

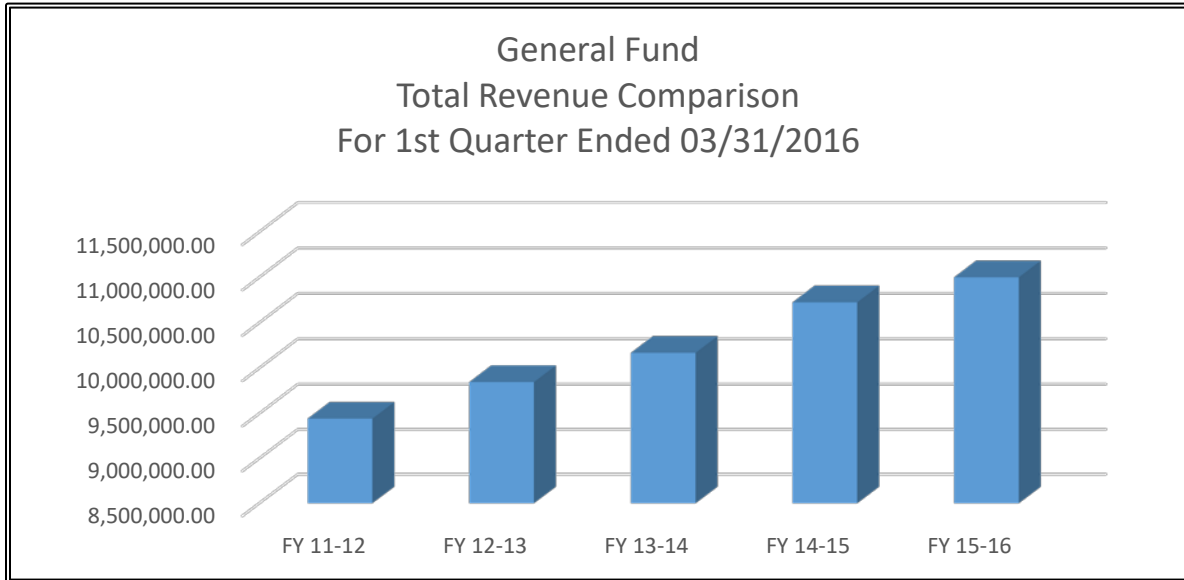


FY 2015-2016
QUARTERLY BUDGET
REPORT

FOR QUARTER ENDED
MARCH 31, 2016

SECOND QUARTER FY2016 BUDGET REPORT

Through the second quarter of the fiscal year, there are thirteen (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 also be at approximately fifty percent (50%) of the FY 15-16 budget.



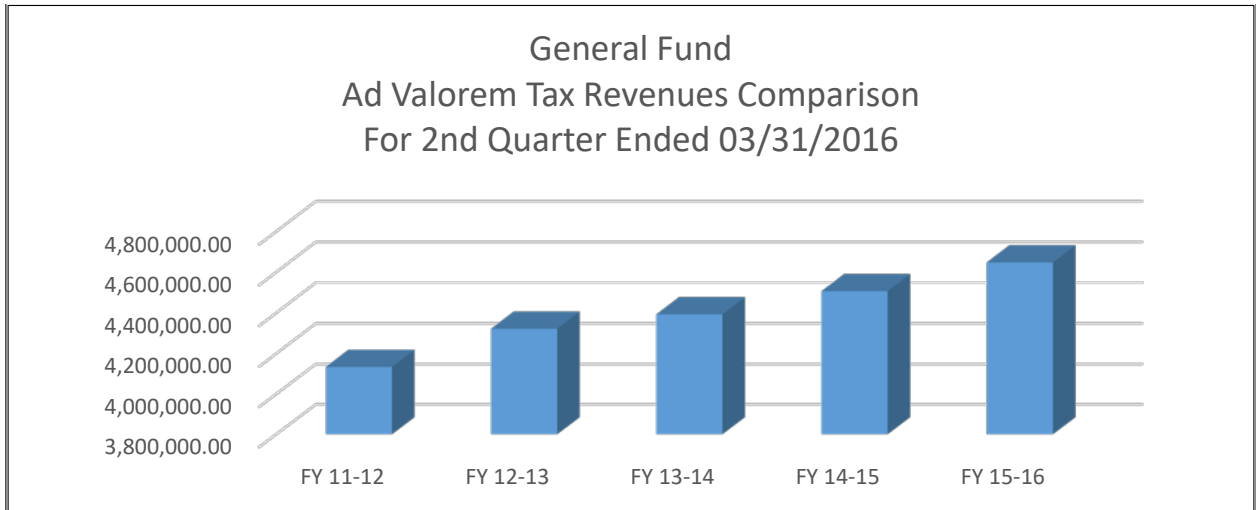
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$15,291,926.00	\$16,315,800.00	\$17,151,238.00	\$18,730,749.91	\$18,882,127.00
Actuals 2nd Quarter	\$9,443,210.00	\$9,846,561.01	\$10,168,847.43	\$10,724,670.74	\$11,000,431.39
Actuals vs Budget	61.75%	60.35%	59.29%	57.26%	58.26%

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

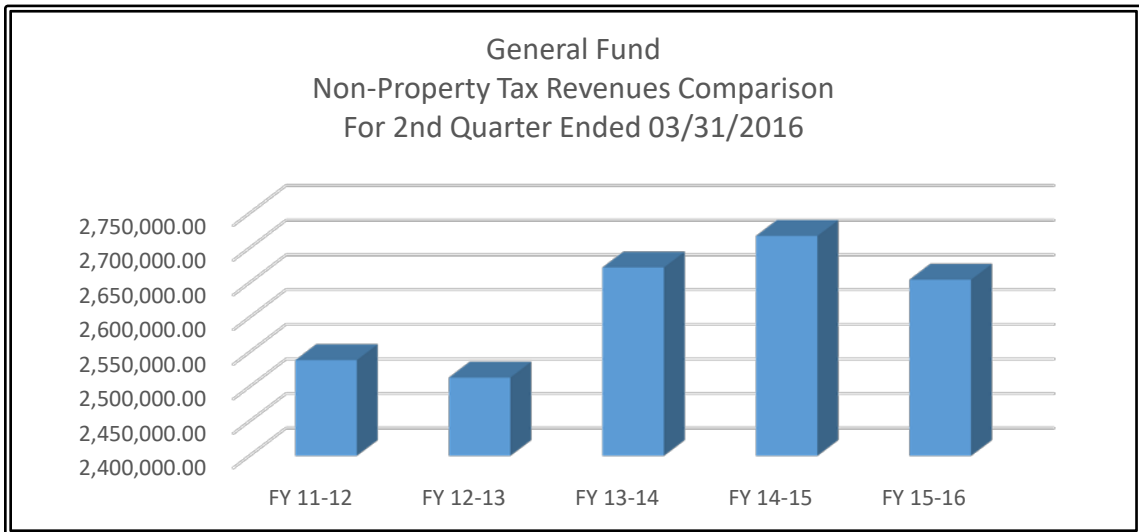
The majority of Ad Valorem Taxes are collected in the early part of each fiscal year as penalties and interest are assessed on homeowners who do not make payment by January 31st. Revenues in this category are expected to be higher than the designated quarter percentage. In years past, budgets were conservative in the collection rate used which set the budgets at a lower expectation which is reflected in the revenue collection percentages. The higher collection percentage in years past reflect the past conservative budget methodology. Second 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.



