

# CITY OF CLEVELAND FINANCIAL REPORT

## SEPTEMBER 2019 PRELIMINARY FINANCIALS

This preliminary report represents a general overview of financial operations through September 2019, which is the final month of fiscal year 2018-2019. Beginning balances are audited; however ending balances are unaudited and subject to change until the City completes the FY 2019 audit. A presentation of this audit is scheduled for February 2020. Budget numbers are the amended budget that includes all carryovers and amendments approved by Council.

### General Fund

	<b>Prior YTD</b>	<b>Budget</b>	<b>Month</b>	<b>YTD</b>
<b>Total Revenues</b>	\$7,968,156	\$7,451,053	\$489,212	\$8,202,217
<b>Total Expenditures</b>	\$6,160,390	\$8,318,840	\$615,124	\$7,869,354
<b>Over/(Under)</b>	\$1,807,765	(\$867,787)	(\$125,913)	\$332,863
	<b>Prior YTD</b>	<b>Budget</b>	<b>Month</b>	<b>YTD</b>
<b>Operating Revenues</b>	\$7,186,736	\$7,262,893	\$424,212	\$7,969,329
<b>Operating Expenditures</b>	\$6,068,049	\$7,407,104	\$606,883	\$6,982,078
<b>Over/(Under)</b>	\$1,118,686	(\$144,211)	(\$182,672)	\$987,252

1. Total Revenues are \$8,202,217 or 110.1% of budget or \$234,061 more than last year mainly due to property and sales tax performance collectively higher than last YTD by \$1.1M and offset by reduction in transfers and contributions from other funds (\$750K).
  - a. Total Property Tax collections (M&O) are \$2,163,172 or 101.1% of budget and \$121K higher than this time last year.
  - b. Sales Tax through the reporting period is \$3,896,780 at 114.9% of the amended (increased) budget, and \$968,424 greater than last YTD. Total includes the transfer obligation due for the EDC obligation at \$715K. The City also received over \$24K or 84% in Mixed Beverage Tax (3Q only).
  - c. Franchise Taxes through the reporting period are \$437,542; lower than last year by \$84K mainly due to fuel rate calculation on electric (due to timing \$65K less LYTD) Waste Management Commercial is down (due to timing \$10K less LYTD) and telecommunication (due to timing \$9K less LYTD) taxes; however offset by improvements in Entex (\$6K greater than LYTD). Many 4<sup>th</sup> Quarter payment have not been collected or accounted at the time of this report; however once all collections and accruals are completed, the city should be close to budget expectations.
  - d. Other Taxes or Payment in lieu of tax is collected for the year at 100%.
  - e. License and Permits are \$ 210,489 or 100% of budget. Development related permits are collected based on activity and collections on building, electric and plumbing are nearly \$14K above last year. Occupational license also is \$14K more last year.
  - f. Use Fees are \$185,532 or 105.6% of budget and nearly \$23K higher than last YTD. Civic Center rental at 142% and Stancil Park is 139% of budget.
  - g. Court Revenue is reported at \$ 315,028 or down \$55,755 from last year.
  - h. Other Revenue:
    - i. FEMA has reimbursed the City \$189,493.

- ii. Airport Revenue is \$149,134, only at 97% and due to delay on Hangar project, and inclement weather while under construction. The project is now complete and rented to capacity.
    - iii. Proceeds from insurance, is \$114K less than last YTD due to Harvey damages in the prior year. Expectations were only \$31K in claims and currently less than \$12K collected, which is a worthy indicator that the city is being proactive in keeping safe and safeguarding assets.
    - iv. Sale of Asset related to last year's pipeline proceed is \$143K less.
    - v. Earth Energy reimbursement at \$10K.
    - vi. Other Revenue division in total is exceeding expectation at 174% of budget.
  - i. Interest and Financial Transactions are \$98,030 or \$54K over last YTD.
  - j. Fire and Emergency Services total \$129,221 with billing claims slightly above target with this time last year.
  - k. Grant Revenue from RAMP, GLO, library and fire related programs total \$162,888.
2. Total Expenditures are \$7,869,354, 94.6% of budget. Operational Expenditures total \$6,982,078 at 94.3% of the budget.
3. Several divisions are above budget (100%) due to the following:
- a. Administration division expenditures at \$965,919, or 100.3%, over by \$3,011 of budget due to legal at \$124K, Audit fees at \$63K, Facility maintenance at \$37K. The division has salary and contingency saving offsetting higher professional fees.
  - b. Civic and Community division expenditures at \$244,560 or 104.9% due to facility maintenance line item over total budget allocation by \$8,400. Expenses for the division are \$11K over its total allocation.
  - c. Technology at \$385,822 or 101.5%. Service lines higher for water production, water administration higher due to required technology conversions for meter reads. However, the division ends \$5,541 over.
  - d. Garage at \$139,320 or 105.3% from the purchase of land adjacent to the Public Works facility. This division will have little impact on total expenditures due to the division budget being less than 2% of the total operating budget. The division ends \$7,020 over.
  - e. Fire at \$769,830, over by 5.3% or \$10,154 due to salary, equipment repair and replacement.
4. Several divisions are currently trending at or under budget due to the following:
- a. Municipal Court- salary & benefit costs. Division saves \$24,851.
  - b. Animal Control- savings related to vehicle maintenance and supplies. Division saves \$6,815.
  - c. Development Services – savings related to professional services; however change in employee benefit structure will limit or offset division savings. Division saves \$15,445.
  - d. Airport- Savings in routine maintenance. Additional savings in electricity related to delay in hangar construction. Savings of \$18,852.
  - e. Police - Division saves \$194,540, mainly from salary savings.
  - f. Parks and Sports Park Divisions have a combined savings of \$85,471, from other professional services and capital outlay.
  - g. Total savings from unspent allocated is \$425,026.
5. Revenues are over expenditures by \$332,863 largely due to increases in sales tax collections and improvement in property tax value. Based on budget, the city planned a use of \$867,787 of fund balance after all approved carryovers and amendments to the original.

