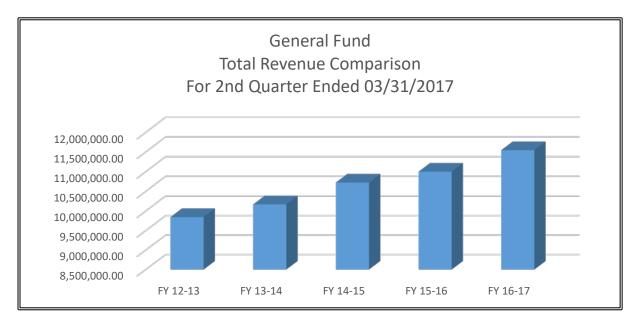


FY 2016-2017 QUARTERLY BUDGET REPORT

FOR QUARTER ENDED MARCH 31, 2017

SECOND QUARTER FY 2017 BUDGET REPORT

The second quarter of the fiscal year contained seven (13) payroll periods, which indicates that total expenditures for salaries and benefits should be at fifty percent (50%). Being six months into the year, revenue and other expenditure items should be at approximately fifty percent (50%) of the FY 16-17 budget.



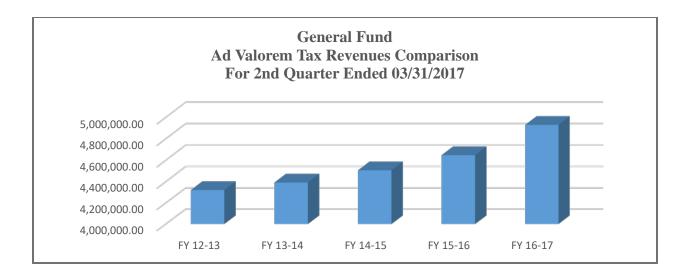
	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Adjusted Annual					
Budget	16,315,800.00	\$17,151,238.00	\$18,730,749.91	\$18,882,127.00	18,440,450.00
Actuals 2nd Quarter	9,846,561.01	\$10,168,847.43	\$10,724,670.74	\$11,000,431.39	11,546,878.37
Actuals vs Budget	60.35%	59.29%	57.26%	58.26%	62.62%

Total revenues for General Fund are trending as expected in relation to current year projections and past year performances.

I. General Fund Revenues

A. Ad Valorem Taxes

The majority of Ad Valorem Taxes are collected in the early part of each fiscal year as penalties and interest are assessed on homeowners who do not make payment by January 31st. Revenues in this category are expected to be higher than the designated quarter percentage. First quarter Ad Valorem Tax revenues are offset to a certain degree due to \$106,000 in budgeted "In Lieu of Tax" payments which normally do not come in until the 4th quarter.

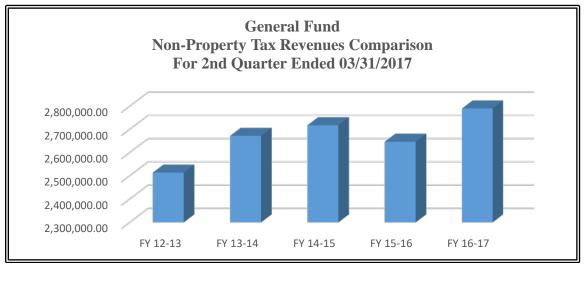


	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Adjusted Annual Budget	\$4,801,286.00	\$4,875,384.00	\$4,968,811.00	\$5,187,728.00	\$5,338,940.00
Actuals 2nd Quarter	\$4,321,690.73	\$4,392,296.74	\$4,506,237.91	\$4,647,493.49	\$4,930,131.15
Actuals vs Budget	90.01%	90.09%	90.69%	89.59%	92.34%

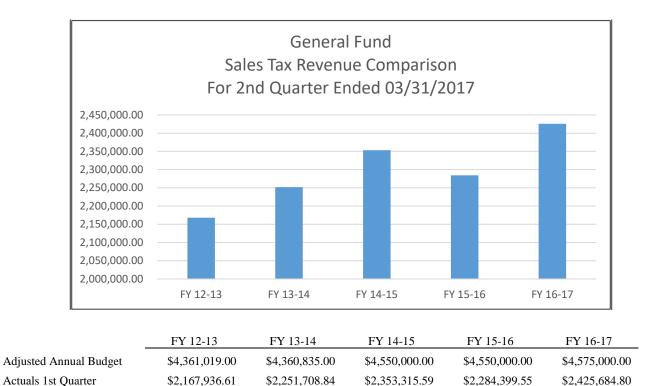
B. Non-Property Taxes

Actuals vs Budget

This category contains sales tax, mixed drink and franchise taxes. Only City sales taxes are received on a monthly basis while all other taxes are received on a quarterly or semiannual basis. Revenues in this category are expected to be lower than the designated quarter percentage due to when revenues are received. City sales tax revenue is trending as expected with the revenue percentage at 53.02% versus 50.02% for the overall category.



	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Adjusted Annual Budget	\$5,388,570.00	\$5,423,895.00	\$5,567,000.00	\$5,615,500.00	\$5,577,000.00
Actuals 2nd Quarter	\$2,513,522.58	\$2,672,060.48	\$2,717,537.21	\$2,646,528.62	\$2,789,842.03
Actuals vs Budget	46.65%	49.26%	48.82%	47.13%	50.02%



51.63%

51.72%

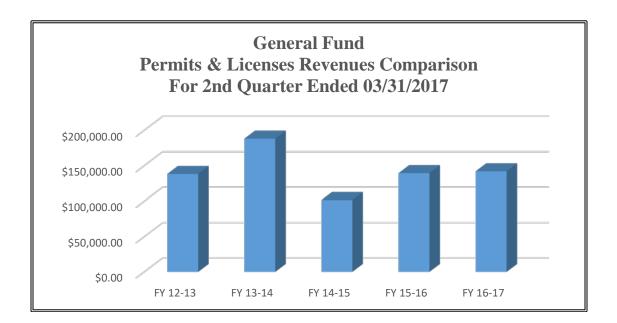
49.71%

53.02%

50.21%

C. Permits & Licenses

The revenue category consists of all permits and licensing revenue generated by the Planning Department. This category is trending as expected. Due to the past year's performance, the budget was reduced slightly to \$275,225 down from \$277,975 in FY 15-16.



