



Fiscal Year 2022 Budget Report

3 Months Ending December 31, 2021

Overview

This report provides an overview of the City’s budget position through 3 months of FY 2022 (October 1, 2021 – December 31, 2021) for the General Fund, Debt Service and the Utilities Operating Funds. This report is presented on a cash basis and represents recognition of actual revenue and expenses. The report includes the adopted budget, budget amendments approved by Council during the reporting period and adjustments for encumbrances as authorized in Section 9.06 of the City Charter.

General Fund – 101, 606, 611 & 800

The General Fund is the main operating fund for the City. It funds general government, finance, public safety, public works, parks maintenance and recreation, planning and zoning and engineering. The fund’s primary funding sources are property tax, sales tax, franchise revenue and licenses & fees.

General Fund Budgeted Fund Balance

To safeguard the fiscal stability of the City and ensure long-term financial health, the City strives to maintain a fund balance within the General Fund of 20% to 30% of operating expenditures including recurring transfers. Fund balance in excess of the requirement may be used for one-time expenditures.

Provided below is the budgeted fund balance for the General Fund.

	FY 2022 Revised Budget
Includes Funds 101, 606, 611, 800	
Estimated Beginning Fund Balance	\$ 35,559,589
Budgeted Revenues	63,299,136
Budgeted Expenditures *	72,552,384
Budgeted Ending Fund balance	\$ 26,306,341

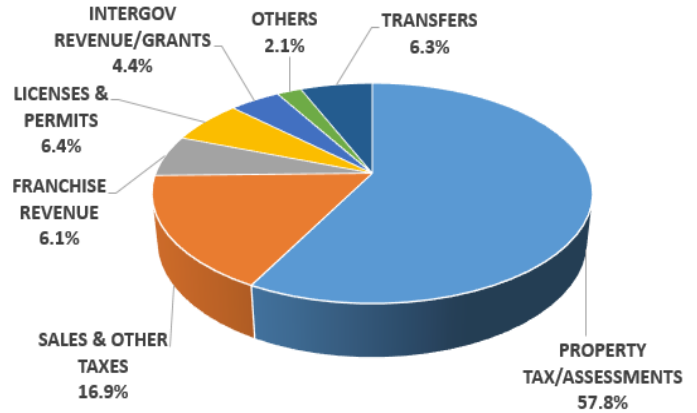
Fund Balance as % of Recurring Expenditures 42.2%

* Includes carryforward from the prior year

General Fund Revenues

FY 2022 budgeted revenues total \$63.3 million. Property taxes, sales taxes, franchise revenue and licenses & permits account for 87.1% of the General Fund FY 2022 budgeted revenues.

The graph below reflects the revenue sources for the General Fund. Others consist of fines/fees & forfeitures, charges for services, investment earnings and other sources/donations.



Budget to Actual

In order to protect the City from revenue shortfalls and to maintain a stable level of service, the City uses a conservative approach when preparing revenue estimates. Historical collection rates, trends and economic changes are factored into the process.

The chart below reflects actual revenue for the prior month, year-to-date through the 3-month reporting period and percent received compared to the budget.

Revenue by Type	FY 2022 Revised Budget	Prior Month Actual	Year-to-Date as of 12/31/2021	% Received
40 - Property Tax/Assessments	\$ 36,561,928	\$ 130,037	\$ 7,555,170	20.7%
41 - Sales & Other Taxes	10,700,000	-	1,059,091	9.9%
42 - Franchise Revenue	3,850,000	27,617	63,741	1.7%
43 - Licenses & Permits	4,036,733	274,818	968,461	24.0%
44 - Fines/Fees & Forfeitures	717,000	56,903	156,897	21.9%
45 - Charges for Services	339,900	36,033	110,473	32.5%
46 - Intergov Revenue/Grants	2,806,066	5,897	800,208	28.5%
47 - Investment Earnings	38,550	12,994	31,060	80.6%
48 - Other Sources/Donations	263,870	50,792	235,374	89.2%
Sub-total	\$ 59,314,047	\$ 595,092	\$ 10,980,474	18.5%
49 - Transfer from & Adm	3,985,089	162,795	1,563,682	39.2%
Total Revenue	\$ 63,299,136	\$ 757,888	\$ 12,544,156	19.8%

