

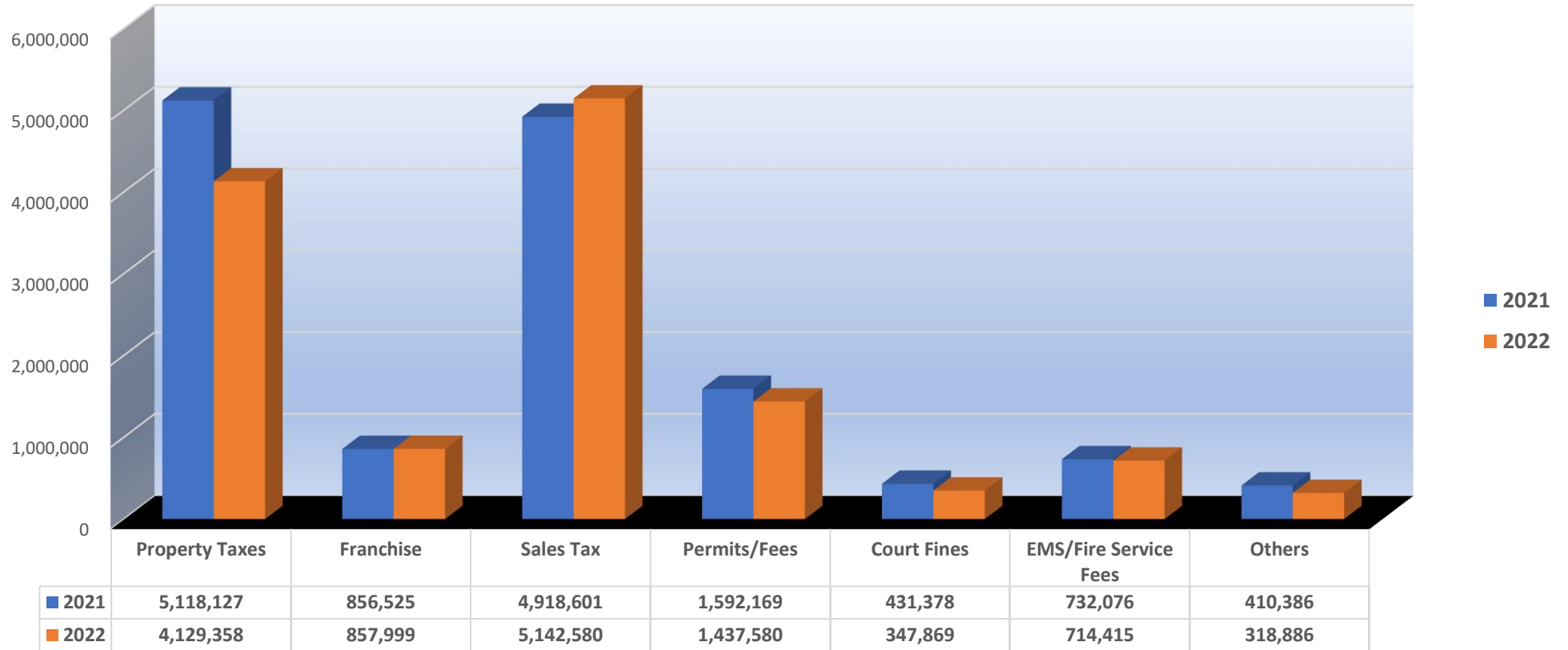


**CITY OF LA MARQUE, TX
(PRE-AUDIT YEAR END 2022)**

FINANCIAL REPORT -
SEPTEMBER 2022



GENERAL FUND REVENUES FISCAL YEARS 2022 VS 2021



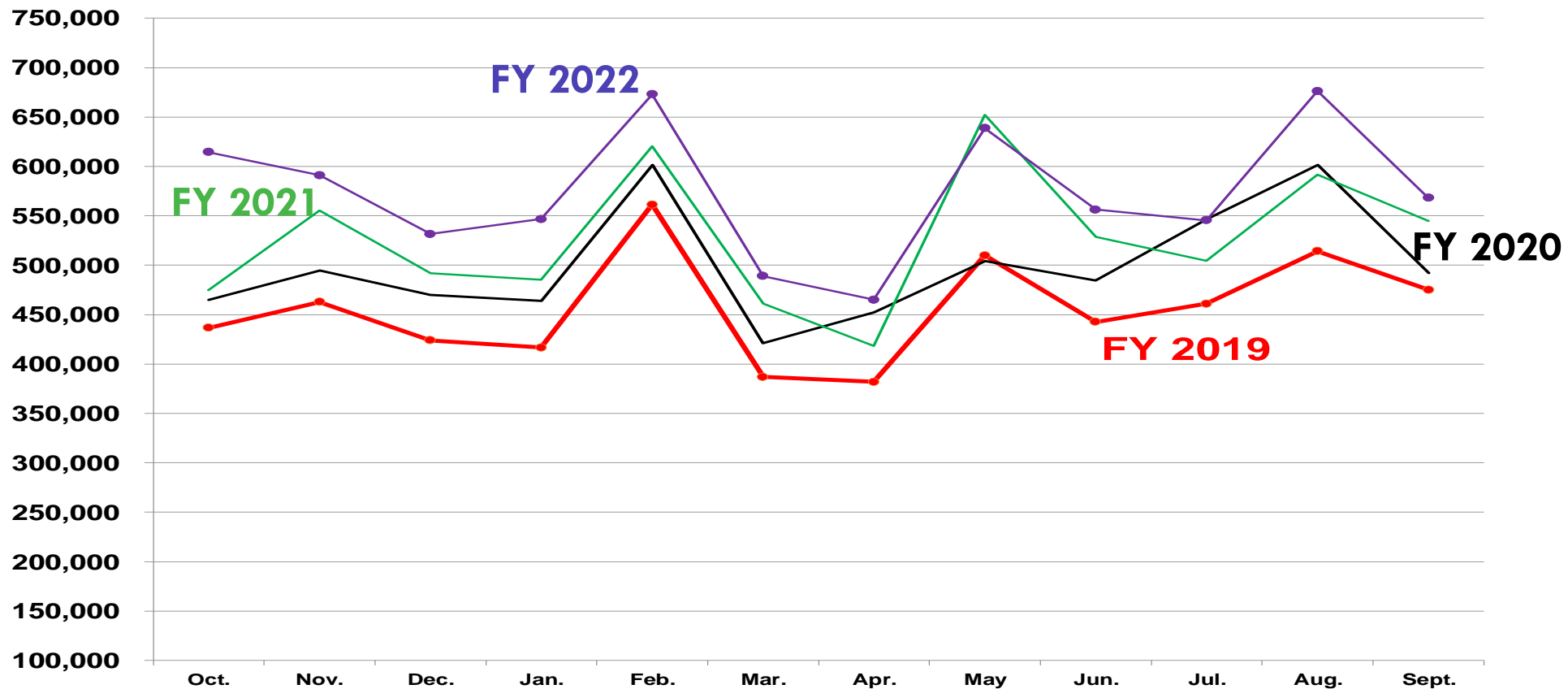


GENERAL FUND REVENUES FISCAL YEARS 2021 VS 2022

Revenue Categories	Fiscal Year		% Change
	2021	2022	
Property Taxes	5,118,127	4,129,358	-19.32%
Franchise	856,525	857,999	0.17%
Sales Tax	4,918,601	5,142,580	4.55%
Permits/Fees	1,592,169	1,437,580	-9.71%
Court Fines	431,378	347,869	-19.36%
EMS/Fire Service Fees	732,076	714,415	-2.41%
Others	410,386	318,886	-22.30%
Total	\$14,059,262	\$12,948,687	-7.90%



SALES TAX COLLECTION MULTI YEARS COMPARISON





SALES TAX COLLECTION MULTIPLE YEARS COMPARISON

- Total sales tax is 8.25%.
- State keeps 6.25%.
- General Fund keeps 1.5 %.
- EDC Fund keeps 1/2 %.

