

City of Colleyville

Popular Annual Financial Report

For the fiscal year ended September 30, 2017



Dear Citizens of Colleyville,

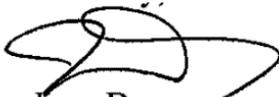
The City Council and Staff are pleased to present the City's first Popular Annual Financial Report (PAFR) for the year ended September 30, 2017. The PAFR represents another indication of the City's commitment to financial transparency and accountability. This report is intended to convey a selection of the primary government's information contained in the City's Fiscal Year 2017 Comprehensive Annual Financial Report (CAFR) in a simplified, more comprehensible format. The CAFR was prepared in accordance with Generally Accepted Accounting Principles (GAAP) and was independently audited by Pattillo, Brown & Hill, LLP. The audit received an unmodified opinion, the most favorable audit opinion an entity can receive. For a complete set of City financials, please refer to the CAFR, which is available on the City of Colleyville's website at <https://www.colleyville.com/finance.html>.

We hope you find the information herein useful. The City is committed to maintaining a strong financial position and acting as good stewards of public funds as evidenced by the City's AAA credit ratings, numerous public infrastructure improvements, and providing services that improve the quality of life of our residents.

If you have questions about this report or need any additional information, contact the Finance department at 100 Main Street, Colleyville, Texas 76034 or call 817-503-1014.

Thank you for this opportunity to serve the City of Colleyville.

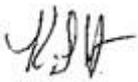
Sincerely;



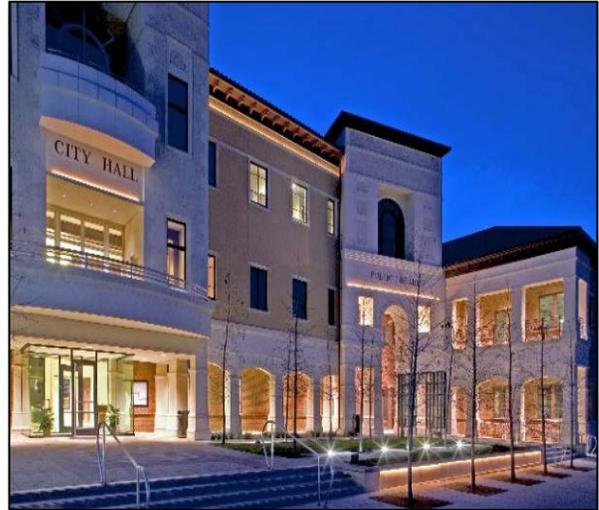
Jerry Ducay
City Manager



Shereen Gendy
Chief Financial Officer



Karen Hines
Accounting Manager



Colleyville City Hall

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Mayor and Council



Richard Newton, Mayor

**Bobby Lindamood, Mayor
Pro Tem**

Tammy Nakamura, Place 1

Kathy Wheat, Place 3

George W. Dodson, Place 4

Nancy Coplen, Place 5

Mike Taylor, Place 6

The City of Colleyville has a Council-Manager form of government with policy making and legislative authority vested in a governing body consisting of a Mayor and six Council members. The Mayor and Council are responsible for passing ordinances, adopting the budget, appointing board and committee members, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the Mayor and Council, overseeing the day-to-day operations of the City, and appointing department directors upon confirmation by the City Council. The Mayor and six Council members are elected on an at large, non-partisan basis for three year terms. The three year terms are staggered so that the Mayor and City Council persons from Place 1 and 2 are elected in year one, City Council persons from Places 3 and 4 are elected in year two, and City Council persons from Places 5 and 6 are elected in year three. Per the City Charter, no one person can serve as a council member or mayor for more than two consecutive three year terms.

Our City



Downtown Colleyville

The City of Colleyville is a residential-oriented community located 11 miles northeast of the City of Fort Worth, 22 miles northwest of Dallas and 5 miles west of Dallas/Fort Worth International Airport in Northeast Tarrant County. Colleyville's city limits are contiguous with those of Grapevine and Euless on the east, Bedford and Hurst on the south, Keller and North Richland Hills on the west and Southlake on the north.



