



# ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2023



**CARROLLTON**  
TEXAS

*Where Connections Happen*

City of Carrollton  
1945 E. Jackson Road  
Carrollton, Texas 75006  
**972-466-3000 • [cityofcarrollton.com](http://cityofcarrollton.com)**



# ADOPTED ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year October 1, 2022 – September 30, 2023



Council (L-R): Jason Carpenter, Councilmember; Nancy S. Cline, Mayor Pro Tem; Dr. Andrew Palacios, Councilmember; Richard Fleming, Councilmember; Steve Babick, Mayor; Erin Rinehart, City Manager; HA “Rusty” Pendleton, Deputy Mayor Pro Tem; Daisy Palomo, Councilmember; Christopher Axberg, Councilmember

**Prepared By:**

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# CITY OF CARROLLTON, TEXAS

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February 01, 2024

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, 2023.

This report provides the City Council, City staff, our residents, 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.

FORVIS, LLP, Certified Public Accountants, has issued "unmodified" clean opinions on the City's financial statements for the fiscal year ended September 30, 2023. 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 north of 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 flows east to west through the City, State Highway 121 is to the north, and Interstate Highway 635 is only two miles south of the city limits. The City encompasses approximately 37 square miles with 36 square miles of developable land which is approximately 96% 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 include: police and fire protection, emergency ambulance service, developmental and environmental services, water and sewer services, sanitation services, library services, park and recreational facilities, 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. The 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 for City management each month.

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

According to the Federal Reserve's Beige Book (November 2023) Texas continues to expand, however the region is showing signs of slowing. Manufacturing output continued to grow, while services and retail sales did not. There continues to be a strain on credit conditions which has resulted in a decrease in loans and home sales. Employment in the DFW areas was up an annualized 3.2 percent and trended above the state's annualized increase of 2.6 percent, however, wages are beginning to stabilize in the region. In their December update, the Federal Reserve Bank of Dallas reported the following:

| <b>Job Growth Annualized (Aug-Oct 22)</b> | <b>Unemployment Rates</b> | <b>Average Hourly Wages</b> | <b>Average Hourly Wage Growth (Year Over Year)</b> |
|---|---------------------------|-----------------------------|--|
| +3.2%                                     | 3.4%                      | \$ 34.40                    | +2.5%  |

##### Carrollton's Position in the Region

Carrollton is 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 4.75% of the total assessed valuation in the City.



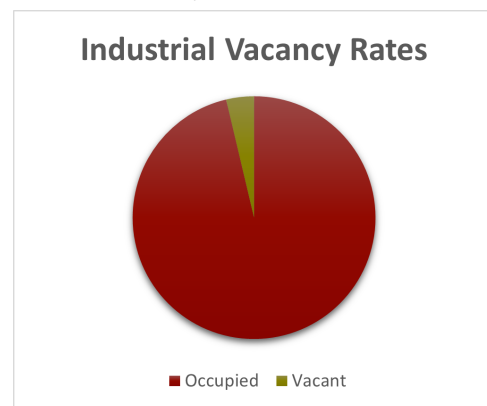
The City also benefits from a well-educated and affluent workforce. According to U.S. Census Bureau's 2021 American Community Survey, Carrollton's median household income of \$92,734 compares favorably to \$76,919 for DFW and \$72,284 for Texas. Also, according to the survey, the workforce is educated with 44.1% of the population having a bachelor's degree or more, compared to 36.8% for DFW and 33.9% 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 nine 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 2023, Carrollton's unemployment was 3.4%, well below the state's rate.

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. As of the third calendar quarter of 2023, the City currently had a 96.3% occupancy rate of its industrial business areas in the city.



Total certified taxable value, not including estimated value for property under protest, for all residential and commercial property in the City was valued at approximately \$21.3 billion for **tax year 2023**, a 11.42% increase from the previous year.

Sales tax collections, which includes mix-drink sales tax, totaled \$50,596,808 in fiscal year 2023, a 3.9% increase from the previous year. This number is a result of a strong economy over the last twelve months. Additionally, DART entered into a contract with its member cities to return



excess sales tax to those cities to fund projects and that benefit the DART system. The City of Carrollton is contracted to receive around \$12.6 million and that money is being used to help fund the parking garages in the Trinity Mills Station development.

### Future Economic Outlook

The implementation of the Comptroller's change to rule 3.334, which would redistribute sales tax dollars, was delayed due to a lawsuit which was ruled in favor of the municipalities that filed it. However, the necessary changes were made by the Comptroller to come in compliance with the lawsuit findings, and the rule change has been refiled, and cities continue to be in litigation. The city continues to budget conservatively in fiscal year 2024 in preparation for the implementation of the proposed changes. The city's sales tax budget for fiscal year 2023 was increased by 18.83% during the mid-year re-estimated budget for fiscal year 2023 as the city performed 29.31% better than projected through June 30, 2023. By the end of fiscal year 2023, the city came in 28.14% over its original budgeted revenue and 7.92% over the revised estimate. The City recognizes its exposure to sales tax volatility and has adopted a sales tax mitigation strategy whereby a portion of sales tax is dedicated to non-recurring capital expenditures.

For fiscal year 2024, property valuations increased 10.88% with a 14.16% increase in residential property and 9.39% increase in commercial and industrial properties. Carrollton has approximately 939 acres of vacant land ready for future development with 710 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 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:

- Maintained conservative financial policies and strong financial position that will allow it to react quickly to development opportunities as well as withstanding economic downturns.
- 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 the light rail which arrived in the City in December 2010. DART's Silver Line project has continued construction with an



expectation of operation in late 2025. This 26 mile line will provide DFW a connection from east to west, through Carrollton, to the Dallas-Fort Worth International Airport. Carrollton's multiple rail lines will allow it to eventually become one of the three mass transit rail hubs in the Metroplex. In Fall 2023, construction of the first phase of the Trinity Mills Station Transit Oriented Development master plan commenced. Completion of the first multi-family complex is anticipated by 2025.

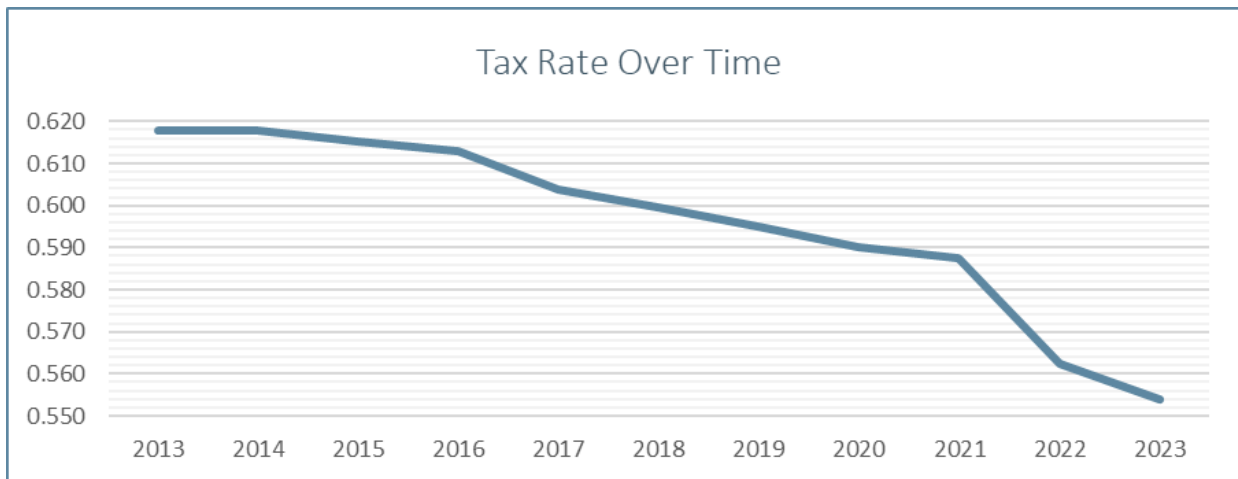
### Long-term Financial Planning

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 2023, sales tax exceeded the "cap" for operating purposes by over \$22.1 million. This excess will be used for one-time non-recurring purposes in the fiscal year 2024 and fiscal year 2025 budget cycles.

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 five years. Additionally, a multi-year Capital Plan is prepared and presented to the City Council as part of the annual budget process.

Carrollton continues its focus to be a city that businesses and families want to call home. For tax year 2023, the City reduced its tax rate to 0.553750 per \$100 assessed value due to the strong growth of its tax base. The City also increased its senior exemption in tax year 2023 to \$87,000. The City has also continued its focus on the investment in infrastructure throughout its boundaries. In fiscal year 2024, the city budgeted over \$120 million in capital funding for new projects funded from debt issuance, non-recurring sources, and tax revenue.



In addition, the City has recognized the long-term financial implications of its pension and retiree health benefits. Regarding pensions, the city has significantly stepped up funding to ensure the long-term sustainability of the plan. The city maintains a healthy fund balance in our Employee Health Fund and continues its regular review of its financial status throughout the year.

#### 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's Audit, Finance, and Governance Committee serves as a subcommittee of the City Council and functions as an audit committee to hear and review all recommendations made by the independent auditors.

##### Certificate of Achievement - Information is updated - Need to confirm receipt.

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 Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. 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 annual comprehensive financial report (ACFR), whose contents conform to program standards. Such ACFR 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 33 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 blue ink, appearing to read "Diana Vaughn".

Diana Vaughn, CPA  
Chief Financial Officer

A handwritten signature in blue ink, appearing to read "Melissa Everett".

Melissa Everett, MS  
Finance Director

A handwritten signature in blue ink, appearing to read "Shena Washington".

Shena Washington, MBA  
Controller



**CITY OF CARROLLTON, TEXAS**

**City Council**

Steve Babick, Mayor

Nancy S. Cline, Mayor Pro Tem, Place 5

H.A. "Rusty" Pendleton, Deputy Mayor Pro Tem, Place 7

Christopher Axberg  
Place 1

Jason Carpenter  
Place 2

Richard Fleming  
Place 3

Dr. Andrew Palacios  
Place 4

Daisy Palomo  
Place 6

**City Manager**

Erin Rinehart

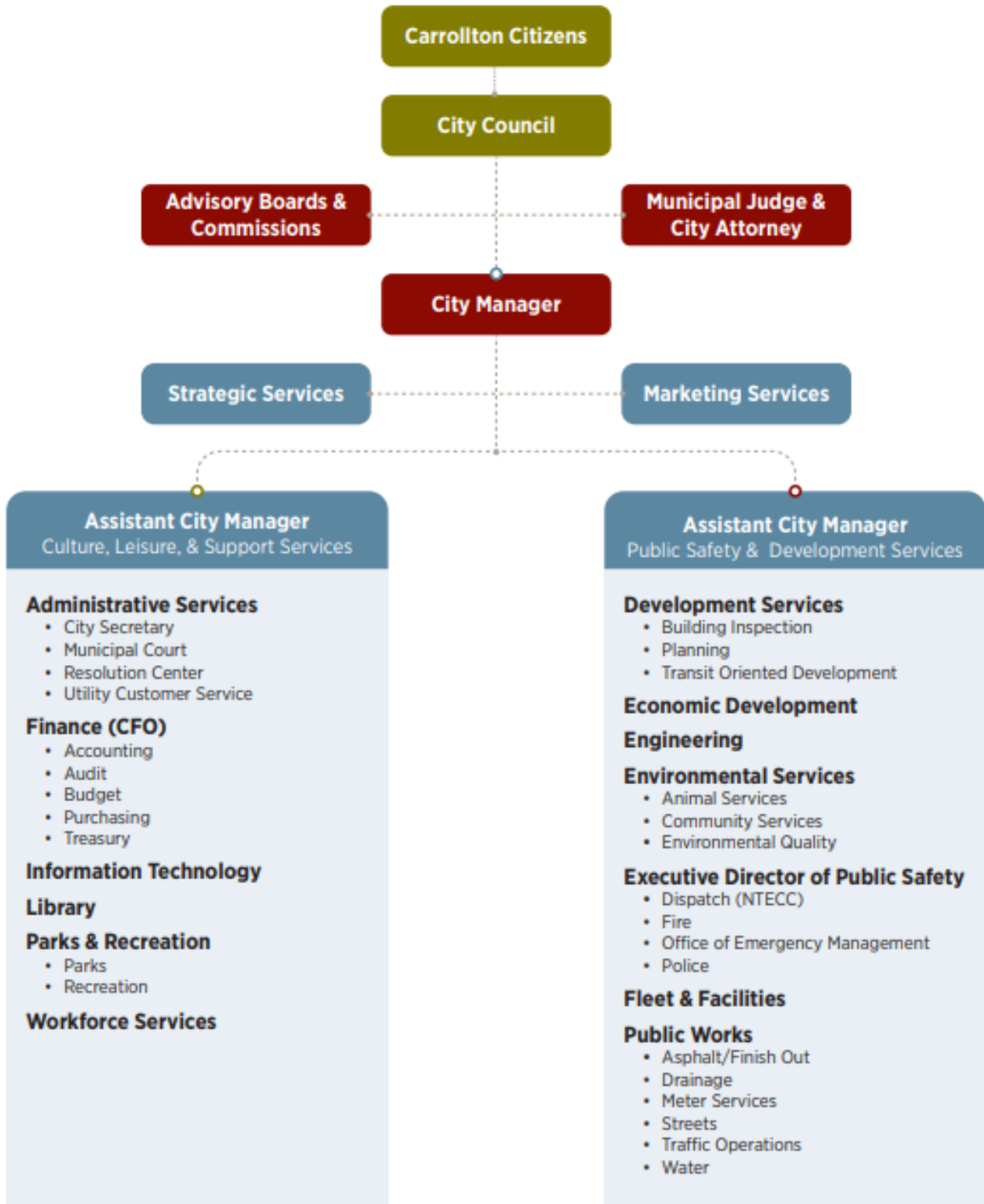
**Assistant City Manager**

Chrystal Davis

**Chief Financial Officer**

Diana Vaughn, CPA

# Organizational Chart





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, 2022

*Christopher P. Morill*

Executive Director/CEO



**CARROLLTON**  
**T E X A S**

## Independent Auditor's Report

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

### **Opinions**

We have audited the 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), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Emphasis of Matter**

As discussed in *Note 16* to the financial statements, in fiscal year 2023, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.



***Supplementary Information***

Our audit for the year ended September 30, 2023, was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and budgetary schedules for the year ended September 30, 2023, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended September 30, 2023, 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 GAAS. In our opinion, the combining and individual fund financial statements and budgetary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended September 30, 2023.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City as of and for the year ended September 30, 2022 (not presented herein), and have issued our report thereon dated January 25, 2023, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The combining and individual fund financial statements and budgetary schedules for the year ended September 30, 2022, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2022 financial statements. The information was subjected to the audit procedures applied in the audit of the 2022 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and budgetary schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended September 30, 2022.

***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises introductory section, statistical section, and continuing financial disclosure tables, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**FORVIS, LLP**

**Dallas, Texas  
February 1, 2024**



**CARROLLTON**  
**T E X A S**

## CITY OF CARROLLTON, TEXAS

Management's Discussion and Analysis  
For the Year Ended September 30, 2023

Amounts in Thousands Unless Stated Otherwise  
(Unaudited)

February 01, 2024

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, 2023. 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 ), the statistical section (pages 129-150), 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](http://www.cityofcarrollton.com). It should be noted from the Report of the Independent Auditor's 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 \$798,817. This number must be viewed in the context that the vast majority of the City's net position of \$435,154 (54.5%) 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 \$10,204 (1.3%). The remaining \$353,459 (44.2%) 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 \$82,525 in fiscal year 2023.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$325,487. Within this total \$48,863 is restricted by specific legal requirements (such as by debt covenants), \$1,768 is nonspendable for prepaid items and \$211,863 has been committed and assigned to specific types of expenditures. The remaining \$62,993 is an unassigned fund balance in the General Fund and can be used for any lawful purpose.
- The City's long-term liabilities increased by \$56,151 due primarily to the increase of the City's net pension liability caused by a lower-than-expected market performance through the measurement date of December 31, 2022, an increase in bonds payable, and the implementation of GASB 96.

## CITY OF CARROLLTON, TEXAS

Management's Discussion and Analysis  
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The City 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 20-21 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 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.

## CITY OF CARROLLTON, TEXAS

Management's Discussion and Analysis  
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**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 22-26.

**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**

Management's Discussion and Analysis  
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Amounts in Thousands Unless Stated Otherwise  
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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 28-32 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 33-75

**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 \$798,817 as of September 30, 2023.

The largest portion of the City's net position \$435,154 (54.5%) 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.



**CITY OF CARROLLTON, TEXAS**

Management’s Discussion and Analysis  
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An additional portion of the City’s net position of \$10,204 (1.3%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of \$353,459 (44.2%) may be used to meet the government’s ongoing obligations to citizens and creditors.

| <b>CITY OF CARROLLTON'S NET POSITION</b> |                                |                          |                                 |                          |                          |                          |
|--|--------------------------------|--------------------------|---------------------------------|--------------------------|--------------------------|--------------------------|
| <b>(Amounts in Thousands)</b>            |                                |                          |                                 |                          |                          |                          |
|  | <u>Governmental Activities</u> |                          | <u>Business-Type Activities</u> |                          | <u>Total</u>             |                          |
|  | <b>2022</b>                    | <b>2023</b>              | <b>2022</b>                     | <b>2023</b>              | <b>2022</b>              | <b>2023</b>              |
| Current and other assets                 | \$ 377,756                     | \$ 379,885               | \$ 54,045                       | \$ 66,079                | \$ 431,800               | \$ 445,964               |
| Lease and SBITA assets (Capital)         |                                | 7,238                    |                                 | 2,028                    |                          |                          |
| Capital assets, net                      | <u>485,020</u>                 | <u>509,527</u>           | <u>127,729</u>                  | <u>129,418</u>           | <u>612,749</u>           | <u>638,945</u>           |
| <b>Total Assets</b>                      | <u><u>862,776</u></u>          | <u><u>896,650</u></u>    | <u><u>181,774</u></u>           | <u><u>197,525</u></u>    | <u><u>1,044,549</u></u>  | <u><u>1,084,910</u></u>  |
| Deferred outflows of resources           | <u>10,783</u>                  | <u>43,865</u>            | <u>458</u>                      | <u>2,060</u>             | <u>11,241</u>            | <u>45,926</u>            |
| Long-term liabilities                    | 245,918                        | 299,669                  | 10,010                          | 12,410                   | 255,928                  | 312,079                  |
| Other liabilities                        | <u>17,635</u>                  | <u>17,896</u>            | <u>8,329</u>                    | <u>7,753</u>             | <u>25,965</u>            | <u>25,649</u>            |
| <b>Total Liabilities</b>                 | <u><u>263,553</u></u>          | <u><u>317,565</u></u>    | <u><u>18,339</u></u>            | <u><u>20,163</u></u>     | <u><u>281,893</u></u>    | <u><u>337,728</u></u>    |
| Deferred inflows of resources            | <u>40,096</u>                  | <u>3,445</u>             | <u>1,637</u>                    | <u>113</u>               | <u>41,732</u>            | <u>3,558</u>             |
| <b>Net Position:</b>                     |                                |                          |                                 |                          |                          |                          |
| Net investment in capital assets         | 308,108                        | 315,120                  | 117,112                         | 120,034                  | 425,220                  | 435,154                  |
| Restricted                               | 33,991                         | 9,385                    | 2,021                           | 818                      | 36,012                   | 10,204                   |
| Unrestricted                             | <u>227,812</u>                 | <u>295,001</u>           | <u>43,123</u>                   | <u>58,458</u>            | <u>270,934</u>           | <u>353,459</u>           |
| <b>Total Net Position</b>                | <u><u>\$ 569,910</u></u>       | <u><u>\$ 619,507</u></u> | <u><u>\$ 162,256</u></u>        | <u><u>\$ 179,310</u></u> | <u><u>\$ 732,166</u></u> | <u><u>\$ 798,817</u></u> |

**CITY OF CARROLLTON, TEXAS**

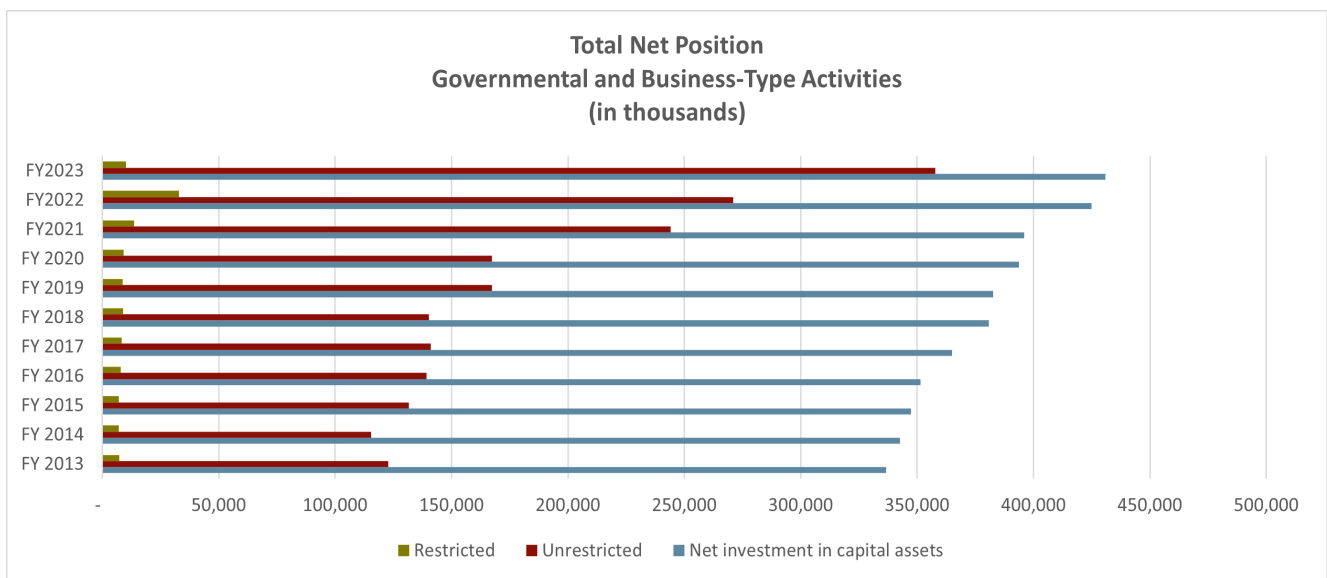
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(Unaudited)

As of September 30, 2023, 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.

Effective October 1, 2022 the City implemented GASB no. 96. Subscription Assets related to this implementation are included in current and other assets in the table above.

Comparative 2022 information presented herein has not been restated for the adoption of GASB96 and GASB94 because the basic financial statements present fiscal year 2022 only.



The current and other assets increased in the Governmental activities by \$2,129 and increased in the Business-type activities by \$12,034. Increase in the Governmental activities assets is primarily due to unspent proceeds from issuance of debt. The increase in current and other assets in Business-type activities are primarily due to cash transfers in for future capital outlay.

The City’s long-term liabilities increased by \$56,151 due primarily to the increase of the City's net pension liability caused by a lower-than-expected market performance through the measurement date of December 31, 2021, an increase in bonds payable, and the implementation of GASB 96.

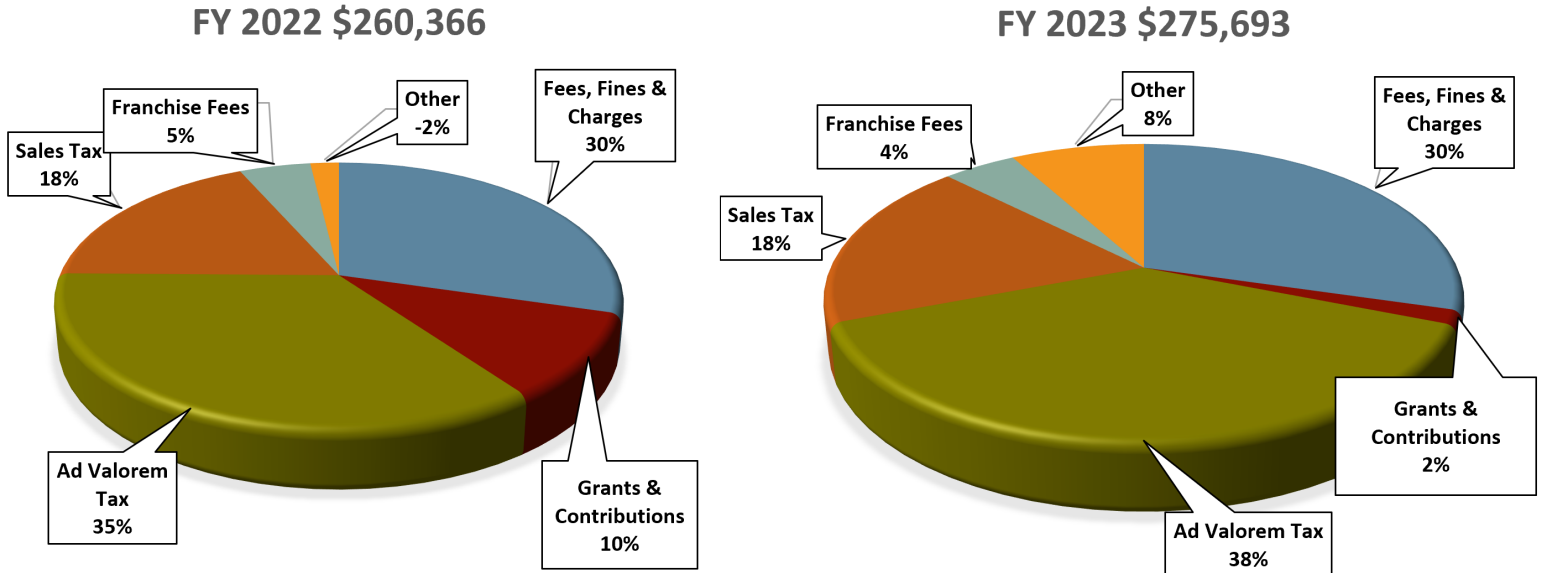
**Analysis of the City’s Operations** – Overall the City had an increase in net position of \$66,650 or 9.1%.

**CITY OF CARROLLTON, TEXAS**

Management’s Discussion and Analysis  
For the Year Ended September 30, 2023

Amounts in Thousands Unless Stated Otherwise  
(Unaudited)

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



Governmental Activities: Governmental activities net position increased by \$49,598. Net investment in capital assets increased by \$7,013 or 2.28% due to the number of contracts that were in design in fiscal year 2023 and will begin construction in fiscal year 2024. Restricted net position decreased by \$24,606 or (72.4)%. Unrestricted net position increased by \$67,189 or 29.49%.

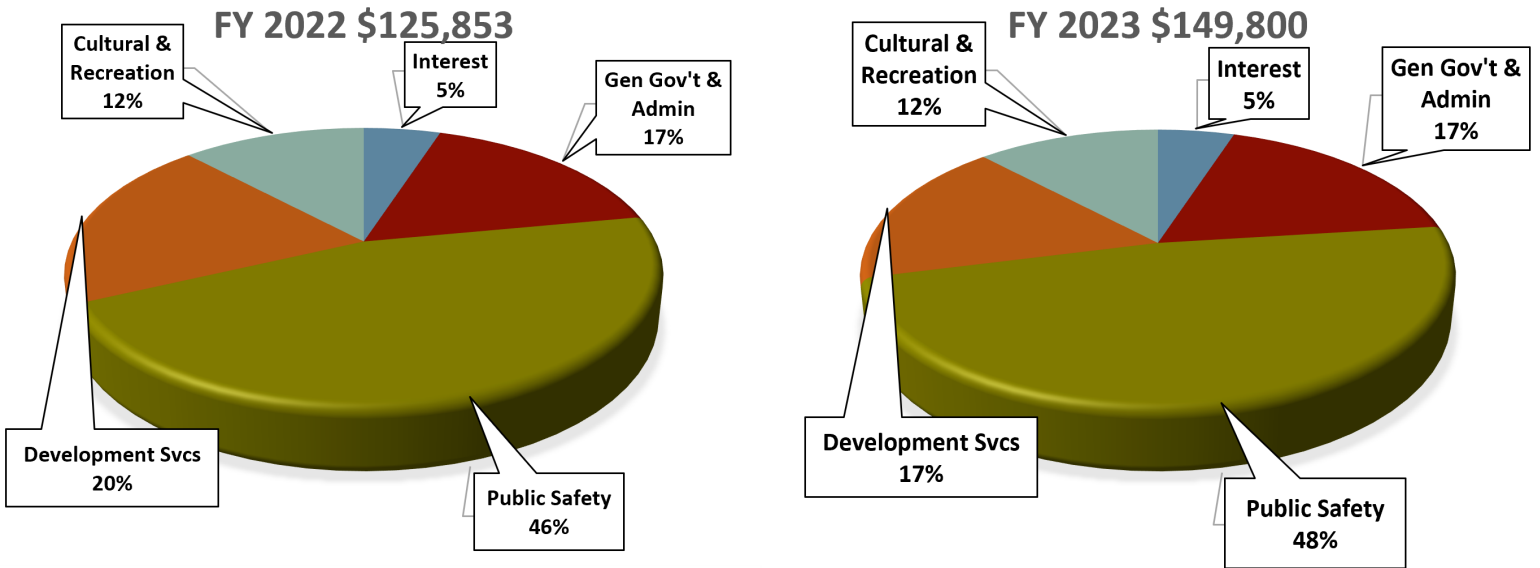
Excluding transfers from business-type activities, total revenues for governmental activities increased from the previous year by \$2,935. General revenue (excluding transfers) had a net increase of \$35,833 or 23.54%. Ad valorem tax experienced an increase of \$8,167 due to growth in assessed valuations from both new construction and increases in existing values. Additionally, an increase was seen in sales taxes of \$1,891. Other general revenues increased by \$25,776, primarily due to an increase in investment income and a reimbursement of sales tax dollars from DART. Program revenues had a net decrease of \$32,898 primarily due to the receipt of one-time federal American Rescue Plan Act funding in Fiscal Year 2022, not experienced in 2023. Net transfers to the business-type activities to governmental activities increased by \$12,387 from the previous year due to capital contributions from the General Fund for automated meter infrastructure.

**CITY OF CARROLLTON, TEXAS**

Management's Discussion and Analysis  
For the Year Ended September 30, 2023

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**Expenses by Type  
Governmental Activities**



Total expenses for governmental activities increased by \$23,967 or 19.04% primarily due to changes in the GASB 68 Report of TMRS as of December 31, 2022 and technology refreshes throughout the organization.

Business-type Activities: Net position from business-type activities increased by \$17,054 or 10.51% from \$162,255 to \$179,310. Net investment in capital assets increased by \$2,922 or 0.02%. Restricted net position decreased by \$1,203 or (59.51)%. Program revenues for business-type activities decreased by \$3,077 primarily due to a decrease in developer contributions.

**CITY OF CARROLLTON, TEXAS**

Management’s Discussion and Analysis  
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The following table provides a summary of the City’s operations for year ended September 30, 2023 with comparative totals for year ended September 30, 2022. Figures shown for 2022 have not been restated for new GASB implementations for Fiscal Year 2023.

**CITY OF CARROLLTON'S CHANGES IN NET POSITION**  
(Amounts in Thousands)

|  | <u>Governmental Activities</u> |                   | <u>Business-Type Activities</u> |                   | <u>Total</u>      |                   |
|--|--------------------------------|-------------------|---------------------------------|-------------------|-------------------|-------------------|
|  | 2022                           | 2023              | 2022                            | 2023              | 2022              | 2023              |
| <b>Revenues</b>                            |                                |                   |                                 |                   |                   |                   |
| Program Revenues:                          |                                |                   |                                 |                   |                   |                   |
| Fees, Fines, and Charges for Services      | \$ 14,545                      | 13,024            | \$ 66,165                       | \$ 68,371         | \$ 80,710         | \$ 81,394         |
| Operating Grants and Contributions         | 13,222                         | 2,222             | -                               | -                 | 13,222            | 2,222             |
| Capital Grants and Contributions           | 9,027                          | 1,674             | 5,578                           | 297               | 14,605            | 1,970             |
| General Revenues:                          |                                |                   |                                 |                   |                   |                   |
| Ad Valorem Taxes                           | 96,925                         | 105,092           | -                               | -                 | 96,925            | 105,092           |
| Sales Tax                                  | 48,706                         | 50,597            | -                               | -                 | 48,706            | 50,597            |
| Occupancy Tax                              | 174                            | 594               | -                               | -                 | 174               | 594               |
| Franchise Fees                             | 12,390                         | 12,247            | -                               | -                 | 12,390            | 12,247            |
| Investment Earnings:                       |                                |                   |                                 |                   |                   |                   |
| Net of change in fair value of investments | (7,768)                        | 12,087            | (1,134)                         | 1,424             | (8,902)           | 13,511            |
| Gain on Sale of Capital Assets             | 326                            | 428               | 39                              | 85                | 365               | 514               |
| Miscellaneous                              | 1,501                          | 7,043             | 670                             | 510               | 2,171             | 7,553             |
| <b>Total Revenues</b>                      | <b>\$ 189,048</b>              | <b>\$ 205,006</b> | <b>\$ 71,318</b>                | <b>\$ 70,686</b>  | <b>\$ 260,366</b> | <b>\$ 275,693</b> |
| <b>Expenses</b>                            |                                |                   |                                 |                   |                   |                   |
| General Government and Administration      |                                |                   |                                 |                   |                   |                   |
| Administration                             | \$ 21,531                      | \$ 26,458         | \$ -                            | \$ -              | \$ 21,531         | \$ 26,458         |
| Public Safety                              | 57,636                         | 71,523            | -                               | -                 | 57,636            | 71,523            |
| Development Services                       | 25,031                         | 26,063            | -                               | -                 | 25,031            | 26,063            |
| Cultural and Recreational                  | 15,601                         | 18,747            | -                               | -                 | 15,601            | 18,747            |
| Interest on Long-Term Debt                 | 6,055                          | 7,031             | -                               | -                 | 6,055             | 7,031             |
| Water and Sewer                            | -                              | -                 | 43,754                          | 48,239            | 43,754            | 48,239            |
| Golf                                       | -                              | -                 | 667                             | 616               | 667               | 616               |
| Sanitation                                 | -                              | -                 | 10,112                          | 10,365            | 10,112            | 10,365            |
| <b>Total Expenses</b>                      | <b>125,855</b>                 | <b>149,822</b>    | <b>54,534</b>                   | <b>59,221</b>     | <b>180,387</b>    | <b>209,041</b>    |
| Increase in Net Position before Transfers  |                                |                   |                                 |                   |                   |                   |
| Transfers                                  | 63,193                         | 55,185            | 16,784                          | 11,466            | 79,977            | 66,650            |
| Transfers                                  | 6,799                          | (5,588)           | (6,799)                         | 5,588             | -                 | -                 |
| Increase in Net Position                   | 69,993                         | 49,597            | 9,984                           | 17,054            | 79,976            | 66,650            |
| Net Position October 1                     | 499,917                        | 569,910           | 152,270                         | 162,256           | 652,187           | 732,166           |
| <b>Net Position September 30</b>           | <b>\$ 569,910</b>              | <b>\$ 619,507</b> | <b>\$ 162,255</b>               | <b>\$ 179,310</b> | <b>\$ 732,163</b> | <b>\$ 798,816</b> |

**CITY OF CARROLLTON, TEXAS**

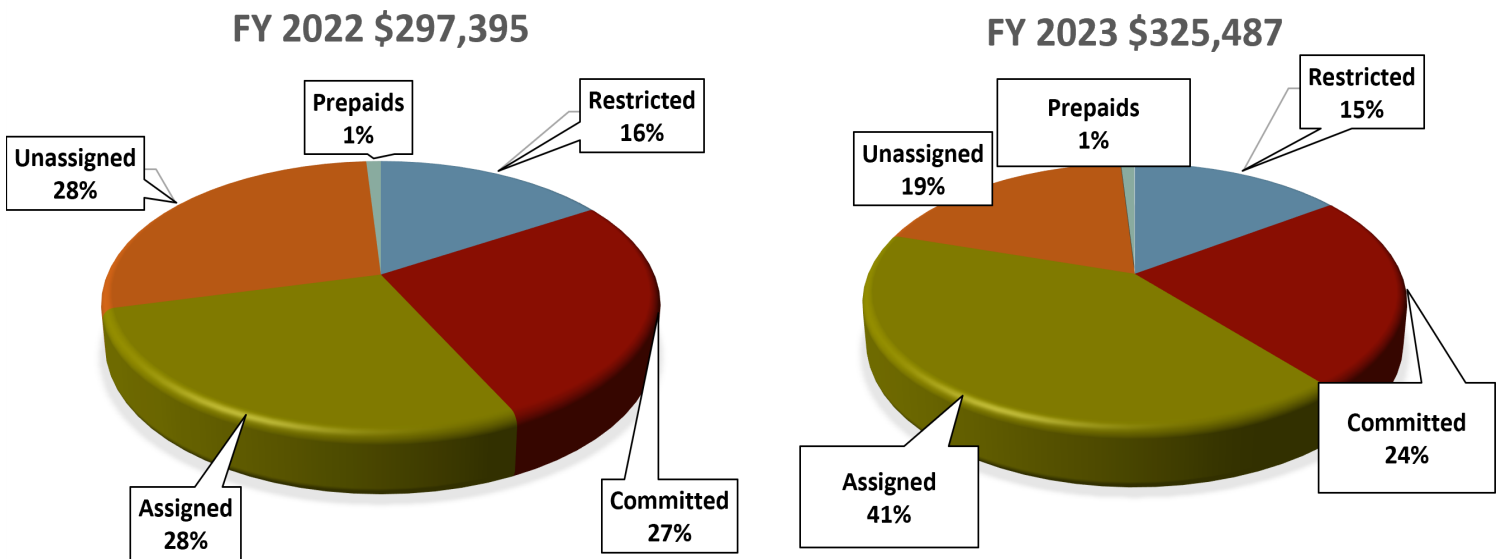
Management’s Discussion and Analysis  
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(Unaudited)

**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 \$325,487. Within this total, \$48,863 is restricted by specific legal requirements, such as by debt covenants, \$1,768 for prepaid expenditures, and \$211,863 has been committed or assigned to specific types of expenditure. The remaining \$62,993 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 note 6 on pages 55-56 of this report. In order to manage this volatile revenue source, the city council adopted a



## CITY OF CARROLLTON, TEXAS

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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 was addressed during the fiscal year with significant transfers to other funds.

Debt service fund balance decreased in 2023 by \$210. Streets and Drainage Capital Projects fund balance increased by \$10,977 primarily due to the issuance of general obligation bonds and the receipt of transfers in from other funds partiall offset by capital outlay expenditures. The General and Public Facilities Capital Projects fund balance increased by \$26,444 primarily due to new parks general obligation bonds and transfers in that will be expended on future capital outlays.

**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 \$55,057 for Water and Sewer, \$2,858 for Golf Course, and \$201 for Sanitation. The total of all enterprise funds' unrestricted net position of \$58,117 is decreased by \$341 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 \$58,458. Change in net position for enterprise funds in 2023 were \$16,392 in the Water and Sewer Fund, \$442 in the Golf Course Fund and \$24 in the Sanitation Fund.

**General Fund Budgetary Highlights** – Actual revenues collected exceeded management's original estimate of the General Fund's revenues by \$14,565 or 10.63% due primarily to the sales tax and investment income performing above budgetary amounts, conservative budgets practices and the expectation that Rule Change 3.334 would go into effect which would have lowered sales tax revenue. Additionally, expenditures were less than budget primarily due to vacancies reflected 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 City's history of making those contributions provides insights regarding the city's commitment to and the

**CITY OF CARROLLTON, TEXAS**

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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 pension Liability (NPL) as of September 30, 2023 of \$45,747 which is 68.71% of the City’s annual covered payroll of \$66,582. The NPL increased by \$72,323 from the previous year primarily due to lower than expected investment return. 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.

Effective January 1, 2022, the City re-opened the plan to employees eligible to retire in the City. Employees 60 years of age and with at least ten years of consecutive service with the city will be eligible to pay the same rates as those on the closed retiree health program. This change was made in response to the unaffordability of age-based rates combined with the highest claimant leaving the closed plan. The Total OPEB Liability (TOL) recorded as of September 30, 2023 is \$2,760,208.

**CAPITAL ASSETS**

The City’s investment in capital assets net of accumulated depreciation for its governmental and business-type activities as of September 30, 2023, amounts to \$638,945 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, intangibles, improvements, and infrastructure and construction in progress. The total increase in the City’s investment in capital assets, net of accumulated depreciation, for the current fiscal year was 4.28% (5.05% increase for governmental activities and 1.32% increase in business-type activities.) Accurately estimating useful lives for purposes of depreciation can be difficult particularly for infrastructure.

| <b>Capital Assets at Year-End<br/>Net of Accumulated Depreciation</b> |                                |                   |                                 |                   |                   |                   |
|---|--------------------------------|-------------------|---------------------------------|-------------------|-------------------|-------------------|
|   | <u>Governmental Activities</u> |                   | <u>Business-Type Activities</u> |                   | <u>Total</u>      |                   |
|   | <b>2022</b>                    | <b>2023</b>       | <b>2022</b>                     | <b>2023</b>       | <b>2022</b>       | <b>2023</b>       |
| Land  | \$ 100,125                     | \$ 100,125        | \$ 2,378                        | \$ 2,378          | \$ 102,503        | \$ 102,503        |
| Buildings   | 33,085                         | 30,085            | 1,867                           | 1,568             | 34,952            | 31,653            |
| Equipment   | 19,599                         | 19,532            | 2,828                           | 2,803             | 22,426            | 22,335            |
| Intangibles   | 2,769                          | 2,019             | 39                              | 30                | 2,808             | 2,048             |
| Improvements  | 32,273                         | 34,529            | 3,303                           | 2,793             | 35,577            | 37,322            |
| Infrastructure  | 287,225                        | 305,057           | 111,278                         | 119,337           | 398,503           | 424,394           |
| Construction in Progress  | 9,944                          | 18,181            | 6,036                           | 510               | 15,980            | 18,690            |
| <b>Total</b>  | <u>\$ 485,020</u>              | <u>\$ 509,527</u> | <u>\$ 127,729</u>               | <u>\$ 129,418</u> | <u>\$ 612,748</u> | <u>\$ 638,945</u> |

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Leased and subscription assets are not included in this schedule. Details on leased and subscription assets can be found in Note 4: Capital Assets.

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

- Acquisition of vehicles and equipment totaling \$5.5 million, including \$1.7 million of public safety equipment and vehicles, \$1.8 million of parks equipment and \$239 thousand of public works equipment.
- Parks and recreation improvements totaling \$3.8 million including: \$1.8 million for improvements at McInnish Park, \$1.6 million for Rosemeade Gym and \$186 thousand for Hebron Park along with other Parks improvements.
- Water and sewer infrastructure improvements totaling \$7.3 million, including \$4.0 million for Don Cline Pump Station and \$1.7 million for Nob Hill along other water and sewer improvements.
- Street and Alley Improvements of \$25.9 million, including \$15.0 million in Residential Street replacements, \$1.1 million in street and sidewalk panel replacements, \$2.3 million in alley improvements, and \$7.5 million in arterial, collector, sidewalk and traffic improvements.
- Drainage Improvements of \$3.4 million, including \$1.5 million in storm water improvements for the Denton Drive area, \$500 thousand for Trinity Mills Station and Crosby Road, in addition to other stormwater infrastructure improvements.

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

**DEBT ADMINISTRATION**

At the end of the current fiscal year, the City had a total bonded debt of \$224,455 including unamortized premiums. Of this amount, \$216,583 comprises bonded debt backed by the full faith and credit of the government, and \$7,872 represents bonds secured solely by water and sewer revenues.

|                                | <b><u>Outstanding Debt at Year End</u></b> |                   |  |                 |                     |                   |
|--------------------------------|--|-------------------|--|-----------------|---------------------|-------------------|
|                                | <b><u>Bonds Payable</u></b>                |                   |  |                 |                     |                   |
|                                | <b><u>Governmental Activities</u></b>      |                   | <b><u>Business-type Activities</u></b> |                 | <b><u>Total</u></b> |                   |
|                                | <b>2022</b>                                | <b>2023</b>       | <b>2022</b>                            | <b>2023</b>     | <b>2022</b>         | <b>2023</b>       |
| General<br>Obligation<br>Bonds | \$ 208,946                                 | \$ 216,583        | \$ -                                   | \$ -            | \$ 208,946          | \$ 216,583        |
| Revenue<br>Bonds               | -  | -                 | 9,342                                  | 7,872           | 9,342               | 7,872             |
| <b>Total</b>                   | <b>\$ 208,946</b>                          | <b>\$ 216,583</b> | <b>\$ 9,342</b>                        | <b>\$ 7,872</b> | <b>\$ 218,288</b>   | <b>\$ 224,455</b> |

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During the fiscal year, the City’s total debt increased by \$6,167 or 2.83% due to issuance of \$32,097 (including premium) of a new General Obligation Bond new money issue offset by existing debt retirements of \$24,460 and revenue bond retirements of \$1,470.

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.

|                          | <u>Standard<br/>&amp; Poor’s</u> | <u>Fitch</u> |
|--------------------------|----------------------------------|--------------|
| 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 46-49 of this report.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS**

In the fiscal year 2024 Budget, General Fund recurring revenues are budgeted to increase by 3.70% from the fiscal year 2023 budget with ad valorem taxes making up 54.54% of General Fund budgeted revenues. The certified assessed values for the City increased by 10.66% for the fiscal year 2024 budget, and included over \$1.9 million in value as a result of new construction. The City Council reduced the tax rate by 1.5%. The city maintains the ability to use an unused tax increment in the next budget year which would allow it to raise the tax rate over the 3.5% cap without requiring an election, if needed.

Sales taxes continues to perform above budgetary expectations. The State of Texas proposed a new 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 budgt to accomodate for this potential decrease.

The City continues to develop commercially. The new Trinity Mills Station Urban Development site broke ground in 2023 and will host an additional transit rail station, office buildings, mixed use, commercial and 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.

The Water and Sewer Operating Fund will see 5% increase in rates for fiscal year 2024 as the city continues its planning for increased debt needs and the implementation of Automated Meter Infrastructure(AMI). The commerical pilot of the AMI is scheduled for implementation in 2024. In December 2023, Fitch maintained its AAA rating of the city's Water and Sewer bonds.

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**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](mailto:Accounting@cityofcarrollton.com) or call (972) 466-3110.

