



# FY 2020 Finance Update

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1<sup>st</sup> Quarter – Through December 2019

**Kent Meredith**

Finance Director

March 12, 2020

# First Quarter Highlights

FY 2020

**General Fund Revenue = \$20,489,361**

**Ad Valorem = \$13,168,708; collecting as projected**

**Sales Tax = \$4,067,905; 3.8% over budget projections**

**1/8 Cent Storm Water Sales Tax = \$508,498**

**General Fund Expenditures = \$12,350,110**

**6.6% less than budget projections**

**Utility Fund**

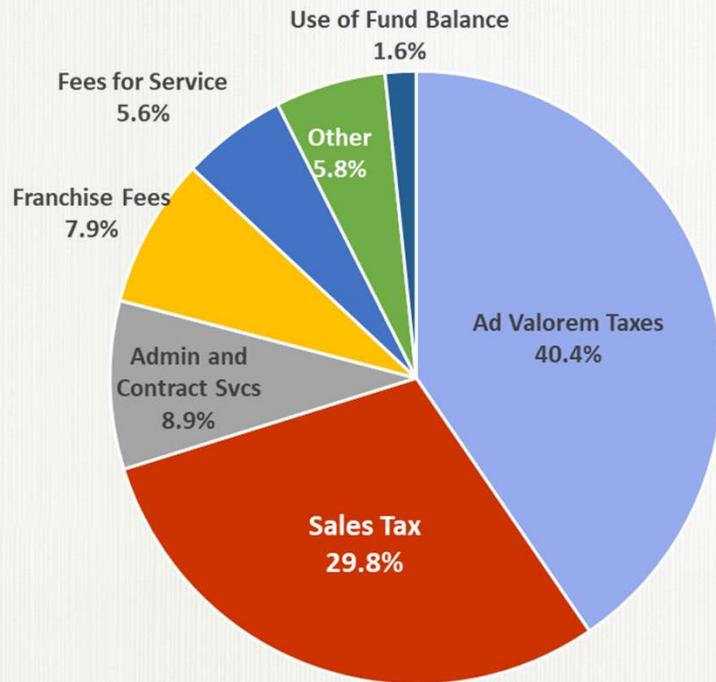
**Revenues = \$6,292,031; 8.5% more than budget projections**

**Expenditures = \$6,963,577; 7.8% less than budget projections**

# GENERAL FUND REVENUE

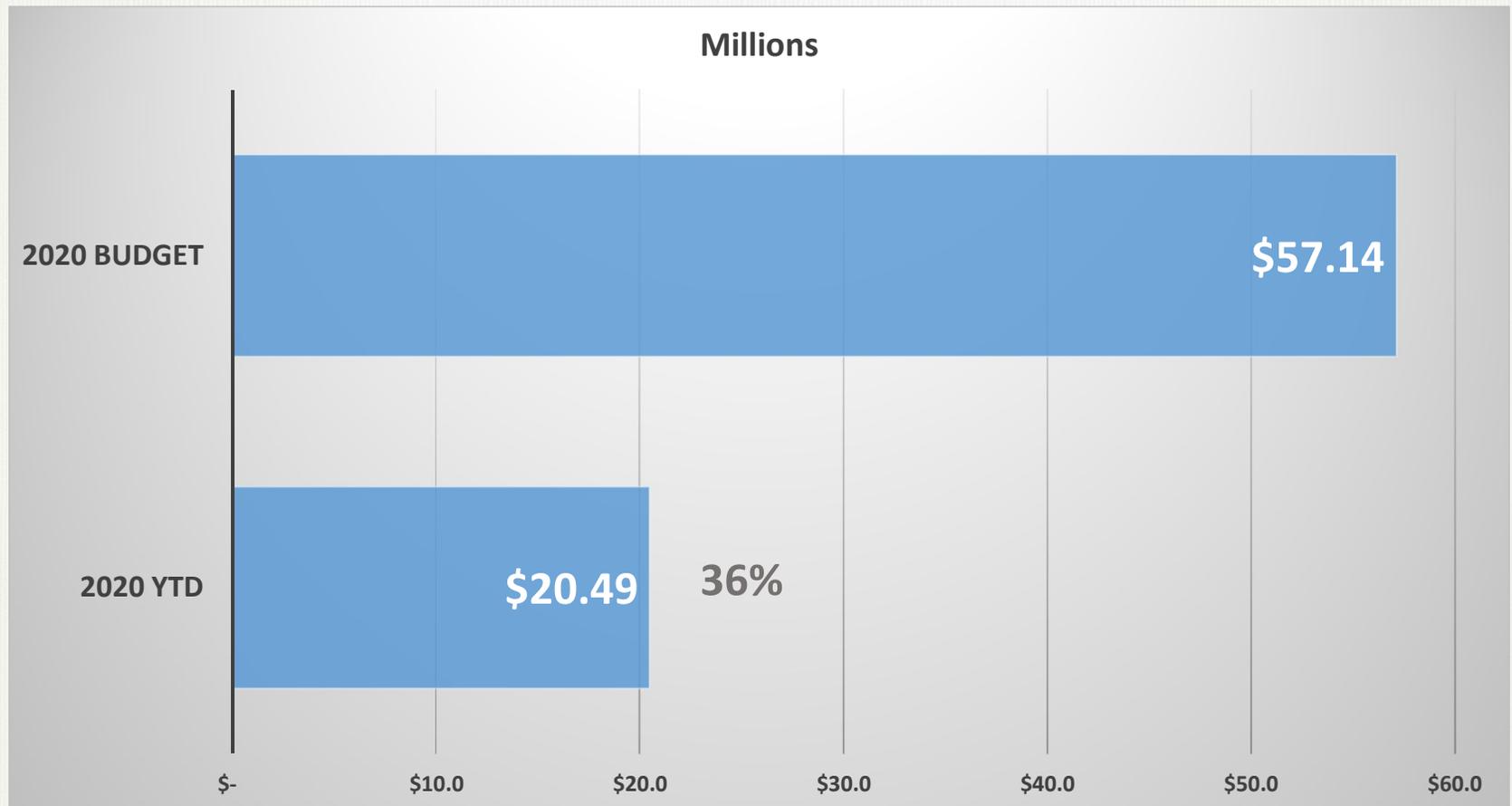
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# FY 2020 General Fund Budgeted Resources

