



# Quarterly Financial Update & Investment Report



August 7, 2025

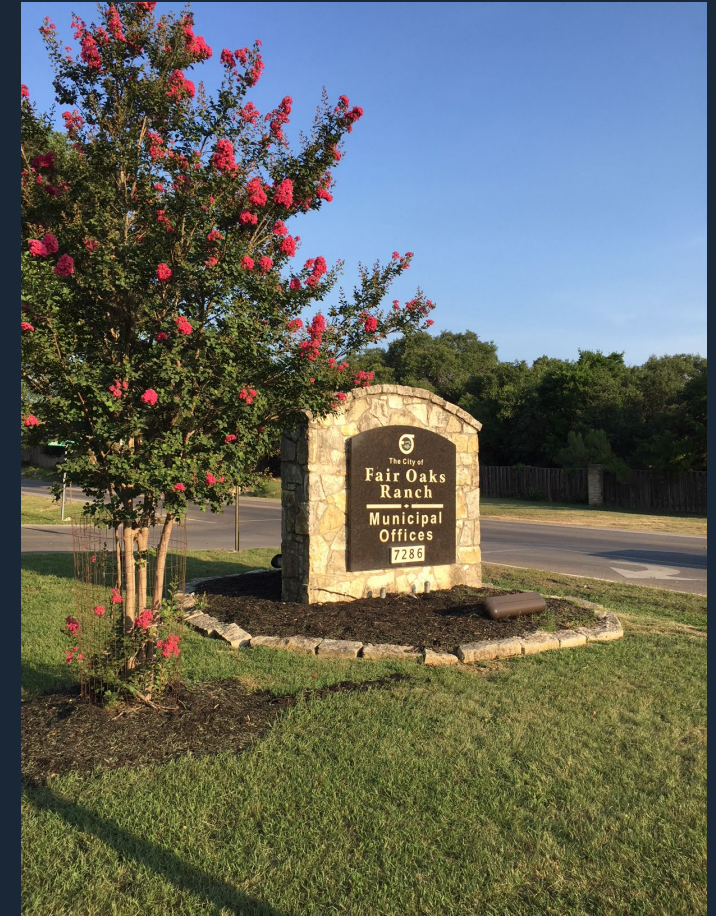
Summer Fleming, CGFO

Director of Finance

# Financial Highlights



- Updated projections through the third quarter
- General fund expenditures are projected at \$10.7 million, \$580,000 under budget
- Projecting to add approximately \$400,000 to fund balance by year-end
- Maintains a 6-month operating reserve
- Approximately \$700,000 projected fund balance in the Strategic Projects Fund available for FY 2025-26 initiatives
- Utility expected to add \$1.59 million to net position due to capital investment.