CITY OF CARROLLTON, TEXAS

Government-Wide Statement of Net Position  
September 30, 2023

|  | Primary Government         |                             |                       |
|--|----------------------------|-----------------------------|-----------------------|
|  | Governmental<br>Activities | Business-Type<br>Activities | Total                 |
| Assets   |                            |                             |                       |
| Cash, cash equivalents, and investments                              | \$ 279,039,132             | \$ 51,050,099               | \$ 330,089,231        |
| Receivables (net of allowance for doubtful accounts):                |                            |                             |                       |
| Ad valorem taxes   | 111,044                    | -                           | 111,044               |
| Sales taxes  | 8,784,000                  | -                           | 8,784,000             |
| Franchise fees   | 3,217,072                  | -                           | 3,217,072             |
| Accounts   | -                          | 8,719,978                   | 8,719,978             |
| Accrued interest   | 1,538,253                  | 268,117                     | 1,806,370             |
| Other  | 12,107,638                 | 193,808                     | 12,301,446            |
| Public Improvement District assessment                               | 10,364,180                 | -                           | 10,364,180            |
| Due from other governments   | 25,703                     | -                           | 25,703                |
| Internal balances  | (340,972)                  | 340,972                     | -                     |
| Lease assets, net of accumulated amortization (Capital)              | 4,036,745                  | -                           | 4,036,745             |
| SBITA Assets, net of accumulated amortization (Capital)              | 3,201,686                  | 2,027,924                   | 5,229,610             |
| Inventories  | 98,487                     | -                           | 98,487                |
| Prepays items  | 1,888,815                  | 1,206,866                   | 3,095,681             |
| Equity interest in joint venture                                     | 4,395,839                  | -                           | 4,395,839             |
| Land held for redevelopment  | 3,824,754                  | -                           | 3,824,754             |
| <b>Restricted assets:</b>  |                            |                             |                       |
| Cash, cash equivalents, and investments                              | 54,831,320                 | 4,299,403                   | 59,130,723            |
| <b>Capital assets:</b>   |                            |                             |                       |
| Land   | 100,124,774                | 2,377,918                   | 102,502,692           |
| Buildings  | 89,816,169                 | 19,998,757                  | 109,814,926           |
| Equipment  | 59,760,869                 | 9,783,303                   | 69,544,172            |
| Intangibles  | 10,756,801                 | 828,392                     | 11,585,193            |
| Improvements   | 64,114,444                 | 16,169,676                  | 80,284,120            |
| Infrastructure   | 453,598,641                | 281,265,481                 | 734,864,122           |
| Construction in progress   | 18,180,600                 | 509,594                     | 18,690,194            |
| Accumulated depreciation   | (286,824,855)              | (201,515,187)               | (488,340,042)         |
| <b>Total assets</b>  | <b>896,651,139</b>         | <b>197,525,101</b>          | <b>1,094,176,240</b>  |
| Deferred outflows of resources                                       |                            |                             |                       |
| Difference in expected and actual OPEB experience                    | 9,322                      | 26,676                      | 35,998                |
| Difference in expected and actual pension experience                 | 6,914,411                  | 294,006                     | 7,208,417             |
| Pension contributions after measurement date                         | 5,990,685                  | 266,560                     | 6,257,245             |
| Difference in projected and actual earnings on pension assets        | 30,950,966                 | 1,473,086                   | 32,424,052            |
| <b>Total deferred outflows of resources</b>                          | <b>43,865,384</b>          | <b>2,060,328</b>            | <b>45,925,712</b>     |
| Liabilities  |                            |                             |                       |
| Accounts payable   | 16,461,549                 | 4,486,754                   | 20,948,303            |
| Accrued interest   | 1,119,007                  | 125,750                     | 1,244,757             |
| Unearned revenue   | 315,443                    | -                           | 315,443               |
| Customer deposits payable  | -                          | 3,140,747                   | 3,140,747             |
| <b>Noncurrent liabilities:</b>                                       |                            |                             |                       |
| Due within one year  | 24,049,719                 | 1,083,864                   | 25,133,583            |
| Due in more than one year  | 275,618,822                | 11,325,678                  | 286,944,500           |
| <b>Total liabilities</b>   | <b>317,564,540</b>         | <b>20,162,793</b>           | <b>337,727,333</b>    |
| Deferred inflows of resources  |                            |                             |                       |
| Deferred charges on refunding  | 565,566                    | -                           | 565,566               |
| Difference in expected and actual pension experience                 | 1,945,359                  | 92,449                      | 2,037,808             |
| Changes in actuarial assumptions used to determine pension liability | -                          | 224                         | 224                   |
| Deferred inflows related to leases                                   | 482,047                    | -                           | 482,047               |
| Changes in actuarial assumptions used to determine OPEB liability    | 452,140                    | 20,118                      | 472,258               |
| <b>Total deferred inflows of resources</b>                           | <b>3,445,112</b>           | <b>112,791</b>              | <b>3,557,903</b>      |
| Net position   |                            |                             |                       |
| Net investment in capital assets                                     | 315,120,145                | 120,033,950                 | 435,154,095           |
| Restricted for:  |                            |                             |                       |
| Debt service   | 5,237,181                  | 818,323                     | 6,055,504             |
| Capital projects   | 1,589,948                  | -                           | 1,589,948             |
| Special revenue, public safety                                       | 2,558,349                  | -                           | 2,558,349             |
| Unrestricted   | 295,001,248                | 58,457,572                  | 353,458,820           |
| <b>Total net position</b>  | <b>\$ 619,506,871</b>      | <b>\$ 179,309,845</b>       | <b>\$ 798,816,716</b> |

See accompanying notes to basic financial statements.

**CITY OF CARROLLTON, TEXAS**

Government-Wide Statement of Activities  
For the Year Ended September 30, 2023

| <b>Program Activities</b>                                      | <b>Expenses</b>       | <b>Program Revenues</b>                      |   |   | <b>Net (Expenses) Revenue and Changes in Net Position</b> |                                 |                       |
|--|-----------------------|--|---|---|---|---------------------------------|-----------------------|
|  |                       | <b>Fees, Fines, and Charges for Services</b> | <b>Operating Grants and Contributions</b> | <b>Capital Grants and Contributions</b> | <b>Governmental Activities</b>                            | <b>Business-Type Activities</b> | <b>Total</b>          |
| Governmental activities:                                       |                       |  |   |   |   |                                 |                       |
| General government and administration                          | \$ 26,457,923         | \$ 235,170                                   | \$ 981,038                                | \$ -                                    | \$ (25,241,715)   | \$ -                            | \$ (25,241,715)       |
| Public safety  | 71,523,237            | 8,405,815                                    | 448,019                                   | -                                       | (62,669,403)  | -                               | (62,669,403)          |
| Development services   | 26,062,521            | 1,655,177                                    | 792,683                                   | 1,673,577                               | (21,941,084)  | -                               | (21,941,084)          |
| Cultural and recreational                                      | 18,747,089            | 2,727,384                                    | -   | -                                       | (16,019,705)  | -                               | (16,019,705)          |
| Interest and fiscal charges                                    | 7,031,007             | -  | -   | -                                       | (7,031,007)   | -                               | (7,031,007)           |
| <b>Total governmental activities</b>                           | <b>149,821,777</b>    | <b>13,023,546</b>                            | <b>2,221,740</b>                          | <b>1,673,577</b>                        | <b>(132,902,914)</b>                                      | <b>-</b>                        | <b>(132,902,914)</b>  |
| Business-type activities:                                      |                       |  |   |   |   |                                 |                       |
| Water and Sewer  | 48,239,139            | 55,045,831                                   | -   | 296,688                                 | -   | 7,103,380                       | 7,103,380             |
| Golf   | 616,188               | 883,646                                      | -   | -                                       | -   | 267,458                         | 267,458               |
| Sanitation   | 10,365,281            | 12,441,234                                   | -   | -                                       | -   | 2,075,953                       | 2,075,953             |
| <b>Total business-type activities</b>                          | <b>59,220,608</b>     | <b>68,370,711</b>                            | <b>-</b>                                  | <b>296,688</b>                          | <b>-</b>  | <b>9,446,791</b>                | <b>9,446,791</b>      |
| <b>Total government</b>  | <b>\$ 209,042,385</b> | <b>\$ 81,394,257</b>                         | <b>\$ 2,221,740</b>                       | <b>\$ 1,970,265</b>                     | <b>(132,902,914)</b>                                      | <b>9,446,791</b>                | <b>(123,456,123)</b>  |
| General revenues:  |                       |  |   |   |   |                                 |                       |
| Taxes:   |                       |  |   |   |   |                                 |                       |
| Ad valorem   |                       |  |   |   | 105,091,592   | -                               | 105,091,592           |
| Sales  |                       |  |   |   | 50,596,808  | -                               | 50,596,808            |
| Occupancy  |                       |  |   |   | 594,040   | -                               | 594,040               |
| Franchise fees based upon gross receipts                       |                       |  |   |   | 12,247,092  | -                               | 12,247,092            |
| Investment earnings net of change in fair value of investments |                       |  |   |   | 12,086,664  | 1,424,011                       | 13,510,675            |
| Gain on sale of capital assets                                 |                       |  |   |   | 428,391   | 85,210                          | 513,601               |
| Miscellaneous  |                       |  |   |   | 7,042,950   | 509,722                         | 7,552,672             |
| Transfers  |                       |  |   |   | (5,588,059)   | 5,588,059                       | -                     |
|  |                       |  |   |   | <b>182,499,478</b>  | <b>7,607,002</b>                | <b>190,106,480</b>    |
|  |                       |  |   |   | <b>49,596,564</b>   | <b>17,053,793</b>               | <b>66,650,357</b>     |
|  |                       |  |   |   | <b>569,910,307</b>  | <b>162,256,052</b>              | <b>732,166,359</b>    |
| Net position at beginning of year                              |                       |  |   |   | <b>\$ 619,506,871</b>                                     | <b>\$ 179,309,845</b>           | <b>\$ 798,816,716</b> |
| Net position at end of year                                    |                       |  |   |   |   |                                 |                       |

See accompanying notes to basic financial statements.



CITY OF CARROLLTON, TEXAS

Balance Sheet  
 Governmental Funds  
 September 30, 2023

|  | General              | Debt Service        | Streets and<br>Drainage | General and<br>Public Facilities | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|----------------------|---------------------|-------------------------|----------------------------------|--------------------------------|--------------------------------|
| <b>Assets</b>  |                      |                     |                         |                                  |                                |                                |
| Cash and cash equivalents  | \$ 56,180,983        | \$ 5,100,311        | \$ 117,057,196          | \$ 65,863,800                    | \$ 67,599,664                  | \$ 311,801,954                 |
| Receivables (net, where applicable, of allowance for doubtful accounts): |                      |                     |                         |                                  |                                |                                |
| Ad valorem taxes   | -                    | 111,044             | -                       | -                                | -                              | 111,044                        |
| Sales taxes  | 8,784,000            | -                   | -                       | -                                | -                              | 8,784,000                      |
| Franchise fees   | 3,217,072            | -                   | -                       | -                                | -                              | 3,217,072                      |
| Accrued interest   | 357,708              | 25,826              | 541,211                 | 232,391                          | 272,831                        | 1,429,967                      |
| Other  | 2,640,413            | -                   | -                       | 7,973,833                        | 482,868                        | 11,097,114                     |
| Due from other governments   | -                    | -                   | -                       | -                                | 25,703                         | 25,703                         |
| Prepaid items  | 1,676,061            | -                   | -                       | -                                | 92,387                         | 1,768,448                      |
| Land held for redevelopment  | -                    | -                   | -                       | 3,824,754                        | -                              | 3,824,754                      |
| <b>Total assets</b>  | <b>\$ 72,856,237</b> | <b>\$ 5,237,181</b> | <b>\$ 117,598,407</b>   | <b>\$ 77,894,778</b>             | <b>\$ 68,473,453</b>           | <b>\$ 342,060,056</b>          |
| <b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>      |                      |                     |                         |                                  |                                |                                |
| <b>Liabilities</b>   |                      |                     |                         |                                  |                                |                                |
| Accounts payable   | \$ 6,630,487         | \$ -                | \$ 4,741,591            | \$ 1,319,233                     | \$ 1,554,069                   | \$ 14,245,380                  |
| Unearned revenue   | 22,126               | -                   | 72,000                  | -                                | 221,317                        | 315,443                        |
| <b>Total liabilities</b>   | <b>6,652,613</b>     | <b>-</b>            | <b>4,813,591</b>        | <b>1,319,233</b>                 | <b>1,775,386</b>               | <b>14,560,823</b>              |
| <b>Deferred inflows of resources</b>                                     |                      |                     |                         |                                  |                                |                                |
| Deferred inflows related to leases                                       | 4,464                | -                   | -                       | 20,806                           | 456,777                        | 482,047                        |
| Unavailable revenue  | 1,530,150            | -                   | -                       | -                                | -                              | 1,530,150                      |
| <b>Total deferred inflows of resources</b>                               | <b>1,534,614</b>     | <b>-</b>            | <b>-</b>                | <b>20,806</b>                    | <b>456,777</b>                 | <b>2,012,197</b>               |
| <b>Fund balances:</b>  |                      |                     |                         |                                  |                                |                                |
| <b>Nonspendable for:</b>   |                      |                     |                         |                                  |                                |                                |
| Prepaid items  | 1,676,061            | -                   | -                       | -                                | 92,387                         | 1,768,448                      |
| <b>Restricted for:</b>   |                      |                     |                         |                                  |                                |                                |
| Debt service   | -                    | 5,237,181           | -                       | -                                | -                              | 5,237,181                      |
| Streets and drainage   | -                    | -                   | 16,036,584              | -                                | -                              | 16,036,584                     |
| Public facilities  | -                    | -                   | -                       | 5,919,661                        | -                              | 5,919,661                      |
| Other capital projects   | -                    | -                   | -                       | -                                | 19,254,771                     | 19,254,771                     |
| Other purposes   | -                    | -                   | -                       | -                                | 2,414,906                      | 2,414,906                      |
| <b>Committed to:</b>   |                      |                     |                         |                                  |                                |                                |
| Street rehabilitation  | -                    | -                   | 49,518,355              | -                                | -                              | 49,518,355                     |
| Capital projects   | -                    | -                   | -                       | -                                | 27,974,883                     | 27,974,883                     |
| <b>Assigned to:</b>  |                      |                     |                         |                                  |                                |                                |
| Streets and drainage   | -                    | -                   | 47,229,877              | -                                | -                              | 47,229,877                     |
| Public facilities  | -                    | -                   | -                       | 70,635,078                       | -                              | 70,635,078                     |
| Other capital projects   | -                    | -                   | -                       | -                                | 15,494,260                     | 15,494,260                     |
| Other purposes   | -                    | -                   | -                       | -                                | 1,010,083                      | 1,010,083                      |
| <b>Unassigned</b>  | <b>62,992,949</b>    | <b>-</b>            | <b>-</b>                | <b>-</b>                         | <b>-</b>                       | <b>62,992,949</b>              |
| <b>Total fund balances</b>   | <b>64,669,010</b>    | <b>5,237,181</b>    | <b>112,784,816</b>      | <b>76,554,739</b>                | <b>66,241,290</b>              | <b>325,487,036</b>             |
| <b>Total liabilities and fund balances</b>                               | <b>\$ 72,856,237</b> | <b>\$ 5,237,181</b> | <b>\$ 117,598,407</b>   | <b>\$ 77,894,778</b>             | <b>\$ 68,473,453</b>           | <b>\$ 342,060,056</b>          |

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, 2023

|  |    |                    |                    |
|--|----|--------------------|--------------------|
| Total fund balance - total governmental funds  | \$ | 325,487,036        |                    |
| 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.   |    |                    | 10,364,180         |
| Equity investment in Joint Venture is not a current financial resource and therefore is not reported in the governmental funds balance sheet.  |    |                    | 4,395,839          |
| Leased and subscription assets are not a current financial resource.   |    |                    | 7,238,431          |
| 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.  |    |                    | 509,527,443        |
| Deferred outflows of resources are not reported in the governmental funds:   |    |                    |                    |
| Pension contributions after measurement date   |    | 5,990,685          |                    |
| Difference in expected and actual Pension Experience   |    | 6,914,411          |                    |
| Difference in actual OPEB experience   |    | 9,322              |                    |
| Difference in pension investment returns   |    | <u>30,950,966</u>  |                    |
|  |    |                    | 43,865,384         |
| 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   | \$ | 23,406,162         |                    |
| Accounts payable   |    | (2,202,428)        |                    |
| Net amount allocated to business-type activities   |    | <u>(340,972)</u>   | 20,862,762         |
| 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.   |    |                    | (1,119,007)        |
| Long-term liabilities are not due and payable in the current period, therefore, they are not reported in the governmental funds balance sheet. Does include Internal Service Funds' noncurrent liabilities.  |    |                    |                    |
| Due within one year  | \$ | 24,063,460         |                    |
| Due in more than one year  |    | <u>275,618,822</u> | (299,682,282)      |
| Deferred inflows for unavailable revenues are not reported in governmentwide statements.   |    |                    | 1,530,150          |
| Deferred inflows of resources are not reported in the governmental funds:  |    |                    |                    |
| Difference in expected and actual pension experience   |    | (1,945,359)        |                    |
| Charges on refunding   |    | (565,566)          |                    |
| OPEB assumption change   |    | <u>(452,140)</u>   | (2,963,065)        |
| Net position of governmental activities  | \$ |                    | <u>619,506,871</u> |

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, 2023

|  | General              | Debt Service        | Streets and Drainage  | General and Public Facilities | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|---------------------|-----------------------|-------------------------------|--------------------------|--------------------------|
| <b>Revenues</b>  |                      |                     |                       |                               |                          |                          |
| <b>Taxes:</b>  |                      |                     |                       |                               |                          |                          |
| Ad valorem   | \$ 69,709,454        | \$ 27,428,890       | \$ 2,947,214          | \$ -                          | \$ 4,306,119             | \$ 104,391,677           |
| Penalty and interest   | 634,408              | 65,507              | -                     | -                             | -                        | 699,915                  |
| Sales  | 50,596,808           | -                   | -                     | -                             | -                        | 50,596,808               |
| 911 fees   | 1,078,814            | -                   | -                     | -                             | -                        | 1,078,814                |
| Occupancy  | -                    | -                   | -                     | -                             | 594,040                  | 594,040                  |
| Franchise fees   | 12,052,115           | -                   | -                     | 194,977                       | -                        | 12,247,092               |
| Assessments  | -                    | -                   | -                     | -                             | 133,271                  | 133,271                  |
| Charges for services   | 5,667,796            | -                   | -                     | -                             | 282,908                  | 5,950,704                |
| Intergovernmental  | 1,416,013            | -                   | -                     | 269,717                       | 1,131,150                | 2,816,880                |
| Licenses and permits   | 2,644,583            | -                   | -                     | -                             | 9,225                    | 2,653,808                |
| Fines and forfeitures  | 2,651,485            | -                   | -                     | 60,130                        | 401,449                  | 3,113,064                |
| Investment earnings net of change in fair value of investments   | 4,783,473            | 41,716              | 3,495,102             | 1,150,610                     | 1,914,813                | 11,385,714               |
| PID assessment revenue   | -                    | -                   | -                     | -                             | 1,193,769                | 1,193,769                |
| Miscellaneous  | 314,776              | -                   | -                     | 6,676,893                     | 216,942                  | 7,208,611                |
| <b>Total Revenues</b>  | <b>151,549,725</b>   | <b>27,536,113</b>   | <b>6,442,316</b>      | <b>8,352,327</b>              | <b>10,183,686</b>        | <b>204,064,167</b>       |
| <b>Expenditures</b>  |                      |                     |                       |                               |                          |                          |
| <b>Current:</b>  |                      |                     |                       |                               |                          |                          |
| General government and administration                            | 21,488,582           | -                   | -                     | -                             | -                        | 21,488,582               |
| Public safety  | 69,954,555           | -                   | -                     | -                             | 439,784                  | 70,394,339               |
| Development services   | 9,818,879            | -                   | -                     | -                             | -                        | 9,818,879                |
| Cultural and recreational  | 14,601,481           | -                   | -                     | -                             | 977,665                  | 15,579,146               |
| PID Development Reimbursement                                    | -                    | -                   | -                     | -                             | 1,193,770                | 1,193,770                |
| Capital outlay   | 2,535,812            | -                   | 28,876,832            | 12,782,681                    | 9,441,100                | 53,636,425               |
| <b>Debt service:</b>   |                      |                     |                       |                               |                          |                          |
| Principal retirement   | 1,518,395            | 16,855,000          | -                     | 159,840                       | -                        | 18,533,235               |
| Interest and fiscal charges                                      | 757,981              | 8,276,872           | -                     | 1,569                         | -                        | 9,036,422                |
| <b>Total Expenditures</b>  | <b>120,675,685</b>   | <b>25,131,872</b>   | <b>28,876,832</b>     | <b>12,944,090</b>             | <b>12,052,319</b>        | <b>199,680,798</b>       |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>30,874,040</b>    | <b>2,404,241</b>    | <b>(22,434,516)</b>   | <b>(4,591,763)</b>            | <b>(1,868,633)</b>       | <b>4,383,369</b>         |
| <b>Other financing sources (uses):</b>                           |                      |                     |                       |                               |                          |                          |
| SBITA issued   | 2,535,812            | -                   | -                     | -                             | -                        | 2,535,812                |
| Bonds issued   | -                    | 2,956,835           | 14,133,165            | 1,000,000                     | 10,050,000               | 28,140,000               |
| Premium on bonds issued  | -                    | -                   | 4,227,254             | -                             | -                        | 4,227,254                |
| Payment to refunded bond escrow agent                            | -                    | (5,571,060)         | -                     | -                             | -                        | (5,571,060)              |
| Transfers in   | 7,047,425            | -                   | 15,050,977            | 30,435,304                    | 3,007,000                | 55,540,706               |
| Transfers out  | (60,763,608)         | -                   | -                     | (400,000)                     | -                        | (61,163,608)             |
| <b>Total other financing sources (uses)</b>                      | <b>(51,180,371)</b>  | <b>(2,614,225)</b>  | <b>33,411,396</b>     | <b>31,035,304</b>             | <b>13,057,000</b>        | <b>23,709,104</b>        |
| Net change in fund balances                                      | (20,306,331)         | (209,984)           | 10,976,880            | 26,443,541                    | 11,188,367               | 28,092,473               |
| Fund balances at beginning of year                               | 84,975,341           | 5,447,165           | 101,807,936           | 50,111,198                    | 55,052,923               | 297,394,563              |
| <b>Fund balances at end of year</b>                              | <b>\$ 64,669,010</b> | <b>\$ 5,237,181</b> | <b>\$ 112,784,816</b> | <b>\$ 76,554,739</b>          | <b>\$ 66,241,290</b>     | <b>\$ 325,487,036</b>    |

See accompanying notes to basic financial statements.

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, 2023

Net change in fund balances - total governmental funds \$ 28,092,473

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 1,019,964

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 112,502

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, leased and subscription assets in the current period. 46,940,779

The net effect of various transactions involving capital assets

|   |                  |         |
|---|------------------|---------|
| Capital contributions                   | \$ 1,078,437     |         |
| Asset retirements/disposals/adjustments | <u>(424,402)</u> | 654,035 |

|                              |  |                  |
|------------------------------|--|------------------|
| Principal payments on leases |  | 722,360          |
| Amortization of lease assets |  | <u>(738,746)</u> |

|                    |  |                    |
|--------------------|--|--------------------|
| SBITA Payment      |  | 1,661,788          |
| SBITA Amortization |  | <u>(1,167,425)</u> |

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. (23,003,486)

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.

|  |                |              |
|--|----------------|--------------|
| SBITA Issued                                   | (2,535,812)    |              |
| Bonds issued                                   | (28,140,000)   |              |
| Premium on bonds issued                        | (4,227,254)    |              |
| Bond principal retirement                      | 16,855,000     |              |
| Payment to refunding bond escrow agent         | 5,571,060      |              |
| Change in accrued interest on Bonds Payable    | (80,246)       |              |
| Amortization of bond premiums                  | 2,350,289      |              |
| Amortization of deferred charges on refundings | <u>100,023</u> | (10,106,940) |

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 | \$ 1,063,800       |           |
| Pension costs & OPEB, net     | <u>(1,287,832)</u> | (224,032) |

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 | \$ 3,032,679 |  |
|------------------------|--------------|--|

See accompanying notes to basic financial statements.

|   |                  |                      |
|---|------------------|----------------------|
| Net of amount allocated to business activities    | 195,079          |                      |
| Depreciation expense                              | <u>2,405,534</u> | <u>5,633,292</u>     |
| Change in net position of governmental activities |                  | <u>\$ 49,596,564</u> |

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, 2023

|   | <u>Budgeted Amounts</u> |                     | Actual GAAP<br>Basis | Adjustments<br>Budget Basis | Actual Budget<br>Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------------|---------------------|----------------------|-----------------------------|------------------------|---|
|   | Original                | Final               |                      |                             |                        |   |
| Revenues:   |                         |                     |                      |                             |                        |   |
| Taxes:  |                         |                     |                      |                             |                        |   |
| Ad valorem  | \$ 72,896,665           | \$ 73,459,398       | \$ 69,709,454        | \$ -                        | \$ 69,709,454          | \$ (3,749,944)  |
| Penalty and interest                                      | 300,000                 | 300,000             | 634,408              | -                           | 634,408                | 334,408   |
| Sales   | 39,486,402              | 46,881,859          | 50,596,808           | -                           | 50,596,808             | 3,714,949   |
| 911 fees  | 1,061,408               | 1,061,408           | 1,078,814            | -                           | 1,078,814              | 17,406  |
| Franchise fees  | 11,264,869              | 11,674,409          | 12,052,115           | -                           | 12,052,115             | 377,706   |
| Charges for services                                      | 5,203,328               | 5,208,351           | 5,667,796            | -                           | 5,667,796              | 459,445   |
| Intergovernmental   | -                       | -                   | 1,416,013            | -                           | 1,416,013              | 1,416,013   |
| Licenses and permits                                      | 2,392,124               | 2,315,601           | 2,644,583            | -                           | 2,644,583              | 328,982   |
| Fines and forfeitures                                     | 3,244,269               | 2,985,071           | 2,651,485            | -                           | 2,651,485              | (333,586)   |
| Investment earnings                                       |                         |                     |                      |                             |                        |   |
| Net of change in fair value of investments                | 394,221                 | 2,749,415           | 4,783,473            | 1,242,954                   | 6,026,427              | 3,277,012   |
| Miscellaneous   | 741,000                 | 1,077,046           | 314,776              | -                           | 314,776                | (762,270)   |
| <b>Total revenues</b>                                     | <b>136,984,286</b>      | <b>147,712,558</b>  | <b>151,549,725</b>   | <b>1,242,954</b>            | <b>152,792,679</b>     | <b>5,080,121</b>  |
| Expenditures:   |                         |                     |                      |                             |                        |   |
| Current:  |                         |                     |                      |                             |                        |   |
| General government and administration                     | 33,286,996              | 32,856,016          | 21,488,582           | 39,521                      | 21,528,103             | 11,327,913  |
| Public safety   | 79,751,263              | 81,646,496          | 69,954,555           | 316,828                     | 70,271,383             | 11,375,113  |
| Development services                                      | 20,746,294              | 18,054,334          | 9,818,879            | 84,562                      | 9,903,441              | 8,150,893   |
| Cultural and recreational                                 | 19,369,352              | 19,035,957          | 14,601,481           | 63,974                      | 14,665,455             | 4,370,502   |
| Capital outlay  | -                       | -                   | 2,535,812            | -                           | 2,535,812              | (2,535,812)   |
| Principal retirement                                      | -                       | -                   | 1,518,395            | -                           | 1,518,395              | (1,518,395)   |
| Interest and fiscal charges                               | -                       | -                   | 757,981              | -                           | 757,981                | (757,981)   |
| <b>Total expenditures</b>                                 | <b>153,153,905</b>      | <b>151,592,803</b>  | <b>120,675,685</b>   | <b>504,885</b>              | <b>121,180,570</b>     | <b>30,412,233</b>                                       |
| Excess (deficiency) of revenues over (under) expenditures | (16,169,619)            | (3,880,245)         | 30,874,040           | 738,069                     | 31,612,109             | 35,492,354  |
| Other financing sources (uses):                           |                         |                     |                      |                             |                        |   |
| SBITA issued  | -                       | -                   | 2,535,812            | -                           | 2,535,812              | 2,535,812   |
| Transfers in  | 2,795,726               | 2,795,726           | 7,047,425            | -                           | 7,047,425              | 4,251,699   |
| Transfers out   | (54,734,021)            | (62,604,021)        | (60,763,608)         | -                           | (60,763,608)           | 1,840,413   |
| <b>Total other financing sources (uses)</b>               | <b>(51,938,295)</b>     | <b>(59,808,295)</b> | <b>(51,180,371)</b>  | <b>-</b>                    | <b>(51,180,371)</b>    | <b>8,627,924</b>  |
| Net change in fund balances                               | (68,107,914)            | (63,688,540)        | (20,306,331)         | 738,069                     | (19,568,262)           | 44,120,278  |
| Fund balances at beginning of year                        | 84,975,341              | 84,975,341          | 84,975,341           | -                           | 84,975,341             | -   |
| Fund balances at end of year                              | \$ 16,867,427           | \$ 21,286,801       | \$ 64,669,010        | \$ 738,069                  | \$ 65,407,079          | \$ 44,120,278   |

See accompanying notes to basic financial statements.

CITY OF CARROLLTON, TEXAS

Statement of Net Position  
 Proprietary Funds  
 September 30, 2023

|   | Business-Type Activities - Enterprise Funds |                     |                   |                       | Governmental<br>Activities-<br>Internal<br>Service Funds |
|---|---|---------------------|-------------------|-----------------------|--|
|   | Water and<br>Sewer                          | Golf<br>Course      | Sanitation        | Total                 |  |
| <b>Assets</b>   |   |                     |                   |                       |  |
| <b>Current Assets:</b>  |   |                     |                   |                       |  |
| Cash and cash equivalents   | \$ 48,332,010                               | \$ 2,685,422        | \$ 32,667         | \$ 51,050,099         | \$ 22,068,498  |
| Receivables (net where applicable<br>of allowance for doubtful accounts)                                    |   |                     |                   |                       |  |
| Accounts  | 7,364,427                                   | -                   | 1,355,551         | 8,719,978             | -  |
| Accrued interest  | 251,956                                     | 7,345               | 8,816             | 268,117               | 108,286  |
| Other   | -   | 193,808             | -                 | 193,808               | 1,010,524  |
| Inventories   | -   | -                   | -                 | -                     | 98,487   |
| Prepaid items   | 1,206,866                                   | -                   | -                 | 1,206,866             | 120,367  |
| <b>Restricted assets:</b>   |   |                     |                   |                       |  |
| Cash and cash equivalents   | 3,481,080                                   | -                   | -                 | 3,481,080             | -  |
| Total current assets  | <u>60,636,339</u>                           | <u>2,886,575</u>    | <u>1,397,034</u>  | <u>64,919,948</u>     | <u>23,406,162</u>  |
| <b>Noncurrent assets:</b>   |   |                     |                   |                       |  |
| <b>Restricted assets:</b>   |   |                     |                   |                       |  |
| Cash and cash equivalents   | 818,323                                     | -                   | -                 | 818,323               | -  |
| SBITA Asset   | 2,541,322                                   | -                   | -                 | 2,541,322             | -  |
| SBITA-accumulated amortization  | (513,398)                                   | -                   | -                 | (513,398)             | -  |
| <b>Capital assets:</b>  |   |                     |                   |                       |  |
| Land  | 1,382,918                                   | 995,000             | -                 | 2,377,918             | -  |
| Buildings   | 18,073,186                                  | 1,925,571           | -                 | 19,998,757            | 176,409  |
| Equipment   | 6,881,467                                   | 1,441,533           | 1,460,303         | 9,783,303             | 26,708,914   |
| Intangibles   | 828,392                                     | -                   | -                 | 828,392               | 104,714  |
| Improvements  | -   | 16,169,676          | -                 | 16,169,676            | -  |
| Infrastructure  | 281,265,481                                 | -                   | -                 | 281,265,481           | -  |
| Construction in progress  | 509,594                                     | -                   | -                 | 509,594               | -  |
| Accumulated depreciation  | (183,851,745)                               | (16,203,139)        | (1,460,303)       | (201,515,187)         | (17,045,087)   |
| Total capital assets, net of<br>accumulated depreciation  | <u>125,089,293</u>                          | <u>4,328,641</u>    | <u>-</u>          | <u>129,417,934</u>    | <u>9,944,950</u>   |
| Total noncurrent assets   | <u>127,935,540</u>                          | <u>4,328,641</u>    | <u>-</u>          | <u>132,264,181</u>    | <u>9,944,950</u>   |
| Total assets  | <u>188,571,879</u>                          | <u>7,215,216</u>    | <u>1,397,034</u>  | <u>197,184,129</u>    | <u>33,351,112</u>  |
| <b>Deferred outflows of resources</b>   |   |                     |                   |                       |  |
| Pension contributions after measurement date  | 266,560                                     | -                   | -                 | 266,560               | -  |
| Difference in projected and actual earnings on<br>pension assets  | 1,473,086                                   | -                   | -                 | 1,473,086             | -  |
| Difference in expected / actual pension experience  | 294,006                                     | -                   | -                 | 294,006               | -  |
| Difference in expected and actual OPEB experience   | 26,676                                      | -                   | -                 | 26,676                | -  |
| Total deferred outflows of resources  | <u>2,060,328</u>                            | <u>-</u>            | <u>-</u>          | <u>2,060,328</u>      | <u>-</u>   |
| <b>Liabilities</b>  |   |                     |                   |                       |  |
| <b>Current liabilities:</b>   |   |                     |                   |                       |  |
| Accounts payable  | 3,262,695                                   | 28,508              | 1,195,551         | 4,486,754             | 2,202,428  |
| Estimated health claims payable   | -   | -                   | -                 | -                     | 792,791  |
| Customer deposits payable   | 3,140,747                                   | -                   | -                 | 3,140,747             | -  |
| Due within one year-SBITA   | 421,946                                     | -                   | -                 | 421,946               | -  |
| Revenue bonds payable   | 515,000                                     | -                   | -                 | 515,000               | -  |
| Compensated absences  | 74,490                                      | -                   | -                 | 74,490                | -  |
| Accrued interest  | 125,750                                     | -                   | -                 | 125,750               | -  |
| Total current liabilities   | <u>7,540,628</u>                            | <u>28,508</u>       | <u>1,195,551</u>  | <u>8,764,687</u>      | <u>2,995,219</u>   |
| <b>Noncurrent liabilities:</b>  |   |                     |                   |                       |  |
| Revenue bonds payable   | 7,357,133                                   | -                   | -                 | 7,357,133             | -  |
| Net pension liability   | 1,950,523                                   | -                   | -                 | 1,950,523             | -  |
| Total OPEB liability  | 107,867                                     | -                   | -                 | 107,867               | -  |
| Compensated absences  | 533,745                                     | -                   | -                 | 533,745               | 53,191   |
| Due in more than a year-SBITA   | 1,448,838                                   | -                   | -                 | 1,448,838             | -  |
| Long-term risk liability  | -   | -                   | -                 | -                     | 1,228,468  |
| Total noncurrent liabilities  | <u>11,398,106</u>                           | <u>-</u>            | <u>-</u>          | <u>11,398,106</u>     | <u>1,281,659</u>   |
| Total liabilities   | <u>18,938,734</u>                           | <u>28,508</u>       | <u>1,195,551</u>  | <u>20,162,793</u>     | <u>4,276,878</u>   |
| <b>Deferred inflows of resources</b>  |   |                     |                   |                       |  |
| Difference in expected and<br>actual pension experience   | 92,449                                      | -                   | -                 | 92,449                | -  |
| Changes in actuarial assumptions used to<br>determine pension liability                                     | 224   | -                   | -                 | 224                   | -  |
| Deferred Inflow OPEB experience   | 20,118                                      | -                   | -                 | 20,118                | -  |
|   | <u>112,791</u>                              | <u>-</u>            | <u>-</u>          | <u>112,791</u>        | <u>-</u>   |
| <b>Net Position</b>   |   |                     |                   |                       |  |
| Net investment in capital assets  | 115,705,309                                 | 4,328,641           | -                 | 120,033,950           | 9,944,950  |
| <b>Restricted for:</b>  |   |                     |                   |                       |  |
| Revenue bond retirement   | 818,323                                     | -                   | -                 | 818,323               | -  |
| Unrestricted  | 55,057,050                                  | 2,858,067           | 201,483           | 58,116,600            | 19,129,284   |
| Total net position  | <u>\$ 171,580,682</u>                       | <u>\$ 7,186,708</u> | <u>\$ 201,483</u> | <u>\$ 178,968,873</u> | <u>\$ 29,074,234</u>                                     |
| <b>Reconciliation to government-wide statement of net position:</b>   |   |                     |                   |                       |  |
| Adjustment to reflect the consolidation of internal service<br>funds activities related to enterprise funds |   |                     |                   | 340,972               |  |
| Net position of business-type activities  |   |                     |                   | <u>\$ 179,309,845</u> |  |

**CITY OF CARROLLTON, TEXAS**

Statement of Revenues, Expenses and Changes in Net Position  
 Proprietary Funds  
 For the Year Ended September 30, 2023

|  | Business-Type Activities - Enterprise Funds |                     |                    |                     | Governmental<br>Activities-<br>Internal<br>Service Funds |
|--|---|---------------------|--------------------|---------------------|--|
|  | Water and<br>Sewer                          | Golf<br>Course      | Sanitation         | Total               |  |
| Operating revenues:  |   |                     |                    |                     |  |
| Charges for services   | \$ 55,045,831                               | \$ 972,263          | \$ 12,441,234      | \$ 68,459,328       | \$ 21,971,288  |
| Miscellaneous  | 421,105                                     | -                   | -                  | 421,105             | -  |
| Total operating revenues   | <u>55,466,936</u>                           | <u>972,263</u>      | <u>12,441,234</u>  | <u>68,880,433</u>   | <u>21,971,288</u>  |
| Operating expenses:  |   |                     |                    |                     |  |
| Personnel services   | 4,886,490                                   | -                   | -                  | 4,886,490           | 992,802  |
| Supplies and services  | 34,109,046                                  | -                   | 10,219,560         | 44,328,606          | 16,599,336   |
| Utilities  | 1,035,456                                   | 12,877              | -                  | 1,048,333           | 32,159   |
| Allocations  | 1,679,902                                   | 6,328               | 162,189            | 1,848,419           | 56,610   |
| Depreciation and amortization  | 6,437,241                                   | 597,626             | -                  | 7,034,867           | 2,405,534  |
| Total operating expenses   | <u>48,148,135</u>                           | <u>616,831</u>      | <u>10,381,749</u>  | <u>59,146,715</u>   | <u>20,086,441</u>  |
| Income (loss) from operations  | <u>7,318,801</u>                            | <u>355,432</u>      | <u>2,059,485</u>   | <u>9,733,718</u>    | <u>1,884,847</u>   |
| Nonoperating revenues (expenses):  |   |                     |                    |                     |  |
| Investment earnings<br>net of change in fair value<br>of investments                                       | 1,296,332                                   | 61,079              | 66,600             | 1,424,011           | 700,950  |
| Gain on sale/retirement of capital assets  | 59,350                                      | 25,860              | -                  | 85,210              | 412,039  |
| Interest expense   | (268,972)                                   | -                   | -                  | (268,972)           | -  |
| Total nonoperating revenues (expenses)   | <u>1,086,710</u>                            | <u>86,939</u>       | <u>66,600</u>      | <u>1,240,249</u>    | <u>1,112,989</u>   |
| Income/(Loss) before contributions<br>and transfers  | 8,405,511                                   | 442,371             | 2,126,085          | 10,973,967          | 2,997,836  |
| Capital contributions  | 296,688                                     | -                   | -                  | 296,688             | -  |
| Transfers in   | 13,071,304                                  | -                   | -                  | 13,071,304          | 1,000,000  |
| Transfers out  | <u>(5,381,519)</u>                          | <u>-</u>            | <u>(2,101,726)</u> | <u>(7,483,245)</u>  | <u>(965,157)</u>   |
| Change in net position   | 16,391,984                                  | 442,371             | 24,359             | 16,858,714          | 3,032,679  |
| Net position at beginning of year  | <u>155,188,698</u>                          | <u>6,744,337</u>    | <u>177,124</u>     |                     | <u>26,041,555</u>  |
| Net position at end of year  | <u>\$ 171,580,682</u>                       | <u>\$ 7,186,708</u> | <u>\$ 201,483</u>  |                     | <u>\$ 29,074,234</u>                                     |
| Reconciliation to government-wide statement of activities:   |   |                     |                    |                     |  |
| Adjustment to reflect the consolidation of internal service fund activities<br>related to enterprise funds |   |                     |                    | 195,079             |  |
| Change in net position of business-type activities   |   |                     |                    | <u>\$17,053,793</u> |  |

See accompanying notes to basic financial statements.



**CITY OF CARROLLTON, TEXAS**

Statement of Cash Flows  
 Proprietary Funds  
 For the Year Ended September 30, 2023

|  | Business -Type Activities- Enterprise Funds |                     |                    |                      | Governmental<br>Activities-<br>Internal<br>Service Funds |
|--|---|---------------------|--------------------|----------------------|--|
|  | Water and<br>Sewer                          | Golf<br>Course      | Sanitation         | Total                |  |
| Cash flows from operating activities:                                      |   |                     |                    |                      |  |
| Cash received from customers for services                                  | \$ 57,920,215                               | \$ 960,316          | \$ 11,858,019      | \$ 70,738,550        | \$ -   |
| Cash received from employees for services                                  | -   | -                   | -                  | -                    | 2,489,588  |
| Cash received from other funds for services                                | -   | -                   | -                  | -                    | 19,614,281   |
| Cash received from loss claim recoveries                                   | -   | -                   | -                  | -                    | 1,204,993  |
| Other operating cash receipts  | 237,733                                     | -                   | -                  | 237,733              | -  |
| Cash payments to suppliers for goods<br>and services                       | (42,220,506)                                | 20,966              | (10,364,074)       | (52,563,614)         | (8,701,558)  |
| Cash payments to employees for services                                    | (4,139,838)                                 | -                   | -                  | (4,139,838)          | (276,700)  |
| Cash payment for loss claims   | -   | -                   | -                  | -                    | (10,833,864)   |
| Cash payments to other funds for services                                  | (561,331)                                   | (6,327)             | (162,189)          | (729,847)            | -  |
| Net cash provided by operating activities                                  | <u>11,236,273</u>                           | <u>974,955</u>      | <u>1,331,756</u>   | <u>13,542,984</u>    | <u>3,496,740</u>   |
| Cash flows from noncapital financing activities:                           |   |                     |                    |                      |  |
| Transfers out  | (5,381,519)                                 | -                   | (2,101,726)        | (7,483,245)          | (965,156)  |
| Net cash provided by (used in) noncapital<br>financing activities          | <u>(5,381,519)</u>                          | <u>-</u>            | <u>(2,101,726)</u> | <u>(7,483,245)</u>   | <u>(965,156)</u>   |
| Cash flows from capital and related<br>financing activities:               |   |                     |                    |                      |  |
| Acquisition and construction<br>of capital assets                          | (7,744,223)                                 | (231,583)           | -                  | (7,975,806)          | (2,200,397)  |
| Transfer in for capital purposes   | 13,071,304                                  | -                   | -                  | 13,071,304           | -  |
| Proceeds from sale of capital assets                                       | 59,350                                      | 25,860              | -                  | 85,210               | 417,274  |
| Interest paid on bonds   | (342,000)                                   | -                   | -                  | (342,000)            | -  |
| Transfers in   | -   | -                   | -                  | -                    | 1,000,000  |
| Retirement of bonds  | (1,340,000)                                 | -                   | -                  | (1,340,000)          | -  |
| Interest payments on SBITA liability                                       | (122,412)                                   | -                   | -                  | (122,412)            | -  |
| Payments on SBITA liability  | (670,539)                                   | -                   | -                  | (670,539)            | -  |
| Retirement of intrafund loan   | -   | -                   | -                  | -                    | -  |
| Capital contributions  | 141,230                                     | -                   | -                  | 141,230              | -  |
| Net cash provided by (used in) capital<br>and related financing activities | <u>3,052,710</u>                            | <u>(205,723)</u>    | <u>-</u>           | <u>2,846,987</u>     | <u>(783,123)</u>   |
| Cash flows from investing activities:                                      |   |                     |                    |                      |  |
| Investment return on cash and cash equivalents                             | <u>1,210,876</u>                            | <u>55,991</u>       | <u>62,025</u>      | <u>1,328,892</u>     | <u>655,874</u>   |
| Net increase (decrease) in cash and cash equivalents                       | 10,118,340                                  | 825,223             | (707,945)          | 10,235,618           | 2,404,335  |
| Cash and cash equivalents, October 1                                       | <u>42,513,073</u>                           | <u>1,860,199</u>    | <u>740,612</u>     | <u>45,113,884</u>    | <u>19,664,163</u>  |
| Cash and cash equivalents, September 30                                    | <u>\$ 52,631,413</u>                        | <u>\$ 2,685,422</u> | <u>\$ 32,667</u>   | <u>\$ 55,349,502</u> | <u>\$ 22,068,498</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, 2023

|   | Business -Type Activities- Enterprise Funds |                   |                     |                      | Governmental<br>Activities-<br>Internal<br>Service Funds |
|---|---|-------------------|---------------------|----------------------|--|
|   | Water and<br>Sewer                          | Golf<br>Course    | Sanitation          | Total                |  |
| Reconciliation of income (loss) from operations<br>to net cash provided by operating activities:    |   |                   |                     |                      |  |
| Income from operations  | \$ 7,318,801                                | \$ 355,432        | \$ 2,059,485        | \$ 9,733,718         | \$ 1,884,847   |
| Adjustments to reconcile income from<br>operations to net cash provided by<br>operating activities: |   |                   |                     |                      |  |
| Depreciation and amortization   | 6,437,241                                   | 597,626           | -                   | 7,034,867            | 2,405,534  |
| Change in assets and liabilities:   |   |                   |                     |                      |  |
| (Increase) decrease in accounts receivable  | (1,450,038)                                 | -                 | 10,119              | (1,439,919)          |  |
| (Increase) decrease in other receivables  | -   | 7,485             | -                   | 7,485                | (1,010,524)  |
| (Increase) decrease in due from<br>other governments  | -   | -                 | -                   | -                    | -  |
| (Increase) decrease in inventories  | -   | -                 | -                   | -                    | 2,011  |
| (Increase) decrease in prepaid items  | (1,206,866)                                 | -                 | -                   | (1,206,866)          | -  |
| (Increase) decrease in pension related<br>deferred outflows   | (154,210)                                   | -                 | -                   | (154,210)            | -  |
| (Increase) decrease in OPEB related<br>deferred outflows  | 11,573                                      | -                 | -                   | 11,573               | -  |
| Increase (decrease) in accounts payable   | 157,586                                     | 14,412            | (737,848)           | (565,850)            | 192,779  |
| Increase (decrease) in estimated health<br>claims payable   | -   | -                 | -                   | -                    | 4,295  |
| Increase (decrease) in customer deposits payable  | (10,351)                                    | -                 | -                   | (10,351)             | -  |
| Increase (decrease) in net pension liability  | 3,080,962                                   | -                 | -                   | 3,080,962            | -  |
| Increase (decrease) in net OPEB liability   | (20,411)                                    | -                 | -                   | (20,411)             | -  |
| Increase (decrease) in liability for<br>compensated absences  | 69,012                                      | -                 | -                   | 69,012               | 2,116  |
| Increase (decrease) in long-term risk liability   | -   | -                 | -                   | -                    | 15,682   |
| Increase (decrease) in OPEB related<br>deferred inflows   | (330,895)                                   | -                 | -                   | (330,895)            | -  |
| Increase (decrease) in pension related<br>deferred inflows  | (2,666,131)                                 | -                 | -                   | (2,666,131)          | -  |
| Net cash provided by (used in) operating activities   | <u>\$ 11,236,273</u>                        | <u>\$ 974,955</u> | <u>\$ 1,331,756</u> | <u>\$ 13,542,984</u> | <u>\$ 3,496,740</u>                                      |

Noncash investing, capital and financing activities:

During the past year, the Enterprise Funds received \$155,458 of noncash capital contributions from developers consisting of water and sewer infrastructure. Retainage payable as of 9/30/2023 equals \$1,175,832

Reconciliation of total cash and cash equivalents:

Current assets:

|   |               |              |           |               |               |
|---|---------------|--------------|-----------|---------------|---------------|
| Cash and cash equivalents                     | \$ 48,332,010 | \$ 2,685,422 | \$ 32,667 | \$ 51,050,099 | \$ 22,068,498 |
| Restricted assets - cash and cash equivalents | 3,481,080     | -            | -         | 3,481,080     | -             |

Noncurrent assets:

|   |                      |                     |                  |                      |                      |
|---|----------------------|---------------------|------------------|----------------------|----------------------|
| Restricted assets - cash and cash equivalents | 818,323              | -                   | -                | 818,323              | -                    |
| Total cash and cash equivalents               | <u>\$ 52,631,413</u> | <u>\$ 2,685,422</u> | <u>\$ 32,667</u> | <u>\$ 55,349,502</u> | <u>\$ 22,068,498</u> |

See accompanying notes to basic financial statements.



