



CARROLLTON
T E X A S

**SUMMARY FINANCIAL STATEMENTS
BUDGET BASIS**

FISCAL YEAR 2020

AS OF AUGUST 31, 2020

Year to Date August 1, 2020 to August 31, 2020
YTD % - 91.67%

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	\$ 1,302,119	\$ 105,270,100	\$96,497,592	\$99,680,539	94.69%
Other	13,622,095	4,746,479	18,368,574	16,837,860	12,786,394	69.61%
Transfers in from :						
Utility Fund for						
Paymt in lieu of taxes	2,616,446	-	2,616,446	2,398,409	2,398,409	91.67%
Utility Loan Repayment	365,482	-	365,482	335,025	335,025	91.67%
Expenditures	(108,521,696)	1,835,568	(106,686,128)	(97,795,617)	(96,181,705)	90.15%
Transfers out and						
Non-operating uses:						
Rate Review	(25,000)	-	(25,000)	(22,917)	-	0.00%
Essential Tech Funds	(1,450,000)	-	(1,450,000)	(1,329,167)	-	0.00%
Hotel/Motel Tax Subsidy	(285,000)	170,000	(115,000)	(105,417)	-	0.00%
Utility Fund Loan		-	-	-	-	0.00%
Police One-time Costs	(158,130)	(841,870)	(1,000,000)	(916,667)	-	0.00%
One-time Compensation adj.	-	(539,761)	(539,761)	(494,781)	-	0.00%
Golf Course	-	(776,664)	(776,664)	(711,942)	(316,664)	40.77%
1-time Comp adj.	-	-	-	-	-	0.00%
Economic Development						
Incentives	(1,000,000)	-	(1,000,000)	(916,667)	-	0.00%
Capital Projects	(14,458,234)	(433,684)	(14,891,918)	(13,650,925)	-	0.00%
Net increase (decrease)	(5,326,056)	5,462,187	136,131	124,786	18,701,998	
Beg. Working Capital	24,395,134	-	24,536,882		24,536,882	
End Working Capital	\$ 19,069,078	\$ 5,462,187	\$ 24,673,013		\$ 43,238,880	

Overview - Revenues and Transfers In

Property tax revenue collected through end of August 31st, 2020 as percentage of the current year's tax levy is comparable with prior year collections at 99%. In addition, 94% of the total budgeted General Fund Tax and Franchise fee revenue have been collected.

Year to date, sales tax receipts are 3.26% over the original budget and 0.66% over prior years' actual. Sales tax receipts summary:

	<u>Current Month</u>	<u>Year to Date</u>
Original Budget	\$3,168,458	\$35,383,308
Actual – Current Year	\$3,196,816	\$36,536,055
Actual – Prior Year	\$3,648,736	\$36,295,611

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 \$11,669,919 over the capped amount, and less than 1% 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

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 August 1, 2020 to August 31, 2020
YTD % - 91.67%

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	\$ (339,976)	\$ 47,679,201	\$43,705,934	\$43,289,407	90.79%
Other	1,455,000	(364,545)	1,090,455	999,584	998,542	91.57%
Transfers in from :						
Loan from General Fund	-		-	-	-	0.00%
Expenditures	(41,758,804)	353,219	(41,405,585)	(37,955,120)	(34,179,767)	82.55%
Transfers out and						
Non-operating uses:						
General Fund for						
Paymt in lieu of taxes	(2,616,446)	-	(2,616,446)	(2,398,409)	(2,398,409)	91.67%
Debt Service	(2,815,762)	509,130	(2,306,632)	(2,114,413)	(2,238,419)	97.04%
Debt Redemption	-	-	-	-	-	0.00%
Capital Projects	(3,250,000)	-	(3,250,000)	(2,979,167)	-	0.00%
Net increase (decrease)	(966,835)	157,828	(809,007)	(741,591)	5,471,354	
Beg. Working Capital	14,615,221	(104,319)	14,510,902		14,510,902	
End Working Capital	\$ 13,648,386	\$ 53,509	\$ 13,701,895		\$19,982,256	

	Rain Fall	Rain Days	Av Hgh Tmp.	Billed (000 gal)	Received (000 gal)	Unacc'ted Water	Daily Per Capita (gals)
AUGUST-CY	1.3	5.0	96.8	789,903	853,330	7.43%	202
AUGUST-PY	2.4	6.0	97.1	789,903	884,417	10.69%	218
AUG-CY-YTD	41.4	94.0	76.2	6,047,627	6,559,698	7.81%	
AUG-PY-YTD	48.2	90.0	73.9	5,137,877	5,700,503	9.87%	

Unaccounted for water for the past 12 months was 8.09%

Overview - Revenues

Fiscal year-to-date sales and charges revenues are slightly lower than target due to more revenue usually collected during the last quarter of the year. 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 \$19,982,256, which represents 157 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 FY20 with 132 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 August 1, 2020 to August 31, 2020
YTD % - 91.67%

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	\$ 969,063	\$ 1,108,162	104.82%
Transfers In	-	776,844	776,844	712,107	316,664	40.76%
Transfer from Golf Capital	-	-	-	-	-	0.00%
Expenditures	(3,213,685)	1,604,779	(1,608,906)	(1,474,831)	(1,579,786)	98.19%
Transfers out to:						
Repay FEMA & A/R Writeoff	-	(200,000)	(200,000)	(183,333)	-	0.00%
Capital Projects	-	-	-	-	-	0.00%
Net increase (decrease)	2,167	22,931	25,098	23,006	(154,960)	
Beg. Working Capital	(49,007)	-	(49,008)		(49,008)	
End Working Capital	\$ (46,840)	\$ -	\$ (23,910)		\$ (203,968)	

	Paid Rounds of Golf	
	Outings	Total
AUGUST-CY	453	5,333
AUGUST-PY	248	3,732
AUG-CY-YTD	3,719	35,175
AUG-PY-YTD	4,740	33,359

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 projected target of estimated budget due to timing of the contract amendment with Orion Golf for managed services.

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 \$203,967, however, the remaining budgeted General Fund subsidy will be transferred in September. The golf course will be monitored to determine if the course will require any additional transfers at the fiscal year end.

Year to Date August 1, 2020 to August 31, 2020
YTD % - 91.67%

Solid Waste Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues	\$ 10,781,823	\$ 13,562	\$ 10,795,385	\$ 9,895,770	\$ 9,887,110	91.59%
Expenditures	(9,343,028)	(410,349)	(9,753,377)	(8,940,596)	(9,117,157)	93.48%
Transfers out to:						
Capital Projects	(1,311,245)	200,000	(1,111,245)	(1,018,641)	-	0.00%
Net increase (decrease)	127,550	(196,787)	(69,237)		769,953	
Beg. Working Capital	521,120	-	521,120		521,120	
End Working Capital	\$ 648,670	\$ (196,787)	\$ 451,883		\$ 1,291,073	

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 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 \$451,883. Currently, the operating fund balance is \$1,291,073, however, a capital transfer for alleys is budgeted for \$1,111,245. Apartment revenue is not projected to cover the costs of Apartment expenses during fiscal year 2020.

Year to Date August 1, 2020 to August 31, 2020

YTD % - 91.67%

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 \$4,343,305, which exceeds the City’s financial standard of one year of claims net of recoveries.

Fleet Services Fund – The current fund balance is \$57,277, 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 \$5,501,960.