



CARROLLTON
TEXAS

Where Connections Happen



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2020

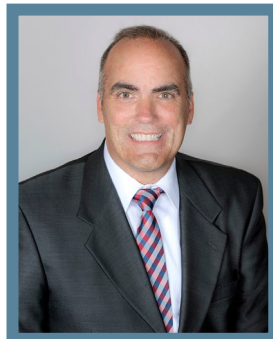


COMPREHENSIVE ANNUAL FINANCIAL REPORT

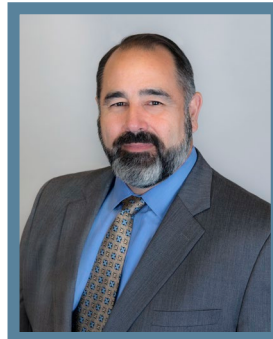
**FISCAL YEAR ENDED
SEPTEMBER 30, 2020**



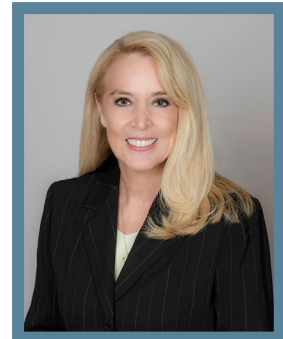
Mayor
Kevin Falconer



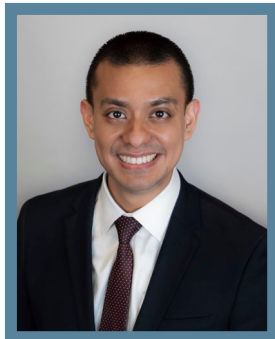
Mayor Pro Tem
Steve Babick



Councilmember
Adam Polter



Deputy Mayor Pro Tem
Pat Cochran



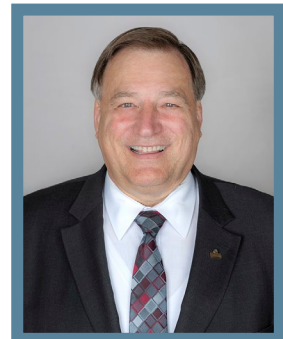
Councilmember
Andrew Palacios



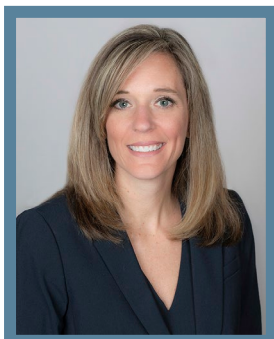
Councilmember
Glen Blanscet



Councilmember
Young Sung



Councilmember
John Sutter



City Manager
Erin Rinehart



Assistant City Manager,
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City Treasurer

CITY OF CARROLLTON, TEXAS

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January 27, 2021

The Honorable Mayor and Members of the City Council
City of Carrollton
Carrollton, Texas

The Finance Department and City Manager's Office are pleased to submit the Comprehensive Annual Financial Report for the City of Carrollton, Texas for the fiscal year ending September 30, 2020.

This report provides the City Council, City staff, our citizens, our bondholders, and other interested parties with detailed information concerning the financial position and activities of the City government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is organized in a manner designed to fairly present the financial position and results of operation of the City as measured by the financial activity of its various funds. We also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

BKD, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the city's financial statements for the year ended September 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and the two should be read in conjunction with each other.

CITY PROFILE

Location

Located in northwest Dallas, southeast Denton, and southwest Collin counties, Carrollton is only 14 miles from downtown Dallas and 10 miles northeast of the Dallas-Fort Worth International Airport. Carrollton is readily accessible via Interstate 35E on the west, the Dallas North Tollway on the east, the President George Bush Turnpike, State Highway 121 to the north, and Interstate Highway 635 is only two miles south of the city limits. The City encompasses approximately 37 square miles with 34 square miles of developable land which is approximately 98% developed.



The City is a home rule city operating under the Council-Manager form of government. The City Council is comprised of the Mayor and seven Council members who enact laws, determine policies, and adopt the annual budget. The City Council also appoints the City Manager. The Basic Financial Statements of the City include all government activities, organizations, and functions for which the City is financially accountable as defined by the Governmental Accounting Standard Board. Based on these criteria, no other governmental organizations are included in this report.

Services Provided

The City provides to its citizens, at the least cost, those services that have proven to be necessary and meaningful. Major services provided under general government and enterprise functions are: police and fire protection, emergency ambulance service, water and sewer services, sanitation services, park and recreational facilities, library services, street and drainage improvements, and general administrative services. The City also offers a 36-hole golf course and an aggressive economic development service. Internal services of the City, accounted for on a cost reimbursement basis, are fleet services, risk management, and employee health and disability coverage.

Accounting System and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received, and the liabilities are incurred. Accounting records for the City's utilities and other proprietary activities are maintained on the accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets; and (3) compliance with all applicable rules, regulations, and contractual requirements. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, (2) the evaluation of costs and benefits requires estimates and judgments by management, and (3) the preciseness of estimates must be balanced with the timeliness of financial reporting.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.



The City charter provides that the City Council shall adopt the annual budget prepared by City Management. This budget is reviewed by the City Council and is formally adopted by the passage of a budget ordinance. The City Manager is authorized to transfer budgeted amounts between line items and departments within any fund; however, any revisions that increase the total appropriations of any fund must be approved by the City Council.

Budgetary control has been established at the individual fund level. Financial reports are produced showing budget and actual expenditures by line item and are posted electronically monthly for City departmental and divisional management.

Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level, and capital expenditures are monitored and controlled item by item. Revenue budgets are reviewed monthly.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Regional Economy

Similar to the rest of nation, the Dallas Fort Worth economy was whipsawed by the COVID-19 pandemic. The nation and DFW experienced a severe contraction in the spring, followed by a slow recovery in the summer and fall, and is now slowing again at the end of 2020. The Dallas Fort Worth Metroplex (DFW) economic recovery slowed at the end of 2020. While the regional unemployment rate remained below the state rate in November 2020, it was higher than the national rate. The Federal Reserve Bank of Dallas reported in their December 2020 Dallas-Fort Worth Economic Indicators update:

Dallas-Fort Worth's recovery waned in November, following strong growth in October. Employment growth moderated and movement in the regional business-cycle indexes were mixed. Employment began recovering in May, through November it remained 4.9% lower than pre-pandemic February levels in DFW. Texas was 5.5% below those levels.

Carrollton's Position in the Region

Carrollton is a home to a diversified group of manufacturing and distribution firms. Products manufactured range from oil well equipment to high-tech components. Distribution and service operations are equally diversified. This diversification is evident in the fact that the top ten taxpayers represent less than 5% of assessed valuation in the City.



The City also benefits from a well-educated and affluent workforce. According to U.S. Census Bureau's 2018 American Community Survey, Carrollton's median household income of \$78,306 compares favorably to \$72,266 for DFW and \$64,034 for Texas. Also, according to the survey, the workforce is educated with 39.2% of the population having a bachelor's degree or more, compared to 36.3% for DFW and 29.9% for Texas.

The following facts reflect Carrollton's economic condition and outlook:

Carrollton ranks as one of the top cities in the region in corporate investment, job creation, and population growth. Its central location within the region, its proximity to the DFW Airport, Love Field, Downtown Dallas, and the connectivity created by its three DART stations, make Carrollton a preferred location to live, work, and play. Carrollton's City Council has cut property taxes for seven years in a row while maintaining one of the highest ratings in the delivery of municipal services in the DFW Metroplex. Carrollton's 44.9-million square feet of manufacturing and distribution space generates consistently increasing property and business-to-business sales tax revenue for the City, resulting in a well-balanced business-to-residential tax base.

Carrollton ranks high in the state for a quality of work environment. As of September 2020, Carrollton's unemployment was 6.7%, well below the state rates.

Carrollton has five major business parks – Valwood Industrial Park, Frankford Trade Center, Austin Ranch, International Business Park and Trinity Mills Industrial Park. Valwood Industrial park and the Frankford Trade Center are among the premier industrial parks in the Dallas/Fort Worth area.

Total certified taxable value, not including estimated value for property under protest, for all residential and commercial property in the City was approximately \$15.6 billion for fiscal year 2020, a 8.44% increase from the previous year.

Sales tax collections totaled \$39,836,732 in fiscal year 2020, a 0.5% increase from the previous year.

Future Economic Outlook

Through November 2020, fiscal year 2021, sales taxes have decreased by 13.67% compared to the same period in fiscal year 2020. An estimated decrease of 17% was accounted for during the 2021 budget process. The City recognized its exposure to decreases and adopted a sales tax mitigation strategy whereby a portion of sales tax is dedicated to non-recurring capital expenditures. For fiscal year 2021,



property valuations increased 5.27% with a 6.56% increase in residential property and 11.25% increase in commercial and industrial properties.

Carrollton has approximately 956 acres of vacant land ready for future development with 806 of those acres currently zoned for commercial and industrial use. This bodes well for the City as these uses generally require a lower level of City services while providing a higher level of revenue to the City, as compared to the typical residential development.

Carrollton's economic future is not without challenges. The City is no longer an outer ring suburb that can simply rely on construction on vacant land to fuel growth in tax base and the economy. As it approaches single family residential build out and vacant commercial tracts become scarce, the City must invest more heavily than ever to keep Carrollton an attractive place to live and work. The City Council, recognizing these trends, has adopted strategic goals that create a vision for the City's future. To obtain this vision, the City has:

- Dramatically reduced its workforce from 1,016 full-time authorized positions in the fiscal year 2001 to 847.75 for fiscal year 2020 by eliminating duplicate positions, leveraging technology, outsourcing non-core services that can be performed more efficiently by the private sector, and implementing a managed competition program to improve efficiency. In February 2020, the Information Systems Department was insourced bringing authorized positions to 873.75. The savings from continuous evaluation of the workforce has been reinvested in the community through increased capital expenditure, increased code enforcement, and neighborhood reinvestment programs.
- Aggressively pursued transit-oriented development related to light rail which arrived in the City in December 2010. Carrollton's multiple rail lines will allow it to eventually become one of the three mass transit rail hubs in the Metroplex.
- Maintained conservative financial policies and strong financial position that will allow it to react quickly to development opportunities as well as withstanding economic downturns.

Long-term Financial Planning

The City Council has adopted a series of financial standards and policies for operating and debt management. Management of the City has made every effort to comply with these standards and policies and believe we are currently in compliance.

Sales tax is the City's second largest General Fund revenue and is also one of its most volatile. It has been the City's experience that rapid increases in sales tax revenues are often followed by rapid declines. Creating a "cap" for the amount of sales tax that can be used in a given year for operating purposes allows the City to manage this volatility, promotes a healthy pay-as-you-go infrastructure re-investment program, and protects the City from rapid revenue declines during times of economic



downturns. For fiscal year 2020, sales tax exceeded the “cap” for operating purposes by over \$12.2 million. This excess will be used for one-time non-recurring purposes.

Annually a Multi-year Budget is presented to the City Council as part of the budget process. This document forecasts the operating, debt service, and fleet replacement fund operations for the upcoming three years. Additionally, a multi-year Capital Plan is prepared and presented to the City Council as part of the annual budget process.

Major budget initiatives in fiscal year 2021 included:

- Capital funding of over \$69 million for new capital projects funded from debt issuance, non-recurring sources, and tax revenue.
- Reduction in the property tax rate to 0.58750 per \$100 assessed value due to strong growth in the tax base.

In addition, the City has recognized the long-term financial implications of its pension and retiree health benefits. Regarding pensions, it has adjusted benefits and significantly stepped up funding to ensure the long-term sustainability of the plan. For retiree health care, it has implemented a defined contribution structure for any employees with less than 20 years of service as of January 1, 2009. These changes were designed to provide a highly competitive, but sustainable, benefit to our employees without shifting costs to future taxpayers.

OTHER INFORMATION

Independent Audit

Article II, Section 2.18 of the City Charter requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City by independent certified public accountants selected by the City Council. This requirement has been complied with, and the Report of the Independent Auditor's Report, has been included in this report.

Additionally, the City has a Finance/Audit Committee as a subcommittee of the City Council which functions as an audit committee and hears and reviews all recommendations made by the independent auditors.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive



Annual Financial Report for the fiscal year ended September 30, 2019. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR), whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last 30 consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Appreciation is expressed to City employees throughout the organization, especially those employees who were instrumental in the successful completion of this report.

We would like to thank members of the City Council for their interest and support in planning and conducting the financial operation of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Erin Rinehart".

Erin Rinehart
City Manager

A handwritten signature in black ink, appearing to read "Robert B. Scott".

Robert B. Scott, CPA
Assistant City Manager/Chief Financial Officer

A handwritten signature in black ink, appearing to read "Diana Vaughn".

Diana Vaughn, CPA
Finance Director/Controller

CITY OF CARROLLTON, TEXAS

City Council

Kevin Falconer, Mayor

Steve Babick, Mayor Pro Tem, Place 1

Pat Cochran, Deputy Mayor Pro Tem, Place 3

Mike Hennefer
- Place 2

Andrew Palacios
- Place 4

Glen Blanscet
- Place 5

Young Sung
- Place 6

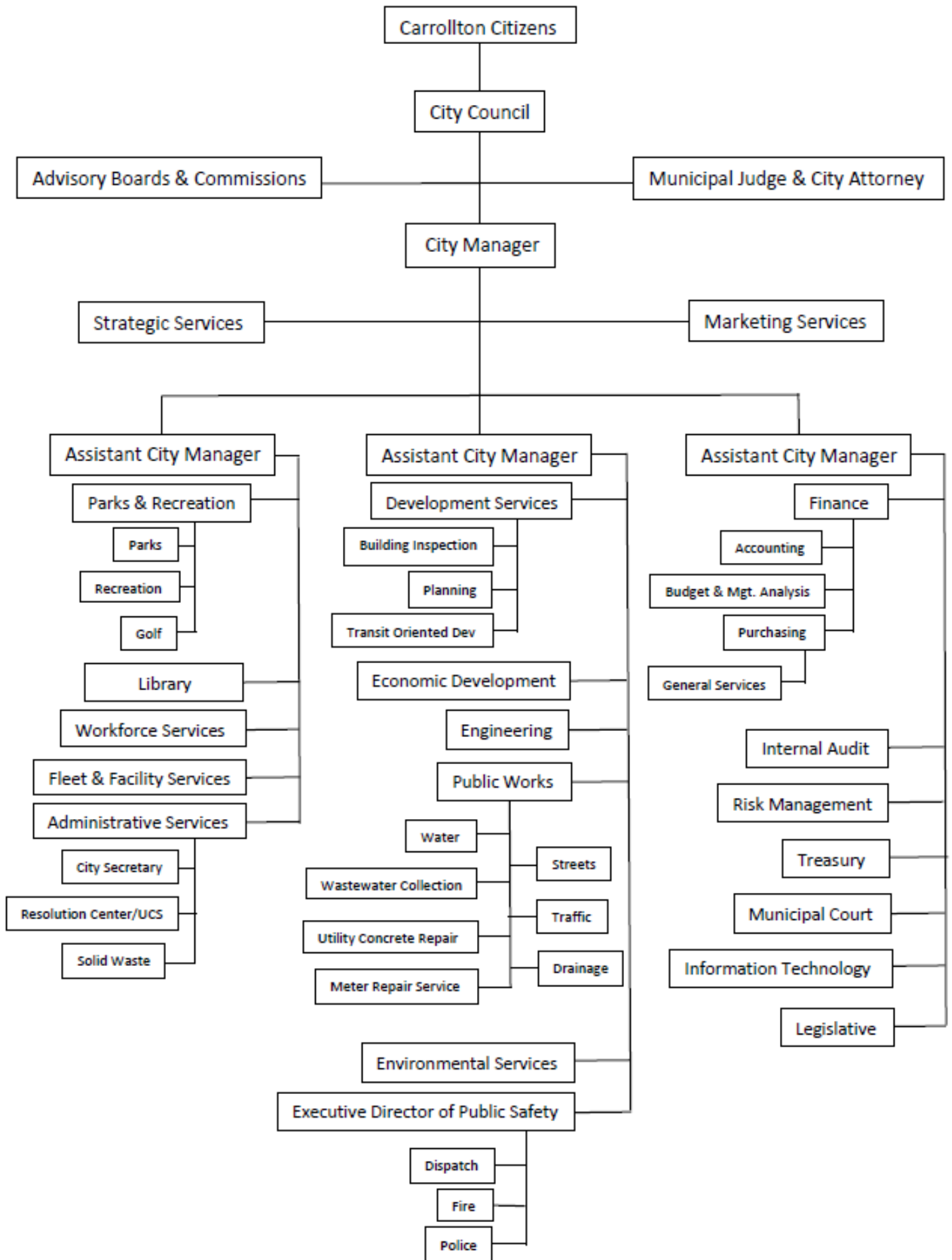
John Sutter
- Place 7

City Manager

Erin Rinehart

Assistant City Manager/Chief Financial Officer

Robert B. Scott, CPA





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Carrollton
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

Independent Auditor's Report

The Honorable Mayor and Members of the City Council
City of Carrollton, Texas
Carrollton, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Carrollton, Texas (City) of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension and other postemployment information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit for the year ended September 30, 2020, was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements, budgetary schedules, statistical section, and continuing financial disclosure tables, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and budgetary schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended September 30, 2020, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and budgetary schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended September 30, 2020.

The Honorable Mayor and Members of the City Council
City of Carrollton, Texas
Page 3

The City's basic financial statements for the year ended September 30, 2019 (not presented herein), were audited by other auditors whose report thereon dated March 16, 2020, expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The report of the other auditors dated March 16, 2020, stated that the combining and individual fund statements for the year ended September 30, 2019, were subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or the those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in their opinion, were fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended September 30, 2019.

The introductory section, statistical section, and continuing financial disclosure tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

BKD, LLP

Dallas, Texas
January 27, 2021



CARROLLTON
T E X A S

CITY OF CARROLLTON, TEXAS

Management's Discussion and Analysis
For the Year Ended September 30, 2020

Amounts in Thousands Unless Stated Otherwise
(Unaudited)

January 27, 2021

As management of the City of Carrollton (City), we offer this narrative overview and analysis of the financial activities and financial position of the City for the fiscal year ended September 30, 2020. In the broadest context, the financial well-being of the government lies in the underlying wealth and willingness of its citizens and property owners to pay adequate taxes combined with the vision of the government's elected and appointed leadership to spend those taxes strategically. This allows the City's tax base, service levels, assets and desirability to be maintained, not just for the current year, but well into the future. Financial reporting is limited in its ability to provide this "big picture" but rather focuses on financial position and changes in financial position. In other words, are revenues and or expenses/expenditures higher or lower than the previous year? Has net position (containing both short and long-term assets and liabilities) or fund balances (the current "spendable" assets less current liabilities) of the government been maintained? We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal (pages i-vii of this report), the statistical section (pages 114-137 of this report), as well as information on the City's Council's Strategic Goals, the annual budget and other community information found on the City's website at www.cityofcarrollton.com. It should be noted that the Report of the Independent Auditors' association with various sections of this report and that all of the additional information from the website and other City sources is unaudited and has not been updated for events that may have occurred subsequent to the issuance of the respective report.

IN BRIEF

- The net position of the City at the close of the most recent fiscal year was \$602,742. This number must be viewed in the context that the vast majority of the City's net position of \$401,760 (66.7%) is the net investment in capital assets, and that most capital assets in a government do not directly generate revenue nor can they be sold to generate liquid capital. The net position restricted for specific purposes totals \$10,537 (1.7%). The remaining \$190,445 (31.6%) is the unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies. Unrestricted net position increased by \$23,156 in fiscal year 2020.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$228,938. Within this total \$41,060 is restricted by specific legal requirements (such as by debt covenants) and \$147,311 has been committed and assigned to specific types of expenditures. The remaining \$40,568 is an unassigned fund balance in the General Fund and can be used for any lawful purpose.
- The City's long-term liabilities decreased by \$(30,744) due primarily to the reduction in the City's net pension liability due to strong investment returns.

CITY OF CARROLLTON, TEXAS

Management's Discussion and Analysis
For the Year Ended September 30, 2020

Amounts in Thousands Unless Stated Otherwise
(Unaudited)

- In addition to receiving over \$7.7 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, the City has continued to see a consistent growth in its proprietary revenues. The Economic Factors and Next Year's Budget section on the last page of this discussion provide additional information on the subject.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) required supplementary information which includes this management's discussion and analysis and multi-year funding progress on the City's pension plan and retiree health plan. In addition to the basic financial statements, this report also contains other supplementary information as listed in the Table of Contents.

Government-wide financial statements – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to private-sector business.

The Statement of Net Position presents information on all 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 fiscal year. All changes in net position are reported when 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 only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, public safety, development services, and cultural recreation. The business-type activities of the City include Water and Sewer, Golf Course and Sanitation operations. The government-wide financial statements can be found on pages 19-20 of this report.

Fund financial statements – A fund is a self-balancing set of accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal

CITY OF CARROLLTON, TEXAS

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requirements. Funds are also the primary focus of the annual budget process. All of the funds of the City can be divided into two categories – governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Nonfinancial assets such as governmental buildings, roads, drainage ways, park land and long-term liabilities such as bonds payable or long-term liabilities that will not be paid with current assets are excluded. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Debt Service, Streets and Drainage, and General and Public Facilities funds, all of which are considered to be major funds. Data from the other eight funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the Comprehensive Annual Financial Report. The basic governmental funds financial statements can be found on pages 21-25.

Proprietary Funds – The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, golf and sanitation operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for its fleet services, risk management and employee health and disability programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within government-wide financial statements.

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Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer, Golf Course, and Sanitation funds, since all are considered major funds of the City. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for internal service funds is provided in the form of combining statements elsewhere in the Comprehensive Annual Financial Report. The basic proprietary fund financial statements can be found on pages 26-29 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-65.

Other Information – In addition to the basic financial statements, information required by the Governmental Accounting Standards Board is included herein, including this discussion and analysis and information concerning the City's progress in funding its obligation to provide pension and retiree health benefits to its employees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position, and, especially net position by category, may serve over time as a useful indicator of a government's financial position. The City's net position was \$602,742 as of September 30, 2020.

The largest portion of the City's net position \$401,760 (66.7%) reflects its investments in capital assets (e.g., land, building, equipment, improvements and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending, and with exception of business type assets, do not generate direct revenue for the City. They do represent, however, an obligation on the part of the City to maintain these assets into the future. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position of \$10,537 (1.7%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of \$190,445 (31.6%) may be used to meet the government's ongoing obligations to citizens and creditors.

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(Unaudited)

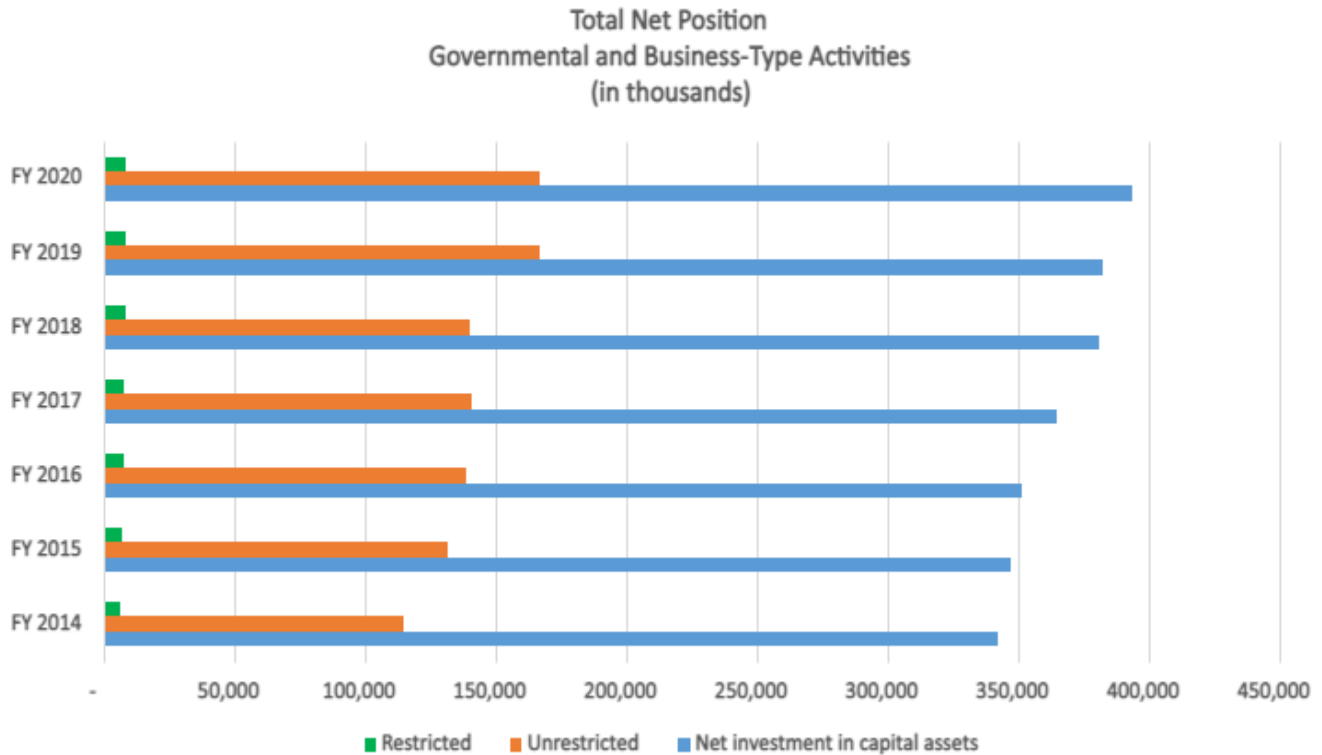
CITY OF CARROLLTON'S NET POSITION						
(Amounts in Thousands)						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>
Current and other assets	\$ 239,420	\$ 278,398	\$ 43,466	\$ 48,418	\$ 282,886	\$ 326,816
Capital assets, net	449,352	458,428	123,573	120,184	572,925	578,612
Total Assets	<u>688,772</u>	<u>736,826</u>	<u>167,039</u>	<u>168,602</u>	<u>855,811</u>	<u>905,428</u>
Deferred outflows of resources	26,680	7,248	1,407	319	28,087	7,567
Long-term liabilities	283,979	256,607	17,228	13,856	\$ 301,207	\$ 270,463
Other liabilities	15,220	17,218	7,887	7,533	23,107	24,751
Total Liabilities	<u>299,199</u>	<u>273,825</u>	<u>25,115</u>	<u>21,389</u>	<u>324,314</u>	<u>295,214</u>
Deferred inflows of resources	983	14,467	26	572	1,009	15,039
Net Position:						
Net investment in capital assets	265,349	288,355	117,225	113,405	382,574	401,760
Restricted	7,568	9,467	1,142	1,070	8,710	10,537
Unrestricted	142,353	157,960	24,937	32,485	167,290	190,445
Total Net Position	<u>\$ 415,270</u>	<u>\$ 455,781</u>	<u>\$ 143,304</u>	<u>\$ 146,960</u>	<u>\$ 558,574</u>	<u>\$ 602,742</u>

As of September 30, 2020, the City has positive balances in all three categories of net position: both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

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The current and other assets increased in the Governmental activities by \$38,978 and in the Business-type activities by \$4,952. Increase in the Governmental activities assets is primarily due to unspent proceeds from issuance of debt and accumulation of other funds for future capital purchases. Increase in the Business-type activities is also primarily due to the increase in cash based on increased water and sewer rates and reduced expenses.

The City’s long-term liabilities decreased by \$(30,744) due primarily to the decrease in pension liabilities and in total OPEB liability partially offset by the issuance of bonds for capital improvement .

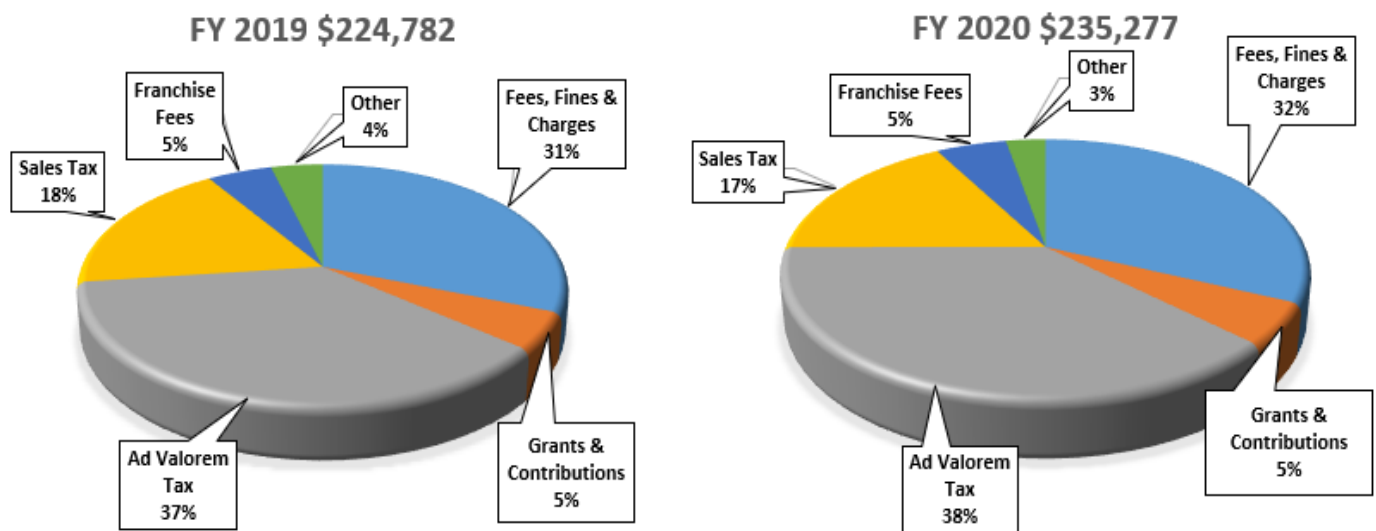
Analysis of the City’s Operations – Overall the City had an increase in net position of \$44,169 or 7.9%.

CITY OF CARROLLTON, TEXAS

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**Changes in Net Position
 Revenue by Major Category
 Governmental and Business-Type Activities**



Governmental Activities: Governmental activities net position increased by \$40,512. Net investment in capital assets increased by \$23,006 or 8.67%. Restricted net position increased \$1,899 or 25.09%. Unrestricted net position increased by \$15,607 or 10.96%.

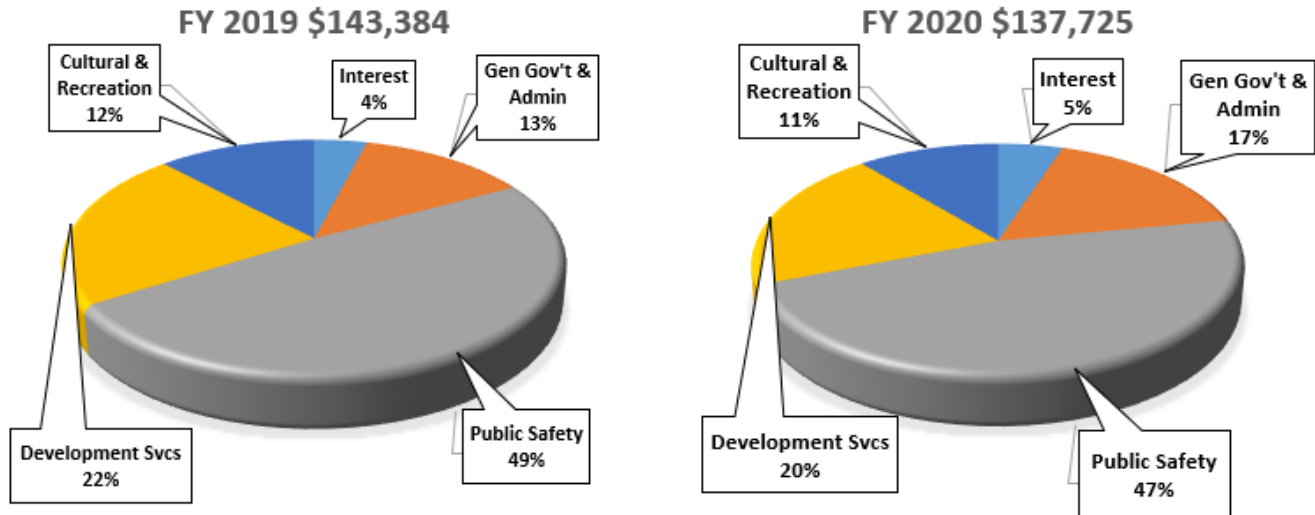
Excluding transfers from business-type activities, total revenues for governmental activities increased from the previous year by \$7,169. General revenue (excluding transfers) had a net increase of \$4,384 or 3.08%. Ad valorem tax experienced an increase of \$6,197 due to growth in assessed valuations from both new construction and increases in existing values. Additionally, a increase was seen in sales taxes of \$350. Other general revenues decreased by \$(2,162), primarily due to a Cyber attack and the impacts of COVID 19. Program revenues had a net increase of \$2,785 primarily due to a decrease in capital grants and contributions and a decrease in fees, fines and charges for services related to COVID 19. Net transfers from the business-type activities to governmental activities increased by \$3,196 from the previous year.

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**Expenses by Type
 Governmental Activities**



Total expenses for governmental activities decreased \$(5,659) or (3.95)% primarily due to pension expense decreasing by over 5 million and city-wide operational reduction in expenditures related to the economic impacts of COVID-19.

Business-type Activities: Net position from business-type activities increased by \$3,656 or 2.55% from \$143,304 to \$146,960. Net investment in capital assets decreased by \$(3,819) or (3.26)%. Restricted net position decreased by \$(72) or (6.33)%. Program revenues for business-type activities increased by \$3,696 due to increases in water and sewer rates. Sanitation expenses by the third party provider increased in 2020, but rates were not increased until 2021.

The following table provides a summary of the City’s operations for year ended September 30, 2020 with comparative totals for year ended September 30, 2019.

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CITY OF CARROLLTON'S CHANGES IN NET POSITION
(Amounts in Thousands)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2019	2020	2019	2020	2019	2020
Revenues						
Program Revenues:						
Fees, Fines, and Charges for Services	\$ 13,738	\$ 14,169	\$ 56,837	\$ 60,729	\$ 70,575	\$ 74,898
Operating Grants and Contributions	84	9,301	-	-	84	9,301
Capital Grants and Contributions	9,199	2,336	923	727	10,122	3,063
General Revenues:						
Ad Valorem Taxes	82,925	89,122	-	-	82,925	89,122
Sales Tax	39,683	40,033	-	-	39,683	40,033
Occupancy Tax	190	212	-	-	190	212
Franchise Fees	12,036	12,098	-	-	12,036	12,098
Investment Earnings:						
Net of change in fair value of investments	6,519	4,252	925	707	7,444	4,959
Gain on Sale of Capital Assets	267	328	261	18	528	346
Miscellaneous	932	892	263	353	1,195	1,245
Total Revenues	\$ 165,573	\$ 172,742	\$ 59,209	\$ 62,534	\$ 224,782	\$ 235,277
Expenses						
General Government and Administration						
Administration	\$ 19,121	\$ 22,838	\$ -	\$ -	\$ 19,121	\$ 22,838
Public Safety	69,202	66,626	-	-	69,202	66,626
Development Services	32,233	27,137	-	-	32,233	27,137
Cultural and Recreational	16,791	14,859	-	-	16,791	14,859
Interest on Long-Term Debt	6,037	6,265	-	-	6,037	6,265
Water and Sewer	-	-	42,146	41,908	42,146	41,908
Golf	-	-	2,173	2,205	2,173	2,205
Sanitation	-	-	8,410	9,269	8,410	9,269
Total Expenses	143,384	137,725	52,729	53,382	196,113	191,107
Increase in Net Position before Transfers						
Transfers	22,189	35,017	6,480	9,152	28,669	44,169
Transfers	2,299	5,495	(2,299)	(5,495)	-	-
Increase in Net Position	24,488	40,512	4,181	3,656	28,669	44,169
Net Position October 1	390,781	415,269	139,123	143,304	529,904	558,573
Net Position September 30	\$ 415,269	\$ 455,781	\$ 143,304	\$ 146,960	\$ 558,573	\$ 602,742

CITY OF CARROLLTON, TEXAS

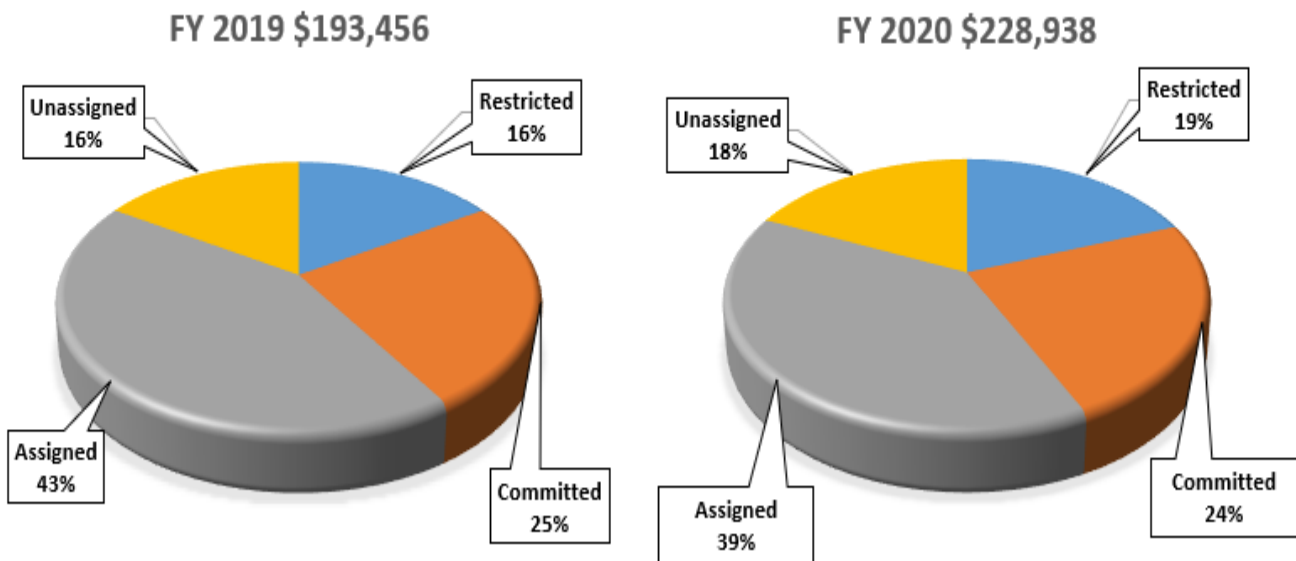
Management’s Discussion and Analysis
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FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

Governmental funds – The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending in the next fiscal year.

