

# City of Waco: FY2021 - 1st Quarter Report



CITY OF WACO

# Overview

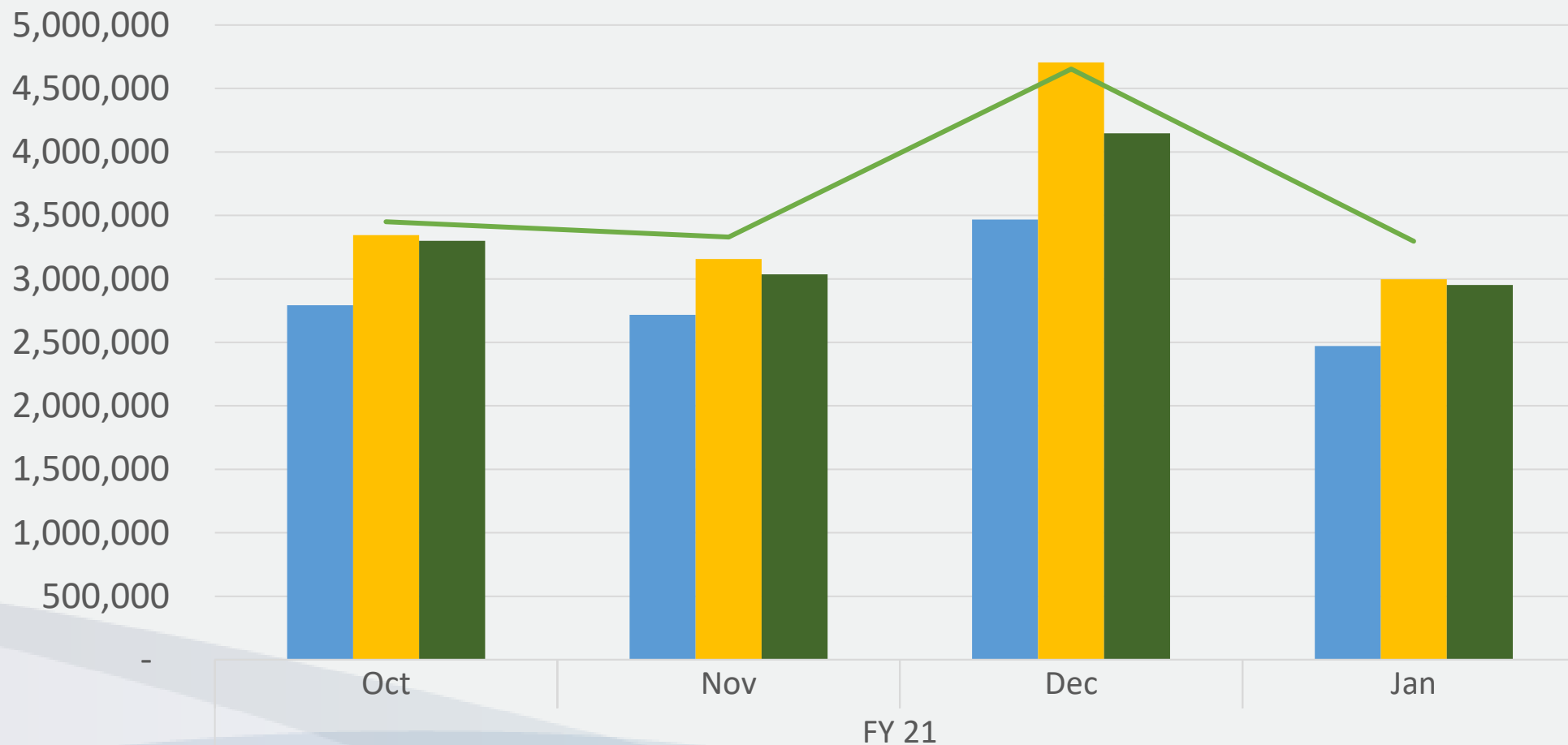
- Report Window:
  - Financials through end of Dec.
  - Nonfinancial data is most current.
    - Visits at the Zoo
    - Sales Tax
- Comparison to Budget and Same Period Last Year
- COVID Impact
  - Comparison of a normal year vs. COVID year vs. current year.

