

Fiscal Year 2024 Report



CITY TREASURER

1. Annual Budget Performance

- The city performed well throughout the year despite unexpected costs for debris removal following two summer storms. While inter-budgetary transfers will be necessary to cover these and other minor overages, sufficient savings from other expense categories will offset these costs.
- The Utility Fund brought in and spent less than anticipated. Some fund balances will be transferred to the next fiscal year to cover incomplete projects such as the TCEQ MS4 stormwater management update for regulatory compliance and the replacement of aging water meters to improve operational efficiency and accuracy in billing.
- None of the accounts experienced a deficit, meaning that actual expenditures remained within or below the allocated budget for each fund.

2. Revenue Collection

- The City received approximately \$30,000 less than anticipated in property taxes; however, revenue from all other sources exceeded budgeted amounts, resulting in an estimated General Fund combined balance of \$3,285,667. This is an increase from the previous year’s balance of \$2,578,128.
- One final month of property tax distribution is still pending, but since the amount to be collected is uncertain, the fiscal year estimate is based solely on the property taxes collected so far.
- The Utility Fund generated approximately \$34,000 less than budgeted, primarily due to a shortfall in water revenue. This was only partially offset by higher-than-expected revenue from billing fees.

3. Expenditure Summary

- General Fund expenditures were approximately \$108,705 less than anticipated. Over-budgeted items include police services, ditch cleaning (to be carried forward to next year), miscellaneous METRO, medical insurance, utility locates, and engineering costs.
- Utility Fund expenses came in \$63,000 below budget, with sewer repairs costing \$15,000 less than expected. Other over-budgeted items included contingency expenses, repairs, and meter upgrades.

4. Debt Management

- The City made the final payment on the 2014 Debt Series and is on track to complete the 2018 Debt Series by March 2025.
- This positions the City to take on new debt for upcoming capital projects over the next 5-10 years. The 2024 Debt Series is scheduled to be sold in fiscal year 2025.

5. Grant Management and Special Funds

- The City allocated the remainder of its State and Local Fiscal Relief Funds to the Capital Infrastructure Project on Hilshire Green. These funds, totaling less than \$50,000, must be obligated by December 31, 2024, and spent by December 31, 2026.

6. Investment Portfolio

- The City opened TexPool accounts for the Utility Fund and the Cultural Education Finance Facilities Corporation this year. Across its six TexPool investment accounts, the City earned \$127,794.40 in interest during the fiscal year.