**Fund Balances by Type
Governmental Activities**



At the end of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$228,938. Within this total, \$41,060 is restricted by specific legal requirements, such as by debt covenants, and \$147,311 has been committed and assigned to specific types of expenditure. The remaining \$40,568 is unassigned fund balance in the General Fund and can be used for any lawful purpose.

One of the City’s financial policies is to maintain fund balance in the General Fund equal to 60 days expenditures. When those balances significantly exceed the 60-day target, the excess is transferred to capital project funds to fund pay-as-you-go capital expenditures. During the year, the City experienced a flattening in its sales tax revenue, the General Fund’s second largest revenue. The nature of sales tax in Texas is discussed in note 6 on pages 48-49 of this report. In order to manage this volatile revenue source, the city council adopted a financial policy to transfer sales tax received in excess of the amount budgeted for recurring purposes to capital

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projects funds to be used for one-time capital expenditures. The fund balance exceeding the City's financial policy of 60 days will be addressed during the fiscal year 2021 budget deliberations. Additionally, the City received over \$7.7 million in CARES funding to reimburse firefighter salaries. This significantly improved the fund balance of the General Fund.

Debt service fund balance increased in 2020 by \$237. Streets and Drainage Capital Projects fund balance increased by \$16,214 primarily due to the issuance of general obligation bonds and the receipt of transfers in from other funds offset by capital outlay expenditures. The General and Public Facilities Capital Projects fund balance increased by \$1,587 primarily due to capital outlay expenditures offset by the receipt of net transfers in from other funds.

Proprietary funds – The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the respective enterprise funds is \$31,607 for Water and Sewer, \$451 for Golf Course, and \$314 for Sanitation. The total of all enterprise funds' unrestricted net position of \$32,372 is increased by \$113 for the consolidation of the internal service fund activities related to enterprise funds to equal the total unrestricted net position for business-type activities in the entity-wide statements of \$32,485. Change in net position for enterprise funds in 2020 were \$3,935 in the Water and Sewer Fund, \$(287) in the Golf Course Fund and \$(199) in the Sanitation Fund. Increased costs in the sanitation fund were due to rising multi-family sanitation expenses. These rates were increased in the 2021 fiscal year.

General Fund Budgetary Highlights – Actual revenues collected exceeded management's original estimate of the General Fund's revenues by \$8,530 or 7.24% due primarily to the CARES funding. Additionally, expenditures were \$8 million less than budget due to reductions in personnel costs and the inability to order goods and services for projects due to manufacturing shortfalls.

PENSIONS AND RETIREE HEALTHCARE

Pensions and retiree health care continue to receive negative media attention as governments around the nation struggle to fund these commitments. The City is committed to providing programs in these areas that are fair to both employees and taxpayers and that can be sustained over the long term.

Effective for fiscal year 2015, Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions," an amendment of GASB Statement No. 27, created specific reporting requirements for pensions that are different than that used for funding purposes. Both valuations are important as the reporting valuation provides a rigorous uniform measure that can be used to compare the City's pension liabilities to other governments from around the nation. The funding valuation is important as the actuarial methods used (including strategies for repaying any unfunded actuarial accrued liabilities) combined with the

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City's history of making those contributions provides insights regarding the city's commitment to and the effectiveness of its funding strategy. Information contained in the financial statements themselves, including the first schedule of Required Supplementary Information (RSI), Schedule of Changes in Net Pension Liability and Related Ratios, is based on the reporting valuation. The second schedule in the RSI, Schedule of Contributions, is based on the funding valuation. On a reporting basis, the City's financial statements reflect a Net pensions Liability (NPL) as of September 30, 2020 of \$7,494 which is 12.71% of the City's annual covered payroll of \$58,978. The NPL decreased by \$34,246 from the previous year primarily due to higher than expected investment return. The sizable amount of fiduciary net position invested for the City by TMRS combined with the natural volatility of investment returns from year to year make both the NPL and pension expense volatile.

While the defined benefit portion of the City's retiree health program is closed to new participants, and currently has 41 total participants, the TOL recorded as of September 30, 2020 is \$17,109. This amount represents a decrease of from the previous year due primarily to the runoff of claims due to the plan being closed, and better than expected claims experience partially offset by a ninety-six basis point increase in the discount rate. GASB requires nontrusted plans to change the discount rate each year to coincide with the "AA" municipal bond rate. The significant liability is due to catastrophic claims experienced from retirees.

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CAPITAL ASSETS

The City’s investment in capital assets net of accumulated depreciation for its governmental and business-type activities as of September 30, 2020, amounts to \$578,612 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, intangibles, improvements, and infrastructure and construction in progress. The total increase in the City’s investment in capital assets, net of accumulated depreciation, for the current fiscal year was 0.99% (2.02% increase for governmental activities and (2.74)% decrease in business-type activities.) Accurately estimating useful lives for purposes of depreciation can be difficult particularly for infrastructure. During fiscal year 2021 the City will be reviewing infrastructure useful lives for both governmental and business type activities.

Capital Assets at Year-End Net of Accumulated Depreciation						
	<u>Governmental Activities</u>		<u>Business-Type Activites</u>		<u>Total</u>	
	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>
Land	\$ 102,489	\$ 102,489	\$ 2,378	\$ 2,378	\$ 104,867	\$ 104,867
Buildings	38,127	38,548	2,765	2,466	40,892	41,013
Equipment	20,266	22,907	3,679	3,684	23,945	26,590
Intangibles	699	2,742	69	59	768	2,801
Improvements	28,892	32,831	4,781	4,304	33,673	37,136
Infrastructure	251,913	255,327	109,696	107,087	361,609	362,414
Construction in Progress	6,965	3,584	205	206	7,170	3,790
Total	<u>\$ 449,352</u>	<u>\$ 458,428</u>	<u>\$ 123,573</u>	<u>\$ 120,184</u>	<u>\$ 572,924</u>	<u>\$ 578,612</u>

Major capital asset events during the current fiscal year included the following:

- Acquisition of vehicles and equipment totaling \$7.89 million, including \$4.2 million of public safety equipment and vehicles and \$1.69 million of public works equipment. The public safety equipment included two Frazer Ambulances totaling \$515 thousand. Public works equipment included five dump trucks and other replacement vehicles.
- Parks and recreation improvements totaling \$5.8 million including the Rosemeade Aquatics Renovation, the Furneaux Mills Trail, \$712 thousand for McInnish # 3 and \$456 thousand for Oak Creek Tennis Center.
- Water and sewer system infrastructure improvements totaling \$2.06 million, including \$742 thousand for Golden Bear Pump Station and \$456 thousand for Green Ridge and Myerwood.
- Street and Alley Improvements of \$13.4 million, including \$2.2 million in Rosemeade #2 and \$1.9 million in Street Panel Improvements.
- Drainage Improvements of \$489 thousand including \$333 thousand in developer contributions and \$112 thousand in Lower Dudley Branch Improvements.

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Additional information on the City’s capital assets can be found in note 4 on pages 44-45 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had a total bonded debt of \$213,635 including unamortized premiums. Of this amount, \$200,505 comprises bonded debt backed by the full faith and credit of the government, and \$13,130 represents bonds secured solely by water and sewer revenues.

	Outstanding Debt at Year End					
	Bonds Payable					
	Governmental Activities		Business-type Activities		Total	
	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>
General Obligation Bonds	\$ 193,510	\$ 200,505	\$ -	\$ -	\$ 193,510	\$ 200,505
Revenue Bonds	-	-	14,956	13,130	14,956	13,130
Total	\$ 193,510	\$ 200,505	\$ 14,956	\$ 13,130	\$ 208,466	\$ 213,635

During the fiscal year, the City’s total debt increased by \$5,169 or 2.48% due to issuance of \$24,249 (including premium) of a new General Obligation Bond new money issue offset by existing debt retirements of \$17,254 and revenue bond retirements of \$1,826.

As a water distribution and sewer collection utility, the City does not have any debt outstanding related to water and sewer treatment. However, it does have long-term contracts with its regional suppliers that have outstanding debt related to the provision of these services. Table 14, “Direct and Contractually Obligated - Property Tax and Revenue Debt,” found on page 130, lists the City’s pro-rata share of debt that is contractually obligated.

The City's General Obligation and Waterworks and Sewer System Revenue Bond ratings are listed below.

	<u>Standard & Poor’s</u>	<u>Fitch</u>
General Obligation Bonds	AAA	AAA
Revenue Bonds	AAA	AAA

Additional information on the City’s long term-debt can be found in note 5 on pages 45-48 of this report.

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ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

In the fiscal year 2021 Budget, General Fund revenues are budgeted to increase by 2.3% from the fiscal year 2020 final budget with ad valorem taxes making up 50.79% of General Fund budgeted revenues. For FY 2021, the City budgeted using certified estimates due to delays in the certification process caused by COVID 19. Certified estimates, including estimated values on properties under protest, decreased 1.9% for the fiscal year 2021 budget, compared to an 8.44% increase in the previous year's budget. The City Council reduced the tax rate by 0.3% and reduced budgetary funding for PAYGO capital items until the final roll could be certified. Sales taxes are budgeted to decrease by 7.1% from the fiscal year 2020 final budget.

The current financial statements reflect certain financial impacts of the COVID-19 pandemic. While the City has been fortunate to not have a sizable presence in many of the industries most affected including retail, travel, and conventions, there have been impacts. The City's golf course, library, and recreational facilities were closed for a period of time resulting in lower fee revenue. Commercial water sales have also experienced a decline in revenues as offices and restaurants have seen significant decline in use. Other revenue sources such as property and sales taxes have performed at or above budgeted amounts. It is now evident that fiscal year 2021 will also have significant impacts and the City is continuing to monitor closely and will adjust the budget as needed.

The City continues to develop commercially and is aggressively pursuing Transit Oriented Development opportunities near the City's three light rail stations.

The Water and Sewer Operating Fund was originally budgeted in fiscal year 2021 to operate at a net deficit of \$1,600 based on available fund balance above financial standards. Rate increases averaging 5.1% were budgeted to be effective January 2021. However, due to a very strong fourth quarter, the operating fund ended up with a net surplus fund balance and no increase is planned for 2021.

REQUEST FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Department of Finance, Attn: Finance Director, at P.O. Box 110535, Carrollton, Texas 75011-0535, e-mail at Accounting@cityofcarrollton.com or call (972) 466-3110.

CITY OF CARROLLTON, TEXAS

Government-Wide Statement of Net Position
September 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash, cash equivalents, and investments	\$ 203,619,097	\$ 31,510,422	\$ 235,129,519
Receivables (net of allowance for doubtful accounts):			
Ad valorem taxes	125,911	-	125,911
Sales taxes	3,300,677	-	3,300,677
Franchise fees	2,870,812	-	2,870,812
Accounts	-	7,074,673	7,074,673
Accrued interest	661,670	177,836	839,506
Other	2,437,768	75,546	2,513,314
Public Improvement District assessment	13,895,849	-	13,895,849
Due from other governments	931,818	-	931,818
Internal balances	1,898,750	(1,898,750)	-
Inventories	43,732	-	43,732
Prepays items	120,367	-	120,367
Equity interest in joint venture	1,700,340	-	1,700,340
Land held for redevelopment	1,522,109	-	1,522,109
Restricted assets:			
Cash, cash equivalents, and investments	45,269,314	11,478,658	56,747,972
Capital assets:			
Land	102,489,408	2,377,918	104,867,326
Buildings	89,294,779	19,998,757	109,293,536
Equipment	53,644,641	9,620,097	63,264,738
Intangibles	9,298,424	868,612	10,167,036
Improvements	56,349,785	16,151,254	72,501,039
Infrastructure	368,974,026	253,232,216	622,206,242
Construction in progress	3,583,988	205,707	3,789,695
Accumulated depreciation	(225,207,418)	(182,270,652)	(407,478,070)
Total assets	736,825,847	168,602,294	905,428,141
Deferred outflows of resources			
Deferred charges on refundings	415,118	60,366	475,484
OPEB contributions after measurement date	869,264	-	869,264
Changes in OPEB assumptions	533,307	-	533,307
Difference in expected and actual pension experience	36,082	2,012	38,094
Pension contributions after measurement date	5,394,039	257,089	5,651,128
Total deferred outflows of resources	7,247,810	319,467	7,567,277
Liabilities			
Accounts payable	16,023,583	4,360,506	20,384,089
Accrued interest	949,512	190,646	1,140,158
Unearned income	244,994	-	244,994
Customer deposits payable	-	2,981,635	2,981,635
Noncurrent liabilities:			
Due within one year	19,300,032	1,953,523	21,253,555
Due in more than one year	237,307,445	11,902,864	249,210,309
Total liabilities	273,825,566	21,389,174	295,214,740
Deferred inflows of resources			
Difference in expected and actual pension experience	533,018	27,187	560,205
Pension investment return difference	13,009,276	541,711	13,550,987
Changes in actuarial assumptions used to determine pension liability	67,570	3,250	70,820
Difference in expected and actual OPEB experience	856,975	-	856,975
Total deferred inflows of resources	14,466,839	572,148	15,038,987
Net position			
Net investment in capital assets	288,354,589	113,405,237	401,759,826
Restricted for:			
Debt service	4,481,765	1,070,043	5,551,808
Capital projects	2,677,271	-	2,677,271
Special revenue, public safety	2,307,584	-	2,307,584
Unrestricted	157,960,043	32,485,159	190,445,202
Total net position	\$ 455,781,252	\$ 146,960,439	\$ 602,741,691

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Government-Wide Statement of Activities
For the Year Ended September 30, 2020

Program Activities	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government and administration	\$ 22,837,935	\$ 193,747	\$ -	\$ -	\$ (22,644,188)	\$ -	\$ (22,644,188)
Public safety	66,625,840	10,933,565	7,954,327	41,117	(47,696,831)	-	(47,696,831)
Development services	27,137,264	1,815,359	1,346,845	2,294,739	(21,680,321)	-	(21,680,321)
Cultural and recreational	14,859,202	1,225,921	-	-	(13,633,281)	-	(13,633,281)
Interest and fiscal charges	6,265,337	-	-	-	(6,265,337)	-	(6,265,337)
Total governmental activities	137,725,578	14,168,592	9,301,172	2,335,856	(111,919,958)	-	(111,919,958)
Business-type activities:							
Water and Sewer	41,908,407	48,863,523	-	727,166	-	7,682,282	7,682,282
Golf	2,205,324	1,092,696	-	-	-	(1,112,628)	(1,112,628)
Sanitation	9,269,390	10,773,015	-	-	-	1,503,625	1,503,625
Total business-type activities	53,383,121	60,729,234	-	727,166	-	8,073,279	8,073,279
Total government	\$ 191,108,699	\$ 74,897,826	\$ 9,301,172	\$ 3,063,022	(111,919,958)	8,073,279	(103,846,679)
General revenues:							
Taxes:							
Ad valorem					89,122,477	-	89,122,477
Sales					40,032,543	-	40,032,543
Occupancy					211,851	-	211,851
Franchise fees based upon gross receipts					12,098,114	-	12,098,114
Investment earnings net of change in fair value of investments					4,251,840	707,328	4,959,168
Gain on sale of capital assets					328,051	18,143	346,194
Miscellaneous					891,770	353,101	1,244,871
Transfers					5,495,458	(5,495,458)	-
					Total general revenues and transfers	(4,416,886)	148,015,218
					Change in net position	3,656,393	44,168,539
Net position at beginning of year					415,269,106	143,304,046	558,573,152
Net position at end of year					\$ 455,781,252	\$ 146,960,439	\$ 602,741,691

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Balance Sheet
 Governmental Funds
 September 30, 2020

	General	Debt Service	Streets and Drainage	General and Public Facilities	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 39,420,165	\$ 5,486,386	\$ 97,739,964	\$ 44,053,537	\$ 43,702,172	\$ 230,402,224
Receivables (net, where applicable, of allowance for doubtful accounts):						
Ad valorem taxes	88,915	36,996	-	-	-	125,911
Sales taxes	3,300,677	-	-	-	-	3,300,677
Franchise fees	2,807,223	-	-	63,589	-	2,870,812
Accrued interest	193,133	(92,105)	241,811	99,937	149,156	591,932
Other	2,437,768	-	-	-	-	2,437,768
Due from other funds	2,012,241	-	-	-	-	2,012,241
Due from other governments	24,935	-	449,455	40,987	416,441	931,818
Land held for redevelopment	-	-	-	1,522,109	-	1,522,109
Total assets	\$ 50,285,057	\$ 5,431,277	\$ 98,431,230	\$ 45,780,159	\$ 44,267,769	\$ 244,195,492
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 8,545,852	\$ -	\$ 3,996,522	\$ 448,479	\$ 870,899	\$ 13,861,752
Unearned revenue	21,076	-	67,000	-	156,918	244,994
Total liabilities	8,566,928	-	4,063,522	448,479	1,027,817	14,106,746
Deferred inflows of resources						
Unavailable revenue	1,150,409	-	-	-	-	1,150,409
Total deferred inflows of resources	1,150,409	-	-	-	-	1,150,409
Fund balances:						
Restricted for:						
Debt service	-	5,431,277	-	-	-	5,431,277
Streets and drainage	-	-	27,915,981	-	-	27,915,981
Public facilities	-	-	-	1,639,503	-	1,639,503
Other capital projects	-	-	-	-	3,765,317	3,765,317
Other purposes	-	-	-	-	2,307,584	2,307,584
Committed to:						
Street rehabilitation	-	-	38,671,297	-	-	38,671,297
Capital projects	-	-	-	-	16,230,673	16,230,673
Assigned to:						
Streets and drainage	-	-	27,780,430	-	-	27,780,430
Public facilities	-	-	-	43,692,177	-	43,692,177
Other capital projects	-	-	-	-	18,476,246	18,476,246
Other purposes	-	-	-	-	2,460,132	2,460,132
Unassigned	40,567,720	-	-	-	-	40,567,720
Total fund balances	40,567,720	5,431,277	94,367,708	45,331,680	43,239,952	228,938,337
Total liabilities and fund balances	\$ 50,285,057	\$ 5,431,277	\$ 98,431,230	\$ 45,780,159	\$ 44,267,769	\$ 244,195,492

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position
September 30, 2020

Total fund balance - total governmental funds \$ 228,938,337

Amounts reported for governmental activities in the statement of net position are different because:

PID Assessment Receivable is not a current financial resource and therefore is not reported in governmental funds balance sheet 13,895,850

Equity investment in Joint Venture is not a current financial resource and therefore is not reported in the governmental funds balance sheet. 1,700,340

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. Includes capital assets of Internal Service Funds. 458,427,632

Deferred outflows of resources are not reported in the governmental funds:

Deferred charges on refundings	\$ 415,118	
Pension contributions after measurement date	5,394,039	
Difference in actual pension experience	36,082	
OPEB assumption change	533,307	
OPEB contributions after measurement date	<u>869,264</u>	
		7,247,810

Internal service funds are used by management to charge the cost of certain activities, such as insurance and fleet management, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net position (net of amount allocated to business-type activities, capital assets, and long-term liabilities). Internal Service Fund balances are not included in other reconciling items.

Current assets	\$ 18,720,024	
Accounts payable	(2,161,819)	
Net amount allocated to business-type activities	<u>(113,491)</u>	16,444,714

Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet. (949,524)

Long-term liabilities are not due and payable in the current period, therefore, they are not reported in the governmental funds balance sheet. Includes Internal Service Funds' noncurrent liabilities.

Due within one year	\$ 19,300,032	
Due in more than one year	237,307,445	(256,607,477)

Deferred inflows for unearned revenue related to warrants are not reported in governmentwide statements 1,150,409

Deferred inflows of resources are not reported in the governmental funds:

Difference in expected and actual pension experience	(533,018)	
Difference in pension investment returns	(13,009,276)	
Difference in expected and actual OPEB experience	(856,975)	
Pension changes in assumptions	<u>(67,570)</u>	<u>(14,466,839)</u>

Net position of governmental activities \$ 455,781,252

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended September 30, 2020

	General	Debt Service	Streets and Drainage	General and Public Facilities	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes:						
Ad valorem	\$ 53,072,254	\$ 23,259,641	\$ 6,339,894	\$ -	\$ 6,096,816	\$ 88,768,605
Penalty and interest	297,143	56,729	-	-	-	353,872
Sales	40,032,543	-	-	-	-	40,032,543
911 fees	1,071,761	-	-	-	-	1,071,761
Occupancy	-	-	-	-	211,851	211,851
Franchise fees	11,823,746	-	-	274,368	-	12,098,114
Assessments	-	-	-	-	6,000	6,000
Charges for services	4,692,777	-	-	-	103,339	4,796,116
Intergovernmental	7,985,045	-	1,549,455	179,508	1,449,305	11,163,313
Licenses and permits	2,640,242	-	-	-	4,440	2,644,682
Fines and forfeitures	2,828,801	-	-	75,434	645,641	3,549,876
Investment earnings net of change in fair value of investments	1,317,474	48,683	1,481,032	467,862	636,209	3,951,260
PID assessment revenue	-	-	-	-	1,448,765	1,448,765
Miscellaneous	538,171	-	1,131	179,646	177,519	896,467
Total Revenues	126,299,957	23,365,053	9,371,512	1,176,818	10,779,885	170,993,225
Expenditures						
Current:						
General government and administration	19,597,405	-	-	-	-	19,597,405
Public safety	63,991,068	-	-	-	362,481	64,353,549
Development services	10,726,575	-	-	936,817	-	11,663,392
Cultural and recreational	11,813,834	-	-	-	459,977	12,273,811
PID Development Reimbursement	-	-	-	-	1,448,765	1,448,765
Capital outlay	-	-	15,532,388	10,556,245	7,003,520	33,092,153
Debt service:						
Principal retirement	-	15,620,000	-	-	-	15,620,000
Interest and fiscal charges	-	7,713,093	-	-	-	7,713,093
Total Expenditures	106,128,882	23,333,093	15,532,388	11,493,062	9,274,743	165,762,168
Excess (deficiency) of revenues over (under) expenditures	20,171,075	31,960	(6,160,876)	(10,316,244)	1,505,142	5,231,057
Other financing sources (uses):						
Bonds issued	-	204,985	15,620,015	1,050,000	3,150,000	20,025,000
Premium on bonds issued	-	-	4,223,669	-	-	4,223,669
Sale of general capital assets	10,555	-	-	-	-	10,555
Transfers in	5,657,182	-	2,531,245	10,853,629	2,958,500	22,000,556
Transfers out	(16,008,793)	-	-	-	-	(16,008,793)
Total other financing sources (uses)	(10,341,056)	204,985	22,374,929	11,903,629	6,108,500	30,250,987
Net change in fund balances	9,830,019	236,945	16,214,053	1,587,385	7,613,642	35,482,044
Fund balances at beginning of year	30,737,701	5,194,332	78,153,655	43,744,295	35,626,310	193,456,293
Fund balances at end of year	\$ 40,567,720	\$ 5,431,277	\$ 94,367,708	\$ 45,331,680	\$ 43,239,952	\$ 228,938,337

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
September 30, 2020

Net change in fund balances - total governmental funds \$ 35,482,044

Amounts reported for governmental activities in the statement of activities are different because:

The City's share of net loss from investment in joint venture is not reflected in fund financial statements (118,958)

Revenue from court warrants for the City not recognized in fund financial statements on the modified accrual basis is recognized in the government-wide financial statements on the accrual basis 1,150,409

Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlay recorded as capital assets in the current period. 25,936,720

The net effect of various transactions involving capital assets
 Capital contributions \$ 473,715
 Asset retirements/disposals (33,839) 439,876

Depreciation expense on capital assets is reported in the government-wide statement of activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds. (20,733,591)

The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.
 Bonds issued \$ (20,025,000)
 Premium on bonds issued (4,223,669)
 Bond principal retirement 15,620,000
 Change in accrued interest on Bonds Payable (34,194)
 Amortization of bond premiums/discounts 1,633,641
 Amortization of deferred charges on refundings (151,691) (7,180,913)

Expenditures are recognized in the governmental funds when paid or due for items not normally paid with available financial resources. However, the Statement of Activities is presented on an accrual basis and expenses are reported when incurred. This amount is the net effect of these differences.
 Compensated absences expenses \$ (29,489)
 Pension costs & OPEB, net 817,102 787,613

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the internal service funds is reported with governmental activities net of amount allocated to business-type activities and depreciation expense.
 Change in net position \$ 3,076,385
 Net of amount allocated to business activities (207,072)
 Depreciation expense 1,879,633 4,748,946

Change in net position of governmental activities \$ 40,512,146

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

General Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2020

	<u>Budgeted Amounts</u>		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
Revenues:						
Taxes:						
Ad valorem	\$ 53,093,999	\$ 53,589,189	\$ 53,072,254	\$ -	\$ 53,072,254	\$ (516,935)
Penalty and interest	480,000	480,000	297,143	-	297,143	(182,857)
Sales	38,815,765	39,359,912	40,032,543	-	40,032,543	672,631
911 fees	1,069,525	1,010,667	1,071,761	-	1,071,761	61,094
Franchise fees	10,688,692	11,010,332	11,823,746	-	11,823,746	813,414
Charges for services	5,724,940	4,325,270	4,692,777	-	4,692,777	367,507
Intergovernmental	-	7,739,160	7,985,045	-	7,985,045	245,885
Licenses and permits	2,416,627	2,367,026	2,640,242	-	2,640,242	273,216
Fines and forfeitures	3,942,698	2,333,014	2,828,801	-	2,828,801	495,787
Investment earnings						
Net of change in fair value of investments	1,008,458	1,273,104	1,317,474	(118,060)	1,199,414	(73,690)
Miscellaneous	529,373	331,000	538,171	-	538,171	207,171
Total revenues	117,770,077	123,818,674	126,299,957	(118,060)	126,181,897	2,363,223
Expenditures:						
Current:						
General government and administration	23,449,728	21,689,054	19,597,405	(164,944)	19,432,461	2,256,593
Public safety	62,824,571	66,022,601	63,991,068	(55,822)	63,935,246	2,087,355
Development services	13,410,279	11,999,766	10,726,575	(45,209)	10,681,366	1,318,400
Cultural and recreational	13,588,045	13,679,978	11,813,834	(70,676)	11,743,158	1,936,820
Total expenditures	113,272,623	113,391,399	106,128,882	(336,651)	105,792,231	7,599,168
Excess of revenues over expenditures	4,497,454	10,427,275	20,171,075	218,591	20,389,666	9,962,391
Other financing sources (uses):						
Sale of general capital assets	-	-	10,555	-	10,555	10,555
Transfers in	2,981,928	2,981,928	5,657,182	-	5,657,182	2,675,254
Transfers out	(16,570,829)	(17,516,944)	(16,008,793)	-	(16,008,793)	1,508,151
Total other financing sources (uses)	(13,588,901)	(14,535,016)	(10,341,056)	-	(10,341,056)	4,193,960
Net change in fund balances	(9,091,447)	(4,107,741)	9,830,019	218,591	10,048,610	14,156,351
Fund balances at beginning of year	30,737,701	30,737,701	30,737,701	-	30,737,701	-
Fund balances at end of year	\$ 21,646,254	\$ 26,629,960	\$ 40,567,720	\$ 218,591	\$ 40,786,311	\$ 14,156,351

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Statement of Net Position
 Proprietary Funds
 September 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Water and Sewer	Golf Course	Sanitation	Total	
Assets					
Current Assets:					
Cash and cash equivalents	\$ 30,565,867	\$ 385,656	\$ 558,899	\$ 31,510,422	\$ 18,486,187
Receivables (net where applicable of allowance for doubtful accounts)					
Accounts	5,888,457	-	1,186,216	7,074,673	-
Accrued interest	170,301	1,014	6,521	177,836	69,738
Other	-	75,546	-	75,546	-
Inventories	-	-	-	-	43,732
Prepaid items	-	-	-	-	120,367
Restricted assets:					
Cash and cash equivalents	10,408,615	-	-	10,408,615	-
Total current assets	47,033,240	462,216	1,751,636	49,247,092	18,720,024
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	1,070,043	-	-	1,070,043	-
Capital assets:					
Land	1,382,918	995,000	-	2,377,918	-
Buildings	18,073,186	1,925,571	-	19,998,757	176,409
Equipment	6,738,963	1,420,831	1,460,303	9,620,097	25,072,153
Intangibles	868,612	-	-	868,612	104,714
Improvements	-	16,151,254	-	16,151,254	-
Infrastructure	253,232,216	-	-	253,232,216	-
Construction in progress	205,707	-	-	205,707	-
Accumulated depreciation	(166,255,601)	(14,554,748)	(1,460,303)	(182,270,652)	(14,585,723)
Total capital assets, net of accumulated depreciation	114,246,001	5,937,908	-	120,183,909	10,767,553
Total noncurrent assets	115,316,044	5,937,908	-	121,253,952	10,767,553
Total assets	162,349,284	6,400,124	1,751,636	170,501,044	29,487,577
Deferred outflows of resources					
Deferred charges on refundings	60,366	-	-	60,366	-
Pension contributions after measurement date	257,089	-	-	257,089	-
Difference in expected / actual pension experience	2,012	-	-	2,012	-
Total deferred outflows of resources	319,467	-	-	319,467	-
Liabilities					
Current liabilities:					
Accounts payable	2,911,392	11,005	1,438,109	4,360,506	2,161,819
Estimated health claims payable	-	-	-	-	1,027,400
Interfund payable	2,012,241	-	-	2,012,241	-
Customer deposits payable	2,981,635	-	-	2,981,635	-
Revenue bonds payable	1,843,085	-	-	1,843,085	-
Compensated absences	110,438	-	-	110,438	-
Accrued interest	190,646	-	-	190,646	-
Total current liabilities	10,049,437	11,005	1,438,109	11,498,551	3,189,219
Noncurrent liabilities:					
Revenue bonds payable	11,287,068	-	-	11,287,068	-
Net pension liability	242,578	-	-	242,578	-
Compensated absences	373,218	-	-	373,218	47,976
Long-term risk liability	-	-	-	-	747,908
Total noncurrent liabilities	11,902,864	-	-	11,902,864	795,884
Total liabilities	21,952,301	11,005	1,438,109	23,401,415	3,985,103
Deferred inflows of resources					
Difference in expected and actual pension experience	27,187	-	-	27,187	-
Changes in actuarial assumptions used to determine pension liability	3,250	-	-	3,250	-
Net difference in projected and actual earnings on pension plan investments	541,711	-	-	541,711	-
	572,148	-	-	572,148	-
Net Position					
Net investment in capital assets	107,467,329	5,937,908	-	113,405,237	10,767,566
Restricted for:					
Revenue bond retirement	1,070,043	-	-	1,070,043	-
Unrestricted	31,606,930	451,211	313,527	32,371,668	14,734,908
Total net position	\$ 140,144,302	\$ 6,389,119	\$ 313,527	\$ 146,846,948	\$ 25,502,474
Reconciliation to government-wide statement of net position:					
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				113,491	
Net position of business-type activities				\$ 146,960,439	

CITY OF CARROLLTON, TEXAS

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 For the Year Ended September 30, 2020

	Business-Type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Water and Sewer	Golf Course	Sanitation	Total	
Operating revenues:					
Charges for services	\$ 48,870,110	\$ 1,144,615	\$ 10,773,015	\$ 60,787,740	\$ 20,366,223
Miscellaneous	297,912	-	-	297,912	-
Total operating revenues	<u>49,168,022</u>	<u>1,144,615</u>	<u>10,773,015</u>	<u>61,085,652</u>	<u>20,366,223</u>
Operating expenses:					
Personal services	3,983,596	-	-	3,983,596	921,870
Supplies and services	30,109,494	1,371,386	9,170,639	40,651,519	14,559,566
Utilities	1,011,379	159,061	-	1,170,440	31,853
Allocations	864,723	10,156	109,504	984,383	27,845
Depreciation	5,758,477	666,214	-	6,424,691	1,879,633
Total operating expenses	<u>41,727,669</u>	<u>2,206,817</u>	<u>9,280,143</u>	<u>53,214,629</u>	<u>17,420,767</u>
Income (loss) from operations	<u>7,440,353</u>	<u>(1,062,202)</u>	<u>1,492,872</u>	<u>7,871,023</u>	<u>2,945,456</u>
Nonoperating revenues (expenses):					
Investment earnings net of change in fair value of investments	680,257	(1,192)	28,263	707,328	300,580
Gain on sale/retirement of capital assets	14,826	-	-	14,826	326,654
Interest expense	(375,564)	-	-	(375,564)	-
Total nonoperating revenues (expenses)	<u>319,519</u>	<u>(1,192)</u>	<u>28,263</u>	<u>346,590</u>	<u>627,234</u>
Income/(Loss) before contributions and transfers	<u>7,759,872</u>	<u>(1,063,394)</u>	<u>1,521,135</u>	<u>8,217,613</u>	<u>3,572,690</u>
Capital contributions	727,166	-	-	727,166	-
Transfers in	-	776,664	-	776,664	-
Transfers out	<u>(4,552,223)</u>	<u>-</u>	<u>(1,719,899)</u>	<u>(6,272,122)</u>	<u>(496,305)</u>
Change in net position	<u>3,934,815</u>	<u>(286,730)</u>	<u>(198,764)</u>	<u>3,449,321</u>	<u>3,076,385</u>
Net position at beginning of year	<u>136,209,487</u>	<u>6,675,849</u>	<u>512,291</u>		<u>22,426,089</u>
Net position at end of year	<u>\$ 140,144,302</u>	<u>\$ 6,389,119</u>	<u>\$ 313,527</u>		<u>\$ 25,502,474</u>
Reconciliation to government-wide statement of activities:					
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				<u>207,072</u>	
Change in net position of business-type activities				<u>\$3,656,393</u>	

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended September 30, 2020

	Business -Type Activities- Enterprise Funds			Governmental Activities- Internal Service Funds
	Water and Sewer	Golf Course	Sanitation	
Cash flows from operating activities:				
Cash received from customers for services	\$ 49,873,769	\$ 1,196,349	\$ 10,750,939	\$ 61,821,057
Cash received from employees for services	-	-	-	-
Cash received from other funds for services	-	-	-	-
Cash received from loss claim recoveries	-	-	-	-
Other operating cash receipts	297,912	-	-	297,912
Cash payments to suppliers for goods and services	(31,154,929)	(1,594,948)	(9,504,415)	(42,254,292)
Cash payments to employees for services	(3,259,270)	-	-	(3,259,270)
Cash payment for loss claims	-	-	-	-
Cash payments to other funds for services	(1,455,528)	(11,617)	(72,429)	(1,539,574)
Net cash provided by (used in) operating activities	<u>14,301,954</u>	<u>(410,216)</u>	<u>1,174,095</u>	<u>15,065,833</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	-	776,664	-	776,664
Transfers to other funds	(4,552,223)	-	(1,719,899)	(6,272,122)
Net cash provided by (used in) noncapital financing activities	<u>(4,552,223)</u>	<u>776,664</u>	<u>(1,719,899)</u>	<u>(5,495,458)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(2,036,233)	(687,649)	-	(2,723,882)
Proceeds from sale of capital assets	14,826	-	-	14,826
Interest paid on bonds	(499,533)	-	-	(499,533)
Interest paid on intrafund loan	(32,892)	-	-	(32,892)
Retirement of bonds	(1,655,000)	-	-	(1,655,000)
Retirement of intrafund loan	(332,590)	-	-	(332,590)
Capital contributions	459,950	-	-	459,950
Net cash used by capital and related financing activities	<u>(4,081,472)</u>	<u>(687,649)</u>	<u>-</u>	<u>(4,769,121)</u>
Cash flows from investing activities:				
Interest on cash and cash equivalents	<u>631,236</u>	<u>(2,206)</u>	<u>29,581</u>	<u>658,611</u>
Net increase (decrease) in cash and cash equivalents	6,299,495	(323,407)	(516,223)	5,459,865
Cash and cash equivalents, October 1	<u>35,745,030</u>	<u>709,063</u>	<u>1,075,122</u>	<u>37,529,215</u>
Cash and cash equivalents, September 30	<u>\$ 42,044,525</u>	<u>\$ 385,656</u>	<u>\$ 558,899</u>	<u>\$ 42,989,080</u>

(Continued)

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended September 30, 2020

	Business -Type Activities- Enterprise Funds				Governmental Activities- Internal Service Funds
	Water and Sewer	Golf Course	Sanitation	Total	
Reconciliation of income (loss) from operations to net cash provided by operating activities:					
Income (loss) from operations	\$ 7,440,353	\$ (1,062,202)	\$ 1,492,872	\$ 7,871,023	\$ 2,945,456
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:					
Depreciation	5,758,477	666,214	-	6,424,691	1,879,633
Provision for doubtful accounts	89,923	-	37,075	126,998	-
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	938,882	-	(22,076)	916,806	-
(Increase) decrease in other receivables	-	(66,729)	-	(66,729)	-
(Increase) decrease in due from other governments	-	118,463	-	118,463	-
(Increase) decrease in inventories	-	-	-	-	16,942
(Increase) decrease in prepaid items	-	-	-	-	3,000
(Increase) decrease in pension related deferred outflows	1,061,242	-	-	1,061,242	-
Increase (decrease) in accounts payable	34,642	(65,962)	(333,776)	(365,096)	288,883
Increase (decrease) in estimated health claims payable	-	-	-	-	(112,243)
Increase (decrease) in customer deposits payable	(25,146)	-	-	(25,146)	-
Increase (decrease) in net pension liability	(1,571,902)	-	-	(1,571,902)	-
Increase (decrease) in liability for compensated absences	26,340	-	-	26,340	1,577
Increase (decrease) in long-term risk liability	-	-	-	-	(308,887)
Increase (decrease) in pension related deferred inflows	549,143	-	-	549,143	-
Net cash provided by (used in) operating activities	<u>\$ 14,301,954</u>	<u>\$ (410,216)</u>	<u>\$ 1,174,095</u>	<u>\$ 15,065,833</u>	<u>\$ 4,714,361</u>

Noncash investing, capital and financing activities:
 During the past year, the Enterprise Funds received \$267,216 of noncash capital contributions from developers consisting of water and sewer infrastructure. Retainage payable as of 9/30/2020 equals \$238,969.

