



CARROLLTON
TEXAS

**SUMMARY FINANCIAL STATEMENTS
BUDGET BASIS**

FISCAL YEAR 2020

AS OF JULY 31, 2020

Year to Date July 1, 2020 to July 31, 2020
YTD % - 83.33%

General Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:						
Taxes and						
franchise fees	\$ 103,967,981	\$ (2,534,474)	\$ 101,433,507	\$ 84,527,923	\$ 95,275,366	93.93%
Other	13,622,095	(1,304,779)	12,317,316	10,264,430	9,494,401	77.08%
Transfers in from :						
Utility Fund for						
Paymt in lieu of taxes	2,616,446	-	2,616,446	2,180,372	2,180,372	83.33%
Utility Loan Repayment	365,482	-	365,482	304,568	304,568	83.33%
Expenditures	(108,521,696)	-	(108,521,696)	(90,434,747)	(85,999,902)	79.25%
Transfers out and						
Non-operating uses:						
Rate Review	(25,000)	-	(25,000)	(20,833)	-	0.00%
Hotel/Motel Tax Subsidy	(285,000)	-	(285,000)	(237,500)	-	0.00%
Utiilty Fund Loan		-	-	-	-	0.00%
Public Safety 1-time costs	(158,130)	-	(158,130)	(131,775)	-	0.00%
Golf Course	-	(316,664)	(316,664)	(263,887)	(316,664)	100.00%
1-time Comp adj.		-		-	-	0.00%
Economic Development		-				
Incentives	(1,000,000)	-	(1,000,000)	(833,333)	-	0.00%
Capital Projects	(14,458,234)	-	(14,458,234)	(12,048,528)	-	0.00%
Net increase (decrease)	(3,876,056)	(4,155,917)	(8,031,973)	(6,693,310)	20,938,141	
Beg. Working Capital	24,395,134	-	24,395,134		24,395,134	
End Working Capital	\$ 20,519,078	\$ (4,155,917)	\$ 16,363,161		\$ 45,333,275	

Overview - Revenues and Transfers In

Property tax revenue collected through end of July 31st, 2020 as percentage of the current year's tax levy is comparable with prior year collections at 99%. In addition, 93% of the total budgeted General Fund Tax and Franchise fee revenue have been collected.

Year to date, sales tax receipts are 3.49% over the original budget and 2.12% over prior years' actual. Sales tax receipts summary:

	<u>Current Month</u>	<u>Year to Date</u>
Original Budget	\$3,550,164	\$32,214,850
Actual – Current Year	\$3,701,656	\$33,339,239
Actual – Prior Year	\$3,587,985	\$32,646,875

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 \$11,512,500 over the capped amount.

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

A budget transfer occurred in April 2020 to transfer funds to the Golf Course due to the impacts of COVID-19. An additional budget transfer was proposed in August 2020 to further supplement the Golf Course and cover a FEMA repayment and A/R write offs.

Overview - Fund Balance

Revenue estimates have been updated to project the impact of COVID-19 on the General Fund. As of September 1, 2020, the budget estimates and the complete expenditure of the entire approved budget would result in an ending fund balance of 83.26 days. On 9/30/2020, Capital Transfers to the Strategic Community Reinvestment Fund will be modified to maintain a 60-day fund balance if necessary.

Year to Date July 1, 2020 to July 31, 2020

YTD % - 83.33%

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	\$40,015,981	\$37,926,817	78.98%
Other	1,455,000	-	1,455,000	1,212,500	879,139	60.42%
Transfers in from :						
Loan from General Fund	-		-	-	-	0.00%
Expenditures	(41,758,804)	-	(41,758,804)	(34,799,003)	(30,712,029)	73.55%
Transfers out and						
Non-operating uses:						
General Fund for						
Paymt in lieu of taxes	(2,616,446)	-	(2,616,446)	(2,180,372)	(2,180,372)	83.33%
Debt Service	(2,815,762)	-	(2,815,762)	(2,346,468)	(2,028,583)	72.04%
Debt Redemption	-	-	-	-	-	0.00%
Capital Projects	(3,250,000)	-	(3,250,000)	(2,708,333)	-	0.00%
Net increase (decrease)	(966,835)	-	(966,835)	(805,695)	3,884,972	
Beg. Working Capital	14,615,221	-	14,615,221		14,615,221	
End Working Capital	\$ 13,648,386	\$ -	\$ 13,648,386		\$ 18,500,193	

