



CARROLLTON
TEXAS

**SUMMARY FINANCIAL STATEMENTS
BUDGET BASIS**

FISCAL YEAR 2021

AS OF JULY 31, 2021

Year to Date October 1, 2020 to July 31, 2021
YTD % - 83.33%

General Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:						
Taxes and						
franchise fees	\$ 104,990,573	\$ 4,175,730	\$ 109,166,303	\$90,971,919	\$ 104,830,488	96.03%
Other	13,127,312	-	13,127,312	10,939,427	9,327,862	71.06%
Transfers in from :						
Utility Fund for						
Paymt in lieu of taxes	2,642,610	-	2,642,610	2,202,175	2,202,175	83.33%
Utility Loan Repayment	365,482	-	365,482	304,568	304,568	83.33%
Expenditures:	(110,289,785)	-	(110,289,785)	(91,908,154)	(90,689,056)	82.23%
Transfers out and						
Non-operating uses:						
Rate Review	(25,000)	-	(25,000)	(20,833)	-	0.00%
Hotel/Motel Tax Subsidy	(145,000)	-	(145,000)	(120,833)	-	0.00%
Essential Tech Funds	(1,450,000)	-	(1,450,000)	(1,208,333)	-	0.00%
Transfer to Admin Fund	-	(183,783)	(183,783)	(153,153)	-	0.00%
COVID-19 Response	(500,000)	-	(500,000)	(416,667)	-	0.00%
Golf Course	(200,000)	-	(200,000)	(166,667)	(200,000)	100.00%
1-time Comp adj.	(1,187,711)	-	(1,187,711)	(989,759)	-	0.00%
Capital Projects	(13,629,201)	(3,991,947)	(17,621,148)	(14,684,290)	-	0.00%
Net increase (decrease)	(6,300,720)	-	(6,300,720)	(5,250,600)	25,776,037	
Beg. Working Capital	24,673,013	-	24,673,013		32,414,562	
End Working Capital	\$ 18,372,293	\$ -	\$ 18,372,293		\$ 58,190,599	

Overview - Revenues and Transfers In

Property tax revenue collected through end of July 31st, 2021, as percentage of the current year's tax levy is 101.18% comparable with prior year collections at 99.95%. This increase in collection percentage is due to protests settled after the roll was certified. Due to COVID, the number was much larger in FY 2021, than in FY 2020. In addition, 96% of the total budgeted General Fund Tax and Franchise fee revenue have been collected.

Year to date, sales tax receipts are 14.10% over the original budget and 2.89% above prior years' actual. Sales tax receipts summary:

	<u>Current Month</u>	<u>Year to Date</u>
Original Budget	\$3,312,888	\$30,065,919
Actual – Current Year	\$4,265,688	\$34,303,728
Actual – Prior Year	\$3,701,656	\$33,339,239

As per the financial policy adopted by council in 2018, the fiscal year 2021 sales taxes revenue for recurring uses is capped at \$26,987,129. Sales taxes revenue in excess of that amount will be transferred to capital projects funds for non-recurring one-time uses. This transfer will be made at year-end when the final sales tax amount is available. Sales tax is currently projected to end the year at \$13,224,520 over the capped amount, and about 11.78% above the original budget.

Overview - Expenditures and Transfers Out

Fiscal year-to-date expenditures are on target. Transfers out are made when the receiving funds have need for the funding or at the end of the year.

Overview - Budget Adjustments

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

Overview - Fund Balance

As of July 31st, 2021, the budget estimates and the complete expenditure of the entire approved budget would result in an ending fund balance of 60 days. On 9/30/2021, approved 2021 Capital Transfers will be made as will any necessary modifications to maintain the mandatory 60-day fund balance. This will be monitored throughout the year. Currently, no capital transfer modifications appear necessary to maintain financial standards.

Year to Date October 1, 2020 to July 31, 2021
YTD % - 83.33%

Water and Sewer Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:						
Sales and Charges	\$ 49,293,061	\$ -	\$ 49,293,061	\$41,077,551	\$ 37,606,967	76.29%
Other	1,360,000	-	1,360,000	1,133,333	1,226,626	90.19%
Expenses:	(44,067,956)	-	(44,067,956)	(36,723,297)	(31,772,376)	72.10%
Transfers out and Non-operating uses:						
General Fund for						
Paymt in lieu of taxes	(2,642,610)	-	(2,642,610)	(2,202,175)	(2,202,175)	83.33%
Debt Service	(2,443,042)	-	(2,443,042)	(2,035,868)	(2,096,348)	85.81%
Capital Projects	(3,100,000)	-	(3,100,000)	(2,583,333)	(3,993,732)	128.83%
Net increase (decrease)	(1,600,547)	-	(1,600,547)	(1,333,789)	(2,054,829)	
Beg. Working Capital	13,701,895	-	13,701,895		17,803,743	
End Working Capital	\$ 12,101,348	\$ -	\$ 12,101,348		\$ 15,748,914	

	Rain Fall	Rain Days	Av Hgh Tmp.	Billed (000 gal)	Received (000 gal)	Unacc'ted Water	Daily Per Capita (gals)
JULY-CY	1.5	8.0	93.9	597,604	797,965	25.11%	185
JULY-PY	2.3	5.0	94.4	770,377	959,495	19.71%	227
JUL-CY-YTD	27.8	76.0	71.6	4,903,392	5,528,040	11.30%	
JUL-PY-YTD	40.1	89.0	74.2	5,257,724	5,706,368	7.86%	

Overview - Revenues

Fiscal year-to-date sales and charges revenues are currently on target. In addition, typically more revenue is usually collected during the last quarter of the year. July unaccounted water percentage is high due to temporary meter reading issues and timing variances between consumption and billing reports. No water and sewer rate increases were adopted for FY 2021.