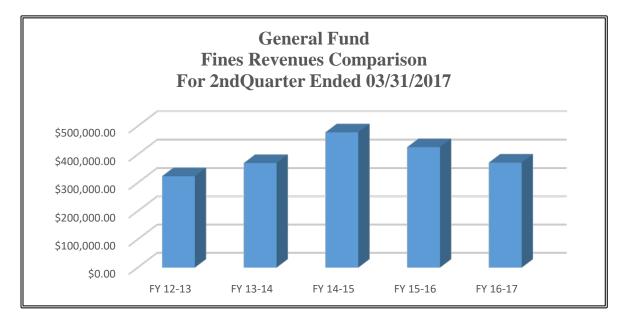
	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Adjusted Annual Budget	\$288,745.00	\$257,300.00	\$361,450.00	\$277,975.00	\$275,225.00
Actuals 2nd Quarter	\$138,354.54	\$188,233.43	\$101,723.17	\$139,520.97	\$142,111.39
Actuals vs Budget	47.92%	73.16%	28.14%	50.19%	51.63%

D. Fines

Municipal Court revenues are trending slightly lower than expected due to several factors:

- The Incode software was upgraded from version 9 to version 10 in January and there were several issues with the implementation of the upgrade. Full functionality was not restored until April 2017 and staff continues to work with Incode on continuing issues.
- During warrant roundup in February, the Municipal Court was not able to process warrants as this was one of the major pieces of functionality that was not operating once the upgrade went live.

Even with the issues that we had with the Incode software, Municipal Court revenues are only \$47,000 under budget.



-	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Adjusted Annual Budget	\$685,180.00	\$743,231.00	\$735,500.00	\$960,200.00	\$835,000.00
Actuals 2nd Quarter	\$323,293.41	\$369,671.23	\$478,246.53	\$425,874.20	\$371,397.63
Actuals vs Budget	47.18%	49.74%	65.02%	44.35%	44.48%

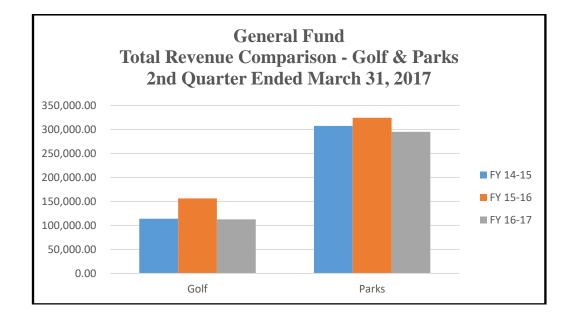
E. General Service Fees

This category contains the revenues for two new divisions that were assumed by the City from the County in FY 14-15. The county contributes \$35,000 annually for the L.E. Ramey Golf Course. Golf Course total revenues represents 45.62% of the FY 16-17 budget versus 56.22% last year.

Golf Course now offers beer and wine and sales through the 2^{nd} quarter are \$2,946.65. Other food and beverage sales are \$4,356.62 through the 2^{nd} quarter.

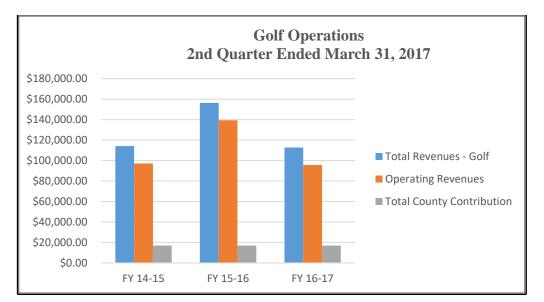
Parks and Recreation revenues received represent 48.27% of their current year budget compared to 49.87% for last year. The County contributes \$550,000 annually.

Contributions from the County are up-to-date through the end of the second quarter, FY 16-17.



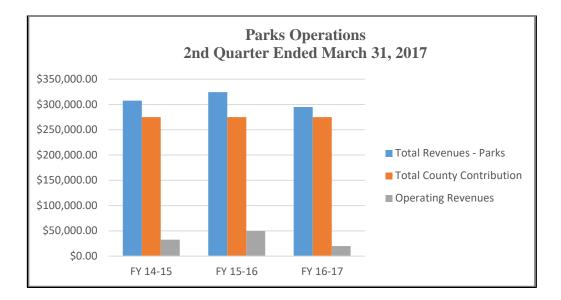
Golf					
	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Adjusted Annual Budget	\$0.00	\$0.00	\$450,177.05	\$278,025.00	\$247,200.00
Actuals 2nd Quarter	\$0.00	\$0.00	\$114,128.57	\$156,294.63	\$112,779.26
Actuals vs Budget			25.35%	56.22%	45.62%
Parks & Recreation					
	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Adjusted Annual Budget	\$0.00	\$0.00	\$675,351.66	\$650,680.00	\$610,890.00
Actuals 2nd Quarter	\$0.00	\$0.00	\$307,442.11	\$324,498.80	\$294,863.98
Actuals vs Budget			45.52%	49.87%	48.27%

Operating revenues for the Golf and Parks are \$95,779.26 and \$19,863.98 respectively.



