
MEMORANDUM

TO: MATT MUELLER, TOWN MANAGER
FROM: KELLY WILSON, CHIEF FINANCIAL OFFICER
SUBJ: BUDGET REPORT FOR PERIOD JUNE 30, 2023
CC: MAYOR AND COUNCIL

The attached is Budget to Actual Information for the fiscal period ending June 30, 2023. This period ending represents 75% of the Town's fiscal year. This information is unaudited and provides a snapshot of our financial information in a budgetary basis.

Cash and Investment Position: The Town is in excellent cash position. All idle funds are in interest bearing accounts or secured investments. For further detailed information, please review the quarterly investment report.

Budget: At June 30, 2023, the budget is as follows for major funds with the **target at 75%**; the major funds are presented in summary below. The YTD figure includes actual expenditures and encumbrances for purchases.

Revenues:

<i>Major Funds – Sources</i>		<i>Budget</i>		<i>YTD</i>	<i>% Earned</i>
General Fund	\$	47,358,544	\$	45,799,246	96.71%
Park and Recreation Fund		4,678,200		3,519,237	75.23%
Street Maintenance Fund		1,678,983		1,092,912	65.10%
Water and Sewer Fund		21,277,929		15,534,680	73.01%
Solid Waste Fund		4,125,881		2,765,102	67.02%
Storm Drainage System Fund		755,285		568,452	75.26%

Expenditures:

<i>Major Funds - Uses</i>		<i>Budget</i>		<i>YTD</i>	<i>% Used</i>
General Fund	\$	54,517,802	\$	41,723,501	76.53%
Park and Recreation Fund		5,018,859		3,765,966	75.04%
Street Maintenance Fund		2,688,641		2,539,624	94.46%
Water and Sewer Fund		21,905,120		15,539,745	70.94%
Solid Waste Fund		4,029,338		3,269,937	81.15%
Storm Drainage System Fund		703,181		343,504	48.85%

General Fund Revenue and Expense Summary: The total all sources of revenue in the General Fund year-to-date is \$45,799,246 or 96.71% of budgeted revenues of \$47,358,544. Compared to this time last year, the General Fund year-to-date revenues was 99.76% of budgeted revenues. Operationally, the Town's revenue through the 3rd quarter of the fiscal year is in line with our budgeted projections. Property Tax collections typically start in October and spike with collections in December and January. The Town reports the collected property tax net of obligations to the various economic development incentives that

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are accounted for throughout the year. The Town's building permit revenue through the 3rd quarter is lower than this time last year, and is in line with our target of 75% collected. The total building permit revenue collected to date reflects \$2,111,155 or 75.40% of the \$2,800,000 annual budgeted revenue. The Town has collected strong sales tax revenue. As of the date of this report, the Town has received an additional 5.49% more than budgeted sales tax and continues to exceed last year's collections. Total General Fund Expenditures, including \$4,541,659 in encumbrances, amount to \$41,723,501, accounting for 76.53% of the \$54,517,802 budget.

General Fund and Debt Service Fund Property Taxes:

The Property Tax collections for the fiscal year received through June are:

General & Debt	General Fund	YTD Actual	Debt Service Fund	YTD Actual
Current Levy	\$22,061,362	\$26,475,084	\$7,126,155	\$8,440,230
Penalty and Interest	50,000	61,760	15,000	17,643
Prior Year Property Taxes	25,000	110,478	20,000	28,418
Total	\$22,136,362	\$26,609,588	\$7,161,155	\$8,486,291

Town-wide Ad Valorem property tax collections as of June 30, 2023 reflect \$39,652,370 or 99.37% on a tax levy of \$39,900,815.

Sales Tax: The Town's total sales tax budget (2 cents) is \$13,351,865. On an accrual basis, the Town is reporting sales tax receipts as it is earned. Sales Tax received in October and November was accrued back into FY2022 as it was actually earned for sales for the months of August and September. The table below summarizes total sales tax collections through May 2023. The figures below do not include any reduction to Sales Tax associated with any development, 380 or economic development agreements.

