



CARROLLTON
T E X A S

**SUMMARY FINANCIAL STATEMENTS
BUDGET BASIS**

FISCAL YEAR 2018

AS OF MARCH 31, 2018

Year to Date October 1, 2017 to March 31, 2018

YTD % - 50.00%

General Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:						
Taxes and franchise fees	\$ 93,787,522	\$ -	\$ 93,787,522	\$ 46,893,761	\$ 66,870,109	71.30%
Other	14,403,238	-	14,403,238	7,201,619	7,218,226	50.12%
Transfers in from :						
Utility Fund for						
Paymt in lieu of taxes	2,564,892	-	2,564,892	1,282,446	1,282,446	50.00%
Utility Loan Repayment	335,025	-	335,025	167,513	91,371	27.27%
Expenditures	(97,156,485)	-	(97,156,485)	(48,578,243)	(46,406,272)	47.76%
Transfers out and Non-operating uses:						
Rate Review	(25,000)	-	(25,000)	(12,500)	-	0.00%
Hotel/Motel Tax Subsidy	(155,000)	-	(155,000)	(77,500)	-	0.00%
Utility Fund Loan	(2,915,000)	-	(2,915,000)	(1,457,500)	(2,915,000)	100.00%
Public Safety 1-time costs	(314,270)	-	(314,270)	(157,135)	(314,270)	
1-time Comp adj.	(287,500)	-	(287,500)	(143,750)	(287,500)	
Economic Development Incentives	(314,000)	-	(314,000)	(157,000)	-	0.00%
Capital Projects	(9,923,422)	-	(9,923,422)	(4,961,711)	-	0.00%
Net increase (decrease)	-	-	-	-	25,539,110	
Beg. Working Capital	16,213,395	1,772,023	17,985,418		17,985,418	
End Working Capital	<u>\$ 16,213,395</u>	<u>\$ 1,772,023</u>	<u>\$ 17,985,418</u>		<u>\$ 43,524,528</u>	

Overview - Revenues and Transfers In

Revenues and Transfers In are projected to end the year approximately \$1.7million **over** the original budget primarily due to projected overages in sales tax \$1.3 million, ad valorem tax \$345K, franchise fees \$280K, licenses and permits \$295K, and investment income \$220K offset by deficits in and fines and forfeitures (\$784K).

Year to date, sales tax receipts are 5.2% over the original budget and 6.9% over prior years' actual. Sales tax receipts summary:

	<u>Current Month</u>	<u>Year to Date</u>
Original Budget	\$2,700,300	\$18,270,321
Actual – Current Year	\$3,017,073	\$19,226,310
Actual – Prior Year	\$2,826,665	\$17,991,473

As per the financial policy adopted by Council in 2013, the fiscal year 2018 sales taxes revenue for recurring uses is capped at \$25,547,186. Sales taxes revenue in excess of that amount will be transferred to capital projects funds for non-recurring one-time uses. This transfer will be made at year-end when the final sales tax amount is available. Sales tax is currently projected to end the year at \$13,437,577 over the capped amount.

Overview - Expenditures and Transfers Out

Fiscal year-to-date expenditures are below target due to the timing of some expenditures. Transfers out are made when the receiving funds have need for the funding or at the end of the year.

Overview - Budget Adjustments

The increase in Budgeted Beginning Working Capital is due to better-than-budget actual results from Fiscal Year 2017.

Overview - Fund Balance

Amended Budgetary Fund Balance is budgeted to end the year at \$17,985,418, which represents 67 days of budgeted recurring expenditures and transfers out. The City's financial standards call for a minimum of 60 days ending fund balance.

Year to Date October 1, 2017 to March 31, 2018

YTD % - 50.00%

Water and Sewer Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:						
Sales and Charges	\$ 43,534,586	\$ -	\$ 43,534,586	\$ 21,767,293	\$ 17,758,008	40.79%
Other	1,376,750	-	1,376,750	688,375	770,507	55.97%
Transfers in from :						
Loan from General Fund	2,915,000		2,915,000	1,457,500	2,915,000	
Expenditures	(38,646,289)	-	(38,646,289)	(19,323,145)	(17,501,872)	45.29%
Transfers out and Non-operating uses:						
General Fund for						
Paymt in lieu of taxes	(2,564,892)	-	(2,564,892)	(1,282,446)	(1,282,446)	50.00%
Debt Service	(1,531,271)	-	(1,531,271)	(765,636)	(879,859)	57.46%
Debt Redemption	(4,915,000)		(4,915,000)	(2,457,500)	(4,915,000)	
Capital Projects	(900,000)	-	(900,000)	(450,000)	-	0.00%
Net increase (decrease)	(731,116)	-	(731,116)	(365,559)	(3,135,662)	
Beg. Working Capital	11,270,351	(643,936)	10,626,415		10,626,415	
End Working Capital	<u>\$ 10,539,235</u>	<u>\$ (643,936)</u>	<u>\$ 9,895,299</u>		<u>\$ 7,490,753</u>	

	Rain Fall	Rain Days	Av Hgh Tmp.	Billed (000 gal)	Received (000 gal)	Unacc'ted Water	Daily Per Capita (gals)
MARCH-CY	2.9	5	75	360,425	393,182	8.33%	97
MARCH-PY	1.1	5	77	401,753	414,822	3.15%	105
YTD-CY	22.6	35	102	2,909,346	3,134,807	7.19%	
YTD-PY	13.6	151	94	12,963,641	13,462,812	3.71%	

Unaccounted for water for the past 12 months was 6.01%

Overview - Revenues

Fiscal year-to-date sales and charges revenues are under target due to seasonality of revenues. Original budgeted revenues include a 12.1% rate increase effective January 1, 2018. Actual rate increase adopted is an average 12% effective March 1, 2018.