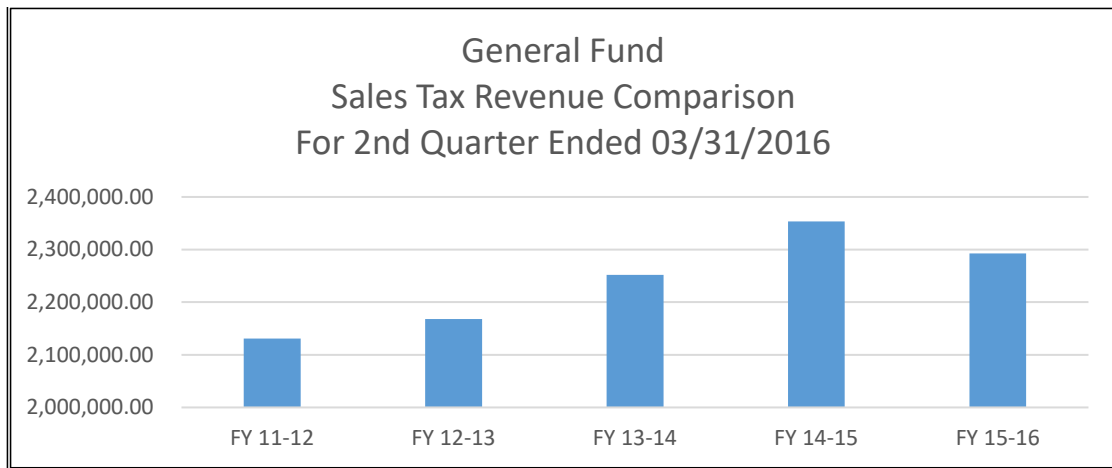
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$4,449,587.00	\$4,801,286.00	\$4,875,384.00	\$4,968,811.00	\$5,187,728.00
Actuals 2nd Quarter	\$4,134,148.55	\$4,321,690.73	\$4,392,296.74	\$4,506,237.91	\$4,647,493.49
Actuals vs Budget	92.91%	90.01%	90.09%	90.69%	89.59%

B. Non-Property Taxes

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 semi-annual 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 50.38% versus 47.27% for the overall category.



	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$5,032,995.00	\$5,388,570.00	\$5,423,895.00	\$5,567,000.00	\$5,615,500.00
Actuals 2nd Quarter	\$2,538,702.62	\$2,513,522.58	\$2,672,060.48	\$2,717,537.21	\$2,654,528.62
Actuals vs Budget	50.44%	46.65%	49.26%	48.82%	47.27%

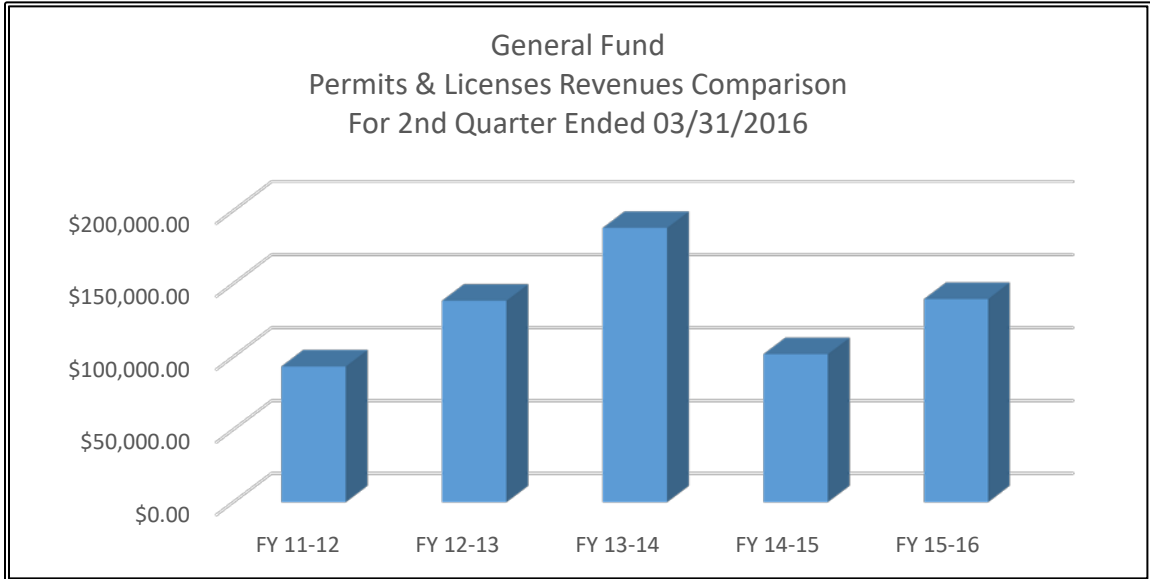


	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$4,020,018.00	\$4,361,019.00	\$4,360,835.00	\$4,550,000.00	\$4,550,000.00
Actuals 2nd Quarter	\$2,130,809.84	\$2,167,936.61	\$2,251,708.84	\$2,353,315.59	\$2,292,399.55
Actuals vs Budget	53.00%	49.71%	51.63%	51.72%	50.38%

Actuals based on when payments were received.

C. Permits & Licenses

The revenue category consists of all permits and licensing revenue generated by the Planning Department. This category is trending as expected. FY 14-15 saw a significant decrease due to the wet weather resulting in a decline in permit revenues. Due to the past year's performance, the budget was reduced to \$277,975 down from \$361,450 in FY 14-15.

