



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2021





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ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FISCAL YEAR ENDED
SEPTEMBER 30, 2021**



2021-2022 Carrollton City Council

From Left: Councilmember Young Sung, Councilmember Nancy S. Cline, |
Councilmember Steve Babick, Councilmember H.A. "Rusty" Pendleton,
City Manager Erin Rinehart, Mayor Kevin Falconer, Deputy Mayor Pro Tem Andrew Palacios,
Mayor Pro Tem Pat Cochran, and Councilmember Adam Polter

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CITY OF CARROLLTON, TEXAS

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February 2, 2022

The Honorable Mayor and Members of the City Council
City of Carrollton
Carrollton, Texas

The Finance Department and City Manager's Office are pleased to submit the Annual Comprehensive Financial Report for the City of Carrollton, Texas for the fiscal year ending September 30, 2021.

This report provides the City Council, City staff, our citizens, our bondholders, and other interested parties with detailed information concerning the financial position and activities of the City government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is organized in a manner designed to fairly present the financial position and results of operation of the City as measured by the financial activity of its various funds. We also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

BKD, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the city's financial statements for the year ended September 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and the two should be read in conjunction with each other.

CITY PROFILE

Location

Located in northwest Dallas, southeast Denton, and southwest Collin counties, Carrollton is only 14 miles from downtown Dallas and 10 miles northeast of the Dallas-Fort Worth International Airport. Carrollton is readily accessible via Interstate 35E on the west, the Dallas North Tollway on the east, the President George Bush Turnpike, State Highway 121 to the north, and Interstate Highway 635 is only two miles south of the city limits. The City encompasses approximately 37 square miles with 34 square miles of developable land which is approximately 98% developed.



The City is a home rule city operating under the Council-Manager form of government. The City Council is comprised of the Mayor and seven Council members who enact laws, determine policies, and adopt the annual budget. The City Council also appoints the City Manager. The Basic Financial Statements of the City include all government activities, organizations, and functions for which the City is financially accountable as defined by the Governmental Accounting Standard Board. Based on these criteria, no other governmental organizations are included in this report.

Services Provided

The City provides to its citizens, at the least cost, those services that have proven to be necessary and meaningful. Major services provided under general government and enterprise functions are: police and fire protection, emergency ambulance service, water and sewer services, sanitation services, park and recreational facilities, library services, street and drainage improvements, and general administrative services. The City also offers a 36-hole golf course and an aggressive economic development service. Internal services of the City, accounted for on a cost reimbursement basis, are fleet services, risk management, and employee health and disability coverage.

Accounting System and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received, and the liabilities are incurred. Accounting records for the City's utilities and other proprietary activities are maintained on the accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets; and (3) compliance with all applicable rules, regulations, and contractual requirements. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, (2) the evaluation of costs and benefits requires estimates and judgments by management, and (3) the preciseness of estimates must be balanced with the timeliness of financial reporting.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.



The City charter provides that the City Council shall adopt the annual budget prepared by City Management. This budget is reviewed by the City Council and is formally adopted by the passage of a budget ordinance. The City Manager is authorized to transfer budgeted amounts between line items and departments within any fund; however, any revisions that increase the total appropriations of any fund must be approved by the City Council.

Budgetary control has been established at the individual fund level. Financial reports are produced showing budget and actual expenditures by line item and are posted electronically monthly for City departmental and divisional management.

Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level, and capital expenditures are monitored and controlled item by item. Revenue budgets are reviewed monthly.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Regional Economy

Similar to the rest of nation, the Dallas Fort Worth economy was whipsawed by the COVID-19 pandemic, however throughout 2021 the Dallas economy experienced robust expansion with gains across all sections, especially in the manufacturing and non-financial services. In February 2021, Winter Storm Uri caused a minor setback in recovery, but the economy rebounded nicely and has continued to grow since. Consumer spending has remained above pre-pandemic levels, construction continues to remain strong, and employment remains strong. The November 2021, Dallas Fort Worth regional employment surpassed its pre-pandemic levels and unemployment continued to fall. The Federal Reserve Bank of Dallas reported in their December 2020 Dallas-Fort Worth Economic Indicators update:

Dallas–Fort Worth’s economic expansion strengthened in November. Payroll employment rose at a rapid clip, and unemployment dipped. The Dallas and Fort Worth business-cycle indexes advanced further. Consumer spending stayed strong, above pre-pandemic levels, and mobility improved in the first half of December before declining around the holidays. Apartment leasing was solid, pushing up occupancy and rents, and multifamily construction remained elevated.



Carrollton's Position in the Region

Carrollton is a home to a diversified group of manufacturing and distribution firms. Products manufactured range from oil well equipment to high-tech components. Distribution and service operations are equally diversified. This diversification is evident in the fact that the top ten taxpayers represent less than 7% of assessed valuation in the City.

The City also benefits from a well-educated and affluent workforce. According to U.S. Census Bureau's 2018 American Community Survey, Carrollton's median household income of \$78,306 compares favorably to \$72,266 for DFW and \$64,034 for Texas. Also, according to the survey, the workforce is educated with 39.2% of the population having a bachelor's degree or more, compared to 36.3% for DFW and 29.9% for Texas.

The following facts reflect Carrollton's economic condition and outlook:

Carrollton ranks as one of the top cities in the region in corporate investment, job creation, and population growth. Its central location within the region, its proximity to the DFW Airport, Love Field, Downtown Dallas, and the connectivity created by its three DART stations, make Carrollton a preferred location to live, work, and play. Carrollton's City Council has cut property taxes for seven years in a row while maintaining one of the highest ratings in the delivery of municipal services in the DFW Metroplex. Carrollton's 44.9-million square feet of manufacturing and distribution space generates consistently increasing property and business-to-business sales tax revenue for the City, resulting in a well-balanced business-to-residential tax base.

Carrollton ranks high in the state for a quality of work environment. As of September 2021, Carrollton's unemployment was 5.1%, well below the state rates.

Carrollton has five major business parks – Valwood Industrial Park, Frankford Trade Center, Austin Ranch, International Business Park and Trinity Mills Industrial Park. Valwood Industrial park and the Frankford Trade Center are among the premier industrial parks in the Dallas/Fort Worth area.

Total certified taxable value, not including estimated value for property under protest, for all residential and commercial property in the City was approximately \$17.3 billion for fiscal year 2021, a 7.63% increase from the previous year.

Sales tax collections totaled \$46,787,884 in fiscal year 2021, a 17.4% increase from the previous year, partially due to the inclusion of September's sales tax, which arrives in November.



Future Economic Outlook

Through November 2021, fiscal year 2022, sales taxes have increased by (13.67)% compared to the same period in fiscal year 2021. In 2020, the Texas Comptrollers Office implemented changes to rule 3.334 that would redirect some of the city's sales and use tax dollars. In preparation for this change, the City decreased its annual sales tax dollars budgeted amount by 2.17%, but due to a pending law suit, this rule has yet to come into effect. The City recognized its exposure to decreases and adopted a sales tax mitigation strategy whereby a portion of sales tax is dedicated to non-recurring capital expenditures. For fiscal year 2022, property valuations increased 5.27% with a 6.28% increase in residential property and 8.85% increase in commercial and industrial properties.

Carrollton has approximately 956 acres of vacant land ready for future development with 806 of those acres currently zoned for commercial and industrial use. This bodes well for the City as these uses generally require a lower level of City services while providing a higher level of revenue to the City, as compared to the typical residential development.

Carrollton's economic future is not without challenges. The City is no longer an outer ring suburb that can simply rely on construction on vacant land to fuel growth in tax base and the economy. As it approaches single family residential build out and vacant commercial tracts become scarce, the City must invest more heavily than ever to keep Carrollton an attractive place to live and work. The City Council, recognizing these trends, has adopted strategic goals that create a vision for the City's future. To obtain this vision, the City has:

- Continuously evaluated the workforce for possible reductions. The savings from continuous evaluation of the workforce has been reinvested in the community through increased capital expenditure, increased code enforcement, and neighborhood reinvestment programs.
- Aggressively pursued transit-oriented development related to light rail which arrived in the City in December 2010. Carrollton's multiple rail lines will allow it to eventually become one of the three mass transit rail hubs in the Metroplex.
- Maintained conservative financial policies and strong financial position that will allow it to react quickly to development opportunities as well as withstanding economic downturns.

Long-term Financial Planning

The City Council has adopted a series of financial standards and policies for operating and debt management. Management of the City has made every effort to comply with these standards and policies and believe we are currently in compliance.



Sales tax is the City's second largest General Fund revenue and is also one of its most volatile. It has been the City's experience that rapid increases in sales tax revenues are often followed by rapid declines. Creating a "cap" for the amount of sales tax that can be used in a given year for operating purposes allows the City to manage this volatility, promotes a healthy pay-as-you-go infrastructure re-investment program, and protects the City from rapid revenue declines during times of economic downturns. For fiscal year 2021, sales tax exceeded the "cap" for operating purposes by over \$18.8 million. This excess will be used for one-time non-recurring purposes.

Annually a Multi-year Budget is presented to the City Council as part of the budget process. This document forecasts the operating, debt service, and fleet replacement fund operations for the upcoming three years. Additionally, a multi-year Capital Plan is prepared and presented to the City Council as part of the annual budget process.

Major budget initiatives in fiscal year 2022 included:

- Capital funding of over \$88 million for new capital projects funded from debt issuance, non-recurring sources, and tax revenue.
- Reduction in the property tax rate to 0.58250 per \$100 assessed value due to strong growth in the tax base.

In addition, the City has recognized the long-term financial implications of its pension and retiree health benefits. Regarding pensions, it has adjusted benefits and significantly stepped up funding to ensure the long-term sustainability of the plan. For retiree health care, it has implemented a defined contribution structure for any employees with less than 20 years of service as of January 1, 2009. These changes were designed to provide a highly competitive, but sustainable, benefit to our employees without shifting costs to future taxpayers.

OTHER INFORMATION

Independent Audit

Article II, Section 2.18 of the City Charter requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City by independent certified public accountants selected by the City Council. This requirement has been complied with, and the Report of the Independent Auditor's Report, has been included in this report.

Additionally, the City has a Finance/Audit Committee as a subcommittee of the City Council which functions as an audit committee and hears and reviews all recommendations made by the independent auditors.



Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR), whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last 31 consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Appreciation is expressed to City employees throughout the organization, especially those employees who were instrumental in the successful completion of this report.

We would like to thank members of the City Council for their interest and support in planning and conducting the financial operation of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Erin Rinehart".

Erin Rinehart
City Manager

A handwritten signature in black ink, appearing to read "Robert B. Scott".

Robert B. Scott, CPA
Assistant City Manager/Chief Financial Officer

A handwritten signature in black ink, appearing to read "Diana Vaughn".

Diana Vaughn, CPA
Finance Director/Controller

CITY OF CARROLLTON, TEXAS

City Council

Kevin Falconer, Mayor

Pat Cochran, Mayor Pro Tem, Place 3

Andrew Palacios, Deputy Mayor Pro Tem, Place 4

Steve Babick
- Place 1

Adam Polter
- Place 2

Nancy Cline
- Place 5

Young Sung
- Place 6

H.A. "Rusty" Pendleton
- Place 7

City Manager

Erin Rinehart

Assistant City Manager/Chief Financial Officer

Robert B. Scott, CPA



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Carrollton
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO

Independent Auditor's Report

The Honorable Mayor and Members of the City Council
City of Carrollton, Texas
Carrollton, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Carrollton, Texas (City) of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension and other postemployment information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements, budgetary schedules, statistical section, and continuing financial disclosure tables, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and budgetary schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and budgetary schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Honorable Mayor and Members of the City Council
City of Carrollton, Texas
Page 3

The introductory section, statistical section, and continuing financial disclosure tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

BKD, LLP

Dallas, Texas
February 2, 2022



CARROLLTON
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CITY OF CARROLLTON, TEXAS

Management's Discussion and Analysis
For the Year Ended September 30, 2021

Amounts in Thousands Unless Stated Otherwise
(Unaudited)

February 2, 2022

As management of the City of Carrollton (City), we offer this narrative overview and analysis of the financial activities and financial position of the City for the fiscal year ended September 30, 2021. In the broadest context, the financial well-being of the government lies in the underlying wealth and willingness of its citizens and property owners to pay adequate taxes combined with the vision of the government's elected and appointed leadership to spend those taxes strategically. This allows the City's tax base, service levels, assets and desirability to be maintained, not just for the current year, but well into the future. Financial reporting is limited in its ability to provide this "big picture" but rather focuses on financial position and changes in financial position. In other words, are revenues and or expenses/expenditures higher or lower than the previous year? Has net position (containing both short and long-term assets and liabilities) or fund balances (the current "spendable" assets less current liabilities) of the government been maintained? We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal (pages i-vii of this report), the statistical section (pages 115-138 of this report), as well as information on the City's Council's Strategic Goals, the annual budget and other community information found on the City's website at www.cityofcarrollton.com. It should be noted that the Report of the Independent Auditors' association with various sections of this report and that all of the additional information from the website and other City sources is unaudited and has not been updated for events that may have occurred subsequent to the issuance of the respective report.

IN BRIEF

- The net position of the City at the close of the most recent fiscal year was \$652,188. This number must be viewed in the context that the vast majority of the City's net position of \$396,008 (60.7%) is the net investment in capital assets, and that most capital assets in a government do not directly generate revenue nor can they be sold to generate liquid capital. The net position restricted for specific purposes totals \$12,494 (1.9%). The remaining \$243,686 (37.4%) is the unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies. Unrestricted net position increased by \$53,241 in fiscal year 2021.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$265,010. Within this total \$44,642 is restricted by specific legal requirements (such as by debt covenants), \$806 is nonspendable for prepaid items and \$165,096 has been committed and assigned to specific types of expenditures. The remaining \$54,413 is an unassigned fund balance in the General Fund and can be used for any lawful purpose.
- The City's long-term liabilities decreased by \$(6,544) due primarily to the elimination of the City's net pension liability due to strong investment returns, netted against an increase in OPEB liabilities and the sale of bonds.

CITY OF CARROLLTON, TEXAS

Management's Discussion and Analysis
For the Year Ended September 30, [2021](#)

Amounts in Thousands Unless Stated Otherwise
(Unaudited)

- In addition to receiving over \$6.7 million in American Rescue Plan (ARP) Act funding and Coronavirus Aid, Relief and Economic Security (CARES) Act funding, the City has continued to see growth in property tax and sales tax revenues. The Economic Factors and Next Year's Budget section on the last page of this discussion provide additional information on the subject.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) required supplementary information which includes this management's discussion and analysis and multi-year funding progress on the City's pension plan and retiree health plan. In addition to the basic financial statements, this report also contains other supplementary information as listed in the Table of Contents.

Government-wide financial statements – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to private-sector business.

The Statement of Net Position presents information on all the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, public safety, development services, and cultural recreation. The business-type activities of the City include Water and Sewer, Golf Course and Sanitation operations. The government-wide financial statements can be found on pages 19-20 of this report.

Fund financial statements – A fund is a self-balancing set of accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal

CITY OF CARROLLTON, TEXAS

Management's Discussion and Analysis
For the Year Ended September 30, 2021

Amounts in Thousands Unless Stated Otherwise
(Unaudited)

requirements. Funds are also the primary focus of the annual budget process. All of the funds of the City can be divided into two categories – governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Nonfinancial assets such as governmental buildings, roads, drainage ways, park land and long-term liabilities such as bonds payable or long-term liabilities that will not be paid with current assets are excluded. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Debt Service, Streets and Drainage, and General and Public Facilities funds, all of which are considered to be major funds. Data from the other eight funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the Annual Comprehensive Financial Report. The basic governmental funds financial statements can be found on pages 21-25.

Proprietary Funds – The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, golf and sanitation operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for its fleet services, risk management and employee health and disability programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within government-wide financial statements.

CITY OF CARROLLTON, TEXAS

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(Unaudited)

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer, Golf Course, and Sanitation funds, since all are considered major funds of the City. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for internal service funds is provided in the form of combining statements elsewhere in the Annual Comprehensive Financial Report. The basic proprietary fund financial statements can be found on pages 26-29 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-65.

Other Information – In addition to the basic financial statements, information required by the Governmental Accounting Standards Board is included herein, including this discussion and analysis and information concerning the City's progress in funding its obligation to provide pension and retiree health benefits to its employees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position, and, especially net position by category, may serve over time as a useful indicator of a government's financial position. The City's net position was \$652,188 as of September 30, 2021.

The largest portion of the City's net position \$396,008 (60.7%) reflects its investments in capital assets (e.g., land, building, equipment, improvements and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending, and with exception of business type assets, do not generate direct revenue for the City. They do represent, however, an obligation on the part of the City to maintain these assets into the future. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position of \$12,494 (1.9%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of \$243,686 (37.4%) may be used to meet the government's ongoing obligations to citizens and creditors.

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(Unaudited)

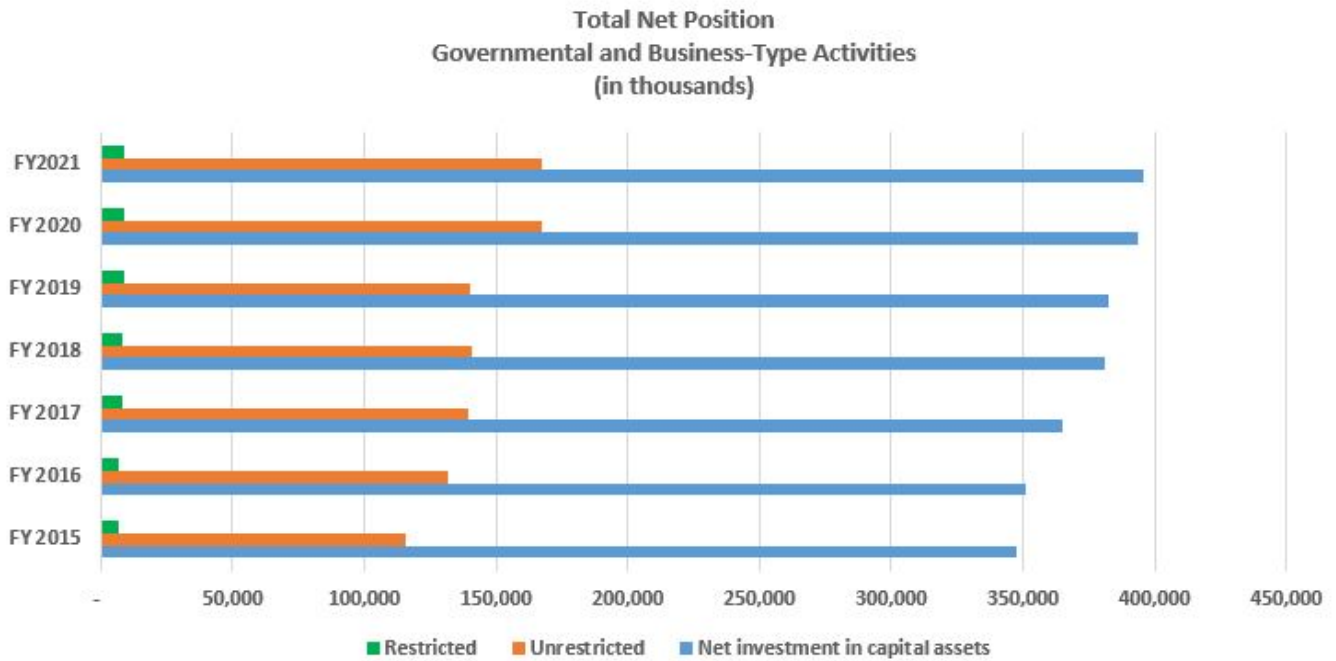
CITY OF CARROLLTON'S NET POSITION						
(Amounts in Thousands)						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2020	2021	2020	2021	2020	2021
Current and other assets	\$ 278,398	\$ 314,725	\$ 48,418	\$ 48,974	\$ 326,816	\$ 363,698
Capital assets, net	458,428	460,878	120,184	123,228	578,612	584,105
Total Assets	<u>736,826</u>	<u>775,603</u>	<u>168,602</u>	<u>172,202</u>	<u>905,428</u>	<u>947,803</u>
Deferred outflows of resources	7,248	7,280	319	302	7,567	7,582
Long-term liabilities	256,607	252,191	13,856	11,728	\$ 270,463	\$ 263,919
Other liabilities	17,218	17,104	7,533	7,931	24,751	25,034
Total Liabilities	<u>273,825</u>	<u>269,295</u>	<u>21,389</u>	<u>19,659</u>	<u>295,214</u>	<u>288,953</u>
Deferred inflows of resources	14,467	13,671	572	575	15,039	14,245
Net Position:						
Net investment in capital assets	288,355	285,331	113,405	110,677	401,761	396,008
Restricted	9,467	11,507	1,070	987	10,537	12,494
Unrestricted	157,960	203,080	32,485	40,606	190,445	243,686
Total Net Position	<u>\$ 455,781</u>	<u>\$ 499,918</u>	<u>\$ 146,960</u>	<u>\$ 152,270</u>	<u>\$ 602,742</u>	<u>\$ 652,188</u>

As of September 30, 2021, the City has positive balances in all three categories of net position: both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

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The current and other assets increased in the Governmental activities by \$36,327 and increased in the Business-type activities by \$556. Increase in the Governmental activities assets is primarily due to unspent proceeds from issuance of debt and accumulation of other funds for future capital purchases. The current and other assets in Business-type activities remained flat.

The City’s long-term liabilities decreased by \$(6,544) due primarily to the decrease in pension liabilities partially offset by an increase in total OPEB liability and by the issuance of bonds for capital improvement .

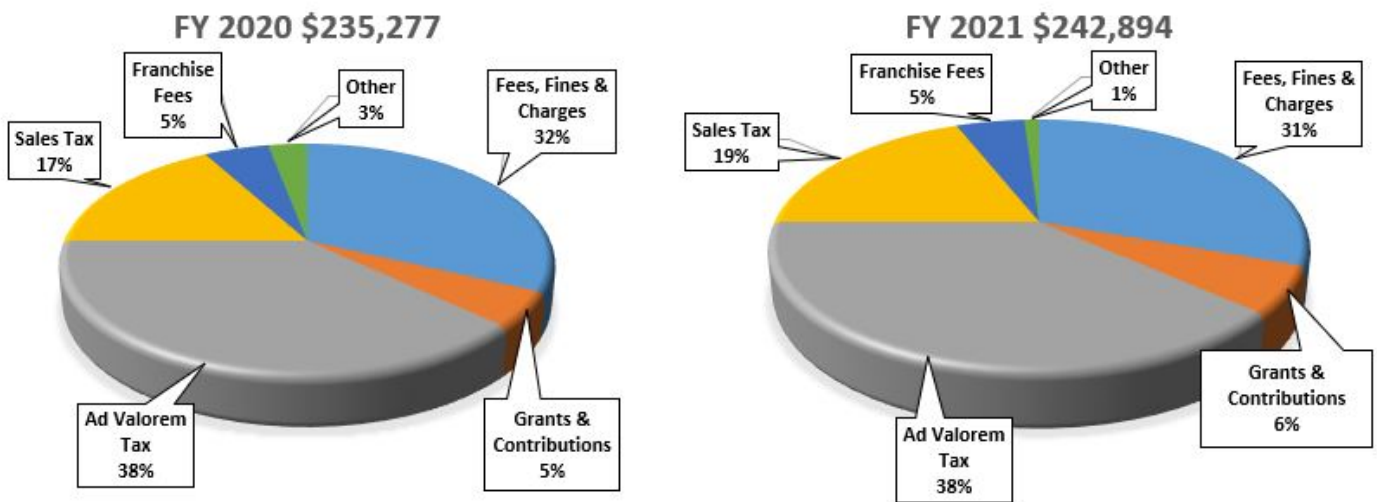
Analysis of the City’s Operations – Overall the City had an increase in net position of \$49,446 or 8.2%.

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**Changes in Net Position
Revenue by Major Category
Governmental and Business-Type Activities**



Governmental Activities: Governmental activities net position increased by \$44,137. Net investment in capital assets decreased by \$(3,024) or (1.05)%. Restricted net position increased \$2,040 or 21.55%. Unrestricted net position increased by \$45,120 or 28.56%.

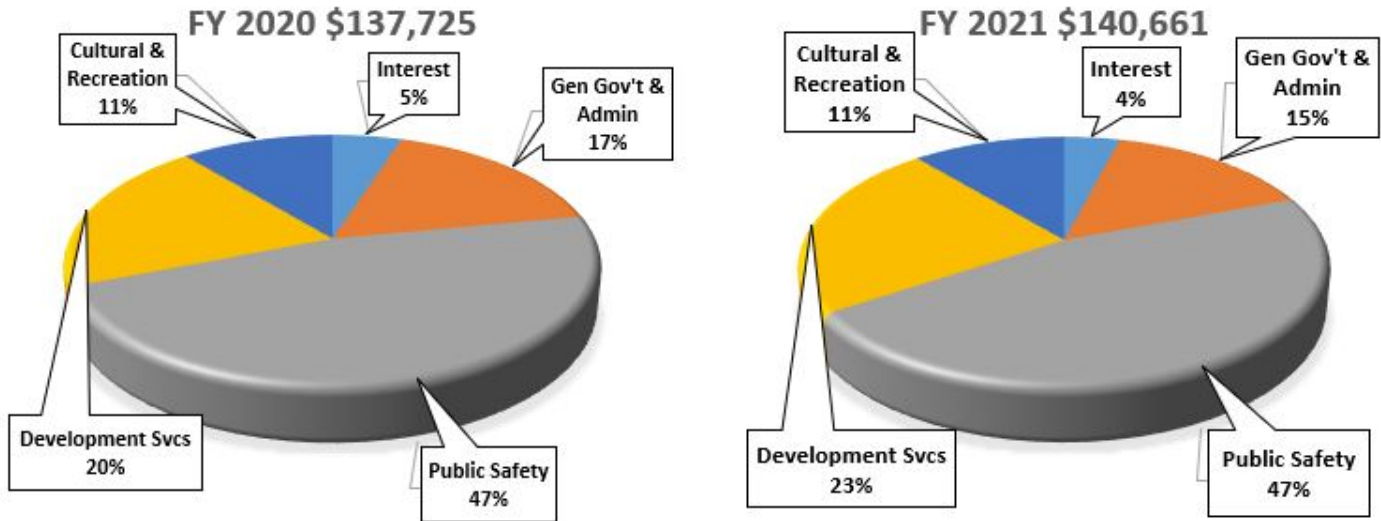
Excluding transfers from business-type activities, total revenues for governmental activities increased from the previous year by \$5,477. General revenue (excluding transfers) had a net increase of \$6,293 or 4.28%. Ad valorem tax experienced an increase of \$4,036 due to growth in assessed valuations from both new construction and increases in existing values. Additionally, a increase was seen in sales taxes of \$6,155. Other general revenues decreased by \$(3,898), primarily due to a decrease in occupancy taxes and in investment income. Program revenues had a net decrease of \$(816) primarily due to a decrease in capital grants and contributions and a decrease in fees, fines and charges for services related to COVID 19. Net transfers from the business-type activities to governmental activities increased by \$1,083 from the previous year.

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**Expenses by Type
Governmental Activities**



Total expenses for governmental activities increased \$2,936 or 2.13% primarily due to increases in Development Services expenses.

Business-type Activities: Net position from business-type activities increased by \$5,310 or 3.61% from \$146,960 to \$152,270. Net investment in capital assets decreased by \$(2,728) or (2.41)%. Restricted net position decreased by \$(83) or (7.78)%. Program revenues for business-type activities increased by \$2,576 due to increased water utilization and increases in sanitation rates and an increase in developer contributions.

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The following table provides a summary of the City’s operations for year ended September 30, 2021 with comparative totals for year ended September 30, 2020

CITY OF CARROLLTON'S CHANGES IN NET POSITION

(Amounts in Thousands)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>
Revenues						
Program Revenues:						
Fees, Fines, and Charges for Services	\$ 14,169	\$ 13,383	\$ 60,729	\$ 60,833	\$ 74,898	\$ 74,216
Operating Grants and Contributions	9,301	8,551	-	-	9,301	8,551
Capital Grants and Contributions	2,336	3,056	727	3,200	3,063	6,255
General Revenues:						
Ad Valorem Taxes	89,122	93,158	-	-	89,122	93,158
Sales Tax	40,033	46,188	-	-	40,033	46,188
Occupancy Tax	212	123	-	-	212	123
Franchise Fees	12,098	11,914	-	-	12,098	11,914
Investment Earnings:						
Net of change in fair value of investments	4,252	921	707	104	4,959	1,025
Gain on Sale of Capital Assets	328	-	18	99	346	99
Miscellaneous	892	926	353	438	1,245	1,364
Total Revenues	\$ 172,743	\$ 178,220	\$ 62,534	\$ 64,674	\$ 235,277	\$ 242,894
Expenses						
General Government and Administration						
Administration	\$ 22,838	\$ 21,796	\$ -	\$ -	\$ 22,838	\$ 21,796
Public Safety	66,626	64,935	-	-	66,626	64,935
Development Services	27,137	32,895	-	-	27,137	32,895
Cultural and Recreational	14,859	15,110	-	-	14,859	15,110
Interest on Long-Term Debt	6,265	5,924	-	-	6,265	5,924
Water and Sewer	-	-	41,908	42,277	41,908	42,277
Golf	-	-	2,205	845	2,205	845
Sanitation	-	-	9,269	9,664	9,269	9,664
Total Expenses	137,725	140,661	53,382	52,787	191,107	193,447
Increase in Net Position before Transfers						
Transfers	35,018	37,559	9,152	11,887	44,170	49,446
Transfers	5,495	6,578	(5,495)	(6,578)	-	-
Increase in Net Position	40,512	44,136	3,656	5,309	44,169	49,446
Net Position October 1	415,269	455,781	143,304	146,961	558,573	602,742
Net Position September 30	\$ 455,781	\$ 499,917	\$ 146,960	\$ 152,270	\$ 602,742	\$ 652,188

CITY OF CARROLLTON, TEXAS

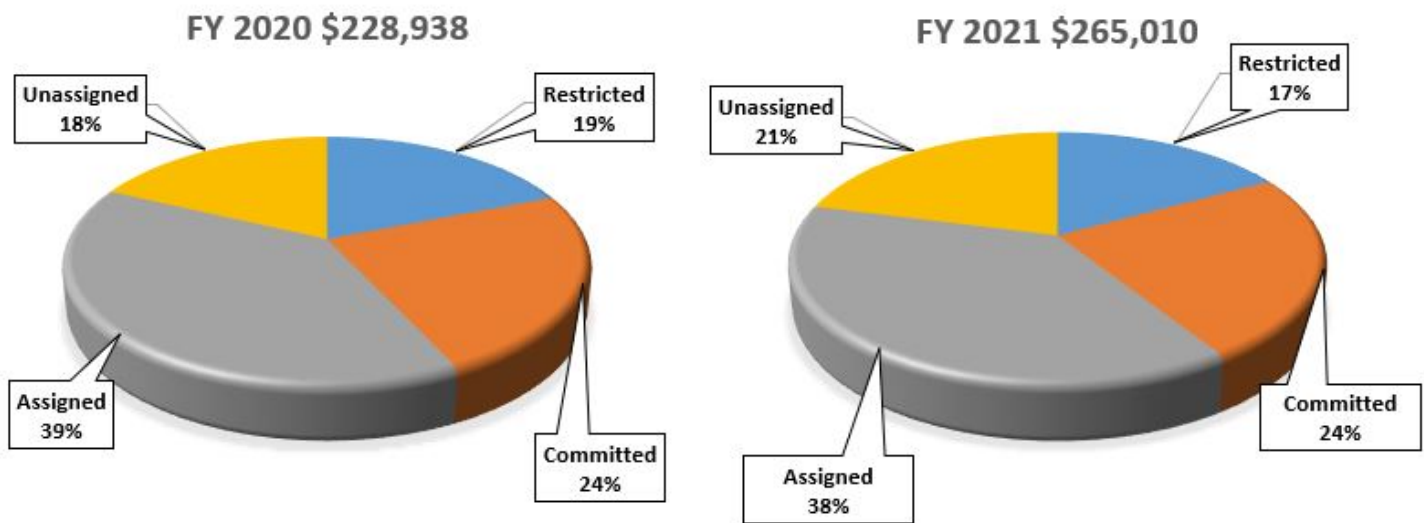
Management’s Discussion and Analysis
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FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

Governmental funds – The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending in the next fiscal year.

**Fund Balances by Type
Governmental Activities**



At the end of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$265,010. Within this total, \$44,641 is restricted by specific legal requirements, such as by debt covenants, \$860 for prepaid expenditures, and \$165,096 has been committed and assigned to specific types of expenditure. The remaining \$54,413 is unassigned fund balance in the General Fund and can be used for any lawful purpose.

One of the City’s financial policies is to maintain fund balance in the General Fund equal to 60 days expenditures. When those balances significantly exceed the 60-day target, the excess is transferred to capital project funds to fund pay-as-you-go capital expenditures. During the year, the City experienced a growth in sales tax revenue, the General Fund’s second largest revenue. The nature of sales tax in Texas is discussed in

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note 6 on pages 50-51 of this report. In order to manage this volatile revenue source, the city council adopted a financial policy to transfer sales tax received in excess of the amount budgeted for recurring purposes to capital projects funds to be used for one-time capital expenditures. The fund balance exceeding the City's financial policy of 60 days will be addressed during the fiscal year 2022 budget deliberations. Additionally, the City received over \$6.7 million in ARPA funding for lost revenue recognition that it used to reimburse firefighter salaries. This significantly improved the fund balance of the General Fund.

Debt service fund balance decreased in 2021 by \$(40). Streets and Drainage Capital Projects fund balance increased by \$6,367 primarily due to the issuance of general obligation bonds and the receipt of transfers in from other funds offset by capital outlay expenditures. The General and Public Facilities Capital Projects fund balance increased by \$8,397 primarily due to capital outlay expenditures offset by the receipt of net transfers in from other funds.

Proprietary funds – The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the respective enterprise funds is \$39,056 for Water and Sewer, \$1,026 for Golf Course, and \$360 for Sanitation. The total of all enterprise funds' unrestricted net position of \$40,442 is decreased by \$164 for the consolidation of the internal service fund activities related to enterprise funds to equal the total unrestricted net position for business-type activities in the entity-wide statements of \$40,606. Change in net position for enterprise funds in 2021 were \$5,272 in the Water and Sewer Fund, \$(60) in the Golf Course Fund and \$46 in the Sanitation Fund.

General Fund Budgetary Highlights – Actual revenues collected exceeded management's original estimate of the General Fund's revenues by \$20,393 or 17.19% due primarily to the Property Tax, Sales Tax and ARPA funding. Additionally, expenditures were significantly less than budget due to reductions in personnel costs.

PENSIONS AND RETIREE HEALTHCARE

Pensions and retiree health care continue to receive negative media attention as governments around the nation struggle to fund these commitments. The City is committed to providing programs in these areas that are fair to both employees and taxpayers and that can be sustained over the long term.

Effective for fiscal year 2015, Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions," an amendment of GASB Statement No. 27, created specific reporting requirements for pensions that are different than that used for funding purposes. Both valuations are important as the reporting valuation provides a rigorous uniform measure that can be used to compare the City's pension liabilities to other governments from around the nation. The funding valuation is important as the actuarial methods used (including strategies for repaying any unfunded actuarial accrued liabilities) combined with the

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City's history of making those contributions provides insights regarding the city's commitment to and the effectiveness of its funding strategy. Information contained in the financial statements themselves, including the first schedule of Required Supplementary Information (RSI), Schedule of Changes in Net Pension Liability and Related Ratios, is based on the reporting valuation. The second schedule in the RSI, Schedule of Contributions, is based on the funding valuation. On a reporting basis, the City's financial statements reflect a Net pensions Asset (NPA) as of September 30, 2021 of \$(444) which is (0.70)% of the City's annual covered payroll of \$63,066. The NPL decreased by \$7,938 from the previous year primarily due to higher than expected investment return and became a NPA. The sizable amount of fiduciary net position invested for the City by TMRS combined with the natural volatility of investment returns from year to year make both the NPL and pension expense volatile.

While the defined benefit portion of the City's retiree health program is closed to new participants, and had 41 total participants as of the actuarial valuation rate, the TOL recorded as of September 30, 2021 is \$18,320. This amount represents a increase of from the previous year due primarily to a change of assumptions. The significant liability is due to catastrophic claims experienced from retirees.

CAPITAL ASSETS

The City's investment in capital assets net of accumulated depreciation for its governmental and business-type activities as of September 30, 2021, amounts to \$584,105 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, intangibles, improvements, and infrastructure and

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construction in progress. The total increase in the City’s investment in capital assets, net of accumulated depreciation, for the current fiscal year was 0.95% (0.53% increase for governmental activities and 2.53% increase in business-type activities.) Accurately estimating useful lives for purposes of depreciation can be difficult particularly for infrastructure. During fiscal year 2022 the City will be reviewing infrastructure useful lives for both governmental and business type activities.