Operating Revenues:

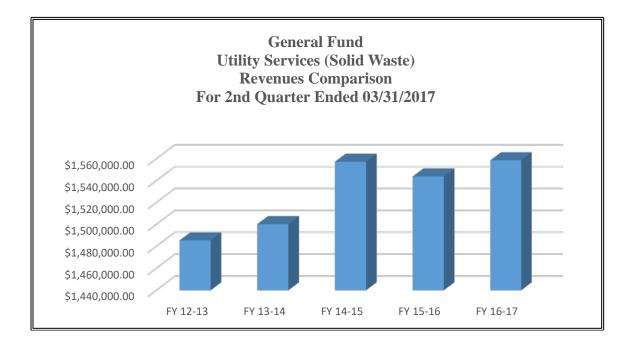
	FY 14-15	FY 15-16	FY 16-17	
Total Revenues - Golf	\$114,128.57	\$156,294.63	\$112,779.26	
Operating Revenues	\$97,128.57	\$139,294.63	\$95,779.26	
Total County Contribution	\$17,000.00	\$17,000.00	\$17,000.00	



	FY 14-15	FY 15-16	FY 16-17
Total Revenues - Parks	\$307,442.11	\$324,498.80	\$294,863.98
Total County Contribution	\$275,000.00	\$275,000.00	\$275,000.00
Operating Revenues	\$32,442.11	\$49,498.80	\$19,863.98

F. Solid Waste

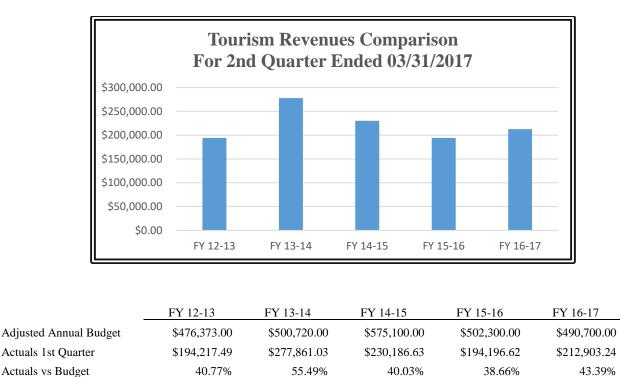
In General Fund, this revenue category includes landfill and garbage fees. Revenues for this fiscal year have increased from last fiscal year due to changes in our ability to accept outside haulers.



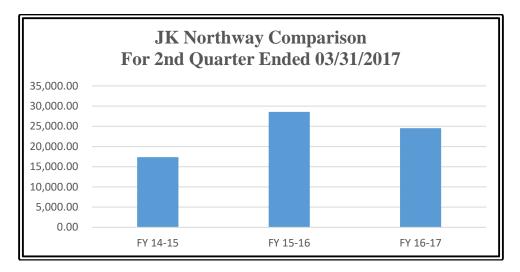
	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Adjusted Annual Budget	\$3,010,321.00	\$3,079,761.00	\$3,185,700.00	\$3,284,900.00	\$3,284,700.00
Actuals 2nd Quarter	\$1,485,384.56	\$1,500,220.37	\$1,557,308.05	\$1,543,832.45	\$1,558,634.64
Actuals vs Budget	49.34%	48.71%	48.88%	47.00%	47.45%

G. Tourism Fund Revenues

The main revenue for Tourism Fund are Hotel Occupancy Taxes collected by the hotels from overnight hotel guests. Revenues received through the second quarter are higher than what was received for last year. Revenues should be at \$245,350 versus the \$212,903.



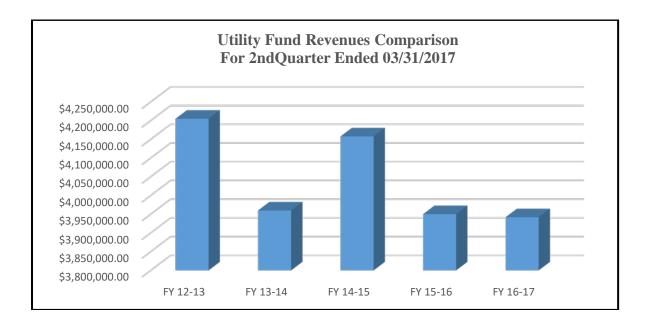
The JK Northway was moved from the Parks Division to the Tourism fund at the beginning of the current fiscal year with a budget of \$36,375.



	FY 14-15	FY 15-16	FY 16-17
Adjusted Annual Budget	\$0.00	\$38,475.00	\$36,375.00
Actuals 1st Quarter	\$17,385.21	\$28,581.20	\$24,550.35
Actuals vs Budget	0.00%	74.29%	67.49%

Utility Fund Revenues

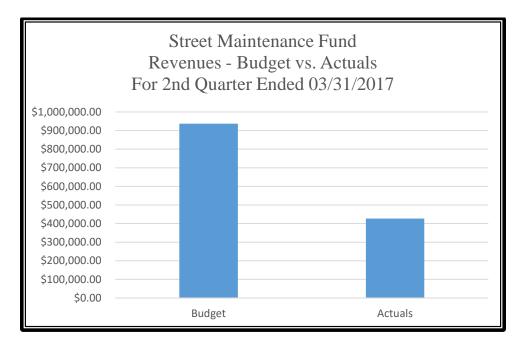
Revenues from this fund come mainly from water and sewer sales for both residential and commercial customers. Revenues are trending as expected for budget purposes, but less than last fiscal year. The budget for FY 16-17 was reduced by \$617,000 due to revenues last fiscal year.



	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Adjusted Annual Budget	\$7,833,818.00	\$8,589,372.00	\$8,496,990.00	\$8,570,884.00	\$7,953,785.00
Actuals 2nd Quarter	\$4,204,735.27	\$3,959,706.01	\$4,157,586.80	\$3,949,775.83	\$3,941,650.61
Actuals vs Budget	53.67%	46.10%	48.93%	46.08%	49.56%

II. Street Maintenance Fund

Revenues for this new fund is generated by the street maintenance fee that began January 2016, with the first billings sent out in February. Residents are assessed \$5.00 per month and Non-Residential customers are assessed a fee based on square foot of their space x a discounted trip generator x \$5.00 a month. Once the calculation is done, there are several different tiers with a \$150.00 per month cap.