**CARROLLTON**  
**T E X A S**

## CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

### (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, 2023

#### 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, 2023

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, 2023

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. Individual amendments were not material in relation to the original appropriations, which were adopted. Budget amendments that occurred throughout the year ensured proper recording of expenditures in appropriate funds. In addition, the major budget adjustments during mid-year re-estimates to reflect an increase to expected sales tax revenue and capital contribution to the Utility Fund. 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.

## CITY OF CARROLLTON, TEXAS

### Notes to Basic Financial Statements For Year Ended September 30, 2023

#### 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 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 receivables of the General fund and interfund payables of the deficit fund.

Investments in government pools 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 \$4,395,839 as of September 30, 2023, 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](mailto: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



**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

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, 2023 is included in the costs for the dispatch center.

K. Land Held for Redevelopment

Land held for redevelopment 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:

| <b>Restricted Cash and Investments</b>       |                      |
|--|----------------------|
| <b>Governmental Activities:</b>              |                      |
| Debt Service Fund                            | \$ 5,100,311         |
| Bond Construction Account                    | 39,875,162           |
| Other Capital Project Funds                  | 6,900,939            |
| Special Revenue Funds                        | 2,954,908            |
|  | 54,831,320           |
| <b>Business-Type Activities:</b>             |                      |
| Revenue Bond Accrued Interest Payable        | 125,750              |
| Current Maturities of Revenue Bonds          | 214,583              |
| Reserve for Revenue Bond Retirement          | 818,323              |
| Customer Deposits                            | 3,140,747            |
|  | 4,299,403            |
| <b>Total Restricted Cash and Investments</b> | <b>\$ 59,130,723</b> |

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. Leased and Subscription assets are discussed in Note 4.

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

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.

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. Right to use assets have a capitalization threshold of \$25,000. 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 |
| Leased Equipment | 2 - 10 Years   |
| Intangibles      | 4 – 20 Years   |
| Improvements     | 10 – 40 Years  |
| Infrastructure   | 20 – 40 Years  |

**Subscription Assets**

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at and certain payments made before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

**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

## CITY OF CARROLLTON, TEXAS

### Notes to Basic Financial Statements For Year Ended September 30, 2023

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.

##### 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.

## CITY OF CARROLLTON, TEXAS

### Notes to Basic Financial Statements For Year Ended September 30, 2023

#### 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, lease, and subscription 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.

The City utilizes bond funds (restricted) before unrestricted funds.

#### 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, 2023, the City allocated \$4,410,803 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 assets 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.

- 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 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 OPEB liability – This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.

## CITY OF CARROLLTON, TEXAS

### Notes to Basic Financial Statements For Year Ended September 30, 2023

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 a consumption of net assets that applies to future reporting period and 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.

- 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.
- 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 OPEB liability – This difference is deferred amortized over the estimated average remaining lives of all member determined as of the measurement date.
- Deferred inflows related to leases – This amount is deferred and amortized over the life of lease term.
- Unavailable revenue (governmental fund level only) - deferred inflow of resources that represents amounts earned, but which are not available.

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

U. Accounts payable at September 30, 2023 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<br/>Drainage</u> | <u>General and<br/>Public<br/>Facilities</u> | <u>Other<br/>Governmental<br/>Funds</u> | <u>Total</u>     |
|-----------------------------|------------------|---------------------|---------------------------------|--|---|------------------|
| <b>Accounts payable</b>     |                  |                     |                                 |  |   |                  |
| Retainage payable           | \$ -             | \$ -                | \$ 1,761,446                    | \$ -   | \$ 192,957                              | \$ 1,954,403     |
| Accrued payroll liabilities | 3,916,546        | -                   | 12,214                          | 845  | 11,461                                  | 3,941,066        |
| Accounts payable            | <u>2,713,941</u> | <u>-</u>            | <u>2,967,931</u>                | <u>1,318,388</u>                             | <u>1,349,651</u>                        | <u>8,349,911</u> |
| Total accounts payable      | \$ 6,630,487     | \$ -                | \$ 4,741,591                    | \$ 1,319,233                                 | \$ 1,554,069                            | \$ 14,245,380    |

|                             | <u>Business-Type Activities - Enterprise Funds</u> |                        |                   |                  | <u>Governmental<br/>Activities</u> |
|-----------------------------|--|------------------------|-------------------|------------------|------------------------------------|
|                             | <u>Water and<br/>Sewer</u>                         | <u>Golf<br/>Course</u> | <u>Sanitation</u> | <u>Total</u>     | <u>Internal<br/>Service Funds</u>  |
| <b>Accounts payable</b>     |  |                        |                   |                  |                                    |
| Retainage payable           | \$ 1,175,832                                       | \$ -                   | \$ -              | \$ 1,175,832     | \$ -                               |
| Accrued payroll liabilities | 84,451   | -                      | -                 | 84,451           | 1,716,924                          |
| Accounts payable            | <u>2,002,412</u>                                   | <u>28,508</u>          | <u>1,195,551</u>  | <u>3,226,471</u> | <u>485,504</u>                     |
| Total accounts payable      | \$ 3,262,695                                       | \$ 28,508              | \$ 1,195,551      | \$ 4,486,754     | \$ 2,202,428                       |

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

**(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                                | \$ (19,568,262)        |
| Beginning of year adjustment for encumbrances recognized as expenditures | (2,485,696)            |
| End of year adjustment for encumbrances not recognized as expenditures   | 504,673                |
| Unrealized investment gain recognized for GAAP basis only                | 1,242,954              |
| Net change in fund balance - GAAP basis                                  | <u>\$ (20,306,331)</u> |

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

**(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 \$9,449,308.

At September 30, 2023, the carrying amount of the City's deposits was a deficit of \$940,926 and the respective bank balances totaled \$801,451, and the City’s cash on hand totaled \$9,520 for petty cash and change funds. The city monitors bank balances on a daily basis and transfers funds as needed to maximize investment earnings.

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](http://www.cityofcarrollton.com).

The City’s investments balances as of September 30, 2023, were:

| <b>Investments:</b>                 | <b>Fair Market Value</b> | <b>Weighted Average Maturity (Years)</b> | <b>Credit Risk</b> |
|-------------------------------------|--------------------------|--|--------------------|
| Coupon Agencies                     | \$ 189,591,867           | 0.65                                     | AA+ - AAA          |
| Municipal Bonds                     | 92,194,740               | 0.42                                     | A+ -AAA            |
| Treasuries                          | 43,483,359               | 0.15                                     | AA+                |
| Government Pools                    | 64,881,394               | 0.02                                     | AAAm               |
| <b>Total Fair Market Value</b>      | <b>\$ 390,151,360</b>    |  |                    |
| Portfolio Weighted Average Maturity |                          | 1.24                                     |                    |



## CITY OF CARROLLTON, TEXAS

### Notes to Basic Financial Statements For Year Ended September 30, 2023

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, 2023, the City has the recurring fair value measurements for coupon, treasury notes and municipal bonds of \$325,269,966 valued using quoted prices for similar assets in active markets. (Level 2 inputs.) Investments in local government investment pools valued at amortized cost or NAV as of September 30, 2023 total \$64,881,394 .

**Interest Rate Risk** – In compliance with the City’s Investment Policy, as of September 30, 2023, 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, 2023, 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 that 5% of the investment portfolio in commercial paper and bankers’ acceptances of a single issuer. As of September 30, 2023, 5% or more of the City’s total investment are in: Treasury Bonds (11.15%), Federal Home Loan Bank (14.89%), Federal Farm Credit Bank (7.14%), Federal National Mortgage Association (8.96%), Federal Home Loan Mortgage Corporation (9.82%), TexasClass (5.84%), and Federal Agricultural Mortgage Corp (5.46%).

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

**(4) CAPITAL, LEASE, AND SUBSCRIPTION ASSETS**

Capital asset activity for the year-ended September 30, 2023, was as follows:

|   | <u>Balance<br/>October 1</u> | <u>Additions/<br/>Completions</u> | <u>Retirements/<br/>Adjustments</u> | <u>Balance<br/>September 30</u> |
|---|------------------------------|-----------------------------------|-------------------------------------|---------------------------------|
| <b>Governmental Activities</b>                      |                              |                                   |                                     |                                 |
| Capital Assets not being depreciated:               |                              |                                   |                                     |                                 |
| Land  | \$ 100,124,774               | \$ -                              | \$ -                                | \$ 100,124,774                  |
| Construction in Progress                            | 9,944,149                    | 9,033,962                         | (797,511)                           | 18,180,600                      |
| <i>Total Capital Assets not being depreciated</i>   | <u>110,068,923</u>           | <u>9,033,962</u>                  | <u>(797,511)</u>                    | <u>118,305,374</u>              |
| Capital Assets being depreciated:                   |                              |                                   |                                     |                                 |
| Buildings   | 89,816,169                   | -                                 | -                                   | 89,816,169                      |
| Equipment   | 56,200,647                   | 4,986,741                         | (1,426,519)                         | 59,760,869                      |
| Intangibles   | 10,716,123                   | 40,678                            | -                                   | 10,756,801                      |
| Improvements  | 60,045,822                   | 4,068,623                         | -                                   | 64,114,445                      |
| Infrastructure                                      | 423,251,635                  | 30,347,005                        | -                                   | 453,598,640                     |
| <i>Total Capital Assets being depreciated</i>       | <u>640,030,396</u>           | <u>39,443,048</u>                 | <u>(1,426,519)</u>                  | <u>678,046,924</u>              |
| Less accumulated depreciation for:                  |                              |                                   |                                     |                                 |
| Buildings   | (56,731,378)                 | (2,999,353)                       | -                                   | (59,730,731)                    |
| Equipment   | (36,602,093)                 | (4,885,419)                       | 1,258,400                           | (40,229,112)                    |
| Intangibles   | (7,947,397)                  | (790,539)                         | -                                   | (8,737,936)                     |
| Improvements  | (27,772,396)                 | (1,812,871)                       | -                                   | (29,585,267)                    |
| Infrastructure                                      | (136,026,505)                | (12,515,304)                      | -                                   | (148,541,809)                   |
| <i>Total accumulated depreciation</i>               | <u>(265,079,769)</u>         | <u>(23,003,486)</u>               | <u>1,258,400</u>                    | <u>(286,824,855)</u>            |
| <i>Total Capital Assets being depreciated, net</i>  | <u>374,950,627</u>           | <u>16,439,562</u>                 | <u>(168,119)</u>                    | <u>391,222,069</u>              |
| <i>Governmental Activities Capital Assets, net</i>  | <u>\$ 485,019,550</u>        | <u>\$ 25,473,524</u>              | <u>\$ (965,630)</u>                 | <u>\$ 509,527,443</u>           |
| <br>  |                              |                                   |                                     |                                 |
|   | <u>Balance<br/>October 1</u> | <u>Additions/<br/>Completions</u> | <u>Retirements/<br/>Adjustments</u> | <u>Balance<br/>September 30</u> |
| <b>Business-Type Activities</b>                     |                              |                                   |                                     |                                 |
| Capital Assets not being depreciated:               |                              |                                   |                                     |                                 |
| Land  | \$ 2,377,918                 | \$ -                              | \$ -                                | \$ 2,377,918                    |
| Construction in Progress                            | 6,035,769                    | 332,310                           | (5,858,485)                         | 509,594                         |
| <i>Total Capital Assets not being depreciated</i>   | <u>8,413,687</u>             | <u>332,310</u>                    | <u>(5,858,485)</u>                  | <u>2,887,512</u>                |
| Capital Assets being depreciated:                   |                              |                                   |                                     |                                 |
| Buildings   | 19,998,757                   | -                                 | -                                   | 19,998,757                      |
| Equipment   | 9,530,042                    | 634,366                           | (381,105)                           | 9,783,303                       |
| Intangibles   | 828,392                      | -                                 | -                                   | 828,392                         |
| Improvements  | 16,169,676                   | -                                 | -                                   | 16,169,676                      |
| Infrastructure                                      | 267,650,112                  | 13,615,369                        | -                                   | 281,265,481                     |
| <i>Total Capital Assets being depreciated</i>       | <u>314,176,979</u>           | <u>14,249,735</u>                 | <u>(381,105)</u>                    | <u>328,045,609</u>              |
| Less accumulated depreciation for:                  |                              |                                   |                                     |                                 |
| Buildings   | (18,131,810)                 | (299,447)                         | -                                   | (18,431,257)                    |
| Equipment   | (6,702,353)                  | (658,667)                         | 381,105                             | (6,979,915)                     |
| Intangibles   | (789,019)                    | (9,850)                           | -                                   | (798,869)                       |
| Improvements  | (12,866,276)                 | (510,569)                         | -                                   | (13,376,845)                    |
| Infrastructure                                      | (156,371,966)                | (5,556,333)                       | -                                   | (161,928,299)                   |
| <i>Total accumulated depreciation</i>               | <u>(194,861,424)</u>         | <u>(7,034,866)</u>                | <u>381,105</u>                      | <u>(201,515,186)</u>            |
| <i>Total Capital Assets being depreciated, net</i>  | <u>119,315,555</u>           | <u>7,214,870</u>                  | <u>-</u>                            | <u>126,530,423</u>              |
| <i>Business-Type Activities Capital Assets, net</i> | <u>\$ 127,729,242</u>        | <u>\$ 7,547,180</u>               | <u>\$ (5,858,485)</u>               | <u>\$ 129,417,935</u>           |

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

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

| <b>Depreciation Expense</b>           |                      |
|---------------------------------------|----------------------|
| <b>Governmental Activities:</b>       |                      |
| General Government and Administration | \$ 3,771,358         |
| Public Safety                         | 2,634,978            |
| Development Services                  | 13,205,086           |
| Cultural and Recreational             | 3,392,064            |
| <b>Total Depreciation Expense</b>     | <b>\$ 23,003,486</b> |
| <b>Business-Type Activities:</b>      |                      |
| Water and Sewer                       | \$ 6,437,241         |
| Golf Course                           | 597,625              |
| Sanitation                            | -                    |
| <b>Total Depreciation Expense</b>     | <b>\$ 7,034,866</b>  |

Lease asset activity for the year-ended September 30, 2023, was as follows:

|  | <b>Balance<br/>October 1</b> | <b>Additions/<br/>Completions</b> | <b>Retirements/<br/>Adjustments</b> | <b>Balance<br/>September 30</b> |
|--|------------------------------|-----------------------------------|-------------------------------------|---------------------------------|
| <b>Governmental Activities</b>                 |                              |                                   |                                     |                                 |
| Lease assets                                   | \$ 5,466,890                 | \$ -                              | \$ -                                | \$ 5,466,890                    |
| <b>Total leased assets being amortized</b>     | <b>5,466,890</b>             | <b>-</b>                          | <b>-</b>                            | <b>5,466,890</b>                |
| <b>Less accumulated amortization for:</b>      |                              |                                   |                                     |                                 |
| Lease assets                                   | (691,388)                    | (738,756)                         | -                                   | (1,430,144)                     |
| <b>Total accumulated amortization</b>          | <b>(691,388)</b>             | <b>(738,756)</b>                  | <b>-</b>                            | <b>(1,430,144)</b>              |
| <b>Total lease assets being amortized, net</b> | <b>\$ 4,775,502</b>          | <b>\$ (738,756)</b>               | <b>\$ -</b>                         | <b>\$ 4,036,745</b>             |

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

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

| <b>Amortization Expense</b>           |                   |
|---------------------------------------|-------------------|
| <b>Governmental Activities:</b>       |                   |
| General Government and Administration | \$ 57,168         |
| Public Safety                         | 523,866           |
| Development Services                  | 157,722           |
| Cultural and Recreation               | -                 |
| <b>Total Amortization Expense</b>     | <b>\$ 738,756</b> |

Subscription asset activity for the year-ended September 30, 2023, was as follows:

|   | <b>Balance<br/>Restated<br/>October 1</b> | <b>Additions/<br/>Completions</b> | <b>Retirements/<br/>Adjustments</b> | <b>Balance<br/>September 30</b> |
|---|---|-----------------------------------|-------------------------------------|---------------------------------|
| <b>Governmental Activities</b>                        |   |                                   |                                     |                                 |
| Subscription assets                                   | 1,849,070                                 | 2,520,041                         | -                                   | 4,369,111                       |
| <b>Business Activities</b>                            |   |                                   |                                     |                                 |
| Subscription assets                                   | 2,541,322                                 | -                                 | -                                   | 2,541,322                       |
| <b>Total subscription assets being amortized</b>      | <b>4,390,392</b>                          | <b>2,520,041</b>                  | <b>-</b>                            | <b>6,910,433</b>                |
| <b>Less accumulated amortization for:</b>             |   |                                   |                                     |                                 |
| <b>Governmental Activities</b>                        |   |                                   |                                     |                                 |
| Subscription assets                                   | -   | (1,167,425)                       | -                                   | (1,167,425)                     |
| <b>Business Activities</b>                            |   |                                   |                                     |                                 |
| Subscription assets                                   | -   | (513,398)                         | -                                   | (513,398)                       |
| <b>Total accumulated amortization</b>                 | <b>-</b>                                  | <b>(1,680,823)</b>                | <b>-</b>                            | <b>(1,680,823)</b>              |
| <b>Total subscription assets being amortized, net</b> | <b>\$ 4,390,392</b>                       | <b>\$ 839,218</b>                 | <b>\$ -</b>                         | <b>\$ 5,229,610</b>             |

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

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

|   |                  |
|---|------------------|
| <b>Amortization Expense</b>             |                  |
| <b>Governmental Activities:</b>         |                  |
|   | \$               |
| General Governmental and Administration | 1,112,535        |
| Cultural and Recreation                 | 54,890           |
|   | <u>1,167,425</u> |
| <b>Business Activities:</b>             |                  |
| Utilities                               | 513,398          |
|   | <u>\$</u>        |
| Total Amortization Expense              | 1,680,823        |

**(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 2023 of \$32,097,267 including premium, were issued for capital improvements for \$28,140,000 and to refund \$5,525,000 par value of the City's previously issued and outstanding 2013 GO Improvement Bonds with unamortized premiums of \$269,986 for a total carrying value of \$5,794,986. 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. Issuance costs associated with these bonds were \$291,405.

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 \$223,926, which is being amortized over the remaining life of the refunded debt. Under the escrow reserve agreement, the escrow fund is irrevocable pledged to the payment of principal and interest on the refunded bonds. As a result, the refunded

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

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 \$1,028,986 and obtained an economic gain (difference between present value of the debt service payments on the old and new debt) of \$500,060. On September 30, 2023, \$5,525,000 of General Obligation Improvement, Series 2013 outstanding bonds are considered defeased.

At September 30, 2023, general obligation bonds currently outstanding are as follows:

|  | <b>Interest Rate</b> | <b>Issue Date</b> | <b>Maturity Date</b> | <b>Outstanding at Par</b> |
|--|----------------------|-------------------|----------------------|---------------------------|
|  | <b>%</b>             |                   |                      |                           |
| Improvement, Series 2014               | 3 - 4                | 4/15/2014         | 8/15/2034            | 12,895,000                |
| Improvement and Refunding, Series 2015 | 2 - 5                | 5/1/2015          | 8/15/2035            | 17,970,000                |
| Improvement and Refunding, Series 2016 | 3 - 5                | 5/15/2016         | 8/15/2031            | 15,975,000                |
| Improvement, Series 2017               | 2 - 5                | 4/1/2017          | 8/15/2032            | 12,775,000                |
| Improvement, Series 2018               | 3 - 5                | 5/1/2018          | 8/15/2033            | 14,280,000                |
| Improvement and Refunding, Series 2019 | 3 - 5                | 5/1/2019          | 8/15/2034            | 29,730,000                |
| Improvement, Series 2020               | 3 - 5                | 6/4/2020          | 8/15/2035            | 16,660,000                |
| Improvement and Refunding, Series 2021 | 2 - 5                | 6/1/2021          | 8/15/2036            | 21,785,000                |
| Improvement and Refunding, Series 2022 | 3.25 - 5             | 6/1/2022          | 8/15/2037            | 20,260,000                |
| Improvement and Refunding, Series 2023 | 5                    | 5/1/2023          | 8/15/2038            | 28,140,000                |
|  |                      |                   |                      | <b>\$ 190,470,000</b>     |

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

| <b>General Obligation Bonds</b> |                                |                      |                       |
|---------------------------------|--------------------------------|----------------------|-----------------------|
|                                 | <b>Governmental Activities</b> |                      |                       |
| <b>Year Ending September 30</b> | <b>Principal</b>               | <b>Interest</b>      | <b>Total</b>          |
| 2024                            | 17,615,000                     | 8,612,033            | 26,227,033            |
| 2025                            | 18,335,000                     | 7,422,808            | 25,757,808            |
| 2026                            | 17,970,000                     | 6,628,828            | 24,598,828            |
| 2027                            | 17,370,000                     | 5,764,228            | 23,134,228            |
| 2028                            | 16,690,000                     | 4,981,078            | 21,671,078            |
| 2029-2033                       | 72,335,000                     | 14,457,313           | 86,792,313            |
| 2034-2038                       | 30,155,000                     | 2,863,598            | 33,018,598            |
| <b>Total</b>                    | <b>\$ 190,470,000</b>          | <b>\$ 50,729,886</b> | <b>\$ 241,199,886</b> |

Revenue Bonds –

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.

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

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 2023, net revenue available for debt service was 11.8 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, 2023.

At September 20, 2023, revenue bonds currently outstanding are as follows:

|  | Interest Rate<br>% | Issue Date | Maturity<br>Date | Outstanding<br>at Par |
|--|--------------------|------------|------------------|-----------------------|
| Waterworks and Sewer System Revenue Improvement, Series 2019 | 2 - 4              | 5/1/2019   | 5/1/2034         | 7,105,000             |
|  |                    |            |                  | <u>\$ 7,105,000</u>   |

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

| <b>Revenue Bonds</b>                |                                 |                     |                     |
|-------------------------------------|---------------------------------|---------------------|---------------------|
|                                     | <b>Business-Type Activities</b> |                     |                     |
| <b>Year Ending<br/>September 30</b> | <b>Principal</b>                | <b>Interest</b>     | <b>Total</b>        |
| 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             |
| 2029-2033                           | 3,505,000                       | 588,600             | 4,093,600           |
| 2034                                | 785,000                         | 31,400              | 816,400             |
| <b>Total</b>                        | <u>\$ 7,105,000</u>             | <u>\$ 1,896,550</u> | <u>\$ 9,001,550</u> |

Bonds Authorized and Unissued – At September 30, 2023, the City has \$94,255,000 in general obligation bonds which were authorized and unissued.

Net Pension Liability – 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.

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.

## CITY OF CARROLLTON, TEXAS

### Notes to Basic Financial Statements For Year Ended September 30, 2023

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 and business-type activities on the basis of employee payroll funding.

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 \$28,140,000 of General Obligation Improvement Bonds and Refunding, Series 2023.

Lease Liabilities - Represents the obligation to make lease payments and is measured at the present value of future lease payments.

Subscription Liabilities - Represents the obligation to make subscription payments and is measured at the present value of future subscription payments.



**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

Transactions for the year ended September 30, 2023 are summarized as follows:

|   | <b>Restated<br/>Balance<br/>October 1</b> | <b>Additions</b>     | <b>Reductions</b>      | <b>Balance<br/>September 30</b> | <b>Due within<br/>one year</b> |
|---|---|----------------------|------------------------|---------------------------------|--------------------------------|
| <b>Governmental Activities</b>          |   |                      |                        |                                 |                                |
| Bonds Payable:                          |   |                      |                        |                                 |                                |
| General Obligation Bonds                | \$ 184,710,000                            | \$ 28,140,000        | \$ (22,380,000)        | \$ 190,470,000                  | \$ 17,615,000                  |
| Premiums                                | 24,235,914                                | 3,957,267            | (2,080,302)            | 26,112,879                      | 2,278,384                      |
| <b>Total Bonds Payable</b>              | <u>208,945,914</u>                        | <u>32,097,267</u>    | <u>(24,460,302)</u>    | <u>216,582,879</u>              | <u>19,893,384</u>              |
| Compensated Absences                    | 16,298,683                                | 1,278,255            | (212,340)              | 17,364,598                      | 1,233,216                      |
| Health Claims Liability                 | 788,496                                   | 4,295                |                        | 792,791                         | 792,791                        |
| Other Postemployment Benefits Liability | 3,111,064                                 | -                    | (458,723)              | 2,652,341                       | -                              |
| Pension Liability                       |   | 43,796,220           |                        | 43,796,220                      |                                |
| Lease Liability                         | 4,839,656                                 |                      | (722,360)              | 4,117,296                       | 684,449                        |
| SBITA Liability                         | 1,895,745                                 | 2,535,812            | (1,661,789)            | 2,769,768                       | 1,445,879                      |
| PID Notes Payable                       | 10,772,063                                | -                    | (407,883)              | 10,364,180                      | -                              |
| Long-Term Risk Liability                | 1,212,786                                 | 15,682               |                        | 1,228,468                       | -                              |
| <b>Total Governmental Activities</b>    | <u>247,864,407</u>                        | <u>79,727,531</u>    | <u>(27,923,397)</u>    | <u>299,668,541</u>              | <u>24,049,719</u>              |
| <b>Business-Type Activities</b>         |   |                      |                        |                                 |                                |
| Bonds Payable:                          |   |                      |                        |                                 |                                |
| Revenue Bonds                           | \$ 8,445,000                              | \$ -                 | \$ (1,340,000)         | \$ 7,105,000                    | \$ 515,000                     |
| Premiums                                | 897,307                                   | -                    | (130,174)              | 767,133                         | 72,428                         |
| <b>Total Bonds Payable</b>              | <u>9,342,307</u>                          | <u>-</u>             | <u>(1,470,174)</u>     | <u>7,872,133</u>                | <u>587,428</u>                 |
| Compensated Absences                    | 539,223                                   | 85,925               | (16,912)               | 608,236                         | 74,490                         |
| Pension Liability                       |   | 1,950,523            |                        | 1,950,523                       |                                |
| SBITA Liability                         | 2,541,322                                 | -                    | (670,539)              | 1,870,783                       | 421,946                        |
| Other Postemployment Benefits Liability | 128,278                                   |                      | (20,411)               | 107,867                         | -                              |
| <b>Total Business-Type Activities</b>   | <u>12,551,130</u>                         | <u>2,036,448</u>     | <u>(2,178,036)</u>     | <u>12,409,542</u>               | <u>1,083,864</u>               |
| <b>Total Government</b>                 | <u>\$ 260,415,537</u>                     | <u>\$ 81,763,979</u> | <u>\$ (30,101,433)</u> | <u>\$ 312,078,083</u>           | <u>\$ 25,133,583</u>           |

## CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

### **(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, 2023 were 99.36% 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 45 days after year-end.

The City Charter does not provide for a debt limit; therefore, no computation can be made. However, at September 30, 2023, the City had a tax margin of approximately \$1.94 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, 2023

The State of Texas utilizes origin-based sourcing for most municipal sales transactions. Under this approach, sales 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 Texas Administrative Code Section 3.334 which sets forth how sales tax is handled: origin based or destination-based. This change was to be effective October 1, 2021 but has been challenged by several cities, including Carrollton. The identity of and the amount paid by individual sales and use tax payers is strictly confidential under state law.

Use tax relates to sales of goods or services shipped into the State by sellers without a physical presence in the State. Use tax is generally on a destination basis.

#### **(7) EMPLOYEE BENEFIT PLANS:**

##### A. Texas Municipal Retirement System (TMRS)

###### Plan Description:

The City participates as one of over 900 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](http://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.

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

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 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's employees do not participate in Social Security.

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

|   |              |
|---|--------------|
| Retirees or beneficiaries currently receiving benefits        | 812          |
| Inactive employees entitled to but not yet receiving benefits | 761          |
| Active employees  | 843          |
|   | <u>2,416</u> |

**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 of the City of Carrollton were required to contribute 7% of their annual gross earnings during the fiscal year. For fiscal year 2023, the city made contributions of 11.83% for the months in calendar year 2022 and 11.83% for the months in calendar year 2023. The City provided for an additional voluntary contribution of 1.00 percentage points over the required contribution of 10.83% for the months in 2022 and 0.99 percentage points over the actuarially required contribution of 10.84% for the months in 2023. During the 2023 fiscal year, employees contributed \$4,868,510 and the City contributed \$8,227,783 which was \$695,502 more than the actuarially required contribution.

**Net Pension Liability:**

The City's Net Pension Liability (NPL) was measured as of December 31, 2022, 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 in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

|                           |   |
|---------------------------|---|
| 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.

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. 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:

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
 For Year Ended September 30, 2023

| Asset Class                   | Target Allocation | Long-Term<br>Expected Real Rate<br>of Return |
|-------------------------------|-------------------|--|
| Global Equity                 | 35.0%             | 7.70%  |
| Core Fixed Income             | 6.0%              | 4.90%  |
| Non-Core Fixed Income         | 20.0%             | 8.70%  |
| Other Public & Private Market | 12.0%             | 8.10%  |
| Real Estate                   | 12.0%             | 5.80%  |
| Hedge Funds                   | 5.0%              | 6.90%  |
| Private Equity                | 10.0%             | 11.80%                                       |
| <b>Total</b>                  | 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, 2023

Changes in the Net Pension Liability/(Asset) –

|   | <b>Increase (Decrease)</b>     |                                    |                                      |
|---|--------------------------------|------------------------------------|--------------------------------------|
|   | <b>Total Pension Liability</b> | <b>Plan Fiduciary Net Position</b> | <b>Net Pension Liability/(Asset)</b> |
|   | <b>(a)</b>                     | <b>(b)</b>                         | <b>(a)-(b)</b>                       |
| <b>Balance at 12/31/2021</b>                                  | \$ 492,353,030                 | \$ 518,929,532                     | \$ (26,576,502)                      |
| Charges for the year:   |                                |                                    |                                      |
| Service Cost  | 10,260,287                     | -                                  | 10,260,287                           |
| Interest  | 32,762,856                     | -                                  | 32,762,856                           |
| Difference between expected and actual experience             | 4,059,028                      | -                                  | 4,059,028                            |
| Change in assumptions   | -                              | -                                  | -                                    |
| Contributions - Employer                                      | -                              | 7,876,648                          | (7,876,648)                          |
| Contributions - Employee                                      | -                              | 4,660,713                          | (4,660,713)                          |
| Net Investment Income   | -                              | (37,841,597)                       | 37,841,597                           |
| Benefit Payments, including refunds of employee contributions | (24,215,069)                   | (24,215,069)                       | -                                    |
| Administrative Expense  | -                              | (327,791)                          | 327,791                              |
| Other Changes   | -                              | 391,152                            | (391,152)                            |
| Net Changes   | <u>22,867,102</u>              | <u>(49,455,943)</u>                | <u>72,323,046</u>                    |
| <b>Balance at 12/31/2022</b>                                  | <u>\$ 515,220,132</u>          | <u>\$ 469,473,589</u>              | <u>\$ 45,746,543</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:

|   | <b>1% Decrease in Discount Rate</b> | <b>Current Discount Rate</b> | <b>1% Increase in Discount Rate</b> |
|---|-------------------------------------|------------------------------|-------------------------------------|
| City's net pension liability / (asset) \$ | 114,930,435                         | \$ 45,746,543                | \$ (11,249,803)                     |



**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

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](http://www.tmr.com).

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

For the year ended September 30, 2023, the City recognized pension expense of \$14,763,980. This amount is included as part of Personal Services decrease on expenses within the functional program activities, and such decrease was due to vacancy.

At September 30, 2023, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

|  | <b>Deferred Outflows of<br/>Resources</b> | <b>Deferred Inflows of<br/>Resources</b> |
|--|---|--|
| Pension contributions after measurement date                         | \$ 6,257,245                              | \$ -                                     |
| Net difference in projected and actual earnings on pension assets    | 32,424,052                                | -  |
| Changes in actuarial assumptions used to determine pension liability | -   | 224                                      |
| Difference in expected and actual pension experience                 | 7,208,417                                 | 2,037,808                                |
| <b>Total</b>   | <b>\$ 45,889,714</b>                      | <b>\$ 2,038,032</b>                      |

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$6,257,245 will be recognized as a decrease of the net pension liability for the measurement year ending December 31, 2023 (i.e. recognized in the city’s financial statements September 30, 2024). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Measurement Year<br/>ended December 31</b> |                      |
|---|----------------------|
| 2023  | 3,850,112            |
| 2024  | 10,031,241           |
| 2025  | 9,139,440            |
| 2026  | 14,573,868           |
| 2027  | -                    |
| <b>Total</b>                                  | <b>\$ 37,594,661</b> |

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

**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 2023 are: \$22,500; \$30,000 for age 50 catch-up and \$45,000 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 2023 was \$1,077,569.

**(8) INTERFUND ACTIVITY:**

Interfund transfers during the year ended September 30, 2023, 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>Non-Major Governmental</u> | <u>Internal Service Fund</u> | <u>Water and Sewer Capital Fund</u> |                      |
| <b><u>Transfers Out</u></b>   |   |                             |                                      |                               |                              |                                     |                      |
| General Fund                  | \$ -                                      | \$ 13,850,000               | \$ 30,235,304                        | \$ 3,007,000                  | \$ 1,000,000                 | \$ 12,671,304                       | 60,763,608           |
| Internal Service              | 965,157                                   | -                           | -                                    | -                             | -                            | -                                   | 965,157              |
| General and Public Facilities |   |                             | -                                    |                               |                              | 400,000                             | 400,000              |
| Water and Sewer Sanitation    | 5,181,519                                 | -                           | 200,000                              | -                             | -                            | -                                   | 5,381,519            |
|                               | 900,749                                   | 1,200,977                   | -                                    | -                             | -                            | -                                   | 2,101,726            |
| <b>Total</b>                  | <u>\$ 7,047,425</u>                       | <u>\$ 15,050,977</u>        | <u>\$ 30,435,304</u>                 | <u>\$ 3,007,000</u>           | <u>\$ 1,000,000</u>          | <u>\$ 13,071,304</u>                | <u>\$ 69,612,010</u> |

Transfers are primarily used to move funds from:

- Sanitation Fund to the General Fund and Streets and Drainage capital project fund for alleys.
- The Proprietary Funds to the General Fund for a budgeted allocation amount.
- The General Fund to various funds for capital projects in accordance with budgetary authorizations.
- The Public Facilities fund to the Water and Sewer Capital Fund for capital projects.

**(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

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

water usage. The rates charged are subject to minimum annual contract payments. Water expense for the year ended September 30, 2023 was \$16,939,832.

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 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, 2023 was \$14,284,392. 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:

| <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  | \$50,000 per occurrence                               | \$3,000,000 per occurrence and \$6,000,000 policy aggregate     |
| 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                               | \$ 278,102,497  |
| 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 - 7 Towers | \$10,000 to \$50,000 per occurrence depending on type | \$50,000 to \$3,000,000 per tower, multiple aggregate sublimits |

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

All funds of the City participate in the program and make payments to the Risk Management Fund. In 2023, the City experienced its first line-of-duty peace officer death in which the cost of this incident is reflected in the Risk Fund. As of the end of fiscal year 2023, the loss reserve was estimated at \$1,228,468.

Changes in this reserve amount in fiscal years 2022 and 2023 were as follows:

|           | <b>Balance at<br/>Beginning of<br/>Fiscal Year</b> | <b>Current-year<br/>Claims and<br/>Changes in<br/>Estimates</b> | <b>Claim<br/>Payments</b> | <b>Balance at<br/>End of<br/>Fiscal Year</b> |
|-----------|--|---|---------------------------|--|
| 2021-2022 | \$ 865,083   | \$ 1,601,301  | \$ 1,253,598              | \$ 1,212,786                                 |
| 2022-2023 | \$ 1,212,786                                       | \$ 1,350,944  | \$ 1,335,262              | \$ 1,228,468                                 |

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, 2023, a liability of \$792,791 has been recorded, which represents estimated claims incurred by not yet reported.

Changes in this claim liability during fiscal years 2022 and 2023 were as follows:

|           | <b>Balance at<br/>Beginning of<br/>Fiscal Year</b> | <b>Current-year<br/>Claims and<br/>Changes in<br/>Estimates</b> | <b>Claim<br/>Payments</b> | <b>Balance at<br/>End of<br/>Fiscal Year</b> |
|-----------|--|---|---------------------------|--|
| 2021-2022 | \$ 851,581   | \$ 8,371,659  | \$ 8,434,744              | \$ 788,496                                   |
| 2022-2023 | \$ 788,496   | \$ 8,561,674  | \$ 8,557,379              | \$ 792,791                                   |

There have been no significant increases in insurance coverage during the fiscal year 2023.

**(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

## CITY OF CARROLLTON, TEXAS

### Notes to Basic Financial Statements For Year Ended September 30, 2023

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 2023, the City rebated property taxes of \$3,180,283 or 3% of the \$108,209,947 total levy and hotel occupancy taxes of \$390,539 or 65.74% of the \$594,040 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 \$504,673.

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.

Construction Commitments – The City has active construction projects as of September 30, 2023. Total accumulated commitments for ongoing capital projects are composed of the following:

## CITY OF CARROLLTON, TEXAS

### Notes to Basic Financial Statements For Year Ended September 30, 2023

|                                 |           |                    |
|---------------------------------|-----------|--------------------|
| Streets and Drainage            | \$        | 117,669,194        |
| Traffic                         |           | 751,566            |
| Parks and Recreation            |           | 29,976,464         |
| General Facilities              |           | 61,779,258         |
| Community Development           |           | 13,905,795         |
| Tax Increment Reinvestment Zone |           | 3,538,000          |
| Water and Sewer                 |           | 34,568,758         |
| Golf Course                     |           | 1,097,448          |
| <b>Total</b>                    | <b>\$</b> | <b>263,286,483</b> |

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

#### **(13) OTHER POSTEMPLOYMENT BENEFITS:**

##### a) 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, as established by management, 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. For financial reporting purposes, the "Retiree Health Program" is accounted for in the Employee Health and Disability Fund. No other financial statements are issued related to the Retiree Health Program. No assets are accumulated in a trust that meet the criteria in paragraph 4 of statement 75.

The Retiree Health 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. The program allows for retirees who meet certain characteristics to remain on the city's health plan at a blended contribution rate. Employees are eligible to retire if they meet one of the following criteria:

- Had over 20 years of service as of January 1, 2009 or were 60 years of with five or more years of service, or
- Are 60 years of age with at least 10 years of consecutive service.

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

Membership in the Retiree Health Program is as follows:

| <b>Membership</b>              |     |
|--------------------------------|-----|
| Number of                      |     |
| - Retirees and Beneficiaries   | 17  |
| - Inactive, Nonretired Members | 0   |
| - Active Members               | 778 |
| - Total                        | 795 |

The Retiree Defined Contribution Program has been implemented since January 1, 2008 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. This plan 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 Other Post employment Benefits. See Section B at the end of this note for a full description of the Retiree Health Savings Plan.

**Funding Policy:**

Current retirees contribute to the Retiree Health Program the total blended premium for active and retired participants. The city contribution to the Retiree Health Program consists of Pay-as-you-go claims in excess of the retiree contributions for the year. Retiree contribution rates for fiscal year 2023 were \$8,542 to \$48,624 per year depending on coverage levels selected. In fiscal year 2023, total member contributions were \$327,078. Retiree contributions to the retiree health fund exceeded retiree expenses for fiscal year 2023.

**Funded Status and Funding Progress:**

As of December 31, 2022, the most recent measurement date based on actuarial valuation date of December 31, 2021, the total OPEB liability (TOL) for benefits was \$2,760,208, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) for fiscal year 2022 was \$66,497,002. The ratio of the total OPEB Liability to the covered payroll was 4.15%.

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

Actuarial valuation of the program involves 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 Water Sewer.

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, 2022 measurement, the Individual Entry Age cost method was used. The actuarial assumptions include a 4.05% discount rate (1.84% as of December 31, 2021), based on the Fidelity 20-year Municipal GO AA Index, an annual healthcare cost trend rate of 6.75% initially, reduced by decrements to an ultimate rate of 4.15% after 12 years, and salary increases from 3.5% to 11.5%, including inflation. The rate of inflation is assumed to be 2.5%. For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas Mortality Tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables published through 2019 to account for future mortality improvements. 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  | \$ | 183,109   |
| Interest on Total OPEB Liability  |    | 59,440    |
| Changes of Assumptions  |    | (531,290) |
| Benefit Payments  |    | (200,975) |
| Change in benefit terms   |    | -         |
| Difference between expected and actual experience of the total OPEB liability |    | 10,582    |
| Net Change in Total OPEB Liability  |    | (479,134) |
| Total OPEB Liability - beginning  |    | 3,239,342 |
| Total OPEB Liability - ending   | \$ | 2,760,208 |

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



**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.05%, 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 (3.05%) or 1-percentage-point higher (5.05%) than the current rate:

|                             | <b>1% Decrease in<br/>Discount Rate</b> | <b>Current Discount<br/>Rate</b> | <b>1% Increase in<br/>Discount Rate</b> |
|-----------------------------|---|----------------------------------|---|
| City's Total OPEB Liability | \$ 2,986,843                            | \$ 2,760,208                     | \$ 2,555,469                            |

Sensitivity of the total 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:

|                             | <b>1% Decrease in<br/>Trend Rate</b> | <b>Current Health<br/>Care Trend Rate</b> | <b>1% Increase in<br/>Trend Rate</b> |
|-----------------------------|--------------------------------------|---|--------------------------------------|
| City's Total OPEB Liability | \$ 2,521,197                         | \$ 2,760,208                              | \$ 3,041,000                         |

For the year ended September 30, 2023, the City recognized a reduction to OPEB expense of \$8,658,625.

Difference between expected and actual experience and changes in actuarial assumptions used to determine total OPEB liability are amortized as follows:

| <b>Year Ending<br/>September 30</b> | <b>Net Deferred<br/>Outflows / (Inflows)</b> |
|-------------------------------------|--|
| 2024                                | \$ (57,856)                                  |
| 2025                                | (57,856)                                     |
| 2026                                | (57,856)                                     |
| 2027                                | (57,856)                                     |
| 2028                                | (57,856)                                     |
| Thereafter                          | (146,980)                                    |
| <b>Total</b>                        | <b>\$ (436,260)</b>                          |

At September 30, 2023, the City reported deferred outflows and inflows of resources related to OPEB which are detailed in the following table.

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

|   | <b>Deferred Outflows<br/>of Resources</b> | <b>Deferred Inflows<br/>of Resources</b> |
|---|---|--|
| Difference between expected and actual experience                       | 35,998                                    |  |
| Changes in actuarial assumptions used to determine total OPEB liability |   | 472,258                                  |
| <b>Total</b>  | <b>\$ 35,998</b>                          | <b>\$ 472,258</b>                        |

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.

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 \$555,855 during 2023.

**(14) POLLUTION REMEDIATION**

During Fiscal Year 2023, there were no enviromenal incidents that required pollution remediation.

## CITY OF CARROLLTON, TEXAS

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

### **(15) LEASES**

#### Lessee -

The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

The City measures the lease liability at the present value of payments expected to be made during the lease term. The lease liability is reduced by the principal portion of lease payments made. The lease right-to-use asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease right-to-use asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term and (3) lease payments.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a re-measurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Leased assets are reported on the government-wide Statement of Net Position and lease liabilities are reported with noncurrent liabilities on the Statement of Net Position.

#### Lessor –

The City recognizes a lease receivable and deferred inflow of resources in the government-wide and governmental funds financial statements.

The City measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is measured as the amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term and (3) lease receipts. The City uses the lessee's rate or the rate disclosed in the agreement. If the rate is not readily available, the City uses its

## CITY OF CARROLLTON, TEXAS

### Notes to Basic Financial Statements For Year Ended September 30, 2023

estimated incremental borrowing rate as the discount rate. The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The City monitors changes in circumstances that would require a re-measurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

#### **1. Lease receivable**

At the start of current fiscal year, the City was leasing live-work spaces, land and building space. These leases all had varying terms between two and three years. The City recognized \$408,038 in lease and interest revenue during the current fiscal year related to these leases. As of September 30, 2023, the City's receivable for lease payments was \$500,686. Also, the City has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of September 30, 2023, the balance of the deferred inflow of resources was \$482,047.

#### **2. Lease payable**

The City entered into a ten-year lease agreement as lessee beginning in 2022 for the acquisition and use of police equipment and building lease for space. The City, has also entered into two leases as the lessee for digital space and advertising billboard space. As of September 30, 2023, the value of the lease liability was \$4,117,296.

The future principal and interest lease payments as of September 30, 2023, were as follows:

| <b>Maturity Analysis</b> | <b>Principal</b> | <b>Interest</b> | <b>Total</b> |
|--------------------------|------------------|-----------------|--------------|
| 10/01/2022 - 09/30/2023  | \$ 684,486       | \$ 24,651       | 709,137      |
| 10/01/2023 - 09/30/2024  | 614,866          | 20,181          | 635,047      |
| 10/01/2024 - 09/30/2025  | 604,295          | 15,282          | 619,577      |
| 10/01/2025 - 09/30/2026  | 556,542          | 11,351          | 567,893      |
| 10/01/2026 - 09/30/2027  | 541,724          | 8,276           | 550,000      |
| 10/01/2027 - 09/30/2032  | 1,115,383        | 7,534           | 1,122,917    |
| <b>Total</b>             | \$ 4,117,296     | \$ 87,275       | \$ 4,204,571 |
| <b>Lease Liability</b>   | \$ 4,117,296     |                 |              |

#### **(16) SUBSCRIPTION LIABILITIES**

Effective October 1, 2022, the City implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements, which required the recognition of certain subscription assets and liabilities for subscriptions that previously were classified as operating expenses and recognized as

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

inflows of resources or outflows of resources based on the payment provisions of the contract. The adoption of GASB No. 96 had no historical impact on the City's net position and no restatement of net position was made.

The City has various subscription-based information technology arrangements (SBITAs), the terms of which expire in various years through 2027. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance.

During the year ended September 30, 2023 the City recognized \$212,530 of subscription expense for variable payments not previously included in the measurement of the subscription liability.

The future principal and interest subscription payments as of September 30, 2023, were as follows:

| <b>Maturity Analysis</b>       |                     |                   |                     |
|--------------------------------|---------------------|-------------------|---------------------|
| <b>Governmental Activities</b> | <b>Principal</b>    | <b>Interest</b>   | <b>Total</b>        |
| 10/01/2023 - 09/30/2024        | \$ 1,445,879        | \$ 55,162         | \$ 1,501,041        |
| 10/01/2024 - 09/30/2025        | 692,413             | 28,617            | 721,030             |
| 10/01/2025 - 09/30/2026        | 327,900             | 14,490            | 342,390             |
| 10/01/2026 - 09/30/2027        | 303,576             | 5,353             | 308,929             |
| <b>Total</b>                   | <b>\$ 2,769,768</b> | <b>\$ 103,622</b> | <b>\$ 2,873,390</b> |
| <b>Business Activities</b>     |                     |                   |                     |
| <b>Business Activities</b>     | <b>Principal</b>    | <b>Interest</b>   | <b>Total</b>        |
| 10/01/2023 - 09/30/2024        | \$ 421,946          | \$ 49,636         | \$ 471,582          |
| 10/01/2024 - 09/30/2025        | 476,858             | 35,663            | 512,521             |
| 10/01/2025 - 09/30/2026        | 491,362             | 21,158            | 512,520             |
| 10/01/2026 - 09/30/2027        | 480,618             | 6,275             | 486,893             |
| <b>Total</b>                   | <b>\$ 1,870,784</b> | <b>\$ 112,732</b> | <b>\$ 1,983,516</b> |
| <b>Subscription Liability</b>  | <b>\$ 4,640,552</b> |                   |                     |

**(17) FUTURE FINANCIAL REPORTING REQUIREMENT:**

The City is in the process of reviewing possible impacts of GASB pronouncements which will become effective in future years, and notes the following statements are applicable to the City.