	2018-19	2019-20	2020-21	2021-22	Variance	% Change
Oct	436,670	464,670	474,908	614,387	139,478	29
Nov	462,802	494,732	555,351	591,122	35,771	6
Dec	423,992	470,015	492,045	531,587	39,542	8
Jan	416,624	463,718	485,376	546,590	61,214	13
Feb	561,342	601,750	620,387	672,968	52,581	8
Mar	386,835	420,877	461,055	488,951	27,896	6
Apr	381,978	452,401	418,314	465,157	46,843	11
May	509,982	504,465	652,259	638,759	(13,500)	(2)
Jun	442,658	484,636	528,884	556,317	27,433	5
Jul	460,960	546,513	504,261	545,362	41,101	8
Aug	514,083	601,533	591,760	676,212	84,452	14
Sept	<u>475,209</u>	<u>492,105</u>	<u>544,742</u>	<u>568,161</u>	<u>23,419</u>	<u>4</u>
Total	<u>5,473,136</u>	<u>5,997,415</u>	<u>6,329,343</u>	<u>6,895,574</u>	<u>566,231</u>	<u>9</u>



GENERAL FUND REVENUES FISCAL YEARS 2021 VS 2022

- Property taxes- Decreased by 19% mainly due to tax rollback and reallocation of debts.
- Franchise- Slight increase of .17% and remained stable.
- Sales tax- Increased by 5%. This is consistent with what was budgeted for the fiscal year.
- Permits and fees- Decreased by 10%. Mainly due to:
 - Building permits-Decreased 12%
 - Plan review fee-Decreased 33%
 - Rental registration fee-Decreased 36%
 - Coin operated machines fee-Decreased 8%



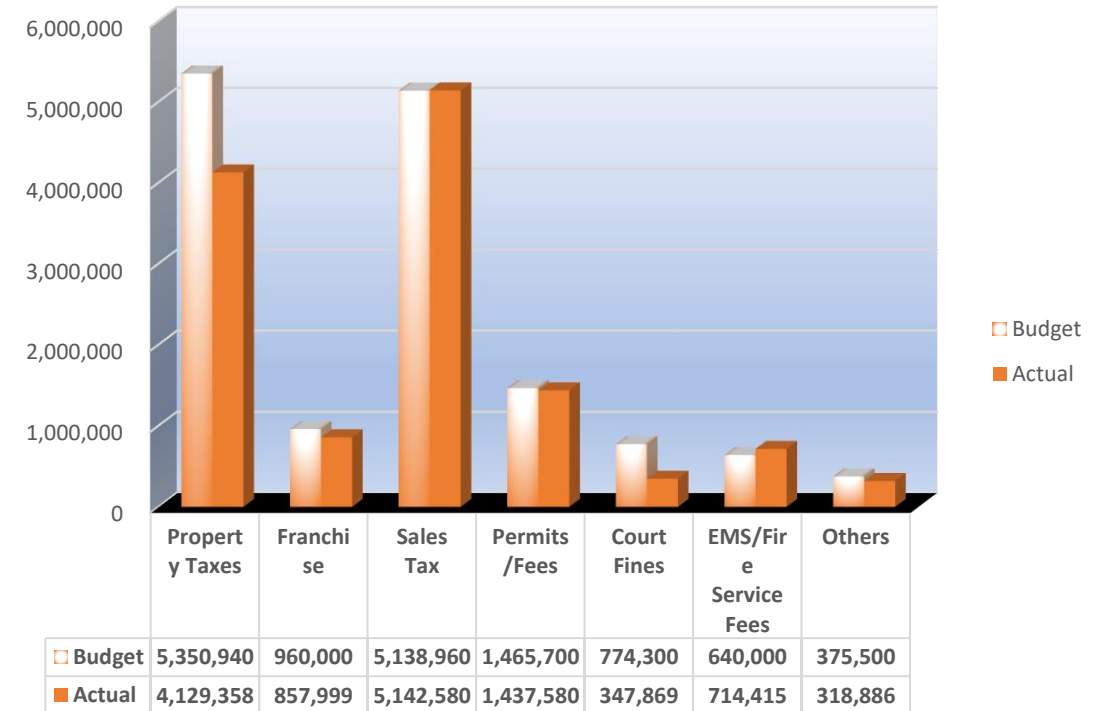
GENERAL FUND REVENUES FISCAL YEARS 2021 VS 2022

