



City of DeSoto

Memo

Date: Wednesday, August 12, 2020
To: Brandon Wright, City Manager *BW*
From: Tanangelia Beatty, Assistant Director of Financial Services *TB*
Subject: July 2020 Financial Reports

Attached are the July 2020 Financial Reports for the General Fund (GF), Public Utility Fund (PUF), Special Revenue and Capital Project Funds for your review. This report is intended to provide you with a snapshot of the City's financial position for the month of July in fiscal year (FY) 2020. The summaries of major revenues and expenditures for the GF, as well as the PUF cover the majority of the total City budget and are listed separately. For your review, we have included a summary of the Uses of Fund Balance through July 2020.

General Fund

Revenues: Overall, the month of July reflects that our projections are within our budgeted expectations. **Property Taxes, Licenses and Permits, Charges for Services, Interest Revenue and Miscellaneous** met or exceeded our budgeted projections for the month of July. This fiscal year, we paid our **Property Tax and Sales Tax Economic Incentives** in April instead of August as in previous years. Our overall actual (YTD) revenue collected as a percentage of budget was 90.7% and our projected was 92.1%.

Expenditures: The total GF actual year-to-date (YTD) expenditures are within our budgeted projections for this month. This month we expended 75% of our budgeted amount. Our budgeted projections show that in the past, we have spent around 78% of our budget target through July.

In addition, attached is the Certified Dallas County Tax Office Report of the official property tax revenues for July 2020.

Public Utility Fund

Revenues: For the month of July the overall actual revenue collected for the **PUF** was 84.8% of the budgeted total. We were above our projections of 81.2% by 3.6% for this month. The revenues for the **PUF** are considered to be within expectations for July.

Expenses: The YTD expenditures for the **PUF** are within our budgeted expectations. For the month of July, we spent 77.9% of the budgeted amount. Our budgeted projections show that in the past, we have spent an average of 76.2% of the budgeted target during this same time period.

COVID-19 Impact

As a result of COVID-19, we anticipate an estimated total shortfall of \$1,572,269 in the following revenues by year-end: **Franchise Fee Revenue** (\$518,361), **Intergovernmental Revenue** (\$291,541), **Recreational Fees** (\$225,563), **Fines and Forfeitures** (\$202,561), and **Hotel Occupancy Tax Revenue** (\$334,243). As it relates to **Sales Tax** for the month of July, Kohl's **Sales Tax** has more than double in comparison to last year this time, while all other **Sales Tax** has slightly increased respectively. Additional expenditures outside of the norm and related to COVID-19 through the end of July include the following: **Miscellaneous** (\$55,813), **Payroll** (PSL \$55,166, FMLE \$3,806, Fire \$103,191, Police \$180,421) **Equipment** (Fire \$93,559, Police \$53,549) and **Utility Billing Water Bill Credits** (\$289,610).

GENERAL FUND
REVENUES AND EXPENDITURES
FY 2019-2020
Through July 2020
83.4% of Budget Year