Statement No. 100, *Accounting Changes and Error Corrections*. This Statement will become effective for the city in fiscal year 2024.

**CITY OF CARROLLTON, TEXAS**

Notes to Basic Financial Statements  
For Year Ended September 30, 2023

Statement No. 101, *Compensated Absences*. This Statement will become effective for the City by fiscal year 2025.

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

|   | Measurement<br>Year<br>2014 | Measurement<br>Year<br>2015 | Measurement<br>Year<br>2016 | Measurement<br>Year<br>2017 | Measurement<br>Year<br>2018 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Total pension liability:  |                             |                             |                             |                             |                             |
| Service cost  | \$ 6,592,786                | \$ 7,652,932                | \$ 8,018,638                | \$ 8,406,143                | \$ 8,686,029                |
| Interest  | 23,690,265                  | 24,739,518                  | 25,320,101                  | 26,477,155                  | 27,654,253                  |
| Difference between expected<br>and actual experience                      | (2,087,560)                 | (964,785)                   | (726,584)                   | 192,522                     | (491,951)                   |
| Change in assumptions   | -                           | 4,666,507                   | -                           | -                           | -                           |
| Benefit payments, including refunds<br>of employee contributions          | (13,257,578)                | (14,214,900)                | (14,957,304)                | (16,371,432)                | (19,183,121)                |
| Net change in total pension liability                                     | 14,937,913                  | 21,879,272                  | 17,654,851                  | 18,704,388                  | 16,665,210                  |
| Total pension liability - beginning                                       | 341,764,756                 | 356,702,669                 | 378,581,941                 | 396,236,792                 | 414,941,180                 |
| Total pension liability - ending (a)                                      | 356,702,669                 | 378,581,941                 | 396,236,792                 | 414,941,180                 | 431,606,390                 |
| Plan fiduciary net position:  |                             |                             |                             |                             |                             |
| Contributions - employer  | 6,822,121                   | 7,332,309                   | 7,258,922                   | 7,063,344                   | 7,332,214                   |
| Contributions - employee  | 3,423,287                   | 3,679,294                   | 3,642,470                   | 3,820,974                   | 3,966,963                   |
| Net investment income   | 19,077,452                  | 515,477                     | 23,404,549                  | 50,642,626                  | (12,286,647)                |
| Benefit payments, including refunds<br>of employee contributions          | (13,257,578)                | (14,214,900)                | (14,957,304)                | (16,371,432)                | (19,183,121)                |
| Administrative expense  | (199,188)                   | (313,987)                   | (264,342)                   | (262,459)                   | (237,525)                   |
| Other   | (16,377)                    | (15,507)                    | (14,242)                    | (13,301)                    | (12,410)                    |
| Net change in plan fiduciary net position                                 | 15,849,717                  | (3,017,314)                 | 19,070,053                  | 44,879,752                  | (20,420,526)                |
| Plan fiduciary net position - beginning                                   | 333,503,997                 | 349,353,714                 | 346,336,400                 | 365,406,453                 | 410,286,205                 |
| Plan fiduciary net position - ending (b)                                  | 349,353,714                 | 346,336,400                 | 365,406,453                 | 410,286,205                 | 389,865,679                 |
| Net pension liability (asset) - ending (a) - (b)                          | \$ 7,348,955                | \$ 32,245,541               | \$ 30,830,339               | \$ 4,654,975                | \$ 41,740,711               |
| Plan fiduciary net position as a<br>percentage of total pension liability | 97.94%                      | 91.48%                      | 92.22%                      | 98.88%                      | 90.33%                      |
| Covered payroll   | \$ 48,904,096               | \$ 52,561,347               | \$ 52,035,292               | \$ 54,585,343               | \$ 56,586,510               |
| Net pension liability (asset) as a percentage<br>of covered payroll       | 15.03%                      | 61.35%                      | 59.25%                      | 8.53%                       | 73.76%                      |

Continued to next page.

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

|   | Measurement<br>Year<br>2019 | Measurement<br>Year<br>2020 | Measurement<br>Year<br>2021 | Measurement<br>Year<br>2022 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Total pension liability:  |                             |                             |                             |                             |
| Service cost  | \$ 9,041,317                | \$ 9,731,090                | \$ 9,951,153                | \$ 10,260,287               |
| Interest  | 28,782,762                  | 29,983,251                  | 31,121,665                  | 32,762,856                  |
| Difference between expected<br>and actual experience                      | (472,361)                   | (1,948,426)                 | 6,107,408                   | 4,059,028                   |
| Change in assumptions   | (98,593)                    | -                           | -                           | -                           |
| Benefit payments, including refunds<br>of employee contributions          | <u>(19,431,525)</u>         | <u>(20,194,442)</u>         | <u>(21,826,659)</u>         | <u>(24,215,069)</u>         |
| Net change in total pension liability                                     | 17,821,600                  | 17,571,473                  | 25,353,567                  | 22,867,102                  |
| Total pension liability - beginning                                       | <u>431,606,390</u>          | <u>449,427,990</u>          | <u>466,999,463</u>          | <u>492,353,030</u>          |
| Total pension liability - ending (a)                                      | <u>449,427,990</u>          | <u>466,999,463</u>          | <u>492,353,030</u>          | <u>515,220,132</u>          |
| Plan fiduciary net position:  |                             |                             |                             |                             |
| Contributions - employer  | 7,472,522                   | 7,990,471                   | 8,176,468                   | 7,876,648                   |
| Contributions - employee  | 4,132,806                   | 4,414,623                   | 4,517,385                   | 4,660,713                   |
| Net investment income   | 60,244,834                  | 33,524,687                  | 60,899,041                  | (37,841,597)                |
| Benefit payments, including refunds<br>of employee contributions          | <u>(19,431,525)</u>         | <u>(20,194,442)</u>         | <u>(21,826,659)</u>         | <u>(24,215,069)</u>         |
| Administrative expense  | (340,567)                   | (217,064)                   | (281,958)                   | (327,791)                   |
| Other   | <u>(10,230)</u>             | <u>(8,470)</u>              | <u>1,931</u>                | <u>391,152</u>              |
| Net change in plan fiduciary net position                                 | 52,067,840                  | 25,509,805                  | 51,486,208                  | (49,455,944)                |
| Plan fiduciary net position - beginning                                   | <u>389,865,679</u>          | <u>441,933,518</u>          | <u>441,993,518</u>          | <u>518,929,532</u>          |
| Plan fiduciary net position - ending (b)                                  | <u>441,933,519</u>          | <u>467,443,323</u>          | <u>518,929,531</u>          | <u>469,473,588</u>          |
| Net pension liability (asset) - ending (a) - (b)                          | <u>\$ 7,494,471</u>         | <u>\$ (443,860)</u>         | <u>\$ (26,576,501)</u>      | <u>\$ 45,746,544</u>        |
| Plan fiduciary net position as a<br>percentage of total pension liability | 98.33%                      | 100.10%                     | 105.40%                     | 91.12%                      |
| Covered payroll   | \$ 58,977,932               | \$ 63,066,038               | \$ 64,534,068               | \$ 66,582,002               |
| Net pension liability (asset) as a percentage<br>of covered payroll       | 12.71%                      | -0.70%                      | -41.18%                     | 68.71%                      |

Continued from previous page

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)<br>Actuarially determined contribution | (2)<br>Contribution in relation to the actuarially determined contribution | (3)<br>Contribution excess (deficiency)<br>(2) - (1) | (4)<br>Covered payroll | (5)<br>Actuarially determined contributions as a percentage of covered payroll<br>(1)/(4) | (6)<br>Contributions as a percentage of covered employee payroll<br>(2)/(4) |
|-------------|--|--|--|------------------------|---|---|
| 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%  |
| 2022        | 7,239,953                                  | 7,867,711  | 627,758  | 65,407,272             | 11.07%  | 12.03%  |
| 2023        | 7,532,281                                  | 8,227,783  | 695,502  | 69,550,150             | 10.83%  | 11.83%  |

**Notes to Schedule:**

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31st each year and become effective in January, 13 months later.

**Methods and Assumptions Used to Determine Contribution Rate for 2022:**

|                               |   |
|-------------------------------|---|
| Actuarial Cost Method         | Entry Age Normal  |
| Amortization Method           | Level Percentage of Payroll, Closed   |
| Remaining Amortization Period | 23 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.<br>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. |

Other information: There were no benefit changes during the year.

**Significant assumption differences for fiscal years prior to 2022**

|                           |                                    |
|---------------------------|------------------------------------|
| Inflation                 | 3% for fiscal years prior to 2016. |
| Investment Rate of Return | 7% for fiscal years prior to 2016. |

**CITY OF CARROLLTON, TEXAS**

Required Supplementary Information

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

(Unaudited)

|   | Measurement<br>Year<br>2017 | Measurement<br>Year<br>2018 | Measurement<br>Year<br>2019 | Measurement<br>Year<br>2020 | Measurement<br>Year<br>2021 | Measurement<br>Year<br>2022 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Total OPEB liability  |                             |                             |                             |                             |                             |                             |
| Service cost  | \$ 23,938                   | \$ 26,985                   | \$ 18,757                   | \$ 17,884                   | \$ 8,582                    | \$ 183,109                  |
| Interest  | 681,288                     | 622,194                     | 651,460                     | 455,920                     | 364,544                     | 59,440                      |
| Changes of benefit terms  | -                           | -                           | -                           | -                           | 2,426,763                   | -                           |
| Difference between expected and actual experience                       | -                           | (170,261)                   | (1,713,950)                 | 211,176                     | (17,727,901)                | 10,582                      |
| Changes of assumptions  | 1,118,690                   | (864,664)                   | 1,066,615                   | 1,603,380                   | 41,265                      | (531,290)                   |
| Benefit payments  | (1,052,441)                 | (766,795)                   | (929,130)                   | (1,077,134)                 | (193,655)                   | (200,975)                   |
| <b>Net change in total OPEB liability</b>                               | 771,475                     | (1,152,541)                 | (906,248)                   | 1,211,226                   | (15,080,402)                | (479,134)                   |
| <b>Total OPEB liability - beginning</b>                                 | <b>18,395,832</b>           | <b>19,167,307</b>           | <b>18,014,766</b>           | <b>17,108,518</b>           | <b>18,319,744</b>           | <b>3,239,342</b>            |
| <b>Total OPEB liability - ending (a)</b>                                | 19,167,307                  | 18,014,766                  | 17,108,518                  | 18,319,744                  | 3,239,342                   | 2,760,208                   |
| <b>Covered employee payroll</b>   | \$ 2,658,886                | \$ 2,617,211                | \$ 2,009,270                | \$ 2,268,981                | \$ 64,155,364               | \$ 66,497,002               |
| <b>Total OPEB liability as a percentage of covered employee payroll</b> | 720.88%                     | 688.32%                     | 851.48%                     | 807.40%                     | 5.05%                       | 4.15%                       |
| <b>Discount Rate Per Period*</b>  | 3.31%                       | 3.71%                       | 2.75%                       | 2.00%                       | 1.84%                       | 4.05%                       |

**Note to Schedule**

Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period as notated in the above chart.

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 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, 2023

|   | 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 |                                |
| <b>Assets</b>   |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Cash and cash equivalents   | \$ 352,947        | \$ 2,601,961        | \$ -                        | \$ 1,009,938              | \$ 29,043,651        | \$ 1,568,674        | \$ 6,498,648                    | \$ 26,523,845         | \$ 67,599,664                  |
| Accrued interest  | -                 | 8,094               | -                           | 1,218                     | 96,251               | 9,838               | 19,338                          | 138,092               | 272,831                        |
| Other   | -                 | -                   | -                           | -                         | 482,868              | -                   | -                               | -                     | 482,868                        |
| Due from other governments  | -                 | -                   | -                           | -                         | -                    | -                   | -                               | 25,703                | 25,703                         |
| Prepaid items   | 92,387            | -                   | -                           | -                         | -                    | -                   | -                               | -                     | 92,387                         |
| <b>Total assets</b>   | <b>\$ 445,334</b> | <b>\$ 2,610,055</b> | <b>\$ -</b>                 | <b>\$ 1,011,156</b>       | <b>\$ 29,622,770</b> | <b>\$ 1,578,512</b> | <b>\$ 6,517,986</b>             | <b>\$ 26,687,640</b>  | <b>\$ 68,473,453</b>           |
| <b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>       |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| <b>Liabilities</b>  |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Accounts payable  | \$ 101,625        | \$ 391,010          | \$ -                        | \$ 1,073                  | \$ 836,907           | \$ 76,932           | \$ -                            | \$ 146,522            | \$ 1,554,069                   |
| Unearned revenue  | 55,461            | -                   | -                           | -                         | -                    | 165,856             | -                               | -                     | 221,317                        |
| <b>Total liabilities</b>  | <b>157,086</b>    | <b>391,010</b>      | <b>-</b>                    | <b>1,073</b>              | <b>836,907</b>       | <b>242,788</b>      | <b>-</b>                        | <b>146,522</b>        | <b>1,775,386</b>               |
| <b>Deferred inflows of resources</b>                                      |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Deferred inflows related to leases  | -                 | -                   | -                           | -                         | 456,777              | -                   | -                               | -                     | 456,777                        |
| <b>Total deferred inflows of resources</b>                                | <b>-</b>          | <b>-</b>            | <b>-</b>                    | <b>-</b>                  | <b>456,777</b>       | <b>-</b>            | <b>-</b>                        | <b>-</b>              | <b>456,777</b>                 |
| <b>Fund Balances</b>  |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| <b>Nonspendable:</b>  |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Prepaid items   | 92,387            | -                   | -                           | -                         | -                    | -                   | -                               | -                     | 92,387                         |
| <b>Restricted for:</b>  |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Capital projects  | -                 | -                   | -                           | -                         | 12,736,785           | -                   | 6,517,986                       | -                     | 19,254,771                     |
| Other purposes  | 195,861           | 2,219,045           | -                           | -                         | -                    | -                   | -                               | -                     | 2,414,906                      |
| <b>Committed to:</b>  |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Capital projects  | -                 | -                   | -                           | -                         | 917,557              | 1,335,724           | -                               | 25,721,602            | 27,974,883                     |
| <b>Assigned to:</b>   |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Capital projects  | -                 | -                   | -                           | -                         | 14,674,744           | -                   | -                               | 819,516               | 15,494,260                     |
| Other purposes  | -                 | -                   | -                           | 1,010,083                 | -                    | -                   | -                               | -                     | 1,010,083                      |
| <b>Total fund balances</b>  | <b>288,248</b>    | <b>2,219,045</b>    | <b>-</b>                    | <b>1,010,083</b>          | <b>28,329,086</b>    | <b>1,335,724</b>    | <b>6,517,986</b>                | <b>26,541,118</b>     | <b>66,241,290</b>              |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 445,334</b> | <b>\$ 2,610,055</b> | <b>\$ -</b>                 | <b>\$ 1,011,156</b>       | <b>\$ 29,622,770</b> | <b>\$ 1,578,512</b> | <b>\$ 6,517,986</b>             | <b>\$ 26,687,640</b>  | <b>\$ 68,473,453</b>           |

**CITY OF CARROLLTON, TEXAS**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Non-Major Governmental Funds  
 For the Year Ended September 30, 2023

|  | 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 |                                |
| <b>Revenues</b>  |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Ad valorem tax   | \$ -              | \$ -                | \$ 1                        | \$ -                      | \$ -                 | \$ -                | \$ 1,358,786                    | \$ 2,947,332          | \$ 4,306,119                   |
| Occupancy tax  | 594,040           | -                   | -                           | -                         | -                    | -                   | -                               | -                     | 594,040                        |
| Assessments  | -                 | -                   | -                           | -                         | 99,300               | 33,971              | -                               | -                     | 133,271                        |
| Charges for services   | 63,955            | -                   | -                           | 200                       | 218,753              | -                   | -                               | -                     | 282,908                        |
| Intergovernmental  | -                 | 4,327               | -                           | -                         | -                    | 37,900              | 520,140                         | 568,783               | 1,131,150                      |
| Licenses and permits   | -                 | -                   | -                           | 9,225                     | -                    | -                   | -                               | -                     | 9,225                          |
| Fines and forfeitures  | -                 | 401,449             | -                           | -                         | -                    | -                   | -                               | -                     | 401,449                        |
| Investment earnings net of change in fair value of investments | 25,380            | 71,253              | -                           | 66,334                    | 643,785              | 75,084              | 160,881                         | 872,096               | 1,914,813                      |
| PID assessment revenue   | -                 | -                   | 1,193,769                   | -                         | -                    | -                   | -                               | -                     | 1,193,769                      |
| Miscellaneous  | 55,322            | 18,507              | -                           | 86,582                    | 48,648               | -                   | -                               | 7,883                 | 216,942                        |
| <b>Total Revenues</b>  | <b>\$ 738,697</b> | <b>\$ 495,536</b>   | <b>\$ 1,193,770</b>         | <b>\$ 162,341</b>         | <b>\$ 1,010,486</b>  | <b>\$ 146,955</b>   | <b>\$ 2,039,807</b>             | <b>\$ 4,396,094</b>   | <b>\$ 10,183,686</b>           |
| <b>Expenditures</b>  |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Current:   |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Public safety  | -                 | 439,784             | -                           | -                         | -                    | -                   | -                               | -                     | 439,784                        |
| Cultural and recreational                                      | 928,699           | -                   | -                           | 48,966                    | -                    | -                   | -                               | -                     | 977,665                        |
| PID development reimbursement                                  | -                 | -                   | 1,193,770                   | -                         | -                    | -                   | -                               | -                     | 1,193,770                      |
| Capital outlay   | -                 | -                   | -                           | -                         | 5,471,050            | 668,757             | 216,281                         | 3,085,012             | 9,441,100                      |
| <b>Total Expenditures</b>                                      | <b>928,699</b>    | <b>439,784</b>      | <b>1,193,770</b>            | <b>48,966</b>             | <b>5,471,050</b>     | <b>668,757</b>      | <b>216,281</b>                  | <b>3,085,012</b>      | <b>12,052,319</b>              |
| Excess (deficiency) of revenues over (under) expenditures      | (190,002)         | 55,752              | -                           | 113,375                   | (4,460,564)          | (521,802)           | 1,823,526                       | 1,311,082             | (1,868,633)                    |
| Other financing sources:                                       |                   |                     |                             |                           |                      |                     |                                 |                       |                                |
| Bonds issued   | -                 | -                   | -                           | -                         | 10,050,000           | -                   | -                               | -                     | 10,050,000                     |
| Transfers in   | 270,000           | -                   | -                           | -                         | 2,737,000            | -                   | -                               | -                     | 3,007,000                      |
|  | 270,000           | -                   | -                           | -                         | 12,787,000           | -                   | -                               | -                     | 13,057,000                     |
| <b>Net change in fund balances</b>                             | <b>79,998</b>     | <b>55,752</b>       | <b>-</b>                    | <b>113,375</b>            | <b>8,326,436</b>     | <b>(521,802)</b>    | <b>1,823,526</b>                | <b>1,311,082</b>      | <b>11,188,367</b>              |
| <b>Fund balances at beginning of year</b>                      | <b>208,250</b>    | <b>2,163,293</b>    | <b>-</b>                    | <b>896,708</b>            | <b>20,002,650</b>    | <b>1,857,526</b>    | <b>4,694,460</b>                | <b>25,230,036</b>     | <b>55,052,923</b>              |
| <b>Fund balances at end of year</b>                            | <b>\$ 288,248</b> | <b>\$ 2,219,045</b> | <b>\$ -</b>                 | <b>\$ 1,010,083</b>       | <b>\$ 28,329,086</b> | <b>\$ 1,335,724</b> | <b>\$ 6,517,986</b>             | <b>\$ 26,541,118</b>  | <b>\$ 66,241,290</b>           |

**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, 2023  
 With Comparative Actual Totals for 2022

|  | 2023              |                   |                      | 2022  |                      |
|--|-------------------|-------------------|----------------------|---|----------------------|
|  | Budgeted Amounts  |                   | Actual<br>GAAP Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP Basis |
|  | Original          | Final             |                      |   |                      |
| <b>Revenues</b>  |                   |                   |                      |   |                      |
| Occupancy  | \$ 565,000        | \$ 694,578        | \$ 594,040           | \$ (100,538)  | \$ 173,648           |
| Charges for services   | -                 | -                 | 63,955               | 63,955  | 18,906               |
| Investment earnings net of change in fair value of investments | -                 | -                 | 25,380               | 25,380  | (75,921)             |
| Miscellaneous  | 75,000            | 82,792            | 55,322               | (27,470)  | 44,882               |
| <b>Total Revenues</b>  | <u>640,000</u>    | <u>777,370</u>    | <u>738,697</u>       | <u>(38,673)</u>   | <u>161,515</u>       |
| <b>Expenditures</b>  |                   |                   |                      |   |                      |
| Current:   |                   |                   |                      |   |                      |
| Cultural and recreational                                      | 910,000           | 1,000,000         | 928,699              | 71,301  | 510,057              |
| Excess (deficiency) of revenues over (under) expenditures      | (270,000)         | (222,630)         | (190,002)            | 32,628  | (348,542)            |
| Other financing sources:                                       |                   |                   |                      |   |                      |
| Transfers in   | 270,000           | 270,000           | 270,000              | -   | 270,000              |
| Net change in fund balances                                    | -                 | 47,370            | 79,998               | 32,628  | (78,542)             |
| Fund balances at beginning of year                             | 208,250           | 208,250           | 208,250              | -   | 286,792              |
| <b>Fund balances at end of year</b>                            | <u>\$ 208,250</u> | <u>\$ 255,620</u> | <u>\$ 288,248</u>    | <u>\$ 32,628</u>  | <u>\$ 208,250</u>    |



**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, 2023  
 With Comparative Actual Totals for 2022

|  | 2023                |                     |                      | 2022  |                      |
|--|---------------------|---------------------|----------------------|---|----------------------|
|  | Budgeted Amounts    |                     | Actual<br>GAAP Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP Basis |
|  | Original            | Final               |                      |   |                      |
| <b>Revenues</b>  |                     |                     |                      |   |                      |
| Intergovernmental  | \$ 26,269           | \$ 4,327            | \$ 4,327             | \$ -  | \$ 14,849            |
| Fines and forfeitures  | 354,717             | 164,065             | 401,449              | 237,384   | 292,091              |
| Investment earnings net of change in fair value of investments | 5,989               | 63,117              | 71,253               | 8,136   | (16,230)             |
| Miscellaneous  | -                   | -                   | 18,507               | 18,507  | -                    |
| <b>Total Revenues</b>  | <b>386,975</b>      | <b>231,509</b>      | <b>495,536</b>       | <b>264,027</b>  | <b>290,710</b>       |
| <b>Expenditures</b>  |                     |                     |                      |   |                      |
| Current:   |                     |                     |                      |   |                      |
| Public safety  | 1,257,463           | 587,588             | 439,784              | 147,804   | 481,496              |
| Net change in fund balances                                    | (870,488)           | (356,079)           | 55,752               | 411,831   | (190,786)            |
| Fund balances at beginning of year                             | 2,163,293           | 2,163,293           | 2,163,293            | -   | 2,354,079            |
| <b>Fund balances at end of year</b>                            | <b>\$ 1,292,805</b> | <b>\$ 1,807,214</b> | <b>\$ 2,219,045</b>  | <b>\$ 411,831</b>                                       | <b>\$ 2,163,293</b>  |

**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, 2023  
 With Comparative Actual Totals for 2022

|                                     | 2023               |                    |                      | 2022  |                      |
|-------------------------------------|--------------------|--------------------|----------------------|---|----------------------|
|                                     | Budgeted Amounts   |                    | Actual<br>GAAP Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP Basis |
|                                     | Original           | Final              |                      |   |                      |
| <b>Revenues</b>                     |                    |                    |                      |   |                      |
| Ad valorem                          | \$ 1,192,368       | \$ 1,191,533       | \$ 1                 | \$ (1,191,532)  | \$ -                 |
| PID assessment revenue              | -                  | -                  | 1,193,769            | 1,193,769   | 1,223,792            |
| <b>Total Revenues</b>               | <u>1,192,368</u>   | <u>1,191,533</u>   | <u>1,193,770</u>     | <u>2,237</u>  | <u>1,223,792</u>     |
| <b>Expenditures</b>                 |                    |                    |                      |   |                      |
| Current:                            |                    |                    |                      |   |                      |
| PID Development Reimbursement       | 27,090             | 27,075             | 1,193,770            | (1,166,695)   | 1,223,792            |
| Principal retirement                | 438,907            | 410,442            | -                    | 410,442   | -                    |
| Interest and fiscal charges         | 726,371            | 754,016            | -                    | 754,016   | -                    |
| <b>Total Expenditures</b>           | <u>1,192,368</u>   | <u>1,191,533</u>   | <u>1,193,770</u>     | <u>(2,237)</u>  | <u>1,223,792</u>     |
| Net change in fund balances         | -                  | -                  | -                    | -   | -                    |
| Fund balances at beginning of year  | -                  | -                  | -                    | -   | -                    |
| <b>Fund balances at end of year</b> | <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, 2023  
 With Comparative Actual Totals for 2022

|  | 2023                     |                          |                            | 2022  |                          |
|--|--------------------------|--------------------------|----------------------------|---|--------------------------|
|  | Budgeted Amounts         |                          | Actual<br>GAAP Basis       | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP Basis     |
|  | Original                 | Final                    |                            |   |                          |
| <b>Revenues</b>  |                          |                          |                            |   |                          |
| Charges for services   | \$ 1,000                 | \$ -                     | \$ 200                     | \$ 200  | \$ 3,845                 |
| Licenses and permits   | 25,000                   | 1,575                    | 9,225                      | 7,650   | -                        |
| Investment earnings net of change in fair value of investments | 1,000                    | 2,111                    | 66,334                     | 64,223  | (161,557)                |
| Miscellaneous  | 74,000                   | 86,098                   | 86,582                     | 484   | 70,160                   |
| <b>Total Revenues</b>  | <u>101,000</u>           | <u>89,784</u>            | <u>162,341</u>             | <u>72,557</u>   | <u>(87,552)</u>          |
| <b>Expenditures</b>  |                          |                          |                            |   |                          |
| Cultural and recreational                                      | 233,500                  | 238,816                  | 48,966                     | 189,850   | 72,022                   |
| Net change in fund balances                                    | (132,500)                | (149,032)                | 113,375                    | 262,407   | (159,574)                |
| Fund balances at beginning of year                             | 896,708                  | 896,708                  | 896,708                    | -   | 1,056,282                |
| <b>Fund balances at end of year</b>                            | <u><u>\$ 764,208</u></u> | <u><u>\$ 747,676</u></u> | <u><u>\$ 1,010,083</u></u> | <u><u>\$ 262,407</u></u>                                | <u><u>\$ 896,708</u></u> |

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, 2023  
 With Comparative Actual Totals for 2022

|  | 2023                |                     |                     |                          |                     |  |                     | 2022 |
|--|---------------------|---------------------|---------------------|--------------------------|---------------------|--|---------------------|------|
|  | Budgeted Amounts    |                     | Actual GAAP Basis   | Adjustments Budget Basis | Actual Budget Basis | Variance with Final Budget Positive (Negative) | Actual GAAP Basis   |      |
|  | Original            | Final               |                     |                          |                     |  |                     |      |
| <b>Revenues</b>  |                     |                     |                     |                          |                     |  |                     |      |
| Taxes:   |                     |                     |                     |                          |                     |  |                     |      |
| Ad valorem   | \$ 27,809,414       | \$ 28,037,957       | \$ 27,428,890       | \$ -                     | \$ 27,428,890       | \$ (609,067)                                   | \$ 23,750,669       |      |
| Penalty and interest   | 50,000              | 76,732              | 65,507              | -                        | 65,507              | (11,225)                                       | 72,546              |      |
| Investment earnings net of change in fair value of investments | -                   | 40,000              | 41,716              | -                        | 41,716              | 1,716  | (2,966)             |      |
| <b>Total Revenues</b>  | <b>27,859,414</b>   | <b>28,154,689</b>   | <b>27,536,113</b>   | <b>-</b>                 | <b>27,536,113</b>   | <b>(618,576)</b>                               | <b>23,820,249</b>   |      |
| <b>Expenditures</b>  |                     |                     |                     |                          |                     |  |                     |      |
| Debt service:  |                     |                     |                     |                          |                     |  |                     |      |
| Principal retirement   | 19,570,000          | 19,570,000          | 16,855,000          | -                        | 16,855,000          | 2,715,000                                      | 15,505,000          |      |
| Interest and fiscal charges                                    | 8,168,414           | 8,177,198           | 8,276,872           | -                        | 8,276,872           | (99,674)                                       | 7,939,566           |      |
| <b>Total Expenditures</b>                                      | <b>27,738,414</b>   | <b>27,747,198</b>   | <b>25,131,872</b>   | <b>-</b>                 | <b>25,131,872</b>   | <b>2,615,326</b>                               | <b>23,444,566</b>   |      |
| Excess (deficiency) of revenues over (under) expenditures      | 121,000             | 407,491             | 2,404,241           | -                        | 2,404,241           | 1,996,750                                      | 375,683             |      |
| Other financing sources:                                       |                     |                     |                     |                          |                     |  |                     |      |
| Bonds issued   | -                   | -                   | 2,956,835           | -                        | 2,956,835           | 2,956,835                                      | 1,458,917           |      |
| Payment to refunded bond escrow agent                          | -                   | -                   | (5,571,060)         | -                        | (5,571,060)         | (5,571,060)                                    | (1,778,525)         |      |
| <b>Total other financing sources</b>                           | <b>-</b>            | <b>-</b>            | <b>(2,614,225)</b>  | <b>-</b>                 | <b>(2,614,225)</b>  | <b>(2,614,225)</b>                             | <b>(319,608)</b>    |      |
| Net change in fund balances                                    | \$ 121,000          | \$ 407,491          | (209,984)           | \$ -                     | \$ (209,984)        | \$ (617,475)                                   | 56,075              |      |
| Fund balances at beginning of year                             | 5,447,165           | 5,447,165           | 5,447,165           | -                        | 5,447,165           | -  | 5,391,090           |      |
| <b>Fund balances at end of year</b>                            | <b>\$ 5,568,165</b> | <b>\$ 5,854,656</b> | <b>\$ 5,237,181</b> | <b>\$ -</b>              | <b>\$ 5,237,181</b> | <b>\$ (617,475)</b>                            | <b>\$ 5,447,165</b> |      |

**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, 2023 and 2022

|   | <u>2023</u>                 | <u>2022</u>                 |
|---|-----------------------------|-----------------------------|
| <b>Assets</b>   |                             |                             |
| Cash and cash equivalents   | \$ 56,180,983               | \$ 76,131,526               |
| Receivables (net, where applicable, of allowance for doubtful accounts) |                             |                             |
| Sales taxes   | 8,784,000                   | 8,987,722                   |
| Franchise fees  | 3,217,072                   | 3,401,499                   |
| Accrued interest  | 357,708                     | 23,939                      |
| Lease receivable  | -                           | 8,034                       |
| Other   | 2,640,413                   | 2,678,862                   |
| Due from other governments  | -                           | 318,711                     |
| Prepaid items   | <u>1,676,061</u>            | <u>1,769,783</u>            |
| <b>Total Assets</b>   | <u><u>\$ 72,856,237</u></u> | <u><u>\$ 93,320,076</u></u> |
| <b>Liabilities and Fund Balances</b>                                    |                             |                             |
| <b>Liabilities</b>  |                             |                             |
| Accounts payable  | \$ 6,630,487                | \$ 6,896,927                |
| Unearned revenue  | <u>22,126</u>               | <u>22,126</u>               |
| <b>Total liabilities</b>  | <u>6,652,613</u>            | <u>6,919,053</u>            |
| <b>Deferred inflows of resources</b>                                    |                             |                             |
| Deferred inflows related to leases                                      | 4,464                       | 8,034                       |
| Unavailable revenue   | <u>1,530,150</u>            | <u>1,417,648</u>            |
| <b>Total deferred inflows of resources</b>                              | <u>1,534,614</u>            | <u>1,425,682</u>            |
| <b>Fund Balances</b>  |                             |                             |
| Nonspendable for:   |                             |                             |
| Prepaid items   | 1,676,061                   | 1,769,783                   |
| Unassigned  | <u>62,992,949</u>           | <u>83,205,558</u>           |
| <b>Total Fund Balances</b>  | <u>64,669,010</u>           | <u>84,975,341</u>           |
| <b>Total Liabilities and Fund Balances</b>                              | <u><u>\$ 72,856,237</u></u> | <u><u>\$ 93,320,076</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, 2023  
 With Comparative Actual Totals for 2022

|  | 2023                 |                      |                         |                                |                           | 2022  |                         |
|--|----------------------|----------------------|-------------------------|--------------------------------|---------------------------|---|-------------------------|
|  | Budgeted Amounts     |                      | Actual<br>GAAP<br>Basis | Adjustments<br>Budget<br>Basis | Actual<br>Budget<br>Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP<br>Basis |
|  | Original             | Final                |                         |                                |                           |   |                         |
| <b>Revenues</b>  |                      |                      |                         |                                |                           |   |                         |
| Taxes:   |                      |                      |                         |                                |                           |   |                         |
| Ad valorem   | \$ 72,896,665        | \$ 73,459,398        | \$ 69,709,454           | \$ -                           | \$ 69,709,454             | \$ (3,749,944)  | \$ 64,659,128           |
| Penalty and interest   | 300,000              | 300,000              | 634,408                 | -                              | 634,408                   | 334,408   | 370,829                 |
| Sales  | 39,486,402           | 46,881,859           | 50,596,808              | -                              | 50,596,808                | 3,714,949   | 48,705,881              |
| 911 fees   | 1,061,408            | 1,061,408            | 1,078,814               | -                              | 1,078,814                 | 17,406  | 1,164,967               |
| Franchise fees   | 11,264,869           | 11,674,409           | 12,052,115              | -                              | 12,052,115                | 377,706   | 12,165,857              |
| Charges for services   | 5,203,328            | 5,208,351            | 5,667,796               | -                              | 5,667,796                 | 459,445   | 6,338,012               |
| Intergovernmental  | -                    | -                    | 1,416,013               | -                              | 1,416,013                 | 1,416,013   | 12,234,388              |
| Licenses and permits   | 2,392,124            | 2,315,601            | 2,644,583               | -                              | 2,644,583                 | 328,982   | 3,087,566               |
| Fines and forfeitures  | 3,244,269            | 2,985,071            | 2,651,485               | -                              | 2,651,485                 | (333,586)   | 3,203,560               |
| Investment earnings<br>net of change in fair value<br>of investments | 394,221              | 2,749,415            | 4,783,473               | 1,242,954                      | 6,026,427                 | 3,277,012   | (1,694,404)             |
| Miscellaneous  | 741,000              | 1,077,046            | 314,776                 | -                              | 314,776                   | (762,270)   | 355,112                 |
| <b>Total Revenues</b>  | <b>136,984,286</b>   | <b>147,712,558</b>   | <b>151,549,725</b>      | <b>1,242,954</b>               | <b>152,792,679</b>        | <b>5,080,121</b>  | <b>150,590,896</b>      |
| <b>Expenditures</b>  |                      |                      |                         |                                |                           |   |                         |
| Current:   |                      |                      |                         |                                |                           |   |                         |
| General government<br>and administration                             | 33,286,996           | 32,856,016           | 21,488,582              | 39,521                         | 21,528,103                | 11,327,913  | 20,478,164              |
| Public safety  | 79,751,263           | 81,646,496           | 69,954,555              | 316,828                        | 70,271,383                | 11,375,113  | 67,516,215              |
| Development services   | 20,746,294           | 17,854,645           | 9,818,879               | 84,562                         | 9,903,441                 | 7,951,204   | 11,859,954              |
| Cultural and recreational  | 19,369,352           | 19,035,957           | 14,601,481              | 63,974                         | 14,665,455                | 4,370,502   | 12,945,140              |
| Capital outlay   | -                    | -                    | 2,535,812               | -                              | 2,535,812                 | (2,535,812)   | -                       |
| Principal retirement   | -                    | -                    | 1,518,395               | -                              | 1,518,395                 | (1,518,395)   | 527,067                 |
| Interest and fiscal charges  | -                    | -                    | 757,981                 | -                              | 757,981                   | (757,981)   | 27,705                  |
| <b>Total Expenditures</b>  | <b>153,153,905</b>   | <b>151,393,114</b>   | <b>120,675,685</b>      | <b>504,885</b>                 | <b>121,180,570</b>        | <b>30,212,544</b>                                       | <b>113,354,245</b>      |
| Excess (deficiency) of revenues<br>over expenditures                 | (16,169,619)         | (3,680,556)          | 30,874,040              | 738,069                        | 31,612,109                | 35,292,665  | 37,236,651              |
| <b>Other financing sources (uses):</b>                               |                      |                      |                         |                                |                           |   |                         |
| SBITA issued   | -                    | -                    | 2,535,812               | -                              | 2,535,812                 | 2,535,812   | -                       |
| Transfers in   | 2,795,726            | 2,795,726            | 7,047,425               | -                              | 7,047,425                 | 4,251,699   | 8,191,596               |
| Transfers out  | (54,734,021)         | (62,604,021)         | (60,763,608)            | -                              | (60,763,608)              | 1,840,413   | (15,725,718)            |
| <b>Total other financing<br/>sources (uses)</b>                      | <b>(51,938,295)</b>  | <b>(59,808,295)</b>  | <b>(51,180,371)</b>     | <b>-</b>                       | <b>(51,180,371)</b>       | <b>8,627,924</b>  | <b>(7,534,122)</b>      |
| Net change in fund balances  | (68,107,914)         | (63,488,851)         | (20,306,331)            | 738,069                        | (19,568,262)              | 43,920,589  | 29,702,529              |
| Fund balances at beginning<br>of year                                | 84,975,341           | 84,975,341           | 84,975,341              | -                              | 84,975,341                | -   | 55,272,812              |
| <b>Fund balances at end of year</b>                                  | <b>\$ 16,867,427</b> | <b>\$ 21,486,490</b> | <b>\$ 64,669,010</b>    | <b>\$ 738,069</b>              | <b>\$ 65,407,079</b>      | <b>\$ 43,920,589</b>                                    | <b>\$ 84,975,341</b>    |

CITY OF CARROLLTON, TEXAS

General Fund  
 Schedule of Revenues - Budget and Actual  
 For the Year Ended September 30, 2023  
 With Comparative Actual Totals for 2022

|  | 2023               |                    |                         |                                |                           | 2022  |                         |
|--|--------------------|--------------------|-------------------------|--------------------------------|---------------------------|---|-------------------------|
|  | Budgeted Amounts   |                    | Actual<br>GAAP<br>Basis | Adjustments<br>Budget<br>Basis | Actual<br>Budget<br>Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP<br>Basis |
|  | Original           | Final              |                         |                                |                           |   |                         |
| <b>Taxes:</b>                              |                    |                    |                         |                                |                           |   |                         |
| Ad valorem                                 | \$ 72,896,665      | \$ 73,459,398      | \$ 69,709,454           | \$ -                           | \$ 69,709,454             | \$ (3,749,944)  | \$ 64,659,128           |
| Penalty and interest                       | 300,000            | 300,000            | 634,408                 | -                              | 634,408                   | 334,408   | 370,829                 |
| 911 Taxes                                  | 1,061,408          | 1,061,408          | 1,078,814               | -                              | 1,078,814                 | 17,406  | 1,164,967               |
| <b>Sales:</b>                              |                    |                    |                         |                                |                           |   |                         |
| City sales                                 | 39,265,699         | 46,661,156         | 50,269,926              | -                              | 50,269,926                | 3,608,770   | 48,396,857              |
| Mixed drink                                | 220,703            | 220,703            | 326,882                 | -                              | 326,882                   | 106,179   | 309,024                 |
| Total sales                                | 39,486,402         | 46,881,859         | 50,596,808              | -                              | 50,596,808                | 3,714,949   | 48,705,881              |
| <b>Franchise fees:</b>                     |                    |                    |                         |                                |                           |   |                         |
| Electric                                   | 6,572,251          | 6,410,467          | 6,262,200               | -                              | 6,262,200                 | (148,267)   | 6,443,378               |
| Telecommunications                         | 1,124,119          | 1,004,583          | 901,353                 | -                              | 901,353                   | (103,230)   | 847,689                 |
| Gas  | 1,305,548          | 2,048,110          | 2,162,398               | -                              | 2,162,398                 | 114,288   | 2,125,765               |
| Cable                                      | 1,107,772          | 1,056,070          | 975,153                 | -                              | 975,153                   | (80,917)  | 1,118,639               |
| Solid waste                                | 1,155,179          | 1,155,179          | 1,751,011               | -                              | 1,751,011                 | 595,832   | 1,630,386               |
| Total franchise                            | 11,264,869         | 11,674,409         | 12,052,115              | -                              | 12,052,115                | 377,706   | 12,165,857              |
| <b>Charges for services:</b>               |                    |                    |                         |                                |                           |   |                         |
| Public safety service fees                 | 2,736,207          | 2,810,180          | 3,012,833               | -                              | 3,012,833                 | 202,653   | 3,461,252               |
| Culture and recreation fees                | 2,032,682          | 2,084,039          | 2,318,614               | -                              | 2,318,614                 | 234,575   | 2,339,610               |
| Other service fees                         | 434,439            | 314,132            | 336,349                 | -                              | 336,349                   | 22,217  | 537,150                 |
| Total charges for services                 | 5,203,328          | 5,208,351          | 5,667,796               | -                              | 5,667,796                 | 459,445   | 6,338,012               |
| Intergovernmental                          | -                  | -                  | 1,416,013               | -                              | 1,416,013                 | 1,416,013   | 12,234,388              |
| <b>Licenses and permits:</b>               |                    |                    |                         |                                |                           |   |                         |
| Building permits                           | 1,300,000          | 1,167,112          | 1,422,431               | -                              | 1,422,431                 | 255,319   | 1,900,614               |
| Licenses                                   | 148,146            | 172,236            | 53,113                  | -                              | 53,113                    | (119,123)   | 54,060                  |
| Environmental health charges               | 793,321            | 807,396            | 973,472                 | -                              | 973,472                   | 166,076   | 947,826                 |
| Other licenses and permits                 | 150,657            | 168,857            | 195,567                 | -                              | 195,567                   | 26,710  | 185,066                 |
| Total licenses and permits                 | 2,392,124          | 2,315,601          | 2,644,583               | -                              | 2,644,583                 | 328,982   | 3,087,566               |
| <b>Fines and forfeitures:</b>              |                    |                    |                         |                                |                           |   |                         |
| Municipal court                            | 3,212,950          | 2,951,706          | 2,632,761               | -                              | 2,632,761                 | (318,945)   | 3,183,653               |
| Other fines                                | 31,319             | 33,365             | 18,724                  | -                              | 18,724                    | (14,641)  | 19,907                  |
| Total fines and forfeitures                | 3,244,269          | 2,985,071          | 2,651,485               | -                              | 2,651,485                 | (333,586)   | 3,203,560               |
| <b>Investment earnings</b>                 |                    |                    |                         |                                |                           |   |                         |
| Net of change in fair value of investments | 394,221            | 2,749,415          | 4,783,473               | 1,242,954                      | 6,026,427                 | 3,277,012   | (1,694,404)             |
| Miscellaneous                              | 741,000            | 1,077,046          | 314,776                 | -                              | 314,776                   | (762,270)   | 355,112                 |
| <b>Total Revenues</b>                      | <b>136,984,286</b> | <b>147,712,558</b> | <b>151,549,725</b>      | <b>1,242,954</b>               | <b>152,792,679</b>        | <b>5,080,121</b>  | <b>150,590,896</b>      |



