



**SUMMARY FINANCIAL STATEMENTS
BUDGET BASIS**

FISCAL YEAR 2022

AS OF FEBRUARY 28, 2022

General Fund

	Original	Budget	Amended	YTD %	Actual to	% of Budget
	Budget	Adjustment	Budget	Budget	Date	to Date
Revenues:						
Taxes and						
franchise fees	\$ 111,246,654	\$ -	\$ 111,246,654	\$ 46,352,773	\$ 81,722,618	73.46%
Other	\$ 11,751,608	\$ -	\$ 11,751,608	\$ 4,896,503	\$ 4,163,055	35.43%
Transfers in from :						
Utility Fund for						
Payment in lieu of taxes	\$ 2,669,036	\$ -	\$ 2,669,036	\$ 1,112,098	\$ 1,112,098	41.67%
Expenditures:	\$ (114,800,744)	\$ -	\$ (114,800,744)	\$ (47,833,643)	\$ (45,374,651)	39.52%
Transfers out/Non-operating uses:		\$ -				
Employee Safety Program	\$ (452,370)	\$ -	\$ (452,370)			
Rate Review	\$ (25,000)	\$ -	\$ (25,000)	\$ (10,417)	\$ -	0.00%
Hotel/Motel Tax Subsidy	\$ (270,000)	\$ -	\$ (270,000)	\$ (112,500)	\$ -	0.00%
Essential Tech Funds	\$ (1,450,000)	\$ -	\$ (1,450,000)	\$ (604,167)	\$ -	0.00%
Economic Development Incentives	\$ (130,000)	\$ -	\$ (130,000)	\$ (54,167)	\$ -	0.00%
Addtl. Sources/Reduct. Uses	\$ (9,233,820)	\$ -	\$ (9,233,820)	\$ (3,847,425)	\$ -	0.00%
One-time Comp Adj.	\$ (575,123)	\$ -	\$ (575,123)	\$ (239,635)	\$ -	0.00%
Capital Projects	\$ (4,309,038)	\$ -	\$ (4,309,038)	\$ (1,795,433)	\$ -	0.00%
Net increase (decrease)	\$ (5,578,797)	\$ -	\$ (5,578,797)	\$ (2,136,013)	\$ 41,623,121	
Beg. Working Capital	\$ 28,839,771	\$ -	\$ 28,839,771		\$ 47,870,989	
End Working Capital	\$ 23,260,974	\$ -	\$ 23,260,974		\$ 89,494,109	

Overview - Revenues and Transfers In

The year-to-date ad valorem tax percentage through 2/28/22 is 98.8% of budgeted collections and 98.2% of current tax levy. The anticipated tax levy has increased by \$2.3 million due to positive supplements received from both Dallas and Denton CADs. Sales tax is currently projected to end the year over \$4 million ahead of budgeted revenue due to the stay of the TX Comptroller's implementation of the changes to Rule 3.334. Litigation is currently ongoing.

SALES TAX	Current Month	Year to Date
Original Budget	\$2,753,730	\$11,535,783
Actual - Current Year	\$3,781,587	\$15,602,174
Actual - Prior Year	\$2,984,763	\$12,616,594

Overview - Expenditures and Transfers Out

The year-to-date expenditures are slightly below target due to increased vacancies and delays in planned supplies and services spending caused by supply chain bottlenecks.

Overview - Budget Adjustments

No budget adjustments have been necessary so far, this fiscal year.

Overview - Fund Balance

As of February 28th, 2022, the budget estimates and the complete expenditure of the entire approved budget would result in an ending fund balance far in excess of the 60-day fund balance required by the City's financial targets.

The General Fund’s excess fund balance will be carefully monitored throughout the year to determine the funding available to program one-time needs during the FY 2023 budget process.

