

# EXHIBIT “A”

PROPOSED AMENDED BUDGET 2016-17

CITY OF FARMERS BRANCH, TEXAS

PROPOSED AMENDED BUDGET 2016-17

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# GENERAL FUND REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
<u>TAXES</u>						
PROPERTY - CURRENT	\$ 22,400,000	\$ 22,238,906	\$ 24,300,000	\$ 24,300,000	\$ 24,300,000	\$ 0
PROPERTY - PRIOR YEAR	(100,000)	67,432	50,000	50,000	50,000	0
SALES & USE	13,560,000	13,554,921	14,130,000	14,130,000	13,706,100	(423,900)
MIXED BEVERAGE	85,000	84,915	85,000	85,000	85,000	0
FRANCHISE FEES	4,336,000	4,235,295	4,516,000	4,516,000	4,416,500	(99,500)
PENALTIES & INTEREST	100,000	79,358	100,000	100,000	100,000	0
SUB-TOTAL	<u>40,381,000</u>	<u>40,260,827</u>	<u>43,181,000</u>	<u>43,181,000</u>	<u>42,657,600</u>	<u>(523,400)</u>
<u>LICENSES &amp; PERMITS</u>						
HEALTH	45,000	44,445	45,000	45,000	53,000	8,000
BUILDING	810,200	996,792	1,509,000	1,509,000	1,664,000	155,000
PLUMBING	102,000	93,610	100,000	100,000	100,000	0
ELECTRICAL	100,000	110,601	95,000	95,000	95,000	0
HVAC	86,000	87,763	60,000	60,000	80,000	20,000
MULTI-FAMILY INSPECTION	100,000	94,590	100,000	100,000	110,000	10,000
SUB-TOTAL	<u>1,243,200</u>	<u>1,427,801</u>	<u>1,909,000</u>	<u>1,909,000</u>	<u>2,102,000</u>	<u>193,000</u>
<u>INTERGOVERNMENTAL REVENUE</u>						
OTHER GOVT'L ENTITIES	<u>150,000</u>	<u>150,000</u>	<u>0</u>	<u>0</u>	<u>150,000</u>	<u>150,000</u>
SUB-TOTAL	<u>150,000</u>	<u>150,000</u>	<u>0</u>	<u>0</u>	<u>150,000</u>	<u>150,000</u>
<u>CHARGES FOR SERVICES</u>						
ZONING	24,000	24,675	20,000	20,000	20,000	0
PRINTING & DUPLICATING	13,400	14,879	12,000	12,000	12,000	0
POLICE SERVICES	161,100	153,042	219,100	219,100	219,100	0
EMERGENCY SERVICES	1,610,000	1,493,317	1,610,000	1,610,000	1,609,600	(400)
FIRE SERVICES	20,000	22,745	20,000	20,000	20,000	0
REFUSE SERVICES	2,480,800	2,467,090	3,263,000	3,263,000	3,073,900	(189,100)
HEALTH & INSPECTION FEE	85,000	83,742	85,000	85,000	85,000	0
ANIMAL CONTROL & SHELTER	35,000	30,134	35,000	35,000	35,000	0
AQUATIC CENTER FEES	323,000	310,997	446,800	446,800	446,800	0
SENIOR CENTER FEES	35,000	36,706	35,000	35,000	35,000	0
PARKS & REC CONCESSIONS	233,000	231,951	223,200	223,200	223,200	0
BUILDING USE FEES	494,500	508,979	490,000	490,000	534,400	44,400
EVENTS	<u>27,000</u>	<u>29,504</u>	<u>5,700</u>	<u>5,700</u>	<u>5,700</u>	<u>0</u>
SUB-TOTAL	<u>5,541,800</u>	<u>5,407,761</u>	<u>6,464,800</u>	<u>6,464,800</u>	<u>6,319,700</u>	<u>(145,100)</u>
<u>FINES, FORFEITS &amp; ASSESSMENTS</u>						
COURT	2,121,500	2,102,468	2,557,000	2,557,000	2,547,000	(10,000)
LIBRARY	<u>160,000</u>	<u>152,745</u>	<u>160,000</u>	<u>160,000</u>	<u>160,000</u>	<u>0</u>
SUB-TOTAL	<u>2,281,500</u>	<u>2,255,213</u>	<u>2,717,000</u>	<u>2,717,000</u>	<u>2,707,000</u>	<u>(10,000)</u>

# GENERAL FUND REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
<u>INTEREST/RENTS/CONTRIBUTIONS</u>						
INTEREST	165,000	171,394	150,000	150,000	160,000	10,000
RENTS	583,000	538,474	580,000	580,000	571,600	(8,400)
SUB-TOTAL	748,000	709,868	730,000	730,000	731,600	1,600
<u>MISCELLANEOUS</u>						
MISC CUSTOMER SERVICE	3,000	481	3,000	3,000	3,000	0
PAY PHONE COMMISSIONS	2,200	2,413	1,000	1,000	1,000	0
RECYCLING	10,000	9,797	10,000	10,000	10,000	0
MISCELLANEOUS	45,000	36,676	30,000	30,000	62,000	32,000
SALE OF ASSETS	16,800	16,811	10,000	10,000	18,500	8,500
INSURANCE RECOVERY	6,800	4,712	21,500	21,500	21,500	0
DEVELOPER ADVANCE	0	0	0	0	75,000	75,000
SUB-TOTAL	83,800	70,890	75,500	75,500	191,000	115,500
GRAND TOTAL	\$ 50,429,300	\$ 50,282,360	\$ 55,077,300	\$ 55,077,300	\$ 54,858,900	\$ (218,400)

# ENTERPRISE FUNDS REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
<u>WATER &amp; SEWER FUND</u>						
<u>INTEREST/RENTS/CONTRIBUTIONS</u>						
INTEREST	\$ 8,000	\$ (4,858)	\$ 8,000	\$ 8,000	\$ 8,000	\$ 0
SUB-TOTAL	8,000	(4,858)	8,000	8,000	8,000	0
<u>MISCELLANEOUS</u>						
MISCELLANEOUS	2,800	3,718	2,800	2,800	2,800	0
SALE OF ASSETS	10,000	0	10,000	10,000	10,000	0
SUB-TOTAL	12,800	3,718	12,800	12,800	12,800	0
<u>CHARGES FOR SERVICES</u>						
WATER SERVICE	13,537,500	12,608,979	14,603,300	14,603,300	13,301,400	(1,301,900)
SEWER SERVICE	5,771,800	5,612,534	6,231,300	6,231,300	6,140,000	(91,300)
ADDISON SEWER	18,000	16,623	18,000	18,000	18,000	0
TAPPING FEES	11,000	1,450	11,000	11,000	11,000	0
RECONNECTS/SERVICE CHARGE	48,000	42,975	48,000	48,000	48,000	0
LATE FEES	175,000	171,972	175,000	175,000	175,000	0
BACKFLOW PROGRAM	30,000	32,750	30,000	30,000	30,000	0
SUB-TOTAL	19,591,300	18,487,283	21,116,600	21,116,600	19,723,400	(1,393,200)
TOTAL WATER & SEWER FUND	\$ 19,612,100	\$ 18,486,143	\$ 21,137,400	\$ 21,137,400	\$ 19,744,200	\$ (1,393,200)
<u>STORMWATER UTILITY FUND</u>						
<u>CHARGES FOR SERVICES</u>						
STORMWATER	\$ 1,284,000	\$ 1,302,476	\$ 1,284,000	\$ 1,284,000	\$ 1,299,000	\$ 15,000
TOTAL STORMWATER UTILITY FUND	\$ 1,284,000	\$ 1,302,476	\$ 1,284,000	\$ 1,284,000	\$ 1,299,000	\$ 15,000
GRAND TOTAL	\$ 20,896,100	\$ 19,788,619	\$ 22,421,400	\$ 22,421,400	\$ 21,043,200	\$ (1,378,200)

# INTERNAL SERVICE FUNDS REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
<u>FLEET &amp; FACILITIES MANAGEMENT FUND</u>						
<u>CHARGES FOR SERVICES</u>						
FLEET SERVICES	\$ 2,210,800	\$ 2,392,800	\$ 2,382,600	\$ 2,382,600	\$ 2,389,600	\$ 7,000
FACILITIES SERVICES	1,923,700	2,207,912	1,805,300	1,805,300	1,798,500	(6,800)
TOTAL FLEET & FACILITIES MGMT FUND	<u>\$ 4,134,500</u>	<u>\$ 4,600,712</u>	<u>\$ 4,187,900</u>	<u>\$ 4,187,900</u>	<u>\$ 4,188,100</u>	<u>\$ 200</u>
<u>WORKERS' COMPENSATION FUND</u>						
<u>MISCELLANEOUS</u>						
MISCELLANEOUS	\$ 60,000	\$ 50,768	\$ 60,000	\$ 60,000	\$ 60,000	\$ 0
INTERFUND TRANSFERS	340,000	340,000	340,000	340,000	340,000	0
TOTAL WORKERS' COMPENSATION FUND	<u>\$ 400,000</u>	<u>\$ 390,768</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 0</u>
<u>HEALTH CLAIMS FUND</u>						
<u>INTEREST/RENTS/CONTRIBUTIONS</u>						
MEDICAL CONTRIBUTIONS	\$ 3,796,700	\$ 3,863,194	\$ 3,796,700	\$ 3,796,700	\$ 3,935,600	\$ 138,900
TOTAL HEALTH CLAIMS FUND	<u>\$ 3,796,700</u>	<u>\$ 3,863,194</u>	<u>\$ 3,796,700</u>	<u>\$ 3,796,700</u>	<u>\$ 3,935,600</u>	<u>\$ 138,900</u>
GRAND TOTAL	<u><u>\$ 8,331,200</u></u>	<u><u>\$ 8,854,674</u></u>	<u><u>\$ 8,384,600</u></u>	<u><u>\$ 8,384,600</u></u>	<u><u>\$ 8,523,700</u></u>	<u><u>\$ 139,100</u></u>

# HOTEL/MOTEL FUND REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
<u>TAXES</u>						
HOTEL/MOTEL TAX	\$ 2,970,000	\$ 2,959,670	\$ 2,850,000	\$ 2,850,000	\$ 3,000,000	\$ 150,000
SUB-TOTAL	<u>2,970,000</u>	<u>2,959,670</u>	<u>2,850,000</u>	<u>2,850,000</u>	<u>3,000,000</u>	<u>150,000</u>
<u>CHARGES FOR SERVICES</u>						
EVENTS	<u>33,200</u>	<u>20,307</u>	<u>33,200</u>	<u>33,200</u>	<u>33,200</u>	<u>0</u>
SUB-TOTAL	<u>33,200</u>	<u>20,307</u>	<u>33,200</u>	<u>33,200</u>	<u>33,200</u>	<u>0</u>
<u>INTEREST/RENTS/CONTRIBUTIONS</u>						
INTEREST	15,000	19,608	7,000	7,000	20,000	13,000
SUB-TOTAL	<u>15,000</u>	<u>19,608</u>	<u>7,000</u>	<u>7,000</u>	<u>20,000</u>	<u>13,000</u>
<u>MISCELLANEOUS</u>						
MISCELLANEOUS	2,500	1,553	2,500	2,500	2,500	0
HISTORICAL PARK RENTALS	15,000	12,248	15,000	15,000	15,000	0
HISTORICAL PARK TEAS	<u>5,300</u>	<u>4,951</u>	<u>5,300</u>	<u>5,300</u>	<u>5,300</u>	<u>0</u>
SUB-TOTAL	<u>22,800</u>	<u>18,752</u>	<u>22,800</u>	<u>22,800</u>	<u>22,800</u>	<u>0</u>
GRAND TOTAL	<u><u>\$ 3,041,000</u></u>	<u><u>\$ 3,018,337</u></u>	<u><u>\$ 2,913,000</u></u>	<u><u>\$ 2,913,000</u></u>	<u><u>\$ 3,076,000</u></u>	<u><u>\$ 163,000</u></u>

## SPECIAL REVENUE FUNDS REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016- 17
POLICE FORFEITURE FUND	\$ 31,400	\$ 11,459	\$ 57,000	\$ 57,000	\$ 57,000	\$ 0
DONATIONS FUND	52,230	54,904	53,400	53,400	155,800	102,400
YOUTH SCHOLARSHIP FUND	200	187	3,000	3,000	3,000	0
GRANTS FUND	353,742	353,153	337,588	337,588	134,905	(202,683)
BUILDING SECURITY FUND	38,000	33,357	30,000	30,000	30,000	0
COURT TECHNOLOGY FUND	43,000	44,371	40,000	40,000	40,000	0
LANDFILL CLOSURE/POST-CLOSURE FUND	42,000	43,448	30,000	30,000	30,000	0
CEMETERY FUND	1,400	1,285	1,400	1,400	1,400	0
PHOTOGRAPHIC LIGHT SYSTEM FUND	786,800	785,088	684,550	684,550	684,550	0
DANGEROUS STRUCTURES FUND	3,000	35,851	0	0	0	0
PEG ACCESS CHANNEL FUND	74,500	74,788	60,000	60,000	60,000	0
<b>GRAND TOTAL</b>	<b>\$ 1,426,272</b>	<b>\$ 1,437,891</b>	<b>\$ 1,296,938</b>	<b>\$ 1,296,938</b>	<b>\$1,196,655</b>	<b>\$ (100,283)</b>



# GENERAL FUND EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
<u>GENERAL GOVERNMENT</u>						
GENERAL GOVERNMENT	\$ 166,900	\$ 150,935	\$ 201,700	\$ 194,900	\$ 194,900	\$ 0
GENERAL CONTRACTS	292,000	292,000	292,000	292,000	292,000	0
LEGAL	347,400	333,216	380,000	443,000	443,000	0
NON-DEPARTMENTAL	(2,430,100)	(2,429,424)	(939,500)	(995,700)	(2,316,500)	(1,320,800)
SUB-TOTAL	(1,623,800)	(1,653,273)	(65,800)	(65,800)	(1,386,600)	(1,320,800)
<u>GENERAL ADMINISTRATION</u>						
GENERAL ADMINISTRATION	1,404,900	1,393,825	717,100	717,100	699,500	(17,600)
SUB-TOTAL	1,404,900	1,393,825	717,100	717,100	699,500	(17,600)
<u>COMMUNICATIONS</u>						
COMMUNICATIONS	381,300	372,929	628,900	628,900	643,600	14,700
SUB-TOTAL	381,300	372,929	628,900	628,900	643,600	14,700
<u>ECONOMIC DEVELOPMENT &amp; TOURISM</u>						
ECONOMIC DEVELOPMENT	576,500	570,366	613,000	613,000	635,600	22,600
SUB-TOTAL	576,500	570,366	613,000	613,000	635,600	22,600
<u>HUMAN RESOURCES</u>						
HUMAN RESOURCES	999,600	961,618	988,300	988,300	1,020,300	32,000
SUB-TOTAL	999,600	961,618	988,300	988,300	1,020,300	32,000
<u>FINANCE</u>						
FINANCE ADMINISTRATION	700,500	669,510	701,000	714,700	714,700	0
ACCOUNTING	601,200	594,904	833,200	844,100	792,000	(52,100)
INFORMATION SERVICES	2,349,400	2,278,788	2,747,600	2,725,200	2,794,400	69,200
PURCHASING	125,600	117,344	127,300	129,500	129,500	0
MUNICIPAL COURT	615,600	604,060	586,800	582,400	610,000	27,600
SUB-TOTAL	4,392,300	4,264,606	4,995,900	4,995,900	5,040,600	44,700
<u>COMMUNITY SERVICES</u>						
PLANNING	424,700	410,043	373,300	374,700	374,700	0
COMMUNITY SERVICES ADMINISTRATION	481,400	469,952	417,100	426,000	450,200	24,200
BUILDING INSPECTION	1,103,200	1,042,438	1,225,300	1,204,200	1,204,200	0
ANIMAL SERVICES	652,700	631,852	772,900	783,700	793,100	9,400
SUB-TOTAL	2,662,000	2,554,285	2,788,600	2,788,600	2,822,200	33,600
<u>PUBLIC WORKS</u>						
PUBLIC WORKS ADMINISTRATION	716,500	714,367	693,700	694,400	723,900	29,500
SOLID WASTE COLLECTION	2,095,500	2,088,967	2,867,700	2,867,800	2,785,600	(82,200)
STREET MAINTENANCE	3,753,700	3,705,555	3,899,700	3,898,200	4,075,300	177,100
ENVIRONMENTAL SERVICES	390,900	406,403	471,600	472,300	421,500	(50,800)
SUB-TOTAL	6,956,600	6,915,292	7,932,700	7,932,700	8,006,300	73,600

# GENERAL FUND EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
<u>POLICE</u>						
POLICE ADMINISTRATION	1,537,200	1,547,898	1,513,400	1,502,600	1,502,600	0
POLICE INVESTIGATIONS	1,926,000	1,921,051	2,000,000	1,994,700	2,108,500	113,800
POLICE PATROL	6,468,700	6,417,523	6,521,400	6,458,300	6,542,700	84,400
POLICE DETENTION	1,059,800	1,052,578	1,081,400	1,157,300	1,179,900	22,600
POLICE COMMUNICATIONS	2,030,400	1,995,551	1,831,200	1,835,100	1,835,100	0
POLICE TRAINING	178,500	171,327	146,300	145,700	154,100	8,400
SUB-TOTAL	<u>13,200,600</u>	<u>13,105,928</u>	<u>13,093,700</u>	<u>13,093,700</u>	<u>13,322,900</u>	<u>229,200</u>
<u>FIRE</u>						
FIRE ADMINISTRATION	1,151,600	1,168,267	1,398,700	1,353,200	1,353,200	0
FIRE PREVENTION	492,400	493,662	503,900	506,600	546,000	39,400
FIRE OPERATIONS	8,438,100	8,446,750	9,511,700	9,554,500	10,065,100	510,600
SUB-TOTAL	<u>10,082,100</u>	<u>10,108,679</u>	<u>11,414,300</u>	<u>11,414,300</u>	<u>11,964,300</u>	<u>550,000</u>
<u>PARKS &amp; RECREATION</u>						
PARKS & RECREATION ADMINISTRATION	534,400	526,897	524,400	537,700	537,700	0
PARK MAINTENANCE	5,189,800	5,143,170	5,181,700	5,241,500	5,241,500	0
RECREATION	1,766,400	1,770,214	1,873,300	1,818,300	1,809,600	(8,700)
AQUATICS	849,000	819,154	979,200	1,008,300	1,068,300	60,000
SENIOR CENTER	816,300	830,287	788,400	756,000	756,000	0
PARK BOARD	9,800	3,418	9,800	9,800	9,800	0
SENIOR ADVISORY BOARD	4,800	3,667	4,800	4,800	4,800	0
EVENTS	576,500	555,803	931,000	916,200	916,200	0
SUB-TOTAL	<u>9,747,000</u>	<u>9,652,610</u>	<u>10,292,600</u>	<u>10,292,600</u>	<u>10,343,900</u>	<u>51,300</u>
<u>LIBRARY</u>						
LIBRARY	1,811,300	1,838,096	1,873,000	1,873,000	1,807,600	(65,400)
SUB-TOTAL	<u>1,811,300</u>	<u>1,838,096</u>	<u>1,873,000</u>	<u>1,873,000</u>	<u>1,807,600</u>	<u>(65,400)</u>
GRAND TOTAL	<u>\$ 50,590,400</u>	<u>\$ 50,084,961</u>	<u>\$ 55,272,300</u>	<u>\$ 55,272,300</u>	<u>\$ 54,920,200</u>	<u>\$ (352,100)</u>

[1] The Animal Services and Environmental Services divisions were split from the Environmental Health division beginning in 2015-16.

# ENTERPRISE FUNDS EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
<u>WATER &amp; SEWER FUND</u>						
<u>PUBLIC WORKS</u>						
WATER & SEWER ADMINISTRATION	\$ 4,515,500	\$ 4,497,013	\$ 4,671,300	\$ 4,705,700	\$ 4,705,700	\$ 0
WATER & SEWER OPERATIONS	<u>14,670,100</u>	<u>14,675,573</u>	<u>15,115,500</u>	<u>15,081,100</u>	<u>16,210,200</u>	<u>1,129,100</u>
TOTAL WATER & SEWER FUND	<u>\$ 19,185,600</u>	<u>\$ 19,172,586</u>	<u>\$ 19,786,800</u>	<u>\$ 19,786,800</u>	<u>\$ 20,915,900</u>	<u>\$ 1,129,100</u>
<u>STORMWATER UTILITY FUND</u>						
<u>PUBLIC WORKS</u>						
STORMWATER UTILITIES	<u>\$ 1,172,700</u>	<u>\$ 983,080</u>	<u>\$ 1,024,800</u>	<u>\$ 1,024,800</u>	<u>\$ 1,299,000</u>	<u>\$ 274,200</u>
TOTAL STORMWATER UTILITY FUND	<u>\$ 1,172,700</u>	<u>\$ 983,080</u>	<u>\$ 1,024,800</u>	<u>\$ 1,024,800</u>	<u>\$ 1,299,000</u>	<u>\$ 274,200</u>
GRAND TOTAL	<u><u>\$ 20,358,300</u></u>	<u><u>\$ 20,155,666</u></u>	<u><u>\$ 20,811,600</u></u>	<u><u>\$ 20,811,600</u></u>	<u><u>\$22,214,900</u></u>	<u><u>\$ 1,403,300</u></u>

# INTERNAL SERVICE FUNDS EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
<u>FLEET &amp; FACILITIES MANAGEMENT FUND</u>						
<u>FLEET &amp; FACILITIES MANAGEMENT</u>						
FACILITIES MANAGEMENT	\$ 1,882,700	\$ 1,837,004	\$ 1,805,300	\$ 1,798,500	\$ 1,798,500	\$ 0
FLEET MANAGEMENT	<u>2,251,800</u>	<u>2,361,460</u>	<u>2,382,600</u>	<u>2,389,400</u>	<u>2,389,600</u>	<u>200</u>
TOTAL FLEET & FACILITIES MGMT FUND	<u>\$ 4,134,500</u>	<u>\$ 4,198,464</u>	<u>\$ 4,187,900</u>	<u>\$ 4,187,900</u>	<u>\$ 4,188,100</u>	<u>\$ 200</u>
<u>WORKERS' COMPENSATION FUND</u>						
<u>INTERNAL SERVICE</u>						
WORKERS' COMPENSATION	<u>\$ 400,000</u>	<u>\$ 285,238</u>	<u>\$ 603,100</u>	<u>\$ 603,100</u>	<u>\$ 603,100</u>	<u>\$ 0</u>
TOTAL WORKERS' COMPENSATION FUND	<u>\$ 400,000</u>	<u>\$ 285,238</u>	<u>\$ 603,100</u>	<u>\$ 603,100</u>	<u>\$ 603,100</u>	<u>\$ 0</u>
<u>HEALTH CLAIMS FUND</u>						
<u>INTERNAL SERVICE</u>						
HEALTH CLAIMS	<u>\$ 3,907,500</u>	<u>\$ 4,338,575</u>	<u>\$ 3,796,700</u>	<u>\$ 3,796,700</u>	<u>\$ 4,205,800</u>	<u>\$ 409,100</u>
TOTAL HEALTH CLAIMS FUND	<u>\$ 3,907,500</u>	<u>\$ 4,338,575</u>	<u>\$ 3,796,700</u>	<u>\$ 3,796,700</u>	<u>\$ 4,205,800</u>	<u>\$ 409,100</u>
GRAND TOTAL	<u><u>\$ 8,442,000</u></u>	<u><u>\$ 8,822,277</u></u>	<u><u>\$ 8,587,700</u></u>	<u><u>\$ 8,587,700</u></u>	<u><u>\$ 8,997,000</u></u>	<u><u>\$ 409,300</u></u>

## HOTEL/MOTEL FUND EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
<u>PARKS &amp; RECREATION</u>						
HISTORICAL PRESERVATION	\$ 1,138,500	\$ 1,097,852	\$ 2,217,600	\$ 2,217,600	\$ 2,246,500	\$ 28,900
SUB-TOTAL	<u>1,138,500</u>	<u>1,097,852</u>	<u>2,217,600</u>	<u>2,217,600</u>	<u>\$ 2,246,500</u>	<u>\$ 28,900</u>
<u>ECONOMIC DEVELOPMENT &amp; TOURISM</u>						
PROMOTION OF TOURISM	1,250,900	1,195,564	1,274,400	1,274,400	\$ 1,274,400	\$ 0
CONVENTION CENTER	<u>10,000</u>	<u>6,606</u>	<u>19,000</u>	<u>19,000</u>	<u>402,000</u>	<u>383,000</u>
SUB-TOTAL	<u>1,260,900</u>	<u>1,202,170</u>	<u>1,293,400</u>	<u>1,293,400</u>	<u>\$ 1,676,400</u>	<u>\$ 383,000</u>
GRAND TOTAL	<u>\$ 2,399,400</u>	<u>\$ 2,300,022</u>	<u>\$ 3,511,000</u>	<u>\$ 3,511,000</u>	<u>\$ 3,922,900</u>	<u>\$ 411,900</u>