However, continued growth in sales tax and current status of capital programming contributed to year end surplus. Below are the major breaks from budget expectations:

- a. Increase in Sales Tax collections - \$506,731
  - b. Increase in Other Revenue - \$174,181
  - c. GF Departmental savings of - \$425,026
6. Operating cash and investments over \$5.7M.
7. Ending fund balance was originally projected at \$5.0M after carryovers and amendments with and funds over operating requirement at 9/30/19 is at \$3.8M – The preliminary report puts year-end fund balance at nearly \$7.0M.

**Debt Service Fund**

	Prior YTD	Budget	Month	YTD
<b>Total Revenues</b>	\$1,006,554	\$992,419	\$6,542	\$1,019,498
<b>Total Expenditures</b>	\$1,499,222	\$983,919	\$339,949	\$1,332,389
<b>Over/(Under)</b>	(\$492,668)	\$8,500	(\$333,407)	(\$312,891)

8. The adopted tax levy is \$2,940,551 at a 94.65% collection rate. As budgeted, the interest and sinking portion provides the projected \$815,078 in current property tax with total Debt Service property tax, including current as well as delinquent, for a total \$872,078. The fund includes \$2,624 in interest income and \$117,717 in transfers for total budgeted revenues at \$992,419.
- a. Total revenues YTD are \$1,019,498, 102.7% of budget, of that total property tax collections are \$896,166, also 102.8% of budget.
  - b. The fund includes the scheduled a transfer of \$117,717 from Equipment Replacement Fund 701 designated to support debt due to the use of original proceeds related to Tax Note 2015 equipment.
9. Expenditures are \$1,332,389 or 135% of budget due to completion of bond and principal payments, plus a bond defeasement approved by council.
10. Revenues are under expenditures by \$312,891, due to the \$335K defeasement that will provide additional savings, long term as well as lower liability.
11. Ending fund balance was approved at \$595,066 and funds over operating requirement at 9/30/19 are at \$272,833 for preliminary year-end. Excess cash balance is \$26K over requirement.

**Water/Sewer Fund**

	Prior YTD	Budget	Month	YTD
<b>Total Revenues</b>	\$3,354,541	\$3,619,010	(\$1,320)	\$3,434,021
<b>Total Expenses</b>	\$4,153,450	\$3,619,010	\$206,186	\$3,361,436
<b>Over/(Under)</b>	(\$798,909)	\$0	(\$207,506)	\$72,585

	<b>Prior YTD</b>	<b>Budget</b>	<b>Month</b>	<b>YTD</b>
<b>Operating Revenues</b>	\$3,362,144	\$3,269,010	(\$1,320)	\$3,390,139
<b>Operating Expenses</b>	\$2,930,407	\$2,132,570	\$203,851	\$2,278,253
<b>Financial Obligations</b>	\$123,043	\$656,340	\$0	\$656,973
<b>Capital Transfers Out</b>	\$400,000	\$375,000	\$0	\$375,000
<b>Over/(Under)</b>	(\$91,305)	\$105,100	(\$205,171)	\$79,913

12. Water & Sewer total revenues are \$ 3,434,021, or 94.9% budget. Operational revenues total \$3,390,139 at 103.7% of the budget. Non-operating revenue includes entitlement fund from the CDBG sewer project totaling YTD at \$43,882.
13. Water revenue charges at \$1,464,524 (98.6%) and sewer revenue charges at \$1,188,570 (104.2%); combined are higher than target with budget with \$27K more than last YTD, with some variance due to timing of billing cycle plus the increased rates in sewer.
14. Other Revenue Service Charges are \$109,852 or 120% due to insurance proceeds and bulk water sales.
15. There is additional revenue from development with the new taps from residential construction with these taps and fees are over year-end budget by \$81K. Water Fees total \$193,457 or 177.9% predominantly due to the new construction.
16. Garbage revenue is at 107.5% and is a pass-through. Higher than budget due to the increase in fees set by waste management and some due to the addition of new residential homes. There is a change in how we account for collections as the city bills and collects for franchise fees per legal determination of our contract. The revenue side will be approximately 10% higher than expenses and should be expected going forward.
17. Operating cash and investments is nearly \$1.2M. Cash is anticipated to hold for the remaining fiscal year with a balance budget in FY20. Staff will monitor cash closely as this fund has supported and sourced many unexpected maintenance emergencies, an increase in users, and changes in the fee structure in the following year. The outlook is stable.
18. Total Expenses are \$3,361,436 at 92.9% of budget. Excluding bonds and transfers, actual operations are \$2,278,253 at 106.8%.
19. Preliminary Department year-end highlights/concerns are as follows:
  - a) The Water Production Division at \$890,415 or 111% of budget (less meter expense at \$ 822,885.81 or 103%) due to:
    - Overtime - \$29,870; over year-end allocation by \$25,269; higher than last year by \$12,984.
    - Facility Maintenance - \$27,893; over year-end allocation by \$15,892; higher than last year to date by \$10,012.
    - Property Insurance - \$27,287; over year-end allocation by \$4,387; higher than last year to date by \$4,202.
    - Meter Expense – now has a line item of its own as it was originally part of Materials; \$67,529; however a majority of material cost is associated with meters are new construction and is a pass-thru (revenue / expense), as the developer is responsible for the cost of the original meter. Meter cost removed from the equation still puts the division over by 2.6%.
  - b) The Sewer Division at \$796,049 or 107.6% of budget due to:
    - Overtime - \$35,160; over year-end allocation by \$6,660 higher than last year to date by \$11,012.