- Court fines- Decreased by 19%. Further research will be needed to determine true cause(s) such as cases dismissed, citation totals, and delinquent listing.
- EMS/Fire service fee- Decreased 2%. Staff will monitor the new billing/collection provider's performance in upcoming months.
- Others include: Interest, library fines, park rentals, transfers, miscellaneous revenues, and reimbursements. The main cause of the decrease of 22% or \$90,000 was due to return of equity when Enterprise sold city's aged vehicles at market value for new ones at manufacture value previous fiscal year. In fiscal year 2022, due to shortage of supplies, manufacturing firms dropped production significantly. City has to keep what we have until new replacements becomes available again.



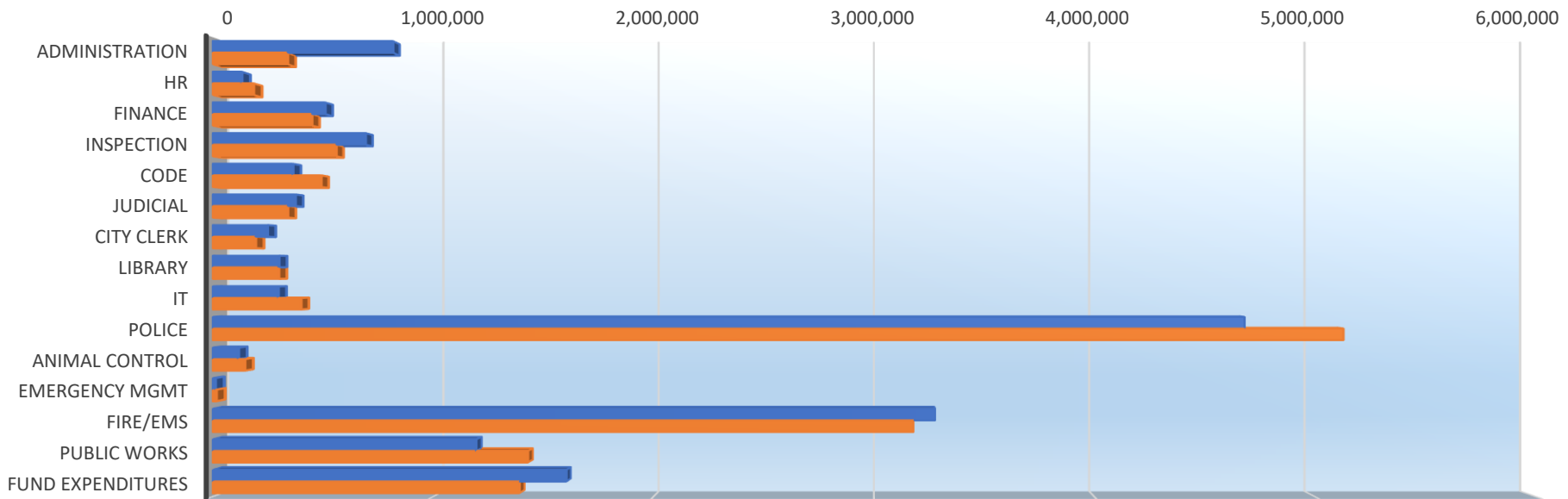
GENERAL FUND REVENUES FISCAL YEAR 2022 BUDGET VS ACTUAL

Revenue Categories	Fiscal Year 2022		% Variance
	Budget	Actual	
Property Taxes	5,350,940	4,129,358	77.17%
Franchise	960,000	857,999	89.37%
Sales Tax	5,138,960	5,142,580	100.07%
Permits/Fees	1,465,700	1,437,580	98.08%
Court Fines	774,300	347,869	44.93%
EMS/Fire Service Fees	640,000	714,415	111.63%
Others	375,500	318,886	84.92%
Total	\$14,705,400	\$12,948,687	88.05%