Property Taxes

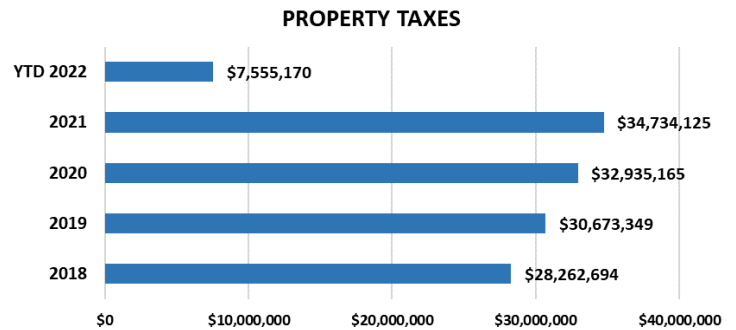
Property tax is the City's largest revenue source and funds operations and debt service. The property tax rate for the City is \$0.578035 per \$100 of assessed valuation for the tax year 2021 and represents a \$0.02 decrease compared to the prior year. This decrease is due to increased property assessed valuations. Of the total tax rate, \$0.443225 is used for maintenance and operations (reflected in the General Fund) and \$0.134810 is used for debt service (reflected in the Debt Service Fund).

Property tax revenues include current year collections, delinquent collections and collections of penalty & interest on delinquent taxes. For budgeting purposes, the property tax collection rate is estimated to be 98%.

Budgeted revenue for FY 2022 totals \$36.6 million and represents a \$1.8 million or 5.1% increase over the prior year actual collections. The increase in the budget is due to an increase in assessed taxable property values and new property added to the tax roll.

Approximately 78% of the property tax revenue is collected in the months of December and January with smaller payments received in November and February. As of this report, approximately \$7.6 million in property tax revenue or 20.7% of the FY 2022 budget was collected for the 3-month period ending December 31, 2021.

The graph below reflects a history of property tax revenue:



*Although 2018 represented a 15-month fiscal year, it included only one tax cycle.

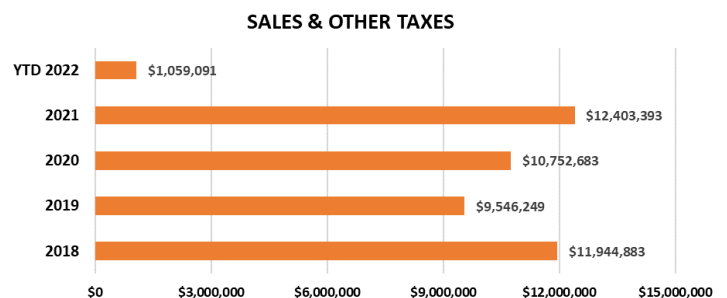
Sales & Other Taxes

The City of Missouri City saw a surge in sales tax revenue during the COVID-19 pandemic. This is reflective of new businesses, the diverse mix of business and the impact of stay at home orders with residents shopping within the City instead of outlying areas.

Revenue budget for sales & other taxes total \$10.7 million. The budget includes sales tax, mixed beverage sales and incentive agreements (rebates). Rebates are reflected as an offset against sales & other taxes revenue.

Sales tax actual collections total \$1.1 million and represent collections through October 2021. Total collections for this 3-month reporting period represents a 18.2% increase compared with the same reporting period last year due to strong growth in retail sales tax revenue and a diverse mix of businesses. Sales tax collections run two months in arrears.

The graph below reflects a history of sales & other taxes revenue:



*FY 2018 represents a 15-month year.

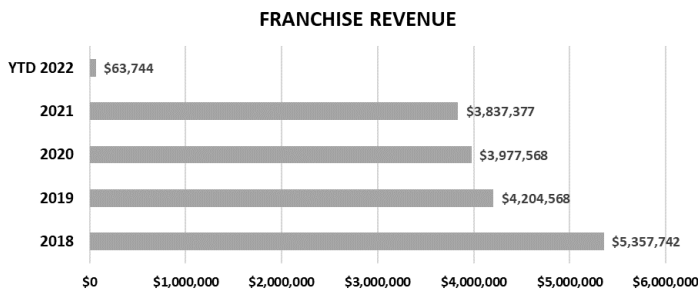
Franchise Revenue

Franchise revenue consists of fees paid for the use of the City streets, alleys, and property to provide their service to the citizens of Missouri City. The franchise fees include electricity, telephone, natural gas, cable television and solid waste administrative fees.