- Equipment Repair - \$34,735; over year-end allocation by \$23,735; higher than last year to date by \$13,854.
  - Sludge Removal- \$49,717; over year-end allocation by \$18,717; higher than last year to date by \$19,430.
  - Property Insurance - \$63,565; over year-end allocation by \$15,565; higher than last year to date by \$12,358
- c) The Sanitation Division at \$243,581 or 113% in residential accounts. Division expenditures are projected go higher than budget with an increase in revenue rate adjustment offsetting expenses as a correlating pass-through. However the correlation will be less evident as we change our collection and accounting of the franchise fee, as revenues should be 10% higher than the expense. General fund allocated funds related to the settlement agreement on past billings.
20. Revenues under expenses by \$72,585. The budget is adopted as balanced for FY19 and preliminary numbers revenue and expenses edge beyond targeted allocation due to expenses in production and sewer operations listed above. However the preliminary actuals do come close to balancing and favoring improvement to retained earnings.

**Hotel Occupancy Fund**

	<b>Prior YTD</b>	<b>Budget</b>	<b>Month</b>	<b>YTD</b>
<b>Total Revenues</b>	\$232,207	\$228,000	\$31,480	\$257,596
<b>Total Expenditures</b>	\$269,808	\$390,664	\$27,682	\$351,836
<b>Over/(Under)</b>	(\$37,600)	(\$162,664)	\$3,798	(\$94,241)

21. Revenues are \$257,596, 113.0% of the budget with hotel occupancy tax collection at \$253,823 or 113.6%.
22. Current cash and investments is \$417,166.
23. Convention & Visitors Bureau Division is \$321,536, 93.2% of budget. Total expenditures are currently \$351,836, at 90.1%.
24. Total YTD, revenues are lower than expenditures by \$94,241. The budget allocated a \$162,664 use of retain cash to replace the existing Civic Center audio/visual system, as well as several improvements to Stancil Park. Providing a \$68,424 in savings in non-allocated use.
25. Ending fund balance is approved at \$360,368 and funds over operating requirement at 9/30/19 are \$428,792. There is a budgeted use of retained cash in FY20 for Stancil Park improvements.

**Economic Development Corporation Fund**

	<b>Prior YTD</b>	<b>Budget</b>	<b>Month</b>	<b>YTD</b>
<b>Total Revenues</b>	\$903,475	\$685,548	\$60,743	\$1,328,369
<b>Total Expenses</b>	\$1,096,888	\$685,548	\$16,800	\$618,000
<b>Over/(Under)</b>	(\$193,413)	\$0	\$43,944	\$710,369

26. Total revenues are \$1,328,369 or 194% of the total amended budgeted mainly due to pipeline easement revenue. Operational revenue, also remarkable at \$792,463 or 115.6% due to sales tax improvements.

27. Total expenses are \$618,000 or 90.1% of amended budget. Operational expenses at \$319,691 or 82.6%.
28. Revenue is over expenses by \$710,369 which well exceeds expectations of the approved balanced budget.
29. Total cash and investments total \$1,883,499, of which nearly \$1,656,123 is considered operating and available.
30. Total sales tax YTD is \$774,621, 115% of the amended budget and is \$196,314 or 34% higher than last year.
31. Expenses include Professional Services of \$114,304 or 228% of budget due to legal fees (\$79K). Although a legal judgement was found in EDC/City's favor and legal fees are required as part repayment. Proceeds from settlement will go back as unrealized and non-operating income over the next year.
32. Property services for reimbursing the Sports Park operation is currently \$70,900, and this is the last year for reimbursing the sports park.
33. The programmed transfer of \$40,000 is the second year annual reimbursement to the City's General Fund which is supporting full repayment of the TDA grant.
34. Ending cash balance is budgeted at \$1,165,207 with ended cash over operating requirement at \$736,585. However, with improvements in cash from non-operating revenue related to the pipeline, preliminary actuals for year-end cash is \$1,875,576 with \$1,446,954 over operating requirement.

**FOR MORE INFORMATION:** This summary report is based on detailed information generated by the City's Administration. If you have any questions or would like additional information on this report, please contact city management at 281-592-2667.

**CITY OF CLEVELAND, TEXAS**

**GENERAL FUND**

**BALANCE SHEET**

**FOR THE MONTH ENDED SEPTEMBER 30, 2019**

**ASSETS**

CASH-PETTY	1,510
CASH- GENERAL FUND OPERATING	712,666
CASH-LIBRARY MEMORIAL	19,105
CASH-HEALTH BENEFITS ACCT	13,037
TEXPOOL	679,593
GF MMA - PROSPERITY BANK	3,760,667
PAYROLL CLEARING	19,229
CASH - MUNICIPAL COURT	2,098
CDBG SIDEWALK 082	115,257
ACCRUED REVENUE	7,417
CASH-TAX ACCOUNT	604,216
PROPERTY TAXES RECEIVABLE	470,601
ALLOW. FOR UNCOLLECTIBLE TAXES	(28,000)
DUE FROM STATE COMPTROLLER	591,695
OUTSTANDING CREDIT CARD	55
DUE FROM WATER/SEWER	3,177
DUE FROM HOTEL/MOTEL FUND	51
DUE FROM FUND 701	18,551
<b>TOTAL ASSETS</b>	<b><u>6,990,924</u></b>