For FY 16-17, revenues are trending as expected at 45.60%.

FY 16-17				
Budget	Actuals	Percentage		
\$937,229.38	\$427,412.66	45.60%		

FY 16-17					
Total Amount Budgeted For Street Maintenance					
Fund 001-General Fund	Regular Budget	\$0.00			
Fund 033-CO 2016	Street Projects	1,609,436.84			
Fund 087-Solid Waste Capital Projects	Alley Maint	50,000.00			
Fund 092-Street Maintenance	Street Projects	937,229.38			
Total Street Maintenance Funding \$2,596,666.22					

III. Overall Revenues

Revenues for the second quarter FY 16-17 from all sources are on target for budget at 59.35%.

		evenues - All Sourc er Ended March 31		
		Current		
Fund	Fund Name	Budget	Revenues	Percentage
001	General Fund	18,514,201.00	11,546,878.37	62.37%
002	Tourism Fund	527,075.00	212,903.24	40.39%
005	PD State Seizure Fund	100.00	363,795.26	363795.26%
009	Law Enf Off Stand - PD	0.00	3,554.45	0.00%
010	Law Enf Off Stand - Fire	0.00	682.59	0.00%
011	GO Debt Service	1,630,573.00	1,412,496.59	86.63%
012	UF Debt Service	1,550,735.00	647,489.10	41.75%
025	Building Security Fund	12,000.00	4,991.97	41.60%
026	Golf Course Capital Maint	6,344.00	0.00	0.00%
028	PD Federal Seizure Fund	15.00	43.22	0.00%
031	Muni Court Technology Fund	15,000.00	6,578.36	43.86%
033	CO Series 2016-GF	1,279,006.92	1,307,677.75	102.24%
039	CO Series 2002-GF	0.00	22.31	0.00%
051	Utility Fund	7,953,785.00	3,941,650.61	49.56%
054	UF Capital Projects	71,295.24	46,138.66	64.71%
055	Stormwater Drainage	225,000.00	113,346.55	50.38%
062	CO Series 2005-UF	0.00	408.58	0.00%
065	CO Series 2011-GF	0.00	136.88	0.00%
066	CO Series 2011-UF	2,600.00	4,424.93	170.19%
067	CO Series 2013-GF Streets	0.00	42.26	0.00%
068	CO Series 2013-Drainage	10,000.00	3,581.96	35.82%
077	FEMA FF Assistance	400,000.00	362,728.00	90.68%
078	TX Parks & Wildlife	37,709.00	0.00	0.00%
079	TX Capital Main St Grant	150,000.00	0.00	0.00%
080	Homeland Security Grant	27,000.00	0.00	0.00%
082	TX CDBG Grant	200,000.00	0.00	0.00%
087	Solid Waste Capital Projects	506,000.00	248,485.11	49.11%
090	Landfill Closure	468,395.00	250,417.45	53.46%
091	GF Capital Projects	0.00	1,418.57	0.00%
092	Street Fund	937,229.38	427,412.66	45.60%
096	Insurance Claim Recovery	569,426.99	491,938.25	86.39%
097	Vehicle Replacement	50,000.00	29,155.00	58.31%
098	Economic Development	378,914.00	34,169.66	9.02%
099	Disaster Response Recovery	7,904.62	0.00	0.00%
138	Self Insurance	3,332,782.02	1,602,965.42	48.10%
	Revenue Fund Totals	38,863,091.17	23,065,533.76	59.35%

IV.

Overall Expenditures Overall expenditures are on target for the first quarter FY 16-17 at 41.91%.

	Overall Expenditures - All Sources Second Quarter Ended March 31, 2017						
Fund	Fund Name	Budget	Expenditures	Percentage			
001	General Fund	18,868,531.76	8,587,535.89	45.51%			
002	Tourism Fund	872,117.00	377,963.91	43.34%			
005	PD State Seizure Fund	692,220.00	125,499.44	18.13%			
009	Law Enf Off Stand - PD	1,000.00	875.00	87.50%			
011	GO Debt Service	1,554,791.00	681,196.45	43.81%			
012	UF Debt Service	1,549,735.00	208,867.50	13.48%			
016	Stonegarden	0.00	37,859.83	0.00%			
017	Borderstar Grant	0.00	8,670.30	0.00%			
025	Building Security Fund	100,000.00	2,826.31	2.83%			
027	EMS	0.00	1,699.68	0.00%			
028	PD Federal Seizure Fund	30,000.00	10,000.00	0.00%			
031	Muni Court Technology Fund	45,150.00	17,092.68	37.86%			
033	CO Series 2016-GF	7,761,257.52	2,186,992.42	28.18%			
034	CO Series 2002-2002A	0.00	136.88	0.00%			
039	CO Series 2002-GF	4,928.16	226.37	4.59%			
051	Utility Fund	8,584,411.24	3,747,733.45	43.66%			
054	UF Capital Projects	1,377,368.00	59,198.49	4.30%			
055	Stormwater Drainage	294,250.00	122,096.95	41.49%			
062	CO Series 2005-UF	108,162.23	60,125.02	55.59%			
065	CO Series 2011-GF	0.00	2,748.46	0.00%			
066	CO Series 2011-UF	613,916.00	402,520.60	65.57%			
067	CO Series 2013-GF Streets	37,229.38	21,708.40	58.31%			
068	CO Series 2013-Drainage	1,526,329.00	100,406.57	6.58%			
071	FEMA Assistance	0.00	23,546.79	0.00%			
077	FEMA FF Assistance	400,000.00	407,865.00	101.97%			
078	TX Parks & Wildlife Grant	37,709.00	360.53	0.96%			
079	TX Capital Main St Grant	150,000.00	38,377.50	25.59%			
080	Homeland Security Grant	27,000.00	27,620.00	102.30%			
082	TX CDBG Grant	200,000.00	127,117.03	63.56%			
087	Solid Waste Capital Projects	855,362.96	565,112.50	66.07%			
090	Landfill Closure	1,969,544.00	1,331,123.42	67.59%			
092	Street Fund	886,205.42	378,856.15	42.75%			
096	Insurance Claim Recovery	1,325,582.99	903,008.09	68.12%			
098	Economic Development	377,309.95	228,075.98	60.45%			
099	Disaster Response Recovery	51,060.00	23,919.62	46.85%			
138	Self Insurance	3,319,000.00	1,650,725.95	49.74%			
	Expenditure Fund Totals	53,620,170.61	22,469,689.16	41.91%			