Reconciliation of total cash and cash equivalents:					
Current assets:					
Cash and cash equivalents	\$ 30,565,867	\$ 385,656	\$ 558,899	\$ 31,510,422	\$ 18,486,187
Restricted assets - cash and cash equivalents	10,408,615	-	-	10,408,615	-
Noncurrent assets:					
Restricted assets - cash and cash equivalents	1,070,043	-	-	1,070,043	-
Total cash and cash equivalents	<u>\$ 42,044,525</u>	<u>\$ 385,656</u>	<u>\$ 558,899</u>	<u>\$ 42,989,080</u>	<u>\$ 18,486,187</u>

(Concluded)

See accompanying notes to basic financial statements.



CARROLLTON
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CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. General Statement

Incorporated on June 14, 1913, the City of Carrollton operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, development services, culture, recreation and waterworks.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the City are described below.

B. Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including legally separate organizations as component units within the City's reporting entity are set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). Based on this criterion, the City has no component units.

C. Basis of Presentation

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the activities of the City. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges from the City's water, sewer and sanitation functions and various other functions. Elimination of these charges would distort the direct costs reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operation or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

Fund Financial Statements:

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following major governmental funds:

General Fund

General Fund is the main operation fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund.

Debt Service Fund

Debt Service Fund is used to account for the accumulation of financial resources for the payment of principal, interest, and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted exclusively for debt service expenditures.

Streets and Drainage Fund

Streets and Drainage Fund is used to account for funds received and expended for the construction and renovation of thoroughfares, arterial streets, and drainage improvements in the City.

General and Public Facilities Fund

General and Public Facilities Fund is used to account for funds received and expended for construction, renovation, expansion, and major improvement of various City facilities, acquisition of land, and other large nonrecurring projects.

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determination of net income, financial position, and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following major proprietary funds:

Water and Sewer Fund

Water and Sewer Fund is used to account for the provision of water and sewer services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and sewer system, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary, to ensure integrity of the funds.

Golf Course Fund

Golf Course Fund is used to account for payments received from the contractor and improvements made to the City's golf course; including administration, operation and maintenance. The City has designated it as a major fund.

Sanitation Fund

Sanitation Fund is used to account for billing, collection, and payment for solid waste collection and disposal services. All costs are financed through charges to sanitation customers. The City has designated it as a major fund.

Additionally, the City reports the Internal Service Funds, which are used to account for the fleet management services, self-funded property and casualty insurance provided to the departments of the City and self-funded health and disability insurance provided to employees of the City.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) and all deferred inflows and outflows of resources are included on the Statement of Net Position. The operating statements present increases (revenues) and decreases (expenses) in net unbilled water and sewer services, which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers most

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

revenues as available if they are collected within 45 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, except for interest payable accrued at the debt issuance date for which cash is received with the debt proceeds, as well as expenditures related to compensated absences, are recorded only when payment has matured and will be payable shortly after year-end.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income, intergovernmental revenues and court fines and fees. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received as they are deemed immaterial. Taxes, franchise fees, and court fines and fees are deemed available if they are collected within 45 days of the year end. Sales taxes are deemed available if they are collected within 30 days of the year end.

E. Budgetary Control

Annual budgets are adopted for all governmental funds except for the capital projects funds, which adopt project-length budgets.

The City Charter establishes the fiscal year as the twelve-month period beginning October 1. The departments submit to the City Manager a budget of estimated expenditures for the ensuing fiscal year after which the City Manager subsequently submits a budget of estimated expenditures and revenues to the City Council by August 1.

Upon receipt of the budget estimates, the Council holds a public hearing on the proposed budget. Information about the Budget ordinance is then published in the official newspaper of the City.

At least ten days prior to October 1, the budget is legally enacted through passage of an ordinance. The City Manager is authorized to transfer budgeted amounts between line items and department within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

Budgeted amounts are as originally adopted or as amended by the City Council. With the exception of the budget amendments related to COVID 19, individual amendments were not material in relation to the original appropriations, which were adopted. The statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund presents a comparison of budgetary data to actual results. The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results, except for the effect of encumbrances and unrealized investment gains and losses, which are adjusted to the actual results for this comparison.

F. Cash, Cash Equivalents, and Investments

Cash of all funds, including restricted cash, are pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

based upon relative equity at month end. An individual fund's equity in the pooled cash accounts is available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities not included in the common pooled accounts that are purchased with maturity of ninety days or less are also considered to be "cash equivalents". Negative balances incurred in pooled cash at year-end are treated as interfund receivable of the General fund and interfund payables of the deficit fund.

Investments in government pools are in government agencies and are recorded at amortized cost or NAV. All other investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

G. Interfund Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

H. Inventories

The inventories in the Internal Service Funds consist of fuel supplies and are recorded at cost using the first-in/first-out method.

I. Prepaid Items

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year.

J. Equity Interest in Joint Venture and Shared Radio System

During Fiscal year 2014, the Town of Addison, City of Carrollton, City of Coppell, and City of Farmers Branch (the "Cities") formed a joint venture, the North Texas Emergency Communications Center, Inc. (NTECC), to establish and operate a joint public safety dispatch center. The cities are responsible for funding capital and operating costs of NTECC. The City of Carrollton's equity interest in NTECC of \$1,700,340 as of September 30, 2020, is recorded as Equity Interest in Joint Venture in the Governmental Activities on the Government-wide Statement of Net Position. Audited financial statements for NTECC can be obtained from the Finance Department at 1945 E. Jackson Rd, Carrollton, TX 75006, by calling 972-466-3110 or by email at Accounting@cityofcarrollton.com.

Additionally, the Cities have also entered into an interlocal agreement to jointly procure a public safety radio system. While this agreement did not include the formation of a separate legal joint venture entity, NTECC has been contracted to manage all shared aspects of the radio system. The Cities are each responsible for funding a portion of the radio system. The City of Carrollton's portion of the system costs as of September 30, 2020 of \$3,861,925 is reported as public safety expense in the Governmental activities on the Government-wide Statement of net Position.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

K. Land Held for Redevelopment

Land held for redevelopment in the General and Public Facilities Capital Project Fund is valued at the lower of estimated realizable value or historical acquisition cost.

L. Restricted Assets

Certain cash and investments balances are restricted by various legal and contractual obligations.

The following table summarizes the restricted cash and investments:

Restricted Cash and Investments	
Governmental Activities:	
Debt Service Fund	\$ 5,486,386
Bond Construction Account	34,915,735
Other Capital Project Funds	2,226,618
Special Revenue Funds	2,640,575
	45,269,314
Business-Type Activities:	
Revenue Bond Accrued Interest Payable	190,646
Current Maturities of Revenue Bonds	706,250
Reserve for Revenue Bond Retirement	1,070,043
Customer Deposits	2,981,635
Unspent Bond Proceeds	6,530,084
	11,478,658
Total Restricted Cash and Investments	\$ 56,747,972

M. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All purchased capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Outlays for capital assets are capitalized as projects are constructed. Infrastructure assets begin depreciating at the end of year in which costs are incurred. Other constructed capital assets begin depreciating when the asset is placed in service.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

Assets capitalized, not including infrastructure assets, have an original cost of \$5,000 or more and over three years of useful life. Infrastructure assets capitalized have an original cost of \$250,000 or more. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	20 – 50 Years
Equipment	2.5 – 12 Years
Intangibles	4 – 20 Years
Improvements	10 – 40 Years
Infrastructure	20 – 40 Years

N. Pensions & OPEB

For purposes of measuring the net pension liability, pension-related deferred outflows and inflows of resources, and pension expense, City-specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS), and additions to/deductions from the City's Fiduciary Net Position, have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with GASB Codification Section P20 – Pension Activities.

For the purpose of measuring the total other post-employment benefits (OPEB) liability, OPEB-related deferred outflows and inflows of resources, and OPEB expense in the City's defined benefit health plan (Plan) have been determined on the same basis as they are reported by the plan. For this purpose, plan benefits are recognized when due and payable in accordance with the benefit terms. The City's Total OPEB Liability is obtained through a report prepared for the City by consulting actuary, Gabriel Roeder Smith & Company, in compliance with GASB Codification Section P50 - Post-employment Benefits Other than Pensions .

O. Compensated Absences

The City's policy allows employees to accumulate unused sick leave on an unlimited basis and vacation leave up to 432 hours for Fire Shift Civil Service employees and up to 288 hours for all other employees. Upon termination, employees are entitled to be paid for accumulated leave as follows:

Vacation Leave:

- Civil Service employees who have completed six full months of service and Non-Civil Service employees hired on or before January 1, 2011, will be paid any accumulated vacation leave.
- Non-Civil Service employees hired after January 1, 2011, who have completed six full months of service will be paid for accumulated vacation leave up to a maximum of 120 hours.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

Sick Leave:

- Civil Service Fire Shift employees who have completed one full year of service will be paid for accumulated sick leave up to 1,440 hours.
- All other Civil Service employees who have completed one full year of service, and Non-Civil Service employees hired on or before January 1, 2010, will be paid for accumulated sick leave up to 960 hours.
- Non-Civil Service employees hired after January 1, 2010 will not be paid for accumulated sick leave.

P. Nature and Purpose of Classifications of Fund Balances

Governmental Funds fund balances classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or laws, or regulations of other governments. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. Assigned fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by City management based on Council direction.

For the classification of Governmental Fund balances, the City considers an expenditure to be made from the most restrictive first when more than one classification is available.

Q. Minimum Fund Balance Policy

It is the desire of the City to maintain adequate General Fund balance to maintain liquidity and in anticipation of economic downturns or natural disasters. The City Council has adopted a financial standard to maintain a General Fund minimum fund balance of 60 days budgeted expenditures.

R. Net Position

Net Position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources in the proprietary funds and in the government-wide statements. Net investment in capital assets consists of capital assets net of accumulated depreciation and the outstanding balances of any borrowing spent for the acquisition, construction, or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Net position restricted for revenue bond retirement in the Water and Sewer Fund is a reserve required by revenue bond covenants.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

S. Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

The City allocates to the Proprietary funds a predetermined allocated amount for administrative services for budget purposes. During the year ended September 30, 2020, the City allocated \$3,457,729 as a budgetary transfer.

T. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, 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. The City has the following items that qualify for reporting in this category.

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension/OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Differences between actuarial assumptions used and actual experience for determination of pension or OPEB liability – These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions used to determine pension or OPEB liability – This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. This year the City has the following items that qualify for reporting in this category.

- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.
- Difference in expected and actual pension or OPEB experience is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions used to determine pension or OPEB liability – This difference is deferred amortized over the estimated average remaining lives of all member determined as of the measurement date.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

- Unavailable revenue (governmental fund level only) - deferred inflow of resources that represents amounts earned, but which are not available.

U. Accounts payable at September 30, 2020 for the government's individual major funds, which have payables, and non-major in the aggregate are as follows:

	General	Streets and Drainage	General and Public Facilities	Other Governmental Funds	Total
Accounts Payable					
Retainage Payable	\$ -	\$ 1,090,077	\$ 30,000	\$ 146,102	\$ 1,266,179
Accrued Payroll Liabilities	5,259,473	20,931	1,752	25,052	5,307,208
Accounts Payable	<u>3,286,379</u>	<u>2,885,514</u>	<u>416,727</u>	<u>699,745</u>	<u>7,288,365</u>
Total Accounts Payable	\$ 8,545,852	\$ 3,996,522	\$ 448,479	\$ 870,899	\$ 13,861,752

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water and Sewer	Golf Course	Sanitation	Total	Internal Service Funds
Accounts Payable					
Retainage Payable	\$ 238,969	\$ -	\$ -	\$ 238,969	\$ -
Accrued Payroll Liabilities	204,565	-	-	204,565	1,501,262
Accounts Payable	<u>2,467,858</u>	<u>11,005</u>	<u>1,438,109</u>	<u>3,916,972</u>	<u>660,557</u>
Total Accounts Payable	\$ 2,911,392	\$ 11,005	\$ 1,438,109	\$ 4,360,506	\$ 2,161,819

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

(2) BUDGET BASIS OF ACCOUNTING:

The City prepares its annual budget on a basis (budget basis) which differs from a GAAP basis. The budget and all transactions are presented in accordance with the City’s method (budget basis) in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund to provide a meaningful comparison of actual results with the budget. The differences between budget and GAAP basis in the General Fund are that encumbrances are recorded as the equivalent of expenditures (budget) as opposed to an assignment of fund balance (GAAP). Unrealized investment gain (loss) is recognized for GAAP basis only and interfund loan transactions treated as transfers for budget basis.

Adjustments necessary to convert the General Fund’s net change in fund balances on the budget basis to a GAAP basis are as follows:

Net change in fund balance - budget basis	\$ 10,048,610
Beginning of year adjustment for encumbrances recognized as expenditures	(370,937)
End of year adjustment for encumbrances not recognized as expenditures	34,286
Unrealized investment gain/(loss) recognized for GAAP basis only	<u>118,060</u>
Net change in fund balance - GAAP basis	<u>\$ 9,830,019</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

(3) DEPOSITS AND INVESTMENTS:

Deposits – State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations, or its agencies and instrumentalities, or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. All deposits of the City that exceeded the federal depository insurance coverage level of \$250,000 per account were covered by collateral held by BNY Mellon, N.A. Bank in the City’s name under a joint safekeeping agreement with Frost Bank. The market value of the collateral held at BNY Mellon, N.A. in the City’s name at fiscal year-end was \$9,900,000.

At September 30, 2020, the carrying amount of the City’s deposits was a debit of \$3,066,098 and the respective bank balances totaled \$5,220,289. The City’s cash on hand totaled \$6,620 for petty cash and change funds.

Investments – State statutes, City investment policy, City bond ordinances, and City resolutions authorize the City’s investments. The City is authorized to invest in the following: U.S. Government obligations and its agencies or instrumentalities; direct obligation of this state or its agencies and instrumentalities, including the Federal Home Loan Bank; collateralize mortgage obligations directly issued by a federal agency or instrumentality of the United States with ten years or less stated final maturity (cannot be an inverse floater, a principal only, or an interest only); obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm no less than A or its equivalent rating; bonds issued, assumed or guaranteed by the State of Israel; no-load SEC registered mutual funds with a weighted average stated maturity of less than two years that are invested in allowable securities, obligations of Texas and its agencies; fully collateralized repurchase agreements and reverse repurchase agreements; prime domestic commercial paper; prime domestic bankers’ acceptances; guaranteed investment contracts; securities lending program consisting of authorized investments by the City’s investment policy; insured or collateralized certificated of deposit; government pools; and no-load SEC registered money-market funds consisting of any of these securities listed with a dollar-weighted average stated maturity of 90 days or less and with an investment objective of a stable net asset value of \$1 for each share. For additional information, see the City of Carrollton Investment Policy at www.cityofcarrollton.com.

The City’s investments balances as of September 30, 2020, were:

Investments:	Carrying Value	Weighted Average Maturity (Years)	Credit Risk
Coupon Agencies	\$ 149,974,391	2.59	AA+ - AAA
Municipal Bonds	75,019,396	0.13	A+ -AAA
Government Pools	63,810,986	1.13	AAAm
Total Carrying Value	\$ 288,804,773		
Portfolio Weighted Average Maturity		1.64	

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

Following the criteria for GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, TexPool uses amortized cost and LOGIC, Texas CLASS, and Texas Term use NAV to value portfolio assets. As is legally permissible for municipalities and school districts in the state, TexPool and TexasTerm Daily invest in a high-quality portfolio of debt securities, and Texas Class and LOGIC invest in a high-quality portfolio of short-term investments.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of September 30, 2020, the City has the recurring fair value measurements for coupon, discount agencies, treasury notes and municipal bonds of \$224,993,787 valued using quoted prices for similar assets in active markets. (Level 2 inputs.)

Investments in local government investment pools valued at NAV as of September 30, 2020 total \$50,198,575. Additionally, the City has investments in government pools at September 30, 2020, totaling \$13,612,411 which are recorded at amortized cost.

Interest Rate Risk – In compliance with the City’s Investment Policy, as of September 30, 2020, the City minimized the interest rate risk in the portfolio, related to current market events, by: limiting the weighted average maturity to a maximum of four years; structuring the investment portfolio so that securities matured to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the secondary market prior to maturity; monitoring credit ratings of portfolio positions to assure compliance with rating requirements imposed by the Public Funds Investment Act; and investing operating funds primarily in short-term securities, money market mutual funds, or similar government investment pools.

Concentration of Credit Risk – In compliance with the City’s Investment Policy, as of September 30, 2020, the City minimized concentration of credit risk, by: limiting investments in specific local governmental pools to no more than 40 percent of the investment portfolio; staggering maturities and potential call dates; and limiting investments to no more than 5% of the investment portfolio in commercial paper and bankers’ acceptances of a single issuer. As of September 30, 2020, 5% or more of the City’s total investment are in: Federal Farm Credit Bank (20.39%), LOGIC (10.04%), Federal National Mortgage Association (9.69%), Federal Home Loan Mortgage Corporation (9.00%), Federal Home Loan Bank (7.49%), and Federal Agricultural Mortgage Corporation (5.35%).

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

(4) CAPITAL ASSETS

Capital asset activity for the year-ended September 30, 2020, was as follows:

	Balance October 1	Additions/ Completions	Retirements/ Adjustments	Balance September 30
Governmental Activities				
Capital Assets not being depreciated:				
Land	\$ 102,489,408	\$ -	\$ -	\$ 102,489,408
Construction in Progress	6,965,482	3,789,694	(7,171,188)	3,583,988
Total Capital Assets not being depreciated	109,454,890	3,789,694	(7,171,188)	\$ 106,073,396
Capital Assets being depreciated:				
Buildings	85,969,239	3,325,540	-	89,294,779
Equipment	48,516,866	7,226,811	(2,099,036)	53,644,641
Intangibles	7,095,860	2,202,564	-	9,298,424
Improvements	50,506,815	5,842,970	-	56,349,785
Infrastructure	356,270,125	14,629,650	(1,925,750)	368,974,025
Total Capital Assets being depreciated	548,358,905	33,227,535	(4,024,786)	577,561,654
Less accumulated depreciation for:				
Buildings	(47,842,646)	(2,904,624)	-	(50,747,270)
Equipment	(28,250,616)	(4,549,599)	2,062,203	(30,738,012)
Intangibles	(6,396,556)	(159,666)	-	(6,556,222)
Improvements	(21,614,663)	(1,903,795)	-	(23,518,458)
Infrastructure	(104,357,285)	(11,215,921)	1,925,750	(113,647,456)
Total accumulated depreciation	(208,461,766)	(20,733,605)	3,987,953	(225,207,418)
Total Capital Assets being depreciated, net	339,897,139	12,493,930	(36,833)	352,354,236
Governmental Activities Capital Assets, net	449,352,029	16,283,624	(7,208,021)	\$ 458,427,632
Business-Type Activities				
Capital Assets not being depreciated:				
Land	\$ 2,377,918	\$ -	\$ -	\$ 2,377,918
Construction in Progress	204,753	954	-	\$ 205,707
Total Capital Assets not being depreciated	2,582,671	954	-	2,583,625
Capital Assets being depreciated:				
Buildings	19,998,757	-	-	19,998,757
Equipment	9,046,015	669,510	(95,428)	9,620,097
Intangibles	868,612	-	-	868,612
Improvements	16,121,901	29,353	-	16,151,254
Infrastructure	250,895,973	2,336,242	-	253,232,215
Total Capital Assets being depreciated	296,931,258	3,035,105	(95,428)	299,870,935
Less accumulated depreciation for:				
Buildings	(17,233,474)	(299,443)	-	(17,532,917)
Equipment	(5,367,040)	(664,769)	95,428	(5,936,381)
Intangibles	(799,688)	(9,851)	-	(809,539)
Improvements	(11,341,187)	(505,788)	-	(11,846,975)
Infrastructure	(141,200,001)	(4,944,840)	-	(146,144,841)
Total accumulated depreciation	(175,941,390)	(6,424,691)	95,428	(182,270,653)
Total Capital Assets being depreciated, net	120,989,868	(3,389,586)	-	117,600,282
Business-Type Activities Capital Assets, net	\$ 123,572,539	\$ (3,388,632)	\$ -	\$ 120,183,907

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

Depreciation expense was charged as direct expense to programs of the primary government as follows:

Depreciation Expense	
Governmental Activities:	
General Government and Administration	\$ 857,082
Public Safety	4,676,521
Development Services	12,095,004
Cultural and Recreational	3,104,984
Total Depreciation Expense	\$ 20,733,591
Business-Type Activities:	
Water and Sewer	5,758,477
Golf Course	666,214
Sanitation	-
Total Depreciation Expense	\$ 6,424,691

(5) LONG-TERM DEBT AND LIABILITIES:

General Obligation Bonds

General obligation bonds provide funds for the acquisition and construction of major capital equipment and facilities. General obligation bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the City. General obligation bonds require the City to compute, at the time property taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity. The City is in compliance with this requirement.

At September 30, 2020, general obligation bonds currently outstanding are as follows:

	Interest Rate		Maturity	Outstanding
	%	Issue Date	Date	at Par
Improvement, Series 2011	3 - 4.25	4/19/2011	8/15/2030	8,935,000
Refunding, Series 2012	2 - 4	5/1/2012	8/15/2025	5,490,000
Improvement, Series 2013	2 - 4.5	7/15/2013	8/15/2033	6,835,000
Improvement, Series 2014	3 - 4	4/15/2014	8/15/2034	15,675,000
Improvement and Refunding, Series 2015	2 - 5	5/1/2015	8/15/2035	26,295,000
Improvement and Refunding, Series 2016	3 - 5	5/15/2016	8/15/2031	22,415,000
Improvement, Series 2017	2 - 5	4/1/2017	8/15/2032	16,135,000
Improvement, Series 2018	3 - 5	5/1/2018	8/15/2033	17,425,000
Improvement, Series 2019	3 - 5	5/1/2019	8/15/2034	39,215,000
Improvement, Series 2020	3 - 5	6/4/2020	8/15/2035	19,525,000
				\$ 177,945,000

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

Annual debt service requirements to maturity for general obligation bonds are as follows:

General Obligation Bonds				
Year Ending September 30	Governmental Activities			Total
	Principal	Interest		
2021	\$ 15,390,000	\$ 7,596,093	\$	22,986,093
2022	14,795,000	6,904,718		21,699,718
2023	14,525,000	6,242,717		20,767,717
2024	14,600,000	5,583,168		20,183,168
2025	15,270,000	4,908,930		20,178,930
2026-2030	66,505,000	15,349,813		81,854,813
2031-2035	36,860,000	3,593,425		40,453,425
Total	\$ 177,945,000	\$ 50,178,864	\$	228,123,864

Revenue Bonds –

Revenue bonds are used to finance the acquisition and construction of major capital improvements for the water and sewer system and related facilities. These revenue bonds constitute special obligations of the City solely secured by a lien on and pledge of the net revenues of the water and sewer system.

The revenue bonds are collateralized by the revenue of the water and sewer system and the various special funds established by the bond ordinances. The ordinances provide that the revenue of the system is to be used, first, to pay operating and maintenance expenses of the system, and second, to establish and maintain the revenue bond funds. Remaining revenues may then be used for any lawful purpose. For fiscal year 2020, net revenue available for debt service was 8.7 times the average annual debt service requirement. The ordinances also contain provisions, which, among other items, restrict amounts and certain financial ratios are met. Management of the City believes that it is in compliance with all significant financial requirements as of September 30, 2020.

At September 20, 2020, revenue bonds currently outstanding are as follows:

	Interest Rate	Issue Date	Maturity Date	Outstanding at Par
	%			
Waterworks and Sewer System Revenue Refunding, Series 2012	2 - 4	5/1/2012	5/1/2023	3,325,000
Waterworks and Sewer System Revenue Improvement, Series 2019	2 - 4	5/1/2019	5/1/2034	8,565,000
				<u>\$ 11,890,000</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending September 30	Business-Type Activities		
	Principal	Interest	Total
2021	\$ 1,695,000	\$ 457,550	\$ 2,152,550
2022	1,750,000	394,500	2,144,500
2023	1,340,000	342,000	1,682,000
2024	515,000	301,800	816,800
2025	540,000	281,200	821,200
2026-2030	3,080,000	1,010,950	4,090,950
2031-2034	2,970,000	302,600	3,272,600
Total	<u>\$ 11,890,000</u>	<u>\$ 3,090,600</u>	<u>\$ 14,980,600</u>

Bonds Authorized and Unissued – At September 30, 2020, the City has \$38,680,000 in general obligation bonds which were authorized and unissued.

Net Pension Liability – The net pension liability represents the actuarially-determined liability for employees’ projected pension benefit payments to be provided to current active and inactive employees; that is attributed to those employees’ past periods of service, less the pension plan’s fiduciary net position. The City allocates pension items between governmental activities and business type activities on the basis of employee payroll funding.

Compensated Absences – Compensated absences represent the estimated liability for employees’ accrued vacation and sick leave for which employees are entitled to be paid upon termination. The retirement of this liability is paid from the General fund, Enterprise Funds, and Internal Service Funds based on the assignment of an employee at termination.

Health Claims Liability – Health claims liability represents an estimate of self-insured claims liability outstanding of the Employee and Disability Internal Service Fund. All health claims are expected to be paid within one year.

Long-term Risk Liability – The long-term risk liability is related to the City’s self-insured retention program accounted for in the Risk Management Internal Service Fund.

The Total OPEB Liability/(TOL) – The TOL represents an actuarially determined present value liability for retiree health benefits earned to date for active and retiree members of the closed defined benefit retiree health plan. The City includes OPEB items within the governmental activities as the governmental funds are expected to liquidate the OPEB liability.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

Note Payable in Governmental Funds – Represents the amount owed for the Castle Hills Public Improvement District (PID) to the developer that will be paid by PID collections from property owners within the PIDS. Amount owed is contingent upon collection from property owners. Each PID has a maturity of 20 years, but individual parcel owners may pay off their PID assessment without a prepayment penalty.

Changes in long-term liabilities – On the next schedule, the additions to the General Obligation Bonds in the Governmental Type Activities represent the issuance of \$20,025,000 of General Obligation Improvement Bonds, Series 2020.

Transactions for the year ended September 30, 2020 are summarized as follows:

	<u>Balance October 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance September 30</u>	<u>Due within one year</u>
Governmental Activities					
Bonds Payable:					
General Obligation Bonds	\$ 173,540,000	\$ 20,025,000	\$ (15,620,000)	\$ 177,945,000	\$ 15,390,000
Premiums	19,969,604	4,223,669	(1,633,641)	22,559,632	1,806,974
Total Bonds Payable	<u>193,509,604</u>	<u>24,248,669</u>	<u>(17,253,641)</u>	<u>200,504,632</u>	<u>17,196,974</u>
Net Pension Liability	39,926,231	-	(32,674,338)	7,251,893	-
Compensated Absences	16,040,208	680,996	(649,928)	16,071,276	1,075,658
Health Claims Liability	1,139,643	7,376,500	(7,488,743)	1,027,400	1,027,400
Other Postemployment Benefits Liability	18,014,766	-	(906,248)	17,108,518	-
PID Notes Payable	14,291,858	-	(396,008)	13,895,850	-
Long-Term Risk Liability	1,056,795	542,419	(851,306)	747,908	-
Total Governmental Activities	<u>283,979,105</u>	<u>32,848,584</u>	<u>(60,220,212)</u>	<u>256,607,477</u>	<u>19,300,032</u>
Business-Type Activities					
Bonds Payable:					
Revenue Bonds	\$ 13,545,000	\$ -	\$ (1,655,000)	\$ 11,890,000	\$ 1,695,000
Premiums	1,411,435	-	(171,282)	1,240,153	148,085
Total Bonds Payable	<u>14,956,435</u>	<u>-</u>	<u>(1,826,282)</u>	<u>13,130,153</u>	<u>1,843,085</u>
Net Pension Liability	1,814,480	-	(1,571,902)	242,578	-
Compensated Absences	457,316	61,109	(34,769)	483,656	110,438
Total Business-Type Activities	<u>17,228,231</u>	<u>61,109</u>	<u>(3,432,953)</u>	<u>13,856,387</u>	<u>1,953,523</u>
Total Government	<u>\$ 301,207,336</u>	<u>\$ 32,909,693</u>	<u>\$ (63,653,165)</u>	<u>\$ 270,463,864</u>	<u>\$ 21,253,555</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

(6) PROPERTY AND SALES TAXES:

Property tax is levied each October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the City. Taxable assessed value represents the appraisal value, less applicable exemptions, authorized by the City Council. Appraised values are established by the Appraisal Board of Review at 100% for estimated fair market value.

Taxes are due on October 1, the levy date, and are delinquent after the following January 31. Tax liens are automatic on January 1 each year. The tax lien is part of a lawsuit for property that can be filed any time after taxes become delinquent (February 1). The city usually waits until after May 1 and July 1 to file suits on business personal property and real property, respectively. As of July 1, 20% collection costs may be added to all delinquent accounts. Current tax collections for the year ended September 30, 2020 were 99.00% of the tax levy.

Property taxes at the fund level are recorded as receivables at the time the taxes are levied. Revenues are recognized as the related ad valorem taxes are collected, including those collected 60 days after year-end.

The City Charter does not provide for a debt limit; therefore, no computation can be made. However, at September 30, 2020, the City had a tax margin of approximately \$1.91 for every \$100 valuation based upon a maximum ad valorem tax of \$2.50 for every \$100 valuation imposed by Texas Constitutional law.

In Texas, central appraisal districts are required under the Property Tax Code to assess all property within its respective county on the basis of 100% of its market value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed at least every three years; however, the City may, at its own expense, require annual reviews of appraised values. The City may challenge appraised values established by the appraisal district through various appeals, and, if necessary, legal action. Under this legislation, the City continues to set City tax rates on property within its boundaries. However, if the effective tax rate, adjusted for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the maintenance and operating tax rate to no more than 8% above the effective tax rate of the previous year. During the fiscal year, the state legislative passed a tax reform measure that among other things made a rollback election mandatory if property tax revenue will be more than 3.5% more than the “no new revenue rate” formerly know as the effective rate.

Sales and use tax is authorized under state law with the City’s levy equal to one percent of taxable sales and uses. The Texas Comptroller of Public Accounts collects all sales and use taxes on behalf of the City; remitting to the City, on a monthly basis, all taxes collected less a 2% service fee.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

The State of Texas utilizes origin-based sourcing for municipal sales and use tax. Under this approach, sales and use tax is sourced to the taxing jurisdiction in which the selling business is located regardless of where in the state the purchaser resides, or the product is shipped. Origin sourcing can produce large individual sales and use taxpayers to specific jurisdictions. As a result, sales and use tax can fluctuate, not only due to general economic factors, but also due to relocations of businesses between taxing jurisdictions. The identity of and the amount paid by individual sales and use tax payers is strictly confidential under state law.

(7) EMPLOYEE BENEFIT PLANS:

A. Texas Municipal Retirement System (TMRS)

Plan Description:

The City participates as one of 886 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmr.com.

All eligible employees of the city are required to participate in TMRS.

Benefits Provided:

TMRS provides retirement disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven actuarially equivalent payments options. Member may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

employee, with interest, prior to establishment of the plan. Monetary credits, also known as the matching ratio, are 200% of the employee’s accumulated contributions and are only payable in the form of an annuity.

Beginning in 1993, the City granted an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount that takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee’s accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, initiated in 1993, the City provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

A summary of plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years at any age, 5 years at age 60 and above
Updated Service Credit	75% Repeating
Annuity Increase to retirees	50% of CPI Repeating

The City does not participate in Social Security.

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	697
Inactive employees entitled to but not yet receiving benefits	657
Active employees	817
	2,171

Contributions:

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

Under the state law governing TMRS, the contribution rate for each city is determined annually by the consulting actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Carrollton were required to contribute 7% of their annual gross earnings during the fiscal year. For fiscal year 2020, the city made contributions of 12.67% for the months in calendar year 2019 and for the months in calendar year 2020, which provided for an additional voluntary contribution of 0.72 percentage points over the required contribution of 11.95% for the months in 2019 and 0.55 percentage points over the actuarially required contribution of 12.12% for the months in 2020. During the 2020 fiscal year, employees contributed \$4,289,124 and the City contributed \$7,763,315, which was \$365,342 more than the actuarially required contribution.

Net Pension Liability:

The City's Net Pension Liability (NPL) was measured as of December 31, 2019, and the total pension Liability (TPL) used to calculate the net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions –

The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.65% per year
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB (10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, health retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set forward for males and a 3-year set forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009-2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income. In order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return in pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, the actuary focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates for real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
<i>Total</i>	100.0%	

Discount Rate – The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will remain at the current 7% and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

Changes in the Net Pension Liability –

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balance at 12/31/2018	\$ 431,606,390	\$ 389,865,679	\$ 41,740,711
Charges for the year:			
Service Cost	9,041,317	-	9,041,317
Interest	28,782,762	-	28,782,762
Difference between expected and actual experience	(472,361)	-	(472,361)
Change in assumptions	(98,593)	-	(98,593)
Contributions - Employer	-	7,472,522	(7,472,522)
Contributions - Employee	-	4,132,806	(4,132,806)
Net Investment Income	-	60,244,834	(60,244,834)
Benefit Payments, including refunds of employee contributions	(19,431,525)	(19,431,525)	-
Administrative Expense	-	(340,567)	340,567
Other Changes	-	(10,230)	10,230
Net Changes	<u>17,821,600</u>	<u>52,067,840</u>	<u>(34,246,240)</u>
Balance at 12/31/2019	<u>\$ 449,427,990</u>	<u>\$ 441,933,519</u>	<u>\$ 7,494,471</u>

Sensitivity of the net pension liability to changes in the discount rate –

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
City’s net pension liability	\$ 68,896,827	\$ 7,494,471	\$ (43,079,998)

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

Pension Plan Fiduciary Net Position –

Detailed information about the pension plan’s Fiduciary net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmr.com.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended September 30, 2020, the City recognized pension expense of \$8,105,271. This amount is included as part of Personal Services expenses within the functional program activities.

At September 30, 2020, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions after measurement date	\$ 5,651,128	\$ -
Net difference in projected and actual earnings on pension assets	-	13,550,987
Changes in actuarial assumptions used to determine pension liability	-	70,820
Difference in expected and actual pension experience	38,094	560,205
Total	<u>\$ 5,689,222</u>	<u>\$ 14,182,012</u>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$5,651,128 will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2020 (i.e. recognized in the city’s financial statements September 30, 2021). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Year ended Dec 31	
2020	(4,248,757)
2021	(4,231,337)
2022	1,121,956
2023	(6,785,780)
Total	<u>\$ (14,143,918)</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

B. Deferred Compensation Plan

The City offers all employees a deferred compensation plan through ICMA-RC in accordance with Internal Revenue Code Section 457. The ICMA-RC 457 plan provides employees the option to supplement their TMRS retirement benefits by making pre-tax contributions to their plan. If employees contribute at least 4.65% of their gross pay per pay period the City will match 2.35%. The 457 Plan contribution maximums for 2020 are: \$18,000; \$24,000 for age 50 catch-up and \$36,000 for the regular catch-up provision. Employees may enroll in the plan and /or change their contribution amounts at any time.

(8) INTERFUND ACTIVITY:

Interfund transfers during the year ended September 30, 2020, were as follows:

	<u>Transfers In/Internal Contribution</u>					<u>Total</u>
	<u>General Fund</u>	<u>Streets and Drainage</u>	<u>General and Public Facilities</u>	<u>Golf Course</u>	<u>Non-Major Governmental</u>	
<u>Transfers Out</u>						
General Fund	\$ -	\$ 1,420,000	\$ 10,853,629	\$ 776,664	\$ 2,958,500	\$ 16,008,793
General and Public Facilities	-	-	-	-	-	-
Internal Service Water and Sewer	496,305	-	-	-	-	496,305
Golf Course	4,552,223	-	-	-	-	4,552,223
Non-Major Governmental Sanitation	-	-	-	-	-	-
	608,654	1,111,245	-	-	-	1,719,899
Total	<u>\$ 5,657,182</u>	<u>\$ 2,531,245</u>	<u>\$ 10,853,629</u>	<u>\$ 776,664</u>	<u>\$ 2,958,500</u>	<u>\$ 22,777,220</u>

Interfund Payables/Receivables

As of 9/30/2020, the Water and Sewer Fund has an interfund payable to the General Fund for \$2,012,241 for a interfund loan to provide resources to the utility fund to redeem bonds.

Transfers are primarily used to move funds from:

- The Proprietary Funds to the General Fund for a budgeted allocation amount.
- The Water and Sewer fund to the General Fund for a payment in lieu of taxes.
- Sanitation Fund to the Streets and Drainage capital project fund for alley improvements.
- The General Fund to finance various programs and between capital projects funds accounted for in other funds in accordance with budgetary authorizations.
- One capital projects fund to another for projects accounted for in the other fund.

(9) WATER PURCHASE AND WASTEWATER TREATMENT CONTRACTS:

The City has a contract with Dallas Water Utilities (DWU) to purchase substantially all of the City’s potable water. Under the contract, the City pays DWU a rate based on a fixed demand charge, plus water usage. The

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

rates charged are subject to minimum annual contract payments. Water expense for the year ended September 30, 2020 was \$13,285,364.

The City has a contract with Trinity River Authority (TRA) whereby the TRA has agreed to provide a wastewater treatment and disposal system for the benefit of the City and any “additional member City” as defined. Each member city pays an “annual payment”, as defined, as its pro rata share of operating expenses and debt service of TRA’s Central Regional Wastewater System (CRWS). The City’s annual expense for the year ended September 30, 2020 was \$14,139,330. To provide the above mentioned services, TRA CRWS issues revenue bonds repayable solely from revenues generated from the member city contracts with TRA CRWS. As such, the City is an obligated party on all outstanding TRA CRWS debt.