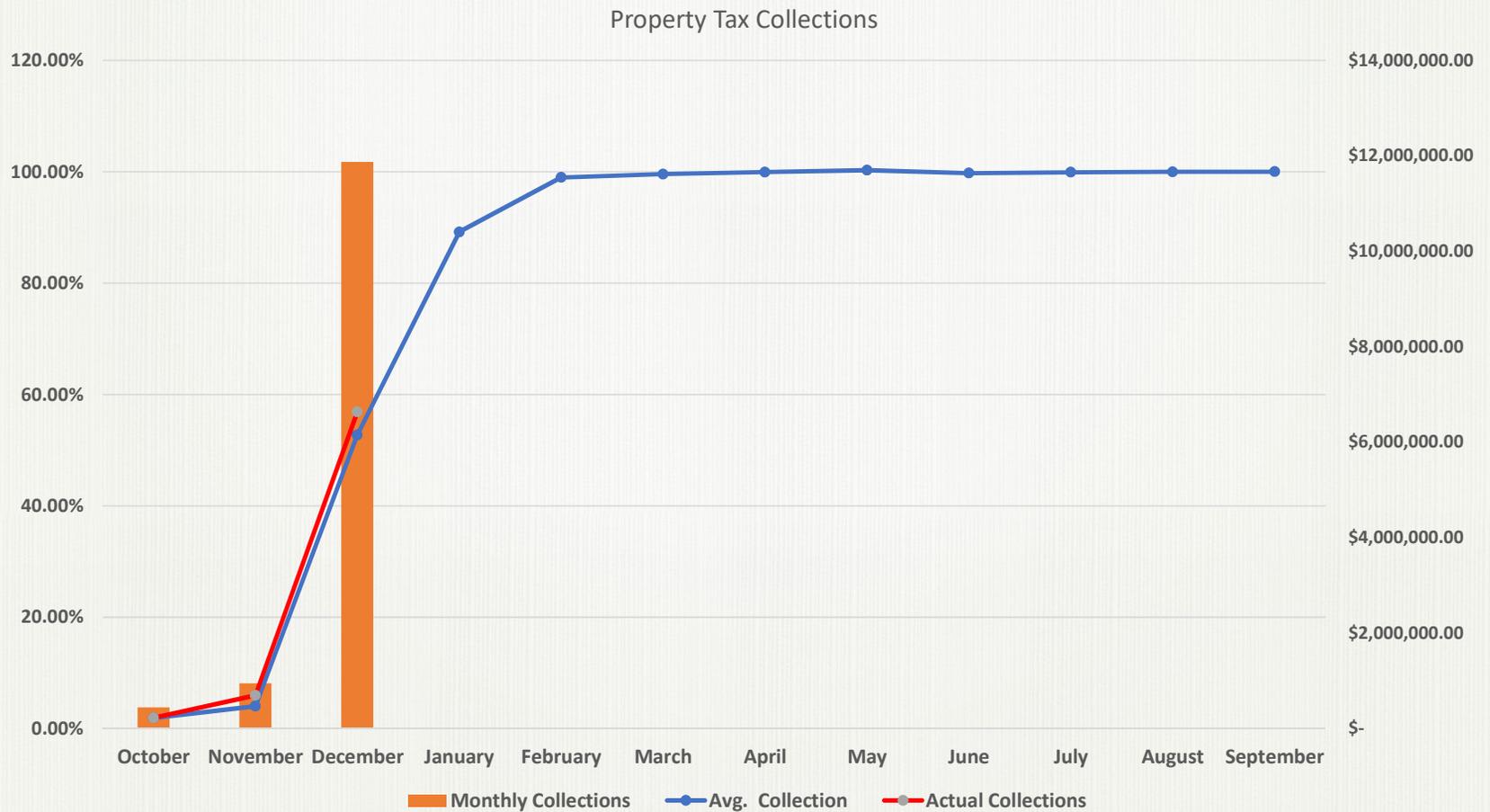


Ad Valorem Taxes	\$ 23,485,495
Sales Tax	17,290,338
Admin and Contract Services	5,153,764
Franchise Fees	4,585,534
Fees for Service	3,227,457
Other	3,394,079
Use of Fund Balance	948,073
<b>Total</b>	<b>\$ 58,084,740</b>