REVENUES	Final Amended Budget	Current Month Actuals	Actual Current YTD Amount	Projected YTD Amount	YTD Budget Projected Variance	Actual YTD% of Budget	Projected % of Budget
					Over/(Under)		
PROPERTY TAXES	\$24,810,744	\$137,114	\$25,780,506	\$25,455,823	\$324,683	103.9%	102.6%
SALES TAXES	\$7,411,184	\$933,515	\$5,518,650	\$5,659,180	(\$140,530)	74.5%	76.4%
MIXED DRINK TAX	\$42,000	\$6,025	\$30,897	\$39,430	(\$8,533)	73.6%	93.9%
FRANCHISE FEES	\$4,048,290	\$80,728	\$2,227,385	\$2,553,661	(\$326,276)	55.0%	63.1%
LICENSES & PERMITS	\$1,114,000	\$120,491	\$1,300,689	\$1,214,483	\$86,206	116.8%	109.0%
INTERGOVERNMENTAL	\$740,263	\$13,341	\$281,829	\$514,483	(\$232,654)	38.1%	69.5%
CHARGES FOR SERVICES	\$1,727,000	\$102,735	\$1,374,769	\$1,332,208	\$42,561	79.6%	77.1%
RECREATION FEES	\$317,780	(\$2,650)	\$93,785	\$323,246	(\$229,461)	29.5%	101.7%
FINES & FORFEITURES	\$1,191,000	\$96,320	\$910,352	\$1,097,387	(\$187,035)	76.4%	92.1%
INTEREST REVENUES	\$201,000	\$1,662	\$316,704	\$307,651	\$9,053	157.6%	153.1%
ADMINISTRATIVE FEE REIMBURSE	\$1,992,971	\$166,081	\$1,660,809	\$1,660,145	\$664	83.3%	83.3%
MISCELLANEOUS	\$374,400	\$57,629	\$387,635	\$331,044	\$56,591	103.5%	88.4%
INTERFUND TRANSFERS	\$37,500	\$933	\$35,633	\$51,998	(\$16,365)	95.0%	138.7%
TOTAL REVENUES	\$44,008,132	\$1,713,924	\$39,919,643	\$40,540,739	(\$621,096)	90.7%	92.1%
					Over/(Under)		
EXPENDITURES							
CITY COUNCIL	358,089	\$25,477	\$249,034	\$282,675	(\$33,641)	69.5%	78.9%
CITY MANAGER/GEN ADMIN	2,119,703	207,961	1,167,729	\$1,605,463	(437,734)	55.1%	75.7%
FINANCIAL SERVICES	1,105,351	73,958	770,950	\$784,799	(13,849)	69.7%	71.0%
INFORMATION TECHNOLOGY	1,679,681	158,525	1,266,600	\$1,311,159	(44,559)	75.4%	78.1%
HUMAN RESOURCES	712,754	78,269	589,244	\$540,268	48,976	82.7%	75.8%
DEVELOPMENT SERVICES	8,544,332	511,335	6,061,783	\$6,439,009	(377,226)	70.9%	75.4%
PARKS AND LEISURE SERVICES	3,653,203	325,512	2,385,913	\$2,698,986	(313,073)	65.3%	73.9%
MUNICIPAL COURT	740,475	78,579	538,942	\$570,077	(31,135)	72.8%	77.0%
LIBRARY SERVICES	1,540,553	149,248	1,156,633	\$1,136,004	20,629	75.1%	73.7%
POLICE	11,116,163	1,132,636	8,377,180	\$8,639,482	(262,302)	75.4%	77.7%
REGIONAL JAIL	370,000	30,833	308,333	\$308,210	123	83.3%	83.3%
FIRE	8,949,029	920,041	7,453,834	\$7,134,166	319,668	83.3%	79.7%
SWRCC-REGIONAL DISPATCH	757,937	63,161	631,614	\$631,362	252	83.3%	83.3%
NON-DEPARTMENTAL	1,908,754	153,454	1,724,152	\$1,871,724	(147,572)	90.3%	98.1%
OPERATING EXPENDITURES:	\$43,556,024	\$3,908,989	\$32,681,941	\$33,953,384	(\$1,271,443)	75.0%	78.0%
Revenue Over/(Under) Expenditures	\$452,108	(\$2,195,065)	\$7,237,702				
USES OF FUND BALANCE	2,953,000	157,660	2,574,136				
TOTAL EXPENDITURES	\$46,509,024	\$4,066,649	\$35,256,077				

