



City of Carrollton Debt Book

**As of September 30, 2025 with Series 2025
and Upcoming 2025 Defeasance included**

PFM Financial Advisors LLC
111 Congress Ave
Suite 2150
Austin, TX 78701

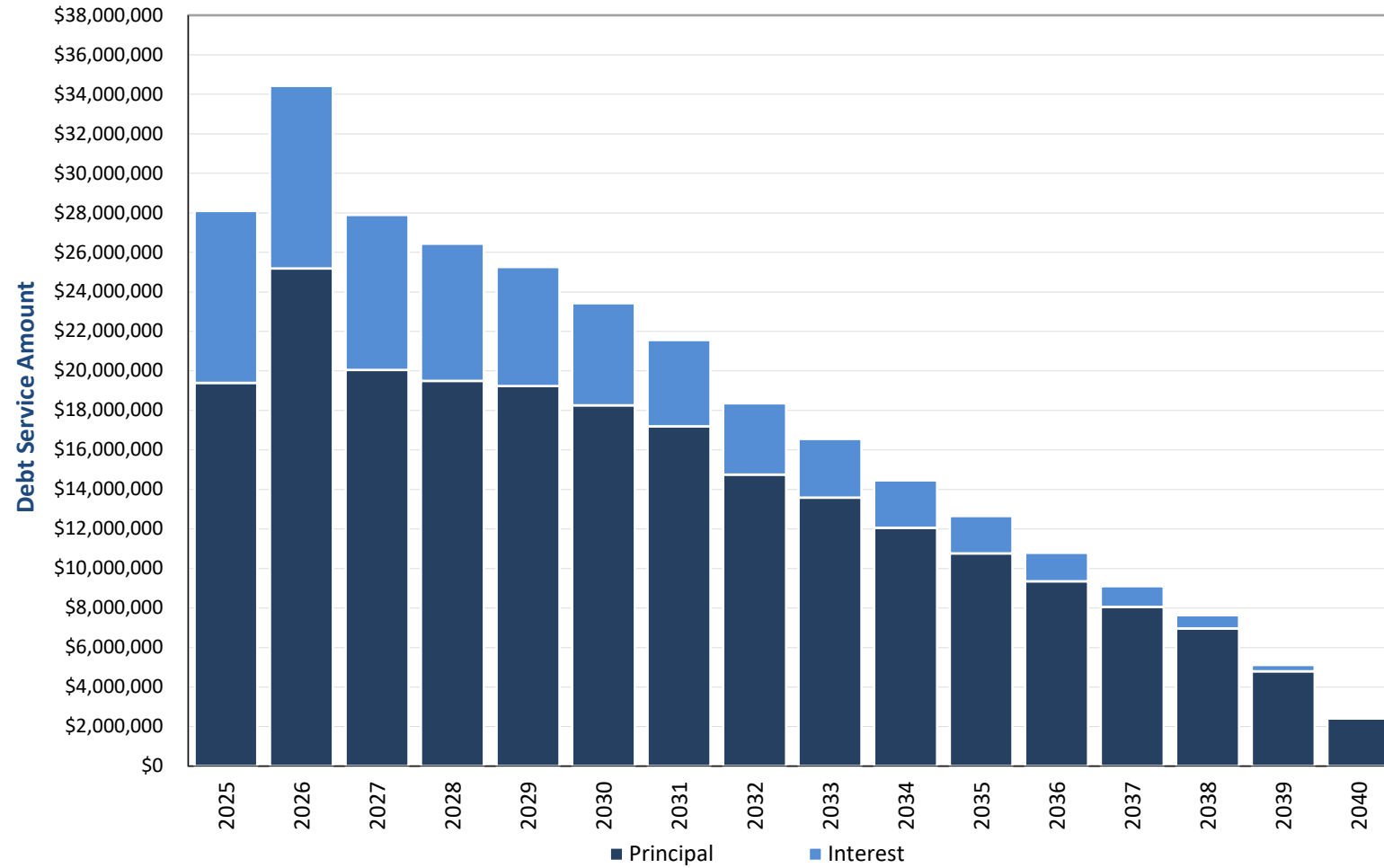
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I. General Obligation Debt

Debt Service by Principal and Interest

City of Carrollton, Texas
Outstanding General Obligation Debt Service by Principal and Interest



Fiscal Year Ending September 30

City of Carrollton, Texas
Annual General Obligation Debt Service
By Principal and Interest

FYE	Principal	Interest	Debt Service
2025	\$ 19,390,000.00	\$ 8,704,459.60	\$ 28,094,459.60
2026	25,185,000.00	9,235,816.41	34,420,816.41
2027	20,045,000.00	7,854,552.52	27,899,552.52
2028	19,500,000.00	6,937,652.52	26,437,652.52
2029	19,235,000.00	6,030,846.26	25,265,846.26
2030	18,265,000.00	5,167,633.76	23,432,633.76
2031	17,205,000.00	4,364,265.00	21,569,265.00
2032	14,760,000.00	3,603,427.50	18,363,427.50
2033	13,595,000.00	2,958,240.00	16,553,240.00
2034	12,065,000.00	2,395,140.00	14,460,140.00
2035	10,765,000.00	1,895,320.00	12,660,320.00
2036	9,350,000.00	1,443,980.00	10,793,980.00
2037	8,060,000.00	1,045,370.00	9,105,370.00
2038	6,970,000.00	662,250.00	7,632,250.00
2039	4,805,000.00	313,750.00	5,118,750.00
2040	2,420,000.00	96,800.00	2,516,800.00
Total	\$ 221,615,000.00	\$ 62,709,503.57	\$ 284,324,503.57

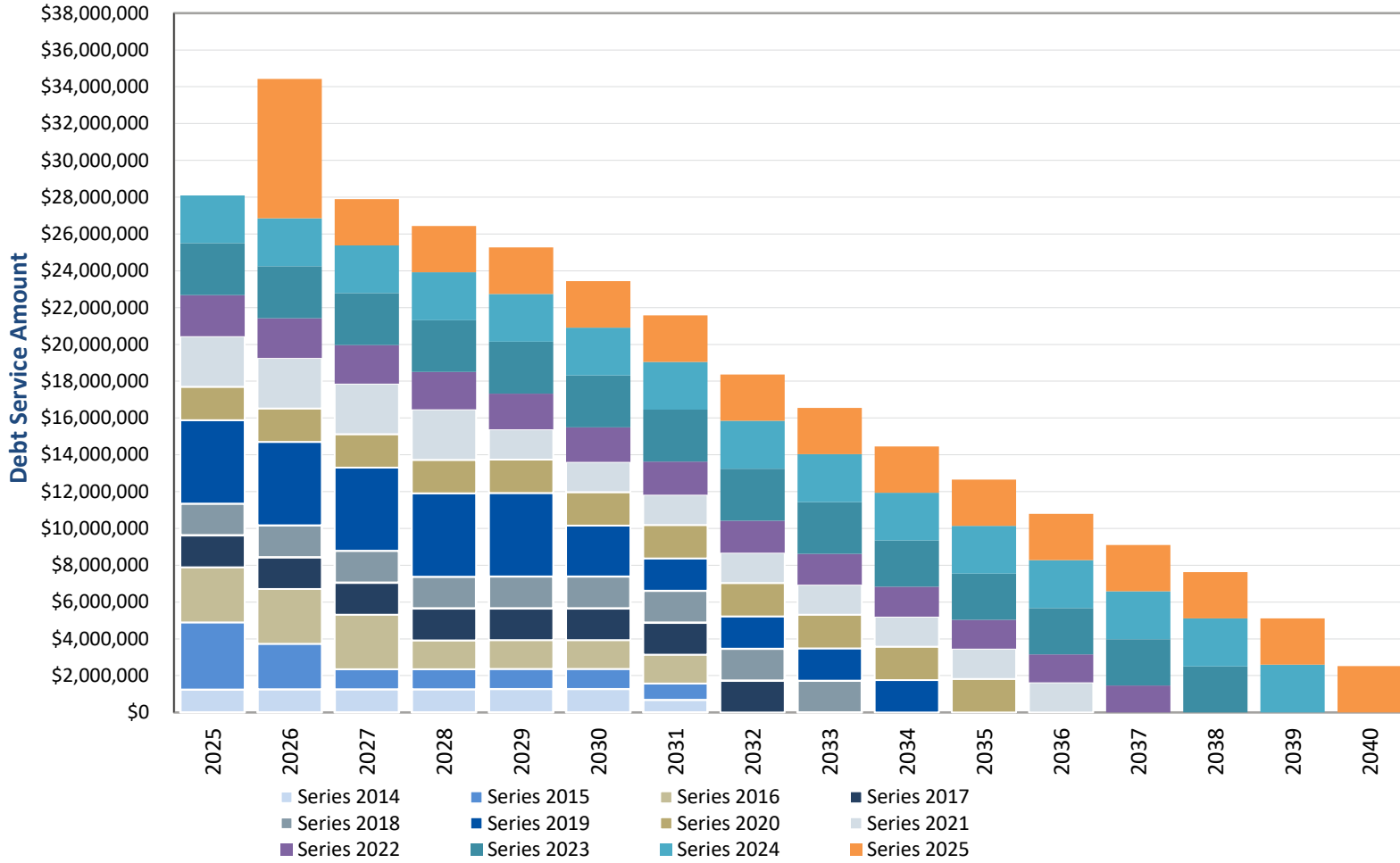
Fiscal year is assumed to be October 1 through September 30.

City of Carrollton, Texas
Semi-Annual General Obligation Debt Service
By Principal and Interest

Date	Principal	Interest	Debt Service	FYE 9/30 Debt Service
2/15/2025	\$ -	\$ 4,499,643.34	\$ 4,499,643.34	\$ -
8/15/2025	19,390,000.00	4,204,816.26	23,594,816.26	28,094,459.60
2/15/2026	-	4,695,865.15	4,695,865.15	-
8/15/2026	25,185,000.00	4,539,951.26	29,724,951.26	34,420,816.41
2/15/2027	-	3,927,276.26	3,927,276.26	-
8/15/2027	20,045,000.00	3,927,276.26	23,972,276.26	27,899,552.52
2/15/2028	-	3,468,826.26	3,468,826.26	-
8/15/2028	19,500,000.00	3,468,826.26	22,968,826.26	26,437,652.52
2/15/2029	-	3,015,423.13	3,015,423.13	-
8/15/2029	19,235,000.00	3,015,423.13	22,250,423.13	25,265,846.26
2/15/2030	-	2,583,816.88	2,583,816.88	-
8/15/2030	18,265,000.00	2,583,816.88	20,848,816.88	23,432,633.76
2/15/2031	-	2,182,132.50	2,182,132.50	-
8/15/2031	17,205,000.00	2,182,132.50	19,387,132.50	21,569,265.00
2/15/2032	-	1,801,713.75	1,801,713.75	-
8/15/2032	14,760,000.00	1,801,713.75	16,561,713.75	18,363,427.50
2/15/2033	-	1,479,120.00	1,479,120.00	-
8/15/2033	13,595,000.00	1,479,120.00	15,074,120.00	16,553,240.00
2/15/2034	-	1,197,570.00	1,197,570.00	-
8/15/2034	12,065,000.00	1,197,570.00	13,262,570.00	14,460,140.00
2/15/2035	-	947,660.00	947,660.00	-
8/15/2035	10,765,000.00	947,660.00	11,712,660.00	12,660,320.00
2/15/2036	-	721,990.00	721,990.00	-
8/15/2036	9,350,000.00	721,990.00	10,071,990.00	10,793,980.00
2/15/2037	-	522,685.00	522,685.00	-
8/15/2037	8,060,000.00	522,685.00	8,582,685.00	9,105,370.00
2/15/2038	-	331,125.00	331,125.00	-
8/15/2038	6,970,000.00	331,125.00	7,301,125.00	7,632,250.00
2/15/2039	-	156,875.00	156,875.00	-
8/15/2039	4,805,000.00	156,875.00	4,961,875.00	5,118,750.00
2/15/2040	-	48,400.00	48,400.00	-
8/15/2040	2,420,000.00	48,400.00	2,468,400.00	2,516,800.00
Total	\$ 221,615,000.00	\$ 62,709,503.57	\$ 284,324,503.57	\$ 284,324,503.57

Debt Service by Series

City of Carrollton, Texas
Outstanding General Obligation Debt Service by Series



Fiscal Year Ending September 30

City of Carrollton, Texas
Outstanding General Obligation Debt Service by Series

FYE	Series 2014	Series 2015	Series 2016	Series 2017	Series 2018	Series 2019
2025	\$ 1,252,981.26	\$ 3,641,530.01	\$ 2,989,800.00	\$ 1,735,750.00	\$ 1,731,212.50	\$ 4,528,350.00
2026	1,257,531.26	2,465,618.76	2,980,800.00	1,730,950.00	1,735,712.50	4,526,100.00
2027	1,266,031.26	1,080,618.76	2,971,050.00	1,734,350.00	1,731,962.50	4,520,850.00
2028	1,268,331.26	1,083,618.76	1,564,600.00	1,732,100.00	1,735,212.50	4,527,350.00
2029	1,273,175.00	1,084,668.76	1,567,900.00	1,731,600.00	1,734,962.50	4,524,600.00
2030	1,275,312.50	1,084,818.76	1,564,850.00	1,732,400.00	1,735,962.50	2,762,600.00
2031	695,125.00	882,787.50	1,565,600.00	1,735,800.00	1,734,912.50	1,753,850.00
2032	-	-	-	1,731,600.00	1,735,537.50	1,754,600.00
2033	-	-	-	-	1,734,600.00	1,752,200.00
2034	-	-	-	-	-	1,752,400.00
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
Total	\$ 8,288,487.54	\$ 11,323,661.31	\$ 15,204,600.00	\$ 13,864,550.00	\$ 15,610,075.00	\$ 32,402,900.00