## SPECIAL REVENUE FUNDS EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	PROPOSED AMENDED BUDGET 2016-17	VARIANCE AMENDED TO ADJUSTED 2016-17
POLICE FORFEITURE FUND	\$ 126,000	\$ 88,087	\$ 231,000	\$ 231,000	\$ 177,000	\$ (54,000)
DONATIONS FUND	149,891	145,204	40,762	40,762	143,162	102,400
YOUTH SCHOLARSHIP FUND	6,000	240	6,000	6,000	6,000	0
GRANTS FUND	136,165	135,576	337,588	337,588	134,905	(202,683)
BUILDING SECURITY FUND	124,000	108,426	60,100	60,100	60,100	0
COURT TECHNOLOGY FUND	80,400	71,794	65,900	65,900	65,900	0
LANDFILL CLOSURE/POST-CLOSURE FUND	755,000	722,938	1,855,000	1,855,000	1,855,000	0
STARS CENTER FUND	627,015	627,015	0	0	0	0
CEMETERY FUND	22,150	19,356	0	0	0	0
PHOTOGRAPHIC LIGHT SYSTEM FUND	725,708	688,992	984,800	984,800	984,800	0
DANGEROUS STRUCTURES FUND	482,900	514,874	250,000	250,000	250,000	0
PEG ACCESS CHANNEL FUND	83,000	5,735	60,000	60,000	60,000	0
GRAND TOTAL	<u>\$ 3,318,229</u>	<u>\$ 3,128,237</u>	<u>\$ 3,891,150</u>	<u>\$ 3,891,150</u>	<u>\$ 3,736,867</u>	<u>\$ (154,283)</u>

**GENERAL FUND  
EXPENDITURE SUMMARY**  
Summarized by Type of Expenditure

EXPENDITURES BY TYPE	YEAR-END AMENDED BUDGET 2015-16		ACTUAL 2015-16		ADOPTED BUDGET 2016-17		ADJUSTED BUDGET 2016-17		PROPOSED AMENDED BUDGET 2016-17	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Personal Services/Benefits										
Full-Time	\$ 23,270,000	46.00%	\$ 23,150,240	46.22%	\$ 22,904,000	41.44%	\$ 22,996,500	41.61%	\$ 23,815,600	43.36%
Part-Time	1,038,800	2.05%	931,381	1.86%	1,156,000	2.09%	1,189,100	2.15%	1,189,100	2.17%
Overtime	911,000	1.80%	826,039	1.65%	902,700	1.63%	913,800	1.65%	917,800	1.67%
Life & Health	3,179,400	6.28%	3,111,528	6.21%	3,174,500	5.74%	3,177,500	5.75%	3,187,800	5.80%
TMRS	4,426,300	8.75%	4,364,036	8.71%	4,511,400	8.16%	4,531,100	8.20%	4,642,600	8.45%
Medicare	347,100	0.69%	340,596	0.68%	342,000	0.62%	362,000	0.65%	365,200	0.66%
Workers' Compensation	272,000	0.54%	272,000	0.54%	256,500	0.46%	256,500	0.46%	256,500	0.47%
Car Allowance	80,900	0.16%	80,240	0.16%	82,900	0.15%	88,700	0.16%	88,700	0.16%
Transfers (Personnel Related)	(1,609,700)	-3.18%	(1,609,700)	-3.21%	(1,412,300)	-2.56%	(1,412,300)	-2.56%	(1,412,300)	-2.57%
Sub-total	31,915,800	63.09%	31,466,360	62.83%	31,917,700	57.75%	32,102,900	58.08%	33,051,000	60.18%
Purchased Prof & Tech Services	3,342,800	6.61%	3,313,279	6.62%	3,642,000	6.59%	3,704,000	6.70%	3,756,100	6.84%
Supplies	1,985,500	3.92%	1,867,001	3.73%	1,986,900	3.59%	1,983,300	3.59%	2,016,000	3.67%
Repairs & Maintenance	6,042,400	11.94%	6,430,451	12.84%	6,709,600	12.14%	6,334,800	11.46%	6,414,600	11.68%
Services	5,563,200	11.00%	5,347,716	10.68%	6,991,300	12.65%	7,072,500	12.80%	6,961,800	12.68%
Production & Disposal	50,700	0.10%	35,853	0.07%	41,500	0.08%	41,500	0.08%	41,500	0.08%
Contracts	292,000	0.58%	292,000	0.58%	292,000	0.53%	292,000	0.53%	292,000	0.53%
Events	421,100	0.83%	420,762	0.84%	498,200	0.90%	498,200	0.90%	498,200	0.91%
Other Objects	1,102,200	2.18%	1,036,839	2.07%	2,621,800	4.74%	2,671,800	4.83%	1,351,000	2.46%
Transfers	(125,300)	-0.25%	(125,300)	-0.25%	571,300	1.03%	571,300	1.03%	538,000	0.98%
Sub-total	18,674,600	36.91%	18,618,601	37.17%	23,354,600	42.25%	23,169,400	41.92%	21,869,200	39.82%
Total Appropriations	\$ 50,590,400	100.00%	\$ 50,084,961	100.00%	\$ 55,272,300	100.00%	\$ 55,272,300	100.00%	\$ 54,920,200	100.00%

# SUMMARY BUDGET CATEGORIES

## General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	ACTUAL Y-T-D 2/28/2017	ACTUAL Y-T-D% 2/28/2017	PROPOSED AMENDED BUDGET 2016-17
<b>GENERAL GOVERNMENT</b>							
Supplies	\$ 11,800	\$ 11,443	\$ 13,100	\$ 13,100	\$ 3,649	27.86%	\$ 13,100
Services	155,100	139,492	188,600	181,800	49,954	27.48%	181,800
Total Budget	<u>\$ 166,900</u>	<u>\$ 150,935</u>	<u>\$ 201,700</u>	<u>\$ 194,900</u>	<u>\$ 53,603</u>	<u>27.50%</u>	<u>\$ 194,900</u>
<b>GENERAL CONTRACTS</b>							
Contracts	\$ 292,000	\$ 292,000	\$ 292,000	\$ 292,000	\$ 292,000	100.00%	\$ 292,000
Total Budget	<u>\$ 292,000</u>	<u>\$ 292,000</u>	<u>\$ 292,000</u>	<u>\$ 292,000</u>	<u>\$ 292,000</u>	<u>100.00%</u>	<u>\$ 292,000</u>
<b>LEGAL</b>							
Purchased Prof & Tech Services	\$ 347,400	\$ 333,216	\$ 380,000	\$ 443,000	\$ 135,079	30.49%	\$ 443,000
Total Budget	<u>\$ 347,400</u>	<u>\$ 333,216</u>	<u>\$ 380,000</u>	<u>\$ 443,000</u>	<u>\$ 135,079</u>	<u>30.49%</u>	<u>\$ 443,000</u>
Note: Approximately \$100,000 of legal services is for prosecutor costs.							
<b>NON-DEPARTMENTAL</b>							
Repairs & Maintenance	\$ 429,700	\$ 495,579	\$ 491,400	\$ 385,200	\$ 172,167	44.70%	\$ 385,200
Services	211,700	211,858	237,200	237,200	109,662	46.23%	237,200
Other Objects	1,102,200	1,036,839	2,621,800	2,671,800	446,539	16.71%	1,351,000
Transfers	(4,173,700)	(4,173,700)	(4,289,900)	(4,289,900)	(1,787,455)	41.67%	(4,289,900)
Total Budget	<u>\$ (2,430,100)</u>	<u>\$ (2,429,424)</u>	<u>\$ (939,500)</u>	<u>\$ (995,700)</u>	<u>\$ (1,059,087)</u>	<u>106.37%</u>	<u>\$ (2,316,500)</u>
<b>GENERAL ADMINISTRATION</b>							
Personal Services/Benefits	\$ 1,041,300	\$ 1,037,401	\$ 640,400	\$ 640,400	\$ 238,344	37.22%	\$ 629,000
Purchased Prof & Tech Services	80,000	79,365	0	0	0	0.00%	0
Supplies	33,100	32,001	18,000	19,000	5,211	27.42%	19,000
Repairs & Maintenance	14,700	14,480	14,700	17,000	14,693	86.43%	17,000
Services	235,800	230,578	44,000	40,700	7,186	17.66%	34,500
Total Budget	<u>\$ 1,404,900</u>	<u>\$ 1,393,825</u>	<u>\$ 717,100</u>	<u>\$ 717,100</u>	<u>\$ 265,433</u>	<u>37.01%</u>	<u>\$ 699,500</u>
<b>COMMUNICATIONS</b>							
Personal Services/Benefits	\$ 211,300	\$ 210,677	\$ 210,300	\$ 210,300	\$ 89,021	42.33%	\$ 217,600
Purchased Prof & Tech Services	59,000	59,160	142,500	142,500	51,938	36.45%	142,500
Supplies	11,100	10,625	11,100	11,100	6,576	59.25%	11,100
Repairs & Maintenance	31,400	29,446	31,400	31,400	31,109	99.07%	35,300
Services	33,500	28,021	233,600	233,600	91,817	39.31%	237,100
Transfers	35,000	35,000	0	0	0	0.00%	0
Total Budget	<u>\$ 381,300</u>	<u>\$ 372,929</u>	<u>\$ 628,900</u>	<u>\$ 628,900</u>	<u>\$ 270,461</u>	<u>43.01%</u>	<u>\$ 643,600</u>
<b>ECONOMIC DEVELOPMENT</b>							
Personal Services/Benefits	\$ 411,500	\$ 416,605	\$ 430,700	\$ 430,700	\$ 186,643	43.33%	\$ 453,300
Purchased Prof & Tech Services	8,500	8,450	11,900	11,900	5,913	49.68%	11,900
Supplies	12,300	11,349	14,600	14,300	6,368	44.53%	14,300
Services	144,200	133,962	155,800	156,100	54,291	34.78%	156,100
Total Budget	<u>\$ 576,500</u>	<u>\$ 570,366</u>	<u>\$ 613,000</u>	<u>\$ 613,000</u>	<u>\$ 253,214</u>	<u>41.31%</u>	<u>\$ 635,600</u>



# SUMMARY BUDGET CATEGORIES

## General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	ACTUAL Y-T-D 2/28/2017	ACTUAL Y-T-D% 2/28/2017	PROPOSED AMENDED BUDGET 2016-17
<b>HUMAN RESOURCES</b>							
Personal Services/Benefits	\$ 674,500	\$ 662,191	\$ 668,600	\$ 668,600	\$ 274,203	41.01%	\$ 687,800
Purchased Prof & Tech Services	5,500	2,419	25,000	25,000	427	1.71%	25,000
Supplies	26,100	25,493	26,100	26,100	4,920	18.85%	26,100
Repairs & Maintenance	33,200	32,448	33,200	33,200	10,246	30.86%	33,200
Services	240,300	219,067	228,400	228,400	65,290	28.59%	241,200
Transfers	20,000	20,000	7,000	7,000	2,915	41.64%	7,000
Total Budget	<u>\$ 999,600</u>	<u>\$ 961,618</u>	<u>\$ 988,300</u>	<u>\$ 988,300</u>	<u>\$ 358,000</u>	<u>36.22%</u>	<u>\$ 1,020,300</u>
<b>FINANCE ADMINISTRATION</b>							
Personal Services/Benefits	\$ 364,900	\$ 349,957	\$ 365,000	\$ 377,300	\$ 154,009	40.82%	\$ 377,300
Purchased Prof & Tech Services	291,600	286,154	297,600	297,600	175,511	58.98%	297,600
Supplies	24,300	18,619	17,300	17,300	4,202	24.29%	17,300
Services	19,700	14,780	21,100	22,500	7,288	32.39%	22,500
Total Budget	<u>\$ 700,500</u>	<u>\$ 669,510</u>	<u>\$ 701,000</u>	<u>\$ 714,700</u>	<u>\$ 341,009</u>	<u>47.71%</u>	<u>\$ 714,700</u>
<b>ACCOUNTING</b>							
Personal Services/Benefits	\$ 517,100	\$ 515,164	\$ 530,900	\$ 538,900	\$ 223,377	41.45%	\$ 538,900
Supplies	20,000	16,176	20,000	20,000	2,785	13.93%	20,000
Repairs & Maintenance	1,200	0	1,200	1,200	297	24.75%	1,200
Services	62,900	63,564	65,100	68,000	21,171	31.13%	70,000
Transfers	0	0	216,000	216,000	90,000	41.67%	161,900
Total Budget	<u>\$ 601,200</u>	<u>\$ 594,904</u>	<u>\$ 833,200</u>	<u>\$ 844,100</u>	<u>\$ 337,630</u>	<u>40.00%</u>	<u>\$ 792,000</u>
<b>INFORMATION SERVICES</b>							
Personal Services/Benefits	\$ 1,018,500	\$ 988,620	\$ 1,111,800	\$ 1,089,400	\$ 420,757	38.62%	\$ 1,089,400
Purchased Prof & Tech Services	285,800	281,081	300,900	300,900	108,352	36.01%	353,000
Supplies	164,800	144,166	152,000	152,000	128,064	84.25%	169,100
Repairs & Maintenance	416,200	411,025	549,500	549,500	401,953	73.15%	549,500
Services	111,300	101,096	140,400	140,400	32,583	23.21%	140,400
Transfers	352,800	352,800	493,000	493,000	205,415	41.67%	493,000
Total Budget	<u>\$ 2,349,400</u>	<u>\$ 2,278,788</u>	<u>\$ 2,747,600</u>	<u>\$ 2,725,200</u>	<u>\$ 1,297,124</u>	<u>47.60%</u>	<u>\$ 2,794,400</u>
<b>PURCHASING</b>							
Personal Services/Benefits	\$ 112,200	\$ 112,538	\$ 114,100	\$ 116,300	\$ 47,724	41.04%	\$ 116,300
Supplies	3,600	1,574	3,400	3,400	1,910	56.18%	3,400
Services	9,800	3,232	9,800	9,800	464	4.74%	9,800
Total Budget	<u>\$ 125,600</u>	<u>\$ 117,344</u>	<u>\$ 127,300</u>	<u>\$ 129,500</u>	<u>\$ 50,098</u>	<u>38.69%</u>	<u>\$ 129,500</u>
<b>MUNICIPAL COURT</b>							
Personal Services/Benefits	\$ 498,600	\$ 488,221	\$ 542,200	\$ 546,600	\$ 231,386	42.33%	\$ 574,200
Purchased Prof & Tech Services	5,000	4,457	5,000	4,000	1,578	39.45%	4,000
Supplies	23,000	22,398	23,500	18,500	5,975	32.30%	18,500
Repairs & Maintenance	8,000	9,228	2,600	2,600	1,602	61.61%	2,600
Services	9,500	8,256	13,500	10,700	4,224	39.48%	10,700
Transfers	71,500	71,500	0	0	0	0.00%	0
Total Budget	<u>\$ 615,600</u>	<u>\$ 604,060</u>	<u>\$ 586,800</u>	<u>\$ 582,400</u>	<u>\$ 244,766</u>	<u>42.03%</u>	<u>\$ 610,000</u>

# SUMMARY BUDGET CATEGORIES

## General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	ACTUAL Y-T-D 2/28/2017	ACTUAL Y-T-D% 2/28/2017	PROPOSED AMENDED BUDGET 2016-17
<b>PLANNING</b>							
Personal Services/Benefits	\$ 243,400	\$ 238,822	\$ 261,900	\$ 252,300	\$ 96,299	38.17%	\$ 252,300
Supplies	12,300	10,023	16,000	16,000	5,945	37.16%	16,000
Repairs & Maintenance	800	0	800	800	0	0.00%	800
Services	168,200	161,198	94,600	105,600	33,115	31.36%	105,600
Total Budget	<u>\$ 424,700</u>	<u>\$ 410,043</u>	<u>\$ 373,300</u>	<u>\$ 374,700</u>	<u>\$ 135,358</u>	<u>36.12%</u>	<u>\$ 374,700</u>
<b>COMMUNITY SERVICES ADMINISTRATION</b>							
Personal Services/Benefits	\$ 351,200	\$ 350,267	\$ 339,600	\$ 342,600	\$ 143,648	41.93%	\$ 342,600
Supplies	98,700	87,568	37,600	37,600	862	2.29%	37,600
Repairs & Maintenance	1,500	615	1,500	1,500	151	10.08%	1,500
Services	30,000	31,502	38,400	44,300	7,627	17.22%	68,500
Total Budget	<u>\$ 481,400</u>	<u>\$ 469,952</u>	<u>\$ 417,100</u>	<u>\$ 426,000</u>	<u>\$ 152,289</u>	<u>35.75%</u>	<u>\$ 450,200</u>
<b>BUILDING INSPECTION</b>							
Personal Services/Benefits	\$ 909,500	\$ 886,195	\$ 1,055,300	\$ 1,002,800	\$ 359,268	35.83%	\$ 1,002,800
Supplies	28,300	25,515	35,400	35,400	10,161	28.70%	35,400
Repairs & Maintenance	22,700	23,180	23,600	23,600	10,831	45.90%	23,600
Services	90,700	55,548	111,000	142,400	20,487	14.39%	142,400
Transfers	52,000	52,000	0	0	0	0.00%	0
Total Budget	<u>\$ 1,103,200</u>	<u>\$ 1,042,438</u>	<u>\$ 1,225,300</u>	<u>\$ 1,204,200</u>	<u>\$ 400,748</u>	<u>33.28%</u>	<u>\$ 1,204,200</u>
<b>ANIMAL SERVICES</b> [1]							
Personal Services/Benefits	\$ 427,400	\$ 413,220	\$ 442,000	\$ 458,000	\$ 197,594	43.14%	\$ 458,000
Supplies	36,500	35,436	38,600	46,900	10,359	22.09%	46,900
Repairs & Maintenance	37,000	41,139	80,700	72,000	30,126	41.84%	72,000
Services	151,800	142,057	154,300	149,500	47,172	31.55%	149,500
Transfers	0	0	57,300	57,300	23,875	41.67%	66,700
Total Budget	<u>\$ 652,700</u>	<u>\$ 631,852</u>	<u>\$ 772,900</u>	<u>\$ 783,700</u>	<u>\$ 309,127</u>	<u>39.44%</u>	<u>\$ 793,100</u>
<b>PUBLIC WORKS ADMINISTRATION</b>							
Personal Services/Benefits	\$ 612,500	\$ 610,917	\$ 629,400	\$ 631,000	\$ 266,824	42.29%	\$ 660,500
Supplies	74,000	74,025	22,800	22,300	4,648	20.84%	22,300
Repairs & Maintenance	3,000	2,812	4,100	3,100	1,465	47.25%	3,100
Services	27,000	26,613	37,400	38,000	9,853	25.93%	38,000
Total Budget	<u>\$ 716,500</u>	<u>\$ 714,367</u>	<u>\$ 693,700</u>	<u>\$ 694,400</u>	<u>\$ 282,789</u>	<u>40.72%</u>	<u>\$ 723,900</u>
<b>SOLID WASTE COLLECTION</b>							
Personal Services/Benefits	\$ 541,700	\$ 536,850	\$ 626,100	\$ 626,200	\$ 240,907	38.47%	\$ 635,100
Purchased Prof & Tech Services	1,014,700	1,013,709	1,201,000	1,201,000	1,200,000	99.92%	1,201,000
Supplies	45,500	42,894	75,100	75,100	19,853	26.44%	75,100
Repairs & Maintenance	153,200	175,718	199,400	199,400	90,536	45.40%	199,400
Services	43,200	37,443	724,600	724,600	18,390	2.54%	633,500
Production & Disposal	50,700	35,853	41,500	41,500	11,911	28.70%	41,500
Transfers	246,500	246,500	0	0	0	0.00%	0
Total Budget	<u>\$ 2,095,500</u>	<u>\$ 2,088,967</u>	<u>\$ 2,867,700</u>	<u>\$ 2,867,800</u>	<u>\$ 1,581,596</u>	<u>55.15%</u>	<u>\$ 2,785,600</u>

# SUMMARY BUDGET CATEGORIES

## General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	ACTUAL Y-T-D 2/28/2017	ACTUAL Y-T-D% 2/28/2017	PROPOSED AMENDED BUDGET 2016-17
<b>STREET MAINTENANCE</b>							
Personal Services/Benefits	\$ 1,381,700	\$ 1,359,941	\$ 1,403,400	\$ 1,401,900	\$ 573,824	40.93%	\$ 1,401,900
Supplies	62,500	58,821	74,800	74,800	25,777	34.46%	74,800
Repairs & Maintenance	1,789,500	1,787,765	1,801,900	1,801,900	1,291,223	71.66%	1,951,900
Services	355,500	334,528	446,600	446,600	184,344	41.28%	447,700
Transfers	164,500	164,500	173,000	173,000	72,080	41.66%	199,000
Total Budget	<u>\$ 3,753,700</u>	<u>\$ 3,705,555</u>	<u>\$ 3,899,700</u>	<u>\$ 3,898,200</u>	<u>\$ 2,147,247</u>	<u>55.08%</u>	<u>\$ 4,075,300</u>
<b>ENVIRONMENTAL SERVICES</b> [1]							
Personal Services/Benefits	\$ 246,200	\$ 250,814	\$ 258,200	\$ 258,800	\$ 105,548	40.78%	\$ 265,000
Supplies	10,100	7,119	28,300	29,300	4,584	15.65%	29,300
Repairs & Maintenance	6,400	7,199	3,600	3,600	1,065	29.58%	3,600
Services	102,200	115,271	181,500	180,600	32,705	18.11%	123,600
Transfers	26,000	26,000	0	0	0	0.00%	0
Total Budget	<u>\$ 390,900</u>	<u>\$ 406,403</u>	<u>\$ 471,600</u>	<u>\$ 472,300</u>	<u>\$ 143,902</u>	<u>30.47%</u>	<u>\$ 421,500</u>
<b>POLICE ADMINISTRATION</b>							
Personal Services/Benefits	\$ 938,500	\$ 937,903	\$ 880,400	\$ 920,300	\$ 399,831	43.45%	\$ 920,300
Supplies	54,100	48,971	48,000	48,000	16,494	34.36%	48,000
Repairs & Maintenance	207,600	235,930	294,800	231,900	100,732	43.44%	231,900
Services	327,900	315,994	290,200	302,400	129,974	42.98%	302,400
Transfers	9,100	9,100	0	0	0	0.00%	0
Total Budget	<u>\$ 1,537,200</u>	<u>\$ 1,547,898</u>	<u>\$ 1,513,400</u>	<u>\$ 1,502,600</u>	<u>\$ 647,032</u>	<u>43.06%</u>	<u>\$ 1,502,600</u>
<b>POLICE INVESTIGATIONS</b>							
Personal Services/Benefits	\$ 1,833,300	\$ 1,826,699	\$ 1,894,600	\$ 1,889,300	\$ 856,346	45.33%	\$ 2,003,100
Supplies	28,800	26,856	34,100	34,100	13,371	39.21%	34,100
Repairs & Maintenance	38,700	44,457	46,900	46,900	21,855	46.60%	46,900
Services	25,200	23,039	24,400	24,400	9,082	37.22%	24,400
Total Budget	<u>\$ 1,926,000</u>	<u>\$ 1,921,051</u>	<u>\$ 2,000,000</u>	<u>\$ 1,994,700</u>	<u>\$ 900,655</u>	<u>45.15%</u>	<u>\$ 2,108,500</u>
<b>POLICE PATROL</b>							
Personal Services/Benefits	\$ 5,536,400	\$ 5,466,829	\$ 5,570,000	\$ 5,516,200	\$ 2,297,792	41.66%	\$ 5,562,100
Supplies	273,200	266,268	282,100	262,500	68,292	26.02%	262,500
Repairs & Maintenance	337,900	369,050	373,700	377,200	169,498	44.94%	377,200
Services	43,700	37,876	45,600	52,400	11,586	22.11%	52,400
Transfers	277,500	277,500	250,000	250,000	104,165	41.67%	288,500
Total Budget	<u>\$ 6,468,700</u>	<u>\$ 6,417,523</u>	<u>\$ 6,521,400</u>	<u>\$ 6,458,300</u>	<u>\$ 2,651,334</u>	<u>41.05%</u>	<u>\$ 6,542,700</u>
<b>POLICE DETENTION</b>							
Personal Services/Benefits	\$ 1,034,500	\$ 1,028,202	\$ 1,057,500	\$ 1,133,400	\$ 478,855	42.25%	\$ 1,156,000
Supplies	15,500	14,753	15,500	15,500	4,645	29.97%	15,500
Repairs & Maintenance	8,600	8,590	5,300	5,300	5,015	94.62%	5,300
Services	1,200	1,033	3,100	3,100	2,238	72.20%	3,100
Total Budget	<u>\$ 1,059,800</u>	<u>\$ 1,052,578</u>	<u>\$ 1,081,400</u>	<u>\$ 1,157,300</u>	<u>\$ 490,754</u>	<u>42.41%</u>	<u>\$ 1,179,900</u>