CITY OF DESOTO
FY 2019-2020
Through July 2020
USES OF FUND BALANCE

OBJECT	EXPENDITURES	Amended Budget FY 2020	Current Month Actuals 2020	Actual YTD Amount 2020
	<u>USES OF FUND BALANCE</u>			
55090	PROFESSIONAL SERVICES	\$60,000	\$10,931	\$21,496
55230	MEMBERSHIPS & SUBSCRIPTIONS	\$15,000	\$0	\$15,199
55370	ECONOMIC INCENTIVES	\$675,000	\$0	\$625,000
55415	OTHER CONTRACTUAL SERVICES	\$15,500	\$0	\$15,225
58070	LAND PURCHASE	\$437,500	\$0	\$437,987
59108	TRANS TO 108-STABILIZATION FD	\$250,000	\$20,833	\$208,333
59412	TRANS TO 412 ELECTRONIC EQUIP	\$500,000	\$41,667	\$416,667
59479	TRANS TO 479-GEN CAPITAL CITY	\$1,000,000	\$83,333	\$833,333
	TOTAL USES OF FUND BALANCE	\$2,953,000	\$157,660	\$2,574,136

PUBLIC UTILITY FUND
REVENUES AND EXPENDITURES

FY 2019-2020
Through July 2020
83.4% of Budget Year



	Final Amended Budget	Current Month Actuals	Actual YTD Amount	Projected YTD Amount	YTD Budget Projected Variance Over/(Under)	Actual YTD% of Budget	Projected % of Budget
REVENUES							
Water Sales	\$10,900,000	\$1,240,913	\$9,035,450	\$8,367,058	\$668,392	82.9%	76.8%
Service Fees	\$64,500	\$810	\$31,232	\$48,245	(\$17,013)	48.4%	74.8%
Water Connections	\$70,000	\$7,800	\$53,487	\$64,121	(\$10,634)	76.4%	91.6%
Senior Discount-Water	(\$115,000)	(\$10,830)	(\$98,406)	(\$103,732)	\$5,326	85.6%	90.2%
Sewer Service	\$12,100,000	\$1,069,855	\$10,164,985	\$10,237,084	(\$72,099)	84.0%	84.6%
Sewer Connections	\$11,000	\$3,330	\$12,340	\$6,283	\$6,057	112.2%	57.1%
Senior Discount-Sewer	(\$115,000)	(\$10,359)	(\$96,180)	(\$103,369)	\$7,189	83.6%	89.9%
Penalty Fees	\$346,000	\$30	\$146,740	\$282,038	(\$135,298)	42.4%	81.5%
Miscellaneous	\$27,000	\$3,105	\$37,227	\$103,139	(\$65,912)	137.9%	382.0%
Refund of Excess Funds	\$0	\$0	\$352,734	\$0	\$352,734	100.00%	100.0%
Interest Earnings	\$28,000	\$1,182	\$122,783	\$25,543	\$97,240	438.5%	91.2%
TOTAL REVENUES	\$23,316,500	\$2,305,836	\$19,762,392	\$18,926,410	\$835,982	84.8%	81.2%
EXPENDITURES							
Customer Accounts	\$2,016,506	106,125	\$1,163,578	\$1,532,262	(368,684)	57.7%	76.0%
Field Operations	\$15,667,566	1,767,611	\$12,206,197	\$11,548,876	657,321	77.9%	73.7%
Non Departmental	\$5,855,101	639,419	\$4,974,934	\$4,845,682	129,252	85.0%	82.8%
TOTAL EXPENDITURES	\$23,539,173	\$2,513,155	\$18,344,709	\$17,926,820	417,889	77.9%	76.2%
Revenue Over (Under) Expenditures	\$ (222,673)	\$ (207,319)	\$ 1,417,683				