The FY 2022 budget for the franchise revenue total approximately \$3.9 million which is a 0.3% increase over the prior year actual revenue.

Actual collections for franchise revenue for the 3-month period total \$64 thousand or 1.7% of the FY 2022 budget and represent collections for solid waste administrative fees and telephone franchise revenue. The majority of the franchise revenue is received on a quarterly basis and usually received 45 days after the end of the quarter.

The graph below reflects a history of franchise revenue:



*FY 2018 represents a 15-month year.

Licenses & Permits

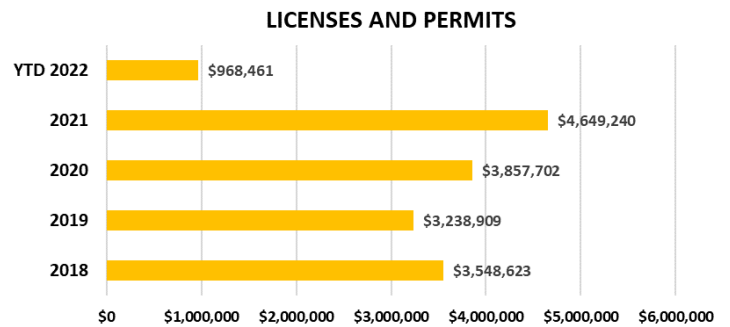
Licenses and permits include fees such as building permits, infrastructure fees, plan check fees and other miscellaneous permit fees. Similar to property taxes, building permits fees were impacted by prior legislative changes. House Bill 852 changed the way building permit fees are calculated. The fees are no longer tied to the value of the buildings or cost of construction but instead cities must choose other criteria like square footage, a flat fee or other method to calculate the fee.

The FY 2022 budget for licenses & permits total \$4.0 million, a -13.8% decrease over the prior year revised budget. The current year budget is a conservative

estimate based on legislative changes and the impact of the ongoing pandemic. In addition, the prior year revised budget included one-time revenue from the Amazon Fulfillment Center building.

Actual collections for the 3-month period total \$968 thousand or 24.0% of the FY 2022 budget and mainly consist of: building permits and plan check fees of \$461 thousand or 47.6 % of collections; infrastructure fees of \$105 thousand or 10.8% of collections; plumbing, electrical and air conditioning permits combined account for 14.8% or \$143 thousand of collections; health permits account for 4.3% or \$42 thousand of collections; and alarm permit fees account for 9.3% or \$90 thousand of collections. The remaining \$128 thousand or 13.2% of collections consists of various other licenses and permits fees.

The graph below reflects a history of Licenses & Permits revenue:



*FY 2018 represents a 15-month year.

Other Revenues (excluding Transfers)

Fines/Fees & Forfeitures – Consist primarily of forfeitures, warrants, child safety fees, some court fees, warrant & arrest fees. The FY 2022 budget for fines/fees & forfeitures total \$717 thousand. Actual collections for the 3-month period total \$157 thousand or 21.9% of the budgeted amount. Fines & forfeitures, arrest fees and warrant fees account for 93.0% or \$146 thousand of actual collections.

Charges for Services - Consist of fees from recreation classes, recreation center, facilities rentals and animal adoption fees. The FY 2022 budget totals \$340 thousand, which is a -18.8% decrease over the prior year’s revised budget.

Since the state of Texas fully reopened and the mask mandate rescinded, we have seen a steady increase in recreation class revenue, recreation center fees, and facilities rentals. Actual collections for charges for services for the 3-month period total \$110 thousand or 32.5% of the budget. Revenue from recreation classes account for 40.2% or \$44 thousand of collections while recreation center fees and facilities rentals account for \$32 thousand and \$30 thousand respectively. We will continue to closely monitor this revenue source as the ongoing pandemic can have an adverse impact on collections.

Intergov Revenue/Grants – Consist of grant funding from Houston HIDTA, Fort Bend HIDTA, TAG, and reimbursements such as MUD Fire Protection and Sienna Fire Station #5. The FY 2022 budget total \$2.8 million. The majority of the grants are cost reimbursable meaning that we incur the expenditures first and then submit documentation for reimbursement.

Actual collections for the 3-month period total \$800 thousand or 28.5% of the budget and consist of reimbursements for animal control and the STEP grant. Revenue is under budget due to timing of receipts of reimbursements from the various entities. Sienna Fire Station #5 reimbursements are received quarterly.

