CARROLLTON
TEXAS

SUMMARY FINANCIAL STATEMENTS
BUDGET BASIS

FISCAL YEAR 2017

AS OF JULY 31, 2017

Year to Date October 1, 2016 to July 31, 2017
YTD % - 83.33%
General Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:						
Taxes and franchise fees	$ 88,229,265	$ 2,242,557	$ 90,471,822	$ 75,393,185	$ 80,044,112	88.47%
Other	15,515,848	(1,321,983)	14,193,865	11,828,221	11,811,592	83.22%
Transfers in from :						
Utility Fund for Paymt in lieu of taxes	2,539,497	-	2,539,497	2,116,248	2,116,248	83.33%
Golf Loan Repayment	373,661	-	373,661	311,384	339,693	90.91%
Expenditures	(94,212,979)	2,398,062	(91,814,917)	(76,512,431)	(75,191,215)	81.89%
Transfers out to:						
Rate Review	(25,000)	-	(25,000)	(20,833)	-	0.00%
Hotel/Motel Tax Subsidy	(195,000)	31,590	(163,410)	(136,175)	-	0.00%
Golf Course Subsidy	(962,128)	236,054	(726,074)	(605,062)	-	0.00%
Economic Development Incentives	-	(190,937)	(190,937)	(159,114)	-	0.00%
Capital Projects/Fleet	(11,263,164)	(5,419,877)	(16,683,041)	(13,902,534)	-	0.00%
Net increase (decrease)	-	(2,024,534)	(2,024,534)	(1,687,111)	19,120,430	
Beg. Working Capital	14,999,670	3,259,466	18,259,136		18,259,136	
End Working Capital	$ 14,999,670	$ 1,234,932	$ 16,234,602		$ 37,379,566	

Overview - Revenues and Transfers In

Revenues and Transfers In are projected to end the year approximately $672 million **over** the original budget primarily due to projected overages in sales tax $1,170K, ad valorem tax $499K, franchise fees $249K, charges for services $258k, and investment income $222K offset by deficits in licenses and permits ($514K), and fines and forfeitures ($1,111K).

Year to date, sales tax receipts are 3.7% over the original budget and 6.3% over prior years' actual. Sales tax receipts summary:

	Current Month	Year to Date
Original Budget	$3,465,938	$29,552,895
Actual – Current Year	$3,511,547	$30,650,484
Actual – Prior Year	$3,207,316	$28,835,535

In February 2013, Council approved a new financial standard that sales tax in excess of the Fiscal Year 2013 Budget and adjusted annually for inflation ($25,046,261 for fiscal year 2017) 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 $11,746,570 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 2016. Other changes were from a budget adjustment adopted March 7, 2017 and the mid-year re-estimates calculated during preparation of the Fiscal Year 2018 Preliminary Budget.

Overview - Fund Balance

Amended Budgetary Fund Balance is budgeted to end the year at $16,234,602, which represents 63 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, 2016 to July 31, 2017
YTD % - 83.33%
Water and Sewer Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:						
Sales and Charges	$ 37,867,527	$ 1,582,473	$ 39,450,000	$ 32,875,000	$ 30,467,165	77.23%
Other	1,195,820	459,180	1,655,000	1,379,167	1,414,629	85.48%
Expenditures	(33,246,613)	(1,056,651)	(34,303,264)	(28,586,053)	(27,100,573)	79.00%
Transfers out to:						
General Fund for						
Paymt in lieu of taxes	(2,539,497)	-	(2,539,497)	(2,116,248)	(2,116,248)	83.33%
Debt Service	(1,795,351)	121,475	(1,673,876)	(1,394,897)	(1,486,900)	88.83%
Capital Projects	(2,900,000)	-	(2,900,000)	(2,416,667)	-	0.00%
Net increase (decrease)	(1,418,114)	1,106,477	(311,637)	(259,698)	1,178,073	
Beg. Working Capital	10,684,776	897,212	11,581,988		11,581,988	
End Working Capital	$ 9,266,662	$ 2,003,689	$ 11,270,351		$ 12,760,061	

	Rain Fall	Rain Days	Av Hgh Tmp.	Billed (000 gal)	Received (000 gal)	Unacc'ted Water	Daily Per Capita (gals)
JULY-CY	4.1	8	96	652,583	660,892	1.26%	167
JULY-PY	3.9	6	97	721,799	791,282	8.78%	204
YTD-CY	27.0	66	78	5,205,376	5,686,131	8.45%	
YTD-PY	47.8	77	75	5,193,707	5,540,397	6.26%	

Unaccounted for water for the past 12 months was 8.82%

Overview - Revenues

Fiscal year-to-date sales and charges revenues are under target due to seasonality of revenues. Original budgeted revenues include a 3.5% rate increase effective January 1, 2017. Subsequent to budget adoption, Council adopted a 4% rate increase effective February 1, 2017.