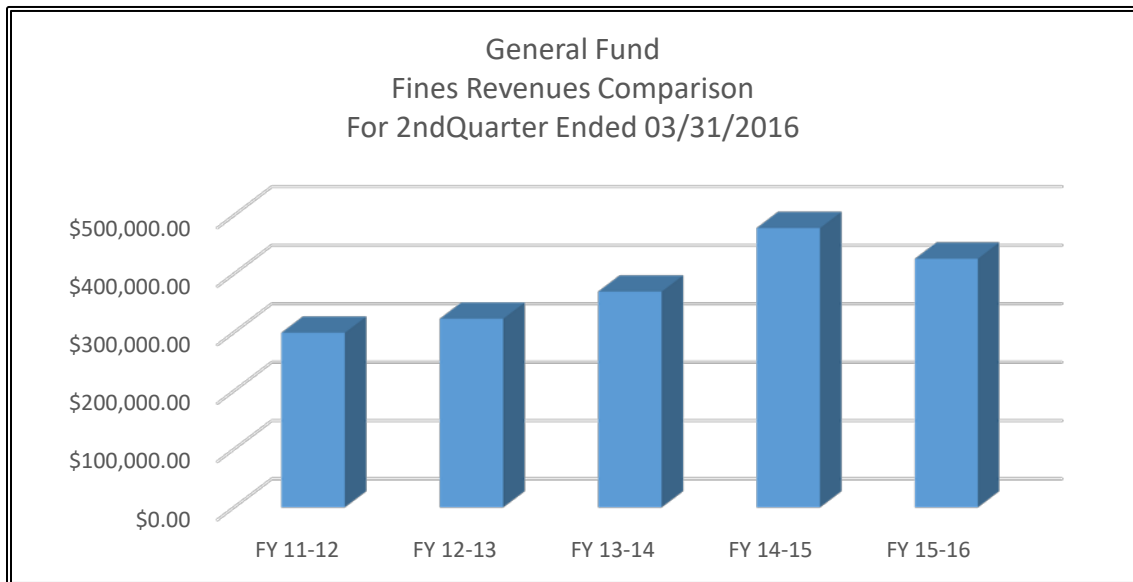


	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$186,082.00	\$288,745.00	\$257,300.00	\$361,450.00	\$277,975.00
Actuals 2nd Quarter	\$93,335.67	\$138,354.54	\$188,233.43	\$101,723.17	\$139,520.97
Actuals vs Budget	50.16%	47.92%	73.16%	28.14%	50.19%

D. Fines

As expected, Municipal Court revenues are back on track after the warrant roundup was completed in this quarter. During this year's roundup, 347 warrants were executed, 451 cases were adjudicated and \$149,621.03 was collected.

Even though our percentage is lower than last year, FY 15-16 revenues are based on an increased budget of \$960,200 which is an increase of \$224,700 over FY 14-15.

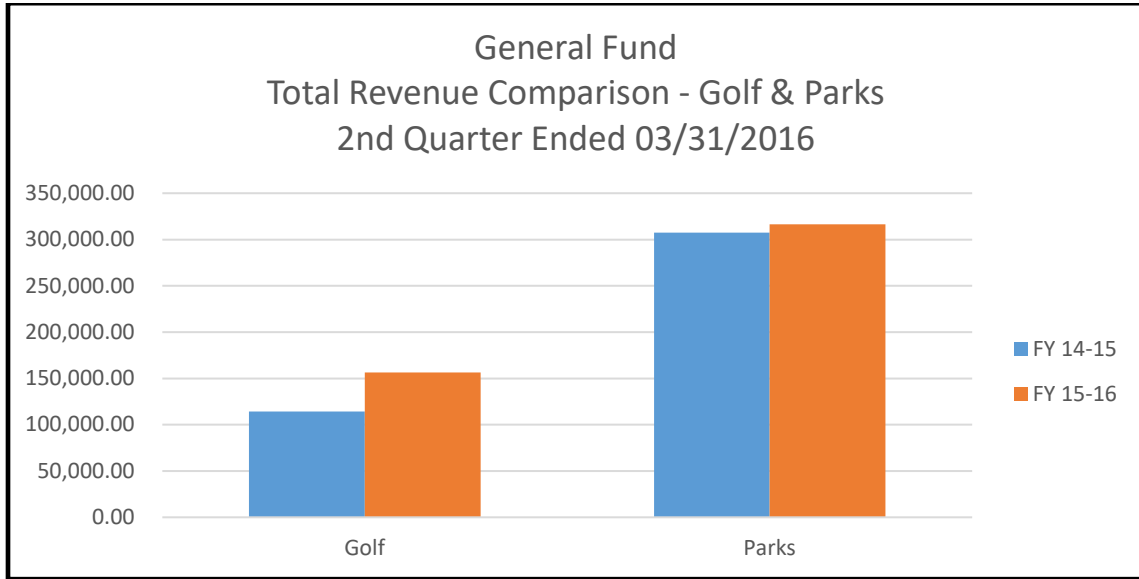


	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$691,062.00	\$685,180.00	\$743,231.00	\$735,500.00	\$960,200.00
Actuals 2nd Quarter	\$299,380.95	\$323,293.41	\$369,671.23	\$478,246.53	\$425,874.20
Actuals vs Budget	43.32%	47.18%	49.74%	65.02%	44.35%

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 56.25% of the FY 15-16 budget versus 25.35% last year.

Parks and Recreation revenues received represent 48.64% of their current year budget compared to 45.52% for last year. The County contributes \$550,000 annually.



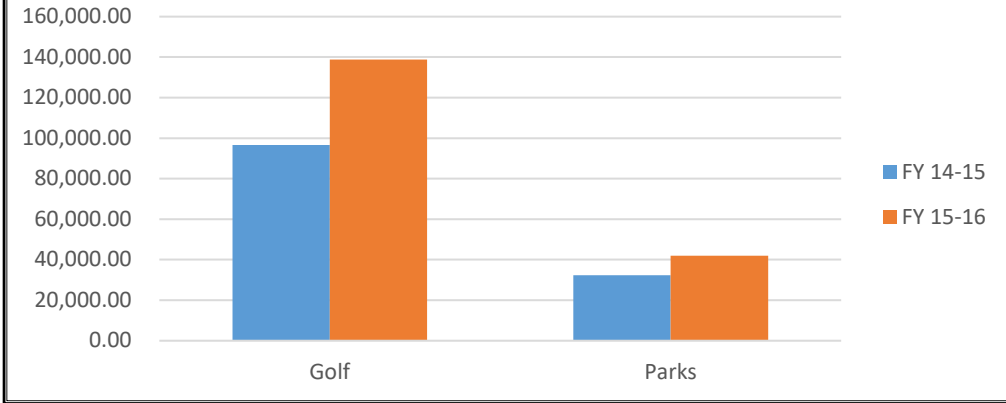
Golf

	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$0.00	\$0.00	\$0.00	\$450,177.05	\$278,025.00
Actuals 2nd Quarter	\$0.00	\$0.00	\$0.00	\$114,128.57	\$156,394.63
Actuals vs Budget				25.35%	56.25%

Parks & Recreation

	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$0.00	\$0.00	\$0.00	\$675,351.66	\$650,680.00
Actuals 2nd Quarter	\$0.00	\$0.00	\$0.00	\$307,442.11	\$316,498.80
Actuals vs Budget				45.52%	48.64%