CITY OF CARROLLTON, TEXAS

General Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended September 30, 2023  
 With Comparative Actual Totals for 2022

|   | 2023             |                  |                         |                                |                           | 2022  |                         |
|---|------------------|------------------|-------------------------|--------------------------------|---------------------------|---|-------------------------|
|   | Budgeted Amounts |                  | Actual<br>GAAP<br>Basis | Adjustments<br>Budget<br>Basis | Actual<br>Budget<br>Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP<br>Basis |
|   | Original         | Final            |                         |                                |                           |   |                         |
| <b>General government and administration:</b> |                  |                  |                         |                                |                           |   |                         |
| <b>City council:</b>                          |                  |                  |                         |                                |                           |   |                         |
| Personnel services                            | \$ 23,500        | \$ 23,500        | \$ (29,421)             | \$ -                           | \$ (29,421)               | \$ 52,921   | \$ (14,093)             |
| Supplies and services                         | 239,387          | 281,458          | 277,131                 | 19,062                         | 296,193                   | (14,735)  | 157,432                 |
| Utilities                                     | 5,041            | 5,941            | 5,215                   | -                              | 5,215                     | 726   | 5,415                   |
| Allocations                                   | 393,447          | 393,460          | 7,429                   | -                              | 7,429                     | 386,031   | 4,880                   |
|   | <u>661,375</u>   | <u>704,359</u>   | <u>260,354</u>          | <u>19,062</u>                  | <u>279,416</u>            | <u>424,943</u>  | <u>153,634</u>          |
| <b>City management:</b>                       |                  |                  |                         |                                |                           |   |                         |
| Personnel services                            | 1,254,641        | 1,446,317        | 1,344,099               | -                              | 1,344,099                 | 102,218   | 1,148,822               |
| Supplies and services                         | 124,145          | 124,145          | 97,813                  | -                              | 97,813                    | 26,332  | 100,663                 |
| Utilities                                     | 3,291            | 3,879            | 3,406                   | -                              | 3,406                     | 473   | 3,536                   |
| Allocations                                   | 24,755           | 24,801           | 24,801                  | -                              | 24,801                    | -   | 15,709                  |
|   | <u>1,406,832</u> | <u>1,599,142</u> | <u>1,470,119</u>        | <u>-</u>                       | <u>1,470,119</u>          | <u>129,023</u>  | <u>1,268,730</u>        |
| <b>Marketing Services:</b>                    |                  |                  |                         |                                |                           |   |                         |
| Personnel services                            | 732,527          | 779,802          | 778,368                 | -                              | 778,368                   | 1,434   | 664,308                 |
| Supplies and services                         | 200,297          | 204,497          | 158,996                 | -                              | 158,996                   | 45,501  | 144,414                 |
| Utilities                                     | 1,400            | 1,652            | 1,448                   | -                              | 1,448                     | 204   | 1,504                   |
| Allocations                                   | 14,410           | 14,436           | 14,436                  | -                              | 14,436                    | -   | 10,722                  |
|   | <u>948,634</u>   | <u>1,000,387</u> | <u>953,248</u>          | <u>-</u>                       | <u>953,248</u>            | <u>47,139</u>   | <u>820,948</u>          |
| <b>Accounting:</b>                            |                  |                  |                         |                                |                           |   |                         |
| Personnel services                            | 642,402          | 770,296          | 717,909                 | -                              | 717,909                   | 52,387  | 621,189                 |
| Supplies and services                         | 228,372          | 228,372          | 200,218                 | 494                            | 200,712                   | 27,660  | 218,889                 |
| Utilities                                     | 1,580            | 1,862            | 1,634                   | -                              | 1,634                     | 228   | 1,697                   |
| Allocations                                   | 13,779           | 13,804           | 13,804                  | -                              | 13,804                    | -   | 9,875                   |
|   | <u>886,133</u>   | <u>1,014,334</u> | <u>933,565</u>          | <u>494</u>                     | <u>934,059</u>            | <u>80,275</u>   | <u>851,650</u>          |
| <b>Finance administration:</b>                |                  |                  |                         |                                |                           |   |                         |
| Personnel services                            | 693,771          | 632,714          | 624,079                 | -                              | 624,079                   | 8,635   | 733,115                 |
| Supplies and services                         | 645,182          | 1,053,101        | 1,312,111               | -                              | 1,312,111                 | (259,010)   | 655,893                 |
| Utilities                                     | 1,171            | 1,379            | 1,212                   | -                              | 1,212                     | 167   | 1,258                   |
| Allocations                                   | 19,507           | 19,543           | 19,543                  | -                              | 19,543                    | -   | 15,468                  |
|   | <u>1,359,631</u> | <u>1,706,737</u> | <u>1,956,945</u>        | <u>-</u>                       | <u>1,956,945</u>          | <u>(250,208)</u>  | <u>1,405,734</u>        |
| <b>Budget and management analysis:</b>        |                  |                  |                         |                                |                           |   |                         |
| Personnel services                            | 322,112          | 314,393          | 320,836                 | -                              | 320,836                   | (6,443)   | 287,124                 |
| Supplies and services                         | 60,722           | 60,722           | 59,934                  | -                              | 59,934                    | 788   | 57,302                  |
| Utilities                                     | 1,290            | 1,521            | 1,334                   | -                              | 1,334                     | 187   | 1,385                   |
| Allocations                                   | 6,069            | 6,080            | 6,080                   | -                              | 6,080                     | -   | 4,352                   |
|   | <u>390,193</u>   | <u>382,716</u>   | <u>388,184</u>          | <u>-</u>                       | <u>388,184</u>            | <u>(5,468)</u>  | <u>350,163</u>          |
| <b>Purchasing:</b>                            |                  |                  |                         |                                |                           |   |                         |
| Personnel services                            | 243,605          | 198,620          | 201,576                 | -                              | 201,576                   | (2,956)   | 217,494                 |
| Supplies and services                         | 62,942           | 62,942           | 50,833                  | -                              | 50,833                    | 12,109  | 40,764                  |
| Utilities                                     | 1,831            | 2,157            | 1,895                   | -                              | 1,895                     | 262   | 1,967                   |
| Allocations                                   | 4,784            | 4,793            | 4,793                   | -                              | 4,793                     | -   | 3,445                   |
|   | <u>313,162</u>   | <u>268,512</u>   | <u>259,097</u>          | <u>-</u>                       | <u>259,097</u>            | <u>9,415</u>  | <u>263,670</u>          |
| <b>General Services:</b>                      |                  |                  |                         |                                |                           |   |                         |
| Personnel services                            | 54,843           | 61,494           | 59,317                  | -                              | 59,317                    | 2,177   | 48,622                  |
| Supplies and services                         | 47,481           | 44,408           | 26,334                  | -                              | 26,334                    | 18,074  | 35,760                  |
| Utilities                                     | 2,157            | 2,542            | 2,232                   | -                              | 2,232                     | 310   | 2,317                   |
| Allocations                                   | 4,841            | 4,845            | 4,845                   | -                              | 4,845                     | -   | 6,010                   |
| Capital outlay                                | -                | -                | -                       | -                              | -                         | -   | 6,077                   |
|   | <u>109,322</u>   | <u>113,289</u>   | <u>92,728</u>           | <u>-</u>                       | <u>92,728</u>             | <u>20,561</u>   | <u>98,786</u>           |

CITY OF CARROLLTON, TEXAS

General Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended September 30, 2023  
 With Comparative Actual Totals for 2022

|   | 2023              |                   |                         |                                |                           |   | 2022                    |
|---|-------------------|-------------------|-------------------------|--------------------------------|---------------------------|---|-------------------------|
|   | Budgeted Amounts  |                   | Actual<br>GAAP<br>Basis | Adjustments<br>Budget<br>Basis | Actual<br>Budget<br>Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP<br>Basis |
|   | Original          | Final             |                         |                                |                           |   |                         |
| <b>General government and administration (continued):</b> |                   |                   |                         |                                |                           |   |                         |
| <b>Information technology:</b>                            |                   |                   |                         |                                |                           |   |                         |
| Personnel services  | \$ 4,240,027      | \$ 4,047,440      | \$ 4,067,623            | \$ -                           | \$ 4,067,623              | \$ (20,183)   | \$ 3,425,241            |
| Supplies and services                                     | 4,265,526         | 3,884,728         | 2,808,833               | 19,755                         | 2,828,588                 | 1,056,140   | 3,366,327               |
| Utilities   | 23,889            | 22,275            | 19,730                  | -                              | 19,730                    | 2,545   | 23,157                  |
| Allocations   | 173,280           | 173,517           | 137,355                 | -                              | 137,355                   | 36,162  | 112,602                 |
| Capital outlay  | 611,933           | 611,933           | 772,468                 | -                              | 772,468                   | (160,535)   | 620,227                 |
|   | <u>9,314,655</u>  | <u>8,739,893</u>  | <u>7,806,009</u>        | <u>19,755</u>                  | <u>7,825,764</u>          | <u>914,129</u>  | <u>7,547,554</u>        |
| <b>Workforce services:</b>                                |                   |                   |                         |                                |                           |   |                         |
| Personnel services  | 713,814           | 726,605           | 709,295                 | -                              | 709,295                   | 17,310  | 614,620                 |
| Supplies and services                                     | 514,954           | 614,954           | 120,581                 | 210                            | 120,791                   | 494,163   | 79,038                  |
| Utilities   | 2,995             | 3,531             | 3,098                   | -                              | 3,098                     | 433   | 3,217                   |
| Allocations   | 12,927            | 12,951            | 12,951                  | -                              | 12,951                    | -   | 9,577                   |
|   | <u>1,244,690</u>  | <u>1,358,041</u>  | <u>845,925</u>          | <u>210</u>                     | <u>846,135</u>            | <u>511,906</u>  | <u>706,452</u>          |
| <b>City attorney:</b>                                     |                   |                   |                         |                                |                           |   |                         |
| Personnel services  | 1,089,245         | 937,418           | 897,148                 | -                              | 897,148                   | 40,270  | 904,402                 |
| Supplies and services                                     | 502,055           | 237,294           | 185,426                 | -                              | 185,426                   | 51,868  | 197,424                 |
| Utilities   | 1,861             | 2,194             | 1,925                   | -                              | 1,925                     | 269   | 1,999                   |
| Allocations   | 17,804            | 17,837            | 17,837                  | -                              | 17,837                    | -   | 13,297                  |
| Capital outlay  | 28,500            | 28,500            | -                       | -                              | -                         | 28,500  | -                       |
|   | <u>1,639,465</u>  | <u>1,223,243</u>  | <u>1,102,336</u>        | <u>-</u>                       | <u>1,102,336</u>          | <u>120,907</u>  | <u>1,117,122</u>        |
| <b>Facilities services:</b>                               |                   |                   |                         |                                |                           |   |                         |
| Personnel services  | 671,321           | 635,197           | 601,066                 | -                              | 601,066                   | 34,131  | 529,533                 |
| Supplies and services                                     | 917,897           | 928,558           | 1,041,793               | -                              | 1,041,793                 | (113,235)   | 881,866                 |
| Utilities   | 80,010            | 102,159           | 127,995                 | -                              | 127,995                   | (25,836)  | 118,812                 |
| Allocations   | 68,636            | 68,682            | 54,226                  | -                              | 54,226                    | 14,456  | 41,710                  |
| Capital outlay  | 33,664            | 33,664            | 27,902                  | -                              | 27,902                    | 5,762   | -                       |
|   | <u>1,771,528</u>  | <u>1,768,260</u>  | <u>1,852,982</u>        | <u>-</u>                       | <u>1,852,982</u>          | <u>(84,722)</u>   | <u>1,571,921</u>        |
| <b>Resolution center:</b>                                 |                   |                   |                         |                                |                           |   |                         |
| Personnel services  | 1,550,278         | 1,515,899         | 983,568                 | -                              | 983,568                   | 532,331   | 856,992                 |
| Supplies and services                                     | 1,357,361         | 1,409,754         | (204,549)               | -                              | (204,549)                 | 1,614,303   | 132,962                 |
| Utilities   | 12,849            | 15,477            | 7,040                   | -                              | 7,040                     | 8,437   | 7,309                   |
| Allocations   | 89,587            | 89,660            | 15,588                  | -                              | 15,588                    | 74,072  | 11,586                  |
| Capital outlay  | 2,778             | 2,778             | 5,015                   | -                              | 5,015                     | (2,237)   | -                       |
|   | <u>3,012,853</u>  | <u>3,033,568</u>  | <u>806,662</u>          | <u>-</u>                       | <u>806,662</u>            | <u>2,226,906</u>  | <u>1,008,849</u>        |
| <b>Managed Competition / OD:</b>                          |                   |                   |                         |                                |                           |   |                         |
| Personnel services  | 562,248           | 588,652           | 509,867                 | -                              | 509,867                   | 78,785  | 408,849                 |
| Supplies and services                                     | 94,867            | 190,267           | 229,036                 | -                              | 229,036                   | (38,769)  | 72,838                  |
| Utilities   | 1,800             | 1,780             | 1,671                   | -                              | 1,671                     | 109   | 1,842                   |
| Allocations   | 8,608             | 8,624             | 8,624                   | -                              | 8,624                     | -   | 5,133                   |
|   | <u>667,523</u>    | <u>789,323</u>    | <u>749,198</u>          | <u>-</u>                       | <u>749,198</u>            | <u>40,125</u>   | <u>488,662</u>          |
| <b>Non-departmental:</b>                                  |                   |                   |                         |                                |                           |   |                         |
| Personnel services  | 6,135,652         | 7,226,345         | 698,271                 | -                              | 698,271                   | 6,528,074   | 635,392                 |
| Supplies and services                                     | 892,309           | 958,557           | 647,020                 | 2,921                          | 649,941                   | 308,616   | 2,103,359               |
| Allocations   | 1,885,480         | 318,083           | -                       | -                              | -                         | 318,083   | -                       |
| Capital outlay  | 58,000            | 58,000            | 44,846                  | -                              | 44,846                    | 13,154  | 85,538                  |
|   | <u>8,971,441</u>  | <u>8,560,985</u>  | <u>1,390,137</u>        | <u>2,921</u>                   | <u>1,393,058</u>          | <u>7,167,927</u>  | <u>2,824,289</u>        |
| <b>Total general government and administration</b>        | <u>32,697,437</u> | <u>32,262,789</u> | <u>20,867,489</u>       | <u>42,442</u>                  | <u>20,909,931</u>         | <u>11,352,858</u>                                       | <u>20,478,164</u>       |

CITY OF CARROLLTON, TEXAS

General Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended September 30, 2023  
 With Comparative Actual Totals for 2022

|                                    | 2023              |                   |                         |                                |                           | 2022  |                         |
|------------------------------------|-------------------|-------------------|-------------------------|--------------------------------|---------------------------|---|-------------------------|
|                                    | Budgeted Amounts  |                   | Actual<br>GAAP<br>Basis | Adjustments<br>Budget<br>Basis | Actual<br>Budget<br>Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP<br>Basis |
|                                    | Original          | Final             |                         |                                |                           |   |                         |
| <b>Public safety:</b>              |                   |                   |                         |                                |                           |   |                         |
| <b>Police management services:</b> |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | \$ 15,107,226     | \$ 14,075,607     | \$ 13,329,171           | \$ -                           | \$ 13,329,171             | \$ 746,436  | \$ 13,063,712           |
| Supplies and services              | 1,983,496         | 1,980,566         | 1,191,958               | 4,564                          | 1,196,522                 | 784,044   | 1,016,115               |
| Utilities                          | 68,690            | 69,282            | 65,344                  | -                              | 65,344                    | 3,938   | 73,013                  |
| Allocations                        | 2,484,774         | 2,485,205         | 290,937                 | -                              | 290,937                   | 2,194,268   | 209,771                 |
| Capital outlay                     | 1,800             | 1,800             | 626,678                 | -                              | 626,678                   | (624,878)   | 599,036                 |
|                                    | <u>19,645,986</u> | <u>18,612,460</u> | <u>15,504,088</u>       | <u>4,564</u>                   | <u>15,508,652</u>         | <u>3,103,808</u>  | <u>14,961,647</u>       |
| <b>Police operations:</b>          |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | 10,591,280        | 11,425,878        | 11,157,611              | -                              | 11,157,611                | 268,267   | 10,842,264              |
| Supplies and services              | 1,469,672         | 1,240,498         | 1,207,764               | 7,064                          | 1,214,828                 | 25,670  | 1,226,770               |
| Utilities                          | 25,420            | 21,453            | 20,304                  | -                              | 20,304                    | 1,149   | 21,704                  |
| Allocations                        | 2,346,509         | 2,346,944         | 792,566                 | -                              | 792,566                   | 1,554,378   | 789,889                 |
| Capital outlay                     | 176,151           | 76,151            | 71,129                  | 69,493                         | 140,622                   | (64,471)  | 162,210                 |
|                                    | <u>14,609,032</u> | <u>15,110,924</u> | <u>13,249,374</u>       | <u>76,557</u>                  | <u>13,325,931</u>         | <u>1,784,993</u>  | <u>13,042,837</u>       |
| <b>Fire operations:</b>            |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | 22,404,037        | 23,934,989        | 24,519,182              | -                              | 24,519,182                | (584,193)   | 23,308,269              |
| Supplies and services              | 2,434,996         | 2,677,923         | 3,216,827               | 26,235                         | 3,243,062                 | (565,139)   | 2,320,752               |
| Utilities                          | 97,743            | 125,125           | 115,396                 | -                              | 115,396                   | 9,729   | 109,852                 |
| Allocations                        | 3,694,444         | 3,695,249         | 1,760,459               | -                              | 1,760,459                 | 1,934,790   | 1,375,529               |
| Capital outlay                     | 401,740           | 537,097           | 244,101                 | 186,163                        | 430,264                   | 106,833   | 613,584                 |
|                                    | <u>29,032,960</u> | <u>30,970,383</u> | <u>29,855,965</u>       | <u>212,398</u>                 | <u>30,068,363</u>         | <u>902,020</u>  | <u>27,727,986</u>       |
| <b>Fire support services:</b>      |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | 1,847,061         | 2,403,336         | 2,602,838               | -                              | 2,602,838                 | (199,502)   | 2,159,117               |
| Supplies and services              | 191,169           | 182,027           | 163,257                 | 7,893                          | 171,150                   | 10,877  | 129,858                 |
| Utilities                          | 5,124             | 6,022             | 5,642                   | -                              | 5,642                     | 380   | 5,537                   |
| Allocations                        | 543,919           | 543,998           | 73,251                  | -                              | 73,251                    | 470,747   | 59,400                  |
|                                    | <u>2,587,273</u>  | <u>3,135,383</u>  | <u>2,844,988</u>        | <u>7,893</u>                   | <u>2,852,881</u>          | <u>282,502</u>  | <u>2,353,912</u>        |
| <b>Emergency dispatch:</b>         |                   |                   |                         |                                |                           |   |                         |
| Supplies and services              | 5,268,353         | 5,555,612         | 5,472,608               | -                              | 5,472,608                 | 83,004  | 5,241,207               |
| Allocations                        | 346,553           | 346,689           | 74,464                  | -                              | 74,464                    | 272,225   | 56,267                  |
|                                    | <u>5,614,906</u>  | <u>5,902,301</u>  | <u>5,547,072</u>        | <u>-</u>                       | <u>5,547,072</u>          | <u>355,229</u>  | <u>5,297,474</u>        |
| <b>Municipal court:</b>            |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | 1,498,228         | 1,179,178         | 1,163,495               | -                              | 1,163,495                 | 15,683  | 1,070,442               |
| Supplies and services              | 325,151           | 434,138           | 285,508                 | -                              | 285,508                   | 148,630   | 267,293                 |
| Utilities                          | 30,252            | 42,358            | 34,653                  | -                              | 34,653                    | 7,705   | 35,654                  |
| Allocations                        | 1,177,825         | 1,177,902         | 55,579                  | -                              | 55,579                    | 1,122,323   | 42,193                  |
|                                    | <u>3,031,456</u>  | <u>2,833,576</u>  | <u>1,539,235</u>        | <u>-</u>                       | <u>1,539,235</u>          | <u>1,294,341</u>  | <u>1,415,582</u>        |

CITY OF CARROLLTON, TEXAS

General Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended September 30, 2023  
 With Comparative Actual Totals for 2022

|                                    | 2023              |                   |                         |                                |                           |   | 2022                    |
|------------------------------------|-------------------|-------------------|-------------------------|--------------------------------|---------------------------|---|-------------------------|
|                                    | Budgeted Amounts  |                   | Actual<br>GAAP<br>Basis | Adjustments<br>Budget<br>Basis | Actual<br>Budget<br>Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP<br>Basis |
|                                    | Original          | Final             |                         |                                |                           |   |                         |
| <b>Public safety (continued):</b>  |                   |                   |                         |                                |                           |   |                         |
| <b>Environmental services:</b>     |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | \$ 2,136,229      | \$ 2,016,400      | \$ 1,951,855            | \$ -                           | \$ 1,951,855              | \$ 64,545   | \$ 1,842,446            |
| Supplies and services              | 474,502           | 466,873           | 450,917                 | -                              | 450,917                   | 15,956  | 507,017                 |
| Utilities                          | 7,739             | 9,121             | 8,006                   | -                              | 8,006                     | 1,115   | 8,314                   |
| Allocations                        | 713,357           | 713,449           | 103,156                 | -                              | 103,156                   | 610,293   | 81,920                  |
| Capital outlay                     | 12,101            | 12,101            | -                       | -                              | -                         | 12,101  | 245                     |
|                                    | <u>3,343,928</u>  | <u>3,217,944</u>  | <u>2,513,934</u>        | <u>-</u>                       | <u>2,513,934</u>          | <u>704,010</u>  | <u>2,439,942</u>        |
| <b>Animal control:</b>             |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | 692,785           | 639,193           | 648,813                 | -                              | 648,813                   | (9,620)   | 572,213                 |
| Supplies and services              | 120,760           | 134,155           | 142,302                 | -                              | 142,302                   | (8,147)   | 127,134                 |
| Utilities                          | 42,705            | 61,865            | 52,835                  | -                              | 52,835                    | 9,030   | 43,862                  |
| Allocations                        | 504,012           | 504,052           | 27,271                  | -                              | 27,271                    | 476,781   | 23,756                  |
|                                    | <u>1,360,262</u>  | <u>1,339,265</u>  | <u>871,221</u>          | <u>-</u>                       | <u>871,221</u>            | <u>468,044</u>  | <u>766,965</u>          |
| <b>Total public safety</b>         | <u>79,225,803</u> | <u>81,122,236</u> | <u>71,925,877</u>       | <u>301,412</u>                 | <u>72,227,289</u>         | <u>8,894,947</u>  | <u>68,006,345</u>       |
| <b>Development services:</b>       |                   |                   |                         |                                |                           |   |                         |
| <b>Transportation engineering:</b> |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | 927,429           | 719,066           | 748,859                 | -                              | 748,859                   | (29,793)  | 667,511                 |
| Supplies and services              | 53,736            | 53,736            | 19,929                  | -                              | 19,929                    | 33,807  | 32,882                  |
| Utilities                          | 2,031             | 2,395             | 2,101                   | -                              | 2,101                     | 294   | 2,182                   |
| Allocations                        | 379,060           | 379,094           | 18,432                  | -                              | 18,432                    | 360,662   | 12,826                  |
| Capital outlay                     | 68,247            | 68,247            | 34,322                  | -                              | 34,322                    | 33,925  | 1,021                   |
|                                    | <u>1,430,503</u>  | <u>1,222,538</u>  | <u>823,643</u>          | <u>-</u>                       | <u>823,643</u>            | <u>398,895</u>  | <u>716,422</u>          |
| <b>Civil engineering:</b>          |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | 1,334,966         | 477,360           | 996,283                 | -                              | 996,283                   | (518,923)   | 979,520                 |
| Supplies and services              | 146,839           | 150,880           | 142,866                 | -                              | 142,866                   | 8,014   | 119,273                 |
| Utilities                          | 9,307             | 10,531            | 9,331                   | -                              | 9,331                     | 1,200   | 9,446                   |
| Allocations                        | 869,455           | 869,518           | 51,462                  | -                              | 51,462                    | 818,056   | 39,698                  |
| Capital outlay                     | 100,394           | 101,894           | 32,339                  | -                              | 32,339                    | 69,555  | 120,025                 |
|                                    | <u>2,460,961</u>  | <u>1,610,183</u>  | <u>1,232,281</u>        | <u>-</u>                       | <u>1,232,281</u>          | <u>377,902</u>  | <u>1,267,962</u>        |
| <b>Contract administration:</b>    |                   |                   |                         |                                |                           |   |                         |
| Supplies and services              | -                 | -                 | 1,919                   | -                              | 1,919                     | (1,919)   | 16                      |
| Personnel services                 | -                 | 394,995           | 380,682                 | -                              | 380,682                   | 14,313  | 20,199                  |
|                                    | <u>-</u>          | <u>394,995</u>    | <u>382,601</u>          | <u>-</u>                       | <u>382,601</u>            | <u>12,394</u>   | <u>20,215</u>           |
| <b>Traffic operations:</b>         |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | 1,093,785         | 998,794           | 974,889                 | -                              | 974,889                   | 23,905  | 951,536                 |
| Supplies and services              | 467,746           | 424,719           | 376,892                 | 1,790                          | 378,682                   | 46,037  | 332,470                 |
| Utilities                          | 1,085,903         | 1,149,127         | 963,504                 | -                              | 963,504                   | 185,623   | 1,081,580               |
| Allocations                        | 754,840           | 770,685           | 341,120                 | -                              | 341,120                   | 429,565   | 281,534                 |
| Capital outlay                     | 1,000             | 123,000           | 22,723                  | 57,505                         | 80,228                    | 42,772  | -                       |
|                                    | <u>3,403,274</u>  | <u>3,466,325</u>  | <u>2,679,128</u>        | <u>59,295</u>                  | <u>2,738,423</u>          | <u>727,902</u>  | <u>2,647,120</u>        |
| <b>Streets:</b>                    |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | 2,138,218         | 1,299,530         | 1,235,254               | -                              | 1,235,254                 | 64,276  | 1,514,000               |
| Supplies and services              | 1,338,408         | 1,284,843         | 1,223,608               | -                              | 1,223,608                 | 61,235  | 1,474,412               |
| Allocations                        | 1,068,665         | 1,084,536         | 527,246                 | -                              | 527,246                   | 557,290   | 448,786                 |
| Capital outlay                     | -                 | 22,203            | -                       | 18,735                         | 18,735                    | 3,468   | 3,376                   |
|                                    | <u>4,545,291</u>  | <u>3,691,112</u>  | <u>2,986,108</u>        | <u>18,735</u>                  | <u>3,004,843</u>          | <u>686,269</u>  | <u>3,440,574</u>        |
| <b>Drainage:</b>                   |                   |                   |                         |                                |                           |   |                         |
| Personnel services                 | 604,487           | 460,714           | 437,969                 | -                              | 437,969                   | 22,745  | 439,800                 |
| Supplies and services              | 208,622           | 207,525           | 177,643                 | 6,532                          | 184,175                   | 23,350  | 175,373                 |
| Allocations                        | 637,702           | 725,024           | 374,807                 | -                              | 374,807                   | 350,217   | 313,592                 |
|                                    | <u>1,450,811</u>  | <u>1,393,263</u>  | <u>990,419</u>          | <u>6,532</u>                   | <u>996,951</u>            | <u>396,312</u>  | <u>928,765</u>          |

CITY OF CARROLLTON, TEXAS

General Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended September 30, 2023  
 With Comparative Actual Totals for 2022

|  | 2023              |                   |                         |                                |                           |   | 2022                    |
|--|-------------------|-------------------|-------------------------|--------------------------------|---------------------------|---|-------------------------|
|  | Budgeted Amounts  |                   | Actual<br>GAAP<br>Basis | Adjustments<br>Budget<br>Basis | Actual<br>Budget<br>Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP<br>Basis |
|  | Original          | Final             |                         |                                |                           |   |                         |
| <b>Development services (continued):</b> |                   |                   |                         |                                |                           |   |                         |
| <b>Public works administration:</b>      |                   |                   |                         |                                |                           |   |                         |
| Personnel services                       | \$ -              | \$ -              | \$ (189,062)            | \$ -                           | \$ (189,062)              | \$ 189,062  | \$ 193,247              |
| Supplies and services                    | -                 | -                 | (61,143)                | -                              | (61,143)                  | 61,143  | (43,111)                |
| Utilities                                | -                 | -                 | (1,938)                 | -                              | (1,938)                   | 1,938   | 827                     |
| Allocations                              | -                 | -                 | (457,648)               | -                              | (457,648)                 | 457,648   | (418,178)               |
|  | -                 | -                 | (709,791)               | -                              | (709,791)                 | 709,791   | (267,215)               |
| <b>Planning:</b>                         |                   |                   |                         |                                |                           |   |                         |
| Personnel services                       | 415,357           | 402,865           | 393,901                 | -                              | 393,901                   | 8,964   | 393,565                 |
| Supplies and services                    | 67,395            | 67,395            | 55,203                  | -                              | 55,203                    | 12,192  | 59,403                  |
| Utilities                                | 6,617             | 8,267             | 6,692                   | -                              | 6,692                     | 1,575   | 7,148                   |
| Allocations                              | 379,717           | 379,742           | 13,184                  | -                              | 13,184                    | 366,558   | 8,807                   |
| Capital outlay                           | 5,083             | 5,083             | 1,347                   | -                              | 1,347                     | 3,736   | -                       |
|  | 874,169           | 863,352           | 470,327                 | -                              | 470,327                   | 393,025   | 468,923                 |
| <b>Building inspection:</b>              |                   |                   |                         |                                |                           |   |                         |
| Personnel services                       | 2,194,186         | 2,121,622         | 2,075,258               | -                              | 2,075,258                 | 46,364  | 2,024,350               |
| Supplies and services                    | 159,255           | 174,013           | 128,100                 | -                              | 128,100                   | 45,913  | 118,110                 |
| Utilities                                | 5,285             | 6,230             | 5,468                   | -                              | 5,468                     | 762   | 5,678                   |
| Allocations                              | 610,276           | 610,358           | 68,358                  | -                              | 68,358                    | 542,000   | 53,489                  |
| Capital outlay                           | 463               | 463               | -                       | -                              | -                         | 463   | -                       |
|  | 2,969,465         | 2,912,686         | 2,277,184               | -                              | 2,277,184                 | 635,502   | 2,201,627               |
| <b>Transit oriented development:</b>     |                   |                   |                         |                                |                           |   |                         |
|  | -                 | -                 | -                       | -                              | -                         | -   | -                       |
| <b>Economic development:</b>             |                   |                   |                         |                                |                           |   |                         |
| Personnel services                       | 279,621           | 304,413           | 299,834                 | -                              | 299,834                   | 4,579   | 279,346                 |
| Supplies and services                    | 2,977,671         | 1,641,289         | (1,762,009)             | -                              | (1,762,009)               | 3,403,298   | 145,483                 |
| Utilities                                | 2,125             | 2,063             | 1,810                   | -                              | 1,810                     | 253   | 1,879                   |
| Allocations                              | 351,903           | 351,926           | 12,672                  | -                              | 12,672                    | 339,254   | 8,853                   |
| Capital outlay                           | 500               | 500               | -                       | -                              | -                         | 500   | -                       |
|  | 3,611,820         | 2,300,191         | (1,447,693)             | -                              | (1,447,693)               | 3,747,884   | 435,561                 |
| <b>Total development services</b>        | <b>20,746,294</b> | <b>17,854,645</b> | <b>9,684,207</b>        | <b>84,562</b>                  | <b>9,768,769</b>          | <b>8,085,876</b>  | <b>11,859,954</b>       |
| <b>Cultural and recreational:</b>        |                   |                   |                         |                                |                           |   |                         |
| <b>Library:</b>                          |                   |                   |                         |                                |                           |   |                         |
| Personnel services                       | 2,792,603         | 2,678,451         | 2,515,530               | -                              | 2,515,530                 | 162,921   | 2,245,582               |
| Supplies and services                    | 423,588           | 448,701           | 418,931                 | 24,078                         | 443,009                   | 5,692   | 306,831                 |
| Utilities                                | 83,350            | 92,453            | 83,495                  | -                              | 83,495                    | 8,958   | 79,823                  |
| Allocations                              | 991,619           | 991,730           | 60,722                  | -                              | 60,722                    | 931,008   | 45,025                  |
| Capital outlay                           | 263,663           | 263,663           | 237,033                 | -                              | 237,033                   | 26,630  | 302,149                 |
|  | 4,554,823         | 4,474,998         | 3,315,711               | 24,078                         | 3,339,789                 | 1,135,209   | 2,979,410               |
| <b>Park operations:</b>                  |                   |                   |                         |                                |                           |   |                         |
| Personnel services                       | 4,351,472         | 4,268,163         | 4,298,890               | -                              | 4,298,890                 | (30,727)  | 3,619,725               |
| Supplies and services                    | 2,502,693         | 2,557,055         | 2,304,233               | 34,325                         | 2,338,558                 | 218,497   | 2,173,680               |
| Utilities                                | 795,314           | 718,571           | 812,480                 | -                              | 812,480                   | (93,909)  | 831,729                 |
| Allocations                              | 1,603,130         | 1,603,374         | 600,152                 | -                              | 600,152                   | 1,003,222   | 474,462                 |
| Capital outlay                           | 16,394            | 16,394            | 4,868                   | -                              | 4,868                     | 11,526  | 63,568                  |
|  | 9,269,003         | 9,163,557         | 8,020,623               | 34,325                         | 8,054,948                 | 1,108,609   | 7,163,164               |

CITY OF CARROLLTON, TEXAS

General Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended September 30, 2023  
 With Comparative Actual Totals for 2022

|   | 2023                  |                       |                         |                                |                           |   | 2022                    |
|---|-----------------------|-----------------------|-------------------------|--------------------------------|---------------------------|---|-------------------------|
|   | Budgeted Amounts      |                       | Actual<br>GAAP<br>Basis | Adjustments<br>Budget<br>Basis | Actual<br>Budget<br>Basis | Variance with<br>Final Budget<br>Positive<br>(Negative) | Actual<br>GAAP<br>Basis |
|   | Original              | Final                 |                         |                                |                           |   |                         |
| <b>Cultural and recreational<br/>(continued):</b> |                       |                       |                         |                                |                           |   |                         |
| <b>Tennis center:</b>                             |                       |                       |                         |                                |                           |   |                         |
| Supplies and services                             | \$ 19,188             | \$ 19,188             | \$ 14,213               | \$ -                           | \$ 14,213                 | \$ 4,975  | \$ 19,620               |
| Utilities   | 17,837                | 25,777                | 21,581                  | -                              | 21,581                    | 4,196   | 16,626                  |
| Allocations                                       | 318,278               | 318,287               | 5,041                   | -                              | 5,041                     | 313,246   | 2,963                   |
|   | <u>355,303</u>        | <u>363,252</u>        | <u>40,835</u>           | <u>-</u>                       | <u>40,835</u>             | <u>322,417</u>  | <u>39,209</u>           |
| <b>Leisure services:</b>                          |                       |                       |                         |                                |                           |   |                         |
| Personnel services                                | 508,157               | 499,762               | 494,263                 | -                              | 494,263                   | 5,499   | 478,789                 |
| Supplies and services                             | 97,908                | 97,908                | 54,210                  | -                              | 54,210                    | 43,698  | 66,915                  |
| Utilities   | 666                   | 702                   | 938                     | -                              | 938                       | (236)   | 2,840                   |
| Allocations                                       | 386,735               | 386,761               | 14,641                  | -                              | 14,641                    | 372,120   | 10,197                  |
|   | <u>993,466</u>        | <u>985,133</u>        | <u>564,052</u>          | <u>-</u>                       | <u>564,052</u>            | <u>421,081</u>  | <u>558,741</u>          |
| <b>Rosemeade recreation center:</b>               |                       |                       |                         |                                |                           |   |                         |
| Personnel services                                | 85,077                | 85,168                | 81,176                  | -                              | 81,176                    | 3,992   | 75,072                  |
| Supplies and services                             | 334,401               | 338,930               | 241,195                 | -                              | 241,195                   | 97,735  | 213,490                 |
| Utilities   | 32,894                | 42,279                | 41,356                  | -                              | 41,356                    | 923   | 40,372                  |
| Allocations                                       | 375,887               | 375,909               | 39,282                  | -                              | 39,282                    | 336,627   | 12,950                  |
|   | <u>828,259</u>        | <u>842,286</u>        | <u>403,009</u>          | <u>-</u>                       | <u>403,009</u>            | <u>439,277</u>  | <u>341,884</u>          |
| <b>Crosby recreation center:</b>                  |                       |                       |                         |                                |                           |   |                         |
| Personnel services                                | 46,700                | 46,700                | 44,492                  | -                              | 44,492                    | 2,208   | 48,249                  |
| Supplies and services                             | 151,186               | 149,957               | 121,793                 | -                              | 121,793                   | 28,164  | 91,436                  |
| Utilities   | 26,769                | 31,650                | 30,592                  | -                              | 30,592                    | 1,058   | 30,991                  |
| Allocations                                       | 364,904               | 364,920               | 9,438                   | -                              | 9,438                     | 355,482   | 7,275                   |
|   | <u>589,559</u>        | <u>593,227</u>        | <u>206,315</u>          | <u>-</u>                       | <u>206,315</u>            | <u>386,912</u>  | <u>177,951</u>          |
| <b>Perry museum:</b>                              |                       |                       |                         |                                |                           |   |                         |
| Personnel services                                | 99,694                | 96,614                | 79,679                  | -                              | 79,679                    | 16,935  | 80,427                  |
| Supplies and services                             | 25,939                | 25,939                | 17,853                  | -                              | 17,853                    | 8,086   | (7,466)                 |
| Utilities   | 9,628                 | 7,131                 | 7,321                   | -                              | 7,321                     | (190)   | 8,971                   |
| Allocations                                       | 327,970               | 327,982               | 6,654                   | -                              | 6,654                     | 321,328   | 4,237                   |
|   | <u>463,231</u>        | <u>457,666</u>        | <u>111,507</u>          | <u>-</u>                       | <u>111,507</u>            | <u>346,159</u>  | <u>86,169</u>           |
| <b>Senior center:</b>                             |                       |                       |                         |                                |                           |   |                         |
| Personnel services                                | 83,628                | 93,770                | 89,804                  | -                              | 89,804                    | 3,966   | 68,563                  |
| Supplies and services                             | 91,800                | 91,792                | 75,980                  | -                              | 75,980                    | 15,812  | 90,660                  |
| Utilities   | 47,909                | 38,556                | 40,188                  | -                              | 40,188                    | (1,632)   | 45,854                  |
| Allocations                                       | 360,744               | 360,759               | 8,943                   | -                              | 8,943                     | 351,816   | 6,247                   |
|   | <u>584,081</u>        | <u>584,877</u>        | <u>214,915</u>          | <u>-</u>                       | <u>214,915</u>            | <u>369,962</u>  | <u>211,324</u>          |
| <b>Athletics:</b>                                 |                       |                       |                         |                                |                           |   |                         |
| Personnel services                                | 1,363,089             | 1,076,034             | 1,234,264               | -                              | 1,234,264                 | (158,230)   | 1,076,595               |
| Supplies and services                             | 432,332               | 562,332               | 454,856                 | 2,650                          | 457,506                   | 104,826   | 287,853                 |
| Allocations                                       | 525,765               | 525,822               | 31,020                  | -                              | 31,020                    | 494,802   | 22,840                  |
|   | <u>2,321,186</u>      | <u>2,164,188</u>      | <u>1,720,140</u>        | <u>2,650</u>                   | <u>1,722,790</u>          | <u>441,398</u>  | <u>1,387,288</u>        |
| <b>Emergency management:</b>                      |                       |                       |                         |                                |                           |   |                         |
| Allocation  | 525,200               | 524,000               | -                       | -                              | -                         | 524,000   | -                       |
| Capital outlay                                    | 260                   | 260                   | 27,902                  | -                              | 27,902                    | (27,642)  | 14,293                  |
| Personnel services                                | -                     | -                     | 300                     | -                              | 300                       | (300)   | 23                      |
| Supplies and services                             | -                     | -                     | 59,311                  | 15,416                         | 74,727                    | (74,727)  | 50,326                  |
|   | <u>525,460</u>        | <u>524,260</u>        | <u>87,513</u>           | <u>15,416</u>                  | <u>102,929</u>            | <u>421,331</u>  | <u>64,642</u>           |
| <b>Total cultural<br/>and recreational</b>        | <u>20,484,371</u>     | <u>20,153,444</u>     | <u>14,684,620</u>       | <u>76,469</u>                  | <u>14,761,089</u>         | <u>5,392,355</u>  | <u>13,009,782</u>       |
| NOT CODED   | -                     | 199,689               | 977,680                 | -                              | 977,680                   | (777,991)   | -                       |
| <b>Total expenditures</b>                         | <u>\$ 153,153,905</u> | <u>\$ 151,592,803</u> | <u>\$ 118,139,873</u>   | <u>\$ 504,885</u>              | <u>\$ 118,644,758</u>     | <u>\$ 32,948,045</u>                                    | <u>\$ 113,354,245</u>   |



**CARROLLTON**  
**T E X A S**

## 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, 2023

|  | <u>Fleet<br/>Services</u> | <u>Risk<br/>Management</u> | <u>Employee<br/>Health and<br/>Disability</u> | <u>Total</u>         |
|--|---------------------------|----------------------------|---|----------------------|
| Assets   |                           |                            |   |                      |
| Current assets:  |                           |                            |   |                      |
| Cash and cash equivalents                                | \$ 10,444,684             | \$ 4,332,872               | \$ 7,290,942                                  | \$ 22,068,498        |
| Receivables:   |                           |                            |   |                      |
| Accrued interest   | 40,333                    | 24,169                     | 43,784  | 108,286              |
| Other  | 18,121                    | 51,180                     | 941,223                                       | 1,010,524            |
| Inventories  | 98,487                    | -                          | -   | 98,487               |
| Prepaid items  | -                         | 113,000                    | 7,367   | 120,367              |
| Total current assets                                     | <u>10,601,625</u>         | <u>4,521,221</u>           | <u>8,283,316</u>                              | <u>23,406,162</u>    |
| Noncurrent assets:                                       |                           |                            |   |                      |
| Capital assets:  |                           |                            |   |                      |
| Buildings  | 176,409                   | -                          | -   | 176,409              |
| Equipment  | 26,708,914                | -                          | -   | 26,708,914           |
| Intangibles  | 34,314                    | 70,400                     | -   | 104,714              |
| Accumulated depreciation                                 | <u>(16,974,687)</u>       | <u>(70,400)</u>            | <u>-</u>                                      | <u>(17,045,087)</u>  |
| Total capital assets, net of<br>accumulated depreciation | <u>9,944,950</u>          | <u>-</u>                   | <u>-</u>                                      | <u>9,944,950</u>     |
| Total assets   | <u>20,546,575</u>         | <u>4,521,221</u>           | <u>8,283,316</u>                              | <u>33,351,112</u>    |
| Liabilities  |                           |                            |   |                      |
| Current liabilities:                                     |                           |                            |   |                      |
| Accounts payable   | 479,777                   | 12,716                     | 1,709,935                                     | 2,202,428            |
| Estimated health claims payable                          | -                         | -                          | 792,791                                       | 792,791              |
| Total current liabilities                                | <u>479,777</u>            | <u>12,716</u>              | <u>2,502,726</u>                              | <u>2,995,219</u>     |
| Noncurrent liabilities:                                  |                           |                            |   |                      |
| Compensated absences                                     | 1,683                     | 51,508                     | -   | 53,191               |
| Long-term risk liability                                 | -                         | 1,228,468                  | -   | 1,228,468            |
| Total noncurrent liabilities                             | <u>1,683</u>              | <u>1,279,976</u>           | <u>-</u>                                      | <u>1,281,659</u>     |
| Total liabilities  | <u>481,460</u>            | <u>1,292,692</u>           | <u>2,502,726</u>                              | <u>4,276,878</u>     |
| Net Position   |                           |                            |   |                      |
| Net investment in capital assets                         | 9,944,950                 | -                          | -   | 9,944,950            |
| Unrestricted   | 10,120,165                | 3,228,529                  | 5,780,590                                     | 19,129,284           |
| Total net position                                       | <u>\$ 20,065,115</u>      | <u>\$ 3,228,529</u>        | <u>\$ 5,780,590</u>                           | <u>\$ 29,074,234</u> |

**CITY OF CARROLLTON, TEXAS**

Internal Service Funds  
 Combining Statement of Revenues, Expenses and Changes in Net Position  
 For the Year Ended September 30, 2023

|  | Fleet<br>Services | Risk<br>Management | Employee<br>Health and<br>Disability | Totals        |
|--|-------------------|--------------------|--------------------------------------|---------------|
| Operating revenues:  |                   |                    |                                      |               |
| Charges for services   | \$ 7,430,986      | \$ 2,980,150       | \$ 11,560,152                        | \$ 21,971,288 |
| Operating expenses:  |                   |                    |                                      |               |
| Personnel services   | 176,402           | 112,402            | 703,998                              | 992,802       |
| Supplies and services  | 3,334,744         | 2,570,262          | 10,694,330                           | 16,599,336    |
| Utilities  | 31,890            | 269                | -                                    | 32,159        |
| Allocations  | 56,610            | -                  | -                                    | 56,610        |
| Depreciation and amortization  | 2,405,534         | -                  | -                                    | 2,405,534     |
| Total operating expenses   | 6,005,180         | 2,682,933          | 11,398,328                           | 20,086,441    |
| Income (loss) from operations  | 1,425,806         | 297,217            | 161,824                              | 1,884,847     |
| Nonoperating revenues:   |                   |                    |                                      |               |
| Investment earnings<br>net of change in fair value<br>of investments | 233,070           | 153,444            | 314,436                              | 700,950       |
| Gain on sale/retirement<br>of capital assets                         | 412,039           | -                  | -                                    | 412,039       |
| Total nonoperating revenues  | 645,109           | 153,444            | 314,436                              | 1,112,989     |
| Income (loss) before transfers                                       | 2,070,915         | 450,661            | 476,260                              | 2,997,836     |
| Transfers in   | 1,000,000         | -                  | -                                    | 1,000,000     |
| Transfers out  | (467,114)         | (498,043)          | -                                    | (965,157)     |
| Change in net position   | 2,603,801         | (47,382)           | 476,260                              | 3,032,679     |
| Net position at beginning of year                                    | 17,461,314        | 3,275,911          | 5,304,330                            | 26,041,555    |
| Net position at end of year  | \$ 20,065,115     | \$ 3,228,529       | \$ 5,780,590                         | \$ 29,074,234 |

**CITY OF CARROLLTON, TEXAS**

Internal Service Funds  
 Combining Statement of Cash Flows  
 For the Year Ended September 30, 2023

|  | Fleet<br>Services    | Risk<br>Management  | Employee<br>Health and<br>Disability | Totals               |
|--|----------------------|---------------------|--------------------------------------|----------------------|
| Cash flows from operating activities:  |                      |                     |                                      |                      |
| Cash received from employees for services  | \$ -                 | \$ -                | \$ 2,489,588                         | \$ 2,489,588         |
| Cash received from other funds for services  | 7,624,661            | 2,874,651           | 9,114,969                            | 19,614,281           |
| Cash received from loss claim recoveries and refunds   | -                    | 509,901             | 695,092                              | 1,204,993            |
| Cash payments to suppliers for goods and services  | (3,387,614)          | (1,777,903)         | (3,536,041)                          | (8,701,558)          |
| Cash payments to employees for services  | (176,102)            | (100,598)           | -                                    | (276,700)            |
| Cash payments for loss claims  | -                    | (1,335,262)         | (9,498,602)                          | (10,833,864)         |
| Net cash provided (used) by operating activities   | <u>4,060,945</u>     | <u>170,789</u>      | <u>(734,994)</u>                     | <u>3,496,740</u>     |
| Cash flows from noncapital financing activities:   |                      |                     |                                      |                      |
| Transfers to other funds   | <u>(467,113)</u>     | <u>(498,043)</u>    | -                                    | <u>(965,156)</u>     |
| Cash flows from capital and related financing activities:  |                      |                     |                                      |                      |
| Transfers in   | 1,000,000            |                     |                                      | 1,000,000            |
| Acquisition and construction of capital assets   | (2,200,397)          |                     |                                      | (2,200,397)          |
| Proceeds from sale of capital assets   | 417,274              |                     |                                      | 417,274              |
| Net cash used by capital and related financing activities  | <u>(783,123)</u>     | -                   | -                                    | <u>(783,123)</u>     |
| Cash flows from investing activities:  |                      |                     |                                      |                      |
| Investment return on cash and cash equivalents   | <u>215,430</u>       | <u>145,336</u>      | <u>295,108</u>                       | <u>655,874</u>       |
| Net increase (decrease) in cash and cash equivalents   | 3,026,139            | (181,918)           | (439,886)                            | 2,404,335            |
| Cash and cash equivalents, October 1   | 7,418,545            | 4,514,790           | 7,730,828                            | 19,664,163           |
| Cash and cash equivalents, September 30  | <u>\$ 10,444,684</u> | <u>\$ 4,332,872</u> | <u>\$ 7,290,942</u>                  | <u>\$ 22,068,498</u> |
| Reconciliation of income (loss) from operations to net cash provided (used) by operating activities: |                      |                     |                                      |                      |
| Income (loss) from operations  | \$ 1,425,806         | \$ 297,217          | \$ 161,824                           | \$ 1,884,847         |
| Adjustments to reconcile income from operations to net cash provided (used) by operating activities: |                      |                     |                                      |                      |
| Depreciation   | 2,405,534            | -                   | -                                    | 2,405,534            |
| Change in assets and liabilities:  |                      |                     |                                      |                      |
| (Increase) decrease in other receivables   | (18,121)             | (51,180)            | (941,223)                            | (1,010,524)          |
| (Increase) decrease in inventories   | 2,011                |                     | -                                    | 2,011                |
| Increase (decrease) in accounts payable  | 244,032              | (91,363)            | 40,110                               | 192,779              |
| Increase (decrease) in estimated health claims payable   | -                    | -                   | 4,295                                | 4,295                |
| Increase (decrease) in liability for compensated absences  | 1,683                | 433                 | -                                    | 2,116                |
| Increase (decrease) in long-term risk liability  | -                    | 15,682              | -                                    | 15,682               |
| Net cash provided (used) by operating activities   | <u>\$ 4,060,945</u>  | <u>\$ 170,789</u>   | <u>\$ (734,994)</u>                  | <u>\$ 3,496,740</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, 2023 and 2022

|   | 2023                  | 2022                  |
|---|-----------------------|-----------------------|
| Assets  |                       |                       |
| Current assets:   |                       |                       |
| Cash and cash equivalents   | \$ 48,332,010         | \$ 37,770,846         |
| Receivables:  |                       |                       |
| Accounts  | 7,364,427             | 5,914,389             |
| Accrued interest  | 251,956               | 166,500               |
| Prepaid items   | 1,206,866             | -                     |
| Restricted assets:  |                       |                       |
| Cash and cash equivalents   | 3,481,080             | 3,851,931             |
| Total current assets  | <u>60,636,339</u>     | <u>47,703,666</u>     |
| Noncurrent assets:  |                       |                       |
| Restricted assets:  |                       |                       |
| Cash and cash equivalents   | 818,323               | 890,296               |
| SBITA Asset   | 2,541,322             | -                     |
| SBITA-accumulated amortization  | (513,398)             | -                     |
| Capital assets:   |                       |                       |
| Land  | 1,382,918             | 1,382,918             |
| Buildings   | 18,073,186            | 18,073,186            |
| Equipment   | 6,881,467             | 6,648,908             |
| Intangibles   | 828,392               | 828,392               |
| Infrastructure  | 281,265,481           | 267,650,112           |
| Construction in progress  | 509,594               | 6,035,769             |
| Accumulated depreciation  | (183,851,745)         | (177,584,728)         |
| Total capital assets,<br>net of accumulated depreciation                    | 125,089,293           | 123,034,557           |
| Net pension asset   | -                     | 1,130,439             |
| Total noncurrent assets   | <u>127,935,540</u>    | <u>125,055,292</u>    |
| Total assets  | <u>188,571,879</u>    | <u>172,758,958</u>    |
| Deferred outflows of resources  |                       |                       |
| Deferred charges on refundings  | -                     | 13,631                |
| Pension contributions after measurement date                                | 266,560               | 233,802               |
| Difference in projected and actual earnings on pension assets               | 1,473,086             | -                     |
| Difference in expected / actual pension experience                          | 294,006               | 172,554               |
| OPEB contributions after measurement date                                   | -                     | 1,504                 |
| Changes in OPEB assumptions   | -                     | 32,564                |
| Difference in expected and actual OPEB experience                           | 26,676                | 4,181                 |
| Total deferred outflows of resources  | <u>2,060,328</u>      | <u>458,236</u>        |
| Liabilities   |                       |                       |
| Current liabilities:  |                       |                       |
| Accounts payable  | 3,262,695             | 3,088,359             |
| Customer deposits payable   | 3,140,747             | 3,151,098             |
| Due within one year-SBITA   | 421,946               | -                     |
| Revenue bonds payable   | 515,000               | 1,483,806             |
| Compensated absences  | 74,490                | 92,446                |
| Accrued interest  | 125,750               | 142,500               |
| Total current liabilities   | <u>7,540,628</u>      | <u>7,958,209</u>      |
| Noncurrent liabilities:   |                       |                       |
| Revenue bonds payable   | 7,357,133             | 7,858,502             |
| Net pension liability   | 1,950,523             | -                     |
| Total OPEB liability  | 107,867               | 128,278               |
| Compensated absences  | 533,745               | 446,777               |
| Due in more than a year-SBITA   | 1,448,838             | -                     |
| Total noncurrent liabilities  | <u>11,398,106</u>     | <u>8,433,557</u>      |
| Total liabilities   | <u>18,938,734</u>     | <u>16,391,766</u>     |
| Deferred Inflows of resources   |                       |                       |
| Difference in expected and actual pension experience                        | 92,449                | 44,598                |
| Changes in actuarial assumptions used to determine pension liability        | 224                   | 875                   |
| Net difference in projected and actual earnings on pension plan investments | -                     | 1,240,245             |
| Difference in actual and expected OPEB experience                           | -                     | 351,012               |
| Deferred Inflow OPEB experience   | 20,118                | -                     |
| Total deferred inflows of resources   | <u>112,791</u>        | <u>1,636,730</u>      |
| Net Position  |                       |                       |
| Net investment in capital assets  | 115,705,309           | 112,417,684           |
| Restricted for:   |                       |                       |
| Revenue bond retirement   | 818,323               | 890,296               |
| Net pension assets  | -                     | 1,130,439             |
| Unrestricted  | 55,057,050            | 40,750,279            |
| Total net position  | <u>\$ 171,580,682</u> | <u>\$ 155,188,698</u> |