## GENERAL FUND

	Budget	Year to Date Actuals	Encumbrances	Remaining Budget	% of Budget	Last Year's Budget	Last Year YTD	Last Year % of Budget	Year to Year Variance
<b>– Revenues</b>									
<b>– Operating</b>									
Property Tax	66,297,422	24,830,793	-	41,466,629	37.5%	67,326,605	23,287,883	34.6%	1,542,909
Sales Tax	36,000,000	10,893,979	-	25,106,021	30.3%	39,017,059	10,587,649	27.1%	306,329
Business and occupation Fees	9,561,776	2,469,167	-	7,092,609	25.8%	10,363,308	2,671,234	25.8%	(202,066)
Taxes (PILOT)	5,353,541	1,338,333	-	4,015,208	25.0%	5,084,803	1,271,187	25.0%	67,146
Business and occupation Fees (Enterprise Funds)	4,517,204	1,226,164	-	3,291,040	27.1%	4,128,640	1,231,880	29.8%	(5,717)
Intergovernmental	3,021,417	763,804	-	2,257,613	25.3%	2,684,674	429,177	16.0%	334,627
Other	2,396,542	355,226	-	2,041,316	14.8%	2,603,664	377,514	14.5%	(22,288)
Licenses and Permits	1,927,949	862,318	-	1,065,631	44.7%	1,553,021	498,928	32.1%	363,390
Charges for Services	1,190,520	232,807	-	957,713	19.6%	1,767,891	302,969	17.1%	(70,163)
Fines	942,373	335,431	-	606,942	35.6%	1,567,373	348,154	22.2%	(12,722)
Contributions	627,782	2,438	-	625,344	0.4%	627,782	195,519	31.1%	(193,081)
Interest on Investments	125,030	35,662	-	89,368	28.5%	1,086,259	335,189	30.9%	(299,527)
Net Merchandise Sale	116,490	53,193	-	63,297	45.7%	236,490	45,842	19.4%	7,350
<b>Operating Total</b>	<b>132,078,046</b>	<b>43,399,313</b>	<b>-</b>	<b>88,678,733</b>	<b>32.9%</b>	<b>138,047,569</b>	<b>41,583,126</b>	<b>30.1%</b>	<b>1,816,187</b>
<b>Non-Operating</b>									
Indirect - Cost Allocation Overhead	9,341,069	2,785,347	-	6,555,722	29.8%	8,597,290	2,610,255	30.4%	175,092
Interdepartmental Billing	2,510,152	591,892	-	1,918,260	23.6%	2,063,839	506,872	24.6%	85,019
Transfers In	1,797,466	1,676,998	-	120,468	93.3%	589,345	19,954	3.4%	1,657,044
<b>Non-Operating Total</b>	<b>13,648,687</b>	<b>5,054,237</b>	<b>-</b>	<b>8,594,450</b>	<b>37.0%</b>	<b>11,250,473</b>	<b>3,137,081</b>	<b>27.9%</b>	<b>1,917,156</b>
<b>Revenues Total</b>	<b>145,726,733</b>	<b>48,453,550</b>	<b>-</b>	<b>97,273,183</b>	<b>33.2%</b>	<b>149,298,042</b>	<b>44,720,207</b>	<b>30.0%</b>	<b>3,733,343</b>

- Operating revenues through the period totals \$43.4 M, or 32.9% of the budget. Ahead of FY20's pace relative to budget.
- Sales tax revenue received through the period totals \$10.9 M, or 30.3% of budget. Ahead of FY20's pace relative to budget.
- Business Fees and Licenses/Permits

