



Legislation Text

File #: RPT 18-001, **Version:** 1

Discussion of issues relating to the Quarterly Financial Report for the Fiscal Year 2016-2017 fourth quarter ending September 30, 2017.

Summary:

Review and discussion of the City's quarterly financial report for the Fiscal Year 2016-2017 fourth quarter ended September 30, 2017. A few highlights are as follows:

The City's quarterly financial report for the Fiscal Year 2016-2017 fourth quarter ended September 30, 2017 reports the preliminary and unaudited results for the fiscal year (October 2016 - September 2017). In summary, the fiscal year-to-date revenues of the Governmental Funds - the General, Debt Service, Golf Course Lease, Special Revenue, and Capital Improvement Bond Funds - are approximately \$53.3 million. The annual budget for these revenues, as amended, is \$54.6 million, which includes \$7,000,000 of prior year assigned/committed fund balance for the new City Hall not yet recorded. Revenues primarily represent ad valorem (property) taxes. These tax collections for residential and commercial properties, including delinquent taxes and associated penalties and interest, are \$17.9 million for the fiscal year and exceed the annual budget by a slight 1.87 percent. The industrial in-lieu of taxes revenues of approximately \$11.3 million represent 97.8 percent of the amount budgeted for these revenues. The City's sales tax revenues of \$6.4 million for the fiscal year are approximately 1.96 percent lower than the prior year's results reflecting a general decline in sales tax collections during the year. Total expenditures of the Governmental Funds are approximately \$52.8 million for the fiscal year, which is approximately \$1.8 million less than budgeted but does not yet include final entries for interfund transfers or final audit adjustments. Utility Fund revenues, including the Water/Sewer Fund and the Storm Water Fund, total approximately \$12.1 million for the fiscal year. These revenues are 4.0 percent higher than the prior year's preliminary results. Total expenses of these enterprise funds are approximately \$10.9 million for the fiscal year. Expenditures in the Capital Improvements Fund total approximately \$4.4 million for the fiscal year and include \$3.1 million for the new City Hall, \$711,000 for streets and sidewalks, and \$290,000 for drainage projects. Revenues for the special revenue districts (Crime Control and Prevention District and the Fire Control Prevention and EMS District), primarily represent sales tax collections. For the fiscal year, combined revenues for both districts total approximately \$3.3 million and combined expenditures total approximately \$4.2 million, which includes \$2.0 million for the new firing range to be funded by prior year revenues not yet recorded. The City's Type B Corporation, the Deer Park Community Development Corporation ("Corporation"), fiscal year revenues of approximately \$3.2 million represent sales tax collections of the dedicated 0.50% Type B sales tax that became effective on October 1, 2015. Expenditures of the Corporation total approximately \$3.0 million, including approximately \$2.2 million for debt service and \$793,000 for pay-as-you-go expenditures for Dow Park.

The auditors plan to begin the final audit work in early January 2018. The final results of the FY 2016

-2017 audit will be presented to City Council no later than the March 20, 2018 meeting.

Fiscal/Budgetary Impact:

N/A.

Discussion only during workshop.