Water and Sewer Fund

	Original	Budget	Amended	YTD %	Actual to	% of Budget
	Budget	Adjustment	Budget	Budget	Date	to Date
Revenues:						
Sales and Charges	\$ 50,307,504	\$ -	\$ 50,307,504	\$ 20,961,460	\$ 19,565,471	38.89%
Other	\$ 1,356,500	\$ -	\$ 1,356,500	\$ 565,208	\$ 653,641	48.19%
Transfers in from :						
Expenses:	\$(44,570,713)	\$ -	\$(44,570,713)	\$(18,571,130)	\$(17,136,436)	38.45%
Transfers out and						
Non-operating uses:						
General Fund for						
Paymt in lieu of taxes	\$ (2,669,036)	\$ -	\$ (2,669,036)	\$ (1,112,098)	\$ (1,112,098)	41.67%
Debt Service	\$ (1,869,147)	\$ -	\$ (1,869,147)	\$ (778,811)	\$ (893,542)	47.80%
Debt Redemption	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Capital Projects	\$ (5,485,770)	\$ -	\$ (5,485,770)	\$ (2,285,738)	\$ -	0.00%
Net increase (decrease)	\$ (2,930,662)	\$ -	\$ (2,930,662)	\$ (1,221,109)	\$ 1,077,035	
Beg. Working Capital	\$ 15,066,387	\$ -	\$ 15,066,387		\$ 15,542,535	
End Working Capital	\$ 12,135,725	\$ -	\$ 12,135,725		\$ 16,619,570	

Overview - Revenues

Through February 2022, charges for utility services are on target to meet budgetary projections and 2.5% above last year’s YTD totals. No water and sewer rate increases were adopted for 2022. As 35% of annual revenue is generated in the final quarter of the year, an assessment of any needed rate increases to maintain the sixty-day balance and accommodate future capital needs will be finalized in November 2022.

Payments to DWU will increase by \$1 million annually in FY 2022 as we will no longer receive the approximately \$1 million annual credit from the Dallas Water Utility.

Overview - Expenses and Transfers Out

Fiscal year-to-date expenses are running below target due to excess vacancies and the timing of some expenses. Expenses are expected to end this fiscal year on or below target. Capital transfers out will be made when the receiving funds have a need for the funding, typically at the end of the year. The Utility Fund made an early pay off of the loan from the General Fund in 2021 so only recurring transfers for the Payment in Lieu of Taxes (PILOT) and the overhead allocations are anticipated in current and future years.

Overview - Budget Adjustments

There have been no budget adjustments to date in the current year.

Weather Trends and Water Accountability

	Rain Fall	Rain Days	Average High Temp	Billed (000 gals)	Received (000 gals)	Unaccounted Water	Daily Per Capita (gals)
FEBRUARY-CY	0.07	1	59	379,627	431,653	5.86%	109
FEBRUARY-PY	2.22	9	51	391,105	441,522	11.42%	109
FEBRUARY CY YTD	152.8	10	69	2,604,450	2,522,050	-3.27%	647
FEBRUARY PY YTD	16.27	43	63	2,668,417	2,742,105	2.69%	703

Overview - Fund Balance

The City's financial standards call for a minimum of 90 days ending fund balance. The current operating fund balance of \$16,619,570 represents 124 days of recurring activities because the capital project funds are scheduled to be transferred out in September. Once they are transferred out the remaining year end fund balance is anticipated to be 91 days of recurring expenditures. The year-end balance is also subject to change based on weather and economic impact to water sales.

The current percentage of unaccounted water consumption for the past 12 months is 10.38%. Although it's slightly higher than the previous year, it is still within the typical norms for this time of year. Some capital projects require water source testing which cannot be performed while the water meters are on. The Fire Department submits their annual water consumptions totals at the end of the year only. In considering these parameters, the unaccounted water percentage should level out and significantly decrease by the end of fiscal year 2022.

Golf Course Fund

	Original Budget	Budget Adjustment	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:	\$ 663,310.00	\$ -	\$ 663,310.00	\$ 276,379.00	\$323,621.02	48.79%
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Transfer from Golf Capital	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses:	\$(281,779.00)	\$ -	\$(281,779.00)	\$(117,408.00)	\$ (88,944.77)	31.57%
Transfers out to:						
Repay FEMA & A/R Writeoff	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Capital Projects	\$(100,000.00)	\$ -	\$(100,000.00)	\$ (41,667.00)	\$ -	0.00%
Net increase (decrease)	\$ 281,531.00	\$ -	\$ 281,531.00	\$ 117,304.00	\$234,676.25	
Beg. Working Capital	\$ 243,265.00	\$ -	\$ 243,265.00		\$457,858.58	
End Working Capital	\$ 524,796.00	\$ -	\$ 524,796.00		\$692,534.83	