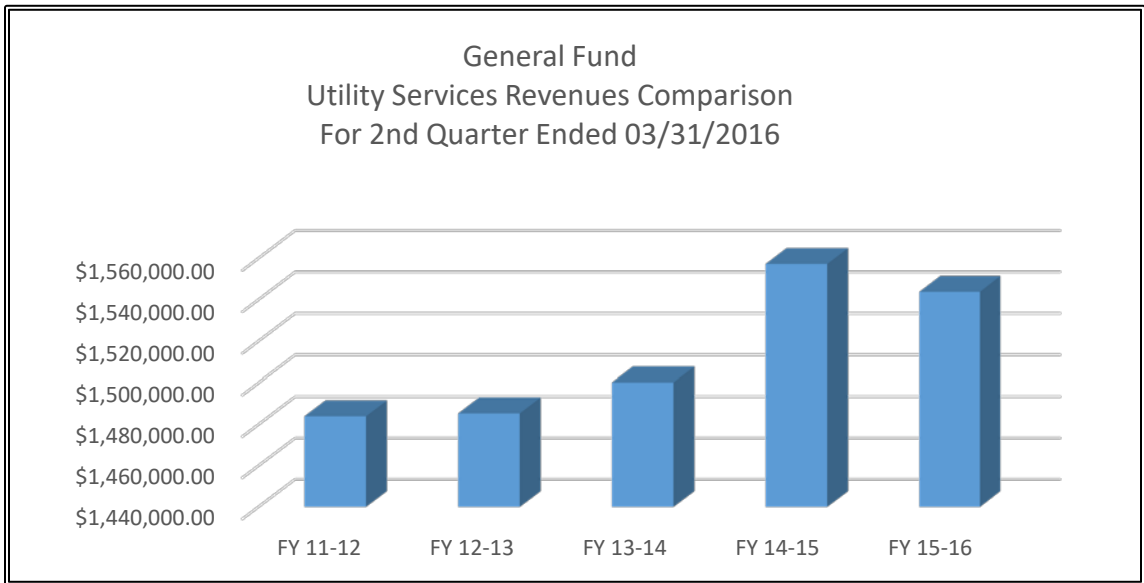
Golf & Park Operations
 (Excludes County Contribution)
 2nd Quarter Ended 03/31/2016



<u>Division</u>	<u>FY 14-15</u>	<u>FY 15-16</u>
Golf	96,628.57	138,794.63
Parks	32,392.13	41,948.82

F. Solid Waste

In General Fund, this revenue category includes landfill and garbage fees. Revenues for this fiscal year are slightly lower compared to last fiscal year due to limiting outside haulers for waste disposal at the landfill and weather related closure of the landfill.



	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$2,970,057.00	\$3,010,321.00	\$3,079,761.00	\$3,185,700.00	\$3,284,900.00
Actuals 2nd Quarter	\$1,484,006.33	\$1,485,384.56	\$1,500,220.37	\$1,557,283.05	\$1,543,832.45
Actuals vs Budget	49.97%	49.34%	48.71%	48.88%	47.00%

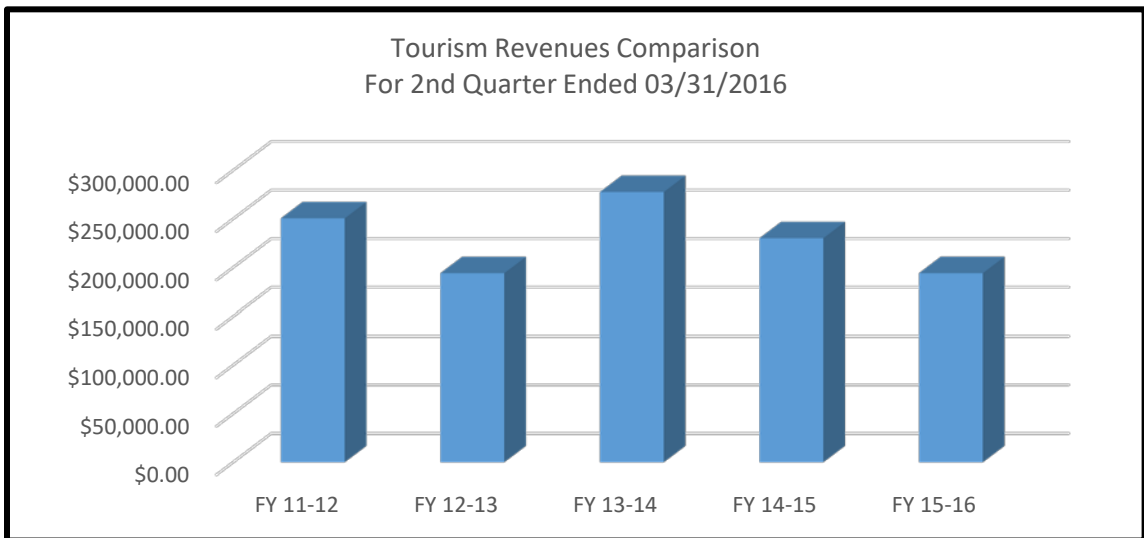
G. Tourism Fund Revenues

The main revenue for Tourism Fund are Hotel Occupancy Taxes collected by the hotels from overnight hotel guests. Revenues received through the 2nd quarter are significantly less than what was received for last year by \$36,000 and \$57,000 less than what was budgeted for FY 15-16. Revenues should be at \$251,150 versus the \$194,197.

With the cancellation of the purchase of the new Visitor Center building, \$25,000 was returned to fund balance after reallocating \$30,000 for building improvements at the current Visitor Center and \$40,000 for the JK Northway master plan.

If revenue projections continue to fall below expected through the third quarter, a review will need to be done to determine if expenditures will continue as appropriated.

Overall, this fund’s reserves were budgeted to decline by \$338,329 due to the moving of the tourism building, the wayfinding sign program and the professional marketing plan. The ending fund balance for FY 15-16 is estimated at \$357,773.14 which is enough to cover the current shortfall of \$57,000