Overview - Expenditures and Transfers Out

Fiscal year-to-date expenditures are below target due to the timing of some expenditures. 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 increase in Budgeted Beginning Working Capital is due to better-than-budget actual results from Fiscal Year 2016 and the mid-year re-estimates calculated during preparation of the Fiscal Year 2018 Preliminary Budget.

Overview - Fund Balance

Amended Budgetary Fund Balance is budgeted to end the year at $11,270,351, which represents 107 days of budgeted recurring expenditures and transfers out. The City's financial standards call for a minimum of 90 days ending fund balance.

Year to Date October 1, 2016 to July 31, 2017
YTD % - 83.33%
Golf Course Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues	$ 1,092,850	$ 63,831	$ 1,156,681	$ 963,901	$ 979,372	84.67%
Transfers in from :						
General Fund	962,128	(236,054)	726,074	605,062	-	0.00%
Expenditures	(1,202,478)	(13,263)	(1,215,741)	(1,013,118)	(1,090,331)	89.68%
Transfers out to:						
Capital Projects	(478,839)		(375,567)	(312,973)	-	0.00%
Debt Service	(373,661)	-	(373,661)	(311,384)	(339,692)	90.91%
Net increase (decrease)	-	(185,486)	(82,214)	(68,512)	(450,651)	
Beg. Working Capital	-	82,214	82,214		82,214	
End Working Capital	$ -	$ (103,272)	$ -		$ (368,437)	

	Paid Rounds of Golf	
	Outings	Total
JULY-CY	562	7,914
JULY-PY	261	3,625
YTD-CY	4,331	48,070
YTD-PY	624	12,147

Overview – Revenues and Transfers in

After the course was flooded in 2015, the City contracted with Arcis Golf to maintain the course. Under this contract, the City received 100% of revenue and was responsible for all expenses plus a management fee. The Fiscal Year 2017 Budget assumed that effective January 1, 2017, the City would enter into a new management contract similar to what was in place before the flood. Under the prior management contract, the City received 28% of revenues net of cost of goods sold and the contractor was responsible for most maintenance costs. Thus, as the Budget is based on the City receiving 100% of revenues for the first three months and 28% of net revenues for the next nine months, fiscal year-to-date actual revenues are ahead of the target based on the percentage of the year elapsed.

Under the contract signed with Orion Golf effective January 1, 2017, the City receives 23% of gross revenues. It is hoped that with improved revenue and City's percentage being applied to gross revenues rather than revenues net of cost of goods sold, the City's share of revenue under this contract will be comparable with the prior contract.

Overview - Expenditures and Transfers Out

Fiscal year-to-date expenditures are above target as the City was responsible for all expenses for the first three months while the Budget is based on a contractor taking over responsibility for the maintenance expenses starting January 1, 2017. 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 increase in Budgeted Beginning Working Capital is due to better-than-budget actual results from Fiscal Year 2016 and the mid-year re-estimates calculated during preparation of the Fiscal Year 2018 Preliminary Budget.

Overview - Fund Balance

The current operating fund balance is a negative $368,437. A subsidy from the General Fund will be needed and is currently projected at $726,074 for FY 2017. The target fund balance is 50% of debt service or $186,831. However, due to the current situation, the fund balance will be subsidized only to breakeven.

Year to Date October 1, 2016 to July 31, 2017
YTD % - 83.33%
Solid Waste Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues	$ 9,874,756	$ (28,881)	$ 9,845,875	$ 8,204,896	$ 8,231,832	83.61%
Expenditures	(8,518,205)	(120,865)	(8,639,070)	(7,199,225)	(7,172,112)	83.02%
Transfers out to:						
Capital Projects	(1,356,551)	157,805	(1,198,746)	(998,955)	-	0.00%
Net increase (decrease)	-	8,059	8,059	6,716	1,059,720	
Beg. Working Capital	400,000	(8,059)	391,941		391,941	
End Working Capital	400,000	-	400,000		1,451,661	

Overview – Revenues

Total fiscal year-to-date revenues are just slightly above 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 a slight shortfall in actual results compared to budget in Fiscal Year 2016 and the mid-year re-estimates calculated during preparation of the Fiscal Year 2018 Preliminary Budget.

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, 2016 to July 31, 2017
YTD % - 83.33%
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 $3,433,133 which exceeds the City's financial standard of one year of claims net of recoveries.

Fleet Services Fund – The current fund balance is $798,580, 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 $1,396,705. The Fund has a current fund balance of $1,692,453. This fund balance is net of the liability for estimated outstanding claims of $1,038,000 and the liability for other post-employment benefits (OPEB – Retiree Health) of $1,835,904. The current cash balance is $4,395,950.