# SUMMARY BUDGET CATEGORIES

## General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	ACTUAL Y-T-D 2/28/2017	ACTUAL Y-T-D% 2/28/2017	PROPOSED AMENDED BUDGET 2016-17
<b>POLICE COMMUNICATIONS</b>							
Personal Services/Benefits	\$ 629,800	\$ 610,306	\$ 0	\$ 0	\$ 13,221	0.00%	\$ 0
Supplies	1,100	30	0	0	0	0.00%	0
Repairs & Maintenance	113,600	102,367	86,300	90,200	5,558	6.16%	90,200
Services	1,285,900	1,282,848	1,744,900	1,744,900	810,229	46.43%	1,744,900
Total Budget	<u>\$ 2,030,400</u>	<u>\$ 1,995,551</u>	<u>\$ 1,831,200</u>	<u>\$ 1,835,100</u>	<u>\$ 829,008</u>	<u>45.18%</u>	<u>\$ 1,835,100</u>
<b>POLICE TRAINING</b>							
Personal Services/Benefits	\$ 170,600	\$ 165,180	\$ 138,400	\$ 137,800	\$ 60,846	44.16%	\$ 146,200
Supplies	3,500	3,426	3,500	3,500	0	0.00%	3,500
Services	4,400	2,721	4,400	4,400	2,490	56.59%	4,400
Total Budget	<u>\$ 178,500</u>	<u>\$ 171,327</u>	<u>\$ 146,300</u>	<u>\$ 145,700</u>	<u>\$ 63,336</u>	<u>43.47%</u>	<u>\$ 154,100</u>
<b>FIRE ADMINISTRATION</b>							
Personal Services/Benefits	\$ 746,500	\$ 729,842	\$ 731,500	\$ 741,100	\$ 282,816	38.16%	\$ 741,100
Supplies	39,200	38,809	44,500	44,500	24,555	55.18%	60,100
Repairs & Maintenance	284,800	316,467	406,600	349,400	177,662	50.85%	349,400
Services	81,100	83,149	85,400	87,500	45,705	52.23%	87,500
Transfers	0	0	130,700	130,700	54,455	41.66%	115,100
Total Budget	<u>\$ 1,151,600</u>	<u>\$ 1,168,267</u>	<u>\$ 1,398,700</u>	<u>\$ 1,353,200</u>	<u>\$ 585,194</u>	<u>43.25%</u>	<u>\$ 1,353,200</u>
<b>FIRE PREVENTION</b>							
Personal Services/Benefits	\$ 458,500	\$ 460,596	\$ 471,700	\$ 474,400	\$ 213,125	44.93%	\$ 513,800
Supplies	21,100	20,627	22,000	22,000	4,352	19.78%	22,000
Services	12,800	12,439	10,200	10,200	5,700	55.89%	10,200
Total Budget	<u>\$ 492,400</u>	<u>\$ 493,662</u>	<u>\$ 503,900</u>	<u>\$ 506,600</u>	<u>\$ 223,178</u>	<u>44.05%</u>	<u>\$ 546,000</u>
<b>FIRE OPERATIONS</b>							
Personal Services/Benefits	\$ 7,392,600	\$ 7,370,125	\$ 7,458,700	\$ 7,501,500	\$ 3,431,681	45.75%	\$ 8,109,600
Supplies	248,100	242,201	282,600	287,600	135,378	47.07%	287,600
Repairs & Maintenance	307,100	349,203	351,700	346,700	166,259	47.95%	346,700
Services	168,700	163,621	187,200	187,200	100,150	53.50%	187,200
Transfers	321,600	321,600	1,231,500	1,231,500	513,125	41.67%	1,134,000
Total Budget	<u>\$ 8,438,100</u>	<u>\$ 8,446,750</u>	<u>\$ 9,511,700</u>	<u>\$ 9,554,500</u>	<u>\$ 4,346,592</u>	<u>45.49%</u>	<u>\$ 10,065,100</u>
<b>PARKS &amp; RECREATION ADMINISTRATION</b>							
Personal Services/Benefits	\$ 456,100	\$ 458,648	\$ 458,800	\$ 472,800	\$ 196,702	41.60%	\$ 472,800
Supplies	30,700	28,026	15,700	15,200	4,915	32.34%	15,200
Repairs & Maintenance	4,400	4,347	4,800	3,500	1,531	43.74%	3,500
Services	43,200	35,876	45,100	46,200	10,748	23.26%	46,200
Total Budget	<u>\$ 534,400</u>	<u>\$ 526,897</u>	<u>\$ 524,400</u>	<u>\$ 537,700</u>	<u>\$ 213,897</u>	<u>39.78%</u>	<u>\$ 537,700</u>
<b>PARK MAINTENANCE</b>							
Personal Services/Benefits	\$ 2,877,200	\$ 2,788,998	\$ 2,951,900	\$ 2,999,500	\$ 1,154,965	38.51%	\$ 2,999,500
Purchased Prof & Tech Services	44,600	44,602	41,500	41,500	14,658	35.32%	41,500
Supplies	288,700	270,004	324,600	324,600	62,496	19.25%	324,600
Repairs & Maintenance	740,200	777,828	785,400	775,400	379,421	48.93%	775,400
Services	586,900	609,538	601,900	624,100	172,832	27.69%	624,100
Transfers	652,200	652,200	476,400	476,400	198,495	41.67%	476,400
Total Budget	<u>\$ 5,189,800</u>	<u>\$ 5,143,170</u>	<u>\$ 5,181,700</u>	<u>\$ 5,241,500</u>	<u>\$ 1,982,867</u>	<u>37.83%</u>	<u>\$ 5,241,500</u>

# SUMMARY BUDGET CATEGORIES

## General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	ACTUAL Y-T-D 2/28/2017	ACTUAL Y-T-D% 2/28/2017	PROPOSED AMENDED BUDGET 2016-17
<b>RECREATION</b>							
Personal Services/Benefits	\$ 876,200	\$ 839,341	\$ 914,400	\$ 940,400	\$ 314,183	33.41%	\$ 940,400
Supplies	123,100	120,295	119,800	119,800	45,229	37.75%	119,800
Repairs & Maintenance	401,200	451,332	485,000	402,800	205,338	50.98%	394,100
Services	365,900	359,246	354,100	355,300	117,258	33.00%	355,300
Total Budget	<u>\$ 1,766,400</u>	<u>\$ 1,770,214</u>	<u>\$ 1,873,300</u>	<u>\$ 1,818,300</u>	<u>\$ 682,009</u>	<u>37.51%</u>	<u>\$ 1,809,600</u>
<b>AQUATICS</b>							
Personal Services/Benefits	\$ 475,900	\$ 458,690	\$ 556,500	\$ 583,200	\$ 143,123	24.54%	\$ 583,200
Supplies	47,200	45,089	47,300	54,300	9,712	17.89%	54,300
Repairs & Maintenance	118,000	131,306	121,000	116,400	40,606	34.89%	116,400
Services	207,900	184,069	254,400	254,400	64,820	25.48%	254,400
Transfers	0	0	0	0	0	0.00%	60,000
Total Budget	<u>\$ 849,000</u>	<u>\$ 819,154</u>	<u>\$ 979,200</u>	<u>\$ 1,008,300</u>	<u>\$ 258,261</u>	<u>25.61%</u>	<u>\$ 1,068,300</u>
<b>SENIOR CENTER</b>							
Personal Services/Benefits	\$ 396,100	\$ 388,914	\$ 400,700	\$ 401,700	\$ 158,349	39.42%	\$ 401,700
Supplies	78,300	72,515	85,000	85,000	22,738	26.75%	85,000
Repairs & Maintenance	241,000	273,245	197,700	164,100	67,117	40.90%	164,100
Services	100,900	95,613	105,000	105,200	36,557	34.75%	105,200
Total Budget	<u>\$ 816,300</u>	<u>\$ 830,287</u>	<u>\$ 788,400</u>	<u>\$ 756,000</u>	<u>\$ 284,760</u>	<u>37.67%</u>	<u>\$ 756,000</u>
<b>PARK BOARD</b>							
Services	\$ 9,800	\$ 3,418	\$ 9,800	\$ 9,800	\$ 1,117	11.39%	\$ 9,800
Total Budget	<u>\$ 9,800</u>	<u>\$ 3,418</u>	<u>\$ 9,800</u>	<u>\$ 9,800</u>	<u>\$ 1,117</u>	<u>11.39%</u>	<u>\$ 9,800</u>
<b>SENIOR ADVISORY BOARD</b>							
Services	\$ 4,800	\$ 3,667	\$ 4,800	\$ 4,800	\$ 2,162	45.05%	\$ 4,800
Total Budget	<u>\$ 4,800</u>	<u>\$ 3,667</u>	<u>\$ 4,800</u>	<u>\$ 4,800</u>	<u>\$ 2,162</u>	<u>45.05%</u>	<u>\$ 4,800</u>
<b>EVENTS</b>							
Personal Services/Benefits	\$ 139,800	\$ 117,387	\$ 215,000	\$ 211,500	\$ 71,375	33.75%	\$ 211,500
Repairs & Maintenance	14,100	16,262	24,300	13,000	6,515	50.11%	13,000
Services	1,500	1,392	3,500	3,500	377	10.77%	3,500
Events	421,100	420,762	498,200	498,200	228,503	45.87%	498,200
Transfers	0	0	190,000	190,000	79,165	41.67%	190,000
Total Budget	<u>\$ 576,500</u>	<u>\$ 555,803</u>	<u>\$ 931,000</u>	<u>\$ 916,200</u>	<u>\$ 385,935</u>	<u>42.12%</u>	<u>\$ 916,200</u>
<b>LIBRARY</b>							
Purchased Prof & Tech Services	\$ 1,200,700	\$ 1,200,666	\$ 1,236,600	\$ 1,236,600	\$ 508,928	41.16%	\$ 1,236,600
Supplies	34,900	33,886	34,500	34,500	8,743	25.34%	34,500
Repairs & Maintenance	276,700	319,433	286,500	286,000	97,491	34.09%	220,600
Services	89,000	74,111	91,400	91,900	27,740	30.18%	91,900
Transfers	210,000	210,000	224,000	224,000	94,330	42.11%	224,000
Total Budget	<u>\$ 1,811,300</u>	<u>\$ 1,838,096</u>	<u>\$ 1,873,000</u>	<u>\$ 1,873,000</u>	<u>\$ 737,231</u>	<u>39.36%</u>	<u>\$ 1,807,600</u>
<b>GRAND TOTAL</b>	<u>\$ 50,590,400</u>	<u>\$ 50,084,961</u>	<u>\$ 55,272,300</u>	<u>\$ 55,272,300</u>	<u>\$ 23,277,705</u>	<u>42.11%</u>	<u>\$ 54,920,200</u>

[1] The Animal Services and Environmental Services divisions were split into two divisions beginning in 2015-16.

# SUMMARY BUDGET CATEGORIES

## Enterprise Funds

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	ACTUAL Y-T-D 2/28/2017	ACTUAL Y-T-D% 2/28/2017	PROPOSED AMENDED BUDGET 2016-17
<b>WATER &amp; SEWER ADMINISTRATION</b>							
Personal Services/Benefits	\$ 149,300	\$ 148,998	\$ 149,500	\$ 156,300	\$ 63,593	40.69%	\$ 156,300
Purchased Prof & Tech Services	58,900	63,456	58,900	91,900	33,380	36.32%	91,900
Supplies	66,500	58,994	75,700	75,700	18,532	24.48%	75,700
Repairs & Maintenance	32,700	34,804	56,500	51,000	31,538	61.84%	51,000
Services	53,400	48,709	64,300	64,400	42,599	66.15%	64,400
Production & Disposal	45,500	41,638	53,300	53,300	39,809	74.69%	53,300
Other Objects	10,000	1,214	10,000	10,000	0	0.00%	10,000
Transfers	4,099,200	4,099,200	4,203,100	4,203,100	1,751,290	41.67%	4,203,100
Total Budget	<u>\$ 4,515,500</u>	<u>\$ 4,497,013</u>	<u>\$ 4,671,300</u>	<u>\$ 4,705,700</u>	<u>\$ 1,980,742</u>	<u>42.09%</u>	<u>\$ 4,705,700</u>
<b>WATER &amp; SEWER OPERATIONS</b>							
Personal Services/Benefits	\$ 1,913,000	\$ 1,848,525	\$ 2,007,600	\$ 2,085,700	\$ 802,661	38.48%	\$ 2,085,700
Supplies	201,900	182,507	220,600	220,600	93,595	42.43%	220,600
Repairs & Maintenance	614,300	619,104	660,200	660,200	242,715	36.76%	660,200
Services	364,500	384,945	406,400	407,500	146,860	36.04%	407,500
Production & Disposal	8,499,900	8,570,265	8,670,700	8,557,100	3,097,154	36.19%	10,436,200
Other Objects	50,000	43,727	50,000	50,000	0	0.00%	50,000
Transfers	3,026,500	3,026,500	3,100,000	3,100,000	1,291,660	41.67%	2,350,000
Total Budget	<u>\$ 14,670,100</u>	<u>\$ 14,675,573</u>	<u>\$ 15,115,500</u>	<u>\$ 15,081,100</u>	<u>\$ 5,674,645</u>	<u>37.63%</u>	<u>\$ 16,210,200</u>
Total Water & Sewer Fund	<u>\$ 19,185,600</u>	<u>\$ 19,172,586</u>	<u>\$ 19,786,800</u>	<u>\$ 19,786,800</u>	<u>\$ 7,655,387</u>	<u>38.69%</u>	<u>\$ 20,915,900</u>
<b>STORMWATER UTILITIES</b>							
Purchased Prof & Tech Services	\$ 88,000	\$ 94,920	\$ 0	\$ 0	\$ 101,893	0.00%	\$ 274,200
Repairs & Maintenance	862,000	661,481	950,000	950,000	0	0.00%	950,000
Other Objects	0	3,979	0	0	0	0.00%	0
Transfers	222,700	222,700	74,800	74,800	31,165	41.66%	74,800
Total Stormwater Fund	<u>\$ 1,172,700</u>	<u>\$ 983,080</u>	<u>\$ 1,024,800</u>	<u>\$ 1,024,800</u>	<u>\$ 133,058</u>	<u>12.98%</u>	<u>\$ 1,299,000</u>
GRAND TOTAL	<u>\$ 20,358,300</u>	<u>\$ 20,155,666</u>	<u>\$ 20,811,600</u>	<u>\$ 20,811,600</u>	<u>\$ 7,788,444</u>	<u>37.42%</u>	<u>\$ 22,214,900</u>

# SUMMARY BUDGET CATEGORIES

## Internal Service Funds

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	ACTUAL Y-T-D 2/28/2017	ACTUAL Y-T-D% 2/28/2017	PROPOSED AMENDED BUDGET 2016-17
<b>FACILITIES MANAGEMENT</b>							
Personal Services/Benefits	\$ 480,800	\$ 442,145	\$ 484,500	\$ 477,700	\$ 168,597	35.29%	\$ 477,700
Purchased Prof & Tech Services	0	0	0	10,000	8,941	89.41%	10,000
Supplies	13,400	10,253	12,800	12,800	4,855	37.93%	12,800
Repairs & Maintenance	691,200	691,015	682,300	672,300	298,755	44.44%	672,300
Services	634,300	630,591	607,700	607,700	509,249	83.80%	607,700
Transfers	63,000	63,000	18,000	18,000	7,500	41.67%	18,000
Total Budget	<u>\$ 1,882,700</u>	<u>\$ 1,837,004</u>	<u>\$ 1,805,300</u>	<u>\$ 1,798,500</u>	<u>\$ 997,896</u>	<u>55.48%</u>	<u>\$ 1,798,500</u>
<b>FLEET MANAGEMENT</b>							
Personal Services/Benefits	\$ 496,600	\$ 492,193	\$ 506,000	\$ 512,800	\$ 225,908	44.05%	\$ 513,000
Purchased Prof & Tech Services	150,000	161,707	0	0	0	0.00%	0
Supplies	28,100	26,457	33,400	33,400	8,806	26.37%	33,400
Repairs & Maintenance	108,200	106,980	119,400	119,400	46,405	38.87%	119,400
Services	238,100	239,857	257,100	257,100	113,262	44.05%	257,100
Inventory Usage	1,230,800	1,334,266	1,402,700	1,402,700	505,574	36.04%	1,402,700
Transfers	0	0	64,000	64,000	26,665	41.66%	64,000
Total Budget	<u>\$ 2,251,800</u>	<u>\$ 2,361,460</u>	<u>\$ 2,382,600</u>	<u>\$ 2,389,400</u>	<u>\$ 926,620</u>	<u>38.78%</u>	<u>\$ 2,389,600</u>
Total Fleet & Facilities Mgmt Fund	<u>\$ 4,134,500</u>	<u>\$ 4,198,464</u>	<u>\$ 4,187,900</u>	<u>\$ 4,187,900</u>	<u>\$ 1,924,516</u>	<u>45.95%</u>	<u>\$ 4,188,100</u>
<b>WORKERS' COMPENSATION</b>							
Purchased Prof & Tech Services	\$ 5,000	\$ 3,000	\$ 5,000	\$ 5,000	\$ 0	0.00%	\$ 5,000
Workers' Compensation	395,000	282,238	395,000	395,000	45,918	11.62%	395,000
Transfers	0	0	203,100	203,100	84,625	41.67%	203,100
Total Workers' Compensation Fund	<u>\$ 400,000</u>	<u>\$ 285,238</u>	<u>\$ 603,100</u>	<u>\$ 603,100</u>	<u>\$ 130,543</u>	<u>21.65%</u>	<u>\$ 603,100</u>
<b>HEALTH CLAIMS</b>							
Claims Incurred	\$ 2,795,200	\$ 3,183,807	\$ 2,725,200	\$ 2,725,200	\$ 1,134,356	41.62%	\$ 3,086,300
Insurance Premiums	358,300	321,548	358,300	358,300	162,835	45.45%	330,100
Fees	159,400	242,420	159,400	159,400	122,930	77.12%	239,400
Other Objects	3,800	0	303,800	303,800	0	0.00%	300,000
Transfers	590,800	590,800	250,000	250,000	104,165	41.67%	250,000
Total Health Claims Fund	<u>\$ 3,907,500</u>	<u>\$ 4,338,575</u>	<u>\$ 3,796,700</u>	<u>\$ 3,796,700</u>	<u>\$ 1,524,286</u>	<u>40.15%</u>	<u>\$ 4,205,800</u>
GRAND TOTAL	<u>\$ 8,442,000</u>	<u>\$ 8,822,277</u>	<u>\$ 8,587,700</u>	<u>\$ 8,587,700</u>	<u>\$ 3,579,344</u>	<u>41.68%</u>	<u>\$ 8,997,000</u>

# SUMMARY BUDGET CATEGORIES HOTEL/MOTEL FUND

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2015-16	ACTUAL 2015-16	ADOPTED BUDGET 2016-17	ADJUSTED BUDGET 2016-17	ACTUAL Y-T-D 2/28/2017	ACTUAL Y-T-D% 2/28/2017	PROPOSED AMENDED BUDGET 2016-17
<b>HISTORICAL PRESERVATION/SPECIAL EVENTS</b>							
Personal Services/Benefits	\$ 518,400	\$ 507,937	\$ 524,100	\$ 528,300	\$ 219,456	41.54%	\$ 528,300
Purchased Prof & Tech Services	6,500	1,500	1,500	2,500	1,232	49.27%	2,500
Supplies	47,500	39,675	47,500	47,500	19,413	40.87%	47,500
Repairs & Maintenance	190,600	186,119	198,000	192,600	76,823	39.89%	221,500
Services	91,500	76,253	92,000	92,200	30,918	33.53%	92,200
Other Fixed Assets	4,000	3,933	21,500	21,500	17,820	82.88%	21,500
Special Events	280,000	282,435	275,000	275,000	164,331	59.76%	275,000
Transfers	0	0	1,058,000	1,058,000	440,830	41.67%	1,058,000
Total Budget	<u>\$ 1,138,500</u>	<u>\$ 1,097,852</u>	<u>\$ 2,217,600</u>	<u>\$ 2,217,600</u>	<u>\$ 970,822</u>	<u>43.78%</u>	<u>\$ 2,246,500</u>
<b>PROMOTION OF TOURISM</b>							
Purchased Prof & Tech Services	\$ 18,300	\$ 18,864	\$ 17,600	\$ 17,600	\$ 2,925	16.62%	\$ 17,600
Supplies	6,000	4,601	6,000	6,000	1,076	17.94%	6,000
Services	53,300	31,056	8,300	8,300	6,534	78.73%	8,300
Marketing	704,400	672,143	773,600	773,600	443,626	57.35%	773,600
Transfers	468,900	468,900	468,900	468,900	195,375	41.67%	468,900
Total Budget	<u>\$ 1,250,900</u>	<u>\$ 1,195,564</u>	<u>\$ 1,274,400</u>	<u>\$ 1,274,400</u>	<u>\$ 649,536</u>	<u>50.97%</u>	<u>\$ 1,274,400</u>
<b>CONVENTION</b>							
Supplies	\$ 1,000	\$ 0	\$ 1,000	\$ 1,000	\$ 0	0.00%	\$ 1,000
Repairs & Maintenance	2,000	511	2,000	2,000	0	0.00%	2,000
Services	7,000	6,095	16,000	16,000	0	0.00%	16,000
Transfers	0	0	0	0	0	0.00%	383,000
Total Budget	<u>\$ 10,000</u>	<u>\$ 6,606</u>	<u>\$ 19,000</u>	<u>\$ 19,000</u>	<u>\$ 0</u>	<u>0.00%</u>	<u>\$ 402,000</u>
<b>GRAND TOTAL</b>	<u>\$ 2,399,400</u>	<u>\$ 2,300,022</u>	<u>\$ 3,511,000</u>	<u>\$ 3,511,000</u>	<u>\$ 1,620,359</u>	<u>46.15%</u>	<u>\$ 3,922,900</u>



## DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

General obligation debt can be in the form of bonds, certificates of obligation or tax notes. Bonds must be approved by vote of the general population prior to issuance. Certificates of obligation do not require voter approval, are generally short term in nature, and are frequently used to fund capital improvements not anticipated at the time of the latest bond election. Tax notes are similar to certificates of obligation in that there is no requirement for voter approval and they are generally short term in nature.

The City has the following outstanding debt issues:

### \$10,000,000 Certificates of Obligation – Taxable Series 2009

Used to pay contractual obligations to be incurred for the following purposes: a) acquiring and demolishing dangerous structures located within the City, and b) paying for professional services of attorneys, financial advisors and other professionals in connection with the project and the issuance of the certificates. The Certificates constitute direct obligations of the City and are payable from a combination of a) the levy and collection of a direct and continuing ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City, and b) a limited pledge of the surplus net revenues of the City's waterworks and sewer system with such pledge being limited to an amount not in excess of \$1,000.

There are currently \$6,045,000 bonds outstanding. These bonds are issued as serial certificates maturing on February 15 in the years 2010 through 2020 and as term certificates maturing February 15, 2022 and February 15, 2024.

### \$5,470,000 General Obligation Refunding & Improvement Bonds – Series 2010

Used to pay contractual obligations to be incurred for the land acquisition, design and construction related to the relocation of Fire Station No. 1 to a more central location. The citizens of Farmers Branch authorized the bonds through a bond election held in May 2009.

There are currently \$4,290,000 bonds outstanding. These bonds are issued as serial bonds maturing on February 15 in the years 2011 through 2030.

### \$7,035,000 General Obligation Refunding Bonds, Taxable Series 2011

Used to refund the City's outstanding \$7,895,000 Combination Tax and Revenue Certificates of Obligation, Taxable Series 2004, in order to lower the overall debt service requirements of the City.

There are currently \$5,065,000 bonds outstanding. These bonds will be fully matured and paid on November 1, 2025.