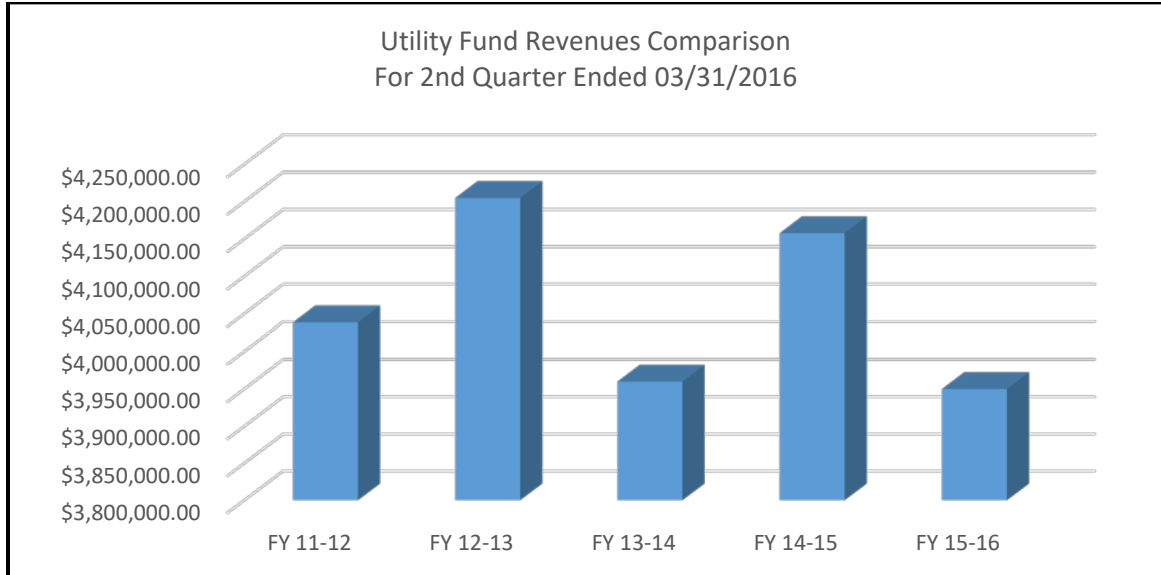
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$454,136.00	\$476,373.00	\$500,720.00	\$575,100.00	\$502,300.00
Actuals 2nd Qtr	\$250,667.99	\$194,139.49	\$277,757.27	\$230,186.63	\$194,196.62
Actuals vs Budget	55.20%	40.75%	55.47%	40.03%	38.66%

	Budget	Actuals	Expected 50%	Off Trend
Revenues	\$502,300.00	\$194,196.62	\$251,150.00	(\$56,953.38)
Expenditures	\$840,629.00	\$246,219.72	\$420,314.50	\$174,094.78
Net				<u>\$117,141.40</u>

The table above indicates that revenues are short, but the expenditures are also less than what was anticipated. Therefore the net is better than expected at this point.

II. Utility Fund Revenues

Revenues from this fund come mainly from water and sewer sales for both residential and commercial customers. Revenues are trending lower than expected for budget purposes and in comparison to past fiscal years. Budgets have increased over the years from \$7.3 million in FY 11-12 to \$8.5 million in FY 15-16. This year we have had an extremely wet first and second quarter which has led to a decline in water and sewer sales. Hopefully with the hot summer months before us, our revenues will get back on track as expected.



	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16
Adjusted Budget	\$7,391,951.00	\$7,833,818.00	\$8,589,372.00	\$8,496,990.00	\$8,570,884.00
Actuals 2nd Quarter	\$4,038,292.50	\$4,204,735.27	\$3,959,706.01	\$4,157,586.80	\$3,949,775.83
Actuals vs Budget	54.63%	53.67%	46.10%	48.93%	46.08%

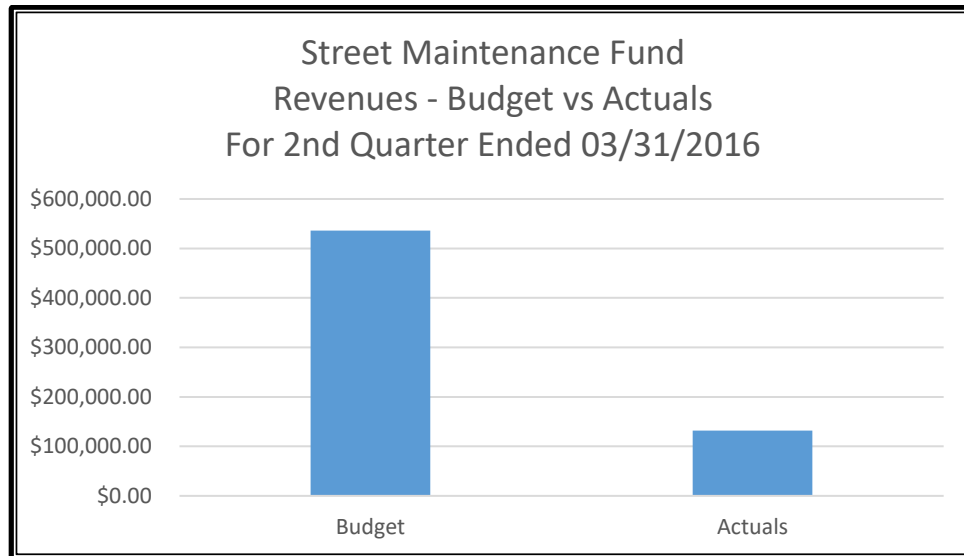
III. Street Maintenance Fund

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.

Through the first month of fees generated, it was discovered that an adjustment needed to be made to the square footage used in the calculation and adjustments were processed to those affected Non Residential customers.

We estimated that this fee would generate approximately \$76,571 per month (\$536,000 for remaining 7 months of FY 15-16) before the adjustments were made, so we will need to monitor the actual revenues once the billings become stable. For FY 16-17, this fee is estimated to bring in approximately \$918,852.

During budget discussions for FY 16-17, this fee will be reviewed along with the needed street improvement projects to determine if adequate revenues are being generated.



Budget	Actuals	Percentage
\$536,000.00	\$132,141.31	24.65%

Total Amount Budgeted For Street Maintenance

Fund 001	General Fund	Regular Budget	\$75,000.00
Fund 034	CO Series 1998	Budget Amend	41,215.93
Fund 065	CO Series 2011	Budget Amend	144,207.53
Fund 067	CO Series 2013	Regular Budget	331,965.00
Fund 092	Street Maint	New Fund	536,000.00
Total FY 15-16 Street Maint Budget			<u>\$1,128,388.46</u>

IV. Overall Revenues

Revenues for the first quarter FY 15-16 from all sources are right on target for budget at 60.72%.