# General Fund – Sales Tax

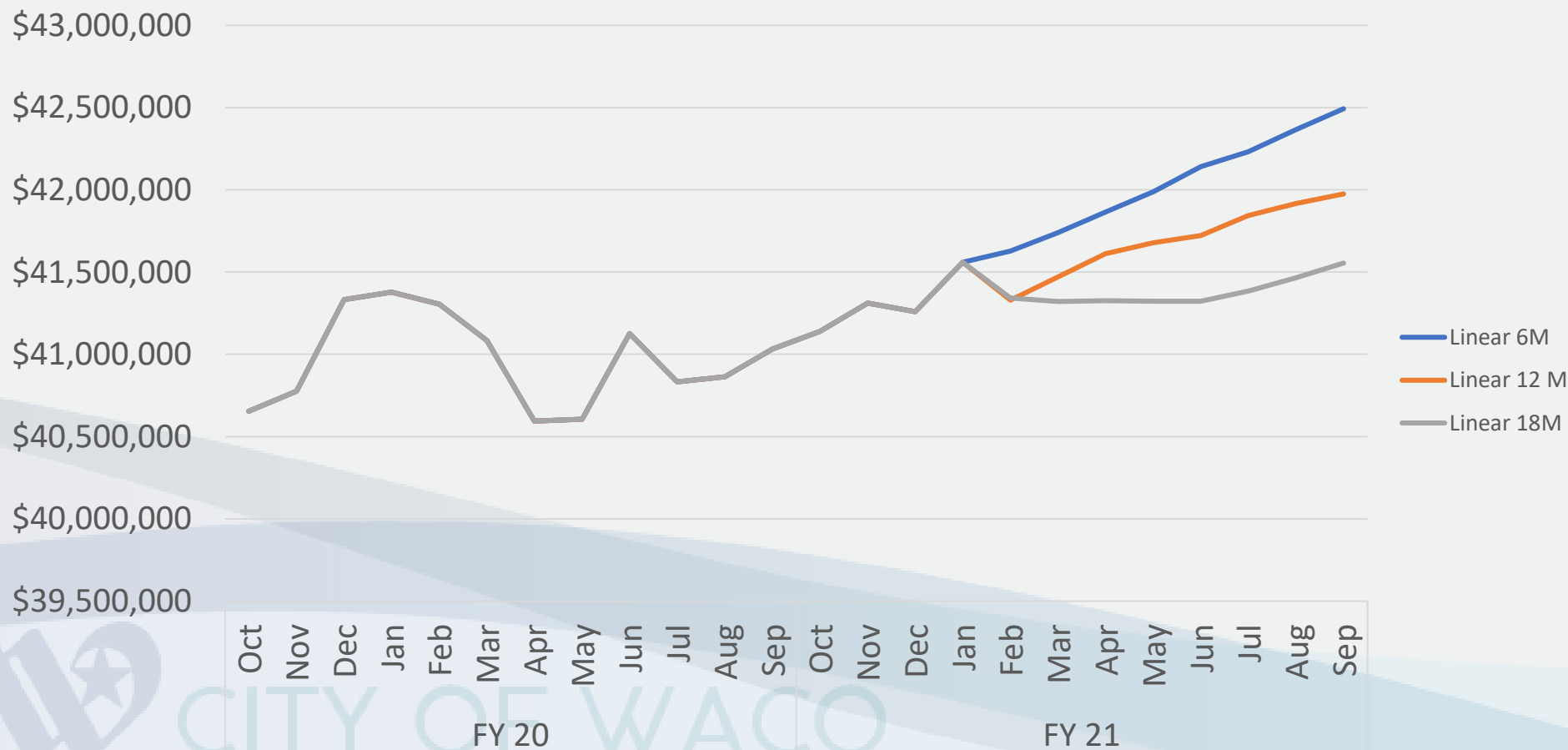


- Through the first quarter, sales tax collections are strong relative to budget and to prior years.
- Current year budget is a conservative \$36 M.



# General Fund – Sales Tax Projection

- The city uses several different types of models to forecast sales tax. Currently, these models are forecasting a range of \$41.5 – 42.5 M for sales tax. Historically, with a few more data points, this range begins to tighten.



## GENERAL FUND

	Budget	Year to Date Actuals	Encumbrances	Remaining Budget	% of Budget	Last Year's Budget	Last Year YTD	Last Year % of Budget	Year to Year Variance
<b>Expenses</b>									
<b>Operating</b>									
Salaries and Wages	71,312,375	15,239,502	-	56,072,873	21.4%	68,194,144	15,265,186	22.4%	(25,684)
Employee Benefits	26,030,578	5,294,879	-	20,735,699	20.3%	25,331,747	5,303,570	20.9%	(8,692)
Maintenance	9,421,030	2,746,702	746,505	5,927,822	37.1%	9,691,965	3,202,105	33.0%	291,103
Supplies	7,631,691	1,574,959	1,098,497	4,958,235	35.0%	9,055,457	2,921,767	32.3%	(248,311)
Purchased Professional Technical Services	6,851,231	888,910	2,432,294	3,530,027	48.5%	8,289,205	4,237,367	51.1%	(916,163)
Contracts with Others	6,084,896	506,662	1,832,198	3,746,035	38.4%	4,205,463	1,727,786	41.1%	611,075
Other Purchased Services	4,954,119	1,294,953	281,880	3,377,286	31.8%	4,362,693	1,797,620	41.2%	(220,787)
Other	1,704,653	82,749	142,684	1,479,221	13.2%	3,394,122	265,982	7.8%	(40,550)
Purchased Property Services	1,517,317	267,973	56,820	1,192,524	21.4%	1,470,773	366,435	24.9%	(41,642)
<b>Operating Total</b>	<b>135,507,889</b>	<b>27,897,288</b>	<b>6,590,878</b>	<b>101,019,723</b>	<b>25.5%</b>	<b>133,995,568</b>	<b>35,087,818</b>	<b>26.2%</b>	<b>(599,652)</b>
<b>Non-Operating</b>									
Transfers Out	14,568,820	7,921,754	-	6,647,066	54.4%	15,086,119	4,946,395	32.8%	2,975,359
Transfers Out - Cash CIP	2,482,119	2,482,119	-	-	100.0%	11,343,407	6,481,910	57.1%	(3,999,791)
Capital Expenditures	1,546,393	66,628	710,580	769,185	50.3%	3,913,766	1,236,215	31.6%	(459,008)
Interdepartmental Billing	1,510,822	377,651	-	1,133,171	25.0%	1,911,186	477,426	25.0%	(99,775)
Indirect - Cost Allocation Overhead	78,233	-	-	78,233	0.0%	138,390	18,199	13.2%	(18,199)
<b>Non-Operating Total</b>	<b>20,186,387</b>	<b>10,848,152</b>	<b>710,580</b>	<b>8,627,655</b>	<b>57.3%</b>	<b>32,392,867</b>	<b>13,160,145</b>	<b>40.6%</b>	<b>(1,601,414)</b>
<b>Expenses Total</b>	<b>155,694,276</b>	<b>38,745,440</b>	<b>7,301,458</b>	<b>109,647,378</b>	<b>29.6%</b>	<b>166,388,435</b>	<b>48,247,963</b>	<b>29.0%</b>	<b>(2,201,066)</b>

- Operating expenses through the period total \$34.5 M, or 25.5% of the operating expense budget.
- Salaries and Wages total 21.4%.
- Maintenance, Supplies, and Transfer Out
- Overall, the General Fund expenses are in line with the budget at this point in the fiscal year.

