



Debt Service Funds, Internal Service Funds, & Special Revenue Funds

PRESENTED TO THE CITY COUNCIL ON JUNE 16, 2025

Presentation Overview

- Debt Service Fund
 - GF
 - TIF2
 - 4A
 - 4B
- Health Insurance
- Support Services Fund - IT
- Medical Transport Fund
- Solid Waste Fund
- Cemetery
 - Operating
 - Endowment
- Equipment Replacement Funds
 - Governmental
 - Proprietary
- Equipment Services Fund
- ARPA Fund
- PEG
- HOT/MOT
- MC Funds
 - Building Security Fund
 - Juvenile Case Management Fund
 - Technology Fund

General Debt Service Fund

	FY 23-24 Actual	FY 24-25 Adopted	FY 24-25 Revised	FY 24-25 Year-End	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected	FY 29-30 Projected
Beg Fund Balance	\$ 5,492,377	\$ 6,545,650	\$ 6,545,650	\$ 6,851,142	\$ 4,676,225	\$ 1,124,578	\$ 999,777	\$ 1,000,276	\$ 1,001,171
Property Tax Revenue	\$ 8,898,932	\$ 10,322,724	\$ 10,322,724	\$ 10,403,000	\$ 10,689,521	\$ 12,390,895	\$ 13,645,592	\$ 13,474,862	\$ 14,215,098
TIF2 Transfer-In	\$ 654,689	\$ 691,914	\$ 691,914	\$ 691,104	\$ 730,091	\$ 727,738	\$ 724,412	\$ 726,213	\$ 743,287
4A Transfer-In		\$ 4,126,727	\$ 4,126,727	\$ 4,096,133	\$ 3,861,820	\$ 4,264,544	\$ 5,040,280	\$ 5,930,055	\$ 5,931,738
4B Transfer-In		\$ 3,035,774	\$ 3,035,774	\$ 3,025,483	\$ 3,641,078	\$ 3,569,694	\$ 3,690,107	\$ 3,038,038	\$ 3,335,219
Other Revenue/Other Financing	\$ 563,146	\$ 150,000	\$ 150,000	\$ 275,000	\$ 125,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Revenue	\$ 10,116,767	\$ 18,327,139	\$ 18,327,139	\$ 18,490,720	\$ 19,047,510	\$ 21,002,871	\$ 23,150,391	\$ 23,219,168	\$ 24,275,342
General Debt Service	\$ 8,102,637	\$ 12,917,051	\$ 12,917,051	\$ 12,852,217	\$ 14,365,433	\$ 12,564,924	\$ 13,694,283	\$ 13,523,115	\$ 14,263,604
TIF2 Debt Service	\$ 654,689	\$ 691,914	\$ 691,914	\$ 691,104	\$ 730,091	\$ 727,738	\$ 724,412	\$ 726,213	\$ 743,287
4A Debt Service		\$ 4,126,727	\$ 4,126,727	\$ 4,096,133	\$ 3,861,820	\$ 4,264,544	\$ 5,040,280	\$ 5,930,055	\$ 5,931,738
4B Debt Service		\$ 3,035,774	\$ 3,035,774	\$ 3,025,483	\$ 3,641,078	\$ 3,569,694	\$ 3,690,107	\$ 3,038,038	\$ 3,335,219
Cost Allocation	\$ 676	\$ 700	\$ 700	\$ 700	\$ 735	\$ 772	\$ 810	\$ 851	\$ 893
Total Expenditures	\$ 8,758,002	\$ 20,772,166	\$ 20,772,166	\$ 20,665,637	\$ 22,599,157	\$ 21,127,672	\$ 23,149,892	\$ 23,218,272	\$ 24,274,741
Change in Fund Balance	\$ 1,358,765	\$ (2,445,027)	\$ (2,445,027)	\$ (2,174,917)	\$ (3,551,647)	\$ (124,801)	\$ 499	\$ 896	\$ 601
Ending Fund Balance	\$ 6,851,142	\$ 4,100,623	\$ 4,100,623	\$ 4,676,225	\$ 1,124,578	\$ 999,777	\$ 1,000,276	\$ 1,001,171	\$ 1,001,772

Health Insurance Fund Discussion

- The Health Insurance Fund projection assumes a cap of 5% annual increase in contributions (from both employee and the city contributions)
- HUB is projecting between 8% - 10% annual increases to claims expenditures based on the current plan
- This is consistent with last fiscal year's projections and underscores the importance of ongoing evaluation to maintain the health of both the plan and the fund.