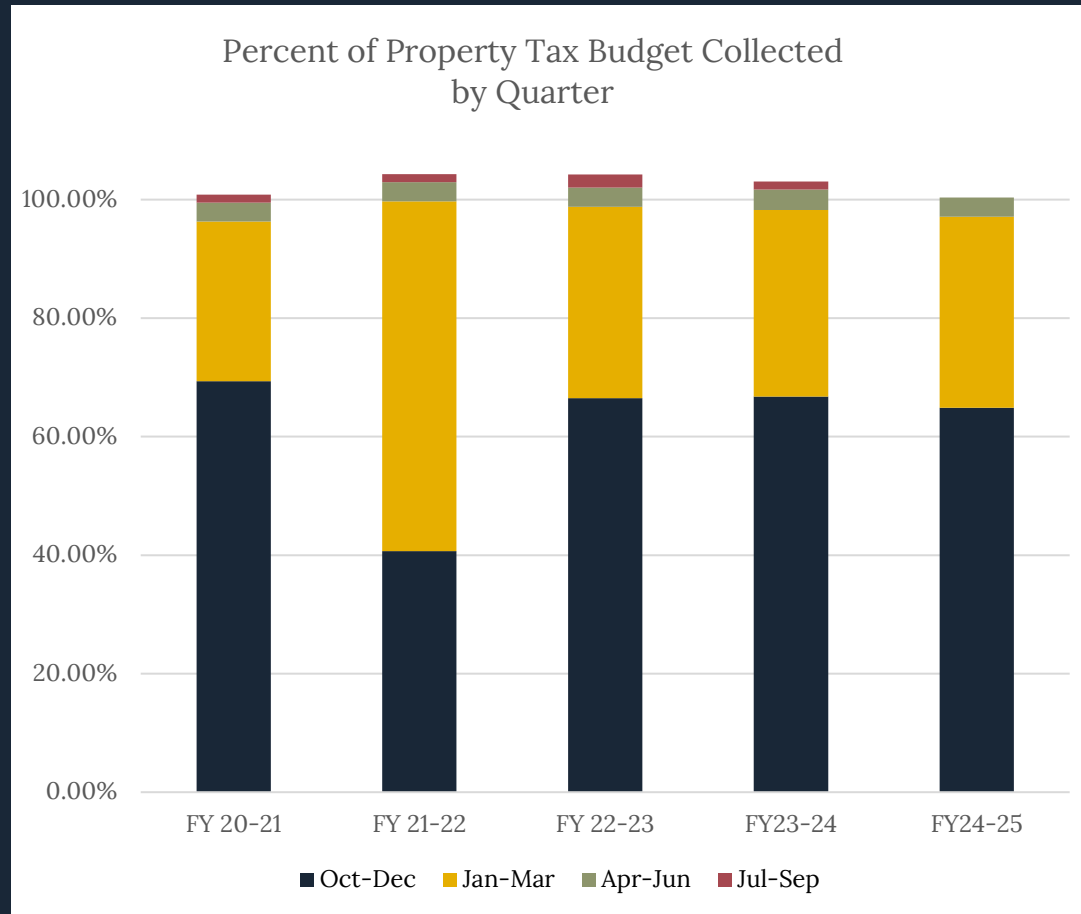


# General Fund Revenues



Type	FY 2023-24 Actual	FY 2024-25 Budget	9-Month Actual	12-Month Projected	12-Month Variance
Property Tax	\$6,813,962	\$6,612,107	\$6,629,634	\$6,708,745	\$96,638
Sales Tax	1,788,324	1,845,222	1,096,070	1,820,651	(24,571)
Franchise Fees	743,231	762,350	418,070	767,050	4,700
Permits	232,138	168,200	148,850	179,400	11,200
Court Fines & Fees	191,584	207,300	103,199	163,100	(44,200)
Fees & Services	521,604	361,910	302,808	405,505	43,595
Interest Earnings	683,555	450,000	402,661	525,000	75,000
Grants & Contributions	141,826	313,440	67,527	303,440	(10,000)
Other	609,860	324,165	186,736	236,169	(87,996)
Total	\$11,726,084	\$11,044,694	\$9,355,554	\$11,109,059	\$64,365

