

ABOUT THIS REPORT

The Financial Services Department is dedicated to excellence in local government, comprehensive fiscal management, compliance, and reporting. The Comprehensive Monthly Financial Report (CMFR) is directed at providing our audience (internal and external users) with a general awareness of the Town's financial positions and economic activity.

This report is comprised of four sections:

1. The **Financial Summary** reports the performance of the major operating funds of the Town. It provides comparative data for major revenue sources and expenditure items. Narrative disclosures are used to highlight any significant changes or fluctuations.
2. The **Economic Analysis** section contains a summary of the key economic indicators and an in-depth review with graphic illustrations.
3. The **Investment Reports** provide a description of investment activity, a summary of interest earnings, and the Town's portfolio.
4. Reports of **Special Interests** include the legal fee report.

We would like to acknowledge those responsible for this report: Caryn Riggs for the Financial Summary, Economic Analysis, and Special Interest Report; and Julie Taylor for the Investment Reports.

This CMFR includes November 2020 data. **This information is neither final nor audited.** Please provide us with any comments or suggestions you may have, and should you desire additional information, feel free to contact my office.

Debra L. Wallace

Debra L. Wallace
Deputy Town Manager/CFO
2121 Cross Timbers Road
Flower Mound, TX 75028
972-874-6020

Town of Flower Mound Comprehensive Monthly Financial Report

Table of Contents

Financial Summary

| | |
|----------------------------|---|
| Report Notes | 2 |
| Financial Statements | 7 |

Economic Analysis

| | |
|---------------------------------|----|
| Current Property Tax..... | 13 |
| Franchise Fees..... | 14 |
| Sales Tax | 15 |
| Water Sales..... | 16 |
| Sewer Charges..... | 17 |
| Appraisal Roll Comparison | 18 |
| Permits Statistical Report..... | 19 |

Investment Reports

| | |
|-------------------------|----|
| Compliance Reports..... | 21 |
|-------------------------|----|

Special Interests

| | |
|-----------------------|----|
| Legal Fee Report..... | 32 |
|-----------------------|----|

Town of Flower Mound Comprehensive Monthly Financial Report

This report is designed for internal use and does not include all the funds and accounts included in the Town of Flower Mound's operations. For a complete report, refer to the Town of Flower Mound Comprehensive Annual Financial Report, available through the Town's Financial Services Department.

Financial Summary

REPORT NOTES
November 2020

GENERAL FUND

Revenues

Revenues derived from General Fund functions totaled \$4,955,246 through November 30, 2020. This represented an increase of 1.20% from revenues earned in the preceding year. The major contributing factors are an increase of \$362,129 in Other Revenue/Transfers In, an increase of \$151,532 in Taxes primarily due to the timing of Property tax revenue, a decrease of \$335,457 in Licenses, permits and fees, a decrease of \$45,620 in Charges for Services, and a decrease of \$50,531 in Interest income.

Following is a percentage summary of total revenues from each major source of General Fund revenue for fiscal year 2020-2021, to date:

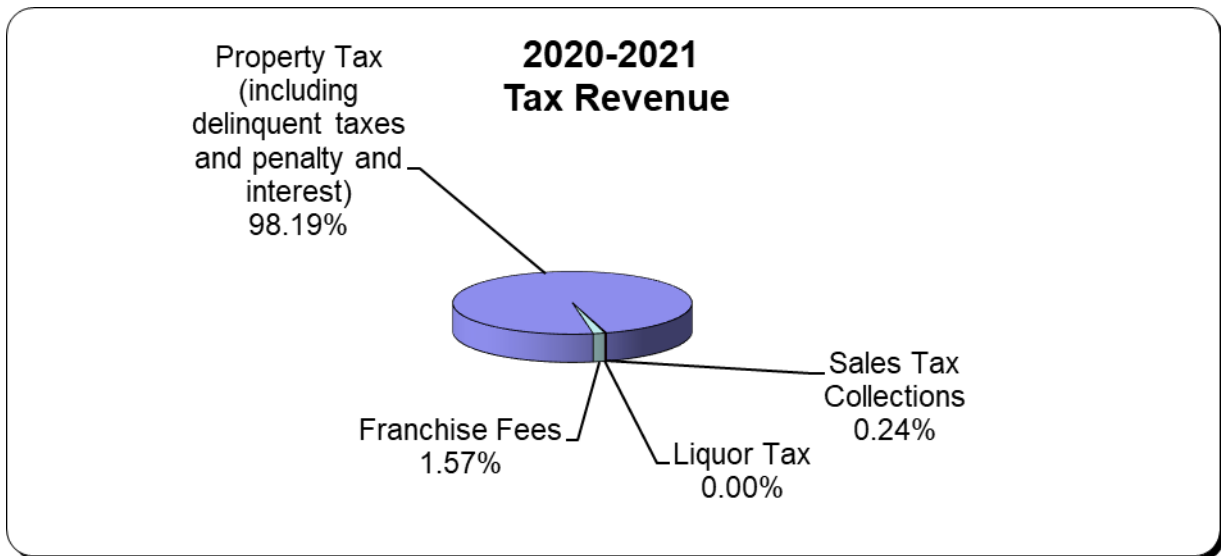
| | |
|-----------------------------|---------|
| Taxes | 59.45% |
| Charges for services | 10.46% |
| Licenses, permits and fees | 6.53% |
| Fines and forfeits | 2.39% |
| Memorials and contributions | 0.00% |
| Intergovernmental | 2.65% |
| Interest income | 0.20% |
| Other revenue/Transfers in | 18.32% |
| | 100.00% |