# FY 2020 General Fund Revenue



# General Fund AV Collections



# General Fund Sales Tax Collections

## FY 2020 Sales Tax Collections



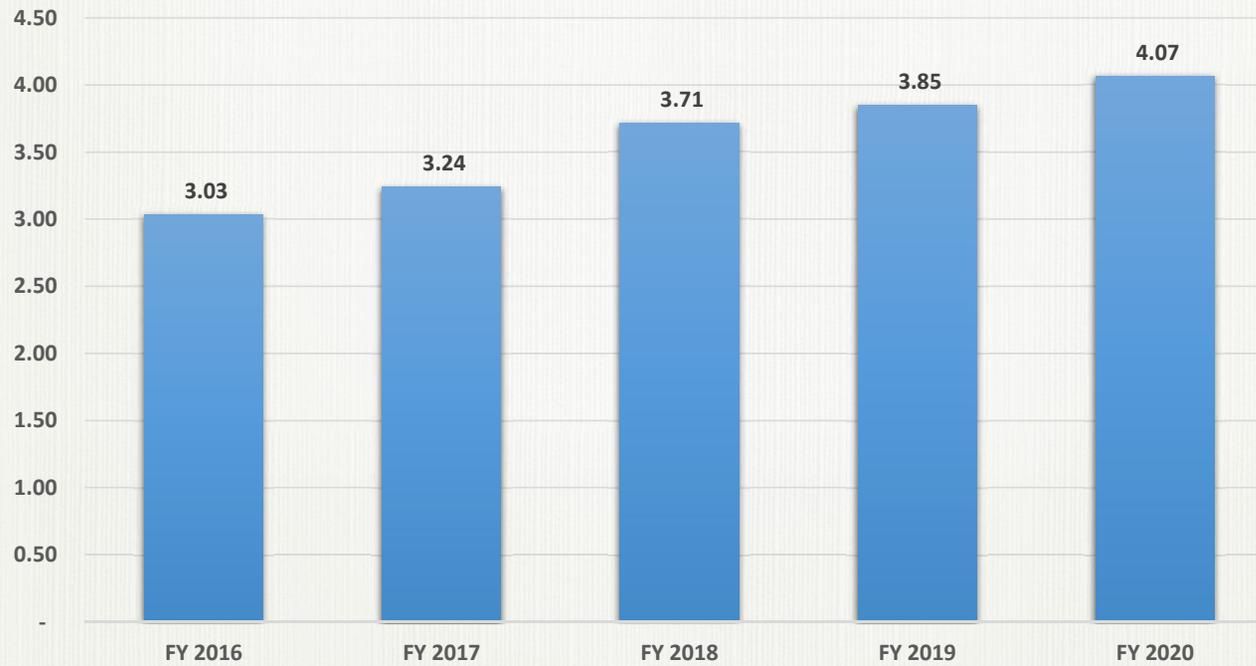
■ GF Collections through December = \$4,067,905