# Property Tax Highlights

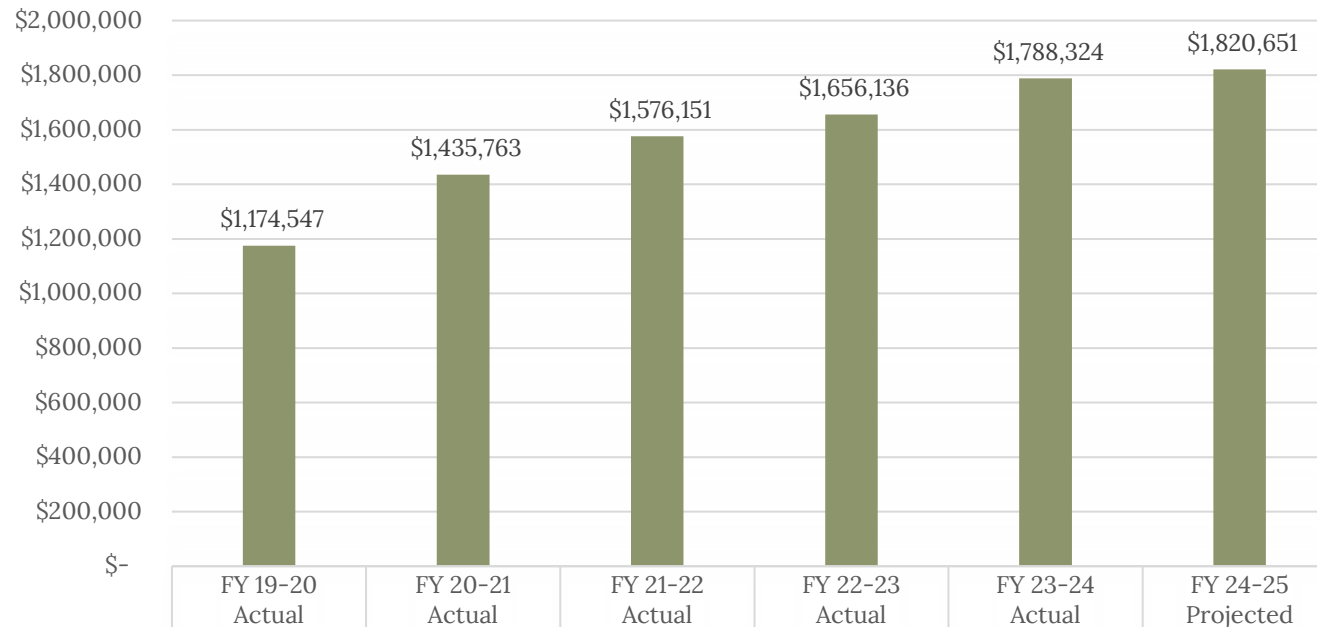


- 2024 Tax Levy is \$7.6 million
- Collected 98% of the levy
- Projecting surplus to budget of \$96,638 including delinquent taxes

# Sales Tax Highlights



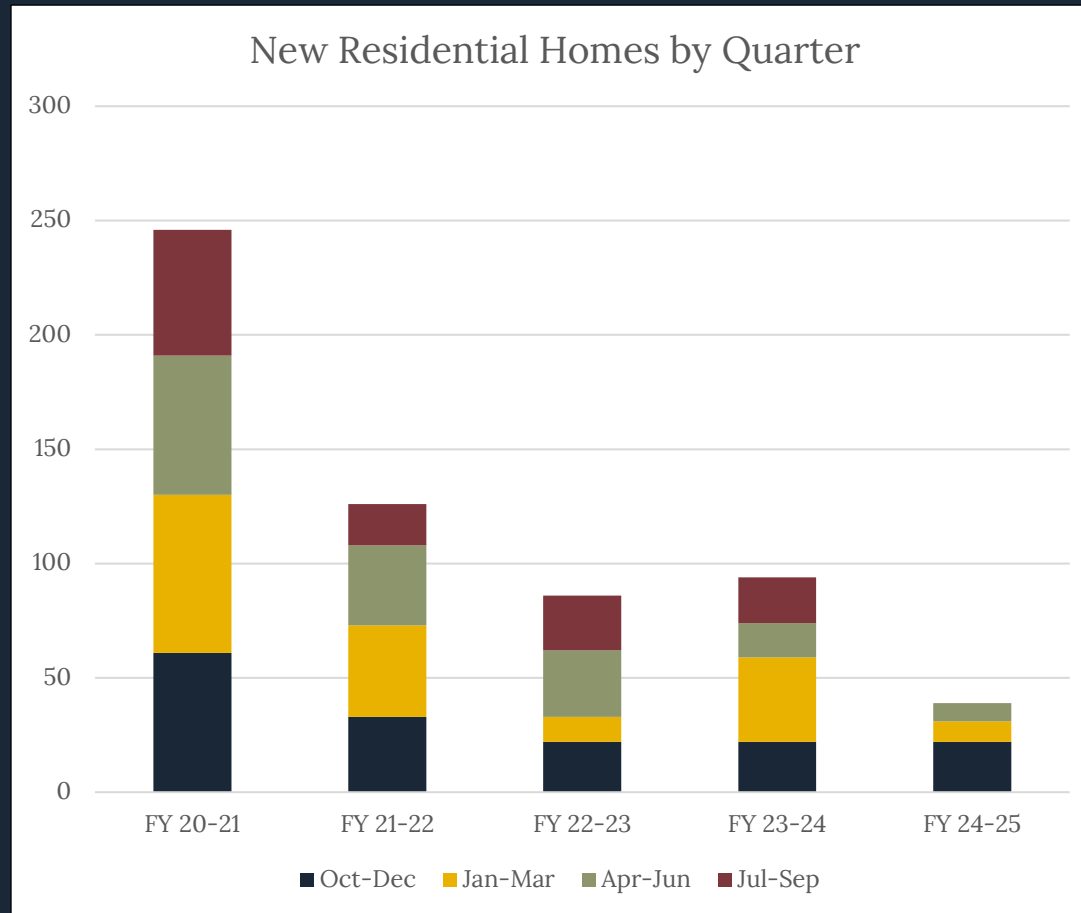
City Of Fair Oaks Ranch, Texas  
Annual Sales Tax Revenue Received for Fiscal Years 2020-2025