GENERAL FUND EXPENDITURES FISCAL YEARS 2021 VS 2022



	Fund Expenditures	Public Works	Fire/EMS	Emergency Mgmt	Animal Control	Police	IT	Library	City Clerk	Judicial	Code	Inspection	Finance	HR	Administration
■ 2021	1,603,824	1,193,807	3,277,462	9,847	115,084	4,681,867	295,942	298,452	246,350	372,916	362,239	691,928	508,506	130,038	816,571
■ 2022	1,390,927	1,429,243	3,179,594	14,135	143,275	5,130,047	398,772	297,775	192,572	338,836	490,247	558,649	448,272	183,600	338,133

■ 2021 ■ 2022



GENERAL FUND EXPENDITURES FISCAL YEARS 2021 VS 2022

Departments	Fiscal Year		% Change
	2021	2022	
Administration	816,571	338,133	-58.59%
HR	130,038	183,600	41.19%
Finance	508,506	448,272	-11.85%
Inspection	691,928	558,649	-19.26%
Code	362,239	490,247	35.34%
Judicial	372,916	338,836	-9.14%
City Clerk	246,350	192,572	-21.83%
Library	298,452	297,775	-0.23%
IT	295,942	398,772	34.75%
Police	4,681,867	5,130,047	9.57%
Animal Control	115,084	143,275	24.50%
Emergency Mgmt	9,847	14,135	43.54%
Fire/EMS	3,277,462	3,179,594	-2.99%
Public Works	1,193,807	1,429,243	19.72%
Fund Expenditures	1,603,824	1,390,927	-13.27%
Total	\$14,604,835	\$14,534,077	-0.48%



GENERAL FUND EXPENDITURES FISCAL YEARS 2021 VS 2022

- Administration- City Manager and staff salaries split 50% to Utility Fund in fiscal year 2022. City Receptionist moved to HR department.
- HR- Additional staff, City Receptionist, moved from Administration.
- Finance- Finance Director salary split 50% to Utility Fund in fiscal year 2022.
- Development Services-Director position was vacant partial year.
- Code-Weed control/mowing increased from \$24,326 in fiscal year 2021 to \$73,289 in fiscal year 2022. Professional fees increased from \$3,173 previous year to \$16,964 current year.



GENERAL FUND EXPENDITURES FISCAL YEARS 2021 VS 2022

- Judicial- Due to limited space and drop in revenues/activities, a Deputy Clerk position has been frozen temporarily.
- City Clerk-Additional staff, Deputy City Clerk, during majority portion of the fiscal year.
- Library-Remained flat as previous year.
- IT-Additional personnel, City Public Relations Officer and Facilities Maintenance staff, due to increased activities/needs around the city.
- Police-Personnel salaries increase per Collective Bargaining. Uniforms increased from \$46,003 previous year to \$85,984 current year. Professional fees increased from \$13,486 previous year to \$79,644 current year. Additional computers costing \$49,803 in fiscal year 2022.
- Fire/EMS-Personnel salaries increased per Collective Bargaining. Overtime increased by 27%. Uniforms increased 143%. Professional fees dropped by 25%. Training/travel dropped 27%. Certification pays also dropped 27% due to new personnel.