Health Insurance Fund

	FY 23-24 Actual	FY 24-25 Adopted	FY 24-25 Revised	FY 24-25 Year End	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected	FY 29-30 Projected
Beginning Fund Balance	\$ 3,462,577	\$ 3,530,219	\$ 3,530,219	\$ 3,340,556	\$ 3,115,653	\$ 3,039,254	\$ 2,987,400	\$ 2,944,690	\$ 2,888,645
Health and Dental Premium- City	\$ 5,213,911	\$ 5,463,367	\$ 5,463,367	\$ 5,476,098	\$ 5,749,903	\$ 6,037,398	\$ 6,339,268	\$ 6,656,231	\$ 6,989,043
Health and Dental Premium- Other	\$ 821,562	\$ 855,650	\$ 855,650	\$ 910,462	\$ 955,985	\$ 1,003,785	\$ 1,053,974	\$ 1,106,673	\$ 1,162,006
Other Revenues	\$ 1,284,162	\$ 1,048,385	\$ 1,048,385	\$ 1,173,275	\$ 1,108,550	\$ 1,129,029	\$ 1,150,941	\$ 1,174,387	\$ 1,199,474
Total Revenues	\$ 7,319,635	\$ 7,367,402	\$ 7,367,402	\$ 7,559,836	\$ 7,814,439	\$ 8,170,212	\$ 8,544,183	\$ 8,937,291	\$ 9,350,523
Claims	\$ 5,425,865	\$ 5,100,500	\$ 5,108,500	\$ 5,780,538	\$ 6,286,304	\$ 6,813,838	\$ 7,432,274	\$ 8,087,067	\$ 8,803,459
Other Expenditures*	\$ 2,015,791	\$ 2,083,923	\$ 2,080,923	\$ 2,004,202	\$ 1,604,533	\$ 1,757,117	\$ 1,932,168	\$ 2,143,045	\$ 2,373,609
Proj. Budget Balancing Measures						\$ (348,890)	\$ (777,548)	\$ (1,236,777)	\$ (1,762,238)
Total Expenditures	\$ 7,441,656	\$ 7,184,423	\$ 7,189,423	\$ 7,784,739	\$ 7,890,837	\$ 8,222,066	\$ 8,586,894	\$ 8,993,335	\$ 9,414,830
Net revenue (loss)	\$ (122,021)	\$ 182,979	\$ 177,979	\$ (224,904)	\$ (76,398)	\$ (51,854)	\$ (42,711)	\$ (56,044)	\$ (64,307)
Ending Fund Balance	\$ 3,340,556	\$ 3,713,198	\$ 3,708,198	\$ 3,115,653	\$ 3,039,254	\$ 2,987,400	\$ 2,944,690	\$ 2,888,645	\$ 2,824,338
FB % to Expenditures	44.89%	51.68%	51.58%	40.02%	38.52%	36.33%	34.29%	32.12%	30.00%
City Contributions	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Employee Contributions	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

Support Services Fund - IT

	FY 23-24 Actual	FY 24-25 Adopted	FY 24-25 Revised	FY 24-25 Year- End Est	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected	FY 29-30 Projected
Beginning Fund Balance	\$ 1,132,532	\$ 867,231	\$ 867,231	\$ 1,683,066	\$ 1,934,723	\$ 1,277,893	\$ 650,522	\$ 745,970	\$ 872,575
Revenue									
Contributions	5,513,969	6,540,060	6,540,060	6,540,060	6,713,025	6,914,416	7,121,848	7,335,504	7,555,569
Other Revenue	260,706	108,000	108,000	193,756	44,100	43,218	42,354	41,507	40,676
Total Revenue	5,774,675	6,648,060	6,648,060	6,733,816	6,757,125	6,957,634	7,164,202	7,377,010	7,596,245
Expenditures									
Personnel	1,843,874	2,108,375	2,108,375	1,999,452	2,114,707	2,189,798	2,267,723	2,348,598	2,432,542
Base Expenses	3,380,267	4,533,557	4,533,557	4,482,707	5,299,248	5,395,206	4,801,031	4,901,806	5,005,098
Total Expenditures	5,224,141	6,641,932	6,641,932	6,482,159	7,413,955	7,585,004	7,068,755	7,250,405	7,437,640
Change in Fund Balance	\$ 550,534	\$ 6,128	\$ 6,128	\$ 251,657	\$ (656,830)	\$ (627,370)	\$ 95,447	\$ 126,605	\$ 158,606
Ending Fund Balance	\$ 1,683,066	\$ 873,359	\$ 873,359	\$ 1,934,723	\$ 1,277,893	\$ 650,522	\$ 745,970	\$ 872,575	\$ 1,031,180
FB % of Expenditure	32.22%	13.15%	13.15%	29.85%	17.24%	8.58%	10.55%	12.03%	13.86%

