



CARROLLTON
TEXAS

**SUMMARY FINANCIAL STATEMENTS
BUDGET BASIS**

FISCAL YEAR 2021

AS OF JANUARY 31, 2021

Year to Date January 1, 2021 to January 31, 2021
YTD % - 33.33%

General Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:						
Taxes and						
franchise fees	\$ 104,990,573	\$ 4,175,730	\$ 109,166,303	\$ 36,388,768	\$ 65,988,459	60.45%
Other	13,127,312	-	13,127,312	4,375,771	3,127,021	23.82%
Transfers in from :						
Utility Fund for						
Paymt in lieu of taxes	2,642,610	-	2,642,610	880,870	880,870	33.33%
Utility Loan Repayment	365,482	-	365,482	121,827	121,827	33.33%
Expenditures:	(110,289,785)	-	(110,289,785)	(36,763,262)	(38,241,079)	34.67%
Transfers out and						
Non-operating uses:						
Rate Review	(25,000)	-	(25,000)	(8,333)	-	0.00%
Hotel/Motel Tax Subsidy	(145,000)	-	(145,000)	(48,333)	-	0.00%
Essential Tech Funds	(1,450,000)	-	(1,450,000)	(483,333)	-	0.00%
Transfer to Admin Fund	-	(183,783)	(183,783)	(61,261)	-	0.00%
COVID-19 Response	(500,000)	-	(500,000)	(166,667)	-	0.00%
Golf Course	(200,000)	-	(200,000)	(66,667)	-	0.00%
1-time Comp adj.	(1,187,711)	-	(1,187,711)	(395,904)	-	0.00%
Economic Development						
Incentives	-	-	-	-	-	0.00%
Capital Projects	(13,629,201)	(3,991,947)	(17,621,148)	(5,873,716)	-	0.00%
Net increase (decrease)	(6,300,720)	-	(6,300,720)	(2,100,240)	31,877,098	
Beg. Working Capital	24,673,013	-	24,673,013		32,414,562	
End Working Capital	<u>\$ 18,372,293</u>	<u>\$ -</u>	<u>\$ 18,372,293</u>		<u>\$ 64,291,660</u>	

Overview - Revenues and Transfers In

Property tax revenue collected through end of January 31st, 2021 as percentage of the current year's tax levy is comparable with prior year collections at 84%. In addition, 62% of the total budgeted General Fund Tax and Franchise fee revenue have been collected.

Year to date, sales tax receipts are 6.21% over the original budget and 10.20% under prior years' actual. Sales tax receipts summary:

	<u>Current Month</u>	<u>Year to Date</u>
Original Budget	\$3,361,047	\$12,375,171
Actual – Current Year	\$3,570,489	\$13,143,885
Actual – Prior Year	\$3,895,631	\$14,636,564

As per the financial policy adopted by council in 2018, the fiscal year 2021 sales taxes revenue for recurring uses is capped at \$26,987,129. 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 \$9,755,425 over the capped amount, and about 2.14% above 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

There was a budget amendment to increase the budgeted non-recurring "one-time" sources of funds related to property taxes by \$4,175,730 in November 2020. In addition, this amendment increased Strategic Community Investment Activity capital project transfers by \$3,991,947 and Administrative Fund transfers by \$183,783.

Overview - Fund Balance

As of January 31, 2021, the budget estimates and the complete expenditure of the entire approved budget would result in an ending fund balance of 60 days. On 9/30/2021, approved 2021 Capital Transfers will be made as will any necessary modifications to maintain the

Year to Date January 1, 2021 to January 31, 2021

YTD % - 33.33%

mandatory 60-day fund balance. This will be monitored throughout the year. Currently, no capital transfer modifications appear necessary to maintain financial standards.

Water and Sewer Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:						
Sales and Charges	\$ 49,293,061	\$ -	\$ 49,293,061	\$16,431,020	\$15,797,884	32.05%
Other	1,360,000	-	1,360,000	453,333	493,955	36.32%
Transfers in from :						
Loan from General Fund	-	-	-	-	-	0.00%
Expenses	(44,067,956)	-	(44,067,956)	(14,689,319)	(12,415,429)	28.17%
Transfers out and Non-operating uses:						
General Fund for						
Paymt in lieu of taxes	(2,642,610)	-	(2,642,610)	(880,870)	(880,870)	33.33%
Debt Service	(2,443,042)	-	(2,443,042)	(814,347)	(839,344)	34.36%
Debt Redemption	-	-	-	-	-	0.00%
Capital Projects	(3,100,000)	-	(3,100,000)	(1,033,333)	-	0.00%
Net increase (decrease)	(1,600,547)	-	(1,600,547)	(533,516)	2,156,196	
Beg. Working Capital	13,701,895	-	13,701,895		17,803,743	
End Working Capital	\$ 12,101,348	\$ -	\$ 12,101,348		\$19,959,939	

	Rain Fall	Rain Days	Av Hgh Tmp.	Billed (000 gal)	Received (000 gal)	Unacc'ted Water	Daily Per Capita (gals)
JANUARY-CY	0.9	10.0	56.6	434,028	454,289	4.46%	105
JANUARY-PY	5.0	10.0	60.1	421,710	409,926	(2.87%)	101
JAN-CY-YTD	6.7	25.0	66.2	2,161,385	2,079,570	(3.93%)	
JAN-PY-YTD	12.4	32.0	65.8	2,288,998	2,357,706	2.91%	

Unaccounted for water for the past 12 months was 4.37%

Overview - Revenues

Fiscal year-to-date sales and charges revenues are currently on target. In addition, typically more revenue is usually collected during the last quarter of the year. Actual increase in water and wastewater rates adopted January 1, 2020 was 4.6%. No water and sewer rate increases were adopted for FY 2021.