### \$3,000,000 Certificates of Obligation - Series 2012

Used to pay contractual obligations to be incurred for the following purposes: a) the acquisition of public safety radio system upgrades and improvements, and b) paying for professional services of attorneys, financial advisors and other professionals in connection with the project and the issuance of the certificates. The Certificates constitute direct obligations of the City and are payable from a combination of a) the levy and collection of a direct and continuing ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City, and b) all or a part of certain surplus revenues of the City's waterworks and sewer system remaining after payment of any

obligations of the City payable in whole or in part from a lien on or pledge of such revenues that would be superior to the obligations to be authorized.

There are currently \$2,165,000 bonds outstanding. These bonds are issued as term certificates maturing on May 1 in the years 2014 through 2023.

\$6,500,000 Combination Tax & Revenue Certificates of Obligation – Series 2013

Used to pay contractual obligations to be incurred for designing, constructing and equipping an aquatics facility in the City, including site preparation, and to pay the costs associated with the issuance of the Certificates.

There are currently \$5,800,000 bonds outstanding. These bonds will be fully matured and paid on November 1, 2032.

\$13,920,000 General Obligation Bonds – Series 2014

Used to pay for street projects pursuant to a bond election held May 10, 2014, authorizing bonds in the aggregate principal amount of \$23,500,000. The remaining bonds, totaling \$9,580,000, are anticipated to be issued in four to five years and the combined maturity is expected to be 20 years.

There are currently \$11,710,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2034.

\$1,890,000 Combination Tax and Revenue Certificates of Obligation – Series 2014

Used for the acquisition, equipping or constructing of joint public safety dispatch, communications and training facilities and to pay the costs associated with the issuance of the Certificates.

There are currently \$1,545,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2024.

\$2,545,000 Combination Tax and Revenue Certificates of Obligation – Series 2016

Used to pay contractual obligations to be incurred for designing, constructing, improving, renovating, expanding, equipping and furnishing police facilities and acquiring police equipment and supporting systems, including improvements to the Farmers Branch Justice Center, and the acquisition of land therefor, and to pay the costs associated with the issuance of the Certificates.

There are currently \$2,545,000 bonds outstanding. These bonds will be fully matured and paid on May 1, 2036.

# DEBT SERVICE FUND SUMMARY OF REVENUES AND EXPENDITURES

## PROPERTY TAX SUPPORTED DEBT

<i>FUND BALANCE 9/30/2015</i>			\$ 126,040
2015-16	PROPERTY TAX REVENUES	\$ 3,931,913	
2015-16	PRIOR YEAR TAX, PENALTY AND INTEREST	12,790	
2015-16	DEBT SERVICE REQUIREMENTS	(3,936,819)	
<i>INCREASE (DECREASE) IN FUND BALANCE</i>			<u>7,884</u>
<i>ESTIMATED FUND BALANCE 9/30/2016</i>			\$ 133,924
2016-17	ESTIMATED PROPERTY TAX REVENUES	\$ 4,096,800	
2016-17	ESTIMATED PRIOR YEAR TAX, PENALTY AND INTEREST	40,000	
2016-17	DEBT SERVICE REQUIREMENTS [1]	(4,096,800)	
<i>INCREASE (DECREASE) IN FUND BALANCE</i>			<u>40,000</u>
<i>ESTIMATED FUND BALANCE 9/30/2017</i>			<u><u>\$ 173,924</u></u>

## SELF-SUPPORTING DEBT

<i>FUND BALANCE 9/30/2015</i>			\$ 106,073
2015-16	COMMERCIAL RENT	\$ 660,000	
2015-16	CLOSE STARS CENTER SPECIAL REVENUE FUND [2]	627,015	
2015-16	DEBT SERVICE REQUIREMENTS	(600,921)	
<i>INCREASE (DECREASE) IN FUND BALANCE</i>			<u>686,094</u>
<i>ESTIMATED FUND BALANCE 9/30/2016</i>			\$ 792,167
2016-17	COMMERCIAL RENT	\$ 660,000	
2016-17	DEBT SERVICE REQUIREMENTS [3]	(598,900)	
2016-17	TRANSFER TO HOTEL/MOTEL CIP [4]	(600,000)	
<i>INCREASE (DECREASE) IN FUND BALANCE</i>			<u>(538,900)</u>
<i>ESTIMATED FUND BALANCE 9/30/2017</i>			<u><u>\$ 253,267</u></u>

[1] Includes approximately \$5,100 for paying agent fees and arbitrage calculation services.

[2] Per 2015-16 GFOA recommendation, the Stars Center Special Revenue Fund has been consolidated with the Stars Center Debt Service Fund.

[3] Includes approximately \$1,500 for paying agent fees and arbitrage calculation services.

[4] Represents a portion of the City's match for DrPepper StarCenter improvements. The total costs for the City's match is \$983,000, with the \$383,000 remaining portion of the match to be budgeted in the Hotel/Motel fund.

**SUMMARY  
PROPERTY TAX SUPPORTED DEBT  
PRINCIPAL & INTEREST REQUIREMENTS**

YEAR	PRINCIPAL	INTEREST	TOTAL
2016-17	\$ 2,875,000.00	\$ 1,216,617.00	\$ 4,091,617.00
2017-18	2,995,000.00	1,101,178.50	4,096,178.50
2018-19	2,235,000.00	994,839.00	3,229,839.00
2019-20	2,325,000.00	904,664.00	3,229,664.00
2020-21	2,420,000.00	808,900.50	3,228,900.50
2021-22	2,525,000.00	706,807.00	3,231,807.00
2022-23	2,635,000.00	598,278.00	3,233,278.00
2023-24	2,410,000.00	491,241.00	2,901,241.00
2024-25	1,340,000.00	422,056.50	1,762,056.50
2025-26	1,380,000.00	380,331.50	1,760,331.50
2026-27	1,425,000.00	337,331.50	1,762,331.50
2027-28	1,465,000.00	292,616.00	1,757,616.00
2028-29	1,515,000.00	245,125.00	1,760,125.00
2029-30	1,575,000.00	193,962.75	1,768,962.75
2030-31	1,215,000.00	147,812.50	1,362,812.50
2031-32	1,255,000.00	106,906.75	1,361,906.75
2032-33	1,295,000.00	64,150.50	1,359,150.50
2033-34	895,000.00	27,200.00	922,200.00
2034-35	160,000.00	9,600.00	169,600.00
2035-36	160,000.00	4,800.00	164,800.00
Total	<u>\$ 34,100,000.00</u>	<u>\$ 9,054,418.00</u>	<u>\$ 43,154,418.00</u>

COMBINATION TAX and REVENUE  
 CERTIFICATES OF OBLIGATION  
 TAXABLE SERIES 2009  
 AMOUNT OF ISSUE: \$10,000,000  
 PRINCIPAL & INTEREST REQUIREMENTS  
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2016-17	\$ 635,000.00	\$ 285,491.50	\$ 920,491.50
2017-18	665,000.00	256,731.50	921,731.50
2018-19	695,000.00	224,690.00	919,690.00
2019-20	730,000.00	189,869.50	919,869.50
2020-21	765,000.00	152,145.00	917,145.00
2021-22	810,000.00	111,825.00	921,825.00
2022-23	850,000.00	68,904.00	918,904.00
2023-24	895,000.00	23,359.50	918,359.50
Total	<u>\$ 6,045,000.00</u>	<u>\$ 1,313,016.00</u>	<u>\$ 7,358,016.00</u>

Interest Rates:

2012-13	-	2.540%
2013-14	-	3.320%
2014-15	-	3.470%
2015-16	-	4.020%
2016-17	-	4.220%
2017-18	-	4.620%
2018-19	-	4.800%
2020-24	-	4.970%

**GENERAL OBLIGATION  
REFUNDING & IMPROVEMENT BONDS  
SERIES 2010  
AMOUNT OF ISSUE: \$5,470,000 (1)  
PRINCIPAL & INTEREST REQUIREMENTS**  
Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2016-17	\$ 235,000.00	\$ 162,625.00	\$ 397,625.00
2017-18	245,000.00	153,025.00	398,025.00
2018-19	250,000.00	143,125.00	393,125.00
2019-20	265,000.00	132,825.00	397,825.00
2020-21	275,000.00	122,712.50	397,712.50
2021-22	285,000.00	112,912.50	397,912.50
2022-23	295,000.00	102,762.50	397,762.50
2023-24	310,000.00	91,400.00	401,400.00
2024-25	320,000.00	78,800.00	398,800.00
2025-26	335,000.00	65,700.00	400,700.00
2026-27	345,000.00	52,100.00	397,100.00
2027-28	360,000.00	38,000.00	398,000.00
2028-29	375,000.00	23,300.00	398,300.00
2029-30	395,000.00	7,900.00	402,900.00
Total	<u>\$ 4,290,000.00</u>	<u>\$ 1,287,187.50</u>	<u>\$ 5,577,187.50</u>

Interest Rates:

2014-15	-	3.000%
2015-16	-	3.000%
2016-17	-	4.000%
2017-18	-	4.000%
2018-19	-	4.000%
2019-20	-	4.000%
2020-21	-	3.500%
2021-22	-	3.500%
2022-23	-	3.500%
2023-30	-	4.000%

(1) The total issue amount for the Series 2010 General Obligation Refunding & Improvement Bonds is \$7,160,000, of which \$1,690,000 is reported as Self-Supporting Debt and was used to refund 1999 Combination Tax and Hotel Occupancy Tax Certificates of Obligation. The remaining debt will be used to support the design, construction and relocation of Fire Station No. 1 in the amount of \$5,470,000.

COMBINATION TAX and REVENUE  
 CERTIFICATES OF OBLIGATION  
 SERIES 2012  
 AMOUNT OF ISSUE: \$3,000,000  
 PRINCIPAL & INTEREST REQUIREMENTS  
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2016-17	\$ 295,000.00	\$ 36,588.50	\$ 331,588.50
2017-18	295,000.00	31,603.00	326,603.00
2018-19	305,000.00	26,617.50	331,617.50
2019-20	310,000.00	21,463.00	331,463.00
2020-21	315,000.00	16,224.00	331,224.00
2021-22	320,000.00	10,900.50	330,900.50
2022-23	325,000.00	5,492.50	330,492.50
Total	<u>\$ 2,165,000.00</u>	<u>\$ 148,889.00</u>	<u>\$ 2,313,889.00</u>

COMBINATION TAX and REVENUE  
 CERTIFICATES OF OBLIGATION  
 SERIES 2013  
 AMOUNT OF ISSUE: \$6,500,000  
 PRINCIPAL & INTEREST REQUIREMENTS  
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2016-17	\$ 250,000.00	\$ 188,150.00	\$ 438,150.00
2017-18	260,000.00	176,675.00	436,675.00
2018-19	275,000.00	164,637.50	439,637.50
2019-20	285,000.00	152,037.50	437,037.50
2020-21	300,000.00	138,875.00	438,875.00
2021-22	310,000.00	125,150.00	435,150.00
2022-23	325,000.00	111,675.00	436,675.00
2023-24	335,000.00	100,987.50	435,987.50
2024-25	345,000.00	92,487.50	437,487.50
2025-26	355,000.00	83,737.50	438,737.50
2026-27	365,000.00	74,737.50	439,737.50
2027-28	370,000.00	65,550.00	435,550.00
2028-29	380,000.00	55,700.00	435,700.00
2029-30	395,000.00	45,043.75	440,043.75
2030-31	405,000.00	33,537.50	438,537.50
2031-32	415,000.00	20,718.75	435,718.75
2032-33	430,000.00	6,987.50	436,987.50
Total	<u>\$ 5,800,000.00</u>	<u>\$ 1,636,687.50</u>	<u>\$ 7,436,687.50</u>



GENERAL OBLIGATION BONDS  
 SERIES 2014  
 AMOUNT OF ISSUE: \$13,920,000  
 PRINCIPAL & INTEREST REQUIREMENTS  
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2016-17	\$ 1,180,000.00	\$ 435,769.00	\$ 1,615,769.00
2017-18	1,245,000.00	375,144.00	1,620,144.00
2018-19	420,000.00	333,519.00	753,519.00
2019-20	440,000.00	312,019.00	752,019.00
2020-21	465,000.00	289,394.00	754,394.00
2021-22	490,000.00	265,519.00	755,519.00
2022-23	515,000.00	240,394.00	755,394.00
2023-24	535,000.00	219,494.00	754,494.00
2024-25	555,000.00	203,144.00	758,144.00
2025-26	570,000.00	186,269.00	756,269.00
2026-27	590,000.00	168,869.00	758,869.00
2027-28	605,000.00	150,566.00	755,566.00
2028-29	630,000.00	130,875.00	760,875.00
2029-30	650,000.00	109,669.00	759,669.00
2030-31	670,000.00	86,975.00	756,975.00
2031-32	695,000.00	63,088.00	758,088.00
2032-33	715,000.00	38,413.00	753,413.00
2033-34	740,000.00	12,950.00	752,950.00
Total	<u>\$ 11,710,000.00</u>	<u>\$ 3,622,070.00</u>	<u>\$ 15,332,070.00</u>

COMBINATION TAX and REVENUE  
 CERTIFICATES OF OBLIGATION  
 SERIES 2014  
 AMOUNT OF ISSUE: \$1,890,000  
 PRINCIPAL & INTEREST REQUIREMENTS  
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2016-17	\$ 175,000.00	\$ 47,950.00	\$ 222,950.00
2017-18	180,000.00	44,400.00	224,400.00
2018-19	185,000.00	40,750.00	225,750.00
2019-20	185,000.00	37,050.00	222,050.00
2020-21	190,000.00	32,350.00	222,350.00
2021-22	200,000.00	25,500.00	225,500.00
2022-23	210,000.00	16,250.00	226,250.00
2023-24	220,000.00	5,500.00	225,500.00
Total	<u>\$ 1,545,000.00</u>	<u>\$ 249,750.00</u>	<u>\$ 1,794,750.00</u>

COMBINATION TAX and REVENUE  
 CERTIFICATES OF OBLIGATION  
 SERIES 2016  
 AMOUNT OF ISSUE: \$2,545,000  
 PRINCIPAL & INTEREST REQUIREMENTS  
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2016-17	\$ 105,000.00	\$ 60,043.00	\$ 165,043.00
2017-18	105,000.00	63,600.00	168,600.00
2018-19	105,000.00	61,500.00	166,500.00
2019-20	110,000.00	59,400.00	169,400.00
2020-21	110,000.00	57,200.00	167,200.00
2021-22	110,000.00	55,000.00	165,000.00
2022-23	115,000.00	52,800.00	167,800.00
2023-24	115,000.00	50,500.00	165,500.00
2024-25	120,000.00	47,625.00	167,625.00
2025-26	120,000.00	44,625.00	164,625.00
2026-27	125,000.00	41,625.00	166,625.00
2027-28	130,000.00	38,500.00	168,500.00
2028-29	130,000.00	35,250.00	165,250.00
2029-30	135,000.00	31,350.00	166,350.00
2030-31	140,000.00	27,300.00	167,300.00
2031-32	145,000.00	23,100.00	168,100.00
2032-33	150,000.00	18,750.00	168,750.00
2033-34	155,000.00	14,250.00	169,250.00
2034-35	160,000.00	9,600.00	169,600.00
2035-36	160,000.00	4,800.00	164,800.00
Total	<u>\$ 2,545,000.00</u>	<u>\$ 796,818.00</u>	<u>\$ 3,341,818.00</u>

**SUMMARY  
SELF-SUPPORTING DEBT  
PRINCIPAL & INTEREST REQUIREMENTS**

YEAR	PRINCIPAL	INTEREST	TOTAL
2016-17	\$ 440,000.00	\$ 157,357.50	\$ 597,357.50
2017-18	450,000.00	147,937.00	597,937.00
2018-19	465,000.00	136,832.50	601,832.50
2019-20	480,000.00	124,016.50	604,016.50
2020-21	495,000.00	109,356.25	604,356.25
2021-22	510,000.00	93,145.00	603,145.00
2022-23	525,000.00	75,411.25	600,411.25
2023-24	545,000.00	56,146.25	601,146.25
2024-25	565,000.00	34,900.00	599,900.00
2025-26	590,000.00	11,800.00	601,800.00
Total	<u>\$ 5,065,000.00</u>	<u>\$ 946,902.25</u>	<u>\$ 6,011,902.25</u>

**GENERAL OBLIGATION REFUNDING BONDS**  
**TAXABLE SERIES 2011**  
**AMOUNT OF ISSUE: \$7,035,000**  
**PRINCIPAL & INTEREST REQUIREMENTS**  
Self-Supporting Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2016-17	\$ 440,000.00	\$ 157,357.50	\$ 597,357.50
2017-18	450,000.00	147,937.00	597,937.00
2018-19	465,000.00	136,832.50	601,832.50
2019-20	480,000.00	124,016.50	604,016.50
2020-21	495,000.00	109,356.25	604,356.25
2021-22	510,000.00	93,145.00	603,145.00
2022-23	525,000.00	75,411.25	600,411.25
2023-24	545,000.00	56,146.25	601,146.25
2024-25	565,000.00	34,900.00	599,900.00
2025-26	590,000.00	11,800.00	601,800.00
Total	<u>\$ 5,065,000.00</u>	<u>\$ 946,902.25</u>	<u>\$ 6,011,902.25</u>

Interest Rates:

2012-15	-	4.950%
2016-26	-	5.800%

Series refunding Taxable Series 2004 Certificates of Obligation.

# ECONOMIC DEVELOPMENT FUND

## Proposed Amended Budget 2016-17

<i>PROJECTED BEGINNING FUND BALANCE - INVENTORY OF LAND HELD FOR RESALE</i>		\$	0
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Economic Development - Land Purchases (Market Value)	\$	0	
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TOTAL CHANGE IN INVENTORY OF LAND HELD FOR RESALE	\$	0	0
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<i>PROJECTED ENDING FUND BALANCE - INVENTORY OF LAND HELD FOR RESALE</i>		<u>\$</u>	<u>0</u>
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<i>PROJECTED BEGINNING FUND BALANCE - ASSIGNED TO ECONOMIC DEVELOPMENT</i>		\$	2,715,318
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### BUDGETED REVENUES

Transfer from General Fund	\$	300,000	
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Transfer from Dangerous Structures Fund		<u>250,000</u>	
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TOTAL BUDGETED REVENUES	\$	<u>550,000</u>	550,000
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### BUDGETED EXPENDITURES

Economic Development - Inventory Gain/Loss	\$	300,000	
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Economic Development - Corporate / Residential Relocation		350,000	
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Economic Development - Redevelopment Operations - Commercial Façade Grant Program		<u>250,000</u>	
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TOTAL BUDGETED EXPENDITURES	\$	<u>900,000</u>	<u>(900,000)</u>
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<i>PROJECTED ENDING FUND BALANCE - ASSIGNED TO ECONOMIC DEVELOPMENT</i>		<u>\$</u>	<u>2,365,318</u>
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## SPECIAL REVENUE FUNDS

The Special Revenue Funds are used by the City to account for the accumulation and disbursement of restricted resources. The following is a description of the City's currently budgeted Special Revenue Funds:

Police Forfeitures - to account for proceeds from the sale of assets seized in connection with drug arrests. Revenues are restricted to law enforcement expenditures.

Donations - to account for voluntary contributions for community improvement.

Youth Scholarship - to account for voluntary contributions for youth scholarship.

Grants - to account for grant revenues and expenditures.

Building Security – to account for the municipal court building security fee dedicated to courthouse security.

Court Technology – to account for the municipal court technology fee for the purchase of technological enhancements.

Landfill Closure/Post-Closure – used to account for future landfill costs.

Stars Center - to account for Stars/Conference Center rental revenues and transfers to debt service for bond payments. [Note: Fund closed to the Debt Service Fund in fiscal year 2015-16 per GFOA recommendations.]

Cemetery – to account for grounds maintenance of Keenan Cemetery.

Legal Defense – to account for donations received for legal defense.

Photographic Light System – to account for penalties and fees collected and all costs associated with the operation and enforcement of the photographic traffic monitoring system.

Dangerous Structures - to account for the costs related to the acquisition and demolition of dangerous structures (the Project) located within the City and the payment of professional services in connection with the Project. Funded by certificate of obligation proceeds.

PEG Access Channel – to account for Public, Educational, Governmental (PEG) access channel capital support. Funding source is 1% of cable franchisees' gross revenue.

## SPECIAL REVENUE FUND

### Proposed Amended Budget 2016-17

#### Police Forfeiture Fund

<i>PROJECTED BEGINNING FUND BALANCE</i>		\$	234,611
BUDGETED REVENUES			
Court Ordered Forfeitures		\$	57,000
TOTAL BUDGETED REVENUES		\$	57,000
BUDGETED EXPENDITURES			
Operating		\$	40,000
State Expenditures			117,000
Community-Based Programs	20,000		
Firearms & Weapons	36,000		
Other	8,000		
Services	5,000		
Credit Card	1,000		
Communications & Computer	17,000		
Body Armor & Protective Gear	10,000		
Vehicle Maintenance	20,000		
Training			20,000
TOTAL BUDGETED EXPENDITURES		\$	177,000
<i>PROJECTED ENDING FUND BALANCE</i>		\$	114,611



# SPECIAL REVENUE FUND

## Proposed Amended Budget 2016-17

### Donations Fund

<i>PROJECTED BEGINNING FUND BALANCE</i>		\$ 180,402
<b>BUDGETED REVENUES</b>		
Donations Received for Animal Care & Adoption Center	\$ 11,500	
Donations Received for Farmers Branch Community Foundation	300	
Donations Received for Fire	103,400	
Donations Received for Historical Park	9,000	
Donations Received from Jurors for Animal Adoptions	1,000	
Donations Received for Library	2,000	
Donations Received for Parks	10,000	
Donations Received for Police	15,400	
Donations Received for Senior Center	<u>3,200</u>	
<b>TOTAL BUDGETED REVENUES</b>	<u>\$ 155,800</u>	155,800
<b>BUDGETED EXPENDITURES</b>		
Animal Adoption - Juror Donations	\$ 1,000	
Animal Care - General	11,500	
Fire - Metrocrest Hospital Authority Donation	102,400	
Fire Prevention	1,000	
Historical Park		
Purchase Antiques	1,000	
Victorian House - Purchase Artifacts	6,500	
Log Cabins - Restoration Projects	171	
Human Resources - Wellness Program	1,491	
Library Materials	5,000	
Park Maintenance	2,000	
Police Training Aids & Equipment	6,400	
Senior Center	<u>4,700</u>	
<b>TOTAL BUDGETED EXPENDITURES</b>	<u>\$ 143,162</u>	<u>(143,162)</u>
 <i>PROJECTED ENDING FUND BALANCE (1)</i>		 <u><u>\$ 193,040</u></u>

NOTE:

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(1) The projected ending fund balance is as follows:

Animal Care/Spay Neuter	\$ 51,964
Citizen Survey	33
Farmers Branch Community Foundation	11,996
Fire	847
Fishin' Fun	2,700
Flexible Spending Refunds - Medical Reimbursement	2,320
Historical Park	7,907
Library	16,345
Park Improvements	18,783
Police/Safety	35,833
Senior Center	39,096
Spay/Neuter	5,216
	<u>\$ 193,040</u>

SPECIAL REVENUE FUND  
Proposed Amended Budget 2016-17

Youth Scholarship Fund

<i>PROJECTED BEGINNING FUND BALANCE</i>		\$	16,682
BUDGETED REVENUES			
Youth Scholarship	<u>\$</u>	3,000	
TOTAL BUDGETED REVENUES	<u>\$</u>	3,000	3,000
BUDGETED EXPENDITURES			
Parks & Recreation	<u>\$</u>	6,000	
TOTAL BUDGETED EXPENDITURES	<u>\$</u>	6,000	<u>(6,000)</u>
<i>PROJECTED ENDING FUND BALANCE</i>		<u>\$</u>	<u>13,682</u>

# SPECIAL REVENUE FUND

## Proposed Amended Budget 2016-17

### Grants Fund

<i>PROJECTED BEGINNING FUND BALANCE</i>		\$ 0
 BUDGETED REVENUES		
Environmental Health	\$ 4,500	
Historical Park - General Store	750	
Police - TxDot STEP Grant	35,138	
Police - CFTFK	5,250	
Police - State Criminal Justice Program Grant	22,650	
Police - Body Camera Grant	29,400	
Fire NCTRAC Medical Grant	5,000	
Fire - SAFER Grant	0	
Tourism - IBERCUP USA 2017	<u>32,217</u>	
 TOTAL BUDGETED REVENUES	 <u>\$ 134,905</u>	 134,905
 BUDGETED EXPENDITURES		
Texas Department of Health Chempack	\$ 4,500	
Historical Park - General Store Supplies	750	
Police Body Camera Grant	29,400	
Patrol Uniforms	22,650	
Fire NCTRAC Medical Grant	5,000	
Police - STEP Grant	35,138	
Police - CFTFK Grant	5,250	
Tourism - IBERCUP USA 2017	<u>32,217</u>	
 TOTAL BUDGETED EXPENDITURES	 <u>\$ 134,905</u>	 <u>(134,905)</u>
 <i>PROJECTED ENDING FUND BALANCE</i>		 <u><u>\$ 0</u></u>

Note: Deficits in beginning or ending fund balance are a result of a timing difference between grant expenditures incurred and the filing of requests for reimbursements.