(10) SELF-INSURANCE

The City administers a self-insured retention program (SIR) within the Risk management Internal Service Fund in order to deal with potential liabilities. Claims in excess of the self-insured retention amounts are covered through third-party limited-coverage insurance policies. The City is self-insured with excess coverage in these areas:

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

<u>Policy</u>	<u>Retention</u>	<u>Limits on Liability</u>
General Liability	\$25,000 per occurrence	\$2,000,000 per occurrence and \$4,000,000 policy aggregate
Law Enforcement Liability, Errors and Omissions	\$50,000 per occurrence	\$2,000,000 per occurrence and \$4,000,000 policy aggregate
Workers' Compensation	\$100,000 per occurrence	Statutory
Property Loss	\$25,000 per occurrence	\$ 196,717,116
Automobile Liability	\$50,000 per occurrence	\$1,000,000 per occurrence
Automobile Physical Damage	\$10,000 per occurrence	Actual cash value or agreed value as scheduled
Cyber Insurance		\$1,000,000 policy aggregate multiple aggregate sublimits

All funds of the City participate in the program and make payments to the Risk Management Fund. As of the end of fiscal year 2020, the loss reserve was estimated at \$747,908.

Changes in this reserve amount in fiscal years 2019 and 2020 were as follows:

	<u>Balance at Beginning of Fiscal Year</u>	<u>Current-year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Fiscal Year</u>
2018-2019	\$ 1,232,725	\$ 764,455	\$ 940,385	\$ 1,056,795
2019-2020	\$ 1,056,795	\$ 542,419	\$ 851,306	\$ 747,908

The City maintains the Employee Health and Disability Fund to account for the City's employee health care coverage and long-term disability programs which are self-insured by the City with long-term disability claims in excess of one year covered through third-party insurance policies. In addition, excess insurance of up to \$1,144,709 has been obtained for an individual employee's health care claims exceeding \$225,000.

Revenues are recognized from payroll deductions and City contributions. At September 30, 2020, a liability of \$1,027,400 has been recorded, which represents estimated claims incurred by not yet reported.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

Changes in this claim liability during fiscal years 2019 and 2020 were as follows:

	Balance at Beginning of Fiscal Year	Current-year Claims and Changes in Estimates	Claim Payments	Balance at End of Fiscal Year
2018-2019	\$ 1,440,000	\$ 8,139,846	\$ 8,440,203	\$ 1,139,643
2019-2020	\$ 1,139,643	\$ 7,376,500	\$ 7,488,743	\$ 1,027,400

There have been no significant increases in insurance coverage during the fiscal year 2020.

(11) TAX ABATEMENTS:

The City enters into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the City. This program rebates property and hotel occupancy taxes and is authorized under Chapter 380 of the Texas Local Government Code.

The City has entered into various agreements that rebate a percentage of property and/or hotel occupancy taxes. Agreements for rebate of property taxes call for rebates of 30% to 90% of taxes on incremental values for up to 17 years. The agreement for hotel occupancy taxes provides for a step down in rebates starting at 100% for 15 years, 75% for the next three years, and 50% for the remaining two years. For fiscal year 2020, the City rebated property taxes of \$2,854,679 or 3.1% of the \$91,990,778 total levy and hotel occupancy taxes of \$210,744 or 51% of the \$413,595 total occupancy tax revenues.

(12) COMMITMENTS AND CONTINGENT LIABILITIES:

Encumbrances – As discussed in note 1 E, Budgetary Control, for budgetary purposes, includes the impact of encumbrances. Encumbrances are commitments related to unperformed contracts for goods or services (i.e. purchase orders). At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year in the General Fund were \$34,286.

Grants – The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Litigation – Various claims and lawsuits are pending against the City. In the opinion of City management, after consultation with legal counsel, the potential loss on all claims and lawsuits will not materially affect the City’s financial position, results of operations, or cash flows.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

Construction Commitments – The City has active construction projects as of September 30, 2020. Total accumulated commitments for ongoing capital projects are composed of the following:

Streets and Drainage	\$	88,229,932
Traffic		1,438,127
Parks and Recreation		15,310,342
General Facilities		22,003,974
Community Development		12,640,385
Water and Sewer		11,750,163
Golf Course		88,889
Total	\$	151,461,812

These commitments will be funded through unspent bond proceeds, unrestricted cash, and intergovernmental participation.

Leases – The City does not currently have any leasing transactions.

Development –

Arcadia Development – In 2014, the city completed the sale of real property to Arcadia Realty Corporation (Arcadia). The purchase and sale agreement required a Development Agreement for the Cemetery Hill Road Extension and the Furneaux Creek North-South Tributary Rehabilitation project. This agreement required the City to provide \$1,000,000 in escrow for Arcadia to pay for the costs for certain drainage improvements, parkway improvements, hike and bike trail improvements, and road extensions. In December 2017, this agreement was amended to reduce the escrow amount to \$885,000. As of September 30, 2020, \$810,884 of these funds has been expended and the remaining \$76,608 including \$2,492 interest, held in escrow as cash and cash equivalents.

(13) OTHER POSTEMPLOYMENT BENEFITS:

a) Closed Retiree Health Care Plan:

Program Description:

In addition to the pension benefits described in Note 7, as required by state law and defined by City Policy, the City makes available health care benefits to all employees who retire from the City and who are receiving benefits from a City sponsored retirement program (Texas Municipal Retirement System, and/or a Section 457 Deferred Compensation Plan) through a single-employer

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

defined benefit healthcare plan. This healthcare program provides lifetime insurance (or until age 65 if eligible for Medicare) to eligible retirees, their spouses, and dependents through the City's group health insurance plan, which covers both active and retired members. Benefit provisions are established by management. No assets are accumulated in a trust that meet the criteria in paragraph 4 of statement 75.

All employees who, as of January 1, 2009, had 20 years or more of service, or were 60 years or more of age with five years or more of service, are eligible upon retirement to remain in the health plan at the total blended contribution rate for active and retiree participants (Retiree Health Existing (Closed) Program). For financial reporting purposes, the Retiree Health Existing (Closed) Program is accounted for in the Employee Health and Disability Fund. No other financial statements are issued related to the Retiree Health Existing (Closed) Program. As of December 31, 2019, there were 18 Active and 23 Retirees and Dependents for a total of 41 participants in the Closed Program.

A new Retiree Defined Contribution Program effective January 1, 2009 for active employees with less than 20 years of service or at 60 years or more of age with less than five years of service requires participants to pay an aged-based full-cost premium if they choose to remain on the City's healthcare plan upon retirement. In return, the City has begun making scheduled contributions into a Retiree Health Savings plan in the name of each employee who has ten years of service or more. Employees are 50% vested at 15 years of service with the City and 100% vested at 20 years of service. Under the provisions of GASB Codification Section Po 50, employees who will be required to contribute the full aged-based cost for coverage for the City's health Plan do not receive an Other Post employment Benefit. Accordingly, only those employees who are eligible to participate in the Retiree Health Existing (Closed) Program are included in the valuation results described below.

Funding Policy:

Current retirees contribute to the Retiree Health Existing (Closed) Program the total blended premium for active and retired participants. The city contribution to the Retiree Health Existing (Closed) Program consists of Pay-as-you-go claims in excess of the retiree contributions for the year. Retiree contribution rates for fiscal year 2020 were \$8,745 to \$27,736 per year depending on coverage levels selected. In fiscal year 2020, total member contributions were \$388,603. The City contributions to the plan for fiscal year 2020, which are also equal to claims paid in excess of premiums collected, were \$535,970.

Funded Status and Funding Progress:

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

As of December 31, 2019, the most recent actuarial valuation date, the total OPEB liability (TOL) for benefits was \$17,108,518, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) for fiscal year 2019 was \$2,009,270. The ratio of the total OPEB Liability to the covered payroll was 851%.

Actuarial valuation of the program involve estimates of the value of reported amounts and assumptions of the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare costs trend. Amounts determined regarding the funded status of the program and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point.

For the December 31, 2019 actuarial valuation, the Individual Entry Age cost method was used. The actuarial assumptions include a 2.75% discount rate, based on the Fidelity 20-year Municipal GO AA Index, an annual healthcare cost trend rate of 7.00% initially, reduced by decrements to an ultimate rate of 4.15% after 15 years, and salary increases from 3.5% to 11.5%, including inflation. The rate of inflation is assumed to be 2.5%. The valuation included the gender-distinct RP 2000 Combined Healthy Mortality Tables with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103%. Demographic assumptions are based on the experience study covering the four year period ending December 31, 2018 as conducted for TMRS.

The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s total OPEB liability.

Service Cost	\$ 18,757
Interest on Total OPEB Liability	651,460
Changes of Assumptions	1,066,615
Benefit Payments	(929,130)
Difference between expected and actual experience of the total OPEB liability	(1,713,950)
Net Change in Total OPEB Liability	(906,248)
Total OPEB Liability - beginning	18,014,766
Total OPEB Liability - ending	<u>\$ 17,108,518</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

Sensitivity of the net OPEB liability to changes in the discount rate –

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.75%, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.75%) or 1-percentage-point higher (3.75%) than the current rate:

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
City's Total OPEB Liability	\$ 19,421,286	\$ 17,108,518	\$ 15,199,130

Sensitivity of the net OPEB liability to changes in the healthcare trend rate –

The following presents the sensitivity of the total OPEB liability of the City to changes in the healthcare cost trend rates, the following presents the plan’s total OPEB liability, calculated using the assumed trend rates as well as what the plan’s total OPEB liability would be if it were calculated using a trend rate that is 1-percent lower or 1-percent higher:

	1% Decrease in Trend Rate	Current Health Care Trend Rate	1% Increase in Trend Rate
City's Total OPEB Liability	\$ 15,654,066	\$ 17,108,518	\$ 18,730,037

For the year ended September 30, 2020, the City recognized OPEB income of \$170,912.

As the City has a closed plan with limited members, at September 30, 2020, the City reported deferred outflows and inflows of resources related to OPEB which are detailed in the following table. Difference between expected and actual experience and changes in actuarial assumptions used to determine total OPEB liability are amortized over a two-year period (including 2020):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 856,975
OPEB Contributions after measurement date	\$ 869,264	\$ -
Changes in actuarial assumptions used to determine total OPEB liability	533,307	-
Total	\$ 1,402,571	\$ 856,975

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

b) Retiree Health Savings Plan (RHS)

Non-grandfathered employees will be required to participate in the City's Retiree Health Savings (hereafter referred to as RHS) plan as described below.

Eligible employees will receive contributions to their RHS accounts on the second pay period in January of each year with the first year starting after the completion of ten full years of continuous service with the City of Carrollton. Years of service will be determined as of January 1 of each year. Contributions will vary based on years of service.

Employees will be 50% vested at 15 years and 100% vested at 20 years. Vesting includes all RHS account balances including investment earnings. RHS accounts will be administered through ICMA-RC and investment options will be similar or identical to those offered by ICMA-RC in their 457 plan with the City.

Employees are eligible for disbursement from their vested RHS account balances upon termination of city employment according to the vesting schedule above and IRS regulations. Upon termination, RHS balances may be disbursed for any eligible health-related expenses as defined by IRS Regulations. Upon separating from service, prior to benefit eligibility, a participant's non-vested funds shall remain in the plan and be reallocated among fully vested plan participants.

(14) FUTURE FINANCIAL REPORTING REQUIREMENT:

The City has reviewed GASB pronouncements which become effective in future years, and notes the following statements are applicable to the City.

Statement No. 84, *Fiduciary Activities* – This statement establishes criteria for identifying fiduciary activities of governments and for identifying fiduciary component units and post-employment benefit arrangements that are fiduciary activities. This statement will become effective for the City in fiscal year 2021.

Statement No. 87, *Leases* – This statement changes the recognition requirements for certain lease assets and liabilities for leases that are currently classified as operating leases. This statement will become effective for the City in fiscal year 2022.

Statement No. 90, *Major Equity Interests - an amendment of GASB Statements No. 14 and No. 61*. This statement will become effective for the City in fiscal year 2021.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2020

Statement No. 92, *Omnibus 2020*. This statement will become effective for the City in fiscal year 2022.

Statement No. 93, *Replacement of Interbank Offered Rates*. This statement will become effective for the City in fiscal year 2021/2022.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This statement will become effective for the City in fiscal year 2023.

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement will become effective for the City in fiscal year 2023.

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. This statement will become effective for the City in fiscal year 2022/immediately.

(15) SUBSEQUENT EVENTS

The City received notification that effective December 31, 2020, the largest claimant impacting the Retiree Health Existing (Closed) Program had obtain alternate coverage and would no longer be participating in the plan. This is expected to have a significant impact on the closed program in future years.

CITY OF CARROLLTON, TEXAS
Required Supplementary Information
Texas Municipal Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios
Last Five Fiscal Years
(Unaudited)

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019
Total pension liability:						
Service cost	\$ 6,592,786	\$ 7,652,932	\$ 8,018,638	\$ 8,406,143	\$ 8,686,029	\$ 9,041,317
Interest	23,690,265	24,739,518	25,320,101	26,477,155	27,654,253	28,782,762
Difference between expected and actual experience	(2,087,560)	(964,785)	(726,584)	192,522	(491,951)	(472,361)
Change in assumptions	-	4,666,507	-	-	-	(98,593)
Benefit payments, including refunds of employee contributions	(13,257,578)	(14,214,900)	(14,957,304)	(16,371,432)	(19,183,121)	(19,431,525)
Net change in total pension liability	14,937,913	21,879,272	17,654,851	18,704,388	16,665,210	17,821,600
Total pension liability - beginning	341,764,756	356,702,669	378,581,941	396,236,792	414,941,180	431,606,390
Total pension liability - ending (a)	356,702,669	378,581,941	396,236,792	414,941,180	431,606,390	449,427,990
Plan fiduciary net position:						
Contributions - employer	6,822,121	7,332,309	7,258,922	7,063,344	7,332,214	7,472,522
Contributions - employee	3,423,287	3,679,294	3,642,470	3,820,974	3,966,963	4,132,806
Net investment income	19,077,452	515,477	23,404,549	50,642,626	(12,286,647)	60,244,834
Benefit payments, including refunds of employee contributions	(13,257,578)	(14,214,900)	(14,957,304)	(16,371,432)	(19,183,121)	(19,431,525)
Administrative expense	(199,188)	(313,987)	(264,342)	(262,459)	(237,525)	(340,567)
Other	(16,377)	(15,507)	(14,242)	(13,301)	(12,410)	(10,230)
Net change in plan fiduciary net position	15,849,717	(3,017,314)	19,070,053	44,879,752	(20,420,526)	52,067,840
Plan fiduciary net position - beginning	333,503,997	349,353,714	346,336,400	365,406,453	410,286,205	389,865,679
Plan fiduciary net position - ending (b)	349,353,714	346,336,400	365,406,453	410,286,205	389,865,679	441,933,519
Net pension liability - ending (a) - (b)	\$ 7,348,955	\$ 32,245,541	\$ 30,830,339	\$ 4,654,975	\$ 41,740,711	\$ 7,494,471
Plan fiduciary net position as a percentage of total pension liability	97.94%	91.48%	92.22%	98.88%	90.33%	98.33%
Covered payroll	\$ 48,904,096	\$ 52,561,347	\$ 52,035,292	\$ 54,585,343	\$ 56,586,510	\$ 58,977,932
Net pension liability as a percentage of covered payroll	15.03%	61.35%	59.25%	8.53%	73.76%	12.71%

Note: This schedule is intended to present information for ten years. However, previous years' information is not available.

CITY OF CARROLLTON, TEXAS

Required Supplementary Information
 Texas Municipal Retirement System
 Schedule of Contributions
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	(1) Actuarially determined contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess (deficiency) (2) - (1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered employee payroll (2)/(4)
2011	7,807,248	7,960,494	153,246	46,358,980	16.84%	17.17%
2012	6,544,714	6,530,161	(14,553)	44,732,281	14.63%	14.60%
2013	6,444,731	6,547,839	103,108	46,392,021	13.89%	14.11%
2014	6,480,879	6,755,754	274,875	48,428,341	13.38%	13.95%
2015	6,329,810	6,982,334	652,524	50,052,500	12.65%	13.95%
2016	6,108,431	7,256,852	1,148,421	52,020,446	11.74%	13.95%
2017	6,527,064	7,072,321	545,257	53,555,327	12.19%	13.21%
2018	6,563,597	7,233,075	669,478	55,897,022	11.74%	12.94%
2019	5,979,381	6,310,121	330,740	58,214,153	10.27%	10.84%
2020	7,397,973	7,763,315	365,342	61,273,205	12.07%	12.67%

Notes to Schedule:

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31st each year and become effective in January, 12 months and a day later.

Methods and Assumptions Used to Determine Contribution Rate for 2019:

Actuarial Cost Method Entry Age Normal
 Amortization Method Level Percentage of Payroll, Closed
 Remaining Amortization
 Period 26 years
 Asset Valuation Method 10 Year smoothed market; 12% soft corridor
 Inflation 2.50%
 Salary Increases 3.50% to 11.50% including inflation
 Investment Rate of Return 6.75%
 Retirement Age Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018.
 Mortality Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
 Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Significant assumption differences for fiscal years prior to 2019:

Actuarial Cost Method Projected Unit Credit for fiscal years prior to 2014.
 Inflation 3% for fiscal years prior to 2016.
 Investment Rate of Return 7% for fiscal years prior to 2016.
 Mortality Prior to fiscal year 2014, Gender Distinct RP2000 Combined Healthy Mortality Table projected to the year 2003 by scale AA

CITY OF CARROLLTON, TEXAS

Required Supplementary Information

Schedule of Changes in the City's Total OPEB Liability and Related Ratios

(Unaudited)

	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019
Total OPEB liability			
Service cost	\$ 23,938	\$ 26,985	\$ 18,757
Interest	681,288	622,194	651,460
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	(170,261)	(1,713,950)
Changes of Assumptions	1,118,690	(864,664)	1,066,615
Benefit Payments	(1,052,441)	(766,795)	(929,130)
Net change in total OPEB liability	771,475	(1,152,541)	(906,248)
Total OPEB liability - beginning	18,395,832	19,167,307	18,014,766
Total OPEB liability - ending (a)	19,167,307	18,014,766	17,108,518
Covered employee payroll	\$ 2,658,886	\$ 2,617,211	\$ 2,009,270
Total OPEB liability as a percentage of covered employee payroll	720.88%	688.32%	851.48%

Note to Schedule

Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

2016	3.81%
2017	3.31%
2018	3.71%
2019	2.75%

Until a full 10-year trend is completed, we will present information for those years for which information is available.

COMBINING FINANCIAL STATEMENTS

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Hotel/Motel Tax Fund – to account for the accumulation of resources from the Hotel/Motel Tax assessment levied by the City. These monies are to be spent to promote the progress, development or growth of the City with the guidelines set forth on disposition of revenues collected under the authority of the Texas Hotel Occupancy Tax Act (Articles 1269; Vernon’s Texas Civil Statutes).

Public Safety Fund – to account for special fines, forfeitures and grant funds for Public Safety programs.

Public Improvement District Fund - to account for PID assessment fees collected to cover the costs associated with improvements within the district(s).

Cultural and Recreational Fund – to account for miscellaneous funds designated for special cultural and recreational programs of the City.

Capital Project Funds

Parks and Recreation Fund – to account for funds received and expended for purchase of land, improvements and construction of parks and recreational facilities.

Traffic Fund – to account for funds received and expended for new installations and replacement of traffic signalization equipment, and installation of underground conduit and wiring for streetlights.

Tax Increment Reinvestment Zone – to account for funds received and expended within the City’s Tax Increment Reinvestment Zone located adjacent to the light rail stations.

Community Development Fund – to account for funds received and expended on community beautification and revitalization programs. This fund includes grant funds from the Community Development Block Grant program and the Neighborhood Partnership tax levy.

CITY OF CARROLLTON, TEXAS

Combining Balance Sheet
 Non-Major Governmental Funds
 September 30, 2020

	Special Revenue				Capital Projects				Total Other Governmental Funds
	Hotel/Motel Tax	Public Safety	Public Improvement District	Cultural and Recreational	Parks and Recreation	Traffic	Tax Increment Reinvestment Zone	Community Development	
Assets									
Cash and cash equivalents	\$ 59,115	\$ 2,581,460	\$ 12,360	\$ 861,891	\$ 13,270,322	\$ 1,531,050	\$ 2,226,618	\$ 23,159,356	\$ 43,702,172
Accrued interest	-	5,860	-	593	53,214	5,449	9,450	74,590	149,156
Due from other governments	-	-	-	-	-	394,153	-	22,288	416,441
Total assets	<u>\$ 59,115</u>	<u>\$ 2,587,320</u>	<u>\$ 12,360</u>	<u>\$ 862,484</u>	<u>\$ 13,323,536</u>	<u>\$ 1,930,652</u>	<u>\$ 2,236,068</u>	<u>\$ 23,256,234</u>	<u>\$ 44,267,769</u>
Liabilities and Fund Balances									
Liabilities									
Accounts payable	\$ 37,609	\$ 301,242	\$ 12,360	\$ 65,404	\$ 276,368	\$ 114,932	\$ -	\$ 62,984	\$ 870,899
Unearned revenue	-	-	-	-	4,250	152,668	-	-	156,918
Total liabilities	<u>37,609</u>	<u>301,242</u>	<u>12,360</u>	<u>65,404</u>	<u>280,618</u>	<u>267,600</u>	<u>-</u>	<u>62,984</u>	<u>1,027,817</u>
Fund Balances									
Restricted for:									
Capital projects	-	-	-	-	1,529,249	-	2,236,068	-	3,765,317
Other purposes	21,506	2,286,078	-	-	-	-	-	-	2,307,584
Committed to:									
Capital projects	-	-	-	-	1,214,396	-	-	15,016,277	16,230,673
Assigned to:									
Capital projects	-	-	-	-	10,299,273	-	-	8,176,973	18,476,246
Other purposes	-	-	-	797,080	-	1,663,052	-	-	2,460,132
Total fund balances	<u>21,506</u>	<u>2,286,078</u>	<u>-</u>	<u>797,080</u>	<u>13,042,918</u>	<u>1,663,052</u>	<u>2,236,068</u>	<u>23,193,250</u>	<u>43,239,952</u>
Total liabilities and fund balances	<u>\$ 59,115</u>	<u>\$ 2,587,320</u>	<u>\$ 12,360</u>	<u>\$ 862,484</u>	<u>\$ 13,323,536</u>	<u>\$ 1,930,652</u>	<u>\$ 2,236,068</u>	<u>\$ 23,256,234</u>	<u>\$ 44,267,769</u>

CITY OF CARROLLTON, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Non-Major Governmental Funds
 For the Year Ended September 30, 2020

	Special Revenue				Capital Projects			Total Other Governmental Funds	
	Hotel/Motel Tax	Public Safety	Public Improvement District	Cultural and Recreational	Parks and Recreation	Traffic	Tax Increment Reinvestment Zone		Community Development
Revenues									
Ad valorem tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 665,923	\$ 5,430,893	\$ 6,096,816
Occupancy tax	211,851	-	-	-	-	-	-	-	211,851
Assessments	-	-	-	-	-	6,000	-	-	6,000
Charges for services	44,388	-	-	2,293	56,658	-	-	-	103,339
Intergovernmental	-	-	-	-	-	394,153	271,569	783,583	1,449,305
Licenses and permits	-	-	-	4,440	-	-	-	-	4,440
Fines and forfeitures	-	645,641	-	-	-	-	-	-	645,641
Investment earnings net of change in fair value of investments	(19)	32,944	-	4,392	209,335	20,448	29,215	339,894	636,209
PID assessment revenue	-	-	1,448,765	-	-	-	-	-	1,448,765
Miscellaneous	75,046	27,139	-	44,947	30,387	-	-	-	177,519
Total Revenues	\$ 331,266	\$ 705,724	\$ 1,448,765	\$ 56,072	\$ 296,380	\$ 420,601	\$ 966,707	\$ 6,554,370	\$ 10,779,885
Expenditures									
Current:									
Public safety	-	362,481	-	-	-	-	-	-	362,481
Cultural and recreational	425,004	-	-	34,973	-	-	-	-	459,977
PID development reimbursement	-	-	1,448,765	-	-	-	-	-	1,448,765
Capital outlay	-	-	-	-	4,456,333	863,691	-	1,683,496	7,003,520
Total Expenditures	425,004	362,481	1,448,765	34,973	4,456,333	863,691	-	1,683,496	9,274,743
Excess (deficiency) of revenues over expenditures	(93,738)	343,243	-	21,099	(4,159,953)	(443,090)	966,707	4,870,874	1,505,142
Other financing sources:									
Bonds issued	-	-	-	-	3,150,000	-	-	-	3,150,000
Transfers in	115,000	-	-	-	2,128,500	715,000	-	-	2,958,500
	115,000	-	-	-	5,278,500	715,000	-	-	6,108,500
Net change in fund balances	21,262	343,243	-	21,099	1,118,547	271,910	966,707	4,870,874	7,613,642
Fund balances at beginning of year	244	1,942,835	-	775,981	11,924,371	1,391,142	1,269,361	18,322,376	35,626,310
Fund balances at end of year	\$ 21,506	\$ 2,286,078	\$ -	\$ 797,080	\$ 13,042,918	\$ 1,663,052	\$ 2,236,068	\$ 23,193,250	\$ 43,239,952



CARROLLTON
T E X A S

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

Special Revenue and Debt Service Funds



CARROLLTON
T E X A S

CITY OF CARROLLTON, TEXAS

Hotel/Motel Tax Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020			2019	
	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final			
Revenues					
Occupancy	\$ 230,000	\$ 222,405	\$ 211,851	\$ (10,554)	\$ 189,529
Charges for services	-	-	44,388	44,388	113,028
Investment earnings net of change in fair value of investments	-	-	(19)	(19)	836
Miscellaneous	75,000	119,198	75,046	(44,152)	-
Total Revenues	305,000	341,603	331,266	(10,337)	303,393
Expenditures					
Current:					
Cultural and recreational	575,000	425,409	425,004	405	509,650
Deficiency of revenues over expenditures	(270,000)	(83,806)	(93,738)	(9,932)	(206,257)
Other financing sources:					
Transfers in	285,000	115,000	115,000	-	207,093
Net change in fund balances	15,000	31,194	21,262	(9,932)	836
Fund balances at beginning of year	244	244	244	-	(592)
Fund balances at end of year	\$ 15,244	\$ 31,438	\$ 21,506	\$ (9,932)	\$ 244

CITY OF CARROLLTON, TEXAS

Public Safety Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020				2019
	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final			
Revenues					
Intergovernmental	\$ 19,300	\$ 14,300	\$ -	\$ (14,300)	\$ 19,960
Licenses and permits	-	-	-	-	497,698
Fines and forfeitures	384,250	616,095	645,641	29,546	-
Investment earnings net of change in fair value of investments	29,000	30,000	32,944	2,944	59,391
Miscellaneous	-	-	27,139	27,139	-
Total Revenues	432,550	660,395	705,724	45,329	577,049
Expenditures					
Current:					
Public safety	1,155,003	449,868	362,481	87,387	404,697
Net change in fund balances	(722,453)	210,527	343,243	132,716	172,352
Fund balances at beginning of year	1,942,835	1,942,835	1,942,835	-	1,770,483
Fund balances at end of year	\$ 1,220,382	\$ 2,153,362	\$ 2,286,078	\$ 132,716	\$ 1,942,835

CITY OF CARROLLTON, TEXAS

Public Improvement District
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020			2019	
	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final			
Revenues					
PID assessment revenue	\$ 1,447,982	\$ 1,447,982	\$ 1,448,765	\$ 783	\$ 1,447,982
Total Revenues	<u>1,447,982</u>	<u>1,447,982</u>	<u>1,448,765</u>	<u>783</u>	<u>1,447,982</u>
Expenditures					
Current:					
PID Development Reimbursement	30,000	30,000	1,448,765	(1,418,765)	1,447,982
Principal retirement	467,248	467,248	-	467,248	-
Interest and fiscal charges	950,734	950,734	-	950,734	-
Net change in fund balances	-	-	-	-	-
Fund balances at beginning of year	-	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CARROLLTON, TEXAS

Cultural and Recreational Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020			2019	
	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final			
Revenues					
Charges for services	\$ 1,000	\$ 1,000	\$ 2,293	\$ 1,293	\$ -
Licenses and permits	25,000	2,100	4,440	2,340	38,467
Investment earnings net of change in fair value of investments	2,000	2,000	4,392	2,392	9,898
Miscellaneous	74,000	47,650	44,947	(2,703)	87,116
Total Revenues	102,000	52,750	56,072	3,322	135,481
Expenditures					
Cultural and recreational	102,000	88,000	34,973	53,027	52,796
Net change in fund balances	-	(35,250)	21,099	56,349	82,685
Fund balances at beginning of year	775,981	775,981	775,981	-	693,296
Fund balances at end of year	\$ 775,981	\$ 740,731	\$ 797,080	\$ 56,349	\$ 775,981

CITY OF CARROLLTON, TEXAS

Debt Service Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020						2019	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis	
	Original	Final						
Revenues								
Taxes:								
Ad valorem	\$ 23,383,840	\$ 23,383,840	\$ 23,259,641	\$ -	\$ 23,259,641	\$ (124,199)	\$ 23,463,302	
Penalty and interest	50,000	50,000	56,729	-	56,729	6,729	61,152	
Investment earnings net of change in fair value of investments	-	-	48,683	(14,900)	33,783	33,783	45,678	
Total Revenues	23,433,840	23,433,840	23,365,053	(14,900)	23,350,153	(83,687)	23,570,132	
Expenditures								
Debt service:								
Principal retirement	15,620,000	15,620,000	15,620,000	-	15,620,000	-	16,240,000	
Interest and fiscal charges	7,459,040	7,509,013	7,713,093	(204,985)	7,508,108	905	7,332,656	
Total Expenditures	23,079,040	23,129,013	23,333,093	(204,985)	23,128,108	905	23,572,656	
Excess (deficiency) of revenues over expenditures	354,800	304,827	31,960	190,085	222,045	(82,782)	(2,524)	
Other financing sources:								
Bonds issued	-	-	204,985	-	204,985	204,985	29,400,480	
Payment to refunded bond escrow agent	-	-	-	-	-	-	(29,075,932)	
Total other financing sources	-	-	204,985	-	204,985	204,985	324,548	
Net change in fund balances	\$ 354,800	\$ 304,827	236,945	\$ 190,085	\$ 427,030	\$ 122,203	322,024	
Fund balances at beginning of year	5,194,332	5,194,332	5,194,332	-	5,194,332	-	4,872,308	
Fund balances at end of year	\$ 5,549,132	\$ 5,499,159	\$ 5,431,277	\$ 190,085	\$ 5,621,362	\$ -	\$ 5,194,332	

**SUPPLEMENTARY INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

General Fund

These supplementary statements and schedules are included to provide management additional information for financial analysis.

CITY OF CARROLLTON, TEXAS

General Fund
 Comparative Balance Sheets
 September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash and cash equivalents	\$ 39,420,165	\$ 27,816,104
Receivables (net, where applicable, of allowance for doubtful accounts)		
Ad valorem taxes	88,915	1,122
Sales taxes	3,300,677	3,307,901
Franchise fees	2,807,223	3,048,654
Accrued interest	193,133	321,308
Other	2,437,768	657,182
Due from other funds	2,012,241	2,461,135
Due from other governments	24,935	2,115
Prepaid items	-	165,821
	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 50,285,057</u></u>	<u><u>\$ 37,781,342</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 8,545,852	\$ 7,032,351
Unearned revenue	21,076	11,290
	<u> </u>	<u> </u>
Total liabilities	<u>8,566,928</u>	<u>7,043,641</u>
Deferred inflows of resources		
Unavailable revenue	1,150,409	-
	<u> </u>	<u> </u>
Total deferred inflows of resources	<u>1,150,409</u>	<u>-</u>
Fund Balances		
Nonspendable for:		
Prepaid items	-	165,821
Assigned to:		
Other purposes	-	370,937
Unassigned	40,567,720	30,200,943
	<u> </u>	<u> </u>
Total Fund Balances	<u>40,567,720</u>	<u>30,737,701</u>
	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u><u>\$ 50,285,057</u></u>	<u><u>\$ 37,781,342</u></u>

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020						2019
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Revenues							
Taxes:							
Ad valorem	\$ 53,093,999	\$ 53,589,189	\$ 53,072,254	\$ -	\$ 53,072,254	\$ (516,935)	\$ 49,511,575
Penalty and interest	480,000	480,000	297,143	-	297,143	(182,857)	270,684
Sales	38,815,765	39,359,912	40,032,543	-	40,032,543	672,631	39,683,052
911 fees	1,069,525	1,010,667	1,071,761	-	1,071,761	61,094	-
Franchise fees	10,688,692	11,010,332	11,823,746	-	11,823,746	813,414	11,729,120
Charges for services	5,724,940	4,325,270	4,692,777	-	4,692,777	367,507	5,789,342
Intergovernmental	-	7,739,160	7,985,045	-	7,985,045	245,885	118,961
Licenses and permits	2,416,627	2,367,026	2,640,242	-	2,640,242	273,216	2,920,751
Fines and forfeitures	3,942,698	2,333,014	2,828,801	-	2,828,801	495,787	4,155,874
Investment earnings net of change in fair value of investments	1,008,458	1,273,104	1,317,474	(118,060)	1,199,414	(73,690)	1,890,654
Miscellaneous	529,373	331,000	538,171	-	538,171	207,171	594,174
Total Revenues	117,770,077	123,818,674	126,299,957	(118,060)	126,181,897	2,363,223	116,664,187
Expenditures							
Current:							
General government and administration	23,449,728	21,689,054	19,597,405	(164,944)	19,432,461	2,256,593	17,087,424
Public safety	62,824,571	66,022,601	63,991,068	(55,822)	63,935,246	2,087,355	61,925,374
Development services	13,410,279	11,999,766	10,726,575	(45,209)	10,681,366	1,318,400	12,744,091
Cultural and recreational	13,588,045	13,679,978	11,813,834	(70,676)	11,743,158	1,936,820	12,367,653
Total Expenditures	113,272,623	113,391,399	106,128,882	(336,651)	105,792,231	7,599,168	104,124,542
Excess (deficiency) of revenues over expenditures	4,497,454	10,427,275	20,171,075	218,591	20,389,666	9,962,391	12,539,645
Other financing sources (uses):							
Sale of general capital assets	-	-	10,555	-	10,555	10,555	-
Transfers in	2,981,928	2,981,928	5,657,182	-	5,657,182	2,675,254	5,798,169
Transfers out	(16,570,829)	(17,516,944)	(16,008,793)	-	(16,008,793)	1,508,151	(18,100,881)
Total other financing sources (uses)	(13,588,901)	(14,535,016)	(10,341,056)	-	(10,341,056)	4,193,960	(12,302,712)
Net change in fund balances	(9,091,447)	(4,107,741)	9,830,019	218,591	10,048,610	14,156,351	236,933
Fund balances at beginning of year	30,737,701	30,737,701	30,737,701	-	30,737,701	-	30,500,768
Fund balances at end of year	\$ 21,646,254	\$ 26,629,960	\$ 40,567,720	\$ 218,591	\$ 40,786,311	\$ 14,156,351	\$ 30,737,701

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Revenues - Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020					2019	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Taxes:							
Ad valorem	\$ 53,093,999	\$ 53,589,189	\$ 53,072,254	\$ -	\$ 53,072,254	\$ (516,935)	\$ 49,511,575
Penalty and interest	480,000	480,000	297,143	-	297,143	(182,857)	270,684
911 Taxes	1,069,525	1,010,667	1,071,761	-	1,071,761	61,094	-
Sales:							
City sales	38,572,031	39,134,199	39,805,090	-	39,805,090	670,891	39,437,637
Mixed drink	243,734	225,713	227,453	-	227,453	1,740	245,415
Total sales	38,815,765	39,359,912	40,032,543	-	40,032,543	672,631	39,683,052
Franchise fees:							
Electric	6,190,687	6,259,377	6,139,393	-	6,139,393	(119,984)	6,096,353
Telecommunications	1,018,527	1,023,267	1,538,695	-	1,538,695	515,428	1,747,421
Gas	1,374,404	1,247,534	1,223,398	-	1,223,398	(24,136)	1,299,051
Cable	922,779	1,098,859	1,430,733	-	1,430,733	331,874	1,694,707
Solid waste	1,182,295	1,381,295	1,491,527	-	1,491,527	110,232	891,588
Total franchise	10,688,692	11,010,332	11,823,746	-	11,823,746	813,414	11,729,120
Charges for services:							
Public safety service fees	2,741,506	2,556,451	2,993,094	-	2,993,094	436,643	2,934,935
Culture and recreation fees	2,540,867	1,367,000	1,061,341	-	1,061,341	(305,659)	1,874,766
Other service fees	442,567	401,819	638,342	-	638,342	236,523	979,641
Total charges for services	5,724,940	4,325,270	4,692,777	-	4,692,777	367,507	5,789,342
Intergovernmental	-	7,739,160	7,985,045	-	7,985,045	245,885	118,961
Licenses and permits:							
Building permits	1,343,121	1,302,649	1,561,398	-	1,561,398	258,749	1,787,265
Licenses	120,878	114,712	37,770	-	37,770	(76,942)	79,860
Environmental health charges	799,055	801,977	889,696	-	889,696	87,719	911,827
Other licenses and permits	153,573	147,688	151,373	-	151,373	3,685	141,799
Total licenses and permits	2,416,627	2,367,026	2,640,237	-	2,640,237	273,211	2,920,751
Fines and forfeitures:							
Municipal court	3,870,890	2,260,399	2,767,513	-	2,767,513	507,114	4,064,458
Other fines	71,808	72,615	61,293	-	61,293	(11,322)	91,416
Total fines and forfeitures	3,942,698	2,333,014	2,828,806	-	2,828,806	495,792	4,155,874
Investment earnings							
Net of change in fair value of investments	1,008,458	1,273,104	1,317,474	(118,060)	1,199,414	(73,690)	1,890,654
Miscellaneous	529,373	331,000	548,726	-	548,726	217,726	594,174
Total Revenues	117,770,077	123,818,674	126,310,512	(118,060)	126,192,452	2,373,778	116,664,187