Overview - Expenses and Transfers Out

Fiscal year-to-date expenses are below target due to the timing of some expenses. Expenses 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 have been no budget adjustments to date in the current year.

Overview - Fund Balance

As of January 31, 2021, the budget estimates and the complete expense of the entire approved budget would result in an ending fund balance of 90 days. The operating fund balance is \$19,959,939 represents 148.22 days of recurring activities but will be adjusted for the impact of capital project transfers. The anticipated year end fund balance after capital transfers are made represents 125.20 days of fund balance. The City also anticipates an early payoff of the Utility Fund loan during FY2021. If the entire outstanding balance was paid, in addition to completed capital transfers, the anticipated year end fund balance would represent 111.09 days. The City's financial standards call for a minimum of 90 days ending fund balance. The year-end balance is subject to change based on weather and economic impact to water sales.

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Golf Course Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:	\$ 166,432	\$ -	\$ 166,432	\$ 55,477	\$ 141,325	84.91%
Transfers In	200,000	-	200,000	66,667	-	0.00%
Transfer from Golf Capital	-	-	-	-	-	0.00%
Expenses:	(310,432)	(180,000)	(490,432)	(163,477)	(99,438)	20.28%
Transfers out to:						
Repay FEMA & A/R Writeoff	-	-	-	-	-	0.00%
Capital Projects	-	-	-	-	-	0.00%
Net increase (decrease)	56,000	(180,000)	(124,000)	(41,333)	41,887	
Beg. Working Capital	(23,910)	-	(23,910)		100,500	
End Working Capital	\$ 32,090	\$ (180,000)	\$ (147,910)		\$ 142,387	

	Paid Rounds of Golf	
	Outings	Total
JANUARY-CY	-	3,629
JANUARY-PY	62	1,985
JAN-CY-YTD	1,939	19,137
JAN-PY-YTD	2,006	10,321

Overview – Revenues and Transfers in

The revenue share model between Orion and the City splits revenue based on the monthly course revenue and utility and maintenance costs are reimbursed to the City. This was the model used from June 2020 through November 2020. Due to the impacts of COVID-19 the contract was amended in December 2020 which changed from a revenue share model to a monthly management fee. Under this new model, rather than receiving a revenue share, the City will receive the net operating income (loss) from the golf course and pay Orion a \$7,000 monthly management fee through the end of February 2021. Actual year-to-date revenues are above projected target of estimated budget; however, revenues are subject to potential net operating losses through February 2021 and may also be negatively impacted by COVID-19 restrictions.

Overview - Expenses and Transfers Out

Actual year-to-date expenses are below projected target of estimated budget due to expense reimbursements and a contract amendment.

Overview - Budget Adjustments

There was a budget adjustment of \$180,000 which increased the golf expense budget to allow for continued management fee payments to Orion throughout the fiscal year if necessary.

Overview - Fund Balance

The Budgetary Fund Balance is projected to end the year at \$(147,910). This budgeted deficit is a function of paying utility costs and additional budgeted expenses due to a contract amendment. Currently, the operating fund balance is \$142,387. The golf course will be monitored to determine if the course will require any additional transfers at the fiscal year end.

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Solid Waste Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues	\$ 11,464,946	\$ -	\$ 11,464,946	\$ 3,821,649	\$ 3,730,517	32.54%
Expenses	(9,989,681)	-	(9,989,681)	(3,329,894)	(3,330,218)	33.34%
Transfers out to:						
Capital Projects	(1,524,357)	-	(1,524,357)	(508,119)	-	0.00%
Net increase (decrease)	(49,092)	-	(49,092)		400,299	
Beg. Working Capital	451,883	-	451,883		311,398	
End Working Capital	\$ 402,791	\$ -	\$ 402,791		\$ 711,697	

Overview – Revenues

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

Overview - Expenses and Transfers Out

Total fiscal year-to-date expenses are on target. Transfers out will be made at the end of the year.

Overview - Budget Adjustments

There have been no budget adjustments to date in the current year.

Overview - Fund Balance

The Budgetary Fund Balance is currently projected to end the year at \$402,791. Currently, the operating fund balance is \$711,697, however, a capital transfer is budgeted for \$1,524,357 that will occur at the end of the fiscal year. Due to rising costs far outpacing revenue for multifamily sanitation, the City moved the multi-family sanitation fees to a cost-recovery model in October 2020. We will continue to monitor fund balance closely throughout the year.

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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 \$3,997,792, which exceeds the City’s financial standard of one year of claims net of recoveries.

Fleet Services Fund – The current fund balance is \$532,959, which exceeds the financial standard of break-even.

Employee Health and Disability Fund –The current cash and cash equivalent balance of this fund is \$6,372,355.