CITY OF DESOTO
Property Tax Collections Report
July 01 - 31, 2020

	Report Name	Base Tax Levy	Penalty & Interest	Collection Fees	Total
Collections:					
Payments Received	AC003P	\$117,897.57	\$17,354.03	\$14,997.17	\$150,248.77
Adjustments to Collections:					
Refunds/Levy Corrections	AC003A	(\$32,830.01)	\$29.94	(\$40.57)	(\$32,840.64)
Return Check Items	AC003A	\$0.00	\$0.00	\$0.00	\$0.00
Transfers/Reversals	AC003A	\$740.91	(\$269.97)	(\$695.15)	(\$224.21)
Total Adjustments to Collections	AC003A	(\$32,089.10)	(\$240.03)	(\$735.72)	(\$33,064.85)
Maintenance & Operations	AC002A	\$66,629.10	\$13,115.46	\$14,261.45	\$94,006.01
Interest & Sinking	AC002A	\$19,179.37	\$3,998.54	\$0.00	\$23,177.91
Net Collections	AC002A	\$85,808.47	\$17,114.00	\$14,261.45	\$117,183.92
Transferred Refund from Escrow	AC002A	\$0.00			\$0.00
Rendition Penalty	AC006A	(\$9.53)			(\$9.53)
Collections Fee		\$0.00			\$0.00
Total Miscellaneous Items		(\$9.53)			(\$9.53)
M&O Net Payment to Entity		\$66,619.57	\$13,115.46		\$79,735.03
I&S Net Payment to Entity		\$19,179.37	\$3,998.54		\$23,177.91
Total Net Payment to Entity		\$85,798.94	\$17,114.00		\$102,912.94
Net Adjustment to Levy	AR006A	(\$32,784.63)			
Current Year Collection Percentage Based on Monthly Collections:				98.61%	

Total Net Payment to Entity = (Payments Received - Total Adj to Coll - Total Misc. Items)

M&O Net Payment to Entity = (Maintenance & Operations - Total Miscellaneous Items)

Detail reports will not be attached if no activity occurred for the month.

In accordance with the requirements of the Texas Property Tax Code, Chapter 31, Section 31.10 Paragraph (a), the attached tax collections report is respectfully submitted.

I, John R. Ames, CTA, Dallas County Tax Assessor/Collector, do hereby certify the attached collection totals, to the best of my knowledge.



[Signature]
 John R. Ames, CTA
 Dallas County Tax Assessor/Collector

*ASR
 RR*

[Signature]
 Notary Public, State of Texas

Sworn and subscribed before me, this 5 day of August, 2020.

**OTHER FUNDS - FINANCIAL SUMMARY
FY 2019-2020**

Through July 2020
83.4% of Budget Year

Fund Nbr	FUND NAME	Beginning Fund Balance	Annual Revenue Budget	Current Month Revenues	Actual To-Date Revenues	Annual Expenditure Budget	Current Month Expenditures	Actual To-Date Expenditures	Ending Balance To Date
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OTHER ENTERPRISE FUNDS

503	WATER METER REPLACEMENT FUND	275,669	301,000	-	226,776	300,000	-	238,048	264,397
504	WATER/SEWER EQUIP REPLACE FUND	611,667	567,600	-	571,431	590,300	-	44,780	1,138,318
522	STORM DRAINAGE UTILITY FUND	917,089	1,550,000	130,508	1,322,544	1,713,486	157,058	1,271,187	968,446
552	SANITATION ENTERPRISE FUND	1,145,684	4,830,400	366,313	3,729,413	5,212,947	224,762	3,719,166	1,155,931

HOTEL OCCUPANCY TAX FUND

221	HOTEL OCCUPANCY TAX FUND	1,427,565	1,023,500	65,166	797,640	1,198,312	110,045	532,265	1,692,940
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OTHER SPECIAL REVENUE FUNDS