■ Sales Tax	\$1,174,547	\$1,435,763	\$1,576,151	\$1,656,136	\$1,788,324	\$1,820,651
\$ Inc from Prior Year	\$319,965	\$261,216	\$140,388	\$79,985	\$132,188	\$32,327
% Inc from Prior Year	37.44%	22.24%	9.78%	5.07%	7.98%	1.81%

- Sales tax revenue totaled \$1.1 million to date
- Sales tax receipts were \$22,000 or 2% more than same time last year
- Projecting \$1.82 million this fiscal year

# Residential Permits



- 39 New Residential Home permits issued through June 30
- Total permits revenue projecting to exceed budget approximately \$11,000



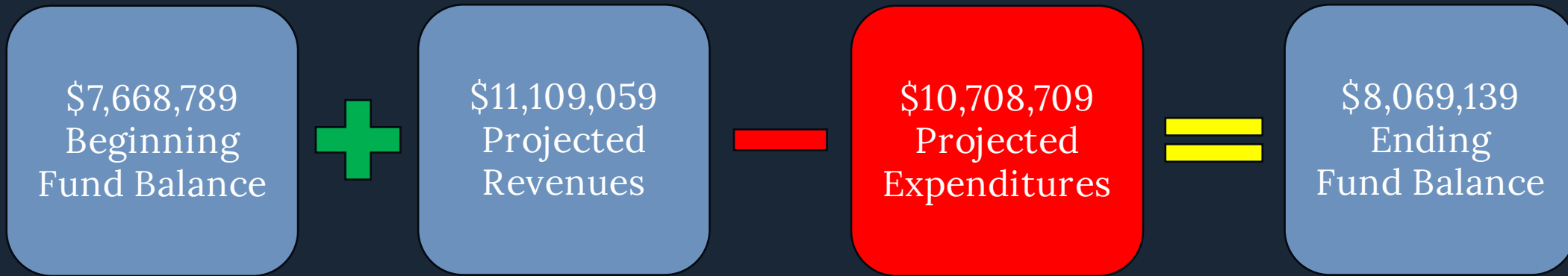
# General Fund Expenditures



Type	FY 2023-24 Actual	FY 2024-25 Budget	9-Month Actual	12-Month Projected	12-Month Variance
Personnel	\$5,478,855	\$6,247,754	\$4,080,975	\$5,743,700	\$504,054
Supplies, Maint., Ops	1,162,375	1,351,581	519,701	1,356,243	(4,662)
Professional Services	1,793,865	2,182,664	1,471,147	2,122,319	60,345
Shared Services	197,471	271,701	213,394	261,201	10,500
Capital Outlay	937,864	492,304	363,652	482,108	10,196
Transfers	1,115,471	743,138	743,138	743,138	-
Total	\$10,685,901	\$11,289,142	\$7,392,007	\$10,708,709	\$580,433



# Fund Balance Projection



- Maintains \$4.85 million operating reserve (equal to six months of operating expenditures)
- Projects \$2.8 million unassigned fund balance
- The increase is attributable to increased property tax collections, strong interest earnings, and a secured grant for the Gateway Monument, combined with savings in personnel due to vacancies.