**CITY OF CARROLLTON, TEXAS**

Water and Sewer Fund

Comparative Statements of Revenues, Expenses and Changes in Net Position  
For the Years Ended September 30, 2023 and 2022

|  | <u>2023</u>           | <u>2022</u>           |
|--|-----------------------|-----------------------|
| Operating revenues:  |                       |                       |
| Charges for services   | \$ 55,045,831         | \$ 53,318,611         |
| Miscellaneous  | 421,105               | 384,501               |
| Total operating revenues   | <u>55,466,936</u>     | <u>53,703,112</u>     |
| Operating expenses:  |                       |                       |
| Personnel services   | 4,886,490             | 3,714,564             |
| Supplies and services  | 34,109,046            | 31,718,521            |
| Utilities  | 1,035,456             | 906,878               |
| Allocations  | 1,679,902             | 1,202,288             |
| Depreciation and amortization  | 6,437,241             | 5,981,781             |
| Total operating expenses   | <u>48,148,135</u>     | <u>43,524,032</u>     |
| Income from operations   | <u>7,318,801</u>      | <u>10,179,080</u>     |
| Nonoperating revenues (expenses):                                    |                       |                       |
| Investment earnings<br>net of change in fair value<br>of investments | 1,296,332             | (1,075,741)           |
| Gain on sale/retirement<br>of capital assets                         | 59,350                | 38,830                |
| Interest expense   | (268,972)             | (225,120)             |
| Total nonoperating revenues (expenses)                               | <u>1,086,710</u>      | <u>(1,262,031)</u>    |
| Income before contributions<br>and transfers                         | 8,405,511             | 8,917,049             |
| Capital contributions  | 296,688               | 5,578,424             |
| Transfers in   | 13,071,304            | 700,000               |
| Transfers out  | <u>(5,381,519)</u>    | <u>(5,423,162)</u>    |
| Change in net position   | 16,391,984            | 9,772,311             |
| Net position at beginning of year                                    | <u>155,188,698</u>    | <u>145,416,387</u>    |
| Net position at end of year  | <u>\$ 171,580,682</u> | <u>\$ 155,188,698</u> |

**CITY OF CARROLLTON, TEXAS**

**Water and Sewer Fund  
Comparative Statements of Cash Flows  
For the years Ended September 30, 2023 and 2022**

|   | 2023          | 2022          |
|---|---------------|---------------|
| Cash flows from operating activities:   |               |               |
| Cash received from customers for services   | \$ 57,920,215 | \$ 52,941,713 |
| Other operating cash receipts   | 237,733       | 384,408       |
| Cash payments to suppliers for goods and services   | (42,220,506)  | (32,688,124)  |
| Cash payments to employees for services   | (4,139,838)   | (2,999,252)   |
| Cash payments to other funds for services   | (561,331)     | (1,811,853)   |
| Net cash provided by operating activities   | 11,236,273    | 15,826,892    |
| Cash flows from noncapital financing activities:  |               |               |
| Transfers in  | -             | 700,000       |
| Transfers out   | (5,381,519)   | (5,423,162)   |
| Cash flows from capital and related financing activities:   |               |               |
| Acquisition and construction of capital assets  | (7,744,223)   | (5,789,795)   |
| Transfers in for capital projects   | 13,071,304    |               |
| Proceeds from sale of capital assets  | 59,350        | 39,806        |
| Interest paid on bonds  | (342,000)     | (395,050)     |
| Retirement of bonds   | (1,340,000)   | (1,750,000)   |
| Interest payments on SBITA liability  | (122,412)     | -             |
| Payments on SBITA liability   | (670,539)     | -             |
| Capital contributions   | 141,230       | 570,750       |
| Net cash (used in) capital and related financing activities   | 3,052,710     | (7,324,289)   |
| Cash flow from investing activities:  |               |               |
| Investment gain (loss) on cash and cash equivalents   | 1,210,876     | (1,095,192)   |
| Net increase (decrease) in cash and cash equivalents  | 10,118,340    | 1,984,249     |
| Cash and cash equivalents, October 1  | 42,513,073    | 39,828,824    |
| Cash and cash equivalents, September 30   | \$ 52,631,413 | \$ 41,813,073 |
| Reconciliation of income from operations to net cash provided by operating activities:  |               |               |
| Income from operations  | \$ 7,318,801  | \$ 10,179,080 |
| Adjustments to reconcile income from operations to net cash provided by operating activities:   |               |               |
| Depreciation  | 6,437,241     | 5,981,781     |
| Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources   |               |               |
| (Increase) decrease in accounts receivable  | (1,450,038)   | (419,328)     |
| (Increase) decrease in other receivables  | -             | -             |
| (Increase) decrease in prepaids   | (1,206,866)   | -             |
| (Increase) decrease in OPEB related deferred outflows   | 11,573        | (38,249)      |
| (Increase) decrease in pension related deferred outflows  | (154,210)     | (141,374)     |
| Increase (decrease) in accounts payable   | 157,586       | (7,513)       |
| Increase (decrease) in customer deposits payable  | (10,351)      | 42,430        |
| Increase (decrease) in OPEB liability   | (20,411)      | 128,278       |
| Increase (decrease) in net pension liability (asset)  | 3,080,962     | (1,034,753)   |
| Increase (decrease) in liability for compensated absences   | 69,012        | 74,566        |
| Increase (decrease) in OPEB related deferred inflows  | (330,895)     | 351,012       |
| Increase (decrease) in pension related deferred inflows   | (2,666,131)   | 710,962       |
| Net cash provided by operating activities   | \$ 11,236,273 | \$ 15,826,892 |
| Noncash investing, capital, and financing activities:   |               |               |
| During the past year, the water and sewer fund received \$5,007,674 noncash capital contributions from developers consisting of water and sewer infrastructure. |               |               |
| Reconciliation of total cash and cash equivalents:  |               |               |
| Current assets:   |               |               |
| Cash and cash equivalents   | 48,332,010    | 37,770,846    |
| Restricted assets - cash and cash equivalents   | 3,481,080     | 3,851,931     |
| Noncurrent assets:  |               |               |
| Restricted assets - cash and cash equivalents   | 818,323       | 890,296       |
| Total cash and cash equivalents   | \$ 52,631,413 | \$ 42,513,073 |

**CITY OF CARROLLTON, TEXAS**

Golf Course Fund  
 Comparative Statements of Net Position  
 September 30, 2023 and 2022

|  | 2023         | 2022         |
|--|--------------|--------------|
| Assets   |              |              |
| Current assets:  |              |              |
| Cash and cash equivalents                                | \$ 2,685,422 | \$ 1,860,199 |
| Receivables:   |              |              |
| Accrued interest   | 7,345        | 2,257        |
| Other  | 193,808      | 201,293      |
| Total current assets                                     | 2,886,575    | 2,063,749    |
| Noncurrent assets:                                       |              |              |
| Capital assets:  |              |              |
| Land   | 995,000      | 995,000      |
| Buildings  | 1,925,571    | 1,925,571    |
| Equipment  | 1,441,533    | 1,420,831    |
| Improvements   | 16,169,676   | 16,169,676   |
| Accumulated depreciation                                 | (16,203,139) | (15,816,394) |
| Total capital assets,<br>net of accumulated depreciation | 4,328,641    | 4,694,684    |
| Total assets   | 7,215,216    | 6,758,433    |
| Liabilities  |              |              |
| Current liabilities:                                     |              |              |
| Accounts payable   | 28,508       | 14,096       |
| Total liabilities  | 28,508       | 14,096       |
| Net Position   |              |              |
| Net investment in capital assets                         | 4,328,641    | 4,694,684    |
| Unrestricted   | 2,858,067    | 2,049,653    |
| Total net position                                       | \$ 7,186,708 | \$ 6,744,337 |



**CITY OF CARROLLTON, TEXAS**

Golf Course Fund  
 Comparative Statements of Revenues, Expenses and Changes in Net Position  
 For the Years Ended September 30, 2023 and 2022

|  | <u>2023</u>         | <u>2022</u>         |
|--|---------------------|---------------------|
| Operating revenues:                    |                     |                     |
| Charges for services                   | \$ 972,263          | \$ 843,940          |
| Miscellaneous                          | -                   | 285,092             |
| Total operating revenues               | <u>972,263</u>      | <u>1,129,032</u>    |
| Operating expenses:                    |                     |                     |
| Supplies and services                  | -                   | 56,333              |
| Utilities                              | 12,877              | -                   |
| Allocations                            | 6,328               | 1,100               |
| Depreciation and amortization          | 597,626             | 608,919             |
| Total operating expenses               | <u>616,831</u>      | <u>666,352</u>      |
| Income from operations                 | <u>355,432</u>      | <u>462,680</u>      |
| Nonoperating revenues (expenses):      |                     |                     |
| Investment earnings                    |                     |                     |
| net of change in fair value            |                     |                     |
| of investments                         | 61,079              | (48,141)            |
| Gain on sale/retirement                |                     |                     |
| of capital assets                      | 25,860              | 280                 |
| Total nonoperating revenues (expenses) | <u>86,939</u>       | <u>(47,861)</u>     |
| Change in net position                 | 442,371             | 414,819             |
| Net position at beginning of year      | <u>6,744,337</u>    | <u>6,329,518</u>    |
| Net position at end of year            | <u>\$ 7,186,708</u> | <u>\$ 6,744,337</u> |

**CITY OF CARROLLTON, TEXAS**

Golf Course Fund  
 Comparative Statements of Cash Flows  
 For the years Ended September 30, 2023 and 2022

|   | 2023         | 2022         |
|---|--------------|--------------|
| Cash flows from operating activities:   |              |              |
| Cash received from customers for services   | \$ 960,316   | \$ 1,048,324 |
| Cash payments to suppliers for goods and services   | 20,966       | (53,556)     |
| Cash payments to other funds for services   | (6,327)      | (1,100)      |
| Net cash provided by operating activities   | 974,955      | 993,668      |
| Cash flows from noncapital financing activities:  |              |              |
| Transfers from other funds  | -            | -            |
| Cash flows from capital and related financing activities:   |              |              |
| Acquisition and construction of capital assets  | (231,583)    | -            |
| Proceeds from sale of capital assets  | 25,860       | 280          |
| Net cash provided by (used in) capital and related financing activities                                     | (205,723)    | 280          |
| Cash flow from investing activities:  |              |              |
| Investment gain (loss) on cash and cash equivalents   | 55,991       | (48,122)     |
| Net increase (decrease) in cash and cash equivalents  | 825,223      | 945,826      |
| Cash and cash equivalents, October 1  | 1,860,199    | 914,373      |
| Cash and cash equivalents, September 30   | \$ 2,685,422 | \$ 1,860,199 |
| Reconciliation of income (loss) from operations to net cash provided by operating activities:               |              |              |
| Income (loss) from operations   | \$ 355,432   | \$ 462,680   |
| Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities: |              |              |
| Depreciation  | 597,626      | 608,919      |
| Change in assets and liabilities:   |              |              |
| (Increase) decrease in other receivables  | 7,485        | (80,709)     |
| Increase (decrease) in accounts payable   | 14,412       | 2,778        |
| Net cash provided by operating activities   | \$ 974,955   | \$ 993,668   |

**CITY OF CARROLLTON, TEXAS**

Sanitation Fund  
 Comparative Statements of Net Position  
 September 30, 2023 and 2022

|  | <u>2023</u>        | <u>2022</u>        |
|--|--------------------|--------------------|
| Assets   |                    |                    |
| Current assets:  |                    |                    |
| Cash and cash equivalents                                | \$ 32,667          | \$ 740,612         |
| Receivables:   |                    |                    |
| Accounts   | 1,355,551          | 1,365,670          |
| Accrued interest   | <u>8,816</u>       | <u>4,241</u>       |
| Total current assets                                     | <u>1,397,034</u>   | <u>2,110,523</u>   |
| Noncurrent assets:                                       |                    |                    |
| Capital assets:  |                    |                    |
| Equipment  | 1,460,303          | 1,460,303          |
| Accumulated depreciation                                 | <u>(1,460,303)</u> | <u>(1,460,303)</u> |
| Total capital assets,<br>net of accumulated depreciation | <u>-</u>           | <u>-</u>           |
| Total assets   | <u>1,397,034</u>   | <u>2,110,523</u>   |
| Liabilities  |                    |                    |
| Current liabilities:                                     |                    |                    |
| Accounts payable   | <u>1,195,551</u>   | <u>1,933,399</u>   |
| Total liabilities  | <u>1,195,551</u>   | <u>1,933,399</u>   |
| Net Position   |                    |                    |
| Unrestricted   | <u>201,483</u>     | <u>177,124</u>     |
| Total net position                                       | <u>\$ 201,483</u>  | <u>\$ 177,124</u>  |

**CITY OF CARROLLTON, TEXAS**

Sanitation Fund  
 Comparative Statements of Revenues, Expenses and Changes in Net Position  
 For the Years Ended September 30, 2023 and 2022

|  | <u>2023</u>        | <u>2022</u>        |
|--|--------------------|--------------------|
| Operating revenues:  |                    |                    |
| Charges for services   | \$ 12,441,234      | \$ 12,002,849      |
| Total operating revenues   | <u>12,441,234</u>  | <u>12,002,849</u>  |
| Operating expenses:  |                    |                    |
| Supplies and services  | 10,219,560         | 9,977,134          |
| Allocations  | <u>162,189</u>     | <u>122,156</u>     |
| Total operating expenses   | <u>10,381,749</u>  | <u>10,099,290</u>  |
| Income from operations   | <u>2,059,485</u>   | <u>1,903,559</u>   |
| Nonoperating revenues (expenses):                                    |                    |                    |
| Investment earnings<br>net of change in fair value<br>of investments | <u>66,600</u>      | <u>(10,353)</u>    |
| Total nonoperating revenues (expenses)                               | <u>66,600</u>      | <u>(10,353)</u>    |
| Income before contributions<br>and transfers                         | 2,126,085          | 1,893,206          |
| Transfers out  | <u>(2,101,726)</u> | <u>(2,076,075)</u> |
| Change in net position   | 24,359             | (182,869)          |
| Net position at beginning of year                                    | <u>177,124</u>     | <u>359,993</u>     |
| Net position at end of year  | <u>\$ 201,483</u>  | <u>\$ 177,124</u>  |

**CITY OF CARROLLTON, TEXAS**

Sanitation Fund  
 Comparative Statements of Cash Flows  
 For the years Ended September 30, 2023 and 2022

|   | <u>2023</u>         | <u>2022</u>         |
|---|---------------------|---------------------|
| Cash flows from operating activities:   |                     |                     |
| Cash received from customers for services   | \$ 11,858,019       | \$ 11,876,277       |
| Cash payments to suppliers for goods and services   | (10,364,074)        | (9,873,875)         |
| Cash payments to other funds for services   | (162,189)           | (122,156)           |
| Net cash provided by operating activities   | <u>1,331,756</u>    | <u>1,880,246</u>    |
| Cash flows from noncapital financing activities:  |                     |                     |
| Transfers to other funds  | <u>(2,101,726)</u>  | <u>(2,076,075)</u>  |
| Cash flow from investing activities:  |                     |                     |
| Investment gain (loss) on cash and cash equivalents   | <u>62,025</u>       | <u>(10,629)</u>     |
| Net increase (decrease) in cash and cash equivalents  | (707,945)           | (206,458)           |
| Cash and cash equivalents, October 1  | <u>740,612</u>      | <u>947,070</u>      |
| Cash and cash equivalents, September 30   | <u>\$ 32,667</u>    | <u>\$ 740,612</u>   |
| Reconciliation of income from operations to net cash provided by operating activities:        |                     |                     |
| Income from operations  | \$ 2,059,485        | \$ 1,903,559        |
| Adjustments to reconcile income from operations to net cash provided by operating activities: |                     |                     |
| Provisions for doubtful accounts  | -                   | -                   |
| Change in assets and liabilities:   |                     |                     |
| (Increase) decrease in accounts receivable  | 10,119              | (110,369)           |
| Increase (decrease) in accounts payable   | (737,848)           | 87,056              |
| Net cash provided by (used in) operating activities   | <u>\$ 1,331,756</u> | <u>\$ 1,880,246</u> |

**CITY OF CARROLLTON, TEXAS**

Fleet Services Fund  
 Comparative Statements of Net Position  
 September 30, 2023 and 2022

|  | <u>2023</u>          | <u>2022</u>          |
|--|----------------------|----------------------|
| Assets   |                      |                      |
| Current assets:  |                      |                      |
| Cash and cash equivalents                                | \$ 10,444,684        | \$ 7,418,545         |
| Accrued interest receivable                              | 40,333               | 22,693               |
| Other  | 18,121               | -                    |
| Inventories  | 98,487               | 100,498              |
| Total current assets                                     | <u>10,601,625</u>    | <u>7,541,736</u>     |
| Noncurrent assets:                                       |                      |                      |
| Capital assets:  |                      |                      |
| Buildings  | 176,409              | 176,409              |
| Equipment  | 26,708,914           | 25,583,879           |
| Intangibles  | 34,314               | 34,314               |
| Accumulated depreciation                                 | <u>(16,974,687)</u>  | <u>(15,639,279)</u>  |
| Total capital assets, net of<br>accumulated depreciation | <u>9,944,950</u>     | <u>10,155,323</u>    |
| Total assets   | <u>20,546,575</u>    | <u>17,697,059</u>    |
| Liabilities  |                      |                      |
| Current liabilities:                                     |                      |                      |
| Accounts payable   | 479,777              | 235,745              |
| Compensated absences                                     | <u>1,683</u>         | <u>-</u>             |
| Total liabilities  | <u>481,460</u>       | <u>235,745</u>       |
| Net Position   |                      |                      |
| Net investment in capital assets                         | 9,944,950            | 10,155,323           |
| Unrestricted   | <u>10,120,165</u>    | <u>7,305,991</u>     |
| Total net position                                       | <u>\$ 20,065,115</u> | <u>\$ 17,461,314</u> |

**CITY OF CARROLLTON, TEXAS**

Fleet Services Fund

Comparative Statements of Revenues, Expenses and Changes in Net Position  
for the Years Ended September 30, 2023 and 2022

|   | <u>2023</u>          | <u>2022</u>          |
|---|----------------------|----------------------|
| Operating revenues:                       |                      |                      |
| Charges for services                      | \$ 7,430,986         | \$ 6,527,151         |
| Operating expenses:                       |                      |                      |
| Personnel services                        | 176,402              | 112,174              |
| Supplies and services                     | 3,334,744            | 3,260,867            |
| Utilities                                 | 31,890               | 42,094               |
| Allocations                               | 56,610               | 42,338               |
| Depreciation and amortization             | 2,405,534            | 2,110,236            |
| Total operating expenses                  | <u>6,005,180</u>     | <u>5,567,709</u>     |
| Income from operations                    | <u>1,425,806</u>     | <u>959,442</u>       |
| Nonoperating revenues:                    |                      |                      |
| Investment earnings                       |                      |                      |
| net of change in fair value               |                      |                      |
| of investments                            | 233,070              | (191,928)            |
| Gain on sale/retirement of capital assets | 412,039              | 279,968              |
| Total nonoperating revenues               | <u>645,109</u>       | <u>88,040</u>        |
| Income before transfers                   | 2,070,915            | 1,047,482            |
| Transfers in                              | 1,000,000            | -                    |
| Transfers out                             | <u>(467,114)</u>     | <u>(433,786)</u>     |
| Change in net position                    | 2,603,801            | 613,696              |
| Net position at beginning of year         | <u>17,461,314</u>    | <u>16,847,618</u>    |
| Net position at end of year               | <u>\$ 20,065,115</u> | <u>\$ 17,461,314</u> |

**CITY OF CARROLLTON, TEXAS**

Fleet Services Fund  
 Comparative Statements of Cash Flows  
 For the years Ended September 30, 2023 and 2022

|   | 2023          | 2022         |
|---|---------------|--------------|
| Cash flows from operating activities:   |               |              |
| Cash received from other funds for services   | \$ 7,624,661  | \$ 6,527,151 |
| Cash payments to suppliers for goods and services   | (3,387,614)   | (3,359,204)  |
| Cash payments to employees for services   | (176,102)     | (102,079)    |
| Cash payments to other funds for services   | -             | (49,478)     |
| Net cash provided by operating activities   | 4,060,945     | 3,016,390    |
| Cash flows from noncapital financing activities:  |               |              |
| Transfers to other funds  | (467,113)     | (433,786)    |
| Cash flows from capital and related financing activities:                                     |               |              |
| Transfers in  | 1,000,000     |              |
| Acquisition and construction of capital assets  | (2,200,397)   | (2,818,573)  |
| Proceeds from sale of capital assets  | 417,274       | 294,261      |
| Net cash used by capital and related financing activities                                     | (783,123)     | (2,524,312)  |
| Cash flow from investing activities:  |               |              |
| Investment gain (loss) on cash and cash equivalents   | 215,430       | (194,843)    |
| Net increase (decrease) in cash and cash equivalents  | 3,026,139     | (136,551)    |
| Cash and cash equivalents, October 1  | 7,418,545     | 7,555,096    |
| Cash and cash equivalents, September 30   | \$ 10,444,684 | \$ 7,418,545 |
| Reconciliation of income from operations to net cash provided by operating activities:        |               |              |
| Income from operations  | \$ 1,425,806  | \$ 959,442   |
| Adjustments to reconcile income from operations to net cash provided by operating activities: |               |              |
| Depreciation  | 2,405,534     | 2,110,236    |
| Change in assets and liabilities:   |               |              |
| (Increase) decrease in other receivables  | (18,121)      |              |
| (Increase) decrease in inventories  | 2,011         | (19,855)     |
| Increase (decrease) in accounts payable   | 244,032       | (33,433)     |
| Increase (decrease) in compensated absences   | 1,683         | \$ -         |
| Net cash provided by operating activities   | \$ 4,060,945  | \$ 3,016,390 |



**CITY OF CARROLLTON, TEXAS**

Risk Management Fund  
 Comparative Statements of Net Position  
 September 30, 2023 and 2022

|  | <u>2023</u>         | <u>2022</u>         |
|--|---------------------|---------------------|
| Assets   |                     |                     |
| Current assets:  |                     |                     |
| Cash and cash equivalents                                | \$ 4,332,872        | \$ 4,514,790        |
| Accrued interest receivable                              | 24,169              | 16,061              |
| Other  | 51,180              | -                   |
| Prepaid items  | 113,000             | 113,000             |
| Total current assets                                     | <u>4,521,221</u>    | <u>4,643,851</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<br>accumulated depreciation | <u>-</u>            | <u>-</u>            |
| Total assets   | <u>4,521,221</u>    | <u>4,643,851</u>    |
| Liabilities  |                     |                     |
| Current liabilities:                                     |                     |                     |
| Accounts payable   | 12,716              | 104,079             |
| Noncurrent liabilities:                                  |                     |                     |
| Compensated absences                                     | 51,508              | 51,075              |
| Long-term risk liability                                 | <u>1,228,468</u>    | <u>1,212,786</u>    |
| Total noncurrent liabilities                             | <u>1,279,976</u>    | <u>1,263,861</u>    |
| Total liabilities  | <u>1,292,692</u>    | <u>1,367,940</u>    |
| Net Position   |                     |                     |
| Unrestricted   | <u>3,228,529</u>    | <u>3,275,911</u>    |
| Total net position                                       | <u>\$ 3,228,529</u> | <u>\$ 3,275,911</u> |

## CITY OF CARROLLTON, TEXAS

### Risk Management Fund

Comparative Statements of Revenues, Expenses and Changes in Net Position  
for the Years Ended September 30, 2023 and 2022

|  | <u>2023</u>         | <u>2022</u>         |
|--|---------------------|---------------------|
| Operating revenues:  |                     |                     |
| Charges for services   | \$ 2,980,150        | \$ 2,213,265        |
| Operating expenses:  |                     |                     |
| Personnel services   | 112,402             | 111,010             |
| Supplies and services  | 2,570,262           | 2,328,047           |
| Utilities  | 269                 | 279                 |
| Total operating expenses   | <u>2,682,933</u>    | <u>2,439,336</u>    |
| Income (loss) from operations  | <u>297,217</u>      | <u>(226,071)</u>    |
| Nonoperating revenues:   |                     |                     |
| Investment earnings<br>net of change in fair value<br>of investments | <u>153,444</u>      | <u>(115,359)</u>    |
| Total nonoperating revenues  | <u>153,444</u>      | <u>(115,359)</u>    |
| Income (loss) before transfers                                       | 450,661             | (341,430)           |
| Transfers out  | <u>(498,043)</u>    | <u>(480,473)</u>    |
| Change in net position   | (47,382)            | (821,903)           |
| Net position at beginning of year                                    | <u>3,275,911</u>    | <u>4,097,814</u>    |
| Net position at end of year  | <u>\$ 3,228,529</u> | <u>\$ 3,275,911</u> |

**CITY OF CARROLLTON, TEXAS**

Risk Management Fund  
 Comparative Statements of Cash Flows  
 For the years Ended September 30, 2023 and 2022

|   | <u>2023</u>         | <u>2022</u>         |
|---|---------------------|---------------------|
| Cash flows from operating activities:   |                     |                     |
| Cash received from other funds for services   | \$ 2,874,651        | \$ 2,213,265        |
| Cash received from loss claim recoveries  | 509,901             | 528,986             |
| Cash payments to suppliers for goods and services   | (1,777,903)         | (1,195,854)         |
| Cash payments to employees for services   | (100,598)           | (97,863)            |
| Cash payments for loss claims   | (1,335,262)         | (1,240,741)         |
| Cash payments to other funds for services   | -                   | (8,563)             |
| Net cash provided by operating activities   | <u>170,789</u>      | <u>199,230</u>      |
| Cash flows from noncapital financing activities:  |                     |                     |
| Transfers to other funds  | <u>(498,043)</u>    | <u>(480,473)</u>    |
| Cash flow from investing activities:  |                     |                     |
| Investment gain (loss) on cash and cash equivalents   | <u>145,336</u>      | <u>(117,453)</u>    |
| Net increase (decrease) in cash and cash equivalents  | (181,918)           | (398,696)           |
| Cash and cash equivalents, October 1  | 4,514,790           | 4,913,486           |
| Cash and cash equivalents, September 30   | <u>\$ 4,332,872</u> | <u>\$ 4,514,790</u> |
| Reconciliation of income (loss) from operations to net cash provided by operating activities: |                     |                     |
| Net income (loss) from operations   | \$ 297,217          | \$ (226,071)        |
| Adjustments to reconcile loss from operations to net cash (used in) operating activities:     |                     |                     |
| Change in assets and liabilities:   |                     |                     |
| (Increase) decrease in other receivables  | (51,180)            | -                   |
| Increase (decrease) in accounts payable   | (91,363)            | 73,284              |
| Increase (decrease) in liability for compensated absences                                     | 433                 | 4,314               |
| Increase (decrease) in long-term risk liability   | 15,682              | 347,703             |
| Net cash provided by (used in) operating activities   | <u>\$ 170,789</u>   | <u>\$ 199,230</u>   |

**CITY OF CARROLLTON, TEXAS**

Employee Health and Disability Fund  
Comparative Statements of Net Position  
September 30, 2023 and 2022

|                                 | <u>2023</u>                | <u>2022</u>                |
|---------------------------------|----------------------------|----------------------------|
| Assets                          |                            |                            |
| Current assets:                 |                            |                            |
| Cash and cash equivalents       | \$ 7,290,942               | \$ 7,730,828               |
| Receivables:                    |                            |                            |
| Accrued interest receivable     | 43,784                     | 24,456                     |
| Other                           | 941,223                    | -                          |
| Prepaid items                   | <u>7,367</u>               | <u>7,367</u>               |
| Total assets                    | <u>8,283,316</u>           | <u>7,762,651</u>           |
| Liabilities                     |                            |                            |
| Current liabilities:            |                            |                            |
| Accounts payable                | 1,709,935                  | 1,669,825                  |
| Estimated health claims payable | <u>792,791</u>             | <u>788,496</u>             |
| Total current liabilities       | <u>2,502,726</u>           | <u>2,458,321</u>           |
| Total liabilities               | <u>2,502,726</u>           | <u>2,458,321</u>           |
| Net Position                    |                            |                            |
| Unrestricted                    | <u>5,780,590</u>           | <u>5,304,330</u>           |
| Total net position              | <u><u>\$ 5,780,590</u></u> | <u><u>\$ 5,304,330</u></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, 2023 and 2022

|  | <u>2023</u>         | <u>2022</u>         |
|--|---------------------|---------------------|
| Operating revenues:  |                     |                     |
| Charges for services   | \$ 11,560,152       | \$ 11,565,804       |
| Operating expenses:  |                     |                     |
| Personnel services   | 703,998             | 758,225             |
| Supplies and services  | 10,694,330          | 10,787,890          |
| Total operating expenses   | <u>11,398,328</u>   | <u>11,546,115</u>   |
| Income from operations   | <u>161,824</u>      | <u>19,689</u>       |
| Nonoperating revenues:   |                     |                     |
| Investment earnings<br>net of change in fair value<br>of investments | 314,436             | (194,408)           |
| Total nonoperating revenues  | <u>314,436</u>      | <u>(194,408)</u>    |
| Change in net position   | 476,260             | (174,719)           |
| Net position at beginning of year                                    | <u>5,304,330</u>    | <u>5,479,049</u>    |
| Net position at end of year  | <u>\$ 5,780,590</u> | <u>\$ 5,304,330</u> |

**CITY OF CARROLLTON, TEXAS**

Employee Health and Disability Fund  
 Comparative Statements of Cash Flows  
 For the years Ended September 30, 2023 and 2022

|   | 2023         | 2022         |
|---|--------------|--------------|
| Cash flows from operating activities:   |              |              |
| Cash received from employees and retirees for services  | \$ 2,489,588 | \$ 2,164,900 |
| Cash received from other funds for services   | 9,114,969    | 9,400,903    |
| Cash received from loss claim recoveries and refunds  | 695,092      | 650,047      |
| Cash payments to suppliers for goods and services   | (3,536,041)  | (2,562,426)  |
| Cash payments for loss claims   | (9,498,602)  | (9,836,897)  |
| Net cash provided by (used in) operating activities   | (734,994)    | (183,473)    |
| Cash flow from investing activities:  |              |              |
| Investment gain (loss) on cash and cash equivalents   | 295,108      | (198,263)    |
| Net increase (decrease) in cash and cash equivalents  | (439,886)    | (381,736)    |
| Cash and cash equivalents, October 1  | 7,730,828    | 8,112,564    |
| Cash and cash equivalents, September 30   | \$ 7,290,942 | \$ 7,730,828 |
| Reconciliation of income from operations to net cash provided by (used in) operating activities:        |              |              |
| Income from operations  | \$ 161,824   | \$ 19,689    |
| Adjustments to reconcile income from operations to net cash provided by (used in) operating activities: |              |              |
| Change in assets and liabilities:   |              |              |
| (Increase) decrease on other receivables  | (941,223)    | -            |
| Increase (decrease) in accounts payable   | 40,110       | (140,077)    |
| Increase (decrease) in estimated health claims payable  | 4,295        | (63,085)     |
| Net cash provided by (used in) operating activities   | \$ (734,994) | \$ (183,473) |



# **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.





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

Table 1

|  | Fiscal Year           |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | <u>2014</u>           | <u>2015</u>           | <u>2016</u>           | <u>2017</u>           | <u>2018</u>           | <u>2019</u>           | <u>2020</u>           | <u>2021</u>           | <u>2022</u>           | <u>2023</u>           |
| <b>Governmental activities</b>                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets                   | \$ 224,428,585        | \$ 229,578,674        | \$ 236,475,739        | \$ 253,789,783        | \$ 266,335,524        | \$ 265,348,739        | \$ 288,354,589        | \$ 285,331,250        | \$ 308,107,635        | \$ 315,120,145        |
| Restricted   | 5,488,442             | 5,539,348             | 6,452,006             | 6,939,678             | 7,568,306             | 7,567,836             | 9,466,620             | 11,506,974            | 33,991,386            | 9,385,478             |
| Unrestricted                                       | 95,744,744            | 108,636,055           | 115,146,522           | 115,867,856           | 116,877,252           | 142,352,531           | 157,960,043           | 203,079,481           | 227,811,286           | 295,001,248           |
| <b>Total governmental activities net position</b>  | <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> | <u>\$ 569,910,307</u> | <u>\$ 619,506,871</u> |
| <b>Business-type activities</b>                    |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets                   | \$ 119,325,732        | \$ 117,734,922        | \$ 114,890,769        | \$ 111,162,794        | \$ 114,574,032        | \$ 117,224,597        | \$ 113,405,237        | \$ 110,676,871        | \$ 117,112,368        | \$ 120,033,950        |
| Restricted   | 1,488,696             | 1,460,318             | 1,426,329             | 1,385,524             | 1,237,640             | 1,142,303             | 1,070,043             | 986,773               | 2,020,735             | 818,323               |
| Unrestricted                                       | 22,994,428            | 23,051,098            | 24,004,120            | 25,184,803            | 23,311,006            | 24,937,146            | 32,485,159            | 40,606,226            | 43,122,949            | 58,457,572            |
| <b>Total business-type activities net position</b> | <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> | <u>\$ 162,256,052</u> | <u>\$ 179,309,845</u> |
| <b>Primary government</b>                          |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets                   | \$ 343,754,317        | \$ 347,313,596        | \$ 351,366,508        | \$ 364,952,577        | \$ 380,909,556        | \$ 382,573,336        | \$ 401,759,826        | \$ 396,008,121        | \$ 425,220,003        | \$ 435,154,095        |
| Restricted   | 6,977,138             | 6,999,666             | 7,878,335             | 8,325,202             | 8,805,946             | 8,710,139             | 10,536,663            | 12,493,747            | 36,012,121            | 10,203,801            |
| Unrestricted                                       | 118,739,172           | 131,687,153           | 139,150,642           | 141,052,659           | 140,188,258           | 167,289,677           | 190,445,202           | 243,685,707           | 270,934,235           | 353,458,820           |
| <b>Total primary government net position</b>       | <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> | <u>\$ 732,166,359</u> | <u>\$ 798,816,716</u> |

Source: Annual Comprehensive Financial Reports

**Notes:**

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>2014</u>          | <u>2015</u>          | <u>2016</u>          | <u>2017</u>          | <u>2018</u>          | <u>2019</u>          | <u>2020</u>          | <u>2021</u>          | <u>2022</u>           | <u>2023</u>          |
| <b>Expenses</b>                                 |                      |                      |                      |                      |                      |                      |                      |                      |                       |                      |
| Governmental activities:                        |                      |                      |                      |                      |                      |                      |                      |                      |                       |                      |
| General government and administration           | \$ 15,613,314        | \$ 16,606,809        | \$ 15,894,255        | \$ 17,122,310        | \$ 17,189,961        | \$ 19,121,014        | \$ 22,837,935        | \$ 21,796,441        | \$ 21,530,774         | \$ 26,457,923        |
| Public safety                                   | 52,091,965           | 52,732,524           | 59,993,080           | 64,012,046           | 63,047,061           | 69,201,673           | 66,625,840           | 64,935,344           | 57,636,204            | 71,523,237           |
| Development services                            | 39,284,802           | 21,534,165           | 26,750,336           | 27,011,842           | 25,002,278           | 32,233,127           | 27,137,264           | 32,895,331           | 25,030,749            | 26,062,521           |
| Cultural and recreational                       | 14,319,443           | 14,677,561           | 15,487,148           | 16,754,985           | 16,390,220           | 16,790,697           | 14,859,202           | 15,110,009           | 15,600,850            | 18,747,089           |
| Interest on long term debt                      | 6,310,607            | 6,251,466            | 6,125,135            | 6,293,033            | 6,325,530            | 6,037,670            | 6,265,337            | 5,924,098            | 6,054,525             | 7,031,007            |
| Total governmental activities expenses          | <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>   | <u>125,853,102</u>    | <u>149,821,777</u>   |
| Business-type activities:                       |                      |                      |                      |                      |                      |                      |                      |                      |                       |                      |
| Water and sewer                                 | 36,268,921           | 35,091,342           | 38,169,394           | 40,370,208           | 43,285,640           | 42,145,572           | 41,908,407           | 42,277,481           | 43,753,928            | 48,239,139           |
| Golf  | 406,286              | 1,354,149            | 1,770,254            | 951,127              | 451,994              | 2,172,913            | 2,205,324            | 844,841              | 666,839               | 616,188              |
| Sanitation                                      | 5,813,267            | 6,000,423            | 7,396,452            | 7,794,237            | 8,076,094            | 8,410,160            | 9,269,390            | 9,664,433            | 10,112,106            | 10,365,281           |
| Total business-type activities expenses         | <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>    | <u>54,532,873</u>     | <u>59,220,608</u>    |
| Total primary government expenses               | <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>   | <u>180,385,975</u>    | <u>209,042,385</u>   |
| <b>Program Revenues</b>                         |                      |                      |                      |                      |                      |                      |                      |                      |                       |                      |
| Governmental activities:                        |                      |                      |                      |                      |                      |                      |                      |                      |                       |                      |
| Fees, Fines, and Charges for Services:          |                      |                      |                      |                      |                      |                      |                      |                      |                       |                      |
| General government and administration           | 196,574              | 223,621              | 276,789              | 136,535              | 192,134              | 171,494              | 193,747              | 209,167              | 223,758               | 235,170              |
| Public safety                                   | 10,818,681           | 11,344,328           | 10,225,750           | 9,695,265            | 9,144,151            | 8,986,909            | 10,933,565           | 8,663,179            | 9,470,330             | 8,405,815            |
| Development services                            | 2,856,299            | 2,147,052            | 2,642,431            | 2,177,917            | 3,201,667            | 2,485,491            | 1,815,359            | 2,273,936            | 2,216,129             | 1,655,177            |
| Cultural and recreational                       | 2,943,837            | 2,505,008            | 2,767,833            | 2,718,579            | 2,699,398            | 2,093,847            | 1,225,921            | 2,236,900            | 2,635,278             | 2,727,384            |
| Operating grants and contributions              | 30,116               | 59,753               | 324,816              | 143,608              | 247,088              | 83,567               | 9,301,172            | 8,550,938            | 13,221,942            | 2,221,740            |
| Capital grants and contributions                | 7,039,163            | 3,916,199            | 2,317,548            | 5,945,697            | 2,677,227            | 9,199,209            | 2,335,856            | 3,055,845            | 9,027,419             | 1,673,577            |
| Total governmental activities program revenues  | <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>    | <u>36,794,856</u>     | <u>16,918,863</u>    |
| Business-type activities:                       |                      |                      |                      |                      |                      |                      |                      |                      |                       |                      |
| Charges for services:                           |                      |                      |                      |                      |                      |                      |                      |                      |                       |                      |
| Water and sewer                                 | 33,789,304           | 35,301,330           | 37,361,058           | 39,630,140           | 45,005,225           | 45,058,318           | 48,863,523           | 48,800,443           | 53,318,611            | 55,045,831           |
| Golf  | 1,101,340            | 556,913              | 976,527              | 1,131,464            | 617,176              | 1,163,979            | 1,092,696            | 479,789              | 843,940               | 883,646              |
| Sanitation                                      | 7,882,627            | 8,231,572            | 9,492,356            | 9,839,216            | 10,361,672           | 10,614,355           | 10,773,015           | 11,552,462           | 12,002,849            | 12,441,234           |
| Operating grants and contributions              | -                    | -                    | 557,072              | -                    | -                    | -                    | -                    | -                    | -                     | -                    |
| Capital grants and contributions                | 2,104,033            | 2,027,734            | 1,003,684            | 965,092              | 3,266,699            | 923,476              | 727,166              | 3,199,625            | 5,578,424             | 296,688              |
| Total business-type activities program revenues | <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>    | <u>71,743,824</u>     | <u>68,667,399</u>    |
| Total primary government program revenues       | <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> | <u>\$ 108,538,680</u> | <u>\$ 85,586,262</u> |

(continued)

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

Table 2

|  | Fiscal Year          |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | 2014                 | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 | 2023                 |
| <b>Net (Expense) Revenue</b>           |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Governmental Activities                | \$ (103,735,461)     | \$ (91,606,564)      | \$ (105,694,787)     | \$ (110,376,615)     | \$ (109,793,384)     | \$ (120,363,664)     | \$ (111,919,958)     | \$ (115,671,258)     | \$ (89,058,246)      | \$ (132,902,914)     |
| Business-type Activities               | 2,388,830            | 3,671,635            | 2,054,597            | 2,450,340            | 7,437,044            | 5,031,483            | 8,073,279            | 11,245,564           | 17,210,951           | 9,446,791            |
| Total Primary government net expense   | <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> | <u>(71,847,295)</u>  | <u>(123,456,123)</u> |
| <b>General Revenues</b>                |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>and Other Changes in Net Assets</b> |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Governmental Activities:               |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Taxes:                                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Ad valorem                             | 58,744,957           | 61,990,961           | 66,690,804           | 71,827,346           | 77,233,249           | 82,924,296           | 89,122,477           | 93,158,498           | 96,924,730           | 105,091,592          |
| Sales                                  | 27,708,160           | 31,238,022           | 34,512,467           | 36,782,925           | 39,811,034           | 39,683,052           | 40,032,543           | 46,187,884           | 48,705,881           | 50,596,808           |
| Occupancy                              | 181,025              | 210,835              | 243,946              | 292,908              | 237,466              | 189,529              | 211,851              | 122,512              | 173,648              | 594,040              |
| Franchise Fees                         | 12,023,980           | 11,768,644           | 11,778,705           | 12,069,944           | 12,526,523           | 12,036,367           | 12,098,114           | 11,914,107           | 12,389,639           | 12,247,092           |
| Investment earnings net of change      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| in fair value of investments           | 718,161              | 1,202,294            | 1,280,470            | 1,480,990            | 2,184,503            | 6,519,218            | 4,251,840            | 921,062              | (7,768,438)          | 12,086,664           |
| Gain on sale of capital assets         | 230,961              | 1,306,445            | 123,312              | 113,009              | 4,248                | 267,029              | 328,051              | -                    | 325,519              | 428,391              |
| Public-private partnership recovery    | 3,013,646            | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Miscellaneous                          | 1,008,224            | 793,144              | 977,691              | 874,112              | 950,672              | 932,282              | 891,770              | 926,010              | 1,500,632            | 7,042,950            |
| Transfers                              | 6,164,675            | 5,475,266            | 4,407,582            | 5,458,431            | 6,539,304            | 2,299,915            | 5,495,458            | 6,577,638            | 6,799,237            | (5,588,059)          |
| Total Governmental Activities          | <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>   | <u>159,050,848</u>   | <u>182,499,477</u>   |
| Business-type Activities:              |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Investment earnings net of change      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| in fair value of investments           | 162,754              | 206,134              | 186,142              | 201,448              | 262,790              | 925,005              | 707,328              | 103,944              | (1,134,235)          | 1,424,011            |
| Gain on sale of capital assets         | 108,520              | 35,012               | 37,256               | 21,514               | 4,232                | 261,495              | 18,143               | 99,209               | 39,110               | 85,210               |
| Miscellaneous                          | 159,535              | 174,697              | 204,467              | 197,032              | 224,795              | 263,300              | 353,101              | 438,352              | 669,593              | 509,722              |
| Transfers                              | (6,164,675)          | (5,475,266)          | (4,407,582)          | (5,458,431)          | (6,539,304)          | (2,299,915)          | (5,495,458)          | (6,577,638)          | (6,799,237)          | 5,588,059            |
| Total Business-type Activities         | <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>   | <u>(7,224,769)</u>   | <u>7,607,002</u>     |
| Total Primary Government               | <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>   | <u>151,826,079</u>   | <u>190,106,479</u>   |
| <b>Change in Net Position</b>          |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Governmental Activities                | 6,058,328            | 22,379,047           | 14,320,190           | 18,523,050           | 29,693,615           | 24,488,024           | 40,512,146           | 44,136,453           | 69,992,602           | 49,596,563           |
| Business-type Activities               | (3,345,036)          | (1,387,788)          | (1,925,120)          | (2,588,097)          | 1,389,557            | 4,181,368            | 3,656,393            | 5,309,431            | 9,986,182            | 17,053,793           |
| Total Primary Government               | <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> | <u>\$ 79,978,784</u> | <u>\$ 66,650,356</u> |