City of Carrollton, Texas
Outstanding General Obligation Debt Service by Series

FYE	Series 2020	Series 2021	Series 2022	Series 2023	Series 2024	Series 2025	Total
2025	\$ 1,819,200.00	\$ 2,741,000.00	\$ 2,232,240.00	\$ 2,823,250.00	\$ 2,599,145.83	\$ -	\$ 28,094,459.60
2026	1,818,950.00	2,749,500.00	2,161,240.00	2,819,750.00	2,601,750.00	7,572,913.89	34,420,816.41
2027	1,820,950.00	2,742,750.00	2,090,240.00	2,822,750.00	2,601,000.00	2,517,000.00	27,899,552.52
2028	1,819,950.00	2,746,250.00	2,019,240.00	2,821,750.00	2,602,000.00	2,517,250.00	26,437,652.52
2029	1,820,950.00	1,644,250.00	1,948,240.00	2,816,750.00	2,599,500.00	2,519,250.00	25,265,846.26
2030	1,818,700.00	1,641,750.00	1,877,240.00	2,822,750.00	2,598,500.00	2,517,750.00	23,432,633.76
2031	1,818,200.00	1,641,250.00	1,806,240.00	2,819,000.00	2,598,750.00	2,517,750.00	21,569,265.00
2032	1,819,200.00	1,642,500.00	1,735,240.00	2,825,750.00	2,600,000.00	2,519,000.00	18,363,427.50
2033	1,822,000.00	1,639,700.00	1,664,240.00	2,822,250.00	2,597,000.00	2,521,250.00	16,553,240.00
2034	1,817,200.00	1,639,700.00	1,618,090.00	2,513,750.00	2,599,750.00	2,519,250.00	14,460,140.00
2035	1,820,000.00	1,643,800.00	1,570,520.00	2,510,250.00	2,597,750.00	2,518,000.00	12,660,320.00
2036	-	1,642,200.00	1,521,530.00	2,512,000.00	2,601,000.00	2,517,250.00	10,793,980.00
2037	-	-	1,471,120.00	2,513,500.00	2,599,000.00	2,521,750.00	9,105,370.00
2038	-	-	-	2,509,500.00	2,601,750.00	2,521,000.00	7,632,250.00
2039	-	-	-	-	2,598,750.00	2,520,000.00	5,118,750.00
2040	-	-	-	-	-	2,516,800.00	2,516,800.00
Total	\$ 20,015,300.00	\$ 24,114,650.00	\$ 23,715,420.00	\$ 37,953,000.00	\$ 38,995,645.83	\$ 42,836,213.89	\$ 284,324,503.57

City of Carrollton, Texas
General Obligation Improvement Bonds, Series 2014
Dated Date: April 15, 2014
Coupon Range Outstanding: 3.000% - 3.750%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 118,990.63	\$ 118,990.63	\$ -
8/15/2025	1,015,000.00	118,990.63	1,133,990.63	1,252,981.26
2/15/2026	-	103,765.63	103,765.63	-
8/15/2026	1,050,000.00	103,765.63	1,153,765.63	1,257,531.26
2/15/2027	-	88,015.63	88,015.63	-
8/15/2027	1,090,000.00	88,015.63	1,178,015.63	1,266,031.26
2/15/2028	-	71,665.63	71,665.63	-
8/15/2028	1,125,000.00	71,665.63	1,196,665.63	1,268,331.26
2/15/2029	-	54,087.50	54,087.50	-
8/15/2029	1,165,000.00	54,087.50	1,219,087.50	1,273,175.00
2/15/2030	-	35,156.25	35,156.25	-
8/15/2030	1,205,000.00	35,156.25	1,240,156.25	1,275,312.50
2/15/2031	-	12,562.50	12,562.50	-
8/15/2031	<u>670,000.00</u>	<u>12,562.50</u>	<u>682,562.50</u>	<u>695,125.00</u>
Total	<u>\$ 7,320,000.00</u>	<u>\$ 968,487.54</u>	<u>\$ 8,288,487.54</u>	<u>\$ 8,288,487.54</u>

City of Carrollton, Texas
General Obligation Improvement and Refunding Bonds, Series 2015*
Dated Date: May 1, 2015
Coupon Range Outstanding: 2.200% - 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 258,355.63	\$ 258,355.63	\$ -
8/15/2025	3,215,000.00	168,174.38	3,383,174.38	3,641,530.01
2/15/2026	-	132,809.38	132,809.38	-
8/15/2026	2,200,000.00	132,809.38	2,332,809.38	2,465,618.76
2/15/2027	-	77,809.38	77,809.38	-
8/15/2027	925,000.00	77,809.38	1,002,809.38	1,080,618.76
2/15/2028	-	59,309.38	59,309.38	-
8/15/2028	965,000.00	59,309.38	1,024,309.38	1,083,618.76
2/15/2029	-	44,834.38	44,834.38	-
8/15/2029	995,000.00	44,834.38	1,039,834.38	1,084,668.76
2/15/2030	-	29,909.38	29,909.38	-
8/15/2030	1,025,000.00	29,909.38	1,054,909.38	1,084,818.76
2/15/2031	-	13,893.75	13,893.75	-
8/15/2031	<u>855,000.00</u>	<u>13,893.75</u>	<u>868,893.75</u>	<u>882,787.50</u>
Total	<u>\$ 10,180,000.00</u>	<u>\$ 1,143,661.31</u>	<u>\$ 11,323,661.31</u>	<u>\$ 11,323,661.31</u>

* Accounts for the City's 2025 Defeasance which has not yet closed

City of Carrollton, Texas
General Obligation Improvement and Refunding Bonds, Series 2016

Dated Date: May 15, 2016

Coupon Range Outstanding: 3.000% - 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 254,900.00	\$ 254,900.00	\$ -
8/15/2025	2,480,000.00	254,900.00	2,734,900.00	2,989,800.00
2/15/2026	-	192,900.00	192,900.00	-
8/15/2026	2,595,000.00	192,900.00	2,787,900.00	2,980,800.00
2/15/2027	-	128,025.00	128,025.00	-
8/15/2027	2,715,000.00	128,025.00	2,843,025.00	2,971,050.00
2/15/2028	-	87,300.00	87,300.00	-
8/15/2028	1,390,000.00	87,300.00	1,477,300.00	1,564,600.00
2/15/2029	-	66,450.00	66,450.00	-
8/15/2029	1,435,000.00	66,450.00	1,501,450.00	1,567,900.00
2/15/2030	-	44,925.00	44,925.00	-
8/15/2030	1,475,000.00	44,925.00	1,519,925.00	1,564,850.00
2/15/2031	-	22,800.00	22,800.00	-
8/15/2031	<u>1,520,000.00</u>	<u>22,800.00</u>	<u>1,542,800.00</u>	<u>1,565,600.00</u>
Total	<u>\$ 13,610,000.00</u>	<u>\$ 1,594,600.00</u>	<u>\$ 15,204,600.00</u>	<u>\$ 15,204,600.00</u>

City of Carrollton, Texas
General Obligation Improvement Bonds, Series 2017
Dated Date: April 1, 2017
Coupon Range Outstanding: 4.000% - 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 245,375.00	\$ 245,375.00	\$ -
8/15/2025	1,245,000.00	245,375.00	1,490,375.00	1,735,750.00
2/15/2026	-	220,475.00	220,475.00	-
8/15/2026	1,290,000.00	220,475.00	1,510,475.00	1,730,950.00
2/15/2027	-	194,675.00	194,675.00	-
8/15/2027	1,345,000.00	194,675.00	1,539,675.00	1,734,350.00
2/15/2028	-	161,050.00	161,050.00	-
8/15/2028	1,410,000.00	161,050.00	1,571,050.00	1,732,100.00
2/15/2029	-	125,800.00	125,800.00	-
8/15/2029	1,480,000.00	125,800.00	1,605,800.00	1,731,600.00
2/15/2030	-	96,200.00	96,200.00	-
8/15/2030	1,540,000.00	96,200.00	1,636,200.00	1,732,400.00
2/15/2031	-	65,400.00	65,400.00	-
8/15/2031	1,605,000.00	65,400.00	1,670,400.00	1,735,800.00
2/15/2032	-	33,300.00	33,300.00	-
8/15/2032	<u>1,665,000.00</u>	<u>33,300.00</u>	<u>1,698,300.00</u>	<u>1,731,600.00</u>
Total	<u>\$ 11,580,000.00</u>	<u>\$ 2,284,550.00</u>	<u>\$ 13,864,550.00</u>	<u>\$ 13,864,550.00</u>

City of Carrollton, Texas
General Obligation Improvement Bonds, Series 2018
Dated Date: May 1, 2018
Coupon Range Outstanding: 3.000% - 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 260,606.25	\$ 260,606.25	\$ -
8/15/2025	1,210,000.00	260,606.25	1,470,606.25	1,731,212.50
2/15/2026	-	230,356.25	230,356.25	-
8/15/2026	1,275,000.00	230,356.25	1,505,356.25	1,735,712.50
2/15/2027	-	198,481.25	198,481.25	-
8/15/2027	1,335,000.00	198,481.25	1,533,481.25	1,731,962.50
2/15/2028	-	165,106.25	165,106.25	-
8/15/2028	1,405,000.00	165,106.25	1,570,106.25	1,735,212.50
2/15/2029	-	129,981.25	129,981.25	-
8/15/2029	1,475,000.00	129,981.25	1,604,981.25	1,734,962.50
2/15/2030	-	100,481.25	100,481.25	-
8/15/2030	1,535,000.00	100,481.25	1,635,481.25	1,735,962.50
2/15/2031	-	77,456.25	77,456.25	-
8/15/2031	1,580,000.00	77,456.25	1,657,456.25	1,734,912.50
2/15/2032	-	52,768.75	52,768.75	-
8/15/2032	1,630,000.00	52,768.75	1,682,768.75	1,735,537.50
2/15/2033	-	27,300.00	27,300.00	-
8/15/2033	<u>1,680,000.00</u>	<u>27,300.00</u>	<u>1,707,300.00</u>	<u>1,734,600.00</u>
Total	<u>\$ 13,125,000.00</u>	<u>\$ 2,485,075.00</u>	<u>\$ 15,610,075.00</u>	<u>\$ 15,610,075.00</u>

City of Carrollton, Texas
General Obligation Improvement and Refunding Bonds, Series 2019
Dated Date: May 1, 2019
Coupon Range Outstanding: 4.000% - 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 641,675.00	\$ 641,675.00	\$ -
8/15/2025	3,245,000.00	641,675.00	3,886,675.00	4,528,350.00
2/15/2026	-	560,550.00	560,550.00	-
8/15/2026	3,405,000.00	560,550.00	3,965,550.00	4,526,100.00
2/15/2027	-	475,425.00	475,425.00	-
8/15/2027	3,570,000.00	475,425.00	4,045,425.00	4,520,850.00
2/15/2028	-	386,175.00	386,175.00	-
8/15/2028	3,755,000.00	386,175.00	4,141,175.00	4,527,350.00
2/15/2029	-	292,300.00	292,300.00	-
8/15/2029	3,940,000.00	292,300.00	4,232,300.00	4,524,600.00
2/15/2030	-	193,800.00	193,800.00	-
8/15/2030	2,375,000.00	193,800.00	2,568,800.00	2,762,600.00
2/15/2031	-	134,425.00	134,425.00	-
8/15/2031	1,485,000.00	134,425.00	1,619,425.00	1,753,850.00
2/15/2032	-	97,300.00	97,300.00	-
8/15/2032	1,560,000.00	97,300.00	1,657,300.00	1,754,600.00
2/15/2033	-	66,100.00	66,100.00	-
8/15/2033	1,620,000.00	66,100.00	1,686,100.00	1,752,200.00
2/15/2034	-	33,700.00	33,700.00	-
8/15/2034	<u>1,685,000.00</u>	<u>33,700.00</u>	<u>1,718,700.00</u>	<u>1,752,400.00</u>
Total	<u>\$ 26,640,000.00</u>	<u>\$ 5,762,900.00</u>	<u>\$ 32,402,900.00</u>	<u>\$ 32,402,900.00</u>