Other Sources/Donations - Consist of donations for special events, tower lease revenues, auction proceeds, reimbursements, P-card rebate and miscellaneous receipts. The FY 2022 budget for Other Sources/Donations is \$264 thousand.

Actual collections for the 3-month period total \$235 thousand or 89.2% of the budgeted amount. Actual revenue consists of \$29 thousand for p-card rebate, \$44 thousand for tower lease revenue and unanticipated revenue of \$91 thousand for an insurance reimbursement, \$11 thousand from United Health Care for package savings discount, \$6 thousand in traffic control revenue, \$8 thousand for

the rifle buy-back program and \$46 thousand in miscellaneous revenue.

Transfers

Transfers are revenues from other funds into the General fund for reimbursement for administrative expenditures. The FY 2022 transfers budget totals \$4.0 million and transfers are scheduled throughout the fiscal year. As of this report, a total of \$1.6 million in transfers were recorded. Approximately \$1.1 million are intra-fund transfers for fleet replacement and IT replacement. The remaining \$488 thousand are transfers from the TIRZs, PIDs, solid waste and capital projects for reimbursements for administrative expenses paid from the General Fund.

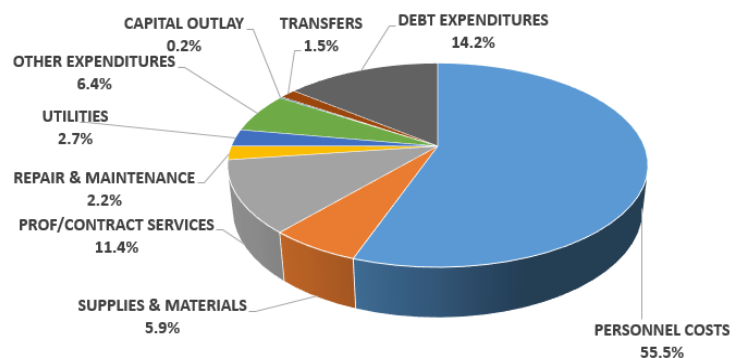
General Fund Revenue Summary

For the 3-month period (October 1, 2021 – December 31, 2021), actual revenues total \$12.5 million or 19.8% of the budget. We are closely monitoring revenue and will immediately alert management of any potential issues.

General Fund Expenditures

The FY 2022 expenditures budget total \$72.6 million, and includes adjustments for prior year encumbrances as authorized in the City Charter.

The graph below reflects the expenditures budget by use:



Budget to Actual Expenditures

In November 2020, the voters of Missouri City approved the implementation of Civil Service for

public safety employees. The FY 2022 budget includes expenditures related to the implementation of civil service, including the implementation of a new pay plan.

Also included in the FY 2022 budget are resources to fund the new fire station #6, one-time resources to fund parks improvements, the pavement maintenance and management program and to pay down the City's unfunded pension liabilities.

The following chart reflects actual expenditures for the prior month, year-to-date through the 3-month reporting period and percent expended compared to the budget.

Expenditures by Type	FY 2022 Revised Budget	Prior Month Actual	Year-to-Date as of 12/31/2021	% Expended
51 - Personnel Costs	\$40,251,037	\$ 2,710,640	\$ 7,579,545	18.8%
52 - Supplies & Materials	4,308,582	187,618	783,955	18.2%
53 - Prof/Contract Services	8,284,022	265,001	1,063,386	12.8%
54 - Repair & Maintenance	1,588,472	29,883	190,327	12.0%
55 - Utilities	1,973,656	62,039	143,586	7.3%
56 - Other Expenditures	4,611,436	204,943	432,117	9.4%
57 - Debt Expenditures	142,935	-	-	0.0%
58 - Capital Outlay	1,085,231	-	-	0.0%
Sub-total	\$62,245,370	\$ 3,460,124	\$ 10,192,917	16.4%
59 - Transfers to Other Funds	10,307,014	-	1,090,297	10.6%
Total Expenditures	\$72,552,384	\$ 3,460,124	\$ 11,283,214	15.6%

Personnel Costs

The FY 2022 budget for personnel costs total \$40.3 million, and includes funding for 399 full-time positions, an increase of 17 positions over the prior year budget. The majority of the new positions are associated with the new fire station opening in first quarter 2022. Personnel costs also include a 2% increase to the annual contribution to the City's pension obligations from 10% to 12%. The 2% increase and a one-time \$500,000 contribution are efforts to fund unfunded liabilities associated with the pension plan.