	Budget Ame	endments	
Expenditures:			
Original Budget		46,900,740.00	
Current Budget		53,620,170.61	
Budget Amendment		6,719,430.61	
	Total	Amendment	
Fund	Amendments	Amount	Amendment Description
001-General Fund	164,356.62	5,000.00	Roll Over Grant Project
		1,100.00	Parks Donation-TRAPS
		13,249.00	TX Parks & Wildlife Grant
		100.00	Volunteer Fire Donation
		1,200.00	La Posada Parks Donation
		40,861.00	IT Projects
		60,000.00	Sale of Care/GCS Building
		3,925.00	Overtime-Special Events
		31,017.00	Landfill Equipment
		7,904.62	4th Siren
002-Tourism Fund	45,500.00	4,000.00	La Posada Donation
		41,500.00	Roll Over Capital Projects
005-PD State Seizure Fund	10 228 00	40,000,00	CH EQ DD Equipmont
005-PD State Seizure Fund	49,328.00	40,000.00	CH 59 PD Equipment
		9,328.00	Lexipol Subscription
028-Federal Seizure Fund	30,000.00	30,000.00	Impress Funds
033-CO Series 2016	4,001,321.00	1,310,417.00	Roll Over Capital Projects
	.,,	2,090,904.00	Roll Over Capital Projects
		300,000.00	Supplemental Insur Claim
		300,000.00	Sale of CARE/GCS Bldg
051-Utility Fund	71,351.00	60,000.00	Roll Over Capital Projects
		11,351.00	IT Projects
068-CO Series 2013-Drainage	10,000.00	10,000.00	Roll Over Capital Projects
			· ·
078-TX Parks/Wildlife Grant	37,709.00	37,709.00	Grant Project
079-TX Capital Main Street	150,000.00	150,000.00	Roll Over Capital Projects
080-Homeland Security Grnt	27,000.00	27,000.00	Roll Over Capital Projects
082-TX CDBG Grant	200,000.00	200,000.00	Roll Over Capital Projects

V. Expenditure Budget Amendments

090-Landfill Closure Fund	341,908.00	314,168.00 27,740.00	Landfill Expansion Landfill Equipment
096-Insur Claim Recovery	1,325,582.99	756,156.00 569,426.99	Insurance Claim Projects Supplemental Insur Claim
098-Economic Development	214,314.00	214,314.00	Sale of CARE/GCS Bldg.
099-Disaster Response Recov	51,060.00	24,060.00 27,000.00	Roll Over Capital Projects 4th Siren
Total Budget Amendments	6,719,430.61	6,719,430.61	

VI. Accounts Receivable

There are several categories of accounts receivable to notate and include the following:

- Property Taxes the County Tax Assessor collects property taxes and submits payments to the City. As of the end of the second quarter, March 31, 2017, delinquent property taxes were \$633,642.08. There is a corresponding allowance for uncollectible accounts in the amount of \$258,122.08 leaving an anticipated collection of \$375,520. Linebarger is the collection agency that collects on this receivable.
- Ambulance Services billings sent out go directly to this receivable, while collections are booked to revenue. There are large adjustments to this receivable throughout the year due to medical provider discounts. As of March 31, 2017, the receivable was \$4,848,695.25. There is a corresponding \$4,820,109.80 allowance for uncollectible accounts leaving an anticipated collection amount of \$28,585.45. We have contracted with a company to provide collection services. We are only in the beginning stage of this contract and are working to provide information to them for collection.
- Sanitation Service this is for garbage sales for both residential and commercial accounts. As of March 31, 2017, this receivable was \$426,565.50. There is a corresponding allowance for uncollectible accounts in the amount of \$341,784.40 leaving an anticipated collection amount of \$84,781.10. These accounts will be sent to the new collection services company.
- Liens these receivables come about when the City has to perform work for code enforcement violations. When the homeowner does not pay their bill, the only means to collect this obligation is to file a lien against the property. It usually stays unpaid until the property is sold and it becomes part of the property settlement. As of March 31, 2017 the following balances existed:

0	Demolition Liens	\$179,000.98
0	Paving Liens	\$1,317.80
0	Abatement of Noxious Matter	\$145,957.43
0	Weed Liens	\$420,972.19

Linebarger will be used for collection services.

- Water Accounts this is for water service for both residential and commercial customers. As of March 31, 2017 this receivable was \$574,784.81
- Sewer Accounts this is for sewer service for both residential and commercial customers. As of March 31, 2017 this receivable was \$256,333.96. There is a corresponding allowance for uncollectible accounts of \$588,330.38 for both water and sewer accounts receivable leaving an anticipated collection of \$242,788.39.

The new collection services company will be used for these receivables.