City of Carrollton, Texas
General Obligation Bonds, Series 2020
Dated Date: May 15, 2020
Coupon Range Outstanding: 4.000% - 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 357,100.00	\$ 357,100.00	\$ -
8/15/2025	1,105,000.00	357,100.00	1,462,100.00	1,819,200.00
2/15/2026	-	329,475.00	329,475.00	-
8/15/2026	1,160,000.00	329,475.00	1,489,475.00	1,818,950.00
2/15/2027	-	300,475.00	300,475.00	-
8/15/2027	1,220,000.00	300,475.00	1,520,475.00	1,820,950.00
2/15/2028	-	269,975.00	269,975.00	-
8/15/2028	1,280,000.00	269,975.00	1,549,975.00	1,819,950.00
2/15/2029	-	237,975.00	237,975.00	-
8/15/2029	1,345,000.00	237,975.00	1,582,975.00	1,820,950.00
2/15/2030	-	204,350.00	204,350.00	-
8/15/2030	1,410,000.00	204,350.00	1,614,350.00	1,818,700.00
2/15/2031	-	169,100.00	169,100.00	-
8/15/2031	1,480,000.00	169,100.00	1,649,100.00	1,818,200.00
2/15/2032	-	132,100.00	132,100.00	-
8/15/2032	1,555,000.00	132,100.00	1,687,100.00	1,819,200.00
2/15/2033	-	101,000.00	101,000.00	-
8/15/2033	1,620,000.00	101,000.00	1,721,000.00	1,822,000.00
2/15/2034	-	68,600.00	68,600.00	-
8/15/2034	1,680,000.00	68,600.00	1,748,600.00	1,817,200.00
2/15/2035	-	35,000.00	35,000.00	-
8/15/2035	<u>1,750,000.00</u>	<u>35,000.00</u>	<u>1,785,000.00</u>	<u>1,820,000.00</u>
Total	<u>\$ 15,605,000.00</u>	<u>\$ 4,410,300.00</u>	<u>\$ 20,015,300.00</u>	<u>\$ 20,015,300.00</u>

City of Carrollton, Texas
General Obligation Improvement and Refunding Bonds, Series 2021
Dated Date: June 1, 2021
Coupon Range Outstanding: 2.000% - 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 405,500.00	\$ 405,500.00	\$ -
8/15/2025	1,930,000.00	405,500.00	2,335,500.00	2,741,000.00
2/15/2026	-	357,250.00	357,250.00	-
8/15/2026	2,035,000.00	357,250.00	2,392,250.00	2,749,500.00
2/15/2027	-	306,375.00	306,375.00	-
8/15/2027	2,130,000.00	306,375.00	2,436,375.00	2,742,750.00
2/15/2028	-	253,125.00	253,125.00	-
8/15/2028	2,240,000.00	253,125.00	2,493,125.00	2,746,250.00
2/15/2029	-	197,125.00	197,125.00	-
8/15/2029	1,250,000.00	197,125.00	1,447,125.00	1,644,250.00
2/15/2030	-	165,875.00	165,875.00	-
8/15/2030	1,310,000.00	165,875.00	1,475,875.00	1,641,750.00
2/15/2031	-	133,125.00	133,125.00	-
8/15/2031	1,375,000.00	133,125.00	1,508,125.00	1,641,250.00
2/15/2032	-	98,750.00	98,750.00	-
8/15/2032	1,445,000.00	98,750.00	1,543,750.00	1,642,500.00
2/15/2033	-	69,850.00	69,850.00	-
8/15/2033	1,500,000.00	69,850.00	1,569,850.00	1,639,700.00
2/15/2034	-	47,350.00	47,350.00	-
8/15/2034	1,545,000.00	47,350.00	1,592,350.00	1,639,700.00
2/15/2035	-	31,900.00	31,900.00	-
8/15/2035	1,580,000.00	31,900.00	1,611,900.00	1,643,800.00
2/15/2036	-	16,100.00	16,100.00	-
8/15/2036	<u>1,610,000.00</u>	<u>16,100.00</u>	<u>1,626,100.00</u>	<u>1,642,200.00</u>
Total	<u>\$ 19,950,000.00</u>	<u>\$ 4,164,650.00</u>	<u>\$ 24,114,650.00</u>	<u>\$ 24,114,650.00</u>

City of Carrollton, Texas
General Obligation Improvement and Refunding Bonds, Series 2022
Dated Date: June 1, 2022
Coupon Range Outstanding: 3.250% - 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 406,120.00	\$ 406,120.00	\$ -
8/15/2025	1,420,000.00	406,120.00	1,826,120.00	2,232,240.00
2/15/2026	-	370,620.00	370,620.00	-
8/15/2026	1,420,000.00	370,620.00	1,790,620.00	2,161,240.00
2/15/2027	-	335,120.00	335,120.00	-
8/15/2027	1,420,000.00	335,120.00	1,755,120.00	2,090,240.00
2/15/2028	-	299,620.00	299,620.00	-
8/15/2028	1,420,000.00	299,620.00	1,719,620.00	2,019,240.00
2/15/2029	-	264,120.00	264,120.00	-
8/15/2029	1,420,000.00	264,120.00	1,684,120.00	1,948,240.00
2/15/2030	-	228,620.00	228,620.00	-
8/15/2030	1,420,000.00	228,620.00	1,648,620.00	1,877,240.00
2/15/2031	-	193,120.00	193,120.00	-
8/15/2031	1,420,000.00	193,120.00	1,613,120.00	1,806,240.00
2/15/2032	-	157,620.00	157,620.00	-
8/15/2032	1,420,000.00	157,620.00	1,577,620.00	1,735,240.00
2/15/2033	-	122,120.00	122,120.00	-
8/15/2033	1,420,000.00	122,120.00	1,542,120.00	1,664,240.00
2/15/2034	-	99,045.00	99,045.00	-
8/15/2034	1,420,000.00	99,045.00	1,519,045.00	1,618,090.00
2/15/2035	-	75,260.00	75,260.00	-
8/15/2035	1,420,000.00	75,260.00	1,495,260.00	1,570,520.00
2/15/2036	-	50,765.00	50,765.00	-
8/15/2036	1,420,000.00	50,765.00	1,470,765.00	1,521,530.00
2/15/2037	-	25,560.00	25,560.00	-
8/15/2037	<u>1,420,000.00</u>	<u>25,560.00</u>	<u>1,445,560.00</u>	<u>1,471,120.00</u>
Total	<u>\$ 18,460,000.00</u>	<u>\$ 5,255,420.00</u>	<u>\$ 23,715,420.00</u>	<u>\$ 23,715,420.00</u>

City of Carrollton, Texas
General Obligation Improvement and Refunding Bonds, Series 2023

Dated Date: May 1, 2023

Coupon Range Outstanding: 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 676,625.00	\$ 676,625.00	\$ -
8/15/2025	1,470,000.00	676,625.00	2,146,625.00	2,823,250.00
2/15/2026	-	639,875.00	639,875.00	-
8/15/2026	1,540,000.00	639,875.00	2,179,875.00	2,819,750.00
2/15/2027	-	601,375.00	601,375.00	-
8/15/2027	1,620,000.00	601,375.00	2,221,375.00	2,822,750.00
2/15/2028	-	560,875.00	560,875.00	-
8/15/2028	1,700,000.00	560,875.00	2,260,875.00	2,821,750.00
2/15/2029	-	518,375.00	518,375.00	-
8/15/2029	1,780,000.00	518,375.00	2,298,375.00	2,816,750.00
2/15/2030	-	473,875.00	473,875.00	-
8/15/2030	1,875,000.00	473,875.00	2,348,875.00	2,822,750.00
2/15/2031	-	427,000.00	427,000.00	-
8/15/2031	1,965,000.00	427,000.00	2,392,000.00	2,819,000.00
2/15/2032	-	377,875.00	377,875.00	-
8/15/2032	2,070,000.00	377,875.00	2,447,875.00	2,825,750.00
2/15/2033	-	326,125.00	326,125.00	-
8/15/2033	2,170,000.00	326,125.00	2,496,125.00	2,822,250.00
2/15/2034	-	271,875.00	271,875.00	-
8/15/2034	1,970,000.00	271,875.00	2,241,875.00	2,513,750.00
2/15/2035	-	222,625.00	222,625.00	-
8/15/2035	2,065,000.00	222,625.00	2,287,625.00	2,510,250.00
2/15/2036	-	171,000.00	171,000.00	-
8/15/2036	2,170,000.00	171,000.00	2,341,000.00	2,512,000.00
2/15/2037	-	116,750.00	116,750.00	-
8/15/2037	2,280,000.00	116,750.00	2,396,750.00	2,513,500.00
2/15/2038	-	59,750.00	59,750.00	-
8/15/2038	<u>2,390,000.00</u>	<u>59,750.00</u>	<u>2,449,750.00</u>	<u>2,509,500.00</u>
Total	<u>\$ 27,065,000.00</u>	<u>\$ 10,888,000.00</u>	<u>\$ 37,953,000.00</u>	<u>\$ 37,953,000.00</u>

City of Carrollton, Texas
General Obligation Improvement Bonds, Series 2024

Dated Date: June 20, 2024

Coupon Range Outstanding: 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ 874,395.83	\$ 874,395.83	\$ -
8/15/2025	1,055,000.00	669,750.00	1,724,750.00	2,599,145.83
2/15/2026	-	643,375.00	643,375.00	-
8/15/2026	1,315,000.00	643,375.00	1,958,375.00	2,601,750.00
2/15/2027	-	610,500.00	610,500.00	-
8/15/2027	1,380,000.00	610,500.00	1,990,500.00	2,601,000.00
2/15/2028	-	576,000.00	576,000.00	-
8/15/2028	1,450,000.00	576,000.00	2,026,000.00	2,602,000.00
2/15/2029	-	539,750.00	539,750.00	-
8/15/2029	1,520,000.00	539,750.00	2,059,750.00	2,599,500.00
2/15/2030	-	501,750.00	501,750.00	-
8/15/2030	1,595,000.00	501,750.00	2,096,750.00	2,598,500.00
2/15/2031	-	461,875.00	461,875.00	-
8/15/2031	1,675,000.00	461,875.00	2,136,875.00	2,598,750.00
2/15/2032	-	420,000.00	420,000.00	-
8/15/2032	1,760,000.00	420,000.00	2,180,000.00	2,600,000.00
2/15/2033	-	376,000.00	376,000.00	-
8/15/2033	1,845,000.00	376,000.00	2,221,000.00	2,597,000.00
2/15/2034	-	329,875.00	329,875.00	-
8/15/2034	1,940,000.00	329,875.00	2,269,875.00	2,599,750.00
2/15/2035	-	281,375.00	281,375.00	-
8/15/2035	2,035,000.00	281,375.00	2,316,375.00	2,597,750.00
2/15/2036	-	230,500.00	230,500.00	-
8/15/2036	2,140,000.00	230,500.00	2,370,500.00	2,601,000.00
2/15/2037	-	177,000.00	177,000.00	-
8/15/2037	2,245,000.00	177,000.00	2,422,000.00	2,599,000.00
2/15/2038	-	120,875.00	120,875.00	-
8/15/2038	2,360,000.00	120,875.00	2,480,875.00	2,601,750.00
2/15/2039	-	61,875.00	61,875.00	-
8/15/2039	<u>2,475,000.00</u>	<u>61,875.00</u>	<u>2,536,875.00</u>	<u>2,598,750.00</u>
Total	<u>\$ 26,790,000.00</u>	<u>\$ 12,205,645.83</u>	<u>\$ 38,995,645.83</u>	<u>\$ 38,995,645.83</u>

City of Carrollton, Texas
General Obligation Bonds, Series 2025
Dated Date: July 8, 2025
Coupon Range Outstanding: 4.000% - 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
2/15/2025	\$ -	\$ -	\$ -	\$ -
8/15/2025	-	-	-	-
2/15/2026	-	914,413.89	914,413.89	-
8/15/2026	5,900,000.00	758,500.00	6,658,500.00	7,572,913.89
2/15/2027	-	611,000.00	611,000.00	-
8/15/2027	1,295,000.00	611,000.00	1,906,000.00	2,517,000.00
2/15/2028	-	578,625.00	578,625.00	-
8/15/2028	1,360,000.00	578,625.00	1,938,625.00	2,517,250.00
2/15/2029	-	544,625.00	544,625.00	-
8/15/2029	1,430,000.00	544,625.00	1,974,625.00	2,519,250.00
2/15/2030	-	508,875.00	508,875.00	-
8/15/2030	1,500,000.00	508,875.00	2,008,875.00	2,517,750.00
2/15/2031	-	471,375.00	471,375.00	-
8/15/2031	1,575,000.00	471,375.00	2,046,375.00	2,517,750.00
2/15/2032	-	432,000.00	432,000.00	-
8/15/2032	1,655,000.00	432,000.00	2,087,000.00	2,519,000.00
2/15/2033	-	390,625.00	390,625.00	-
8/15/2033	1,740,000.00	390,625.00	2,130,625.00	2,521,250.00
2/15/2034	-	347,125.00	347,125.00	-
8/15/2034	1,825,000.00	347,125.00	2,172,125.00	2,519,250.00
2/15/2035	-	301,500.00	301,500.00	-
8/15/2035	1,915,000.00	301,500.00	2,216,500.00	2,518,000.00
2/15/2036	-	253,625.00	253,625.00	-
8/15/2036	2,010,000.00	253,625.00	2,263,625.00	2,517,250.00
2/15/2037	-	203,375.00	203,375.00	-
8/15/2037	2,115,000.00	203,375.00	2,318,375.00	2,521,750.00
2/15/2038	-	150,500.00	150,500.00	-
8/15/2038	2,220,000.00	150,500.00	2,370,500.00	2,521,000.00
2/15/2039	-	95,000.00	95,000.00	-
8/15/2039	2,330,000.00	95,000.00	2,425,000.00	2,520,000.00
2/15/2040	-	48,400.00	48,400.00	-
8/15/2040	<u>2,420,000.00</u>	<u>48,400.00</u>	<u>2,468,400.00</u>	<u>2,516,800.00</u>
Total	<u>\$ 31,290,000.00</u>	<u>\$ 11,546,213.89</u>	<u>\$ 42,836,213.89</u>	<u>\$ 42,836,213.89</u>

Rating Reports

Carrollton, Texas

The 'AAA' Long-Term Issuer Default Rating (IDR) and GO rating reflect Carrollton's (the city) robust financial position, with a history of strong reserve levels above the 10% of spending requirement for a 'aaa' financial resilience assessment given the city's 'high midrange' inherent budgetary flexibility. Other factors include Carrollton's 'strong' demographic and economic level metrics, including the median household income (MHI) metric and population with a bachelor's degree or higher, significantly above Fitch Ratings' portfolio medians. These positive demographic and economic credit factors are somewhat balanced against the city's weak population trend, reflecting its mature development status.