Overall Revenues - All Sources Second Quarter Ended March 31, 2016

Fund	Fund Name	Budget	Revenues	% Collected
001	General Fund	\$18,932,627.00	\$10,220,082.14	53.98%
002	Tourism Fund	502,300.00	194,196.62	38.66%
005	PD State Seizure Fund	68,800.00	468,628.58	681.15%
008	Task Force	1,301,600.00	692,910.60	53.24%
009	Law Enf Off-Stand Police	0.00	3,664.27	0.00%
010	Law Enf Off-Stand Fire	0.00	664.68	0.00%
011	GO Debt Service	1,762,546.00	1,514,591.13	85.93%
012	UF Debt Service	1,548,710.00	774,409.78	50.00%
016	PD Stonegarden	0.00	0.00	0.00%
017	PD Border Star Grant	0.00	11,937.12	0.00%
025	Building Security Fund	16,000.00	6,193.48	38.71%
028	PD Federal Seizure Fund	26.00	8.81	33.88%
031	Muni Court Technology Fund	20,000.00	8,060.74	40.30%
033	CO Series 2016-GF	7,008,245.00	7,009,801.85	100.02%
034	CO Series 1998-GF	0.00	75.42	0.00%
036	CO Series 2000-GF	0.00	0.00	0.00%
039	CO Series 2002-GF	50.00	9.00	18.00%
051	Utility Fund	8,570,884.00	3,949,775.83	46.08%
054	UF Capital Projects	1,000.00	2,655.89	265.59%
055	Stormwater Drainage	230,000.00	113,491.35	49.34%
062	CO Series 2005-UF	0.00	197.26	0.00%
063	CO Series 2007-GF	0.00	0.00	0.00%
064	CO Series 2009-GF	0.00	0.82	0.00%
065	CO Series 2011-GF	95,407.93	49,889.28	52.29%
066	CO Series 2011-UF	2,600.00	3,289.10	126.50%
067	CO Series 2013-GF Streets	2,400.00	16.88	0.70%
068	CO Series 2013-Drainage	100,000.00	2,118.69	2.12%
087	Solid Waste Capital Projects	505,650.00	246,937.10	48.84%
090	Landfill Closure	286,700.00	134,993.04	47.09%
091	GF Capital Projects	49,792.00	3,939.77	7.91%
092	Street Fund	536,000.00	132,141.31	24.65%
138	Self Insurance	3,167,148.00	1,600,501.93	50.53%
410	Activity Fund	0.00	0.00	0.00%
	Revenue Fund Totals	\$44,708,485.93	\$27,145,182.47	60.72%

V. **Overall Expenditures**

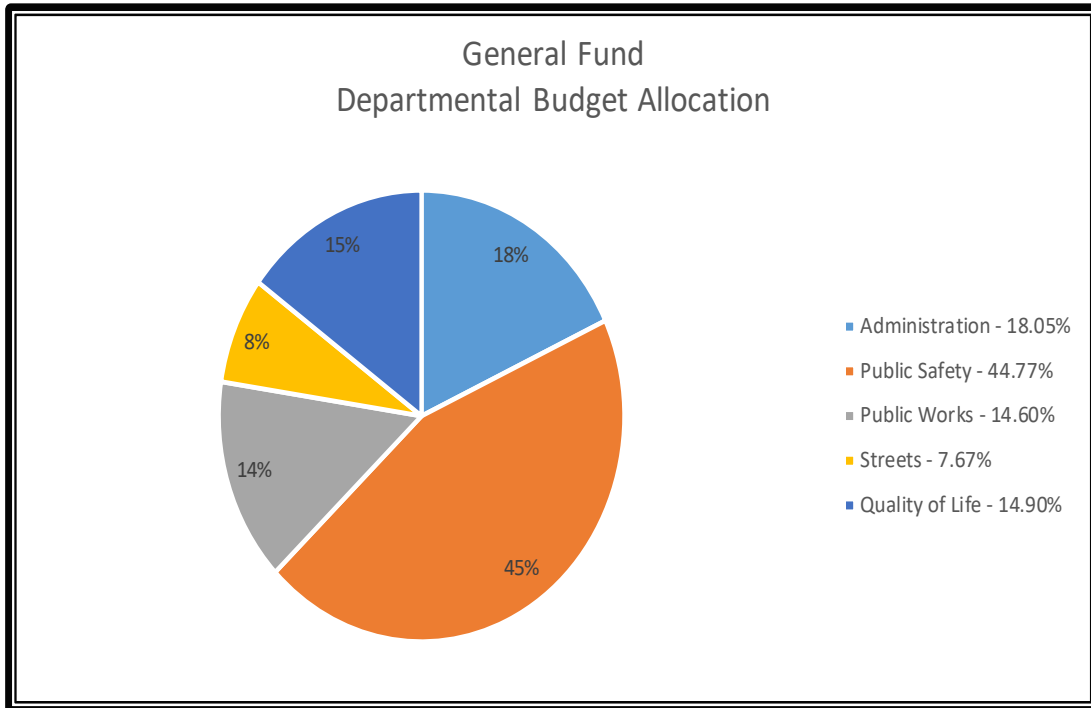
Overall expenditures are on target for the second quarter FY 15-16 at 35.10%. The difference in the target of 50% and actual of 35.10% is due to not all capital projects are 50% complete.

**Overall Expenditures - All Sources
Second Quarter Ended March 31, 2016**

Fund	Fund Name	Budget	Expenditures	% Spent
001	General Fund	19,089,307.00	8,356,693.17	43.78%
002	Tourism Fund	840,629.00	246,219.72	29.29%
005	PD State Seizure Fund	127,137.00	61,196.62	48.13%
008	Task Force	1,342,064.00	489,319.43	36.46%
009	Law Enf Off Stand-Police	0.00	875.00	0.00%
011	GO Debt Service	1,806,138.00	515,719.00	28.55%
012	UF Debt Service	1,547,710.00	220,355.00	14.24%
016	PD Stonegarden	0.00	58,959.81	0.00%
017	PD Border Star Grant	0.00	25,729.40	0.00%
025	Building Security Fund	10,000.00	4,597.52	45.98%
028	PD Federal Seizure Fund	26,484.00	0.00	0.00%
031	Muni Court Technology Fund	43,000.00	3,608.82	8.39%
033	CO Series 2016-GF	7,008,245.00	266,046.45	3.80%
034	CO Series 1998-GF	41,215.93	0.00	0.00%
036	CO Series 2000-GF	0.00	0.00	0.00%
039	CO Series 2002-GF	4,033.00	0.00	0.00%
051	Utility Fund	9,227,211.00	4,065,616.65	44.06%
052	North WW Plant Const	0.00	680.60	0.00%
054	UF Capital Projects	1,229,000.00	26,204.00	2.13%
055	Stormwater Drainage	292,950.00	145,866.60	49.79%
062	CO Series 2005-UF	107,000.00	121.50	0.11%
063	CO Series 2007-GF	0.00	0.00	0.00%
064	CO Series 2009-GF	0.00	0.00	0.00%
065	CO Series 2011-GF	144,207.53	42,252.60	29.30%
066	CO Series 2011-UF	812,853.00	371,881.25	45.75%
067	CO Series 2013-GF Streets	331,965.00	290,847.41	87.61%
068	CO Series 2013-Drainage	2,598,750.00	193,412.00	7.44%
087	Solid Waste Capital Projects	352,650.00	176,254.44	49.98%
090	Landfill Closure	4,695.00	0.00	0.00%
091	GF Capital Projects	2,919,766.00	1,481,359.50	50.74%
092	Street Fund	536,000.00	0.00	0.00%
138	Self Insurance	3,097,000.00	1,744,912.42	56.34%
410	Activity Fund	2,918.00	2,917.56	99.98%
	Expenditure Fund Totals	53,542,928.46	18,791,646.47	35.10%

VI. Departmental Budget Allocation

Below is a budget allocation for all departments in the General Fund.