Medical Transport Fund

	FY 23-24 Actual	FY 24-25 Adopted	FY 24-25 Revised	FY 24-25 Year- End Est	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected	FY 29-30 Projected
Beginning Fund Balance	\$ (224,613)	\$ 867,231	\$ 867,231	\$ 874,744	\$ 1,087,508	\$ 2,067,704	\$ 1,762,916	\$ 1,435,677	\$ 1,084,695
Revenue									
Ambulance Transport	1,346,155	1,960,251	1,960,251	1,991,170	2,281,052	2,349,484	2,419,968	2,492,567	2,567,344
Other Revenue	9,008	40,000	40,000	33,000	32,340	31,693	31,059	30,438	29,829
GF Transfer In	-	-	-	-	-	-	-	-	-
Total Revenue	1,355,163	2,000,251	2,000,251	2,024,170	2,313,392	2,381,177	2,451,027	2,523,005	2,597,174
Expenditures									
Personnel	1,524,626	2,339,951	2,339,951	2,197,597	2,248,702	2,329,370	2,413,119	2,500,074	2,590,366
Reimb Personnel	(1,454,393)	(614,476)	(614,476)	(614,476)	(1,263,755)	-	-	-	-
Base Expenses	185,573	264,382	264,382	228,284	348,249	356,594	365,147	373,913	382,899
Total Expenditures	255,807	1,989,857	1,989,857	1,811,405	1,333,197	2,685,964	2,778,266	2,873,988	2,973,265
Change in Fund Balance	\$ 1,099,356	\$ 10,394	\$ 10,394	\$ 212,765	\$ 980,195	\$ (304,788)	\$ (327,239)	\$ (350,982)	\$ (376,091)
Ending Fund Balance	\$ 874,744	\$ 877,625	\$ 877,625	\$ 1,087,508	\$ 2,067,704	\$ 1,762,916	\$ 1,435,677	\$ 1,084,695	\$ 708,603
FB % of Expenditure	341.96%	44.10%	44.10%	60.04%	155.09%	65.63%	51.68%	37.74%	23.83%

Solid Waste Fund Discussion

Waste Connections Contracted Rates

- Proprietary fund – charge customers for refuse, recycling and city administrative cost
- Refuse and recycling operations outsourced to Waste Connections
 - No SW rate increases to customers – FY2019-2023
 - Financial strategy was to draw down fund balance in Solid Waste Fund – (FY2019- FB% was 63%)
 - Council approved new 5-year contract on May 1, 2023
 - Extend Contract through September 2029
- Prior year CPI increases - Waste Connections Contract (CPI Letter is received annually by the city in July)
 - FY2022 – 4% Increase
 - FY2023 – 10% increase
 - FY2024 – 8% increase
 - FY 2025 – 4% increase
 - FY2026-2029 – CPI + Fuel Adjustment

Solid Waste Fund Discussion

Impact to Residential Customers

After no rate increases from FY2019–FY2023, a phased adjustment was implemented over FY2024 and FY2025 to align customer rates with actual solid waste and recycling costs.