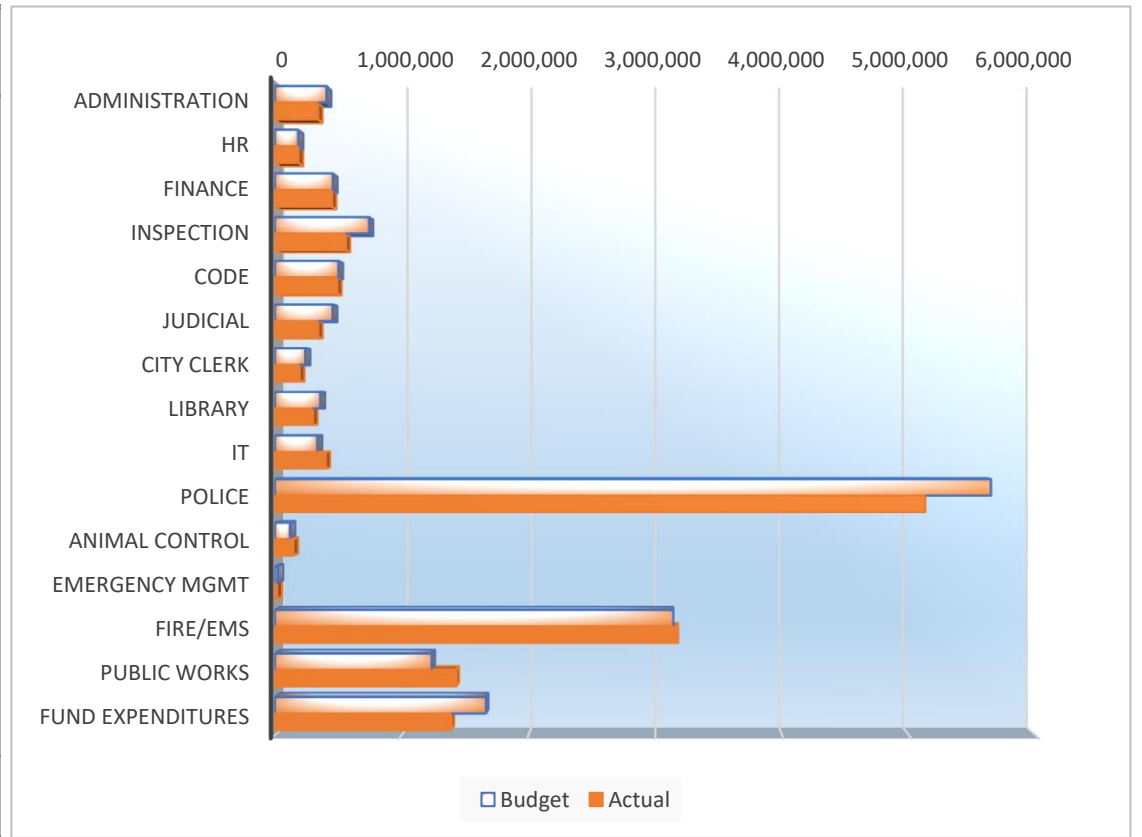
GENERAL FUND EXPENDITURES FISCAL YEARS 2021 VS 2022

- Public Works-New gradall XL3300 all wheel drive excavator costing \$399,215 in fiscal year 2022. Overtime decreased by 73%. Extra help decreased by 11%.
- Fund expenditures-Major expenditures in fiscal year 2021 due to final payouts of executive level personnel (around \$500,000). Large payout of court settlement of (\$80,000). General liability insurance increased by 74% due to windstorm and COVID claims. Legal services increased by 19%.
- Fund expenditures include: governmental utilities (electricity, gas, phone lines, water), liability insurance, legal, litigation settlements, fleet program, etc.