Classification	Expenditures	%	# of FT Employees
Administration	3,446,416.00	18.05%	21
Public Safety	8,547,082.00	44.77%	101
Public Works	2,787,668.00	14.60%	38
Streets	1,464,456.00	7.67%	20
Quality of Life	2,843,685.00	14.90%	47
	19,089,307.00	100.00%	227

- Administration – City Commission, City Manager, Municipal Building, City Special, Human Resources, Risk Management, Legal, Finance, Purchasing/IT
- Public Safety – Police, Fire, Volunteer Fire
- Public Works – Public Works Admin, Solid Waste Management, Engineering, Service Center, Garage, Street (Public Works Admin & Engineering are split with Utility Fund)
- Streets – Street Operations in the General Fund
- Quality of Life – Planning, Community Appearance, Health, Parks, Golf, Library

VII. Expenditure Budget Amendments

The original approved expenditure budget was \$44,896,987 and at the end of the second quarter FY 15-16, expenditure budget amendments of \$8,645,941.46 were approved increasing the expenditure budget to \$53,542,928.46. A large part of the budget amendments were due to bond proceeds and expenditures for the new street maintenance fund. The following is a listing of approved budget amendments for FY 15-16:

Budget Amendments

Original Budget		44,896,987.00	
Current Budget		<u>53,542,928.46</u>	
Budget Amendment		8,645,941.46	
001-General Fund	88,342.00	29,392.00	TX DOT Agreement
		500.00	Fire-EE Recognition Supplies
		5,950.00	Recreation Programs
		2,000.00	Golf Course Chemicals
		2,500.00	Parks Donations-Sheriff Dept
		8,000.00	Child Safety Vest Program
		40,000.00	JK Northway Master Plan
002-Tourism Fund	20,000.00	20,000.00	Pavilion Improvements
033-CO Series 2016	7,008,245.00	7,008,245.00	Bond Proceeds
034-CO Series 1998-GF	41,215.93	41,215.93	Street Maintenance
051-Utility Fund	613,394.00	191,319.00	Water Well Repairs
			18" Transmission Line
		99,000.00	Chemicals
		37,350.00	Professional Services
		45,725.00	New position - CIP Mgr
		240,000.00	CDBG Grant
065-CO Series 2011	144,207.53	94,415.53	Street Maintenance
		49,792.00	TXDOT Refund - City Hall Complex
066-CO Series 2011	144,745.00	80,200.00	Water Well Repairs
			18" Transmission Line
		64,545.00	Water Well #25
091-Capital Projects-GF	49,792.00	49,792.00	City Hall Complex
092-Street Fund	536,000.00	<u>536,000.00</u>	Street Maintenance
		<u>8,645,941.46</u>	

VIII. 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, 2016, delinquent property taxes were \$579,511.87. There is a corresponding allowance for uncollectible accounts in the amount of \$231,804.75 leaving an anticipated collection of \$347,707.
- 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, 2016, the receivable was \$4,049,527.64. There is a corresponding \$3,936,371.94 allowance for uncollectible accounts leaving an anticipated collection amount of \$113,155.70.
- Sanitation Service – this is for garbage sales for both residential and commercial accounts. As of March 31, 2016, this receivable was \$724,433.65. There is a corresponding allowance for uncollectible accounts in the amount of \$336,154.69 leaving an anticipated collection amount of \$388,278.96.
- 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, 2016 the following balances existed:
 - Demolition Liens \$178,329.12
 - Paving Liens \$1,317.80
 - Abatement of Noxious Matter \$133,728.03
 - Weed Liens \$341,402.58
- Water Accounts – this is for water service for both residential and commercial customers. As of March 31, 2016 this receivable was \$1,085,463.86.
- Sewer Accounts – this is for sewer service for both residential and commercial customers. As of March 31, 2016, this receivable was \$655,051.23. There is a corresponding allowance for uncollectible accounts of \$575,395.02 for both water and sewer accounts receivable leaving an anticipated collection of \$1.165 million.

IX. Budgeted Capital Outlay Status

Department	Description	Approved Budget	Status
General Fund 001			
Technology Services	Hand Scanner For New City Hall 001-5-1902-71200	\$6,000	Ordered
Fire	Technology Items such as computers, laptops, software, Incident Reporting System, Timekeeping/Scheduling System 001-5-2200-71200	\$8,640	Ordered
Volunteer Fire	Wildland Uniforms 001-5-2250-21200	\$5,375	On Order
Health	Time Clock Hand Scanner 001-5-4400-71200	\$5,000	Installed 4/13/16
Health	Ten Bay Kennel	\$11,420	Completed 3/16/16

Department	Description	Approved Budget	Status
	001-5-4400-21700		
Tourism Fund 002			
Tourism	Building Relocation 002-5-1071-71300	\$100,000	Purchase Cancelled
	Wayfinding Signs 002-5-1071-52201	\$50,000	On-going
	Professional Marketing 002-5-1071-31400	\$100,000	On Hold
Task Force Fund 008			
Task Force	Police Vehicle and equipment 008-5-2330-71100	\$51,000	Ordered – Delivery Expected 5/16/16
Court Technology Fund 031			
Municipal Court	Video Conferencing System 031-5-1800-71200	\$25,000	Not ordered yet, working on interlocal with County & MHMR
Utility Fund 051			
Water Construction	8” Water line replacement in community block grant area 051-5-6001-54110	\$60,000	Contract for engineering design complete. Actual project is in process. Estimated completion date is October 2016
WW North Plant	Class 2 service on Turblex Blower 051-5-7001-71200	\$25,000	Completed
WW Sewer	Master Drive force main & Lift station pump project 051-5-7003-71200	\$63,000	Working on easement
WW Sewer	Rehab 8 damaged manholes 051-5-7003-71200	\$120,000	This is being rebid
WW Sewer	John Deere Backhoe 051-5-7003-71200	\$92,000	Completed

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.

General Funds

Fund	Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	Ending Fund Balance
001	5,339,937.37	17,436,469.00	1,496,158.00	19,089,307.00	0.00	5,183,257.37
025	87,413.48	16,000.00	0.00	10,000.00	0.00	93,413.48
033	0.00	7,008,245.00	0.00	7,008,245.00	0.00	0.00
034	41,215.93	0.00	0.00	41,215.93	0.00	0.00
060	198.99	0.00	0.00	0.00	0.00	198.99
087	208,231.96	505,650.00	0.00	0.00	352,650.00	361,231.96
090	2,477,572.38	286,700.00	0.00	4,695.00	0.00	2,759,577.38
091	2,017,596.50	49,792.00	0.00	2,861,526.00	58,240.00	(852,377.50)
092	0.00	536,000.00	0.00	536,000.00	0.00	0.00
410	2,917.56	0.00	0.00	0.00	2,918.00	(0.44)
Totals	10,175,084.17	25,838,856.00	1,496,158.00	29,550,988.93	413,808.00	7,545,301.24

The beginning fund balance has been updated with audited numbers and budgeted revenues and expenditures include approved budget amendments through March 31, 2015. For the above funds, General Fund is the only fund with fund balance reserve requirements. Budget amendments for General Fund include \$58,950 for revenues and \$88,342 for expenditures for a net of (\$29,392).