■ 3.8% more than projections

■ 5.7% more than last year for the same period

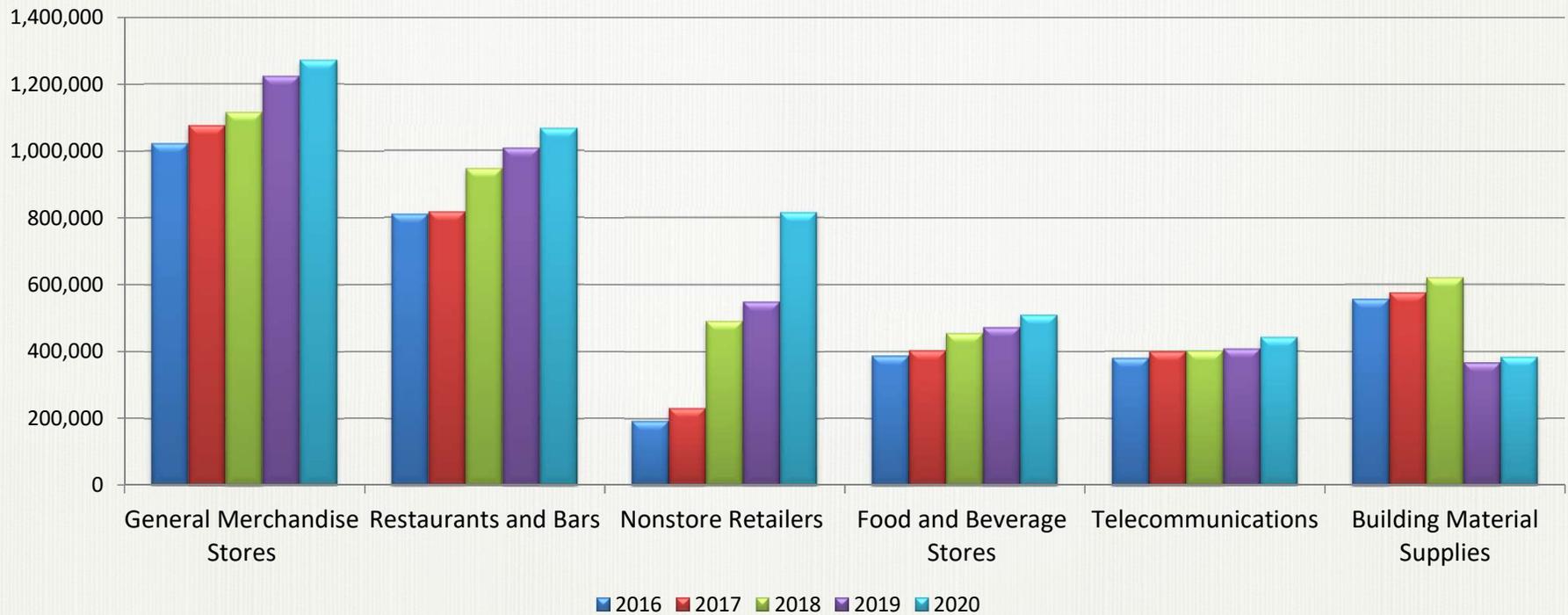
# General Fund Sales Tax Collections

Sales Tax History - December  
(in millions)