Actual expenditures for the 3-month period total \$7.6 million and include 6 regular payrolls (23.1% of payrolls elapsed) through December 31, 2021 and 3 months of insurance premiums.

Supplies & Materials

The FY 2022 budget for supplies & materials total \$4.3 million of which approximately \$1 million is for one-time expenditures. The budget includes expenditures for minor tools and equipment of \$1.4 million, fuel of \$546 thousand, wearing apparel of \$386 thousand, park materials & supplies of \$370 thousand, computer & software equipment of \$347 thousand, and other miscellaneous supplies & materials totaling \$1.3 million.

Actual expenditures for the 3-month period ending December 31, 2021 total \$784 thousand or 18.2% of the budget. Equipment/computer replacements account for 19.0% or \$149 thousand, fuel, oil & lubricants account for 16.8% or \$132 thousand, minor tools, furniture & equipment accounts for \$221 thousand or 28.2%, and parks material & supplies make up 7.9% or \$62 thousand. The remaining \$220 thousand or 28.1% consists of wearing apparel, copy machine supplies, street material & supplies, building materials & supplies, postage, office supplies and various other materials & supplies.

Professional/Contract Services

The FY 2022 budget for professional/contract services total \$8.3 million, a \$2.0 million decrease over the FY 2021 revised budget. The reduced budget is due to the removal of one-time expenditures, such as COVID-19 related contractual services and the City Park development project.

Actual expenditures for the 3-month period total \$1.1 million or 12.8% of the budget. Actual expenditures consists of \$246 thousand or 23.1% for contracted services, \$224 thousand or 21.1% for computer/equipment leasing, \$198 thousand or 18.6% for service and repair agreements, \$98 thousand or 9.2% for CAD appraisal services, \$90 thousand or 8.4% for landscaping services, \$35 thousand or 3.3% for janitorial services, and \$34 thousand or 3.2% for credit card processing. Other expenditures such as election expenses, legal notices

and printing and publications make up the remaining \$139 thousand or 13.0% of actual expenditures.

Repair & Maintenance

The FY 2022 budget for repair & maintenance total \$1.6 million and includes building repairs of \$635 thousand, fleet repair costs of \$578 thousand, traffic signal maintenance of \$243 thousand, and the remaining \$132 thousand includes computer repair & replacement, equipment maintenance & repair, radio repair & maintenance and generator maintenance.

Actual expenditures for the 3-month reporting period total \$190 thousand or 12.0% of the budget. Fleet repair costs account for \$137 thousand or 72.1% of the expenditures and building repairs account for \$37 thousand or 19.5%. The remaining \$16 thousand is associated with traffic signal maintenance, radio and equipment repair and maintenance and computer replacement and replacement costs.

Other Expenditures

The FY 2022 budget for other expenditures totals \$4.6 million and includes economic development expenses, community outreach, legislative affairs, special events, property liability insurance, training & travel, recreational activities, and other miscellaneous expenditures. This category also includes prior year carry forward budget of \$975 thousand for COVID related expenditures such as mortgage, rent & utilities (RMU) grants, small business protection assistance grant and COVID payroll protection assistance grant.

Actual expenditures for the 3-month period total \$432 thousand or 9.4% of the budget. Approximately \$89 thousand or 20.6% of the actual expenditures were for training and travel, property/liability insurance accounts for \$100 thousand or 23.1%, special events expense accounts for \$78 thousand or 18.0%, and economic development accounts for \$38 thousand or 8.7% of actual expenditures. The majority of the remaining expenditures are

associated with employee relations, recreational activities and community relations.

Other Uses

Other uses include expenditures for utilities, debt, and capital outlay. The FY 2022 budget for other uses totals \$3.2 million, of which \$2.0 million is for utilities, \$1.1 thousand is for capital outlay for fleet replacement and machinery & equipment, and \$143 thousand is for debt expenditures associated with capital leases for fleet.

Actual expenditures for other uses total \$144 thousand for utilities expenses for the 3-month period ending December 31, 2021.