## WATER FUND O&amp;M

	Budget	Year to Date Actuals	Encumbrances	Remaining Budget	% of Budget	Last Year's Budget	Last Year YTD	Last Year % of Budget	Year to Year Variance
<input type="checkbox"/> Revenues									
<input type="checkbox"/> Operating									
Charges for Services	53,761,060	12,174,936	-	41,586,124	22.6%	48,404,625	12,904,176	26.7%	(729,240)
Other	292,393	227,013	-	65,380	77.6%	292,393	123,814	42.3%	103,199
Interest on Investments	48,000	22,360	-	25,640	46.6%	468,802	187,463	40.0%	(165,103)
<b>Operating Total</b>	<b>54,101,453</b>	<b>12,424,309</b>	<b>-</b>	<b>41,677,144</b>	<b>23.0%</b>	<b>49,165,820</b>	<b>13,215,453</b>	<b>26.9%</b>	<b>(791,144)</b>
<input type="checkbox"/> Non-Operating									
Interdepartmental Billing	1,447,303	361,818	-	1,085,485	25.0%	1,389,979	347,076	25.0%	14,742
Transfers In	145,042	145,042	-	-	100.0%	919,082	-	0.0%	145,042
<b>Non-Operating Total</b>	<b>1,592,345</b>	<b>506,860</b>	<b>-</b>	<b>1,085,485</b>	<b>31.8%</b>	<b>2,309,061</b>	<b>347,076</b>	<b>15.0%</b>	<b>159,784</b>
<b>Revenues Total</b>	<b>55,693,798</b>	<b>12,931,169</b>	<b>-</b>	<b>42,762,629</b>	<b>23.2%</b>	<b>51,474,881</b>	<b>13,562,529</b>	<b>26.3%</b>	<b>(631,360)</b>

Water, Wastewater, and WMARSS revenue through the period are at 23 - 25%.

Wet weather in Sept impacted Oct's billing. YTD revenues are down relative to actuals (- 791K) and % of budget (23% vs. 26.9%).

Sales tend to be higher in the summer months. Revenues are on pace to make budget.

Water op. expenses total 29.8% through the period. This is normal early in the fiscal year due to encumbrances for supplies/chemical.

Wastewater and WMARSS are at 23% and 18% of the operating budget.



WATER FUND O&M									
	Budget	Year to Date Actuals	Encumbrances	Remaining Budget	% of Budget	Last Year's Budget	Last Year YTD	Last Year % of Budget	Year to Year Variance
<b>Expenses</b>									
<b>Operating</b>									
Salaries and Wages	6,012,049	1,204,238	-	4,807,812	20.0%	6,014,611	1,211,755	20.1%	(7,518)
Supplies	4,915,310	1,034,589	1,325,905	2,554,815	48.0%	5,677,660	2,350,992	41.4%	9,502
Maintenance	4,130,156	764,219	590,451	2,775,486	32.8%	3,684,948	1,104,025	30.0%	250,645
Other	3,337,808	153,108	-	3,184,700	4.6%	450,001	135,344	30.1%	17,764
Employee Benefits	2,504,470	462,016	-	2,042,454	18.4%	2,456,181	466,542	19.0%	(4,526)
Other Purchased Services	1,792,462	564,892	19,641	1,207,930	32.6%	2,498,820	1,286,632	51.5%	(702,100)
Purchased Professional Technical Services	1,685,650	384,268	682,093	619,288	63.3%	2,683,603	1,430,036	53.3%	(363,675)
Purchased Property Services	177,080	28,030	96,000	53,050	70.0%	247,201	127,230	51.5%	(3,199)
Contracts with Others	7,123	-	7,123	-	100.0%	12,465	7,123	57.1%	-
<b>Operating Total</b>	<b>24,562,108</b>	<b>4,595,361</b>	<b>2,721,212</b>	<b>17,245,535</b>	<b>29.8%</b>	<b>23,725,491</b>	<b>8,119,679</b>	<b>34.2%</b>	<b>(803,106)</b>
<b>Non-Operating</b>									
Transfers Out - Debt Service	19,748,478	709,898	-	19,038,580	3.6%	14,854,685	702,432	4.7%	7,466
Taxes (PILOT)	3,808,039	951,972	-	2,856,067	25.0%	3,635,099	908,766	25.0%	43,206
Indirect - Cost Allocation Overhead	2,660,936	665,208	-	1,995,728	25.0%	2,260,160	565,035	25.0%	100,173
Business and occupation Fees (Enterprise Funds)	2,150,442	537,588	-	1,612,854	25.0%	1,936,205	484,047	25.0%	53,541
Transfers Out - Cash CIP	1,500,000	-	-	1,500,000	0.0%	2,625,015	1,500,000	57.1%	(1,500,000)
Interdepartmental Billing	1,254,855	313,707	-	941,148	25.0%	1,517,851	378,387	24.9%	(64,680)
Capital Expenditures	867,244	180,955	10,200	676,089	22.0%	2,419,284	609,069	25.2%	(417,915)
Other	63,600	-	-	63,600	0.0%	63,600	-	0.0%	-
<b>Non-Operating Total</b>	<b>32,053,593</b>	<b>3,359,328</b>	<b>10,200</b>	<b>28,684,066</b>	<b>10.5%</b>	<b>29,311,899</b>	<b>5,147,736</b>	<b>17.6%</b>	<b>(1,778,209)</b>
<b>Expenses Total</b>	<b>56,615,701</b>	<b>7,954,688</b>	<b>2,731,412</b>	<b>45,929,600</b>	<b>18.9%</b>	<b>53,037,390</b>	<b>13,267,416</b>	<b>25.0%</b>	<b>(2,581,315)</b>

Operating expenses through the period total \$7.3M, or 29.8% of the operating budget. Last year through the quarter, expenses totaled 34.2% of budget. Salaries and Wages expenses total \$1.2 M, or 20% of the budget.