**LIABILITIES**

RESERVE FOR ENCUMBRANCES	166,355
SALARY PAYABLE	55,697
COURT FEES PAYABLE	34,066
COURT BONDS PAYABLE	986
TECHNOLOGY FUND	2,510
SECURITY FEE	3,756
TIME PMT.LOCAL EFF	1,888
REFUNDABLE DEPOSIT-CIVIC CTR	(98)
INSURANCE WITHHELD	(7,084)
AFLAC/PPD LEGAL WITHHELD	475
RETIREMENT WITHHELD	30,903
DEFERRED COMPENSATION	(100)
AUDITOR YE ACCRUAL	(0)
ENCUMBRANCES	(91,205)
RESERVE FOR ENCUMBRANCES	91,205
ENCUMBRANCES FROM PRIOR YR	18,370
RESERVE FOR PRIOR YR ENCUM	(18,370)
DUE TO DEBT SERVICE	1,810
DUE TO MC TECHNOLOGY	2,800
DUE TO MC SECURITY	21,439
DEFERRED REVENUE PROPERTY TAX	442,601
<b>TOTAL LIABILITIES</b>	<b><u>758,002</u></b>

**EQUITY**

FUND BALANCE	5,746,671
AIRPORT IMPROVE. GRANT MATCH	114,900
COMMITTED OIL/GAS ROYALTIES	38,488
<b>TOTAL BEGINNING EQUITY</b>	<b><u>5,900,059</u></b>
TOTAL REVENUE	8,202,217
TOTAL EXPENSES	(7,869,354)
<b>TOTAL SURPLUS/(DEFICIT)</b>	<b><u>332,863</u></b>
<b>TOTAL EQUITY &amp; SURPLUS/(DEFICIT)</b>	<b>6,232,922</b>
<b>TOTAL LIABILITIES, EQUITY &amp; SURPLUS/DEFICIT</b>	<b><u>6,990,924</u></b>

CITY OF CLEVELAND, TEXAS

GENERAL FUND  
STATEMENT OF REVENUES & EXPENDITURES  
FOR THE MONTH ENDED SEPTEMBER 30, 2019

	PRIOR YEAR YEAR TO DATE	CURRENT BUDGET	MONTHLY ACTUAL	YEAR TO DATE ACTUAL	% BUDGET
<b>REVENUES</b>					
PROPERTY TAXES	2,042,444	2,138,628	14,687	2,163,172	101.1%
SALES TAXES	2,928,356	3,390,049	298,286	3,896,780	114.9%
FRANCHISE TAXES	522,006	480,600	6,388	437,542	91.0%
OTHER TAXES	111,616	113,192	0	112,806	99.7%
LICENSES & PERMITS	442,258	210,500	11,660	210,489	100.0%
USE FEES	162,493	175,750	10,479	185,532	105.6%
COURT REVENUE	370,783	334,630	17,902	315,028	94.1%
POLICE REVENUE	2,366	2,800	0	1,959	70.0%
OTHER REVENUE	426,311	235,694	45,321	409,875	173.9%
INTEREST	52,461	57,050	7,026	106,925	187.4%
FIRE & EMERGENCY SERVICES	125,643	124,000	12,462	129,221	104.2%
<b>TOTAL OPERATING</b>	<b>7,186,736</b>	<b>7,262,893</b>	<b>424,212</b>	<b>7,969,329</b>	<b>109.7%</b>
GRANTS	1,420	98,160	50,000	162,888	165.9%
TRANSFERS	780,000	30,000	15,000	30,000	100.0%
CONTRIBUTIONS	0	60,000	0	40,000	66.7%
<b>TOTAL NON-OPERATING</b>	<b>781,420</b>	<b>188,160</b>	<b>65,000</b>	<b>232,888</b>	<b>123.8%</b>
<b>TOTAL REVENUES</b>	<b>7,968,156</b>	<b>7,451,053</b>	<b>489,212</b>	<b>8,202,217</b>	<b>110.1%</b>
<b>EXPENDITURES</b>					
CITY COUNCIL	28,268	35,950	1,916	30,241	84.1%
ADMINISTRATION	878,815	962,908	72,973	965,919	100.3%
CIVIC/COMMUNITY	210,126	233,206	18,453	244,560	104.9%
COURT	247,959	289,701	22,902	264,850	91.4%
TECHNOLOGY	345,527	380,281	31,126	385,822	101.5%
POLICE	2,198,407	2,537,829	178,812	2,343,289	92.3%
ANIMAL CONTROL	54,022	60,149	4,760	53,215	88.5%
DEVELOPMENT SERVICES	245,203	253,833	19,068	238,388	93.9%
STREET DEPARTMENT	358,696	508,556	38,335	425,343	83.6%
AIRPORT DEPARTMENT	41,396	65,000	15,895	46,148	71.0%
GARAGE DEPARTMENT	7,220	132,300	657	139,320	105.3%
LIBRARY DEPARTMENT	352,034	391,423	28,867	381,283	97.4%
CEMETERY/PARKS	338,548	533,275	47,666	483,819	90.7%
SPORTS PARK	45,648	205,950	3,849	169,936	82.5%
FIRE DEPARTMENT	702,173	786,676	120,451	796,830	101.3%
EMERGENCY MANAGEMENT	14,005	30,067	1,154	13,116	43.6%
<b>TOTAL OPERATING</b>	<b>6,068,049</b>	<b>7,407,104</b>	<b>606,883</b>	<b>6,982,078</b>	<b>94.3%</b>
GRANT PROGRAM	92,341	114,700	8,241	90,240	78.7%
CAPITAL PROGRAM TRANSFER	0	797,036	0	797,036	100.0%
<b>TOTAL NON-OPERATING</b>	<b>92,341</b>	<b>911,736</b>	<b>8,241</b>	<b>887,276</b>	<b>97.3%</b>
<b>TOTAL EXPENDITURES</b>	<b>6,160,390</b>	<b>8,318,840</b>	<b>615,124</b>	<b>7,869,354</b>	<b>94.6%</b>
REVENUE OVER/(UNDER) EXPENDITURES	1,807,765	(867,787)	(125,913)	332,863	