A comparison of General Fund revenues between fiscal years 2020 and 2021 is presented in the following table:

| | Fiscal Year-to-Date | | Increase/(Decrease) | |
|-----------------------------|----------------------------|---------------------|----------------------------|----------------|
| | 2021 | 2020 | Amount | Percent |
| Taxes | \$ 2,945,232 | \$ 2,793,700 | \$ 151,532 | 5.42% |
| Charges for services | 518,498 | 564,118 | (45,620) | -8.09% |
| Licenses, permits and fees | 323,787 | 659,244 | (335,457) | -50.89% |
| Fines and forfeits | 118,523 | 143,453 | (24,930) | -17.38% |
| Memorials and contributions | - | - | - | 0.00% |
| Intergovernmental | 131,393 | 129,800 | 1,593 | 1.23% |
| Interest income | 9,904 | 60,435 | (50,531) | -83.61% |
| Other revenue/Transfers in | 907,909 | 545,780 | 362,129 | 66.35% |
| Total Revenue | \$ 4,955,246 | \$ 4,896,530 | \$ 58,716 | 1.20% |

| | Fiscal Year-to-Date | | Increase/(Decrease) Over 2020 | |
|--|---------------------|---------------------|----------------------------------|--------------|
| | 2021 | 2020 | Amount | Percent |
| Property Taxes (including current, delinquent, and penalty and interest) | \$ 2,891,796 | \$ 2,745,269 | \$ 146,527 | 5.34% |
| Sales Tax Collections | 7,075 | 6,819 | 256 | 3.75% |
| Liquor Tax | - | - | - | 0.00% |
| Franchise Fees | 46,361 | 41,612 | 4,749 | 11.41% |
| Total Tax Revenue | \$ 2,945,232 | \$ 2,793,700 | \$ 151,532 | 5.42% |

A breakdown of the Tax Revenue reflected in the preceding table is as follows:



Expenditures

Expenditures for General Fund purposes were \$10,563,721 through November 30, 2020, a decrease of \$5,109,151 or 32.60% from the preceding year. The decrease in Non-Departmental Services over the prior year is primarily due to prior year transfers for CIP projects.

A more detailed analysis of the changes in the General Fund expenditures is presented in the table listed on the following page.

Prior Year Comparison of General Fund Expenditures by Division
Through November 30, 2020

| | Fiscal Year-to-Date | | Increase/(Decrease) Over 2020 | |
|-----------------------------|----------------------|----------------------|----------------------------------|----------------|
| | 2021 | 2020 | Amount | Percent |
| Town Manager's Office | \$ 199,102 | \$ 269,238 | \$ (70,136) | -26.05% |
| Legislative Services | 90,653 | 94,524 | (3,871) | -4.10% |
| Development Services | 348,439 | 353,492 | (5,053) | -1.43% |
| Parks & Recreation Services | 1,039,582 | 1,044,766 | (5,184) | -0.50% |
| Library Services | 276,832 | 345,134 | (68,302) | -19.79% |
| Police Services | 2,611,592 | 2,915,939 | (304,347) | -10.44% |
| Financial Services | 520,884 | 550,127 | (29,243) | -5.32% |
| Administrative Services | 893,711 | 982,145 | (88,434) | -9.00% |
| Fire & Emergency Services | 2,876,495 | 2,953,795 | (77,300) | -2.62% |
| Community Relations | 128,324 | 135,541 | (7,217) | -5.32% |
| Non-Departmental Services | 464,320 | 4,710,560 | (4,246,240) | -90.14% |
| Public Works | 897,218 | 1,068,493 | (171,275) | -16.03% |
| Environmental Services | 216,569 | 249,118 | (32,549) | -13.07% |
| Total Expenditures | \$ 10,563,721 | \$ 15,672,872 | \$ (5,109,151) | -32.60% |