Overview - Expenses and Transfers Out

Fiscal year-to-date expenses are below target due to the timing of some expenses. The largest amount of water purchases are generally made in the fourth quarter of the fiscal year. However, expenses are expected to end Fiscal year 2020 below target. Transfer out will be made when the receiving funds have need for the funding or at the end of the year.

Overview - Budget Adjustments

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

Overview - Fund Balance

As of July 31st, 2021, the complete expense of the entire approved original budget would result in an ending fund balance of 90 days. The operating fund balance of \$20,566,437 represents 152.72 days of recurring activities but will be adjusted for the impact of capital project transfers. The anticipated year end fund balance after capital transfers are made represents 129.70 days of fund balance. The City also anticipates an early payoff of the Utility Fund loan during FY2021. If the entire outstanding balance were paid, and budgeted capital transfers were made in September, the anticipated year end fund balance would represent 116.95 days.

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

YTD % - 83.33%

Golf Course Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:	\$ 166,432	\$ -	\$ 166,432	\$ 138,693	\$ 398,381	239.37%
Transfers In	200,000	-	200,000	166,667	200,000	100.00%
Transfer from Golf Capital	-	-	-	-	-	0.00%
Expenses:	(310,432)	(180,000)	(490,432)	(408,693)	(182,707)	37.25%
Transfers out to:						
Repay FEMA & A/R Writeoff	-	-	-	-	(99,471)	0.00%
Capital Projects	-	-	-	-	-	0.00%
Net increase (decrease)	56,000	(180,000)	(124,000)	(103,333)	316,203	
Beg. Working Capital	(23,910)	-	(23,910)		100,500	
End Working Capital	\$ 32,090	\$ (180,000)	\$ (147,910)		\$ 416,703	

	Paid Rounds of Golf	
	Outings	Total
JULY-CY	447	10,558
JULY-PY	280	4,402
JUL-CY-YTD	4,589	60,005
JUL-PY-YTD	3,266	29,842

Overview – Revenues and Transfers in

The revenue share model between Orion and the City splits revenue based on the monthly course revenue and utility and maintenance costs are reimbursed to the City. This was the model used from June 2020 through November 2020. Due to the impacts of COVID-19 the contract was amended in December 2020 which changed from a revenue share model to a monthly management fee. Under this new model, rather than receiving a revenue share, the City received the net operating income (loss) from the golf course and paid Orion a \$7,000 monthly management fee through the end of February 2021. During the contract amendment period, the City incurred a total loss of \$37,110, which was significantly lower than the budgeted loss of \$180,000. Actual year-to-date revenues are currently above projected target of estimated budget.

Overview - Expenses and Transfers Out

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

Overview - Budget Adjustments

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

Overview - Fund Balance

The Budgetary Fund Balance is projected to end the year at \$(147,910). This budgeted deficit is a function of budgeting for utility costs that are later reimbursed via contract. Currently, the operating fund balance is \$416,703. The golf course will be monitored throughout the year to determine if the course will require any additional transfers at the fiscal year end.

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YTD % - 83.33%

Solid Waste Fund

	Original Budget	Budget Adj.	Amended Budget	YTD % Budget	Actual to Date	% of Budget to Date
Revenues:	\$ 11,464,946	\$ -	\$ 11,464,946	\$ 9,554,122	\$ 9,571,968	83.49%
Expenses:	(9,989,681)	-	(9,989,681)	(8,324,734)	(8,226,543)	82.35%
Transfers out to:						
Capital Projects	(1,524,357)	-	(1,524,357)	(1,270,298)	-	0.00%
Net increase (decrease)	(49,092)	-	(49,092)		1,345,425	
Beg. Working Capital	451,883	-	451,883		311,398	
End Working Capital	\$ 402,791	\$ -	\$ 402,791		\$ 1,656,823	

Overview – Revenues

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

Overview - Expenses and Transfers Out

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

Overview - Budget Adjustments

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

Overview - Fund Balance

The Budgetary Fund Balance is currently projected to end the year at \$402,791. As of July 31st, 2021, the operating fund balance is at \$1,656,823, however, a capital transfer will occur at the end of the fiscal year. Due to rising costs far outpacing revenue for multifamily sanitation, the City moved the multi-family sanitation fees to a cost-recovery model in October 2020. We will continue to monitor fund balance closely throughout the year and adjust the Capital Transfer if necessary.

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Other Operating Funds

Information on the other operating funds of the City (Risk, Fleet, Administrative Services, Employee Health and Disability, Hotel/Motel and Debt Service) is provided on an exception only basis. All other operating funds are on target with budget.

Risk Management Fund – Fund balance for the Risk Management Fund is currently \$4,189,176, which exceeds the City’s financial standard of one year of claims net of recoveries.

Fleet Services Fund – The current fund balance is \$491,385 which exceeds the financial standard of break-even.

Employee Health and Disability Fund –The current cash and cash equivalent balance of this fund is \$5,933,495.