Situated in the heart of the Dallas/Fort Worth area, within minutes of DFW International Airport, Colleyville offers the best of both worlds—big city amenities and sophistication, coupled with the laid-back, friendly atmosphere of a small town. It's a combination that has made Colleyville a premier destination in which to live, work or play. This small community's big attributes have not gone unnoticed; Money magazine named Colleyville to its list of "100 Best Towns in America." The choice is easy to understand. Colleyville Center, the heart of the city's cultural community, boasts an array of artistic programs, while the city's extensive trail system is a beacon for those that like to hike or bike. And Colleyville's impressive amateur sports parks match any found outside a major league field. In addition, the city's shopping options are some of the best in the area. From upscale boutiques or luxurious spas to an epicurean oasis or a familiar farmers market, Colleyville has something for everyone. Proximity to Dallas and Fort Worth, providing easy access to world-class museums, bustling business centers and professional sports of every kind, completes the list of the city's attributes.

Our Strategic Plan

In January 2017, the City Council held a Visioning Workshop and created a new Strategic Plan, with support from an outside facilitator and senior staff. The Strategic Plan included an updated Vision, Mission, and Values. The Strategic Plan also articulated six overall goals and several strategies to achieve each, as shown below. For each strategy identified, one or more objectives were assigned. This included incorporating the original consensus priorities into the new Strategic Plan objectives.

OUR GOALS	OUR STRATEGY
Operate Transparently	<ul style="list-style-type: none"> 1.1 Actively involve and engage stakeholders 1.2 Develop future community leaders 1.3 Assure convenient access to public information 1.4 Communicate thoroughly and strategically
Deliver High Quality Core Services	<ul style="list-style-type: none"> 2.1 Provide responsive, efficient city services 2.2 Recruit and retain a highly-qualified workforce 2.3 Effectively leverage information technology 2.4 Demonstrate stewardship of public resources
Assure Adequate Infrastructure	<ul style="list-style-type: none"> 3.1 Upgrade the condition of major roads and neighborhood streets 3.2 Ensure regular repair and replacement of water and wastewater facilities 3.3 Mitigate stormwater runoff and flooding risks 3.4 Thoroughly plan for future capital investments and associated costs
Enable Responsible Development	<ul style="list-style-type: none"> 4.1 Protect Colleyville’s semi-rural residential character 4.2 Encourage compatible commercial growth 4.3 Adopt best-practice planning and development processes
Safeguard Colleyville’s Identity	<ul style="list-style-type: none"> 5.1 Create and sustain an identifiable Colleyville brand 5.2 Support a variety of community events, concerts and celebrations 5.3 Provide attractive facilities for leisure and recreation 5.4 Actively seek public / private partnerships
Govern Effectively	<ul style="list-style-type: none"> 6.1 Articulate a compelling vision and direction for the community 6.2 Establish a culture of mutual trust and respect 6.3 Ensure clarity of City Council and staff roles and responsibilities 6.4 Foster our shared values

City Wide Finances

The purpose of this report is to convey a selection of the primary government's information contained in the City's Fiscal Year 2017 Comprehensive Annual Financial Report (CAFR) in a simplified, more comprehensible format. The CAFR was prepared in accordance with Generally Accepted Accounting Principles (GAAP) and was independently audited by Pattillo, Brown & Hill, LLP. The audit received an unmodified opinion, the most favorable audit opinion an entity can receive. For a complete set of City financials, please refer to the CAFR, which is available on the City of Colleyville's website at <https://www.colleyville.com/finance.html>.

The **citywide financial statements** are designed to provide readers with a broad overview of the finances of the City in a manner similar to a private-sector business.

The **statement of net position** presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The **statement of activities** presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (e.g., uncollected taxes).

Key Terminology

Net position represents the City's assets less liabilities.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings attributable to the acquisition, construction, or improvement of those assets.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted net position is the remaining net position of the City after subtracting net investment in capital assets and restricted net position.

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred inflows of resources represents an acquisition of fund that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Governmental activities are activities that are generally financed through taxes and other non-exchange revenues. It includes the general fund, debt service, capital projects and special revenues like grants and donations.

Business type activities are activities financed in whole or in part by fees charged to external customers for goods or services like water, wastewater and drainage and the related capital projects.