General fund actual GAAP basis miscellaneous revenue includes \$10,555 for gain on sale of general capital assets

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020					2019	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
General government and administration:							
City council:							
Personnel services	\$ 23,500	\$ 23,500	\$ 22,829	\$ -	\$ 22,829	\$ 671	\$ 23,951
Supplies and services	111,075	111,075	86,664	-	86,664	24,411	63,620
Utilities	5,924	5,924	6,132	-	6,132	(208)	6,170
Allocations	763	763	763	-	763	-	820
	<u>141,262</u>	<u>141,262</u>	<u>116,388</u>	<u>-</u>	<u>116,388</u>	<u>24,874</u>	<u>94,561</u>
City management:							
Personnel services	1,059,260	1,063,550	1,075,098	-	1,075,098	(11,548)	1,041,342
Supplies and services	175,277	175,277	111,382	-	111,382	63,895	156,444
Utilities	5,360	5,360	4,003	-	4,003	1,357	5,491
Allocations	11,899	11,899	11,899	-	11,899	-	12,788
	<u>1,251,796</u>	<u>1,256,086</u>	<u>1,202,382</u>	<u>-</u>	<u>1,202,382</u>	<u>53,704</u>	<u>1,216,065</u>
Marketing Services:							
Personnel services	678,073	680,182	644,319	-	644,319	35,863	578,491
Supplies and services	179,968	184,720	133,791	(2,282)	131,509	53,211	142,447
Utilities	1,633	1,633	1,704	-	1,704	(71)	1,701
Allocations	4,077	4,077	4,077	-	4,077	-	5,189
	<u>863,751</u>	<u>870,612</u>	<u>783,891</u>	<u>(2,282)</u>	<u>781,609</u>	<u>89,003</u>	<u>727,828</u>
Accounting:							
Personnel services	606,922	617,337	639,979	-	639,979	(22,642)	519,136
Supplies and services	230,841	186,916	171,616	-	171,616	15,300	186,822
Utilities	1,842	1,842	1,921	-	1,921	(79)	1,919
Allocations	5,697	5,697	5,697	-	5,697	-	6,123
	<u>845,302</u>	<u>811,792</u>	<u>819,213</u>	<u>-</u>	<u>819,213</u>	<u>(7,421)</u>	<u>714,000</u>
Finance administration:							
Personnel services	567,472	594,808	582,762	-	582,762	12,046	564,197
Supplies and services	521,296	521,296	531,730	(78)	531,652	(10,356)	501,867
Utilities	1,366	1,366	1,425	-	1,425	(59)	1,423
Allocations	7,527	7,527	7,527	-	7,527	-	8,090
	<u>1,097,661</u>	<u>1,124,997</u>	<u>1,123,444</u>	<u>(78)</u>	<u>1,123,366</u>	<u>1,631</u>	<u>1,075,577</u>
Budget and management analysis:							
Personnel services	305,753	282,254	276,562	-	276,562	5,692	283,772
Supplies and services	18,761	73,686	70,610	-	70,610	3,076	8,413
Utilities	1,504	1,504	1,569	-	1,569	(65)	1,567
Allocations	1,696	1,696	1,696	-	1,696	-	1,823
	<u>327,714</u>	<u>359,140</u>	<u>350,437</u>	<u>-</u>	<u>350,437</u>	<u>8,703</u>	<u>295,575</u>
Purchasing:							
Personnel services	172,725	173,984	172,314	-	172,314	1,670	164,012
Supplies and services	81,168	71,168	28,417	-	28,417	42,751	16,362
Utilities	2,134	2,134	2,227	-	2,227	(93)	2,224
Allocations	1,502	1,502	1,502	-	1,502	-	1,614
	<u>257,529</u>	<u>248,788</u>	<u>204,460</u>	<u>-</u>	<u>204,460</u>	<u>44,328</u>	<u>184,212</u>
General Services:							
Personnel services	95,895	93,091	80,727	-	80,727	12,364	90,404
Supplies and services	50,527	49,014	33,078	-	33,078	15,936	32,810
Utilities	2,515	2,515	2,625	-	2,625	(110)	2,621
Allocations	3,987	3,987	3,792	-	3,792	195	1,438
	<u>152,924</u>	<u>148,607</u>	<u>120,222</u>	<u>-</u>	<u>120,222</u>	<u>28,385</u>	<u>127,273</u>

General fund actual GAAP basis miscellaneous revenue includes \$10,555 for gain on sale of general capital assets

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020					2019	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
General government and administration (continued):							
Information technology:							
Personnel services	\$ 684,276	\$ 2,218,112	\$ 2,365,716	\$ -	\$ 2,365,716	\$ (147,604)	\$ 387,501
Supplies and services	6,967,169	5,356,553	4,746,478	(126,457)	4,620,021	736,532	6,542,686
Utilities	23,359	23,359	26,927	-	26,927	(3,568)	24,882
Allocations	48,955	48,955	48,986	-	48,986	(31)	52,483
Capital outlay	-	488	37,192	-	37,192	(36,704)	-
	<u>7,723,759</u>	<u>7,647,467</u>	<u>7,225,299</u>	<u>(126,457)</u>	<u>7,098,842</u>	<u>548,625</u>	<u>7,007,552</u>
Workforce services:							
Personnel services	664,713	669,681	707,772	-	707,772	(38,091)	621,431
Supplies and services	127,531	127,531	35,573	-	35,573	91,958	90,678
Utilities	3,492	3,492	3,643	-	3,643	(151)	3,638
Allocations	6,113	6,113	6,113	-	6,113	-	6,570
	<u>801,849</u>	<u>806,817</u>	<u>753,101</u>	<u>-</u>	<u>753,101</u>	<u>53,716</u>	<u>722,317</u>
City attorney:							
Personnel services	800,271	967,058	960,946	-	960,946	6,112	833,177
Supplies and services	449,685	129,641	79,581	-	79,581	50,060	173,398
Utilities	2,170	2,170	2,264	-	2,264	(94)	2,260
Allocations	5,846	5,846	5,846	-	5,846	-	6,283
	<u>1,257,972</u>	<u>1,104,715</u>	<u>1,048,637</u>	<u>-</u>	<u>1,048,637</u>	<u>56,078</u>	<u>1,015,118</u>
Facilities services:							
Personnel services	520,775	507,949	498,991	-	498,991	8,958	501,032
Supplies and services	1,081,469	1,073,017	874,444	(37,714)	836,730	236,287	984,547
Utilities	90,553	90,533	94,687	-	94,687	(4,154)	47,490
Allocations	83,435	57,185	48,180	-	48,180	9,005	48,805
Capital outlay	-	28,495	28,495	-	28,495	-	-
	<u>1,776,232</u>	<u>1,757,179</u>	<u>1,544,797</u>	<u>(37,714)</u>	<u>1,507,083</u>	<u>250,096</u>	<u>1,581,874</u>
Resolution center:							
Personnel services	767,049	770,763	726,209	-	726,209	44,554	781,385
Supplies and services	12,545	11,845	2,335	-	2,335	9,510	6,774
Utilities	7,952	7,952	8,280	-	8,280	(328)	8,284
Allocations	4,942	4,942	4,942	-	4,942	-	5,311
Capital outlay	2,750	2,750	-	-	-	2,750	1,100
	<u>795,238</u>	<u>798,252</u>	<u>741,766</u>	<u>-</u>	<u>741,766</u>	<u>56,486</u>	<u>802,854</u>
Managed Competition / OD:							
Personnel services	428,213	456,692	299,273	-	299,273	157,419	299,040
Supplies and services	51,774	59,774	60,652	-	60,652	(878)	59,876
Utilities	2,069	2,069	2,137	-	2,137	(68)	2,112
Allocations	2,629	2,629	2,629	-	2,629	-	2,825
	<u>484,685</u>	<u>521,164</u>	<u>364,691</u>	<u>-</u>	<u>364,691</u>	<u>156,473</u>	<u>363,853</u>
Non-departmental:							
Personnel services	3,428,346	962,637	613,051	-	613,051	349,586	593,191
Supplies and services	942,395	2,567,438	2,518,902	1,587	2,520,489	46,949	536,173
Utilities	-	-	-	-	-	-	(33,611)
Allocations	1,301,313	562,101	12,657	-	12,657	549,444	10,935
Capital outlay	-	-	54,067	-	54,067	(54,067)	42,929
	<u>5,672,054</u>	<u>4,092,176</u>	<u>3,198,677</u>	<u>1,587</u>	<u>3,200,264</u>	<u>891,912</u>	<u>1,149,617</u>
Total general government and administration	<u>23,449,728</u>	<u>21,689,054</u>	<u>19,597,405</u>	<u>(164,944)</u>	<u>19,432,461</u>	<u>2,256,593</u>	<u>17,078,276</u>

General fund actual GAAP basis miscellaneous revenue includes \$10,555 for gain on sale of general capital assets

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020					2019	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Public safety:							
Police management services:							
Personnel services	\$ 10,351,893	\$ 11,047,529	\$ 10,439,536	\$ -	\$ 10,439,536	\$ 607,993	\$ 10,021,737
Supplies and services	1,753,468	1,753,468	1,068,440	(20,371)	1,048,069	705,399	1,118,625
Utilities	78,744	78,744	70,677	-	70,677	8,067	74,924
Allocations	123,986	123,986	123,986	-	123,986	-	90,263
Capital outlay	1,800	1,800	132,372	-	132,372	(130,572)	9,840
	<u>12,309,891</u>	<u>13,005,527</u>	<u>11,835,011</u>	<u>(20,371)</u>	<u>11,814,640</u>	<u>1,190,887</u>	<u>11,315,389</u>
Police operations:							
Personnel services	13,133,754	12,651,415	13,241,051	-	13,241,051	(589,636)	13,285,935
Supplies and services	4,303,285	4,375,157	1,268,703	(14,479)	1,254,224	3,120,933	1,084,257
Utilities	30,738	30,738	24,564	-	24,564	6,174	30,184
Allocations	1,152,903	1,124,699	969,938	-	969,938	154,761	970,243
Capital outlay	548,881	474,397	240,406	(17,949)	222,457	251,940	384,647
	<u>19,169,561</u>	<u>18,656,406</u>	<u>15,744,662</u>	<u>(32,428)</u>	<u>15,712,234</u>	<u>2,944,172</u>	<u>15,755,266</u>
Fire operations:							
Personnel services	20,512,903	21,868,171	21,678,724	-	21,678,724	189,447	20,887,895
Supplies and services	1,921,607	3,308,776	2,957,819	(2,358)	2,955,461	353,315	2,140,284
Utilities	105,417	105,417	106,971	-	106,971	(1,554)	105,228
Allocations	1,517,151	1,517,151	1,503,086	-	1,503,086	14,065	1,681,650
Capital outlay	24,000	24,000	18,258	-	18,258	5,742	221,418
	<u>24,081,078</u>	<u>26,823,515</u>	<u>26,264,858</u>	<u>(2,358)</u>	<u>26,262,500</u>	<u>561,015</u>	<u>25,036,475</u>
Fire support services:							
Personnel services	2,069,403	2,277,930	2,225,412	-	2,225,412	52,518	2,412,753
Supplies and services	172,585	162,553	111,906	-	111,906	50,647	151,370
Utilities	6,232	6,232	6,426	-	6,426	(194)	6,013
Allocations	80,819	80,819	69,943	-	69,943	10,876	69,898
Capital outlay	-	-	-	-	-	-	26,614
	<u>2,329,039</u>	<u>2,527,534</u>	<u>2,413,687</u>	<u>-</u>	<u>2,413,687</u>	<u>113,847</u>	<u>2,666,648</u>
Emergency dispatch:							
Supplies and services	-	-	3,054,760	-	3,054,760	(3,054,760)	2,456,695
Allocations	18,345	18,345	18,345	-	18,345	-	19,716
	<u>18,345</u>	<u>18,345</u>	<u>3,073,105</u>	<u>-</u>	<u>3,073,105</u>	<u>(3,054,760)</u>	<u>2,476,411</u>
Municipal court:							
Personnel services	1,371,207	1,133,630	1,136,748	-	1,136,748	(3,118)	1,204,908
Supplies and services	318,194	297,160	255,017	-	255,017	42,143	225,485
Utilities	34,801	34,801	33,748	-	33,748	1,053	36,013
Allocations	28,925	28,925	13,114	-	13,114	15,811	15,527
	<u>1,753,127</u>	<u>1,494,516</u>	<u>1,438,627</u>	<u>-</u>	<u>1,438,627</u>	<u>55,889</u>	<u>1,481,933</u>

General fund actual GAAP basis miscellaneous revenue includes \$10,555 for gain on sale of general capital assets

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020					2019	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Public safety (continued):							
Environmental services:							
Personnel services	\$ 1,716,313	\$ 1,969,196	\$ 1,919,951	\$ -	\$ 1,919,951	\$ 49,245	\$ 1,838,724
Supplies and services	452,093	455,609	411,498	-	411,498	44,111	399,305
Utilities	9,024	9,024	9,414	-	9,414	(390)	9,401
Allocations	51,529	51,529	36,594	-	36,594	14,935	35,682
Capital outlay	8,147	8,147	140	(665)	(525)	8,672	33,254
	<u>2,237,106</u>	<u>2,493,505</u>	<u>2,377,597</u>	<u>(665)</u>	<u>2,376,932</u>	<u>116,573</u>	<u>2,316,366</u>
Animal control:							
Personnel services	689,952	679,105	650,430	-	650,430	28,675	661,109
Supplies and services	141,075	128,751	97,443	-	97,443	31,308	116,056
Utilities	48,141	48,141	49,033	-	49,033	(892)	51,754
Allocations	47,256	147,256	46,615	-	46,615	100,641	47,967
	<u>926,424</u>	<u>1,003,253</u>	<u>843,521</u>	<u>-</u>	<u>843,521</u>	<u>159,732</u>	<u>876,886</u>
Total public safety	<u>62,824,571</u>	<u>66,022,601</u>	<u>63,991,068</u>	<u>(55,822)</u>	<u>63,935,246</u>	<u>2,087,355</u>	<u>61,925,374</u>
Development services:							
Transportation engineering:							
Personnel services	842,672	735,316	779,626	-	779,626	(44,310)	769,854
Supplies and services	58,043	58,043	12,226	-	12,226	45,817	21,691
Utilities	2,368	2,368	2,470	-	2,470	(102)	2,468
Allocations	6,518	6,518	6,518	-	6,518	-	7,005
Capital outlay	-	-	20,474	-	20,474	(20,474)	57,748
	<u>909,601</u>	<u>802,245</u>	<u>821,314</u>	<u>-</u>	<u>821,314</u>	<u>(19,069)</u>	<u>858,766</u>
Civil engineering:							
Personnel services	957,999	684,721	735,454	-	735,454	(50,733)	615,459
Supplies and services	141,382	136,218	80,248	-	80,248	55,970	91,580
Utilities	7,087	7,087	8,442	-	8,442	(1,355)	8,830
Allocations	26,306	26,306	24,957	-	24,957	1,349	25,828
Capital outlay	81,200	81,200	10,970	-	10,970	70,230	6,000
	<u>1,213,974</u>	<u>935,532</u>	<u>860,071</u>	<u>-</u>	<u>860,071</u>	<u>75,461</u>	<u>747,697</u>
Traffic operations:							
Personnel services	983,102	1,194,568	903,940	-	903,940	290,628	990,348
Supplies and services	408,038	408,554	386,039	(29,828)	356,211	52,343	326,163
Utilities	945,569	945,569	1,042,183	-	1,042,183	(96,614)	1,005,552
Allocations	263,447	263,447	265,054	-	265,054	(1,607)	262,443
	<u>2,600,156</u>	<u>2,812,138</u>	<u>2,597,216</u>	<u>(29,828)</u>	<u>2,567,388</u>	<u>244,750</u>	<u>2,584,506</u>
Streets:							
Personnel services	1,713,225	1,762,553	1,692,662	-	1,692,662	69,891	1,532,433
Supplies and services	1,075,314	1,088,242	997,403	(3,645)	993,758	94,484	1,136,483
Allocations	475,315	475,315	458,228	-	458,228	17,087	439,861
Capital outlay	39,280	39,280	25,500	-	25,500	13,780	-
	<u>3,303,134</u>	<u>3,365,390</u>	<u>3,173,793</u>	<u>(3,645)</u>	<u>3,170,148</u>	<u>195,242</u>	<u>3,108,777</u>
Drainage:							
Personnel services	551,147	575,889	470,716	-	470,716	105,173	539,190
Supplies and services	264,176	179,988	142,963	(4,736)	138,227	41,761	222,076
Utilities	-	-	-	-	-	-	872
Allocations	254,419	254,419	232,689	-	232,689	21,730	233,680
	<u>1,069,742</u>	<u>1,010,296</u>	<u>846,368</u>	<u>(4,736)</u>	<u>841,632</u>	<u>168,664</u>	<u>995,818</u>

General fund actual GAAP basis miscellaneous revenue includes \$10,555 for gain on sale of general capital assets

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020					2019	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Development services (continued):							
Public works administration:							
Personnel services	\$ -	\$ -	\$ 17,671	\$ -	\$ 17,671	\$ (17,671)	\$ 98,211
Supplies and services	-	-	(38,880)	-	(38,880)	38,880	(39,730)
Utilities	-	-	(552)	-	(552)	552	(1,942)
Allocations	-	-	(274,683)	-	(274,683)	274,683	(245,897)
	-	-	(296,444)	-	(296,444)	296,444	(189,358)
Planning:							
Personnel services	399,007	292,962	288,694	-	288,694	4,268	316,417
Supplies and services	62,095	62,095	39,127	(7,000)	32,127	29,968	41,206
Utilities	6,307	6,307	3,769	-	3,769	2,538	4,353
Allocations	3,965	3,965	3,965	-	3,965	-	3,056
Capital outlay	1,683	1,683	(515)	-	(515)	2,198	-
	473,057	367,012	335,040	(7,000)	328,040	38,972	365,032
Building inspection:							
Personnel services	2,085,042	1,952,670	1,965,853	-	1,965,853	(13,183)	2,086,592
Supplies and services	126,921	124,963	109,879	-	109,879	15,084	102,905
Utilities	6,162	6,162	6,430	-	6,430	(268)	6,420
Allocations	42,744	42,744	44,526	-	44,526	(1,782)	40,381
Capital outlay	463	463	-	-	-	463	22,853
	2,261,332	2,127,002	2,126,688	-	2,126,688	314	2,259,151
Transit oriented development:							
Utilities	-	-	4,068	-	4,068	(4,068)	1,885
Allocations	-	-	-	-	-	-	1,204
	-	-	4,068	-	4,068	(4,068)	3,089
Economic development:							
Personnel services	312,026	285,144	280,829	-	280,829	4,315	253,371
Supplies and services	1,260,651	288,401	(29,063)	-	(29,063)	317,464	1,421,735
Utilities	2,040	2,040	2,129	-	2,129	(89)	2,125
Allocations	4,566	4,566	4,566	-	4,566	-	4,907
	1,579,283	580,151	258,461	-	258,461	321,690	1,682,138
Total development services	13,410,279	11,999,766	10,726,575	(45,209)	10,681,366	1,318,400	12,415,616
Cultural and recreational:							
Library:							
Personnel services	2,330,203	2,592,937	2,288,706	-	2,288,706	304,231	2,219,273
Supplies and services	359,673	359,673	395,312	(18,069)	377,243	(17,570)	291,113
Utilities	95,672	95,672	94,329	-	94,329	1,343	94,435
Allocations	29,726	29,726	29,726	-	29,726	-	31,948
Capital outlay	326,628	326,628	301,141	(48,297)	252,844	73,784	317,968
	3,141,902	3,404,636	3,109,214	(66,366)	3,042,848	361,788	2,954,737
Park operations:							
Personnel services	4,021,012	4,045,277	3,860,863	-	3,860,863	184,414	3,812,975
Supplies and services	1,981,271	1,869,918	1,347,095	(1,874)	1,345,221	524,697	1,698,197
Utilities	648,141	733,880	721,377	-	721,377	12,503	727,880
Allocations	364,664	364,664	332,018	-	332,018	32,646	340,321
Capital outlay	44,000	44,000	42,602	-	42,602	1,398	5,737
	7,059,088	7,057,739	6,303,955	(1,874)	6,302,081	755,658	6,585,110

General fund actual GAAP basis miscellaneous revenue includes \$10,555 for gain on sale of general capital assets

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2020
 With Comparative Actual Totals for 2019

	2020					2019	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Cultural and recreational (continued):							
Tennis center:							
Supplies and services	\$ 18,898	\$ 18,898	\$ 5,490	\$ -	\$ 5,490	\$ 13,408	\$ 3,529
Utilities	23,775	23,775	18,767	-	18,767	5,008	21,383
Allocations	1,078	1,078	1,078	-	1,078	-	1,159
	<u>43,751</u>	<u>43,751</u>	<u>25,335</u>	<u>-</u>	<u>25,335</u>	<u>18,416</u>	<u>26,071</u>
Leisure services:							
Personnel services	777,639	482,193	469,396	-	469,396	12,797	809,240
Supplies and services	67,337	67,337	57,200	(600)	56,600	10,737	128,204
Utilities	2,632	2,632	1,305	-	1,305	1,327	2,176
Allocations	5,842	5,842	5,842	-	5,842	-	6,279
	<u>853,450</u>	<u>558,004</u>	<u>533,743</u>	<u>(600)</u>	<u>533,143</u>	<u>24,861</u>	<u>945,899</u>
Rosemeade recreation center:							
Personnel services	150,878	68,221	75,546	-	75,546	(7,325)	238,841
Supplies and services	434,390	434,044	203,864	(1,683)	202,181	231,863	406,648
Utilities	53,637	53,637	40,001	-	40,001	13,636	46,715
Allocations	6,873	6,873	6,873	-	6,873	-	7,373
	<u>645,778</u>	<u>562,775</u>	<u>326,284</u>	<u>(1,683)</u>	<u>324,601</u>	<u>238,174</u>	<u>699,577</u>
Crosby recreation center:							
Personnel services	271,575	95,861	34,336	-	34,336	61,525	257,213
Supplies and services	146,621	144,216	35,891	(120)	35,771	108,445	106,323
Utilities	35,233	35,233	33,271	-	33,271	1,962	36,910
Allocations	4,154	4,154	4,153	-	4,153	1	4,447
	<u>457,583</u>	<u>279,464</u>	<u>107,651</u>	<u>(120)</u>	<u>107,531</u>	<u>171,933</u>	<u>404,893</u>
Perry museum:							
Personnel services	89,999	98,724	86,981	-	86,981	11,743	95,198
Supplies and services	22,769	85,469	39,033	-	39,033	46,436	10,408
Utilities	8,118	8,118	7,005	-	7,005	1,113	7,982
Allocations	1,280	1,280	1,280	-	1,280	-	1,376
	<u>122,166</u>	<u>193,591</u>	<u>134,299</u>	<u>-</u>	<u>134,299</u>	<u>59,292</u>	<u>114,964</u>
Senior center:							
Personnel services	132,055	41,914	39,577	-	39,577	2,337	142,904
Supplies and services	90,878	90,457	40,658	-	40,658	49,799	83,678
Utilities	35,653	35,653	36,298	-	36,298	(645)	40,644
Allocations	4,746	4,746	4,746	-	4,746	-	5,039
	<u>263,332</u>	<u>172,770</u>	<u>121,279</u>	<u>-</u>	<u>121,279</u>	<u>51,491</u>	<u>272,265</u>
Athletics:							
Personnel services	449,724	954,639	900,446	-	900,446	54,193	92,176
Supplies and services	403,481	390,558	189,577	(33)	189,544	201,014	206,825
Utilities	85,739	-	-	-	-	-	(1,552)
Allocations	62,051	62,051	62,051	-	62,051	-	66,688
	<u>1,000,995</u>	<u>1,407,248</u>	<u>1,152,074</u>	<u>(33)</u>	<u>1,152,041</u>	<u>255,207</u>	<u>364,137</u>
Total cultural and recreational	<u>13,588,045</u>	<u>13,679,978</u>	<u>11,813,834</u>	<u>(70,676)</u>	<u>11,743,158</u>	<u>1,936,820</u>	<u>12,367,653</u>
Total expenditures	<u>\$ 113,272,623</u>	<u>\$ 113,391,399</u>	<u>\$ 106,128,882</u>	<u>\$ (336,651)</u>	<u>\$ 105,792,231</u>	<u>\$ 7,599,168</u>	<u>\$ 103,786,919</u>

General fund actual GAAP basis miscellaneous revenue includes \$10,555 for gain on sale of general capital assets

(concluded)

COMBINING FINANCIAL STATEMENTS

Internal Service Funds

Internal Service Funds account for the financing of goods or services provided by one City department for another.

Fleet Services Fund – to account for the cost of operating and maintaining automotive and other equipment used by City departments and the purchase of general government vehicles (those not used by enterprise fund activities). Service charges are billed to departments on a monthly basis to cover all expenses of the fund.

Risk Management Fund – to account for the operation of a self-insurance fund covering all City property, vehicles, liability and workers' compensation expenses. The City operates under a self-insured retention and commercial insurance coverage purchases, with workers' compensation claims administered by an outside agency.

Employee Health and Disability Fund – to account for the provision of group accident, health and long-term disability insurance coverage for all City employees and those retirees choosing to stay on the plan.

CITY OF CARROLLTON, TEXAS

Internal Service Funds
 Combining Statement of Net Position
 September 30, 2020

	<u>Fleet Services</u>	<u>Risk Management</u>	<u>Employee Health and Disability</u>	<u>Total</u>
Assets				
Current assets:				
Cash and cash equivalents	\$ 5,757,443	\$ 5,381,877	\$ 7,346,867	\$ 18,486,187
Receivables:				
Accrued interest	22,919	22,682	24,137	69,738
Inventories	43,732	-	-	43,732
Prepaid items	-	113,000	7,367	120,367
Total current assets	<u>5,824,094</u>	<u>5,517,559</u>	<u>7,378,371</u>	<u>18,720,024</u>
Noncurrent assets:				
Capital assets:				
Buildings	176,409	-	-	176,409
Equipment	25,072,153	-	-	25,072,153
Intangibles	34,314	70,400	-	104,714
Accumulated depreciation	<u>(14,515,323)</u>	<u>(70,400)</u>	<u>-</u>	<u>(14,585,723)</u>
Total capital assets, net of accumulated depreciation	<u>10,767,553</u>	<u>-</u>	<u>-</u>	<u>10,767,553</u>
Total assets	<u>16,591,647</u>	<u>5,517,559</u>	<u>7,378,371</u>	<u>29,487,577</u>
Liabilities				
Current liabilities:				
Accounts payable	619,832	22,120	1,519,867	2,161,819
Estimated health claims payable	-	-	1,027,400	1,027,400
Total current liabilities	<u>619,832</u>	<u>22,120</u>	<u>2,547,267</u>	<u>3,189,219</u>
Noncurrent liabilities:				
Compensated absences	-	47,976	-	47,976
Long-term risk liability	-	747,908	-	747,908
Total noncurrent liabilities	<u>-</u>	<u>795,884</u>	<u>-</u>	<u>795,884</u>
Total liabilities	<u>619,832</u>	<u>818,004</u>	<u>2,547,267</u>	<u>3,985,103</u>
Net Position				
Net investment in capital assets	10,767,566	-	-	10,767,566
Unrestricted	<u>5,204,249</u>	<u>4,699,555</u>	<u>4,831,104</u>	<u>14,734,908</u>
Total net position	<u>\$ 15,971,815</u>	<u>\$ 4,699,555</u>	<u>\$ 4,831,104</u>	<u>\$ 25,502,474</u>

CITY OF CARROLLTON, TEXAS

Internal Service Funds
 Combining Statement of Revenues, Expenses and Changes in Net Position
 For the Year Ended September 30, 2020

	Fleet Services	Risk Management	Employee Health and Disability	Totals
Operating revenues:				
Charges for services	\$ 5,561,721	\$ 2,047,610	\$ 12,756,892	\$ 20,366,223
Operating expenses:				
Personal services	81,179	105,607	735,084	921,870
Supplies and services	2,988,835	1,642,086	9,928,645	14,559,566
Utilities	31,537	316	-	31,853
Allocations	27,845	-	-	27,845
Depreciation	1,879,633	-	-	1,879,633
Total operating expenses	5,009,029	1,748,009	10,663,729	17,420,767
Income from operations	552,692	299,601	2,093,163	2,945,456
Nonoperating revenues:				
Investment earnings net of change in fair value of investments	112,610	90,552	97,418	300,580
Gain on sale/retirement of capital assets	326,654	-	-	326,654
Total nonoperating revenues	439,264	90,552	97,418	627,234
Income before transfers	991,956	390,153	2,190,581	3,572,690
Transfers out	(304,650)	(191,655)	-	(496,305)
Change in net position	687,306	198,498	2,190,581	3,076,385
Net position at beginning of year	15,284,509	4,501,057	2,640,523	22,426,089
Net position at end of year	\$ 15,971,815	\$ 4,699,555	\$ 4,831,104	\$ 25,502,474

CITY OF CARROLLTON, TEXAS

Internal Service Funds
 Combining Statement of Cash Flows
 For the Year Ended September 30, 2020

	Fleet Services	Risk Management	Employee Health and Disability	Totals
Cash flows from operating activities:				
Cash received from employees for services	\$ -	\$ -	\$ 2,270,835	\$ 2,270,835
Cash received from other funds for services	5,561,722	2,047,610	10,486,058	18,095,390
Cash received from loss claim recoveries and refunds	-	365,512	844,599	1,210,111
Cash payments to suppliers for goods and services	(3,050,022)	(1,187,771)	(1,868,048)	(6,105,841)
Cash payments to employees for services	(71,729)	(94,812)	-	(166,541)
Cash payments for loss claims	-	(1,216,818)	(9,330,673)	(10,547,491)
Cash payments to other funds for services	(33,002)	(9,100)	-	(42,102)
Net cash provided (used) by operating activities	<u>2,406,969</u>	<u>(95,379)</u>	<u>2,402,771</u>	<u>4,714,361</u>
Cash flows from noncapital financing activities:				
Transfers to other funds	(304,650)	(191,655)	-	(496,305)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(3,010,449)	-	-	(3,010,449)
Proceeds from sale of capital assets	329,677	-	-	329,677
Net cash used by capital and related financing activities	<u>(2,680,772)</u>	<u>-</u>	<u>-</u>	<u>(2,680,772)</u>
Cash flows from investing activities:				
Interest on cash and cash equivalents	111,982	88,220	88,116	288,318
Net increase (decrease) in cash and cash equivalents	(466,471)	(198,814)	2,490,887	1,825,602
Cash and cash equivalents, October 1	6,223,914	5,580,691	4,855,980	16,660,585
Cash and cash equivalents, September 30	<u>\$ 5,757,443</u>	<u>\$ 5,381,877</u>	<u>\$ 7,346,867</u>	<u>\$ 18,486,187</u>
Reconciliation of income (loss) from operations to net cash provided by operating activities:				
Income from operations	\$ 552,692	\$ 299,601	\$ 2,093,163	\$ 2,945,456
Adjustments to reconcile income from operations to net cash provided by operating activities:				
Depreciation	1,879,633	-	-	1,879,633
Change in assets and liabilities:				
(Increase) decrease in inventories	16,942	-	-	16,942
(Increase) decrease in prepaid items	-	3,000	-	3,000
Increase (decrease) in accounts payable	(42,298)	(90,670)	421,851	288,883
Increase (decrease) in estimated health claims payable	-	-	(112,243)	(112,243)
Increase (decrease) in liability for compensated absences	-	1,577	-	1,577
Increase (decrease) in long-term risk liability	-	(308,887)	-	(308,887)
Net cash provided (used) by operating activities	<u>\$ 2,406,969</u>	<u>\$ (95,379)</u>	<u>\$ 2,402,771</u>	<u>\$ 4,714,361</u>

SUPPLEMENTARY INDIVIDUAL FUND FINANCIAL STATEMENTS

Proprietary Funds

These supplementary statements and schedules are included to provide management additional information for financial analysis.

CITY OF CARROLLTON, TEXAS

Water and Sewer Fund
 Comparative Statements of Net Position
 September 30, 2020 and 2019

	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 30,565,867	\$ 22,871,593
Receivables:		
Accounts	5,888,457	6,917,262
Accrued interest	170,301	121,280
Restricted assets:		
Cash and cash equivalents	10,408,615	11,731,134
Total current assets	47,033,240	41,641,269
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	1,070,043	1,142,303
Capital assets:		
Land	1,382,918	1,382,918
Buildings	18,073,186	18,073,186
Equipment	6,738,963	6,147,471
Intangibles	868,612	868,612
Infrastructure	253,232,216	250,895,973
Construction in progress	205,707	204,753
Accumulated depreciation	(166,255,601)	(160,575,142)
Total capital assets, net of accumulated depreciation	114,246,001	116,997,771
Total noncurrent assets	115,316,044	118,140,074
Total assets	162,349,284	159,781,343
Deferred outflows of resources		
Deferred charges on refundings	60,366	83,703
Pension contributions after measurement date	257,089	272,816
Difference in projected and actual earnings on pension assets	-	1,047,527
Difference in expected / actual pension experience	2,012	-
Total deferred outflows of resources	319,467	1,404,046
Liabilities		
Current liabilities:		
Accounts payable	2,911,392	2,173,492
Interfund Note payable	2,012,241	2,344,831
Customer deposits payable	2,981,635	3,006,781
Revenue bonds payable	1,843,085	1,802,944
Compensated absences	110,438	103,883
Accrued interest	190,646	199,563
Total current liabilities	10,049,437	9,631,494
Noncurrent liabilities:		
Revenue bonds payable	11,287,068	13,153,490
Net pension liability	242,578	1,814,480
Compensated absences	373,218	353,433
Total noncurrent liabilities	11,902,864	15,321,403
Total liabilities	21,952,301	24,952,897
Deferred Inflows of resources		
Difference in expected and actual pension experience	27,187	23,005
Changes in actuarial assumptions used to determine pension liability	3,250	-
Net difference in projected and actual earnings on pension plan investments	541,711	-
Total deferred inflows of resources	572,148	23,005
Net Position		
Net investment in capital assets	107,467,329	110,649,829
Restricted for:		
Revenue bond retirement	1,070,043	1,142,303
Unrestricted	31,606,930	24,417,355
Total net position	\$ 140,144,302	\$ 136,209,487

CITY OF CARROLLTON, TEXAS

Water and Sewer Fund

Comparative Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating revenues:		
Charges for services	\$ 48,870,110	\$ 45,058,318
Miscellaneous	297,912	263,300
Total operating revenues	<u>49,168,022</u>	<u>45,321,618</u>
Operating expenses:		
Personal services	3,983,596	4,321,238
Supplies and services	30,109,494	29,254,727
Utilities	1,011,379	937,553
Allocations	864,723	859,139
Depreciation	5,758,477	6,645,933
Total operating expenses	<u>41,727,669</u>	<u>42,018,590</u>
Income from operations	<u>7,440,353</u>	<u>3,303,028</u>
Nonoperating revenues (expenses):		
Investment earnings net of change in fair value of investments	680,257	870,676
Gain on sale/retirement of capital assets	14,826	94,551
Interest expense	(375,564)	(250,672)
Total nonoperating revenues (expenses)	<u>319,519</u>	<u>714,555</u>
Income before contributions and transfers	7,759,872	4,017,583
Capital contributions	727,166	923,476
Transfers out	<u>(4,552,223)</u>	<u>(4,497,117)</u>
Change in net position	3,934,815	443,942
Net position at beginning of year	<u>136,209,487</u>	<u>135,765,545</u>
Net position at end of year	<u>\$ 140,144,302</u>	<u>\$ 136,209,487</u>

CITY OF CARROLLTON, TEXAS

**Water and Sewer Fund
Comparative Statments of Cash Flows
For the years Ended September 30, 2020 and 2019**

	2020	2019
Cash flows from operating activities:		
Cash received from customers for services	\$ 49,873,769	\$ 43,245,644
Other operating cash receipts	297,912	263,299
Cash payments to suppliers for goods and services	(31,154,929)	(30,141,682)
Cash payments to employees for services	(3,259,270)	(3,546,710)
Cash payments to other funds for services	(1,455,528)	(1,433,794)
Net cash provided by operating activities	14,301,954	8,386,757
Cash flows from noncapital financing activities:		
Transfers to other funds	(4,552,223)	(4,497,117)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(2,036,233)	(6,380,398)
Proceeds from sale of capital assets	14,826	94,552
Proceeds from capital debt	-	10,132,004
Issuance costs paid for capital debt	-	(104,320)
Interest paid on bonds	(499,533)	(212,832)
Interest paid on intrafund loan	(32,892)	(37,841)
Retirement of bonds	(1,655,000)	(1,125,000)
Retirement of loan	(332,590)	(327,641)
Capital contributions	459,950	818,250
Net cash provided by (used in) capital and related financing activities	(4,081,472)	2,856,774
Cash flow from investing activities:		
Interest on cash and cash equivalents	631,236	815,008
Net increase in cash and cash equivalents	6,299,495	7,561,422
Cash and cash equivalents, October 1	35,745,030	28,183,608
Cash and cash equivalents, September 30	\$ 42,044,525	\$ 35,745,030
Reconciliation of income (loss) from operations to net cash provided by operating activities:		
Income (loss) from operations	\$ 7,440,353	\$ 3,303,028
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:		
Depreciation	5,758,477	6,645,933
Provision for doubtful accounts	89,923	103,091
Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources		
(Increase) decrease in accounts receivable	938,882	(1,943,042)
(Increase) decrease in pension related deferred outflows	1,061,242	(1,686,987)
Increase (decrease) in accounts payable	34,642	60,539
Increase (decrease) in customer deposits payable	(25,146)	130,368
Increase (decrease) in net pension liability	(1,571,902)	1,958,127
Increase (decrease) in liability for compensated absences	26,340	(187,369)
Increase (decrease) in pension related deferred inflows	549,143	3,069
Net cash provided by operating activities	\$ 14,301,954	\$ 8,386,757
Noncash investing, capital, and financing activities:		
During the past year, the water and sewer fund received \$267,216 noncash capital contributions from developers consisting of water and sewer infrastructure.		
Reconciliation of total cash and cash equivalents:		
Current assets:		
Cash and cash equivalents	30,565,867	22,871,593
Restricted assets - cash and cash equivalents	10,408,615	11,731,134
Noncurrent assets:		
Restricted assets - cash and cash equivalents	1,070,043	1,142,303
Total cash and cash equivalents	\$ 42,044,525	\$ 35,745,030

