



# FY 2021-22 MID-YEAR FINANCIAL REPORT

## (JULY 1, 2021 – DECEMBER 31, 2021)

### GENERAL FUND: BUDGET VS ACTUAL

Overall, the Town is financially healthy at mid-year. By December 31, 2021, the Town received \$7.33 million in General Fund revenues - with \$5.08 million in sales tax, \$1.84 million in cardroom tax and \$0.42 million in other general fund revenues. Total General Fund expenditure was \$8.58 million with a burn rate of 48%.

### GENERAL FUND REVENUES

As shown in Chart 1 (right), the revenue run rate for General Fund is 42% of budget, which is similar to the prior three fiscal years. Additionally, the Town received 42% of its budgeted sales tax revenues and 52% of its cardroom tax by mid-year. These are good indicators the Town will reach our General Fund revenue projections by the end of the fiscal year; absent another unforeseen interruption to the economy.

### GENERAL FUND EXPENDITURES

General Fund Expenditures are shown by Categories (Chart 2) and by Departments (Chart 3).

In Chart 2, personnel expenditures totaled \$6.09 million, or 52% of budget. The typical burn rate for personnel cost by mid-year is between 50% and 60%, because of lump-sum payments made towards unfunded pension liabilities in July of each fiscal year. Non-personnel expenditures of \$2.49 million, or 42% of budget, is reasonable as well, since the budget for non-personnel includes special projects slated for the second half of the fiscal year and contingency budget to address unforeseen emergencies.

Comparing expenditure trends by department (Chart 3), General Government and Public Safety spending rate is consistent with prior years, at 54% and 51%, respectively. General Government includes insurance payments (\$784,000) in the beginning of the fiscal year, and therefore the burn rate will generally be higher than 50% by mid-year. Public Works & Planning and Recreation are both trending at 35% and 31% respectively. This is typical of Public Works & Planning as majority of their budget is non-personnel. Recreation operations continue to be impacted by the COVID-19 pandemic, and full operation has not been restored in the first half of the year.

### GENERAL FUND RESERVES

Total General Fund reserves as of December 31, 2021 is \$26.3 million. This includes increasing the Budget Stabilization reserve by \$3.0 million and budgeted transfer of \$105,000 to the Accrued Leave Payout reserve. General Fund transfers to the Capital program (\$532,000) and to the sewer operation (\$238,000) will be completed as part of the year-end process.