Main Street

City-Wide Statement of Net Position

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 44,138,502	\$ 44,128,921	\$ 20,613,149	\$ 18,131,916	\$ 64,751,651	\$ 62,260,837
Capital assets	112,067,401	111,178,574	44,698,792	45,067,040	156,766,193	156,245,614
Total assets	<u>156,205,903</u>	<u>155,307,495</u>	<u>65,311,941</u>	<u>63,198,956</u>	<u>221,517,844</u>	<u>218,506,451</u>
Deferred outflow of resources	3,354,608	4,730,558	496,362	723,084	3,850,970	5,453,642
Total deferred outflow of resources	<u>3,354,608</u>	<u>4,730,558</u>	<u>496,362</u>	<u>723,084</u>	<u>3,850,970</u>	<u>5,453,642</u>
Other liabilities	3,565,444	3,997,794	1,960,547	1,862,421	5,525,991	5,860,215
Long-term liabilities	13,393,803	15,158,243	534,348	780,000	13,928,151	15,938,243
Total liabilities	<u>16,959,247</u>	<u>19,156,037</u>	<u>2,494,895</u>	<u>2,642,421</u>	<u>19,454,142</u>	<u>21,798,458</u>
Deferred inflow of resources	28,414	38,650	3,783	5,171	32,197	43,821
Total deferred inflow of resources	<u>28,414</u>	<u>38,650</u>	<u>3,783</u>	<u>5,171</u>	<u>32,197</u>	<u>43,821</u>
Net position:						
Net investment in						
capital assets	99,881,334	97,982,160	44,123,735	44,010,618	144,005,069	141,992,778
Restricted	23,269,209	22,064,007	-	-	23,269,209	22,064,007
Unrestricted	<u>19,422,307</u>	<u>20,797,199</u>	<u>19,185,890</u>	<u>17,263,830</u>	<u>38,608,197</u>	<u>38,061,029</u>
Total net position	<u>\$ 142,572,850</u>	<u>\$ 140,843,366</u>	<u>\$ 63,309,625</u>	<u>\$ 61,274,448</u>	<u>\$ 205,882,475</u>	<u>\$ 202,117,814</u>

This year’s net position increased by \$3,764,661. That represents the revenues collected over expenses in fiscal year 2017.

City-Wide Statement of Activities

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 4,296,470	\$ 4,459,223	\$ 16,941,965	\$ 16,453,801	\$ 21,238,435	\$ 20,913,024
Operating grants and contributions	507,616	514,845	-	-	507,616	514,845
Capital grants and contributions	1,302,174	319,541	481,413	43,104	1,783,587	362,645
General revenues:						
Ad valorem taxes	14,548,461	13,790,347	-	-	14,548,461	13,790,347
Sales taxes	7,304,507	7,252,963	-	-	7,304,507	7,252,963
Franchise taxes	2,105,881	2,206,890	-	-	2,105,881	2,206,890
Other taxes	263,587	106,607	-	-	263,587	106,607
Investment earnings	148,933	142,343	100,525	76,014	249,458	218,357
Miscellaneous	168,865	150,630	-	-	168,865	150,630
Gain on sale of capital assets	17,000	51,849	-	71,003	17,000	122,852
Total revenues	30,663,494	28,995,238	17,523,903	16,643,922	48,187,397	45,639,160
Expenses:						
General government	4,881,741	4,449,317	-	-	4,881,741	4,449,317
Community development and engineering						
Fire and rescue	1,672,823	1,558,750	-	-	1,672,823	1,558,750
Leisure services	5,524,975	4,783,421	-	-	5,524,975	4,783,421
Maintenance	4,987,965	4,701,443	-	-	4,987,965	4,701,443
Municipal court	1,243,614	689,861	-	-	1,243,614	689,861
Police	606,269	448,420	-	-	606,269	448,420
Streets and drainage	6,093,309	5,734,116	-	-	6,093,309	5,734,116
Water and wastewater	3,578,365	5,150,390	-	-	3,578,365	5,150,390
Drainage	-	-	14,779,262	13,995,038	14,779,262	13,995,038
Interest on long-term debt	-	-	646,145	563,268	646,145	563,268
Total expenses	28,997,329	28,129,877	15,425,407	14,558,306	44,422,736	42,688,183
Increases in net position before transfers						
Transfers	1,666,165	865,361	2,098,496	2,085,616	3,764,661	2,950,977
Change in net position	63,319	895,668	(63,319)	(895,668)	-	-
Net position, beginning	1,729,484	1,761,029	2,035,177	1,189,948	3,764,661	2,950,977
Prior period adjustments	140,843,366	139,082,337	61,274,448	60,084,500	202,117,814	199,166,837
Net position, ending	-	-	-	-	-	-
Net position, ending	\$ 142,572,850	\$ 140,843,366	\$ 63,309,625	\$ 61,274,448	\$ 205,882,475	\$ 202,117,814