CITY OF CARROLLTON, TEXAS

Golf Course Fund
 Comparative Statements of Net Position
 September 30, 2020 and 2019

Assets	<u>2020</u>	<u>2019</u>
Current assets:		
Cash and cash equivalents	\$ 385,656	\$ 709,063
Receivables:		
Accrued interest	1,014	-
Other	75,546	8,817
Due from other governments	-	118,463
Total current assets	<u>462,216</u>	<u>836,343</u>
Noncurrent assets:		
Capital assets:		
Land	995,000	995,000
Buildings	1,925,571	1,925,571
Equipment	1,420,831	1,438,241
Improvements	16,151,254	16,121,901
Accumulated depreciation	(14,554,748)	(13,905,945)
Total capital assets, net of accumulated depreciation	<u>5,937,908</u>	<u>6,574,768</u>
Total assets	<u>6,400,124</u>	<u>7,411,111</u>
Liabilities		
Current liabilities:		
Accounts payable	<u>11,005</u>	<u>735,262</u>
Total liabilities	<u>11,005</u>	<u>735,262</u>
Net Position		
Net investment in capital assets	5,937,908	6,574,768
Unrestricted	451,211	101,081
Total net position	<u>\$ 6,389,119</u>	<u>\$ 6,675,849</u>

CITY OF CARROLLTON, TEXAS

Golf Course Fund
 Comparative Statements of Revenues, Expenses and Changes in Net Position
 For the Years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating revenues:		
Charges for services	\$ 1,144,615	\$ 1,163,979
Total operating revenues	<u>1,144,615</u>	<u>1,163,979</u>
Operating expenses:		
Personal services	-	6,685
Supplies and services	1,371,386	1,779,694
Utilities	159,061	141,005
Allocations	10,156	10,915
Depreciation	666,214	237,173
Total operating expenses	<u>2,206,817</u>	<u>2,175,472</u>
Income from operations	<u>(1,062,202)</u>	<u>(1,011,493)</u>
Nonoperating revenues (expenses):		
Investment earnings net of change in fair value of investments	(1,192)	12,402
Gain on sale/retirement of capital assets	-	166,944
Total nonoperating revenues (expenses)	<u>(1,192)</u>	<u>179,346</u>
Income before contributions and transfers	(1,063,394)	(832,147)
Capital contributions	-	4,000,000
Transfers in	<u>776,664</u>	<u>426,384</u>
Change in net position	(286,730)	3,594,237
Net position at beginning of year	<u>6,675,849</u>	<u>3,081,612</u>
Net position at end of year	<u>\$ 6,389,119</u>	<u>\$ 6,675,849</u>

CITY OF CARROLLTON, TEXAS

Golf Course Fund
 Comparative Statements of Cash Flows
 For the years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Cash received from customers for services	\$ 1,196,349	\$ 1,295,276
Cash payments to suppliers for goods and services	(1,594,948)	(1,854,191)
Cash payments to employees for services	-	(5,874)
Cash payments to other funds for services	(11,617)	(11,881)
Net cash provided (used) by operating activities	<u>(410,216)</u>	<u>(576,670)</u>
Cash flows from noncapital financing activities:		
Transfers from other funds	<u>776,664</u>	<u>426,384</u>
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	-	166,943
Capital contributions	-	4,000,000
Acquisition and construction of capital assets	(687,649)	(3,956,651)
Net cash provided by (used in) capital and related financing activities	<u>(687,649)</u>	<u>210,292</u>
Cash flow from investing activities:		
Interest on cash and cash equivalents	<u>(2,206)</u>	<u>12,402</u>
Net increase (decrease) in cash and cash equivalents	(323,407)	72,408
Cash and cash equivalents, October 1	<u>709,063</u>	<u>636,655</u>
Cash and cash equivalents, September 30	<u>\$ 385,656</u>	<u>\$ 709,063</u>
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:		
Income (loss) from operations	\$ (1,062,202)	\$ (1,011,493)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:		
Depreciation	666,214	237,173
Change in assets and liabilities:		
(Increase) decrease in other receivables	(66,729)	107,874
(Increase) decrease in due from other governments	118,463	23,424
Increase (decrease) in accounts payable	(65,962)	66,352
Net cash provided (used) by operating activities	<u>\$ (410,216)</u>	<u>\$ (576,670)</u>

CITY OF CARROLLTON, TEXAS

Sanitation Fund
 Comparative Statements of Net Position
 September 30, 2020 and 2019

Assets	<u>2020</u>	<u>2019</u>
Current assets:		
Cash and cash equivalents	\$ 558,899	\$ 1,075,122
Receivables:		
Accounts	1,186,216	1,201,215
Accrued interest	6,521	7,839
Total current assets	<u>1,751,636</u>	<u>2,284,176</u>
Noncurrent assets:		
Capital assets:		
Equipment	1,460,303	1,460,303
Accumulated depreciation	<u>(1,460,303)</u>	<u>(1,460,303)</u>
Total capital assets, net of accumulated depreciation	<u>-</u>	<u>-</u>
Total assets	<u>1,751,636</u>	<u>2,284,176</u>
Liabilities		
Current liabilities:		
Accounts payable	<u>1,438,109</u>	<u>1,771,885</u>
Total liabilities	<u>1,438,109</u>	<u>1,771,885</u>
Net Position		
Unrestricted	<u>313,527</u>	<u>512,291</u>
Total net position	<u>\$ 313,527</u>	<u>\$ 512,291</u>

CITY OF CARROLLTON, TEXAS

Sanitation Fund
 Comparative Statements of Revenues, Expenses and Changes in Net Position
 For the Years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating revenues:		
Charges for services	\$ 10,773,015	\$ 10,614,355
Total operating revenues	<u>10,773,015</u>	<u>10,614,355</u>
Operating expenses:		
Supplies and services	9,170,639	8,317,302
Allocations	109,504	105,990
Depreciation	-	5,119
Total operating expenses	<u>9,280,143</u>	<u>8,428,411</u>
Income from operations	<u>1,492,872</u>	<u>2,185,944</u>
Nonoperating revenues (expenses):		
Investment earnings net of change in fair value of investments	<u>28,263</u>	<u>41,926</u>
Total nonoperating revenues (expenses)	<u>28,263</u>	<u>41,926</u>
Income before contributions and transfers	1,521,135	2,227,870
Transfers out	<u>(1,719,899)</u>	<u>(2,229,182)</u>
Change in net position	(198,764)	(1,312)
Net position at beginning of year	<u>512,291</u>	<u>513,603</u>
Net position at end of year	<u>\$ 313,527</u>	<u>\$ 512,291</u>

CITY OF CARROLLTON, TEXAS

Sanitation Fund
 Comparative Statements of Cash Flows
 For the years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Cash received from customers for services	\$ 10,750,939	\$ 10,552,560
Cash payments to suppliers for goods and services	(9,504,415)	(7,577,704)
Cash payments to other funds for services	(72,429)	(77,842)
Net cash provided by (used in) operating activities	<u>1,174,095</u>	<u>2,897,014</u>
Cash flows from noncapital financing activities:		
Transfers to other funds	<u>(1,719,899)</u>	<u>(2,229,182)</u>
Cash flow from investing activities:		
Interest on cash and cash equivalents	<u>29,581</u>	<u>39,054</u>
Net increase (decrease) in cash and cash equivalents	(516,223)	706,886
Cash and cash equivalents, October 1	1,075,122	368,236
Cash and cash equivalents, September 30	<u>\$ 558,899</u>	<u>\$ 1,075,122</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 1,492,872	\$ 2,185,944
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Depreciation	-	5,119
Provisions for doubtful accounts	37,075	28,148
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(22,076)	(61,795)
Increase (decrease) in accounts payable	(333,776)	739,598
Net cash provided by (used in) operating activities	<u>\$ 1,174,095</u>	<u>\$ 2,897,014</u>



CARROLLTON

T E X A S

CITY OF CARROLLTON, TEXAS

Fleet Services Fund
 Comparative Statements of Net Position
 September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,757,443	\$ 6,223,914
Accrued interest receivable	22,919	22,291
Inventories	43,732	60,674
Total current assets	<u>5,824,094</u>	<u>6,306,879</u>
Noncurrent assets:		
Capital assets:		
Buildings	176,409	176,409
Equipment	25,072,153	23,540,229
Intangibles	34,314	34,314
Accumulated depreciation	<u>(14,515,323)</u>	<u>(14,536,349)</u>
Total capital assets, net of accumulated depreciation	<u>10,767,553</u>	<u>9,214,603</u>
Total assets	<u>16,591,647</u>	<u>15,521,482</u>
Liabilities		
Current liabilities:		
Accounts payable	<u>619,832</u>	<u>236,973</u>
Total liabilities	<u>619,832</u>	<u>236,973</u>
Net Position		
Net investment in capital assets	10,767,566	9,214,603
Unrestricted	<u>5,204,249</u>	<u>6,069,906</u>
Total net position	<u>\$ 15,971,815</u>	<u>\$ 15,284,509</u>

CITY OF CARROLLTON, TEXAS

Fleet Services Fund

Comparative Statements of Revenues, Expenses and Changes in Net Position
for the Years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating revenues:		
Charges for services	\$ 5,561,721	\$ 5,274,592
Operating expenses:		
Personal services	81,179	77,888
Supplies and services	2,988,835	3,141,473
Utilities	31,537	32,934
Allocations	27,845	29,726
Depreciation	1,879,633	1,961,358
Total operating expenses	<u>5,009,029</u>	<u>5,243,379</u>
Income from operations	<u>552,692</u>	<u>31,213</u>
Nonoperating revenues:		
Investment earnings		
net of change in fair value		
of investments	112,610	182,699
Gain on sale/retirement of capital assets	326,654	267,029
Total nonoperating revenues	<u>439,264</u>	<u>449,728</u>
Income before transfers	991,956	480,941
Transfers out	<u>(304,650)</u>	<u>(253,797)</u>
Change in net position	687,306	227,144
Net position at beginning of year	<u>15,284,509</u>	<u>15,057,365</u>
Net position at end of year	<u>\$ 15,971,815</u>	<u>\$ 15,284,509</u>

CITY OF CARROLLTON, TEXAS

Fleet Services Fund
 Comparative Statements of Cash Flows
 For the years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Cash received from other funds for services	\$ 5,561,722	\$ 5,274,592
Cash payments to suppliers for goods and services	(3,050,022)	(3,409,486)
Cash payments to employees for services	(71,729)	(69,245)
Cash payments to other funds for services	(33,002)	(34,671)
Net cash provided by (used in) operating activities	<u>2,406,969</u>	<u>1,761,190</u>
Cash flows from noncapital financing activities:		
Transfers to other funds	<u>(304,650)</u>	<u>(253,797)</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(3,010,449)	(2,831,419)
Proceeds from sale of capital assets	329,677	274,416
Net cash used by capital and related financing activities	<u>(2,680,772)</u>	<u>(2,557,003)</u>
Cash flow from investing activities:		
Interest on cash and cash equivalents	<u>111,982</u>	<u>177,258</u>
Net increase (decrease) in cash and cash equivalents	(466,471)	(872,352)
Cash and cash equivalents, October 1	6,223,914	7,096,266
Cash and cash equivalents, September 30	<u>\$ 5,757,443</u>	<u>\$ 6,223,914</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 552,692	\$ 31,213
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:		
Depreciation	1,879,633	1,961,358
Change in assets and liabilities:		
(Increase) decrease in inventories	16,942	(27,155)
Increase (decrease) in accounts payable	(42,298)	(204,226)
Net cash provided by (used in) operating activities	<u>\$ 2,406,969</u>	<u>\$ 1,761,190</u>

CITY OF CARROLLTON, TEXAS

Risk Management Fund
 Comparative Statements of Net Position
 September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,381,877	\$ 5,580,691
Accrued interest receivable	22,682	20,350
Prepaid items	113,000	116,000
Total current assets	<u>5,517,559</u>	<u>5,717,041</u>
Noncurrent assets:		
Capital assets:		
Intangibles	70,400	70,400
Accumulated depreciation	<u>(70,400)</u>	<u>(70,400)</u>
Total capital assets, net of accumulated depreciation	<u>-</u>	<u>-</u>
Total assets	<u>5,517,559</u>	<u>5,717,041</u>
Liabilities		
Current liabilities:		
Accounts payable	22,120	112,790
Noncurrent liabilities:		
Compensated absences	47,976	46,399
Long-term risk liability	<u>747,908</u>	<u>1,056,795</u>
Total noncurrent liabilities	<u>795,884</u>	<u>1,103,194</u>
Total liabilities	<u>818,004</u>	<u>1,215,984</u>
Net Position		
Unrestricted	<u>4,699,555</u>	<u>4,501,057</u>
Total net position	<u>\$ 4,699,555</u>	<u>\$ 4,501,057</u>

CITY OF CARROLLTON, TEXAS

Risk Management Fund
Comparative Statements of Revenues, Expenses and Changes in Net Position
for the Years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating revenues:		
Charges for services	\$ 2,047,610	\$ 2,195,984
Operating expenses:		
Personal services	105,607	106,391
Supplies and services	1,642,086	1,580,749
Utilities	316	304
Total operating expenses	<u>1,748,009</u>	<u>1,687,444</u>
Income from operations	<u>299,601</u>	<u>508,540</u>
Nonoperating revenues:		
Investment earnings net of change in fair value of investments	<u>90,552</u>	<u>149,638</u>
Total nonoperating revenues	<u>90,552</u>	<u>149,638</u>
Income before transfers	390,153	658,178
Transfers out	<u>(191,655)</u>	<u>(116,335)</u>
Change in net position	198,498	541,843
Net position at beginning of year	<u>4,501,057</u>	<u>3,959,214</u>
Net position at end of year	<u>\$ 4,699,555</u>	<u>\$ 4,501,057</u>

CITY OF CARROLLTON, TEXAS

Risk Management Fund
 Comparative Statements of Cash Flows
 For the years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Cash received from other funds for services	\$ 2,047,610	\$ 2,195,984
Cash received from loss claim recoveries	365,512	583,021
Cash payments to suppliers for goods and services	(1,187,771)	(840,815)
Cash payments to employees for services	(94,812)	(92,796)
Cash payments for loss claims	(1,216,818)	(1,139,842)
Cash payments to other funds for services	(9,100)	(8,799)
Net cash provided by (used in) operating activities	<u>(95,379)</u>	<u>696,753</u>
Cash flows from noncapital financing activities:		
Transfers to other funds	<u>(191,655)</u>	<u>(116,335)</u>
Cash flow from investing activities:		
Interest on cash and cash equivalents	<u>88,220</u>	<u>142,828</u>
Net increase (decrease) in cash and cash equivalents	(198,814)	723,246
Cash and cash equivalents, October 1	5,580,691	4,857,445
Cash and cash equivalents, September 30	<u>\$ 5,381,877</u>	<u>\$ 5,580,691</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 299,601	\$ 508,540
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	-	383,563
(Increase) decrease in prepaid items	3,000	2,000
Increase (decrease) in accounts payable	(90,670)	(24,873)
Increase (decrease) in liability for compensated absences	1,577	3,452
Increase (decrease) in long-term risk liability	(308,887)	(175,929)
Net cash provided by (used in) operating activities	<u>\$ (95,379)</u>	<u>\$ 696,753</u>

CITY OF CARROLLTON, TEXAS

Employee Health and Disability Fund
 Comparative Statements of Net Position
 September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 7,346,867	\$ 4,855,980
Receivables:		
Accrued interest receivable	24,137	14,835
Prepaid items	<u>7,367</u>	<u>7,366</u>
Total assets	<u>7,378,371</u>	<u>4,878,181</u>
Liabilities		
Current liabilities:		
Accounts payable	1,519,867	1,098,015
Estimated health claims payable	<u>1,027,400</u>	<u>1,139,643</u>
Total current liabilities	<u>2,547,267</u>	<u>2,237,658</u>
Total liabilities	<u>2,547,267</u>	<u>2,237,658</u>
Net Position		
Unrestricted	<u>4,831,104</u>	<u>2,640,523</u>
Total net position	<u>\$ 4,831,104</u>	<u>\$ 2,640,523</u>

CITY OF CARROLLTON, TEXAS

Employee Health and Disability Fund
Comparative Statements of Revenues, Expenses and Changes in Net Position
for the Years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating revenues:		
Charges for services	\$ 12,756,892	\$ 12,054,150
Operating expenses:		
Personal services	735,084	772,774
Supplies and services	<u>9,928,645</u>	<u>10,653,131</u>
Total operating expenses	<u>10,663,729</u>	<u>11,425,905</u>
Income from operations	<u>2,093,163</u>	<u>628,245</u>
Nonoperating revenues:		
Investment earnings net of change in fair value of investments	<u>97,418</u>	<u>122,167</u>
Total nonoperating revenues	<u>97,418</u>	<u>122,167</u>
Change in net position	2,190,581	750,412
Net position at beginning of year	<u>2,640,523</u>	<u>1,890,111</u>
Net position at end of year	<u>\$ 4,831,104</u>	<u>\$ 2,640,523</u>

CITY OF CARROLLTON, TEXAS

Employee Health and Disability Fund
 Comparative Statements of Cash Flows
 For the years Ended September 30, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Cash received from employees and retirees for services	\$ 2,270,835	\$ 2,030,263
Cash received from other funds for services	10,486,058	10,023,888
Cash received from loss claim recoveries and refunds	844,599	1,010,577
Cash payments to suppliers for goods and services	(1,868,048)	(2,083,749)
Cash payments for loss claims	(9,330,673)	(10,482,672)
Net cash provided by (used in) operating activities	2,402,771	498,307
 Cash flow from investing activities:		
Interest on cash and cash equivalents	88,116	115,332
 Net increase (decrease) in cash and cash equivalents	2,490,887	613,639
Cash and cash equivalents, October 1	4,855,980	4,242,341
Cash and cash equivalents, September 30	\$ 7,346,867	\$ 4,855,980
 Reconciliation of income (loss) from operations to net cash provided by operating activities:		
Income from operations	\$ 2,093,163	\$ 628,245
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:		
Change in assets and liabilities:		
(Increase) decrease in other receivables	-	(10,943)
Increase (decrease) in accounts payable	421,851	181,362
Increase (decrease) in estimated health claims payable	(112,243)	(300,357)
Net cash provided by (used in) operating activities	\$ 2,402,771	\$ 498,307

STATISTICAL SECTION (Unaudited)

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. It includes six categories of information:

Financial Trends (Table 1 – 4) – contains trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity (Table 5 – 9) – contains information to help the reader assess the government's most significant local revenue source, property tax.

Debt Capacity (Table 10 – 14) – presents information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information (Table 15 – 16) – offers demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information (Table 17 – 19) – contains service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Additional Information (Table 20 – 21) – offers additional analysis regarding rapidly growing expenses or areas of financial concern that are of interest to the users of financial statements.



CARROLLTON

T E X A S

CITY OF CARROLLTON, TEXAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Table 1

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities										
Net investment in capital assets	\$ 225,506,964	\$ 221,475,325	\$ 220,454,089	\$ 224,428,585	\$ 229,578,674	\$ 236,475,739	\$ 253,789,783	\$ 266,335,524	\$ 265,348,739	\$ 288,354,589
Restricted	7,576,079	6,226,590	5,782,452	5,488,442	5,539,348	6,452,006	6,939,678	7,568,306	7,567,836	9,466,620
Unrestricted	87,936,900	88,198,609	93,366,902	95,744,744	108,636,055	115,146,522	115,867,856	116,877,252	142,352,531	157,960,043
Total governmental activities net position	\$ 321,019,943	\$ 315,900,524	\$ 319,603,443	\$ 325,661,771	\$ 343,754,077	\$ 358,074,267	\$ 376,597,317	\$ 390,781,082	\$ 415,269,106	\$ 455,781,252
Business-type activities										
Net investment in capital assets	\$ 120,772,181	\$ 117,350,938	\$ 116,211,135	\$ 119,325,732	\$ 117,734,922	\$ 114,890,769	\$ 111,162,794	\$ 114,574,032	\$ 117,224,597	\$ 113,405,237
Restricted	1,775,052	1,610,108	1,552,989	1,488,696	1,460,318	1,426,329	1,385,524	1,237,640	1,142,303	1,070,043
Unrestricted	29,942,097	30,259,557	29,389,768	22,994,428	23,051,098	24,004,120	25,184,803	23,311,006	24,937,146	32,485,159
Total business-type activities net position	\$ 152,489,330	\$ 149,220,603	\$ 147,153,892	\$ 143,808,856	\$ 142,246,338	\$ 140,321,218	\$ 137,733,121	\$ 139,122,678	\$ 143,304,046	\$ 146,960,439
Primary government										
Net investment in capital assets	\$ 346,279,145	\$ 338,826,263	\$ 336,665,224	\$ 343,754,317	\$ 347,313,596	\$ 351,366,508	\$ 364,952,577	\$ 380,909,556	\$ 382,573,336	\$ 401,759,826
Restricted	9,351,131	7,836,698	7,335,441	6,977,138	6,999,666	7,878,335	8,325,202	8,805,946	8,710,139	10,536,663
Unrestricted	117,878,997	118,458,166	122,756,670	118,739,172	131,687,153	139,150,642	141,052,659	140,188,258	167,289,677	190,445,202
Total primary government net position	\$ 473,509,273	\$ 465,121,127	\$ 466,757,335	\$ 469,470,627	\$ 486,000,415	\$ 498,395,485	\$ 514,330,438	\$ 529,903,760	\$ 558,573,152	\$ 602,741,691

Source: Comprehensive Annual Financial Reports

Notes:

The City implemented GASB Statement No. 65 in fiscal year 2014. The amounts for all fiscal years presented have been restated for the effects of this standard.
The City implemented GASB Statement No. 68 in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard.
The City implemented GASB Statement No. 75 in fiscal year 2018. The amounts for all prior years have not been restated for the effects of this standard.

CITY OF CARROLLTON, TEXAS
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (Unaudited)

Table 2

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses										
Governmental activities:										
General government and administration	\$ 14,538,522	\$ 14,144,028	\$ 14,683,787	\$ 15,613,314	\$ 16,606,809	\$ 15,894,255	\$ 17,122,310	\$ 17,189,961	\$ 19,121,014	\$ 22,837,935
Public safety	44,482,891	46,304,583	47,660,301	52,091,965	52,732,524	59,993,080	64,012,046	63,047,061	69,201,673	66,625,840
Development services	36,152,855	37,316,269	36,202,493	39,284,802	21,534,165	26,750,336	27,011,842	25,002,278	32,233,127	27,137,264
Cultural and recreational	13,362,124	13,967,919	14,111,727	14,319,443	14,677,561	15,487,148	16,754,985	16,390,220	16,790,697	14,859,202
Interest on long term debt	7,125,220	6,854,379	6,274,635	6,310,607	6,251,466	6,125,135	6,293,033	6,325,530	6,037,670	6,265,337
Total governmental activities expenses	115,661,612	118,587,178	118,932,943	127,620,131	111,802,525	124,249,954	131,194,216	127,955,050	143,384,181	137,725,578
Business-type activities:										
Water and sewer	33,605,016	35,005,112	35,451,627	36,268,921	35,091,342	38,169,394	40,370,208	43,285,640	42,145,572	41,908,407
Golf	868,431	1,084,413	825,711	406,286	1,354,149	1,770,254	951,127	451,994	2,172,913	2,205,324
Sanitation	5,277,104	5,414,802	5,559,233	5,813,267	6,000,423	7,396,452	7,794,237	8,076,094	8,410,160	9,269,390
Total business-type activities expenses	39,750,551	41,504,327	41,836,571	42,488,474	42,445,914	47,336,100	49,115,572	51,813,728	52,728,645	53,383,121
Total primary government expenses	155,412,163	160,091,505	160,769,514	170,108,605	154,248,439	171,586,054	180,309,788	179,768,778	196,112,826	191,108,699
Program Revenues										
Governmental activities:										
Fees, Fines, and Charges for Services:										
General government and administration	183,765	193,861	216,802	196,574	223,621	276,789	136,535	192,134	171,494	193,747
Public safety	7,058,605	8,335,917	9,632,597	10,818,681	11,344,328	10,225,750	9,695,265	9,144,151	8,986,909	10,933,565
Development services	1,150,299	1,450,556	1,939,146	2,856,299	2,147,052	2,642,431	2,177,917	3,201,667	2,485,491	1,815,359
Cultural and recreational	3,079,277	2,772,721	2,718,241	2,943,837	2,505,008	2,767,833	2,718,579	2,699,398	2,093,847	1,225,921
Operating grants and contributions	38,499	142,500	84,112	30,116	59,753	324,816	143,608	247,088	83,567	9,301,172
Capital grants and contributions	7,099,797	3,146,704	5,857,808	7,039,163	3,916,199	2,317,548	5,945,697	2,677,227	9,199,209	2,335,856
Total governmental activities program revenues	18,610,242	16,042,259	20,448,706	23,884,670	20,195,961	18,555,167	20,817,601	18,161,665	23,020,517	25,805,620
Business-type activities:										
Charges for services:										
Water and sewer	37,070,326	34,785,038	35,171,954	33,789,304	35,301,330	37,361,058	39,630,140	45,005,225	45,058,318	48,863,523
Golf	986,300	1,007,137	1,040,473	1,101,340	556,913	976,527	1,131,464	617,176	1,163,979	1,092,696
Sanitation	7,174,814	7,436,531	7,629,080	7,882,627	8,231,572	9,492,356	9,839,216	10,361,672	10,614,355	10,773,015
Operating grants and contributions	-	-	-	-	-	557,072	-	-	-	-
Capital grants and contributions	805,406	648,083	1,741,476	2,104,033	2,027,734	1,003,684	965,092	3,266,699	923,476	727,166
Total business-type activities program revenues	46,036,846	43,876,789	45,582,983	44,877,304	46,117,549	49,390,697	51,565,912	59,250,772	57,760,128	61,456,400
Total primary government program revenues	\$ 64,647,088	\$ 59,919,048	\$ 66,031,689	\$ 68,761,974	\$ 66,313,510	\$ 67,945,864	\$ 72,383,513	\$ 77,412,437	\$ 80,780,645	\$ 87,262,020

(continued)

CITY OF CARROLLTON, TEXAS
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (Unaudited)

Table 2

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Net (Expense) Revenue										
Governmental Activities	\$ (97,051,370)	\$ (102,544,919)	\$ (98,484,237)	\$ (103,735,461)	\$ (91,606,564)	\$ (105,694,787)	\$ (110,376,615)	\$ (109,793,384)	\$ (120,363,664)	\$ (111,919,958)
Business-type Activities	6,286,295	2,372,462	3,746,412	2,388,830	3,671,635	2,054,597	2,450,340	7,437,044	5,031,483	8,073,279
Total Primary government net expense	<u>(90,765,075)</u>	<u>(100,172,457)</u>	<u>(94,737,825)</u>	<u>(101,346,631)</u>	<u>(87,934,929)</u>	<u>(103,640,190)</u>	<u>(107,926,275)</u>	<u>(102,356,340)</u>	<u>(115,332,181)</u>	<u>(103,846,679)</u>
General Revenues										
and Other Changes in Net Assets										
Governmental Activities:										
Taxes:										
Ad valorem	54,751,313	55,176,665	55,859,536	58,744,957	61,990,961	66,690,804	71,827,346	77,233,249	82,924,296	89,122,477
Sales	21,564,480	24,020,903	25,446,798	27,708,160	31,238,022	34,512,467	36,782,925	39,811,034	39,683,052	40,032,543
Occupancy	195,870	176,826	156,061	181,025	210,835	243,946	292,908	237,466	189,529	211,851
Franchise Fees	10,607,534	10,286,074	10,556,411	12,023,980	11,768,644	11,778,705	12,069,944	12,526,523	12,036,367	12,098,114
Investment earnings net of change										
in fair value of investments	627,029	649,158	41,353	718,161	1,202,294	1,280,470	1,480,990	2,184,503	6,519,218	4,251,840
Gain on sale of capital assets	270,089	121,337	120,011	230,961	1,306,445	123,312	113,009	4,248	267,029	328,051
Public-private partnership recovery	-	-	3,160,500	3,013,646	-	-	-	-	-	-
Miscellaneous	843,382	1,104,285	882,757	1,008,224	793,144	977,691	874,112	950,672	932,282	891,770
Special item	-	-	-	-	-	-	-	-	-	-
Transfers	5,717,500	5,890,252	5,963,729	6,164,675	5,475,266	4,407,582	5,458,431	6,539,304	2,299,915	5,495,458
Total Governmental Activities	<u>94,577,197</u>	<u>97,425,500</u>	<u>102,187,156</u>	<u>109,793,789</u>	<u>113,985,611</u>	<u>120,014,977</u>	<u>128,899,665</u>	<u>139,486,999</u>	<u>144,851,688</u>	<u>152,432,104</u>
Business-type Activities:										
Investment earnings net of change										
in fair value of investments	116,423	148,177	(11,503)	162,754	206,134	186,142	201,448	262,790	925,005	707,328
Gain on sale of capital assets	6,578	13,037	62,393	108,520	35,012	37,256	21,514	4,232	261,495	18,143
Miscellaneous	76,001	87,849	99,716	159,535	174,697	204,467	197,032	224,795	263,300	353,101
Transfers	(5,717,500)	(5,890,252)	(5,963,729)	(6,164,675)	(5,475,266)	(4,407,582)	(5,458,431)	(6,539,304)	(2,299,915)	(5,495,458)
Total Business-type Activities	<u>(5,518,498)</u>	<u>(5,641,189)</u>	<u>(5,813,123)</u>	<u>(5,733,866)</u>	<u>(5,059,423)</u>	<u>(3,979,717)</u>	<u>(5,038,437)</u>	<u>(6,047,487)</u>	<u>(850,115)</u>	<u>(4,416,886)</u>
Total Primary Government	<u>89,058,699</u>	<u>91,784,311</u>	<u>96,374,033</u>	<u>104,059,923</u>	<u>108,926,188</u>	<u>116,035,260</u>	<u>123,861,228</u>	<u>133,439,512</u>	<u>144,001,573</u>	<u>148,015,218</u>
Change in Net Position										
Governmental Activities	(2,474,173)	(5,119,419)	3,702,919	6,058,328	22,379,047	14,320,190	18,523,050	29,693,615	24,488,024	40,512,146
Business-type Activities	767,797	(3,268,727)	(2,066,711)	(3,345,036)	(1,387,788)	(1,925,120)	(2,588,097)	1,389,557	4,181,368	3,656,393
Total Primary Government	<u>\$ (1,706,376)</u>	<u>\$ (8,388,146)</u>	<u>\$ 1,636,208</u>	<u>\$ 2,713,292</u>	<u>\$ 20,991,259</u>	<u>\$ 12,395,070</u>	<u>\$ 15,934,953</u>	<u>\$ 31,083,172</u>	<u>\$ 28,669,392</u>	<u>\$ 44,168,539</u>

(concluded)

Source: Comprehensive Annual Financial Reports

Notes:

The City implemented GASB Statement No. 65 in fiscal year 2014. The amounts for all fiscal years presented have been restated for the effects of this standard. The City implemented GASB Statement No. 68 in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard. The City implemented GASB Statement No. 75 in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this standard.

CITY OF CARROLLTON, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (Unaudited)

Table 3

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Nonspendable for prepaid item	\$ -	\$ -	\$ -	\$ -	\$ 145,345	\$ -	\$ 637,076	\$ 615,544	\$ 165,821	\$ -
Assigned to purchases on order	323,650	288,384	248,282	166,593	331,730	213,086	249,535	368,299	370,937	-
Unassigned	16,247,394	18,051,247	18,145,105	20,637,631	18,608,933	21,341,930	19,873,549	29,516,925	30,200,943	40,567,720
Total general fund	<u>\$ 16,571,044</u>	<u>\$ 18,339,631</u>	<u>\$ 18,393,387</u>	<u>\$ 20,804,224</u>	<u>\$ 19,086,008</u>	<u>\$ 21,555,016</u>	<u>\$ 20,760,160</u>	<u>\$ 30,500,768</u>	<u>\$ 30,737,701</u>	<u>\$ 40,567,720</u>
All Other Governmental Funds										
Nonspendable for:										
Other receivables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,012,080	\$ -	\$ -	\$ -
Prepaid items	-	-	421,950	51,584	739,994	-	-	-	-	-
Restricted for:										
Debt service	5,378,826	5,256,955	4,986,970	4,785,315	4,297,818	4,691,760	4,819,196	4,872,308	5,194,332	5,431,277
Streets and drainage	13,584,454	2,339,776	7,039,695	14,147,187	11,224,037	5,196,877	10,002,200	21,348,943	21,375,992	27,915,981
Public facilities	4,636,293	3,344,490	1,797,929	5,261,597	8,903,016	6,607,230	723,553	731,229	743,463	1,639,503
Other capital projects	5,785,095	2,041,830	769,916	2,698,419	1,691,992	1,660,411	1,240,675	675,940	2,457,650	3,765,317
Other purposes	1,888,906	1,354,452	1,242,218	1,269,055	1,515,400	1,825,818	2,102,688	2,781,971	1,943,079	2,307,584
Committed to:										
Transit oriented development	8,380,396	-	3,677,459	-	-	-	-	-	-	-
Street rehabilitation	7,968,067	8,606,244	9,995,506	14,546,936	17,497,861	20,249,854	23,893,942	27,700,435	32,331,403	38,671,297
Other capital projects	1,137,230	777,632	748,664	1,030,872	2,169,019	4,026,554	8,337,252	12,230,707	15,021,556	16,230,673
Assigned to:										
Streets and drainage	18,807,606	19,415,710	13,745,553	18,646,548	20,915,762	23,188,407	29,081,306	24,607,591	24,446,260	27,780,430
Public facilities	19,270,179	26,496,498	32,601,027	29,433,092	36,456,726	38,049,489	27,230,627	32,232,184	42,924,450	43,692,177
Other capital projects	8,716,872	8,422,646	7,808,482	9,848,273	11,734,537	12,782,783	17,222,929	16,592,403	15,504,426	18,476,246
Other purposes	289,167	254,279	172,506	356,731	382,462	447,335	416,120	693,296	775,981	2,460,132
				\$						
Total all other governmental funds	<u>\$ 95,843,091</u>	<u>\$ 78,310,512</u>	<u>\$ 85,007,875</u>	<u>102,075,609</u>	<u>\$ 117,528,624</u>	<u>\$ 118,726,518</u>	<u>\$ 126,082,568</u>	<u>\$ 144,467,007</u>	<u>\$ 162,718,592</u>	<u>\$ 188,370,617</u>

CITY OF CARROLLTON, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (Unaudited)

Table 4

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
REVENUES:										
Taxes:										
Ad valorem	\$ 54,363,724	\$ 54,824,842	\$ 55,615,260	\$ 58,347,979	\$ 61,676,895	\$ 66,398,279	\$ 71,469,785	\$ 76,855,743	\$ 82,592,460	\$ 88,768,605
Penalty and interest	387,589	351,823	244,276	396,978	314,066	292,525	357,561	377,506	331,836	353,872
Sales	21,564,480	24,020,903	25,446,798	27,708,160	31,238,022	34,512,467	36,782,925	39,811,034	39,683,052	40,032,543
911 Taxes	-	-	-	-	-	-	-	-	-	1,071,761
Occupancy tax	195,870	176,826	156,061	181,025	210,835	243,946	292,908	237,466	189,529	211,851
Franchise fees	10,607,534	10,286,074	10,556,411	12,023,980	11,768,644	11,778,705	12,069,944	12,526,523	12,036,367	12,098,114
Assessments	129,960	43,290	173,671	386,810	264,430	332,882	119,602	193,024	35,051	6,000
Charges for services	4,406,615	4,727,224	5,185,010	5,639,116	5,670,254	6,110,532	6,403,950	5,928,261	5,994,144	4,796,116
Intergovernmental	6,150,732	1,456,028	3,784,017	3,227,526	1,493,099	1,844,504	5,156,464	2,941,484	1,812,798	11,163,313
Licenses and permits	1,990,338	1,975,677	2,345,502	3,003,123	2,805,727	3,073,660	2,534,636	3,842,351	3,456,916	2,644,682
Fines and forfeitures	4,945,033	6,006,864	6,802,603	7,786,343	7,479,597	6,395,729	5,670,108	5,273,714	4,251,630	3,549,876
Investment earnings net of change in fair value of investments	543,769	553,107	48,699	621,710	1,080,213	1,175,370	1,366,353	2,046,739	6,064,714	3,951,260
PID Assessment Revenue	-	-	-	-	-	-	-	-	1,447,982	1,448,765
Public-private partnership recovery	-	-	1,896,300	4,264,200	-	-	-	-	-	-
Miscellaneous	843,382	1,104,285	882,757	1,021,870	793,144	977,691	874,112	950,673	932,282	896,467
Total Revenues	106,129,026	105,526,943	113,137,365	124,608,820	124,794,926	133,136,290	143,098,348	150,984,518	158,828,761	170,993,225
EXPENDITURES:										
General government and administration	13,234,778	12,894,095	13,818,786	14,233,668	14,249,773	14,014,017	15,321,401	15,594,492	17,087,424	19,597,405
Public safety	43,015,217	43,629,488	45,468,794	48,805,629	50,460,748	52,904,040	55,951,997	59,132,645	62,330,071	64,353,549
Development services	9,381,002	9,422,970	9,245,445	9,357,484	9,979,839	10,913,353	10,391,297	11,075,739	12,744,091	11,663,392
Cultural and recreational	10,593,872	10,606,136	11,173,466	11,192,930	11,487,238	11,925,191	12,744,442	13,067,844	12,930,099	12,273,811
Capital outlay	23,025,597	31,099,960	24,185,644	32,113,446	29,891,737	44,075,358	47,987,312	29,673,776	35,434,318	33,092,153
PID Development Reimbursement	-	-	-	-	-	-	-	-	1,447,982	1,448,765
Debt Service:										
Principal retirement	12,110,000	12,730,000	12,250,000	13,020,000	13,885,000	13,980,000	14,535,000	15,435,000	16,240,000	15,620,000
Interest and fiscal charges	7,321,573	6,967,800	6,619,954	6,489,618	6,839,976	6,727,253	7,097,030	7,225,382	7,332,656	7,713,093
Total expenditures	118,682,039	127,350,449	122,762,089	135,212,775	136,794,311	154,539,212	164,028,479	151,204,878	165,546,641	165,762,168
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,553,013)	(21,823,506)	(9,624,724)	(10,603,955)	(11,999,385)	(21,402,922)	(20,930,131)	(220,360)	(6,717,880)	5,231,057
OTHER FINANCING SOURCES (USES):										
Bonds issued	15,000,000	-	9,465,000	20,485,000	17,420,000	17,680,000	19,550,000	19,680,000	45,293,634	20,025,000
Refunding bonds issued	-	20,100,000	-	-	26,660,000	11,435,000	-	-	-	-
Premium on bonds issued	278,534	2,432,844	530,902	677,905	4,910,134	4,702,702	1,817,737	1,768,771	6,153,639	4,223,669
Payment to refunded bond escrow agent	-	(22,317,933)	-	-	(29,919,123)	(13,532,110)	-	-	(29,075,932)	-
Sale of capital assets	809,107	-	-	2,318,824	1,367,838	36,838	323,080	4,248	165,010	10,555
Transfers in	11,282,205	15,699,983	20,190,224	18,906,036	21,848,581	20,456,457	30,119,111	18,735,652	25,091,259	22,000,556
Transfers out	(5,151,386)	(9,855,380)	(13,810,283)	(12,305,239)	(16,553,246)	(15,709,063)	(24,318,903)	(11,842,964)	(22,421,212)	(16,008,793)
Total Other Financing Sources (Uses)	22,218,460	6,059,514	16,375,843	30,082,526	25,734,184	25,069,824	27,491,025	28,345,707	25,206,398	30,250,987
NET CHANGE IN FUND BALANCES	\$ 9,665,447	\$ (15,763,992)	\$ 6,751,119	\$ 19,478,571	\$ 13,734,799	\$ 3,666,902	\$ 6,560,894	\$ 28,125,347	\$ 18,488,518	\$ 35,482,044
Debt service as a percentage of noncapital expenditures	19.0%	19.1%	18.1%	16.7%	18.1%	17.3%	17.5%	18.1%	18.1%	16.7%

Source: Comprehensive Annual Financial Reports

CITY OF CARROLLTON, TEXAS**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**

Table 5

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Estimated Market Value		Less:	Total Taxable	Total Direct Tax Rate
	Real Property	Personal Property	Tax-Exempt Property	Assessed Value	
2011	9,225,686,522	1,934,190,861	2,253,208,722	8,906,668,661	0.617875
2012	9,196,797,992	1,983,032,088	2,282,481,097	8,897,348,983	0.617875
2013	9,256,778,500	2,198,511,234	2,356,490,067	9,098,799,667	0.617875
2014	9,587,444,722	2,360,645,202	2,391,446,979	9,556,642,945	0.617875
2015	10,379,894,481	2,423,039,399	2,522,339,809	10,280,594,071	0.615375
2016	11,222,038,729	2,553,129,415	2,689,149,080	11,086,019,064	0.612875
2017	12,314,098,039	2,774,168,176	3,144,059,376	11,944,206,839	0.603700
2018	13,480,378,990	2,819,164,332	3,295,255,620	13,004,287,702	0.599700
2019	14,757,267,240	3,007,035,638	3,528,802,758	14,235,500,120	0.594970
2020	15,984,400,142	3,229,734,057	3,703,096,727	15,511,037,472	0.587500

Source: City of Carrollton Budget Document**Note:** Total Taxable Assessed Value represents original certified taxable value. This does not include valuation of protested property at certification date.