GENERAL FUND EXPENDITURES FISCAL YEAR 2022 BUDGET VS ACTUAL

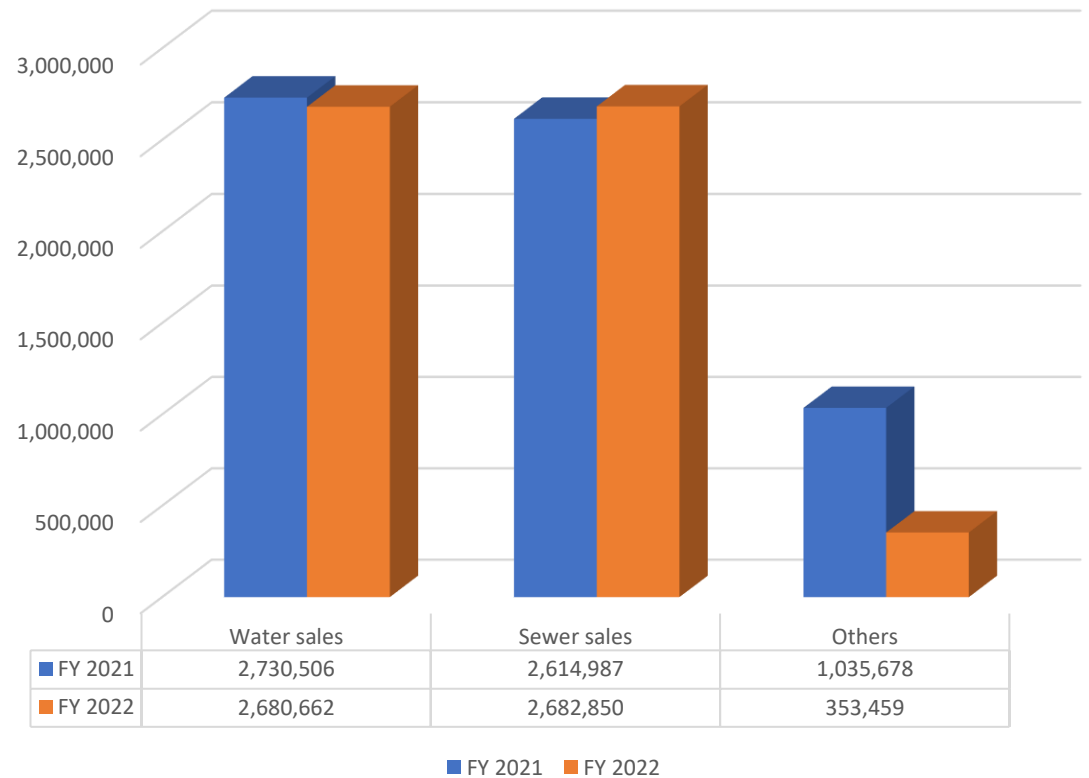
Departments	Fiscal Year 2022		% Variance
	Budget	Actual	
Administration	408,132	338,133	82.85%
HR	184,328	183,600	99.61%
Finance	457,441	448,272	98.00%
Inspection	743,415	558,649	75.15%
Code	502,437	490,247	97.57%
Judicial	455,900	338,836	74.32%
City Clerk	240,195	192,572	80.17%
Library	358,267	297,775	83.12%
IT	335,391	398,772	118.90%
Police	5,649,065	5,130,047	90.81%
Animal Control	119,465	143,275	119.93%
Emergency Mgmt	22,950	14,135	61.59%
Fire/EMS	3,141,397	3,179,594	101.22%
Public Works	1,237,124	1,429,243	115.53%
Fund Expenditures	1,664,334	1,390,927	83.57%
Total	\$15,519,841	\$14,534,077	93.65%





UTILITY FUND REVENUES FISCAL YEARS 2021 VS 2022

Revenue categories	Fiscal Year		% Change
	2021	2022	
Water sales	2,730,506	2,680,662	-1.83%
Sewer sales	2,614,987	2,682,850	2.60%
Others	1,035,678	353,459	-65.87%
Total	\$6,381,171	\$5,716,970	-10.41%