2017 Revenues:

In fiscal year 2017, the general fund revenues was more than \$900,000 above budget. The city wide revenues increased by \$2,548,237 from last year. Colleyville benefits from a strong residential base which helps mitigate the negative effects of economic fluctuations. Property values have experienced a 9.14% growth over the prior year’s certified values. In 2017, the City’s first hotel opened for business and the City collected about \$150,000 in hotel occupancy taxes. There was also an increase in capital contributions of about \$1 million primarily due to an increase in the street developer’s contributions over the last year due to new construction.

Revenue Category	2017 Activity
Charges for services	\$21,238,435
Grants and contributions	2,291,203
Ad valorem taxes	14,548,461
Sales taxes	7,304,507
Franchise taxes	2,105,881
Other taxes*	263,587
Investment earnings*	249,458
Miscellaneous*	168,865
Gain on sale of capital assets*	17,000
TOTAL REVENUES	\$48,187,397

*Shown on the pie chart as “Other general revenues”

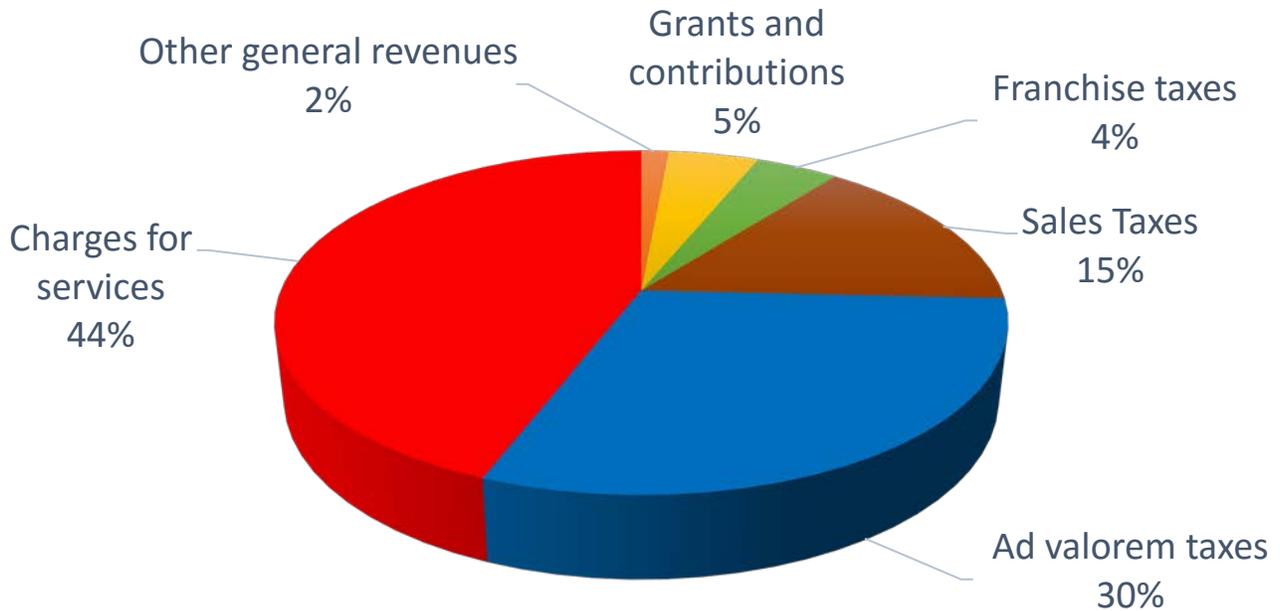
Key Terminology

Program Revenue: Revenue derived directly from the program itself or from parties outside the City’s taxpayers or citizenry, as a whole. Program revenues reduce the net cost of the function to be financed from the City’s general revenues.

General Revenue: All revenue that is not required to be reported as program revenue. All taxes, even those that are levied for specific purpose, are general revenues and should be reported by type of tax.