**CITY OF CLEVELAND, TEXAS**

**DEBT SERVICE FUND**

**BALANCE SHEET**

**FOR THE MONTH ENDED SEPTEMBER 30, 2019**

**ASSETS**

OPERATING CASH	283,846
TAX NOTES 2015	19
PROPERTY TAXES RECEIVABLE	220,438
ALLOW. FOR UNCOLLECTIBLE TAXES	(13,000)
DUE FROM GENERAL FUND	<u>1,810</u>
<b>TOTAL ASSETS</b>	<b><u><u>493,113</u></u></b>

**LIABILITIES**

ACCOUNTS PAYABLE	3,500
DEFERRED REVENUE	<u>207,438</u>
<b>TOTAL LIABILITIES</b>	<b>210,938</b>

**EQUITY**

FUND BALANCE	<u>595,066</u>
TOTAL BEGINNING EQUITY	595,066
TOTAL REVENUE	1,019,498
TOTAL EXPENSES	<u>(1,332,389)</u>
TOTAL SURPLUS/(DEFICIT)	(312,891)
TOTAL EQUITY & SURPLUS/(DEFICIT)	282,175
<b>TOTAL LIABILITIES, EQUITY &amp; SURPLUS/DEFICIT</b>	<b><u><u>493,113</u></u></b>

CITY OF CLEVELAND, TEXAS

DEBT SERVICE FUND  
STATEMENT OF REVENUES & EXPENDITURES  
FOR THE MONTH ENDED SEPTEMBER 30, 2019

	PRIOR YEAR YEAR TO DATE	CURRENT BUDGET	MONTHLY ACTUAL	YEAR TO DATE ACTUAL	% BUDGET
<b>REVENUES</b>					
PROPERTY TAXES	886,698	872,078	6,171	896,166	102.8%
INTEREST	5,109	2,624	371	5,614	214.0%
<b>OPERATING REVENUES</b>	<b>891,806</b>	<b>874,702</b>	<b>6,542</b>	<b>901,781</b>	<b>103.1%</b>
NON-OPERATING	114,748	117,717	0	117,717	100.0%
<b>TOTAL REVENUES</b>	<b>1,006,554</b>	<b>992,419</b>	<b>6,542</b>	<b>1,019,498</b>	<b>102.7%</b>
<b>EXPENDITURES</b>					
TAX BOND RETIREMENT	1,145,000	830,000	335,000	1,165,000	140.4%
TAX BOND INTEREST	336,972	153,919	699	154,534	100.4%
FISCAL AGENT FEES	17,250	0	4,250	12,855	
<b>OPERATING EXPENDITURES</b>	<b>1,499,222</b>	<b>983,919</b>	<b>339,949</b>	<b>1,332,389</b>	<b>135.4%</b>
NON-OPERATING	0	0	0	0	
<b>TOTAL EXPENDITURES</b>	<b>1,499,222</b>	<b>983,919</b>	<b>339,949</b>	<b>1,332,389</b>	<b>135.4%</b>
REVENUE OVER/(UNDER) EXPENDITURES	(492,668)	8,500	(333,407)	(312,891)	
BEGINNING FUND BALANCE		595,066		585,724	
<b>ENDING FUND BALANCE</b>		<b>\$603,566</b>		<b>\$272,833</b>	
Total Reserve (%)		61%			
Reserve Requirement (25%)		245,980		245,980	
Unrestricted Balance: Excess/(Deficit)		357,586		26,853	

**CITY OF CLEVELAND, TEXAS**

**WATER & SEWER FUND**

**BALANCE SHEET**

**FOR THE MONTH ENDED SEPTEMBER 30, 2019**

**ASSETS**

CASH DRAWER	400
CASH-W&S OPER,	436,939
CASH-TWDB 2011 CONSTRUCTION	57
TEX POOL W&S	714,669
W & S MMA - PROSPERITY BANK	40,184
2012A BOND SERIES	5,687
BOND 2017- WATER	71,757
CDBG 080 SEWER REHAB II	33,997
AUDIT ACCRUALS	287,190
ACCOUNTS RECEIVABLE-ACTIVE	386,158
ALLOWANCE FOR DOUBTFUL ACCT	(103,417)
RETURNED CHECKS	383
DUE FROM CREDIT CARD COMPANY	3,925
RESERVE ACCOUNT- DEBT	192,744
LAND	70,758
LANDFILL	107,863
BUILDINGS	47,997
ACCUM. DEPR.-BUILDINGS	(30,312)
WATER SYSTEM	11,841,356
ACCUM. DEPR.-WATER SYSTEM	(3,688,211)
SEWER SYSTEM	15,466,858
SEWER REPAIRS	373,193
ACCUM. DEPR.-SEWER SYSTEM	(11,141,409)
EQUIPMENT AND FIXTURES	1,628,502
ACCUM. DEPR.-EQUIP. & FIXT.	(953,208)
WELL REHAB #2	2,329,036
DEFERRED OUTFLOWS-CONTRIBUTIONS	38,446
DEFERRED OUTFLOWS - OTHER PEN	14,348
DEFERRED OUTFLOWS OPEB CONTRI	396
DEFERRED OUTFLOWS-OTHER OPEB	2,097
<b>TOTAL ASSETS</b>	<b><u>18,178,384</u></b>