Transfers

Transfers are resources from the General Fund to other funds and include the transfer of property tax revenue to the Tax Increment Reinvestment Zones (TIRZ), transfers to the Fleet and IT Replacement Funds for replacement of fleet, equipment and technology, and transfers to capital projects.

The FY 2022 transfer budget totals \$10.3 million of which approximately \$4.2 million is for one-time funding for capital projects. Approximately \$4.0 million will be transferred to the TIRZs, \$1.3 million will be transferred to the IT Replacement Fund to build up funding for technology replacement, \$757 thousand will be transferred to the Fleet Replacement Fund to replace and outfit 10 new vehicles of which 7 are police patrol units, \$1.0 million will be transferred to the Government Project Fund for the pavement maintenance & management program, \$3.1 million will be transferred to capital projects for a parks maintenance facility, \$115 thousand (\$40 thousand in carry forward and \$75 thousand in new funding) will be transferred to capital projects to complete the Council Chambers upgrade.

Of the \$3.1 million for the parks maintenance, TIRZ No. 1 will contribute \$2.7 million on a reimbursement

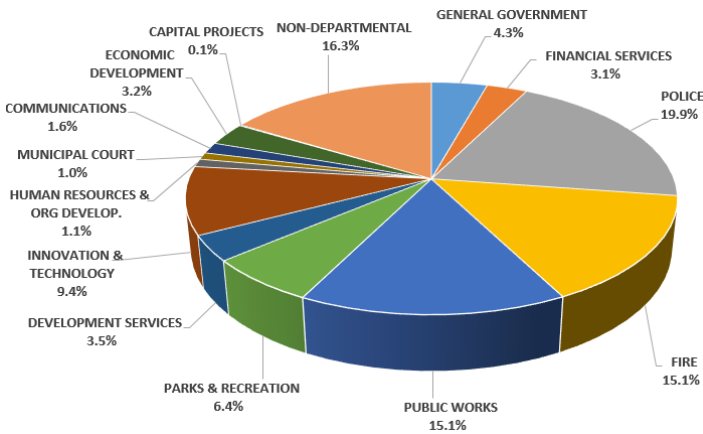
basis. The budget includes the use of fund balance from the General Fund to advance funds for the TIRZ share and upon completion, the General Fund will be reimbursed by the TIRZ.

Transfers are processed throughout the year based on the Schedule of Transfers which can be monthly, quarterly or annually.

As of this report, a total of \$1.1 million in transfers were recorded. Approximately \$1.1 million represents intra-fund transfers (transfers within the General fund and 606 - Fleet Equipment Replacement and 611 - IT Replacement Funds). Approximately \$15 thousand was transferred to capital projects for the council chamber upgrade.

Expenditure by Departments

The graph below reflects the FY 2022 General Fund budget by department:



The chart below reflects actual expenditures for the prior month, year-to-date through the 3-month reporting period and percent expended compared to the budget for each department.

Expenditures by Department	FY 2022 Revised Budget	Prior Month Actual	Year-to-Date as of 12/31/2021	% Expended
General Government	\$ 3,125,016	\$ 151,058	\$ 466,616	14.9%
Financial Services	2,270,728	137,058	501,632	22.1%
Police	14,422,022	1,093,375	2,912,458	20.2%
Fire	10,929,027	767,838	2,132,677	19.5%
Public Works	10,926,684	414,902	2,033,917	18.6%
Parks & Recreation	4,617,626	261,465	754,022	16.3%
Development Services	2,559,253	153,954	397,308	15.5%
Innovation & Technology	6,842,587	240,732	1,268,401	18.5%
Human Resources	801,383	48,167	144,995	18.1%
Municipal Court	710,993	58,545	151,430	21.3%
Communications	1,125,433	58,002	179,483	15.9%
Economic Development	2,290,156	64,725	169,668	7.4%
Capital Projects	100,104.00	-	-	0.0%
Non-Departmental	11,831,372	10,304	170,607	1.4%
Total Expenditures	\$ 72,552,384	\$ 3,460,124	\$ 11,283,214	15.6%

Expenditures in Non-Departmental include Citywide charges that are not attributed to a specific department. Such charges include retiree insurance, transfers to the TIRZs, salary adjustments and legislative affairs. Departmental expenditures are trending under budget due to vacancies, timing of receipt of invoices and P-card transactions.