Ad valorem taxes: Property taxes Taxes collected from property owners based upon an assessed valuation and tax rate.

Franchise Taxes: Taxes imposed on corporations or business for using public property for private purposes.



2017 Expenses:

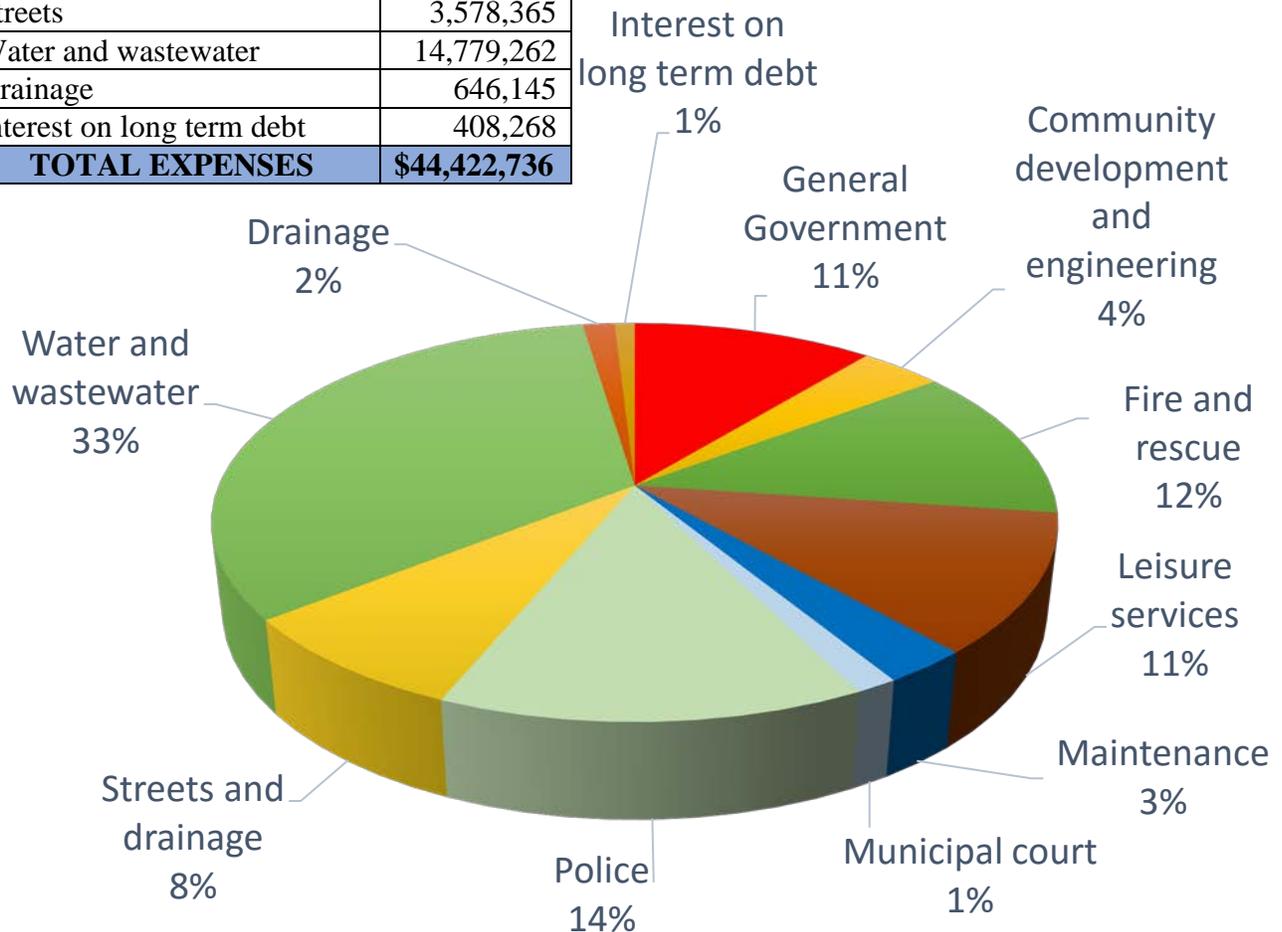
In fiscal year 2017, the general fund revenues exceeded the expenditures resulting in a \$1,033,100 increase in the general fund’s fund balance and eliminated the need to use the budgeted strategic draw down of the general fund’s fund balance of \$1,000,000. Due to the city’s continuous efforts to cut down on expenditures and conduct business in the most efficient way, the city wide revenues exceeded its expenditures by \$3,764,661.