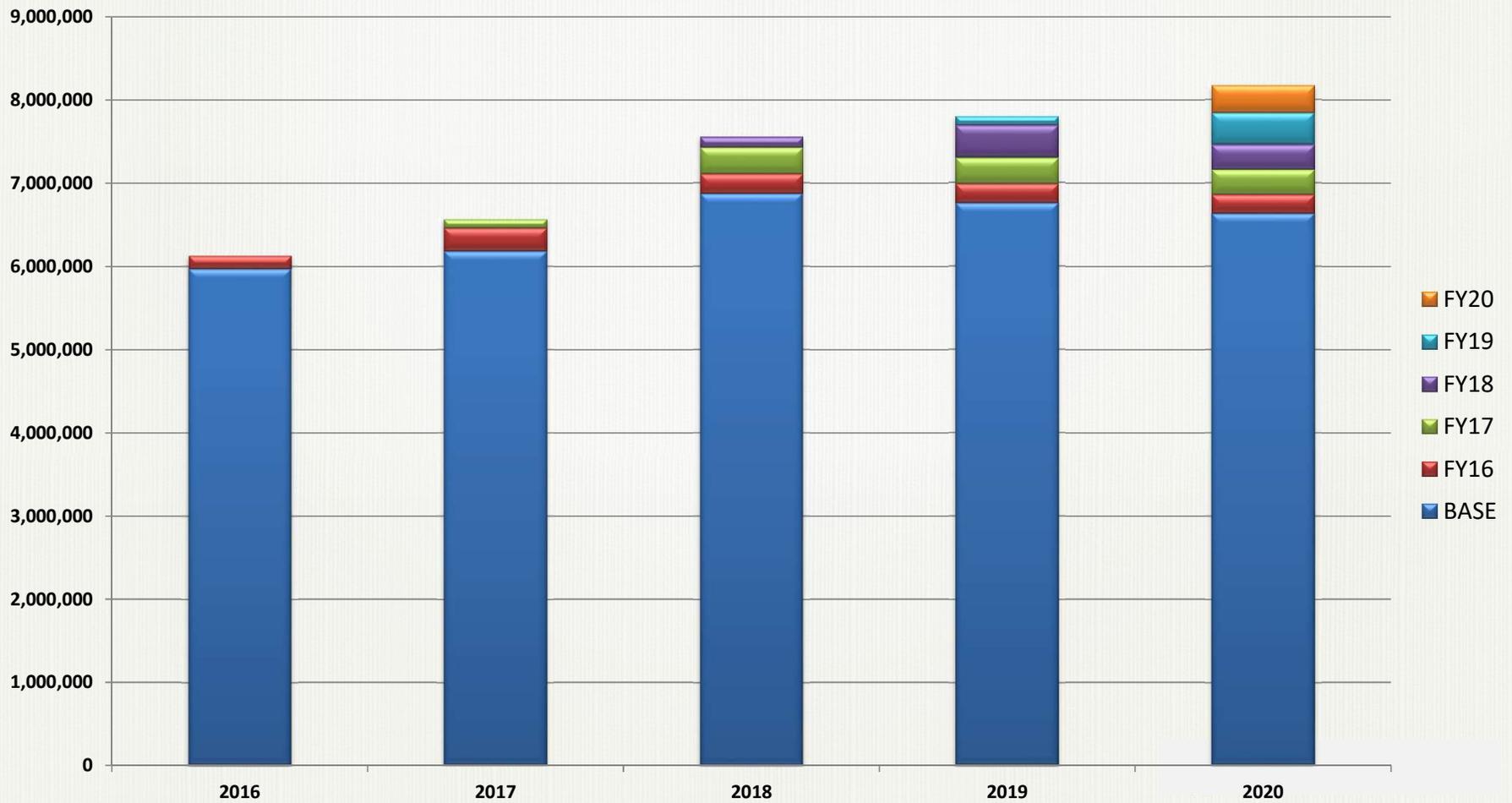


# Sales Tax – Major Categories

## Cedar Park - Sales Tax Growth



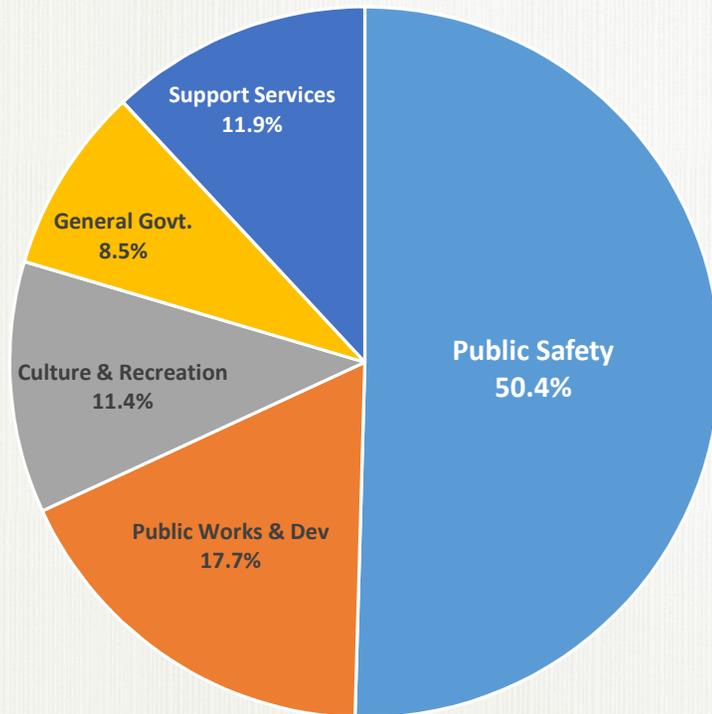
# Sales Tax Growth – New