Overview - Expenditures and Transfers Out

Fiscal year-to-date expenditures are below target due to the timing of some expenditures. Expenditures are expected to end Fiscal Year 2018 \$880,000 under budget due to the DWU settlement with Sabine River Authority. Some transfers out are made when the receiving funds have need for the funding or at the end of the year.

Overview - Budget Adjustments

The decrease in Budgeted Beginning Working Capital is due to actual results for Fiscal Year 2017 being less than the mid-year re-estimates calculated during preparation of the Fiscal Year 2018 Budget.

Overview - Fund Balance

Amended Budgetary Fund Balance is budgeted to end the year at \$9,895,299, which represents 85 days of budgeted recurring expenditures and transfers out. The City's financial standards call for a minimum of 90 days ending fund balance. This shortfall is due to actual results for Fiscal Year 2017 being less than the mid-year re-estimates calculated during preparation of the Fiscal Year 2018 Budget. It is currently projected that the fund balance will be at 90 days or better at the end of Fiscal Year 2018.

Year to Date October 1, 2017 to March 31, 2018

YTD % - 50.00%

Golf Course Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues	\$ 871,727	\$ -	\$ 871,727	\$ 435,864	\$ 273,755	31.40%
Expenditures	(590,854)	-	(590,854)	(295,427)	(325,659)	55.12%
Transfers out to:						
Capital Projects	(280,873)	-	(280,873)	(140,437)	-	0.00%
Net increase (decrease)	-	-	-	-	(51,904)	
Beg. Working Capital	-	-	-		-	
End Working Capital	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ (51,904)</u>	

	Paid Rounds of Golf	
	Outings	Total
MARCH-CY	598	5,051
MARCH-PY	578	4,460
YTD-CY	598	24,801
YTD-PY	1,420	21,416

Overview – Revenues and Transfers in

Under the contract signed with Orion Golf, the City receives 23% of gross revenues. Fiscal year-to-date revenues are under target due to seasonality of revenues. Additionally, the course was closed due to flooding for 16 days in February and March. Revenues include an accrual for contractor payments for January through March activity totaling \$106,106 which have not yet been received. City staff is currently in negotiations with the contractor for a possible reduction in these payments due to the flooding.

Overview - Expenditures and Transfers Out

Fiscal year-to-date expenditures are above target as the City has covered several non-recurring replacements for kitchen and miscellaneous small equipment at the course. Capital transfers out are made when the capital fund has need for the funding or at the end of the year. Expenditures are net of an accrual for contractor reimbursements for January through March activity totaling \$58,227 which have not yet been received.

Overview - Budget Adjustments

None.

Overview - Fund Balance

Amended Budgetary Fund Balance is budgeted to end the year at zero.

Year to Date October 1, 2017 to March 31, 2018

YTD % - 50.00%

Solid Waste Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues	\$ 10,265,616	\$ -	\$ 10,265,616	\$ 5,132,808	\$ 5,133,611	50.01%
Expenditures	(8,952,372)	-	(8,952,372)	(4,476,186)	(4,450,252)	49.71%
Transfers out to:						
Capital Projects	(1,313,244)	-	(1,313,244)	(656,622)	-	0.00%
Net increase (decrease)	-	-	-	-	683,359	
Beg. Working Capital	400,000	30,398	430,398		430,398	
End Working Capital	<u>\$ 400,000</u>	<u>\$ 30,398</u>	<u>\$ 430,398</u>		<u>\$ 1,113,757</u>	

Overview – Revenues

Total fiscal year-to-date revenues are just slightly over target.

Overview - Expenditures and Transfers Out

Fiscal year-to-date expenditures are just slightly below target. Transfers out will be made at the end of the year.

Overview - Budget Adjustments

The increase in Budgeted Beginning Working Capital is due to better-than-budget actual results from Fiscal Year 2017.

Overview - Fund Balance

Amended Budgetary Fund Balance is budgeted to end the year at \$400,000. The City's financial standards call for a Fund Balance target of \$200,000.

Year to Date October 1, 2017 to March 31, 2018

YTD % - 50.00%

Other Operating Funds

Information on the other operating funds of the City (Risk, Fleet, Administrative Services, Employee Health and Disability, Hotel/Motel and Debt Service) is provided on an exception only basis. All other operating funds are on target with budget.

Risk Management Fund – Fund balance for the Risk Management Fund is currently \$3,426,589 which exceeds the City’s financial standard of one year of claims net of recoveries.

Fleet Services Fund – The current fund balance is \$777,011, well in excess of the financial standard of break-even.

Employee Health and Disability Fund – Year-to-date the Employee Health and Disability Fund has a net loss of \$2,130,142. The Fund has a current fund balance with a deficit of \$868,732. This fund balance is net of the liability for estimated outstanding claims of \$1,300,000 and the liability for other post-employment benefits (OPEB – Retiree Health) of \$2,032,574. The current cash balance is \$2,456,862.