UTILITY BILLING STATISTICS FISCAL YEARS 2021 VS 2022

New Connects with New Addresses FY 2021 and 2022 Comparison

	FY 2021	FY 2022
Commercial	10	6
Residential	173	214
Total	183	220

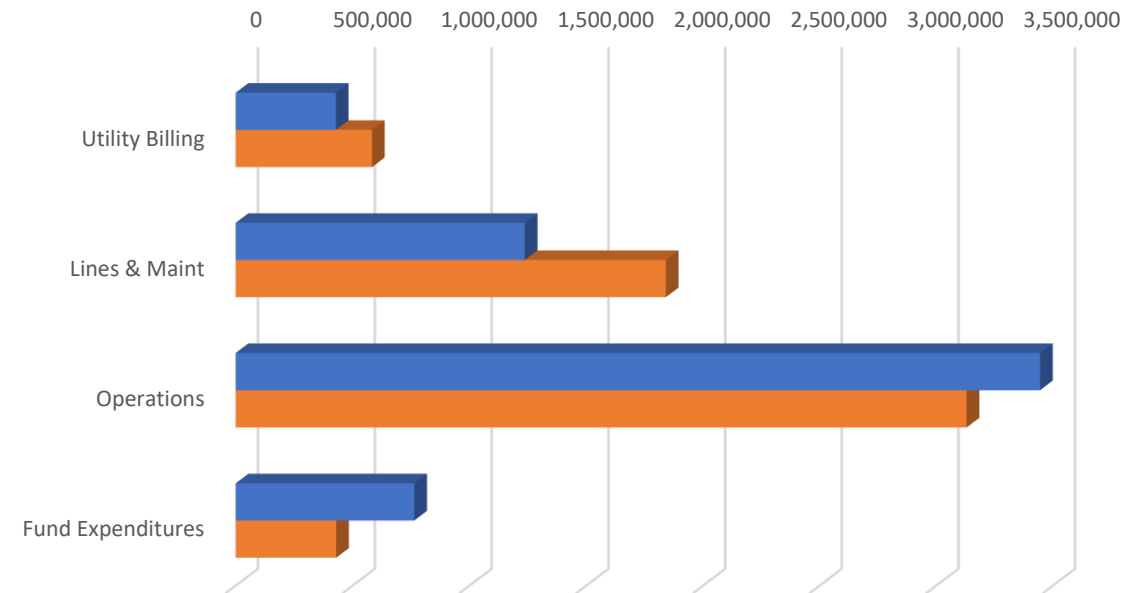
Billed Usage and Billed \$ Number of accounts

	FY 2021	FY 2022	Change
Billed Water Usage	466,658,000	466,926,502	268,502
Billed Sewer Usage	438,465,800	444,966,200	6,500,400
Billed Water \$	2,851,802	2,749,281	-102,521
Billed Sewer \$	2,771,115	2,826,443	55,328
Accounts	8,286	8,474	188



UTILITY FUND EXPENSES FISCAL YEARS 2021 VS 2022

Departments	Fiscal Year		% Change
	2021	2022	
Utility Billing	428,475	583,316	36.14%
Lines & Maint	1,237,054	1,840,592	48.79%
Operations	3,445,536	3,130,674	-9.14%
Fund Expenditures	764,306	430,080	-43.73%
Total	\$5,875,371	\$5,984,662	1.86%



	Fund Expenditures	Operations	Lines & Maint	Utility Billing
■ 2021	764,306	3,445,536	1,237,054	428,475
■ 2022	430,080	3,130,674	1,840,592	583,316

■ 2021 ■ 2022



UTILITY FUND EXPENSES FISCAL YEARS 2021 VS 2022

- Utility Billing-Additional personnel. Purchased additional meters valued \$63,000 due to growth.
- Utility Lines and Maintenance- Additional staff. Extra help decreased by 72%. Overtime decreased by 30%. Uniforms dropped by 48%. Water repairs and maintenance increased by 92%. Sewer repairs and maintenance increased by 198%. Equipment repairs and maintenance increased by 103%. Professional fees increased by 50% for Interim Public Works Director. Paid for an emergency bypass 6-inch pump costing \$44,542.
- Utility Operations-Extra help increased 103%. Overtime dropped by 47%. Plant operating supplies dropped by 23%. Rentals dropped by 79%. Repairs and maintenance STP increased by 111%. Repairs and maintenance lift stations increased by 791% (\$251,000). Utilities STP dropped by 72%. Purchased water only captures 11 months for fiscal year 2022 due to timing of invoice received.
- Fund expenses-General liability insurance increased by 48% due to windstorm.



UTILITY FUND EXPENSES FISCAL YEARS 2021 VS 2022

- Fund expenses include: Enterprise utilities (electricity, gas, phone lines, water), liability insurance, legal, litigation settlements, fleet program, etc.



FINAL NOTES

- Financial information for fiscal year 2022 is based on latest posted activities we have. It does not represent 100% full year after year end close and audit.
- Normal practice allows for 60-90 days after fiscal year end (September 30th) to have most of the invoices paid/accrued and certain revenues to be recognized.
- The main objective of this presentation is for performance measurement purposes and not for financial reporting purposes at this point.
- All financial reporting information will be audited and verified by independent external auditor before releasing to the general public.

QUESTIONS OR COMMENTS



Suzy Kou

Finance Director

Email: financedirector@cityoflamarque.org