SPECIAL REVENUE FUND  
Proposed Amended Budget 2016-17

Building Security Fund

<i>PROJECTED BEGINNING FUND BALANCE</i>		\$	42,057
BUDGETED REVENUES			
Building Security	\$	29,000	
Interest		<u>1,000</u>	
TOTAL BUDGETED REVENUES	\$	<u>30,000</u>	30,000
BUDGETED EXPENDITURES			
Supplies, Repairs and Maintenance	\$	36,500	
Court Security		<u>23,600</u>	
TOTAL BUDGETED EXPENDITURES	\$	<u>60,100</u>	<u>(60,100)</u>
<i>PROJECTED ENDING FUND BALANCE</i>			<u><u>\$ 11,957</u></u>

SPECIAL REVENUE FUND  
Proposed Amended Budget 2016-17

Court Technology Fund

<i>PROJECTED BEGINNING FUND BALANCE</i>			\$ 79,863
BUDGETED REVENUES			
Court Fines	\$ 39,000		
	<u>1,000</u>		
TOTAL BUDGETED REVENUES	<u>\$ 40,000</u>	40,000	
BUDGETED EXPENDITURES			
Court Technology	\$ 11,500		
Services	3,600		
Equipment - Office	<u>50,800</u>		
TOTAL BUDGETED EXPENDITURES	<u>\$ 65,900</u>	<u>(65,900)</u>	
<i>PROJECTED ENDING FUND BALANCE</i>			<u><u>\$ 53,963</u></u>

SPECIAL REVENUE FUND  
Proposed Amended Budget 2016-17

Landfill Closure/Post-Closure Fund

<i>PROJECTED BEGINNING FUND BALANCE</i>		\$ 4,452,302
BUDGETED REVENUES		
Interest	\$ 30,000	
TOTAL BUDGETED REVENUES	\$ 30,000	30,000
BUDGETED EXPENDITURES		
Installation and Improvement to Gas Collection System	\$ 700,000	
Traffic Signal - Hwy 121 & Huffines per City of Lewisville Agreement	200,000	
Gas Collection System Expansion	900,000	
Irrevocable Stand-by Letter of Credit for Financial Assurance	55,000	
TOTAL BUDGETED EXPENDITURES	\$ 1,855,000	(1,855,000)
<i>PROJECTED ENDING FUND BALANCE</i>		<u>\$ 2,627,302</u>

## SPECIAL REVENUE FUND

### Proposed Amended Budget 2016-17

#### Stars Center Fund

This fund has been closed and balances moved to the Stars Center Debt Service Fund.



SPECIAL REVENUE FUND  
Proposed Amended Budget 2016-17

Cemetery Fund

<i>PROJECTED BEGINNING FUND BALANCE</i>		\$	3,009
BUDGETED REVENUES			
Interest	\$	200	
Johnston Family Perpetual Trust for Maintenance Fees		<u>1,200</u>	
TOTAL BUDGETED REVENUES	\$	<u>1,400</u>	1,400
BUDGETED EXPENDITURES			
	\$	<u>0</u>	
TOTAL BUDGETED EXPENDITURES	\$	<u>0</u>	<u>0</u>
<i>PROJECTED ENDING FUND BALANCE</i>			<u><u>\$ 4,409</u></u>

SPECIAL REVENUE FUND  
Proposed Amended Budget 2016-17

Photographic Light System Fund

<i>PROJECTED BEGINNING FUND BALANCE</i>			\$ 536,857
BUDGETED REVENUES			
Red Light Enforcement	\$ 825,000		
Less State Revenue Sharing Costs	<u>(140,450)</u>		
TOTAL BUDGETED REVENUES	<u>\$ 684,550</u>	684,550	
BUDGETED EXPENDITURES			
Personal Services/Benefits	\$ 34,100		
Supplies & Services	510,000		
Fixed Assets	142,000		
Operating	<u>298,700</u>		
TOTAL BUDGETED EXPENDITURES	<u>\$ 984,800</u>	<u>(984,800)</u>	
<i>PROJECTED ENDING FUND BALANCE</i>			<u><u>\$ 236,607</u></u>

# SPECIAL REVENUE FUND

## Proposed Amended Budget 2016-17

### Dangerous Structures Bond Fund

<i>BEGINNING FUND BALANCE - INVENTORY OF LAND HELD FOR RESALE</i>		\$ 1,171,435
Neighborhood Revitalization - Land Purchases (Market Value)	\$ 150,000	
Neighborhood Revitalization - Land Sales (Market Value)	<u>(400,000)</u>	
TOTAL CHANGE - RESERVE FOR INVENTORY OF LAND	<u>\$ (250,000)</u>	(250,000)
<i>PROJECTED ENDING FUND BALANCE - INVENTORY OF LAND HELD FOR RESALE</i>		<u><u>\$ 921,435</u></u>
<i>BEGINNING FUND BALANCE - RESTRICTED TO FUND PURPOSES</i>		\$ 6,035
Change in Inventory (Above)		250,000
BUDGETED REVENUES		
Interest	<u>\$ 0</u>	
TOTAL BUDGETED REVENUES	<u>\$ 0</u>	0
BUDGETED EXPENDITURES		
Transfer to Economic Development Fund	<u>\$ 250,000</u>	
TOTAL BUDGETED EXPENDITURES	<u>\$ 250,000</u>	<u>(250,000)</u>
<i>PROJECTED ENDING FUND BALANCE - RESTRICTED TO FUND PURPOSES</i>		<u><u>\$ 6,035</u></u>

SPECIAL REVENUE FUND  
Proposed Amended Budget 2016-17

PEG Access Channel Fund

<i>PROJECTED BEGINNING FUND BALANCE</i>			\$ 94,869
BUDGETED REVENUES			
Cable Franchise - Access Channel Fee	\$ 60,000		
TOTAL BUDGETED REVENUES	\$ 60,000	60,000	
BUDGETED EXPENDITURES			
City Council Chambers A/V Upgrades	\$ 60,000		
TOTAL BUDGETED EXPENDITURES	\$ 60,000	(60,000)	
<i>PROJECTED ENDING FUND BALANCE</i>			<u>\$ 94,869</u>

## SUMMARY

	YEAR-END AMENDED BUDGET 2015-16	ADOPTED BUDGET 2016-17	FUND BALANCE 9/30/2016	PROPOSED AMENDED BUDGET 2016-17
<i>BEGINNING FUND BALANCE</i>	\$ 585,338	\$ 879,238	\$ 926,362	\$ 815,098
ESTIMATED TRANSFER FROM OPERATING FUNDS	2,501,100	3,423,900		3,390,600
CREDIT OF PRIOR YEAR ASSIGNMENTS	45,578	111,264		111,264
ESTIMATED FIXED ASSET PURCHASES	(2,441,514)	(3,418,800)		(3,442,286)
ASSIGNED FOR FUTURE PURCHASES	(111,264)	(76,264)	(111,264)	(19,478)
INSURANCE RECOVERY - HOTEL/MOTEL FUND	150,000			
PROCEEDS FROM AUCTIONS	150,000	150,000		150,000
<i>ESTIMATED ENDING ASSIGNED FUND BALANCE</i>	<u>\$ 879,238</u>	<u>\$ 1,069,338</u>	<u>\$ 815,098</u>	<u>\$ 1,005,198</u>

	YEAR-END AMENDED BUDGET ASSIGNMENTS	ADOPTED BUDGET ASSIGNMENTS	PRIOR YEAR ASSIGNMENTS	PROPOSED AMENDED BUDGET ASSIGNMENTS
<i>ASSIGNED FOR FUTURE PURCHASES, PROVIDED (USED):</i>				
FIRE EQUIPMENT	\$ 45,578	\$ 45,578	\$ 45,578	\$ 45,578
FIRE EQUIPMENT - SOLAR PANELS & PRINTER/COPIER/SCANNER				(26,100)
FIRE CREDIT FOR RETURNED FERNO COT	30,686	30,686	30,686	30,686
FIRE EQUIPMENT - USE OF CREDIT FOR NEW COT PURCHASE				(30,686)
COMMUNICATIONS - MARQUEE SIGNS	35,000		35,000	
<i>TOTAL ASSIGNMENTS</i>	<u>\$ 111,264</u>	<u>\$ 76,264</u>	<u>\$ 111,264</u>	<u>\$ 19,478</u>

## FIXED ASSETS

DIVISION	DESCRIPTION	YEAR-END	YEAR-END	ADOPTED	ADOPTED	PROPOSED	PROPOSED
		BUDGET	BUDGET	BUDGET	BUDGET	AMENDED	AMENDED
		TRANSFERS	PURCHASES	TRANSFERS	PURCHASES	TRANSFERS	PURCHASES
		2015-16	2015-16	2016-17	2016-17	2016-17	2016-17
Non-Departmental	Firehouse Theatre ADA Compliance Project	\$	\$	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
	Sub-Total			100,000	100,000	100,000	100,000
Communications	Digital Marquee Signs	35,000			35,000		35,000
	Sub-Total	35,000			35,000		35,000
Human Resources	Copier/Printer			7,000	7,000	7,000	7,000
	Software	20,000	20,000				
	Sub-Total	20,000	20,000	7,000	7,000	7,000	7,000
Accounting	Postage Meter			16,000	16,000	11,900	11,900
	Software (Finance/HR ERP)	[1]		200,000	200,000	150,000	150,000
	Sub-Total			216,000	216,000	161,900	161,900
Information Services	Access Control System Upgrade/Expansion			11,000	11,000	11,000	11,000
	Audio/Visual Upgrades	[2]	33,300	205,000	80,000	205,000	60,000
	Data Center UPS Replacement			110,000	110,000	110,000	110,000
	Emergency Operations Center Data Link			22,500	22,500	22,500	22,500
	Emergency Operations Center UPS			25,000	25,000	25,000	45,000
	Firewall Security/Disaster Recovery	74,200	89,200				
	Hardware Management Console		12,000				
	Microsoft Enterprise Agreement	158,800	158,800				
	Network Replacement/Upgrade Prog.	36,500	29,000				
	Security - Video Surveillance			44,500	44,500	44,500	44,500
	Thin Client Computing Platform Pilot		17,000				
	Virtual Server Environment & Storage/Hosts	50,000	42,500	50,000	50,000	50,000	50,000
	Wireless Data Solutions			25,000	25,000	25,000	25,000
	Sub-Total	352,800	506,800	493,000	368,000	493,000	368,000
Municipal Court	Vehicles (Qty. 2)	71,500	71,500				
	Sub-Total	71,500	71,500				
Building Inspections	Vehicle(s)	52,000	52,000				
	Sub-Total	52,000	52,000				

## FIXED ASSETS

DIVISION	DESCRIPTION	YEAR-END	YEAR-END	ADOPTED	ADOPTED	PROPOSED	PROPOSED
		BUDGET	BUDGET	BUDGET	BUDGET	AMENDED	AMENDED
		TRANSFERS	PURCHASES	TRANSFERS	PURCHASES	TRANSFERS	PURCHASES
		2015-16	2015-16	2016-17	2016-17	2016-17	2016-17
Animal Services	Safety - Animal Box			28,300	28,300	37,700	37,700
	Vehicle			29,000	29,000	29,000	29,000
	Sub-Total			57,300	57,300	66,700	66,700
Solid Waste	Containers for Brush/Bulky Items						
	Grabber Truck	210,000	210,000				
	Replacement Forklift	36,500	36,500				
	Sub-Total	246,500	246,500				
Street Maintenance	Arrow Boards	42,000	42,000				
	Monument Signs				200,000		200,000
	Paver			116,000	116,000	116,000	116,000
	Sander	17,000	17,000				
	Traffic Signal Cabinets	39,000	39,000	39,000	39,000	65,000	65,000
	UPS Battery Backup Systems	23,000	23,000	18,000	18,000	18,000	18,000
	Vehicle(s)	43,500	43,500				
	Sub-Total	164,500	164,500	173,000	373,000	199,000	399,000
Environmental Services	Mosquito Sprayer	15,000	15,000				
	Utility Vehicle	[3] 11,000	11,000				
	Sub-Total	26,000	26,000				
Police Administration	Access System	9,100	9,100				
	Sub-Total	9,100	9,100				
Police Patrol	Generator	12,500	12,500				
	Vehicle(s)	[4] 265,000	265,000	250,000	250,000	288,500	288,500
	Sub-Total	277,500	277,500	250,000	250,000	288,500	288,500
Fire Administration	Alert System/Mass Notification System			15,600	15,600		
	Area Warning Sirens Control System		115,100	115,100		115,100	
	Solar Panels						17,600
	Printer/Copier/Scanner						8,500
	Sub-Total			130,700	15,600	115,100	26,100

## FIXED ASSETS

DIVISION	DESCRIPTION	YEAR-END	YEAR-END	ADOPTED	ADOPTED	PROPOSED	PROPOSED
		BUDGET	BUDGET	BUDGET	BUDGET	AMENDED	AMENDED
		TRANSFERS	PLANNED	TRANSFERS	PLANNED	BUDGET	BUDGET
		2015-16	2015-16	2016-17	2016-17	2016-17	2016-17
Fire Operations	Ambulance Remount	176,700	146,014				30,686
	Bunker Gear Drying System			9,000	9,000	9,000	9,000
	Control LifePak (Qty. 4)	135,500	135,500				
	Emergency Air Supply Packs			11,100	11,100	11,100	11,100
	Hurst Electric Rescue Equipment			33,900	33,900	33,900	33,900
	Joint Training Facility Capital Costs			9,500	9,500		
	Ladder Truck			1,050,000	1,050,000	962,000	962,000
	Patient Transport/Loading Systems			118,000	118,000	118,000	118,000
	SCBA Test Bench	9,400	9,400				
	Sub-Total	321,600	290,914	1,231,500	1,231,500	1,134,000	1,164,686
Park Maintenance	Loadster	75,000	75,000				
	Replacement Mower(s)	9,500	9,500	29,400	29,400	29,400	29,400
	Replacement Vehicles	69,700	69,700				
	Spreader	8,000	8,000				
	Trailer	55,000	55,000				
	Utility Cart with Dump Bed	10,000	10,000	22,000	22,000	22,000	22,000
	Sub-Total	227,200	227,200	51,400	51,400	51,400	51,400
Aquatics	Outdoor UV Panels					60,000	60,000
	Sub-Total					60,000	60,000
Historical Preservation	Copier/Printer			8,000	8,000	8,000	8,000
	Software (Finance/HR ERP)	[1]		50,000	50,000	50,000	50,000
	Sub-Total			58,000	58,000	58,000	58,000
Library	Library Materials	210,000	210,000	210,000	210,000	210,000	210,000
	Coin Operated Copier			6,000	6,000	6,000	6,000
	Scanning Wand			8,000	8,000	8,000	8,000
	Sub-Total	210,000	210,000	224,000	224,000	224,000	224,000



## FIXED ASSETS

DIVISION	DESCRIPTION		YEAR-END	YEAR-END	ADOPTED	ADOPTED	PROPOSED	PROPOSED
			BUDGET	BUDGET	BUDGET	BUDGET	AMENDED	AMENDED
			TRANSFERS	PURCHASES	TRANSFERS	PURCHASES	TRANSFERS	PURCHASES
			2015-16	2015-16	2016-17	2016-17	2016-17	2016-17
Water & Sewer Operations	Large Water Meters		100,000	100,000	100,000	100,000	100,000	100,000
	Utility Vehicle	[3]	11,000	11,000				
	Vacuum Trailer		65,000	65,000				
	Vehicles		100,500	100,500				
	Software (Finance/HR ERP)	[1]			250,000	250,000	250,000	250,000
	Sub-Total		<u>276,500</u>	<u>276,500</u>	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>
Stormwater Utilities	Street Sweeper		147,900					
	Sub-Total		<u>147,900</u>					
Facilities Mgmt	Furniture		24,000	24,000				
	HVAC Software Upgrade		14,000	14,000				
	Interior Lift and Trailer				18,000	18,000	18,000	18,000
	Key Management System		25,000	25,000				
	Sub-Total		<u>63,000</u>	<u>63,000</u>	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>
Fleet Management	Fuel Site Mgmt Equipment and Software				48,000	48,000	48,000	48,000
	Vehicle Lifts				16,000	16,000	16,000	16,000
	Sub-Total				<u>64,000</u>	<u>64,000</u>	<u>64,000</u>	<u>64,000</u>
GRAND TOTAL			<u>\$ 2,501,100</u>	<u>\$ 2,441,514</u>	<u>\$ 3,423,900</u>	<u>\$ 3,418,800</u>	<u>\$ 3,390,600</u>	<u>\$ 3,442,286</u>
Totals by Fund:								
	General Fund		\$ 2,013,700	\$ 2,102,014	\$ 2,933,900	\$ 2,928,800	\$ 2,900,600	\$ 2,952,286
	Enterprise Funds		424,400	276,500	350,000	350,000	350,000	350,000
	Internal Service Funds		63,000	63,000	82,000	82,000	82,000	82,000
	Hotel/Motel Fund				58,000	58,000	58,000	58,000
			<u>\$ 2,501,100</u>	<u>\$ 2,441,514</u>	<u>\$ 3,423,900</u>	<u>\$ 3,418,800</u>	<u>\$ 3,390,600</u>	<u>\$ 3,442,286</u>

Footnotes for Transfers and Purchases:

[1] Funding for Finance/HR ERP software.

[2] Funding for Council Chamber audio/visual project split between 2015-16 (\$25,000) & 2016-17 (\$125,000). Additional funding provided in the PEG Fund.

[3] Shared cost between Environmental Services & Water & Sewer Operations (50/50 split).

[4] Ongoing annual replacement funding. Transfers cover purchases on a multi-year basis.

# CAPITAL IMPROVEMENT PROGRAM BUDGET

## PROPOSED AMENDED (MID-YEAR) BUDGET 2016-17

The Capital Improvement Program (CIP) consists of budgets for ten capital improvement funds that represent the capital spending plan for the City. The first three funds listed represent the City's Pay-As-You-Go Program. The capital improvement funds include:

**Non-Bond Capital Improvement Program (CIP) Fund:** The revenues are primarily from General Fund transfers. Expenditures are for improvements to municipal facilities, parks, land acquisition, the Street Resurfacing and Reconstruction Programs, and other capital improvement projects not included in one of the other funds.

**Hotel/Motel Capital Improvement Program (CIP) Fund:** This fund was previously identified as the Historical Park Fund. The revenues are exclusively from the Hotel/Motel Fund. Expenditures are for improvements to the Historical Park.

**Non-Bond Utility Fund:** The revenues consist primarily of transfers from the Water & Sewer Fund. Expenditures are for water and sanitary sewer improvements. The budget has been expanded to begin funding capital replacement at levels based on the annual depreciation of the water and sanitary sewer systems.

**Tax Increment Finance District #1 Fund:** The Mercer Crossing TIF district expires in 2019 and the fund will be active until that expiration date. Revenues will be generated from bonds, developers' contributions and advances, and property tax payments.

**Tax Increment Finance District #2 Fund:** The Old Farmers Branch TIF district expires in 2020 and the fund will be active until that expiration date. Revenues will be generated from bonds, developers' contributions and advances, and property tax payments.

**Radio System Upgrade Bond Fund:** The revenues consist primarily of bond proceeds. Expenditures are for development, design, and implementation of a police/fire radio system.

**Aquatics Center Bond Fund:** The revenues consist primarily of bond proceeds. Expenditures are for demolition of existing Don Showman pool. Then design, construction and equipping of new aquatics center at same site.

**Consolidated Dispatch Bond Fund:** The Cities of Farmers Branch, Addison, Carrollton and Coppell have created a Local Government Corporation that will purchase and install equipment, staff, maintain, operate and manage the North Texas Emergency Communications Center. A public safety answering point that will serve all four jurisdictions.

**Street Improvement Bond Fund:** Voter approved General Obligation bonds issued for \$13.92 million (plus premium) in 2014. These funds are to be used in addition to non-bond funds having \$10 million for residential streets. Major street renovations expenses estimated at \$13.12 million. South bound Marsh Lane bridge replacement expenses estimated at \$1 million.

**Justice Center Security Upgrade Bond Fund:** General Obligation bonds issued for \$2.6 million (plus premium) in 2016. These funds are to be used for security upgrades, expansion and modernization. Includes shielding for Police and Court. Upgrades to locker rooms, evidence and patrol rooms for Police. Upgrades to jury deliberations and Marshal's office for Court.

## Capital Improvement Program Budget

### Project Change Descriptions Proposed Amended Budget 2016-17

The following is a complete list of capital improvement project expenditure changes requested for mid-year adjustment. The budget amount indicated below the name of each project represents the total budget for that project in that fund, as some projects are funded through more than one fund in the Capital Improvement Budget. Projects funded by the Pay-As-You-Go program are identified in the first three funds: Non-Bond Fund, Hotel/Motel CIP Fund, and Non-Bond Utility Fund.

#### TAX INCREMENT FINANCE DISTRICT #1

##### City and School Administrative Fees

\$242,602 Costs/fees for administration and development of TIF projects. Decrease is in relation to a reduction in actual prior year expenditures. Decrease requested (\$12,616).

##### Zone School Project Costs (CFBISD)

\$14,057,040 Costs reimbursed to Carrollton-Farmers Branch School District. Increase is in relation to increase in revenue projections being higher than anticipated. Increase requested (\$1,429,547).

##### Developer Reimbursements

\$14,147,218 Costs reimbursed to Developer Advances. Increase is in relation to increase in revenue projections to be reimbursed to City and School Administration. Increase requested \$535,047.

#### TAX INCREMENT FINANCE DISTRICT #2

##### City and School Administrative Fees

\$707,274 Costs/fees for administration and development of TIF projects. Decrease is in relation to decrease in prior year actual expenditures. Decrease requested \$3,031.

##### K. Hovnanian

\$150,000 Developer incentive reimbursements for public improvements (Mustang Station). Increase requested \$150,000.

##### Western Securities

\$2,393,455 Developer incentive reimbursements for public improvements (Mustang Station). Increase requested \$6,545.

##### Bee Street Development

\$550,000 Public amenities, landscaping, sidewalks/lighting and utility relocation for development of Bee Street. Increase requested \$550,000.

## **AQUATICS CENTER BOND FUND**

### *Aquatics Center Project*

\$8,758,173

Cost for demolition of existing Don Showman pool. Then design, construction and equipping of new aquatics center at same site. Increase to utilize surplus bond funds for purchase and installation of generators. Increase requested \$132,618.

## **JUSTICE CENTER SECURITY UPGRADE BOND FUND**

### *Bond Issuance Cost*

\$96,628

Cost to issue bonds for security upgrades, expansion and modernization. Includes shielding for Police and Court. Upgrades to locker rooms, evidence and patrol rooms for Police. Upgrades to jury deliberations and Marshal's office for Court. Increase requested \$2,545.

## **HOTEL/MOTEL CIP FUND**

### *Stars Center Upgrade*

\$983,000

Cost associated with upgrades and improvements to Stars Center. Including signage, repainting and upgraded lighting and sound. Increase requested \$983,000.

## **NON-BOND UTILITY FUND**

### *Utilities Replacement and Improvements*

\$26,742,390

Cost associated with the rehabilitation and replacement of water and sanitary sewer lines throughout the city. Latest improvements expensed were under budget. Decrease requested \$750,000.