# Strategic Projects Fund



Reliable & Sustainable Infrastructure	FY 2024-25 Budget	FY 2024-25 Projected	Savings
Community Center	\$254,192	\$67,000	\$187,192
City Hall Renovation	\$133,835	\$58,835	\$75,000
Rolling Acres Trail Drainage Project #5	\$222,905	\$222,905	\$-
Tivoli Way Drainage Project #34	\$755,028	\$754,911	\$117
8472 Rolling Acres Trail Drainage Project #2	\$67,600	\$67,600	\$-
8040 Rolling Acres Trail Drainage Project #4	\$67,600	\$67,600	\$-
Vestal Park Culvert Drainage Project #42	\$113,844	\$13,844	\$100,000
Post Oak Trail Widening	\$116,766	\$-	\$116,766
Dietz Elkhorn Reconstruction	\$232,426	\$232,426	\$-
Dietz Elkhorn Sidewalk	\$388,232	\$7,369	\$380,863
Chartwell Lane Project #35	\$64,592	\$64,592	\$-

# Strategic Projects Fund



Public Health, Safety & Welfare and Operational Excellence	FY 2024-25 Budget	FY 2024-25 Projected	Savings
Fire Station #3 Upgrades	\$40,034	\$40,034	\$-
Compensation & Benefit Plan Study	\$60,000	\$30,500	\$29,500
Personnel Manual Update	\$10,000	\$5,189	\$4,811
Gateway Monument	\$199,840	\$199,840	\$-
Records Retention - Third Party Scanning	\$40,000	\$40,000	\$-
IT Master Plan	\$75,000	\$74,931	\$69

# Utility Revenues



Type	FY 2023-24 Actual	FY 2024-25 Budget	9-Month Actual	12-Month Projected	12-Month Variance
Water Operating	\$4,247,141	\$4,296,696	\$2,999,970	\$4,390,639	\$93,943
Wastewater Operating	1,692,909	1,713,153	1,348,513	1,780,213	67,060
Total Operating Revenues	\$5,940,050	\$6,009,849	\$4,348,483	\$6,170,852	\$161,003
Water Non-Operating	\$1,004,361	\$1,440,889	\$1,137,223	\$1,508,089	\$67,200
Wastewater Non-Operating	515,851	790,630	500,994	663,830	(126,800)
Total Non-Operating Revenues	\$1,520,212	\$2,231,519	\$1,638,217	\$2,171,919	(\$59,600)
Total Utility Revenues	\$7,460,262	\$8,241,368	\$5,986,700	\$8,342,771	\$101,403

# Utility Expenditures



Type	FY 2023-24 Actual	FY 2024-25 Budget	9-Month Actual	12-Month Projected	12-Month Variance
Personnel	\$1,970,151	\$2,113,684	\$1,432,979	\$2,025,295	\$88,389
Supplies, Maint., & Ops.	3,026,832	3,164,557	2,181,981	3,134,425	30,132
Services	199,206	459,986	379,616	439,986	20,000
Total Operating Expenditures	\$5,196,189	\$5,738,227	\$3,994,576	\$5,599,706	\$138,521
Capital Purchases	\$767,787	\$540,116	\$246,794	\$540,881	(\$767)
Capital Projects	\$499,454	\$6,080,671	\$1,868,155	\$5,430,671	\$650,000