The impact to residential rates is outlined below. These increases include adjustments to solid waste and recycling rates, as well as administrative, overhead, and franchise fees:

- Fiscal Year 2024 increase of \$3.64 per month
- Fiscal Year 2025 increase of \$2.39 per month
 - \$1.00 litter abatement fee was added to the “Admin and Overhead” in 2025
- Projected Fiscal Year 2026 increase of \$1.33 per month

Citizens Rates	2023	2024	2025	2026
Waste Collection	\$ 13.50	\$ 16.20	\$ 17.28	\$ 18.32
Recycling	\$ 2.50	\$ 3.00	\$ 3.21	\$ 3.41
Admin and Overhead	\$ 1.00	\$ 1.10	\$ 2.10	\$ 2.10
Franchise Fee	\$ 1.20	\$ 1.54	\$ 1.64	\$ 1.74
Total	\$ 18.20	\$ 21.84	\$ 24.23	\$ 25.56

Solid Waste Fund

	FY 23-24 Actual	FY 24-25 Adopted	FY 24-25 Revised	FY 24-25 Year- End Est	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected	FY 29-30 Projected
Beginning Fund Balance	\$ 519,420	\$ 416,698	\$ 416,698	\$ 593,799	\$ 655,371	\$ 799,849	\$ 952,919	\$ 1,114,922	\$ 1,286,218
Total Revenue	4,388,895	4,797,841	4,797,841	4,803,883	5,163,995	5,459,510	5,772,647	6,104,472	6,456,112
Total Expenditures	4,314,515	4,704,493	4,744,433	4,742,312	5,019,517	5,306,440	5,610,644	5,933,176	6,275,145
Change in Fund Balance	\$ 74,379	\$ 93,348	\$ 53,408	\$ 61,571	\$ 144,478	\$ 153,070	\$ 162,003	\$ 171,296	\$ 180,967
Ending Fund Balance	\$ 593,799	\$ 510,046	\$ 470,106	\$ 655,371	\$ 799,849	\$ 952,919	\$ 1,114,922	\$ 1,286,218	\$ 1,467,185
FB % of Expenditure	13.76%	10.84%	9.91%	13.82%	15.93%	17.96%	19.87%	21.68%	23.38%

Cemetery Operating Fund

	FY 23-24 Actual	FY 24-25 Adopted	FY 24-25 Revised	FY 24-25 Year- End Est	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected	FY 29-30 Projected
Beginning Fund Balance	\$ 343,364	\$ 396,153	\$ 396,153	\$ 430,786	\$ 470,456	\$ 517,534	\$ 564,807	\$ 612,307	\$ 660,069
Total Revenue	111,423	63,500	63,500	73,000	73,790	74,632	75,526	76,474	77,477
Expenditures									
Base Expenses	24,001	33,330	33,330	33,330	26,712	27,359	28,025	28,712	29,419
Total Expenditures	24,001	33,330	33,330	33,330	26,712	27,359	28,025	28,712	29,419
Change in Fund Balance	\$ 87,422	\$ 30,170	\$ 30,170	\$ 39,670	\$ 47,078	\$ 47,273	\$ 47,501	\$ 47,762	\$ 48,058
Ending Fund Balance	\$ 430,786	\$ 426,323	\$ 426,323	\$ 470,456	\$ 517,534	\$ 564,807	\$ 612,307	\$ 660,069	\$ 708,127
FB % of Expenditure	1795%	1279%	1279%	1412%	1937%	2064%	2185%	2299%	2407%

Cemetery Endowment Fund

	FY 23-24 Actual	FY 24-25 Adopted	FY 24-25 Revised	FY 24-25 Year- End Est	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected	FY 29-30 Projected
Beginning Fund Balance	\$ 163,484	\$ 179,775	\$ 179,775	\$ 187,215	\$ 200,715	\$ 214,620	\$ 228,942	\$ 243,694	\$ 258,888
Total Revenue	23,731	13,500	13,500	13,500	13,905	14,322	14,752	15,194	15,650
Total Expenditures	-	-	-	-	-	-	-	-	-
Change in Fund Balance	\$ 23,731	\$ 13,500	\$ 13,500	\$ 13,500	\$ 13,905	\$ 14,322	\$ 14,752	\$ 15,194	\$ 15,650
Ending Fund Balance	\$ 187,215	\$ 193,275	\$ 193,275	\$ 200,715	\$ 214,620	\$ 228,942	\$ 243,694	\$ 258,888	\$ 274,538