**LIABILITIES**

ACCOUNTS PAYABLE	64,450
SALARY PAYABLE	15,612
UNAPPLIED CREDITS	7,434
REFUNDS PAYABLE	1,556
REFUNDABLE DEPOSITS	289,952
INSURANCE WITHHELD	(3,104)
AFLAC/PPD LEGAL WITHHELD	101
MISCELLANEOUS WITHHOLDINGS	162
RETIREMENT WITHHELD	9,318
SALES TAX PAYABLE	1,874
ACCRUED EXPENSES-YE ADJ.	31,764
ACCRUED PAYROLL EXPENSE	15,109
ENCUMBRANCES	(43,372)
RESERVE FOR ENCUMBRANCES	43,372
ENCUMBRANCES FROM PRIOR YR	14,611
RESERVE FOR PRIOR YR ENCUM	(14,611)
DUE TO GENERAL FUND	3,177
ACCRUED INTEREST PAYABLE	10,320
2009 BONDS PAYABLE	360,000
2012 REVENUE BONDS PAYABLE	1,955,000
2011 REVENUE BONDS PAYABLE	1,660,000
PREMIUM ON 2012 ISSUE	69,853
NET PENSION LIABILITY	228,091
DEFERRED INFLOWS-OTHER PENSION	36,792
NET OPEB LIABILITY	36,870
<b>TOTAL LIABILITIES</b>	<b><u>4,794,331</u></b>

**EQUITY**

CONTRIBUTED CAPITAL	1,050,911
RETAINED EARNINGS	12,292,499
PRIOR PERIOD ADJUSTMENT	(31,941)
<b>TOTAL BEGINNING EQUITY</b>	<b><u>13,311,468</u></b>
TOTAL REVENUE	3,434,021
TOTAL EXPENSES	(3,361,436)
<b>TOTAL SURPLUS/(DEFICIT)</b>	<b><u>72,585</u></b>
<b>TOTAL EQUITY &amp; SURPLUS/(DEFICIT)</b>	<b>13,384,053</b>

<b>TOTAL LIABILITIES, EQUITY &amp; SURPLUS/DEFICIT</b>	<b><u>18,178,384</u></b>
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CITY OF CLEVELAND, TEXAS

WATER & SEWER FUND  
STATEMENT OF REVENUES & EXPENSES  
FOR THE MONTH ENDED SEPTEMBER 30, 2019

	PRIOR YEAR YEAR TO DATE	CURRENT BUDGET	MONTHLY ACTUAL	YEAR TO DATE ACTUAL	% BUDGET
<b>REVENUES</b>					
WATER CHARGES	1,478,031	1,485,250	(444)	1,464,524	98.6%
SEWER CHARGES	1,148,398	1,141,075	(117)	1,188,570	104.2%
WASTE WATER REVENUE-UTC	183,871	165,000	0	139,392	84.5%
OTHER SERVICE CHARGES	173,852	91,275	6,381	109,852	120.4%
INTEREST INCOME	38,509	32,131	526	30,301	94.3%
WATER FEES	99,558	108,739	15,656	193,457	177.9%
GARBAGE	239,925	245,540	(23,321)	264,043	107.5%
<b>TOTAL OPERATING</b>	<b>3,362,144</b>	<b>3,269,010</b>	<b>(1,320)</b>	<b>3,390,139</b>	<b>103.7%</b>
NON-OPERATING	(7,603)	350,000	0	43,882	
<b>TOTAL REVENUE</b>	<b>3,354,541</b>	<b>3,619,010</b>	<b>(1,320)</b>	<b>3,434,021</b>	<b>94.9%</b>
<b>EXPENSES</b>					
WATER ADMINISTRATION	630,070	375,751	36,593	348,209	92.7%
WATER PRODUCTION	1,262,053	801,783	90,801	890,415	111.1%
SEWER DEPARTMENT	799,810	739,766	55,483	796,049	107.6%
SANITATION DEPARTMENT	238,473	215,270	20,975	243,581	113.2%
<b>TOTAL OPERATING</b>	<b>2,930,407</b>	<b>2,132,570</b>	<b>203,851</b>	<b>2,278,253</b>	<b>106.8%</b>
FINANCIAL OBLIGATIONS	123,043	656,340	0	656,973	100.1%
CAPITAL PROGRAMS	400,000	375,000	0	375,000	100.0%
GRANT CAPITAL PROGRAMS	0	455,100	2,335	51,210	11.3%
TRANSFERS - GENERAL	700,000	0	0	0	
<b>TOTAL NON-OPERATING</b>	<b>1,223,043</b>	<b>1,486,440</b>	<b>2,335</b>	<b>1,083,183</b>	<b>72.9%</b>
<b>TOTAL EXPENSES</b>	<b>4,153,450</b>	<b>3,619,010</b>	<b>206,186</b>	<b>3,361,436</b>	<b>92.9%</b>
REVENUE OVER/(UNDER) EXPENDITURES	(798,909)	0	(207,506)	72,585	
Fund Balance - Beginning		13,311,468		14,139,018	
<b>Cash Balance - Beginning*</b>		<b>1,052,934</b>		<b>1,052,934</b>	
Fund Balance - Ending		\$13,311,468		\$14,211,603	
<b>Cash Balance - Ending</b>		<b>\$1,052,934</b>		<b>\$1,125,518</b>	
Reserve Requirement (25%)		729,753		729,753	
Cash (\$) over Operating Requirement:		323,181		395,766	

**CITY OF CLEVELAND, TEXAS**  
**CAPITAL EQUIPMENT FUND**  
**BALANCE SHEET**  
**FOR THE MONTH ENDED SEPTEMBER 30, 2019**

**ASSETS**

CASH	171,031
<b>TOTAL ASSETS</b>	<b><u>171,030</u></b>

**LIABILITIES**

ENCUMBRANCE ACCOUNT	144,852
RESERVE FOR ENC. ACCOUNT	(144,852)
NOTE PAYABLE	11,207
DUE TO GF	18,552
<b>TOTAL LIABILITIES</b>	<b><u>29,759</u></b>