Capital Assets at Year-End Net of Accumulated Depreciation						
	<u>Governmental Activities</u>		<u>Business-Type Activites</u>		<u>Total</u>	
	2020	2021	2020	2021	2020	2021
Land	\$ 102,489	\$ 100,125	\$ 2,378	\$ 2,378	\$ 104,867	\$ 102,503
Buildings	38,548	36,089	2,466	2,166	41,013	38,255
Equipment	22,907	19,863	3,684	3,102	26,590	22,965
Intangibles	2,742	3,600	59	49	2,801	3,649
Improvements	32,831	32,494	4,304	3,814	37,136	36,308
Infrastructure	255,327	267,180	107,087	107,560	362,414	374,740
Construction in Progress	3,584	1,528	206	4,158	3,790	5,686
Total	<u>\$ 458,428</u>	<u>\$ 460,878</u>	<u>\$ 120,184</u>	<u>\$ 123,228</u>	<u>\$ 578,611</u>	<u>\$ 584,105</u>

Major capital asset events during the current fiscal year included the following:

- Acquisition of vehicles and equipment totaling \$3.59 million, including \$1.4 million of public safety equipment, vehicles and intangibles and \$600 thousand of public works equipment. The public safety equipment included \$1.1 million for the purchase and implementation of the Law Enforcement Management System (LEMS).
- Parks and recreation improvements totaling \$1.7 million including \$690,000 for Trails and \$546 thousand for Josey Ranch, Harold Bessire, RE Good Playground and other Parks improvements.
- Water and sewer system infrastructure improvements totaling \$3.01 million, including \$1.04 million for Golden Bear Pump Station and \$824 thousand for the Northcrest Estates Water & Sewer.
- Street and Alley Improvements of \$18.9 million, including \$3.7 million in Northcrest Estates, \$2.7 million in Residential Street replacement, \$1.3 million in Woodlake 3 Alleys, \$1.2 million in Neighborhood Improvement Programs, and \$1.1 million in Green Ridge and Myerwood improvements.
- Drainage Improvements of \$1.5 million including \$838 thousand in developer contributions for South Broadway and \$681 thousand for Indian Creek Improvements.

Additional information on the City’s capital assets can be found in note 4 on pages 44-45 of this report.

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DEBT ADMINISTRATION

At the end of the current fiscal year, the City had a total bonded debt of \$215,782 including unamortized premiums. Of this amount, \$204,518 comprises bonded debt backed by the full faith and credit of the government, and \$11,264 represents bonds secured solely by water and sewer revenues.

	<u>Outstanding Debt at Year End</u>					
	<u>Bonds Payable</u>					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2020	2021	2020	2021	2020	2021
General Obligation Bonds	\$ 200,505	\$ 204,518	\$ -	\$ -	\$ 200,505	\$ 204,518
Revenue Bonds	-	-	13,130	11,264	13,130	11,264
Total	\$ 200,505	\$ 204,518	\$ 13,130	\$ 11,264	\$ 213,635	\$ 215,782

During the fiscal year, the City’s total debt increased by \$2,147 or 1.00% due to issuance of \$21,306 (including premium) of a new General Obligation Bond new money issue offset by existing debt retirements of \$17,292 and revenue bond retirements of \$1,866.

As a water distribution and sewer collection utility, the City does not have any debt outstanding related to water and sewer treatment. However, it does have long-term contracts with its regional suppliers that have outstanding debt related to the provision of these services. Table 14, “Direct and Contractually Obligated - Property Tax and Revenue Debt,” found on page 131, lists the City’s pro-rata share of debt that is contractually obligated.

The City's General Obligation and Waterworks and Sewer System Revenue Bond ratings are listed below.

	Standard & Poor’s	Fitch
General Obligation Bonds	AAA	AAA
Revenue Bonds	AAA	AAA

Additional information on the City’s long term-debt can be found in note 5 on pages 45-48 of this report.

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ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

In the fiscal year 2022 Budget, General Fund revenues are budgeted to increase by 4.17% from the fiscal year 2021 final budget with ad valorem taxes making up 54.59% of General Fund budgeted revenues. The certified assessed values for the City increased by 4.95% for the fiscal year 2022 budget, and included over \$234 million in value as a result of new construction. The City Council reduced the tax rate by 0.8% and maintains the ability to use an unused tax increment in the next two years which would allow it to raise the tax rate over the 3.5% cap without requiring an election.

Sales taxes recovered from previous negative impacts. The State of Texas proposed a new adopted rule change that could impact the amount of sales tax that the city could receive from its local businesses. The city reduced its Sales and Use Tax budget to accommodate for this potential decrease. The City's golf course, library, and recreational facilities were open during 2021 resulting in higher revenues which are expected to continue in 2022.

The City continues to develop commercially and recently broke ground on the new Trinity Mills Station Urban Development site that will host an additional transit rail station, office building and mixed use residential buildings. The city also maintains a strong warehouse district that continues to be rented at capacity due to the close proximity to the airport, major highways and the railway.

For the second year in a row, the Water and Sewer Operating Fund has not needed a rate increase due to a net surplus of fund balance generated by a strong fourth quarter.

REQUEST FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Department of Finance, Attn: Finance Director, at P.O. Box 110535, Carrollton, Texas 75011-0535, e-mail at Accounting@cityofcarrollton.com or call (972) 466-3110.

CITY OF CARROLLTON, TEXAS

Government-Wide Statement of Net Position
September 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash, cash equivalents, and investments	\$ 233,993,282	\$ 36,547,583	\$ 270,540,865
Receivables (net of allowance for doubtful accounts):			
Ad valorem taxes	125,911	-	125,911
Sales taxes	8,045,079	-	8,045,079
Franchise fees	3,102,264	-	3,102,264
Accounts	-	6,750,362	6,750,362
Accrued interest	625,269	153,290	778,559
Other	2,217,991	120,584	2,338,575
Public Improvement District assessment	11,184,546	-	11,184,546
Due from other governments	654,699	-	654,699
Internal balances	(163,972)	163,972	-
Inventories	80,643	-	80,643
Prepays items	1,076,759	-	1,076,759
Pension asset	348,074	95,586	443,660
Equity interest in joint venture	2,257,389	-	2,257,389
Land held for redevelopment	3,680,484	-	3,680,484
Restricted assets:			
Cash, cash equivalents, and investments	47,496,820	5,142,684	52,639,504
Capital assets:			
Land	100,124,774	2,377,918	102,502,692
Buildings	89,821,519	19,998,757	109,820,276
Equipment	53,981,026	9,362,713	63,343,739
Intangibles	10,716,124	828,392	11,544,516
Improvements	58,110,468	16,169,676	74,280,144
Infrastructure	391,614,137	258,743,673	650,357,810
Construction in progress	1,527,705	4,157,999	5,685,704
Accumulated depreciation	(245,018,017)	(188,411,538)	(433,429,555)
Total assets	775,602,974	172,201,651	947,804,625
Deferred outflows of resources			
Deferred charges on refundings	219,654	36,999	256,653
OPEB contributions after measurement date	198,150	-	198,150
Changes in OPEB assumptions	801,690	-	801,690
Difference in expected and actual OPEB experience	105,588	-	105,588
Pension contributions after measurement date	5,955,230	264,982	6,220,212
Total deferred outflows of resources	7,280,312	301,981	7,582,293
Liabilities			
Accounts payable	12,750,004	4,657,576	17,407,580
Accrued interest	1,003,855	164,375	1,168,230
Unearned income	3,349,764	-	3,349,764
Customer deposits payable	-	3,108,668	3,108,668
Noncurrent liabilities:			
Due within one year	19,540,714	2,049,451	21,590,165
Due in more than one year	232,650,604	9,678,936	242,329,540
Total liabilities	269,294,941	19,659,006	288,953,947
Deferred inflows of resources			
Difference in expected and actual pension experience	1,611,350	75,168	1,686,518
Pension investment return difference	12,018,218	497,613	12,515,831
Changes in actuarial assumptions used to determine pension liability	41,072	1,975	43,047
Total deferred inflows of resources	13,670,640	574,756	14,245,396
Net position			
Net investment in capital assets	285,331,250	110,676,871	396,008,121
Restricted for:			
Debt service	5,391,089	986,773	6,377,862
Capital projects	3,467,743	-	3,467,743
Special revenue, public safety	2,648,142	-	2,648,142
Unrestricted	203,079,481	40,606,226	243,685,707
Total net position	\$ 499,917,705	\$ 152,269,870	\$ 652,187,575

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Government-Wide Statement of Activities
For the Year Ended September 30, 2021

Program Activities	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government and administration	\$ 21,796,441	\$ 209,167	\$ 6,721,453	\$ -	\$ (14,865,821)	\$ -	\$ (14,865,821)
Public safety	64,935,344	8,663,179	53,265	5,000	(56,213,900)	-	(56,213,900)
Development services	32,895,331	2,273,936	1,776,220	3,050,845	(25,794,330)	-	(25,794,330)
Cultural and recreational	15,110,009	2,236,900	-	-	(12,873,109)	-	(12,873,109)
Interest and fiscal charges	5,924,098	-	-	-	(5,924,098)	-	(5,924,098)
Total governmental activities	140,661,223	13,383,182	8,550,938	3,055,845	(115,671,258)	-	(115,671,258)
Business-type activities:							
Water and Sewer	42,277,481	48,800,443	-	3,199,625	-	9,722,587	9,722,587
Golf	844,841	479,789	-	-	-	(365,052)	(365,052)
Sanitation	9,664,433	11,552,462	-	-	-	1,888,029	1,888,029
Total business-type activities	52,786,755	60,832,694	-	3,199,625	-	11,245,564	11,245,564
Total government	\$ 193,447,978	\$ 74,215,876	\$ 8,550,938	\$ 6,255,470	(115,671,258)	11,245,564	(104,425,694)
General revenues:							
Taxes:							
Ad valorem					93,158,498	-	93,158,498
Sales					46,187,884	-	46,187,884
Occupancy					122,512	-	122,512
Franchise fees based upon gross receipts					11,914,107	-	11,914,107
Investment earnings net of change in fair value of investments					921,062	103,944	1,025,006
Gain on sale of capital assets					-	99,209	99,209
Miscellaneous					926,010	438,352	1,364,362
Transfers					6,577,638	(6,577,638)	-
					159,807,711	(5,936,133)	153,871,578
					44,136,453	5,309,431	49,445,884
					455,781,252	146,960,439	602,741,691
					\$ 499,917,705	\$ 152,269,870	\$ 652,187,575

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Balance Sheet
 Governmental Funds
 September 30, 2021

	General	Debt Service	Streets and Drainage	General and Public Facilities	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 47,988,480	\$ 5,496,234	\$ 103,419,385	\$ 54,091,589	\$ 49,913,268	\$ 260,908,956
Receivables (net, where applicable, of allowance for doubtful accounts):						
Ad valorem taxes	88,915	36,996	-	-	-	125,911
Sales taxes	8,045,079	-	-	-	-	8,045,079
Franchise fees	3,102,264	-	-	-	-	3,102,264
Accrued interest	54,935	13,070	260,760	119,704	122,454	570,923
Other	2,187,186	-	-	30,805	-	2,217,991
Due from other governments	49,900	-	-	-	604,799	654,699
Prepaid items	860,066	-	-	-	96,326	956,392
Land held for redevelopment	-	-	-	3,680,484	-	3,680,484
Total assets	\$ 62,376,825	\$ 5,546,300	\$ 103,680,145	\$ 57,922,582	\$ 50,736,847	\$ 280,262,699
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 5,756,537	\$ 155,210	\$ 2,873,483	\$ 1,126,584	\$ 665,482	\$ 10,577,296
Unearned revenue	22,126	-	72,000	3,067,199	188,439	3,349,764
Total liabilities	5,778,663	155,210	2,945,483	4,193,783	853,921	13,927,060
Deferred inflows of resources						
Unavailable revenue	1,325,350	-	-	-	-	1,325,350
Total deferred inflows of resources	1,325,350	-	-	-	-	1,325,350
Fund balances:						
Nonspendable for:						
Prepaid items	860,066	-	-	-	-	860,066
Restricted for:						
Debt service	-	5,391,090	-	-	-	5,391,090
Streets and drainage	-	-	28,346,663	-	-	28,346,663
Public facilities	-	-	-	2,114,201	-	2,114,201
Other capital projects	-	-	-	-	6,149,025	6,149,025
Other purposes	-	-	-	-	2,640,871	2,640,871
Committed to:						
Street rehabilitation	-	-	43,090,080	-	-	43,090,080
Capital projects	-	-	-	-	20,558,077	20,558,077
Assigned to:						
Streets and drainage	-	-	29,297,919	-	-	29,297,919
Public facilities	-	-	-	51,614,598	-	51,614,598
Other capital projects	-	-	-	-	19,478,671	19,478,671
Other purposes	-	-	-	-	1,056,282	1,056,282
Unassigned	54,412,746	-	-	-	-	54,412,746
Total fund balances	55,272,812	5,391,090	100,734,662	53,728,799	49,882,926	265,010,289
Total liabilities and fund balances	\$ 62,376,825	\$ 5,546,300	\$ 103,680,145	\$ 57,922,582	\$ 50,736,847	\$ 280,262,699

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position
September 30, 2021

Total fund balance - total governmental funds \$ 265,010,289

Amounts reported for governmental activities in the statement of net position are different because:

PID Assessment Receivable is not a current financial resource and therefore is not reported in governmental funds balance sheet. 11,184,546

Equity investment in Joint Venture is not a current financial resource and therefore is not reported in the governmental funds balance sheet. 2,257,389

Pension asset is not a current financial resource. 348,074

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. Includes capital assets of Internal Service Funds. 460,877,736

Deferred outflows of resources are not reported in the governmental funds:

Deferred charges on refundings	\$ 219,654	
Pension contributions after measurement date	5,955,230	
Difference in actual OPEB experience	105,588	
OPEB assumption change	801,690	
OPEB contributions after measurement date	198,150	
		7,280,312

Internal service funds are used by management to charge the cost of certain activities, such as insurance and fleet management, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net position (net of amount allocated to business-type activities, capital assets, and long-term liabilities). Internal Service Fund balances are not included in other reconciling items.

Current assets	\$ 20,836,502	
Accounts payable	(2,172,708)	
Net amount allocated to business-type activities	(163,972)	18,499,822

Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet. (1,003,855)

Long-term liabilities are not due and payable in the current period, therefore, they are not reported in the governmental funds balance sheet. Includes Internal Service Funds' noncurrent liabilities.

Due within one year	\$ 19,540,714	
Due in more than one year	232,650,604	(252,191,318)

Deferred inflows for unearned revenue related to warrants are not reported in governmentwide statements. 1,325,350

Deferred inflows of resources are not reported in the governmental funds:

Difference in expected and actual pension experience	(1,611,350)	
Difference in pension investment returns	(12,018,218)	
Pension changes in assumptions	(41,072)	(13,670,640)

Net position of governmental activities \$ 499,917,705

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended September 30, 2021

	General	Debt Service	Streets and Drainage	General and Public Facilities	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes:						
Ad valorem	\$ 60,961,814	\$ 23,633,543	\$ 4,418,783	\$ -	\$ 3,782,242	\$ 92,796,382
Penalty and interest	308,595	53,521	-	-	-	362,116
Sales	46,187,884	-	-	-	-	46,187,884
911 fees	1,178,780	-	-	-	-	1,178,780
Occupancy	-	-	-	-	122,512	122,512
Franchise fees	11,668,365	-	-	245,742	-	11,914,107
Assessments	-	-	-	-	245,151	245,151
Charges for services	5,199,239	-	-	-	114,218	5,313,457
Intergovernmental	6,739,738	-	-	64,475	2,102,282	8,906,495
Licenses and permits	2,757,109	-	-	-	267,048	3,024,157
Fines and forfeitures	3,051,687	-	-	78,789	320,970	3,451,446
Investment earnings net of change in fair value of investments	403,197	4	206,923	81,428	99,726	791,278
PID assessment revenue	-	-	-	-	3,630,288	3,630,288
Miscellaneous	582,020	-	-	1,045,506	94,755	1,722,281
Total Revenues	139,038,428	23,687,068	4,625,706	1,515,940	10,779,192	179,646,334
Expenditures						
Current:						
General government and administration	19,666,339	-	-	-	-	19,666,339
Public safety	67,160,136	-	-	-	288,838	67,448,974
Development services	11,611,302	-	-	-	-	11,611,302
Cultural and recreational	12,228,224	-	-	-	58,298	12,286,522
PID Development Reimbursement	-	-	-	-	3,630,288	3,630,288
Capital outlay	-	-	17,950,685	11,949,794	4,478,794	34,379,273
Debt service:						
Principal retirement	-	15,390,000	-	-	-	15,390,000
Interest and fiscal charges	-	7,621,560	-	-	-	7,621,560
Total Expenditures	110,666,001	23,011,560	17,950,685	11,949,794	8,456,218	172,034,258
Excess (deficiency) of revenues over (under) expenditures	28,372,427	675,508	(13,324,979)	(10,433,854)	2,322,974	7,612,076
Other financing sources (uses):						
Bonds issued	-	7,646,436	12,968,564	1,000,000	3,400,000	25,015,000
Premium on bonds issued	-	-	4,697,762	-	-	4,697,762
Payment to refunded bond escrow agent	-	(8,362,131)	-	-	-	(8,362,131)
Sale of general capital assets	4,185	-	-	(288,085)	-	(283,900)
Transfers in	6,255,538	-	2,025,607	18,119,058	920,000	27,320,203
Transfers out	(19,927,058)	-	-	-	-	(19,927,058)
Total other financing sources (uses)	(13,667,335)	(715,695)	19,691,933	18,830,973	4,320,000	28,459,876
Net change in fund balances	14,705,092	(40,187)	6,366,954	8,397,119	6,642,974	36,071,952
Fund balances at beginning of year	40,567,720	5,431,277	94,367,708	45,331,680	43,239,952	228,938,337
Fund balances at end of year	\$ 55,272,812	\$ 5,391,090	\$ 100,734,662	\$ 53,728,799	\$ 49,882,926	\$ 265,010,289

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2021

Net change in fund balances - total governmental funds \$ 36,071,952

Amounts reported for governmental activities in the statement of activities are different because:

The City's share of net gain from investment in joint venture is not reflected in fund financial statements \$ 557,049

Revenue from court warrants for the City not recognized in fund financial statements on the modified accrual basis is recognized in the government-wide financial statements on the accrual basis 174,941

Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlay recorded as capital assets in the current period. 23,531,049

The net effect of various transactions involving capital assets

Capital contributions	\$ 2,700,288	
Asset retirements/disposals	<u>(2,401,041)</u>	299,247

Depreciation expense on capital assets is reported in the government-wide statement of activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds. (22,378,529)

The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bonds issued	\$ (25,015,000)	
Premium on bonds issued	(4,697,762)	
Bond principal retirement	15,390,000	
Payment to refunding bond escrow agent	8,362,131	
Change in accrued interest on Bonds Payable	(54,343)	
Amortization of bond premiums/discounts	1,902,210	
Amortization of deferred charges on refundings	<u>(150,404)</u>	(4,263,168)

Expenditures are recognized in the governmental funds when paid or due for items not normally paid with available financial resources. However, the Statement of Activities is presented on an accrual basis and expenses are reported when incurred. This amount is the net effect of these differences.

Compensated absences expenses	\$ (382,312)	
Pension costs & OPEB, net	<u>7,412,907</u>	7,030,595

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the internal service funds is reported with governmental activities net of amount allocated to business-type activities and depreciation expense.

Change in net position	\$ 922,007	
Net of amount allocated to business activities	(50,481)	
Depreciation expense	<u>2,241,791</u>	<u>3,113,317</u>

Change in net position of governmental activities \$ 44,136,453

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

General Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2021

	<u>Budgeted Amounts</u>		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
Revenues:						
Taxes:						
Ad valorem	\$ 56,464,827	\$ 63,051,962	\$ 60,961,814	\$ -	\$ 60,961,814	\$ (2,090,148)
Penalty and interest	300,000	300,000	308,595	-	308,595	8,595
Sales	36,219,838	39,085,993	46,187,884	-	46,187,884	7,101,891
911 fees	1,212,800	1,050,899	1,178,780	-	1,178,780	127,881
Franchise fees	10,793,109	11,123,762	11,668,365	-	11,668,365	544,603
Charges for services	5,641,262	5,131,982	5,199,239	-	5,199,239	67,257
Intergovernmental	-	-	6,739,738	-	6,739,738	6,739,738
Licenses and permits	2,514,377	2,764,056	2,757,109	-	2,757,109	(6,947)
Fines and forfeitures	3,974,284	3,284,754	3,051,687	-	3,051,687	(233,067)
Investment earnings						
Net of change in fair value of investments	994,389	680,959	403,197	(51,589)	351,608	(329,351)
Miscellaneous	531,000	651,668	582,020	-	582,020	(69,648)
Total revenues	118,645,886	127,126,035	139,038,428	(51,589)	138,986,839	11,860,804
Expenditures:						
Current:						
General government and administration	24,060,937	25,421,875	19,666,339	46,739	19,713,078	5,708,797
Public safety	66,936,574	68,453,132	67,160,136	33,242	67,193,378	1,259,754
Development services	13,559,493	12,722,535	11,611,302	(2,250)	11,609,052	1,113,483
Cultural and recreational	13,977,909	13,795,682	12,228,224	(29,568)	12,198,656	1,597,026
Total expenditures	118,534,913	120,393,224	110,666,001	48,163	110,714,164	9,679,060
Excess (deficiency) of revenues over (under) expenditures	110,973	6,732,811	28,372,427	(99,752)	28,272,675	21,539,864
Other financing sources (uses):						
Sale of general capital assets	-	-	4,185	-	4,185	4,185
Transfers in	3,008,092	4,866,502	6,255,538	-	6,255,538	1,389,036
Transfers out	(15,960,111)	(13,380,347)	(19,927,058)	-	(19,927,058)	(6,546,711)
Total other financing sources (uses)	(12,952,019)	(8,513,845)	(13,667,335)	-	(13,667,335)	(5,153,490)
Net change in fund balances	(12,841,046)	(1,781,034)	14,705,092	(99,752)	14,605,340	16,386,374
Fund balances at beginning of year	40,567,720	40,567,720	40,567,720	-	40,567,720	-
Fund balances at end of year	<u>\$ 27,726,674</u>	<u>\$ 38,786,686</u>	<u>\$ 55,272,812</u>	<u>\$ (99,752)</u>	<u>\$ 55,173,060</u>	<u>\$ 16,386,374</u>

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Statement of Net Position
 Proprietary Funds
 For the Year Ended September 30, 2021

	Business-Type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Water and Sewer	Golf Course	Sanitation	Total	
Assets					
Current Assets:					
Cash and cash equivalents	\$ 34,686,140	\$ 914,373	\$ 947,070	\$ 36,547,583	\$ 20,581,146
Receivables (net where applicable of allowance for doubtful accounts)					
Accounts	5,495,061	-	1,255,301	6,750,362	-
Accrued interest	147,049	2,276	3,965	153,290	54,346
Other	-	120,584	-	120,584	-
Inventories	-	-	-	-	80,643
Prepaid items	-	-	-	-	120,367
Pension Asset	95,586	-	-	95,586	-
Restricted assets:					
Cash and cash equivalents	4,155,911	-	-	4,155,911	-
Total current assets	<u>44,579,747</u>	<u>1,037,233</u>	<u>2,206,336</u>	<u>47,823,316</u>	<u>20,836,502</u>
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	986,773	-	-	986,773	-
Capital assets:					
Land	1,382,918	995,000	-	2,377,918	-
Buildings	18,073,186	1,925,571	-	19,998,757	176,409
Equipment	6,481,579	1,420,831	1,460,303	9,362,713	24,593,109
Intangibles	828,392	-	-	828,392	104,714
Improvements	-	16,169,676	-	16,169,676	-
Infrastructure	258,743,673	-	-	258,743,673	-
Construction in progress	4,157,999	-	-	4,157,999	-
Accumulated depreciation	(171,743,760)	(15,207,475)	(1,460,303)	(188,411,538)	(15,350,120)
Total capital assets, net of accumulated depreciation	<u>117,923,987</u>	<u>5,303,603</u>	<u>-</u>	<u>123,227,590</u>	<u>9,524,112</u>
Total noncurrent assets	<u>118,910,760</u>	<u>5,303,603</u>	<u>-</u>	<u>124,214,363</u>	<u>9,524,112</u>
Total assets	<u>163,490,507</u>	<u>6,340,836</u>	<u>2,206,336</u>	<u>172,037,679</u>	<u>30,360,614</u>
Deferred outflows of resources					
Deferred charges on refundings	36,999	-	-	36,999	-
Pension contributions after measurement date	264,982	-	-	264,982	-
Total deferred outflows of resources	<u>301,981</u>	<u>-</u>	<u>-</u>	<u>301,981</u>	<u>-</u>
Liabilities					
Current liabilities:					
Accounts payable	2,799,915	11,318	1,846,343	4,657,576	2,172,708
Estimated health claims payable	-	-	-	-	851,581
Customer deposits payable	3,108,668	-	-	3,108,668	-
Revenue bonds payable	1,944,790	-	-	1,944,790	-
Compensated absences	104,661	-	-	104,661	-
Accrued interest	164,375	-	-	164,375	-
Total current liabilities	<u>8,122,409</u>	<u>11,318</u>	<u>1,846,343</u>	<u>9,980,070</u>	<u>3,024,289</u>
Noncurrent liabilities:					
Revenue bonds payable	9,318,940	-	-	9,318,940	-
Compensated absences	359,996	-	-	359,996	46,761
Long-term risk liability	-	-	-	-	865,083
Total noncurrent liabilities	<u>9,678,936</u>	<u>-</u>	<u>-</u>	<u>9,678,936</u>	<u>911,844</u>
Total liabilities	<u>17,801,345</u>	<u>11,318</u>	<u>1,846,343</u>	<u>19,659,006</u>	<u>3,936,133</u>
Deferred inflows of resources					
Difference in expected and actual pension experience	75,168	-	-	75,168	-
Changes in actuarial assumptions used to determine pension liability	1,975	-	-	1,975	-
Net difference in projected and actual earnings on pension plan investments	497,613	-	-	497,613	-
	<u>574,756</u>	<u>-</u>	<u>-</u>	<u>574,756</u>	<u>-</u>
Net Position					
Net investment in capital assets	105,373,268	5,303,603	-	110,676,871	9,524,112
Restricted for:					
Revenue bond retirement	986,773	-	-	986,773	-
Unrestricted	39,056,346	1,025,915	359,993	40,442,254	16,900,369
Total net position	<u>\$ 145,416,387</u>	<u>\$ 6,329,518</u>	<u>\$ 359,993</u>	<u>\$ 152,105,898</u>	<u>\$ 26,424,481</u>
Reconciliation to government-wide statement of net position:					
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				163,972	
Net position of business-type activities				<u>\$ 152,269,870</u>	

CITY OF CARROLLTON, TEXAS

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 For the Year Ended September 30, 2021

	Business-Type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Water and Sewer	Golf Course	Sanitation	Total	
Operating revenues:					
Charges for services	\$ 48,800,547	\$ 580,383	\$ 11,552,462	\$ 60,933,392	\$ 21,544,592
Miscellaneous	337,653	-	-	337,653	-
Total operating revenues	<u>49,138,200</u>	<u>580,383</u>	<u>11,552,462</u>	<u>61,271,045</u>	<u>21,544,592</u>
Operating expenses:					
Personal services	3,765,284	-	-	3,765,284	1,009,771
Supplies and services	30,287,030	44,518	9,508,935	39,840,483	16,886,185
Utilities	885,921	122,132	-	1,008,053	34,153
Allocations	1,123,539	23,055	144,121	1,290,715	85,914
Depreciation	5,968,356	652,727	-	6,621,083	2,241,791
Total operating expenses	<u>42,030,130</u>	<u>842,432</u>	<u>9,653,056</u>	<u>52,525,618</u>	<u>20,257,814</u>
Income (loss) from operations	<u>7,108,070</u>	<u>(262,049)</u>	<u>1,899,406</u>	<u>8,745,427</u>	<u>1,286,778</u>
Nonoperating revenues (expenses):					
Investment earnings net of change in fair value of investments	96,755	2,448	4,741	103,944	40,546
Gain on sale/retirement of capital assets	99,209	-	-	99,209	410,190
Interest expense	(311,618)	-	-	(311,618)	-
Total nonoperating revenues (expenses)	<u>(115,654)</u>	<u>2,448</u>	<u>4,741</u>	<u>(108,465)</u>	<u>450,736</u>
Income/(Loss) before contributions and transfers	6,992,416	(259,601)	1,904,147	8,636,962	1,737,514
Capital contributions	3,199,625	-	-	3,199,625	-
Transfers in	-	200,000	-	200,000	-
Transfers out	<u>(4,919,956)</u>	<u>-</u>	<u>(1,857,681)</u>	<u>(6,777,637)</u>	<u>(815,507)</u>
Change in net position	5,272,085	(59,601)	46,466	5,258,950	922,007
Net position at beginning of year	<u>140,144,302</u>	<u>6,389,119</u>	<u>313,527</u>		<u>25,502,474</u>
Net position at end of year	<u>\$ 145,416,387</u>	<u>\$ 6,329,518</u>	<u>\$ 359,993</u>		<u>\$ 26,424,481</u>
Reconciliation to government-wide statement of activities:					
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				50,481	
Change in net position of business-type activities				<u>\$5,309,431</u>	

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended September 30, 2021

	Business -Type Activities- Enterprise Funds				Governmental Activities- Internal Service Funds
	Water and Sewer	Golf Course	Sanitation	Total	
Cash flows from operating activities:					
Cash received from customers for services	\$ 49,320,975	\$ 535,345	\$ 11,448,284	\$ 61,304,604	\$ -
Cash received from employees for services	-	-	-	-	2,128,815
Cash received from other funds for services	-	-	-	-	19,415,775
Cash received from loss claim recoveries	-	-	-	-	1,664,842
Other operating cash receipts	337,758	-	-	337,758	-
Cash payments to suppliers for goods and services	(31,133,657)	(166,337)	(9,100,703)	(40,400,697)	(6,224,646)
Cash payments to employees for services	(3,480,027)	-	-	(3,480,027)	(201,165)
Cash payment for loss claims	-	-	-	-	(12,873,009)
Cash payments to other funds for services	(1,872,916)	(23,055)	(109,027)	(2,004,998)	(103,079)
Net cash provided by operating activities	<u>13,172,133</u>	<u>345,953</u>	<u>2,238,554</u>	<u>15,756,640</u>	<u>3,807,533</u>
Cash flows from noncapital financing activities:					
Transfers from other funds	-	200,000	-	200,000	-
Transfers to other funds	(4,919,956)	-	(1,857,681)	(6,777,637)	(815,507)
Net cash provided by (used in) noncapital financing activities	<u>(4,919,956)</u>	<u>200,000</u>	<u>(1,857,681)</u>	<u>(6,577,637)</u>	<u>(815,507)</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(7,199,600)	(18,422)	-	(7,218,022)	(1,366,260)
Proceeds from sale of capital assets	99,209	-	-	99,209	413,254
Interest paid on bonds	(458,075)	-	-	(458,075)	-
Interest paid on intrafund loan	(27,869)	-	-	(27,869)	-
Retirement of bonds	(1,695,000)	-	-	(1,695,000)	-
Retirement of intrafund loan	(2,012,241)	-	-	(2,012,241)	-
Capital contributions	705,690	-	-	705,690	-
Net cash used by capital and related financing activities	<u>(10,587,886)</u>	<u>(18,422)</u>	<u>-</u>	<u>(10,606,308)</u>	<u>(953,006)</u>
Cash flows from investing activities:					
Interest on cash and cash equivalents	120,008	1,186	7,298	128,492	55,939
Net increase (decrease) in cash and cash equivalents	(2,215,701)	528,717	388,171	(1,298,813)	2,094,959
Cash and cash equivalents, October 1	42,044,525	385,656	558,899	42,989,080	18,486,187
Cash and cash equivalents, September 30	<u>\$ 39,828,824</u>	<u>\$ 914,373</u>	<u>\$ 947,070</u>	<u>\$ 41,690,267</u>	<u>\$ 20,581,146</u>

(Continued)

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended September 30, 2021

	Business -Type Activities- Enterprise Funds				Governmental Activities- Internal Service Funds
	Water and Sewer	Golf Course	Sanitation	Total	
Reconciliation of income (loss) from operations to net cash provided by operating activities:					
Income (loss) from operations	\$ 7,108,070	\$ (262,049)	\$ 1,899,406	\$ 8,745,427	\$ 1,286,778
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:					
Depreciation	5,968,356	652,727	-	6,621,083	2,241,791
Provision for doubtful accounts	89,923	-	35,092	125,015	-
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	303,473	-	(104,178)	199,295	-
(Increase) decrease in other receivables	-	(45,038)	-	(45,038)	-
(Increase) decrease in due from other governments	-	-	-	-	-
(Increase) decrease in inventories	-	-	-	-	(36,911)
(Increase) decrease in prepaid items	-	-	-	-	-
(Increase) decrease in pension related deferred outflows	(5,881)	-	-	(5,881)	-
Increase (decrease) in accounts payable	(64,286)	313	408,234	344,261	375,734
Increase (decrease) in estimated health claims payable	-	-	-	-	(175,819)
Increase (decrease) in customer deposits payable	127,033	-	-	127,033	-
Increase (decrease) in net pension liability	(338,164)	-	-	(338,164)	-
Increase (decrease) in liability for compensated absences	(18,999)	-	-	(18,999)	(1,215)
Increase (decrease) in long-term risk liability	-	-	-	-	117,175
Increase (decrease) in pension related deferred inflows	2,608	-	-	2,608	-
Net cash provided by (used in) operating activities	<u>\$ 13,172,133</u>	<u>\$ 345,953</u>	<u>\$ 2,238,554</u>	<u>\$ 15,756,640</u>	<u>\$ 3,807,533</u>
Noncash investing, capital and financing activities:					
During the past year, the Enterprise Funds received \$2,493,935 of noncash capital contributions from developers consisting of water and sewer infrastructure. Retainage payable as of 9/30/2021 equals \$532,161					
Reconciliation of total cash and cash equivalents:					
Current assets:					
Cash and cash equivalents	\$ 34,686,140	\$ 914,373	\$ 947,070	\$ 36,547,583	\$ 20,581,146
Restricted assets - cash and cash equivalents	4,155,911	-	-	4,155,911	-
Noncurrent assets:					
Restricted assets - cash and cash equivalents	986,773	-	-	986,773	-
Total cash and cash equivalents	<u>\$ 39,828,824</u>	<u>\$ 914,373</u>	<u>\$ 947,070</u>	<u>\$ 41,690,267</u>	<u>\$ 20,581,146</u>

(Concluded)

See accompanying notes to basic financial statements.



CARROLLTON
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CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. General Statement

Incorporated on June 14, 1913, the City of Carrollton operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, development services, culture, recreation and waterworks.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the City are described below.

B. Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including legally separate organizations as component units within the City's reporting entity are set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). Based on this criterion, the City has no component units.

C. Basis of Presentation

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the activities of the City. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges from the City's water, sewer and sanitation functions and various other functions. Elimination of these charges would distort the direct costs reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operation or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

Fund Financial Statements:

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following major governmental funds:

General Fund

General Fund is the main operation fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund.

Debt Service Fund

Debt Service Fund is used to account for the accumulation of financial resources for the payment of principal, interest, and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted exclusively for debt service expenditures.

Streets and Drainage Fund

Streets and Drainage Fund is used to account for funds received and expended for the construction and renovation of thoroughfares, arterial streets, and drainage improvements in the City.

General and Public Facilities Fund

General and Public Facilities Fund is used to account for funds received and expended for construction, renovation, expansion, and major improvement of various City facilities, acquisition of land, and other large nonrecurring projects.

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determination of net income, financial position, and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following major proprietary funds:

Water and Sewer Fund

Water and Sewer Fund is used to account for the provision of water and sewer services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and sewer system, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary, to ensure integrity of the funds.

Golf Course Fund

Golf Course Fund is used to account for payments received from the contractor and improvements made to the City's golf course; including administration, operation and maintenance. The City has designated it as a major fund.

Sanitation Fund

Sanitation Fund is used to account for billing, collection, and payment for solid waste collection and disposal services. All costs are financed through charges to sanitation customers. The City has designated it as a major fund.

Additionally, the City reports the Internal Service Funds, which are used to account for the fleet management services, self-funded property and casualty insurance provided to the departments of the City and self-funded health and disability insurance provided to employees of the City.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) and all deferred inflows and outflows of resources are included on the Statement of Net Position. The operating statements present increases (revenues) and decreases (expenses) in net unbilled water and sewer services, which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers most

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

revenues as available if they are collected within 45 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, except for interest payable accrued at the debt issuance date for which cash is received with the debt proceeds, as well as expenditures related to compensated absences, are recorded only when payment has matured and will be payable shortly after year-end.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income, intergovernmental revenues and court fines and fees. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received as they are deemed immaterial. Taxes, franchise fees, and court fines and fees are deemed available if they are collected within 45 days of the year end. Sales taxes are deemed available if they are collected within 60 days of the year end.

E. Budgetary Control

Annual budgets are adopted for all governmental funds except for the capital projects funds, which adopt project-length budgets.

The City Charter establishes the fiscal year as the twelve-month period beginning October 1. The departments submit to the City Manager a budget of estimated expenditures for the ensuing fiscal year after which the City Manager subsequently submits a budget of estimated expenditures and revenues to the City Council by August 1.

Upon receipt of the budget estimates, the Council holds a public hearing on the proposed budget. Information about the Budget ordinance is then published in the official newspaper of the City.

At least ten days prior to October 1, the budget is legally enacted through passage of an ordinance. The City Manager is authorized to transfer budgeted amounts between line items and department within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

Budgeted amounts are as originally adopted or as amended by the City Council. With the exception of the budget amendments related to COVID 19, individual amendments were not material in relation to the original appropriations, which were adopted. The statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund presents a comparison of budgetary data to actual results. The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results, except for the effect of encumbrances and unrealized investment gains and losses, which are adjusted to the actual results for this comparison.

F. Cash, Cash Equivalents, and Investments

Cash of all funds, including restricted cash, are pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

based upon relative equity at month end. An individual fund's equity in the pooled cash accounts is available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities not included in the common pooled accounts that are purchased with maturity of ninety days or less are also considered to be "cash equivalents". Negative balances incurred in pooled cash at year-end are treated as interfund receivable of the General fund and interfund payables of the deficit fund.

Investments in government pools are in government agencies and are recorded at amortized cost or NAV. All other investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

G. Interfund Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

H. Inventories

The inventories in the Internal Service Funds consist of fuel supplies and are recorded at cost using the first-in/first-out method.

I. Prepaid Items

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year.