To verify the ending fund balance for General Fund 001, budgeted expenditures and transfers out for FY 15-26 is used:

- Budgeted Expenditures and Transfers Out for FY 15-16 are \$19,089,307 x 25% = required minimum of \$4,722,326.75
- Based on what we know today, the ending fund balance of \$5,183,257.37 for FY 15-16 will have a surplus reserve of \$410,930.62
- Ending Fund Balance for FY 15-16 is estimated at 27.15%

Fund 001 – General Fund
 Fund 033 – CO Series 2016
 Fund 060 – Computer Lease Purchase
 Fund 090 – Landfill Closure Fund
 Fund 092 – Street Fund

Fund 025 – Building Security Fund
 Fund 034 – CO Series 1998
 Fund 087 – Solid Waste Capital Projects
 Fund 091 – General Fund Capital Projects
 Fund 410 – Activity Fund

Police Forfeiture Funds

Fund	Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	Ending Fund Balance
005	195,118.59	68,800.00	0.00	127,137.00	0.00	136,781.59
008	1,159,902.73	1,301,600.00	0.00	1,292,064.00	50,000.00	1,119,438.73
028	32,356.61	26.00	0.00	26,484.00	0.00	5,898.61
031	52,524.09	20,000.00	0.00	43,000.00	0.00	29,524.09
Totals	1,439,902.02	1,390,426.00	0.00	1,488,685.00	50,000.00	1,291,643.02

Fund 005 – State Forfeiture

Fund 008 – Task Force

Fund 028 – Federal Forfeiture

Fund 031 – Municipal Court Technology

Debt Service – General Fund

Fund	Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	Ending Fund Balance
011	579,648.18	1,409,896.00	352,650.00	1,806,138.00	0.00	536,056.18
Totals	579,648.18	1,409,896.00	352,650.00	1,806,138.00	0.00	536,056.18

Capital Improvement Funds – General Fund

Fund	Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	Ending Fund Balance
039	4,904.43	50.00	0.00	4,033.00	0.00	921.43
064	426.12	0.00	0.00	0.00	0.00	426.12
065	53,199.60	4,400.00	91,007.93	94,415.53	49,792.00	4,400.00
067	367,149.95	2,400.00	0.00	331,965.00	0.00	37,584.95
Totals	425,680.10	6,850.00	91,007.93	430,413.53	49,792.00	43,332.50

Fund 039 – CO Series 2002-2002A

- Issued for equipment, building and various other City needs

Fund 064 – CO Series 2009

- Issued for landfill and various equipment

Fund 065 – CO Series 2011

- Issued for public improvements which include streets

Fund 067 – CO Series 2013

- Issued for renovation and/or rehabilitation of certain City-owned public property which includes streets

Tourism Fund

Fund	Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	Ending Fund Balance
002	696,102.14	502,300.00	0.00	805,629.00	35,000.00	357,773.14
Totals	696,102.14	502,300.00	0.00	805,629.00	35,000.00	357,773.14

Enterprise – Utility Funds

Fund	Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	Ending Fund Balance
12	519,979.35	1,000.00	1,547,710.00	1,547,710.00	0.00	520,979.35
35	0.00	0.00	0.00	0.00	0.00	0.00
51	3,653,867.44	8,570,884.00	0.00	6,621,351.00	2,605,860.00	2,997,540.44
52	0.00	0.00	0.00	0.00	0.00	0.00
54	1,414,207.76	1,000.00	0.00	1,229,000.00	0.00	186,207.76
55	229,657.04	230,000.00	0.00	1,100.00	291,850.00	166,707.04
62	107,823.73	0.00	0.00	107,000.00	0.00	823.73
66	1,466,344.98	2,600.00	0.00	812,853.00	0.00	656,091.98
68	3,222,973.11	100,000.00	0.00	2,598,750.00	0.00	724,223.11
Totals	10,614,853.41	8,905,484.00	1,547,710.00	12,917,764.00	2,897,710.00	5,252,573.41

For the above funds, Utility Fund is the only fund with fund balance reserve requirements. Budget amendments for the Utility Fund includes \$613,394 for expenditures.

To verify the ending fund balance for Utility Fund 051, budgeted expenditures and transfers out for FY 15-16 is used:

- Budgeted Expenditures and Transfers Out for FY 15-16 were \$9,227,211 x 25% = required fund balance of \$2,306,808.75
- Based on what we know today, the ending fund balance of \$2,997,540.44 for FY 15-16 has a surplus reserve of \$690,737.69
- Ending Fund Balance for FY 15-16 is estimated at 32.49%

Fund 012 – Debt Service

Fund 051 – Utility Fund

Fund 054 – Capital Projects

Fund 062 – CO Series 2005

Fund 068 – CO Series 2013

Fund 035 – CO Series 1998

Fund 052 – North Waste Water Plant

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 not to contribute additional reserves and to start charging employees a small portion of the cost of health insurance. In FY 15-16, the City decided to add an additional contribution of \$150,000 and there were no increases to the employee costs.

Fund	Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	Ending Fund Balance
138	515,426.15	3,167,148.00	0.00	3,097,000.00	0.00	585,574.15
Totals	515,426.15	3,167,148.00	0.00	3,097,000.00	0.00	585,574.15

Grant Funds

Fund	Beginning Fund Balance	Budgeted Revenues	Budgeted Transfers In	Budgeted Expenditures	Budgeted Transfers Out	Ending Fund Balance
009	0.00	0.00	0.00	0.00	0.00	0.00
010	0.00	0.00	0.00	0.00	0.00	0.00
013	56.76	0.00	0.00	0.00	0.00	56.76
016	0.00	0.00	0.00	0.00	0.00	0.00
017	0.00	0.00	0.00	0.00	0.00	0.00
027	0.00	0.00	0.00	0.00	0.00	0.00
030	2,365.02	0.00	0.00	0.00	0.00	2,365.02
089	2,083.33	0.00	0.00	0.00	0.00	2,083.33
Totals	4,505.11	0.00	0.00	0.00	0.00	4,505.11

Fund 009 - Law Enforcement
 Fund 013 – Texas Historical
 Fund 017 – Police Border Star Grant
 Fund 030 – Red Ribbon Drug Awareness

Fund 010 – Law Enforcement
 Fund 016 – Police Stonegarden
 Fund 027 – EMS Grant
 Fund 089 – Recycling Center