**EQUITY**

RETAINED EARNINGS	173,664
<b>TOTAL BEGINNING EQUITY</b>	<b><u>173,664</u></b>
TOTAL REVENUE	182,059
TOTAL EXPENSES	(214,452)
<b>TOTAL SURPLUS/(DEFICIT)</b>	<b><u>(32,393)</u></b>
<b>TOTAL EQUITY &amp; SURPLUS/(DEFICIT)</b>	<b>141,272</b>
<b>TOTAL LIABILITIES, EQUITY &amp; SURPLUS/DEFICIT</b>	<b><u>171,030</u></b>

CITY OF CLEVELAND, TEXAS

**WATER & SEWER CAPITAL EQUIPMENT  
STATEMENT OF REVENUES & EXPENSES  
FOR THE MONTH ENDED SEPTEMBER 30, 2019**

	PRIOR YEAR YEAR TO DATE	CURRENT BUDGET	MONTHLY ACTUAL	YEAR TO DATE ACTUAL	% BUDGET
<b>REVENUES</b>					
WATER & SEWER RATE	199,858	202,000	16,882	201,024	99.5%
INTEREST / OTHER REVENUE	2,219	2,376	129	1,522	64.1%
<b>TOTAL OPERATING</b>	<b>202,077</b>	<b>204,376</b>	<b>17,011</b>	<b>202,546</b>	<b>99.1%</b>
NON-OPERATING REVENUE	(99,099)	0	0	(20,487)	
<b>TOTAL REVENUE</b>	<b>102,978</b>	<b>204,376</b>	<b>17,011</b>	<b>182,059</b>	<b>89.1%</b>
<b>EXPENSES</b>					
CAPITAL PURCHASES	78,093	95,787	0	85,449	89.2%
<b>TOTAL OPERATING</b>	<b>78,093</b>	<b>95,787</b>	<b>0</b>	<b>85,449</b>	<b>89.2%</b>
FINANCIAL OBLIGATIONS	963	129,076	0	129,003	99.9%
<b>TOTAL EXPENSES</b>	<b>79,056</b>	<b>224,863</b>	<b>0</b>	<b>214,452</b>	<b>95.4%</b>
REVENUE OVER/(UNDER) EXPENDITURES	23,922	(20,487)	17,011	(32,393)	

**CITY OF CLEVELAND, TEXAS**  
**HOTEL / MOTEL FUND**  
**BALANCE SHEET**  
**FOR THE MONTH ENDED SEPTEMBER 30, 2019**

<b><u>ASSETS</u></b>	
OPERATING CASH	417,166
PETTY CASH	200
ACCOUNTS RECEIVABLE - HOTELS	17,686
<b>TOTAL ASSETS</b>	<b><u>\$ 435,052</u></b>
<b><u>LIABILITIES</u></b>	
ACCOUNTS PAYABLE	350
ACCRUED ACCOUNTS PAYABLE	3,800
INSURANCE WITHHELD	(34)
AFLAC/PPD LEGAL	(48)
MISCELLANEOUS WITHHOLD	8
RETIREMENT WITHHELD	739
WAGES PAYABLE	1,394
ENCUMBRANCES	(5,408)
RESERVE FOR ENCUMBRANCES	5,408
ENCUMBRANCES FROM PRIOR YR	5,058
RESERVE FOR PRIOR YR ENCUM	(5,058)
DUE TO GENERAL FUND	51
<b>TOTAL LIABILITIES</b>	<b><u>6,260</u></b>
<b><u>EQUITY</u></b>	
FUND BALANCE	523,032
<b>TOTAL BEGINNING EQUITY</b>	<b><u>523,032</u></b>
TOTAL REVENUE	257,596
TOTAL EXPENSES	(351,836)
<b>TOTAL SURPLUS/(DEFICIT)</b>	<b><u>(94,241)</u></b>
<b>TOTAL EQUITY &amp; SURPLUS/(DEFICIT)</b>	<b>428,792</b>
<b>TOTAL LIABILITIES, EQUITY &amp; SURPLUS/DEFICIT</b>	<b><u>\$ 435,052</u></b>

CITY OF CLEVELAND, TEXAS

HOTEL OCCUPANCY TAX FUND  
 STATEMENT OF REVENUES & EXPENDITURES  
 FOR THE MONTH ENDED SEPTEMBER 30, 2019

	PRIOR YEAR YEAR TO DATE	CURRENT BUDGET	MONTHLY ACTUAL	YEAR TO DATE ACTUAL	% BUDGET
<b>REVENUES</b>					
HOTEL/MOTEL REVENUE	228,130	223,500	31,221	253,823	113.6%
INTEREST	4,078	4,500	260	3,772	83.8%
<b>TOTAL REVENUES</b>	<b>232,207</b>	<b>228,000</b>	<b>31,480</b>	<b>257,596</b>	<b>113.0%</b>
<b>EXPENDITURES</b>					
HOTEL / MOTEL	39,718	45,500	15,012	30,300	66.6%
CONVENTION & VISITORS BUREAU	230,090	345,164	12,671	321,536	93.2%
<b>TOTAL EXPENDITURES</b>	<b>269,808</b>	<b>390,664</b>	<b>27,682</b>	<b>351,836</b>	<b>90.1%</b>
REVENUE OVER/(UNDER) EXPENDITURES	(37,600)	(162,664)	3,798	(94,241)	
<b>BEGINNING FUND BALANCE</b>		<b>523,032</b>		<b>523,032</b>	
<b>ENDING FUND BALANCE</b>		<b>360,368</b>		<b>428,792</b>	
<i>Total Retained (%)</i>		92%		110%	
<i>90 day Operating Requirement</i>		97,666		97,666	
<i>Funds over Operating Requirement</i>		262,702		331,126	