VII. Budgeted Capital Outlay Status

Department	Description	Approved Budget	Status
General Fund	001		
City	Restoration & Preservation of	\$21,733	Completed
Commission	Minutes		
	001-5-1000-31400		
Parks	Hand Scanner	\$5,000	Not ordered
	001-5-4503-71200		
Tourism Fun			Γ
Tourism	Professional Marketing &	\$75,000	Not started
	Website Revamp		
	002-5-1071-31400		
~~~~			
CO Series 201			
Community	Commercial Ztrac Mower	\$11,190	Completed
Appearance	033-5-1030-71200		
PD	Replacement of AC & Heating	\$35,928	Completed
Community	System at PD		
Services	033-5-2105-71300		
Golf & Parks	Recreation Tracking Software	\$90,000	Golf – completed
	033-5-4503-72600		Parks – In Progress
	02-2002A Fund 039		1
Landfill	North Boundary Fence	\$4,928	Carry over project
	039-5-1703-59100		In progress
T1491:4 E J (	\F1		
Utility Fund (		¢04.050	0 1/1
Wastewater	Overhaul Hoffman backup	\$24,250	Completed
	blower		
	051-5-7001-54300	<b>**</b>	~
Wastewater	Recondition (2) Hayward Gordan	\$30,960	Completed
	Grit pumps & motors		
	051-5-7001-54300		

Department	Description	Approved Budget	Status
CO Series 201	1 Fund 066		
Water	Replace service bodies on trucks	\$24,000	3 Beds purchased
Construction	066-5-6001-71200		\$16,198 unspent
Water	Non Ground bearing detachable	\$63,744	Completed
Production	neck lowboy trailer		
	066-5-6001-71200		
Meter	Vehicle for additional Meter Tech	\$27,161	Completed
Readers	066-5-6202-71100		
Wastewater	17 th & Lee lift station repairs	\$16,011	Not started
	066-5-7003-54300		
FEMA Assista	ance Grant Fund 077		
Fire	Fire Engine	\$400,000	Completed
	077-5-2200-71100		
Solid Waste C	Capital Projects Fund 087		
Sanitation	(50) 8 yd front end load	\$44,900	In progress
	dumpsters		\$15,170.89 unspent
	087-5-1702-22000		
Landfill	5 spray head water system for	\$11,270	Completed
	water truck		
	087-5-1702-71200		

# VIII. Interdepartmental Transfers

Resolution 2016-62 allows transfers between departments in the same fund without Commission approval as long as those transfers do not increase a department's appropriation by more than 10%. Interdepartmental transfers below 10% must be documented and provided to Commissioners on a quarterly basis through the Quarterly Budget Report. There are currently no transfers that meet this requirement.

# IX. Intradepartmental Transfers

Resolution 2016-62 allows intradepartmental transfers between account codes within a department but requires transfers greater than \$5,000 to be documented and provided to Commissions on a quarterly basis through the Quarterly Budget Report. The following transfers meet this threshold:

# Transfers Greater Than \$5,000

Transfer From		Transfe	r To	
Explanation	Account	Amount	Account	Amount
<b>General Fund 001</b>				
Decorations for City Hall Complex and Lot	1030-32600 Election	\$8,000.00	1030-21700 Minor Equip	(\$8,000.00)
TXDOT Agreement Payment	1030-33501 Insurance - Property	(\$13,345.98)	1030-31464 Prof Serv- TXDOT	\$13,345.98
Negative line items	2200-21700 Minor Equip	(\$5,800.00)	2200-41400 Equip Maint	\$5,800.00
Purchase of new fiber connection	2102-1100 Salaries & Wages	(\$5,128.00)	2102-31100 Communications	\$5,128.00
Increase for new purchase	2200-31600 Training & Tvl	(\$5,115.50)	2200-41400 Equip Maint	\$5,115.50
Reallocate budget between City Hall Complex and Municipal Bldg.	1020-31100 Communication	(\$70,000.00)	1020-31102 Comm- Municipal Bldg	\$35,000.00
			1020-31103 Comm-City Hall Complex	\$35,000.00
Purchase rollouts & dumpsters	1702-11100 Salaries	(\$25,686.00)	1702-22000 Rollouts/Dump	\$25,686.00
Fund 022 CO Service	- 2016			
<b>Fund 033 - CO Series</b> Temporary transfer to enable redecking of DK Pier	4503-71223 Skate Park	(\$15,000.00)	4503-71222 Pier Enhancements	\$15,000.00
Cottage Building Furniture	1030-71217 City Hall Complex Improv	(\$22,000.00)	1030-71311 Cottage Bldg Remodel	\$22,000.00
Project Reallocation - At the end of the fiscal year end, we had to reallocate project budgets based on when expenditures actually occurred.	1030-71217 City Hall Complex Improv	(\$15,000.00)	1030-85000 Dept YE Reduction	\$15,000.00
Project Reallocation due to completed project	1030-71217 City Hall Complex Improv	(\$75,026.60)	1030-71310 City Hall Complex Landscaping	\$75,026.60
Golf Course Irrigation System Temporary Transfer	4503-71220 Parks Streets	(\$250,000.00)	4502-71239 Golf Course Irrigation Syst	\$250,000.00

		1		
Fund 054 - UF Capit	al Proiects			
Water Meters Temporary Trsf	6201-71300 Water Meters	(\$65,000.00)	6202-22800 Water Meters	\$65,000.00
Fund 087 - Solid Wa	ste Capital Proje	ets		
Reallocate for street maintenance	3050-52105 Street & Bridge-Alley	(\$50,000.00)	3050-52100 Street & Bridge	\$50,000.00
Fund 090 - Landfill	Closure			
Sector 4 Expansion	1703-31400 Prof Services	(\$158,635.00)	1703-71400 Landfill Expansion	\$158,635.00
Fund 096 - Insurance	e Claim Recovery	7		