Equipment Replacement Fund- Governmental

- Maintains vehicles and equipment replacement schedule
 - Supported by General Fund, PPF and ESF funds
- Estimated FY25 Ending Fund Balance for ERF \$6,025,676
- Projected FY26 Total Revenues: \$1,464,101
- Projected FY26 Total Expenditures: \$492,700
 - Public Works - \$189,100 (Boom Mower)
 - Public Works - \$135,000 (Pickup)
 - Police- \$38,600 (SUV)
 - Public Works- \$130,000 (Generator)
- Estimated FY26 Ending Fund Balance for ERF: \$6,997,077

Equipment Replacement Fund- Proprietary

- Maintains vehicle and equipment replacement schedule
 - Water & Wastewater and Golf Funds
- Estimated FY25 Ending Fund Balance: \$2,244,578
- Projected FY26 Total Revenues: \$539,294
- Projected FY26 Total Expenses: \$733,450
 - Public Works- \$83,000 (Pickup)
 - Hidden Creek Golf Course- \$69,850 (Sprayer + GPS)
 - Public Works- \$40,000 (Pickup)
 - Public Works- \$40,000 (Pickup)
 - Hidden Creek Golf Course- \$15,000 (Mower)
 - Public Works- \$50,000 (Pickup)
 - Hidden Creek Golf Course- \$15,000 (Mower)
 - Public Works- \$83,000 (Pickup)

Equipment Replacement Fund- Proprietary

- Public Works- \$50,000 (Pickup)
- Hidden Creek Golf Course- \$9,600 (Gator)
- Public Works- \$148,000 (Pickup)
- Public Works- \$130,000 (Generator)
- Estimated FY26 Ending Fund Balance for ERF: \$2,050,422

Equipment Services Fund

- Supports maintenance and repairs of the City's fleet and heavy equipment
- Inflation rate increase impacting cost of repairs and fuel prices
- Contributions from operating departments to support operations
- Estimated FY25 Ending Funding Fund Balance: \$149,405
- Proposed FY26 Total Revenues/Contributions: \$2,123,200
- Proposed FY26 Total Expenditure: \$2,104,452
- Estimated FY26 Ending Fund Balance: \$168,153

American Rescue Plan Act (ARPA) Fund

Expenditures	FY25	FY26
Medical Transport Personnel	\$ 614,476	\$ 1,263,755
Totals	\$ 614,476	\$ 1,263,755

Other Funds

Public Educational and Governmental Fund (PEG) – Revenues to be used for capital expenditures related to a municipal public access channel and the broadcasting of council meetings to the public

- Estimated FY25 ending fund balance: \$127,335
- Proposed FY26 Revenues: \$42,000
- Proposed FY26 Expenses: \$90,560
- Estimated FY26 ending fund balance: \$78,775

Hotel/Motel Fund – Revenues are from a 7% hotel/motel tax imposed on the rental of hotel/motel rooms located within the city – Funds are restricted to promoting tourism, conventions, and related activities within the city

- Estimated FY25 ending fund balance: \$543,866
- Proposed FY26 Revenues: \$553,450
- Proposed FY26 Expenditures: \$553,143
- Estimated FY26 ending fund balance: \$544,173

Municipal Court Funds

MC – Technology Fund – Revenues to be used to purchase or maintain technology enhancements for municipal court operations

- Estimated FY25 ending fund balance: \$48,581
- Proposed FY26 Revenues: \$17,000
- Proposed FY26 Expenses: \$2,340
- Estimated FY26 ending fund balance: \$62,241

MC – Juvenile Case Management Fund – Revenues to be used for personnel cost, travel, supplies and other expenses related to the Juvenile Case Manager

- Estimated FY25 ending fund balance: \$1,150
- Proposed FY26 Revenues: \$15,370
- Proposed FY26 Expenses: \$10,000
- Estimated FY26 ending fund balance: \$6,520

MC – Building Security Fund – Revenues to be used for security personnel, services, and items related to the municipal court building

- Estimated FY25 ending fund balance: \$154,024
- Proposed FY26 Revenues: \$23,647
- Proposed FY26 Expenses: \$10,420
- Estimated FY26 ending fund balance: \$162,404

Questions/Comments