Another factor contributing to the 'AAA' rating is the city's 'strong' long-term liability burden, inclusive of the current \$33 million GO bonds issuance. Fitch expects the long-term liability burden to remain stable given the city's manageable future debt plans and rapid principal amortization.

Rating Sensitivities

Factors that could, individually or collectively, lead to negative rating action/downgrade

- A decline in available general fund reserve levels sustained below 10% of spending, which would lower Fitch's assessment of financial resilience to below 'aaa'.
- A sustained approximate 20% increase in long-term liabilities and carrying costs, assuming current levels of personal income and governmental resources.
- Weakened underlying demographic and economic performance, including but not limited to rising unemployment relative to the national average and lower resident income relative to Fitch's portfolio median.

Factors that could, individually or collectively, lead to positive rating action/upgrade

- The ratings are at the highest level on Fitch's scale and cannot be upgraded.

Security

The bonds are payable from a limited ad valorem tax pledge capped at \$2.50 per \$100 of taxable assessed valuation (TAV), levied against all property within the city.

Rating

Long-Term Issuer Default Rating AAA

Rating Outlook

Long-Term Issuer Default Rating Stable

New Issue

\$33,000,000 General Obligation Bonds, Series 2025 AAA

Sale Date

The week of June 9, 2025, via competitive sale

Outstanding Debt

[Issuer Ratings Information](#)

Applicable Criteria

[U.S. Public Finance Local Government Rating Criteria \(April 2024\)](#)

Related Research

[Fitch Rates Carrollton, TX's \\$33M GO Bonds 'AAA'; Outlook Stable \(May 2025\)](#)

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Rating Headroom & Positioning

Carrollton Model Implied Rating: 'AAA' (Numerical Value: 10.35)

- **Metric Profile:** 'AAA' (Numerical Value: 10.35)
- **Net Additional Analytical Factor Notching:** 0.0

Carrollton's Model Implied Rating is 'AAA'. The associated numerical value of 10.35 is in the middle of the range for a 'AAA' rating.

The Local Government Rating Model (LGRM) generates Model Implied Ratings, which communicate the issuer's credit quality relative to Fitch's local government rating portfolio (the Model Implied Rating will be the IDR except in certain circumstances explained in the applicable criteria). The Model Implied Rating is expressed via a numerical value calibrated to Fitch's long-term rating scale that ranges from 10.0 or higher (AAA), 9.0 (AA+), 8.0 (AA) and so forth down to 1.0 (BBB- and below).

Model Implied Ratings reflect the combination of issuer-specific metrics and assessments to generate a Metric Profile, and a structured framework to account for Additional Analytical Factors not captured in the Metric Profile that can either mitigate or exacerbate credit risks. Additional Analytical Factors are reflected in notching from the Metric Profile and are capped at +/-3 notches.

Current Developments

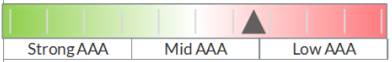
Carrollton's fiscal YE24 (as of Sept. 30, 2024) general fund operating results were strong. The city ended the fiscal year with nearly a \$19 million operating surplus and a \$7.8 million net deficit, with the difference driven by a \$33.7 million transfer out to the capital fund. YE24 general fund reserves were \$56 million, equal to 33.5% of spending. According to city policy, when reserve balances significantly exceed the 60-day fund balance target, the city will typically transfer the excess to the capital project funds to fund pay-as-you-go capex. While management makes large transfers out of the general fund for capital projects on an annual basis, reserves in the capital funds could be used for operations, if needed.

Profile

Carrollton is relatively mature and considered one of Dallas's "inner-ring" cities, located in and along major highway and rail corridors and near the Dallas-Fort Worth Airport. The larger economic sectors represented in the city's diverse employment base include manufacturing, construction trades and wholesale trades. The estimated 2023 population of 132,918 benefits from easy access to the larger Dallas-Fort Worth MSA employment base. The city has realized steady expansion in its diverse taxable resource base, driven by a variety of commercial, industrial and retail investments, as well as tax base appreciation. TAV growth has been strong, as demonstrated in an 11.4% increase in fiscal 2024 to \$21.3 billion.

Additional tax base, population and economic growth appears likely given the residential development (largely multifamily), new and progress toward completing key transit-oriented, mixed-use projects in and around the city's downtown, and three Dallas Area Rapid Transit (DART) light rail stations. The addition of DART's extensive northern commuter Cotton Belt rail line, which includes the DART Silver Line through Carrollton, will expand the system's east-west corridor and is estimated to be completed in late 2025 to mid-2026; this extension should provide further economic opportunities.

Key Drivers

Issuer: Carrollton (TX)	Financial Profile	0.0	Issuer Position Within AAA Model Implied Rating  Rating position post application of analytical overlay
Type: City General Obligation	Demographic & Economic Strength	0.0	
Current: AAA, RO:Sta (2025/03/26)	Long-Term Liability Burden	0.0	
Fiscal Year	AAF Notching Total(4)	0.0	
Metric Profile	MIR - Metric	10.35	
Metric Profile Mapping	MIR - Mapping	AAA	

Metric	Analyst Input		Metric		Composite		
	2024	2024	Percentile	Weight	Percentile/Value	Assessment	Weight
Financial Profile							
Financial Resilience Components							
Available Reserves (FB/Expenditures: 5-Year Low) (%)	33.2						
Revenue Control Assessment	Midrange	Midrange					
Expenditure Control Assessment	High	High				aaa	35%
Budgetary Flexibility	High Midrange	High Midrange					
Financial Resilience							
Lowest Cumulative 3 Year Revenue Performance (+/-) since 2008 (%)	aaa	aaa		100%			
Revenue Volatility(1)	-1.8					Midrange	0%
Demographic and Economic Strength							
Trend							
Population Trend (%) (2)	0.6		34%	100%	34%	Weak	8%
Unemployment Rate as Percentage of National Rate (%) (5)		94.4	55%	33%			
Population w/ Bachelor's Degree and Higher (%) (2)	43.3		80%	33%	69%	Strong	26%
MHI as a % of the Portfolio Median (2)	120.6		71%	33%			
Concentration & Size							
Population Size (2) (3)	132,918		100%	50%			
Economic Concentration (%) (2) (3)	25.9		100%	50%	100%	Strongest	9%
Long-Term Liability Burden							
Liabilities/Personal Income (%)	2.2	2.3	85%	35%			
Liabilities/Governmental Revenues (%) (6)	129.7	135.4	71%	25%	77%	Strong	21%
Carrying Costs/Governmental Expenditures (%)	17.2	11.4	75%	40%			

(1) Model directly uses revenue volatility. Percentiles are for information only; metric percentile represents the issuer; composite percentile represents the average of the issuer's class. The Revenue Volatility metric represents the issuer's revenue volatility relative to the median revenue volatility of the total issuer portfolio.
 Revenue Volatility is treated asymmetrically, where weight is marginal for issuers that exhibit low to moderate revenue volatility. For issuers with higher revenue volatility, this factor will moderately lower the metric profile, implying a somewhat reduced weighting for all other variables in these instances.
 (2) Population, Concentration, MHI and Educational Attainment data is lagged by one year e.g. 2021 data is used and displayed for fiscal year 2022.
 (3) Percentiles represent the class. Economic concentration is defined as the sum of the absolute deviation of the issuer from the national average proportion across major economic sectors. Sector data is on the county level for all entities or the MSA level for cities that span multiple counties. If data is unavailable for an issuer, median figures based on reported data for all counties within the issuer's state are used as proxy values.
 (4) Additional Analytical Factors (AAF) have a potential notching range of +2/-2 for each of the three categories and an overall IDR notching range of +3/-3.
 (5) County level data used for sub-county entities when prior year's data is unavailable. If county data is unavailable, MSA data is used. MSA level data is used for cities that span multiple counties.
 (6) As a proxy for per capita personal income for sub-county levels of local government, Fitch calculates the ratio of money income to per capita income for the county in which the rated entity is located and applies that ratio to the entity's money income. The estimated per capita personal income figure is multiplied by population to estimate total personal income.
 Source: Fitch Ratings

Financial Profile

Financial Resilience – 'aaa'

Carrollton's financial resilience is driven by the combination of its 'Midrange' revenue control assessment and 'High' expenditure control assessment, culminating in a 'High Midrange' budgetary flexibility assessment.

- Revenue control assessment: Midrange
- Expenditure control assessment: High
- Budgetary flexibility assessment: High Midrange
- Minimum fund balance for current financial resilience assessment: >=10.0%
- Current year fund balance-to-expenditure ratio: 33.5% (2024)
- Lowest fund balance-to-expenditure ratio for fiscal year period 2020–2024: 33.2% (2020)

Revenue Volatility – 'Midrange'

Carrollton's weakest historical three-year revenue performance has a modest negative impact on the Model Implied Rating.

The revenue volatility metric is an estimate of potential revenue volatility based on the issuer's historical experience relative to the median for the Fitch-rated local government portfolio. The metric helps to differentiate issuers by the

scale of revenue loss that would have to be addressed through revenue raising, cost controls or utilization of reserves through economic cycles.

- **Lowest three-year revenue performance (based on revenues dating back to 2005):** 1.8% decrease for the three-year period ended in fiscal 2011
- **Median issuer decline:** -4.3% (2024)

State-Specific Revenue/Expenditure Context & Budgetary Control

Underpinning the city's ample budgetary flexibility is its midrange independent legal ability to raise operating revenues and high expenditure control. Carrollton's fiscal 2024 tax rate of approximately \$0.55375 per \$100 of TAV provides ample capacity below the \$2.50 per \$100 of TAV cap for operations and limited tax debt service. Expenditure flexibility is aided by the city's lack of labor contracts with any of its personnel.

Demographic and Economic Strength

Population Trend – 'Weak'

Based on the median of 10-year annual percentage change in population, Carrollton's population trend is assessed as 'Weak'.

Population trend: 0.6% 2023 median of 10-year annual percentage change in population (34th percentile)

Unemployment, Educational Attainment and MHI Level – 'Strong'

The overall strength of Carrollton's demographic and economic level indicators (unemployment rate, educational attainment and MHI) for 2024 are assessed as 'Strong' on a composite basis, performing at the 69th percentile of Fitch's local government rating portfolio. This is due to relatively high education attainment levels, median-issuer indexed adjusted MHI and a midrange unemployment rate.

- **Unemployment rate as a percentage of national rate:** 94.4% Analyst Input (55th percentile) (2023), relative to the national rate of 3.6%
- **Percentage of population with a bachelor's degree or higher:** 43.3% (2023) (80th percentile)
- **MHI as a percentage of the portfolio median:** 120.6% (2023) (71st percentile)

Economic Concentration and Population Size – 'Strongest'

Carrollton's population in 2023 was of sufficient size and the economy was sufficiently diversified to qualify for Fitch's highest overall size/diversification category.

The composite metric acts asymmetrically, with most issuers (above the 15th percentile for each metric) sufficiently diversified to minimize risks associated with small population and economic concentration. Downward effects of the metric on the Metric Profile are most pronounced for the least economically diverse issuers (in the fifth percentile for the metric or lower). The economic concentration percentage shown below is defined as the sum of the absolute deviation of the percentage of personal income by major economic sectors relative to the U.S. distribution.

- **Population size:** 132,918 (2023) (above the 15th percentile)
- **Economic concentration:** 25.9% (2024) (above the 15th percentile)

Analyst Inputs to the Model

Analyst inputs to the model reflect metric adjustments to account for historical data anomalies, forward-looking performance shifts or nonrecurring events that may otherwise skew the time series.

Analyst inputs reflect the use of 2023 unemployment data due to 2024 data being unavailable.

Long-Term Liability Burden

Long-Term Liability Burden – 'Strong'

Carrollton's carrying costs to governmental expenditures have improved while liabilities to personal income and liabilities to governmental revenue remain moderately strong. The long-term liability composite metric for 2024 is at the 77th percentile, indicating a somewhat lower liability burden relative to the Fitch local government rating portfolio.

- **Liabilities to personal income:** 2.3% Analyst Input (85th percentile) (versus 2.2% 2024 Actual)
- **Liabilities to governmental revenue:** 135.4% Analyst Input (71st percentile) (versus 129.7% 2024 Actual)
- **Carrying costs to governmental expenditures:** 11.4% Analyst Input (75th percentile) (versus 17.2% 2024 Actual)

Pension Adjustments

On an aggregate basis for all pension plans as of the most recent measurement date, the reported asset-to-liability ratio was 95.8%, or an estimated 87.4% using Fitch's standard 6% rate of return adjustment. The Fitch adjusted NPL was equal to \$71.4 million, or about 0.6% of personal income.

Analyst Inputs to the Model

The long-term liability burden was adjusted to include the current issuance of \$33 million in GO bonds and amortization of existing debt through fiscal 2025. The debt service component of the carrying cost metric was adjusted to use a dollar amount that more closely aligns with Fitch's debt service benchmark, which calculates debt service over a 20-year amortization period. The input recognizes the city's policy to limit bond maturity to two thirds of the life of the asset and its practice to issue 15-year bonds, and structure for level principal payments, as new debt is issued.

ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, due to either their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

Financial Summary

(\$000, Audited Fiscal Years Ended Sept. 30)	2020	2021	2022	2023	2024
General Fund Revenues					
Property Tax	53,072	60,962	64,659	69,709	70,345
Sales Tax	40,033	46,188	48,706	50,597	49,712
Income Tax	—	—	—	—	—
Other Tax	1,369	1,487	1,536	1,713	2,347
Total Taxes – Undifferentiated	—	—	—	—	—
Intergovernmental	7,985	6,740	12,234	1,416	225
Other Revenue	23,841	23,662	23,456	28,114	29,499
Total	126,300	139,038	150,591	151,550	152,129
General Fund Expenditures					
General Government	19,597	19,666	20,478	21,489	24,062
Public Safety	63,991	67,160	67,516	69,955	78,121
Educational	—	—	—	—	—
Debt Service	—	—	555	2,276	2,210
Capital Outlay	—	—	—	2,536	—
Other Expenditures	22,540	23,840	24,805	24,420	28,900
Total	106,129	110,666	113,354	120,676	133,293
Transfers In and Other Sources	5,668	6,260	8,192	9,583	7,117
Transfers Out and Other Sources	16,009	19,927	15,726	60,764	33,730
Net Transfers and Other	-10,341	-13,667	-7,534	-51,180	-26,613
Adjustment for Bond Proceeds and Extraordinary One-Time Uses	—	—	—	—	—
Net Operating Surplus (Deficit) After Transfers	9,830	14,705	29,703	-20,306	-7,777
Net Operating Surplus (Deficit)/(Total Expenditures + Transfers Out and Other Uses) (%)	8.05	11.26	23.01	-11.19	-4.66
Total Fund Balance	40,568	55,273	84,975	64,669	56,892
Unrestricted Fund Balance	40,568	54,413	83,206	62,993	56,027
Other Available Fund Balances	—	—	—	—	—
Total Available Unrestricted Reserves (General Fund + Other)	40,568	54,413	83,206	62,993	56,027
Available Reserves as % of Spending (Adj. for Bond Proceeds and Other One-Time Uses)	33.21	41.67	64.46	34.72	33.54

Source: Fitch Ratings, Fitch Solutions, Carrollton

Long-Term Liability Burden

(\$000, Audited Fiscal Years Ended Sept. 30)	2024
Direct Debt	209,959
Less: Self-Supporting Debt	—
Net Direct Debt	209,959
Fitch Adjusted Net Pension Liabilities (NPL)	71,364
Net Direct Debt + Fitch Adjusted NPL	281,323
Population	132,918
Per Capita Personal Income	96,465
Estimated Personal Income (\$000)	12,821,924
Net Debt + Fitch Adjusted NPL/Personal Income (%)	2.20
Total Governmental Revenues	216,845
Net Direct Debt + Fitch Adjusted NPL as Percentage of Governmental Revenue (%)	129.73
Debt Service (Net of State Support)	33,351
Actuarially Determined Pension Contributions	8,517
Actual OPEB Contributions	38
Total Governmental Expenditures	243,289
Carrying Costs/Governmental Expenditures (%)	17.23

OPEB - Other post-employment benefits. Note: Figures above do not reflect any analyst input adjustments.
Source: Fitch Ratings, Fitch Solutions, Carrollton

Local Government Rating Model Summary

Description	Final Value
Budgetary Flexibility Assessments	
Revenue Control Assessment	Midrange
Expenditure Control Assessment	High
Collective Bargaining & Resolution Framework	High
Workforce Outcomes	High
Cost Drivers	Midrange
Metrics Assessments	
Financial Profile – Financial Resilience	aaa
Financial Profile – Revenue Volatility	Midrange
Demographic & Economic Strength – Trend	Weak
Demographic & Economic Strength – Level	Strong
Demographic & Economic Strength – Concentration & Size	Strongest
Long-Term Liability Burden	Strong
Metric Profile Mapping	AAA
Metric Profile	10.35
Additional Analytical Factors	
Total Notching – Capped	–
Financial Profile	0
Fiscal Oversight	0
Revenue Capacity	0
Contingent Risks	0
Nonrecurring Support or Spending Deferrals	0
Political Risks	0
Management Practices	0
Demographic & Economic Strength	0
Economic & Institutional Strength	0
Revenue Concentration Risks	0
School District Resources	0
Long-Term Liability Burden	0
Pension Funding Assumptions	0
Pension Contributions	0
OPEB	0
Debt Structure	0
Capital Demands & Affordability	0
Model Implied Rating – Mapping	AAA
Model Implied Rating – Metric	10.35
Outliers & Developing Situations Considerations	No
Notching Rationale – 1	–
Notching Rationale – 2	–
Issuer Default Rating/Issuer Default Credit Opinion	AAA
Rating Outlook/Watch	Rating Outlook: Stable

Source: Fitch Ratings

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Research Update:

Carrollton, TX Series 2025 General Obligation Bonds Rated 'AAA'; Outlook Is Stable

May 20, 2025

Overview

- S&P Global Ratings assigned its 'AAA' long-term rating to Carrollton, Texas' approximately \$33 million series 2025 general obligation (GO) bonds.
- At the same time, we affirmed our 'AAA' rating on the city's existing GO debt.
- The outlook is stable.
- The ratings reflect the application of our "Methodology For Rating U.S. Governments," published Sept. 9, 2024.

Rationale

Security

Carrollton's GO bonds are a direct obligation of the city, payable from the proceeds of a continuing, direct annual ad valorem tax, within the limits prescribed by law, on all taxable property within its borders. The maximum allowable ad valorem tax rate in Texas is \$2.50 per \$100 of assessed value for all purposes with the portion dedicated to debt service limited to \$1.50. The city's total tax rate is well below the maximum at 53.88 cents in fiscal year 2025, with 14.56 cents dedicated for debt service.

Based on the application of our criteria, titled "Issue Credit Ratings Linked To U.S. Public Finance Obligor's Creditworthiness," published Nov. 20, 2019, we view the limited-tax GO-debt pledge to be on par with our issuer credit rating (ICR), reflecting the city's general creditworthiness. Carrollton does not levy ad valorem taxes on a narrower or distinctly different property tax base, and there are no limitations on the fungibility of resources available for debt service payment.

Officials intend to use the series 2025 bond proceeds to finance streets, public safety facility, park, and recreational facilities' improvements.

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Credit highlights

The 'AAA' rating is underpinned by Carrollton's favorable location 14 miles from Dallas, with consistent tax base growth as economic expansion and redevelopments are ongoing, historically strong finances, and robust financial-planning practices with a management team that, in our view, is capable of navigating any potential economic challenges as a result of evolving macroeconomic conditions.

Carrollton is a mature suburb of Dallas that, despite being landlocked, continues to undergo significant expansion through redevelopment, increasing its residential and commercial presence in the city, bolstered by its location along central transportation corridors. Its finances have historically been a credit strength, able to produce year-over-year positive operating results as revenue steadily increases and expenditures are carefully managed. Its experienced management team has a long track record of proactively managing the finances, even with planned spenddowns of the general fund, which does not affect our view of the city's financial strength, as this is achieved by annually transferring out a large portion of its surpluses to fund capital projects, thereby reducing debt issuances and keeping costs manageable.

The rating reflects our assessment of the following:

- Substantial tax base that continues to realize growth courtesy of its proximity to Dallas, its diverse transportation systems, and ongoing economic developments and redevelopments.
- Management team that has a proven track record of maintaining fiscal stability by budgeting conservatively and planning comprehensively, with regularly updated long-term capital and revenue/expenditure projections and reports to city officials. The city takes extensive measures to mitigate cyber risks.
- Consistently positive operating performance, with annual transfers out to cash-fund capital needs while maintaining robust reserves exceeding its formal policy of 60 days' expenditures.
- The city's debt burden is affordable with rapid amortization, which we expect will remain manageable even with annual issuances. Its pensions are well-funded, which we view positively.
- For more information on our institutional framework assessment for Texas municipalities, see "Institutional Framework Assessment: Texas Local Governments," published Sept. 9, 2024.

Environmental, social, and governance

We view Carrollton's environmental, social, and governance factors as neutral within our credit rating analysis.

Rating above the sovereign

Carrollton's GO debt is eligible to be rated above the sovereign because we believe the city can maintain better credit characteristics than the nation in a stress scenario. Under our criteria, "Ratings Above The Sovereign: Corporate And Government Ratings—Methodology And Assumptions," published Nov. 19, 2013, we consider U.S. local governments to have moderate sensitivity to national risk.

Outlook

The stable outlook reflects our view of the city's prudent financial management that helps support budgetary stability amid evolving macroeconomic conditions; it also reflects our belief that the pace of the city's commitment to continued economic expansion helps maintain its robust financial profile.

Downside scenario

We could lower the rating if financial performance deteriorates significantly, materially decreasing reserves without a plan to replenish them.

Credit Opinion

Economy

Carrollton, approximately 14 miles north of Dallas and 10 miles northeast of the Dallas-Fort Worth International Airport (DFW), affords residents access to, and employment opportunities in, the broad, diverse Dallas-Fort Worth metropolitan statistical area. The mature suburb continues to expand, growing its tax base steadily year over year with new residential and commercial developments continuously underway. In addition, Carrollton benefits from a diverse transportation system, including three light-rail stations and direct access to major thoroughfares in the Dallas metroplex. Dallas Area Rapid Transit's (DART) Silver Line is progressing through construction, which will connect downtown Plano and DFW with a scheduled stop at the downtown Carrollton DART station.

Despite being landlocked, Carrollton continues to grow with the redevelopment of existing spaces and has many projects underway, including a new hotel, warehouses, and retail space. The city's residential market remains strong, with new single and multifamily mixed-use units under construction.

While we acknowledge the strength and stability of Carrollton's economy, which reflects its above-average property wealth and income compared with the nation, with a growing labor force, tax base, and access to the broader Dallas-Fort Worth MSA through its beneficial transit system, we note that slowing economic expansion in the U.S. amid rising tariffs, higher interest rates, and lingering policy uncertainty could trickle down to the city, with effects that are not yet measurable (see "U.S. Economic Outlook Update: Higher Tariffs And Policy Uncertainty To Weaken Growth," published May 1, 2025, on RatingsDirect).

Financial performance, reserves, and liquidity

A key credit strength for the city is its historically strong financial profile. Carrollton has a history of operating surpluses in the general fund, underpinned by adhering to strong financial-management practices, including conservative budgeting. Commensurate with tax base growth, property taxes--the largest generator of general fund revenue at 46%--have realized consistent annual growth. The fiscal year 2025 budget is balanced, and the city expects to end with another surplus, as it is trending positively year-to-date.

In response to the possible implementation of Comptroller Rule 3.334, which sets forth how to handle sales taxes, either origin or destination based, and which is under litigation, Carrollton has been budgeting sales tax conservatively to mitigate any effect on finances. If implemented, we do not expect the rule will result in budget pressure because the change would be relatively

Carrollton, TX Series 2025 General Obligation Bonds Rated 'AAA'; Outlook Is Stable

small; officials estimate about \$4 million, with capped sales taxes unaffected. Multiyear projections for subsequent fiscal years help insulate Carrollton from an unfavorable court decision.

Despite the city's expectation to continue spending down its available general fund balance for capital projects, which it has been doing for the past three fiscal years, officials remain committed to the formal reserve policy of maintaining 60 days of operating expenditures. In addition, the spenddowns are a result of transfers out of the general fund for capital projects, not a result of unbalanced operations; therefore, we expect finances will continue to be a credit strength.

Management

The city has robust budgeting and planning practices that underscore the management team's capacity to meet the challenges of evolving economic conditions and navigate ongoing growth. The city has a minimum general-fund-balance requirement of 60 days' operating expenditures and use of regression analysis and historical trends to form revenue forecasts. Management also provides monthly budget and status reports to elected officials, with budget amendments as needed. The city adopts an annual investment-management policy and provides council with quarterly reports on investment holdings and returns. It conducts a comprehensive five-year financial forecast, which it presents to the council annually, and a robust five-year, rolling capital improvement plan. Furthermore, the city maintains a debt management policy, reviewed annually as part of the budget process.

Debt and liabilities

Despite annual issuances, we do not expect debt costs will pressure the budget as economic growth generates increased tax revenue, somewhat mitigating any increased costs. In addition, debt amortizes relatively rapidly, which we view positively, and management carefully balances cash-funded capital with debt issuances to ensure affordability.

We do not view pension and other postemployment liabilities as an immediate credit pressure because required contributions account for a small portion of total governmental expenditures. Its primary pension system, the Texas Municipal Retirement System, is well funded at 96% as of fiscal year 2024. We do not expect required contributions will increase materially during the next few fiscal years due to the city's favorable funding discipline. The city has historically exceeded our static funding metric.