CITY OF CARROLLTON, TEXAS

ESTIMATED NET TAXABLE VALUE AT BUDGET ADOPTION

Current Year and Nine Years Ago

(Unaudited)

Table 6

	<u>Fiscal Year 2020</u>		<u>Fiscal Year 2011</u>		<u>Ten Year Change</u>
		<u>Percentage of Total Market Value</u>		<u>Percentage of Total Market Value</u>	
Market value:					
Certified Values:					
Real property:					
Land	\$ 4,112,559,629	21.28%	\$ 2,946,615,973	26.20%	39.57%
Improvements	11,871,840,513	61.42%	6,279,070,549	55.84%	89.07%
Business personal property	3,229,734,057	16.71%	1,934,190,861	17.20%	66.98%
Property Under Protest	114,360,361	0.59%	85,037,273	0.76%	34.48%
Total Market value	<u>19,328,494,560</u>	<u>100.00%</u>	<u>11,244,914,656</u>	<u>100.00%</u>	71.89%
Less property exemptions/reductions:					
Single Family Residential:					
Homestead	1,402,193,820	7.25%	884,017,512	7.86%	58.62%
Over 65	454,844,958	2.35%	268,170,135	2.38%	69.61%
Disabled	20,366,303	0.11%	21,566,339	0.19%	-5.56%
Disabled veterans	29,742,563	0.15%	9,545,295	0.08%	211.59%
Capped value	203,944,828	1.06%	4,838,478	0.04%	4115.06%
Total Single Family Residential	<u>2,111,092,472</u>	<u>10.92%</u>	<u>1,188,137,759</u>	<u>10.55%</u>	77.68%
Commercial:					
Agricultural	58,242,960	0.30%	83,510,015	0.74%	-30.26%
Freeport	550,708,665	2.85%	306,745,673	2.73%	79.53%
Abatements/Tax grants	-	0.00%	118,522,214	1.05%	-100.00%
Low income housing	12,839,480	0.07%	-	0.00%	100.00%
Other exemptions	620,131	0.00%	731,169	0.01%	-15.19%
TIF Incremental Value	121,777,498	0.63%	3,097,833	0.03%	3831.05%
Total Commercial	<u>744,188,734</u>	<u>3.85%</u>	<u>512,606,904</u>	<u>4.56%</u>	45.18%
Totally exempt*	<u>892,778,014</u>	<u>4.62%</u>	<u>674,084,106</u>	<u>5.99%</u>	32.44%
Total property exemptions/reductions	<u>3,748,059,220</u>	<u>19.39%</u>	<u>2,374,828,769</u>	<u>21.10%</u>	57.82%
Estimated Net Taxable Value	<u>\$ 15,580,435,340</u>	<u>80.61%</u>	<u>\$ 8,870,085,887</u>	<u>78.90%</u>	75.65%

Source: Annual Budget Document and Dallas, Denton, and Collin Central Appraisal Districts

Notes:

In these estimated values, the original certified value as shown on Table 5 is increased by the estimated value of properties under protest and reduced by the estimated value of tax grants and TIF incremental value.

* Total exempt properties include properties owned by federal, state and local governmental entities and by educational, religious and not-for-profits organizations qualifying under the IRS code.

CITY OF CARROLLTON, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES (per \$100 of assessed value)
 Last Ten Fiscal Years
 (Unaudited)

Table 7

Fiscal Year	City Direct Rates			Overlapping Rates								
	Operating/ General Rate	General Obligation Debt Service	Total Direct	Carrollton- Farmers Branch Independent School District	Dallas Independent School District	Lewisville Independent School District	Coppell Independent School District	Plano Independent School District	Dallas County a	Collin County b	Denton County	Valwood Improvement Authority c
2011	0.406241	0.211634	0.617875	1.346900	1.237811	1.426700	1.424200	1.353400	0.623330	0.326300	0.273900	0.307500
2012	0.398528	0.219347	0.617875	1.356800	1.290347	1.426000	1.424200	1.373400	0.623770	0.326300	0.277357	0.307500
2013	0.411887	0.205988	0.617875	1.330600	1.290347	1.453000	1.418800	1.373400	0.643412	0.326299	0.282867	0.307500
2014	0.414447	0.203428	0.617875	1.323500	1.282085	1.477000	1.432400	1.453000	0.653800	0.321143	0.284914	0.290000
2015	0.417389	0.197986	0.615375	1.303300	1.282085	1.477000	1.449000	1.439000	0.663875	0.316900	0.272200	0.270000
2016	0.420043	0.192832	0.612875	1.281700	1.282085	1.476730	1.439000	1.439000	0.662750	0.306960	0.262000	0.270000
2017	0.425787	0.177913	0.603700	1.391700	1.282085	1.420000	1.492700	1.439000	0.654704	0.289617	0.248409	0.250000
2018	0.427790	0.171910	0.599700	1.381000	1.282085	1.407500	1.477700	1.439000	0.656738	0.272056	0.237812	0.220000
2019	0.430220	0.164750	0.594970	1.370000	1.412035	1.407500	1.460500	1.439000	0.656500	0.262007	0.225574	0.200000
2020	0.441146	0.146354	0.587500	1.268350	1.310385	1.337500	1.330900	1.439000	0.646600	0.256173	0.225278	0.180000

Source: City of Carrollton Budget Office, Lewisville Independent School District, Dallas Central Appraisal District, Plano Independent School District, Denton County, Collin County

Notes:

(a) Dallas County includes Dallas County, Dallas County Hospital District and Dallas County Community College District.

(b) Collin County includes Collin County and Collin County Community College District.

(c) A typical property tax bill would consist of City, School District and County taxes. Valwood Improvement Authority is a flood reclamation district serving commercial property only in the southwest corner of the City.

CITY OF CARROLLTON, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago
(Unaudited)

Table 8

Fiscal Year 2020			Fiscal Year 2011		
Taxpayer	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Bella Vida Gardens Associates LLC	\$ 86,269,270	0.55%	AT&T Communications	\$ 66,509,280	0.73%
Mansions at Sunset	85,677,660	0.55%	Halliburton	61,083,075	0.69%
Halliburton Energy Services	79,486,116	0.51%	Cobalt Industrial Reit	51,091,520	0.57%
Softlayer	76,931,630	0.50%	Verizon	45,521,400	0.51%
Autumn Chase Apartments	76,794,339	0.50%	Oncor Electric Delivery	37,993,190	0.43%
Sloane Street Apartments	72,330,913	0.47%	Sara Lee Bakery Group INC	33,645,642	0.38%
JPMorgan Chase Bank NA	67,164,880	0.43%	Hilite Industries Automotive	27,596,424	0.31%
Dell Equipment	64,752,728	0.42%	Acquiport Dfwip INC	27,393,690	0.31%
Texas Dugan LTD	63,687,757	0.41%	Trend Offset Printing Svs INC	22,916,480	0.26%
Cyrusone LLC	61,000,000	0.39%	Frist Industrial Texas LP	21,940,910	0.25%
Total Assessed Value of Top-ten Taxpayers:	734,095,293	4.73%	Total Assessed Value of Top-ten Taxpayers:	395,691,611	4.44%
Total Assessed Value of Other Taxpayers:	14,776,942,179	95.27%	Total Assessed Value of Other Taxpayers:	8,510,947,050	95.56%
Total Assessed Value:	\$ 15,511,037,472	100.00%	Total Assessed Value:	\$ 8,906,638,661	100.00%

Source: Dallas County Tax Office and Denton County Tax Office

CITY OF CARROLLTON, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Unaudited)

Table 9

Fiscal Year	Taxes Budgeted Within the Fiscal Year of the Levy	Taxes Levied Within the Fiscal Year of the Levy	Adjustments to Levy in Subsequent Years	Adjusted Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	
					Amount	Percentage of Levy		Amount	Percentage of Levy
2011	53,709,922	55,477,092	(121,933)	\$ 55,355,159	54,937,434	99.25%	\$ 385,134	\$ 55,322,568	99.94%
2012	53,668,670	55,502,447	(10,977)	55,491,470	55,128,245	99.35%	330,066	55,458,311	99.94%
2013	54,782,788	56,407,488	68,876	56,476,364	56,013,200	99.18%	396,498	56,409,698	99.88%
2014	57,132,835	59,049,086	(20,062)	59,029,024	58,752,099	99.53%	214,707	58,966,806	99.89%
2015	61,028,968	62,839,506	(9,416)	62,830,090	62,505,443	99.48%	215,214	62,720,657	99.83%
2016	65,141,963	68,039,266	(369,631)	67,669,635	67,692,625	100.03%	(139,399)	67,553,226	99.83%
2017	71,793,263	73,359,863	(221,957)	73,137,906	72,990,754	99.80%	22,806	73,013,560	99.83%
2018	77,367,377	79,069,384	(277,814)	78,791,570	78,587,752	99.74%	3,568	78,591,320	99.75%
2019	84,016,514	85,625,004	(277,932)	85,347,072	85,127,427	99.74%	(8,556)	85,118,871	99.73%
2020	91,009,376	91,990,778	440,010	92,430,788	91,506,515	99.00%	-	91,506,515	99.00%

Source: Dallas Central Appraisal District and Dallas County Tax Office
Denton Central Appraisal District and Denton County Tax Office

CITY OF CARROLLTON, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

Table 10

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds		Certificates of Obligation		Water and Sewer Revenue Bonds		Certificates of Obligation			
	Par	Premium	Par	Premium	Par	Premium	Par			
2011	170,490,000	5,765,438	-	-	21,305,000	180,518	2,040,000	\$ 199,780,956	5.63%	1,672
2012	157,100,000	6,949,299	-	-	18,795,000	1,050,967	1,750,000	185,645,266	5.41%	1,674
2013	154,315,000	6,890,494	-	-	17,115,000	950,717	1,440,000	180,711,211	5.03%	1,532
2014	161,780,000	6,948,244	-	-	15,400,000	851,597	-	184,979,841	4.63%	1,478
2015	162,600,000	10,058,724	-	-	14,185,000	752,477	-	187,596,201	4.78%	1,487
2016	165,015,000	13,939,418	-	-	12,925,000	653,357	-	192,532,775	4.51%	1,498
2017	170,030,000	14,707,459	-	-	11,615,000	554,238	-	196,906,697	4.66%	1,504
2018	174,275,000	15,324,781	-	-	5,625,000	453,470	-	195,678,251	4.31%	1,505
2019	173,540,000	19,696,604	-	-	13,545,000	1,411,434	-	208,193,038	4.49%	1,531
2020	177,945,000	22,559,632	-	-	11,890,000	1,240,153	-	213,634,785	3.91%	1,552

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(a) See Table 15 for personal income and population data.

CITY OF CARROLLTON, TEXAS

RATIO OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

(Unaudited)

Table 11

Fiscal Year	General Obligation Bonds	Certificates of Obligation	Total	Less: Amounts Available in Debt Service Fund (a)	Net General Bonded Debt	Percentage of Actual Taxable Value of Property (b)	Per Capita (c)
2011	176,255,438	2,040,000	\$ 178,295,438	4,468,657	\$ 173,826,781	1.95%	1,456
2012	164,049,299	1,750,000	165,799,299	4,429,907	161,369,392	1.81%	1,332
2013	161,205,494	1,440,000	162,645,494	4,185,961	158,459,533	1.74%	1,296
2014	168,728,244	-	168,728,244	3,813,322	164,914,922	1.73%	1,326
2015	172,658,724	-	172,658,724	3,481,833	169,176,891	1.65%	1,351
2016	178,954,418	-	178,954,418	3,856,159	175,098,259	1.58%	1,368
2017	184,737,459	-	184,737,459	3,957,847	180,779,612	1.51%	1,382
2018	189,599,781	-	189,599,781	3,979,314	185,620,467	1.43%	1,403
2019	193,509,604	-	193,509,604	4,279,014	189,230,590	1.27%	1,390
2020	200,504,632	-	200,504,632	4,481,765	196,022,867	1.26%	1,424

Notes:

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

^a This is the amount restricted for debt service principal payments. Government-Wide Statement of Net Position.

^b See Table 5 for property value data.

^c See Table 15 for population data.

CITY OF CARROLLTON, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

Current Year

(Unaudited)

Table 12

Governmental Unit (b)	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Carrollton-Farmers Branch Independent School District	\$ 198,810,000	37.25%	\$ 74,056,725
Collin County	487,405,000	0.08%	389,924
Collin County Community College	524,590,000	0.08%	419,672
Coppell Independent School District	367,610,981	0.00%	-
Dallas County	130,445,000	2.52%	3,287,214
Dallas County Community College District	135,375,000	2.52%	3,411,450
Dallas County Hospital District	622,000,000	2.52%	15,674,400
Dallas County Schools	27,204,352	2.52%	685,550
Dallas Independent School District	3,110,910,000	1.16%	36,086,556
Denton County	611,835,000	8.77%	53,657,930
Lewisville Independent School District	1,405,027,596	14.78%	207,663,079
Plano Independent School District	753,090,000	0.19%	1,430,871
Valwood Improvement Authority	13,164,940	54.50%	7,174,892
Subtotal, overlapping debt			<u>403,938,263</u>
City of Carrollton (direct debt)	200,504,632	100.00%	<u>200,504,632</u>
Total direct and overlapping debt			<u><u>\$ 604,442,895</u></u>

Source: City of Carrollton Treasury Office

Notes:

(a) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the entities' taxable assessed value that is with the City's boundaries and dividing by the entities' total taxable assessed value.

(b) Overlapping governments are those that coincide, at least in part with, the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Carrollton. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residential and commercial taxpayer should be taken into account. However, this does not imply that every Carrollton taxpayer is a property owner and therefore responsible for repaying the debt of any particular overlapping government.

CITY OF CARROLLTON, TEXAS
PLEDGED-REVENUE COVERAGE
 Last Ten Fiscal Years
 (Unaudited)

Table 13

Waterworks and Sewer System Revenue Bonds						
Fiscal Year	Total Revenues (a)	Less: Operating Expenses (b)	Net Available Revenue	Average Annual Requirement	Times Coverage	
2011	37,264,408	28,195,996	\$ 9,068,412	\$ 1,843,461	3.43	
2012	35,011,924	29,623,511	5,388,413	1,775,052	5.11	
2013	35,256,384	30,439,911	4,816,473	1,609,769	3.35	
2014	34,102,074	31,036,497	3,065,577	1,552,989	3.10	
2015	35,668,929	30,912,620	4,756,309	1,488,696	2.06	
2016	37,738,309	33,738,639	3,999,670	1,460,318	3.26	
2017	40,014,788	35,992,187	4,022,601	1,426,329	2.80	
2018	45,476,534	39,395,153	6,081,381	1,385,524	2.90	
2019	46,192,294	39,869,774	6,322,520	1,142,303	5.53	
2020	49,848,279	40,521,415	9,326,864	1,070,043	8.72	

Source: Comprehensive Annual Financial Report

Notes:

(a) Includes operating revenues (charges for services and miscellaneous income), investment income, and transfers in of the Water and Sewer Fund

(b) Includes operating expenses minus depreciation plus transfers out of the Water and Sewer Fund.

CITY OF CARROLLTON, TEXAS

DIRECT AND CONTRACTUALLY OBLIGATED - PROPERTY TAX AND REVENUE DEBT

Table 14

Last Six Fiscal Years

(Unaudited)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City of Carrollton - direct debt:						
Paid with property taxes	\$ 200,504,632	\$ 193,509,604	\$ 189,599,781	\$ 184,737,459	\$ 178,954,418	\$ 172,658,724
Paid with dedicated revenues:						
Water and sewer revenues	13,130,153	14,956,434	6,078,470	12,169,238	13,578,357	14,937,477
Golf course revenues	-	-	-	-	-	-
Total direct debt	<u>213,634,785</u>	<u>208,466,038</u>	<u>195,678,251</u>	<u>196,906,697</u>	<u>192,532,775</u>	<u>187,596,201</u>
Other Entities - contractually obligated to be paid with water and sewer revenues:						
Dallas Water Utilities (DWU)(a)	50,268,153	52,503,899	48,356,487	46,668,317	49,555,981	46,929,690
Trinity River Authority - Central Regional Wastewater System (CRWS)(b)	<u>107,365,652</u>	<u>91,360,670</u>	<u>84,464,932</u>	<u>66,176,912</u>	<u>68,478,128</u>	<u>74,529,252</u>
Total contractually obligated debt	<u>\$ 157,633,805</u>	<u>\$ 143,864,569</u>	<u>\$ 132,821,419</u>	<u>\$ 112,845,229</u>	<u>\$ 118,034,109</u>	<u>\$ 121,458,942</u>

Notes:

(a) Carrollton has a "take or pay" contract to purchase potable water on a wholesale basis. Contractually obligated debt is calculated based on Carrollton's Rate of Flow setting as a percent of all wholesale customers applied to total outstanding DWU debt multiplied by the percentage of the DWU system application to wholesale customer activities. Debt numbers are taken from the DWU Wholesale Rate Study.

(b) Carrollton has a contractual obligation to pay its pro rata share of all operating and debt related expenses based on its percentage of flows to the CRWS. Contractually obligated debt is calculated based on the City's percentage of flows to CRWS. In addition, the City is considered an "Obligated part" on all TRA CRWS debt outstanding. As such, it must make continuing disclosures on TRA CRWS debt and contract maturity is automatically extended to the final maturity of outstanding CRWS debt. TRA is a November 30th year end.

CITY OF CARROLLTON, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Calendar Years
 (Unaudited)

Table 15

Year	Estimated Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2011	119,370	3,691,279	30,923	35.7	21,508	7.3%
2012	121,150	3,691,198	30,468	36.3	21,101	5.6%
2013	122,280	3,902,811	31,917	36.0	21,276	5.6%
2014	124,400	3,871,950	31,125	36.8	21,082	4.7%
2015	125,250	4,159,678	33,211	35.9	21,158	3.4%
2016	127,980	4,130,299	32,273	36.9	20,058	3.7%
2017	130,820	4,572,682	34,954	36.2	19,797	3.1%
2018	132,330	4,816,150	36,395	37.4	19,500	3.3%
2019	136,170	4,642,852	34,096	36.9	19,317	2.8%
2020	137,650	5,460,576	39,670	37.0	16,127	6.8%

Source: Estimated population provided by the North Central Texas Council of Governments. US Census population used in census years. Per capita income and median age provided by US Census Bureau's American Community Survey. School enrollment (for schools located in Carrollton) provided by Carrollton/Farmers Branch ISD and Lewisville ISD. School enrollment figures for Lewisville ISD include only students living in Carrollton zip codes. Unemployment rates provided by Bureau of Labor Statistics

CITY OF CARROLLTON, TEXAS
PRINCIPAL EMPLOYERS
 Current Year and Nine Years Ago
 (Unaudited)

Table 16

2020			2011		
Employer (a)	Employees	Percentage of Total City Employment	Employer (a)	Employees	Percentage of Total City Employment
Halliburton Energy Services	1,000	1.19%	Halliburton Energy Services	1,300	1.77%
McKesson Corp	999	1.19%	McKesson Corporation	1,000	1.36%
Thomson Reuters	950	1.13%	Baylor Medical Center	725	0.99%
Western Extrusions	900	1.07%	General Aluminum Corporation	600	0.82%
Securus Technologies	800	0.95%	Western Extrusions Corporation	600	0.82%
Baylor Scott & White Medical Center Carrollton	640	0.76%	Hilton Reservations Worldwide	600	0.82%
Brandt	550	0.66%	Wal-Mart Super Center	386	0.53%
AER Manufacturing	500	0.60%	AER	350	0.48%
Hilton Reservations & Customer Care	450	0.54%	BeautiControl Cosmetics	330	0.45%
Rudy's Tortillas	450	0.54%	Carlson Restaurants Worldwide	307	0.42%
Total	7,239	8.63% (b)		6,198	8.46% (b)

Source: North Central Texas Council of Governments (2020), City of Carrollton Economic Development (2010)

Notes:

(a) Listing includes only private sector employers.

(b) Based on estimated Total Labor Force of 83,878 in 2020 and 73,446 in 2011.

CITY OF CARROLLTON, TEXAS**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**

Table 17

Last Ten Fiscal Years
(Unaudited)

Function/Program	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government and Administration	79.8	74.9	75.9	82.9	86.0	86.1	88.9	88.9	80.4	87.4
Public Safety	420.0	425.8	439.3	451.1	451.6	457.1	446.1	447.6	451.3	456.3
Development Services	111.5	109.2	108.7	108.0	112.0	113.0	113.0	108.0	108.5	108.5
Culture and Recreational	122.0	117.7	118.0	116.3	118.3	115.8	118.8	118.8	119.25	119.30
Water and Sewer	51.0	51.0	51.0	52.0	52.0	52.0	52.0	58.0	66.0	66.0
Fleet Services	-	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.8	0.8
Risk Management	2.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Capital Projects and Special Revenue	<u>7.5</u>	<u>6.5</u>	<u>7.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>7.0</u>	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>
Total	<u>794.3</u>	<u>786.6</u>	<u>801.4</u>	<u>817.8</u>	<u>827.4</u>	<u>831.5</u>	<u>827.3</u>	<u>830.8</u>	<u>835.3</u>	<u>847.3</u>

Source: City Budget Office

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Police										
Number of Employees	238	207	206	211	210	217	221	226	215	231
Number of Violations (Citations)	45,018	50,674	51,451	60,793	47,594	41,435	35,926	32,361	27,574	29,300
Fire										
Number of Employees	135	141	154	159	158	158	173	171	175	175
Number of Fire runs	3,516	3,224	3,295	3,469	3,350	3,868	3,677	4,048	4,125	4,046
Number of EMS runs	6,007	6,641	6,993	7,098	7,381	7,770	8,093	8,344	8,636	8,738
Development Services										
Street Resurfacing (miles)	3	2	4	4	1	5	1	0	2	2
Cultural and Recreational										
Parks and Recreation										
Participants in Leisure Service Programs(a)(b)(e)(f)	42,904	46,512	65,459	65,187	61,656	36,024	36,781	22,981	40,052	23,127
Participants in Athletic Programs (d)(f)	87,610	88,114	82,988	83,713	79,775	78,216	68,928	59,967	5,286	4,485
Library(h)										
Volumes in Collection	183,333	188,314	188,182	190,691	193,004	193,453	185,244	183,173	177,667	170,212
Water and Sewer										
Number of Water Consumers	35,802	34,971	35,710	36,055	38,975	36,841	37,168	37,686	37,482	39,300
Average Daily Water Consumption (gallons)	22,888,000	20,800,000	20,171,000	18,890,000	19,548,000	19,524,000	19,753,000	20,711,000	19,203,000	21,698,000
Maximum Storage Capacity (gallons)	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000
Unaccounted for Water	4.23%	6.77%	4.48%	3.88%	5.37%	7.17%	7.64%	8.26%	9.91%	6.27%
Sanitation (residential)(g)										
Refuse Collected (tons)	38,538	34,942	36,668	37,405	36,112	30,062	28,674	28,126	33,638	43,344
Bulk/Brush Pickups (tons)	5,819	6,920	7,674	7,368	7,846	16,611	18,790	18,111	21,772	19,164
Recyclables Collected (tons)	7,490	7,702	7,166	7,651	7,796	7,947	7,800	7,130	6,304	5,580
Golf Course(c)(f)										
Number of Paid Rounds Played	74,019	68,862	58,394	72,676	33,759	16,968	63,312	52,986	37,133	19,398

Source: City Departments

Notes:

- (a) In 2013, Leisure Services facilities expanded tracking of participants to include all events held in City Leisure Services Facilities. Prior to that time, participant figures only included those registered in City sponsored Leisure Services programs.
- (b) - In 2018, the City's Senior Center participants dropped due to colder weather.
- (c) - In Fiscal Year 2015, the Golf Course was closed due to flooding from June to September.
 In Fiscal Year 2016, the Golf Course was closed due to flooding from September to March.
 In Fiscal Year 2019, the Golf Course was closed due to repairs from December 18, 2028 to February 7, 2019
 In Fiscal Year 2020, the Golf Course was closed or had restricted availability as a result of the Coronavirus pandemic.
- (d) - In Fiscal Year 2019, the Rosemeade Aquatics Center was closed for remodel for the entire season.
- (e) - In Fiscal Year 2019, the Leisure Services expanded the number of special events and Senior Center participants returned to normal levels.
- (f) - In Fiscal Year 2020, Recreation and Athletic facilities were closed or had restricted availability as a result of the Coronavirus pandemic.
- (g) - In Fiscal Year 2019, Sanitation indicators for the last quarter of 2019 was projected based on previous quarters based on a 36 month average.
- (h) - In Fiscal Year 2019, the Library withdrew worn or outdated materials to improve process efficiency and customer service.
 In Fiscal Year 2020, Library continued to withdraw worn and outdated materials while transitioning to an RFID Security System.

CITY OF CARROLLTON, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Table 19

Last Ten Fiscal Years

(Unaudited)

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Patrol Units (a)	34	34	36	36	36	36	36	36	46	49
Police Motorcycle Units	7	7	7	8	8	8	7	4	2	2
Fire Stations	7	7	7	8	8	8	8	8	8	8
Development Services										
Streets- Paved (miles) (b)	1,142	1,142	1,176	1,176	1,176	1,176	1,176	1,176	1,068	1,068
Alleys - Paved (miles)	178	178	190	189	189	189	189	210	210	210
Cultural and Recreational										
Parks (acres)	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493
Playgrounds	25	25	25	25	25	25	25	25	29	29
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Splash Parks	-	-	-	-	1	1	2	2	2	2
Tennis Courts	29	29	29	29	29	29	28	28	28	28
Recreation Centers	2	2	2	2	2	2	2	2	2	2
Senior Center	1	1	1	1	1	1	1	1	1	1
Water and Sewer										
Water Mains (miles)	551	551	554	570	584	584	580	600	612	612
Fire Hydrants (c)	4,895	4,937	4,995	5,110	5,192	5,278	5,363	5,398	5,398	5,409
Sanitary Sewers (miles)	403	403	410	414	417	417	418	425	430	432

Source: City Departments

Notes:

(a) Motorcycles have been transitioned to full-size vehicles; an additional patrol beat was added in 2019. PD restructured the departments and transitioned unmarked vehicles to marked vehicles and added an SRO position in 2020.

(b) Pavement Condition Index (PCI) was updated in 2019

(c) Estimated Final numbers for FY 2019 not available at the time of the report

CITY OF CARROLLTON, TEXAS

TEXAS MUNICIPAL RETIREMENT SYSTEM

ANALYSIS OF FUNDING PROGRESS AND CONTRIBUTION RATES (FUNDING BASIS)

Last Ten Fiscal Years

(Unaudited)

Table 20

Fiscal Year	(1) Actuarial Value of Assets**	(2) Actuarial Accrued Liability*	(3) Funded Ratio (1/2)	(4) Unfunded Actuarial Accrued Liability	(5) Annual Covered Payroll	(6) UAAL as a Percentage of ACP (4/5)	(7) Total TMRS Required Contribution Rate	(8) Prior Service Portion of the TMRS Rate
2011	257,904,344	281,246,707	91.7%	\$ 23,342,363	45,234,987	51.6%	16.28%	5.39%
2012	275,783,003	295,569,643	93.3%	19,786,640	44,593,544	44.4%	13.95%	2.98%
2013	294,274,104	309,695,066	95.0%	15,420,962	45,175,371	34.1%	13.66%	2.61%
2014	313,861,407	341,764,756	91.8%	27,903,349	46,640,263	59.8%	13.30%	2.04%
2015	334,260,620	356,702,669	93.7%	22,442,049	48,904,096	45.9%	12.45%	4.82%
2016	353,760,083	378,581,941	93.4%	24,821,858	52,561,347	47.2%	11.48%	3.92%
2017	372,404,523	396,236,792	94.0%	23,832,269	52,035,292	45.8%	12.44%	4.03%
2018	393,485,849	414,941,180	94.8%	21,455,331	56,485,201	38.0%	12.38%	3.98%
2019	409,035,774	431,606,390	94.8%	22,570,616	58,218,122	38.8%	11.95%	3.60%
2020	429,681,970	449,427,990	95.6%	19,746,020	58,997,932	33.5%	11.84%	3.41%

Source: Texas Municipal Retirement System

Notes:

* As of December 31 of the preceding year, the date of the actuarial valuation.

** Actuarial value of assets is calculated using 10-year smoothing.

The actuarial accrued liability was calculated using the Projected Unit Credit actuarial funding method for fiscal years 2008 to 2013, and Entry Age Normal actuarial funding method for fiscal year 2014 and forward.

Fiscal year 2014 and forward includes an update to the mortality table used to determine the annuity purchase rate.

Effective in fiscal year 2015, GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" (GASB 68) created two actuarial valuations for pensions; a funding valuation and a reportion valuation. Trend information for the GASB 68 reporting valuation is included as Required Supplementary Information (RSI) immediately following the Notes to Basic Financial Statements. This table contains information on a funding basis only.

CITY OF CARROLLTON, TEXAS

ACTIVE AND RETIREE HEALTH INSURANCE COSTS

Last Ten Fiscal Years

(Unaudited)

Table 21

Fiscal Year	Total Health Plan Expenses	Retiree Expenses	Percentage Retiree Costs to Total	Active Members	Retirees Using City Health Plan	Total TMRS Retirees	Percentage Retirees Using Plan to Total Members	Retiree Contributions	Net Subsidy of Retirees	Subsidy as Percentage of Total Expense	Cost per Active Member	Cost per Retiree
2011	7,726,721	621,888	8.0%	705	44	360	5.9%	420,546	\$ (201,342)	2.6%	\$ 10,078	\$ 14,134
2012	9,314,543	474,223	5.1%	674	48	395	6.6%	455,107	(19,116)	0.2%	13,116	9,880
2013	9,123,405	725,499	8.0%	688	47	437	6.4%	512,762	(212,737)	2.3%	12,206	15,436
2014	11,941,431	784,241	6.6%	706	46	478	6.1%	559,723	(224,518)	1.9%	15,803	17,049
2015	11,560,489	619,770	5.4%	719	41	519	5.4%	473,561	(146,209)	1.3%	15,217	15,116
2016	11,288,978	814,495	7.2%	733	44	545	5.7%	565,829	(248,666)	2.2%	14,290	18,511
2017	12,298,793	1,525,098	12.4%	723	33	574	4.4%	511,443	(1,013,655)	8.2%	14,901	46,215
2018	13,171,180	652,127	5.0%	729	27	606	3.6%	380,906	(271,221)	2.1%	17,173	24,153
2019	11,425,905	741,597	6.5%	721	24	652	3.2%	413,983	(327,614)	2.9%	14,819	30,900
2020	9,928,645	535,969	5.4%	763	21	697	2.7%	388,603	(147,366)	1.5%	12,310	25,522
Total	<u>\$ 107,780,090</u>	<u>\$ 7,494,907</u>	<u>7.0%</u>					<u>\$ 4,682,463</u>	<u>\$ (2,812,444)</u>	<u>2.6%</u>		
Average	\$ 10,778,009	\$ 749,491		716	38	526	5.0%	\$ 468,246	\$ (281,244)		13,991	21,692

Source: City Records, Third Party Administrator Records, Texas Municipal Retirement System (TMRS)

CONTINUING FINANCIAL DISCLOSURE TABLES (Unaudited)

The Continuing Financial Disclosure Tables present various financial data originally distributed in a debt official statement. The City is required to update financial tables originally distributed in a debt official statement within six months after the end of each fiscal year. This financial information is provided to the Municipal Securities Rulemaking Board (MSRB) annually via the Electronic Municipal Market Access (EMMA) system.



CARROLLTON
T E X A S

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year ended September 30, 2020

Table CD-1
TAX AND DEBT FINANCIAL INFORMATION
 (Unaudited)

Tax Year 2020	Appraised Value of Taxable Property ¹	\$ 20,099,758,767
Less Exemptions:		
	Agricultural Land Use	\$ 57,080,964
	Homestead	1,451,793,757
	Disabled Veterans	34,753,814
	Over 65	470,725,387
	Disabled Persons	19,578,548
	Totally Exempt	1,019,904,322
	Freeport	1,027,035,590
	Capped Value	134,939,417
	Low Income Housing	12,953,491
	Other Exemptions	993,873
	Total Exemptions	4,229,759,163

Tax Year 2020	Taxable Valuation ¹	\$ 15,869,999,604
----------------------	---------------------------------------	--------------------------

Gross General Obligation Bonded Debt:		
	General Purpose Bonds and Certificates (Par Value Only) Projected as of 9/30/2021	\$ 182,465,000
	Less: General Obligation Interest & Sinking Fund Balances as of 09/30/2020 ²	5,431,277

Net General Obligation Bonded Debt		\$ 177,033,723
---	--	-----------------------

Ratio of Gross General Obligation Bonded Debt to		
	2020 Taxable Valuation	1.15%
Ratio of Net General Obligation Bonded Debt to		
	2020 Taxable Valuation	1.12%

2011 Census Population - 119,370
 2020 Estimated Population - 137,650
 Per Capita Taxable Valuation - \$115,292
 Per Capita Gross General Obligation Bonds Bonded Debt - \$1,326
 Per Capita Net General Obligation Bonds Bonded Debt - \$1,286

(1) Certified tax roll are generally provided by the Dallas Central, Denton Central and Collin Central Appraisal Districts (the "Appraisal Districts") in July 2020 (Fiscal Year 2021). State law requires that a "certified" tax roll or a certified estimate be submitted to the City by July 25 of each year. The certified roll is the official tax value for the fiscal year, although it is subject to change as supplemental information is reported to the City by the Appraisal Districts throughout the year. Due to the economic impacts of COVID-19, the City used certified estimates to calculate the budget in fiscal year 2021. However, the official certified tax roll provided to the City in late September had an estimated taxable valuation of \$16,297,013,946 which includes an increase of \$427,014,342 for estimated valuation on property under protest less the incremental value assigned to the City's Tax Increment Reinvestment Zone.

(2) Debt service fund balance at end of year per Debt Service Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances, GAAP Basis.