108	STABILIZATION FUND-DESOTO	2,401,328	280,000	20,985	213,851	-	-	-	2,615,179
111	SW REGIONAL COMM. CENTER FUND	362,780	3,497,611	308,859	2,825,167	3,599,591	303,340	2,862,471	325,476
112	CITY JAIL OPERATIONS	490,734	1,200,780	97,883	1,028,070	1,312,675	109,266	934,438	584,366
209	POLICE DEPT.-STATE SEIZED FUND	1,624	1,050	-	47	200	-	370	1,301
210	POLICE DEPT.- FED SEIZED FUNDS	342,801	56,285	91	3,904	251,385	19,369	142,011	204,694
223	YOUTH SPORTS ASSOC-BASEBALL	4,000	-	-	-	-	-	-	4,000
224	JUVENILE CASE MANAGER FUND	47,951	55,150	3,980	41,237	63,580	-	45,301	43,887
225	MUNICIPAL COURT TECHNOLOGY	102,410	20,500	1,182	13,512	17,540	62	7,332	108,590
226	MUNICIPAL COURT SECURITY FUND	86,241	15,250	1,156	11,517	19,624	1,440	12,240	85,518
227	RECREATION REVOLVING FUND	203,304	404,100	10,641	202,894	397,404	24,292	236,391	169,807
228	FIRE TRAINING FUND	201,621	350,100	73,678	254,431	329,254	30,627	220,365	235,687
229	POLICE GRANT FUND	44,408	81,644	18,028	66,213	95,490	9,005	68,349	42,272
230	ENERGY MANAGEMENT FUND	745,280	1,880,758	155,934	1,564,462	2,073,512	138,910	1,250,692	1,059,050
231	SENIOR CENTER	31,893	10,730	29	3,312	10,850	-	5,493	29,712
233	YOUTH SPORTS ASSOC-SOCCER	2,000	-	-	-	-	-	-	2,000
237	HISTORICAL FOUNDATION	4,744	-	-	-	-	-	-	4,744
238	YOUTH SPORTS ASSOC-FOOTBALL	13,746	59,650	-	70	48,300	-	13,384	432
239	YOUTH SPORTS ASSOC-BASKETBALL	15,812	40,585	-	44,084	34,722	-	33,465	26,431
240	HEALTH FACILITIES DEVEL CORP	19,077	200	2	124	100	-	-	19,201
241	HOUSING FINANCE CORP	139,562	750	-	21	20,000	1,000	20,030	119,553
242	INDUSTRIAL DEVEL. AUTHORITY	30,200	350	4	202	250	-	-	30,402
247	YOUTH SPORTS-GIRLS SOFTBALL	4,625	-	-	-	-	-	-	4,625
263	CDBG GRANT FUND	-	471,002	-	45,312	452,110	30,120	100,435	(55,123)
624	LIBRARY REVENUE FUND	40,632	29,300	614	10,522	26,600	337	4,017	47,137

DEBT SERVICE FUNDS

305	BOND DEBT SERVICE FUND	4,587,635	7,687,955	23,356	7,512,783	8,184,508	2,600	6,595,740	5,504,678
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MAINTENANCE/REPLACEMENT FUNDS

401	FIRE PPE REPLACEMENT	163,282	63,500	-	64,188	113,000	-	12,493	214,977
402	FIRE EQUIP. REPLACEMENT FUND	134,719	75,174	-	74,646	74,075	-	36,441	172,924
403	FURNITURE REPLACEMENT FUND	37,499	40,300	-	40,351	30,000	7,687	14,611	63,239
406	COMMAND VEHICLE FIRE	3,761	100	-	23	-	-	-	3,784
407	PARK MAINTENANCE	142,953	40,250	3,292	33,859	69,500	37,728	55,109	121,703
408	POOL MAINTENANCE FUND	33,996	51,200	4,250	42,934	39,400	6,250	6,913	70,017
409	POLICE EQUIPMENT REPLACE FUND	113,665	181,624	-	115,589	113,652	2,191	80,137	149,117
410	FACILITY MAINTENANCE	243,578	437,515	29,583	297,711	621,715	17,625	259,373	281,916
412	ELECTRON.EQUIP.REPLACE.FUND	2,914,799	789,586	63,871	690,016	527,630	184,651	425,291	3,179,524
413	SWRCC-EQUIPMENT REPLACE FUND	572,561	480,000	-	482,918	1,075,335	34,503	524,987	530,492
419	CAPITAL IMPR.-OTHER PUBL WKS	796,327	705,689	58,724	612,146	1,484,378	-	7,448	1,401,025
420	EQUIPMENT REPLACEMENT FUND	2,840,948	885,500	484	919,689	1,074,100	2,610	739,204	3,021,433
479	CAPITAL IMPROVEMENTS-CITY	2,022,768	1,025,000	106,112	856,877	500,000	125,000	500,000	2,379,645
503	WATER METER REPLACEMENT FUND	275,669	301,000	-	226,776	300,000	-	238,048	264,397
504	WATER/SEWER EQUIP REPLACE FUND	611,667	567,600	-	571,431	590,300	-	44,780	1,138,318
524	DRAINAGE EQUIP REPLACE FUND	-	-	-	-	-	-	-	-
553	SANITATION EQUIP REPLACE FUND	80,929	25,600	-	26,122	25,600	-	25,317	81,734