Carrollton, Texas--Credit summary

Institutional framework (IF)	1
Individual credit profile (ICP)	1.50
Economy	2.0
Financial performance	1
Reserves and liquidity	1
Management	1.00
Debt and liabilities	2.50

Carrollton, Texas--Key credit metrics

	Mos t rece nt	202 4	202 3	202 2
Economy				
Real GCP per capita % of U.S.	71	--	71	73
County PCPI % of U.S.	111	--	111	111
Market value (\$000s)	22,9 50,4 37	21,3 20,8 49	19,1 35,5 82	16,8 53,4 87
Market value per capita (\$)	167, 045	155, 184	139, 278	117, 050
Top 10 taxpayers % of taxable value	4.4	4.3	4.8	4.6
County unemployment rate (%)	3.7	3.7	3.6	3.2
Local median household EBI % of U.S.	127	--	127	125
Local per capita EBI % of U.S.	119	--	119	113
Local population	137, 391	--	137, 391	143, 985
Financial performance				
Operating fund revenues (\$000s)	--	152, 129	151, 550	150, 591
Operating fund expenditures (\$000s)	--	133, 293	120, 676	113, 354
Net transfers and other adjustments (\$000s)	--	- 26,6 13	- 51,1 81	- 7,53 4
Operating result (\$000s)	--	- 7,77 7	- 20,3 07	29,7 03
Operating result % of revenues	--	-5.1	- 13.4	19.7
Operating result three-year average %	--	0.4	5.5	12.5
Reserves and liquidity				
Available reserves % of operating revenues	--	36. 8	41.6	55.3
Available reserves (\$000s)	--	56, 027	62,9 93	83,2 06
Debt and liabilities				
Debt service cost % of revenues	--	15.4	13.1	12.8
Net direct debt per capita (\$)	1,69 6	1,45 6	1,43 6	1,31 6

Carrollton, Texas--Key credit metrics

	Mos t rece nt	202 4	202 3	202 2
Economy				
Net direct debt (\$000s)	233, 031	200, 036	197, 357	189, 550
Direct debt 10-year amortization (%)	81	90	--	--
Pension and OPEB cost % of revenues	--	4.0	4.0	4.0
NPLs per capita (\$)	--	165	333	--
Combined NPLs (\$000s)	--	22,6 42	45,7 46	--

Financial data might reflect analytical adjustments and are sourced from issuer audit reports or other annual disclosures. Economic data is generally sourced from S&P Global Market Intelligence, the Bureau of Labor Statistics, Claritas, and issuer audits and other disclosures. GCP--Gross county product. PCPI--Per capita personal income. EBI--Effective buying income. OPEB--Other postemployment benefits. NPLs--Net pension liabilities.

Ratings List

New Issue Ratings

US\$33.0 mil GO bnds ser 2025 dtd 07/08/2025 due 08/15/2040

Long Term Rating AAA/Stable

Ratings Affirmed

Local Government

Carrollton, TX Limited Tax General Operating Pledge AAA/Stable

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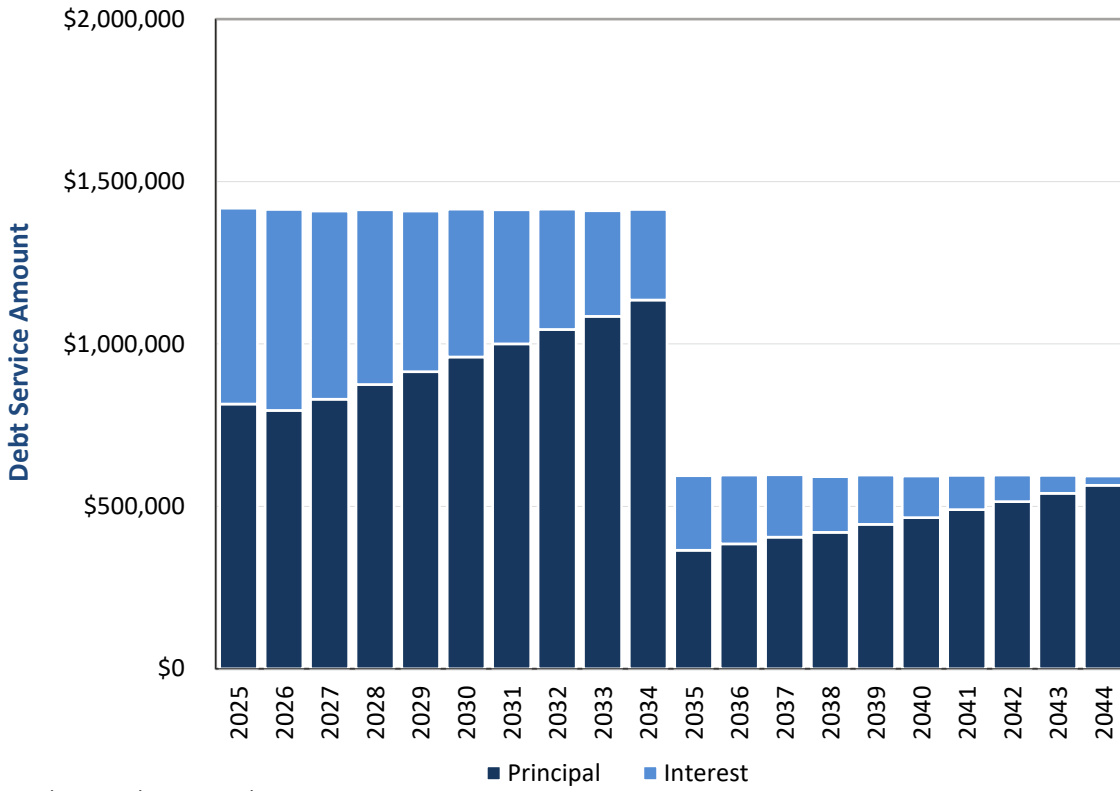
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II. Waterworks & Sewer System Debt

Debt Service by Principal and Interest

City of Carrollton, Texas

Outstanding Waterworks and Sewer System Revenue Debt Service by Principal and Interest



Fiscal Year Ending September 30

City of Carrollton, Texas
Annual Waterworks and Sewer System Revenue Debt Service
By Principal and Interest

FYE	Principal	Interest	Debt Service
2025	\$ 815,000.00	\$ 603,430.56	\$ 1,418,430.56
2026	795,000.00	618,850.00	1,413,850.00
2027	830,000.00	579,100.00	1,409,100.00
2028	875,000.00	537,600.00	1,412,600.00
2029	915,000.00	493,850.00	1,408,850.00
2030	960,000.00	454,550.00	1,414,550.00
2031	1,000,000.00	413,300.00	1,413,300.00
2032	1,045,000.00	370,300.00	1,415,300.00
2033	1,085,000.00	325,350.00	1,410,350.00
2034	1,135,000.00	278,650.00	1,413,650.00
2035	365,000.00	229,750.00	594,750.00
2036	385,000.00	211,500.00	596,500.00
2037	405,000.00	192,250.00	597,250.00
2038	420,000.00	172,000.00	592,000.00
2039	445,000.00	151,000.00	596,000.00
2040	465,000.00	128,750.00	593,750.00
2041	490,000.00	105,500.00	595,500.00
2042	515,000.00	81,000.00	596,000.00
2043	540,000.00	55,250.00	595,250.00
2044	<u>565,000.00</u>	<u>28,250.00</u>	<u>593,250.00</u>
Total	\$ 14,050,000.00	\$ 6,030,230.56	\$ 20,080,230.56

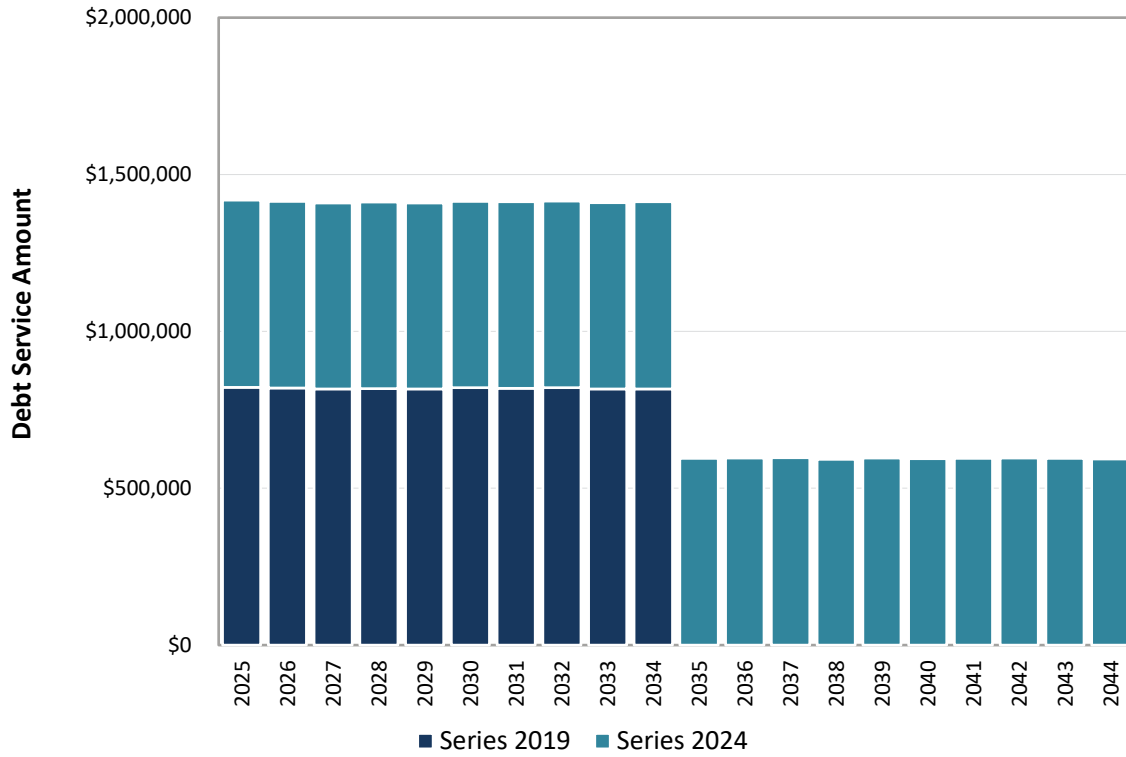
City of Carrollton, Texas
Semi-Annual Waterworks and Sewer System Revenue Debt Service
By Principal and Interest

FYE	Principal	Interest	Debt Service	FYE 9/30 Debt Service
11/1/2024	\$ -	\$ 276,330.56	\$ 276,330.56	\$ -
5/1/2025	815,000.00	327,100.00	1,142,100.00	1,418,430.56
11/1/2025	-	309,425.00	309,425.00	-
5/1/2026	795,000.00	309,425.00	1,104,425.00	1,413,850.00
11/1/2026	-	289,550.00	289,550.00	-
5/1/2027	830,000.00	289,550.00	1,119,550.00	1,409,100.00
11/1/2027	-	268,800.00	268,800.00	-
5/1/2028	875,000.00	268,800.00	1,143,800.00	1,412,600.00
11/1/2028	-	246,925.00	246,925.00	-
5/1/2029	915,000.00	246,925.00	1,161,925.00	1,408,850.00
11/1/2029	-	227,275.00	227,275.00	-
5/1/2030	960,000.00	227,275.00	1,187,275.00	1,414,550.00
11/1/2030	-	206,650.00	206,650.00	-
5/1/2031	1,000,000.00	206,650.00	1,206,650.00	1,413,300.00
11/1/2031	-	185,150.00	185,150.00	-
5/1/2032	1,045,000.00	185,150.00	1,230,150.00	1,415,300.00
11/1/2032	-	162,675.00	162,675.00	-
5/1/2033	1,085,000.00	162,675.00	1,247,675.00	1,410,350.00
11/1/2033	-	139,325.00	139,325.00	-
5/1/2034	1,135,000.00	139,325.00	1,274,325.00	1,413,650.00
11/1/2034	-	114,875.00	114,875.00	-
5/1/2035	365,000.00	114,875.00	479,875.00	594,750.00
11/1/2035	-	105,750.00	105,750.00	-
5/1/2036	385,000.00	105,750.00	490,750.00	596,500.00
11/1/2036	-	96,125.00	96,125.00	-
5/1/2037	405,000.00	96,125.00	501,125.00	597,250.00
11/1/2037	-	86,000.00	86,000.00	-
5/1/2038	420,000.00	86,000.00	506,000.00	592,000.00
11/1/2038	-	75,500.00	75,500.00	-
5/1/2039	445,000.00	75,500.00	520,500.00	596,000.00
11/1/2039	-	64,375.00	64,375.00	-
5/1/2040	465,000.00	64,375.00	529,375.00	593,750.00
11/1/2040	-	52,750.00	52,750.00	-
5/1/2041	490,000.00	52,750.00	542,750.00	595,500.00
11/1/2041	-	40,500.00	40,500.00	-
5/1/2042	515,000.00	40,500.00	555,500.00	596,000.00
11/1/2042	-	27,625.00	27,625.00	-
5/1/2043	540,000.00	27,625.00	567,625.00	595,250.00
11/1/2043	-	14,125.00	14,125.00	-
5/1/2044	<u>565,000.00</u>	<u>14,125.00</u>	<u>579,125.00</u>	<u>593,250.00</u>
Total	\$ 14,050,000.00	\$ 6,030,230.56	\$ 20,080,230.56	\$ 20,080,230.56

Debt Service by Series

City of Carrollton, Texas

Outstanding Waterworks and Sewer System Revenue Debt Service by Series



Fiscal Year Ending September 30

City of Carrollton, Texas
Outstanding Waterworks and Sewer System
Revenue Debt Service By Series