J. Equity Interest in Joint Venture and Shared Radio System

During Fiscal year 2014, the Town of Addison, City of Carrollton, City of Coppell, and City of Farmers Branch (the "Cities") formed a joint venture, the North Texas Emergency Communications Center, Inc. (NTECC), to establish and operate a joint public safety dispatch center. The cities are responsible for funding capital and operating costs of NTECC. The City of Carrollton's equity interest in NTECC of \$2,257,389 as of September 30, 2021, is recorded as Equity Interest in Joint Venture in the Governmental Activities on the Government-wide Statement of Net Position. Audited financial statements for NTECC can be obtained from the Finance Department at 1945 E. Jackson Rd, Carrollton, TX 75006, by calling 972-466-3110 or by email at Accounting@cityofcarrollton.com.

Additionally, the Cities have also entered into an interlocal agreement to jointly procure a public safety radio system. While this agreement did not include the formation of a separate legal joint venture entity, NTECC has been contracted to manage all shared aspects of the radio system. The Cities are each responsible for funding a portion of the radio system. The City of Carrollton's portion of the system costs as of September 30, 2021 is included in the costs for the Dispatch center.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

K. Land Held for Redevelopment

Land held for redevelopment in the General and Public Facilities Capital Project Fund is valued at the lower of estimated realizable value or historical acquisition cost.

L. Restricted Assets

Certain cash and investments balances are restricted by various legal and contractual obligations.

The following table summarizes the restricted cash and investments:

Restricted Cash and Investments	
Governmental Activities:	
Debt Service Fund	\$ 5,496,234
Bond Construction Account	35,596,327
Other Capital Project Funds	3,467,745
Special Revenue Funds	2,936,514
	47,496,820
Business-Type Activities:	
Revenue Bond Accrued Interest Payable	164,375
Current Maturities of Revenue Bonds	729,167
Reserve for Revenue Bond Retirement	986,773
Customer Deposits	3,108,668
Unspent Bond Proceeds	153,701
	5,142,684
Total Restricted Cash and Investments	\$ 52,639,504

M. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All purchased capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Outlays for capital assets are capitalized as projects are constructed. Infrastructure assets begin depreciating at the end of year in which costs are incurred. Other constructed capital assets begin depreciating when the asset is placed in service.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

Assets capitalized, not including infrastructure assets, have an original cost of \$5,000 or more and over three years of useful life. Infrastructure assets capitalized have an original cost of \$250,000 or more. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	20 – 50 Years
Equipment	2.5 – 12 Years
Intangibles	4 – 20 Years
Improvements	10 – 40 Years
Infrastructure	20 – 40 Years

N. Pensions & OPEB

For purposes of measuring the net pension liability/(asset), pension-related deferred outflows and inflows of resources, and pension expense, City-specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS), and additions to/deductions from the City's Fiduciary Net Position, have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with GASB Codification Section P20 – Pension Activities.

For the purpose of measuring the total other post-employment benefits (OPEB) liability, OPEB-related deferred outflows and inflows of resources, and OPEB expense in the City's defined benefit health plan (Plan) have been determined on the same basis as they are reported by the plan. For this purpose, plan benefits are recognized when due and payable in accordance with the benefit terms. The City's Total OPEB Liability is obtained through a report prepared for the City by consulting actuary, Gabriel Roeder Smith & Company, in compliance with GASB Codification Section P50 - Post-employment Benefits Other than Pensions .

O. Compensated Absences

The City's policy allows employees to accumulate unused sick leave on an unlimited basis and vacation leave up to 432 hours for Fire Shift Civil Service employees and up to 288 hours for all other employees. Upon termination, employees are entitled to be paid for accumulated leave as follows:

Vacation Leave:

- Civil Service employees who have completed six full months of service and Non-Civil Service employees hired on or before January 1, 2011, will be paid any accumulated vacation leave.
- Non-Civil Service employees hired after January 1, 2011, who have completed six full months of service will be paid for accumulated vacation leave up to a maximum of 120 hours.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

Sick Leave:

- Civil Service Fire Shift employees who have completed one full year of service will be paid for accumulated sick leave up to 1,440 hours.
- All other Civil Service employees who have completed one full year of service, and Non-Civil Service employees hired on or before January 1, 2010, will be paid for accumulated sick leave up to 960 hours.
- Non-Civil Service employees hired after January 1, 2010 will not be paid for accumulated sick leave.

P. Nature and Purpose of Classifications of Fund Balances

Governmental Funds fund balances classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or laws, or regulations of other governments. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. Assigned fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by City management based on Council direction.

For the classification of Governmental Fund balances, the City considers an expenditure to be made from the most restrictive first when more than one classification is available.

Q. Minimum Fund Balance Policy

It is the desire of the City to maintain adequate General Fund balance to maintain liquidity and in anticipation of economic downturns or natural disasters. The City Council has adopted a financial standard to maintain a General Fund minimum fund balance of 60 days budgeted expenditures.

R. Net Position

Net Position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources in the proprietary funds and in the government-wide statements. Net investment in capital assets consists of capital assets net of accumulated depreciation and the outstanding balances of any borrowing spent for the acquisition, construction, or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Net position restricted for revenue bond retirement in the Water and Sewer Fund is a reserve required by revenue bond covenants.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

S. Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

The City allocates to the Proprietary funds a predetermined allocated amount for administrative services for budget purposes. During the year ended September 30, 2021, the City allocated \$3,854,657 as a budgetary transfer.

T. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension/OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Differences between actuarial assumptions used and actual experience for determination of pension or OPEB liability – These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions used to determine pension or OPEB liability – This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. This year the City has the following items that qualify for reporting in this category.

- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.
- Difference in expected and actual pension or OPEB experience is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions used to determine pension or OPEB liability – This difference is deferred amortized over the estimated average remaining lives of all member determined as of the measurement date.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

- Unavailable revenue (governmental fund level only) - deferred inflow of resources that represents amounts earned, but which are not available.

U. Accounts payable at September 30, 2021 for the government's individual major funds, which have payables, and non-major in the aggregate are as follows:

	<u>General</u>	<u>Debt Service</u>	<u>Streets and Drainage</u>	<u>General and Public Facilities</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Accounts Payable						
Retainage Payable	\$ -	\$ -	\$ 1,151,407	\$ 98,322	\$ 49,676	\$ 1,299,405
Accrued Payroll Liabilities	2,858,612	-	5,605	1,382	9,146	2,874,745
Accounts Payable	<u>2,897,925</u>	<u>155,211</u>	<u>1,716,471</u>	<u>1,026,879</u>	<u>606,661</u>	<u>6,403,147</u>
Total Accounts Payable	\$ 5,756,537	\$ 155,211	\$ 2,873,483	\$ 1,126,583	\$ 665,483	\$ 10,577,297

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental Activities</u>
	<u>Water and Sewer</u>	<u>Golf Course</u>	<u>Sanitation</u>	<u>Total</u>	<u>Internal Service Funds</u>
Accounts Payable					
Retainage Payable	\$ 532,161	\$ -	\$ -	\$ 532,161	\$ -
Accrued Payroll Liabilities	118,109	-	-	118,109	1,789,002
Accounts Payable	<u>2,149,645</u>	<u>11,318</u>	<u>1,846,343</u>	<u>4,007,306</u>	<u>383,706</u>
Total Accounts Payable	\$ 2,799,915	\$ 11,318	\$ 1,846,343	\$ 4,657,576	\$ 2,172,708

V. In 2021, the City adopted GASB Statement No. 84, *Fiduciary Activities* and GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 4517 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. These statements improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The adoption of GASB 84 and GASB 97 had no impact on the City's financial statements.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

(2) BUDGET BASIS OF ACCOUNTING:

The City prepares its annual budget on a basis (budget basis) which differs from a GAAP basis. The budget and all transactions are presented in accordance with the City’s method (budget basis) in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund to provide a meaningful comparison of actual results with the budget. The differences between budget and GAAP basis in the General Fund are that encumbrances are recorded as the equivalent of expenditures (budget) as opposed to an assignment of fund balance (GAAP). Unrealized investment gain (loss) is recognized for GAAP basis only and interfund loan transactions treated as transfers for budget basis.

Adjustments necessary to convert the General Fund’s net change in fund balances on the budget basis to a GAAP basis are as follows:

Net change in fund balance - budget basis	\$ 14,605,340
Beginning of year adjustment for encumbrances recognized as expenditures	(34,286)
End of year adjustment for encumbrances not recognized as expenditures	82,449
Unrealized investment gain/(loss) recognized for GAAP basis only	51,589
Net change in fund balance - GAAP basis	<u>\$ 14,705,092</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

(3) DEPOSITS AND INVESTMENTS:

Deposits – State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations, or its agencies and instrumentalities, or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. All deposits of the City that exceeded the federal depository insurance coverage level of \$250,000 per account were covered by collateral held by BNY Mellon, N.A. Bank in the City’s name under a joint safekeeping agreement with Frost Bank. The market value of the collateral held at BNY Mellon, N.A. in the City’s name at fiscal year-end was \$45,678,995.

At September 30, 2021, the carrying amount of the City's deposits was \$43,234,846 and the respective bank balances totaled \$44,515,410, and the City’s cash on hand totaled \$7,520 for petty cash and change funds.

Investments – State statutes, City investment policy, City bond ordinances, and City resolutions authorize the City’s investments. The City is authorized to invest in the following: U.S. Government obligations and its agencies or instrumentalities; direct obligation of this state or its agencies and instrumentalities, including the Federal Home Loan Bank; collateralize mortgage obligations directly issued by a federal agency or instrumentality of the United States with ten years or less stated final maturity (cannot be an inverse floater, a principal only, or an interest only); obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm no less than A or its equivalent rating; bonds issued, assumed or guaranteed by the State of Israel; no-load SEC registered mutual funds with a weighted average stated maturity of less than two years that are invested in allowable securities, obligations of Texas and its agencies; fully collateralized repurchase agreements and reverse repurchase agreements; prime domestic commercial paper; prime domestic bankers’ acceptances; guaranteed investment contracts; securities lending program consisting of authorized investments by the City’s investment policy; insured or collateralized certificated of deposit; government pools; and no-load SEC registered money-market funds consisting of any of these securities listed with a dollar-weighted average stated maturity of 90 days or less and with an investment objective of a stable net asset value of \$1 for each share. For additional information, see the City of Carrollton Investment Policy at www.cityofcarrollton.com.

The City’s investments balances as of September 30, 2021, were:

Investments:	Fair Market Value	Weighted Average Maturity (Years)	Credit Risk
Coupon Agencies	\$ 145,281,292	1.08	AA+ - AAA
Discount Agencies	3,999,656	-	AA+ - AAA
Municipal Bonds	84,798,036	0.46	A+ -AAA
Treasuries	44,527,305	0.29	AA+
Government Pools	1,331,414	-	AAAm
Total Fair Market Value	\$ 279,937,703		
Portfolio Weighted Average Maturity		1.83	

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

Following the criteria for GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, TexPool uses amortized cost and LOGIC, Texas CLASS, and Texas Term use NAV to value portfolio assets. As is legally permissible for municipalities and school districts in the state, TexPool and TexasTerm Daily invest in a high-quality portfolio of debt securities, and Texas Class and LOGIC invest in a high-quality portfolio of short-term investments.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of September 30, 2021, the City has the recurring fair value measurements for coupon, discount agencies, treasury notes and municipal bonds of \$278,606,289 valued using quoted prices for similar assets in active markets. (Level 2 inputs.) Investments in local government investment pools valued at NAV as of September 30, 2021 total \$1,331,414

Interest Rate Risk – In compliance with the City’s Investment Policy, as of September 30, 2021, the City minimized the interest rate risk in the portfolio, related to current market events, by: limiting the weighted average maturity to a maximum of four years; structuring the investment portfolio so that securities matured to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the secondary market prior to maturity; monitoring credit ratings of portfolio positions to assure compliance with rating requirements imposed by the Public Funds Investment Act; and investing operating funds primarily in short-term securities, money market mutual funds, or similar government investment pools.

Concentration of Credit Risk – In compliance with the City’s Investment Policy, as of September 30, 2021, the City minimized concentration of credit risk, by: limiting investments in specific local governmental pools to no more than 40 percent of the investment portfolio; staggering maturities and potential call dates; and limiting investments to no more than 5% of the investment portfolio in commercial paper and bankers’ acceptances of a single issuer. As of September 30, 2021, 5% or more of the City’s total investment are in: Federal Farm Credit Bank (19.62%), Federal National Mortgage Association (9.27%), Federal Home Loan Mortgage Corporation (6.55%), Federal Home Loan Bank (14.62%), and Treasury Bonds (15.20%).

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

(4) CAPITAL ASSETS

Capital asset activity for the year-ended September 30, 2021, was as follows:

	<u>Balance October 1</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Balance September 30</u>
Governmental Activities				
Capital Assets not being depreciated:				
Land	\$ 102,489,408	\$ -	\$ (2,364,634)	\$ 100,124,774
Construction in Progress	3,583,988	5,685,704	(7,741,987)	1,527,705
<i>Total Capital Assets not being depreciated</i>	<u>106,073,396</u>	<u>5,685,704</u>	<u>(10,106,621)</u>	<u>101,652,479</u>
Capital Assets being depreciated:				
Buildings	89,294,779	526,740	-	89,821,519
Equipment	53,644,641	1,953,786	(1,617,401)	53,981,026
Intangibles	9,298,424	1,417,700	-	10,716,124
Improvements	56,349,785	1,760,683	-	58,110,468
Infrastructure	368,974,025	23,593,709	(953,597)	391,614,137
<i>Total Capital Assets being depreciated</i>	<u>577,561,654</u>	<u>29,252,618</u>	<u>(2,570,998)</u>	<u>604,243,274</u>
Less accumulated depreciation for:				
Buildings	(50,747,270)	(2,985,653)	-	(53,732,923)
Equipment	(30,738,012)	(4,994,207)	1,614,337	(34,117,882)
Intangibles	(6,556,222)	(559,856)	-	(7,116,078)
Improvements	(23,518,458)	(2,098,188)	-	(25,616,646)
Infrastructure	(113,647,456)	(11,740,641)	953,609	(124,434,488)
<i>Total accumulated depreciation</i>	<u>(225,207,418)</u>	<u>(22,378,545)</u>	<u>2,567,946</u>	<u>(245,018,017)</u>
<i>Total Capital Assets being depreciated, net</i>	<u>352,354,236</u>	<u>6,874,073</u>	<u>(3,052)</u>	<u>359,225,257</u>
<i>Governmental Activities Capital Assets, net</i>	<u>\$ 458,427,632</u>	<u>\$ 12,559,777</u>	<u>\$ (10,109,673)</u>	<u>\$ 460,877,736</u>
	<u>Balance October 1</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Balance September 30</u>
Business-Type Activities				
Capital Assets not being depreciated:				
Land	\$ 2,377,918	\$ -	\$ -	\$ 2,377,918
Construction in Progress	205,707	3,952,292	-	4,157,999
<i>Total Capital Assets not being depreciated</i>	<u>2,583,625</u>	<u>3,952,292</u>	<u>-</u>	<u>6,535,917</u>
Capital Assets being depreciated:				
Buildings	19,998,757	-	-	19,998,757
Equipment	9,620,097	182,594	(439,978)	9,362,713
Intangibles	868,612	-	(40,220)	828,392
Improvements	16,151,254	18,422	-	16,169,676
Infrastructure	253,232,215	5,511,458	-	258,743,673
<i>Total Capital Assets being depreciated</i>	<u>299,870,935</u>	<u>5,712,474</u>	<u>(480,198)</u>	<u>305,103,211</u>
Less accumulated depreciation for:				
Buildings	(17,532,917)	(299,443)	-	(17,832,360)
Equipment	(5,936,381)	(764,525)	439,978	(6,260,928)
Intangibles	(809,539)	(9,850)	40,220	(779,169)
Improvements	(11,846,975)	(508,732)	-	(12,355,707)
Infrastructure	(146,144,841)	(5,038,533)	-	(151,183,374)
<i>Total accumulated depreciation</i>	<u>(182,270,653)</u>	<u>(6,621,083)</u>	<u>480,198</u>	<u>(188,411,538)</u>
<i>Total Capital Assets being depreciated, net</i>	<u>117,600,282</u>	<u>(908,609)</u>	<u>-</u>	<u>116,691,673</u>
<i>Business-Type Activities Capital Assets, net</i>	<u>\$ 120,183,907</u>	<u>\$ 3,043,683</u>	<u>\$ -</u>	<u>\$ 123,227,590</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

Depreciation expense was charged as direct expense to programs of the primary government as follows:

Depreciation Expense	
Governmental Activities:	
General Government and Administration	\$ 1,284,877
Public Safety	4,696,757
Development Services	12,911,620
Cultural and Recreational	3,485,275
Total Depreciation Expense	\$ 22,378,529
Business-Type Activities:	
Water and Sewer	5,968,356
Golf Course	652,727
Sanitation	-
Total Depreciation Expense	\$ 6,621,083

(5) LONG-TERM DEBT AND LIABILITIES:

General Obligation Bonds

General obligation bonds provide funds for the acquisition and construction of major capital equipment and facilities. General obligation bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the City. General obligation bonds require the City to compute, at the time property taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity. The City is in compliance with this requirement.

Due to favorable interest rates, during the year, General Obligation (GO) Improvement and Refunding Bonds Series 2021 of \$29,712,762, including premium and issuance costs, were issued to refund \$8,195,000 par value of the City's previously issued and outstanding 2011 GO Improvement Bonds with unamortized premiums of \$212,191 for a total carrying value of \$8,407,191. As the transaction was completed within 90 days of the call date of the refunded bonds, it is considered a "current refunding" under federal tax law. However, because proceeds were placed in escrow and invested until the call date of the refunded debt, GASB defines the transaction as an advance refunding. As a result, advance refunding accounting was used to calculate the related gain on refunded. In addition, bonds totaling \$25,015,000 in new money were issued.

The proceeds were used to deposit cash in a bond escrow fund with the U.S Bank National Association designated as the escrow agent. The net carrying amount of the old debt exceeded the reacquisition price of the old debt by \$45,060, which is being amortized over the remaining life of the refunded debt. Under the escrow reserve agreement, the escrow fund is irrevocable pledged

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

to the payment of principal and interest on the refunded bonds. As a result, the refunded obligations are considered to be defeased and the liability for those bonds has been removed from the City's financial statements.

As a result of the refunding, the City reduced its aggregate debt service payments to maturity by \$2,330,495 and obtained an economic gain (difference between present value of the debt service payments on the old and new debt) of \$1,332,131. On September 30, 2021, \$8,195,000 of General Obligation Improvement, Series 2011 outstanding bonds are considered defeased.

At September 30, 2021, general obligation bonds currently outstanding are as follows:

	Interest Rate		Maturity	Outstanding
	%	Issue Date	Date	at Par
Refunding, Series 2012	2 - 4	5/1/2012	8/15/2025	3,520,000
Improvement, Series 2013	2 - 4.5	7/15/2013	8/15/2033	6,410,000
Improvement, Series 2014	3 - 4	4/15/2014	8/15/2034	14,775,000
Improvement and Refunding, Series 2015	2 - 5	5/1/2015	8/15/2035	23,655,000
Improvement and Refunding, Series 2016	3 - 5	5/15/2016	8/15/2031	20,375,000
Improvement, Series 2017	2 - 5	4/1/2017	8/15/2032	15,045,000
Improvement, Series 2018	3 - 5	5/1/2018	8/15/2033	16,425,000
Improvement and Refunding, Series 2019	3 - 5	5/1/2019	8/15/2034	35,535,000
Improvement, Series 2020	3 - 5	6/4/2020	8/15/2035	18,620,000
Improvement and Refunding, Series 2021	2 - 5	6/1/2021	8/15/2036	25,015,000
				\$ 179,375,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

General Obligation Bonds			
Year Ending September 30	Governmental Activities		
	Principal	Interest	Total
2022	\$ 15,505,000	\$ 7,832,774	\$ 23,337,774
2023	15,475,000	6,929,505	22,404,505
2024	15,600,000	6,214,455	21,814,455
2025	16,330,000	5,481,868	21,811,868
2026	15,505,000	4,803,438	20,308,438
2027-2031	66,945,000	14,167,275	81,112,275
2032-2036	34,015,000	2,691,875	36,706,875
Total	\$ 179,375,000	\$ 48,121,190	\$ 227,496,190

Revenue Bonds –

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

Revenue bonds are used to finance the acquisition and construction of major capital improvements for the water and sewer system and related facilities. These revenue bonds constitute special obligations of the City solely secured by a lien on and pledge of the net revenues of the water and sewer system.

The revenue bonds are collateralized by the revenue of the water and sewer system and the various special funds established by the bond ordinances. The ordinances provide that the revenue of the system is to be used, first, to pay operating and maintenance expenses of the system, and second, to establish and maintain the revenue bond funds. Remaining revenues may then be used for any lawful purpose. For fiscal year 2021, net revenue available for debt service was 8.4 times the average annual debt service requirement. The ordinances also contain provisions, which, among other items, restrict amounts and certain financial ratios are met. Management of the City believes that it is in compliance with all significant financial requirements as of September 30, 2021.

At September 20, 2021, revenue bonds currently outstanding are as follows:

	Interest Rate %	Issue Date	Maturity Date	Outstanding at Par
Waterworks and Sewer System Revenue Refunding, Series 2012	2 - 4	5/1/2012	5/1/2023	2,105,000
Waterworks and Sewer System Revenue Improvement, Series 2019	2 - 4	5/1/2019	5/1/2034	8,090,000
				<u>\$ 10,195,000</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
 For Year Ended September 30, 2020

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending September 30	Business-Type Activities		
	Principal	Interest	Total
2022	\$ 1,750,000	\$ 394,500	\$ 2,144,500
2023	1,340,000	342,000	1,682,000
2024	515,000	301,800	816,800
2025	540,000	281,200	821,200
2026	560,000	259,600	819,600
2027-2031	3,220,000	870,150	4,090,150
2032-2034	2,270,000	183,800	2,453,800
Total	\$ 10,195,000	\$ 2,633,050	\$ 12,828,050

Bonds Authorized and Unissued – At September 30, 2021, the City has \$15,885,000 in general obligation bonds which were authorized and unissued.

Net Pension Liability/Asset – The net pension liability represents the actuarially-determined liability for employees’ projected pension benefit payments to be provided to current active and inactive employees; that is attributed to those employees’ past periods of service, less the pension plan’s fiduciary net position. The City allocates pension items between governmental activities and business type activities on the basis of employee payroll funding. The city's Net Pension Liability became a Net Pension Asset in 2021 and was removed from the Liability Rollforward below.

Compensated Absences – Compensated absences represent the estimated liability for employees’ accrued vacation and sick leave for which employees are entitled to be paid upon termination. The retirement of this liability is paid from the General fund, Enterprise Funds, and Internal Service Funds based on the assignment of an employee at termination.

Health Claims Liability – Health claims liability represents an estimate of self-insured claims liability outstanding of the Employee and Disability Internal Service Fund. All health claims are expected to be paid within one year.

Long-term Risk Liability – The long-term risk liability is related to the City’s self-insured retention program accounted for in the Risk Management Internal Service Fund.

The Total OPEB Liability/(TOL) – The TOL represents an actuarially determined present value liability for retiree health benefits earned to date for active and retiree members of the closed defined benefit retiree health plan. The City includes OPEB items within the governmental activities as the governmental funds are expected to liquidate the OPEB liability.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2020

Note Payable in Governmental Funds – Represents the amount owed for the Castle Hills Public Improvement District (PID) to the developer that will be paid by PID collections from property owners within the PIDS. Amount owed is contingent upon collection from property owners. Each PID has a maturity of 20 years, but individual parcel owners may pay off their PID assessment without a prepayment penalty.

Changes in long-term liabilities – On the next schedule, the additions to the General Obligation Bonds in the Governmental Type Activities represent the issuance of \$20,025,000 of General Obligation Improvement Bonds, Series 2020.

Transactions for the year ended September 30, 2021 are summarized as follows:

	Balance October 1	Additions	Reductions	Balance September 30	Due within one year
Governmental Activities					
Bonds Payable:					
General Obligation Bonds	\$ 177,945,000	\$ 16,820,000	\$ (15,390,000)	\$ 179,375,000	\$ 15,505,000
Premiums	22,559,632	4,485,571	(1,902,210)	25,142,993	2,092,676
Total Bonds Payable	<u>200,504,632</u>	<u>21,305,571</u>	<u>(17,292,210)</u>	<u>204,517,993</u>	<u>17,597,676</u>
Compensated Absences	16,071,276	1,527,471	(1,193,138)	16,405,609	1,091,457
Health Claims Liability	1,027,400	9,130,931	(9,306,750)	851,581	851,581
Other Postemployment Benefits Liability	-	1,211,226	-	18,319,744	-
PID Notes Payable	13,895,850	-	(2,711,303)	11,184,547	-
Long-Term Risk Liability	747,908	1,335,799	(1,218,624)	865,083	-
Total Governmental Activities	<u>249,355,584</u>	<u>34,510,998</u>	<u>(31,722,025)</u>	<u>252,144,557</u>	<u>19,540,714</u>
Business-Type Activities					
Bonds Payable:					
Revenue Bonds	\$ 11,890,000	\$ -	\$ (1,695,000)	\$ 10,195,000	\$ 1,750,000
Premiums	1,240,153	-	(171,423)	1,068,730	194,790
Total Bonds Payable	<u>13,130,153</u>	<u>-</u>	<u>(1,866,423)</u>	<u>11,263,730</u>	<u>1,944,790</u>
Compensated Absences	483,656	43,446	(62,446)	464,656	104,661
Total Business-Type Activities	<u>13,613,809</u>	<u>43,446</u>	<u>(1,928,869)</u>	<u>11,728,386</u>	<u>2,049,451</u>
Total Government	<u>\$ 262,969,393</u>	<u>\$ 34,554,444</u>	<u>\$ (33,650,894)</u>	<u>\$ 263,872,943</u>	<u>\$ 21,590,165</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

(6) PROPERTY AND SALES TAXES:

Property tax is levied each October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the City. Taxable assessed value represents the appraisal value, less applicable exemptions, authorized by the City Council or required by State Law. Appraised values are established by the Appraisal Board of Review at 100% for estimated fair market value.

Taxes are due on October 1, the levy date, and are delinquent after the following January 31. Tax liens are automatic on January 1 each year. The tax lien is part of a lawsuit for property that can be filed any time after taxes become delinquent (February 1). The city usually waits until after May 1 and July 1 to file suits on business personal property and real property, respectively. As of July 1, 20% collection costs may be added to all delinquent accounts. Current tax collections for the year ended September 30, 2021 were 98.89% of the tax levy.

Property taxes at the fund level are recorded as receivables at the time the taxes are levied. Revenues are recognized as the related ad valorem taxes are collected, including those collected 60 days after year-end.

The City Charter does not provide for a debt limit; therefore, no computation can be made. However, at September 30, 2021, the City had a tax margin of approximately \$1.91 for every \$100 valuation based upon a maximum ad valorem tax of \$2.50 for every \$100 valuation imposed by Texas Constitutional law.

In Texas, central appraisal districts are required under the Property Tax Code to assess all property within its respective county on the basis of 100% of its market value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed at least every three years; however, the City may, at its own expense, require annual reviews of appraised values. The City may challenge appraised values established by the appraisal district through various appeals, and, if necessary, legal action. Under this legislation, the City continues to set City tax rates on property within its boundaries. However, if the effective tax rate, adjusted for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the maintenance and operating tax rate to no more than 8% above the effective tax rate of the previous year. In the 2019 fiscal year, the state legislature passed a tax reform measure that among other things made a rollback election mandatory if property tax revenue will be more than 3.5% more than the “no new revenue rate” formerly know as the effective rate.

Sales and use tax is authorized under state law with the City’s levy equal to one percent of taxable sales and uses. The Texas Comptroller of Public Accounts collects all sales and use taxes on behalf of the City; remitting to the City, on a monthly basis, all taxes collected less a 2% service fee.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

The State of Texas utilizes origin-based sourcing for municipal sales and use tax. Under this approach, sales and use tax is sourced to the taxing jurisdiction in which the selling business is located regardless of where in the state the purchaser resides, or the product is shipped. Origin sourcing can produce large individual sales and use taxpayers to specific jurisdictions. As a result, sales and use tax can fluctuate, not only due to general economic factors, but also due to relocations of businesses between taxing jurisdictions. The Comptroller revised Administrative Code 3.334 which sets forth how sales tax are handled: origin based or destination-based. This changes was to be effective October 1, 2021 but has been challenged by several cities, including Carrollton. During the pendency of this lawsuit, the effective date has be enjoined until the case can be heard. The identity of and the amount paid by individual sales and use tax payers is strictly confidential under state law.

(7) EMPLOYEE BENEFIT PLANS:

A. Texas Municipal Retirement System (TMRS)

Plan Description:

The City participates as one of 886 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmr.com.

All eligible employees of the city are required to participate in TMRS.

Benefits Provided:

TMRS provides retirement disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven actuarially equivalent payments options. Member may also choose to receive a portion of their benefit as a Partial Lump

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
 For Year Ended September 30, 2021

Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member’s deposits and interest.

At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits, also known as the matching ratio, are 200% of the employee’s accumulated contributions and are only payable in the form of an annuity.

Beginning in 1993, the City granted an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount that takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee’s accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, initiated in 1993, the City provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

A summary of plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years at any age, 5 years at age 60 and above
Updated Service Credit	75% Repeating
Annuity Increase to retirees	50% of CPI Repeating

The City does not participate in Social Security.

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	737
Inactive employees entitled to but not yet receiving benefits	677
Active employees	840
	<u>2,254</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

Contributions:

Under the state law governing TMRS, the contribution rate for each city is determined annually by the consulting actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Carrollton were required to contribute 7% of their annual gross earnings during the fiscal year. For fiscal year 2021, the city made contributions of 12.67% for the months in calendar year 2020 and for the months in calendar year 2021, which provided for an additional voluntary contribution of 0.55 percentage points over the required contribution of 12.12% for the months in 2020 and 0.83 percentage points over the actuarially required contribution of 11.84% for the months in 2021. During the 2021 fiscal year, employees contributed \$4,726,176 and the City contributed \$8,554,378, which was \$508,692 more than the actuarially required contribution.

Net Pension Liability/(Asset):

The City's Net Pension Liability (NPL) was measured as of December 31, 2020, and the total pension Liability (TPL) used to calculate the net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions –

The Total Pension Liability/(Asset) in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.65% per year
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB (10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, health retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set forward for males and a 3-year set forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
 For Year Ended September 30, 2021

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009-2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income. In order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return in pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, the actuary focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates for real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
<i>Total</i>	100.0%	

Discount Rate – The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will remain at the current 7% and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
 For Year Ended September 30, 2021

Changes in the Net Pension Liability/(Asset) –

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a)-(b)
Balance at 12/31/2019	\$ 449,427,990	\$ 441,933,518	\$ 7,494,472
Charges for the year:			
Service Cost	9,731,090	-	9,731,090
Interest	29,983,251	-	29,983,251
Difference between expected and actual experience	(1,948,426)	-	(1,948,426)
Change in assumptions	-	-	-
Contributions - Employer	-	7,990,471	(7,990,471)
Contributions - Employee	-	4,414,623	(4,414,623)
Net Investment Income	-	33,524,687	(33,524,687)
Benefit Payments, including refunds of employee contributions	(20,194,442)	(20,194,442)	-
Administrative Expense	-	(217,064)	217,064
Other Changes	-	(8,470)	8,470
Net Changes	<u>17,571,473</u>	<u>25,509,805</u>	<u>(7,938,332)</u>
Balance at 12/31/2020	<u>\$ 466,999,463</u>	<u>\$ 467,443,323</u>	<u>\$ (443,860)</u>

Sensitivity of the net pension liability to changes in the discount rate –

The following presents the net pension liability/(asset) of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase in Discount Rate</u>
City's net pension liability / (asset) \$	63,102,855	\$ (443,860)	\$ (52,789,763)

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

Pension Plan Fiduciary Net Position –

Detailed information about the pension plan’s Fiduciary net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmr.com.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended September 30, 2021, the City recognized pension expense of \$153,617. This amount is included as part of Personal Services expenses within the functional program activities.

At September 30, 2021, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions after measurement date	\$ 6,220,212	\$ -
Net difference in projected and actual earnings on pension assets	-	12,515,831
Changes in actuarial assumptions used to determine pension liability	-	43,047
Difference in expected and actual pension experience	-	1,686,518
Total	<u>\$ 6,220,212</u>	<u>\$ 14,245,396</u>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$6,220,212 will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2021 (i.e. recognized in the city’s financial statements September 30, 2022). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Year ended December 31,	
2020	
2021	(5,523,702)
2022	(170,409)
2023	(7,812,451)
2024	(738,834)
Total	<u>\$ (14,245,396)</u>

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
 For Year Ended September 30, 2021

B. Deferred Compensation Plan

The City offers all employees a deferred compensation plan through Mission Squared (Trustee) in accordance with Internal Revenue Code Section 457. The ICMA-RC 457 plan provides employees the option to supplement their TMRS retirement benefits by making pre-tax contributions to their plan. If employees contribute at least 4.65% of their gross pay per pay period the City will match 2.35%. The 457 Plan contribution maximums for 2021 are: \$20,500; \$26,000 for age 50 catch-up and \$39,000 for the regular catch-up provision. Employees may enroll in the plan and /or change their contribution amounts at any time. The total amount contributed by the City for Fiscal Year 2021 was \$997,265

(8) INTERFUND ACTIVITY:

Interfund transfers during the year ended September 30, 2021, were as follows:

	<u>Transfers In/Internal Contribution</u>					<u>Total</u>
	<u>General Fund</u>	<u>Streets and Drainage</u>	<u>General and Public Facilities</u>	<u>Golf Course</u>	<u>Non-Major Governmental</u>	
<u>Transfers Out</u>						
General Fund	\$ -	\$ 688,000	\$ 18,119,058	\$ 200,000	\$ 920,000	\$ 19,927,058
Internal Service	815,507	-	-	-	-	815,507
Water and Sewer	4,919,957	-	-	-	-	4,919,957
Sanitation	520,074	1,337,607	-	-	-	1,857,681
Total	<u>\$ 6,255,538</u>	<u>\$ 2,025,607</u>	<u>\$ 18,119,058</u>	<u>\$ 200,000</u>	<u>\$ 920,000</u>	<u>\$ 27,520,203</u>

Transfers are primarily used to move funds from:

- The Proprietary Funds to the General Fund for a budgeted allocation amount.
- The Water and Sewer fund to the General Fund for a payment in lieu of taxes.
- Sanitation Fund to the Streets and Drainage capital project fund for alley improvements.
- The General Fund to finance various programs and between capital projects funds accounted for in other funds in accordance with budgetary authorizations.
- One capital projects fund to another for projects accounted for in the other fund.

(9) WATER PURCHASE AND WASTEWATER TREATMENT CONTRACTS:

The City has a contract with Dallas Water Utilities (DWU) to purchase substantially all of the City’s potable water. Under the contract, the City pays DWU a rate based on a fixed demand charge, plus water usage. The rates charged are subject to minimum annual contract payments. Water expense for the year ended September 30, 2021 was \$13,820,844.

The City has a contract with Trinity River Authority (TRA) whereby the TRA has agreed to provide a wastewater treatment and disposal system for the benefit of the City and any “additional member City” as

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements

For Year Ended September 30, 2021

defined. Each member city pays an “annual payment”, as defined, as its pro rata share of operating expenses and debt service of TRA’s Central Regional Wastewater System (CRWS). The City’s annual expense for the year ended September 30, 2021 was \$13,486,608. To provide the above mentioned services, TRA CRWS issues revenue bonds repayable solely from revenues generated from the member city contracts with TRA CRWS. As such, the City is an obligated party on all outstanding TRA CRWS debt.

(10) SELF-INSURANCE

The City administers a self-insured retention program (SIR) within the Risk management Internal Service Fund in order to deal with potential liabilities. Claims in excess of the self-insured retention amounts are covered through third-party limited-coverage insurance policies. The City is self-insured with excess coverage in these areas:

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

<u>Policy</u>	<u>Retention</u>	<u>Limits on Liability</u>
General Liability	\$25,000 per occurrence	\$2,000,000 per occurrence and \$4,000,000 policy aggregate
Law Enforcement Liability, Errors and Omissions	\$50,000 per occurrence	\$2,000,000 per occurrence and \$4,000,000 policy aggregate
Workers' Compensation	\$100,000 per occurrence	Statutory
Property Loss	\$25,000 per occurrence	\$ 206,097,514
Automobile Liability	\$50,000 per occurrence	\$1,000,000 per occurrence
Automobile Physical Damage	\$10,000 per occurrence	Actual cash value or agreed value as scheduled
Cyber Insurance - 5 Towers	\$20,000 to \$50,000 per occurrence depending on type	\$200,000 to \$3,000,000 per tower, multiple aggregate sublimits

All funds of the City participate in the program and make payments to the Risk Management Fund. As of the end of fiscal year 2021, the loss reserve was estimated at \$865,083.

Changes in this reserve amount in fiscal years 2020 and 2021 were as follows:

	<u>Balance at Beginning of Fiscal Year</u>	<u>Current-year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Fiscal Year</u>
2019-2020	\$ 1,056,795	\$ 542,419	\$ 851,306	\$ 747,908
2020-2021	\$ 747,908	\$ 1,335,799	\$ 1,218,624	\$ 865,083

The City maintains the Employee Health and Disability Fund to account for the City's employee health care coverage and long-term disability programs which are self-insured by the City with long-term disability claims in excess of one year covered through third-party insurance policies. In addition, excess insurance has been obtained for an individual employee's health care claims exceeding \$225,000.