General Fund Expenditure Summary

For the 3-month period (October 1, 2021 – December 31, 2021), actual expenditures total \$11.3 million or 15.6% of the budget. Expenditures are trending under budget due to position vacancies, P-card transactions, and timing of receipt of invoices.

Debt Service Fund - 301

The City issues debt as needed to meet growth demands. The debt includes general obligation bonds, certificates of obligations, lease purchase agreement and other instruments as permitted under Texas law. The City’s total debt obligation was \$162,880,689 as of the adoption of the FY 2022 budget.

Debt Service Fund Balance

The Debt Service Fund beginning fund balance is \$6.5 million, which is all restricted for payment of debt.

Includes Fund 301	FY 2022 Revised Budget
Estimated Beginning Fund Balance	\$ 6,545,929
Budgeted Revenues	11,246,324
Budgeted Expenditures	11,551,009
Budgeted Ending Fund Balance	\$ 6,241,244

Revenue

The City’s debt obligations are supported by the debt service component of the property tax rate. The debt rate for FY 2022 is approximately \$0.13 and is projected to generate \$11.2 million in revenue, an increase of 0.9% compared to the FY 2021 revised budget of \$11.1 million. The increase is attributed to increased property assessed valuations. The revenue budget of \$11.2 million also includes interest income of \$14 thousand.

Actual revenue received for the 3-month reporting period ending December 31, 2021 totals \$2.3 million or 20.5% of the budget and consists mostly of property tax revenue.

The chart below reflects actual revenue for the Debt Service Fund for the prior month, year-to-date through the 3-month reporting period, and percent received compared to the budget.

Revenue by Source	FY 2022 Revised Budget	Prior Month Actual	Year-to-Date as of 12/31/2021	% Received
Property Tax/Assessments	\$ 11,231,924	\$ 40,368	\$ 2,299,695	20.5%
Investment Earnings	14,400	2,650	5,755	40.0%
Total Revenue	\$ 11,246,324	\$ 43,018	\$ 2,305,450	20.5%

Expenditures

The FY 2022 budgeted expenditures total \$11.6 million, including transfers of \$1.2 million to the TIRZs for debt service. Principal payments for the fiscal year total \$7.0 million or 67.3% of the budget excluding the transfers. Interest payments for the year total \$3.4 million with the remaining \$17 thousand allocated to contractual services, arbitrage compliance, and paying agent expenses.

Actual expenditures for the 3-month reporting period total \$2.1 million, of which \$1.6 million is for interest expense, \$43 thousand is for capital lease payment, the remaining \$407 thousand are transfers to the TIRZ funds for debt service payments.

The chart below reflects actual expenditures for the Debt Service Fund for the prior month, year-to-date through the 3-month reporting period and percent expended compared to the budget.

Expenditures by Type	FY 2022 Revised Budget	Prior Month Actual	Year-to-Date as of 12/31/2021	% Expended
Prof/Contractual Services	\$ 1,850	\$ -	\$ -	0.0%
Debt/Expenditures	10,327,872	-	1,660,039	16.1%
Sub-total	\$ 10,329,722	\$ -	\$ 1,660,039	16.1%
Transfers to Other Funds	1,221,287	135,699	407,096	33.3%
Total Expenditures	\$ 11,551,009	\$ 135,699	\$ 2,067,135	17.9%

Utilities Operating Funds – 506, 520, 521, 522, 523, 524, 525, 540

Utility funds are business-like activities that are self-supporting and the operations are funded by user fees. This report includes the utilities operating funds only (does not include construction funds, impact fees funds or bond funds) and consist of:

- Steep Bank/Flat Bank Wastewater Treatment Plant;
- Hightower Lift Station;
- Surface Water Treatment, which is an integral part of the Groundwater Reduction Plan; and
- Water/Wastewater operations for the Northeast Oyster Creek and Mustang Bayou Service Area.

Fund Balance - Utility Operating Funds

The estimated beginning fund balance for the utilities operating funds total \$31.1 million.

Includes Utilities Operating Funds Only 506,520,521,522,523,524,525,540	FY 2022 Revised Budget
Estimated Beginning Fund Balance	\$ 31,143,523
Budgeted Revenues	21,865,650
Budgeted Expenditures	22,111,728
Budgeted Ending Fund Balance	\$ 30,897,444

Revenue

The FY 2022 utilities operating revenue budget total \$21.9 million, an increase 37.7% compared to the FY 2021 revised budget of \$15.9 million. The increase is attributed to the rapid growth of new single family residential development in the City’s Mustang Bayou Utility Service Area.