Non-Operating expenses through the period total \$3.4 M. The largest segment of the non-operating is the debt service transfer out. The City makes two debt service payments in the fiscal year. Overall, the Water Fund expenses are in line with the budget at this point in the fiscal year.







## SOLID WASTE FUND O&amp;M

	Budget	Year to Date Actuals	Encumbrances	Remaining Budget	% of Budget	Last Year's Budget	Last Year YTD	Last Year % of Budget	Year to Year Variance
<b>Revenues</b>									
<b>Operating</b>									
Charges for Services	21,134,815	5,391,519	-	15,743,296	25.5%	21,134,815	5,393,592	25.5%	(2,073)
Other	111,137	14,290	-	96,847	12.9%	111,137	8,767	7.9%	5,523
Business and occupation Fees (Enterprise Funds)	26,269	-	-	26,269	0.0%	26,269	-	0.0%	-
Interest on Investments	10,000	6,548	-	3,452	65.5%	287,359	65,746	22.9%	(59,198)
<b>Operating Total</b>	<b>21,282,221</b>	<b>5,412,357</b>	<b>-</b>	<b>15,869,864</b>	<b>25.4%</b>	<b>21,559,580</b>	<b>5,468,105</b>	<b>25.4%</b>	<b>(55,748)</b>
<b>Non-Operating</b>									
Transfers In	96,930	96,930	-	-	100.0%	-	-	100.0%	96,930
<b>Non-Operating Total</b>	<b>96,930</b>	<b>96,930</b>	<b>-</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>	<b>100.0%</b>	<b>96,930</b>
<b>Revenues Total</b>	<b>21,379,151</b>	<b>5,509,287</b>	<b>-</b>	<b>15,869,864</b>	<b>25.8%</b>	<b>21,559,580</b>	<b>5,468,105</b>	<b>25.4%</b>	<b>41,182</b>

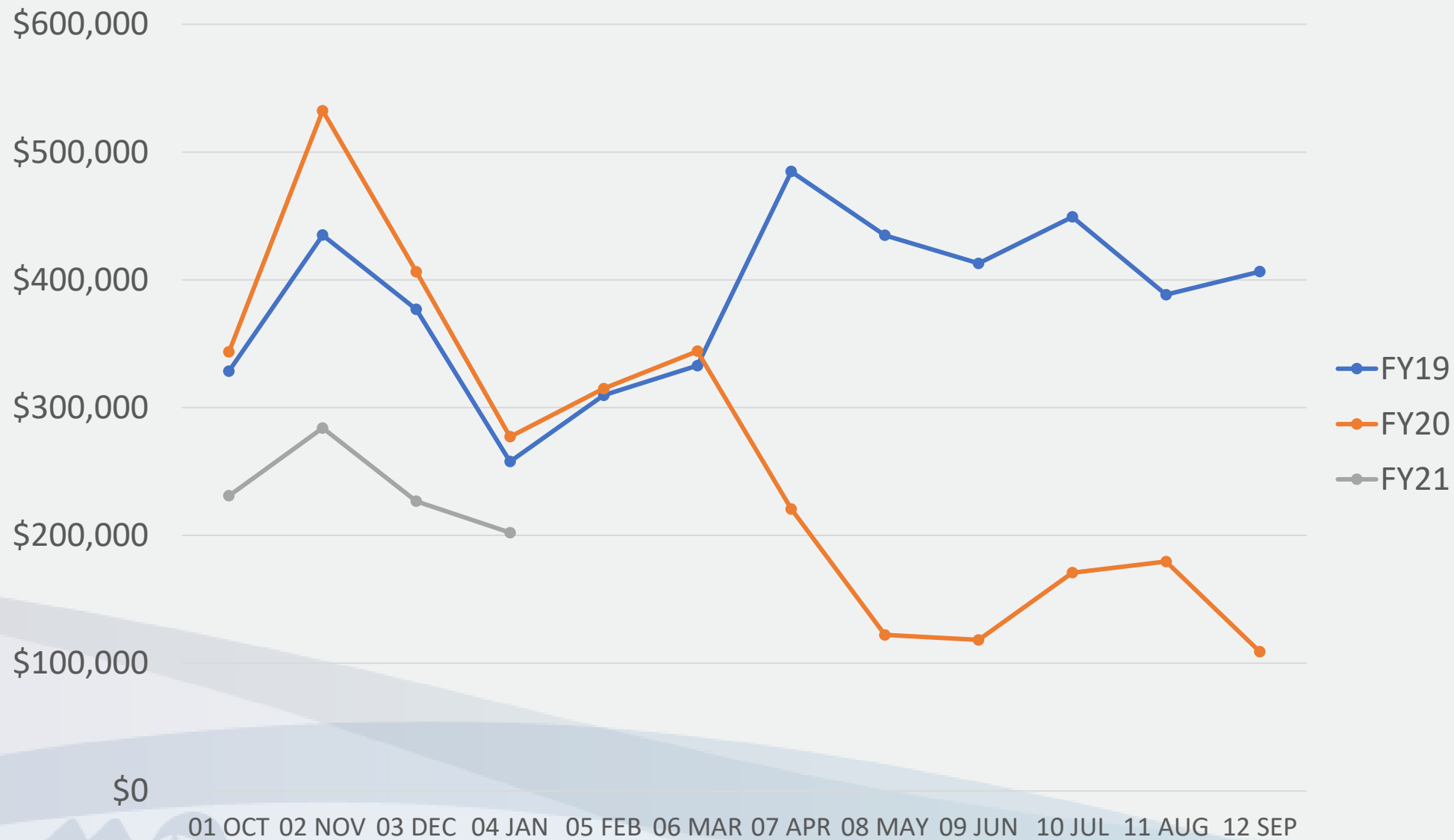
- Op. revenues through the period total 25.4% of budget.
- Op. expenses through the period total \$5.5 M, or 35.6% of budget. Much like with the utility funds, there are encumbered funds which will be liquidated through the fiscal year and bring the percentages in line with budget.