Revenues are recognized from payroll deductions and City contributions. At September 30, 2021, a liability of \$851,581 has been recorded, which represents estimated claims incurred by not yet reported.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
 For Year Ended September 30, 2021

Changes in this claim liability during fiscal years 2020 and 2021 were as follows:

	Balance at Beginning of Fiscal Year	Current-year Claims and Changes in Estimates	Claim Payments	Balance at End of Fiscal Year
2019-2020	\$ 1,139,643	\$ 7,376,500	\$ 7,488,743	\$ 1,027,400
2020-2021	\$ 1,027,400	\$ 9,130,931	\$ 9,306,750	\$ 851,581

There have been no significant increases in insurance coverage during the fiscal year 2021.

(11) TAX ABATEMENTS:

The City enters into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the City. This program rebates property and hotel occupancy taxes and is authorized under Chapter 380 of the Texas Local Government Code.

The City has entered into various agreements that rebate a percentage of property and/or hotel occupancy taxes. Agreements for rebate of property taxes call for rebates of 30% to 90% of taxes on incremental values for up to 17 years. The agreement for hotel occupancy taxes provides for a step down in rebates starting at 100% for 15 years, 75% for the next three years, and 50% for the remaining two years. For fiscal year 2021, the City rebated property taxes of \$2,931,338 or 3.01% of the \$97,255,897 total levy and hotel occupancy taxes of \$227,015 or 65% of the \$349,527 total occupancy tax revenues.

(12) COMMITMENTS AND CONTINGENT LIABILITIES:

Encumbrances – As discussed in note 1 E, Budgetary Control, for budgetary purposes, includes the impact of encumbrances. Encumbrances are commitments related to unperformed contracts for goods or services (i.e. purchase orders). At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year in the General Fund were \$82,449.

Grants – The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Litigation – Various claims and lawsuits are pending against the City. In the opinion of City management, after consultation with legal counsel, the potential loss on all claims and lawsuits will not materially affect the City’s financial position, results of operations, or cash flows.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

Construction Commitments – The City has active construction projects as of September 30, 2021. Total accumulated commitments for ongoing capital projects are composed of the following:

Streets and Drainage	\$	85,365,547
Traffic		1,257,810
Parks and Recreation		19,964,338
General Facilities		29,308,658
Community Development		15,841,477
Water and Sewer		18,707,719
Golf Course		84,431
Total	\$	170,529,980

These commitments will be funded through unspent bond proceeds, unrestricted cash, and intergovernmental participation.

Leases – The City does not currently have any leasing transactions.

(13) OTHER POSTEMPLOYMENT BENEFITS:

a) Closed Retiree Health Care Plan:

Program Description:

In addition to the pension benefits described in Note 7, as required by state law and defined by City Policy, the City makes available health care benefits to all employees who retire from the City and who are receiving benefits from a City sponsored retirement program (Texas Municipal Retirement System, and/or a Section 457 Deferred Compensation Plan) through a single-employer defined benefit healthcare plan. This healthcare program provides lifetime insurance (or until age 65 if eligible for Medicare) to eligible retirees, their spouses, and dependents through the City’s group health insurance plan, which covers both active and retired members. Benefit provisions are established by management. No assets are accumulated in a trust that meet the criteria in paragraph 4 of statement 75.

All employees who, as of January 1, 2009, had 20 years or more of service, or were 60 years or more of age with five years or more of service, are eligible upon retirement to remain in the health plan at the total blended contribution rate for active and retiree participants (Retiree Health Existing (Closed) Program). For financial reporting purposes, the Retiree Health Existing (Closed) Program is accounted for in the Employee Health and Disability Fund. No other financial statements are issued related to the Retiree Health Existing (Closed) Program. In the actuarial

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

evaluation performed as of December 31, 2019, there were 18 Active and 23 Retirees and Dependents for a total of 41 participants in the Closed Program. No assets are accumulated in the fund.

A new Retiree Defined Contribution Program effective January 1, 2009 for active employees with less than 20 years of service or at 60 years or more of age with less than five years of service requires participants to pay an aged-based full-cost premium if they choose to remain on the City's healthcare plan upon retirement. In return, the City has begun making scheduled contributions into a Retiree Health Savings plan in the name of each employee who has ten years of service or more. Employees are 50% vested at 15 years of service with the City and 100% vested at 20 years of service. Under the provisions of GASB Codification Section Po 50, employees who will be required to contribute the full aged-based cost for coverage for the City's health Plan do not receive an Other Post employment Benefit. Accordingly, only those employees who are eligible to participate in the Retiree Health Existing (Closed) Program are included in the valuation results described below.

Funding Policy:

Current retirees contribute to the Retiree Health Existing (Closed) Program the total blended premium for active and retired participants. The city contribution to the Retiree Health Existing (Closed) Program consists of Pay-as-you-go claims in excess of the retiree contributions for the year. Retiree contribution rates for fiscal year 2021 were \$8,745 to \$27,736 per year depending on coverage levels selected. In fiscal year 2021, total member contributions were \$113,432. The City contributions to the plan for fiscal year 2021, which are also equal to claims paid in excess of premiums collected, were \$247,966.

Funded Status and Funding Progress:

As of December 31, 2020, the most recent actuarial valuation date, the total OPEB liability (TOL) for benefits was \$18,319,744, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) for fiscal year 2020 was \$2,268,981. The ratio of the total OPEB Liability to the covered payroll was 807%.

Actuarial valuation of the program involve estimates of the value of reported amounts and assumptions of the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare costs trend. Amounts determined regarding the funded status of the program and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. OPEB liabilities are liquidated with funds from the General Fund and Employee Health Fund.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point.

For the December 31, 2020 actuarial valuation, the Individual Entry Age cost method was used. The actuarial assumptions include a 2.00% discount rate, based on the Fidelity 20-year Municipal GO AA Index, an annual healthcare cost trend rate of 7.00% initially, reduced by decrements to an ultimate rate of 4.15% after 15 years, and salary increases from 3.5% to 11.5%, including inflation. The rate of inflation is assumed to be 2.5%. The valuation included the gender-distinct RP 2000 Combined Healthy Mortality Tables with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103%. Demographic assumptions are based on the experience study covering the four year period ending December 31, 2018 as conducted for TMRS.

The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s total OPEB liability.

Service Cost	\$	17,884
Interest on Total OPEB Liability		455,920
Changes of Assumptions		1,603,380
Benefit Payments		(1,077,134)
Difference between expected and actual experience of the total OPEB liability		211,176
Net Change in Total OPEB Liability		1,211,226
Total OPEB Liability - beginning		17,108,518
Total OPEB Liability - ending	\$	18,319,744

Sensitivity of the net OPEB liability to changes in the discount rate –

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.00%, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.00%) or 1-percentage-point higher (3.00%) than the current rate:

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
City's Total OPEB Liability	\$ 20,853,147	\$ 18,319,744	\$ 16,230,171

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
 For Year Ended September 30, 2021

Sensitivity of the net OPEB liability to changes in the healthcare trend rate –

The following presents the sensitivity of the total OPEB liability of the City to changes in the healthcare cost trend rates, the following presents the plan’s total OPEB liability, calculated using the assumed trend rates as well as what the plan’s total OPEB liability would be if it were calculated using a trend rate that is 1-percent lower or 1-percent higher:

	1% Decrease in Trend Rate	Current Health Care Trend Rate	1% Increase in Trend Rate
City's Total OPEB Liability	\$ 16,636,252	\$ 18,319,744	\$ 20,199,260

For the year ended September 30, 2021, the City recognized OPEB expense of \$1,057,414.

As the City has a closed plan with limited members, at September 30, 2021, the City reported deferred outflows and inflows of resources related to OPEB which are detailed in the following table. Contributions after the measurement date totaled \$198,150. Difference between expected and actual experience and changes in actuarial assumptions used to determine total OPEB liability are amortized over a one-year period:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions after measurement date	\$ 198,150	\$ -
Changes in actuarial assumptions used to determine total OPEB liability	801,690	-
Total	\$ 999,840	\$ -

b) Retiree Health Savings Plan (RHS)

Non-grandfathered employees will be required to participated in the City's Retiree Health Savings (hereafter referred to as RHS) plan as described below.

Eligible employees will receive contributions to their RHS accounts on the second pay period in January of each year with the first year starting after the completion of ten full years of continuous service with the City of Carrollton. Years of service will be determined as of January 1 of each year. Contributions will vary based on years of service.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements For Year Ended September 30, 2021

Employees will be 50% vested at 15 years and 100% vested at 20 years. Vesting includes all RHS account balances including investment earnings. RHS accounts will be administered through ICMA-RC and investment options will be similar or identical to those offered by ICMA-RC in their 457 plan with the City. The benefits and terms are established and amended by the City.

Employees are eligible for disbursement from their vested RHS account balances upon termination of city employment according to the vesting schedule above and IRS regulations. Upon termination, RHS balances may be disbursed for any eligible health-related expenses as defined by IRS Regulations. Upon separating from service, prior to benefit eligibility, a participant's non-vested funds shall remain in the plan and be reallocated among fully vested plan participants.

Benefit provisions are contained in the plan document and were established and can be amended by action of the City's governing body. Contributions actually made by the City aggregated \$556,000 during 2021.

Nonvested forfeitures are used to cover a portion of the OPEB Plan's administrative expenses. For the year ended September 30, 2021, forfeitures reduced the City's OPEB expense by \$0.

(14) FUTURE FINANCIAL REPORTING REQUIREMENT:

The City has reviewed GASB pronouncements which become effective in future years, and notes the following statements are applicable to the City.

Statement No. 87, *Leases* – This statement changes the recognition requirements for certain lease assets and liabilities for leases that are currently classified as operating leases. This statement will become effective for the City in fiscal year 2022.

Statement No. 92, *Omnibus 2020*. This statement will become effective for the City in fiscal year 2022.

Statement No. 93, *Replacement of Interbank Offered Rates*. This statement will become effective for the City in fiscal year 2022.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This statement will become effective for the City in fiscal year 2023.

CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements
For Year Ended September 30, 2021

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement will become effective for the City in fiscal year 2023.

(15) SUBSEQUENT EVENTS

The City received notification that effective January 1, 2021, the largest claimant impacting the Retiree Health Existing (Closed) Program had obtained alternate coverage and would no longer be participating in the plan. Given a December 31, 2020 measurement date, this event is not currently reflected in the City's financial statements. This is expected to have a significant impact on the closed program in future measurement years. Given these changes the City is evaluating the plan structure for its OPEB plans for future years.

CITY OF CARROLLTON, TEXAS
Required Supplementary Information
Texas Municipal Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios
Last Five Fiscal Years
(Unaudited)

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020
Total pension liability:							
Service cost	\$ 6,592,786	\$ 7,652,932	\$ 8,018,638	\$ 8,406,143	\$ 8,686,029	\$ 9,041,317	\$ 9,731,090
Interest	23,690,265	24,739,518	25,320,101	26,477,155	27,654,253	28,782,762	29,983,251
Difference between expected and actual experience	(2,087,560)	(964,785)	(726,584)	192,522	(491,951)	(472,361)	(1,948,426)
Change in assumptions	-	4,666,507	-	-	-	(98,593)	-
Benefit payments, including refunds of employee contributions	<u>(13,257,578)</u>	<u>(14,214,900)</u>	<u>(14,957,304)</u>	<u>(16,371,432)</u>	<u>(19,183,121)</u>	<u>(19,431,525)</u>	<u>(20,194,442)</u>
Net change in total pension liability	14,937,913	21,879,272	17,654,851	18,704,388	16,665,210	17,821,600	17,571,473
Total pension liability - beginning	<u>341,764,756</u>	<u>356,702,669</u>	<u>378,581,941</u>	<u>396,236,792</u>	<u>414,941,180</u>	<u>431,606,390</u>	<u>449,427,990</u>
Total pension liability - ending (a)	<u>356,702,669</u>	<u>378,581,941</u>	<u>396,236,792</u>	<u>414,941,180</u>	<u>431,606,390</u>	<u>449,427,990</u>	<u>466,999,463</u>
Plan fiduciary net position:							
Contributions - employer	6,822,121	7,332,309	7,258,922	7,063,344	7,332,214	7,472,522	7,990,471
Contributions - employee	3,423,287	3,679,294	3,642,470	3,820,974	3,966,963	4,132,806	4,414,623
Net investment income	19,077,452	515,477	23,404,549	50,642,626	(12,286,647)	60,244,834	33,524,687
Benefit payments, including refunds of employee contributions	<u>(13,257,578)</u>	<u>(14,214,900)</u>	<u>(14,957,304)</u>	<u>(16,371,432)</u>	<u>(19,183,121)</u>	<u>(19,431,525)</u>	<u>(20,194,442)</u>
Administrative expense	(199,188)	(313,987)	(264,342)	(262,459)	(237,525)	(340,567)	(217,064)
Other	<u>(16,377)</u>	<u>(15,507)</u>	<u>(14,242)</u>	<u>(13,301)</u>	<u>(12,410)</u>	<u>(10,230)</u>	<u>(8,470)</u>
Net change in plan fiduciary net position	15,849,717	(3,017,314)	19,070,053	44,879,752	(20,420,526)	52,067,840	25,509,805
Plan fiduciary net position - beginning	<u>333,503,997</u>	<u>349,353,714</u>	<u>346,336,400</u>	<u>365,406,453</u>	<u>410,286,205</u>	<u>389,865,679</u>	<u>441,933,518</u>
Plan fiduciary net position - ending (b)	<u>349,353,714</u>	<u>346,336,400</u>	<u>365,406,453</u>	<u>410,286,205</u>	<u>389,865,679</u>	<u>441,933,519</u>	<u>467,443,323</u>
Net pension liability (asset) - ending (a) - (b)	<u>\$ 7,348,955</u>	<u>\$ 32,245,541</u>	<u>\$ 30,830,339</u>	<u>\$ 4,654,975</u>	<u>\$ 41,740,711</u>	<u>\$ 7,494,471</u>	<u>\$ (443,860)</u>
Plan fiduciary net position as a percentage of total pension liability	97.94%	91.48%	92.22%	98.88%	90.33%	98.33%	100.10%
Covered payroll	\$ 48,904,096	\$ 52,561,347	\$ 52,035,292	\$ 54,585,343	\$ 56,586,510	\$ 58,977,932	\$ 63,066,038
Net pension liability as a percentage of covered payroll	15.03%	61.35%	59.25%	8.53%	73.76%	12.71%	-0.70%

Note: This schedule is intended to present information for ten years. However, previous years' information is not available.

CITY OF CARROLLTON, TEXAS

Required Supplementary Information
 Texas Municipal Retirement System
 Schedule of Contributions
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	(1) Actuarially determined contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess (deficiency) (2) - (1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered employee payroll (2)/(4)
2012	6,544,714	6,530,161	(14,553)	44,732,281	14.63%	14.60%
2013	6,444,731	6,547,839	103,108	46,392,021	13.89%	14.11%
2014	6,480,879	6,755,754	274,875	48,428,341	13.38%	13.95%
2015	6,329,810	6,982,334	652,524	50,052,500	12.65%	13.95%
2016	6,108,431	7,256,852	1,148,421	52,020,446	11.74%	13.95%
2017	6,527,064	7,072,321	545,257	53,555,327	12.19%	13.21%
2018	6,563,597	7,233,075	669,478	55,897,022	11.74%	12.94%
2019	5,979,973	6,310,121	330,148	58,214,153	10.27%	10.84%
2020	7,397,973	7,763,315	365,342	61,273,205	12.07%	12.67%
2021	8,045,686	8,554,378	508,692	67,516,799	11.92%	12.67%

Notes to Schedule:

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31st each year and become effective in January, 12 months and a day later.

Methods and Assumptions Used to Determine Contribution Rate for 2020:

Actuarial Cost Method Entry Age Normal
 Amortization Method Level Percentage of Payroll, Closed
 Remaining Amortization Period 25 years
 Asset Valuation Method 10 Year smoothed market; 12% soft corridor
 Inflation 2.50%
 Salary Increases 3.50% to 11.50% including inflation
 Investment Rate of Return 6.75%
 Retirement Age Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018.
 Mortality Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
 Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Significant assumption differences for fiscal years prior to 2021

Actuarial Cost Method Projected Unit Credit for fiscal years prior to 2014.
 Inflation 3% for fiscal years prior to 2016.
 Investment Rate of Return 7% for fiscal years prior to 2016.
 Mortality Prior to fiscal year 2014, Gender Distinct RP2000 Combined Healthy Mortality Table projected to the year 2003 by scale AA

CITY OF CARROLLTON, TEXAS

Required Supplementary Information

Schedule of Changes in the City's Total OPEB Liability and Related Ratios

(Unaudited)

	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020
Total OPEB liability				
Service cost	\$ 23,938	\$ 26,985	\$ 18,757	\$ 17,884
Interest	681,288	622,194	651,460	455,920
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	-	(170,261)	(1,713,950)	211,176
Changes of Assumptions	1,118,690	(864,664)	1,066,615	1,603,380
Benefit Payments	(1,052,441)	(766,795)	(929,130)	(1,077,134)
Net change in total OPEB liability	771,475	(1,152,541)	(906,248)	1,211,226
Total OPEB liability - beginning	18,395,832	19,167,307	18,014,766	17,108,518
Total OPEB liability - ending (a)	19,167,307	18,014,766	17,108,518	18,319,744
Covered employee payroll	\$ 2,658,886	\$ 2,617,211	\$ 2,009,270	\$ 2,268,981
Total OPEB liability as a percentage of covered employee payroll	720.88%	688.32%	851.48%	807.40%

Note to Schedule

Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

2016	3.81%
2017	3.31%
2018	3.71%
2019	2.75%
2020	2.00%

Until a full 10-year trend is completed, we will present information for those years for which information is available.

The City has no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

COMBINING FINANCIAL STATEMENTS

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Hotel/Motel Tax Fund – to account for the accumulation of resources from the Hotel/Motel Tax assessment levied by the City. These monies are to be spent to promote the progress, development or growth of the City with the guidelines set forth on disposition of revenues collected under the authority of the Texas Hotel Occupancy Tax Act (Articles 1269; Vernon’s Texas Civil Statutes).

Public Safety Fund – to account for special fines, forfeitures and grant funds for Public Safety programs.

Public Improvement District Fund - to account for PID assessment fees collected to cover the costs associated with improvements within the district(s).

Cultural and Recreational Fund – to account for miscellaneous funds designated for special cultural and recreational programs of the City.

Capital Project Funds

Parks and Recreation Fund – to account for funds received and expended for purchase of land, improvements and construction of parks and recreational facilities.

Traffic Fund – to account for funds received and expended for new installations and replacement of traffic signalization equipment, and installation of underground conduit and wiring for streetlights.

Tax Increment Reinvestment Zone – to account for funds received and expended within the City’s Tax Increment Reinvestment Zone located adjacent to the light rail stations.

Community Development Fund – to account for funds received and expended on community beautification and revitalization programs. This fund includes grant funds from the Community Development Block Grant program and the Neighborhood Partnership tax levy.

CITY OF CARROLLTON, TEXAS

Combining Balance Sheet
 Non-Major Governmental Funds
 September 30, 2021

	Special Revenue				Capital Projects				Total Other Governmental Funds
	Hotel/Motel Tax	Public Safety	Public Improvement District	Cultural and Recreational	Parks and Recreation	Traffic	Tax Increment Reinvestment Zone	Community Development	
Assets									
Cash and cash equivalents	\$ 286,202	\$ 2,650,312	\$ 989	\$ 1,085,201	\$ 15,354,512	\$ 1,804,205	\$ 3,467,745	\$ 25,264,102	\$ 49,913,268
Accrued interest	-	4,519	-	867	36,313	4,836	5,997	69,922	122,454
Due from other governments	-	-	-	-	157,070	226,063	-	221,666	604,799
Prepaid items	87,219	9,107	-	-	-	-	-	-	96,326
Total assets	\$ 373,421	\$ 2,663,938	\$ 989	\$ 1,086,068	\$ 15,547,895	\$ 2,035,104	\$ 3,473,742	\$ 25,555,690	\$ 50,736,847
Liabilities and Fund Balances									
Liabilities									
Accounts payable	\$ 74,997	\$ 300,752	\$ 989	\$ 29,786	\$ 74,517	\$ 7,437	\$ -	\$ 177,004	\$ 665,482
Unearned revenue	11,632	9,107	-	-	1,844	165,856	-	-	188,439
Total liabilities	86,629	309,859	989	29,786	76,361	173,293	-	177,004	853,921
Fund Balances									
Restricted for:									
Capital projects	-	-	-	-	2,675,283	-	3,473,742	-	6,149,025
Other purposes	286,792	2,354,079	-	-	-	-	-	-	2,640,871
Committed to:									
Capital projects	-	-	-	-	228,778	-	-	20,329,299	20,558,077
Assigned to:									
Capital projects	-	-	-	-	12,567,473	1,861,811	-	5,049,387	19,478,671
Other purposes	-	-	-	1,056,282	-	-	-	-	1,056,282
Total fund balances	286,792	2,354,079	-	1,056,282	15,471,534	1,861,811	3,473,742	25,378,686	49,882,926
Total liabilities and fund balances	\$ 373,421	\$ 2,663,938	\$ 989	\$ 1,086,068	\$ 15,547,895	\$ 2,035,104	\$ 3,473,742	\$ 25,555,690	\$ 50,736,847

CITY OF CARROLLTON, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Non-Major Governmental Funds
 For the Year Ended September 30, 2021

	Special Revenue				Capital Projects			Total Other Governmental Funds	
	Hotel/Motel Tax	Public Safety	Public Improvement District	Cultural and Recreational	Parks and Recreation	Traffic	Tax Increment Reinvestment Zone		Community Development
Revenues									
Ad valorem tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 880,633	\$ 2,901,609	\$ 3,782,242
Occupancy tax	122,512	-	-	-	-	-	-	-	122,512
Assessments	-	-	-	-	221,450	23,701	-	-	245,151
Charges for services	-	-	-	1,300	112,918	-	-	-	114,218
Intergovernmental	-	29,794	-	-	183,147	351,952	350,557	1,186,832	2,102,282
Licenses and permits	-	-	-	267,048	-	-	-	-	267,048
Fines and forfeitures	-	320,970	-	-	-	-	-	-	320,970
Investment earnings net of change in fair value of investments	(90)	3,916	-	(2,038)	32,514	3,423	6,484	55,517	99,726
PID assessment revenue	-	-	3,630,288	-	-	-	-	-	3,630,288
Miscellaneous	-	2,159	-	49,054	41,202	-	-	2,340	94,755
Total Revenues	\$ 122,422	\$ 356,839	\$ 3,630,288	\$ 315,364	\$ 591,231	\$ 379,076	\$ 1,237,674	\$ 4,146,298	\$ 10,779,192
Expenditures									
Current:									
Public safety	-	288,838	-	-	-	-	-	-	288,838
Cultural and recreational	2,136	-	-	56,162	-	-	-	-	58,298
PID development reimbursement	-	-	3,630,288	-	-	-	-	-	3,630,288
Capital outlay	-	-	-	-	2,337,615	180,317	-	1,960,862	4,478,794
Total Expenditures	2,136	288,838	3,630,288	56,162	2,337,615	180,317	-	1,960,862	8,456,218
Excess (deficiency) of revenues over expenditures	120,286	68,001	-	259,202	(1,746,384)	198,759	1,237,674	2,185,436	2,322,974
Other financing sources:									
Bonds issued	-	-	-	-	3,400,000	-	-	-	3,400,000
Transfers in	145,000	-	-	-	775,000	-	-	-	920,000
	145,000	-	-	-	4,175,000	-	-	-	4,320,000
Net change in fund balances	265,286	68,001	-	259,202	2,428,616	198,759	1,237,674	2,185,436	6,642,974
Fund balances at beginning of year	21,506	2,286,078	-	797,080	13,042,918	1,663,052	2,236,068	23,193,250	43,239,952
Fund balances at end of year	\$ 286,792	\$ 2,354,079	\$ -	\$ 1,056,282	\$ 15,471,534	\$ 1,861,811	\$ 3,473,742	\$ 25,378,686	\$ 49,882,926



CARROLLTON

T E X A S

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

Special Revenue and Debt Service Funds



CARROLLTON
T E X A S

CITY OF CARROLLTON, TEXAS

Hotel/Motel Tax Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021				2020
	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final			
Revenues					
Occupancy	\$ 345,000	\$ 303,759	\$ 122,512	\$ (181,247)	\$ 211,851
Charges for services	-	-	-	-	44,388
Investment earnings net of change in fair value of investments	-	-	(90)	(90)	(19)
Miscellaneous	75,000	2,367	-	(2,367)	75,046
Total Revenues	420,000	306,126	122,422	(183,704)	331,266
Expenditures					
Current:					
Cultural and recreational	780,000	682,605	2,136	680,469	425,004
Excess (deficiency) of revenues over (under) expenditures	(360,000)	(376,479)	120,286	496,765	(93,738)
Other financing sources:					
Transfers in	145,000	145,000	145,000	-	115,000
Net change in fund balances	(215,000)	(231,479)	265,286	496,765	21,262
Fund balances at beginning of year	21,506	21,506	21,506	-	244
Fund balances at end of year	\$ (193,494)	\$ (209,973)	\$ 286,792	\$ 496,765	\$ 21,506

CITY OF CARROLLTON, TEXAS

Public Safety Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021			2020	
	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final			
Revenues					
Intergovernmental	\$ 19,300	\$ 43,324	\$ 29,794	\$ (13,530)	\$ -
Fines and forfeitures	367,000	312,648	320,970	8,322	645,641
Investment earnings net of change in fair value of investments	29,000	9,877	3,916	(5,961)	32,944
Miscellaneous	-	-	2,159	2,159	27,139
Total Revenues	415,300	365,849	356,839	(9,010)	705,724
Expenditures					
Current:					
Public safety	1,637,390	505,309	288,838	216,471	362,481
Net change in fund balances	(1,222,090)	(139,460)	68,001	207,461	343,243
Fund balances at beginning of year	2,286,078	2,286,078	2,286,078	-	1,942,835
Fund balances at end of year	\$ 1,063,988	\$ 2,146,618	\$ 2,354,079	\$ 207,461	\$ 2,286,078

CITY OF CARROLLTON, TEXAS

Public Improvement District
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021			2020	
	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final			
Revenues					
PID assessment revenue	\$ 1,447,982	\$ 3,630,728	\$ 3,630,288	\$ (440)	\$ 1,448,765
Total Revenues	<u>1,447,982</u>	<u>3,630,728</u>	<u>3,630,288</u>	<u>(440)</u>	<u>1,448,765</u>
Expenditures					
Current:					
PID Development Reimbursement	30,452	2,213,198	3,630,288	(1,417,090)	1,448,765
Principal retirement	396,008	396,008	-	396,008	-
Interest and fiscal charges	<u>1,021,522</u>	<u>1,021,522</u>	<u>-</u>	<u>1,021,522</u>	<u>-</u>
Net change in fund balances	-	-	-	-	-
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF CARROLLTON, TEXAS

Cultural and Recreational Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021			2020	
	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final			
Revenues					
Charges for services	\$ 1,000	\$ 1,000	\$ 1,300	\$ 300	\$ 2,293
Licenses and permits	25,000	267,048	267,048	-	4,440
Investment earnings net of change in fair value of investments	2,000	900	(2,038)	(2,938)	4,392
Miscellaneous	74,000	52,000	49,054	(2,946)	44,947
Total Revenues	102,000	320,948	315,364	(5,584)	56,072
Expenditures					
Cultural and recreational	102,000	67,580	56,162	11,418	34,973
Net change in fund balances	-	253,368	259,202	5,834	21,099
Fund balances at beginning of year	797,080	797,080	797,080	-	775,981
Fund balances at end of year	\$ 797,080	\$ 1,050,448	\$ 1,056,282	\$ 5,834	\$ 797,080

CITY OF CARROLLTON, TEXAS

Debt Service Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021						2020	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis	
	Original	Final						
Revenues								
Taxes:								
Ad valorem	\$ 23,522,609	\$ 25,050,679	\$ 23,633,543	\$ -	\$ 23,633,543	\$ (1,417,136)	\$ 23,259,641	
Penalty and interest	50,000	47,604	53,521	-	53,521	5,917	56,729	
Investment earnings net of change in fair value of investments	-	24,037	4	(5,646)	(5,642)	(29,679)	48,683	
Total Revenues	23,572,609	25,122,320	23,687,068	(5,646)	23,681,422	(1,440,898)	23,365,053	
Expenditures								
Debt service:								
Principal retirement	16,190,002	17,837,307	15,390,000	-	15,390,000	2,447,307	15,620,000	
Interest and fiscal charges	7,600,092	7,599,722	7,621,560	-	7,621,560	(21,838)	7,713,093	
Total Expenditures	23,790,094	25,437,029	23,011,560	-	23,011,560	2,425,469	23,333,093	
Excess (deficiency) of revenues over (under) expenditures	(217,485)	(314,709)	675,508	(5,646)	669,862	984,571	31,960	
Other financing sources:								
Bonds issued	-	-	7,646,436	-	7,646,436	7,646,436	204,985	
Payment to refunded bond escrow agent	-	-	(8,362,131)	-	(8,362,131)	(8,362,131)	-	
Total other financing sources	-	-	(715,695)	-	(715,695)	(715,695)	204,985	
Net change in fund balances	\$ (217,485)	\$ (314,709)	(40,187)	\$ (5,646)	\$ (45,833)	\$ 268,876	236,945	
Fund balances at beginning of year	5,431,277	5,431,277	5,431,277	-	5,431,277	-	5,194,332	
Fund balances at end of year	\$ 5,213,792	\$ 5,116,568	\$ 5,391,090	\$ (5,646)	\$ 5,385,444	\$ 268,876	\$ 5,431,277	

**SUPPLEMENTARY INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

General Fund

These supplementary statements and schedules are included to provide management additional information for financial analysis.

CITY OF CARROLLTON, TEXAS

General Fund
 Comparative Balance Sheets
 September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 47,988,480	\$ 39,420,165
Receivables (net, where applicable, of allowance for doubtful accounts)		
Ad valorem taxes	88,915	88,915
Sales taxes	8,045,079	3,300,677
Franchise fees	3,102,264	2,807,223
Accrued interest	54,935	193,133
Other	2,187,186	2,437,768
Due from other funds	-	2,012,241
Due from other governments	49,900	24,935
Prepaid items	860,066	-
Total Assets	<u><u>\$ 62,376,825</u></u>	<u><u>\$ 50,285,057</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 5,756,537	\$ 8,545,852
Unearned revenue	22,126	21,076
Total liabilities	<u>5,778,663</u>	<u>8,566,928</u>
Deferred inflows of resources		
Unavailable revenue	1,325,350	1,150,409
Total deferred inflows of resources	<u>1,325,350</u>	<u>1,150,409</u>
Fund Balances		
Nonspendable for:		
Prepaid items	860,066	-
Assigned to:		
Unassigned	54,412,746	40,567,720
Total Fund Balances	<u>55,272,812</u>	<u>40,567,720</u>
Total Liabilities and Fund Balances	<u><u>\$ 62,376,825</u></u>	<u><u>\$ 50,285,057</u></u>

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021						2020
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Revenues							
Taxes:							
Ad valorem	\$ 56,464,827	\$ 63,051,962	\$ 60,961,814	\$ -	\$ 60,961,814	\$ (2,090,148)	\$ 53,072,254
Penalty and interest	300,000	300,000	308,595	-	308,595	8,595	297,143
Sales	36,219,838	39,085,993	46,187,884	-	46,187,884	7,101,891	40,032,543
911 fees	1,212,800	1,050,899	1,178,780	-	1,178,780	127,881	1,071,761
Franchise fees	10,793,109	11,123,762	11,668,365	-	11,668,365	544,603	11,823,746
Charges for services	5,641,262	5,131,982	5,199,239	-	5,199,239	67,257	4,692,777
Intergovernmental	-	-	6,739,738	-	6,739,738	6,739,738	7,985,045
Licenses and permits	2,514,377	2,764,056	2,757,109	-	2,757,109	(6,947)	2,640,242
Fines and forfeitures	3,974,284	3,284,754	3,051,687	-	3,051,687	(233,067)	2,828,801
Investment earnings net of change in fair value of investments	994,389	680,959	403,197	(51,589)	351,608	(329,351)	1,317,474
Miscellaneous	531,000	651,668	582,020	-	582,020	(69,648)	538,171
Total Revenues	118,645,886	127,126,035	139,038,428	(51,589)	138,986,839	11,860,804	126,299,957
Expenditures							
Current:							
General government and administration	24,060,937	25,421,875	19,666,339	46,739	19,713,078	5,708,797	19,597,405
Public safety	66,936,574	68,453,132	67,160,136	33,242	67,193,378	1,259,754	63,991,068
Development services	13,559,493	12,722,535	11,611,302	(2,250)	11,609,052	1,113,483	10,726,575
Cultural and recreational	13,977,909	13,795,682	12,228,224	(29,568)	12,198,656	1,597,026	11,813,834
Total Expenditures	118,534,913	120,393,224	110,666,001	48,163	110,714,164	9,679,060	106,128,882
Excess (deficiency) of revenues over expenditures	110,973	6,732,811	28,372,427	(99,752)	28,272,675	21,539,864	20,171,075
Other financing sources (uses):							
Sale of general capital assets	-	-	4,185	-	4,185	4,185	10,555
Transfers in	3,008,092	4,866,502	6,255,538	-	6,255,538	1,389,036	5,657,182
Transfers out	(15,960,111)	(13,380,347)	(19,927,058)	-	(19,927,058)	(6,546,711)	(16,008,793)
Total other financing sources (uses)	(12,952,019)	(8,513,845)	(13,667,335)	-	(13,667,335)	(5,153,490)	(10,341,056)
Net change in fund balances	(12,841,046)	(1,781,034)	14,705,092	(99,752)	14,605,340	16,386,374	9,830,019
Fund balances at beginning of year	40,567,720	40,567,720	40,567,720	-	40,567,720	-	30,737,701
Fund balances at end of year	\$ 27,726,674	\$ 38,786,686	\$ 55,272,812	\$ (99,752)	\$ 55,173,060	\$ 16,386,374	\$ 40,567,720

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Revenues - Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021					2020	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Taxes:							
Ad valorem	\$ 56,464,827	\$ 63,051,962	\$ 60,961,814	\$ -	\$ 60,961,814	\$ (2,090,148)	\$ 53,072,254
Penalty and interest	300,000	300,000	308,595	-	308,595	8,595	297,143
911 Taxes	1,212,800	1,050,899	1,178,780	-	1,178,780	127,881	1,071,761
Sales:							
City sales	35,982,839	38,915,354	45,940,723	-	45,940,723	7,025,369	39,805,090
Mixed drink	236,999	170,639	247,161	-	247,161	76,522	227,453
Total sales	36,219,838	39,085,993	46,187,884	-	46,187,884	7,101,891	40,032,543
Franchise fees:							
Electric	6,259,377	6,146,903	5,948,119	-	5,948,119	(198,784)	6,139,393
Telecommunications	992,569	1,146,652	1,184,487	-	1,184,487	37,835	1,538,695
Gas	1,260,009	1,454,062	1,620,696	-	1,620,696	166,634	1,223,398
Cable	1,098,859	1,193,850	1,229,200	-	1,229,200	35,350	1,430,733
Solid waste	1,182,295	1,182,295	1,685,863	-	1,685,863	503,568	1,491,527
Total franchise	10,793,109	11,123,762	11,668,365	-	11,668,365	544,603	11,823,746
Charges for services:							
Public safety service fees	2,751,451	2,706,795	2,655,244	-	2,655,244	(51,551)	2,993,094
Culture and recreation fees	2,357,992	1,762,950	1,844,120	-	1,844,120	81,170	1,061,341
Other service fees	531,819	662,237	699,875	-	699,875	37,638	638,342
Total charges for services	5,641,262	5,131,982	5,199,239	-	5,199,239	67,257	4,692,777
Intergovernmental	-	-	6,739,738	-	6,739,738	6,739,738	7,985,045
Licenses and permits:							
Building permits	1,450,000	1,639,391	1,562,256	-	1,562,256	(77,135)	1,561,398
Licenses	114,712	175,425	102,070	-	102,070	(73,355)	37,770
Environmental health charges	801,977	801,552	934,714	-	934,714	133,162	889,696
Other licenses and permits	147,688	147,688	158,069	-	158,069	10,381	151,373
Total licenses and permits	2,514,377	2,764,056	2,757,109	-	2,757,109	(6,947)	2,640,237
Fines and forfeitures:							
Municipal court	3,885,822	3,242,149	2,994,575	-	2,994,575	(247,574)	2,767,513
Other fines	88,462	42,605	57,112	-	57,112	14,507	61,293
Total fines and forfeitures	3,974,284	3,284,754	3,051,687	-	3,051,687	(233,067)	2,828,806
Investment earnings							
Net of change in fair value of investments	994,389	680,959	403,197	(51,589)	351,608	(329,351)	1,317,474
Miscellaneous	531,000	651,668	586,205	-	586,205	(65,463)	548,726
Total Revenues	118,645,886	127,126,035	139,042,613	(51,589)	138,991,024	11,864,989	126,310,512