CHART 1: MID-YEAR REVENUES TO FULL YEAR COMPARISON

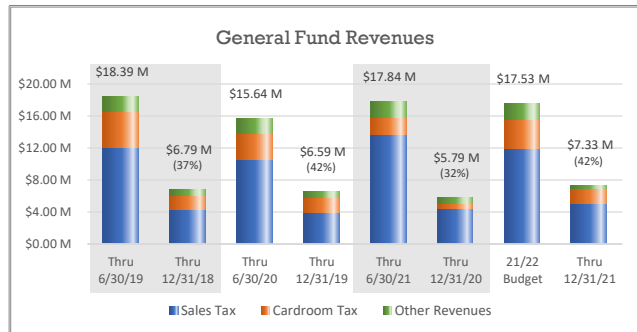


CHART 2: MID-YEAR EXPENDITURE TO FULL YEAR COMPARISON

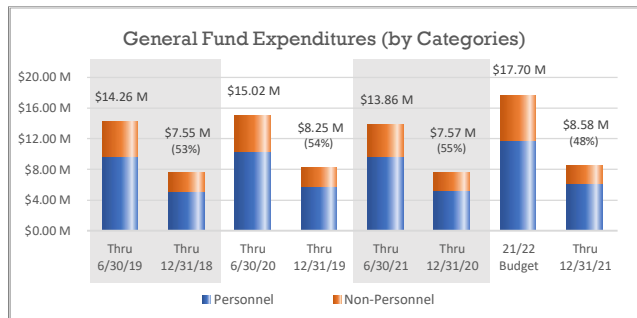


CHART 3: MID-YEAR EXPENDITURE TO FULL YEAR COMPARISON

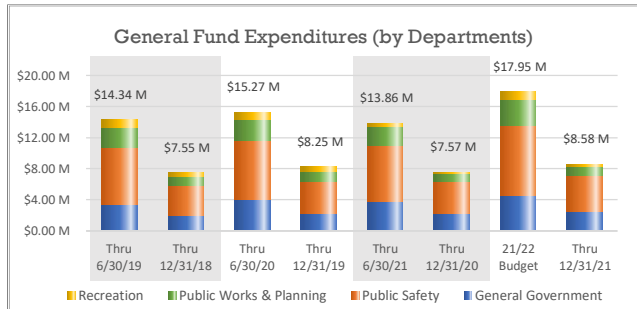


TABLE 4: GENERAL FUND RESERVES HISTORY

| GENERAL FUND RESERVES           | Jun 30, 2020      | Jun 30, 2021      | Dec 31, 2021      |
|---------------------------------|-------------------|-------------------|-------------------|
| <b>COMMITTED RESERVES (12)</b>  |                   |                   |                   |
| BUDGET STABILIZATION            | 12,000,000        | 12,000,000        | 15,000,000        |
| DEBT REDUCTION                  | 600,000           | 600,000           | 600,000           |
| ACCRUED LEAVE PAYOUT            | 715,000           | 605,670           | 605,670           |
| <b>COMMITTED RESERVES TOTAL</b> | <b>13,315,000</b> | <b>13,205,670</b> | <b>16,205,670</b> |
| <b>ASSIGNED RESERVES (11)</b>   |                   |                   |                   |
| LITIGATION                      | 100,000           | 100,000           | 100,000           |
| INSURANCE                       | 100,000           | 100,000           | 100,000           |
| DISASTER RESPONSE & RECOVER     | 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>9,568,432</b>  | <b>13,203,304</b> | <b>9,125,579</b>  |
| <b>TOTAL GF RESERVES</b>        | <b>23,833,432</b> | <b>27,358,974</b> | <b>26,281,249</b> |

## CAPITAL PROGRAM

The Capital Program is the next largest expenditure category for the Town. For FY 2021-22, the Town has 14 actively funded projects, with a total available project budget of \$1.21 million. Of the 14 projects, six projects are in the design phase and the project budget may increase when they enter the construction phase. There are three long-term plans, with the General Plan Update near completion. The Financial Software Replacement is on hold at this time and will begin the needs assessment phase in mid-2022.

As for the Mission Road project, the roadway repair phase is completed. The next phase is the landscape enhancements and proposed crosswalk replacement, and the cost will be tracked separately as Project No 908 and 909, respectively.

TABLE 5: FY 21/22 CAPITAL PROGRAM SUMMARY

| Project                      | Phases  | Available        |                  |             |
|------------------------------|---------|------------------|------------------|-------------|
|                              |         | Project Budget   | Project Spending | % of Budget |
| ANNUAL ROADWAY REHAB.        | Const   | 150,000          | 0                | 0%          |
| F-STREET RETAINING WALL      | Design  | 36,590           | 7,652            | 21%         |
| MISSION RD BIKE & PED IMPR   | Compl   | 1,569            | 1,569            | 100%        |
| MISSION ROAD LANDSCAPING     | Design  | 29,000           | 0                | 0%          |
| MISSION ROAD CROSSWALK       | Design  | 11,000           | 0                | 0%          |
| COLMA MUSEUM FAC. REPR       | Design  | 75,000           | 0                | 0%          |
| FACILITY PARKING LOT         | Design  | 99,025           | 0                | 0%          |
| GENERAL PLAN UPDATE          | Plan    | 58,165           | 6,677            | 11%         |
| HOUSING ELEMENT UPDATE       | Plan    | 98,746           | 18,727           | 19%         |
| ZONING CODE UPDATE           | Plan    | 100,000          | 0                | 0%          |
| EQUIPMENT PURCHASE & REPL.   |         |                  |                  |             |
| CHAMBER AV SYSTEM            | Design  | 32,339           | 0                | 0%          |
| PD IN-CAR AND BODY CAM.      | Impl    | 201,000          | 70,415           | 35%         |
| FINANCIAL SOFTWARE REPL.     | Hold    | 100,000          | 0                | 0%          |
| IT INFRASTRUCTURE (21/22)    | Ongoing | 50,000           | 22,410           | 45%         |
| VEHICLE REPLACEMENT (21/22)  | Ongoing | 164,000          | 94,787           | 58%         |
| <b>CAPITAL PROGRAM TOTAL</b> |         | <b>1,206,434</b> | <b>222,235</b>   | <b>18%</b>  |

