



CARROLLTON
TEXAS

**SUMMARY FINANCIAL STATEMENTS
BUDGET BASIS**

FISCAL YEAR 2021

AS OF MARCH 31, 2021

Year to Date October 1, 2020 to March 31, 2021
YTD % - 50.00%

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	\$54,583,152	\$83,488,241	76.48%
Other	13,127,312	-	13,127,312	6,563,656	4,972,173	37.88%
Transfers in from :						
Utility Fund for						
Paymnt in lieu of taxes	2,642,610	-	2,642,610	1,321,305	1,321,305	50.00%
Utility Loan Repayment	365,482	-	365,482	182,741	182,741	50.00%
Expenditures:	(110,289,785)	-	(110,289,785)	(55,144,893)	(54,409,140)	49.33%
Transfers out and						
Non-operating uses:						
Rate Review	(25,000)	-	(25,000)	(12,500)	-	0.00%
Hotel/Motel Tax Subsidy	(145,000)	-	(145,000)	(72,500)	-	0.00%
Essential Tech Funds	(1,450,000)	-	(1,450,000)	(725,000)	-	0.00%
Transfer to Admin Fund	-	(183,783)	(183,783)	(91,892)	-	0.00%
COVID-19 Response	(500,000)	-	(500,000)	(250,000)	-	0.00%
Golf Course	(200,000)	-	(200,000)	(100,000)	(200,000)	100.00%
1-time Comp adj.	(1,187,711)	-	(1,187,711)	(593,856)	-	0.00%
Economic Development		-				
Incentives	-	-	-	-	-	0.00%
Capital Projects	(13,629,201)	(3,991,947)	(17,621,148)	(8,810,574)	-	0.00%
Net increase (decrease)	(6,300,720)	-	(6,300,720)	(3,150,361)	35,355,320	
Beg. Working Capital	24,673,013	-	24,673,013		32,414,562	
End Working Capital	\$ 18,372,293	\$ -	\$ 18,372,293		\$67,769,882	

Overview - Revenues and Transfers In

Property tax revenue collected through end of March 31st, 2021 as percentage of the current year's tax levy is 100.9% comparable with prior year collections at 98.9%. In addition, 76% of the total budgeted General Fund Tax and Franchise fee revenue have been collected.

Year to date, sales tax receipts are 4.81% over the original budget and 8.02% under prior years' actual. Sales tax receipts summary:

	<u>Current Month</u>	<u>Year to Date</u>
Original Budget	\$2,628,765	\$17,841,245
Actual – Current Year	\$2,570,832	\$18,699,480
Actual – Prior Year	\$2,648,041	\$20,330,487

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 \$9,844,946 over the capped amount, and about 2.39% 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 March 31st, 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 mandatory 60-day fund balance. This will be monitored throughout the year. Currently, no capital transfer modifications appear necessary to maintain financial standards.

Year to Date October 1, 2020 to March 31, 2021
YTD % - 50.00%
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	\$24,646,531	\$22,550,338	45.75%
Other	1,360,000	-	1,360,000	680,000	725,744	53.36%
Transfers in from :						
Loan from General Fund	-	-	-	-	-	0.00%
Expenses:	(44,067,956)	-	(44,067,956)	(22,033,978)	(19,258,509)	43.70%
Transfers out and Non-operating uses:						
General Fund for						
Paymt in lieu of taxes	(2,642,610)	-	(2,642,610)	(1,321,305)	(1,321,305)	50.00%
Debt Service	(2,443,042)	-	(2,443,042)	(1,221,521)	(1,259,016)	51.53%
Debt Redemption	-	-	-	-	-	0.00%
Capital Projects	(3,100,000)	-	(3,100,000)	(1,550,000)	-	0.00%
Net increase (decrease)	(1,600,547)	-	(1,600,547)	(800,273)	1,437,252	
Beg. Working Capital	13,701,895	-	13,701,895		17,803,743	
End Working Capital	\$ 12,101,348	\$ -	\$ 12,101,348		\$19,240,995	

