procedure, for timely reporting. Only major transactions, such as sales tax, property tax, sewer assessment revenues, sewer contracts, and other major contracts were accrued for this mid-year report.

## CAPITAL PROGRAM:

TABLE 3: CAPITAL PROGRAM SUMMARY

BUDGET TO ACTUAL THROUGH December 2020	STATUS @ 6/30/2020	2020-21 Amended Budget	Actuals Through Dec 2020	% of Annual Budget
ANNUAL ROADWAY REHAB & PREVENTION (906)	Deferred	-	-	n/a
AUTO/FLEET REPLACEMENT (987)	Ongoing	20,000	19,973	100%
CLIMATE ACTION PLAN (994)	Active	9,609	9,167	95%
COLMA CREEK CHANNEL REPAIRS (934)	Deferred	-	-	n/a
EL CAMINO REAL BICYCLE & PEDESTRIAN (914)	Active	52,019	36,259	70%
FINANCIAL SOFTWARE REPLACEMENT (965)	Deferred	-	-	n/a
GENERAL PLAN UPDATE (991)	Active	271,644	99,509	37%
LAWNDALE & ECR LANDSCAPE & MEDIAN (956)	Deferred	-	-	n/a
MISSION ROAD IMPROVEMENTS (903)	Active	2,419,517	1,475,997	61%
RECREATION OPS AND FAC MASTER PLAN (995)	Deferred	-	-	n/a
STORM DRAIN SYSTEM ASSESSMENT (972)	Deferred	-	-	n/a
TOWN'S IT INFRASTRUCTURE UPGRADES (986)	Ongoing	50,000	6,180	12%
HOUSING ELEMENT UPDATE (TBD)	New	100,000	-	0%
ZONING CODE UPDATE (TBD)	New	100,000	-	0%
F STREET RETAINING WALL (TBD)	New	25,000	-	0%
<b>CAPITAL PROGRAM TOTAL</b>		<b>3,047,789</b>	<b>1,647,085</b>	<b>54%</b>

Part of the strategy in cost cutting, was deferring non-essential capital programs in FY 2019-20 and FY 2020-21. Six projects were deferred and the funding were redirected to grant funded projects. Three projects are added to the list due to the importance of these projects.

## 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](http://www.colma.ca.gov). This report will also be posted on the Town website after it has been reviewed by the City Council.

## FUND BALANCE SUMMARY – ALL FUNDS

Table 4, below, is a summary of fund balances for all Town's funds. The various City Council designated reserve funds are listed within the General Fund (11) and General Fund Reserves (12) below.

TABLE 4: FUND BALANCE SUMMARY FOR ALL FUNDS

FUND TITLE		Fund	AUDITED Fund Balance @ 7/1/20	Revenues YTD 12/31/20	Expenditures YTD 12/31/20	Net Transfers In/(Out)	Net Change in Fund Balance	Fund Balance @ 12/31/20
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		9,568,432	5,741,433	(7,311,491)	(39,152)	(1,609,210)	7,959,222
	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 RESERV		715,000	0	(126,303)	(48,027)	(174,330)	540,670
<b>GENERAL FUND TOTAL</b>		<b>23,833,432</b>	<b>5,741,433</b>	<b>(7,437,794)</b>	<b>(87,179)</b>	<b>(1,783,540)</b>	<b>22,049,892</b>	
SPECIAL FUNDS	GAS TAX	21	111,001	35,516	(6,131)	0	29,385	140,386
	MEASURE A	22	331,659	28,581	0	0	28,581	360,240
	HOUSING IMPACT FEES	25	276,242	1,186	0	0	1,186	277,428
	MEASURE W	26	30,259	7,483	0	0	0	37,742
	PUBLIC SAFETY GRANTS	27	6,865	0	(275)	0	(275)	6,590
	COPS GRANT	29	124,776	104,138	(110,735)	0	(6,598)	118,178
	<b>SPECIAL FUNDS TOTAL</b>		<b>880,802</b>	<b>176,904</b>	<b>(117,141)</b>	<b>0</b>	<b>52,279</b>	<b>902,822</b>
CAPITAL	CAPITAL IMPROVEMENT	31	2,157,961	9,212	(282,517)	0	(273,304)	1,884,657
	STREET CAPITAL	32	1,459,138	169,743	(1,512,256)	0	(1,342,513)	116,625
	<b>CAPITAL FUNDS TOTAL</b>		<b>3,617,099</b>	<b>178,955</b>	<b>(1,794,772)</b>	<b>0</b>	<b>(1,615,817)</b>	<b>2,001,282</b>
DEBT	COP DEBT SERVICE	43	1,296	1	(88,434)	87,179	(1,254)	42
	<b>DEBT FUND TOTAL</b>		<b>1,296</b>	<b>1</b>	<b>(88,434)</b>	<b>87,179</b>	<b>(1,254)</b>	<b>42</b>
ISF	VEHICLE / FLEET REPLACEMENT ISF	61	745,688	3,154	(19,973)	0	(16,819)	728,869
	<b>INTERNAL SERVICE FUND (ISF) TOTAL</b>		<b>745,688</b>	<b>3,154</b>	<b>(19,973)</b>	<b>0</b>	<b>(16,819)</b>	<b>728,869</b>
ENTERPRISE	SEWER OPERATING	81		494,137	(1,015,284)	0	(521,146)	(521,146)
	SEWER CAPITAL	82	10,438	0	0	0	0	10,438
	CITY PROPERTIES	83	132,845	78,782	(48,599)	0	30,183	163,028
	<b>ENTERPRISE FUND TOTAL</b>		<b>143,283</b>	<b>572,920</b>	<b>(1,063,882)</b>	<b>0</b>	<b>(490,963)</b>	<b>(347,680)</b>
<b>TOTAL FOR ALL FUNDS (NON TRUST)</b>			<b>29,221,600</b>	<b>6,673,367</b>	<b>(10,521,998)</b>	<b>0</b>	<b>(3,856,114)</b>	<b>25,335,227</b>
TRUST	OPEB TRUST	71	5,082,881	0	0	0	0	5,082,881
	RETIREMENT TRUST	72	1,458,087	0	0	0	0	1,458,087
	<b>TRUST FUNDS TOTAL</b>		<b>6,540,968</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,540,968</b>
<b>TOTAL FOR ALL FUNDS (NON TRUST)</b>			<b>35,762,568</b>	<b>6,673,367</b>	<b>(10,521,998)</b>	<b>0</b>	<b>(3,856,114)</b>	<b>31,876,195</b>