Source: City of Carrollton

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2020

TABLE CD-2
VALUATION AND FUNDED DEBT HISTORY
(Unaudited)

<u>Fiscal Year</u>	<u>Taxable Valuation</u> ¹	<u>% Valuation Increase/Decrease Over Prior Year (100% of Market Value Basis)</u>	<u>Funded Debt Outstanding At Year End</u> ²	<u>Ratio Funded Debt to Taxable Valuation %</u>
2011/12	\$ 8,897,348,983	-3.22%	\$ 158,850,000 ²	1.79%
2012/13	9,098,799,667	2.26%	155,755,000 ²	1.71%
2013/14	9,556,642,945	5.03%	161,780,000 ²	1.69%
2014/15	10,280,594,071	7.58%	162,600,000 ²	1.58%
2015/16	11,086,019,064	7.83%	165,015,000 ²	1.49%
2016/17	11,944,206,839	7.74%	170,030,000 ²	1.42%
2017/18	13,004,287,702	8.88%	174,275,000 ²	1.34%
2018/19	14,235,500,120	9.47%	173,540,000 ²	1.22%
2019/20	15,511,037,472	8.96%	182,420,000 ²	1.18%
2020/21	15,869,999,604	2.31%	182,465,000 ³	1.15%

(1) Taxable Valuation based on initial Certified Tax Values. Amounts do not include disputed property values at time of tax roll certification.

(2) Amount reflects outstanding par amount only at fiscal year end.

(3) Amount reflects outstanding par amount plus the Bonds at par.

TABLE CD-3
TOTAL TAXABLE VALUATION BY CATEGORY¹
(Unaudited)

<u>Fiscal Year</u>	<u>Real Property</u>			<u>Personal & Other Property</u>		<u>Total Taxable Valuation</u>
	<u>Taxable Valuation</u>	<u>% of Total</u>		<u>Taxable Valuation</u>	<u>% of Total</u>	
2011/12	\$ 7,246,439,535	81%	\$	1,650,909,448	19%	\$ 8,897,348,983
2012/13	7,301,613,573	80%		1,797,186,094	20%	9,098,799,667
2013/14	7,617,660,597	80%		1,938,982,348	20%	9,556,642,945
2014/15	8,257,175,594	80%		2,023,418,477	20%	10,280,594,071
2015/16	8,943,251,454	81%		2,142,767,610	19%	11,086,019,064
2016/17	9,676,011,654	81%		2,268,195,185	19%	11,944,206,839
2017/18	10,647,777,273	82%		2,356,510,429	18%	13,004,287,702
2018/19	11,773,812,429	83%		2,461,687,691	17%	14,235,500,120
2019/20	12,832,632,201	83%		2,678,405,271	17%	15,511,037,472
2020/21	13,041,776,312	82%		2,828,223,292	18%	15,869,999,604

(1) Source: Dallas Central, Denton Central and Collin Central Appraisal Districts.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2020

TABLE CD-4
TOTAL APPRAISED VALUATION BY CATEGORY¹
(Unaudited)

<u>Property Use Category</u>	<u>Tax Year</u> <u>2020</u>	<u>Tax Year</u> <u>2019</u>	<u>Tax Year</u> <u>2018</u>	<u>Tax Year</u> <u>2017</u>	<u>Tax Year</u> <u>2016</u>
Real, Residential, Single Family, and Mobile Homes Real	\$ 9,719,635,877	\$ 9,187,906,609	\$ 8,576,816,519	\$ 7,811,217,996	\$ 7,051,127,518
Real, Residential, Multiple Family	2,121,063,077	1,891,550,100	1,607,676,258	1,335,155,290	1,194,816,308
Real, Vacant Lots/Tracts	188,819,991	206,008,675	206,972,910	197,823,560	175,258,889
Real, Acreage (Land Only)	60,816,853	60,234,015	54,510,365	65,019,202	72,854,919
Real, Commercial, Industrial and Utilities	3,900,831,527	3,731,673,675	3,519,298,365	3,312,197,718	3,065,605,106
Tangible Personal, Commercial Industrial and Utilities	3,870,808,969	3,252,118,964	3,015,599,099	2,788,510,629	2,787,652,467
Tangible Personal, Special Inventory Other	74,290,228	68,768,520	64,078,220	59,260,487	52,925,440
Total Appraised Valuation^{1 2}	\$ 19,936,266,522	\$ 18,398,260,558	\$ 17,044,951,736	\$ 15,569,184,882	\$ 14,400,240,647
Total Exempt Property	1,022,196,382	982,263,745	905,323,671	900,321,665	867,819,453
Disputed ARB/ ERV Market Value	(858,704,137)	(166,390,104)	(185,972,529)	(169,963,225)	(179,793,885)
Total Market Value	\$ 20,099,758,767	\$ 19,214,134,199	\$ 17,764,302,878	\$ 16,299,543,322	\$ 15,088,266,215
Productivity Loss	(57,080,964)	(58,242,960)	(54,366,741)	(64,673,555)	(72,420,406)
Homestead Cap	(134,939,417)	(203,944,828)	(219,508,680)	(203,289,723)	(163,333,474)
Exemptions	(4,037,738,782)	(3,440,908,940)	(3,254,927,337)	(3,027,292,342)	(2,908,305,496)
Total Property Exemptions	\$ (4,229,759,163)	\$ (3,703,096,728)	\$ (3,528,802,758)	\$ (3,295,255,620)	\$ (3,144,059,376)
Certified Assessed Valuation	\$ 15,869,999,604	\$ 15,511,037,471	\$ 14,235,500,120	\$ 13,004,287,702	\$ 11,944,206,839

(1) The Total Appraised Valuation consists of the market valuation of all property within the City including property under protest, before exemption, and is determined by the Appraisal Districts each July. Certain items of classification have been combined in order to provide a consistent basis of comparison with the presentation from prior years. Amounts include certified values and estimated property under protest, and do not include value for totally exempt properties

(2) Represents gross values, prior to exemptions.

Source: Dallas, Denton, and Collin County Central Appraisal Districts.

TABLE CD-5
PERCENTAGE TOTAL APPRAISED VALUATION BY USE CATEGORY
(Unaudited)

<u>Property Use Category</u>	<u>Percent of Total Appraised Valuation for Tax Years</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Real Property					
Single-Family Residential	48.8%	49.9%	50.4%	50.1%	48.9%
Multi-Family Residential	10.6%	10.3%	9.4%	8.6%	8.3%
Vacant Lots/Tracts	0.9%	1.1%	1.2%	1.3%	1.2%
Acreage-Land Only	0.3%	0.3%	0.3%	0.4%	0.5%
Commercial, Industrial, and Utilities	19.6%	19.6%	20.6%	21.3%	21.3%
Tangible Personal Property					
Commercial, Industrial, and Utilities	19.4%	19.4%	17.7%	17.9%	19.4%
Other	0.4%	0.4%	0.4%	0.4%	0.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year Ended September 30, 2020

TABLE CD-6
PROPERTY TAX RATES, LEVIES AND COLLECTIONS
(Year Ended 9-30)
 (Unaudited)

<u>Fiscal Year Ended</u>	<u>Tax Rate Distribution</u>			<u>Adjusted Tax Levy for Fiscal Year¹</u>	<u>Percent of Current Collections</u>	<u>Percent of Total Collections</u>
	<u>Total Tax Rate</u>	<u>Operating/ General Fund</u>	<u>Interest and Sinking Fund</u>			
2011/12	\$ 0.6179	\$ 0.3985	\$ 0.2194	\$ 55,355,159	99.35 %	99.94 %
2012/13	0.6179	0.4119	0.2060	55,417,470	99.18 %	99.88 %
2013/14	0.6179	0.4144	0.2034	54,476,364	99.53 %	99.89 %
2014/15	0.6154	0.4174	0.1980	62,830,090	99.48 %	99.83 %
2015/16	0.6129	0.4201	0.1928	67,669,635	100.03 %	99.83 %
2016/17	0.6037	0.4258	0.1779	73,137,906	99.80 %	99.83 %
2017/18	0.5997	0.4278	0.1719	78,791,570	99.74 %	99.75 %
2018/19	0.5950	0.3481	0.1648	85,347,072	99.74 %	99.73 %
2019/20	0.5899	0.4389	0.1510	92,430,788	99.00 %	99.00 %
2020/21	0.5875	0.4411	0.1463	94,307,028	- % ²	- % ²

Source: City of Carrollton.

(1) Adjusted Tax Levy and Collections at Fiscal Year End.

(2) In process of collection.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2020

TABLE CD-7
TOP TEN TAXPAYERS
Fiscal Year 2021
(Unaudited)

<u>Name</u>	<u>Nature of Property</u>	<u>Total Taxable Value</u> ¹	<u>% of Total Taxable Value</u>
1 Wal-Mart Stores	Retail	\$ 94,758,560	0.60%
2 Mansions at Sunstet	Apartments	83,444,417	0.53%
3 Softlayer	Technology	80,766,610	0.51%
4 Sloane Street Apartments	Apartments	76,500,156	0.48%
5 Dell Equipment	Technology	76,406,237	0.48%
6 Cyrusone LLC	Technology	69,968,528	0.44%
7 Meridian Apartments	Apartments	64,000,000	0.40%
8 PHB Bella Vida	Apartments	54,882,565	0.35%
9 Salado Apartments	Apartments	53,050,475	0.33%
10 Amerisource Bergen	Healthcare	53,005,680	0.33%
Total		\$ 706,783,228	4.45%

(1) Total taxable value including real and personal property is \$15,869,999,604
Source: Dallas & Denton County Tax Office, City Report of Property Value, 2020. (Fiscal Year 2021)

TABLE CD-8
DEBT SERVICE FUND MANAGEMENT INDEX
(Unaudited)

General Obligation Debt Service Requirements, Fiscal Year Ending 9/30/21		\$ 23,851,874 ¹
Debt Service Fund, All General Obligation Issues 9/30/20 ²	\$ 5,431,277	
Budget for Fiscal Year 2020/21 Debt Service Fund Tax Levy @ 100% Collection	23,851,332	<u>29,282,609</u>
Estimated Debt Service Fund Balance, Fiscal Year Ending 9/30/20		<u>\$ 5,430,735²</u>

(1) Includes bonds to be issued in 2020. Preliminary, subject to change

(2) Debt Service Fund balance at Fiscal Year End as of September 30, 2020 GAAP Basis

TABLE CD-9
TAX ADEQUACY WITH RESPECT
TO THE CITY'S OUTSTANDING TAX SUPPORTED GENERAL OBLIGATION BONDS
(Unaudited)

Principal and Interest Requirements, Fiscal Year Ending September 30, 2021	\$ 23,851,874
\$0.146354 Tax Rate @ 100% Collection ¹	23,851,332

(1) Calculation based on 2020/21 taxable value of \$16,297,013,946 which is calculated as: certified taxable value of \$15,869,999,604 plus estimated valuation of property under protest of \$579,504,556 less the incremental value assigned to the City's Tax Increment Reinvestment Zone of \$152,490,214.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2020

TABLE CD-10
MUNICIPAL SALES TAX
(Unaudited)

The City has adopted the provision of V.T.C.A., Tax Code, Chapter 321, as amended, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City. The proceeds are credited to the General Fund and may not be pledged to debt service and are not pledged to the payment of the Bonds. Collections and enforcement are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly.

Fiscal Year Ended 9/30	Total Collected	Percentage of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita
2011	\$ 21,460,288	39.99% ¹	0.25 ¹	\$ 179.78
2012	24,100,500	43.99% ¹	0.27 ¹	198.93
2013	25,480,560	44.60% ¹	0.28 ¹	208.38
2014	27,491,706	45.05% ¹	0.28 ¹	220.99
2015	31,146,385	47.81% ¹	0.29 ¹	248.67
2016	34,553,336	47.81% ¹	0.29 ¹	269.99
2017	36,626,570	49.93% ¹	0.30 ¹	279.98
2018	39,632,629	47.17% ¹	0.28 ¹	299.50
2019	39,603,512	43.52% ¹	0.26 ¹	290.84
2020	39,836,732	42.24% ¹	0.25 ¹	289.41 ²

⁽¹⁾ Based on 98% collection rate of the total tax levy used for budget proposes through Fiscal Year 2016. Estimated collection rate increased to 98.5% beginning in Fiscal Year 2017 and to 99.5% in Fiscal Year 2020.

⁽²⁾ Based on estimated population of 137,650 as of September 30, 2020.

Note: The total sales tax and use tax rate is the City is 8 1/4%, of which 1% is imposed by the City, as described above 1% is imposed by the Dallas Area Rapid Transit authority, of which the City is a member city, and 6 1/4% is imposed by the State of Texas. These amounts do not include City sales tax collected on City services and mixed beverage taxes

TABLE CD-11
COMPARATIVE MONTHLY SALES TAX COLLECTIONS ¹
(Unaudited)

Month	2020-2021	2019-2020	2018-2019
October	\$ 3,512,054	\$ 3,912,805	\$ 3,651,964
November	3,013,247	3,645,854	3,243,920
December	2,761,118 ²	3,182,274	2,989,926
January	3,361,047 ²	3,895,631	3,523,697
February	2,837,309 ²	3,045,882	3,375,588
March	2,628,765 ²	2,648,041	2,885,855
April	3,116,178 ²	3,330,011	2,996,343
May	2,836,153 ²	2,794,518	3,384,767
June	2,959,455 ²	3,182,567	3,006,830
July	3,312,888 ²	3,701,656	3,587,985
August	2,925,973 ²	3,196,816	3,648,736
September	2,981,948 ²	3,300,677	3,307,901
	<u>\$ 36,246,135</u>	<u>\$ 39,836,732</u>	<u>\$ 39,603,512</u>

Source: Comptroller of Public Accounts; City of Carrollton

⁽¹⁾ Amount does not include mixed beverage and sales taxes on City services.

⁽²⁾ Projected amount, not actual. Based on City of Carrollton budget projections. Based on year to date sales tax collections, which for the first two months of the fiscal year have been 4.35% over the original budget and 13.67% below prior year actual collections. Due to the volatility of sales tax revenues, the City adopted a financial policy in early 2013 to mitigate the risk of volatility. Such policy identifies amounts in excess of budgeted sales tax collections as a non-recurring revenue source, which is dedicated to fund capital improvement projects, and is not reflected as a source of operating revenues for the General Fund. Beginning in Fiscal Year 2019, the City adopted a new policy stating that the capped sales tax will not be allowed to grow more than 8% over the previous year's capped amount, while limiting the percentage of total sales tax spent for recurring items at 75%, with the remaining 25% on one-time non-recurring purposes.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year ended September 30, 2020

TABLE CD-12
OUTSTANDING DEBT SERVICE REQUIREMENTS
GENERAL OBLIGATION DEBT
 (Unaudited)

Fiscal Year <u>Ended</u> <u>30-Sep</u>	Existing Debt <u>Service</u>	\$22,000,000 ¹ General Obligation Improvement Bonds			Total Debt Service Requirements
		<u>Principal</u>	Series 2021 <u>Interest</u>	<u>Total Debt Service</u>	
2021	\$ 22,986,093	\$ 705,000	\$ 160,781	\$ 865,781	\$ 23,851,874
2022	21,699,718	1,005,000	637,100	1,642,100	23,341,818
2023	20,767,718	1,045,000	596,900	1,641,900	22,409,618
2024	20,183,168	1,065,000	576,000	1,641,000	21,824,168
2025	20,178,930	1,085,000	554,700	1,639,700	21,818,630
2026	18,667,200	1,130,000	511,300	1,641,300	20,308,500
2027	17,276,350	1,175,000	466,100	1,641,100	18,917,450
2028	15,883,500	1,220,000	419,100	1,639,100	17,522,600
2029	15,893,369	1,270,000	370,300	1,640,300	17,533,669
2030	14,134,394	1,320,000	319,500	1,639,500	15,773,894
2031	11,954,450	1,375,000	266,700	1,641,700	13,596,150
2032	10,440,425	1,415,000	225,450	1,640,450	12,080,875
2033	8,705,913	1,460,000	183,000	1,643,000	10,348,913
2034	6,267,388	1,500,000	139,200	1,639,200	7,906,588
2035	3,085,250	1,545,000	94,200	1,639,200	4,724,450
2036	-	1,595,000	47,850	1,642,850	1,642,850
	<u>\$ 228,123,866</u>	<u>\$ 19,910,000</u>	<u>\$ 5,568,181</u>	<u>\$ 25,478,181</u>	<u>\$ 253,602,047</u>

(1) Estimated 2021 debt issuance. Assumed interest rate of 1.9089%.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2020

TABLE CD-13
AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS ¹
(Unaudited)

<u>Authorization Purpose</u>	<u>Authorization Date</u>	<u>Amount Authorized</u>	<u>Prior Issuance</u>	<u>2021 Bonds ²</u>	<u>Balance Unissued</u>
Street Improvements & Traffic Flow Public Safety Facilities Improvements	05/05/18	\$ 78,010,000	\$ 32,780,000	\$ 17,600,000	\$ 27,630,000
Parks & Recreation Improvements	05/05/18	6,250,000	1,050,000	3,400,000	1,800,000
	05/05/18	22,420,000	12,170,000	1,000,000	9,250,000
		<u>\$ 106,680,000</u>	<u>\$ 46,000,000</u>	<u>\$ 22,000,000</u>	<u>\$ 38,680,000</u>

(1) This schedule reflects authorizations which have remaining balances outstanding. Prior authorizations have been completely utilized and are reflected in the total debt outstanding.

(2) The 2021 Bonds assume use of par and premium against authorization.

TABLE CD-14
GENERAL FUND ¹ COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES
(Unaudited)

	<u>Fiscal Year Ending September 30</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Fund Balance -					
Beginning of Year	\$ 30,737,701	\$ 30,500,768	\$ 20,760,160	\$ 21,555,016	\$ 19,086,008
Revenues:					
Taxes & Franchise Fees	105,225,686	101,194,431	97,230,466	90,346,048	84,177,069
Wireless 911 fees	1,071,761	-	-	-	-
Charges for Services	4,692,777	5,789,342	5,716,495	6,158,205	5,892,576
Fines and Forfeitures	2,828,801	4,155,874	4,778,759	4,994,567	5,714,631
Investment Income	1,317,474	1,890,654	936,731	650,967	460,909
Licenses and Permits	2,640,242	2,920,751	3,580,421	2,525,756	3,038,325
Intergovernmental	7,985,045	118,961	270,572	111,646	96,015
Miscellaneous	538,171	594,174	583,707	740,709	529,415
Total Revenues	<u>126,299,957</u>	<u>116,664,187</u>	<u>113,097,151</u>	<u>105,527,898</u>	<u>99,908,940</u>
Expenditures:					
General Government and					
Administration	19,607,960	17,087,424	15,594,492	15,321,401	14,014,017
Development Services	10,726,575	12,744,091	11,075,739	10,391,297	10,840,186
Public Safety	63,991,068	61,925,374	58,379,196	55,619,820	52,651,617
Cultural and Recreation	11,813,834	12,367,653	12,552,134	12,172,177	11,320,937
Net Transfers	10,351,611	12,302,712	5,754,982	12,818,059	8,613,175
Total Expenditures	<u>116,491,048</u>	<u>116,427,254</u>	<u>103,356,543</u>	<u>106,322,754</u>	<u>97,439,932</u>
Excess/Deficiency of Revenues over Expenditures	<u>9,808,909</u>	<u>236,933</u>	<u>9,740,608</u>	<u>(794,856)</u>	<u>2,469,008</u>
Fund Balance -					
End of Year	<u>\$ 40,546,610</u>	<u>\$ 30,737,701</u>	<u>\$ 30,500,768</u>	<u>\$ 20,760,160</u>	<u>\$ 21,555,016</u>

(1) The General Fund is the main operating fund of the City, used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in the General Fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund. The General Fund includes most of the basic operating services such as fire and police protection, environmental services, parks and recreation, libraries and street maintenance.

CITY OF CAROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2020

**TABLE CD-15
GENERAL FUND
CURRENT OPERATIONS
(Unaudited)**

On September 1, 2020, the Fiscal Year 2020-2021 budget was adopted by the City Council. The following General Fund Operating Budget is presented on a budget basis presentation.

Revenues	2019-2020 Actual ¹	2020-2021 Adopted Budget ³	2020-2021 Current Estimate ²
Property Taxes	\$ 53,226,840	\$ 56,764,827	\$ 57,780,300
Sales Taxes	40,032,543	36,219,838	36,246,135
911 Taxes	1,017,761	1,212,800	1,212,800
Franchise Fees	11,823,743	10,793,109	10,793,109
Licenses and Permits	2,640,243	2,514,377	2,514,377
Charges for Services	4,454,333	5,529,932	5,529,932
Fines and Forfeiture	2,819,349	3,835,614	3,835,614
Other Revenues	8,465,978	331,000	331,000
Investment Income	1,091,096	916,389	916,389
Transfers In	1,956,928	3,008,092	3,008,092
Total Revenues	\$ 127,528,814	\$ 121,125,978	\$ 122,167,748
Expenditures			
Personnel Services	\$ 66,819,031	\$ 69,510,070	\$ 69,510,070
Supplies and Services	15,885,699	16,953,637	16,953,637
Utilities	2,328,256	2,563,435	2,563,435
Allocations	18,634,114	20,866,532	20,866,532
Capital Outlay	750,796	396,111	396,111
Transfers Out	15,349,898	17,136,912	21,128,859
Total Expenditures	\$ 119,767,794	\$ 127,426,697	\$ 131,418,644

(1) For annual budget purposes, the City utilizes an Administrative Services Fund for internal allocation of overall costs. For year-end financial reporting purposes, this fund is consolidated with the General Fund in the Comprehensive Annual Financial Report. The above figures represent only the General Fund as presented in the annual budget and do not include consolidation of the Administrative Services Fund.

(2) As of November 30, 2020. City Staff monitors actual revenues and expenditures monthly and revisions are made to forecasted budget numbers as necessary to reflect changes in the economy and changes in laws or regulations that might affect operations.

(3) The City will periodically draw down fund balance to more closely reflect its 60-day of expenditure target. This is accomplished through transfers to the Capital Projects fund. Recurring sources and uses will remain in balance.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2020

TABLE CD-16
CURRENT INVESTMENTS
(Unaudited)

As of September 30, 2020 the following percentages of the City's investable funds were invested in the following investment categories and the weighted average maturity of the total City portfolio was 1.64 years.

<u>Type of Investment</u>	<u>Fair Market Value</u>	<u>Percentage</u>
Coupon Agencies	\$ 149,974,391	51.93%
Municipal Bonds	75,019,396	25.98%
Government Pools ¹	<u>63,810,986</u>	<u>22.09%</u>
Total Securities	<u>\$ 288,804,773</u>	<u>100.00%</u>

(1) The City's government pool investments are in the Texas Local Government Investment Pools ("TexPool") the Local Government Investment Cooperative ("LOGIC"), the Texas Cooperative Liquid Assets Securities System Trust ("TexasCLASS") and the TexasTERM Local Government Investment Pool ("TexasDaily"). All investment pools are rated AAAM by S&P and operate in a manner consistent with Chapter 2256, Texas.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year ended September 30, 2020

TABLE CD-17
WATER & WASTEWATER SYSTEM
REVENUE BOND DEBT SERVICE REQUIREMENTS
 (Unaudited)

Fiscal Year Ended 30-Sep	Existing Debt		Total Debt Service Requirements
	Principal	Interest	
2021	\$ 1,695,000	\$ 457,550	\$ 2,152,550
2022	1,750,000	394,500	2,144,500
2023	1,340,000	342,000	1,682,000
2024	515,000	301,800	816,800
2025	540,000	281,200	821,200
2026	560,000	259,600	819,600
2027	585,000	231,600	816,600
2028	615,000	202,350	817,350
2029	645,000	171,600	816,600
2030	675,000	145,800	820,800
2031	700,000	118,800	818,800
2032	730,000	90,800	820,800
2033	755,000	61,600	816,600
2034	785,000	31,400	816,400
Totals	\$ 11,890,000	\$ 3,090,600	\$ 14,980,600

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2020

TABLE CD-18
WATER AND WASTEWATER SYSTEM OPERATING STATEMENT AND
REVENUE BONDS COVERAGE
(Unaudited)

	Fiscal Year Ending September 30				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Revenues	\$ 49,848,279	\$ 46,192,294	\$ 45,476,534	\$ 40,014,788	\$ 37,738,309
Expenses:					
Personnel Services	3,983,596	4,320,610	4,206,038	3,989,218	4,160,938
Supplies and Services	30,109,494	29,152,264	29,415,211	26,136,178	23,785,815
Utilities	1,011,379	937,553	890,563	946,111	874,429
Allocations	774,800	859,139	810,228	1,222,871	1,209,405
Provision for Doubtful accounts	89,923	103,091	102,478	39,523	44,919
Transfers Out	4,552,223	4,497,117	3,970,635	3,658,286	3,663,133
Total Expenses	<u>40,521,415</u>	<u>39,869,774</u>	<u>39,395,153</u>	<u>35,992,187</u>	<u>33,738,639</u>
Net Available for Debt Service	<u>\$ 9,326,864</u>	<u>\$ 6,322,520</u>	<u>\$ 6,081,381</u>	<u>\$ 4,022,601</u>	<u>\$ 3,999,670</u>
Customer Count Water/Sewer	39,300	37,482	37,686	37,168	36,841
Average Annual Debt Service	\$ 1,070,043	\$ 1,142,303	\$ 1,237,640	\$ 1,385,524	\$ 1,426,329
Times of the Average Annual Debt Service	8.72	5.53	4.91	2.90	2.80
Average Annual Debt Service - 2020/2034					\$ 1,070,043
Coverage of Average Annual Debt Service at 9/30/20 Net Available					\$ 8.72
Maximum Annual Debt Service - 2020/2034					\$ 2,152,550
Coverage of Maximum Annual Debt Service at 9/30/20 Net Available					\$ 4.33

TABLE CD-19
FUND BALANCES
(As of September 30, 2020)
(Unaudited)

Reserve Fund	\$ 1,070,043
Interest and Sinking Fund	896,896
Total Fund Balances	<u><u>\$ 1,966,939</u></u>

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year ended September 30, 2020

TABLE CD-20
WATER AND WASTEWATER OPERATING FUND
SUMMARY OF BUDGETED REVENUES AND EXPENDITURES
 (Unaudited)

	<u>2019-2020</u>	<u>2020-2021</u>
	<u>Actual ¹</u>	<u>Adopted Budget ^{1 2}</u>
<u>Beginning Operating Funds</u>	\$ 14,510,902	\$ 13,701,895
<u>Revenues</u>		
Water Sales & Charges	28,579,005	28,092,887
Sewer Sales & Charges	19,406,706	19,391,114
Rate Increase	-	1,809,060
Tag & Reconnect Fees	172,536	450,000
Industrial Surcharge	413,962	315,000
Backflow Prevention Charges	198,301	220,000
Investment Income	238,908	200,000
Miscellaneous	106,110	175,000
Transfers In	-	-
Total Revenues	<u>\$ 49,115,528</u>	<u>\$ 50,653,061</u>
<u>Total Funds Available</u>	<u>\$ 63,626,430</u>	<u>\$ 64,354,956</u>
<u>Expenditures</u>		
Personnel Services	3,462,654	4,562,055
Supplies and Services	29,261,424	33,779,753
Utilities	1,004,504	861,054
Allocations	3,969,843	4,804,458
Capital Outlay	-	-
Canceled Encumbrances	(26,135)	-
Transfers Out	8,314,701	8,246,288
Total Expenditures	<u>\$ 45,986,991</u>	<u>\$ 52,253,608</u>
<u>Ending Operating Funds</u>	<u>\$ 17,639,439</u>	<u>\$ 12,101,348</u>

(1) Budget basis.

(2) Includes a projected average increase of 5.1% on water and sewer rates effective 1/1/2021.

TABLE CD-21
UTILITY PLANT IN SERVICE
(As of September 30, 2020)
 (Unaudited)

Land	\$ 1,382,918
Utility Plant	271,305,402
Equipment and Intangibles	7,607,575
Construction in Progress	205,707
Total Capital Assets	<u>280,501,602</u>
Less Accumulated Depreciation	<u>(166,255,601)</u>
Net Utility Plant in Service	<u>\$ 114,246,001</u>

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2020

TABLE CD-22
WATER AND WASTEWATER FUND
CITY'S EQUITY IN SYSTEM
(Unaudited)

	Fiscal Year Ending September 30				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Water & Wastewater					
System in Service	\$ 280,501,602	\$ 277,572,913	\$ 271,625,960	\$ 267,226,393	\$ 264,861,970
Reserve for Depreciation	(166,255,601)	(160,575,142)	(154,489,548)	(146,879,329)	(139,366,148)
Net plant in Service	<u>114,246,001</u>	<u>116,997,771</u>	<u>117,136,412</u>	<u>120,347,064</u>	<u>125,495,822</u>
Construction Funds Net Position	<u>21,556,852</u>	<u>19,722,465</u>	<u>12,771,837</u>	<u>12,594,277</u>	<u>10,930,257</u>
Net Plant in Service and Coming on Line	<u>135,802,853</u>	<u>136,720,236</u>	<u>129,908,249</u>	<u>132,941,341</u>	<u>136,426,079</u>
Plus Other Assets/Deferred Outflows of Resources	319,467	2,089,151	425,502	1,167,529	1,438,770
Plus Operating Working Capital Assets and Deferred Outflows of Resources Net of Current Liabilities and Debt Reserves	<u>14,811,155</u>	<u>12,287,310</u>	<u>10,190,231</u>	<u>11,351,689</u>	<u>12,195,938</u>
	<u>150,933,475</u>	<u>151,096,697</u>	<u>140,523,982</u>	<u>145,460,559</u>	<u>150,060,787</u>
Long Term Debt	11,287,068	13,153,490	4,854,536	10,710,117	12,169,237
Less Debt Reserves	(1,070,043)	(1,142,303)	(1,237,640)	(1,385,524)	(1,426,329)
Net Long Term Debt	<u>10,217,025</u>	<u>12,011,187</u>	<u>3,616,896</u>	<u>9,324,593</u>	<u>10,742,908</u>
Plus Other Liabilities/ Deferred Inflows of Resources	<u>572,148</u>	<u>2,876,023</u>	<u>1,141,541</u>	<u>1,857,549</u>	<u>2,027,075</u>
Total Obligations and Deferred Inflows of Resources	<u>10,789,173</u>	<u>14,887,210</u>	<u>4,758,437</u>	<u>11,182,142</u>	<u>12,769,983</u>
City's Equity in System	<u>\$ 140,144,302</u>	<u>\$ 136,209,487</u>	<u>\$ 135,765,545</u>	<u>\$ 134,278,417</u>	<u>\$ 137,290,804</u>
% Equity	92.85%	90.15%	96.61%	92.31%	91.49%

Notes:

The City implemented GASB Statment No. 65 in fiscal year 2014. The amounts for all fiscal years presented have been restated for the effects of this standard.

The City implemented GASB Statement No. 68 in fiscal year 2015. The amounts for all prior fiscal years presented have not been restated for the effects of this standard.

The City implemented GASB Statement No. 75 in fiscal year 2018. The amounts for all prior fiscal years presented have not been restated for the effects of this standard.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2020

TABLE CD-23
TOP TEN WATER CUSTOMERS
AS OF 9/30/2020
(Unaudited)

<u>Name</u>	<u>Type</u>	<u>Revenues</u>	<u>% of Total Water Revenues ¹</u>
1 Carrollton-Farmers Branch ISD	School District	\$ 403,213	1.41%
2 Lewisville ISD	School District	164,141	0.57%
3 Rudy's Tortillas	Manufacturing	161,313	0.56%
4 Western Extrusions Inc.	Manufacturing	148,391	0.52%
5 Frankel Family Trust	Apartments	147,446	0.52%
6 Prologis	Apartments	125,605	0.44%
7 Autumn Chase Apartments	Apartments	123,919	0.43%
8 Meridian Apartments	Apartments	105,034	0.37%
9 Dallas ICR Partners	Apartments	104,960	0.37%
10 Hutton Creek Apartments	Apartments	104,894	0.37%
TOTAL		\$ 1,588,916	5.56%

⁽¹⁾ Total water revenues from October 1, 2019 through September 30, 2020 was \$28,579,005.

Source: City of Carrollton Utility Customer Service Department.

TABLE CD-24
WATER USAGE
(Unaudited)

<u>Fiscal Year Ended 9/30</u>	<u>Average Daily Use In Gallons</u>	<u>Maximum Daily Use In Gallons</u>	<u>Total Gallons for Year</u>
2011	22,310,647	41,106,000	8,143,386,000
2012	20,808,000	40,680,000	7,594,764,000
2013	20,171,000	38,388,000	7,362,343,000
2014	19,054,000	32,262,000	6,954,726,000
2015	19,594,000	41,609,000	7,151,918,000
2016	19,524,000	35,439,000	7,126,366,000
2017	19,753,000	29,339,000	7,209,845,000
2018	20,762,000	37,720,000	7,578,297,000
2019	20,303,000	37,735,000	7,410,532,000
2020	21,791,000	38,799,000	7,953,874,000

Source: City of Carrollton Water Distribution Department.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year ended September 30, 2020

TABLE CD-25
WATER & WASTEWATER RATES ¹
 (Unaudited)

Monthly Water Rates:

Minimum monthly charge, including the first 2,000 gallons of use:

Single-family residential domestic and irrigation use	\$	14.34
Commercial (including apartments and portable meters), industrial and commercial irrigation use:		
5/8" meter	\$	14.62
1" meter		22.52
1.5" meter		35.74
2" meter		51.58
3" meter		93.80
4" meter		141.30
6" meter		273.31
8" meter		431.72
10" meter		616.50
Fire Line regardless of size		74.16

Use over the 2,000 gallons included in the minimum monthly charge:

Single-family residential domestic use:		
Meter Readings from October through April:		
All Over 2,000 gallons (per 1,000 gallons)	\$	3.39
Meter Readings from May through September:		
Next 8,000 gallons (per 1,000 gallons)		3.39
All Over 10,000 gallons (per 1,000 gallons)		4.55
All Over 25,000 gallons (per 1,000 gallons)		5.68
Irrigation use:		
Next 23,000 gallons (per 1,000 gallons)	\$	3.48
Next 25,000 gallons (per 1,000 gallons)		4.15
Next 50,000 gallons (per 1,000 gallons)		4.70
Next 100,000 gallons (per 1,000 gallons)		5.29
All use over 200,000 gallons (per 1,000 gallons)		5.90
Commercial use (including apartments and portable meters):		
All use over 2,000 gallons (per 1,000 gallons)	\$	2.41
Industrial Use: Industrial use rates for water service will apply to customers in the business of assembly or manufacturing of goods and for which water usage equals or exceed 750,000 gallons per month for nine out of twelve months in the year:		
All use over 2,000 gallons (per 1,000 gallons)	\$	2.13

Monthly Sewer Rates:

Residential use:		
First 2,000 gallons, minimum	\$	15.55
All use over 2,000 gallons (per 1,000 gallons)		3.62
Commercial (including apartments), Industrial and Irrigation minimum monthly charges, including the first 2,000 gallons of use:		
5/8" meter	\$	15.55
1" meter		22.52
1.5" meter		34.07
2" meter		47.91
3" meter		84.89
4" meter		126.81
6" meter		241.88
8" meter		380.44
10" meter		542.07
Commercial and Industrial use:		
All use over 2,000 gallons (per 1,000 gallons)	\$	3.62

⁽¹⁾ Rates effective January 1, 2021.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year ended September 30, 2020

TABLE CD-26

COMPARATIVE WATER AND SEWER REVENUES, EXPENSES AND CHANGES IN NET POSITION (GAAP BASIS)
 (Unaudited)

	Fiscal Year Ending September 30				
	2020	2019	2018	2017	2016
Operating revenues:					
Charges for services	\$ 48,870,110	\$ 45,058,318	\$ 45,005,225	\$ 39,630,140	\$ 37,361,058
Miscellaneous	297,912	263,300	224,795	197,032	204,467
Total operating revenues	<u>49,168,022</u>	<u>45,321,618</u>	<u>45,230,020</u>	<u>39,827,172</u>	<u>37,565,525</u>
Operating expenses:					
Personal services	3,983,596	4,320,610	4,206,038	3,989,218	4,160,938
Supplies and Services	30,109,494	29,255,355	29,517,689	26,175,701	23,830,734
Utilities	1,011,379	937,553	890,563	946,111	874,429
Allocations	864,723	859,139	810,228	1,222,871	1,209,405
Depreciation	5,758,477	6,645,933	7,628,552	7,595,388	7,443,949
Total operating expenses	<u>41,727,669</u>	<u>42,018,590</u>	<u>43,053,070</u>	<u>39,929,289</u>	<u>37,519,455</u>
Income (loss) from operations	<u>7,440,353</u>	<u>3,303,028</u>	<u>2,176,950</u>	<u>(102,117)</u>	<u>46,070</u>
Nonoperating revenues (expenses):					
Investment earnings net of change in fair value	680,257	870,676	246,514	187,616	172,784
Gain on sale/retirement of capital assets	14,826	94,551	4,232	21,514	37,256
Interest expense	(375,564)	(250,672)	(236,632)	(426,206)	(477,678)
Total nonoperating revenues (expenses)	<u>319,519</u>	<u>714,555</u>	<u>14,114</u>	<u>(217,076)</u>	<u>(267,638)</u>
Income (loss) before contributions and transfers	<u>7,759,872</u>	<u>4,017,583</u>	<u>2,191,064</u>	<u>(319,193)</u>	<u>(221,568)</u>
Capital contributions	727,166	923,476	3,266,699	965,092	1,003,684
Transfers in	-	-	-	-	6,660
Transfers out	<u>(4,552,223)</u>	<u>(4,497,117)</u>	<u>(3,970,635)</u>	<u>(3,658,286)</u>	<u>(3,663,133)</u>
Change in net position	<u>3,934,815</u>	<u>443,942</u>	<u>1,487,128</u>	<u>(3,012,387)</u>	<u>(2,874,357)</u>
Net position at beginning of year, as previously reported	136,209,487	135,765,545	134,278,417	137,290,804	140,165,161
Impact of change in accounting principle	-	-	-	-	-
Net position at beginning of year, as restated	<u>136,209,487</u>	<u>135,765,545</u>	<u>134,278,417</u>	<u>137,290,804</u>	<u>140,165,161</u>
Net position at end of year	<u>\$ 140,144,302</u>	<u>\$ 136,209,487</u>	<u>\$ 135,765,545</u>	<u>\$ 134,278,417</u>	<u>\$ 137,290,804</u>

Notes:

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