



**CARROLLTON**  
TEXAS

**SUMMARY FINANCIAL STATEMENTS  
BUDGET BASIS**

**FISCAL YEAR 2020**

**AS OF MAY 31, 2020**

**Year to Date May 1, 2020 to May 31, 2020**  
**YTD % - 66.67%**

**General Fund**

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
<b>Revenues:</b>						
Taxes and						
franchise fees	\$ 103,967,981	\$(2,534,474)	\$ 101,433,507	\$67,622,338	\$86,610,943	85.39%
Other	13,622,095	(1,304,779)	12,317,316	8,211,544	6,873,668	55.80%
<b>Transfers in from :</b>						
Utility Fund for						
Paymt in lieu of taxes	2,616,446	-	2,616,446	1,744,297	1,744,297	66.67%
Utility Loan Repayment	365,482	-	365,482	243,655	243,656	66.67%
<b>Expenditures</b>	(108,521,696)	-	(108,521,696)	(72,347,797)	(68,706,541)	63.31%
<b>Transfers out and</b>						
<b>Non-operating uses:</b>						
Rate Review	(25,000)	-	(25,000)	(16,667)	-	0.00%
Hotel/Motel Tax Subsidy	(285,000)	-	(285,000)	(190,000)	-	0.00%
Utility Fund Loan	-	-	-	-	-	0.00%
Public Safety 1-time costs	(158,130)	-	(158,130)	(105,420)	-	0.00%
Golf Course	-	(316,664)	(316,664)	(211,109)	(316,664)	100.00%
1-time Comp adj.	-	-	-	-	-	0.00%
Economic Development						
Incentives	(1,000,000)	-	(1,000,000)	(666,667)	-	0.00%
Capital Projects	(14,458,234)	-	(14,458,234)	(9,638,823)	-	0.00%
<b>Net increase (decrease)</b>	(3,876,056)	(4,155,917)	(8,031,973)	(5,354,649)	26,449,359	
<b>Beg. Working Capital</b>	24,395,134	-	24,395,134		24,395,134	
<b>End Working Capital</b>	\$ 20,519,078	\$(4,155,917)	\$ 16,363,161		\$50,844,493	

**Overview - Revenues and Transfers In**

Property tax revenue collected through end of May 31<sup>st</sup>, 2020 as percentage of the current year's tax levy is comparable with prior year collections at 99%. In addition, 85% of the total budgeted General Fund Tax and Franchise fee revenue have been collected.

Year to date, sales tax receipts are 3.76% over the original budget and 1.55% over prior years' actual. Sales tax receipts summary:

	<u>Current Month</u>	<u>Year to Date</u>
Original Budget	\$3,136,526	\$25,496,357
Actual – Current Year	\$2,794,518	\$26,455,016
Actual – Prior Year	\$3,384,767	\$26,052,060

As per the financial policy adopted by council in 2018, the fiscal year 2020 sales taxes revenue for recurring uses is capped at \$27,621,618. Sales taxes revenue in excess of that amount will be transferred to capital projects funds for non-recurring one-time uses. This transfer will be made at year-end when the final sales tax amount is available. Sales tax is currently projected to end the year at \$7,986,371 over the capped amount, and 8% below the original budget.

**Overview - Expenditures and Transfers Out**

Fiscal year-to-date expenditures are on target. Transfers out are made when the receiving funds have need for the funding or at the end of the year.

**Overview - Budget Adjustments**

The increase in Budgeted Beginning Working Capital is due to better-than-budget actual results from Fiscal Year 2019. A budget transfer occurred in April 2020 to transfer funds to the Golf Course due to the impacts of COVID-19.

**Overview - Fund Balance**

Revenue estimates have been updated to project the impact of COVID-19 on the General Fund. As of end of April 2020, the revised estimates and the complete expenditure of the entire approved budget would result in an ending fund balance of 54.3 days. On 9/30/2020, Capital Transfers to the Strategic Community Reinvestment Fund will be modified to maintain a 60-day fund balance.

## Year to Date May 1, 2020 to May 31, 2020

YTD % - 66.67%

### Water and Sewer Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:						
Sales and Charges	\$ 48,019,177	\$ -	\$ 48,019,177	\$32,012,785	\$28,794,859	59.97%
Other	1,455,000	-	1,455,000	970,000	737,122	50.66%
Transfers in from :						
Loan from General Fund	-		-	-	-	0.00%
Expenditures	(41,758,804)	-	(41,758,804)	(27,839,203)	(24,170,406)	57.88%
Transfers out and						
Non-operating uses:						
General Fund for						
Paymt in lieu of taxes	(2,616,446)	-	(2,616,446)	(1,744,297)	(1,744,297)	66.67%
Debt Service	(2,815,762)	-	(2,815,762)	(1,877,175)	(1,681,171)	59.71%
Debt Redemption	-	-	-	-	-	0.00%
Capital Projects	(3,250,000)	-	(3,250,000)	(2,166,667)	-	0.00%
Net increase (decrease)	(966,835)	-	(966,835)	(644,557)	1,936,107	
Beg. Working Capital	14,615,221	-	14,615,221		14,615,221	
End Working Capital	\$ 13,648,386	\$ -	\$ 13,648,386		\$16,551,328	

	Rain Fall	Rain Days	Av Hgh Tmp.	Billed (000 gal)	Received (000 gal)	Unacc'ted Water	Daily Per Capita (gals)
MAY-CY	7.5	12.0	84.0	486,265	533,808	8.91%	126
MAY-PY	8.2	10.0	82.2	439,055	482,114	8.93%	119
MAY-CY-YTD	32.5	79.0	69.4	3,900,232	4,074,238	4.27%	
MAY-PY-YTD	40.9	73.0	66.5	3,342,210	3,663,916	8.78%	

Unaccounted for water for the past 12 months was 7.23%

#### Overview - Revenues

Fiscal year-to-date sales and charges revenues are slightly lower target due to more raining days in the current period. Actual increase adopted January 1, 2019 was a 7.1% rate increase comprised of a 2.8% increase in water rates and an 11.1% increase in wastewater. Actual increase in water and wastewater rates adopted January 1, 2020 was 4.6%.