PARK DEVELOPMENT CORPORATION

118	PARK DEVELOPMENT CORP. FUND	651,748	655,932	77,793	463,049	634,575	-	410,350	704,447
347	DEBT SERVICE PARKS DEVELOPMENT	109,494	216,300	2	108,726	218,200	-	209,850	8,370

CAPITAL PROJECT FUNDS - FINANCIAL SUMMARY

FY 2019-2020

Through July 2020
83.4% of Budget Year

Fund Nbr	FUND NAME	Beginning Fund Balance	Annual Revenue Budget	Current Month Revenues	Actual To-Date Revenues	Annual Expenditure Budget	Current Month Expenditures	Actual To-Date Expenditures	Ending Balance To Date
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OTHER CAPITAL PROJECTS

417	PARK LAND DEDICATION	215,397	10,600	-	103,523	30,000	-	22,661	296,259
419	CAPITAL IMPR.-OTHER PUBL WKS	796,327	705,689	58,724	612,146	1,484,378	-	7,448	1,401,025
486	GENERAL CAPITAL IMPROVEMENTS	4,158,239	2,192,000	126,412	2,249,272	3,277,518	41,416	624,264	5,783,247

STREET IMPROVEMENTS BOND ISSUANCE PROJECTS

489	STREET IMPROVEMENTS-GO BONDS	27,778	100	-	171	484,857	-	-	27,949
490	STREET IMPROVEMENTS-CO BONDS	8,969,342	3,724,742	1,213	158,542	11,051,242	273,552	1,806,262	7,321,622

2015 BOND ISSUANCE PROJECTS

705	FIRE STATION IMPROVEMENTS	2,487,415	5,000	53	19,054	2,315,633	7,022	1,737,080	769,389
710	PARK IMPROVEMENTS	1,660,538	106,830	457	127,379	1,207,857	187,990	393,855	1,394,062

CAPITAL PROJECTS - ENTERPRISE FUNDS

508	CIP-WATER & SEWER FUND	8,305,604	4,633,069	130,037	1,374,394	9,381,872	44,542	807,284	8,872,714
528	DRAINAGE IMPROVEMENTS FUND	2,734,998	1,075,625	89,791	949,681	2,809,561	4,471	422,627	3,262,052

HISTORICALLY UNDERUTILIZED BUSINESS SPENDING REPORT

FY 2019-2020

Through July 2020



HUB Type	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	YTD Total
HUB AP Vendors	43,599.12	181,720.10	549,359.39	36,078.00	581,241.34	28,297.65	64,448.50	184,430.50	174,115.26	19,477.50	1,862,767.36
HUB Subcontractors	-	277,556.50	-	170,950.00	-	-	386,241.90	-	-	-	834,748.40
Grand Total	43,599.12	459,276.60	549,359.39	207,028.00	581,241.34	28,297.65	450,690.40	184,430.50	174,115.26	19,477.50	2,697,515.76
Estimated % of AP	2.9%	23.8%	43.5%	15.4%	62.0%	3.6%	37.7%	43.7%	17.6%	6.3%	24.4%

NOTE: Percentage excludes AP related to Debt Service, Payroll, Municipal Court, employee reimbursements, customer refunds, audit firm, Atmos, AT&T, Republic, economic incentives, City of Dallas, TRA, etc.