Fiscal Year	Total Sales Tax Received	1¢ City	.50¢ EDC	.25¢ CDC	.25¢ SMF
2023 Budget	13,351,865	6,675,933	3,337,966	1,668,983	1,668,983
2023 Actual	8,280,669	4,140,334	2,070,167	1,035,084	1,035,084

Interest Earnings and Cash Position: The Town's funds are fully invested and secure. Total interest earned year to date ending June 30, 2023 was \$4,599,112. Total cash and investments on hand for the period ending June 30, 2023 is \$164,493,256. (See Cash and Investment Report for more detail)

Water and Sewer Fund: The Town's Water-Wastewater Utility YTD revenue as of June 30, 2023 is \$15,534,680 or 73.01% of budget revenues of \$21,277,929. The Town implemented a multi-year rate plan that goes out to 2024. This year water payers saw an increase of 2% in water rates. Sewer rates remained unchanged. Water sales total \$7,963,102 or 68.40% of the total budgeted amount of \$11,647,483. Actual expenditures for the year as of June 30, 2023 are \$12,543,116, which includes encumbrances of \$2,996,629, amounting to 70.94% of the total amended budget amount of \$21,905,120. The water purchases take or pay budget reflects \$6,274,356 or 28.65% of the budget. The town is reporting the water purchases through the 3rd quarter of \$4,656,261. The Town of Little Elm has billed 1.147 million gallons

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of water through the 3rd quarter of FY 2023 and has purchased 1.608 million gallons of water for the fiscal year from NTMWD.

	Oct-22		Nov-22		Dec-22	
	WATER	SEWER	WATER	SEWER	WATER	SEWER
# of Accts Residential	12,038	11,778	12,041	11,777	12,026	11,768
#of Accts Commercial	448	226	446	225	449	228
Consumption-Residential	127,809,000	76,266,000	103,672,000	76,950,000	75,118,000	76,831,000
Consumption-Commercial	39,824,000	5,643,000	29,804,000	5,245,000	17,536,000	4,533,000
Average Residential Water Consumption	10,617		8,610		6,246	
Billed (\$) Residential	\$ 1,057,542	\$608,234	\$ 894,980	\$612,211	\$ 701,195	\$611,944
Billed (\$) Commercial	\$ 275,521	\$31,589	\$ 215,675	\$29,712	\$ 136,290	\$26,526
Total Billed (\$)	\$1,333,063	\$639,823	\$1,110,656	\$641,923	\$837,485	\$638,470
Rainfall	4.36		5.62		1.94	

	Jan-23		Feb-23		Mar-23	
	WATER	SEWER	WATER	SEWER	WATER	SEWER
# of Accts Residential	12,095	11,836	12,090	11,830	12,090	11,830
#of Accts Commercial	445	228	454	231	454	231
Consumption-Residential	74,619,000	77,380,000	77,733,000	77,822,000	63,949,000	71,724,000
Consumption-Commercial	15,037,000	4,736,000	16,383,000	5,825,000	14,398,000	4,801,000
Average Residential Water Consumption	6,169		6,430		5,289	
Billed (\$) Residential	\$ 701,668	\$ 615,802	\$ 720,892	\$ 617,919	\$ 628,528	\$ 589,253
Billed (\$) Commercial	\$ 121,373	\$ 27,496	\$ 131,858	\$ 32,633	\$ 120,581	\$ 27,833
Total Billed (\$)	\$ 823,041	\$ 643,298	\$ 852,750	\$ 650,551	\$ 749,109	\$ 617,087
Rainfall	1.37		3.67		2.15	

	Apr-23		May-23		Jun-23	
	WATER	SEWER	WATER	SEWER	WATER	SEWER
# of Accts Residential	12,097	11,846	12,118	11,866	12,143	11,893
#of Accts Commercial	457	234	459	235	462	236
Consumption-Residential	77,583,000	72,502,000	103,373,000	73,514,000	119,290,000	75,290,000
Consumption-Commercial	19,470,000	5,186,000	28,922,000	5,672,000	38,660,000	7,173,000
Average Residential Water Consumption	6,413		8,531		9,824	
Billed (\$) Residential	\$ 650,354	\$ 592,894	\$ 890,350	\$ 597,450	\$ 1,000,754	\$ 605,863
Billed (\$) Commercial	\$ 150,491	\$ 29,755	\$ 209,598	\$ 35,707	\$ 268,893	\$ 39,013
Total Billed (\$)	\$ 800,845	\$ 622,649	\$ 1,099,949	\$ 633,157	\$ 1,269,647	\$ 644,876
Rainfall	0.92		0.86		1.9	