Specific project line items were established to better track project	1030-31400 Prof Services	(\$125,312.39)	1076-93001 JK Main Hall Interior	\$108,125.66
expenditures	1076-71300 Building	(\$156,530.00)	1076-93002 JK Press Box	\$1,346.54
			1076-93003 JK Roof & Walls	\$50,964.23
			1076-93004 JK Cattle Staging	\$82,986.00
			1076-93005 JK Shed House	\$1,775.57
			1076-93006 JK Construction Mgmt	\$32,428.39
			4503-93008 Rec Center Ceiling Tiles	\$4,216.00

# X. Estimated Fund Balances

The schedule below represents the estimated Fund Balance for each fund. For General Fund and Utility Fund, the City established a Fund Balance Policy in 2008 and amended it by Resolution 2011-54 on September 26, 2011. It dictates that the City will maintain a minimum unassigned fund balance in its General Fund and Utility Fund of 25% of the subsequent year's budgeted expenditures and outgoing transfers. Included in the calculation below are the approved expenditure amendments. Beginning Fund Balance numbers are audited.

Fund	FY 16-17 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Revenue Amendments	Budgeted Expenditures	Budgeted Transfers Out	Expenditure Amendments	FY 16-17 Ending Fund Balance
001	5,827,797.49	16,933,217.00	1,507,233.00	73,751.00	18,573,331.14	130,844.00	164,356.62	5,473,466.73
025	88,889.93	12,000.00	0.00	0.00	100,000.00	0.00	0.00	889.93
087	350,064.38	506,000.00	0.00	0.00	146,473.96	708,889.00	0.00	701.42
090	2,479,993.52	270,500.00	197,895.00	0.00	1,627,636.00	0.00	341,908.00	978,844.52
091	1,238.13	0.00	0.00	0.00	0.00	0.00	0.00	1,238.13
092	300,010.42	900,000.00	37,229.38	0.00	839,998.50	46,206.92	0.00	351,034.38
Totals	9,047,993.87	18,621,717.00	1,742,357.38	73,751.00	21,287,439.60	885,939.92	506,264.62	6,806,175.11

#### **General Funds**

To verify the ending fund balance for General Fund 001, budgeted expenditures, budgeted transfers out and approved expenditure amendments for FY 16-17 are used:

- Budgeted Expenditures and Transfers Out for FY 16-17 were \$18,704,175
- Plus the amount of approved expenditure amendments = \$18,868,532 x 25% = \$4,717,133 minimum ending fund balance
- Based on what we know today, the ending fund balance of \$5,473,467 for FY 16-17 has a surplus reserve of \$756,334
- Estimated Ending Fund Balance for FY 16-17 is 29.01%

The above numbers include all budget amendments that have been approved.

Fund 001 – General Fund	Fund 025 – Building Security Fund
Fund 087 – Solid Waste Capital Projects	Fund 090 – Landfill Closure Fund
Fund 091 – General Fund Capital Projects	Fund 092 – Street Fund

#### **Police Forfeiture Funds**

Fund	FY 16-17 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Revenue Amendments	Budgeted Expenditures	Budgeted Transfers Out	Expenditure Amendments	FY 16-17 Ending Fund Balance
005	1,496,853.70	100.00	0.00	0.00	642,892.00	0.00	49,328.00	804,733.70
028	187,734.05	15.00	0.00	0.00	0.00	0.00	30,000.00	157,749.05
031	41,563.57	15,000.00	0.00	0.00	45,150.00	0.00	0.00	11,413.57
Totals	1,726,151.32	15,115.00	0.00	0.00	688,042.00	0.00	79,328.00	973,896.32

Fund 005 – State Forfeiture Fund 031 – Municipal Court Technology Fund 028 - Federal Forfeiture

#### **Debt Service – General Fund**

Fund	FY 16-17 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Revenue Amendments	Budgeted Expenditures	Budgeted Transfers Out	Expenditure Amendments	FY 16-17 Ending Fund Balance
011	618,994.44	1,507,823.00	122,750.00	0.00	1,554,791.00	0.00	0.00	694,776.44
Totals	618,994.44	1,507,823.00	122,750.00	0.00	1,554,791.00	0.00	0.00	694,776.44

#### **Capital Improvement Funds – General Fund**

Fund	FY 16-17 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Revenue Amendments	Budgeted Expenditures	Budgeted Transfers Out	Expenditure Amendments	FY 16-17 Ending Fund Balance
033	6,430,827.00	4,800.00	674,206.92	600,000.00	3,759,936.52	0.00	4,001,321.00	(51,423.60)
034	136.88	0.00	0.00	0.00	0.00	0.00	0.00	136.88
039	4,929.57	0.00	0.00	0.00	4,928.16	0.00	0.00	1.41
065	2,151.40	0.00	0.00	0.00	0.00	0.00	0.00	2,151.40
067	71,664.46	0.00	0.00	0.00	0.00	37,229.38	0.00	34,435.08
Totals	6,509,709.31	4,800.00	674,206.92	600,000.00	3,764,864.68	37,229.38	4,001,321.00	(14,698.83)
**Fund	d 033 - Unalloca	ted interest will c	over the fund bo	lance deficit				

Fund 033 – CO Series 2016 Fund 039 – CO Series 2002-2002A Fund 067 – CO Series 2013 Fund 034 – CO Series 1998 Fund 065 – CO Series 2011

#### **Special Purpose Funds**

Fund	FY 16-17 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Revenue Amendments	Budgeted Expenditures	Budgeted Transfers Out	Expenditure Amendments	FY 16-17 Ending Fund Balance
026	0.00	0.00	6,344.00	0.00	0.00	0.00	0.00	6,344.00
096	978,652.45	569,426.99	0.00	0.00	0.00	0.00	1,325,582.99	222,496.45
097	0.00	0.00	50,000.00	0.00	0.00	0.00	0.00	50,000.00
098	0.00	106,000.00	58,600.00	214,314.00	162,995.95	0.00	214,314.00	1,604.05
099	43,015.00	0.00	0.00	7,904.62	0.00	0.00	51,060.00	(140.38)
Totals	1,021,667.45	675,426.99	114,944.00	222,218.62	162,995.95	0.00	1,590,956.99	280,304.12