#### Overview - Expenditures and Transfers Out

Fiscal year-to-date expenditures are slightly below target due to the timing of some expenditures. Expenditures are expected to end Fiscal year 2020 on target. Transfer out will be made when the receiving funds have need for the funding or at the end of the year.

#### Overview - Budget Adjustments

There was no budget adjustment in May.

#### Overview - Fund Balance

Budgetary Fund Balance was projected to end the year at \$13,648,386, which represented 90 days of budgeted recurring expenditures and transfers out. Currently, the Budgetary Fund Balance is \$ 16,551,328, which represents 128 days of these recurring activities, but it will be adjusted for the impact of capital project transfers. The City's financial standards call for a minimum of 90 days ending fund balance. After projected capital project transfers are made on 9/30/2020, the Utility Fund is projected to end FY 20 with 105 days of ending fund balance. That year-end balance is subject to change based on weather and economic impact to water sales.

**Year to Date May 1, 2020 to May 31, 2020**

**YTD % - 66.67%**

**Golf Course Fund**

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues	\$ 3,215,852	\$ -	\$ 3,215,852	\$ 2,143,901	\$ 885,367	27.53%
Transfers In	-	316,664	316,664	211,109.00	316,664.00	100.00%
Transfer from Golf Capital	-	-	-	-	-	0.00%
Expenditures	(3,213,685)	-	(3,213,685)	(2,142,457)	(1,517,914)	47.23%
Transfers out to:						
Capital Projects	-	-	-	-	-	0.00%
Net increase (decrease)	2,167	316,664	318,831	212,553	(315,883)	
Beg. Working Capital	(49,007)	-	(49,007)		(49,007)	
End Working Capital	\$ (46,840)	\$ 316,664	\$ 269,824		\$ (364,890)	

	Paid Rounds of Golf	
	Outings	Total
MAY-CY	124	3,248
MAY-PY	733	3,071
MAY-CY-YTD	2,683	19,398
MAY-PY-YTD	3,682	22,021

**Overview – Revenues and Transfers in**

Flooding and impacts from planned construction on the Lakes course necessitated a contract amendment with Orion Golf for managed services. Managed services is the model whereby the City simply compensates Orion for management of the golf course through a preset fee with the City retaining all revenues and golf operating expenses. In April 2020, the average 18% revenue share was scheduled to resume, but due to the Coronavirus the course was closed, and the City will continue covering expenses until May 31, 2020.

**Overview - Expenditures and Transfers Out**

Actual year-to-date expenditures are lower than projected target due to debt service and interest expenses payments being made out of the general debt service fund.

**Overview - Budget Adjustments**

There was a budget adjustment made in April to transfer 316,664 to the Golf Fund to pay for the extension of the managed services contract and the city’s payment of the recurring expenses. The cash was transferred in May.

**Overview - Fund Balance**

Currently, the operating fund balance is projected to be at a deficit of \$364,890. The golf course will be monitored to determine if the course will require an additional transfer at the fiscal year end.

**Year to Date May 1, 2020 to May 31, 2020**

**YTD % - 66.67%**

**Solid Waste Fund**

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues	\$ 10,781,823	\$ -	\$ 10,781,823	\$ 7,187,882	\$ 7,178,519	66.58%
Expenditures	(9,343,028)	-	(9,343,028)	(6,228,685)	(6,464,236)	69.19%
Transfers out to:						
Capital Projects	(1,311,245)	-	(1,311,245)	(874,163)	-	0.00%
Net increase (decrease)	127,550	-	127,550		714,283	
Beg. Working Capital	521,120	-	521,120		521,120	
End Working Capital	\$ 648,670	\$ -	\$ 648,670		\$ 1,235,403	

**Overview – Revenues**

Total fiscal year-to-date revenues are on target.

**Overview - Expenditures and Transfers Out**

Fiscal year-to-date expenditures are slightly higher due an accrual for Republic Service Charges. Transfers out will be made at the end of the year.

**Overview - Budget Adjustments**

The increase in Budgeted Beginning Working Capital is due to better-than-budget actual results from Fiscal Year 2019.

**Overview - Fund Balance**

Budgetary Fund Balance is budgeted to end the year at \$648,670. Apartment revenue is not projected to cover the costs of Apartment expenses during fiscal year 2020. A capital transfer for alleys is budgeted at \$1,311,245.

**Year to Date May 1, 2020 to May 31, 2020**

**YTD % - 66.67%**

**Other Operating Funds**

Information on the other operating funds of the City (Risk, Fleet, Administrative Services, Employee Health and Disability, Hotel/Motel and Debt Service) is provided on an exception only basis. All other operating funds are on target with budget.

**Risk Management Fund** – Fund balance for the Risk Management Fund is currently \$4,082,630, which exceeds the City’s financial standard of one year of claims net of recoveries.

**Fleet Services Fund** – The current fund balance is \$42,349, which is around the financial standard of break-even. Fuel purchases made during January and February have charged out to Departments over time.

**Employee Health and Disability Fund** – City contributions were increased due to increased premiums per enrolled member. These steps were necessary to address a trend of declining fund balance due to higher than expected claims in prior years. The current cash balance of this fund is \$5,890,657.