## **NON-BOND FUND**

No Adjustments Requested

## **CONSOLIDATED DISPATCH BOND FUND**

No Adjustments Requested

## **STREET IMPROVEMENT BOND FUND**

No Adjustments Requested

## **RADIO SYSTEM UPGRADE BOND FUND**

No Adjustments Requested

**CITY OF FARMERS BRANCH  
CAPITAL IMPROVEMENT PROGRAM  
SUMMARY  
MID YEAR BUDGET 2016-17**

		PRIOR YEARS	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b><u>REVENUES</u></b>									
Non-Bond CIP	\$ 87,783,650	79,437,109	2,772,941	935,600	935,600	925,600	925,600	925,600	925,600
Hotel/Motel CIP	\$ 5,350,249	4,367,249	983,000						
Non-Bond Utility	\$ 57,499,383	38,183,720	2,177,142	2,772,516	2,872,741	2,872,969	2,873,199	2,873,431	2,873,665
DART LAP	\$ 25,483,587	25,483,587							
Tax Increment Finance District #1	\$ 42,584,121	28,154,837	3,132,214	4,680,320	5,138,219	1,478,530			
Tax Increment Finance District #2	\$ 5,581,988	2,074,814	753,296	790,942	830,471	359,246	377,189	396,029	
Street Improvement/Animal Shelter Bond	\$ 8,170,849	8,170,849							
Fire Station 1 Relocation Bond	\$ 5,633,031	5,633,031							
Radio System Bond	\$ 3,031,616	3,031,616							
Aquatics Center Bond	\$ 8,905,888	8,905,888							
Consolidated Dispatch Bond	\$ 2,060,405	2,060,405							
Street Improvement Bond	\$ 14,913,798	14,913,798							
Justice Center Security Upgrades Bond	\$ 2,712,008	2,702,508	9,500						
<b>TOTAL REVENUES</b>	<b>\$ 269,710,572</b>	<b>223,119,411</b>	<b>9,828,093</b>	<b>9,179,379</b>	<b>9,777,032</b>	<b>5,636,345</b>	<b>4,175,988</b>	<b>4,195,059</b>	<b>3,799,265</b>
<b><u>EXPENDITURES</u></b>									
Non-Bond CIP	\$ 87,466,680	78,310,979	3,605,701	925,000	925,000	925,000	925,000	925,000	925,000
Hotel/Motel CIP	\$ 5,342,232	4,333,134	1,009,098						
Non-Bond Utility	\$ 56,884,720	32,964,934	4,539,786	4,180,000	4,270,000	2,870,000	2,870,000	2,870,000	2,320,000
DART LAP	\$ 25,474,256	25,474,256							
Tax Increment Finance District #1	\$ 42,334,120	28,144,750	3,042,301	4,630,321	5,088,219	1,428,529			
Tax Increment Finance District #2	\$ 4,453,622	1,885,971	942,139	619,521	650,519	152,303	203,169		
Street Improvement/Animal Shelter Bond	\$ 8,170,850	8,170,850							
Fire Station 1 Relocation Bond	\$ 5,636,153	5,636,153							
Radio System Bond	\$ 2,938,000	2,789,775	148,225						
Aquatics Center Bond	\$ 8,905,887	8,666,163	239,725						
Consolidated Dispatch Bond	\$ 2,044,796	1,550,817	493,979						
Street Improvement Bond	\$ 14,769,267	7,847,276	6,921,991						
Justice Center Security Upgrades Bond	\$ 2,707,028	96,628	699,000	1,911,400					
<b>TOTAL EXPENDITURES</b>	<b>\$ 267,127,611</b>	<b>205,871,685</b>	<b>21,641,945</b>	<b>12,266,242</b>	<b>10,933,738</b>	<b>5,375,832</b>	<b>3,998,169</b>	<b>3,795,000</b>	<b>3,245,000</b>

CITY OF FARMERS BRANCH  
CAPITAL IMPROVEMENT PROGRAM  
NON-BOND CIP FUND  
PROPOSED MID-YEAR YEAR BUDGET 2016-17

**REVENUE SOURCES:**

*Miscellaneous Revenues*

Prior Year Revenue	\$ 4,240,303	4,240,303							
North Texas Toll way Authority	\$ 150,000	150,000							
Interest	\$ 8,455,634	8,451,434	600	600	600	600	600	600	600
Developer Contributions	\$ 1,299,919	1,279,919	20,000						
Fire Station #3 Reimbursement	\$								
Dallas County	\$ 260,358	260,358							
Public Improvement District [1]	\$ 3,568,918	3,568,918							
Las Campanas Wall Assessment	\$ 110,295	104,022	6,273						
Hotel/Motel Fund Transfer	\$ 1,466,200	466,200	1,000,000						
TIF # 2 Reimbursement	\$								
DART Signal Reimbursement	\$ 97,467	97,467							
TxDOT (LBJ Express)	\$ 969,656	839,006	130,650						
TxDOT RTR (NCTCOG)	\$ 270,645		270,645						
CDBG Funds	\$ 1,158,425	938,652	219,773						
<b>Subtotal Revenues Excluding Transfers</b>	<b>\$ 22,047,820</b>	<b>20,396,279</b>	<b>1,647,941</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>

*Transfer of General Fund Balance*

Prior Year Revenue	\$ 19,441,000	19,441,000							
<b>Subtotal Transfer of General Fund Balance</b>	<b>\$ 19,441,000</b>	<b>19,441,000</b>							

*General Fund Transfers*

Prior Year Revenue	\$ 8,388,000	8,388,000							
Street Revitalization	\$ 5,000,000	1,500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Fire Station #2 Relocation	\$ 400,000	400,000							
Street Program Transfer	\$ 15,018,000	14,988,000	10,000	10,000	10,000				
Trails Program Transfer	\$ 550,000	550,000							
Farmers Market Grove at Mustang Crossing	\$ 265,000	75,000	190,000						
<b>Subtotal General Fund Transfers</b>	<b>\$ 29,621,000</b>	<b>25,901,000</b>	<b>700,000</b>	<b>510,000</b>	<b>510,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>

*Departmental Transfers*

Prior Year Revenue	\$ 11,555,500	11,555,500							
Playground/Park Renovations ('13-'14 Lighting Study)	\$ 425,000	425,000							
Park Maintenance	\$ 3,825,000	850,000	425,000	425,000	425,000	425,000	425,000	425,000	425,000
Parks Maintenance (VV Soccer Complex)	\$ 105,000	105,000							
Trails Improvements	\$ -								
Streets/Railroad Crossings	\$ 754,000	754,000							
DART	\$ 9,331	9,331							
<b>Subtotal Departmental Transfers</b>	<b>\$ 16,673,831</b>	<b>\$ 13,698,831</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>

**TOTAL REVENUES:**

<b>\$ 87,783,650</b>	<b>79,437,109</b>	<b>2,772,941</b>	<b>935,600</b>	<b>935,600</b>	<b>925,600</b>	<b>925,600</b>	<b>925,600</b>	<b>925,600</b>	<b>925,600</b>
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CITY OF FARMERS BRANCH  
 CAPITAL IMPROVEMENT PROGRAM  
 NON-BOND CIP FUND  
 PROPOSED MID-YEAR YEAR BUDGET 2016-17

**PROJECTED EXPENDITURES**

**Completed Projects**

	PROJECT BUDGET	PRIOR YEARS	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Prior Years [2]	\$ 57,415,839	57,415,839							
Liberty Plaza	\$ 429,858	429,858							
Screen Wall Assistance	\$ 185,196	185,196							
City Entryway Enhancements	\$ 48,878	48,878							
Field of Blue Statue	\$ 24,500	24,500							
CDBG Project 2008-10	\$ 136,693	136,693							
Railroad Crossing Signal Controllers (DART)	\$ 97,767	97,767							
<b>Current and Future Projects</b>									
Playground/Park Renovations ('13-'14 Lighting Study)	\$ 629,386	616,317	13,069						
Parks Maintenance (VV Soccer Complex)	\$ 105,000	50,000	55,000						
Park Field Light Replacement	\$ 2,025,000	322,977	352,023	225,000	225,000	225,000	225,000	225,000	225,000
Burke Nature Preserve Improvements	\$ 450,000	40,943	109,057	50,000	50,000	50,000	50,000	50,000	50,000
Playground Equipment Replacement	\$ 450,000	44,350	105,650	50,000	50,000	50,000	50,000	50,000	50,000
Trail Improvements [4]	\$ 2,450,000	146,940	1,703,060	100,000	100,000	100,000	100,000	100,000	100,000
Farmers Market - Grove at Mustang Crossing	\$ 265,000	74,351	190,649						
Redevelopment Program	\$ 2,816,584	2,810,802	5,782						
Railroad Crossing Improvements	\$ 588,841	588,841							
Streetscape Enhancements	\$ 292,114	292,114							
Street Resurfacing	\$ 7,490,278	7,490,278							
-Monument Signs (LBJ/Josey, Webb Chapel)	\$ 50,000		50,000						
CDBG Project 2015-16 Shoredale Lane Water/Sewer Replacement	\$ 219,773		219,773						
Traffic Signals Rehabilitation	\$ 120,385	56,048	64,337						
Fire Station #2 Relocation	\$ 400,781	400,781							
Street Revitalization [3]	\$ 5,000,000	1,499,190	500,810	500,000	500,000	500,000	500,000	500,000	500,000
Traffic Counts	\$ 26,283		26,283						
Farmers Branch Station Streets/Transit Center	\$ 267,336	57,128	210,208						
<b>TOTAL PLANNED EXPENDITURES:</b>	\$ 81,985,491	72,829,790	3,605,701	925,000	925,000	925,000	925,000	925,000	925,000
Transfers	\$ 5,481,189	5,481,189							
<b>TOTAL EXPENDITURES:</b>	\$ 87,466,680	78,310,979	3,605,701	925,000	925,000	925,000	925,000	925,000	925,000
<b>RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:</b>	\$ 316,970	1,126,130	293,370	303,970	314,570	315,170	315,770	316,370	316,970

[1] Funding is from savings resulting from the early payoff of public improvement district (PID) debt.

[2] A list of completed projects is available upon request.

[3] Street Revitalization project spans 10 years from FY 2013-2014 to FY 2022-2023 for total of \$5,000,000.

[4] An additional \$500,000 to be paid from Street Improvement Bonds making total project \$3,000,000 (\$1,500,000 funded by Dallas County) for fiscal 2016-2017.



CITY OF FARMERS BRANCH  
CAPITAL IMPROVEMENT PROGRAM  
HOTEL/MOTEL CIP FUND  
PROPOSED MID-YEAR YEAR BUDGET 2016-17

**REVENUE SOURCES:**

Appropriated Fund Balance  
Interest  
Hotel/Motel Transfer from Non-Bond CIP  
Special Revenue Donations  
Hotel/Motel Transfers

**TOTAL REVENUES:**

**PROJECTED EXPENDITURES**

**Completed Projects**

Prior Years [1]  
Visitor Center - Design  
Stars Center Upgrades  
Historical Park Master plan  
Historical Park General Store  
Historical Park Lighting Study  
Historical Park Bridge & Pathways

**TOTAL EXPENDITURES:**

**RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:**

PROJECT BUDGET	PRIOR YEARS	2016-17	2017-18	2018-19
\$ 200,199	200,199			
\$ 297,650	297,650			
\$ 360,400	360,400			
\$ 75,000	75,000			
\$ 4,417,000	3,434,000	983,000		
\$ 5,350,249	4,367,249	983,000		
\$ 4,051,632	4,051,632			
\$ -				
\$ 983,000		983,000		
\$ 28,500	28,500			
\$ 100,000	100,000			
\$ 25,000		25,000		
\$ 154,100	153,002	1,098		
\$ 5,342,232	4,333,134	1,009,098		
\$ 8,018	34,116	8,018	8,018	8,018

[1] A list of completed projects is available upon request.

CITY OF FARMERS BRANCH  
CAPITAL IMPROVEMENT PROGRAM  
NON-BOND UTILITY FUND  
PROPOSED MID-YEAR YEAR BUDGET 2016-17

**REVENUE SOURCES:**

	PROJECT BUDGET	PRIOR YEARS	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Transfer from Water & Sewer Fund Operations [1]	\$ 45,449,346	26,449,346	2,000,000	2,750,000	2,850,000	2,850,000	2,850,000	2,850,000	2,850,000
Transfer from Water & Sewer Fund - Fund Balance	\$ 6,200,000	6,200,000							
Transfer from Sewer Interceptor Fund	\$ 1,495,069	1,495,069							
Transfer from Fixed Asset Fund	\$ 213,166	213,166							
Developer Contribution	\$ 5,500	5,500							
Interest	\$ 3,438,133	3,277,319	22,293	22,516	22,741	22,969	23,199	23,431	23,665
TML Reimbursements	\$ 415,864	261,015	154,849						
CDBG	\$ 282,305	282,305							
<b>TOTAL REVENUES:</b>	<b>\$ 57,499,383</b>	<b>38,183,720</b>	<b>2,177,142</b>	<b>2,772,516</b>	<b>2,872,741</b>	<b>2,872,969</b>	<b>2,873,199</b>	<b>2,873,431</b>	<b>2,873,665</b>

**PROJECTED EXPENDITURES**

**Completed Projects**

Prior Years [2]	\$ 8,389,812	8,389,812							
Benchmark Water/SS Line	\$ 392,611	392,611							
<b>Current and Future Projects</b>	<b>\$</b>								
Utility Replacement & Improvements	\$ 26,742,390	13,629,737	3,212,653	600,000	2,100,000	900,000	2,100,000	2,100,000	2,100,000
I & I Repairs	\$ 2,728,187	1,677,113	151,075	150,000	150,000	150,000	150,000	150,000	150,000
Service Center Improvements	\$ 9,040,500	130,000	750,501	3,360,000	1,950,000	1,750,000	550,000	550,000	
Council Rebate	\$								
Motor/Pump/Tank Improvements	\$ 2,672,402	2,016,856	235,546	70,000	70,000	70,000	70,000	70,000	70,000
Technology/Security Improvements	\$ 1,707,166	1,567,463	139,703						
East Side Lift Station	\$ 1,214,474	1,216,688	(2,214)						
Farmers Branch Station Streets	\$ 833,070	780,547	52,523						
<b>TOTAL PLANNED EXPENDITURES:</b>	<b>\$ 53,720,613</b>	<b>29,800,827</b>	<b>4,539,786</b>	<b>4,180,000</b>	<b>4,270,000</b>	<b>2,870,000</b>	<b>2,870,000</b>	<b>2,870,000</b>	<b>2,320,000</b>
Transfers	\$ 3,164,107	3,164,107							
<b>TOTAL EXPENDITURES:</b>	<b>\$ 56,884,720</b>	<b>32,964,934</b>	<b>4,539,786</b>	<b>4,180,000</b>	<b>4,270,000</b>	<b>2,870,000</b>	<b>2,870,000</b>	<b>2,870,000</b>	<b>2,320,000</b>
<b>RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:</b>	<b>\$ 614,663</b>	<b>5,218,786</b>	<b>2,856,142</b>	<b>1,448,659</b>	<b>51,400</b>	<b>54,369</b>	<b>57,567</b>	<b>60,998</b>	<b>614,663</b>

[1] Transfer from Water & Sewer Operations. This is a planned use of fund balance for capital improvements.

[2] A list of completed projects is available upon request.

**CITY OF FARMERS BRANCH  
CAPITAL IMPROVEMENT PROGRAM  
TAX INCREMENT FINANCE DISTRICT #1 FUND  
PROPOSED MID-YEAR YEAR BUDGET 2016-17**

**REVENUE SOURCES:**

	PROJECT BUDGET	PRIOR YEARS	2016-17	2017-18	2018-19	2019-20
CFBISD (100%)	\$ 22,792,746	12,523,484	2,481,836	3,711,833	4,075,593	
City of Farmers Branch (35%)	\$ 3,706,420	1,497,500	343,644	513,953	564,321	787,002
Dallas County Hospital District (34%)	\$ 1,811,432	815,962	154,866	231,618	254,316	354,670
Dallas County (34%)	\$ 1,446,232	580,095	134,746	201,526	221,275	308,591
Dallas County Community College District (35%)	\$ 204,912	204,912				
Valwood Improvement Authority (50% - M&O Rate)	\$ 223,473	169,257	8,434	12,615	13,851	19,316
Dallas Independent School District (35%)	\$ 83,860	53,503	7,476	7,551	7,627	7,703
Developer Advance [1]	\$ 11,601,824	11,601,824				
Interest	\$ 713,222	708,301	1,212	1,224	1,236	1,249
<b>TOTAL REVENUES:</b>	<b>\$ 42,584,121</b>	<b>28,154,837</b>	<b>3,132,214</b>	<b>4,680,320</b>	<b>5,138,219</b>	<b>1,478,530</b>

**PROJECTED EXPENDITURES**

**Completed Projects**

Prior Years [2]	\$ 3,245,649	3,245,649				
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**Current and Future Projects**

City and School Administrative Fees	\$ 247,602	247,602				
Developer Reimbursement [3]	\$ 14,147,218	5,874,796	1,640,387	2,477,907	2,725,599	1,428,529
Zone School Project Costs (CFBISD) [4]	\$ 14,057,040	8,142,029	1,399,977	2,152,414	2,362,620	
Zone School Project Costs (DISD) [5]	\$ 1,937		1,937			
Mercer Parkway	\$ 3,531,657	3,531,657				
Lake Improvements: north of I-635	\$ 1,343,709	1,343,709				
"Peninsula Tract" Improvements [6]	\$ 2,980,332	2,980,332				
Remaining West Side Projects [1]	\$ 2,453,432	2,453,432				
Mercer Parkway Extension (Luna to I-35)	\$ 364,450	364,450				
Knightsbridge Road	\$ 363,700	363,700				
Bond Street	\$ 363,700	363,700				
East Lift Station (west of I35, north of IH635)	\$ 380,696	380,696				
Luna Road Lift Station	\$ 632,140	632,140				
Lake Improvements: South of I-635	\$ 348,745	348,745				
<b>TOTAL PLANNED EXPENDITURES:</b>	<b>\$ 42,008,576</b>	<b>27,819,206</b>	<b>3,042,301</b>	<b>4,630,321</b>	<b>5,088,219</b>	<b>1,428,529</b>
Transfers	\$ 325,544	325,544				
<b>TOTAL EXPENDITURES</b>	<b>\$ 42,334,121</b>	<b>28,144,750</b>	<b>3,042,301</b>	<b>4,630,321</b>	<b>5,088,219</b>	<b>1,428,529</b>

**RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:**

	\$ 250,000	10,087	100,000	150,000	200,000	250,000
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[1] A list of completed projects is available upon request

[2] Developer reimbursements to be based on provisions of Developer Agreements Nos. 1-8.  
(Principal and Interest as of Sept. 30th 2016 is \$15,649,907.12)

[3] Figures represent 65% of CFBISD revenue payment

[4] Figures represent 20% of DISD revenue payment

[5] Design for Phase 2 improvements were funded by Developer Advances.

[6] Does not include future projects or overpayments/refunds.

Terms and Limits for Participation

Dallas County (Term-12/31/2019)	34% up to \$4.5MM
Carrollton Farmers Branch ISD (Term-12/20/2018)	100% up to \$129,805,190
Valwood Authority (Term-12/31/2019)	50% of O&M rate only
Dallas ISD (Term 12/20/2018)	35% up to \$4,145,043
DCCCD (Term-15 years from zone creation date of 12/21/1998)	35%
Parkland (Term 12/31/2019)	34% up to \$4.5MM
Farmers Branch	35%

CITY OF FARMERS BRANCH  
CAPITAL IMPROVEMENT PROGRAM  
TAX INCREMENT FINANCE DISTRICT #2 FUND  
PROPOSED MID-YEAR YEAR BUDGET 2016-17

**REVENUE SOURCES:**

CFBISD (100%)  
City of Farmers Branch (100%)  
Dallas County Hospital District (55%)  
Dallas County (55%)  
Dallas County Community College District (100%)  
Non-Bond CIP Fund Advance  
Interest [1]

**TOTAL REVENUES:**

**PROJECTED EXPENDITURES**

**Completed Projects**

Prior Years [2]  
Phase One Public Imp./Enhancements

**Current and Future Projects**

Zone School Project Costs [3]  
City and School Administrative Fees  
Bee Street Development  
Farmers Branch Station Streets  
K. Hovnanian  
Western Securities [4]

**TOTAL PLANNED EXPENDITURES:**

Transfers

**TOTAL EXPENDITURES**

**RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:**

PROJECT BUDGET	PRIOR YEARS	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
\$ 2,416,310	1,020,022	442,915	465,060	488,313			
\$ 1,946,396	525,401	208,911	219,357	230,324	241,841	253,933	266,629
\$ 510,822	139,987	54,519	57,245	60,107	63,113	66,268	69,582
\$ 430,597	115,387	46,341	48,658	51,091	53,646	56,328	59,145
\$ 53,256	53,256						
\$ 200,000	200,000						
\$ 24,607	20,761	610	622	634	647	660	673
\$ 5,581,988	2,074,814	753,296	790,942	830,471	359,246	377,189	396,029
\$ 14,943	14,943						
\$ 144,999	144,999						
\$ 707,274	288,388	132,874	139,518	146,494			
\$ 67,950	67,950						
\$ 550,000		550,000					
\$ 225,000	219,690	5,310					
\$ 150,000	150,000						
\$ 2,393,455	800,000	253,955	480,003	504,025	152,303	203,169	
\$ 4,253,622	1,685,971	942,139	619,521	650,519	152,303	203,169	
\$ 200,000	200,000						
\$ 4,453,622	1,885,971	942,139	619,521	650,519	152,303	203,169	
\$ 1,128,366	188,843	0	171,422	351,373	558,317	732,337	1,128,366

[1] Includes bond premiums, interest income, and accrued interest

[2] A list of completed projects is available upon request.