FYE	Series 2019	Series 2024	Total
2025	\$ 821,200.00	\$ 597,230.56	\$ 1,418,430.56
2026	819,600.00	594,250.00	1,413,850.00
2027	816,600.00	592,500.00	1,409,100.00
2028	817,350.00	595,250.00	1,412,600.00
2029	816,600.00	592,250.00	1,408,850.00
2030	820,800.00	593,750.00	1,414,550.00
2031	818,800.00	594,500.00	1,413,300.00
2032	820,800.00	594,500.00	1,415,300.00
2033	816,600.00	593,750.00	1,410,350.00
2034	816,400.00	597,250.00	1,413,650.00
2035	-	594,750.00	594,750.00
2036	-	596,500.00	596,500.00
2037	-	597,250.00	597,250.00
2038	-	592,000.00	592,000.00
2039	-	596,000.00	596,000.00
2040	-	593,750.00	593,750.00
2041	-	595,500.00	595,500.00
2042	-	596,000.00	596,000.00
2043	-	595,250.00	595,250.00
2044	-	593,250.00	593,250.00
Total	\$ 8,184,750.00	\$ 11,895,480.56	\$ 20,080,230.56

City of Carrollton, Texas
Waterworks and Sewer System Revenue Bonds, Series 2019
Dated Date: May 1, 2019
Coupon Range Outstanding: 4.000% - 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
11/1/2024	\$ -	\$ 140,600.00	\$ 140,600.00	\$ -
5/1/2025	540,000.00	140,600.00	680,600.00	821,200.00
11/1/2025	-	129,800.00	129,800.00	-
5/1/2026	560,000.00	129,800.00	689,800.00	819,600.00
11/1/2026	-	115,800.00	115,800.00	-
5/1/2027	585,000.00	115,800.00	700,800.00	816,600.00
11/1/2027	-	101,175.00	101,175.00	-
5/1/2028	615,000.00	101,175.00	716,175.00	817,350.00
11/1/2028	-	85,800.00	85,800.00	-
5/1/2029	645,000.00	85,800.00	730,800.00	816,600.00
11/1/2029	-	72,900.00	72,900.00	-
5/1/2030	675,000.00	72,900.00	747,900.00	820,800.00
11/1/2030	-	59,400.00	59,400.00	-
5/1/2031	700,000.00	59,400.00	759,400.00	818,800.00
11/1/2031	-	45,400.00	45,400.00	-
5/1/2032	730,000.00	45,400.00	775,400.00	820,800.00
11/1/2032	-	30,800.00	30,800.00	-
5/1/2033	755,000.00	30,800.00	785,800.00	816,600.00
11/1/2033	-	15,700.00	15,700.00	-
5/1/2034	<u>785,000.00</u>	<u>15,700.00</u>	<u>800,700.00</u>	<u>816,400.00</u>
Total	<u>\$ 6,590,000.00</u>	<u>\$ 1,594,750.00</u>	<u>\$ 8,184,750.00</u>	<u>\$ 8,184,750.00</u>

City of Carrollton, Texas
Waterworks and Sewer System Revenue Bonds, Series 2024
Dated Date: June 20, 2024
Coupon Range Outstanding: 5.000%

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>	<u>FYE 9/30 Debt Service</u>
11/1/2024	\$ -	\$ 135,730.56	\$ 135,730.56	\$ -
5/1/2025	275,000.00	186,500.00	461,500.00	597,230.56
11/1/2025	-	179,625.00	179,625.00	-
5/1/2026	235,000.00	179,625.00	414,625.00	594,250.00
11/1/2026	-	173,750.00	173,750.00	-
5/1/2027	245,000.00	173,750.00	418,750.00	592,500.00
11/1/2027	-	167,625.00	167,625.00	-
5/1/2028	260,000.00	167,625.00	427,625.00	595,250.00
11/1/2028	-	161,125.00	161,125.00	-
5/1/2029	270,000.00	161,125.00	431,125.00	592,250.00
11/1/2029	-	154,375.00	154,375.00	-
5/1/2030	285,000.00	154,375.00	439,375.00	593,750.00
11/1/2030	-	147,250.00	147,250.00	-
5/1/2031	300,000.00	147,250.00	447,250.00	594,500.00
11/1/2031	-	139,750.00	139,750.00	-
5/1/2032	315,000.00	139,750.00	454,750.00	594,500.00
11/1/2032	-	131,875.00	131,875.00	-
5/1/2033	330,000.00	131,875.00	461,875.00	593,750.00
11/1/2033	-	123,625.00	123,625.00	-
5/1/2034	350,000.00	123,625.00	473,625.00	597,250.00
11/1/2034	-	114,875.00	114,875.00	-
5/1/2035	365,000.00	114,875.00	479,875.00	594,750.00
11/1/2035	-	105,750.00	105,750.00	-
5/1/2036	385,000.00	105,750.00	490,750.00	596,500.00
11/1/2036	-	96,125.00	96,125.00	-
5/1/2037	405,000.00	96,125.00	501,125.00	597,250.00
11/1/2037	-	86,000.00	86,000.00	-
5/1/2038	420,000.00	86,000.00	506,000.00	592,000.00
11/1/2038	-	75,500.00	75,500.00	-
5/1/2039	445,000.00	75,500.00	520,500.00	596,000.00
11/1/2039	-	64,375.00	64,375.00	-
5/1/2040	465,000.00	64,375.00	529,375.00	593,750.00
11/1/2040	-	52,750.00	52,750.00	-
5/1/2041	490,000.00	52,750.00	542,750.00	595,500.00
11/1/2041	-	40,500.00	40,500.00	-
5/1/2042	515,000.00	40,500.00	555,500.00	596,000.00
11/1/2042	-	27,625.00	27,625.00	-
5/1/2043	540,000.00	27,625.00	567,625.00	595,250.00
11/1/2043	-	14,125.00	14,125.00	-
5/1/2044	<u>565,000.00</u>	<u>14,125.00</u>	<u>579,125.00</u>	<u>593,250.00</u>
Total	<u>\$ 7,460,000.00</u>	<u>\$ 4,435,480.56</u>	<u>\$ 11,895,480.56</u>	<u>\$ 11,895,480.56</u>

Rating Reports

Carrollton, Texas

The 'AAA' water and sewer revenue bond rating, along with the 'aaa' Standalone Credit Profile, reflects the system's 'Exceptionally Strong' financial profile within the framework of 'Very Strong' revenue defensibility assessed at 'aa' and a 'Strong' operating risk profile assessed at 'a'. The waterworks and sewer system's leverage, measured as net adjusted debt to adjusted funds available for debt service (FADS), was extremely low at 1.2x in fiscal 2023 (ended Sept. 30).

In Fitch's Analytical Stress Test (FAST) rating case, the system's leverage is forecast to peak at 3.0x in fiscal 2024, but retain comfortable headroom for the rating.

Security

The bonds are secured by a first lien on and pledge of net revenues of the city of Carrollton's waterworks and sewer system.

Assessment

Standalone Credit Profile (SCP) aaa

New Issues

\$8,000,000 Waterworks and Sewer System Revenue Bonds, Series 2024 AAA

Sale Date

Sale is expected the week of May 20, 2024, via negotiation.

Outstanding Debt

Waterworks and Sewer System Revenue Bonds AAA

Rating Outlook

Stable

Applicable Criteria

[U.S. Water and Sewer Rating Criteria \(February 2024\)](#)

[U.S. Public Sector, Revenue-Supported Entities Rating Criteria \(January 2024\)](#)

Related Research

[Fitch Rates Carrollton, TX's Series 2024 Water and Sewer Revs 'AAA'; Outlook Stable \(May 2024\)](#)

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Key Rating Drivers

Revenue Defensibility - 'aa'

Very Favorable Service Area, Affordable Rates for Vast Majority of Population

The city retains the legal authority to adjust rates as needed without external oversight. Fitch considers the monthly residential water and sewer bill affordable for approximately 93% of the service area population, based on standard monthly usage of 7,500 gallons for water and 6,000 gallons for sewer. The very favorable service area is characterized by stronger income levels and a moderate unemployment rate relative to the nation, despite a moderately declining customer base. Customer count has contracted with a five-year compound annual growth rate (CAGR) of negative 0.5% in fiscal 2023. Income levels are about 27% higher than the national median as of 2022. The unemployment rate has decreased to 3% since 2020, but it was still 14% less than the national average in 2022.

Operating Risk - 'a'

Very Low Operating Cost Burden, Elevated Life Cycle Ratio

In fiscal 2023, the system's operating cost burden was very low at \$3,024 per million gallons (mg), supportive of the operating risk assessment. The life cycle ratio is elevated at 60% in fiscal 2023, but risks are mitigated in part due to the system being a collection and distribution system. Capex to depreciation has been adequate, averaging 95% over the past five fiscal years, from 2019 to 2023. Planned capital spending for the next five years should generally outpace historical depreciation, resulting in a stable to improving life cycle ratio.

The fiscal 2024 through fiscal 2028 capital improvement plan (CIP) totals \$47.2 million, in line with the prior five-year plan of \$46.9 million. The CIP is anticipated to be funded through \$18 million in new debt issuances, including the current sale. The remainder is to be funded through pay-go, which includes recent general fund capital contributions that are reflected in cash balances. Projects are related to storage, distribution and system maintenance, and the city also plans to fund an Automated Meter Infrastructure (AMI) project.

Financial Profile - 'aaa'

Leverage to Increase

The system had exceptionally low leverage of 1.2x as of fiscal 2023. Leverage has been on a gradual downward trend since fiscal 2019, when it measured 3.6x. The decrease is a result of amortizing debt and generally increasing FADS over this period. The liquidity profile is neutral to the overall assessment with current days cash on hand of 423 and coverage of full obligations (COFO) of 2.6x. Fitch-calculated total debt service coverage for fiscal 2023 was 7.8x, which excludes fixed service expense.

The FAST considers the potential trend of key ratios in a base case and stress scenario over a five-year period. The stress scenario is designed to impose capital costs 10% above expected base case levels and evaluate potential variability in projected key ratios. The FAST reflects Fitch's view of a reasonable scenario, which is generally informed by publicly available and/or management-provided information with respect to capital expenditures, user charges and rate of revenue and expenditure growth.

In the base case scenario, the leverage ratio is expected to increase to 2.9x in fiscal 2024, then decline to 2.3x through fiscal 2028. In the stress scenario, which is considered the rating case, the leverage ratio is projected to increase to 3.0x in fiscal 2024, then decrease to 2.5x through fiscal 2028. The liquidity profile is expected to remain neutral to the assessment over the five-year horizon.

Asymmetric Additional Risk Considerations

No asymmetric additive risk considerations affected this rating determination.

Sensitivities

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Sustained increase in leverage that approximates more than 4.0x in Fitch's rating case.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- The rating is at the highest level on Fitch's scale and cannot be upgraded.

Profile

Carrollton is a relatively mature city located northwest of Dallas along Interstate 35 East, in parts of Dallas, Denton and Collin counties in the Dallas-Fort Worth metroplex; it has a population of over 133,000. Most development is in

the form of infill projects in the city center and a few new developments. The city encompasses approximately 37 square miles, and almost 98% of the city is developed.

The system provides retail water and sewer service to more than 36,000 residential and commercial customers within the city. The city does not own any treatment facilities but, instead, purchases treated water supplies on a wholesale basis from Dallas Water Utilities (DWU; water and sewer revenue bonds AA/Stable). The current DWU agreement allows for 41 million gallons daily (mgd) of water with budgeted increase (if required) to approximately 45mgd. The DWU term of contract is for 30 years and expires in 2043.

The city owns and operates a retail sewer collection system, contracting for sewage treatment and disposal with Trinity River Authority (TRA; wastewater revenue bonds AAA/Stable) as one of 21 customers contributing to TRA's Central Regional Wastewater System (CRWS). The term of the contract is until all CRWS bonds are retired, with contract maturity automatically extended to the final maturity of outstanding CRWS debt, as initial expiration was 2023.

Fitch considers the system a related entity of the City of Carrollton, TX given the relationship of the water and sewer system as an enterprise fund of the city. The rating on the water and sewer revenue bonds is not currently constrained by the city's credit quality.

Revenue Defensibility

Revenue Source Characteristics

All revenues are derived from the system's monopolistic business lines providing retail water and sewer services.

Service Area Characteristics

Customer growth is modest and generally flat due to the city being almost entirely built-out. The city's population is forecast to grow about 1% annually, and multifamily houses are becoming increasingly in demand. Unemployment rates (86% of the national average) are favorable and income levels are above average compared to the national median (127%). The city is a hub for companies seeking warehouse or manufacturing space, a major economic driver for the city.

Rate Flexibility

The system currently has some of the lowest rates in the region and as of fiscal 2023. The combined monthly residential utility bill of approximately \$69 (using Fitch's standard usage of 7,500 gallons of water and 6,000 gallons of sewer flows per month) is considered affordable for the vast majority of the population (almost 92%). Rates are projected to increase between 3.3% and 8.3% through fiscal 2029. However, Fitch does not expect future rate increases to materially affect affordability.

Asymmetric Factor Considerations

No asymmetric rating factor considerations affect the revenue defensibility assessment.

Operating Risk

Operating Cost Burden

The operating cost burden is very low at an average of about \$3,600 per mg of water produced and sewer flows treated over the past five years. The operating cost burden is influenced by the city's costs from wholesale providers. The city does not own any treatment facilities; instead, it purchases treated water on a wholesale basis from DWU and has a contract for wastewater treatment service with TRA. Wholesale costs are anticipated to increase annually over the next several years, but Fitch believes the system is well positioned to absorb these additional costs.