Golf Statistics

MONTHLY 2022

SUMMARY OF REVENUES

February

	Actual	Budget	\$ Over Budget	%	Actual (2021)
Rounds	3,508	3,900	-392	90%	1,784
Golf Fees	\$105,886	\$72,618	\$33,268	146%	52,716
Golf Cars	\$21,810	\$27,429	(\$5,619)	80%	16,027
Golf Shop	\$7,782	\$20,445	(\$12,663)	38%	4,295
Range	\$22,445	\$8,190	\$14,255	274%	9,986
Food & Beverage	\$26,515	\$45,825	(\$19,310)	58%	12,977
TOTAL	\$184,436.50	\$174,507	\$9,930	106%	\$96,001
Miscellaneous \$	\$13,343.70				
Total \$ Collected	\$197,780.20				

Tournament Rounds = 285

YEAR TO DATE 2022

SUMMARY OF REVENUES

January - February

	Actual	Budget	\$ Over Budget	%	Actual (2021)
Rounds	8,066	7,020	1,046	115%	5,413
Golf Fees	\$207,594	130,712	\$76,882	159%	157,926
Golf Cars	\$64,076	49,372	\$14,704	130%	52,422
Golf Shop	\$18,753	33,519	(\$14,766)	56%	11,661
Range	\$46,427	14,742	\$31,685	315%	20,259
Food & Beverage	\$59,645	82,485	(\$22,840)	72%	43,691
TOTAL	\$396,494	\$310,830	\$85,664	128%	\$285,959

Overview – Revenues and Transfers in

Actual year-to-date revenues are above projected budget targets. Golf rounds YTD are up by 30% over the prior year’s YTD. The revenue share model between Orion Management and the City splits revenue based on the monthly course revenue and the utility and maintenance costs are reimbursed to the City. This revenue split is calculated on a sliding scale of six revenue tiers:

Revenue Share Percentages:	
Gross Profit \$	City Revenue Percentage
\$0 - \$1,000,000	13%
\$1,000,001 - \$2,000,000	16%
\$2,000,001 - \$2,750,000	20%
\$2,750,001 - \$3,250,000	25%
\$3,250,001 - \$3,750,000	28%
\$3,750,000 +	31%

Overview - Expenses and Transfers Out

Actual year-to-date expenses are below projected target of estimated budget through February 2022.

Overview - Budget Adjustments

No budget adjustment has occurred so far, this year.

Overview - Fund Balance

The Budgetary Fund Balance was originally projected to end the year at \$524,796. Currently, the fund balance is trending significantly above target, at \$721,940. Based on the current data, no additional transfers of funds should be needed for operational purposes, but the golf course will continue being monitored throughout the year.

Solid Waste Fund

	Original Budget	Budget Adjustment	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:	12,024,783	0	12,024,783	5,010,326	4,966,801	41.30%
Expenses:	(10,457,086)	0	(10,457,086)	(4,357,119)	(4,091,284)	39.12%
Transfers out to:						
Capital Projects	(1,537,601)	0	(1,537,601)	(640,667)	0	0.00%
Net increase (decrease)	30,096	0	30,096		875,516	
Beg. Working Capital	283,939	0	283,939		1,697,152	
End Working Capital	314,035	0	314,035		2,572,668	

Overview – Revenues

Total fiscal year-to-date revenues are on target.

Overview - Expenses and Transfers Out

Expenditures are slightly below target YTD.

Overview - Budget Adjustments

There have been no budget adjustments to date in the current year.

Overview - Fund Balance

Currently, the operating fund balance is \$2,572,668, however, a capital transfer to fund alley replacements is budgeted for \$1,537,601. This transfer will occur in September 2022. We will continue to monitor the fund balance closely throughout the year.

Other Operating Funds

Information on the other operating funds of the City (Risk, Fleet, Administrative Services, Employee Health and Disability, Hotel/Motel and Debt Service) is provided on an exception only basis. All other operating funds are on target with budget.

Fleet Services Fund – The current fund balance is \$960,761, which exceeds the financial standard of break-even.

Admin Fund – The current fund balance of \$7,765,107 exceeds projections, yet we expect that to level out toward the end of the year.

Employee Health Fund – Current projections through February 2022 show a \$5.4 million cash balance which represents 145 days of claims expenses.

Risk Fund – This Risk Fund is performing as expected and is projected to have a fund balance 2.5 times the annual claims cost which is well in excess of the financial standard for the fund.