[3] Figures represent 30% of CFBISD revenue payment

[4] Contractual cap of \$2,400,000

Terms and Limits for Participation

Dallas County (Term-12/31/2020)	55% up to \$1.7MM
Carrollton Farmers Branch ISD (Term-07/20/2019)	100% up to \$23,895,858
DCCCD (Term-5 years from zone creation date of 7/21/1999)	100%
Parkland (Term 12/31/2020)	55% up to \$1.7MM
Farmers Branch	100%

CITY OF FARMERS BRANCH  
CAPITAL IMPROVEMENT PROGRAM  
RADIO SYSTEM BOND FUND  
PROPOSED MID-YEAR YEAR BUDGET 2016-17

**REVENUE SOURCES:**

Bond Proceeds

Interest

**TOTAL REVENUES:**

**PROJECTED EXPENDITURES**

**Current and Future Projects**

Radio Upgrade Project/Radio System Improvements

TRITECH Records Management System

Justice Center Upgrades

Bond Issuance Costs

**TOTAL PLANNED EXPENDITURES:**

Transfers

**TOTAL EXPENDITURES**

**RESERVED FOR CONTINGENCIES:**

PROJECT BUDGET	PRIOR YEARS	2016-2017
\$ 3,000,000	3,000,000	
\$ 31,616	31,616	
\$ 3,031,616	3,031,616	
\$ 2,745,000	2,745,053	(53)
\$ 139,500	10,104	129,396
\$ -		
\$ 53,500	34,618	18,882
\$ 2,938,000	2,789,775	148,225
\$ -		
\$ 2,938,000	2,789,775	148,225
\$ 93,616	241,841	93,616

CITY OF FARMERS BRANCH  
 CAPITAL IMPROVEMENT PROGRAM  
 AQUATICS CENTER BOND FUND  
 PROPOSED MID-YEAR YEAR BUDGET 2016-17

REVENUE SOURCES:

Bond Proceeds  
 Non-Bond Utilities Transfers In  
 Interest

TOTAL REVENUES:

PROJECTED EXPENDITURES

Current and Future Projects

Aquatics Center Project  
 Bond Issuance Costs

TOTAL PLANNED EXPENDITURES:

Transfers

TOTAL EXPENDITURES

RESERVED FOR CONTINGENCIES:

PROJECT BUDGET	PRIOR YEARS	2016-2017
\$ 7,148,755	7,148,755	
\$ 1,700,000	1,700,000	
\$ 57,133	57,133	
\$ 8,905,888	8,905,888	
\$ 8,758,173	8,518,448	239,725
\$ 147,715	147,715	
\$ 8,905,887	8,666,163	239,725
\$		
\$ 8,905,887	8,666,163	239,725
\$ 0	239,725	0

CITY OF FARMERS BRANCH  
CAPITAL IMPROVEMENT PROGRAM  
CONSOLIDATED DISPATCH BOND FUND  
PROPOSED MID-YEAR YEAR BUDGET 2016-17

**REVENUE SOURCES:**

Bond Proceeds  
Bond Premium  
Interest

**TOTAL REVENUES:**

**PROJECTED EXPENDITURES**

**Current and Future Projects**

Consolidated Dispatch; Training Facilities  
Fire Training Facility  
Bond Issuance costs

**TOTAL PLANNED EXPENDITURES:**

Transfers

**TOTAL EXPENDITURES**

**RESERVED FOR CONTINGENCIES:**

PROJECT BUDGET	PRIOR YEARS	2016-2017
\$ 2,000,000	2,000,000	
\$ 42,906	42,906	
\$ 17,499	17,499	
\$ 2,060,405	2,060,405	
\$ 1,430,000	1,211,833	218,167
\$ 570,000	294,187	275,813
\$ 44,796	44,796	
\$ 2,044,796	1,550,817	493,979
\$ 2,044,796	1,550,817	493,979
15,609	509,588	15,609

CITY OF FARMERS BRANCH  
CAPITAL IMPROVEMENT PROGRAM  
STREET IMPROVEMENT BOND FUND  
PROPOSED MID-YEAR YEAR BUDGET 2016-17

**REVENUE SOURCES:**

Bond Proceeds  
Bond Premium  
Interest

**TOTAL REVENUES:**

**PROJECTED EXPENDITURES**

**Current and Future Projects**

Street Improvements  
Marsh Lane Bridge (south bound) [1]  
Public Way Improvements [2]  
Bond Issuance Costs

**TOTAL PLANNED EXPENDITURES:**

Transfers

**TOTAL EXPENDITURES**

**RESERVED FOR CONTINGENCIES:**

PROJECT BUDGET	PRIOR YEARS	2016-17	2017-18
\$ 14,500,000	14,500,000		
\$ 191,338	191,338		
\$ 222,460	222,460		
\$ 14,913,798	14,913,798		
\$ 12,692,721	7,466,555	5,226,166	
\$ 1,397,500	201,675	1,195,825	
\$ 500,000		500,000	
\$ 179,046	179,046		
\$ 14,769,267	7,847,276	6,921,991	
\$			
\$ 14,769,267	7,847,276	6,921,991	
\$ 144,531	7,066,522	144,531	144,531

[1] Major Capital Improvement Plan with Dallas County. Dallas County match equals \$1.0MM. Total project cost - \$2.0MM

[2] Major Capital Improvement Plan with Dallas County. Connecting Farmers Branch DART Station to John Burke Nature Preserve to Campion Trail. Total Dallas County project of \$3MM with City's portion to be \$1.5MM



CITY OF FARMERS BRANCH  
CAPITAL IMPROVEMENT PROGRAM  
JUSTICE CENTER SECURITY UPGRADES BOND FUND  
PROPOSED MID-YEAR YEAR BUDGET 2016-17

**REVENUE SOURCES:**

Bond Proceeds  
Bond Premium  
Transfers  
Interest

**TOTAL REVENUES:**

**PROJECTED EXPENDITURES**

**Current and Future Projects**

Justice Center Security Upgrades  
Bond Issuance Costs

**TOTAL PLANNED EXPENDITURES:**

Transfers

**TOTAL EXPENDITURES**

**RESERVED FOR CONTINGENCIES:**

PROJECT BUDGET	PRIOR YEARS	2016-17	2017-18
\$ 2,545,000	2,545,000		
\$ 149,083	149,083		
\$ -			
\$ 17,925	8,425	9,500	
\$ 2,712,008	2,702,508	9,500	
\$ 2,610,400		699,000	1,911,400
\$ 96,628	96,628		
\$ 2,707,028	96,628	699,000	1,911,400
\$			
\$ 2,707,028	96,628	699,000	1,911,400
4980	2605880	1916380	4980

# COMBINED SUMMARY OF ESTIMATED REVENUES, EXPENDITURES AND FUND BALANCES - SELECT FUNDS

## PROPOSED AMENDED BUDGET 2016-17

		GENERAL FUND	FIXED ASSET FUND	ENTERPRISE FUNDS	HOTEL/ MOTEL FUND
FUND BALANCE 9/30/2016	(1)	\$ 8,257,163	\$ 815,098	\$ 1,288,493	\$ 1,857,115
2016-17 ESTIMATED REVENUES		\$ 54,858,900	\$ 3,651,864	\$ 19,744,200	\$ 3,076,000
2016-17 ESTIMATED EXPENDITURES		<u>54,920,200</u>	<u>3,442,286</u>	<u>20,915,900</u>	<u>3,922,900</u>
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL		<u>\$ (61,300)</u>	<u>\$ 209,578</u>	<u>\$ (1,171,700)</u>	<u>\$ (846,900)</u>
SPECIAL EXPENDITURES					
ASSIGNED FOR FUTURE PURCHASES		<u>\$</u>	<u>\$ (19,478)</u>	<u>\$</u>	<u>\$</u>
ADDITION TO (USE OF) FUND BALANCE		<u>\$ (61,300)</u>	<u>\$ 190,100</u>	<u>\$ (1,171,700)</u>	<u>\$ (846,900)</u>
ESTIMATED FUND BALANCE 9/30/2017		<u>\$ 8,195,863</u>	<u>\$ 1,005,198</u> (2)	<u>\$ 116,793</u>	<u>\$ 1,010,215</u>
TARGET BALANCES	High	\$ 10,403,920 (3)	\$ 300,000	\$ 2,000,000	\$ 300,000
	Low	\$ 7,802,940 (3)			

This chart illustrates a partial listing of select major operating funds of the City. The chart is used to quickly compare revenues, expenditures, and fund balances for the budget year with the prior year. Special expenditures are one-time uses of fund balance, which were approved by the City Council consistent with fund balance target objectives.

[1] Actual per 9/30/16 Comprehensive Annual Financial Report. Fixed Asset Fund Balance has been adjusted for \$111,264 in 2015-16 assigned purchases.

[2] The Estimated Ending Fund Balance for 9/30/2017 reflects an adjustment for the assignment of future purchases totaling \$19,478.

[3] The General Fund target balance has been adjusted for \$2,900,600 of General Fund fixed asset transfers. A General Fund fund balance target is defined as a target range with a low end of 15% and a high end of 20% of the actual GAAP basis expenditures and other financing sources and uses.

**MOST REALISTIC  
COMBINED SUMMARY OF ESTIMATED REVENUES,  
EXPENDITURES AND FUND BALANCES - SELECT FUNDS**

**PROPOSED AMENDED BUDGET 2016-17**

		GENERAL FUND	FIXED ASSET FUND	ENTERPRISE FUNDS	HOTEL/ MOTEL FUND
FUND BALANCE 9/30/2016	(1)	\$ 8,257,163	\$ 815,098	\$ 1,288,493	\$ 1,857,115
2016-17 ESTIMATED REVENUES		\$ 54,858,900	\$ 3,651,864	\$ 19,744,200	\$ 3,076,000
2016-17 ESTIMATED EXPENDITURES		<u>54,620,200</u>	<u>3,442,286</u>	<u>20,815,900</u>	<u>3,847,900</u>
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL		<u>\$ 238,700</u>	<u>\$ 209,578</u>	<u>\$ (1,071,700)</u>	<u>\$ (771,900)</u>
SPECIAL EXPENDITURES					
ASSIGNED FOR FUTURE PURCHASES		<u>\$</u>	<u>\$ (19,478)</u>	<u>\$</u>	<u>\$</u>
ADDITION TO (USE OF) FUND BALANCE		<u>\$ 238,700</u>	<u>\$ 190,100</u>	<u>\$ (1,071,700)</u>	<u>\$ (771,900)</u>
ESTIMATED FUND BALANCE 9/30/2017		<u>\$ 8,495,863</u>	<u>\$ 1,005,198</u> (2)	<u>\$ 216,793</u>	<u>\$ 1,085,215</u>
TARGET BALANCES	High	\$ 10,343,920 (3)	\$ 300,000	\$ 2,000,000	\$ 300,000
	Low	\$ 7,757,940 (3)			

This chart illustrates a partial listing of select major operating funds of the City. The chart is used to quickly compare revenues, expenditures, and fund balances for the budget year with the prior year. Special expenditures are one-time uses of fund balance, which were approved by the City Council consistent with fund balance target objectives.

[1] Actual per 9/30/16 Comprehensive Annual Financial Report. Fixed Asset Fund Balance has been adjusted for \$111,264 in 2015-16 assigned purchases.

[2] The Estimated Ending Fund Balance for 9/30/2017 reflects an adjustment for the assignment of future purchases totaling \$19,478.

[3] The General Fund target balance has been adjusted for \$2,900,600 of General Fund fixed asset transfers. A General Fund fund balance target is defined as a target range with a low end of 15% and a high end of 20% of the actual GAAP basis expenditures and other financing sources and uses.

# COMBINED SUMMARY OF ESTIMATED REVENUES, EXPENDITURES AND FUND BALANCES - SELECT FUNDS

## ADOPTED BUDGET 2016-17

		GENERAL FUND	FIXED ASSET FUND	WATER & SEWER FUND	HOTEL/ MOTEL FUND
FUND BALANCE 9/30/2015	[1]	\$ 7,907,059	\$ 585,338	\$ (330,154)	\$ 1,110,536
2015-16 ESTIMATED REVENUES		50,429,300	2,846,678	19,612,100	3,041,000
2015-16 ESTIMATED EXPENDITURES		50,590,400	2,587,300	19,185,600	2,399,400
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL		(161,100)	259,378	426,500	641,600
SPECIAL EXPENDITURES					
ASSIGNED FOR FUTURE PURCHASES			(80,578)		
ADDITION TO (USE OF) FUND BALANCE		(161,100)	178,800	426,500	641,600
ESTIMATED FUND BALANCE 9/30/2016		\$ 7,745,959	\$ 764,138 [2]	\$ 96,346	\$ 1,752,136
2016-17 ESTIMATED REVENUES		55,077,300	3,654,478	21,137,400	2,913,000
2016-17 ESTIMATED EXPENDITURES		55,272,300	3,418,800	19,786,800	3,511,000
ADDITION TO FUND BALANCE SUB-TOTAL		(195,000)	235,678	1,350,600	(598,000)
SPECIAL EXPENDITURES					
ASSIGNED FOR FUTURE PURCHASES			(45,578)		
ADDITION TO FUND BALANCE SUB-TOTAL		(195,000)	190,100	1,350,600	(598,000)
ESTIMATED FUND BALANCE 9/30/2017		\$ 7,550,959	\$ 954,238 [2]	\$ 1,446,946	\$ 1,154,136
TARGET BALANCES	High	\$ 10,467,680 [3]	\$ 300,000	\$ 2,000,000	\$ 300,000
	Low	\$ 7,850,760 [3]			

This chart illustrates a partial listing of select major operating funds of the City. The chart is used to quickly compare revenues, expenditures, and fund balances for the budget year with the prior year. Special expenditures are one-time uses of fund balance, which were approved by the City Council consistent with fund balance target objectives.

[1] Actual per 9/30/15 Comprehensive Annual Financial Report. Fixed Asset Fund Balance has been adjusted for \$45,578 in 2014-15 assigned purchases.

[2] The Estimated Ending Fund Balance for 9/30/2016 reflects an adjustment for the assignment of future purchases totaling \$80,578 and the Estimated Ending Fund Balance for 9/30/2017 reflects an adjustment for the assignment of future purchases totaling \$45,578. (See Fixed Asset Fund for details.)

[3] The General Fund target balance has been adjusted for \$2,933,900 of General Fund fixed asset transfers. A General Fund fund balance target is defined as a target range with a low end of 15% and a high end of 20% of the actual GAAP basis expenditures and other financing sources and uses.

**MOST REALISTIC  
COMBINED SUMMARY OF ESTIMATED REVENUES,  
EXPENDITURES AND FUND BALANCES - SELECT FUNDS  
ADOPTED BUDGET 2016-17**

		GENERAL FUND	FIXED ASSET FUND	WATER & SEWER FUNDS	HOTEL/ MOTEL FUND
FUND BALANCE 9/30/2015	[1]	\$ 7,907,059	\$ 585,338	\$ (330,154)	\$ 1,110,536
2015-16 ESTIMATED REVENUES		50,429,300	2,846,678	19,612,100	3,041,000
2015-16 ESTIMATED EXPENDITURES		50,390,400	2,587,300	19,185,600	2,399,400
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL		38,900	259,378	426,500	641,600
SPECIAL EXPENDITURES					
ASSIGNED FOR FUTURE PURCHASES			(80,578)		
ADDITION TO (USE OF) FUND BALANCE		38,900	178,800	426,500	641,600
ESTIMATED FUND BALANCE 9/30/2016		\$ 7,945,959	\$ 764,138 [2]	\$ 96,346	\$ 1,752,136
2016-17 ESTIMATED REVENUES		55,077,300	3,654,478	21,137,400	2,913,000
2016-17 ESTIMATED EXPENDITURES		54,972,300	3,418,800	19,686,800	3,436,000
ADDITION TO FUND BALANCE SUB-TOTAL		105,000	235,678	1,450,600	(523,000)
SPECIAL EXPENDITURES					
ASSIGNED FOR FUTURE PURCHASES			(45,578)		
ADDITION TO FUND BALANCE SUB-TOTAL		105,000	190,100	1,450,600	(523,000)
ESTIMATED FUND BALANCE 9/30/2017		\$ 8,050,959	\$ 954,238 [2]	\$ 1,546,946	\$ 1,229,136
TARGET BALANCES	High	\$ 10,407,680 [3]	\$ 300,000	\$ 2,000,000	\$ 300,000
	Low	\$ 7,805,760 [3]			

This chart illustrates a partial listing of select major operating funds of the City. The chart is used to quickly compare revenues, expenditures, and fund balances for the budget year with the prior year. Special expenditures are one-time uses of fund balance, which were approved by the City Council consistent with fund balance target objectives.

[1] Actual per 9/30/15 Comprehensive Annual Financial Report. Fixed Asset Fund Balance has been adjusted for \$45,578 in 2014-15 assigned purchases.

[2] The Estimated Ending Fund Balance for 9/30/2016 reflects an adjustment for the assignment of future purchases totaling \$80,578 and the Estimated Ending Fund Balance for 9/30/2017 reflects an adjustment for the assignment of future purchases totaling \$45,578. (See Fixed Asset Fund for details.)

[3] The General Fund target balance has been adjusted for \$2,933,900 of General Fund fixed asset transfers. A General Fund fund balance target is defined as a target range with a low end of 15% and a high end of 20% of the actual GAAP basis expenditures and other financing sources and uses.

## Financial Condition Analysis

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The City of Farmers Branch strives to be an accessible, accountable and transparent organization. In fulfilling our functions, we are committed to being responsive to the public and those whom we serve. As part of this commitment, we recognize that financial management is one of the most challenging responsibilities facing local governments and cities across the country are more aware than ever that they must achieve a level of fiscal health to be sustainable over the long-term.

With these goals in mind, the following Financial Condition Analysis is designed to help City officials and the public make sense of the many factors that affect fiscal health and develop quantifiable indicators that can be tracked over time. Tracking these variables will allow the City to have a better understanding of its overall financial condition and trends, which will allow the City to better serve the public and plan for the City's future.

The basic questions that all City officials must consider regarding its fiscal health are:

- Can the City continue to pay for what it is now doing?
- Are there reserves or other vehicles for financing emergencies?
- Is there enough financial flexibility to allow adjustments for change?
- Is the City adequately investing in and preparing for its future?

If a government can meet these challenges, it is in a sound financial position. If it cannot this may indicate financial problems.

### **BACKGROUND**

This report was accomplished primarily through the use of the Financial Trends Monitoring System (FTMS) developed by the International City/County Management Association (ICMA). The ICMA system identifies and organizes the factors that affect financial condition so that they can be measured and analyzed by municipalities. It is a management tool that pulls together information from the City's budgetary and financial reports, combines it with economic and demographic data, and creates a series of financial indicators that, when plotted over time, can be used to monitor changes in financial condition and alert the government to future problems.

To further develop the City's monitoring system, staff reviewed numerous other sources of information, including procedures and indicators developed and published by Dr. Kenneth Brown of Southwest Missouri State University; procedures and indicators used throughout other states; and, information from various publications issued by the Governmental Accounting Standards Board. Many of the financial indicators selected have been identified by ICMA, credit rating agencies, and other governmental professional associations as factors most relevant in determining the financial condition of local governments.

The City's assessment is based on the development of financial ratios and environmental trends from City financial documents as well as relevant economic and demographic data from a variety of sources. All of the data used to create this report is available to the public; data sources and where they can be found are indicated throughout the report. The ratio and trend indicators included in this section are grouped into five categories, these include:

- Community Needs and Resources Indicators
- Revenue Indicators
- Expenditure Indicators
- Operating Position Indicators
- Debt Structure Indicators

Multiple indicators are provided for each of these categories in an effort to provide a series of financial measures and demographic indicators which can help highlight issues and trends in the City's operations and provide sufficient information to analyze the City's underlying financial condition. It should be noted that individual indicators may be meaningful only when viewed in conjunction with other indicators. Accordingly, an overall organization-wide perspective is essential in obtaining a comprehensive representation of the City's financial condition.

## Financial Condition Analysis

It should also be noted that in order for financial information to be comparable over a number of years, the information must be adjusted to reflect constant dollars. More specifically, the distortion created by the effects of inflation must be removed in indicators comparing dollars to non-dollars. The Finance Department began tracking trend information in 1993. Since ten years was selected as an appropriate comparison period, 1983 is the earliest year that information was collected. Accordingly, 1983 was used as the base year, and had a consumer price index of 100.7. Since comparing today's costs with those of three decades ago may not be helpful, the base year has been reset to 2004 with an index of 100. In other words, the effect of inflation since 2004 has been removed in order that the dollar amounts of any year presented are comparable to 2004 dollars. Inflation adjusted schedules are noted as Constant Dollars.

The last several years have been challenging for the City of Farmers Branch. Although the national economic recession has ended, some financial and psychological hurdles for the community remain. The City continues working towards re-energizing and revitalizing the community through economic incentives for new businesses and residential development.

### COMMUNITY NEEDS AND RESOURCE INDICATORS

Community needs and resource indicators encompass various economic and demographic characteristics that determine the resources available to the community (i.e., revenues that can be generated within a community to finance service provision efforts) as well as the service demands that may be required by the community (i.e., demands for public safety, capital improvements, and social services). Community needs and resources are all closely interrelated and affect each other in a continuous cycle of cause and effect and changes in these characteristics tend to be cumulative.

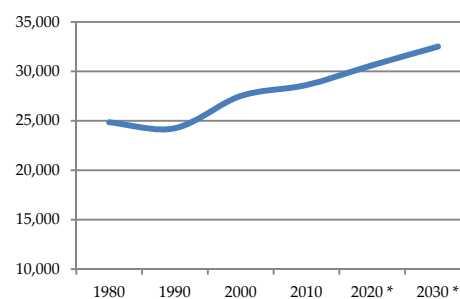
Demographics help to measure a community's needs and resources. As populations grow, shrink or change in composition, the government's role also changes. For example, a community with a growing population of children may need to increase recreation services or a community with a high unemployment rate may need to work on bringing new industry or educational facilities to the community. Additionally, community demographics also determine a community's wealth and its ability to generate revenue. These indicators often provide the best "early warning" of future fiscal stress as fiscal stress is often apparent in these measures long before it is evident in financial data.

#### **Population Change by Decade, 1980-2030**

*Is Farmers Branch growing?* Empirical evidence indicates that changes in population can have a direct effect on a locality's revenue because of the impact upon related issues, such as employment, income, and property value. Sudden increases in population can create immediate pressures for new capital outlays for infrastructure and for higher levels of service, particularly in the areas of Public Safety and Culture & Recreation.

A locality faced with a declining population is rarely able to reduce expenditures in the same proportion as it is losing population. Many expenditures, such as debt service and salaries, are fixed and cannot effectively be reduced in the short run. In addition, because of the interrelationship between population levels and other economic and demographic factors, a decline in population tends to have a cumulative negative effect on revenues - the further the decline, the more adverse the effect on employment, income, housing and business activity. Also, if out-migration is composed of middle-and upper-income households, then those remaining in the community are likely to be the low income and aged, who depend the most on government services.

**Population by Decade**



\* Estimated

**Measurement:** The official population of the City is determined by the United States Census Bureau for previous years. Future years are estimated from information provided by the North Central Texas

	2005	2011	2012	2013	2014	2015	2016
Farmers Branch	27,595	28,600	28,620	28,800	29,660	30,350	30,480
Dallas County	2,330,050	2,373,870	2,385,990	2,453,843	2,435,330	2,454,880	2,478,740
Texas	22,897,000	25,657,477	26,094,422	26,505,637	26,956,958	27,469,114	27,862,596
United States	296,460,000	311,721,632	314,112,078	316,497,531	318,857,056	321,418,820	323,127,513

Council of Governments (NCTCOG) – 2030 Demographic Forecast and is based on current housing inventories for cities in the NCTCOG region with populations of 1,000 or more. (Regional, state and national data is obtained from entity financial reports.) The City also measures its daytime population, which is currently estimated at 64,955 per the American Community Survey 5-

## Financial Condition Analysis

Year Estimates (US Census Bureau). Note: Use of the NCTCOG estimate resulted in an unusually high population estimate in 2009 (31,100), which was corrected through the 2010 census. This high estimate, therefore, will distort results of 2009 per capita measures.

**Warning Signs:** A stable trend is a positive sign for a municipality. An increasing population is generally considered positive as long as the City is prepared to take on the added service responsibilities. However, rapid increases or decreases often have a pronounced negative effect on a community as timely reaction to extreme and sudden change can be difficult and may require additional services to compensate for the negative social and demographic effects of the rapid change.

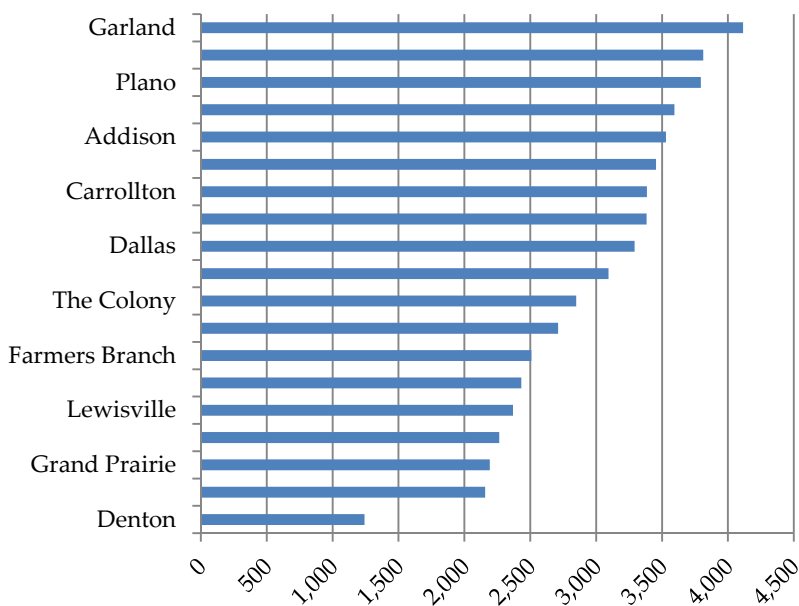
**Analysis: Positive Trend.** The City's population has been increasing at a sustainable pace over the past two decades. The City anticipates a continuation of this sustained pace of growth in population over the next couple of decades. Land availability for residential development in the community has been limited, however development on the Westside of the City is a key initiative for the City. Additionally, the City has been taking aggressive steps toward attracting new business and industry, jumpstarting housing development, and creating facilities that make Farmers Branch an attractive choice when choosing a home. The City is also working on branding and marketing initiatives so that more people know about the great things in the City. It is estimated that the City's population will increase slowly through 2030 to a total of approximately 32,509 based on Texas Water Development Board demographic estimates.

### Population Density (Population per Square Mile)

*How large is the City's coverage area?* Population density or population per square mile is one condition that affects the cost of providing public services. A City with compact boundaries and high population density can provide street maintenance and fire and police protection for less cost per household than if that same population is spread out over twice as much land area. Extremely high densities often lead to higher costs as well, a function of the extra burden of social problems in densely populated central cities.

**Measurement:** Area cities population divided by area cities jurisdiction area in square miles. (Source: NCTCOG and/or budget documents.)

### Population Density



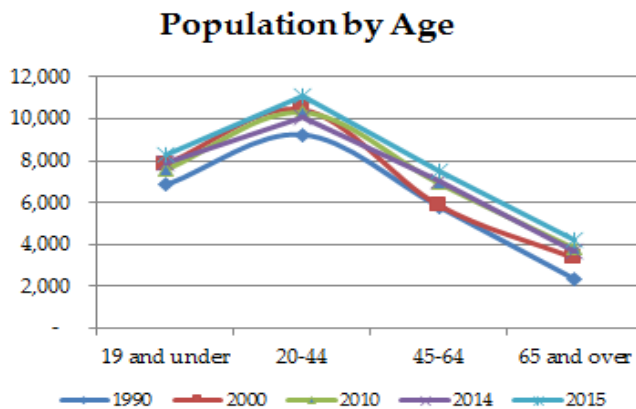
**Warning Signs:** Decreasing population density.