The system had a transfer in from the general fund of almost \$13 million in fiscal 2023, which is inclusive of capital contributions for various capital projects. Even excluding these transfers in, the operating cost burden for fiscal 2023 would approximate \$4,000 per mg, which still provides the system ample headroom to absorb extra costs.

Capital Planning and Management

At 60%, the system's life cycle ratio is elevated, although risk is partially mitigated by the fact that the system is collection and distribution focused. Fiscal 2024 through fiscal 2028 capital spending totals \$47.2 million, in line with the prior five-year plan of \$46.9 million. The CIP is anticipated to be about 38% debt-funded, with the remainder funded through pay-go, which includes recent general fund capital contributions.

The installation of new meters related to the city's AMI project is scheduled to begin in spring 2024 and continue for several years, with commercial meters being replaced first. This project is projected to cost about \$8 million overall. Other projects within the CIP are related to storage, distribution and general system maintenance.

The city conforms to a steady level of ongoing renewal and replacement relative to the capital assets, but historical annual capital spending has not kept up with annual depreciation expenses. However, planned capital spending in upcoming years could help moderate the life cycle ratio. If the five-year average capital expenditures to depreciation remains consistently above 80%, this would be favorable for the overall operating risk assessment.

Asymmetric Factor Considerations

No asymmetric rating factor considerations affect the operating risk assessment.

Financial Profile and FAST Analysis

The system's leverage ratio was 1.2x at the end of fiscal 2023, which has been declining annually since 2019, when it measured 3.6x. The liquidity profile remains neutral to the assessment. At the close of fiscal 2023, the system's current days cash on hand and the liquidity cushion ratio both equaled 423 days. For the same period, coverage of full obligations (COFO) was 2.6x; Fitch-calculated total debt service coverage is stronger at 7.8x (as this excludes the fixed services expense related to purchased water and sewer). Liquidity is anticipated to remain generally in line with historical levels over the five-year horizon, with COFO of at least 1.4x and days cash on hand around 350 days. The system's financial position is aided by its adopted financial policy of maintaining a 90-day fund balance.

Fitch Analytical Stress Test (FAST)

The FAST considers the potential trend of key ratios in a base case and a stress case. The stress case is designed to impose capital costs 10% above expected levels and evaluate potential variability in projected key ratios. Base case assumptions are informed by the system's forecasts, which reflect rate increases of between 3.3% and 8.3% annually through fiscal 2029. The forecasts also consider higher operating costs as a result of increased costs from the wholesaler providers. The system's CIP and anticipated debt issuances are also included.

Based on these assumptions, leverage increases to 2.9x under the base case and to 3.0x in the stress case in fiscal 2024, before declining thereafter, supportive of the current rating. The liquidity profile is expected to remain neutral to the assessment with COFO of at least 1.4x and sound days cash. Fitch also considered the system's contractual obligations to its wholesale providers and believes that the leverage would remain supportive of the current rating, even with the inclusion of this off-balance sheet debt.

Asymmetric Additive Risk Considerations

No asymmetric additive risk considerations affected this rating determination.

ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

Financial Summary

(Audited Fiscal Years Ended Sept. 30)	2019	2020	2021	2022	2023
Revenue Defensibility					
Revenue Source Characteristics					
% of Total Revenue from Monopolistic Services	100	100	100	100	100
Service Area Characteristics					
Service Area Population	139,429	133,434	133,569	133,820	
Total Customer Count	74,964	78,600	73,804	74,276	73,460
Five-Year Total Customer Count CAGR (%)	0.8	0.2	-	-	-0.5
Service Area Median Household Income (\$)	78,306	82,345	87,299	95,380	
Service Area MHI/U.S. Median Household Income (%)	125	127	126	127	
Service Area Unemployment Rate (%)	3.0	6.6	4.4	3.1	
Service Area Unemployment Rate/U.S. Unemployment Rate (%)	81	81	83	86	
Rate Flexibility					
Total Monthly Bill (\$) 7,500 Gallons Water/6,000 Gallons Sewer	60.36	63.02	63.02	66.46	68.48
% of Population with Unaffordable Bill	8	8	8	8	-
Operating Risk					
Operating Cost Burden					
Operating Cost Burden (\$/mg)	3,925	3,676	3,852	3,654	3,024
Capital Planning and Management					
Life Cycle Ratio (%)	57	59	59	59	60
Annual Capex/Depreciation (%)	96	35	121	97	120
Five-Year Average Capex/Depreciation (%)	52	44	62	75	94
Financial Profile (\$000), Unless Otherwise Indicated					
Current Unrestricted Cash/Investments	22,872	30,566	34,686	37,771	48,332
Current Restricted Cash/Investments - Available Liquidity					
Current Cash Available	22,872	30,566	34,686	37,771	48,332
Noncurrent Unrestricted Cash/Investments					
Noncurrent Restricted Cash/Investments - Available Liquidity					
Available Cash	22,872	30,566	34,686	37,771	48,332
Current Restricted Cash/Invest. - Debt Service or Debt Service Reserve	889	897	894	701	340
Noncurrent Restricted Cash/Invest. - Debt Service or Debt Service Reserve	1,142	1,070	987	890	818
Funds Restricted for Debt Service	2,031	1,967	1,880	1,591	1,159
Total Debt	17,301	13,130	11,264	9,342	9,743
Capitalized Fixed Charges	65,417	67,191	66,903	71,677	76,499
Adjusted Net Pension Liability	3,691	1,697	-	-	4,104
Available Cash	22,872	30,566	34,686	37,771	48,332
Funds Restricted for Debt Service	2,031	1,967	1,880	1,591	1,159
Net Adjusted Debt	61,506	49,485	41,601	41,658	40,855
Total Operating Revenues	45,322	49,168	49,138	53,703	55,467
Purchased Water/Sewer Services	26,701	27,425	27,307	29,256	31,224
Other Operating Expenses	8,672	8,544	8,754	8,286	10,487
EBITDA	9,949	13,199	13,076	16,161	13,756
Investment Income/(Loss)	871	680	97	-1,076	1,296
Non-Operating Revenues from Taxes					

Financial Summary

(Audited Fiscal Years Ended Sept. 30)	2019	2020	2021	2022	2023
Other Cash Revenues/(Expenses)	-	-	-	-	-
BAB Subsidy	-	-	-	-	-
Capital Contributions	818	460	706	571	141
Funds Available for Debt Service	11,638	14,339	13,879	15,656	15,194
Fixed Services Expense	9,345	9,599	9,558	10,240	10,928
Net Transfers In/(Out)	-4,497	-4,552	-4,920	-4,723	7,690
Pension Expense	605	262	-	-	630
Adjusted Funds Available for Debt Service	17,091	19,648	18,517	21,172	34,441
Net Adjusted Debt/Adjusted Funds Available for Debt Service (x)	3.6	2.5	2.3	2.0	1.2
Funds Available for Debt Service	11,638	14,339	13,879	15,656	15,194
Fixed Services Expense	9,345	9,599	9,558	10,240	10,928
Net Transfers In/-Out	-4,497	-4,552	-4,920	-4,723	7,690
Adjusted FADS for Coverage of Full Obligations	16,486	19,385	18,517	21,172	33,812
Total Annual Debt Service	4,147	4,680	2,329	2,340	1,948
Fixed Services Expense	9,345	9,599	9,558	10,240	10,928
Adjusted Debt Service -Includes Fixed Services Expense	13,492	14,279	11,887	12,579	12,877
Coverage of Full Obligations (x)	1.22	1.36	1.56	1.68	2.63
Coverage of Full Obligations Excluding Connection Fees (x)	1.16	1.33	1.50	1.64	2.61
Current Days Cash on Hand	236	310	351	367	423
Liquidity Cushion Ratio (Days)	236	310	351	367	423
All-In Debt Service Coverage (x)	2.81	3.06	5.96	6.69	7.80

Notes: Fitch may have reclassified certain financial statement items for analytical purposes. N.A. - Not available.
Source: Fitch Ratings, Fitch Solutions, Carrollton (TX)

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Research

Summary:

Carrollton, Texas; Water/Sewer

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Summary:

Carrollton, Texas; Water/Sewer

Credit Profile

US\$8.5 mil wastewtr and swr rev bnds ser 2024 due 05/01/2044

<i>Long Term Rating</i>	AAA/Stable	New
Carrollton ws		
<i>Long Term Rating</i>	AAA/Stable	Affirmed
Carrollton ws (AMBAC)		
<i>Unenhanced Rating</i>	AAA(SPUR)/Stable	Affirmed

Many issues are enhanced by bond insurance.

Credit Highlights

- S&P Global Ratings assigned its 'AAA' long-term rating to Carrollton, Texas' series 2024 waterworks and sewer system revenue bonds.
- At the same time, we affirmed our 'AAA' long-term rating on the city's existing water and sewer system revenue bonds.
- The outlook is stable.

Security

The system's first-lien pledge of net revenues generated from water and sewer system operations secures the bonds. We view bond provisions as credit neutral. Provisions include a rate covenant equal to 1.2x average annual debt service and an additional bonds test equal to 1.25x average annual debt service and 1.10x maximum annual debt service (MADS). A debt service reserve, funded at average annual debt service, provides additional liquidity for the bonds. Proceeds from the series 2024 bonds will be used for improvements to the utility systems, including ongoing upgrades and replacements. With the series 2024 bonds, the city will have around \$15 million in waterworks and sewer system revenue debt outstanding.

Credit overview

The 'AAA' rating reflects the service area's embeddedness within the broad and diverse Dallas-Fort Worth-Arlington metropolitan statistical area (MSA) and the system's proactive management team, which actively maintains and implements policies and practices we view as credit-supportive and supportive of ongoing financial continuity. These practices include multiyear rate review, robust or proactive asset management practices, and forward-looking financial and capital planning, with ongoing coordination with the city's two wholesalers, Trinity River Authority (TRA) and Dallas Water Utilities (DWU), regarding long-term costs. We also view the city's willingness to absorb wholesale cost adjustments as credit-supportive, especially considering the city's affordable water and sewer rates.

S&P Global Ratings calculates that all-in debt service coverage (DSC) for the city's water and sewer fund ranged between about 1.3x and 2x over the last three fiscal years. Importantly, S&P Global Ratings' calculation differs from

the city's, as it treats certain recurring financial obligations as fixed costs that are debtlike in nature. In the city's case, fixed charges include the city's take-or-pay minimum (or demand charge) to DWU and S&P Global Ratings' calculation of the city's portion of TRA debt service based on annual flows. S&P Global Ratings' calculation also includes transfers to the general fund for administrative costs and payments in lieu of taxes (PILOT), since we view them as a recurring use of utility revenues. Without these adjustments, the city's projections show that that the city's coverage levels will remain at a minimum of at least 3x, in line with historical trends. We expect the city's all-in coverage metrics to remain consistent over the outlook period, given its plans to continue adjusting rates for inflationary costs and wholesale treatment, as well as to support additional debt service.

Other key credit factors include the city's:

- Stable and primarily residential customer base, which benefits from participation in the DFW area metroplex, supporting above-average incomes in comparison with the national average;
- Very low combined water and sewer bill as a percent of local incomes, even when considering the city's anticipated rate adjustments, which are expected to range between about 3% and 8% over the next five years;
- Manageable five-year capital improvement plan (CIP), including about \$47.2 million of total improvements to be financed, of which management expects to finance primarily on a pay-go basis, but also with the series 2024 bonds and an estimated \$10 million issuance likely during the two-year outlook period;
- Very low debt-to-capitalization ratio, which we expect to stay low even with the city's anticipated debt plans;
- Very strong liquidity position, with approximately \$48.3 million of unrestricted cash, or about 375 days' cash on hand, though we understand that this includes about \$12.67 million of proceeds from the general fund that the utility fund will spend on installing automated meter infrastructure (AMI) and maintenance of its Hebron Water Tower over the outlook period; and
- Management's codified reserve policy of maintaining 90 days' operating cash on hand, which it continues to exceed.

Environmental, social, and governance

We view the city's physical risk exposures as credit neutral. The city maintains generators in the case of power outages due to severe storms and other emergencies, and continues to add more generators to its utility system in accordance with state requirements. The city also maintains a robust drought management plan, in coordination with DWU, though we understand the city has never had to implement mandatory water restrictions due to DWU's robust water supply.

We view social risks as credit neutral, given the city's very affordable rates in the context of local incomes. We view the city's governance as credit-supportive, given management's codified and robust policies and practices, which we view as supporting ongoing financial continuity, as well as its ongoing transparency with stakeholders. Additionally, cyber security is a critical focus for the city, and it maintains both formal policies and practices in this regard, as well as cyber insurance.

Outlook

The stable outlook reflects our expectation that the city's codified policies and practices, stable economy, and willingness to adjust rates to account for wholesale cost increases and capital needs will continue to support credit-supportive financial metrics. Additionally, we view the city's very affordable rates in the context of above-average local incomes as further supporting these factors.

Downside scenario

We could lower the rating should the city not fully recuperate or pass through wholesale cost escalations, such that coverage levels are materially deteriorated on a consistent basis, or should it spend down reserve levels to below recent historical averages.

Rating above the sovereign

The system has a predominantly locally derived revenue base. Local service charges, derived through an autonomous rate-setting process, represent virtually all the entity's revenue. This, coupled with operating expense flexibility, limits the system's exposure to federal revenue and leads us to rate the district's debt above the U.S. sovereign rating.

Related Research

- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

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