The revenue budget consists of groundwater pumpage fees of \$7.5 million, surface water user fees of \$7.5 million, maintenance service charges of \$3.9 million, sewer fees of \$980 thousand, water sales of

\$578 thousand, transfers of \$700 thousand and other fees and charges totaling \$710 thousand.

Budget to Actual

Actual revenue for the 3-month reporting period excluding transfers totals \$2.7 million or 13.0% of the FY 2022 revenue budget. Charges for services account for the majority of the revenue.

Transfers

The FY 2022 utility operating funds revenue transfer budget total \$700 thousand and the transfers are scheduled throughout the fiscal year. Transfers totaling approximately \$175 thousand were recorded for this 3-month reporting period and represent intra-fund transfers (transfers among the utility funds).

The chart below reflects actual revenue for the utility operating funds for the prior month, year-to-date through the 3-month reporting period and percent received compared to the budget.

Revenue by Type	FY 2022 Revised Budget	Prior Month Actual	Year-to-Date as of 12/31/2021	% Received
Charges for Services	\$ 21,147,500	\$ 664,540	\$2,729,433	12.9%
Investment Earnings	18,150	7,779	18,888	104.1%
Other Sources/Donation	-	-	864	0.0%
Sub-total	\$ 21,165,650	\$ 672,319	\$2,749,185	13.0%
Transfers from & Adm.	700,000	58,333	175,000	25.0%
Total Revenue	\$ 21,865,650	\$ 730,652	\$2,924,185	13.4%

Expenditures

Budgeted expenditures for the utilities operating funds total \$22.1 million and consist of \$7.2 million for contractual services which includes operator fees, testing, water service installation, GRP pumpage fee expense, and sludge removal. Supplies & materials of \$4.1 million including \$2.4 million for the purchase of water and \$1.7 million for chemicals. Utilities are budgeted for \$1.3 million, repairs & maintenance of \$1.9 million, transfers of \$7.5 million and other expenditures of \$114 thousand includes property/liability insurance and training & travel.

Transfers of \$7.5 million consists of \$589 thousand to the general fund for reimbursement of operating expenses, \$700 thousand in intra-fund transfers and

\$6.2 million to the utility construction funds for debt service.

Budget to Actual

Actual expenditures for the 3-month reporting period excluding transfers total \$1.7 million, or 11.8% of budget. The actual expenditures consist of the purchase of water and chemicals for \$752 thousand, GRP pumpage fee expense of \$184 thousand, equipment and lift station maintenance & repair of \$126 thousand, utilities of \$181 thousand, operator fees of \$115 thousand, sludge removal of \$93 thousand, water service installation of \$79 thousand, wastewater treatment plant capacity expense of \$48 thousand, and permit services of \$38 thousand. The remaining \$106 thousand consists of laboratory testing, telecommunications, property/liability insurance, landscaping services and contractual services.

Transfers

Actual transfers for the 3-month reporting period ending December 31, 2021 total \$2.4 million and includes \$147 thousand to the General Fund for reimbursement of operating expenses, \$175 thousand of intra-fund expenditures and \$2.1 million to the construction funds for debt service payments.

The chart below reflects actual expenditures for the utility operating funds for the prior month, year-to-date through the 3-month reporting period and percent expended compared to the budget.

Expenditure by Use	FY 2022 Revised Budget	Prior Month Actual	Year-to-Date as of 12/31/2021	% Expended
Supplies & Materials	\$ 4,132,114	\$ 205,177	\$ 752,322	18.2%
Prof/Contract Services	7,177,678	139,975	638,613	8.9%
Repair & Maintenance	1,877,900	65,900	126,097	6.7%
Utilities	1,334,782	45,701	180,898	13.6%
Other Expenditures	114,245	8,497	25,662	22.5%
Sub-total	\$ 14,636,718	\$ 465,249	\$1,723,592	11.8%
59 - Transfers	7,475,010	794,744	2,384,231	31.9%
Total Expenditures	\$ 22,111,728	\$ 1,259,993	\$4,107,823	18.6%

Report Conclusion

This report is based on detailed information from the City's accounting system (Munis) through period 3 (October 1, 2021 – December 31, 2021). If you have any questions, please contact Financial Services.