TABLE 6: FUND BALANCE SUMMARY FOR ALL FUNDS

| FUND TITLE                               | Fund      | AUDITED               | Revenues         | Expenditures        | Net                | Net Change in      | Fund Balance      |
|--|-----------|-----------------------|------------------|---------------------|--------------------|--------------------|-------------------|
|  |           | Fund Balance @ 7/1/21 | YTD 12/31/21     | YTD 12/31/21        | Transfers In/(Out) | Fund Balance       | @ 12/31/21        |
| <b>GENERAL FUND</b>                      | <b>11</b> |                       |                  |                     |                    |                    |                   |
| 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                               |           | 13,203,304            | 7,510,583        | (8,502,276)         | (3,086,032)        | (4,077,725)        | 9,125,579         |
| UNASSIGNED                               | 19        | (110,008)             | (178,100)        | (81,699)            | 0                  | (259,799)          | (369,807)         |
| GENERAL FUND RESERVE                     | 12        | 0                     |                  |                     | 0                  | 0                  |                   |
| BUDGET STABILIZATION                     |           | 12,000,000            | 0                | 0                   | 3,000,000          | 3,000,000          | 15,000,000        |
| DEBT REDUCTION                           |           | 600,000               | 0                | 0                   | 0                  | 0                  | 600,000           |
| ACCRUED LEAVE PAYOUT RESERVE             |           | 605,670               | 0                | 0                   | 0                  | 0                  | 605,670           |
| <b>GENERAL FUND TOTAL</b>                |           | <b>27,248,966</b>     | <b>7,332,483</b> | <b>(8,583,975)</b>  | <b>(86,032)</b>    | <b>(1,337,524)</b> | <b>25,911,442</b> |
| <b>SPECIAL FUNDS</b>                     |           |                       |                  |                     |                    |                    |                   |
| GAS TAX                                  | 21        | 83,615                | 35,313           | (9,281)             | 0                  | 26,032             | 109,647           |
| MEASURE A                                | 22        | 80,376                | 33,600           | 0                   | 0                  | 33,600             | 113,976           |
| HOUSING IMPACT FEES                      | 25        | 278,563               | 77               | 0                   | 0                  | 77                 | 278,640           |
| MEASURE W                                | 26        | 61,371                | 8,622            | 0                   | 0                  | 8,622              | 69,993            |
| PUBLIC SAFETY GRANTS                     | 27        | 6,315                 | 0                | 0                   | 0                  | 0                  | 6,315             |
| COPS GRANT                               | 29        | 78,588                | 107,013          | (110,602)           | 0                  | (3,589)            | 74,999            |
| <b>SPECIAL FUNDS TOTAL</b>               |           | <b>588,828</b>        | <b>184,624</b>   | <b>(119,882)</b>    | <b>0</b>           | <b>64,742</b>      | <b>653,570</b>    |
| <b>CAPITAL</b>                           |           |                       |                  |                     |                    |                    |                   |
| CAPITAL IMPROVEMENT                      | 31        | 1,572,253             | (92,024)         | (118,228)           | 2                  | (210,250)          | 1,362,003         |
| STREET CAPITAL                           | 32        | 854,019               | 59,208           | (9,220)             | (2)                | 49,986             | 904,005           |
| <b>CAPITAL FUNDS TOTAL</b>               |           | <b>2,426,272</b>      | <b>(32,815)</b>  | <b>(127,448)</b>    | <b>0</b>           | <b>(160,264)</b>   | <b>2,266,008</b>  |
| <b>DEBT</b>                              |           |                       |                  |                     |                    |                    |                   |
| COP DEBT SERVICE                         | 43        | (806)                 | 0                | (86,034)            | 86,032             | (2)                | (808)             |
| <b>DEBT FUND TOTAL</b>                   |           | <b>(806)</b>          | <b>0</b>         | <b>(86,034)</b>     | <b>86,032</b>      | <b>(2)</b>         | <b>(808)</b>      |
| <b>ISF</b>                               |           |                       |                  |                     |                    |                    |                   |
| VEHICLE / FLEET REPLACEMENT ISF          | 61        | 740,887               | 205              | (94,787)            | 0                  | (94,582)           | 646,305           |
| <b>INTERNAL SERVICE FUND (ISF) TOTAL</b> |           | <b>740,887</b>        | <b>205</b>       | <b>(94,787)</b>     | <b>0</b>           | <b>(94,582)</b>    | <b>646,305</b>    |
| <b>ENTERPRISE</b>                        |           |                       |                  |                     |                    |                    |                   |
| SEWER OPERATING                          | 81        | 6,203                 | 379,115          | (814,221)           | 0                  | (435,106)          | (428,903)         |
| SEWER CAPITAL                            | 82        | 0                     | 0                | 0                   | 0                  | 0                  | 0                 |
| CITY PROPERTIES                          | 83        | 231,323               | 80,974           | (72,455)            | 0                  | 8,519              | 239,842           |
| <b>ENTERPRISE FUND TOTAL</b>             |           | <b>237,526</b>        | <b>460,089</b>   | <b>(886,676)</b>    | <b>0</b>           | <b>(426,587)</b>   | <b>(189,061)</b>  |
| <b>TOTAL FOR ALL FUNDS (NON TRUST)</b>   |           | <b>31,241,673</b>     | <b>7,944,585</b> | <b>(9,898,803)</b>  | <b>0</b>           | <b>(1,954,218)</b> | <b>29,287,455</b> |
| <b>TRUST</b>                             |           |                       |                  |                     |                    |                    |                   |
| OPEB TRUST                               | 71        | 5,712,224             | 639,820          | (524,931)           | 0                  | 114,889            | 5,827,113         |
| RETIREMENT TRUST                         | 72        | 1,930,267             | 502,631          | (5,268)             | 0                  | 497,364            | 2,427,631         |
| <b>TRUST FUNDS TOTAL</b>                 |           | <b>7,642,491</b>      | <b>1,142,451</b> | <b>(530,198)</b>    | <b>0</b>           | <b>612,252</b>     | <b>8,254,743</b>  |
| <b>TOTAL FOR ALL FUNDS (NON TRUST)</b>   |           | <b>38,884,164</b>     | <b>9,087,036</b> | <b>(10,429,002)</b> | <b>0</b>           | <b>(1,341,966)</b> | <b>37,542,198</b> |

## ADDITIONAL DETAILS AND INFORMATION

This format was prepared by the Finance Department to highlight in summary fashion key indicators of the Town's 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