	Rain Fall	Rain Days	Av Hgh Tmp.	Billed (000 gal)	Received (000 gal)	Unacc'ted Water	Daily Per Capita (gals)
MARCH-CY	3.0	6.0	61.4	410,777	553,255	25.75%	128
MARCH-PY	6.8	16.0	72.6	351,520	375,282	6.33%	93
MAR-CY-YTD	11.9	40.0	62.8	2,963,267	3,074,347	3.61%	
MAR-PY-YTD	23.0	59.0	65.9	3,019,937	3,117,387	3.13%	

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. Unaccounted for water in March 2021 was higher than normal caused by several large water line leaks due to the winter snowstorm. Loss of water is estimated by staff but only from the time leaks are identified through the time they are shut off.

Overview - Expenses and Transfers Out

Fiscal year-to-date expenses are below target due to the timing of some expenses and vacancies. 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 March 31st, 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 \$19,240,995 represents 142.88 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 119.86 days of fund balance. The City also anticipates an early payoff of the Utility Fund loan during FY2021. If the entire outstanding balance were paid, in addition to completed capital transfers, the anticipated year end fund balance would represent 106.20 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. Water leak adjustments resulting from the February weather event will continue to be monitored for impacts to the Water and Sewer Fund.

Year to Date October 1, 2020 to March 31, 2021

YTD % - 50.00%

Golf Course Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:	\$ 166,432	\$ -	\$ 166,432	\$ 83,216	\$ 143,642	86.31%
Transfers In	200,000	-	200,000	100,000	200,000	100.00%
Transfer from Golf Capital	-	-	-	-	-	0.00%
Expenses:	(310,432)	(180,000)	(490,432)	(245,216)	(110,539)	22.54%
Transfers out to:						
Repay FEMA & A/R Writeoff	-	-	-	-	(99,471)	0.00%
Capital Projects	-	-	-	-	-	0.00%
Net increase (decrease)	56,000	(180,000)	(124,000)	(62,000)	133,632	
Beg. Working Capital	(23,910)	-	(23,910)		100,500	
End Working Capital	\$ 32,090	\$ (180,000)	\$ (147,910)		\$ 234,132	

	Paid Rounds of Golf	
	Outings	Total
MARCH-CY	613	6,392
MARCH-PY	155	2,286
MAR-CY-YTD	2,552	27,313
MAR-PY-YTD	2,559	16,094

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 received the net operating income (loss) from the golf course and paid Orion a \$7,000 monthly management fee through the end of February 2021. During the contract amendment period, the City incurred a total loss of \$37,110, which was significantly lower than the budgeted loss of \$180,000. Actual year-to-date revenues are currently above projected target of estimated budget.

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 budgeting for utility costs that are later reimbursed via contract. Currently, the operating fund balance is \$234,132. The golf course will be monitored throughout the year to determine if the course will require any additional transfers at the fiscal year end.

Year to Date October 1, 2020 to March 31, 2021

YTD % - 50.00%

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	\$ 5,732,473	\$ 5,685,297	49.59%
Expenses:	(9,989,681)	-	(9,989,681)	(4,994,841)	(4,863,537)	48.69%
Transfers out to:						
Capital Projects	(1,524,357)	-	(1,524,357)	(762,179)	-	0.00%
Net increase (decrease)	(49,092)	-	(49,092)		821,760	
Beg. Working Capital	451,883	-	451,883		311,398	
End Working Capital	\$ 402,791	\$ -	\$ 402,791		\$ 1,133,158	

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. As of March 31st, 2021 the operating fund balance is at \$1,133,158, however, a capital transfer is budgeted for \$1,524,357 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.

Year to Date October 1, 2020 to March 31, 2021
YTD % - 50.00%

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 \$4,093,179, which exceeds the City’s financial standard of one year of claims net of recoveries.

Fleet Services Fund – The current fund balance is \$580,362 which exceeds the financial standard of break-even.

Employee Health and Disability Fund –The current cash and cash equivalent balance of this fund is \$5,865,053.