(concluded)

Source: Annual Comprehensive Financial Reports

**Notes:**

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>2014</u>           | <u>2015</u>           | <u>2016</u>           | <u>2017</u>           | <u>2018</u>           | <u>2019</u>           | <u>2020</u>           | <u>2021</u>           | <u>2022</u>           | <u>2023</u>           |
| <b>General Fund</b>                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Nonspendable for prepaid item             | \$ -                  | \$ 145,345            | \$ -                  | \$ 637,076            | \$ 615,544            | \$ 165,821            | \$ -                  | \$ 860,066            | \$ 1,769,783          | \$ 1,676,061          |
| Assigned to purchases on order            | 166,593               | 331,730               | 213,086               | 249,535               | 368,299               | 370,937               | -                     | -                     | -                     | -                     |
| Unassigned                                | <u>20,637,631</u>     | <u>18,608,933</u>     | <u>21,341,930</u>     | <u>19,873,549</u>     | <u>29,516,925</u>     | <u>30,200,943</u>     | <u>40,567,720</u>     | <u>54,412,746</u>     | <u>83,205,558</u>     | <u>62,992,949</u>     |
| <b>Total general fund</b>                 | <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>  | <u>\$ 84,975,341</u>  | <u>\$ 64,669,010</u>  |
| <b>All Other Governmental Funds</b>       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Nonspendable for:                         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Other receivables                         | \$ -                  | \$ -                  | \$ -                  | \$ 1,012,080          | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  |
| Prepaid items                             | 51,584                | 739,994               | -                     | -                     | -                     | -                     | -                     | -                     | 85,455                | 92,387                |
| Restricted for:                           |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Debt service                              | 4,785,315             | 4,297,818             | 4,691,760             | 4,819,196             | 4,872,308             | 5,194,332             | 5,431,277             | 5,391,090             | 5,447,165             | 5,237,181             |
| Streets and drainage                      | 14,147,187            | 11,224,037            | 5,196,877             | 10,002,200            | 21,348,943            | 21,375,992            | 27,915,981            | 28,346,663            | 23,938,330            | 16,036,584            |
| Public facilities                         | 5,261,597             | 8,903,016             | 6,607,230             | 723,553               | 731,229               | 743,463               | 1,639,503             | 2,114,201             | 5,334,839             | 5,919,661             |
| Other capital projects                    | 2,698,419             | 1,691,992             | 1,660,411             | 1,240,675             | 675,940               | 2,457,650             | 3,765,317             | 6,149,025             | 9,926,150             | 19,254,771            |
| Other purposes                            | 1,269,055             | 1,515,400             | 1,825,818             | 2,102,688             | 2,781,971             | 1,943,079             | 2,307,584             | 2,640,871             | 2,286,088             | 2,414,906             |
| Committed to:                             |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Street rehabilitation                     | 14,546,936            | 17,497,861            | 20,249,854            | 23,893,942            | 27,700,435            | 32,331,403            | 38,671,297            | 43,090,080            | 46,571,139            | 49,518,355            |
| Other capital projects                    | 1,030,872             | 2,169,019             | 4,026,554             | 8,337,252             | 12,230,707            | 15,021,556            | 16,230,673            | 20,558,077            | 20,370,277            | 27,974,883            |
| Assigned to:                              |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Streets and drainage                      | 18,646,548            | 20,915,762            | 23,188,407            | 29,081,306            | 24,607,591            | 24,446,260            | 27,780,430            | 29,297,919            | 31,298,467            | 47,229,877            |
| Public facilities                         | 29,433,092            | 36,456,726            | 38,049,489            | 27,230,627            | 32,232,184            | 42,924,450            | 43,692,177            | 51,614,598            | 44,764,679            | 70,635,078            |
| Other capital projects                    | 9,848,273             | 11,734,537            | 12,782,783            | 17,222,929            | 16,592,403            | 15,504,426            | 18,476,246            | 19,478,671            | 21,488,245            | 15,494,260            |
| Other purposes                            | 356,731               | 382,462               | 447,335               | 416,120               | 693,296               | 775,981               | 2,460,132             | 1,056,282             | 908,388               | 1,010,083             |
| <b>Total all other governmental funds</b> | <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> | <u>\$ 212,419,222</u> | <u>\$ 260,818,026</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          |                      |                     |                     |                      |                      |                      |                      |                      |                      |
|--|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | 2014                 | 2015                 | 2016                | 2017                | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 | 2023                 |
| <b>REVENUES:</b>   |                      |                      |                     |                     |                      |                      |                      |                      |                      |                      |
| Taxes:   |                      |                      |                     |                     |                      |                      |                      |                      |                      |                      |
| Ad valorem   | \$ 58,347,979        | \$ 61,676,895        | \$ 66,398,279       | \$ 71,469,785       | \$ 76,855,743        | \$ 82,592,460        | \$ 88,768,605        | \$ 92,796,382        | \$ 96,481,355        | \$ 104,391,677       |
| Penalty and interest   | 396,978              | 314,066              | 292,525             | 357,561             | 377,506              | 331,836              | 353,872              | 362,116              | 443,375              | 699,915              |
| Sales  | 27,708,160           | 31,238,022           | 34,512,467          | 36,782,925          | 39,811,034           | 39,683,052           | 40,032,543           | 46,187,884           | 48,705,881           | 50,596,808           |
| 911 Taxes  | -                    | -                    | -                   | -                   | -                    | -                    | 1,071,761            | 1,178,780            | 1,164,967            | 1,078,814            |
| Occupancy tax  | 181,025              | 210,835              | 243,946             | 292,908             | 237,466              | 189,529              | 211,851              | 122,512              | 173,648              | 594,040              |
| Franchise fees   | 12,023,980           | 11,768,644           | 11,778,705          | 12,069,944          | 12,526,523           | 12,036,367           | 12,098,114           | 11,914,107           | 12,389,639           | 12,247,092           |
| Assessments  | 386,810              | 264,430              | 332,882             | 119,602             | 193,024              | 35,051               | 6,000                | 245,151              | 96,118               | 133,271              |
| Charges for services   | 5,639,116            | 5,670,254            | 6,110,532           | 6,403,950           | 5,928,261            | 5,994,144            | 4,796,116            | 5,313,457            | 6,506,501            | 5,950,704            |
| Intergovernmental  | 3,227,526            | 1,493,099            | 1,844,504           | 5,156,464           | 2,941,484            | 1,812,798            | 11,163,313           | 8,906,495            | 13,590,703           | 2,816,880            |
| Licenses and permits   | 3,003,123            | 2,805,727            | 3,073,660           | 2,534,636           | 3,842,351            | 3,456,916            | 2,644,682            | 3,024,157            | 3,087,566            | 2,653,808            |
| Fines and forfeitures  | 7,786,343            | 7,479,597            | 6,395,729           | 5,670,108           | 5,273,714            | 4,251,630            | 3,549,876            | 3,451,446            | 3,572,432            | 3,113,064            |
| Investment earnings net of change<br>in fair value of investments    | 621,710              | 1,080,213            | 1,175,370           | 1,366,353           | 2,046,739            | 6,064,714            | 3,951,260            | 791,278              | (7,266,743)          | 11,385,714           |
| PID Assessment Revenue   | -                    | -                    | -                   | -                   | -                    | 1,447,982            | 1,448,765            | 3,630,288            | 1,223,792            | 1,193,769            |
| Public-private partnership recovery                                  | 4,264,200            | -                    | -                   | -                   | -                    | -                    | -                    | -                    | -                    | -                    |
| Miscellaneous  | 1,021,870            | 793,144              | 977,691             | 874,112             | 950,673              | 932,282              | 896,467              | 1,722,281            | 1,572,062            | 7,208,611            |
| <b>Total Revenues</b>  | <b>124,608,820</b>   | <b>124,794,926</b>   | <b>133,136,290</b>  | <b>143,098,348</b>  | <b>150,984,518</b>   | <b>158,828,761</b>   | <b>170,993,225</b>   | <b>179,646,334</b>   | <b>181,741,296</b>   | <b>204,064,167</b>   |
| <b>EXPENDITURES:</b>   |                      |                      |                     |                     |                      |                      |                      |                      |                      |                      |
| General government and administration                                | 14,233,668           | 14,249,773           | 14,014,017          | 15,321,401          | 15,594,492           | 17,087,424           | 19,597,405           | 19,666,339           | 20,478,164           | 21,488,582           |
| Public safety  | 48,805,629           | 50,460,748           | 52,904,040          | 55,951,997          | 59,132,645           | 62,330,071           | 64,353,549           | 67,448,974           | 67,997,711           | 70,394,339           |
| Development services   | 9,357,484            | 9,979,839            | 10,913,353          | 10,391,297          | 11,075,739           | 12,744,091           | 11,663,392           | 11,611,302           | 11,859,954           | 9,818,879            |
| Cultural and recreational  | 11,192,930           | 11,487,238           | 11,925,191          | 12,744,442          | 13,067,844           | 12,930,099           | 12,273,811           | 12,286,522           | 13,527,219           | 15,579,146           |
| Capital outlay   | 32,113,446           | 29,891,737           | 44,075,358          | 47,987,312          | 29,673,776           | 35,434,318           | 33,092,153           | 34,379,273           | 40,821,719           | 51,100,613           |
| PID Development Reimbursement  | -                    | -                    | -                   | -                   | -                    | 1,447,982            | 1,448,765            | 3,630,288            | 1,223,792            | 1,193,770            |
| Debt Service:  |                      |                      |                     |                     |                      |                      |                      |                      |                      |                      |
| Principal retirement   | 13,020,000           | 13,885,000           | 13,980,000          | 14,535,000          | 15,435,000           | 16,240,000           | 15,620,000           | 15,390,000           | 16,161,681           | 18,533,235           |
| Interest and fiscal charges  | 6,489,618            | 6,839,976            | 6,727,253           | 7,097,030           | 7,225,382            | 7,332,656            | 7,713,093            | 7,621,560            | 7,969,011            | 9,036,422            |
| <b>Total expenditures</b>  | <b>135,212,775</b>   | <b>136,794,311</b>   | <b>154,539,212</b>  | <b>164,028,479</b>  | <b>151,204,878</b>   | <b>165,546,641</b>   | <b>165,762,168</b>   | <b>172,034,258</b>   | <b>180,039,251</b>   | <b>197,144,986</b>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</b> | <b>(10,603,955)</b>  | <b>(11,999,385)</b>  | <b>(21,402,922)</b> | <b>(20,930,131)</b> | <b>(220,360)</b>     | <b>(6,717,880)</b>   | <b>5,231,057</b>     | <b>7,612,076</b>     | <b>1,702,045</b>     | <b>6,919,181</b>     |
| <b>OTHER FINANCING SOURCES (USES):</b>                               |                      |                      |                     |                     |                      |                      |                      |                      |                      |                      |
| Bonds issued   | 20,485,000           | 17,420,000           | 17,680,000          | 19,550,000          | 19,680,000           | 45,293,634           | 20,025,000           | 25,015,000           | 22,595,000           | 28,140,000           |
| Refunding bonds issued   | -                    | 26,660,000           | 11,435,000          | -                   | -                    | -                    | -                    | -                    | -                    | -                    |
| Premium on bonds issued  | 677,905              | 4,910,134            | 4,702,702           | 1,817,737           | 1,768,771            | 6,153,639            | 4,223,669            | 4,697,762            | 1,718,104            | 4,227,254            |
| Payment to refunded bond<br>escrow agent                             | -                    | (29,919,123)         | (13,532,110)        | -                   | -                    | (29,075,932)         | -                    | (8,362,131)          | (1,778,525)          | (5,571,060)          |
| Leases issued  | -                    | -                    | -                   | -                   | -                    | -                    | -                    | -                    | 434,154              | -                    |
| Sale of capital assets   | 2,318,824            | 1,367,838            | 36,838              | 323,080             | 4,248                | 165,010              | 10,555               | (283,900)            | -                    | -                    |
| Transfers in   | 18,906,036           | 21,848,581           | 20,456,457          | 30,119,111          | 18,735,652           | 25,091,259           | 22,000,556           | 27,320,203           | 30,246,578           | 55,540,706           |
| Transfers out  | (12,305,239)         | (16,553,246)         | (15,709,063)        | (24,318,903)        | (11,842,964)         | (22,421,212)         | (16,008,793)         | (19,927,058)         | (22,533,082)         | (61,163,608)         |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>30,082,526</b>    | <b>25,734,184</b>    | <b>25,069,824</b>   | <b>27,491,025</b>   | <b>28,345,707</b>    | <b>25,206,398</b>    | <b>30,250,987</b>    | <b>28,459,876</b>    | <b>30,682,229</b>    | <b>21,173,292</b>    |
| <b>NET CHANGE IN FUND BALANCES</b>                                   | <b>\$ 19,478,571</b> | <b>\$ 13,734,799</b> | <b>\$ 3,666,902</b> | <b>\$ 6,560,894</b> | <b>\$ 28,125,347</b> | <b>\$ 18,488,518</b> | <b>\$ 35,482,044</b> | <b>\$ 36,071,952</b> | <b>\$ 32,384,274</b> | <b>\$ 28,092,473</b> |

|  |       |       |       |       |       |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Debt service as a percentage<br>of noncapital expenditures | 16.7% | 17.5% | 15.7% | 16.8% | 20.4% | 16.9% | 16.7% | 15.5% | 16.7% | 18.1% |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|

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)

| <b>Fiscal<br/>Year</b> | <b>Estimated Market Value</b> |                              | <b>Less:</b>                   | <b>Total Taxable</b>      | <b>Total Direct<br/>Tax Rate</b> |
|------------------------|-------------------------------|------------------------------|--------------------------------|---------------------------|----------------------------------|
|                        | <b>Real<br/>Property</b>      | <b>Personal<br/>Property</b> | <b>Tax-Exempt<br/>Property</b> | <b>Assessed<br/>Value</b> |                                  |
| 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                         |
| 2022                   | 17,326,687,644                | 3,801,954,737                | 4,275,155,797                  | 16,853,486,584            | 0.582500                         |
| 2023                   | 20,687,707,521                | 3,783,431,734                | 5,335,557,712                  | 19,135,581,543            | 0.562500                         |

**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)**

|   | <b>Fiscal Year 2023</b>  |   | <b>Fiscal Year 2014</b> |   | <b>Ten Year Change</b> |
|---|--------------------------|---|-------------------------|---|------------------------|
|   |                          | <b>Percentage of Total Market Value</b> |                         | <b>Percentage of Total Market Value</b> |                        |
| <b>Market value:</b>                        |                          |   |                         |   |                        |
| Certified Values:                           |                          |   |                         |   |                        |
| Real property:                              |                          |   |                         |   |                        |
| Land  | \$ 5,251,880,075         | 21.18%                                  | \$ 2,884,171,929        | 24.06%                                  | 82.09%                 |
| Improvements                                | \$ 15,435,827,446        | 62.25%                                  | 6,703,272,793           | 55.92%                                  | 130.27%                |
| Business personal property                  | \$ 3,783,431,734         | 15.26%                                  | 2,360,645,202           | 19.69%                                  | 60.27%                 |
| Property Under Protest                      | \$ 327,206,309           | 1.32%                                   | 38,532,022              | 0.32%                                   | 749.18%                |
| <b>Total Market value</b>                   | <b>24,798,345,564</b>    | <b>100.00%</b>                          | <b>11,986,621,946</b>   | <b>100.00%</b>                          | <b>106.88%</b>         |
| <b>Less property exemptions/reductions:</b> |                          |   |                         |   |                        |
| Single Family Residential:                  |                          |   |                         |   |                        |
| Homestead                                   | 1,780,065,078            | 7.18%                                   | 859,193,410             | 7.17%                                   | 107.18%                |
| Over 65                                     | 688,695,754              | 2.78%                                   | 335,049,335             | 2.80%                                   | 105.55%                |
| Disabled                                    | 24,446,641               | 0.10%                                   | 22,630,375              | 0.19%                                   | 8.03%                  |
| Disabled veterans                           | 51,163,304               | 0.21%                                   | 3,918,658               | 0.03%                                   | 1205.63%               |
| Capped value                                | 784,876,003              | 3.17%                                   | 2,602,588               | 0.02%                                   | 30057.52%              |
| Total Single Family Residential             | 3,329,246,780            | 13.43%                                  | 1,223,394,366           | 10.19%                                  | 172.13%                |
| Commercial:                                 |                          |   |                         |   |                        |
| Agricultural                                | 64,169,653               | 0.26%                                   | 69,454,359              | 0.58%                                   | -7.61%                 |
| Freeport                                    | 552,198,496              | 2.23%                                   | 421,183,988             | 3.51%                                   | 31.11%                 |
| Abatements/Tax grants                       | -                        | 0.00%                                   | 145,687,621             | 1.22%                                   | -100.00%               |
| Low income housing                          | 20,016,543               | 0.08%                                   | 8,517,319               | 0.07%                                   | 135.01%                |
| Other exemptions                            | 1,687,625                | 0.01%                                   | 478,866                 | 0.00%                                   | 252.42%                |
| TIF Incremental Value                       | 339,097,574              | 1.37%                                   | 14,114,283              | 0.12%                                   | 2302.51%               |
| Total Commercial                            | 977,169,891              | 3.94%                                   | 659,436,436             | 5.50%                                   | 48.18%                 |
| Totally exempt*                             | 1,368,238,615            | 5.52%                                   | 668,418,081             | 5.58%                                   | 104.70%                |
| <b>Total property exemptions/reductions</b> | <b>5,674,655,286</b>     | <b>22.88%</b>                           | <b>2,551,248,883</b>    | <b>21.26%</b>                           | <b>122.43%</b>         |
| <b>Estimated Net Taxable Value</b>          | <b>\$ 19,123,690,278</b> | <b>77.12%</b>                           | <b>\$ 9,435,373,063</b> | <b>78.74%</b>                           | <b>102.68%</b>         |

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

**Notes:**

\* 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 |
| 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                        |
| 2022        | 0.442807               | 0.139693                        | 0.582500     | 1.201250  | 1.248235                           | 1.308700                               | 1.292000                            | 1.320750                          | 0.606456        | 0.249309        | 0.224985      | 0.170000                        |
| 2023        | 0.417274               | 0.145226                        | 0.562500     | 1.142900  | 1.184935                           | 1.236800                               | 1.217300                            | 1.259750                          | 0.569645        | 0.233663        | 0.217543      | 0.125000                        |

**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 2023                           |                        |   | Fiscal Year 2014                           |                        |   |
|--|------------------------|---|--|------------------------|---|
| Taxpayer                                   | Taxable Assessed Value | Percentage of Total City Taxable Assessed Value | Taxpayer                                   | Taxable Assessed Value | Percentage of Total City Taxable Assessed Value |
| Pratt & Whitney <sup>1</sup>               | \$ 128,202,372         | 0.67%   | Haliburton Co. Inc.                        | \$ 76,152,016          | 0.80%   |
| Sreit Castle Hills LLC                     | 105,500,000            | 0.55%   | Western Extrusion Corp                     | 74,303,061             | 0.78%   |
| IBM Corporation                            | 96,013,360             | 0.50%   | Verizon                                    | 65,147,210             | 0.68%   |
| 4253 Hunt Drive LLC                        | 94,641,100             | 0.49%   | Hewlett Parkard                            | 50,516,370             | 0.53%   |
| Mansions at Sunset Ridge                   | 89,887,306             | 0.47%   | JPMorgan Chase Bank NA                     | 45,772,180             | 0.48%   |
| Meridian Apartments Owner LLC              | 83,561,822             | 0.44%   | Bella Vida Gardens Associates LLC          | 45,385,535             | 0.47%   |
| Imp Castle Hills LP                        | 83,500,000             | 0.44%   | Texas Dugan LTD                            | 41,800,778             | 0.44%   |
| Prologis LP                                | 76,792,160             | 0.40%   | Ari-International Business Park            | 40,106,812             | 0.42%   |
| Bspmt Broadway Carrollton LLC              | 76,605,970             | 0.40%   | Cyrus One LLC                              | 39,868,548             | 0.42%   |
| Oncor Electric Delivery                    | 74,812,380             | 0.39%   | Oncor Electric Delivery Co                 | 39,327,360             | 0.41%   |
| Total Assessed Value of Top-ten Taxpayers: | 909,516,470            | 4.75%   | Total Assessed Value of Top-ten Taxpayers: | 518,379,870            | 5.42%   |
| Total Assessed Value of Other Taxpayers:   | 18,226,065,073         | 95.25%  | Total Assessed Value of Other Taxpayers:   | 9,038,263,075          | 94.58%  |
| Total Assessed Value:                      | \$ 19,135,581,543      | 100.00%   | Total Assessed Value:                      | \$ 9,556,642,945       | 100.00%   |

(1)Pratt & Whitney taxable value is related mainly to tangible personal property (tpp) subject to a 95% tax rebate until 2025.

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 |
| 2014        | 57,132,835  | 59,049,086                                      | (19,508)                                | 59,029,578                                | 58,752,099                                   | 99.53%             | 218,100                         | 58,970,199        | 99.90%             |
| 2015        | 61,028,968  | 62,839,506                                      | (7,515)                                 | 62,831,991                                | 62,505,443                                   | 99.48%             | 222,956                         | 62,728,399        | 99.84%             |
| 2016        | 65,141,963  | 68,039,266                                      | (589,846)                               | 67,449,420                                | 67,692,625                                   | 100.36%            | (350,545)                       | 67,342,080        | 99.84%             |
| 2017        | 71,793,263  | 73,359,863                                      | (184,098)                               | 73,175,765                                | 72,990,754                                   | 99.75%             | 79,362                          | 73,070,116        | 99.86%             |
| 2018        | 77,367,377  | 79,069,384                                      | (274,415)                               | 78,794,969                                | 78,587,752                                   | 99.74%             | 49,786                          | 78,637,538        | 99.80%             |
| 2019        | 84,016,514  | 85,625,004                                      | (343,383)                               | 85,281,621                                | 85,127,427                                   | 99.82%             | 8,944                           | 85,136,371        | 99.83%             |
| 2020        | 91,009,376  | 91,990,778                                      | (372,591)                               | 91,618,187                                | 91,506,515                                   | 99.88%             | (103,244)                       | 91,403,271        | 99.77%             |
| 2021        | 94,307,109  | 97,255,897                                      | (926,215)                               | 96,329,682                                | 96,422,620                                   | 100.10%            | 270,028                         | 96,692,648        | 100.38%            |
| 2022        | 97,677,806  | 100,086,098                                     | 72,410                                  | 100,158,508                               | 99,510,007                                   | 99.35%             | (3,468)                         | 99,506,539        | 99.35%             |
| 2023        | 106,373,734                                       | 108,209,947                                     | -                                       | 108,209,947                               | 107,518,800                                  | 99.36%             | -                               | 107,518,800       | 99.36%             |

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

**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 |            | Leases    | SBITA     | Water and Sewer Revenue Bonds |           | SBITA     |                          |                                   |                |
|             | Par                      | Premium    |           |           | Par                           | Premium   |           |                          |                                   |                |
| 2014        | 161,780,000              | 6,948,244  | -         | -         | 15,400,000                    | 851,597   | -         | 184,979,841              | 4.78%                             | 1,478          |
| 2015        | 162,600,000              | 10,058,724 | -         | -         | 14,185,000                    | 752,477   | -         | 187,596,201              | 4.51%                             | 1,487          |
| 2016        | 165,015,000              | 13,939,418 | -         | -         | 12,925,000                    | 653,357   | -         | 192,532,775              | 4.66%                             | 1,498          |
| 2017        | 170,030,000              | 14,707,459 | -         | -         | 11,615,000                    | 554,238   | -         | 196,906,697              | 4.31%                             | 1,504          |
| 2018        | 174,275,000              | 15,324,781 | -         | -         | 5,625,000                     | 453,470   | -         | 195,678,251              | 4.49%                             | 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        | 179,260,000              | 25,142,993 | -         | -         | 10,195,000                    | 1,068,730 | -         | 215,666,723              | 4.23%                             | 1,548          |
| 2022        | 184,710,000              | 24,185,344 | 4,839,655 | -         | 8,445,000                     | 897,308   | -         | 223,077,307              | 4.02%                             | 1,615          |
| 2023        | 190,470,000              | 26,112,878 | 4,117,296 | 2,769,765 | 7,105,000                     | 767,133   | 1,870,783 | 233,212,855              | 3.95%                             | 1,717          |

**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

| <b>Fiscal Year</b> | <b>General Obligation Bonds</b> | <b>Certificates of Obligation</b> | <b>Total</b> | <b>Less: Amounts Available in Debt Service Fund (a)</b> | <b>Net General Bonded Debt</b> | <b>Percentage of Actual Taxable Value of Property (b)</b> | <b>Per Capita (c)</b> |
|--------------------|---------------------------------|-----------------------------------|--------------|---|--------------------------------|---|-----------------------|
| 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                 |
| 2022               | 208,895,344                     | -                                 | 208,895,344  | 5,447,165   | 203,448,179                    | 1.21%   | 1,506                 |
| 2023               | 216,582,878                     | -                                 | 216,582,878  | 5,244,937   | 211,337,941                    | 1.10%   | 1,556                 |

**Notes:**

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

<sup>a</sup> This is the amount restricted for debt service principal payments. Government-Wide Statement of Net Position.

<sup>b</sup> See Table 5 for property value data.

<sup>c</sup> 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<br>Outstanding | Estimated<br>Percentage<br>Applicable (a) | Estimated<br>Share of<br>Overlapping<br>Debt |
|---|---------------------|---|--|
| <b>Debt repaid with property taxes</b>                |                     |   |  |
| Carrollton-Farmers Branch Independent School District | \$ 677,115,000      | 36.94%                                    | \$ 250,126,281                               |
| Collin County   | 721,825,000         | 0.07%                                     | 505,278                                      |
| Collin County Community College                       | 480,350,000         | 0.07%                                     | 336,245                                      |
| Coppell Independent School District                   | 390,765,035         | 0.00%                                     | -  |
| Dallas County   | 217,675,000         | 2.35%                                     | 5,115,363                                    |
| Dallas County Community College District              | 543,495,000         | 2.35%                                     | 12,772,133                                   |
| Dallas County Hospital District                       | 375,515,000         | 2.35%                                     | 8,824,603                                    |
| Dallas Independent School District                    | 3,794,285,000       | 1.06%                                     | 40,219,421                                   |
| Denton County   | 624,655,000         | 7.60%                                     | 47,473,780                                   |
| Lewisville Independent School District                | 1,032,290,000       | 14.68%                                    | 151,540,172                                  |
| Plano Independent School District                     | 992,285,000         | 0.21%                                     | 2,083,799                                    |
| Valwood Improvement Authority                         | 4,725,000           | 47.09%                                    | 2,225,003                                    |
| Subtotal, overlapping debt                            |                     |   | <u>521,222,075</u>                           |
| <b>City of Carrollton (direct debt)</b>               | 216,582,878         | 100.00%                                   | <u>216,582,878</u>                           |
| <b>Total direct and overlapping debt</b>              |                     |   | <u><u>\$ 737,804,953</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

| <b>Waterworks and Sewer System Revenue Bonds</b> |                       |                                     |                              |                                   |                       |
|--|-----------------------|-------------------------------------|------------------------------|-----------------------------------|-----------------------|
| <b>Fiscal Year</b>                               | <b>Total Revenues</b> | <b>Less: Operating Expenses (b)</b> | <b>Net Available Revenue</b> | <b>Average Annual Requirement</b> | <b>Times Coverage</b> |
| 2014 (a)   | 34,102,074            | 31,036,497                          | 3,065,577                    | 1,552,989                         | 3.10                  |
| 2015 (a)   | 35,668,929            | 30,912,620                          | 4,756,309                    | 1,488,696                         | 2.06                  |
| 2016 (a)   | 37,738,309            | 33,738,639                          | 3,999,670                    | 1,460,318                         | 3.26                  |
| 2017 (a)   | 40,014,788            | 35,992,187                          | 4,022,601                    | 1,426,329                         | 2.80                  |
| 2018 (a)   | 45,476,534            | 39,395,153                          | 6,081,381                    | 1,385,524                         | 2.90                  |
| 2019 (a)   | 46,192,294            | 39,869,774                          | 6,322,520                    | 1,142,303                         | 5.53                  |
| 2020 (a)   | 49,848,279            | 40,521,415                          | 9,326,864                    | 1,070,043                         | 8.72                  |
| 2021 (a)   | 49,234,955            | 40,981,730                          | 8,253,225                    | 986,773                           | 8.36                  |
| 2022 (c)   | 52,627,371            | 42,965,413                          | 9,661,958                    | 890,296                           | 10.85                 |
| 2023 (c)   | 56,763,268            | 47,092,413                          | 9,670,855                    | 818,323                           | 11.82                 |

**Source:** Annual Comprehensive Financial Report

**Notes:**

- (a) Includes operating revenues (charges for services and miscellaneous income) and investment income of the Water and Sewer Fund
- (b) Includes operating expenses minus depreciation plus transfers out of the Water and Sewer Fund.
- (c) Beginning in 2022, transfers in were no longer being included as part of the total operating revenue.

**CITY OF CARROLLTON, TEXAS**

**DIRECT AND CONTRACTUALLY OBLIGATED - PROPERTY TAX AND REVENUE DEBT**

Table 14

Last Six Fiscal Years

(Unaudited)

|   | <u>2023</u>           | <u>2022</u>           | <u>2021</u>           | <u>2020</u>           | <u>2019</u>           | <u>2018</u>           |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| City of Carrollton - direct debt:   |                       |                       |                       |                       |                       |                       |
| Paid with property taxes  | \$ 216,582,878        | \$ 216,582,879        | \$ 204,402,993        | \$ 200,504,632        | \$ 193,509,604        | \$ 189,599,781        |
| Paid with dedicated revenues:   |                       |                       |                       |                       |                       |                       |
| Water and sewer revenues  | 7,872,133             | 7,872,133             | 11,263,730            | 13,130,153            | 14,956,434            | 6,078,470             |
| Total direct debt   | <u>224,455,011</u>    | <u>224,455,012</u>    | <u>215,666,723</u>    | <u>213,634,785</u>    | <u>208,466,038</u>    | <u>195,678,251</u>    |
| Other Entities - contractually obligated<br>to be paid with water and sewer revenues: |                       |                       |                       |                       |                       |                       |
| Dallas Water Utilities (DWU)(a)   | 51,578,376            | 57,038,446            | 57,190,532            | 50,268,153            | 52,503,899            | 48,356,487            |
| Trinity River Authority (TRA) - Central<br>Regional<br>Wastewater System (CRWS)(b)    | <u>100,293,883</u>    | <u>94,333,322</u>     | <u>97,381,397</u>     | <u>107,365,652</u>    | <u>91,360,670</u>     | <u>84,464,932</u>     |
| Total contractually obligated debt  | <u>\$ 151,872,259</u> | <u>\$ 151,371,768</u> | <u>\$ 154,571,929</u> | <u>\$ 157,633,805</u> | <u>\$ 143,864,569</u> | <u>\$ 132,821,419</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

| <b>Year</b> | <b>Estimated Population</b> | <b>Personal Income (thousands of dollars)</b> | <b>Per Capita Personal Income</b> | <b>Median Age</b> | <b>School Enrollment</b> | <b>Unemployment Rate</b> |
|-------------|-----------------------------|---|-----------------------------------|-------------------|--------------------------|--------------------------|
| 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%                     |
| 2022        | 135,110                     | 5,427,098                                     | 40,168                            | 37.4              | 17,849                   | 3.2%                     |
| 2023        | 135,801                     | 5,677,025                                     | 41,804                            | 37.9              | 17,430                   | 3.4%                     |

**Source:** Estimated population provided by the North Central Texas Council of Governments. 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

**Note:** A delay in census reporting led to population estimates being used in 2020 and 2021. These values were updated in North Central Texas Council of Government's reports and were lower than previous estimates.

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

Table 16

| <b>2023</b>                  |                  |  | <b>2014</b>                         |                  |  |
|------------------------------|------------------|--|-------------------------------------|------------------|--|
| <b>Employer (a)</b>          | <b>Employees</b> | <b>Percentage of Total City Employment</b> | <b>Employer (a)</b>                 | <b>Employees</b> | <b>Percentage of Total City Employment</b> |
| Amerisource Bergen           | 1,350            | 1.49%                                      | Halliburton Energy Services         | 1,300            | 1.75%                                      |
| Western Extrusion            | 800              | 0.88%                                      | McKesson Corporation                | 999              | 1.34%                                      |
| Securus Technologies         | 736              | 0.81%                                      | Accor North America                 | 727              | 0.98%                                      |
| AER Manufacturing            | 600              | 0.66%                                      | General Aluminum                    | 700              | 0.94%                                      |
| Schnieder Electric           | 574              | 0.63%                                      | Thomson Reuters                     | 650              | 0.87%                                      |
| Hilton Reservation Worldwide | 518              | 0.57%                                      | Baylor Medical Center at Carrollton | 565              | 0.76%                                      |
| Toni & Guy                   | 515              | 0.57%                                      | Brandt                              | 550              | 0.74%                                      |
| Brandt                       | 500              | 0.55%                                      | Rudy's Tortillas                    | 500              | 0.67%                                      |
| G6 Hospitality               | 500              | 0.55%                                      | RealPage Internet Access Support    | 500              | 0.67%                                      |
| Varel International Energy   | 500              | 0.55%                                      | Hilton Reservations                 | 450              | 0.60%                                      |
| Total                        | <u>6,593</u>     | <u>7.27%(b)</u>                            |                                     | <u>6,941</u>     | <u>9.32%(b)</u>                            |

**Source:** City of Carrollton Economic Development, Direct Company Contact (2023), City of Carrollton ACFR (2014)

**Notes:**

(a) Listing includes only private sector employers.

(b) Based on estimated Total Labor Force of 90,705 in 2023 and 74,475 in 2014.

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

Table 17

Last Ten Fiscal Years  
(Unaudited)

| <b>Function/Program</b>               | <b><u>2014</u></b>  | <b><u>2015</u></b>  | <b><u>2016</u></b>  | <b><u>2017</u></b>  | <b><u>2018</u></b>  | <b><u>2019</u></b>  | <b><u>2020</u></b>  | <b><u>2021</u></b>  | <b><u>2022</u></b>  | <b>2023</b>         |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Government and Administration | 82.9                | 86.0                | 86.1                | 88.9                | 88.9                | 80.4                | 87.4                | 117.2               | 121.2               | 127.2               |
| Public Safety                         | 451.1               | 451.6               | 457.1               | 446.1               | 447.6               | 451.3               | 456.3               | 455.0               | 464.5               | 466.5               |
| Development Services                  | 108.0               | 112.0               | 113.0               | 113.0               | 108.0               | 108.5               | 108.5               | 107.5               | 109.3               | 104.3               |
| Culture and Recreational              | 116.3               | 118.3               | 115.8               | 118.8               | 118.8               | 119.25              | 119.30              | 119.30              | 117.00              | 126.00              |
| Water and Sewer                       | 52.0                | 52.0                | 52.0                | 52.0                | 58.0                | 66.0                | 66.0                | 66.0                | 63.7                | 62.7                |
| Fleet Services                        | 0.5                 | 0.5                 | 0.5                 | 0.5                 | 0.5                 | 0.8                 | 0.8                 | 0.8                 | 0.8                 | 1.8                 |
| 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>6.0</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>          | <u>10.0</u>         | <u>11.0</u>         |
| <b>Total</b>                          | <b><u>817.8</u></b> | <b><u>827.4</u></b> | <b><u>831.5</u></b> | <b><u>827.3</u></b> | <b><u>830.8</u></b> | <b><u>835.3</u></b> | <b><u>847.3</u></b> | <b><u>874.8</u></b> | <b><u>887.5</u></b> | <b><u>900.5</u></b> |

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

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

Table 18

| <b>Function/Program</b>                           | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Public Safety</b>                              |             |             |             |             |             |             |             |             |             |             |
| Police  |             |             |             |             |             |             |             |             |             |             |
| Number of Employees                               | 211         | 210         | 217         | 221         | 226         | 215         | 231         | 231         | 236         | 234         |
| Number of Violations (Citations)                  | 60,793      | 47,594      | 41,435      | 35,926      | 32,361      | 27,574      | 29,300      | 23,181      | 23,275      | 18,344      |
| Fire  |             |             |             |             |             |             |             |             |             |             |
| Number of Employees                               | 159         | 158         | 158         | 173         | 171         | 175         | 175         | 175         | 177         | 177         |
| Number of Fire runs                               | 3,469       | 3,350       | 3,868       | 3,677       | 4,048       | 4,125       | 4,046       | 5,255       | 4,594       | 4,505       |
| Number of EMS runs                                | 7,098       | 7,381       | 7,770       | 8,093       | 8,344       | 8,636       | 8,738       | 9,732       | 10,347      | 9,967       |
| <b>Development Services</b>                       |             |             |             |             |             |             |             |             |             |             |
| Street Resurfacing (miles)                        | 4           | 1           | 5           | 1           | 0           | 2           | 2           | 2           | 6           | 2           |
| <b>Cultural and Recreational</b>                  |             |             |             |             |             |             |             |             |             |             |
| Parks and Recreation                              |             |             |             |             |             |             |             |             |             |             |
| Participants in Leisure Service Programs(b)(e)(f) | 65,187      | 61,656      | 36,024      | 36,781      | 22,981      | 40,052      | 23,127      | 48,975      | 47,207      | 56,225      |
| Participants in Athletic Programs (d)(f)(j)       | 83,713      | 79,775      | 78,216      | 68,928      | 59,967      | 5,286       | 4,485       | -           | -           | -           |
| <b>Library(h)</b>                                 |             |             |             |             |             |             |             |             |             |             |
| Volumes in Collection                             | 190,691     | 193,004     | 193,453     | 185,244     | 183,173     | 177,667     | 170,212     | 159,253     | 144,475     | 140,895     |
| <b>Water and Sewer</b>                            |             |             |             |             |             |             |             |             |             |             |
| Number of Water Consumers                         | 36,055      | 38,975      | 36,841      | 37,168      | 37,686      | 37,482      | 39,300      | 36,902      | 37,138      | 36,730      |
| Average Daily Water Consumption (gallons)(a)      | 18,890,000  | 19,548,000  | 19,524,000  | 19,753,000  | 20,711,000  | 19,203,000  | 21,698,000  | 21,792,000  | 24,218,000  | 23,671,000  |
| 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  | 48,075,000  | 48,575,000  | 48,575,000  |
| Unaccounted for Water (i)                         | 3.88%       | 5.37%       | 7.17%       | 7.64%       | 8.26%       | 9.91%       | 6.27%       | 11.21%      | 6.40%       | 10.08%      |
| <b>Sanitation (residential)(g)(l)</b>             |             |             |             |             |             |             |             |             |             |             |
| Refuse Collected (tons)                           | 37,405      | 36,112      | 30,062      | 28,674      | 28,126      | 33,638      | 43,344      | 35,504      | 28,755      | 28,683      |
| Bulk/Brush Pickups (tons)                         | 7,368       | 7,846       | 16,611      | 18,790      | 18,111      | 21,772      | 19,164      | 18,657      | 10,186      | 18,078      |
| Recyclables Collected (tons)                      | 7,651       | 7,796       | 7,947       | 7,800       | 7,130       | 6,304       | 5,580       | 7,098       | 7,047       | 6,626       |
| <b>Golf Course(c)(f)</b>                          |             |             |             |             |             |             |             |             |             |             |
| Number of Paid Rounds Played                      | 72,676      | 33,759      | 16,968      | 63,312      | 52,986      | 37,133      | 19,398      | 78,656      | 95,364      | 91,076      |

**Source:** City Departments

**Notes:**

- (a) Fiscal Year 2022 Average Daily Water Consumption increased as a result of unseasonably dry weather throughout the spring and summer.
- (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, 2018 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.
- (j) In FY2021, the Parks & Recreation restructured their department which combined participation into one entity.

**CITY OF CARROLLTON, TEXAS**

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**

Table 19

Last Ten Fiscal Years

(Unaudited)

| <b>Function/Program</b>          | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Public Safety</b>             |             |             |             |             |             |             |             |             |             |             |
| Police Stations                  | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Police Patrol Units (a)          | 36          | 36          | 36          | 36          | 36          | 46          | 49          | 51          | 51          | 51          |
| Police Motorcycle Units          | 8           | 8           | 8           | 7           | 4           | 2           | 2           | 2           | 2           | 2           |
| Fire Stations                    | 8           | 8           | 8           | 8           | 8           | 8           | 8           | 8           | 8           | 8           |
| <b>Development Services</b>      |             |             |             |             |             |             |             |             |             |             |
| Streets- Paved (miles) (b)       | 1,176       | 1,176       | 1,176       | 1,176       | 1,176       | 1,068       | 1,068       | 1,068       | 1,121       | 1,449       |
| Alleys - Paved (miles)           | 189         | 189         | 189         | 189         | 210         | 210         | 210         | 210         | 210         | 220         |
| <b>Cultural and Recreational</b> |             |             |             |             |             |             |             |             |             |             |
| 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          | 29          | 29          | 29          | 29          | 29          |
| Swimming Pools                   | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Splash Parks                     | -           | 1           | 1           | 2           | 2           | 2           | 2           | 2           | 2           | 2           |
| Tennis Courts                    | 29          | 29          | 29          | 28          | 28          | 28          | 28          | 27          | 27          | 24          |
| Pickle Ball Courts               | -           | -           | -           | -           | -           | -           | -           | -           | 4           | 6           |
| Recreation Centers               | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           |
| Senior Center                    | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| <b>Water and Sewer</b>           |             |             |             |             |             |             |             |             |             |             |
| Water Mains (miles)              | 570         | 584         | 584         | 580         | 600         | 612         | 612         | 631         | 631         | 617         |
| Fire Hydrants                    | 5,110       | 5,192       | 5,278       | 5,363       | 5,398       | 5,398       | 5,409       | 5,590       | 5,590       | 5,620       |
| Sanitary Sewers (miles)          | 414         | 417         | 417         | 418         | 425         | 430         | 432         | 432         | 432         | 437         |

**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

| <b>Fiscal Year</b> | <b>(1)<br/>Actuarial Value of Assets**</b> | <b>(2)<br/>Actuarial Accrued Liability*</b> | <b>(3)<br/>Funded Ratio (1/2)</b> | <b>(4)<br/>Unfunded Actuarial Accrued Liability</b> | <b>(5)<br/>Annual Covered Payroll</b> | <b>(6)<br/>UAAL as a Percentage of ACP (4/5)</b> | <b>(7)<br/>Total TMRS Required Contribution Rate</b> | <b>(8)<br/>Prior Service Portion of the TMRS Rate</b> |
|--------------------|--|---|-----------------------------------|---|---------------------------------------|--|--|---|
| 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%   |
| 2022               | 477,686,020                                | 492,353,030                                 | 97.0%                             | 14,667,010  | 66,684,036                            | 22.0%  | 10.84%   | 2.43%   |
| 2023               | 493,679,920                                | 515,220,132                                 | 95.8%                             | 21,540,212  | 67,868,310                            | 31.7%  | 11.62%   | 3.26%   |

**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 Entry Age Normal actuarial funding method.

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 |
|-------------|----------------------------|---------------------|-----------------------------------|----------------|---------------------------------|---------------------|---|-----------------------|-------------------------|--|------------------------|------------------|
| 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           |
| 2022        | 10,787,890                 | 108,776             | 1.0%                              | 740            | 21                              | 768                 | 2.8%  | 330,107               | 221,331                 | -2.1%                                  | 14,431                 | 5,180            |
| 2023        | 11,379,858                 | (138,494)           | -1.2%                             | 745            | 15                              | 812                 | 2.0%  | 327,077               | 465,571                 | -4.1%                                  | 15,461                 | (9,233)          |
| Total       | <u>\$ 115,533,959</u>      | <u>\$ 5,891,545</u> | <u>5.1%</u>                       |                |                                 |                     |   | <u>\$ 4,064,663</u>   | <u>\$ (1,826,882)</u>   | <u>1.6%</u>                            |                        |                  |
| Average     | \$ 11,553,396              | \$ 589,155          |                                   | 733            | 30                              | 639                 | 3.9%  | \$ 406,466            | \$ 388,092              |  | 14,982                 | 18,375           |

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

**Notes:** During FY 2018, Total Health Plan expenses increased during FY 2018 due to claims run out during the change of a third party administrator. During FY 2022, total healthplan expenses decreased due to the removal of a high cost claimant from the plan and a high level of vacancies from retiree plan.

## **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, 2023

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

|  |   |                                 |
|--|---|---------------------------------|
| <b>Tax Year 2023</b>                             | <b>Appraised Value of Taxable Property <sup>1</sup></b>                                 | \$ 28,161,746,341               |
| Less Exemptions:                                 |   |                                 |
|  | Agricultural Land Use   | \$ 66,077,301                   |
|  | Homestead   | 2,098,016,190                   |
|  | Disabled Veterans   | 67,655,390                      |
|  | Over 65   | 722,176,804                     |
|  | Disabled Persons  | 26,278,726                      |
|  | Totally Exempt  | 1,481,676,345                   |
|  | Freeport  | 770,858,484                     |
|  | Leased Vehicles   | 61,175                          |
|  | Capped Value  | 1,585,472,640                   |
|  | Low Income Housing  | 20,691,507                      |
|  | Other Exemptions  | <u>1,933,130</u>                |
|  | Total Exemptions  | <u>6,840,897,692</u>            |
| <br>   |   |                                 |
| <b>Tax Year 2023</b>                             | <b>Certified Assessed Valuation <sup>1</sup></b>  | <u><u>\$ 21,320,848,649</u></u> |
| <br>   |   |                                 |
| <b>Gross General Obligation Bonded Debt:</b>     |   |                                 |
|  | General Purpose Bonds and Certificates (Par Value Only) Projected as of 9/30/2024       | \$ 202,035,000                  |
|  | Less: General Obligation Interest & Sinking Fund Balances as of 09/30/2023 <sup>2</sup> | <u>5,237,181</u>                |
|  | <b>Net General Obligation Bonded Debt</b>   | <u><u>\$ 196,797,819</u></u>    |
| <br>   |   |                                 |
| Ratio of Gross General Obligation Bonded Debt to |   |                                 |
| 2023 Taxable Valuation                           |   | 0.95%                           |
| Ratio of Net General Obligation Bonded Debt to   |   |                                 |
| 2023 Taxable Valuation                           |   | 0.92%                           |

2020 Census Population - 133,251  
2023 Estimated Population - 135,801  
Per Capita Taxable Valuation - \$157,001  
Per Capita Gross General Obligation Bonds Bonded Debt - \$1,488  
Per Capita Net General Obligation Bonds Bonded Debt - \$1,449

(1) Certified tax roll provided by the Dallas Central, Denton Central, and Collin Central Appraisal Districts (the "Appraisal Districts") in July 2023. 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 \$21,131,931,728 which includes an increase of \$216,055,458 for estimated valuation on property under protest less \$404,972,379 of 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, 2023

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

| <u>Fiscal Year</u> | <u>Taxable Valuation</u> <sup>1</sup> | <u>% Valuation Increase/Decrease Over Prior Year (100% of Market Value Basis)</u> | <u>Funded Debt Outstanding At Year End</u> | <u>Ratio Funded Debt to Taxable Valuation %</u> |
|--------------------|---------------------------------------|---|--|---|
| 2014/15            | \$ 10,280,594,071                     | 7.58%   | \$ 162,600,000 <sup>2</sup>                | 1.58%   |
| 2015/16            | 11,086,019,064                        | 7.83%   | 165,015,000 <sup>2</sup>                   | 1.49%   |
| 2016/17            | 11,944,206,839                        | 7.74%   | 170,030,000 <sup>2</sup>                   | 1.42%   |
| 2017/18            | 13,004,287,702                        | 8.88%   | 174,275,000 <sup>2</sup>                   | 1.34%   |
| 2018/19            | 14,235,500,120                        | 9.47%   | 173,540,000 <sup>2</sup>                   | 1.22%   |
| 2019/20            | 15,511,037,472                        | 8.96%   | 182,420,000 <sup>2</sup>                   | 1.18%   |
| 2020/21            | 15,869,999,604                        | 2.31%   | 179,375,000 <sup>2</sup>                   | 1.13%   |
| 2021/22            | 16,853,486,584                        | 6.20%   | 184,710,000 <sup>2</sup>                   | 1.10%   |
| 2022/23            | 19,135,581,543                        | 13.54%  | 190,470,000 <sup>2</sup>                   | 1.00%   |
| 2023/24            | 21,320,848,649                        | 11.42%  | 202,035,000 <sup>3</sup>                   | 0.95%   |

(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 2024 bond issuance of \$29,180,000 at par.