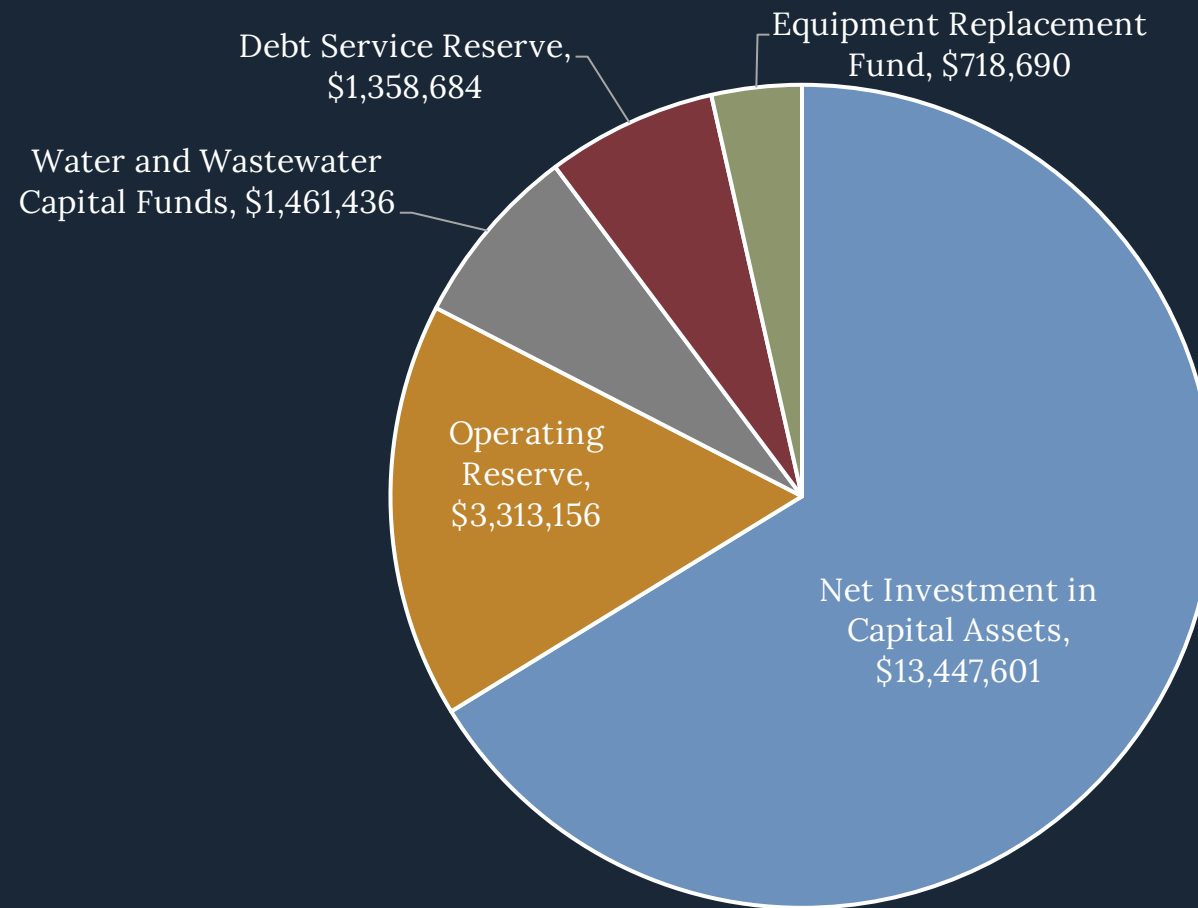
# Operating Income After Depreciation



	FY 2023-24 Actual	FY 2024-25 Budget	12-Month Projected	12-Month Variance
Operating Revenues	\$5,940,050	\$6,009,849	\$6,170,852	\$161,003
Operating Expenses				
Personnel	1,970,151	2,113,684	2,025,295	88,389
Supplies, Maint., & Operations	3,026,832	3,164,557	3,134,425	30,132
Services	199,206	459,986	439,986	20,000
Total Operating Expenses	5,196,189	5,738,227	5,599,706	138,521
Depreciation & Amortization	972,902	820,600	1,010,000	(189,400)
Operating Income After Depreciation	(\$229,041)	(\$548,978)	(\$438,855)	\$110,124

# Projected Net Position

## \$20,299,567





# Investment Update



# Investment Inventory



Investment	Beginning Balance	Deposits / (Withdrawals)	Interest Earned	Ending Balance
Frost Bank	\$643,265	\$806,915	\$80	\$1,450,260
TexPool	7,121,038	(772,599)	76,735	6,425,174
TexPool Prime	4,336,491	(1,737,796)	35,836	2,634,531
Texas CLASS	16,253,483	-	179,891	16,433,374
Total Investments	\$28,354,277	(\$1,703,480)	\$292,542	\$26,943,339



# Questions?