Key Terminology
Fund balance: represents the fund’s assets less liabilities.

Expense Category	2017 Activity
General Government	\$4,881,741
Community development and engineering	1,672,823
Fire and rescue	5,524,975
Leisure services	4,987,965
Maintenance	1,243,614
Municipal court	606,269
Police	6,093,309
Streets	3,578,365
Water and wastewater	14,779,262
Drainage	646,145
Interest on long term debt	408,268
TOTAL EXPENSES	\$44,422,736



Colleyville Justice Center



Statistical Information

Fiscal year 2017 principal employers:

Employer	Number of employees
Grapevine Colleyville ISD	611
Market Street	345
Lifetime fitness	250
City of Colleyville	206
Covenant Christian Academy	130
Whole Foods Market	125
Albertsons	118
La Hacienda Ranch	100
Walmart Neighborhood Market	72
US Memory Care	60

Fiscal year 2017 principal property tax payers:

Tax Payer	Percent of taxable assessed value
Colleyville Downs (KRG Colleyville LLC)	0.75%
Town Center (Velocis Colleyville)	0.75%
Toll Dallas TX LLC	0.45%
Oncor Electric Delivery	0.36%
Lifetime Fitness Real Estate	0.30%
Standard Pacific of Texas Inc	0.27%
Memory Care Facility (Welltower Inc)	0.24%
Colleyville Lofts Venture LLC	0.21%
Mainvue TX LLC	0.17%
Atmos Energy/Mid Tex	0.16%
Walmart Real Estate Trust	0.16%

Income and population growth:

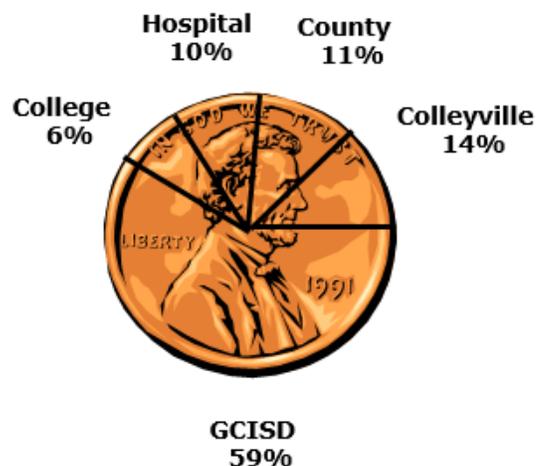
Year	Population	Personal Income
2008	22,500	\$173,853
2013	23,090	\$199,168
2017	24,630	\$207,438

Average residential property value: \$492,188

Overlapping property tax rate:

Taxing entity	Rate
City of Colleyville	\$0.33913
Grapevine Colleyville ISD	1.3967
Tarrant County	0.2540
Tarrant County College	0.14473
Tarrant County Hospital	0.227897
TOTAL	\$2.36

FY 2017



Shop, Dine, Play, and Stay

Huge milestone for Colleyville!



On December 2, 2016, Colleyville's first hotel, the Hampton Inn & Suites, located at 5300 State Highway 121, opened its doors for business. The hotel features 91 rooms, meeting space for up to 80 guests, a 10-guests boardroom, indoor pool, and fitness center. A modern design is carried throughout the hotel from the open-space lobby area, where complimentary hot breakfast is served daily, and into the details of every room.

Before this hotel, people visiting Colleyville would stay in neighboring cities, but now they can shop, dine, play, and stay in Colleyville!

Give to the Community...Shop Colleyville!



Shopping locally gives back to the community! Every time you shop or dine in Colleyville, not only are you supporting local business, you are investing in your community. The sales tax generated by shopping local helps finance important community projects and programs that support a high quality of life for the community and the people who live here. Check out our business directory at <http://colleyvilleclosebuy.com/business-directory.htm>

Two pennies for every dollar spent on sales taxable goods purchased in Colleyville go towards funding community needs, including public safety, road repairs, park improvements and community events.

General Fund

Receives One Penny - Helps fund general operations of the city.