**TABLE CD-3**  
**TOTAL TAXABLE VALUATION BY CATEGORY**<sup>1</sup>  
(Unaudited)

| <u>Fiscal Year</u> | <u>Real Property</u>     |                   |    | <u>Personal &amp; Other Property</u> |                   | <u>Total Taxable Valuation</u> |
|--------------------|--------------------------|-------------------|----|--------------------------------------|-------------------|--------------------------------|
|                    | <u>Taxable Valuation</u> | <u>% of Total</u> |    | <u>Taxable Valuation</u>             | <u>% of Total</u> |                                |
| 2014/15            | \$ 8,257,175,594         | 80%               | \$ | 2,023,418,477                        | 20%               | \$ 10,280,594,071              |
| 2015/16            | 8,943,251,454            | 81%               |    | 2,142,767,610                        | 19%               | 11,086,019,064                 |
| 2016/17            | 9,676,011,654            | 81%               |    | 2,268,195,185                        | 19%               | 11,944,206,839                 |
| 2017/18            | 10,647,777,273           | 82%               |    | 2,356,510,429                        | 18%               | 13,004,287,702                 |
| 2018/19            | 11,773,812,429           | 83%               |    | 2,461,687,691                        | 17%               | 14,235,500,120                 |
| 2019/20            | 12,832,632,201           | 83%               |    | 2,678,405,271                        | 17%               | 15,511,037,472                 |
| 2020/21            | 13,041,776,312           | 82%               |    | 2,828,223,292                        | 18%               | 15,869,999,604                 |
| 2021/22            | 13,970,258,259           | 83%               |    | 2,883,228,325                        | 17%               | 16,853,486,584                 |
| 2022/23            | 15,906,035,930           | 83%               |    | 3,229,545,613                        | 17%               | 19,135,581,543                 |
| 2023/24            | 17,995,459,239           | 84%               |    | 3,325,389,410                        | 16%               | 21,320,848,649                 |

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

**CITY OF CARROLLTON, TEXAS**

Continuing Disclosure Tables  
Year ended September 30, 2023

**TABLE CD-4**  
**TOTAL APPRAISED VALUATION BY CATEGORY<sup>1</sup>**  
(Unaudited)

| <b>Property Use Category</b>                               | <b>Tax Year<br/>2023</b>  | <b>Tax Year<br/>2022</b>  | <b>Tax Year<br/>2021</b>  | <b>Tax Year<br/>2020</b>  | <b>Tax Year<br/>2019</b>  |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Real, Residential, Single Family, and<br>Mobile Homes Real | \$ 14,851,704,682         | \$ 12,412,788,589         | \$ 10,280,684,597         | \$ 9,719,635,877          | \$ 9,187,906,609          |
| Residential, Multiple<br>Family                            | 2,988,748,460             | 2,642,321,481             | 2,220,965,526             | 2,121,063,077             | 1,891,550,100             |
| Real, Vacant Lots/<br>Tracts                               | 190,683,578               | 193,658,339               | 189,818,844               | 188,819,991               | 206,008,675               |
| Real, Acreage<br>(Land Only)                               | 66,182,562                | 64,274,213                | 58,416,485                | 60,816,853                | 60,234,015                |
| Real, Commercial, Industrial<br>and Utilities              | 4,789,929,047             | 4,419,456,790             | 3,980,536,656             | 3,900,831,527             | 3,731,673,675             |
| Tangible Personal, Commercial<br>Industrial and Utilities  | 4,039,144,240             | 3,781,844,634             | 3,848,926,523             | 3,870,808,969             | 3,252,118,964             |
| Tangible Personal, Special Inventory<br>Other              | 84,416,270                | 74,360,841                | 63,131,869                | 74,290,228                | 68,768,520                |
| <b>Total Appraised<br/>Valuation<sup>1 2</sup></b>         | <b>\$ 27,010,808,839</b>  | <b>\$ 23,588,704,887</b>  | <b>\$ 20,642,480,500</b>  | <b>\$ 19,936,266,522</b>  | <b>\$ 18,398,260,558</b>  |
| Total Exempt Property                                      | 1,502,928,177             | 1,388,854,893             | 1,052,573,091             | 1,022,196,382             | 982,263,745               |
| Disputed ARB/ ERV Market Value                             | (351,990,675)             | (506,420,525)             | (566,411,210)             | (858,704,137)             | (166,390,104)             |
| <b>Total Market Value</b>                                  | <b>\$ 28,161,746,341</b>  | <b>\$ 24,471,139,255</b>  | <b>\$ 21,128,642,381</b>  | <b>\$ 20,099,758,767</b>  | <b>\$ 19,214,134,199</b>  |
| Productivity Loss  | (66,077,301)              | (64,169,653)              | (58,312,564)              | (57,080,964)              | (58,242,960)              |
| Homestead Cap  | (1,585,472,640)           | (784,876,003)             | (117,119,165)             | (134,939,417)             | (203,944,828)             |
| Exemptions   | (5,189,347,751)           | (4,486,512,056)           | (4,099,724,068)           | (4,037,738,782)           | (3,440,908,940)           |
| <b>Total Property Exemptions</b>                           | <b>\$ (6,840,897,692)</b> | <b>\$ (5,335,557,712)</b> | <b>\$ (4,275,155,797)</b> | <b>\$ (4,229,759,163)</b> | <b>\$ (3,703,096,728)</b> |
| <b>Certified Assessed Valuation</b>                        | <b>\$ 21,320,848,649</b>  | <b>\$ 19,135,581,543</b>  | <b>\$ 16,853,486,584</b>  | <b>\$ 15,869,999,604</b>  | <b>\$ 15,511,037,471</b>  |

(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.

**CITY OF CARROLLTON, TEXAS**

Continuing Disclosure Tables  
Year ended September 30, 2023

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

| <u>Property Use Category</u>          | <u>2023</u>   | <u>2022</u>   | <u>2021</u>   | <u>2020</u>   | <u>2019</u>   |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Real Property                         |               |               |               |               |               |
| Single-Family Residential             | 55.0%         | 52.6%         | 49.8%         | 48.8%         | 49.9%         |
| Multi-Family Residential              | 11.1%         | 11.2%         | 10.8%         | 10.6%         | 10.3%         |
| Vacant Lots/Tracts                    | 0.7%          | 0.8%          | 0.9%          | 0.9%          | 1.1%          |
| Acreage-Land Only                     | 0.2%          | 0.3%          | 0.3%          | 0.3%          | 0.3%          |
| Commercial, Industrial, and Utilities | 17.7%         | 18.7%         | 19.3%         | 19.6%         | 20.3%         |
| Tangible Personal Property            |               |               |               |               |               |
| Commercial, Industrial, and Utilities | 15.0%         | 16.0%         | 18.6%         | 19.4%         | 17.7%         |
| Other                                 | 0.3%          | 0.3%          | 0.3%          | 0.4%          | 0.4%          |
| Total                                 | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> |

**CITY OF CARROLLTON, TEXAS**

Continuing Disclosure Tables  
Year Ended September 30, 2023

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

| <u>Fiscal<br/>Year Ended</u> | <u>Tax Rate Distribution</u>  |  |  | <u>Adjusted Tax<br/>Levy for<br/>Fiscal Year<sup>1</sup></u> | <u>Percent<br/>of Current<br/>Collections</u> | <u>Percent<br/>of Total<br/>Collections</u> |
|------------------------------|-------------------------------|--|--|--|---|---|
|                              | <u>Total<br/>Tax<br/>Rate</u> | <u>Operating/<br/>General<br/>Fund</u> | <u>Interest<br/>and Sinking<br/>Fund</u> |  |   |   |
| 2014/15                      | 0.615375                      | 0.417389                               | 0.197986                                 | 62,831,991   | 99.48 %                                       | 99.84 %                                     |
| 2015/16                      | 0.612875                      | 0.420043                               | 0.192832                                 | 67,449,420   | 100.36 %                                      | 99.84 %                                     |
| 2016/17                      | 0.603700                      | 0.425787                               | 0.177913                                 | 73,175,765   | 99.75 %                                       | 99.86 %                                     |
| 2017/18                      | 0.599700                      | 0.427790                               | 0.171910                                 | 78,794,969   | 99.74 %                                       | 99.80 %                                     |
| 2018/19                      | 0.594970                      | 0.430220                               | 0.164750                                 | 85,281,621   | 99.82 %                                       | 99.83 %                                     |
| 2019/20                      | 0.589970                      | 0.438870                               | 0.151100                                 | 91,618,187   | 99.88 %                                       | 99.77 %                                     |
| 2020/21                      | 0.587500                      | 0.441146                               | 0.146354                                 | 96,329,682   | 100.10 %                                      | 100.38 %                                    |
| 2021/22                      | 0.582500                      | 0.442807                               | 0.139693                                 | 100,158,508  | 99.35 %                                       | 99.35 %                                     |
| 2022/23                      | 0.562500                      | 0.417274                               | 0.145226                                 | 108,209,947  | 99.36 %                                       | 99.36 %                                     |
| 2023/24                      | 0.553750                      | 0.408525                               | 0.145225                                 | 115,723,064  | % <sup>2</sup>                                | % <sup>2</sup>                              |

**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, 2023

**TABLE CD-7  
TOP TEN TAXPAYERS  
Fiscal Year 2023  
(Unaudited)**

| <u>Name</u>                    | <u>Nature of Property</u> | <u>Total Taxable Value</u> <sup>1</sup> | <u>% of Total Taxable Value</u> |
|--------------------------------|---------------------------|---|---------------------------------|
| 1 Sreit Castle Hills LLC       | Technology                | \$ 112,800,000                          | 0.53%                           |
| 2 4253 Hunt Drive LLC          | Apartments                | 105,300,000                             | 0.49%                           |
| 3 Texas Dungan LTD P/S         | Technology                | 101,911,120                             | 0.48%                           |
| 4 Mansions at Sunset Ridge     | Apartments                | 93,330,583                              | 0.44%                           |
| 5 Jump Systems                 | Apartments                | 92,750,170                              | 0.44%                           |
| 6 Huffines Boulevard Owner LLC | Apartments                | 86,400,000                              | 0.41%                           |
| 7 Pratt & Whitney              | <sup>2</sup> Apartments   | 86,239,721                              | 0.40%                           |
| 8 Prologis LP                  | Technology                | 85,850,350                              | 0.40%                           |
| 9 Imp Castle Hills LP          | Apartments                | 85,400,000                              | 0.40%                           |
| 10 Bspmt Broadway Carrollton   | Utilities                 | 77,470,000                              | 0.36%                           |
| <b>Total</b>                   |                           | <b>\$ 927,451,944</b>                   | <b>4.35%</b>                    |

(1) Total taxable value including real and personal property is \$21,320,848,649

(2) Pratt & Whitney taxable value is related mainly to tangible personal property (tpp) subject to a 95% tax rebate until 2025  
Source: Dallas & Denton County Tax Office, City Report of Property Value, 2023 (Fiscal Year 2024)

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

|   |              |                            |
|---|--------------|----------------------------|
| General Obligation Debt Service Requirements,<br>Fiscal Year Ending 9/30/24 |              | \$ 26,227,033 <sup>1</sup> |
| Debt Service Fund, All General Obligation Issues 9/30/23 <sup>2</sup>       | \$ 5,237,181 |                            |
| Budget for Fiscal Year 2023/24 Debt Service Fund Tax Levy @ 100% Collection | 30,688,778   | <u>35,925,959</u>          |
| Estimated Debt Service Fund Balance, Fiscal Year Ending 9/30/24             |              | <u>\$ 9,698,926</u>        |

(1) Includes bonds to be issued in 2024. Preliminary, subject to change

(2) Debt Service Fund balance at Fiscal Year End as of September 30, 2023 GAAP Basis

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

|   |               |
|---|---------------|
| Principal and Interest Requirements,<br>Fiscal Year Ending September 30, 2024 | \$ 26,227,033 |
| \$0.145225 Tax Rate @ 100% Collection <sup>1</sup>                            | 30,688,778    |

(1) Calculation based on 2023/24 taxable value of \$21,131,931,728 which is calculated as: certified assessed valuation of \$21,320,848,649 plus estimated valuation of property under protest of \$216,055,458 less the incremental value assigned to the City's Tax Increment Reinvestment Zone of \$404,972,379.

**CITY OF CARROLLTON, TEXAS**

Continuing Disclosure Tables  
Year ended September 30, 2023

**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.

| <b>Fiscal Year<br/>Ended 9/30</b> | <b>Total<br/>Collected</b> | <b>Percentage of<br/>Adjusted Ad<br/>Valorem Tax Levy</b> | <b>Equivalent of<br/>Ad Valorem<br/>Tax Rate</b> | <b>Per Capita</b>   |
|-----------------------------------|----------------------------|---|--|---------------------|
| 2015                              | 31,146,385                 | 49.57% <sup>1</sup>                                       | 0.305047 <sup>1</sup>                            | 248.67              |
| 2016                              | 34,553,336                 | 51.23% <sup>1</sup>                                       | 0.313967 <sup>1</sup>                            | 269.99              |
| 2017                              | 36,626,570                 | 50.05% <sup>1</sup>                                       | 0.302169 <sup>1</sup>                            | 279.98              |
| 2018                              | 39,632,629                 | 50.30% <sup>1</sup>                                       | 0.301640 <sup>1</sup>                            | 299.50              |
| 2019                              | 39,603,512                 | 46.44% <sup>1</sup>                                       | 0.276295 <sup>1</sup>                            | 290.84              |
| 2020                              | 39,836,732                 | 43.48% <sup>1</sup>                                       | 0.256526 <sup>1</sup>                            | 289.41              |
| 2021                              | 45,814,938 <sup>3</sup>    | 47.56% <sup>1</sup>                                       | 0.279418 <sup>1</sup>                            | 328.78              |
| 2022                              | 48,413,698                 | 48.34% <sup>1</sup>                                       | 0.281563 <sup>1</sup>                            | 358.33              |
| 2023                              | 50,203,763                 | 46.39% <sup>1</sup>                                       | 0.260971 <sup>1</sup>                            | 369.69 <sup>2</sup> |
| 2024                              | 41,599,583 <sup>4</sup>    | 35.95% <sup>1</sup>                                       | 0.256911 <sup>1</sup>                            | 306.33 <sup>2</sup> |

<sup>(1)</sup> 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, 98% (100% for Debt Service fund) in Fiscal Year 2021 and 98.5% (100% for Debt Service fund) in Fiscal Year 2022 through 2024.

<sup>(2)</sup> Based on estimated population of 135,801 as of September 30, 2023.

<sup>(3)</sup> 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.

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

<sup>(4)</sup> Projected amount, not actual. Based on City of Carrollton budget projections.

**TABLE CD-11**  
**COMPARATIVE MONTHLY SALES TAX COLLECTIONS <sup>1</sup>**  
(Unaudited)

| <b>Month</b> | <b>2023-2024</b>       | <b>2023-2022</b>     | <b>2022-2021</b>     |
|--------------|------------------------|----------------------|----------------------|
| October      | \$ 3,927,993           | \$ 4,281,206         | \$ 3,733,305         |
| November     | 3,097,016 <sup>2</sup> | 3,863,343            | 3,617,036            |
| December     | 3,790,451 <sup>2</sup> | 4,656,095            | 4,470,246            |
| January      | 3,087,267 <sup>2</sup> | 3,702,087            | 3,781,584            |
| February     | 2,752,143 <sup>2</sup> | 3,610,928            | 3,217,532            |
| March        | 3,678,273 <sup>2</sup> | 3,950,709            | 4,655,522            |
| April        | 3,366,125 <sup>2</sup> | 4,517,070            | 3,487,285            |
| May          | 3,322,923 <sup>2</sup> | 4,049,132            | 4,076,926            |
| June         | 3,879,857 <sup>2</sup> | 4,802,037            | 4,214,451            |
| July         | 3,386,043 <sup>2</sup> | 3,987,156            | 4,172,089            |
| August       | 3,473,163 <sup>2</sup> | 4,038,213            | 4,356,323            |
| September    | 3,838,329 <sup>2</sup> | 4,745,787            | 4,631,399            |
|              | <u>\$ 41,599,583</u>   | <u>\$ 50,203,763</u> | <u>\$ 48,413,698</u> |

Source: Comptroller of Public Accounts; City of Carrollton

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

<sup>(2)</sup> Projected amount, not actual. Based on City of Carrollton budget projections. Based on year to date sales tax collections, which for the first month of the fiscal year have been 15.96% over the original budget and 8.25% 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.



CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables  
 Year ended September 30, 2023

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

\$29,180,000<sup>1</sup>

| Fiscal Year<br>Ended<br>30-Sep | General Obligation Improvement Bonds |                      |                      |                         | Total Debt Service   | Total<br>Debt Service<br>Requirements |
|--------------------------------|--------------------------------------|----------------------|----------------------|-------------------------|----------------------|---------------------------------------|
|                                | Existing Debt Service<br>Principal   | Principal            | Principal            | Series 2024<br>Interest |                      |                                       |
| 2024                           | \$ 17,615,000                        | \$ 8,612,033         | \$ -                 | \$ -                    | \$ -                 | \$ 26,227,033                         |
| 2025                           | 18,335,000                           | 7,422,808            | 1,450,000            | 1,167,200               | 2,617,200            | 28,375,008                            |
| 2026                           | 17,970,000                           | 6,628,828            | 1,515,000            | 1,109,200               | 2,624,200            | 27,223,028                            |
| 2027                           | 17,370,000                           | 5,764,228            | 1,575,000            | 1,048,600               | 2,623,600            | 25,757,828                            |
| 2028                           | 16,690,000                           | 4,981,078            | 1,640,000            | 985,600                 | 2,625,600            | 24,296,678                            |
| 2029                           | 16,285,000                           | 4,214,771            | 1,705,000            | 920,000                 | 2,625,000            | 23,124,771                            |
| 2030                           | 15,170,000                           | 3,499,059            | 1,775,000            | 851,800                 | 2,626,800            | 21,295,859                            |
| 2031                           | 14,680,000                           | 2,850,440            | 1,845,000            | 780,800                 | 2,625,800            | 20,156,240                            |
| 2032                           | 13,725,000                           | 2,225,640            | 1,920,000            | 707,000                 | 2,627,000            | 18,577,640                            |
| 2033                           | 12,475,000                           | 1,667,403            | 1,995,000            | 630,200                 | 2,625,200            | 16,767,603                            |
| 2034                           | 10,845,000                           | 1,193,928            | 2,075,000            | 550,400                 | 2,625,400            | 14,664,328                            |
| 2035                           | 8,020,000                            | 789,820              | 2,155,000            | 467,400                 | 2,622,400            | 11,432,220                            |
| 2036                           | 5,200,000                            | 475,730              | 2,245,000            | 381,200                 | 2,626,200            | 8,301,930                             |
| 2037                           | 3,700,000                            | 284,620              | 2,335,000            | 291,400                 | 2,626,400            | 6,611,020                             |
| 2038                           | 2,390,000                            | 119,500              | 2,425,000            | 198,000                 | 2,623,000            | 5,132,500                             |
| 2039                           | -                                    | -                    | 2,525,000            | 101,000                 | 2,626,000            | 2,626,000                             |
|                                | <u>\$ 190,470,000</u>                | <u>\$ 50,729,886</u> | <u>\$ 29,180,000</u> | <u>\$ 10,189,800</u>    | <u>\$ 39,369,800</u> | <u>\$ 280,569,686</u>                 |

(1) Estimated 2024 debt issuance. Assumed rate of 4.0%

**CITY OF CARROLLTON, TEXAS**

Continuing Disclosure Tables  
 Year ended September 30, 2023

**TABLE CD-13**  
**AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS <sup>1</sup>**  
 (Unaudited)

| <b>Authorization Purpose</b>           | <b>Authorization Date</b> | <b>Amount Authorized</b> | <b>Prior Issuance</b> | <b>2024 Bonds <sup>2</sup></b> | <b>Balance Unissued</b> |
|--|---------------------------|--------------------------|-----------------------|--------------------------------|-------------------------|
| Street Improvements & Traffic Flow     | 11/08/22                  | \$ 102,450,000           | \$ 5,715,000          | \$ 23,780,000                  | \$ 72,955,000           |
| Public Safety Facilities Improvements  | 11/08/22                  | 8,800,000                | -                     | 1,500,000                      | 7,300,000               |
| Parks & Recreation Improvements        | 11/08/22                  | 18,900,000               | 6,800,000             | 3,900,000                      | 8,200,000               |
| Animal Shelter Facilities Improvements | 11/08/22                  | 4,800,000                | -                     | -                              | 4,800,000               |
| Trail Improvements                     | 11/08/22                  | 2,000,000                | 1,000,000             | -                              | 1,000,000               |
|  |                           | <u>\$ 136,950,000</u>    | <u>\$ 13,515,000</u>  | <u>\$ 29,180,000</u>           | <u>\$ 94,255,000</u>    |

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

<sup>(2)</sup> Preliminary, subject to change. The 2024 Bonds assume use of par and premium against authorization.

**CITY OF CARROLLTON, TEXAS**

Continuing Disclosure Tables  
Year ended September 30, 2023

**TABLE CD-14**  
**GENERAL FUND <sup>1</sup> COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES**  
(Unaudited)

|                                    | <b>2023</b>          | <b>2022</b>          | <b>2021</b>              | <b>2020</b>          | <b>2019</b>          |
|------------------------------------|----------------------|----------------------|--------------------------|----------------------|----------------------|
| Fund Balance -                     |                      |                      |                          |                      |                      |
| Beginning of Year                  | \$ 84,975,341        | \$ 55,272,812        | \$ 40,567,720            | \$ 30,737,701        | \$ 30,500,768        |
| Revenues:                          |                      |                      |                          |                      |                      |
| Taxes & Franchise Fees             | 132,992,785          | 125,901,695          | 119,126,658 <sup>2</sup> | 105,225,686          | 101,194,431          |
| Wireless 911 fees                  | 1,078,814            | 1,164,967            | 1,178,780                | 1,071,761            | -                    |
| Charges for Services               | 5,667,796            | 6,338,012            | 5,199,239                | 4,692,777            | 5,789,342            |
| Fines and Forfeitures              | 2,651,485            | 3,203,560            | 3,051,687                | 2,828,801            | 4,155,874            |
| Investment Income                  | 4,783,473            | (1,694,404)          | 403,197                  | 1,317,474            | 1,890,654            |
| Licenses and Permits               | 2,644,583            | 3,087,566            | 2,757,109                | 2,640,242            | 2,920,751            |
| Intergovernmental                  | 1,416,013            | 12,234,388           | 6,739,738                | 7,985,045            | 118,961              |
| Miscellaneous                      | 314,776              | 355,112              | 582,020                  | 538,171              | 594,174              |
| Total Revenues                     | <u>151,549,725</u>   | <u>150,590,896</u>   | <u>139,038,428</u>       | <u>126,299,957</u>   | <u>116,664,187</u>   |
| Expenditures:                      |                      |                      |                          |                      |                      |
| General Government and             |                      |                      |                          |                      |                      |
| Administration                     | 21,488,582           | 20,478,164           | 19,662,154               | 19,597,405           | 17,087,424           |
| Development Services               | 9,818,879            | 11,859,954           | 11,611,302               | 10,726,575           | 12,744,091           |
| Public Safety                      | 69,954,555           | 67,516,215           | 67,160,136               | 63,991,068           | 61,925,374           |
| Cultural and Recreation            | 14,601,481           | 12,945,140           | 12,228,224               | 11,813,834           | 12,367,653           |
| Net Transfers                      | 53,716,183           | 7,534,122            | 13,671,520               | 10,341,056           | 12,302,712           |
| Debt Service                       | 2,276,376            | 554,772              | -                        | -                    | -                    |
| Total Expenditures                 | <u>171,856,056</u>   | <u>120,888,367</u>   | <u>124,333,336</u>       | <u>116,469,938</u>   | <u>116,427,254</u>   |
| Excess/Deficiency of Revenues over |                      |                      |                          |                      |                      |
| Expenditures                       | <u>(20,306,331)</u>  | <u>29,702,529</u>    | <u>14,705,092</u>        | <u>9,830,019</u>     | <u>236,933</u>       |
| Fund Balance -                     |                      |                      |                          |                      |                      |
| End of Year                        | <u>\$ 64,669,010</u> | <u>\$ 84,975,341</u> | <u>\$ 55,272,812</u>     | <u>\$ 40,567,720</u> | <u>\$ 30,737,701</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.

(2) Fiscal Year 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 CAROLLTON, TEXAS**

Continuing Disclosure Tables  
Year ended September 30, 2023

**TABLE CD-15  
GENERAL FUND  
CURRENT OPERATIONS**

(Unaudited)

On September 12, 2023 , the Fiscal Year 2023-2024 budget was adopted by the City Council. The following General Fund Operating Budget is presented on a budget basis presentation.

| <b>Revenues</b>       | <b>2022-2023<br/>Actual <sup>1</sup></b> | <b>2023-2024<br/>Adopted Budget <sup>3</sup></b> | <b>2023-2024<br/>Current Estimate <sup>2</sup></b> |
|-----------------------|--|--|--|
| Property Taxes        | \$ 72,020,277                            | \$ 71,712,723                                    | \$ 71,821,851                                      |
| Sales and Use Taxes   | 50,596,808                               | 41,301,589                                       | 41,842,356   |
| 911 Taxes             | 1,078,814                                | 1,072,022  | 1,072,022  |
| Franchise Fees        | 12,052,116                               | 11,692,880                                       | 11,692,880   |
| Licenses and Permits  | 2,618,083                                | 2,509,681  | 2,349,672  |
| Charges for Services  | 5,452,860                                | 5,102,616  | 5,264,706  |
| Fines and Forfeiture  | 2,396,983                                | 2,761,699  | 2,693,367  |
| Other Revenues        | 1,688,245                                | 391,000  | 391,000  |
| Investment Income     | 3,326,600                                | 2,473,041  | 2,473,041  |
| Transfers In          | 2,570,726                                | 3,958,050  | 3,958,050  |
|                       | <hr/>                                    | <hr/>  | <hr/>  |
| Total Revenues        | <u>\$ 153,801,512</u>                    | <u>\$ 142,975,301</u>                            | <u>\$ 143,558,945</u>                              |
| <b>Expenditures</b>   |  |  |  |
| Personnel Services    | \$ 72,254,443                            | \$ 81,351,874                                    | \$ 81,351,874                                      |
| Supplies and Services | 19,275,284                               | 18,875,867                                       | 18,875,867   |
| Utilities             | 2,332,317                                | 2,526,931  | 2,526,931  |
| Allocations           | 22,613,989                               | 25,680,702                                       | 25,680,702   |
| Capital Outlay        | 1,371,655                                | 1,323,631  | 1,323,631  |
| Transfers Out         | 59,572,441                               | 30,636,363                                       | 30,636,363   |
|                       | <hr/>                                    | <hr/>  | <hr/>  |
| Total Expenditures    | <u>\$ 177,420,129</u>                    | <u>\$ 160,395,368</u>                            | <u>\$ 160,395,368</u>                              |

(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, 2023. 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, 2023

**TABLE CD-16**  
**CURRENT INVESTMENTS**  
(Unaudited)

As of September 30, 2023 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 1.24 years.

| <u>Type of Investment</u>     | <u>Fair Market Value</u> | <u>Percentage</u> |
|-------------------------------|--------------------------|-------------------|
| Coupon Agencies               | \$ 189,591,867           | 48.59%            |
| Municipal Bonds               | 92,194,740               | 23.63%            |
| Treasuries                    | 43,483,359               | 11.15%            |
| Government Pools <sup>1</sup> | <u>64,881,394</u>        | <u>16.63%</u>     |
| Total Securities              | <u>\$ 390,151,360</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, 2023

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

| <b>Fiscal Year<br/>Ended<br/>30-Sep</b> | <b>Existing Debt</b> |                     | <b>Total<br/>Debt Service<br/>Requirements</b> |
|---|----------------------|---------------------|--|
|   | <b>Principal</b>     | <b>Interest</b>     |  |
| 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  |
| <b>Totals</b>                           | <b>\$ 7,105,000</b>  | <b>\$ 1,896,550</b> | <b>\$ 9,001,550</b>                            |

**CITY OF CARROLLTON, TEXAS**

Continuing Disclosure Tables  
Year ended September 30, 2023

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

|  | Fiscal Year Ending September 30 |                     |                     |                     |                     |
|--|---------------------------------|---------------------|---------------------|---------------------|---------------------|
|  | 2023                            | <u>2022</u>         | <u>2021</u>         | <u>2020</u>         | <u>2019</u>         |
| <b>Revenues</b> <sup>1</sup>                                     | \$ 56,763,268                   | \$ 52,627,371       | \$ 49,234,955       | \$ 49,848,279       | \$ 46,192,294       |
| Expenses:  |                                 |                     |                     |                     |                     |
| Personnel Services   | 4,886,490                       | 3,714,564           | 3,765,284           | 3,983,593           | 4,320,610           |
| Supplies and Services  | 34,109,046                      | 31,718,521          | 30,287,031          | 30,109,494          | 29,152,264          |
| Utilities  | 1,035,456                       | 906,878             | 885,921             | 1,011,379           | 937,553             |
| Allocations  | 1,679,902                       | 1,202,288           | 1,033,616           | 774,800             | 859,139             |
| Provision for<br>Doubtful accounts                               | -                               | -                   | 89,923              | 89,923              | 103,091             |
| Transfers Out  | 5,381,519                       | 5,423,162           | 4,919,956           | 4,497,117           | 4,497,117           |
| <b>Total Expenses</b>  | <u>47,092,413</u>               | <u>42,965,413</u>   | <u>40,981,731</u>   | <u>40,466,306</u>   | <u>39,869,774</u>   |
| <b>Net Available for<br/>Debt Service</b>                        | <u>\$ 9,670,855</u>             | <u>\$ 9,661,958</u> | <u>\$ 8,253,224</u> | <u>\$ 9,381,973</u> | <u>\$ 6,322,520</u> |
| <b>Customer Count<br/>Water/Sewer</b>                            | 36,730                          | 37,138              | 36,902              | 37,482              | 37,482              |
| <b>Average Annual<br/>Debt Service</b>                           | \$ 818,323                      | \$ 890,296          | \$ 986,773          | \$ 1,070,043        | \$ 1,142,303        |
| <b>Times of the Average<br/>Annual Debt Service</b>              | 11.82                           | 10.85               | 8.36                | 8.77                | 5.53                |
| Average Annual Debt Service - 2023/2035                          |                                 |                     |                     |                     | \$ 818,323          |
| Coverage of Average Annual Debt Service at 9/30/23 Net Available |                                 |                     |                     |                     | \$ 11.82            |
| Maximum Annual Debt Service - 2023/2035                          |                                 |                     |                     |                     | 821,200             |
| Coverage of Maximum Annual Debt Service at 9/30/23 Net Available |                                 |                     |                     |                     | \$ 11.78            |

(1) Fiscal Year 2023 does not include the \$11 million transfer from the General Fund to the Utility Fund as they do not meet the definition of revenue for operating bonds.

**TABLE CD-19**  
**FUND BALANCES**  
**(As of September 30, 2023)**  
(Unaudited)

|                            |                            |
|----------------------------|----------------------------|
| Reserve Fund               | \$ 818,323                 |
| Interest and Sinking Fund  | 340,333                    |
| <b>Total Fund Balances</b> | <u><u>\$ 1,158,656</u></u> |

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables  
 Year ended September 30, 2023

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

|   | <b>2022-2023</b>           | <b>2023-2024</b>                     |
|---|----------------------------|--------------------------------------|
|   | <b>Actual <sup>1</sup></b> | <b>Adopted Budget <sup>1 2</sup></b> |
|   | <hr/>                      | <hr/>                                |
| <b><u>Beginning Operating Funds</u></b> | \$ 19,815,928              | \$ 16,380,726                        |
| <b><u>Revenues</u></b>                  |                            |                                      |
| Water Sales & Charges                   | 32,620,416                 | 29,943,351                           |
| Sewer Sales & Charges                   | 21,527,999                 | 21,708,908                           |
| Rate Increase                           | -                          | 4,538,743                            |
| Tag & Reconnect Fees                    | 369,480                    | 450,000                              |
| Industrial Surcharge                    | 153,271                    | 315,000                              |
| Backflow Prevention Charges             | 224,554                    | 220,000                              |
| Investment Income                       | 501,796                    | 500,210                              |
| Miscellaneous                           | 160,540                    | 175,000                              |
| Transfers In                            | -                          | -                                    |
| Total Revenues                          | <hr/> \$ 55,558,056        | <hr/> \$ 57,851,212                  |
| <b><u>Total Funds Available</u></b>     | <hr/> \$ 75,373,984        | <hr/> \$ 74,231,938                  |
| <b><u>Expenditures</u></b>              |                            |                                      |
| Personnel Services                      | 3,900,609                  | 4,836,778                            |
| Supplies and Services                   | 33,564,874                 | 37,287,419                           |
| Utilities                               | 1,028,928                  | 1,052,608                            |
| Allocations                             | 5,844,683                  | 6,333,165                            |
| Capital Outlay                          | -                          | 33,592                               |
| Transfers Out                           | 9,814,677                  | 11,263,527                           |
| Total Expenditures                      | <hr/> \$ 54,153,771        | <hr/> \$ 60,807,089                  |
| <b><u>Ending Operating Funds</u></b>    | <hr/> \$ 21,220,213        | <hr/> \$ 13,424,849                  |

(1) Budget basis.

(2) Includes a projected average increase of 11.7% on water and sewer rates effective 1/1/2024.

**TABLE CD-21**  
**UTILITY PLANT IN SERVICE**  
**(As of September 30, 2023)**  
 (Unaudited)

|  |                                   |
|--|-----------------------------------|
| Land                                   | \$ 1,382,918                      |
| Utility Plant                          | 299,338,667                       |
| Equipment and Intangibles <sup>1</sup> | 9,737,783                         |
| Construction in Progress               | 509,594                           |
| Total Capital Assets                   | <hr/> 310,968,962                 |
| Less Accumulated Depreciation          | (183,851,745)                     |
| <b>Net Utility Plant in Service</b>    | <hr/> <b>\$ 127,117,217</b> <hr/> |

(1) Reflective of SBITA assets beginning in FY2023.



**CITY OF CARROLLTON, TEXAS**

Continuing Disclosure Tables  
Year ended September 30, 2023

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

|  | Fiscal Year Ending September 30 |                       |                       |                       |                       |
|--|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 2023 <sup>1</sup>               | 2022                  | 2021                  | 2020                  | 2019                  |
| Water & Wastewater   |                                 |                       |                       |                       |                       |
| System in Service  | \$ 310,968,962                  | \$ 300,619,285        | \$ 289,667,747        | \$ 280,501,602        | \$ 277,572,913        |
| Reserve for Depreciation   | <u>(183,851,745)</u>            | <u>(177,584,728)</u>  | <u>(171,743,760)</u>  | <u>(166,255,601)</u>  | <u>(160,575,142)</u>  |
| Net plant in Service   | <u>127,117,217</u>              | <u>123,034,557</u>    | <u>117,923,987</u>    | <u>114,246,001</u>    | <u>116,997,771</u>    |
| Construction Funds Net Position  | <u>31,875,262</u>               | <u>21,546,082</u>     | <u>19,657,568</u>     | <u>21,556,852</u>     | <u>19,722,465</u>     |
| Net Plant in Service and<br>Coming on Line   | <u>158,992,479</u>              | <u>144,580,639</u>    | <u>137,581,555</u>    | <u>135,802,853</u>    | <u>136,720,236</u>    |
| Plus Other Assets/Deferred<br>Outflows of Resources  | 2,060,328                       | 1,588,675             | 301,981               | 319,467               | 2,089,151             |
| Plus Operating Working Capital<br>Assets and Deferred Outflows<br>of Resources Net of Current<br>Liabilities and Debt Reserves | <u>21,220,449</u>               | <u>18,199,375</u>     | <u>16,799,770</u>     | <u>14,811,155</u>     | <u>12,287,310</u>     |
|  | <u>182,273,256</u>              | <u>164,368,689</u>    | <u>154,683,306</u>    | <u>150,933,475</u>    | <u>151,096,697</u>    |
| Long Term Debt   | 7,357,133                       | 7,858,502             | 9,318,940             | 11,287,068            | 13,153,490            |
| Less Debt Reserves   | <u>(818,323)</u>                | <u>(890,296)</u>      | <u>(986,773)</u>      | <u>(1,070,043)</u>    | <u>(1,142,303)</u>    |
| Net Long Term Debt   | <u>6,538,810</u>                | <u>6,968,206</u>      | <u>8,332,167</u>      | <u>10,217,025</u>     | <u>12,011,187</u>     |
| Plus Other Liabilities/ Deferred<br>Inflows of Resources   | <u>4,153,764</u>                | <u>2,211,785</u>      | <u>934,752</u>        | <u>572,148</u>        | <u>2,876,023</u>      |
| Total Obligations and Deferred<br>Inflows of Resources   | 10,692,574                      | 9,179,991             | 9,266,919             | 10,789,173            | 14,887,210            |
| City's Equity in System  | <u>\$ 171,580,682</u>           | <u>\$ 155,188,698</u> | <u>\$ 145,416,387</u> | <u>\$ 140,144,302</u> | <u>\$ 136,209,487</u> |
| % Equity   | 94.13%                          | 94.42%                | 94.01%                | 92.85%                | 90.15%                |

(1) Includes SBITA assets & liabilities

**CITY OF CARROLLTON, TEXAS**

Continuing Disclosure Tables  
Year ended September 30, 2023

**TABLE CD-23**  
**TOP TEN WATER CUSTOMERS**  
**AS OF 9/30/2023**  
(Unaudited)

| <u>Name</u>                     | <u>Type</u>     | <u>Revenues</u>     | <u>% of Total Water Revenues<sup>1</sup></u> |
|---------------------------------|-----------------|---------------------|--|
| 1 Carrollton-Farmers Branch ISD | School District | \$ 813,710          | 2.49%  |
| 2 Lewisville ISD                | School District | 401,905             | 1.23%  |
| 3 Rudy's Tortillas              | Manufacturing   | 411,355             | 1.26%  |
| 4 Western Extrusions INC.       | Manufacturing   | 585,839             | 1.80%  |
| 5 Frankel Family Trust          | Apartments      | 397,999             | 1.22%  |
| 6 Sreit Castle Hills LLC        | Apartments      | 359,792             | 1.10%  |
| 7 Bellavista                    | Apartments      | 368,289             | 1.13%  |
| 8 Post Greentree, LLC           | Apartments      | 367,877             | 1.13%  |
| 9 Creekside 121                 | Apartments      | 358,132             | 1.10%  |
| 10 Mansions at Sunset Ridge, LP | Apartments      | 337,491             | 1.03%  |
| <b>TOTAL</b>                    |                 | <b>\$ 4,402,389</b> | <b>13.50%</b>                                |

<sup>(1)</sup> Total water revenues from October 1, 2022 through September 30, 2023 was \$32,620,416.

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> |
|-------------------------------|-------------------------------------|-------------------------------------|-------------------------------|
| 2014                          | 18,890,000                          | 32,262,000                          | 6,954,726,000                 |
| 2015                          | 19,548,000                          | 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                          | 20,711,000                          | 37,720,000                          | 7,578,297,000                 |
| 2019                          | 19,203,000                          | 37,735,000                          | 7,410,532,000                 |
| 2020                          | 21,698,000                          | 38,799,000                          | 7,953,874,000                 |
| 2021                          | 21,792,000                          | 37,337,000                          | 7,962,892,000                 |
| 2022                          | 24,218,000 <sup>1</sup>             | 48,423,000 <sup>1</sup>             | 8,864,496,000                 |
| 2023                          | 23,651,000                          | 43,253,000                          | 8,679,414,000                 |

Source: City of Carrollton Water Distribution Department.

<sup>(1)</sup> Fiscal Year 2022 daily use increase as a result of unseasonably dry weather throughout the spring and summer.

CITY OF CARROLLTON, TEXAS

Continuing Disclosure Tables  
 Year ended September 30, 2023

**TABLE CD-25**  
**WATER & WASTEWATER RATES <sup>1</sup>**  
 (Unaudited)

**Monthly Water Rates:**

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

|  |    |        |
|--|----|--------|
| Single-family residential domestic and irrigation use  | \$ | 15.51  |
| Commercial (including apartments and portable meters), industrial and commercial irrigation use: |    |        |
| 5/8" meter   | \$ | 15.81  |
| 1" meter   |    | 24.36  |
| 1.5" meter   |    | 38.65  |
| 2" meter   |    | 55.78  |
| 3" meter   |    | 101.44 |
| 4" meter   |    | 152.82 |
| 6" meter   |    | 295.58 |
| 8" meter   |    | 466.89 |
| 10" meter  |    | 666.75 |
| Fire Line regardless of size   |    | 76.38  |

**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)   | \$ | 3.67 |
| Meter Readings from May through September:   |    |      |
| Next 8,000 gallons (per 1,000 gallons)   |    | 3.67 |
| All Over 15,000 gallons (per 1,000 gallons)  |    | 4.93 |
| All Over 25,000 gallons (per 1,000 gallons)  |    | 6.15 |
| Irrigation use:  |    |      |
| Next 23,000 gallons (per 1,000 gallons)  | \$ | 3.91 |
| Next 25,000 gallons (per 1,000 gallons)  |    | 4.66 |
| Next 50,000 gallons (per 1,000 gallons)  |    | 5.28 |
| Next 100,000 gallons (per 1,000 gallons)   |    | 5.94 |
| All use over 200,000 gallons (per 1,000 gallons)   |    | 6.63 |
| Commercial use (including apartments and portable meters):   |    |      |
| All use over 2,000 gallons (per 1,000 gallons)   | \$ | 2.66 |
| 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)   | \$ | 2.35 |

**Monthly Sewer Rates:**

|   |    |        |
|---|----|--------|
| Residential use:  |    |        |
| First 2,000 gallons, minimum  | \$ | 17.15  |
| All use over 2,000 gallons (per 1,000 gallons)  |    | 3.99   |
| Commercial (including apartments), Industrial and Irrigation minimum monthly charges, including the first 2,000 gallons of use: |    |        |
| 5/8" meter  | \$ | 17.30  |
| 1" meter  |    | 25.06  |
| 1.5" meter  |    | 37.92  |
| 2" meter  |    | 53.32  |
| 3" meter  |    | 94.48  |
| 4" meter  |    | 141.14 |
| 6" meter  |    | 269.21 |
| 8" meter  |    | 423.43 |
| 10" meter   |    | 603.32 |
| Commercial and Industrial use:  |    |        |
| All use over 2,000 gallons (per 1,000 gallons)  | \$ | 4.06   |

(1) Rates effective January 1, 2024.

**CITY OF CARROLLTON, TEXAS**

Continuing Disclosure Tables  
Year ended September 30, 2023

**TABLE CD-26**

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

|  | Fiscal Year Ending September 30 |                       |                       |                       |                       |
|--|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 2023                            | 2022                  | 2021                  | 2020                  | 2019                  |
| Operating revenues:                              |                                 |                       |                       |                       |                       |
| Charges for services                             | \$ 55,045,831                   | \$ 53,318,611         | \$ 48,800,547         | \$ 48,870,110         | \$ 45,058,318         |
| Miscellaneous                                    | 421,105                         | 384,501               | 337,653               | 297,912               | 263,300               |
| Total operating revenues                         | <u>55,466,936</u>               | <u>53,703,112</u>     | <u>49,138,200</u>     | <u>49,168,022</u>     | <u>45,321,618</u>     |
| Operating expenses:                              |                                 |                       |                       |                       |                       |
| Personal services                                | 4,886,490                       | 3,714,564             | 3,765,284             | 3,983,596             | 4,320,610             |
| Supplies and Services                            | 34,109,046                      | 31,718,521            | 30,287,030            | 30,109,494            | 29,255,355            |
| Utilities  | 1,035,456                       | 906,878               | 885,921               | 1,011,379             | 937,553               |
| Allocations                                      | 1,679,902                       | 1,202,288             | 1,123,539             | 864,723               | 859,139               |
| Depreciation                                     | 6,437,241                       | 5,981,781             | 5,968,356             | 5,758,477             | 6,645,933             |
| Total operating expenses                         | <u>48,148,135</u>               | <u>43,524,032</u>     | <u>42,030,130</u>     | <u>41,727,669</u>     | <u>42,018,590</u>     |
| Income (loss) from operations                    | <u>7,318,801</u>                | <u>10,179,080</u>     | <u>7,108,070</u>      | <u>7,440,353</u>      | <u>3,303,028</u>      |
| Nonoperating revenues (expenses):                |                                 |                       |                       |                       |                       |
| Investment earnings net of change in fair value  | 1,296,332                       | (1,075,741)           | 96,755                | 680,257               | 870,676               |
| Gain on sale/retirement of capital assets        | 59,350                          | 38,830                | 99,209                | 14,826                | 94,551                |
| Interest expense                                 | (268,972)                       | (225,120)             | (311,618)             | (375,564)             | (250,672)             |
| Total nonoperating revenues (expenses)           | <u>1,086,710</u>                | <u>(1,262,031)</u>    | <u>(115,654)</u>      | <u>319,519</u>        | <u>714,555</u>        |
| Income (loss) before contributions and transfers | 8,405,511                       | 8,917,049             | 6,992,416             | 7,759,872             | 4,017,583             |
| Capital contributions                            | 296,688                         | 5,578,424             | 3,199,625             | 727,166               | 923,476               |
| Transfers in                                     | 13,071,304                      | 700,000               |                       | -                     | -                     |
| Transfers out                                    | <u>(5,381,519)</u>              | <u>(5,423,162)</u>    | <u>(4,919,956)</u>    | <u>(4,552,223)</u>    | <u>(4,497,117)</u>    |
| Change in net position                           | 16,391,984                      | 9,772,311             | 5,272,085             | 3,934,815             | 443,942               |
| Net position at beginning of year                | <u>155,188,698</u>              | <u>145,416,387</u>    | <u>140,144,302</u>    | <u>136,209,487</u>    | <u>135,765,545</u>    |
| Net position at end of year                      | <u>\$ 171,580,682</u>           | <u>\$ 155,188,698</u> | <u>\$ 145,416,387</u> | <u>\$ 140,144,302</u> | <u>\$ 136,209,487</u> |



**CARROLLTON**  
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