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021					2020	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
General government and administration:							
City council:							
Personnel services	\$ 23,500	\$ 23,500	\$ 23,422	\$ -	\$ 23,422	\$ 78	\$ 22,829
Supplies and services	135,670	388,844	349,275	-	349,275	39,569	86,664
Utilities	6,813	6,813	5,299	-	5,299	1,514	6,132
Allocations	4,657	4,657	4,657	-	4,657	-	763
	<u>170,640</u>	<u>423,814</u>	<u>382,653</u>	<u>-</u>	<u>382,653</u>	<u>41,161</u>	<u>116,388</u>
City management:							
Personnel services	1,497,283	1,317,172	1,099,317	-	1,099,317	217,855	1,075,098
Supplies and services	120,710	122,487	73,357	-	73,357	49,130	111,382
Utilities	7,183	7,183	3,460	-	3,460	3,723	4,003
Allocations	24,293	24,293	18,343	-	18,343	5,950	11,899
	<u>1,649,469</u>	<u>1,471,135</u>	<u>1,194,477</u>	<u>-</u>	<u>1,194,477</u>	<u>276,658</u>	<u>1,202,382</u>
Marketing Services:							
Personnel services	713,525	727,679	686,369	-	686,369	41,310	644,319
Supplies and services	178,284	180,524	112,034	-	112,034	68,490	133,791
Utilities	1,893	1,893	1,473	-	1,473	420	1,704
Allocations	10,231	10,231	10,231	-	10,231	-	4,077
	<u>903,933</u>	<u>920,327</u>	<u>810,107</u>	<u>-</u>	<u>810,107</u>	<u>110,220</u>	<u>783,891</u>
Accounting:							
Personnel services	671,840	666,103	622,674	-	622,674	43,429	639,979
Supplies and services	322,148	428,997	434,396	-	434,396	(5,399)	171,616
Utilities	2,135	2,135	1,660	-	1,660	475	1,921
Allocations	9,621	9,621	9,621	-	9,621	-	5,697
	<u>1,005,744</u>	<u>1,106,856</u>	<u>1,068,351</u>	<u>-</u>	<u>1,068,351</u>	<u>38,505</u>	<u>819,213</u>
Finance administration:							
Personnel services	614,888	687,278	652,435	-	652,435	34,843	582,762
Supplies and services	562,739	560,185	548,828	-	548,828	11,357	531,730
Utilities	1,583	1,583	1,231	-	1,231	352	1,425
Allocations	14,124	14,124	14,124	-	14,124	-	7,527
	<u>1,193,334</u>	<u>1,263,170</u>	<u>1,216,618</u>	<u>-</u>	<u>1,216,618</u>	<u>46,552</u>	<u>1,123,444</u>
Budget and management analysis:							
Personnel services	310,876	290,331	288,109	-	288,109	2,222	276,562
Supplies and services	57,891	58,509	54,126	-	54,126	4,383	70,610
Utilities	1,743	1,743	1,356	-	1,356	387	1,569
Allocations	4,109	4,109	4,109	-	4,109	-	1,696
	<u>374,619</u>	<u>354,692</u>	<u>347,700</u>	<u>-</u>	<u>347,700</u>	<u>6,992</u>	<u>350,437</u>
Purchasing:							
Personnel services	181,745	204,380	230,423	-	230,423	(26,043)	172,314
Supplies and services	55,668	54,790	33,248	-	33,248	21,542	28,417
Utilities	2,474	2,474	1,925	-	1,925	549	2,227
Allocations	2,685	2,685	2,685	-	2,685	-	1,502
	<u>242,572</u>	<u>264,329</u>	<u>268,281</u>	<u>-</u>	<u>268,281</u>	<u>(3,952)</u>	<u>204,460</u>
General Services:							
Personnel services	101,335	54,220	49,846	-	49,846	4,374	80,727
Supplies and services	49,199	49,732	25,932	-	25,932	23,800	33,078
Utilities	2,915	2,915	2,268	-	2,268	647	2,625
Allocations	4,559	4,559	4,559	-	4,559	-	3,792
	<u>158,008</u>	<u>111,426</u>	<u>82,605</u>	<u>-</u>	<u>82,605</u>	<u>28,821</u>	<u>120,222</u>

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021						2020
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
General government and administration (continued):							
Information technology:							
Personnel services	\$ 3,701,604	\$ 3,728,795	\$ 3,338,277	\$ -	\$ 3,338,277	\$ 390,518	\$ 2,365,716
Supplies and services	2,749,922	2,756,682	3,040,535	48,326	3,088,861	(332,179)	4,746,478
Utilities	28,767	28,767	24,516	-	24,516	4,251	26,927
Allocations	251,236	251,236	89,804	-	89,804	161,432	48,986
Capital outlay	1,297,215	1,303,763	1,218,387	-	1,218,387	85,376	37,192
	<u>8,028,744</u>	<u>8,069,243</u>	<u>7,711,519</u>	<u>48,326</u>	<u>7,759,845</u>	<u>309,398</u>	<u>7,225,299</u>
Workforce services:							
Personnel services	714,153	784,173	735,030	-	735,030	49,143	707,772
Supplies and services	114,634	128,560	87,186	-	87,186	41,374	35,573
Utilities	4,047	4,047	3,149	-	3,149	898	3,643
Allocations	9,292	9,292	9,292	-	9,292	-	6,113
	<u>842,126</u>	<u>926,072</u>	<u>834,657</u>	<u>-</u>	<u>834,657</u>	<u>91,415</u>	<u>753,101</u>
City attorney:							
Personnel services	1,067,182	981,409	906,256	-	906,256	75,153	960,946
Supplies and services	431,447	161,643	134,705	-	134,705	26,938	79,581
Utilities	2,515	2,515	1,956	-	1,956	559	2,264
Allocations	13,105	13,105	13,105	-	13,105	-	5,846
	<u>1,514,249</u>	<u>1,158,672</u>	<u>1,056,022</u>	<u>-</u>	<u>1,056,022</u>	<u>102,650</u>	<u>1,048,637</u>
Facilities services:							
Personnel services	588,210	564,199	541,297	-	541,297	22,902	498,991
Supplies and services	882,780	882,840	853,389	-	853,389	29,451	874,444
Utilities	83,846	83,846	110,095	-	110,095	(26,249)	94,687
Allocations	51,257	51,257	40,574	-	40,574	10,683	48,180
Capital outlay	-	-	-	-	-	-	28,495
	<u>1,606,093</u>	<u>1,582,142</u>	<u>1,545,355</u>	<u>-</u>	<u>1,545,355</u>	<u>36,787</u>	<u>1,544,797</u>
Resolution center:							
Personnel services	1,354,591	1,256,870	783,780	-	783,780	473,090	726,209
Supplies and services	892,149	890,294	22,764	-	22,764	867,530	2,335
Utilities	16,797	16,797	7,155	-	7,155	9,642	8,280
Allocations	74,216	74,216	9,500	-	9,500	64,716	4,942
	<u>2,337,753</u>	<u>2,238,177</u>	<u>823,199</u>	<u>-</u>	<u>823,199</u>	<u>1,414,978</u>	<u>741,766</u>
Managed Competition / OD:							
Personnel services	442,474	470,308	374,524	-	374,524	95,784	299,273
Supplies and services	71,684	121,502	118,181	-	118,181	3,321	60,652
Utilities	2,330	2,330	2,015	-	2,015	315	2,137
Allocations	5,775	5,775	5,775	-	5,775	-	2,629
	<u>522,263</u>	<u>599,915</u>	<u>500,495</u>	<u>-</u>	<u>500,495</u>	<u>99,420</u>	<u>364,691</u>
Non-departmental:							
Personnel services	1,568,351	2,737,870	615,395	-	615,395	2,122,475	613,051
Supplies and services	622,635	1,564,935	1,154,140	(1,587)	1,152,553	412,382	2,518,902
Allocations	1,262,404	570,000	-	-	-	570,000	12,657
Capital outlay	58,000	59,100	54,765	-	54,765	4,335	54,067
	<u>3,511,390</u>	<u>4,931,905</u>	<u>1,824,300</u>	<u>(1,587)</u>	<u>1,822,713</u>	<u>3,109,192</u>	<u>3,198,677</u>
Total general government and administration	<u>24,060,937</u>	<u>25,421,875</u>	<u>19,666,339</u>	<u>46,739</u>	<u>19,713,078</u>	<u>5,708,797</u>	<u>19,597,405</u>

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021					2020	
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Public safety:							
Police management services:							
Personnel services	\$ 10,324,667	\$ 14,273,694	\$ 13,708,021	\$ -	\$ 13,708,021	\$ 565,673	\$ 10,439,536
Supplies and services	1,486,435	1,477,775	1,129,199	34,123	1,163,322	314,453	1,068,440
Utilities	81,716	81,716	77,441	-	77,441	4,275	70,677
Allocations	154,369	154,369	154,369	-	154,369	-	123,986
Capital outlay	1,800	1,800	4,823	-	4,823	(3,023)	132,372
	<u>12,048,987</u>	<u>15,989,354</u>	<u>15,073,853</u>	<u>34,123</u>	<u>15,107,976</u>	<u>881,378</u>	<u>11,835,011</u>
Police operations:							
Personnel services	14,601,045	11,332,115	11,241,699	-	11,241,699	90,416	13,241,051
Supplies and services	1,226,669	1,285,419	880,236	(771)	879,465	405,954	1,268,703
Utilities	29,279	29,279	26,092	-	26,092	3,187	24,564
Allocations	1,096,570	1,096,570	951,548	-	951,548	145,022	969,938
Capital outlay	225,925	108,065	113,125	-	113,125	(5,060)	240,406
	<u>17,179,488</u>	<u>13,851,448</u>	<u>13,212,700</u>	<u>(771)</u>	<u>13,211,929</u>	<u>639,519</u>	<u>15,744,662</u>
Fire operations:							
Personnel services	21,146,210	22,568,021	23,130,511	-	23,130,511	(562,490)	21,678,724
Supplies and services	2,903,630	2,898,309	2,831,868	(110)	2,831,758	66,551	2,957,819
Utilities	102,273	102,273	102,764	-	102,764	(491)	106,971
Allocations	1,365,800	1,365,800	1,226,408	-	1,226,408	139,392	1,503,086
Capital outlay	24,000	24,000	12,316	-	12,316	11,684	18,258
	<u>25,541,913</u>	<u>26,958,403</u>	<u>27,303,867</u>	<u>(110)</u>	<u>27,303,757</u>	<u>(345,354)</u>	<u>26,264,858</u>
Fire support services:							
Personnel services	2,097,658	2,175,339	2,049,554	-	2,049,554	125,785	2,225,412
Supplies and services	217,638	221,719	157,191	-	157,191	64,528	111,906
Utilities	6,804	6,804	5,879	-	5,879	925	6,426
Allocations	72,046	72,046	59,320	-	59,320	12,726	69,943
	<u>2,394,146</u>	<u>2,475,908</u>	<u>2,271,944</u>	<u>-</u>	<u>2,271,944</u>	<u>203,964</u>	<u>2,413,687</u>
Emergency dispatch:							
Supplies and services	4,444,110	4,444,110	4,444,109	-	4,444,109	1	3,054,760
Allocations	52,782	52,782	52,782	-	52,782	-	18,345
	<u>4,496,892</u>	<u>4,496,892</u>	<u>4,496,891</u>	<u>-</u>	<u>4,496,891</u>	<u>1</u>	<u>3,073,105</u>
Municipal court:							
Personnel services	1,217,771	1,231,407	1,155,041	-	1,155,041	76,366	1,136,748
Supplies and services	315,830	318,314	305,061	-	305,061	13,253	255,017
Utilities	37,566	37,566	32,309	-	32,309	5,257	33,748
Allocations	48,720	48,720	39,914	-	39,914	8,806	13,114
	<u>1,619,887</u>	<u>1,636,007</u>	<u>1,532,325</u>	<u>-</u>	<u>1,532,325</u>	<u>103,682</u>	<u>1,438,627</u>

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021						2020
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Public safety (continued):							
Environmental services:							
Personnel services	\$ 2,142,430	\$ 1,548,990	\$ 1,915,802	\$ -	\$ 1,915,802	\$ (366,812)	\$ 1,919,951
Supplies and services	475,784	483,861	362,199	-	362,199	121,662	411,498
Utilities	10,459	10,459	8,136	-	8,136	2,323	9,414
Allocations	78,907	78,907	78,875	-	78,875	32	36,594
Capital outlay	1,541	1,541	2,259	-	2,259	(718)	140
	<u>2,709,121</u>	<u>2,123,758</u>	<u>2,367,271</u>	<u>-</u>	<u>2,367,271</u>	<u>(243,513)</u>	<u>2,377,597</u>
Animal control:							
Personnel services	738,107	714,942	719,272	-	719,272	(4,330)	650,430
Supplies and services	116,505	114,892	108,878	-	108,878	6,014	97,443
Utilities	52,653	52,653	35,601	-	35,601	17,052	49,033
Allocations	38,875	38,875	37,534	-	37,534	1,341	46,615
	<u>946,140</u>	<u>921,362</u>	<u>901,285</u>	<u>-</u>	<u>901,285</u>	<u>20,077</u>	<u>843,521</u>
Total public safety	<u>66,936,574</u>	<u>68,453,132</u>	<u>67,160,136</u>	<u>33,242</u>	<u>67,193,378</u>	<u>1,259,754</u>	<u>63,991,068</u>
Development services:							
Transportation engineering:							
Personnel services	852,832	1,334,910	856,863	-	856,863	478,047	779,626
Supplies and services	58,582	62,882	10,740	-	10,740	52,142	12,226
Utilities	2,745	2,745	2,135	-	2,135	610	2,470
Allocations	13,313	13,313	13,313	-	13,313	-	6,518
Capital outlay	6,247	6,247	4,277	-	4,277	1,970	20,474
	<u>933,719</u>	<u>1,420,097</u>	<u>887,328</u>	<u>-</u>	<u>887,328</u>	<u>532,769</u>	<u>821,314</u>
Civil engineering:							
Personnel services	1,092,732	727,761	728,426	-	728,426	(665)	735,454
Supplies and services	122,388	116,449	98,317	-	98,317	18,132	80,248
Utilities	8,215	8,215	9,466	-	9,466	(1,251)	8,442
Allocations	35,153	35,153	35,411	-	35,411	(258)	24,957
Capital outlay	11,752	11,752	8,500	-	8,500	3,252	10,970
	<u>1,270,240</u>	<u>899,330</u>	<u>880,120</u>	<u>-</u>	<u>880,120</u>	<u>19,210</u>	<u>860,071</u>
Traffic operations:							
Personnel services	1,062,747	1,186,297	1,110,489	-	1,110,489	75,808	903,940
Supplies and services	408,574	408,574	273,101	-	273,101	135,473	386,039
Utilities	1,136,599	1,136,599	1,177,219	-	1,177,219	(40,620)	1,042,183
Allocations	252,891	252,891	258,733	-	258,733	(5,842)	265,054
	<u>2,860,811</u>	<u>2,984,361</u>	<u>2,819,542</u>	<u>-</u>	<u>2,819,542</u>	<u>164,819</u>	<u>2,597,216</u>
Streets:							
Personnel services	2,037,635	1,813,998	1,632,262	-	1,632,262	181,736	1,692,662
Supplies and services	1,101,194	1,101,379	1,136,653	(2,250)	1,134,403	(33,024)	997,403
Allocations	473,924	473,924	444,583	-	444,583	29,341	458,228
Capital outlay	-	-	-	-	-	-	25,500
	<u>3,612,753</u>	<u>3,389,301</u>	<u>3,213,498</u>	<u>(2,250)</u>	<u>3,211,248</u>	<u>178,053</u>	<u>3,173,793</u>
Drainage:							
Personnel services	599,586	560,104	455,439	-	455,439	104,665	470,716
Supplies and services	153,472	153,472	151,340	-	151,340	2,132	142,963
Allocations	268,520	268,520	295,107	-	295,107	(26,587)	232,689
	<u>1,021,578</u>	<u>982,096</u>	<u>901,886</u>	<u>-</u>	<u>901,886</u>	<u>80,210</u>	<u>846,368</u>

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021						2020
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Development services (continued):							
Public works administration:							
Personnel services	\$ -	\$ -	\$ 153,758	\$ -	\$ 153,758	\$ (153,758)	\$ 17,671
Supplies and services	-	-	(44,105)	-	(44,105)	44,105	(38,880)
Utilities	-	-	422	-	422	(422)	(552)
Allocations	(337,193)	(337,193)	(337,393)	-	(337,393)	200	(274,683)
	<u>(337,193)</u>	<u>(337,193)</u>	<u>(227,318)</u>	<u>-</u>	<u>(227,318)</u>	<u>(109,875)</u>	<u>(296,444)</u>
Planning:							
Personnel services	408,969	390,920	374,505	-	374,505	16,415	288,694
Supplies and services	63,358	66,768	39,828	-	39,828	26,940	39,127
Utilities	5,899	5,899	5,379	-	5,379	520	3,769
Allocations	8,196	8,196	8,196	-	8,196	-	3,965
Capital outlay	1,683	1,683	147	-	147	1,536	(515)
	<u>488,105</u>	<u>473,466</u>	<u>428,055</u>	<u>-</u>	<u>428,055</u>	<u>45,411</u>	<u>335,040</u>
Building inspection:							
Personnel services	2,088,626	2,088,625	2,039,878	-	2,039,878	48,747	1,965,853
Supplies and services	146,641	152,587	109,760	-	109,760	42,827	109,879
Utilities	7,144	7,144	5,557	-	5,557	1,587	6,430
Allocations	52,476	52,476	52,476	-	52,476	-	44,526
Capital outlay	463	463	-	-	-	463	-
	<u>2,295,350</u>	<u>2,301,295</u>	<u>2,207,671</u>	<u>-</u>	<u>2,207,671</u>	<u>93,624</u>	<u>2,126,688</u>
Transit oriented development:							
Utilities	-	-	1,155	-	1,155	(1,155)	4,068
	<u>-</u>	<u>-</u>	<u>1,155</u>	<u>-</u>	<u>1,155</u>	<u>(1,155)</u>	<u>4,068</u>
Economic development:							
Personnel services	273,960	293,735	282,352	-	282,352	11,383	280,829
Supplies and services	1,129,032	304,909	206,901	-	206,901	98,008	(29,063)
Utilities	2,365	2,365	1,839	-	1,839	526	2,129
Allocations	8,273	8,273	8,273	-	8,273	-	4,566
Capital outlay	500	500	-	-	-	500	-
	<u>1,414,130</u>	<u>609,782</u>	<u>499,365</u>	<u>-</u>	<u>499,365</u>	<u>110,417</u>	<u>258,461</u>
Total development services	13,559,493	12,722,535	11,611,302	(2,250)	11,609,052	1,113,483	10,726,575
Cultural and recreational:							
Library:							
Personnel services	2,442,535	2,540,373	2,313,439	-	2,313,439	226,934	2,288,706
Supplies and services	350,403	332,026	275,533	(29,568)	245,965	86,061	395,312
Utilities	102,687	102,687	85,759	-	85,759	16,928	94,329
Allocations	43,666	43,666	43,666	-	43,666	-	29,726
Capital outlay	293,965	293,965	306,705	-	306,705	(12,740)	301,141
	<u>3,233,256</u>	<u>3,312,717</u>	<u>3,025,102</u>	<u>(29,568)</u>	<u>2,995,534</u>	<u>317,183</u>	<u>3,109,214</u>
Park operations:							
Personnel services	4,315,733	4,130,240	3,876,517	-	3,876,517	253,723	3,860,863
Supplies and services	1,876,738	1,879,669	1,789,979	-	1,789,979	89,690	1,347,095
Utilities	798,511	798,511	755,669	-	755,669	42,842	721,377
Allocations	448,273	448,273	424,305	-	424,305	23,968	332,018
Capital outlay	4,000	4,000	1,867	-	1,867	2,133	42,602
	<u>7,443,255</u>	<u>7,260,693</u>	<u>6,848,337</u>	<u>-</u>	<u>6,848,337</u>	<u>412,356</u>	<u>6,303,955</u>

CITY OF CARROLLTON, TEXAS

General Fund
 Schedule of Expenditures - Budget and Actual
 For the Year Ended September 30, 2021
 With Comparative Actual Totals for 2020

	2021						2020
	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis
	Original	Final					
Cultural and recreational (continued):							
Tennis center:							
Supplies and services	\$ 18,137	\$ 17,573	\$ 9,418	\$ -	\$ 9,418	\$ 8,155	\$ 5,490
Utilities	27,798	27,798	15,734	-	15,734	12,064	18,767
Allocations	2,783	2,783	2,783	-	2,783	-	1,078
	<u>48,718</u>	<u>48,154</u>	<u>27,935</u>	<u>-</u>	<u>27,935</u>	<u>20,219</u>	<u>25,335</u>
Leisure services:							
Personnel services	485,396	498,917	469,334	-	469,334	29,583	469,396
Supplies and services	59,179	59,179	45,304	-	45,304	13,875	57,200
Utilities	1,968	1,968	1,350	-	1,350	618	1,305
Allocations	9,456	9,456	9,456	-	9,456	-	5,842
	<u>555,999</u>	<u>569,520</u>	<u>525,444</u>	<u>-</u>	<u>525,444</u>	<u>44,076</u>	<u>533,743</u>
Rosemeade recreation center:							
Personnel services	81,832	78,104	73,232	-	73,232	4,872	75,546
Supplies and services	446,906	443,814	114,996	-	114,996	328,818	203,864
Utilities	54,880	54,880	37,146	-	37,146	17,734	40,001
Allocations	9,467	9,467	9,467	-	9,467	-	6,873
	<u>593,085</u>	<u>586,265</u>	<u>234,841</u>	<u>-</u>	<u>234,841</u>	<u>351,424</u>	<u>326,284</u>
Crosby recreation center:							
Personnel services	46,700	46,700	42,236	-	42,236	4,464	34,336
Supplies and services	137,159	134,529	67,004	-	67,004	67,525	35,891
Utilities	37,768	37,768	32,227	-	32,227	5,541	33,271
Allocations	5,605	5,605	5,604	-	5,604	1	4,153
	<u>227,232</u>	<u>224,602</u>	<u>147,071</u>	<u>-</u>	<u>147,071</u>	<u>77,531</u>	<u>107,651</u>
Perry museum:							
Personnel services	94,194	101,146	81,200	-	81,200	19,946	86,981
Supplies and services	25,604	25,643	8,837	-	8,837	16,806	39,033
Utilities	7,581	7,581	6,846	-	6,846	735	7,005
Allocations	4,175	4,175	4,175	-	4,175	-	1,280
	<u>131,554</u>	<u>138,545</u>	<u>101,058</u>	<u>-</u>	<u>101,058</u>	<u>37,487</u>	<u>134,299</u>
Senior center:							
Personnel services	81,498	72,500	69,916	-	69,916	2,584	39,577
Supplies and services	92,715	92,901	53,742	-	53,742	39,159	40,658
Utilities	41,712	41,712	40,460	-	40,460	1,252	36,298
Allocations	10,507	10,507	5,446	-	5,446	5,061	4,746
	<u>226,432</u>	<u>217,620</u>	<u>169,564</u>	<u>-</u>	<u>169,564</u>	<u>48,056</u>	<u>121,279</u>
Athletics:							
Personnel services	1,121,913	1,044,101	917,256	-	917,256	126,845	900,446
Supplies and services	374,824	371,824	209,975	-	209,975	161,849	189,577
Allocations	21,641	21,641	21,641	-	21,641	-	62,051
	<u>1,518,378</u>	<u>1,437,566</u>	<u>1,148,872</u>	<u>-</u>	<u>1,148,872</u>	<u>288,694</u>	<u>1,152,074</u>
Total cultural and recreational	<u>13,977,909</u>	<u>13,795,682</u>	<u>12,228,224</u>	<u>(29,568)</u>	<u>12,198,656</u>	<u>1,597,026</u>	<u>11,813,834</u>
Total expenditures	<u>\$ 118,534,913</u>	<u>\$ 120,393,224</u>	<u>\$ 110,666,001</u>	<u>\$ 48,163</u>	<u>\$ 110,714,164</u>	<u>\$ 9,679,060</u>	<u>\$ 106,128,882</u>

COMBINING FINANCIAL STATEMENTS

Internal Service Funds

Internal Service Funds account for the financing of goods or services provided by one City department for another.

Fleet Services Fund – to account for the cost of operating and maintaining automotive and other equipment used by City departments and the purchase of general government vehicles (those not used by enterprise fund activities). Service charges are billed to departments on a monthly basis to cover all expenses of the fund.

Risk Management Fund – to account for the operation of a self-insurance fund covering all City property, vehicles, liability and workers' compensation expenses. The City operates under a self-insured retention and commercial insurance coverage purchases, with workers' compensation claims administered by an outside agency.

Employee Health and Disability Fund – to account for the provision of group accident, health and long-term disability insurance coverage for all City employees and those retirees choosing to stay on the plan.

CITY OF CARROLLTON, TEXAS

Internal Service Funds
 Combining Statement of Net Position
 September 30, 2021

	<u>Fleet Services</u>	<u>Risk Management</u>	<u>Employee Health and Disability</u>	<u>Total</u>
Assets				
Current assets:				
Cash and cash equivalents	\$ 7,555,096	\$ 4,913,486	\$ 8,112,564	\$ 20,581,146
Receivables:				
Accrued interest	19,778	13,967	20,601	54,346
Inventories	80,643	-	-	80,643
Prepaid items	-	113,000	7,367	120,367
Total current assets	<u>7,655,517</u>	<u>5,040,453</u>	<u>8,140,532</u>	<u>20,836,502</u>
Noncurrent assets:				
Capital assets:				
Buildings	176,409	-	-	176,409
Equipment	24,593,109	-	-	24,593,109
Intangibles	34,314	70,400	-	104,714
Accumulated depreciation	(15,279,720)	(70,400)	-	(15,350,120)
Total capital assets, net of accumulated depreciation	<u>9,524,112</u>	<u>-</u>	<u>-</u>	<u>9,524,112</u>
Total assets	<u>17,179,629</u>	<u>5,040,453</u>	<u>8,140,532</u>	<u>30,360,614</u>
Liabilities				
Current liabilities:				
Accounts payable	332,011	30,795	1,809,902	2,172,708
Estimated health claims payable	-	-	851,581	851,581
Total current liabilities	<u>332,011</u>	<u>30,795</u>	<u>2,661,483</u>	<u>3,024,289</u>
Noncurrent liabilities:				
Compensated absences	-	46,761	-	46,761
Long-term risk liability	-	865,083	-	865,083
Total noncurrent liabilities	<u>-</u>	<u>911,844</u>	<u>-</u>	<u>911,844</u>
Total liabilities	<u>332,011</u>	<u>942,639</u>	<u>2,661,483</u>	<u>3,936,133</u>
Net Position				
Net investment in capital assets	9,524,112	-	-	9,524,112
Unrestricted	7,323,506	4,097,814	5,479,049	16,900,369
Total net position	<u>\$ 16,847,618</u>	<u>\$ 4,097,814</u>	<u>\$ 5,479,049</u>	<u>\$ 26,424,481</u>

CITY OF CARROLLTON, TEXAS

Internal Service Funds
 Combining Statement of Revenues, Expenses and Changes in Net Position
 For the Year Ended September 30, 2021

	Fleet Services	Risk Management	Employee Health and Disability	Totals
Operating revenues:				
Charges for services	\$ 6,220,832	\$ 2,143,267	\$ 13,180,493	\$ 21,544,592
Operating expenses:				
Personal services	109,239	104,967	795,565	1,009,771
Supplies and services	2,903,743	2,231,652	11,750,790	16,886,185
Utilities	33,881	272	-	34,153
Allocations	85,914	-	-	85,914
Depreciation	2,241,791	-	-	2,241,791
Total operating expenses	5,374,568	2,336,891	12,546,355	20,257,814
Income from operations	846,264	(193,624)	634,138	1,286,778
Nonoperating revenues:				
Investment earnings net of change in fair value of investments	17,738	9,001	13,807	40,546
Gain on sale/retirement of capital assets	410,190	-	-	410,190
Total nonoperating revenues	427,928	9,001	13,807	450,736
Income before transfers	1,274,192	(184,623)	647,945	1,737,514
Transfers out	(398,389)	(417,118)	-	(815,507)
Change in net position	875,803	(601,741)	647,945	922,007
Net position at beginning of year	15,971,815	4,699,555	4,831,104	25,502,474
Net position at end of year	\$ 16,847,618	\$ 4,097,814	\$ 5,479,049	\$ 26,424,481

CITY OF CARROLLTON, TEXAS

Internal Service Funds
 Combining Statement of Cash Flows
 For the Year Ended September 30, 2020

	Fleet Services	Risk Management	Employee Health and Disability	Totals
Cash flows from operating activities:				
Cash received from employees for services	\$ -	\$ -	2,128,815	\$ 2,128,815
Cash received from other funds for services	6,220,832	2,143,267	11,051,676	19,415,775
Cash received from loss claim recoveries and refunds	-	343,017	1,321,825	1,664,842
Cash payments to suppliers for goods and services	(2,897,452)	(1,227,616)	(2,099,578)	(6,224,646)
Cash payments to employees for services	(101,640)	(99,525)	-	(201,165)
Cash payments for loss claims	-	(1,218,625)	(11,654,384)	(12,873,009)
Cash payments to other funds for services	(93,571)	(9,508)	-	(103,079)
Net cash provided (used) by operating activities	<u>3,128,169</u>	<u>(68,990)</u>	<u>748,354</u>	<u>3,807,533</u>
Cash flows from noncapital financing activities:				
Transfers to other funds	<u>(398,389)</u>	<u>(417,118)</u>	<u>-</u>	<u>(815,507)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(1,366,260)	-	-	(1,366,260)
Proceeds from sale of capital assets	413,254	-	-	413,254
Net cash used by capital and related financing activities	<u>(953,006)</u>	<u>-</u>	<u>-</u>	<u>(953,006)</u>
Cash flows from investing activities:				
Interest on cash and cash equivalents	<u>20,879</u>	<u>17,717</u>	<u>17,343</u>	<u>55,939</u>
Net increase (decrease) in cash and cash equivalents	1,797,653	(468,391)	765,697	2,094,959
Cash and cash equivalents, October 1	5,757,443	5,381,877	7,346,867	18,486,187
Cash and cash equivalents, September 30	<u>\$ 7,555,096</u>	<u>\$ 4,913,486</u>	<u>\$ 8,112,564</u>	<u>\$ 20,581,146</u>
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:				
Income (loss) from operations	\$ 846,264	\$ (193,624)	\$ 634,138	\$ 1,286,778
Adjustments to reconcile income from operations to net cash provided (used) by operating activities:				
Depreciation	2,241,791	-	-	2,241,791
Change in assets and liabilities:				
(Increase) decrease in inventories	(36,911)	-	-	(36,911)
Increase (decrease) in accounts payable	77,025	8,674	290,035	375,734
Increase (decrease) in estimated health claims payable	-	-	(175,819)	(175,819)
Increase (decrease) in liability for compensated absences	-	(1,215)	-	(1,215)
Increase (decrease) in long-term risk liability	-	117,175	-	117,175
Net cash provided (used) by operating activities	<u>\$ 3,128,169</u>	<u>\$ (68,990)</u>	<u>\$ 748,354</u>	<u>\$ 3,807,533</u>

SUPPLEMENTARY INDIVIDUAL FUND FINANCIAL STATEMENTS

Proprietary Funds

These supplementary statements and schedules are included to provide management additional information for financial analysis.

CITY OF CARROLLTON, TEXAS

Water and Sewer Fund
 Comparative Statements of Net Position
 September 30, 2021 and 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 34,686,140	\$ 30,565,867
Receivables:		
Accounts	5,495,061	5,888,457
Accrued interest	147,049	170,301
Pension Asset	95,586	-
Restricted assets:		
Cash and cash equivalents	4,155,911	10,408,615
Total current assets	44,579,747	47,033,240
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	986,773	1,070,043
Capital assets:		
Land	1,382,918	1,382,918
Buildings	18,073,186	18,073,186
Equipment	6,481,579	6,738,963
Intangibles	828,392	868,612
Infrastructure	258,743,673	253,232,216
Construction in progress	4,157,999	205,707
Accumulated depreciation	(171,743,760)	(166,255,601)
Total capital assets, net of accumulated depreciation	117,923,987	114,246,001
Total noncurrent assets	118,910,760	115,316,044
Total assets	163,490,507	162,349,284
Deferred outflows of resources		
Deferred charges on refundings	36,999	60,366
Pension contributions after measurement date	264,982	257,089
Difference in expected / actual pension experience	-	2,012
Total deferred outflows of resources	301,981	319,467
Liabilities		
Current liabilities:		
Accounts payable	2,799,915	2,911,392
Interfund Note payable	-	2,012,241
Customer deposits payable	3,108,668	2,981,635
Revenue bonds payable	1,944,790	1,843,085
Compensated absences	104,661	110,438
Accrued interest	164,375	190,646
Total current liabilities	8,122,409	10,049,437
Noncurrent liabilities:		
Revenue bonds payable	9,318,940	11,287,068
Net pension liability	-	242,578
Compensated absences	359,996	373,218
Total noncurrent liabilities	9,678,936	11,902,864
Total liabilities	17,801,345	21,952,301
Deferred Inflows of resources		
Difference in expected and actual pension experience	75,168	27,187
Changes in actuarial assumptions used to determine pension liability	1,975	3,250
Net difference in projected and actual earnings on pension plan investments	497,613	541,711
Total deferred inflows of resources	574,756	572,148
Net Position		
Net investment in capital assets	105,373,268	107,467,329
Restricted for:		
Revenue bond retirement	986,773	1,070,043
Unrestricted	39,056,346	31,606,930
Total net position	\$ 145,416,387	\$ 140,144,302

CITY OF CARROLLTON, TEXAS

Water and Sewer Fund

Comparative Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating revenues:		
Charges for services	\$ 48,800,547	\$ 48,870,110
Miscellaneous	337,653	297,912
Total operating revenues	<u>49,138,200</u>	<u>49,168,022</u>
Operating expenses:		
Personal services	3,765,284	3,983,596
Supplies and services	30,287,030	30,109,494
Utilities	885,921	1,011,379
Allocations	1,123,539	864,723
Depreciation	5,968,356	5,758,477
Total operating expenses	<u>42,030,130</u>	<u>41,727,669</u>
Income from operations	<u>7,108,070</u>	<u>7,440,353</u>
Nonoperating revenues (expenses):		
Investment earnings net of change in fair value of investments	96,755	680,257
Gain on sale/retirement of capital assets	99,209	14,826
Interest expense	(311,618)	(375,564)
Total nonoperating revenues (expenses)	<u>(115,654)</u>	<u>319,519</u>
Income before contributions and transfers	6,992,416	7,759,872
Capital contributions	3,199,625	727,166
Transfers out	<u>(4,919,956)</u>	<u>(4,552,223)</u>
Change in net position	5,272,085	3,934,815
Net position at beginning of year	<u>140,144,302</u>	<u>136,209,487</u>
Net position at end of year	<u>\$ 145,416,387</u>	<u>\$ 140,144,302</u>

CITY OF CARROLLTON, TEXAS

**Water and Sewer Fund
Comparative Statments of Cash Flows
For the years Ended September 30, 2021 and 2020**

	2021	2020
Cash flows from operating activities:		
Cash received from customers for services	\$ 49,320,975	\$ 49,873,769
Other operating cash receipts	337,758	297,912
Cash payments to suppliers for goods and services	(31,133,657)	(31,154,929)
Cash payments to employees for services	(3,480,027)	(3,259,270)
Cash payments to other funds for services	(1,872,916)	(1,455,528)
Net cash provided by operating activities	13,172,133	14,301,954
Cash flows from noncapital financing activities:		
Transfers to other funds	(4,919,956)	(4,552,223)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(7,199,600)	(2,036,233)
Proceeds from sale of capital assets	99,209	14,826
Interest paid on bonds	(458,075)	(499,533)
Interest paid on intrafund loan	(27,869)	(32,892)
Retirement of bonds	(1,695,000)	(1,655,000)
Retirement of loan	(2,012,241)	(332,590)
Capital contributions	705,690	459,950
Net cash provided by (used in) capital and related financing activities	(10,587,886)	(4,081,472)
Cash flow from investing activities:		
Interest on cash and cash equivalents	120,008	631,236
Net increase in cash and cash equivalents	(2,215,701)	6,299,495
Cash and cash equivalents, October 1	42,044,525	35,745,030
Cash and cash equivalents, September 30	\$ 39,828,824	\$ 42,044,525
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 7,108,070	\$ 7,440,353
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Depreciation	5,968,356	5,758,477
Provision for doubtful accounts	89,923	89,923
Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources		
(Increase) decrease in accounts receivable	303,473	938,882
(Increase) decrease in pension related deferred outflows	(5,881)	1,061,242
Increase (decrease) in accounts payable	(64,286)	34,642
Increase (decrease) in customer deposits payable	127,033	(25,146)
Increase (decrease) in net pension liability	(338,164)	(1,571,902)
Increase (decrease) in liability for compensated absences	(18,999)	26,340
Increase (decrease) in pension related deferred inflows	2,608	549,143
Net cash provided by operating activities	\$ 13,172,133	\$ 14,301,954
Noncash investing, capital, and financing activities:		
During the past year, the water and sewer fund received \$267,216 noncash capital contributions from developers consisting of water and sewer infrastructure.		
Reconciliation of total cash and cash equivalents:		
Current assets:		
Cash and cash equivalents	34,686,140	30,565,867
Restricted assets - cash and cash equivalents	4,155,911	10,408,615
Noncurrent assets:		
Restricted assets - cash and cash equivalents	986,773	1,070,043
Total cash and cash equivalents	\$ 39,828,824	\$ 42,044,525

CITY OF CARROLLTON, TEXAS

Golf Course Fund
 Comparative Statements of Net Position
 September 30, 2021 and 2020

Assets	<u>2021</u>	<u>2020</u>
Current assets:		
Cash and cash equivalents	\$ 914,373	\$ 385,656
Receivables:		
Accrued interest	2,276	1,014
Other	120,584	75,546
Total current assets	<u>1,037,233</u>	<u>462,216</u>
Noncurrent assets:		
Capital assets:		
Land	995,000	995,000
Buildings	1,925,571	1,925,571
Equipment	1,420,831	1,420,831
Improvements	16,169,676	16,151,254
Accumulated depreciation	<u>(15,207,475)</u>	<u>(14,554,748)</u>
Total capital assets, net of accumulated depreciation	<u>5,303,603</u>	<u>5,937,908</u>
Total assets	<u>6,340,836</u>	<u>6,400,124</u>
Liabilities		
Current liabilities:		
Accounts payable	<u>11,318</u>	<u>11,005</u>
Total liabilities	<u>11,318</u>	<u>11,005</u>
Net Position		
Net investment in capital assets	5,303,603	5,937,908
Unrestricted	<u>1,025,915</u>	<u>451,211</u>
Total net position	<u>\$ 6,329,518</u>	<u>\$ 6,389,119</u>

