



Legislation Text

File #: ACT 18-040, **Version:** 1

Acceptance of the Quarterly Financial Report for the Fiscal Year 2017-2018 fourth quarter ending September 30, 2018.

Summary:

The City's quarterly financial report for the Fiscal Year 2017-2018 fourth quarter ended September 30, 2018 reports the preliminary and unaudited results for the fiscal year (October 2017 - September 2018). 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 \$52.8 million. The annual budget for these revenues, as amended, is \$53.1 million, which includes a \$3.6 million transfer from prior year fund balance not yet recorded. Total revenues also include approximately \$3.7 million in the bond funds (note: these revenues are not budgeted). Governmental Fund revenues primarily represent ad valorem (property) taxes. These tax collections for residential and commercial properties, including delinquent taxes and associated penalties and interest, are \$18.8 million for the fiscal year and exceed the annual budget by 3.62 percent. The industrial in-lieu of taxes revenues of approximately \$11.3 million represent 99.95 percent of the amount budgeted for these revenues. The City's sales tax revenues of \$6.6 million for the fiscal year are approximately 3.33 percent higher than the prior year's results. Total expenditures of the Governmental Funds are approximately \$66.0 million for the fiscal year, which includes approximately \$23.3 million of bond fund expenditures. Since bond fund expenditures are not budgeted, the total expenditure variance is misleading as the other individual governmental fund expenditures for the fiscal year are all less than budgeted. Utility Fund revenues, including the Water/Sewer Fund and the Storm Water Fund, total approximately \$12.2 million for the fiscal year similar to the prior year's preliminary results. Total expenses of these enterprise funds are approximately \$9.7 million for the fiscal year. Expenditures in the Capital Improvements Fund total approximately \$5.8 million for the fiscal year and include \$3.6 million for the new City Hall, \$1.7 million for streets and sidewalks, and \$157,000 for the roof replacement at Fire Station #1. 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 \$2.7 million. The City's Type B Corporation, the Deer Park Community Development Corporation ("Corporation"), fiscal year revenues of approximately \$3.3 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 \$2.8 million, including approximately \$2.0 million for debt service and \$751,000 for pay-as-you-go expenditures for Dow Park.

The revenue and expenditure accounts for all funds do not yet include final entries for year-end accruals, interfund transfers, or final audit adjustments. The auditors plan to begin the final audit work in early February 2019. The final results of the FY 2017-2018 audit will be presented to City

Council no later than the March 19, 2019 meeting.

Fiscal/Budgetary Impact:

N/A.

Accept the quarterly financial report for the Fiscal Year 2017-2018 fourth quarter ending September 30, 2018.