Establishments



# GENERAL FUND EXPENDITURES

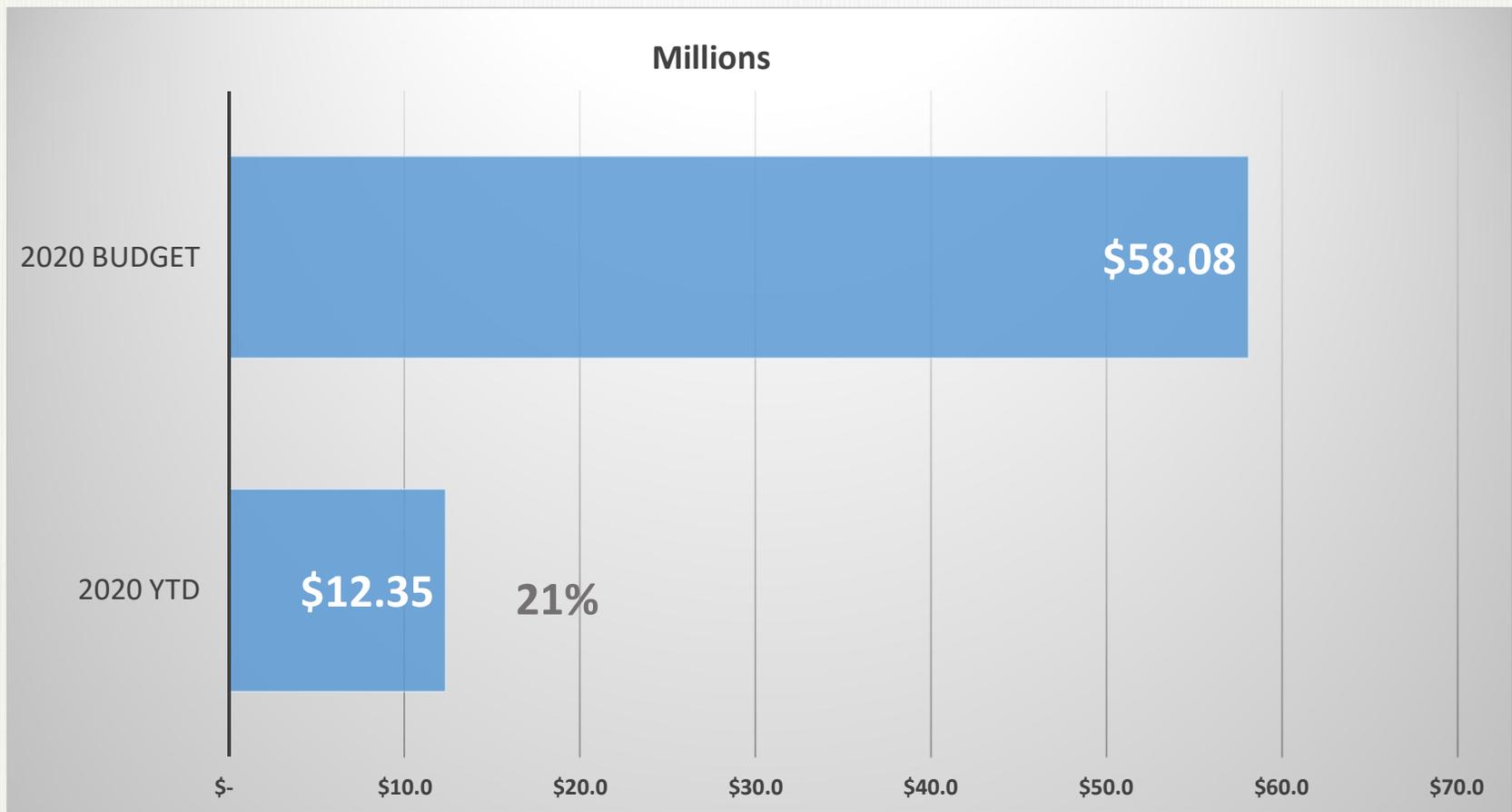
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# FY 2020 General Fund Budgeted Expenditures