# CONVENTION SERVICES FUND

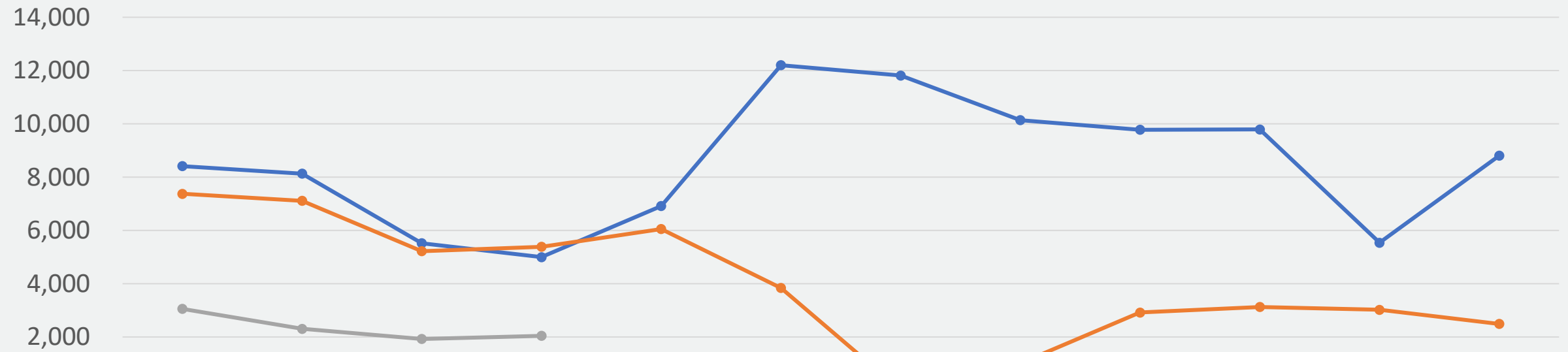
	Budget	Year to Date Actuals	Encumbrances	Remaining Budget	% of Budget	Last Year's Budget	Last Year YTD	Last Year % of Budget	Year to Year Variance
									
 Revenues									
 Operating									
Hotel - Motel Tax	4,017,792	741,743	-	3,276,049	18.5%	4,898,833	1,282,230	26.2%	(540,487)
Charges for Services	825,000	47,832	-	777,168	5.8%	1,180,000	368,347	31.2%	(320,515)
Net Merchandise Sale	276,125	2	-	276,123	0.0%	296,125	84,756	28.6%	(84,755)
Contributions	40,343	10,086	-	30,257	25.0%	55,423	10,106	18.2%	(20)
Other	19,700	14,577	-	5,123	74.0%	19,700	15,993	81.2%	(1,415)
Interest on Investments	2,000	1,606	-	394	80.3%	2,060	18,246	885.7%	(16,640)
<b>Operating Total</b>	<b>5,180,960</b>	<b>815,846</b>	<b>-</b>	<b>4,365,114</b>	<b>15.7%</b>	<b>6,452,141</b>	<b>1,779,678</b>	<b>27.6%</b>	<b>(963,832)</b>
 Non-Operating									
Transfers In	42,298	42,298	-	-	100.0%	-	-	#DIV/0!	42,298
<b>Non-Operating Total</b>	<b>42,298</b>	<b>42,298</b>	<b>-</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>	<b>#DIV/0!</b>	<b>42,298</b>
<b>Revenues Total</b>	<b>5,223,258</b>	<b>858,144</b>	<b>-</b>	<b>4,365,114</b>	<b>16.4%</b>	<b>6,452,141</b>	<b>1,779,678</b>	<b>27.6%</b>	<b>(921,534)</b>

- Op. revenues total 15.7% of budget through the first quarter. The primary revenue stream HOT tax totals 18.5% of budget, compared to 26.2% in FY20.
- Op. expense through the period totaled just over \$530,000, or 9.9% of budget. Due to the on-going impact of COVID 19, Convention staff has been mindful of filling vacancies and operational spending.
- Staff will continue to monitor the health of the fund. General Fund support may be needed if there is a protracted recovery in HOT revenues.

HOT Tax  
by Month  
for the  
last three  
years.