CITY OF CARROLLTON, TEXAS

Golf Course Fund
 Comparative Statements of Revenues, Expenses and Changes in Net Position
 For the Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating revenues:		
Charges for services	\$ 580,383	\$ 1,144,615
Total operating revenues	<u>580,383</u>	<u>1,144,615</u>
Operating expenses:		
Supplies and services	44,518	1,371,386
Utilities	122,132	159,061
Allocations	23,055	10,156
Depreciation	<u>652,727</u>	<u>666,214</u>
Total operating expenses	<u>842,432</u>	<u>2,206,817</u>
Income from operations	<u>(262,049)</u>	<u>(1,062,202)</u>
Nonoperating revenues (expenses):		
Investment earnings net of change in fair value of investments	<u>2,448</u>	<u>(1,192)</u>
Total nonoperating revenues (expenses)	<u>2,448</u>	<u>(1,192)</u>
Income before contributions and transfers	(259,601)	(1,063,394)
Transfers in	<u>200,000</u>	<u>776,664</u>
Change in net position	(59,601)	(286,730)
Net position at beginning of year	<u>6,389,119</u>	<u>6,675,849</u>
Net position at end of year	<u>\$ 6,329,518</u>	<u>\$ 6,389,119</u>

CITY OF CARROLLTON, TEXAS

Golf Course Fund
 Comparative Statements of Cash Flows
 For the years Ended September 30, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Cash received from customers for services	\$ 535,345	\$ 1,196,349
Cash payments to suppliers for goods and services	(166,337)	(1,594,948)
Cash payments to other funds for services	(23,055)	(11,617)
Net cash provided (used) by operating activities	345,953	(410,216)
Cash flows from noncapital financing activities:		
Transfers from other funds	200,000	776,664
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(18,422)	(687,649)
Net cash provided by (used in) capital and related financing activities	(18,422)	(687,649)
Cash flow from investing activities:		
Interest on cash and cash equivalents	1,186	(2,206)
Net increase (decrease) in cash and cash equivalents	528,717	(323,407)
Cash and cash equivalents, October 1	385,656	709,063
Cash and cash equivalents, September 30	\$ 914,373	\$ 385,656
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:		
Income (loss) from operations	\$ (262,049)	\$ (1,062,202)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:		
Depreciation	652,727	666,214
Change in assets and liabilities:		
(Increase) decrease in other receivables	(45,038)	(66,729)
(Increase) decrease in due from other governments	-	118,463
Increase (decrease) in accounts payable	313	(65,962)
Net cash provided (used) by operating activities	\$ 345,953	\$ (410,216)

CITY OF CARROLLTON, TEXAS

Sanitation Fund
 Comparative Statements of Net Position
 September 30, 2021 and 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 947,070	\$ 558,899
Receivables:		
Accounts	1,255,301	1,186,216
Accrued interest	3,965	6,521
Total current assets	2,206,336	1,751,636
Noncurrent assets:		
Capital assets:		
Equipment	1,460,303	1,460,303
Accumulated depreciation	(1,460,303)	(1,460,303)
Total capital assets, net of accumulated depreciation	-	-
Total assets	2,206,336	1,751,636
Liabilities		
Current liabilities:		
Accounts payable	1,846,343	1,438,109
Total liabilities	1,846,343	1,438,109
Net Position		
Unrestricted	359,993	313,527
Total net position	\$ 359,993	\$ 313,527

CITY OF CARROLLTON, TEXAS

Sanitation Fund
 Comparative Statements of Revenues, Expenses and Changes in Net Position
 For the Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating revenues:		
Charges for services	\$ 11,552,462	\$ 10,773,015
Total operating revenues	<u>11,552,462</u>	<u>10,773,015</u>
Operating expenses:		
Supplies and services	9,508,935	9,170,639
Allocations	<u>144,121</u>	<u>109,504</u>
Total operating expenses	<u>9,653,056</u>	<u>9,280,143</u>
Income from operations	<u>1,899,406</u>	<u>1,492,872</u>
Nonoperating revenues (expenses):		
Investment earnings net of change in fair value of investments	<u>4,741</u>	<u>28,263</u>
Total nonoperating revenues (expenses)	<u>4,741</u>	<u>28,263</u>
Income before contributions and transfers	1,904,147	1,521,135
Transfers out	<u>(1,857,681)</u>	<u>(1,719,899)</u>
Change in net position	46,466	(198,764)
Net position at beginning of year	<u>313,527</u>	<u>512,291</u>
Net position at end of year	<u>\$ 359,993</u>	<u>\$ 313,527</u>

CITY OF CARROLLTON, TEXAS

Sanitation Fund
 Comparative Statements of Cash Flows
 For the years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Cash received from customers for services	\$ 11,448,284	\$ 10,750,939
Cash payments to suppliers for goods and services	(9,100,703)	(9,504,415)
Cash payments to other funds for services	(109,027)	(72,429)
Net cash provided by operating activities	<u>2,238,554</u>	<u>1,174,095</u>
Cash flows from noncapital financing activities:		
Transfers to other funds	<u>(1,857,681)</u>	<u>(1,719,899)</u>
Cash flow from investing activities:		
Interest on cash and cash equivalents	<u>7,298</u>	<u>29,581</u>
Net increase (decrease) in cash and cash equivalents	388,171	(516,223)
Cash and cash equivalents, October 1	558,899	1,075,122
Cash and cash equivalents, September 30	<u>\$ 947,070</u>	<u>\$ 558,899</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 1,899,406	\$ 1,492,872
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Depreciation	-	-
Provisions for doubtful accounts	35,092	37,075
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(104,178)	(22,076)
Increase (decrease) in accounts payable	408,234	(333,776)
Net cash provided by (used in) operating activities	<u>\$ 2,238,554</u>	<u>\$ 1,174,095</u>



CARROLLTON

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CITY OF CARROLLTON, TEXAS

Fleet Services Fund
Comparative Statements of Net Position
September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 7,555,096	\$ 5,757,443
Accrued interest receivable	19,778	22,919
Inventories	80,643	43,732
Total current assets	<u>7,655,517</u>	<u>5,824,094</u>
Noncurrent assets:		
Capital assets:		
Buildings	176,409	176,409
Equipment	24,593,109	25,072,153
Intangibles	34,314	34,314
Accumulated depreciation	<u>(15,279,720)</u>	<u>(14,515,323)</u>
Total capital assets, net of accumulated depreciation	<u>9,524,112</u>	<u>10,767,553</u>
Total assets	<u>17,179,629</u>	<u>16,591,647</u>
Liabilities		
Current liabilities:		
Accounts payable	<u>332,011</u>	<u>619,832</u>
Total liabilities	<u>332,011</u>	<u>619,832</u>
Net Position		
Net investment in capital assets	9,524,112	10,767,566
Unrestricted	<u>7,323,506</u>	<u>5,204,249</u>
Total net position	<u>\$ 16,847,618</u>	<u>\$ 15,971,815</u>

CITY OF CARROLLTON, TEXAS

Fleet Services Fund

Comparative Statements of Revenues, Expenses and Changes in Net Position
for the Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating revenues:		
Charges for services	\$ 6,220,832	\$ 5,561,721
Operating expenses:		
Personal services	109,239	81,179
Supplies and services	2,903,743	2,988,835
Utilities	33,881	31,537
Allocations	85,914	27,845
Depreciation	2,241,791	1,879,633
Total operating expenses	<u>5,374,568</u>	<u>5,009,029</u>
Income (loss) from operations	<u>846,264</u>	<u>552,692</u>
Nonoperating revenues:		
Investment earnings		
net of change in fair value		
of investments	17,738	112,610
Gain on sale/retirement of capital assets	410,190	326,654
Total nonoperating revenues	<u>427,928</u>	<u>439,264</u>
Income before transfers	1,274,192	991,956
Transfers out	<u>(398,389)</u>	<u>(304,650)</u>
Change in net position	875,803	687,306
Net position at beginning of year	<u>15,971,815</u>	<u>15,284,509</u>
Net position at end of year	<u>\$ 16,847,618</u>	<u>\$ 15,971,815</u>

CITY OF CARROLLTON, TEXAS

Fleet Services Fund
 Comparative Statements of Cash Flows
 For the years Ended September 30, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Cash received from other funds for services	\$ 6,220,832	\$ 5,561,722
Cash payments to suppliers for goods and services	(2,897,452)	(3,050,022)
Cash payments to employees for services	(101,640)	(71,729)
Cash payments to other funds for services	(93,571)	(33,002)
Net cash provided by operating activities	3,128,169	2,406,969
Cash flows from noncapital financing activities:		
Transfers to other funds	(398,389)	(304,650)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(1,366,260)	(3,010,449)
Proceeds from sale of capital assets	413,254	329,677
Net cash used by capital and related financing activities	(953,006)	(2,680,772)
Cash flow from investing activities:		
Interest on cash and cash equivalents	20,879	111,982
Net increase (decrease) in cash and cash equivalents	1,797,653	(466,471)
Cash and cash equivalents, October 1	5,757,443	6,223,914
Cash and cash equivalents, September 30	\$ 7,555,096	\$ 5,757,443
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 846,264	\$ 552,692
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:		
Depreciation	2,241,791	1,879,633
Change in assets and liabilities:		
(Increase) decrease in inventories	(36,911)	16,942
Increase (decrease) in accounts payable	77,025	(42,298)
Net cash provided by (used in) operating activities	\$ 3,128,169	\$ 2,406,969

CITY OF CARROLLTON, TEXAS

Risk Management Fund
 Comparative Statements of Net Position
 September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,913,486	\$ 5,381,877
Accrued interest receivable	13,967	22,682
Prepaid items	<u>113,000</u>	<u>113,000</u>
Total current assets	<u>5,040,453</u>	<u>5,517,559</u>
Noncurrent assets:		
Capital assets:		
Intangibles	70,400	70,400
Accumulated depreciation	<u>(70,400)</u>	<u>(70,400)</u>
Total capital assets, net of accumulated depreciation	<u>-</u>	<u>-</u>
Total assets	<u>5,040,453</u>	<u>5,517,559</u>
Liabilities		
Current liabilities:		
Accounts payable	30,795	22,120
Noncurrent liabilities:		
Compensated absences	46,761	47,976
Long-term risk liability	<u>865,083</u>	<u>747,908</u>
Total noncurrent liabilities	<u>911,844</u>	<u>795,884</u>
Total liabilities	<u>942,639</u>	<u>818,004</u>
Net Position		
Unrestricted	<u>4,097,814</u>	<u>4,699,555</u>
Total net position	<u>\$ 4,097,814</u>	<u>\$ 4,699,555</u>

CITY OF CARROLLTON, TEXAS

Risk Management Fund

Comparative Statements of Revenues, Expenses and Changes in Net Position
for the Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating revenues:		
Charges for services	\$ 2,143,267	\$ 2,047,610
Operating expenses:		
Personal services	104,967	105,607
Supplies and services	2,231,652	1,642,086
Utilities	272	316
Total operating expenses	<u>2,336,891</u>	<u>1,748,009</u>
Income (loss) from operations	<u>(193,624)</u>	<u>299,601</u>
Nonoperating revenues:		
Investment earnings net of change in fair value of investments	<u>9,001</u>	<u>90,552</u>
Total nonoperating revenues	<u>9,001</u>	<u>90,552</u>
Income before transfers	(184,623)	390,153
Transfers out	<u>(417,118)</u>	<u>(191,655)</u>
Change in net position	(601,741)	198,498
Net position at beginning of year	<u>4,699,555</u>	<u>4,501,057</u>
Net position at end of year	<u>\$ 4,097,814</u>	<u>\$ 4,699,555</u>

CITY OF CARROLLTON, TEXAS

Risk Management Fund
 Comparative Statements of Cash Flows
 For the years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Cash received from other funds for services	\$ 2,143,267	\$ 2,047,610
Cash received from loss claim recoveries	343,017	365,512
Cash payments to suppliers for goods and services	(1,227,616)	(1,187,771)
Cash payments to employees for services	(99,525)	(94,812)
Cash payments for loss claims	(1,218,625)	(1,216,818)
Cash payments to other funds for services	(9,508)	(9,100)
Net cash provided by (used in) operating activities	<u>(68,990)</u>	<u>(95,379)</u>
Cash flows from noncapital financing activities:		
Transfers to other funds	<u>(417,118)</u>	<u>(191,655)</u>
Cash flow from investing activities:		
Interest on cash and cash equivalents	<u>17,717</u>	<u>88,220</u>
Net increase (decrease) in cash and cash equivalents	(468,391)	(198,814)
Cash and cash equivalents, October 1	5,381,877	5,580,691
Cash and cash equivalents, September 30	<u>\$ 4,913,486</u>	<u>\$ 5,381,877</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ (193,624)	\$ 299,601
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Change in assets and liabilities:		
(Increase) decrease in prepaid items	-	3,000
Increase (decrease) in accounts payable	8,674	(90,670)
Increase (decrease) in liability for compensated absences	(1,215)	1,577
Increase (decrease) in long-term risk liability	117,175	(308,887)
Net cash provided by (used in) operating activities	<u>\$ (68,990)</u>	<u>\$ (95,379)</u>

CITY OF CARROLLTON, TEXAS

Employee Health and Disability Fund
Comparative Statements of Net Position
September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 8,112,564	\$ 7,346,867
Receivables:		
Accrued interest receivable	20,601	24,137
Prepaid items	<u>7,367</u>	<u>7,367</u>
Total assets	<u>8,140,532</u>	<u>7,378,371</u>
Liabilities		
Current liabilities:		
Accounts payable	1,809,902	1,519,867
Estimated health claims payable	<u>851,581</u>	<u>1,027,400</u>
Total current liabilities	<u>2,661,483</u>	<u>2,547,267</u>
Total liabilities	<u>2,661,483</u>	<u>2,547,267</u>
Net Position		
Unrestricted	<u>5,479,049</u>	<u>4,831,104</u>
Total net position	<u>\$ 5,479,049</u>	<u>\$ 4,831,104</u>

CITY OF CARROLLTON, TEXAS

Employee Health and Disability Fund
Comparative Statements of Revenues, Expenses and Changes in Net Position
for the Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating revenues:		
Charges for services	\$ 13,180,493	\$ 12,756,892
Operating expenses:		
Personal services	795,565	735,084
Supplies and services	11,750,790	9,928,645
Total operating expenses	<u>12,546,355</u>	<u>10,663,729</u>
Income (loss) from operations	<u>634,138</u>	<u>2,093,163</u>
Nonoperating revenues:		
Investment earnings net of change in fair value of investments	13,807	97,418
Total nonoperating revenues	<u>13,807</u>	<u>97,418</u>
Change in net position	647,945	2,190,581
Net position at beginning of year	<u>4,831,104</u>	<u>2,640,523</u>
Net position at end of year	<u>\$ 5,479,049</u>	<u>\$ 4,831,104</u>

CITY OF CARROLLTON, TEXAS

Employee Health and Disability Fund
 Comparative Statements of Cash Flows
 For the years Ended September 30, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Cash received from employees and retirees for services	\$ 2,128,815	\$ 2,270,835
Cash received from other funds for services	11,051,676	10,486,058
Cash received from loss claim recoveries and refunds	1,321,825	844,599
Cash payments to suppliers for goods and services	(2,099,578)	(1,868,048)
Cash payments for loss claims	(11,654,384)	(9,330,673)
Net cash provided by (used in) operating activities	748,354	2,402,771
Cash flow from investing activities:		
Interest on cash and cash equivalents	17,343	88,116
Net increase (decrease) in cash and cash equivalents	765,697	2,490,887
Cash and cash equivalents, October 1	7,346,867	4,855,980
Cash and cash equivalents, September 30	\$ 8,112,564	\$ 7,346,867
Reconciliation of income (loss) from operations to net cash provided by operating activities:		
Income from operations	\$ 634,138	\$ 2,093,163
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:		
Change in assets and liabilities:		
Increase (decrease) in accounts payable	290,035	421,851
Increase (decrease) in estimated health claims payable	(175,819)	(112,243)
Net cash provided by (used in) operating activities	\$ 748,354	\$ 2,402,771



CARROLLTON
T E X A S

STATISTICAL SECTION (Unaudited)

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. It includes six categories of information:

Financial Trends (Table 1 – 4) – contains trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity (Table 5 – 9) – contains information to help the reader assess the government's most significant local revenue source, property tax.

Debt Capacity (Table 10 – 14) – presents information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information (Table 15 – 16) – offers demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information (Table 17 – 19) – contains service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Additional Information (Table 20 – 21) – offers additional analysis regarding rapidly growing expenses or areas of financial concern that are of interest to the users of financial statements.



CARROLLTON
T E X A S

CITY OF CARROLLTON, TEXAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Table 1

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Governmental activities										
Net investment in capital assets	\$ 221,475,325	\$ 220,454,089	\$ 224,428,585	\$ 229,578,674	\$ 236,475,739	\$ 253,789,783	\$ 266,335,524	\$ 265,348,739	\$ 288,354,589	\$ 285,331,250
Restricted	6,226,590	5,782,452	5,488,442	5,539,348	6,452,006	6,939,678	7,568,306	7,567,836	9,466,620	11,506,974
Unrestricted	88,198,609	93,366,902	95,744,744	108,636,055	115,146,522	115,867,856	116,877,252	142,352,531	157,960,043	203,079,481
Total governmental activities net position	<u>\$ 315,900,524</u>	<u>\$ 319,603,443</u>	<u>\$ 325,661,771</u>	<u>\$ 343,754,077</u>	<u>\$ 358,074,267</u>	<u>\$ 376,597,317</u>	<u>\$ 390,781,082</u>	<u>\$ 415,269,106</u>	<u>\$ 455,781,252</u>	<u>\$ 499,917,705</u>
Business-type activities										
Net investment in capital assets	\$ 117,350,938	\$ 116,211,135	\$ 119,325,732	\$ 117,734,922	\$ 114,890,769	\$ 111,162,794	\$ 114,574,032	\$ 117,224,597	\$ 113,405,237	\$ 110,676,871
Restricted	1,610,108	1,552,989	1,488,696	1,460,318	1,426,329	1,385,524	1,237,640	1,142,303	1,070,043	986,773
Unrestricted	30,259,557	29,389,768	22,994,428	23,051,098	24,004,120	25,184,803	23,311,006	24,937,146	32,485,159	40,606,226
Total business-type activities net position	<u>\$ 149,220,603</u>	<u>\$ 147,153,892</u>	<u>\$ 143,808,856</u>	<u>\$ 142,246,338</u>	<u>\$ 140,321,218</u>	<u>\$ 137,733,121</u>	<u>\$ 139,122,678</u>	<u>\$ 143,304,046</u>	<u>\$ 146,960,439</u>	<u>\$ 152,269,870</u>
Primary government										
Net investment in capital assets	\$ 338,826,263	\$ 336,665,224	\$ 343,754,317	\$ 347,313,596	\$ 351,366,508	\$ 364,952,577	\$ 380,909,556	\$ 382,573,336	\$ 401,759,826	\$ 396,008,121
Restricted	7,836,698	7,335,441	6,977,138	6,999,666	7,878,335	8,325,202	8,805,946	8,710,139	10,536,663	12,493,747
Unrestricted	118,458,166	122,756,670	118,739,172	131,687,153	139,150,642	141,052,659	140,188,258	167,289,677	190,445,202	243,685,707
Total primary government net position	<u>\$ 465,121,127</u>	<u>\$ 466,757,335</u>	<u>\$ 469,470,627</u>	<u>\$ 486,000,415</u>	<u>\$ 498,395,485</u>	<u>\$ 514,330,438</u>	<u>\$ 529,903,760</u>	<u>\$ 558,573,152</u>	<u>\$ 602,741,691</u>	<u>\$ 652,187,575</u>

Source: Annual Comprehensive Financial Reports

Notes:

The City implemented GASB Statement No. 65 in fiscal year 2014. The amounts for all fiscal years presented have been restated for the effects of this standard.
The City implemented GASB Statement No. 68 in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard.
The City implemented GASB Statement No. 75 in fiscal year 2018. The amounts for all prior years have not been restated for the effects of this standard.

CITY OF CARROLLTON, TEXAS
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (Unaudited)

Table 2

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Expenses										
Governmental activities:										
General government and administration	\$ 14,144,028	\$ 14,683,787	\$ 15,613,314	\$ 16,606,809	\$ 15,894,255	\$ 17,122,310	\$ 17,189,961	\$ 19,121,014	\$ 22,837,935	\$ 21,796,441
Public safety	46,304,583	47,660,301	52,091,965	52,732,524	59,993,080	64,012,046	63,047,061	69,201,673	66,625,840	64,935,344
Development services	37,316,269	36,202,493	39,284,802	21,534,165	26,750,336	27,011,842	25,002,278	32,233,127	27,137,264	32,895,331
Cultural and recreational	13,967,919	14,111,727	14,319,443	14,677,561	15,487,148	16,754,985	16,390,220	16,790,697	14,859,202	15,110,009
Interest on long term debt	6,854,379	6,274,635	6,310,607	6,251,466	6,125,135	6,293,033	6,325,530	6,037,670	6,265,337	5,924,098
Total governmental activities expenses	<u>118,587,178</u>	<u>118,932,943</u>	<u>127,620,131</u>	<u>111,802,525</u>	<u>124,249,954</u>	<u>131,194,216</u>	<u>127,955,050</u>	<u>143,384,181</u>	<u>137,725,578</u>	<u>140,661,223</u>
Business-type activities:										
Water and sewer	35,005,112	35,451,627	36,268,921	35,091,342	38,169,394	40,370,208	43,285,640	42,145,572	41,908,407	42,277,481
Golf	1,084,413	825,711	406,286	1,354,149	1,770,254	951,127	451,994	2,172,913	2,205,324	844,841
Sanitation	5,414,802	5,559,233	5,813,267	6,000,423	7,396,452	7,794,237	8,076,094	8,410,160	9,269,390	9,664,433
Total business-type activities expenses	<u>41,504,327</u>	<u>41,836,571</u>	<u>42,488,474</u>	<u>42,445,914</u>	<u>47,336,100</u>	<u>49,115,572</u>	<u>51,813,728</u>	<u>52,728,645</u>	<u>53,383,121</u>	<u>52,786,755</u>
Total primary government expenses	<u>160,091,505</u>	<u>160,769,514</u>	<u>170,108,605</u>	<u>154,248,439</u>	<u>171,586,054</u>	<u>180,309,788</u>	<u>179,768,778</u>	<u>196,112,826</u>	<u>191,108,699</u>	<u>193,447,978</u>
Program Revenues										
Governmental activities:										
Fees, Fines, and Charges for Services:										
General government and administration	193,861	216,802	196,574	223,621	276,789	136,535	192,134	171,494	193,747	209,167
Public safety	8,335,917	9,632,597	10,818,681	11,344,328	10,225,750	9,695,265	9,144,151	8,986,909	10,933,565	8,663,179
Development services	1,450,556	1,939,146	2,856,299	2,147,052	2,642,431	2,177,917	3,201,667	2,485,491	1,815,359	2,273,936
Cultural and recreational	2,772,721	2,718,241	2,943,837	2,505,008	2,767,833	2,718,579	2,699,398	2,093,847	1,225,921	2,236,900
Operating grants and contributions	142,500	84,112	30,116	59,753	324,816	143,608	247,088	83,567	9,301,172	8,550,938
Capital grants and contributions	3,146,704	5,857,808	7,039,163	3,916,199	2,317,548	5,945,697	2,677,227	9,199,209	2,335,856	3,055,845
Total governmental activities program revenues	<u>16,042,259</u>	<u>20,448,706</u>	<u>23,884,670</u>	<u>20,195,961</u>	<u>18,555,167</u>	<u>20,817,601</u>	<u>18,161,665</u>	<u>23,020,517</u>	<u>25,805,620</u>	<u>24,989,965</u>
Business-type activities:										
Charges for services:										
Water and sewer	34,785,038	35,171,954	33,789,304	35,301,330	37,361,058	39,630,140	45,005,225	45,058,318	48,863,523	48,800,443
Golf	1,007,137	1,040,473	1,101,340	556,913	976,527	1,131,464	617,176	1,163,979	1,092,696	479,789
Sanitation	7,436,531	7,629,080	7,882,627	8,231,572	9,492,356	9,839,216	10,361,672	10,614,355	10,773,015	11,552,462
Operating grants and contributions	-	-	-	-	557,072	-	-	-	-	-
Capital grants and contributions	648,083	1,741,476	2,104,033	2,027,734	1,003,684	965,092	3,266,699	923,476	727,166	3,199,625
Total business-type activities program revenues	<u>43,876,789</u>	<u>45,582,983</u>	<u>44,877,304</u>	<u>46,117,549</u>	<u>49,390,697</u>	<u>51,565,912</u>	<u>59,250,772</u>	<u>57,760,128</u>	<u>61,456,400</u>	<u>64,032,319</u>
Total primary government program revenues	<u>\$ 59,919,048</u>	<u>\$ 66,031,689</u>	<u>\$ 68,761,974</u>	<u>\$ 66,313,510</u>	<u>\$ 67,945,864</u>	<u>\$ 72,383,513</u>	<u>\$ 77,412,437</u>	<u>\$ 80,780,645</u>	<u>\$ 87,262,020</u>	<u>\$ 89,022,284</u>

(continued)

CITY OF CARROLLTON, TEXAS
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (Unaudited)

Table 2

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (Expense) Revenue										
Governmental Activities	\$ (102,544,919)	\$ (98,484,237)	\$ (103,735,461)	\$ (91,606,564)	\$ (105,694,787)	\$ (110,376,615)	\$ (109,793,384)	\$ (120,363,664)	\$ (111,919,958)	\$ (115,671,258)
Business-type Activities	2,372,462	3,746,412	2,388,830	3,671,635	2,054,597	2,450,340	7,437,044	5,031,483	8,073,279	11,245,564
Total Primary government net expense	<u>(100,172,457)</u>	<u>(94,737,825)</u>	<u>(101,346,631)</u>	<u>(87,934,929)</u>	<u>(103,640,190)</u>	<u>(107,926,275)</u>	<u>(102,356,340)</u>	<u>(115,332,181)</u>	<u>(103,846,679)</u>	<u>(104,425,694)</u>
General Revenues										
and Other Changes in Net Assets										
Governmental Activities:										
Taxes:										
Ad valorem	55,176,665	55,859,536	58,744,957	61,990,961	66,690,804	71,827,346	77,233,249	82,924,296	89,122,477	93,158,498
Sales	24,020,903	25,446,798	27,708,160	31,238,022	34,512,467	36,782,925	39,811,034	39,683,052	40,032,543	46,187,884
Occupancy	176,826	156,061	181,025	210,835	243,946	292,908	237,466	189,529	211,851	122,512
Franchise Fees	10,286,074	10,556,411	12,023,980	11,768,644	11,778,705	12,069,944	12,526,523	12,036,367	12,098,114	11,914,107
Investment earnings net of change										
in fair value of investments	649,158	41,353	718,161	1,202,294	1,280,470	1,480,990	2,184,503	6,519,218	4,251,840	921,062
Gain on sale of capital assets	121,337	120,011	230,961	1,306,445	123,312	113,009	4,248	267,029	328,051	-
Public-private partnership recovery	-	3,160,500	3,013,646	-	-	-	-	-	-	-
Miscellaneous	1,104,285	882,757	1,008,224	793,144	977,691	874,112	950,672	932,282	891,770	926,010
Special item	-	-	-	-	-	-	-	-	-	-
Transfers	5,890,252	5,963,729	6,164,675	5,475,266	4,407,582	5,458,431	6,539,304	2,299,915	5,495,458	6,577,638
Total Governmental Activities	<u>97,425,500</u>	<u>102,187,156</u>	<u>109,793,789</u>	<u>113,985,611</u>	<u>120,014,977</u>	<u>128,899,665</u>	<u>139,486,999</u>	<u>144,851,688</u>	<u>152,432,104</u>	<u>159,807,711</u>
Business-type Activities:										
Investment earnings net of change										
in fair value of investments	148,177	(11,503)	162,754	206,134	186,142	201,448	262,790	925,005	707,328	103,944
Gain on sale of capital assets	13,037	62,393	108,520	35,012	37,256	21,514	4,232	261,495	18,143	99,209
Miscellaneous	87,849	99,716	159,535	174,697	204,467	197,032	224,795	263,300	353,101	438,352
Transfers	(5,890,252)	(5,963,729)	(6,164,675)	(5,475,266)	(4,407,582)	(5,458,431)	(6,539,304)	(2,299,915)	(5,495,458)	(6,577,638)
Total Business-type Activities	<u>(5,641,189)</u>	<u>(5,813,123)</u>	<u>(5,733,866)</u>	<u>(5,059,423)</u>	<u>(3,979,717)</u>	<u>(5,038,437)</u>	<u>(6,047,487)</u>	<u>(850,115)</u>	<u>(4,416,886)</u>	<u>(5,936,133)</u>
Total Primary Government	<u>91,784,311</u>	<u>96,374,033</u>	<u>104,059,923</u>	<u>108,926,188</u>	<u>116,035,260</u>	<u>123,861,228</u>	<u>133,439,512</u>	<u>144,001,573</u>	<u>148,015,218</u>	<u>153,871,578</u>
Change in Net Position										
Governmental Activities	(5,119,419)	3,702,919	6,058,328	22,379,047	14,320,190	18,523,050	29,693,615	24,488,024	40,512,146	44,136,453
Business-type Activities	(3,268,727)	(2,066,711)	(3,345,036)	(1,387,788)	(1,925,120)	(2,588,097)	1,389,557	4,181,368	3,656,393	5,309,431
Total Primary Government	<u>\$ (8,388,146)</u>	<u>\$ 1,636,208</u>	<u>\$ 2,713,292</u>	<u>\$ 20,991,259</u>	<u>\$ 12,395,070</u>	<u>\$ 15,934,953</u>	<u>\$ 31,083,172</u>	<u>\$ 28,669,392</u>	<u>\$ 44,168,539</u>	<u>\$ 49,445,884</u>

(concluded)

Source: Annual Comprehensive Financial Reports

Notes:

The City implemented GASB Statement No. 65 in fiscal year 2014. The amounts for all fiscal years presented have been restated for the effects of this standard. The City implemented GASB Statement No. 68 in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard. The City implemented GASB Statement No. 75 in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this standard.

CITY OF CARROLLTON, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (Unaudited)

Table 3

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund										
Nonspendable for prepaid item	\$ -	\$ -	\$ -	\$ 145,345	\$ -	\$ 637,076	\$ 615,544	\$ 165,821	\$ -	\$ 860,066
Assigned to purchases on order	288,384	248,282	166,593	331,730	213,086	249,535	368,299	370,937	-	-
Unassigned	18,051,247	18,145,105	20,637,631	18,608,933	21,341,930	19,873,549	29,516,925	30,200,943	40,567,720	54,412,746
Total general fund	<u>\$ 18,339,631</u>	<u>\$ 18,393,387</u>	<u>\$ 20,804,224</u>	<u>\$ 19,086,008</u>	<u>\$ 21,555,016</u>	<u>\$ 20,760,160</u>	<u>\$ 30,500,768</u>	<u>\$ 30,737,701</u>	<u>\$ 40,567,720</u>	<u>\$ 55,272,812</u>
All Other Governmental Funds										
Nonspendable for:										
Other receivables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,012,080	\$ -	\$ -	\$ -	\$ -
Prepaid items	-	421,950	51,584	739,994	-	-	-	-	-	-
Restricted for:										
Debt service	5,256,955	4,986,970	4,785,315	4,297,818	4,691,760	4,819,196	4,872,308	5,194,332	5,431,277	5,391,090
Streets and drainage	2,339,776	7,039,695	14,147,187	11,224,037	5,196,877	10,002,200	21,348,943	21,375,992	27,915,981	28,346,663
Public facilities	3,344,490	1,797,929	5,261,597	8,903,016	6,607,230	723,553	731,229	743,463	1,639,503	2,114,201
Other capital projects	2,041,830	769,916	2,698,419	1,691,992	1,660,411	1,240,675	675,940	2,457,650	3,765,317	6,149,025
Other purposes	1,354,452	1,242,218	1,269,055	1,515,400	1,825,818	2,102,688	2,781,971	1,943,079	2,307,584	2,640,871
Committed to:										
Transit oriented development	-	3,677,459	-	-	-	-	-	-	-	-
Street rehabilitation	8,606,244	9,995,506	14,546,936	17,497,861	20,249,854	23,893,942	27,700,435	32,331,403	38,671,297	43,090,080
Other capital projects	777,632	748,664	1,030,872	2,169,019	4,026,554	8,337,252	12,230,707	15,021,556	16,230,673	20,558,077
Assigned to:										
Streets and drainage	19,415,710	13,745,553	18,646,548	20,915,762	23,188,407	29,081,306	24,607,591	24,446,260	27,780,430	29,297,919
Public facilities	26,496,498	32,601,027	29,433,092	36,456,726	38,049,489	27,230,627	32,232,184	42,924,450	43,692,177	51,614,598
Other capital projects	8,422,646	7,808,482	9,848,273	11,734,537	12,782,783	17,222,929	16,592,403	15,504,426	18,476,246	19,478,671
Other purposes	254,279	172,506	356,731	382,462	447,335	416,120	693,296	775,981	2,460,132	1,056,282
Total all other governmental funds	<u>\$ 78,310,512</u>	<u>\$ 85,007,875</u>	<u>\$ 102,075,609</u>	<u>\$ 117,528,624</u>	<u>\$ 118,726,518</u>	<u>\$ 126,082,568</u>	<u>\$ 144,467,007</u>	<u>\$ 162,718,592</u>	<u>\$ 188,370,617</u>	<u>\$ 209,737,477</u>

CITY OF CARROLLTON, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (Unaudited)

Table 4

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
REVENUES:										
Taxes:										
Ad valorem	\$ 54,824,842	\$ 55,615,260	\$ 58,347,979	\$ 61,676,895	\$ 66,398,279	\$ 71,469,785	\$ 76,855,743	\$ 82,592,460	\$ 88,768,605	\$ 92,796,382
Penalty and interest	351,823	244,276	396,978	314,066	292,525	357,561	377,506	331,836	353,872	362,116
Sales	24,020,903	25,446,798	27,708,160	31,238,022	34,512,467	36,782,925	39,811,034	39,683,052	40,032,543	46,187,884
911 Taxes	-	-	-	-	-	-	-	-	1,071,761	1,178,780
Occupancy tax	176,826	156,061	181,025	210,835	243,946	292,908	237,466	189,529	211,851	122,512
Franchise fees	10,286,074	10,556,411	12,023,980	11,768,644	11,778,705	12,069,944	12,526,523	12,036,367	12,098,114	11,914,107
Assessments	43,290	173,671	386,810	264,430	332,882	119,602	193,024	35,051	6,000	245,151
Charges for services	4,727,224	5,185,010	5,639,116	5,670,254	6,110,532	6,403,950	5,928,261	5,994,144	4,796,116	5,313,457
Intergovernmental	1,456,028	3,784,017	3,227,526	1,493,099	1,844,504	5,156,464	2,941,484	1,812,798	11,163,313	8,906,495
Licenses and permits	1,975,677	2,345,502	3,003,123	2,805,727	3,073,660	2,534,636	3,842,351	3,456,916	2,644,682	3,024,157
Fines and forfeitures	6,006,864	6,802,603	7,786,343	7,479,597	6,395,729	5,670,108	5,273,714	4,251,630	3,549,876	3,451,446
Investment earnings net of change in fair value of investments	553,107	48,699	621,710	1,080,213	1,175,370	1,366,353	2,046,739	6,064,714	3,951,260	791,278
PID Assessment Revenue	-	-	-	-	-	-	-	1,447,982	1,448,765	3,630,288
Public-private partnership recovery	-	1,896,300	4,264,200	-	-	-	-	-	-	-
Miscellaneous	1,104,285	882,757	1,021,870	793,144	977,691	874,112	950,673	932,282	896,467	1,722,281
Total Revenues	105,526,943	113,137,365	124,608,820	124,794,926	133,136,290	143,098,348	150,984,518	158,828,761	170,993,225	179,646,334
EXPENDITURES:										
General government and administration	12,894,095	13,818,786	14,233,668	14,249,773	14,014,017	15,321,401	15,594,492	17,087,424	19,597,405	19,666,339
Public safety	43,629,488	45,468,794	48,805,629	50,460,748	52,904,040	55,951,997	59,132,645	62,330,071	64,353,549	67,448,974
Development services	9,422,970	9,245,445	9,357,484	9,979,839	10,913,353	10,391,297	11,075,739	12,744,091	11,663,392	11,611,302
Cultural and recreational	10,606,136	11,173,466	11,192,930	11,487,238	11,925,191	12,744,442	13,067,844	12,930,099	12,273,811	12,286,522
Capital outlay	31,099,960	24,185,644	32,113,446	29,891,737	44,075,358	47,987,312	29,673,776	35,434,318	33,092,153	34,379,273
PID Development Reimbursement	-	-	-	-	-	-	-	1,447,982	1,448,765	3,630,288
Debt Service:										
Principal retirement	12,730,000	12,250,000	13,020,000	13,885,000	13,980,000	14,535,000	15,435,000	16,240,000	15,620,000	15,390,000
Interest and fiscal charges	6,967,800	6,619,954	6,489,618	6,839,976	6,727,253	7,097,030	7,225,382	7,332,656	7,713,093	7,621,560
Total expenditures	127,350,449	122,762,089	135,212,775	136,794,311	154,539,212	164,028,479	151,204,878	165,546,641	165,762,168	172,034,258
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(21,823,506)	(9,624,724)	(10,603,955)	(11,999,385)	(21,402,922)	(20,930,131)	(220,360)	(6,717,880)	5,231,057	7,612,076
OTHER FINANCING SOURCES (USES):										
Bonds issued	-	9,465,000	20,485,000	17,420,000	17,680,000	19,550,000	19,680,000	45,293,634	20,025,000	25,015,000
Refunding bonds issued	20,100,000	-	-	26,660,000	11,435,000	-	-	-	-	-
Premium on bonds issued	2,432,844	530,902	677,905	4,910,134	4,702,702	1,817,737	1,768,771	6,153,639	4,223,669	4,697,762
Payment to refunded bond escrow agent	(22,317,933)	-	-	(29,919,123)	(13,532,110)	-	-	(29,075,932)	-	(8,362,131)
Sale of capital assets	-	-	2,318,824	1,367,838	36,838	323,080	4,248	165,010	10,555	(283,900)
Transfers in	15,699,983	20,190,224	18,906,036	21,848,581	20,456,457	30,119,111	18,735,652	25,091,259	22,000,556	27,320,203
Transfers out	(9,855,380)	(13,810,283)	(12,305,239)	(16,553,246)	(15,709,063)	(24,318,903)	(11,842,964)	(22,421,212)	(16,008,793)	(19,927,058)
Total Other Financing Sources (Uses)	6,059,514	16,375,843	30,082,526	25,734,184	25,069,824	27,491,025	28,345,707	25,206,398	30,250,987	28,459,876
NET CHANGE IN FUND BALANCES	\$ (15,763,992)	\$ 6,751,119	\$ 19,478,571	\$ 13,734,799	\$ 3,666,902	\$ 6,560,894	\$ 28,125,347	\$ 18,488,518	\$ 35,482,044	\$ 36,071,952
Debt service as a percentage of noncapital expenditures	17.8%	19.1%	16.7%	17.5%	15.7%	16.8%	20.4%	16.9%	16.7%	15.5%

Source: Annual Comprehensive Financial Reports

CITY OF CARROLLTON, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Table 5

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Estimated Market Value		Less:	Total Taxable	Total Direct Tax Rate
	Real Property	Personal Property	Tax-Exempt Property	Assessed Value	
2012	9,196,797,992	1,983,032,088	2,282,481,097	8,897,348,983	0.617875
2013	9,256,778,500	2,198,511,234	2,356,490,067	9,098,799,667	0.617875
2014	9,587,444,722	2,360,645,202	2,391,446,979	9,556,642,945	0.617875
2015	10,379,894,481	2,423,039,399	2,522,339,809	10,280,594,071	0.615375
2016	11,222,038,729	2,553,129,415	2,689,149,080	11,086,019,064	0.612875
2017	12,314,098,039	2,774,168,176	3,144,059,376	11,944,206,839	0.603700
2018	13,480,378,990	2,819,164,332	3,295,255,620	13,004,287,702	0.599700
2019	14,757,267,240	3,007,035,638	3,528,802,758	14,235,500,120	0.594970
2020	15,984,400,142	3,229,734,057	3,703,096,727	15,511,037,472	0.589970
2021	11,750,320,003	3,464,642,682	4,014,858,327	11,200,104,358	0.587500

Source: City of Carrollton Budget Document

Note: Total Taxable Assessed Value represents original certified taxable value. This does not include valuation of protested property at certification date. In 2021, due to the impact of COVID, the original budget was based upon a certified estimate provided by two of our appraisal districts. After the final role was certified, the budget was amended to adopt a budget related to the certified role of \$15,869,999,609.