<b>Public Safety</b>	<b>\$ 29,300,746</b>
<b>Public Works and Development</b>	<b>10,272,480</b>
<b>Culture and Recreation</b>	<b>6,649,382</b>
<b>Support Services</b>	<b>6,927,313</b>
<b>General Government</b>	<b>4,934,819</b>
<b>Total Expenditures</b>	<b>\$ 58,084,740</b>

# FY 2020 General Fund Expenses

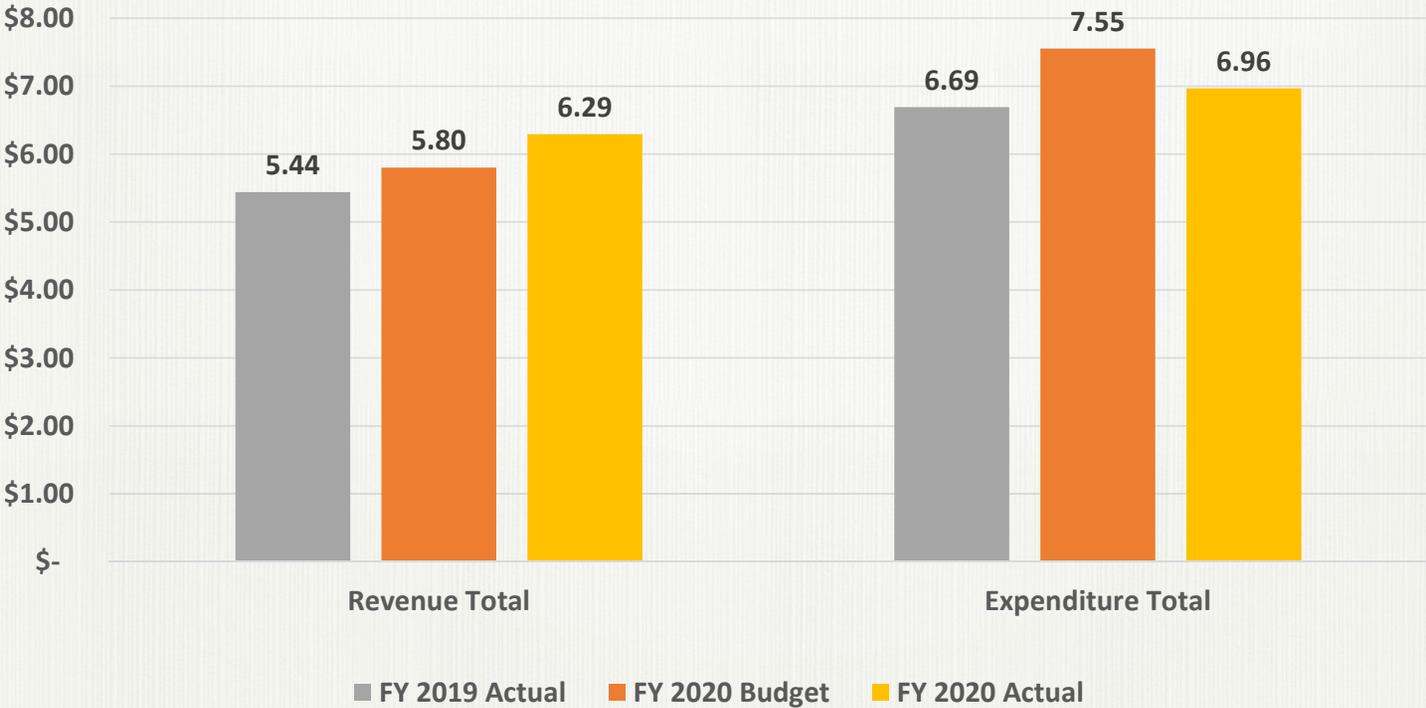


# UTILITY FUND

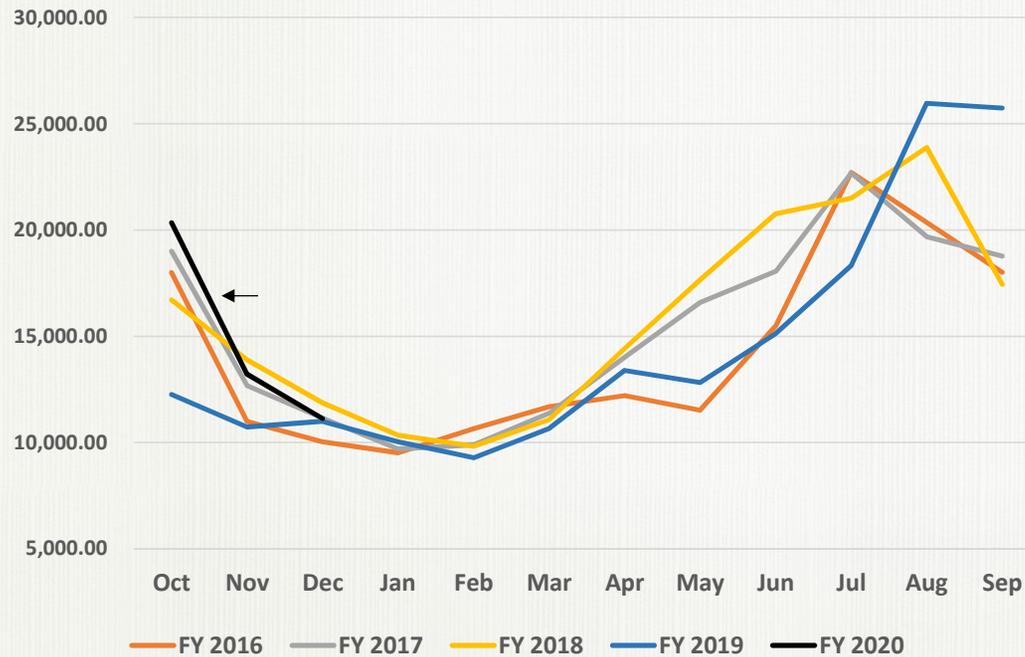
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# Utility Fund Summary

Utility Fund Revenues and Expenses  
(in millions)



# Water Consumption Per Account



Nov Avg Max Temp. / Precip.  
 2019 = 70 / 0.62"  
 2018 = 67 / 2.87"  
 2017 = 75 / 1.15"  
 2016 = 76 / 2.43"  
 2015 = 70 / 1.45"

Dec Avg Max Temp. / Precip.  
 2019 = 68 / 0.78"  
 2018 = 63 / 6.37"  
 2017 = 61 / 3.65"  
 2016 = 64 / 3.11"  
 2015 = 68 / 2.29"

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- **Questions?**

- **Monthly and quarterly finance reports are available on line**

**<http://www.cedarparktexas.gov/departments/finance/documents-budgets>**

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## FINANCIAL POLICIES

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### EXPENDITURE POLICIES

1. **Use of Fund Balance/Working Capital/Retained Earnings:** Fund Balance/Retained Earnings should be used only for emergencies, non-recurring expenditures/expenses, or major capital purchases that cannot be accommodated through current year savings. Should such uses reduce balances below the level established as the objective for that fund, restoration recommendations will accompany the request/decision to utilize said balances.
2. **Avoidance of Operating Deficits:** The City shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year-end.

Corrective actions in order of precedence are listed below, and will be considered individually on a case by case basis:

- a. Reduce capital transfers for pay-as-you-go CIP.
- b. Deferral of capital purchases and capital maintenance
- c. Reduce non-personnel operating expenditures
- d. Hiring freezes
- e. Freeze compensation adjustments
- f. Utilization of rate reductions to VES and Employee Benefit funds
- g. Evaluate increased fees
- h. Lay-off employees
- i. Emergency use of reserves