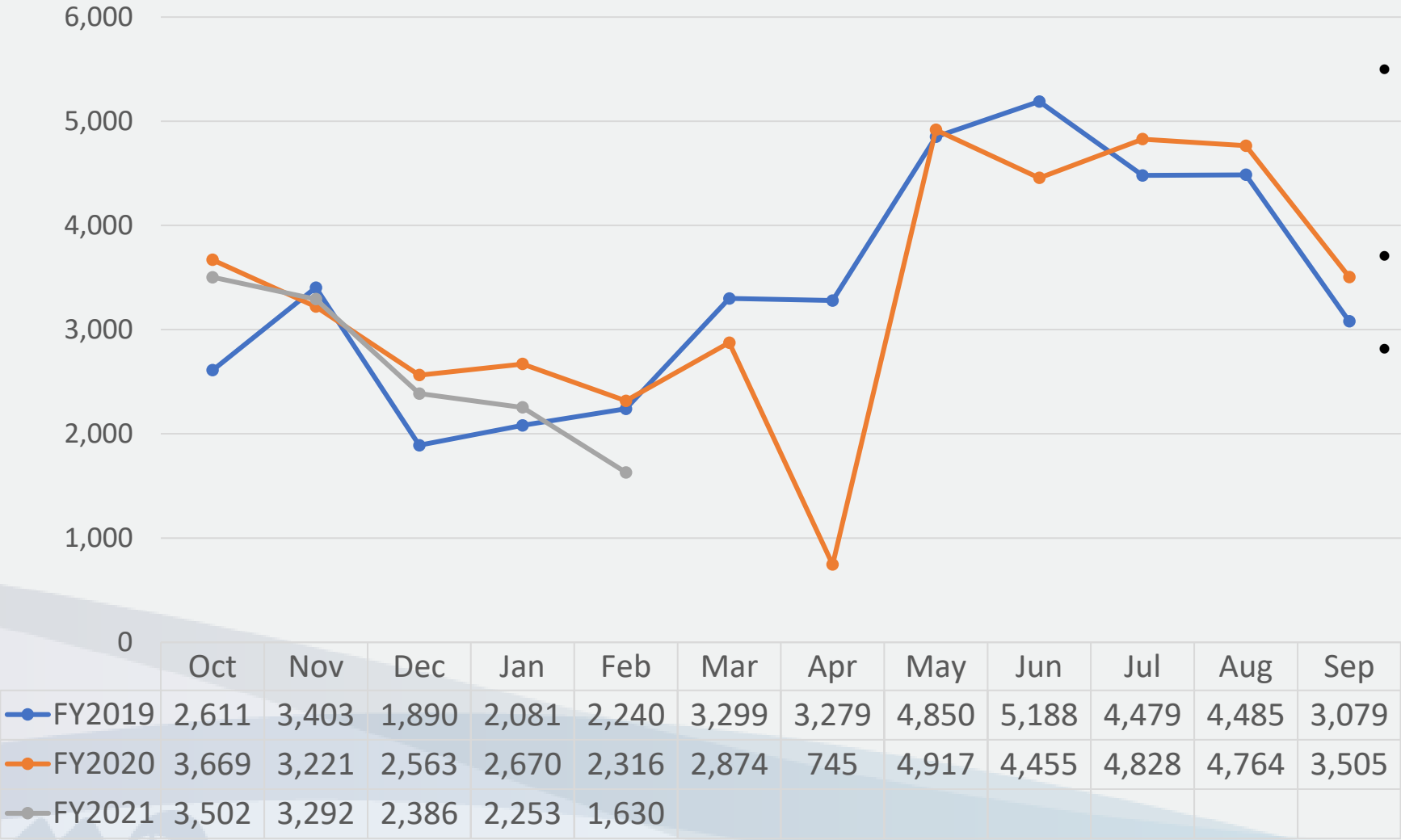
# Texas Ranger Hall of Fame Visits



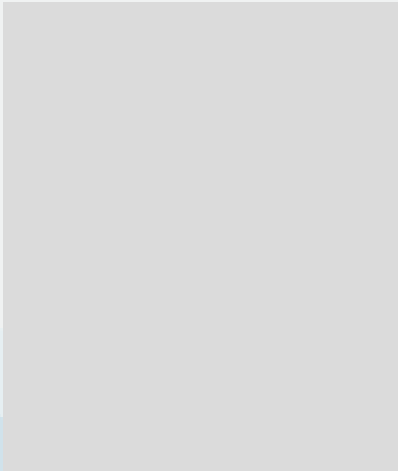
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">●</span> FY2019	8,413	8,132	5,519	5,000	6,918	12,202	11,815	10,141	9,779	9,790	5,540	8,807
<span style="color: orange;">●</span> FY2020	7,376	7,112	5,223	5,387	6,054	3,840	-	1,017	2,919	3,127	3,020	2,493
<span style="color: grey;">●</span> FY2021	3,058	2,308	1,927	2,046								

- Visits continue to lag behind FY19 and FY320 Trends.
- All Op. Revenues are at 17.5% of budget through Q1.
- Visit revenue is at 13.5% of Budget.
- Staff will continue to monitor the health of the fund. General Fund support may be needed if the number of visitors to the Texas Ranger Hall of Fame does not return to pre-COVID levels. Currently, transfers in total \$707 K.