CITY OF CARROLLTON, TEXAS
ESTIMATED NET TAXABLE VALUE AT BUDGET ADOPTION
Table 6
Current Year and Nine Years Ago
(Unaudited)

	Fiscal Year 2021		Fiscal Year 2012		Ten Year Change
		Percentage of Total Market Value		Percentage of Total Market Value	
Market value:					
Certified Values:					
Real property:					
Land	\$ 3,056,135,272	15.80%	\$ 2,893,875,517	25.69%	5.61%
Improvements	8,694,184,731	44.95%	6,302,922,475	55.95%	37.94%
Business personal property	3,464,642,682	17.91%	1,983,032,088	17.60%	74.71%
Property Under Protest	4,126,785,345	21.34%	85,928,144	0.76%	4702.60%
Total Market value	19,341,748,030	100.00%	11,265,758,224	100.00%	71.69%
Less property exemptions/reductions:					
Single Family Residential:					
Homestead	1,283,930,418	6.64%	878,652,137	7.80%	46.12%
Over 65	438,501,467	2.27%	288,311,244	2.56%	52.09%
Disabled	18,618,548	0.10%	21,998,949	0.20%	-15.37%
Disabled veterans	34,053,806	0.18%	9,164,940	0.08%	271.57%
Capped value	131,099,824	0.68%	4,034,973	0.04%	3149.09%
Total Single Family Residential	1,906,204,063	9.86%	1,202,162,243	10.65%	58.56%
Commercial:					
Agricultural	50,270,075	0.26%	72,275,926	0.64%	-30.45%
Freeport	1,033,915,034	5.35%	331,502,402	2.94%	211.89%
Abatements/Tax grants	-	0.00%	118,460,508	1.05%	-100.00%
Low income housing	12,953,491	0.07%	8,159,412	0.00%	100.00%
Other exemptions	922,673	0.00%	620,238	0.01%	48.76%
TIF Incremental Value	155,437,481	0.80%	1,543,469	0.01%	9970.66%
Total Commercial	1,253,498,754	6.48%	532,561,955	4.73%	135.37%
Totally exempt*	1,010,592,991	5.22%	667,760,876	5.93%	51.34%
Total property exemptions/reductions	4,170,295,808	21.56%	2,402,485,074	21.31%	73.58%
Estimated Net Taxable Value	\$ 15,171,452,222	78.44%	\$ 8,863,273,150	78.69%	71.17%

Source: Annual Budget Document and Dallas, Denton, and Collin Central Appraisal Districts

Notes:

In these estimated values, the original certified value as shown on Table 5 is increased by the estimated value of properties under protest and reduced by the estimated value of tax grants and TIF incremental value.

The certified roll is the official tax value for the fiscal year, although it is subject to change as supplemental information is report to the City by the Appraisal Districts throughout the year. Due to the economic impacts of COVID-19, the City used certified estimates to calculate the budget in fiscal year 2021. However, the official certified tax roll provided to the City in late September had an estimated taxable valuation of \$16,297,013,946 which includes an increase of \$427,014,342 for estimated valuation on property under protest less the incremental value assigned to the City's Tax Increment Reinvestment Zone.

* Total exempt properties include properties owned by federal, state and local governmental entities and by educational, religious and not-for-profits organizations qualifying under the IRS code.

CITY OF CARROLLTON, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES (per \$100 of assessed value)
 Last Ten Fiscal Years
 (Unaudited)

Table 7

Fiscal Year	City Direct Rates			Overlapping Rates								
	Operating/ General Rate	General Obligation Debt Service	Total Direct	Carrollton- Farmers Branch Independent School District	Dallas Independent School District	Lewisville Independent School District	Coppell Independent School District	Plano Independent School District	Dallas County a	Collin County b	Denton County	Valwood Improvement Authority c
2012	0.398528	0.219347	0.617875	1.356800	1.290347	1.426000	1.424200	1.373400	0.623770	0.326300	0.277357	0.307500
2013	0.411887	0.205988	0.617875	1.330600	1.290347	1.453000	1.418800	1.373400	0.643412	0.326299	0.282867	0.307500
2014	0.414447	0.203428	0.617875	1.323500	1.282085	1.477000	1.432400	1.453000	0.653800	0.321143	0.284914	0.290000
2015	0.417389	0.197986	0.615375	1.303300	1.282085	1.477000	1.449000	1.439000	0.663875	0.316900	0.272200	0.270000
2016	0.420043	0.192832	0.612875	1.281700	1.282085	1.476730	1.439000	1.439000	0.662750	0.306960	0.262000	0.270000
2017	0.425787	0.177913	0.603700	1.391700	1.282085	1.420000	1.492700	1.439000	0.654704	0.289617	0.248409	0.250000
2018	0.427790	0.171910	0.599700	1.381000	1.282085	1.407500	1.477700	1.439000	0.656738	0.272056	0.237812	0.220000
2019	0.430220	0.164750	0.594970	1.370000	1.412035	1.407500	1.460500	1.439000	0.656500	0.262007	0.225574	0.200000
2020	0.438870	0.151100	0.589970	1.268350	1.310385	1.337500	1.330900	1.337350	0.646600	0.256173	0.225278	0.180000
2021	0.441146	0.146354	0.587500	1.254700	1.296735	1.347300	1.131000	1.327500	0.629840	0.253753	0.224985	0.180000

Source: City of Carrollton Budget Office, Lewisville Independent School District, Dallas Central Appraisal District, Plano Independent School District, Denton County, Collin County

Notes:

- (a) Dallas County includes Dallas County, Dallas County Hospital District and Dallas County Community College District & School Equalization.
- (b) Collin County includes Collin County and Collin County Community College District.
- (c) A typical property tax bill would consist of City, School District and County taxes. Valwood Improvement Authority is a flood reclamation district serving commercial property only in the southwest corner of the City.

CITY OF CARROLLTON, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago
(Unaudited)

Table 8

Fiscal Year 2021			Fiscal Year 2012		
Taxpayer	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Pratt & Whitney	\$ 107,809,667	0.95%	AT&T Communications	\$ 62,356,660	0.68%
Softlayer	98,518,210	0.88%	Oncor Electric Delivery	59,385,180	0.67%
Mansions at Sunset Ridge Partners, LP	84,976,640	0.76%	Halliburton Co. Inc.	57,391,783	0.65%
SLOA Land, LTD	75,500,000	0.67%	Cobalt Industrial REIT II	49,894,430	0.56%
IMP Castle Hills, LP	72,470,000	0.65%	Verizon	44,923,730	0.50%
Oncor Electric Delivery	69,040,460	0.62%	ThingTech Inc.	44,922,510	0.50%
Prologis	69,021,130	0.62%	Acquiport Dfwip Inc.	44,549,475	0.50%
Cyruson, LLC	68,000,000	0.61%	Realty Associates Rienzi	41,879,640	0.47%
Wal-Mart Stores, Inc.	66,345,350	0.59%	Bella Vida Gardens Associates, LLC	41,172,857	0.46%
Meridian Apartment Owner, LLC	64,800,000	0.58%	Texas Dugan LTD	39,220,587	0.44%
Total Assessed Value of Top-ten Taxpayers:	776,481,457	6.93%	Total Assessed Value of Top-ten Taxpayers:	485,696,852	5.46%
Total Assessed Value of Other Taxpayers:	10,423,622,901	93.07%	Total Assessed Value of Other Taxpayers:	8,411,652,131	94.54%
Total Assessed Value:	\$ 11,200,104,358	100.00%	Total Assessed Value:	\$ 8,897,348,983	100.00%

(1) Short term increase in tangible personal property (tpp) due to impacts of COVID pandemic. Majority of tpp was subject to a short term tax rebate by City. This taxpayer will should not be in the top ten in future years.

Source: Dallas County Tax Office and Denton County Tax Office

CITY OF CARROLLTON, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Unaudited)

Table 9

Fiscal Year	Taxes Budgeted Within the Fiscal Year of the Levy	Taxes Levied Within the Fiscal Year of the Levy	Adjustments to Levy in Subsequent Years	Adjusted Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	
					Amount	Percentage of Levy		Amount	Percentage of Levy
2012	53,668,670	55,502,447	(9,676)	\$ 55,492,771	55,128,245	99.34%	\$ 332,817	\$ 55,461,062	99.94%
2013	54,782,788	56,407,488	71,423	56,478,911	56,013,200	99.18%	400,438	56,413,638	99.88%
2014	57,132,835	59,049,086	(19,508)	59,029,578	58,752,099	99.53%	216,812	58,968,911	99.90%
2015	61,028,968	62,839,506	(6,333)	62,833,173	62,505,443	99.48%	220,018	62,725,461	99.83%
2016	65,141,963	68,039,266	(589,846)	67,449,420	67,692,625	100.36%	(351,942)	67,340,683	99.84%
2017	71,793,263	73,359,863	(183,906)	73,175,957	72,990,754	99.75%	71,526	73,062,280	99.84%
2018	77,367,377	79,069,384	(266,142)	78,803,242	78,587,752	99.73%	34,418	78,622,170	99.77%
2019	84,016,514	85,625,004	(286,513)	85,338,491	85,127,427	99.75%	(9,438)	85,117,989	99.74%
2020	91,009,376	91,990,778	(351,698)	91,639,080	91,506,515	99.86%	(144,840)	91,361,675	99.70%
2021	94,307,109	97,255,897	250,278	97,506,175	96,422,620	98.89%	-	96,422,620	98.89%

Source: Dallas Central Appraisal District and Dallas County Tax Office
Denton Central Appraisal District and Denton County Tax Office

NOTE: The certified roll is the official tax value for the fiscal year, although it is subject to change as supplemental information is report to the City by the Appraisal Districts throughout the year. Due to the economic impacts of COVID-19, the City used certified estimates to calculate the budget in fiscal year 2021. However, the official certified tax roll provided to the City in late September had an estimated taxable valuation of \$16,297,013,946 which includes an increase of \$427,014,342 for estimated valuation on property under protest less the incremental value assigned to the City's Tax Increment Reinvestment Zone.

CITY OF CARROLLTON, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
 Last Ten Fiscal Years
 (Unaudited)

Table 10

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds		Certificates of Obligation		Water and Sewer Revenue Bonds		Certificates of Obligation			
	Par	Premium	Par	Premium	Par	Premium	Par			
2012	157,100,000	6,949,299	-	-	18,795,000	1,050,967	1,750,000	\$ 185,645,266	5.41%	1,674
2013	154,315,000	6,890,494	-	-	17,115,000	950,717	1,440,000	180,711,211	5.03%	1,532
2014	161,780,000	6,948,244	-	-	15,400,000	851,597	-	184,979,841	4.63%	1,478
2015	162,600,000	10,058,724	-	-	14,185,000	752,477	-	187,596,201	4.78%	1,487
2016	165,015,000	13,939,418	-	-	12,925,000	653,357	-	192,532,775	4.51%	1,498
2017	170,030,000	14,707,459	-	-	11,615,000	554,238	-	196,906,697	4.66%	1,504
2018	174,275,000	15,324,781	-	-	5,625,000	453,470	-	195,678,251	4.31%	1,505
2019	173,540,000	19,696,604	-	-	13,545,000	1,411,434	-	208,193,038	4.49%	1,531
2020	177,945,000	22,559,632	-	-	11,890,000	1,240,153	-	213,634,785	3.91%	1,552
2021	179,375,000	25,142,993	-	-	10,195,000	1,068,730	-	215,781,723	4.23%	1,548

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(a) See Table 15 for personal income and population data.

CITY OF CARROLLTON, TEXAS

RATIO OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

(Unaudited)

Table 11

Fiscal Year	General Obligation Bonds	Certificates of Obligation	Total	Less: Amounts Available in Debt Service Fund (a)	Net General Bonded Debt	Percentage of Actual Taxable Value of Property (b)	Per Capita (c)
2012	164,049,299	1,750,000	\$ 165,799,299	4,429,907	\$ 161,369,392	1.81%	1,332
2013	161,205,494	1,440,000	162,645,494	4,185,961	158,459,533	1.74%	1,296
2014	168,728,244	-	168,728,244	3,813,322	164,914,922	1.73%	1,326
2015	172,658,724	-	172,658,724	3,481,833	169,176,891	1.65%	1,351
2016	178,954,418	-	178,954,418	3,856,159	175,098,259	1.58%	1,368
2017	184,737,459	-	184,737,459	3,957,847	180,779,612	1.51%	1,382
2018	189,599,781	-	189,599,781	3,979,314	185,620,467	1.43%	1,403
2019	193,509,604	-	193,509,604	4,279,014	189,230,590	1.27%	1,390
2020	200,504,632	-	200,504,632	4,481,765	196,022,867	1.26%	1,424
2021	204,517,993	-	204,517,993	5,391,089	199,126,904	1.78%	1,429

Notes:

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

^a This is the amount restricted for debt service principal payments. Government-Wide Statement of Net Position.

^b See Table 5 for property value data.

^c See Table 15 for population data.

CITY OF CARROLLTON, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

Current Year

(Unaudited)

Table 12

Governmental Unit (b)	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Carrollton-Farmers Branch Independent School District	\$ 375,315,000	37.25%	\$ 139,804,838
Collin County	526,975,000	0.08%	421,580
Collin County Community College	514,470,000	0.08%	411,576
Coppell Independent School District	351,914,091	0.00%	-
Dallas County	116,665,000	2.50%	2,916,625
Dallas County Community College District	115,750,000	2.50%	2,893,750
Dallas County Hospital District	575,530,000	2.50%	14,388,250
Dallas County Schools	16,679,652	2.50%	416,991
Dallas Independent School District	3,259,600,000	1.16%	37,811,360
Denton County	571,605,000	8.77%	50,129,759
Lewisville Independent School District	1,315,387,636	14.89%	195,861,219
Plano Independent School District	625,625,000	0.20%	1,251,250
Valwood Improvement Authority	10,145,000	54.50%	5,529,025
Subtotal, overlapping debt			<u>451,836,223</u>
City of Carrollton (direct debt)	204,517,993	100.00%	<u>204,517,993</u>
Total direct and overlapping debt			<u><u>\$ 656,354,216</u></u>

Source: City of Carrollton Treasury Office

Notes:

(a) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the entities' taxable assessed value that is with the City's boundaries and dividing by the entities' total taxable assessed value.

(b) Overlapping governments are those that coincide, at least in part with, the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Carrollton. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residential and commercial taxpayer should be taken into account. However, this does not imply that every Carrollton taxpayer is a property owner and therefore responsible for repaying the debt of any particular overlapping government.

CITY OF CARROLLTON, TEXAS
PLEDGED-REVENUE COVERAGE
 Last Ten Fiscal Years
 (Unaudited)

Table 13

Waterworks and Sewer System Revenue Bonds						
Fiscal Year	Total Revenues (a)	Less: Operating Expenses (b)	Net Available Revenue	Average Annual Requirement	Times Coverage	
2012	35,011,924	29,623,511	\$ 5,388,413	\$ 1,775,052	5.11	
2013	35,256,384	30,439,911	4,816,473	1,609,769	3.35	
2014	34,102,074	31,036,497	3,065,577	1,552,989	3.10	
2015	35,668,929	30,912,620	4,756,309	1,488,696	2.06	
2016	37,738,309	33,738,639	3,999,670	1,460,318	3.26	
2017	40,014,788	35,992,187	4,022,601	1,426,329	2.80	
2018	45,476,534	39,395,153	6,081,381	1,385,524	2.90	
2019	46,192,294	39,869,774	6,322,520	1,142,303	5.53	
2020	49,848,279	40,521,415	9,326,864	1,070,043	8.72	
2021	49,234,955	40,981,730	8,253,225	986,773	8.36	

Source: Annual Comprehensive Financial Report

Notes:

(a) Includes operating revenues (charges for services and miscellaneous income), investment income, and transfers in of the Water and Sewer Fund

(b) Includes operating expenses minus depreciation plus transfers out of the Water and Sewer Fund.

CITY OF CARROLLTON, TEXAS

DIRECT AND CONTRACTUALLY OBLIGATED - PROPERTY TAX AND REVENUE DEBT

Table 14

Last Six Fiscal Years

(Unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
City of Carrollton - direct debt:						
Paid with property taxes	\$ 204,517,993	\$ 200,504,632	\$ 193,509,604	\$ 189,599,781	\$ 184,737,459	\$ 178,954,418
Paid with dedicated revenues:						
Water and sewer revenues	<u>11,263,730</u>	<u>13,130,153</u>	<u>14,956,434</u>	<u>6,078,470</u>	<u>12,169,238</u>	<u>13,578,357</u>
Total direct debt	<u>215,781,723</u>	<u>213,634,785</u>	<u>208,466,038</u>	<u>195,678,251</u>	<u>196,906,697</u>	<u>192,532,775</u>
Other Entities - contractually obligated to be paid with water and sewer revenues:						
Dallas Water Utilities (DWU)(a)	57,190,532	50,268,153	52,503,899	48,356,487	46,668,317	49,555,981
Trinity River Authority - Central Regional Wastewater System (CRWS)(b)	<u>97,381,397</u>	<u>107,365,652</u>	<u>91,360,670</u>	<u>84,464,932</u>	<u>66,176,912</u>	<u>68,478,128</u>
Total contractually obligated debt	<u>\$ 154,571,929</u>	<u>\$ 157,633,805</u>	<u>\$ 143,864,569</u>	<u>\$ 132,821,419</u>	<u>\$ 112,845,229</u>	<u>\$ 118,034,109</u>

Notes:

(a) Carrollton has a "take or pay" contract to purchase potable water on a wholesale basis. Contractually obligated debt is calculated based on Carrollton's Rate of Flow setting as a percent of all wholesale customers applied to total outstanding DWU debt multiplied by the percentage of the DWU system application to wholesale customer activities. Debt numbers are taken from the DWU Wholesale Rate Study.

(b) Carrollton has a contractual obligation to pay its pro rata share of all operating and debt related expenses based on its percentage of flows to the CRWS. Contractually obligated debt is calculated based on the City's percentage of flows to CRWS. In addition, the City is considered an "Obligated part" on all TRA CRWS debt outstanding. As such, it must make continuing disclosures on TRA CRWS debt and contract maturity is automatically extended to the final maturity of outstanding CRWS debt. TRA is a November 30th year end.

CITY OF CARROLLTON, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Calendar Years
 (Unaudited)

Table 15

Year	Estimated Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2012	121,150	3,691,198	30,468	36.3	21,101	5.6%
2013	122,280	3,902,811	31,917	36.0	21,276	5.6%
2014	124,400	3,871,950	31,125	36.8	21,082	4.7%
2015	125,250	4,159,678	33,211	35.9	21,158	3.4%
2016	127,980	4,130,299	32,273	36.9	20,058	3.7%
2017	130,820	4,572,682	34,954	36.2	19,797	3.1%
2018	132,330	4,816,150	36,395	37.4	19,500	3.3%
2019	136,170	4,642,852	34,096	36.9	19,317	2.8%
2020	137,650	5,460,576	39,670	37.0	16,127	6.8%
2021	139,350	5,103,554	36,624	37.0	18,058	5.1%

Source: Estimated population provided by the North Central Texas Council of Governments. US Census population used in census years. Per capita income and median age provided by US Census Bureau's American Community Survey. School enrollment (for schools located in Carrollton) provided by Carrollton/Farmers Branch ISD and Lewisville ISD. School enrollment figures for Lewisville ISD include only students living in Carrollton zip codes. Unemployment rates provided by Bureau of Labor Statistics

CITY OF CARROLLTON, TEXAS
PRINCIPAL EMPLOYERS
 Current Year and Nine Years Ago
 (Unaudited)

Table 16

2021			2012		
Employer (a)	Employees	Percentage of Total City Employment	Employer (a)	Employees	Percentage of Total City Employment
Halliburton Energy Services	1,000	1.19%	Halliburton Energy Services	1,300	1.85%
McKesson Corp	999	1.19%	McKesson Corporation	999	1.42%
Thomson Reuters	950	1.13%	GE Automation Services, Inc.	875	1.24%
Western Extrusions	900	1.07%	Baylor Medical Center	700	0.99%
Securus Technologies	800	0.95%	General Aluminum	700	0.99%
Baylor Scott & White Medical Center Carrollton	640	0.76%	RIA Computer Software	650	0.92%
Brandt	550	0.66%	Western Extrusions Corporation	600	0.85%
Fairway Mortgage Co.	550	0.66%	Brandt	550	0.78%
AER Manufacturing	500	0.60%	AER Manufacturing	500	0.71%
Hilton Reservations & Customer Care	450	0.54%	Realpage Internet Access	500	0.71%
Total	7,339	8.75% (b)		7,374	10.04% (b)

Source: North Central Texas Council of Governments (2021), City of Carrollton Economic Development (2012)

Notes:

(a) Listing includes only private sector employers.

(b) Based on estimated Total Labor Force of 83,878 in 2021 and 73,446 in 2012.

CITY OF CARROLLTON, TEXAS**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**

Table 17

Last Ten Fiscal Years
(Unaudited)

Function/Program	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	2019	2020	2021
General Government and Administration	74.9	75.9	82.9	86.0	86.1	88.9	88.9	80.4	87.4	117.2
Public Safety	425.8	439.3	451.1	451.6	457.1	446.1	447.6	451.3	456.3	455.0
Development Services	109.2	108.7	108.0	112.0	113.0	113.0	108.0	108.5	108.5	107.5
Culture and Recreational	117.7	118.0	116.3	118.3	115.8	118.8	118.8	119.25	119.30	119.30
Water and Sewer	51.0	51.0	52.0	52.0	52.0	52.0	58.0	66.0	66.0	66.0
Fleet Services	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.8	0.8	0.8
Risk Management	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Capital Projects and Special Revenue	<u>6.5</u>	<u>7.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>7.0</u>	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>
Total	<u>786.6</u>	<u>801.4</u>	<u>817.8</u>	<u>827.4</u>	<u>831.5</u>	<u>827.3</u>	<u>830.8</u>	<u>835.3</u>	<u>847.3</u>	<u>874.8</u>

Source: City Budget Office**NOTE:** In FY2021, Information Technology transitioned from an outsources service to full-time Carrollton staff.

CITY OF CARROLLTON, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
 Last Ten Fiscal Years
 (Unaudited)

Table 18

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police										
Number of Employees	207	206	211	210	217	221	226	215	231	231
Number of Violations (Citations)	50,674	51,451	60,793	47,594	41,435	35,926	32,361	27,574	29,300	23,181
Fire										
Number of Employees	141	154	159	158	158	173	171	175	175	175
Number of Fire runs	3,224	3,295	3,469	3,350	3,868	3,677	4,048	4,125	4,046	5,255
Number of EMS runs	6,641	6,993	7,098	7,381	7,770	8,093	8,344	8,636	8,738	9,732
Development Services										
Street Resurfacing (miles)	2	4	4	1	5	1	0	2	2	2
Cultural and Recreational										
Parks and Recreation										
Participants in Leisure Service Programs(a)(b)(c)(d)(e)(f)	46,512	65,459	65,187	61,656	36,024	36,781	22,981	40,052	23,127	48,975
Participants in Athletic Programs (d)(f)	88,114	82,988	83,713	79,775	78,216	68,928	59,967	5,286	4,485	-
Library(h)										
Volumes in Collection	188,314	188,182	190,691	193,004	193,453	185,244	183,173	177,667	170,212	159,253
Water and Sewer										
Number of Water Consumers	34,971	35,710	36,055	38,975	36,841	37,168	37,686	37,482	39,300	36,902
Average Daily Water Consumption (gallons)	20,800,000	20,171,000	18,890,000	19,548,000	19,524,000	19,753,000	20,711,000	19,203,000	21,698,000	21,792,000
Maximum Storage Capacity (gallons)	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000	48,075,000
Unaccounted for Water (i)	6.77%	4.48%	3.88%	5.37%	7.17%	7.64%	8.26%	9.91%	6.27%	11.21%
Sanitation (residential)(g)										
Refuse Collected (tons)	34,942	36,668	37,405	36,112	30,062	28,674	28,126	33,638	43,344	35,504
Bulk/Brush Pickups (tons)	6,920	7,674	7,368	7,846	16,611	18,790	18,111	21,772	19,164	18,657
Recyclables Collected (tons)	7,702	7,166	7,651	7,796	7,947	7,800	7,130	6,304	5,580	7,098
Golf Course(c)(f)										
Number of Paid Rounds Played	68,862	58,394	72,676	33,759	16,968	63,312	52,986	37,133	19,398	78,656

Source: City Departments

Notes:

- (a) In 2013, Leisure Services facilities expanded tracking of participants to include all events held in City Leisure Services Facilities. Prior to that time, participant figures only included those registered in City sponsored Leisure Services programs. In FY2021, the Parks & Recreation restructured their department which combined participation into one entity.
- (b) - In 2018, the City's Senior Center participants dropped due to colder weather.
- (c) - In Fiscal Year 2015, the Golf Course was closed due to flooding from June to September.
 In Fiscal Year 2016, the Golf Course was closed due to flooding from September to March.
 In Fiscal Year 2019, the Golf Course was closed due to repairs from December 18, 2028 to February 7, 2019
 In Fiscal Year 2020, the Golf Course was closed or had restricted availability as a result of the Coronavirus pandemic.
- (d) - In Fiscal Year 2019, the Rosemeade Aquatics Center was closed for remodel for the entire season.
- (e) - In Fiscal Year 2019, the Leisure Services expanded the number of special events and Senior Center participants returned to normal levels.
- (f) - In Fiscal Year 2020, Recreation and Athletic facilities were closed or had restricted availability as a result of the Coronavirus pandemic.
- (g) - In Fiscal Year 2019, Sanitation indicators for the last quarter of 2019 was projected based on previous quarters based on a 36 month average.
- (h) - In Fiscal Year 2019, the Library withdrew worn or outdated materials to improve process efficiency and customer service.
 In Fiscal Year 2020, Library continued to withdraw worn and outdated materials while transitioning to an RFID Security System.
- (i) FY2021 - Un accounted for water increase was a result of broken pipes related to Winter Storm in February 2021.

CITY OF CARROLLTON, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Table 19

Last Ten Fiscal Years

(Unaudited)

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Patrol Units (a)	34	36	36	36	36	36	36	46	49	51
Police Motorcycle Units	7	7	8	8	8	7	4	2	2	2
Fire Stations	7	7	8	8	8	8	8	8	8	8
Development Services										
Streets- Paved (miles) (b)	1,142	1,176	1,176	1,176	1,176	1,176	1,176	1,068	1,068	1,068
Alleys - Paved (miles)	178	190	189	189	189	189	210	210	210	210
Cultural and Recreational										
Parks (acres)	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493	1,493
Playgrounds	25	25	25	25	25	25	25	29	29	29
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Splash Parks	-	-	-	1	1	2	2	2	2	2
Tennis Courts	29	29	29	29	29	28	28	28	28	27
Recreation Centers	2	2	2	2	2	2	2	2	2	2
Senior Center	1	1	1	1	1	1	1	1	1	1
Water and Sewer										
Water Mains (miles)	551	554	570	584	584	580	600	612	612	631
Fire Hydrants	4,937	4,995	5,110	5,192	5,278	5,363	5,398	5,398	5,409	5,590
Sanitary Sewers (miles)	403	410	414	417	417	418	425	430	432	432

Source: City Departments

Notes:

(a) Motorcycles have been transitioned to full-size vehicles; an additional patrol beat was added in 2019. PD restructured the departments and transitioned unmarked vehicles to marked vehicles and added an SRO position in 2020.

(b) Pavement Condition Index (PCI) was updated in 2019

CITY OF CARROLLTON, TEXAS

TEXAS MUNICIPAL RETIREMENT SYSTEM

ANALYSIS OF FUNDING PROGRESS AND CONTRIBUTION RATES (FUNDING BASIS)

Last Ten Fiscal Years

(Unaudited)

Table 20

Fiscal Year	(1) Actuarial Value of Assets**	(2) Actuarial Accrued Liability*	(3) Funded Ratio (1/2)	(4) Unfunded Actuarial Accrued Liability	(5) Annual Covered Payroll	(6) UAAL as a Percentage of ACP (4/5)	(7) Total TMRS Required Contribution Rate	(8) Prior Service Portion of the TMRS Rate
2012	275,783,003	295,569,643	93.3%	\$ 19,786,640	44,593,544	44.4%	13.95%	2.98%
2013	294,274,104	309,695,066	95.0%	15,420,962	45,175,371	34.1%	13.66%	2.61%
2014	313,861,407	341,764,756	91.8%	27,903,349	46,640,263	59.8%	13.30%	2.04%
2015	334,260,620	356,702,669	93.7%	22,442,049	48,904,096	45.9%	12.45%	4.82%
2016	353,760,083	378,581,941	93.4%	24,821,858	52,561,347	47.2%	11.48%	3.92%
2017	372,404,523	396,236,792	94.0%	23,832,269	52,035,292	45.8%	12.44%	4.03%
2018	393,485,849	414,941,180	94.8%	21,455,331	56,485,201	38.0%	12.38%	3.98%
2019	409,035,774	431,606,390	94.8%	22,570,616	58,218,122	38.8%	11.95%	3.60%
2020	429,681,970	449,427,990	95.6%	19,746,020	58,997,932	33.5%	12.12%	3.79%
2021	452,176,561	466,999,463	96.8%	14,822,902	64,112,408	23.1%	11.84%	3.41%

Source: Texas Municipal Retirement System

Notes:

* As of December 31 of the preceding year, the date of the actuarial valuation.

** Actuarial value of assets is calculated using 10-year smoothing.

The actuarial accrued liability was calculated using the Projected Unit Credit actuarial funding method for fiscal years 2008 to 2013, and Entry Age Normal actuarial funding method for fiscal year 2014 and forward.

Fiscal year 2014 and forward includes an update to the mortality table used to determine the annuity purchase rate.

Effective in fiscal year 2015, GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" (GASB 68) created two actuarial valuations for pensions; a funding valuation and a reportion valuation. Trend information for the GASB 68 reporting valuation is included as Required Supplementary Information (RSI) immediately following the Notes to Basic Financial Statements. This table contains information on a funding basis only.

CITY OF CARROLLTON, TEXAS

ACTIVE AND RETIREE HEALTH INSURANCE COSTS

Last Ten Fiscal Years

(Unaudited)

Table 21

Fiscal Year	Total Health Plan Expenses	Retiree Expenses	Percentage Retiree Costs to Total	Active Members	Retirees Using City Health Plan	Total TMRS Retirees	Percentage Retirees Using Plan to Total Members	Retiree Contributions	Net Subsidy of Retirees	Subsidy as Percentage of Total Expense	Cost per Active Member	Cost per Retiree
2012	9,314,543	474,223	5.1%	674	48	395	6.6%	455,107	\$ (19,116)	0.2%	\$ 13,116	\$ 9,880
2013	9,123,405	725,499	8.0%	688	47	437	6.4%	512,762	(212,737)	2.3%	12,206	15,436
2014	11,941,431	784,241	6.6%	706	46	478	6.1%	559,723	(224,518)	1.9%	15,803	17,049
2015	11,560,489	619,770	5.4%	719	41	519	5.4%	473,561	(146,209)	1.3%	15,217	15,116
2016	11,288,978	814,495	7.2%	733	44	545	5.7%	565,829	(248,666)	2.2%	14,290	18,511
2017	12,298,793	1,525,098	12.4%	723	33	574	4.4%	511,443	(1,013,655)	8.2%	14,901	46,215
2018	13,171,180	652,127	5.0%	729	27	606	3.6%	380,906	(271,221)	2.1%	17,173	24,153
2019	11,425,905	741,597	6.5%	721	24	652	3.2%	413,983	(327,614)	2.9%	14,819	30,900
2020	9,928,645	535,969	5.4%	763	21	697	2.7%	388,603	(147,366)	1.5%	12,310	25,522
2021	11,750,790	247,966	2.1%	746	24	737	3.1%	113,431	(134,535)	1.1%	15,419	10,332
Total	\$ 111,804,159	\$ 7,120,985	6.4%					\$ 4,375,348	\$ (2,745,637)	2.5%		
Average	\$ 11,180,416	\$ 712,099		720	36	564	4.7%	\$ 437,535	\$ (274,564)		14,525	21,311

Source: City Records, Third Party Administrator Records, Texas Municipal Retirement System (TMRS)

CONTINUING FINANCIAL DISCLOSURE TABLES (Unaudited)

The Continuing Financial Disclosure Tables present various financial data originally distributed in a debt official statement. The City is required to update financial tables originally distributed in a debt official statement within six months after the end of each fiscal year. This financial information is provided to the Municipal Securities Rulemaking Board (MSRB) annually via the Electronic Municipal Market Access (EMMA) system.



CARROLLTON
T E X A S

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

Table CD-1
TAX AND DEBT FINANCIAL INFORMATION
(Unaudited)

Tax Year 2021	Appraised Value of Taxable Property ¹	\$ 21,128,642,381
Less Exemptions:		
	Agricultural Land Use	\$ 58,312,564
	Homestead	1,566,921,155
	Disabled Veterans	40,368,195
	Over 65	501,249,782
	Disabled Persons	20,246,204
	Totally Exempt	1,039,207,280
	Freeport	913,715,124
	Capped Value	117,119,165
	Low Income Housing	13,005,040
	Other Exemptions	5,011,288
	Total Exemptions	4,275,155,797
Tax Year 2021	Certified Assessed Valuation ¹	\$ 16,853,486,584
Gross General Obligation Bonded Debt:		
	General Purpose Bonds and Certificates (Par Value Only) Projected as of 9/30/2022	\$ 186,665,000
	Less: General Obligation Interest & Sinking Fund Balances as of 09/30/2021 ²	5,391,090
	Net General Obligation Bonded Debt	\$ 181,273,910
Ratio of Gross General Obligation Bonded Debt to		
	2021 Taxable Valuation	1.11%
Ratio of Net General Obligation Bonded Debt to		
	2021 Taxable Valuation	1.08%

2010 Census Population - 119,370
2021 Estimated Population - 139,350
Per Capita Taxable Valuation - \$120,944
Per Capita Gross General Obligation Bonds Bonded Debt - \$1,340
Per Capita Net General Obligation Bonds Bonded Debt - \$1,301

(1) Certified tax roll provided by the Dallas Central, Denton Central and Collin Central Appraisal Districts (the "Appraisal Districts") in July 2021 (Fiscal year 2022). State law requires that a "certified" tax roll be submitted to the City by July 25 of each year. The certified roll is the official tax value for the fiscal year, although it is subject to change as supplemental information is reported to the City by the Appraisal Districts throughout the year. The City used an estimated taxable valuation of \$17,027,582,803 which includes an increase of \$174,096,219 for estimated valuation on property under protest less the incremental value assigned to the City's Tax Increment Reinvestment Zone.

(2) Debt service fund balance at end of year per Debt Service Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances, GAAP Basis.