**CLEVELAND ECONOMIC DEVELOPMENT CORPORATION**

**EDC FUND**

**BALANCE SHEET**

**FOR THE MONTH ENDED SEPTEMBER 30, 2019**

**ASSETS**

OPERATING CASH	600,022
MMA-PROSPERITY	748,066
SPORTS & RECREATIONAL FACILITY	1,056
RESERVE-PROSPERITY	226,321
TEXPOOL	308,035
CIP WATER FACILITY	90,592
LAND ACQ AIRPT IND PARK SOUTH	387,099
LAND ACQ AIRPT IND PARK NORTH	264,324
LAND ACQ FM 1010 IND PARK	117,675
LAND ACQ - REC PARK HWY 321	180,853
<b>TOTAL ASSETS</b>	<b><u><u>\$2,924,042</u></u></b>

**LIABILITIES**

N/P FB&T-LAND	59,582
DUE TO PRIMARY GOVERNMENT	<u>366,105</u>
<b>TOTAL LIABILITIES</b>	<b>425,687</b>

**EQUITY**

FUND BALANCE	<u>1,787,987</u>
<b>TOTAL BEGINNING EQUITY</b>	<b>1,787,987</b>
TOTAL REVENUE	1,328,369
TOTAL EXPENSES	<u>(618,001)</u>
<b>TOTAL SURPLUS/(DEFICIT)</b>	<b>710,369</b>
<b>TOTAL EQUITY &amp; SURPLUS/(DEFICIT)</b>	<b>2,498,355</b>
<b>TOTAL LIABILITIES, EQUITY &amp; SURPLUS/DEFICIT</b>	<b><u><u>\$2,924,042</u></u></b>

CLEVELAND ECONOMIC DEVELOPMENT CORPORATION

STATEMENT OF REVENUES & EXPENDITURES  
FOR THE MONTH ENDED SEPTEMBER 30, 2019

	PRIOR YTD	CURRENT BUDGET	MONTHLY ACTUAL	YTD ACTUAL	% BUDGET
<b>REVENUES</b>					
Sales Taxes	578,307	672,360	59,531	774,621	115.2%
Other Income	2	88	0	0	0.0%
Interest Revenue	9,712	9,600	1,212	17,112	178.3%
Sports Park	1,860	3,500	0	730	20.9%
<b>Operating Revenues</b>	<b>\$589,882</b>	<b>\$685,548</b>	<b>\$60,743</b>	<b>\$792,463</b>	<b>115.6%</b>
Sale of Assets	313,593	0	0	535,906	
<b>Non-Operating Revenues</b>	<b>313,593</b>	<b>0</b>	<b>0</b>	<b>535,906</b>	
<b>Total Revenues</b>	<b>\$903,475</b>	<b>\$685,548</b>	<b>\$60,743</b>	<b>\$1,328,369</b>	<b>193.8%</b>
Professional Services	63,403	50,200	7,433	114,304	227.7%
Property Services	60,119	80,000	2,124	70,900	88.6%
Other Services	8,671	21,800	2,465	30,704	140.8%
Supplies	47	500	0	274	54.7%
Infrastructure	8,651	189,738	386	85,622	45.1%
Community/Incentives	31,834	45,000	0	17,887	39.7%
<b>Total Operating Expenses</b>	<b>\$172,727</b>	<b>\$387,238</b>	<b>\$12,408</b>	<b>\$319,691</b>	<b>82.6%</b>
Transfer Out	919,780	40,000	0	40,000	100.0%
Financial Obligations	4,381	258,310	4,392	258,309	100.0%
<b>Total Non-Operating Expenses</b>	<b>924,161</b>	<b>298,310</b>	<b>4,392</b>	<b>298,309</b>	<b>100.0%</b>
<b>Total Expenses</b>	<b>\$1,096,888</b>	<b>\$685,548</b>	<b>\$16,800</b>	<b>\$618,000</b>	<b>90.1%</b>
<i>Revenues Over Expenses (Total)</i>	<i>(193,413)</i>		<i>43,944</i>	<i>710,369</i>	
Net Position - Beginning		1,787,987		1,787,987	
<b>Cash Balance - Beginning</b>		<b>1,165,207</b>		<b>1,165,207</b>	
Net Position - Ending		\$1,787,987		\$2,498,356	
<b>Cash Balance - Ending</b>		<b>\$1,165,207</b>		<b>\$1,875,576</b>	
Total Retained Cash (%)		170%			
Reserve Requirement (25%)		171,387		171,387	
Additional Coverage: Annual Debt		257,234		257,234	
Cash (\$) over Operating Requirement:		736,585		1,446,954	

**CITY OF CLEVELAND, TEXAS**  
**SPECIAL REVENUE FUND 900 - POLICE**  
**BALANCE SHEET**  
**FOR THE MONTH ENDED SEPTEMBER 30, 2019**

**ASSETS**

MONEY SEIZURE	101,531
RLC PROGRAM - CURRENT	38
RED LIGHT CAMERA - PROJECT	1,005
<b>TOTAL ASSETS</b>	<b><u>102,574</u></b>

**LIABILITIES**

LEOSE TRAINING	(600)
FICA PAYABLE	0
UNREWARDED SEIZURES	21,308
<b>TOTAL LIABILITIES</b>	<b><u>20,708</u></b>

**EQUITY**

FUND BALANCE	67,096
FUND BALANCE -RLC	42,760
RESERVED FUND BALANCE-RLC PROJ	35,477
<b>TOTAL BEGINNING EQUITY</b>	<b><u>145,333</u></b>

TOTAL REVENUE	2,290
TOTAL EXPENSES	(65,758)
<b>TOTAL SURPLUS/(DEFICIT)</b>	<b><u>(63,467)</u></b>

**TOTAL EQUITY & SURPLUS/(DEFICIT)** 81,866

**TOTAL LIABILITIES, EQUITY & SURPLUS/DEFICIT** **102,574**