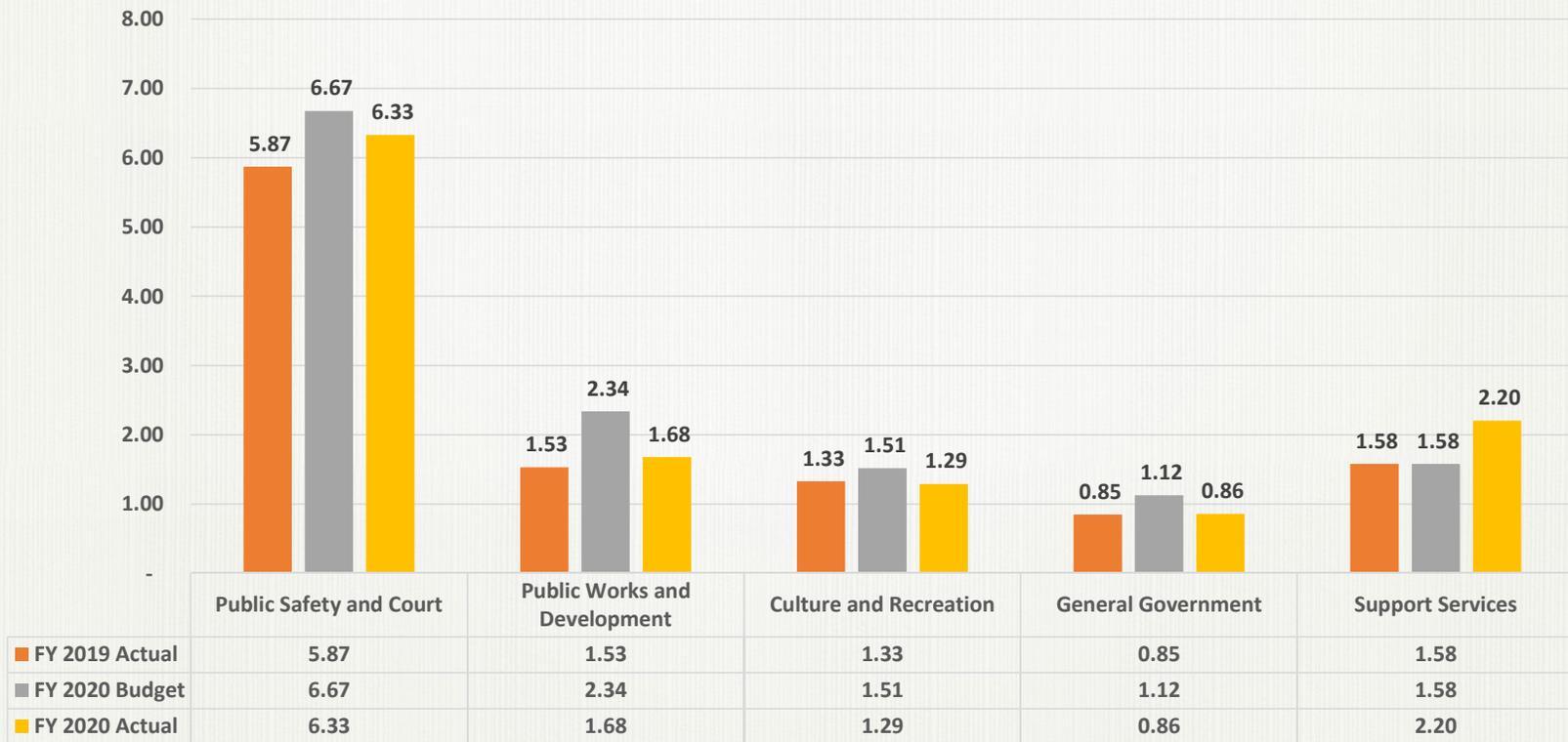
# Reserve Policies

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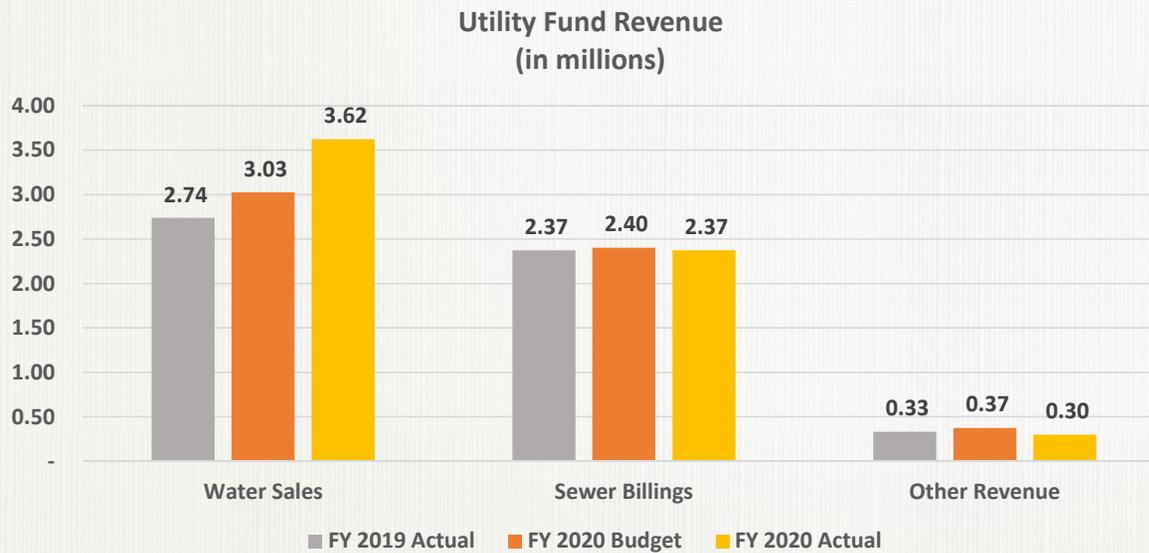
- General Fund – between 25% and 50% of budgeted O&M expenditures
  - FY 2020 Range = \$14.5M to \$29M, fund balance = \$22.1M (38%)
- Utility Fund – minimum of 25% budgeted O&M expenditures
  - FY 2020 Range = > \$1.7M, fund balance = \$17.6M
- Debt Service = 3 to 6 months debt service requirements
  - FY 2020 range = \$6M to \$12M, fund balance = \$7.3M
- 4A and 4B = 2 months sales tax collections, plus 1 yr debt service
  - FY 2020 4A = \$4.2M, fund balance = \$14.1M
  - FY 2020 4B = \$2M, fund balance = \$6.1M

# General Fund Expenditures By Function

Millions



# Utility Fund Revenue



- **FY 20 Water Sales = \$3,623,475**
  - **19.8% over budget projections**
- **FY 20 Sewer Billings = \$2,371,518**
  - **1.3% less than budget projections**
- **Other revenue include interest income, connection fees, transfers from other funds, etc.**
  - **In line with budget projections**

# Utility Fund Expenditures

Utility Fund Expenses by Category  
(in millions)