Fund 026 – Golf Course Capital Maint Fund 097 – Vehicle Replacement Fund 099 – Disaster Response Recovery Fund 096 – Insurance Claim Recovery Fund 098 – Economic Development

#### **Tourism Fund**

Fund	FY 16-17 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Revenue Amendments	Budgeted Expenditures	Budgeted Transfers Out	Expenditure Amendments	FY 16-17 Ending Fund Balance
002	579,675.11	523,075.00	0.00	4,000.00	688,861.00	137,756.00	45,500.00	234,633.11
Totals	579,675.11	523,075.00	0.00	4,000.00	688,861.00	137,756.00	45,500.00	234,633.11

Even though this fund is not required to keep a specific minimum fund balance, there have been discussions to require some level of minimum fund balance. Currently, estimated ending fund balance is at 26.90%.

Linter	prise – Oth	ity i unus						
Fund	FY 16-17 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Revenue Amendments	Budgeted Expenditures	Budgeted Transfers Out	Expenditure Amendments	FY 16-17 Ending Fund Balance
012	330,403.26	1,000.00	1,549,735.00	0.00	1,549,735.00	0.00	0.00	331,403.26
051	3,557,181.16	7,946,018.00	7,767.00	0.00	5,825,180.00	2,687,880.24	71,351.00	2,926,554.92
054	1,240,452.19	2,000.00	69,295.24	0.00	1,377,368.00	0.00	0.00	(65,620.57)
055	163,639.76	225,000.00	0.00	0.00	1,100.00	293,150.00	0.00	94,389.76
062	108,250.88	0.00	0.00	0.00	108,162.23	0.00	0.00	88.65
066	866,324.67	2,600.00	0.00	0.00	333,916.00	280,000.00	0.00	255,008.67
068	2,782,588.58	10,000.00	0.00	0.00	1,516,329.00	0.00	0.00	1,276,259.58
Totals	9,048,840.50	8,186,618.00	1,626,797.24	0.00	10,711,790.23	3,261,030.24	71,351.00	4,818,084.27

**Enterprise – Utility Funds** 

** Fund 054 - the Collections Renovation project will be adjusted to cover fund balance deficit

To verify the ending fund balance for Utility Fund 051, budgeted expenditures and transfers out for FY 16-17 are used:

- Budgeted Expenditures, Transfers Out, and approved Expenditure Amendments for FY 16-17 are \$8,584,411.24 x 25% = required fund balance of \$2,146,103
- Based on what we know today, the estimated ending fund balance of \$2,926,555 for FY 16-17 has a surplus reserve of \$780,452
- Estimated Ending Fund Balance for FY 16-17 is 34.09%

All approved budget amendments have been included in the above calculations.

Fund 012 – Debt Service Fund 054 – Capital Projects Fund 062 – CO Series 2005 Fund 068 – CO Series 2013 Fund 051 – Utility Fund Fund 055 – Storm Water Drainage Fund 066 – CO Series 2011

#### **Internal Service Fund – Insurance**

The City is self-funded for employee's health insurance. The insurance fund receives all insurance contributions from the city, current employees and retirees and then pays claims and administrative costs of the health plan from the contributions. The city provides post-retirement medical insurance benefits on behalf of its eligible retirees. Once an employee retires, it pays 50% of their medical premiums until they reach age 65. In years past, the City was contributing additional reserves to shore up the fund balance. In FY 14-15, the City decided to start charging employees a small portion of the cost of health insurance. In FY 16-17, the City decided to add an additional contribution of \$100,000 and there were no increases to the employee costs.

Fund	FY 16-17 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Revenue Amendments	Budgeted Expenditures	Budgeted Transfers Out	Expenditure Amendments	FY 16-17 Ending Fund Balance
138	895,608.84	3,332,782.02	0.00	0.00	3,319,000.00	0.00	0.00	909,390.86
Totals	895,608.84	3,332,782.02	0.00	0.00	3,319,000.00	0.00	0.00	909,390.86

#### **Grant Funds**

Fund	FY 16-17 Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Revenue Amendments	Budgeted Expenditures	Budgeted Transfers Out	Expenditure Amendments	FY 16-17 Ending Fund Balance
009	0.00	0.00	0.00	0.00	1,000.00	0.00	0.00	(1,000.00)
013	56.76	0.00	0.00	0.00	0.00	0.00	0.00	56.76
030	2,365.02	0.00	0.00	0.00	0.00	0.00	0.00	2,365.02
071	(45,463.93)	0.00	0.00	0.00	0.00	0.00	0.00	(45,463.93)
077	0.00	359,100.00	40,900.00	0.00	400,000.00	0.00	0.00	0.00
078	0.00	0.00	0.00	37,709.00	0.00	0.00	37,709.00	0.00
079	0.00	0.00	0.00	150,000.00	0.00	0.00	150,000.00	0.00
080	0.00	0.00	0.00	27,000.00	0.00	0.00	27,000.00	0.00
082	0.00	200,000.00	0.00	0.00	200,000.00	0.00	0.00	0.00
Totals	(43,042.15)	559,100.00	40,900.00	214,709.00	601,000.00	0.00	214,709.00	(44,042.15)

**Fund 009 will be adjusted during year end process

**Fund 071 expenditures were paid out of General Fund FY 15-16 and they had to be reclassified for audit purposes. Fund balance will be adjusted once FEMA funds are received in FY 16-17

Fund 009 – Law Enforcement PD Fund 030 – Red Ribbon Awareness Fund 077 – FEMA Assistance to Fire Fund 079 – TX Capital Main Street Fund 082 – TX CDBG Fund 013 - Texas Historical Fund 074 - FEMA Fund 078 – Texas Parks & Wildlife Fund 080 – Homeland Security Grant