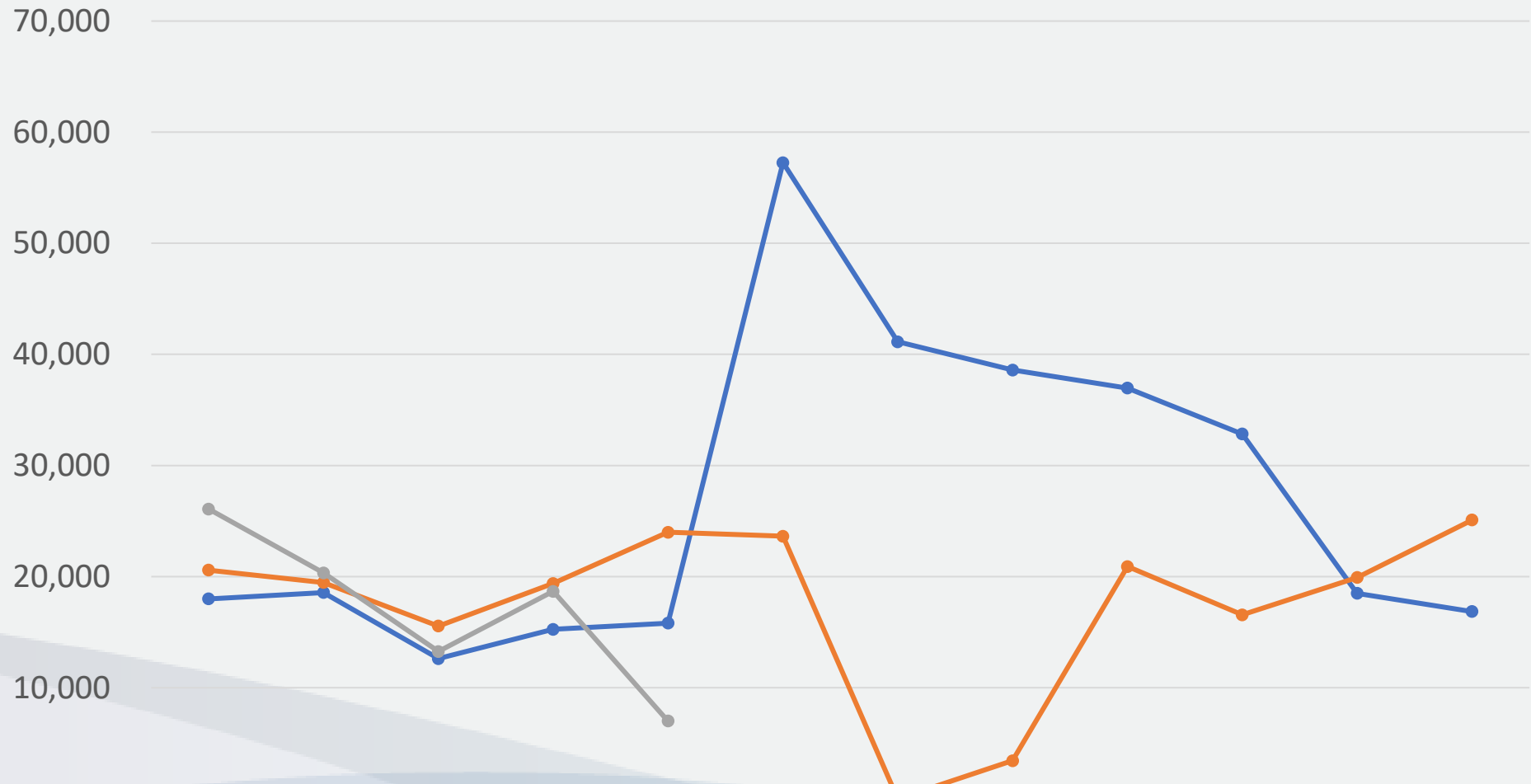
# Cottonwood Rounds



- Op revenues through the first quarter totaled 23.1% of budget. This is an increase of \$31,440 or 7.3% from this time last year.
- The number of rounds mirror pre COVID levels.
- Op. expense through the period total \$813,025 or 31.7% of budget. After adjusting for encumbrances, the fund expenses are in line with the YTD budget.



# Zoo Attendance



- Operating revenues through the first quarter totaled 34.6% of budget.
- Through the first quarter of last year, operating revenues were at 15% of budget. Current year collections are outpacing that mark.
- The two largest sources of revenue for Zoo are doing better than last year.
- Expenses are below YTD budget.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY2019	17,998	18,566	12,623	15,256	15,812	57,253	41,132	38,594	36,965	32,835	18,491	16,859
FY2020	20,588	19,471	15,556	19,384	23,993	23,633	-	3,431	20,904	16,560	19,925	25,099
FY2021	26,081	20,334	13,265	18,675	7,010							

# Summary

- General Fund: Sales tax collections are strong and expenses are in line with budget.
- Utility Funds: The 3 water funds and the solid waste fund revenues are in line with the YTD budget.
  - After adjusting for encumbrances, operational budgets are at or below the YTD budgets.
- Possible General Fund Impact:
  - CVB Fund: HOT is at 18.5% of budget.
  - TRHoF visits are down relative to the levels seen in FY19 and FY20 due to COVID and Construction on I 35.
- Both the Zoo and Golf Course are seeing strong numbers in terms of attendance that mirror Pre COVID levels. Both impacted by winter storms.
- 2<sup>nd</sup> Quarter Preview: Full impact of the Winter Storm and General Fund Transfers to other Funds.



# Question



CITY OF WACO