



**CARROLLTON**  
T E X A S

**SUMMARY FINANCIAL STATEMENTS  
BUDGET BASIS**

**FISCAL YEAR 2018**

**AS OF MAY 31, 2018**

**Year to Date October 1, 2017 to May 31, 2018**

**YTD % - 66.67%**

**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	\$ 62,525,015	\$ 77,375,233	82.50%
Other	14,403,238	-	14,403,238	9,602,159	9,949,402	69.08%
Transfers in from :						
Utility Fund for						
Paymt in lieu of taxes	2,564,892	-	2,564,892	1,709,928	1,709,928	66.67%
Utility Loan Repayment	335,025	-	335,025	223,350	152,284	45.45%
Expenditures	(97,156,485)	-	(97,156,485)	(64,770,990)	(62,573,336)	64.40%
Transfers out and Non-operating uses:						
Rate Review	(25,000)	-	(25,000)	(16,667)	-	0.00%
Hotel/Motel Tax Subsidy	(155,000)	-	(155,000)	(103,333)	-	0.00%
Utility Fund Loan	(2,915,000)	-	(2,915,000)	(1,943,333)	(2,915,000)	100.00%
Public Safety 1-time costs	(314,270)	-	(314,270)	(209,513)	(314,270)	
1-time Comp adj.	(287,500)	-	(287,500)	(191,667)	(287,500)	
Economic Development Incentives	(314,000)	-	(314,000)	(209,333)	-	0.00%
Capital Projects	(9,923,422)	-	(9,923,422)	(6,615,615)	-	0.00%
Net increase (decrease)	-	-	-	1	23,096,741	
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>\$ 41,082,159</u>	

**Overview - Revenues and Transfers In**

Revenues and Transfers In are projected to end the year approximately \$3.6 million **over** the original budget primarily due to projected overages in sales tax \$2.4 million, ad valorem tax \$229K, franchise fees \$622K, licenses and permits \$575K, and investment income \$320K offset by deficits in and fines and forfeitures (\$636K).

Year to date, sales tax receipts are 7.1% over the original budget and 9.64% over prior years' actual. Sales tax receipts summary:

	<u>Current Month</u>	<u>Year to Date</u>
Original Budget	\$2,983,101	\$24,643,387
Actual – Current Year	\$3,348,634	\$26,397,935
Actual – Prior Year	\$2,747,321	\$24,076,673

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 \$14,498,613 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 May 31, 2018**

**YTD % - 66.67%**

**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	\$ 29,023,057	\$ 24,327,448	55.88%
Other	1,376,750	-	1,376,750	917,833	1,047,628	76.09%
Transfers in from :						
Loan from General Fund	2,915,000		2,915,000	1,943,333	2,915,000	100.00%
Expenditures	(38,646,289)	-	(38,646,289)	(25,764,193)	(23,491,689)	60.79%
Transfers out and						
Non-operating uses:						
General Fund for						
Paymt in lieu of taxes	(2,564,892)	-	(2,564,892)	(1,709,928)	(1,709,928)	66.67%
Debt Service	(1,531,271)	-	(1,531,271)	(1,020,847)	(1,161,331)	75.84%
Debt Redemption	(4,915,000)		(4,915,000)	(3,276,667)	(4,915,000)	100.00%
Capital Projects	(900,000)	-	(900,000)	(600,000)	-	0.00%
Net increase (decrease)	(731,116)	-	(731,116)	(487,412)	(2,987,872)	
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>\$ 7,638,543</u>	

	Rain Fall	Rain Days	Av Hgh Tmp.	Billed (000 gal)	Received (000 gal)	Unacc'ted Water	Daily Per Capita (gals)
MAY-CY	2.0	5	79	522,804	613,341	14.76%	151
MAY-PY	0.7	8	86	506,889	576,855	12.13%	145
YTD-CY	25.3	45	70	3,873,195	4,267,158	9.23%	
YTD-PY	14.4	49	74	3,894,892	4,325,645	9.96%	

Unaccounted for water for the past 12 months was 7.19%

**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 May 31, 2018**

**YTD % - 66.67%**

**Golf Course Fund**

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues	\$ 871,727	\$ -	\$ 871,727	\$ 581,151	\$ 359,908	41.29%
Expenditures	(590,854)	-	(590,854)	(393,903)	(497,501)	84.20%
Transfers out to:						
Capital Projects	(280,873)		(280,873)	(187,249)	-	0.00%
Net increase (decrease)	-	-	-	(1)	(137,593)	
Beg. Working Capital	-	-	-		-	
End Working Capital	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ (137,593)</u>	

	Paid Rounds of Golf	
	Outings	Total
MAY-CY	1,000	6,352
MAY-PY	1,032	7,140
YTD-CY	5,136	37,337
YTD-PY	3,227	33,731

**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. Due to this flooding, the City has agreed to waive the City's 23% share for revenue of revenue for January to March 2018, defer payment for cart and equipment lease until August 2018, and defer payment for other expense reimbursements until June 2018. Orion Golf is working on updated revenue projections.

**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 May activity totaling \$154,097 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 May 31, 2018**

**YTD % - 66.67%**

**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	\$ 6,843,744	\$ 6,847,396	66.70%
Expenditures	(8,952,372)	-	(8,952,372)	(5,968,248)	(5,932,386)	66.27%
Transfers out to:						
Capital Projects	(1,313,244)	-	(1,313,244)	(875,496)	-	0.00%
Net increase (decrease)	-	-	-	-	915,010	
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>\$ 1,345,408</u>	

**Overview – Revenues**

Total fiscal year-to-date revenues are right on 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 May 31, 2018**

**YTD % - 66.67%**

**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 \$3,666,393 which exceeds the City’s financial standard of one year of claims net of recoveries.

**Fleet Services Fund** – The current fund balance is \$890,277, 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 \$1,820,346. The Fund has a current fund balance with a deficit of \$558,937. 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 \$2,881,669.