Expenditures for General Fund purposes through November 30, 2020, are outlined on a percentage basis as follows:

| Function | Total |
|-----------------------------|----------------|
| Town Manager's Office | 1.88% |
| Legislative Services | 0.87% |
| Development Services | 3.30% |
| Parks & Recreation Services | 9.84% |
| Library Services | 2.62% |
| Police Services | 24.72% |
| Financial Services | 4.93% |
| Administrative Services | 8.46% |
| Fire & Emergency Services | 27.23% |
| Community Relations | 1.21% |
| Non-Departmental Services | 4.40% |
| Public Works | 8.49% |
| Environmental Services | 2.05% |
| | <u>100.00%</u> |

WATER AND SEWER

Revenues

Operating revenue in the Town’s enterprise fund, the Utility Fund, was \$4,758,301 through November 30, 2020, a decrease of \$123,153 or 2.52% compared to revenues reported for the same time period in the preceding year. There was a 1.86% gain in the number of water customers (increased from 24,995 to 25,461) and water consumption year-to-date (as measured by volume of water purchased from the Dallas Water Utilities and Upper Trinity Regional Water District) increase by 11.82%, from 804,595 million gallons to 899,696 million gallons.

Estimated water loss for the past 12-month period was 10.31%. A comparison between 2020 and 2021 is presented below:

| | Fiscal Year-to-Date | | Increase/(Decrease) Over 2020 | |
|-------------------------------|---------------------|---------------------|----------------------------------|---------------|
| | 2021 | 2020 | Amount | Percent |
| Charges for services | \$ 4,656,145 | \$ 4,731,364 | \$ (75,219) | -1.59% |
| Penalties, fines and forfeits | 66,095 | 80,834 | (14,739) | -18.23% |
| Interest income | 5,177 | 36,941 | (31,764) | -85.99% |
| Other revenue | 30,884 | 32,315 | (1,431) | -4.43% |
| Total Revenue | \$ 4,758,301 | \$ 4,881,454 | \$ (123,153) | -2.52% |

The breakdown of the Charges for Services revenue is reflected in the preceding table is as follows:

| | Fiscal Year-to-Date | | Increase/(Decrease) Over 2020 | |
|-----------------------------------|---------------------|---------------------|----------------------------------|---------------|
| | 2021 | 2020 | Amount | Percent |
| Water Sales | \$ 3,472,931 | \$ 3,577,974 | \$ (105,043) | -2.94% |
| Sewer Charges | 1,131,308 | 1,099,588 | 31,720 | 2.88% |
| Meter and Connect Fees | 35,744 | 38,182 | (2,438) | -6.39% |
| Solid Waste Collection | 16,162 | 15,620 | 542 | 3.47% |
| Total Charges for Services | \$ 4,656,145 | \$ 4,731,364 | \$ (75,219) | -1.59% |

Expenditures

The Water and Sewer Fund expenditures through November 30, 2020 totaled \$7,089,606. This represents an overall decrease of \$238,810 or 3.26% over the preceding year.

| | Fiscal Year-to-Date | | Increase/(Decrease) Over 2020 | |
|---------------------------|---------------------|---------------------|----------------------------------|---------------|
| | 2021 | 2020 | Amount | Percent |
| Financial Services | \$ 206,757 | \$ 223,175 | \$ (16,418) | -7.36% |
| Non-Departmental Services | 2,277,575 | 2,226,515 | 51,060 | 2.29% |
| Public Works | 4,605,274 | 4,878,726 | (273,452) | -5.60% |
| Total Expenditures | \$ 7,089,606 | \$ 7,328,416 | \$ (238,810) | -3.26% |

Expenditures for Water and Sewer Fund purposes through November 30, 2020, are outlined on a percentage basis as follows:

| Function | Total |
|---------------------------|----------------|
| Financial Services | 2.92% |
| Non-Departmental Services | 32.13% |
| Public Works | 64.96% |
| | <u>100.00%</u> |

Attached are the monthly financial statements for the Town's major operating funds.