Source: City of Carrollton

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

TABLE CD-2
VALUATION AND FUNDED DEBT HISTORY
(Unaudited)

<u>Fiscal Year</u>	<u>Taxable Valuation</u> ¹	<u>% Valuation Increase/Decrease Over Prior Year (100% of Market Value Basis)</u>	<u>Funded Debt Outstanding At Year End</u> ²	<u>Ratio Funded Debt to Taxable Valuation %</u>
2012/13	9,098,799,667	2.26%	155,755,000 ²	1.71%
2013/14	9,556,642,945	5.03%	161,780,000 ²	1.69%
2014/15	10,280,594,071	7.58%	162,600,000 ²	1.58%
2015/16	11,086,019,064	7.83%	165,015,000 ²	1.49%
2016/17	11,944,206,839	7.74%	170,030,000 ²	1.42%
2017/18	13,004,287,702	8.88%	174,275,000 ²	1.34%
2018/19	14,235,500,120	9.47%	173,540,000 ²	1.22%
2019/20	15,511,037,472	8.96%	182,420,000 ²	1.18%
2020/21	15,869,999,604	2.31%	173,375,000 ²	1.09%
2021/22	16,853,486,584	6.20%	186,665,000 ³	1.11%

(1) Taxable Valuation based on initial Certified Tax Values. Amounts do not include disputed property values at time of tax roll certification.

(2) Amount reflects outstanding par amount only at fiscal year end.

(3) Amount reflects outstanding par amount plus the Bonds at par.

TABLE CD-3
TOTAL TAXABLE VALUATION BY CATEGORY¹
(Unaudited)

<u>Fiscal Year</u>	<u>Real Property</u>		<u>Personal & Other Property</u>		<u>Total Taxable Valuation</u>
	<u>Taxable Valuation</u>	<u>% of Total</u>	<u>Taxable Valuation</u>	<u>% of Total</u>	
2011/12	7,301,613,573	80%	1,797,186,094	20%	\$ 9,098,799,667
2012/13	7,617,660,597	80%	1,938,982,348	20%	9,556,642,945
2013/14	8,257,175,594	80%	2,023,418,477	20%	10,280,594,071
2014/15	8,943,251,454	81%	2,142,767,610	19%	11,086,019,064
2015/16	9,676,011,654	81%	2,268,195,185	19%	11,944,206,839
2016/17	10,647,777,273	82%	2,356,510,429	18%	13,004,287,702
2017/18	11,773,812,429	83%	2,461,687,691	17%	14,235,500,120
2018/19	12,832,632,201	83%	2,678,405,271	17%	15,511,037,472
2019/20	13,041,776,312	82%	2,828,223,292	18%	15,869,999,604
2020/21	13,970,258,259	83%	2,883,228,325	17%	16,853,486,584

(1) Source: Dallas Central, Denton Central and Collin Central Appraisal Districts.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

TABLE CD-4
TOTAL APPRAISED VALUATION BY CATEGORY¹
(Unaudited)

<u>Property Use Category</u>	Tax Year 2021	Tax Year 2020	Tax Year 2019	Tax Year 2018	Tax Year 2017
Real, Residential, Single Family, and Mobile Homes Real	\$ 10,280,684,597	\$ 9,719,635,877	\$ 9,187,906,609	\$ 8,576,816,519	\$ 7,811,217,996
Real, Residential, Multiple Family	2,220,965,526	2,121,063,077	1,891,550,100	1,607,676,258	1,335,155,290
Real, Vacant Lots/Tracts	189,818,844	188,819,991	206,008,675	206,972,910	197,823,560
Real, Acreage (Land Only)	58,416,485	60,816,853	60,234,015	54,510,365	65,019,202
Real, Commercial, Industrial and Utilities	3,980,536,656	3,900,831,527	3,731,673,675	3,519,298,365	3,312,197,718
Tangible Personal, Commercial Industrial and Utilities	3,848,926,523	3,870,808,969	3,252,118,964	3,015,599,099	2,788,510,629
Tangible Personal, Special Inventory Other	63,131,869	74,290,228	68,768,520	64,078,220	59,260,487
Total Appraised Valuation^{1 2}	\$ 20,642,480,500	\$ 19,936,266,522	\$ 18,398,260,558	\$ 17,044,951,736	\$ 15,569,184,882
Total Exempt Property	1,052,573,091	1,022,196,382	982,263,745	905,323,671	900,321,665
Disputed ARB/ ERV Market Value	(566,411,210)	(858,704,137)	(166,390,104)	(185,972,529)	(169,963,225)
Total Market Value	\$ 21,128,642,381	\$ 20,099,758,767	\$ 19,214,134,199	\$ 17,764,302,878	\$ 16,299,543,322
Productivity Loss	(58,312,564)	(57,080,964)	(58,242,960)	(54,366,741)	(64,673,555)
Homestead Cap	(117,119,165)	(134,939,417)	(203,944,828)	(219,508,680)	(203,289,723)
Exemptions	(4,099,724,068)	(4,037,738,782)	(3,440,908,940)	(3,254,927,337)	(3,027,292,342)
Total Property Exemptions	\$ (4,275,155,797)	\$ (4,229,759,163)	\$ (3,703,096,728)	\$ (3,528,802,758)	\$ (3,295,255,620)
Certified Assessed Valuation	\$ 16,853,486,584	\$ 15,869,999,604	\$ 15,511,037,471	\$ 14,235,500,120	\$ 13,004,287,702

(1) The Total Appraised Valuation consists of the market valuation of all property within the City including property under protest, before exemption, and is determined by the Appraisal Districts each July. Certain items of classification have been combined in order to provide a consistent basis of comparison with the presentation from prior years. Amounts include certified values and estimated property under protest, and do not include value for totally exempt properties

(2) Represents gross values, prior to exemptions.

Source: Dallas, Denton, and Collin County Central Appraisal Districts.

TABLE CD-5
PERCENTAGE TOTAL APPRAISED VALUATION BY USE CATEGORY
(Unaudited)

<u>Property Use Category</u>	Percent of Total Appraised Valuation for Tax Years				
	2021	2020	2019	2018	2017
Real Property					
Single-Family Residential	49.8%	48.8%	49.9%	50.4%	50.1%
Multi-Family Residential	10.8%	10.6%	10.3%	9.4%	8.6%
Vacant Lots/Tracts	0.9%	0.9%	1.1%	1.2%	1.3%
Acreage-Land Only	0.3%	0.3%	0.3%	0.3%	0.4%
Commercial, Industrial, and Utilities	19.3%	19.6%	20.3%	20.6%	21.3%
Tangible Personal Property					
Commercial, Industrial, and Utilities	18.6%	19.4%	17.7%	17.7%	17.9%
Other	0.3%	0.4%	0.4%	0.4%	0.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year Ended September 30, 2021

TABLE CD-6
PROPERTY TAX RATES, LEVIES AND COLLECTIONS
(Year Ended 9-30)
 (Unaudited)

<u>Fiscal Year Ended</u>	<u>Tax Rate Distribution</u>			<u>Adjusted Tax Levy for Fiscal Year¹</u>	<u>Percent of Current Collections</u>	<u>Percent of Total Collections</u>
	<u>Total Tax Rate</u>	<u>Operating/ General Fund</u>	<u>Interest and Sinking Fund</u>			
2012/13	0.6179	0.4119	0.2060	\$ 56,478,911	99.18 %	99.88 %
2013/14	0.6178	0.4144	0.2034	59,029,578	99.53 %	99.90 %
2014/15	0.6154	0.4174	0.1980	62,833,173	99.48 %	99.83 %
2015/16	0.6129	0.4201	0.1928	67,449,420	100.36 %	99.84 %
2016/17	0.6037	0.4258	0.1779	73,175,957	99.75 %	99.84 %
2017/18	0.5997	0.4278	0.1719	78,803,242	99.73 %	99.77 %
2018/19	0.5950	0.4302	0.1648	85,338,491	99.75 %	99.74 %
2019/20	0.5899	0.4389	0.1510	91,639,078	99.86 %	99.70 %
2020/21	0.5875	0.4411	0.1464	97,506,175	99.89 %	98.89 %
2021/22	0.5825	0.4428	0.1397	97,677,806	- % ²	- % ²

Source: City of Carrollton.

(1) Adjusted Tax Levy and Collections at Fiscal Year End.

(2) In process of collection.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

TABLE CD-7
TOP TEN TAXPAYERS
Fiscal Year 2022
(Unaudited)

<u>Name</u>	<u>Nature of Property</u>	<u>Total Taxable Value</u> ¹	<u>% of Total Taxable Value</u>
1 Pratt & Whitney	Technology	\$ 107,809,667	0.64%
2 Softlayer	Technology	98,518,210	0.58%
3 Mansions At Sunset Ridge Partners LP	Apartments	84,976,640	0.50%
4 Sloa Land LTD	Apartments	75,500,000	0.45%
5 Imp Castle Hills LP	Apartments	72,470,000	0.43%
6 Oncor Electric Delivery	Utilities	69,040,460	0.41%
7 Prologis LP	Real Estate	69,021,130	0.41%
8 Cyrusone LLC	Apartments	68,000,000	0.40%
9 Wal-Mart Stores INC	Retail	66,345,350	0.39%
10 Amerisource Bergen	Apartments	64,800,000	0.38%
Total		\$ 776,481,457	4.59%

(1) Total taxable value including real and personal property is \$16,853,486,584
Source: Dallas & Denton County Tax Office, City Report of Property Value, 2021. (Fiscal Year 2022)

TABLE CD-8
DEBT SERVICE FUND MANAGEMENT INDEX
(Unaudited)

General Obligation Debt Service Requirements, Fiscal Year Ending 9/30/22		\$ 23,337,774 ¹
Debt Service Fund, All General Obligation Issues 9/30/21 ²	\$ 5,391,090	
Budget for Fiscal Year 2021/22 Debt Service Fund Tax Levy @ 100% Collection	23,786,463	<u>29,177,553</u>
Estimated Debt Service Fund Balance, Fiscal Year Ending 9/30/22		<u>\$ 5,839,779²</u>

(1) Includes bonds to be issued in 2022. Preliminary, subject to change

(2) Debt Service Fund balance at Fiscal Year End as of September 30, 2021 GAAP Basis

TABLE CD-9
TAX ADEQUACY WITH RESPECT
TO THE CITY'S OUTSTANDING TAX SUPPORTED GENERAL OBLIGATION BONDS
(Unaudited)

Principal and Interest Requirements, Fiscal Year Ending September 30, 2022	\$ 23,337,774
\$0.139693 Tax Rate @ 100% Collection ¹	23,786,463

(1) Calculation based on 2021/22 taxable value of \$17,027,582,803 which is calculated as: certified taxable value of \$16,853,486,584 plus estimated valuation of property under protest of \$410,076,971 less the incremental value assigned to the City's Tax Increment Reinvestment Zone of \$235,980,752.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

TABLE CD-10
MUNICIPAL SALES TAX
(Unaudited)

The City has adopted the provision of V.T.C.A., Tax Code, Chapter 321, as amended, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City. The proceeds are credited to the General Fund and may not be pledged to debt service and are not pledged to the payment of the Bonds. Collections and enforcement are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly.

Fiscal Year Ended 9/30	Total Collected	Percentage of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita
2012	\$ 24,100,500	43.99% ¹	0.27 ¹	198.93
2013	25,480,560	44.60% ¹	0.28 ¹	208.38
2014	27,491,706	45.05% ¹	0.28 ¹	220.99
2015	31,146,385	47.81% ¹	0.29 ¹	248.67
2016	34,553,336	47.81% ¹	0.29 ¹	269.99
2017	36,626,570	49.93% ¹	0.30 ¹	279.98
2018	39,632,629	47.17% ¹	0.28 ¹	299.50
2019	39,603,512	43.52% ¹	0.26 ¹	290.84
2020	39,836,732	42.24% ¹	0.25 ¹	289.41
2021	45,814,939	46.90% ¹	0.27 ¹	328.78 ²

⁽¹⁾ Based on 98% collection rate of the total tax levy used for budget proposes through Fiscal Year 2016,98.5% from Fiscal Year 2017 to 2019, 99.5% in Fiscal Year 2020, and 98% (100% for Debt Service fund) in fiscal Year 2021.

⁽²⁾ Based on estimated population of 139,350 as of September 30, 2021.

Note: The total sales tax and use tax rate is the City is 8 1/4%, of which 1% is imposed by the City, as described above 1% is imposed by the Dallas Area Rapid Transit authority, of which the City is a member city, and 6 1/4% is imposed by the State of Texas. These amounts do not include City sales tax collected on City services and mixed beverage taxes

TABLE CD-11
COMPARATIVE MONTHLY SALES TAX COLLECTIONS ¹
(Unaudited)

Month	2021-2022	2020-2021	2019-2020
October	\$ 3,733,305	\$ 3,512,054	\$ 3,912,805
November	2,652,876	3,167,000	3,645,854
December	3,237,733 ²	2,894,342	3,182,274
January	2,727,965 ²	3,570,489	3,895,631
February	2,492,691 ²	2,984,763	3,045,882
March	3,154,609 ²	2,570,832	2,648,041
April	2,897,088 ²	4,165,168	3,330,011
May	2,867,565 ²	3,936,130	2,794,518
June	3,324,721 ²	3,237,262	3,182,567
July	2,882,568 ²	4,265,688	3,701,656
August	2,933,406 ²	3,466,132	3,196,816
September	3,133,478 ²	8,045,079 ³	3,300,677
	<u>\$ 36,038,005</u>	<u>\$ 45,814,939</u>	<u>\$ 39,836,732</u>

Source: Comptroller of Public Accounts; City of Carrollton

⁽¹⁾ Amount does not include mixed beverage and sales taxes on City services.

⁽²⁾ Projected amount, not actual. Based on City of Carrollton budget projections. Based on year to date sales tax collections, which for the first two months of the fiscal year have been 4.35% over the original budget and 13.67% below prior year actual collections. Due to the volatility of sales tax revenues, the City adopted a financial policy in early 2013 to mitigate the risk of volatility. Such policy identifies amounts in excess of budgeted sales tax collections as a non-recurring revenue source, which is dedicated to fund capital improvement projects, and is not reflected as a source of operating revenues for the General Fund. Beginning in Fiscal Year 2019, the City adopted a new policy stating that the capped sales tax will not be allowed to grow more than 8% over the previous year's capped amount, while limiting the percentage of total sales tax spent for recurring items at 75%, with the remaining 25% on one-time non-recurring purposes.

⁽³⁾ FY 2021 includes thirteen (13) months of sales tax collections to accrue September 2021 taxes received in November 2021. Future fiscal years will continue to include twelve months of sales tax receipts..

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year ended September 30, 2021

TABLE CD-12
OUTSTANDING DEBT SERVICE REQUIREMENTS
GENERAL OBLIGATION DEBT
 (Unaudited)

Fiscal Year <u>Ended</u> <u>30-Sep</u>	Existing Debt <u>Service</u>	\$22,795,000 ¹ General Obligation Improvement Bonds			Total Debt Service Requirements
		<u>Principal</u>	Series 2022 <u>Interest</u>	<u>Total Debt Service</u>	
2022	\$ 23,337,774	\$ -	\$ -	\$ -	\$ 23,337,774
2023	22,404,505	1,165,000	685,433	1,850,433	24,254,938
2024	21,814,455	1,310,000	540,750	1,850,750	23,665,205
2025	21,811,868	1,345,000	508,000	1,853,000	23,664,868
2026	20,308,438	1,375,000	474,375	1,849,375	22,157,813
2027	18,912,038	1,410,000	440,000	1,850,000	20,762,038
2028	17,520,288	1,445,000	404,750	1,849,750	19,370,038
2029	16,423,581	1,480,000	368,625	1,848,625	18,272,206
2030	14,660,669	1,520,000	331,625	1,851,625	16,512,294
2031	13,595,700	1,555,000	293,625	1,848,625	15,444,325
2032	12,082,925	1,595,000	254,750	1,849,750	13,932,675
2033	10,345,613	1,635,000	214,875	1,849,875	12,195,488
2034	7,907,088	1,675,000	174,000	1,849,000	9,756,088
2035	4,729,050	1,720,000	132,125	1,852,125	6,581,175
2036	1,642,200	1,760,000	89,125	1,849,125	3,491,325
2037	-	1,805,000	45,125	1,850,125	1,850,125
	<u>\$ 227,496,192</u>	<u>\$ 22,795,000</u>	<u>\$ 4,957,183</u>	<u>\$ 27,752,183</u>	<u>\$ 255,248,375</u>

(1) Estimated 2022 debt issuance. Assumed All-In-TIC of 2.499425%

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

TABLE CD-13
AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS ¹
(Unaudited)

<u>Authorization Purpose</u>	<u>Authorization Date</u>	<u>Amount Authorized</u>	<u>Prior Issuance</u>	<u>2022 Bonds ²</u>	<u>Balance Unissued</u>
Street Improvements & Traffic Flow Public Safety Facilities Improvements	05/05/18	\$ 78,010,000	\$ 50,380,000	\$ 14,995,000	\$ 12,635,000
Parks & Recreation Improvements	05/05/18	6,250,000	2,050,000	3,200,000	1,000,000
	05/05/18	22,420,000	15,570,000	4,600,000	2,250,000
		<u>\$ 106,680,000</u>	<u>\$ 68,000,000</u>	<u>\$ 22,795,000</u>	<u>\$ 15,885,000</u>

(1) This schedule reflects authorizations which have remaining balances outstanding. Prior authorizations have been completely utilized and are reflected in the total debt outstanding.

(2) The 2022 Bonds assume use of par and premium against authorization.

TABLE CD-14
GENERAL FUND ¹ COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES
(Unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Fund Balance -					
Beginning of Year	\$ 40,567,720	\$ 30,737,701	\$ 30,500,768	\$ 20,760,160	\$ 21,555,016
Revenues:					
Taxes & Franchise Fees	119,126,658	105,225,686	101,194,431	97,230,466	90,346,048
Wireless 911 fees	1,178,780	1,071,761	-	-	-
Charges for Services	5,199,239	4,692,777	5,789,342	5,716,495	6,158,205
Fines and Forfeitures	3,051,687	2,828,801	4,155,874	4,778,759	4,994,567
Investment Income	403,197	1,317,474	1,890,654	936,731	650,967
Licenses and Permits	2,757,109	2,640,242	2,920,751	3,580,421	2,525,756
Intergovernmental	6,739,738	7,985,045	118,961	270,572	111,646
Miscellaneous	582,020	538,171	594,174	583,707	740,709
Total Revenues	<u>139,038,428</u>	<u>126,299,957</u>	<u>116,664,187</u>	<u>113,097,151</u>	<u>105,527,898</u>
Expenditures:					
General Government and					
Administration	19,662,154	19,597,405	17,087,424	15,594,492	15,321,401
Development Services	11,611,302	10,726,575	12,744,091	11,075,739	10,391,297
Public Safety	67,160,136	63,991,068	61,925,374	58,379,196	55,619,820
Cultural and Recreation	12,228,224	11,813,834	12,367,653	12,552,134	12,172,177
Net Transfers	13,671,520	10,341,056	12,302,712	5,754,982	12,818,059
Total Expenditures	<u>124,333,336</u>	<u>116,469,938</u>	<u>116,427,254</u>	<u>103,356,543</u>	<u>106,322,754</u>
Excess/Deficiency of Revenues over Expenditures	<u>14,705,092</u>	<u>9,830,019</u>	<u>236,933</u>	<u>9,740,608</u>	<u>(794,856)</u>
Fund Balance -					
End of Year	<u>\$ 55,272,812</u>	<u>\$ 40,567,720</u>	<u>\$ 30,737,701</u>	<u>\$ 30,500,768</u>	<u>\$ 20,760,160</u>

(1) The General Fund is the main operating fund of the City, used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in the General Fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund. The General Fund includes most of the basic operating services such as fire and police protection, environmental services, parks and recreation, libraries and street maintenance.

CITY OF CAROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

**TABLE CD-15
GENERAL FUND
CURRENT OPERATIONS
(Unaudited)**

On August 31, 2021, the Fiscal Year 2021-2022 budget was adopted by the City Council. The following General Fund Operating Budget is presented on a budget basis presentation.

Revenues	2020-2021 Actual ¹	2021-2022 Adopted Budget ³	2021-2022 Current Estimate ²
Property Taxes	\$ 61,378,906	\$ 63,800,775	\$ 65,563,007
Sales Taxes	46,187,884	35,410,487	36,268,043
911 Taxes	1,178,780	1,050,899	1,050,899
Franchise Fees	11,668,365	10,984,493	10,984,493
Licenses and Permits	2,752,359	2,427,637	2,754,236
Charges for Services	4,954,141	5,262,404	5,085,381
Fines and Forfeiture	2,950,603	3,029,095	3,075,229
Other Revenues	7,226,170	391,000	391,000
Investment Income	465,807	641,472	641,472
Transfers In	4,682,719	2,669,036	2,669,036
Total Revenues	\$ 143,445,734	\$ 125,667,298	\$ 128,482,796
Expenditures			
Personnel Services	\$ 70,032,911	\$ 73,026,101	\$ 73,026,101
Supplies and Services	15,995,266	18,319,129	18,319,129
Utilities	2,471,884	2,476,409	2,476,409
Allocations	19,491,619	21,647,611	21,647,611
Capital Outlay	372,695	1,982,987	1,982,987
Transfers Out	19,624,931	13,793,858	13,793,858
Total Expenditures	\$ 127,989,306	\$ 131,246,095	\$ 131,246,095

(1) For annual budget purposes, the City utilizes an Administrative Services Fund for internal allocation of overall costs. For year-end financial reporting purposes, this fund is consolidated with the General Fund in the Annual Comprehensive Financial Report. The above figures represent only the General Fund as presented in the annual budget and do not include consolidation of the Administrative Services Fund.

(2) As of November 30, 2021. City Staff monitors actual revenues and expenditures monthly and revisions are made to forecasted budget numbers as necessary to reflect changes in the economy and changes in laws or regulations that might affect operations.

(3) The City will periodically draw down fund balance to more closely reflect its 60-day of expenditure target. This is accomplished through transfers to the Capital Projects fund. Recurring sources and uses will remain in balance.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

TABLE CD-16
CURRENT INVESTMENTS
(Unaudited)

As of September 30, 2021 the following percentages of the City's investable funds were invested in the following investment categories and the weighted average maturity of the total City portfolio was 1.83 years.

<u>Type of Investment</u>	<u>Fair Market Value</u>	<u>Percentage</u>
Coupon Agencies	\$ 145,281,292	51.90%
Discount Agencies	3,999,656	1.43%
Municipal Bonds	84,798,036	30.29%
Treasuries	44,527,305	15.91%
Government Pools ¹	<u>1,331,414</u>	<u>0.48%</u>
Total Securities	<u>\$ 279,937,703</u>	<u>100.00%</u>

(1) The City's government pool investments are in the Texas Local Government Investment Pools ("TexPool") the Local Government Investment Cooperative ("LOGIC"), the Texas Cooperative Liquid Assets Securities System Trust ("TexasCLASS") and the TexasTERM Local Government Investment Pool ("TexasDaily"). All investment pools are rated AAAM by S&P and operate in a manner consistent with Chapter 2256, Texas Government Code.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year ended September 30, 2021

TABLE CD-17
WATER & WASTEWATER SYSTEM
REVENUE BOND DEBT SERVICE REQUIREMENTS
 (Unaudited)

Fiscal Year Ended 30-Sep	Existing Debt		Total Debt Service Requirements
	Principal	Interest	
2022	1,750,000	394,500	2,144,500
2023	1,340,000	342,000	1,682,000
2024	515,000	301,800	816,800
2025	540,000	281,200	821,200
2026	560,000	259,600	819,600
2027	585,000	231,600	816,600
2028	615,000	202,350	817,350
2029	645,000	171,600	816,600
2030	675,000	145,800	820,800
2031	700,000	118,800	818,800
2032	730,000	90,800	820,800
2033	755,000	61,600	816,600
2034	785,000	31,400	816,400
Totals	\$ 10,195,000	\$ 2,633,050	\$ 12,828,050

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

**TABLE CD-18
WATER AND WASTEWATER SYSTEM OPERATING STATEMENT AND
REVENUE BONDS COVERAGE**

(Unaudited)

	Fiscal Year Ending September 30				
	2021	2020	2019	<u>2018</u>	<u>2017</u>
Revenues	\$ 49,234,955	\$ 49,848,279	\$ 46,192,294	\$ 45,476,534	\$ 40,014,788
Expenses:					
Personnel Services	3,765,284	3,983,593	4,320,610	4,206,038	3,989,218
Supplies and Services	30,287,030	30,109,494	29,152,264	29,415,211	26,136,178
Utilities	885,921	1,011,379	937,553	890,563	946,111
Allocations	1,033,616	774,800	859,139	810,228	1,222,871
Provision for Doubtful accounts	89,923	89,923	103,091	102,478	39,523
Transfers Out	4,919,956	4,552,223	4,497,117	3,970,635	3,658,286
Total Expenses	<u>40,981,730</u>	<u>40,521,412</u>	<u>39,869,774</u>	<u>39,395,153</u>	<u>35,992,187</u>
Net Available for Debt Service	<u>\$ 8,253,225</u>	<u>\$ 9,326,864</u>	<u>\$ 6,322,520</u>	<u>\$ 6,081,381</u>	<u>\$ 4,022,601</u>
Customer Count Water/Sewer	36,902	39,300	37,482	37,686	37,168
Average Annual Debt Service	\$ 986,773	\$ 1,070,043	\$ 1,142,303	\$ 1,237,640	\$ 1,385,524
Times of the Average Annual Debt Service	8.36	8.72	5.53	4.91	2.90
Average Annual Debt Service - 2021/2034					\$ 986,773
Coverage of Average Annual Debt Service at 9/30/21 Net Available					\$ 8.36
Maximum Annual Debt Service - 2021/2034					2,144,500
Coverage of Maximum Annual Debt Service at 9/30/21 Net Available					\$ 3.85

**TABLE CD-19
FUND BALANCES
(As of September 30, 2021)**

(Unaudited)

Reserve Fund	\$ 986,773
Interest and Sinking Fund	893,542
Total Fund Balances	<u><u>\$ 1,880,315</u></u>

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year ended September 30, 2021

TABLE CD-20
WATER AND WASTEWATER OPERATING FUND
SUMMARY OF BUDGETED REVENUES AND EXPENDITURES
 (Unaudited)

	<u>2020-2021</u>	<u>2021-2022</u>
	<u>Actual ¹</u>	<u>Adopted Budget ^{1 2}</u>
<u>Beginning Operating Funds</u>	\$ 17,803,743	\$ 15,066,387
<u>Revenues</u>		
Water Sales & Charges	27,050,212	29,539,390
Sewer Sales & Charges	20,354,341	20,768,114
Rate Increase	-	-
Tag & Reconnect Fees	532,765	450,000
Industrial Surcharge	513,172	375,000
Backflow Prevention Charges	214,065	220,000
Investment Income	118,758	136,500
Miscellaneous	142,118	175,000
Transfers In	-	-
Total Revenues	<u>\$ 48,925,431</u>	<u>\$ 51,664,004</u>
<u>Total Funds Available</u>	<u>\$ 66,729,174</u>	<u>\$ 66,730,391</u>
<u>Expenditures</u>		
Personnel Services	3,527,659	4,744,174
Supplies and Services	31,408,682	33,447,298
Utilities	879,386	1,120,877
Allocations	4,750,523	5,243,341
Capital Outlay	-	48,356
Canceled Encumbrances	(52,049)	-
Transfers Out	10,672,437	10,023,953
Total Expenditures	<u>\$ 51,186,638</u>	<u>\$ 54,627,999</u>
<u>Ending Operating Funds</u>	<u>\$ 15,542,536</u>	<u>\$ 12,102,392</u>

(1) Budget basis.

(2) Includes a projected average increase of 0% on water and sewer rates effective 1/1/2022.

TABLE CD-21
UTILITY PLANT IN SERVICE
(As of September 30, 2021)
 (Unaudited)

Land	\$ 1,382,918
Utility Plant	276,816,859
Equipment and Intangibles	7,309,971
Construction in Progress	4,157,999
Total Capital Assets	<u>289,667,747</u>
Less Accumulated Depreciation	<u>(171,743,760)</u>
Net Utility Plant in Service	<u>\$ 117,923,987</u>

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

TABLE CD-22
WATER AND WASTEWATER FUND
CITY'S EQUITY IN SYSTEM
(Unaudited)

	Fiscal Year Ending September 30				
	2021	2020	2019	2018	2017
Water & Wastewater					
System in Service	\$ 289,667,747	\$ 280,501,602	\$ 277,572,913	\$ 271,625,960	\$ 267,226,393
Reserve for Depreciation	(171,743,760)	(166,255,601)	(160,575,142)	(154,489,548)	(146,879,329)
Net plant in Service	<u>117,923,987</u>	<u>114,246,001</u>	<u>116,997,771</u>	<u>117,136,412</u>	<u>120,347,064</u>
Construction Funds Net Position	<u>19,657,568</u>	<u>21,556,852</u>	<u>19,722,465</u>	<u>12,771,837</u>	<u>12,594,277</u>
Net Plant in Service and Coming on Line	<u>137,581,555</u>	<u>135,802,853</u>	<u>136,720,236</u>	<u>129,908,249</u>	<u>132,941,341</u>
Plus Other Assets/Deferred Outflows of Resources	301,981	319,467	2,089,151	425,502	1,167,529
Plus Operating Working Capital Assets and Deferred Outflows of Resources Net of Current Liabilities and Debt Reserves	<u>16,799,770</u>	<u>14,811,155</u>	<u>12,287,310</u>	<u>10,190,231</u>	<u>11,351,689</u>
	<u>154,683,306</u>	<u>150,933,475</u>	<u>151,096,697</u>	<u>140,523,982</u>	<u>145,460,559</u>
Long Term Debt	9,318,940	11,287,068	13,153,490	4,854,536	10,710,117
Less Debt Reserves	(986,773)	(1,070,043)	(1,142,303)	(1,237,640)	(1,385,524)
Net Long Term Debt	<u>8,332,167</u>	<u>10,217,025</u>	<u>12,011,187</u>	<u>3,616,896</u>	<u>9,324,593</u>
Plus Other Liabilities/ Deferred Inflows of Resources	<u>934,752</u>	<u>572,148</u>	<u>2,876,023</u>	<u>1,141,541</u>	<u>1,857,549</u>
Total Obligations and Deferred Inflows of Resources	9,266,919	10,789,173	14,887,210	4,758,437	11,182,142
City's Equity in System	<u>\$ 145,416,387</u>	<u>\$ 140,144,302</u>	<u>\$ 136,209,487</u>	<u>\$ 135,765,545</u>	<u>\$ 134,278,417</u>
% Equity	94.01%	92.85%	90.15%	96.61%	92.31%

Notes:

The City implemented GASB Statement No. 75 in fiscal year 2018. The amounts for all prior fiscal years presented have not been restated for the effects of this standard.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

TABLE CD-23
TOP TEN WATER CUSTOMERS
AS OF 9/30/2021
(Unaudited)

<u>Name</u>	<u>Type</u>	<u>Revenues</u>	<u>% of Total Water Revenues ¹</u>
1 Carrollton-Farmers Branch ISD	School District	\$ 110,912	0.41%
2 Western Extrusion Inc	Manufacturing	46,566	0.17%
3 Lewisville ISD	School District	45,126	0.17%
4 Rudy's Tortillas	Manufacturing	39,376	0.15%
5 Frankel Family Trust	Apartments	35,201	0.13%
6 Frankford POE LLC	Apartments	34,055	0.13%
7 AVBH Autumn Chase LLC	Apartments	31,862	0.12%
8 Spicewood Crossing Apts	Apartments	30,416	0.11%
9 Dallas ICR Partners	Apartments	27,838	0.10%
10 Prologis	Real State	26,509	0.10%
TOTAL		\$ 427,861	1.58%

⁽¹⁾ Total water revenues from October 1, 2020 through September 30, 2021 was \$27,050,212.

Source: City of Carrollton Utility Customer Service Department.

TABLE CD-24
WATER USAGE
(Unaudited)

<u>Fiscal Year Ended 9/30</u>	<u>Average Daily Use In Gallons</u>	<u>Maximum Daily Use In Gallons</u>	<u>Total Gallons for Year</u>
2012	20,808,000	40,680,000	7,594,764,000
2013	20,171,000	38,388,000	7,362,343,000
2014	19,054,000	32,262,000	6,954,726,000
2015	19,594,000	41,609,000	7,151,918,000
2016	19,524,000	35,439,000	7,126,366,000
2017	19,753,000	29,339,000	7,209,845,000
2018	20,762,000	37,720,000	7,578,297,000
2019	20,303,000	37,735,000	7,410,532,000
2020	21,791,000	38,799,000	7,953,874,000
2021	21,816,000	37,337,000	7,962,892,000

Source: City of Carrollton Water Distribution Department.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
 Year ended September 30, 2021

TABLE CD-25
WATER & WASTEWATER RATES ¹
 (Unaudited)

Monthly Water Rates:

Minimum monthly charge, including the first 2,000 gallons of use:

Single-family residential domestic and irrigation use	\$	14.34
Commercial (including apartments and portable meters), industrial and commercial irrigation use:		
5/8" meter	\$	14.62
1" meter		22.52
1.5" meter		35.74
2" meter		51.58
3" meter		93.80
4" meter		141.30
6" meter		273.31
8" meter		431.72
10" meter		616.50
Fire Line regardless of size		74.16

Use over the 2,000 gallons included in the minimum monthly charge:

Single-family residential domestic use:		
Meter Readings from October through April:		
All Over 2,000 gallons (per 1,000 gallons)	\$	3.39
Meter Readings from May through September:		
Next 8,000 gallons (per 1,000 gallons)		3.39
All Over 10,000 gallons (per 1,000 gallons)		4.55
All Over 25,000 gallons (per 1,000 gallons)		5.68
Irrigation use:		
Next 23,000 gallons (per 1,000 gallons)	\$	3.48
Next 25,000 gallons (per 1,000 gallons)		4.15
Next 50,000 gallons (per 1,000 gallons)		4.70
Next 100,000 gallons (per 1,000 gallons)		5.29
All use over 200,000 gallons (per 1,000 gallons)		5.90
Commercial use (including apartments and portable meters):		
All use over 2,000 gallons (per 1,000 gallons)	\$	2.41
Industrial Use: Industrial use rates for water service will apply to customers in the business of assembly or manufacturing of goods and for which water usage equals or exceed 750,000 gallons per month for nine out of twelve months in the year:		
All use over 2,000 gallons (per 1,000 gallons)	\$	2.13

Monthly Sewer Rates:

Residential use:		
First 2,000 gallons, minimum	\$	15.55
All use over 2,000 gallons (per 1,000 gallons)		3.62
Commercial (including apartments), Industrial and Irrigation minimum monthly charges, including the first 2,000 gallons of use:		
5/8" meter	\$	15.55
1" meter		22.52
1.5" meter		34.07
2" meter		47.91
3" meter		84.89
4" meter		126.81
6" meter		241.88
8" meter		380.44
10" meter		542.07
Commercial and Industrial use:		
All use over 2,000 gallons (per 1,000 gallons)	\$	3.62

⁽¹⁾ Rates effective January 1, 2022.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables
Year ended September 30, 2021

TABLE CD-26

COMPARATIVE WATER AND SEWER REVENUES, EXPENSES AND CHANGES IN NET POSITION (GAAP BASIS)
(Unaudited)

	Fiscal Year Ending September 30				
	2021	2020	2019	2018	2017
Operating revenues:					
Charges for services	\$ 48,800,547	\$ 48,870,110	\$ 45,058,318	\$ 45,005,225	\$ 39,630,140
Miscellaneous	337,653	297,912	263,300	224,795	197,032
Total operating revenues	<u>49,138,200</u>	<u>49,168,022</u>	<u>45,321,618</u>	<u>45,230,020</u>	<u>39,827,172</u>
Operating expenses:					
Personal services	3,765,284	3,983,596	4,320,610	4,206,038	3,989,218
Supplies and Services	30,287,030	30,109,494	29,255,355	29,517,689	26,175,701
Utilities	885,921	1,011,379	937,553	890,563	946,111
Allocations	1,123,539	864,723	859,139	810,228	1,222,871
Depreciation	5,968,356	5,758,477	6,645,933	7,628,552	7,595,388
Total operating expenses	<u>42,030,130</u>	<u>41,727,669</u>	<u>42,018,590</u>	<u>43,053,070</u>	<u>39,929,289</u>
Income (loss) from operations	<u>7,108,070</u>	<u>7,440,353</u>	<u>3,303,028</u>	<u>2,176,950</u>	<u>(102,117)</u>
Nonoperating revenues (expenses):					
Investment earnings net of change in fair value	96,755	680,257	870,676	246,514	187,616
Gain on sale/retirement of capital assets	99,209	14,826	94,551	4,232	21,514
Interest expense	(311,618)	(375,564)	(250,672)	(236,632)	(426,206)
Total nonoperating revenues (expenses)	<u>(115,654)</u>	<u>319,519</u>	<u>714,555</u>	<u>14,114</u>	<u>(217,076)</u>
Income (loss) before contributions and transfers	6,992,416	7,759,872	4,017,583	2,191,064	(319,193)
Capital contributions	3,199,625	727,166	923,476	3,266,699	965,092
Transfers in	-	-	-	-	-
Transfers out	(4,919,956)	(4,552,223)	(4,497,117)	(3,970,635)	(3,658,286)
Change in net position	5,272,085	3,934,815	443,942	1,487,128	(3,012,387)
Net position at beginning of year, as previously reported	140,144,302	136,209,487	135,765,545	134,278,417	137,290,804
Impact of change in accounting principle	-	-	-	-	-
Net position at beginning of year, as restated	<u>140,144,302</u>	<u>136,209,487</u>	<u>135,765,545</u>	<u>134,278,417</u>	<u>137,290,804</u>
Net position at end of year	<u>\$ 145,416,387</u>	<u>\$ 140,144,302</u>	<u>\$ 136,209,487</u>	<u>\$ 135,765,545</u>	<u>\$ 134,278,417</u>

Notes:

The City implemented GASB Statement No. 75 in fiscal year 2018. The amounts for all fiscal years presented have been restated for the effects of this standard.



CARROLLTON
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