	Rain Fall	Rain Days	Av Hgh Tmp.	Billed (000 gal)	Received (000 gal)	Unacc'ted Water	Daily Per Capita (gals)
JULY-CY	2.3	5.0	94.4	770,377	959,495	19.71%	227
JULY-PY	0.8	3.0	94.1	542,270	609,132	10.98%	150
JUL-CY-YTD	40.1	89.0	74.2	5,257,724	5,706,368	7.86%	
JUL-PY-YTD	45.8	84.0	71.6	4,347,974	4,816,086	9.72%	

Overview - Revenues

Fiscal year-to-date sales and charges revenues are slightly lower than the target budget. 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 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

The budget adjustments reflect changes from original budget to final estimated budget released in early September.

Overview - Fund Balance

Original 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 operating fund balance is \$18,500,193, which represents 143 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.

Year to Date July 1, 2020 to July 31, 2020

YTD % - 83.33%

Golf Course Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues	\$ 3,215,852	\$ (2,158,692)	\$ 1,057,160	\$ 880,967	\$ 1,056,914	99.98%
Transfers In	-	776,844	776,844	647,370	\$ 316,664	40.76%
Transfer from Golf Capital	-	-	-	-	-	
Expenditures	(3,213,685)	1,604,779	(1,608,906)	(1,340,755)	(1,535,136)	95.41%
Transfers out to:						
FEMA Writeoff	-	(200,000)	(200,000)	(166,667)		0.00%
Capital Projects	-	-	-	-	-	0.00%
Net increase (decrease)	2,167	22,931	25,098	20,915	(161,558)	
Beg. Working Capital	(49,007)	-	(49,007)		(49,007)	
End Working Capital	\$ (46,840)	\$ -	\$ (23,909)		\$ (210,565)	

	Paid Rounds of Golf	
	Outings	Total
JULY-CY	-	-
JULY-PY	516	4,589
JUL-CY-YTD	2,986	25,440
JUL-PY-YTD	4,492	29,627

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 continued covering expenses until May 31, 2020.

Overview - Expenditures and Transfers Out

Actual year-to-date expenditures are above budget due to the timing of certain expenditures and a mid-year contract amendment.

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. In September, additional amendments were adopted to transfer in an additional \$460,180 from the General Fund to supplement the golf course fund due to impacts from COVID-19 and a \$200,000 transfer out to cover a FEMA repayment and A/R write offs. Revenue and expenditure budget adjustments were also adopted to reflect updated figures for the continuation of the managed services contract.

Overview - Fund Balance

Currently, the operating fund balance is at a deficit of \$(210,565), however, a budgeted transfer from the General Fund will occur towards September.

Year to Date July 1, 2020 to July 31, 2020
YTD % - 83.33%

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	\$ 8,984,853	\$ 8,981,837	83.31%
Expenditures	(9,343,028)	-	(9,343,028)	(7,785,857)	(8,285,803)	88.68%
Transfers out to:						
Capital Projects	(1,311,245)	-	(1,311,245)	(1,092,704)	-	0.00%
Net increase (decrease)	127,550	-	127,550		696,034	
Beg. Working Capital	521,120	-	521,120		521,120	
End Working Capital	<u>\$ 648,670</u>	<u>\$ -</u>	<u>\$ 648,670</u>		<u>\$ 1,217,154</u>	

Overview – Revenues

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

Overview - Expenditures and Transfers Out

Fiscal year-to-date expenditures are on target.

Overview - Budget Adjustments

The budget adjustments reflect changes from original budget to final estimated budget released in early September.

Overview - Fund Balance

The amended Budgetary Fund Balance is currently projected to end the year at \$648,670. Currently, the operating fund balance is \$1,217,154, however, year-end capital transfers are set to occur towards fiscal year end. Apartment revenue was not projected to cover the costs of Apartment expenses during fiscal year 2020.

Year to Date July 1, 2020 to July 31, 2020

YTD % - 83.33%

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 \$4,261,604, which exceeds the City’s financial standard of one year of claims net of recoveries.

Fleet Services Fund – The current fund balance is \$235,061, 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 \$5,608,420.