Colleyville Economic Development Corporation Fund (CEDC)

Receives Half-a-Penny - Promotes economic development programs and initiatives in the city and pay for park maintenance, Library programs, and special events.

Colleyville Crime Control & Prevention District Fund (CCPD)

Receives a Half-a-Penny - Assists in funding programs that help with policing and safety efforts in the community.

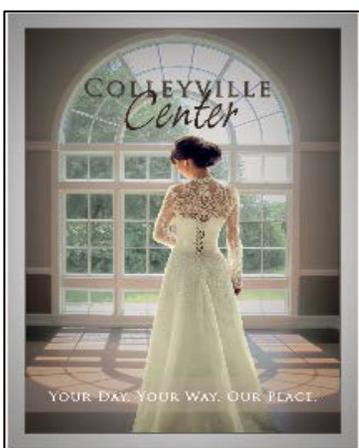
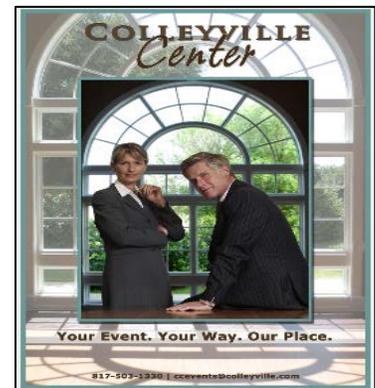
Your Day. Your Way. Our Place.



The City of Colleyville is proud to present an exceptional venue with the Colleyville Center. The Center opened January 10, 1998. A unique facility where you can create memories with the wedding or social event of your dreams or host an impressive business meeting. Choose your own vendors from caterers to coordinators and design an experience to fit your personality and budget. From the eight-acres of landscaped grounds with a garden plaza and ponds to the light-filled gallery which extends to a Grand Hall with four signature Palladian windows - it is all about the feel of the space.

With flexible meeting space and a full slate of amenities, Colleyville Center is the perfect site for business meetings, training seminars, luncheons and retreats.

- Flexible Meeting Space
- Free Parking
- Audio/Visual Equipment - Giant high definition rear screen projection system operable through your laptop
- Continental Breakfast, Lunch & Break Service Available
- Affordability and Efficiency



With beautifully arched windows and a landscaped plaza, Colleyville Center's grace and elegance make the perfect backdrop for your wedding or reception.

The landscaped grounds of the Center include a Garden Plaza "Balustrada" structure of cast stone which graces the front of the facility. The beds surrounding the Plaza bloom year-round with flowers and shrubs and the stately newel columns host climbing roses. Over 2,000 square feet of pavestone walkways can accommodate garden chairs for a ceremony. The nine-acres of grounds include two ponds with illuminated fountains and stunning plaza ground lighting for that special sparkle after dark!

Colleyville Community Events 2018



Red White Sousa 2017

Date	Event Name	Location	Time
Jan 26	Winter Ball	Colleyville Center	7:00 – 9:00 p.m.
Mar 16	Movies in the Village	The Village at Colleyville	8:00 – 10:00 p.m.
Mar 24	Farmer’s Market	The Village at Colleyville	Saturdays
Mar 24	Bunny Brunch	Colleyville Center	10:00 a.m. – 12:00 p.m.
Apr 12	Concerts in the Village	The Village at Colleyville	7:00 p.m.
Apr 21	Texas Junior Anglers	Colleyville Nature Center	9:00 a.m. – 12:00 p.m.
Jun 15	Movies in the Village	The Village at Colleyville	8:45 – 11:45 p.m.
Jun 22	Red, White & Sousa	Colleyville Center	6:30 – 10:00 p.m.
Sep 7	Senior Health Fair	Senior Center	9:00 - 11:30 a.m.
Sep 13	Concerts in the Village	The Village at Colleyville	7:00 p.m.
Oct 2	National Night Out	City Park	6:00 – 9:00 p.m.
Oct 20	Haunted Trail Fest	Colleyville Nature Center	6:00 – 9:00 p.m.
Nov 30	Christmas Tree Lighting Celebration	City Hall / Library	5:00 – 8:00 p.m.
Dec 12	Senior Holiday Party	Senior Center	6:00 – 9:00 p.m.

Check out our visitor’s guide at <https://www.colleyville.com/colleyville-visitors-guide.html>