**Analysis: Information Trend.** With approximately 60% of the General Fund budget dedicated to Fire, Police and Public Works, exploiting ways to export costs and import revenues from non-residents is essential for long-term fiscal stability. Compared to peer cities, Farmers Branch has fewer residents to pay for roads and police and fire protection.

### Population by Age

*Who is living in Farmers Branch?* Taking a closer look at who comprises Farmers Branch's population allows the City to see what areas of the population are growing or shrinking. From a financial standpoint, this indicator helps to measure the level of current and future needs of the community.





Census	Total				
	Population	19 and under	20-44	45-64	65 and over
1990	24,250	6,846	9,253	5,814	2,337
2000	27,508	7,847	10,446	5,876	3,339
2010	28,616	7,571	10,317	6,929	3,799
2014*	28,681	7,916	10,067	6,998	3,671
2015*	31,052	8,256	11,095	7,471	4,230

\* American Fact Finder 2011-2015, 5-year estimate.

**Measurement:** Population levels divided by population.  
(Source: American FactFinder - 2011-2015 American Community Survey 5-Year Estimates)

**Warning Signs:** Increasing percentage of population under 18 or over 64.

**Analysis: Positive Trend.** From 1990 to 2010, the division of Farmers Branch's population has been fairly stable. The most notable change, when factoring changes in overall population, is the increase in growth in the number of individuals 45 to 64 years of age between 2000 and 2010.

Changes in population will require different and perhaps additional services. Attracting young families to the area may require updated playground and park facilities or the City may need to add additional recreation, educational, after-school or library programs. As this segment of the population grows, the City will have to grow these amenities, which will cost money.

Additionally, Farmers Branch has a growing population of people aged 45 to 64 and people aged 65 and over. As these people retire, the City will need to be able to provide services for them as well. This could cost the City in the expense of an expanded senior center, additional public transportation needs, etc. The City should also prepare by making sure adequate housing is available for an aging population.

## Personal Income Per Capita

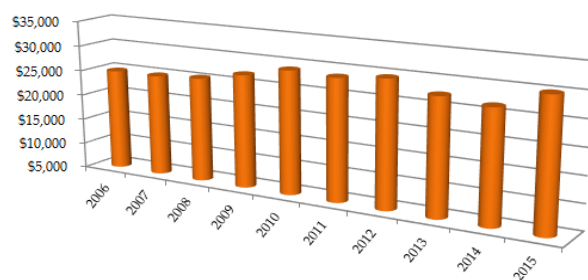
*How much do families have to spend?* Personal income per capita is an important variable to measure because it gives an indication of how much money residents will be able to spend in the community. If income is going down, for example, sales tax is also likely to decline. Generally, the higher the per capita income, the more property taxes and sales taxes the City can generate. If income is distributed evenly, a higher per capita income may mean a lower dependency on governmental services, depending on the mix of services provided. Credit rating firms use per capita income as an important measure of the health of the local economy.

Having a higher income will make Farmers Branch a more competitive location for attracting restaurants and retail businesses, and will come back to the City in higher property taxes (from people building, buying, and improving homes) and higher sales taxes (from people spending more within the City). As the City works to build its local economy and grow employment opportunities, it also needs to work to be a desirable location for families to live so that the City can attract and retain higher-income households. Services and capital infrastructure may need to be evaluated and upgraded and adequate housing stock must be available for middle-to-upper income households.

## Financial Condition Analysis

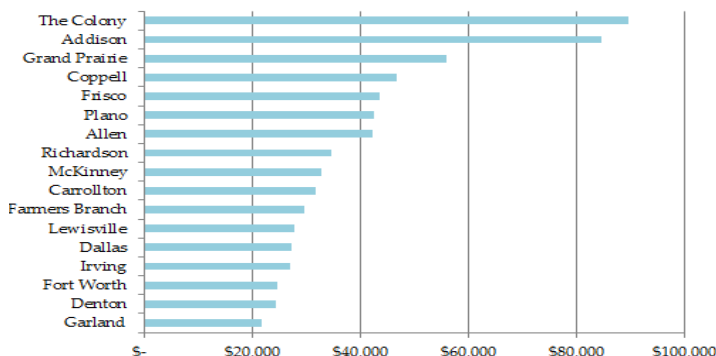
**Measurement:** Personal income per capita is provided by the U.S. Census Bureau's American Community Survey – 3 Year Estimates, with the exception of census years, which are based on the actual census.

**Farmers Branch Personal Income Per Capita  
(Constant Dollars)**



Fiscal year data has a one year lag (e.g., 2015's information is based on the American Community Survey - 5 Year Estimate for 2014)

**Area Cities - Personal Income Per Capita**



Source: Area City Comprehensive Annual Financial Reports, Ending 9/30/15  
The cities of Arlington and Mesquite did not report this activity.

**Warning Signs** A decline in per capita income results in a loss of consumer purchasing power and can provide advance notice that businesses, especially in the retail sector, will suffer a decline that can ripple through the rest of the local economy.

	2009	2010	2011	2012	2013	2014	2015
Farmers Branch	\$ 27,153	\$ 29,073	\$ 28,715	\$ 29,623	\$ 27,545	\$ 26,703	\$ 30,054
Dallas County	26,399	25,680	25,670	25,816	25,878	26,816	27,605
Texas	24,709	24,541	24,671	24,966	25,268	26,019	26,999
United States	27,466	27,100	26,942	27,158	27,385	28,155	28,555

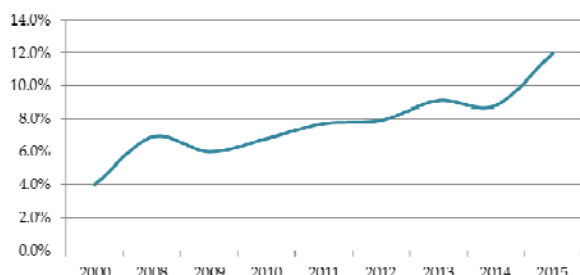
**Analysis: Positive Trend.** At \$30,054, the City's per capita income is slightly higher than national, state and county. Income indicators are important for the City because of their relationship to sales tax, one of the City's largest single sources of revenue. Current median household income is \$58,666 and current mean household income is \$75,631.

### Percent of Poverty Families, 2000-2015

*Is our proportion of poverty families growing?* This indicator measures the percent of families in the community with a total income that falls below the poverty line established by the Federal Government. Communities with a significant percent of poverty families face difficulties due to an inability to generate resources combined with a high demand for municipal and social services.

**Measurement:** Percent of poverty families is provided by the U.S. Census Bureau's American Community Survey – 3 Year Estimates. Information prior to 2008 is not available, with the exception of the 2000 Census figure. *Note: Fiscal year data has a one year lag (e.g. 2015's information is based on American Community Survey – 5-year estimate for 2014)*

**Percent of Families Below Poverty Level**



**Analysis: Monitor Trend.** Although the City has very few families below the poverty line when compared to regional, state and national levels, the effect of the economic downturn is apparent. The percent of families below poverty in the community peaked in 2015 to 12% but still below national and

**Warning Signs:** The lower this number - the better, both in terms of the ability to generate resources and in terms of the services needed by the community. An increasing trend can signal a future increase in the level and unit cost of some services because poverty exacerbates issues related to public safety and numerous other community dynamics. An increasing trend is a signal that the City may face future additional service demands as more families cope with the problems associated with financial stress combined with fewer resources that can be generated by the community for municipal service provision efforts.

	2009	2010	2011	2012	2013	2014	2015
Farmers Branch	6.0%	6.8%	7.7%	7.9%	9.1%	8.8%	12.0%
Dallas County	13.9%	14.7%	14.8%	15.5%	15.9%	16.4%	17.9%
Texas	12.8%	12.9%	13.2%	13.8%	14.1%	13.6%	15.9%
United States	9.6%	9.9%	10.5%	11.1%	11.6%	11.6%	13.5%

state levels. As with measures of personal income, if the trend of more families below poverty continues to increase it could signal future increases in the level and demands for municipal services.

### Real & Business Personal Property Values

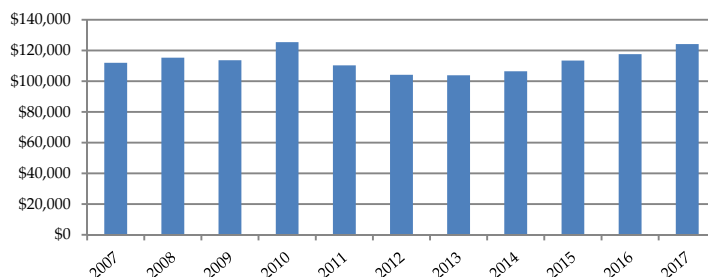


**Taxable Assessed Valuation Per Capita (Constant Dollars)** How much is Farmers Branch's property worth? Changes in property value are important to track because local governments depend on property taxes for a substantial portion of revenue. For example in FY 2016, property tax made up 42.61% of the City's General Fund revenues. If property assessments dip, the government feels the effects in the budget. Property value is an important indicator of the health of the local economy and reflects the overall strength of a community's real estate market. This market, in turn, reflects the strength of a city as a whole.

Property values are also an important indicator of a community's ability to generate resources for core municipal services such as police and streets. Positive changes (growth) in the assessed value of a municipality indicate that property values in the community are continuing to increase and is also indicative of a healthy community that is an attractive place to live and do business (population increases and economic growth can increase property values as demand drives prices up). Declining property values are often a symptom, rather than a cause, of other underlying problems. Fluctuations in property values are important because most cities depend on property taxes as a substantial portion of their revenue base. Credit rating agencies review the property tax base to assess the financial health and debt capacity of a city.

**Measurement:** The assessed value of the City is adjusted annually by the Dallas Central Appraisal District for properties located in Dallas County. Properties in the City are assessed at 100% of the market value. The City is notified of the assessed value of properties within the City in late July each year and bills residents the following October. This indicator is measured by dividing the City's assessed value, adjusted for inflation, by the population. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

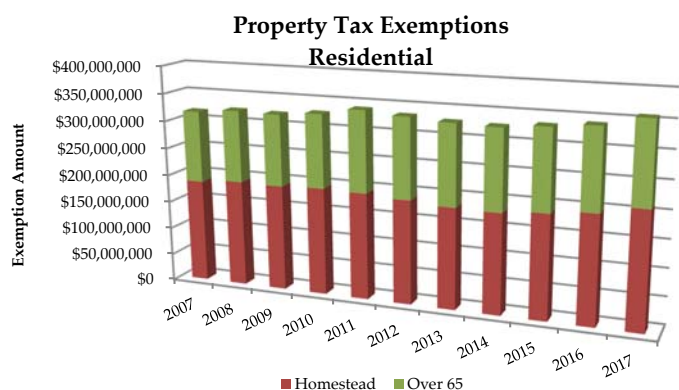
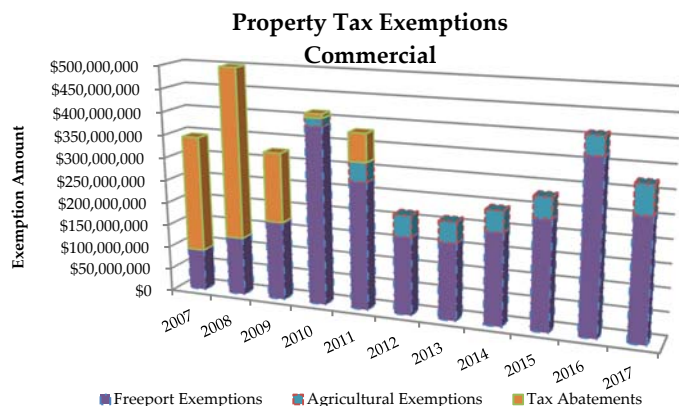
### Assessed Valuation Per Capita (Constant Dollars)



**Warning Signs:** A plateau or drop in the taxable assessed value tends to indicate a lowering of demand for real estate located in the City. Such a decline in property value is a warning trend, as it is most likely a symptom of other underlying problems. This would be a prime indicator of economic and social challenges in the future for the City.

## Financial Condition Analysis

**Analysis: Monitor Trend.** Assessed valuation per capita, in constant dollars, is slowly beginning to improve. Values began decreasing in fiscal year 2005 due to a Business Personal Property tax exemption added in 2004 for freeport inventory items.



(Freeport property includes various types of property that are detained in Texas for a short period of time (175 days or less) to be transported out of Texas.) Values remained relatively stable from 2005 to 2009<sup>1</sup>, before rising in 2010 due to a large reduction in tax abatement exemptions, but the trend was quickly reversed in 2011 as a result of the collapse of the real estate market, the slowdown in the economy, and the impact of agricultural exemptions that more than doubled from the prior year (\$18,051,564 in 2010 to \$41,730,053 in 2011). Farmers Branch remains a desirable place to live and operate a business, but the economic headwinds from 2007 to 2010 continue to have an impact on property values in the community. <sup>1</sup> Note: Results in 2009 are distorted due to an unusually high population estimate. When comparing the period to the population of 2010, the indicator would actually show slight growth in 2009.

Farmers Branch's access to the DART rail, two major interstates, and the George Bush, Sam Rayburn and Dallas North Tollways, make it an attractive location for many businesses. Over the past several years, City Staff has been working diligently to spur retail development, increase marketing efforts to attract new residents, and develop housing initiatives to help spur the development of new homes and multi-family housing. The best way to protect property value is to grow the community's population; by continuing to

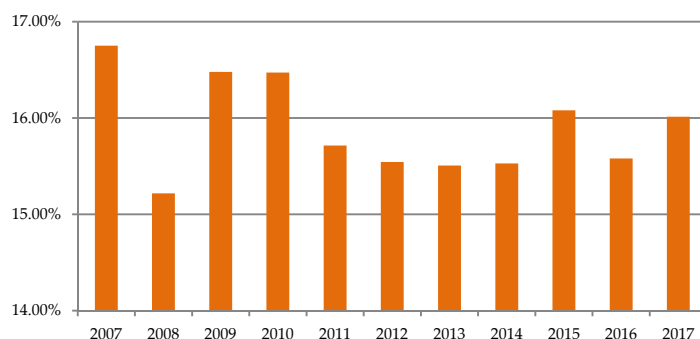
aggressively pursue economic development, gaining new retail establishments, filling empty building spaces, building new homes, and marketing our community the City is working to continually improve property values in the City.

Top Ten Taxpayers

Name of Taxpayer	Nature of Property	Taxable Value	% of Total Taxable Assessed Valuation
70 Washington Street LP	Office Tower - Class A	\$ 124,235,000	2.74%
Occidental Chemical Corporation	Office Tower - Class A	85,998,250	1.89%
Glazers Wholesale Drug Co.	Spirit and Wine Distribution Warehouse	74,953,180	1.65%
EOS Properties at Providence Towers	Office Tower - Class A	74,750,000	1.65%
Garden Centura LP	Office Tower - Class A	72,925,000	1.61%
Maxim Intergrated Products	Technology	62,866,849	1.38%
AT&T Communications	Telecommunications/Inventory	53,972,000	1.26%
Lakeview at Parkside	Apartment Complex	53,972,000	1.19%
TP IP Tower III Corp	Office Tower - Class A	51,275,000	1.13%
IBM Corporation	Office Tower - Class A	49,046,880	1.08%
		<b>\$ 707,314,969</b>	<b>15.58%</b>

Source: Dallas County, "City Report of Property Value," City of Farmers Branch

Top Ten Taxpayers  
as a Percentage of Assessed Value



### Top Ten Taxpayers

*Is the City too reliant on a few major taxpayers?* This indicator measures the concentration of property values in the community and helps to analyze the vulnerability of the economic base to the fortunes of a few taxpayers. Credit rating agencies use this information to determine the degree of concentration, wherein the leading taxpayers are profiled and assessed for their direct and indirect effects on the economy.

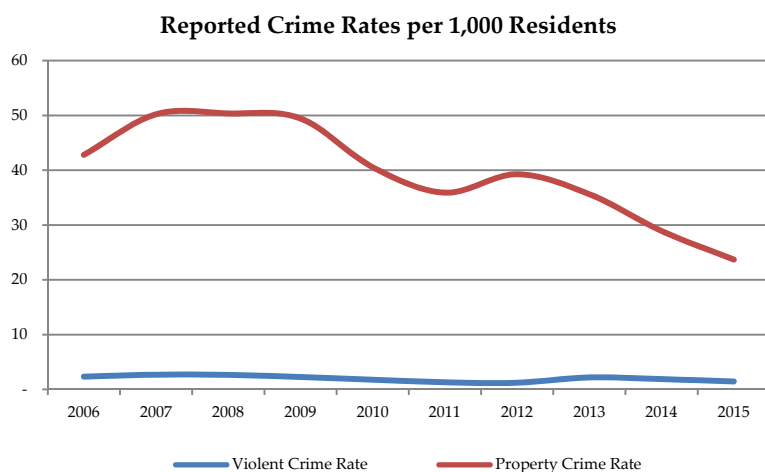
## Financial Condition Analysis

**Measurement:** Total assessed value for top ten taxpayers divided by total assessed valuation. (Source: Dallas County)

**Warning Signs:** High percentage or increasing percentage of overall assessed valuation owned by a few taxpayers. It is often cause for concern if the top five taxpayers of a city hold more than 20% of the community's total valuation.

**Analysis: Positive Trend.** The City publishes its top ten taxpayers in its annual audited financials. The current top ten taxpayers represent 16.01% of the total certified taxable assessed valuation; the top five taxpayers represent 9.54%. Historically, the City's top ten taxpayers have held less than 20% of the total assessed valuation. The reliance on one company (or only a few companies) is dangerous for cities because it makes a city vulnerable to any changes those taxpayers make. Farmers Branch has a relatively diversified tax base, which will help to give the City stability.

### Crime Rate



*Is Farmers Branch a safe place to live?* Crime rate captures a negative aspect of a community that can affect its present and future economic development potential. The crime rate in the community represents the number of misdemeanor and felony offenses that occur within the corporate boundaries of the City and is strongly indicative of future demands for police and public services. The crime rate also measures demand on public services in the form of public safety expenditures. A rising crime rate, in extreme circumstances, can jeopardize the long-term health of the community by driving away existing businesses, discouraging new business, and straining the local government's budget with increased expenditures.

**Measurement:** The crime rate is measured from the City's Uniform Crime Report filed with the State each year and is based on a calendar year to allow for comparison with other entities. Property crimes include burglary, larceny-theft, motor vehicle theft, and arson (note that the FBI does not include arson in its totals for property crimes). The violent crime category includes murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault. (Source: FBI; two year lag in data availability)

**Warning Signs:** An increase in the number of misdemeanor or felony offenses.

**Analysis: Monitor Trend.** In 2015, the City's violent crime rate per 1,000 residents, 1.46, is less than the state rate of 4.12 and national rate of 3.83. The City's property crime rate of 23.70 is less than the state's at 28.31, higher than national at 24.87, but is comparable to surrounding cities. Violent crime rates are very low, representing approximately one-third the state and national levels. Low crime rates are an indicator of the overall social and economic health of the community.

### Unemployment Rate

*Can Farmers Branch residents find work?* The unemployment rate in the community is a traditional indicator of the relative economic health of the community. Changes in unemployment impact personal income, and are consequently a measure of, and an influence on, the community's ability to support its business sector. A high unemployment rate indicates that residents of the community will be facing financial challenges and may not be able to contribute resources towards municipal services. In addition, a high unemployment rate produces social stress in the community and among families as financial challenges for those who are unemployed mount. This social stress can increase the demand for services and may have an impact on a community's crime rate.



## Financial Condition Analysis

A reduced percentage of employed citizens can be an early sign that overall economic activity is declining, which would likely have a negative impact on government revenues. Rising unemployment can lead to a greater need for services and a migration in population. Conversely, lower unemployment rates can bring a population influx, reduce the need for services and bring an increase in revenues. Credit rating agencies consider the employment base the primary measure of a City's ability to attract future economic growth and viability.

**Measurement:** The unemployment rate is measured by the Texas Workforce Commission. (Values are as of September each year.)

**Warning Signs:** A sustained increase in the unemployment rate that is not reflective of the trends in the national or regional economy may indicate that residents of the community have lost some competitiveness in comparison to residents of the DFW Metropolitan Area. An unemployment rate that is higher than state or national averages may indicate that residents of the community are facing difficulties in comparison to overall averages. Increasing unemployment is a sign of a weak economy.

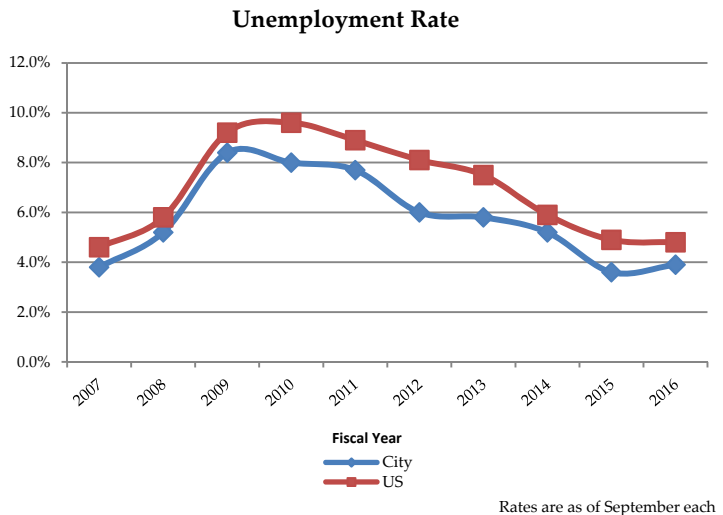
**Analysis: Monitor Trend.** While the unemployment rate in Farmers Branch has been improving over the past few years, the effects of the nationwide recession are clearly seen in the unemployment rate, with unemployment climbing from 2008 through 2009, before beginning to decline again as the community began to recover from the recession and more businesses moved into the area. The City's unemployment rate, in the 10-year period represented, reflects a high of 8.4% in 2008-09 to at or below 4.7% in 2004-05 thru 2005-06. The current unemployment rate of 3.9% is lower than regional and national averages (4.2%, and 4.8% respectively) and illustrates that economic conditions are improving. However, residents have been affected by the economic turbulence of the last few years. Reducing the unemployment rate will increase the health of the community and the financial condition of the City, because people will be more able to buy homes and will have more expendable income, which will help generate additional property and sales tax revenues for the City.

### Employment Inflow and Outflow

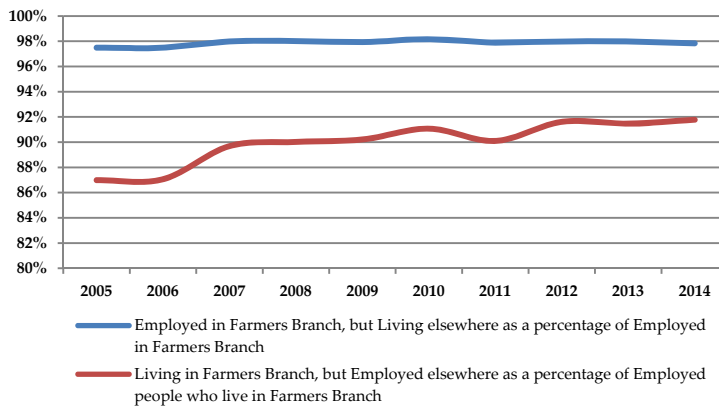
*How many commuters does Farmers Branch have?* Employment inflow and outflow is the measurement of people who commute into Farmers Branch to work and people who live in Farmers Branch, but commute out to another city to work. Farmers Branch's proximity to Dallas and Fort Worth naturally creates a fairly large population of individuals who either commute from or commute to the metroplex.

**Measurement:** The inflow and outflow of commuters is measured by U.S. Census on the Map ([onthemap.ces.census.gov](http://onthemap.ces.census.gov)). Data for this measurement has a three-year delay.

Unemployment Rate	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
City	3.8%	5.2%	8.4%	8.0%	7.7%	6.0%	5.8%	5.2%	3.6%	3.9%
Dallas County	4.3%	5.3%	8.7%	8.4%	8.9%	6.7%	6.6%	5.3%	4.1%	4.2%
State	4.4%	4.9%	7.5%	8.2%	7.9%	6.8%	6.5%	5.0%	4.4%	4.9%
US	4.6%	5.8%	9.2%	9.6%	8.9%	8.1%	7.5%	5.9%	4.9%	4.8%



**Employment Inflow & Outflow**



**Warning Signs:** A growing percentage of the workforce choosing to live in Farmers Branch and work elsewhere and/or a declining percentage of those employed in Farmers Branch who choose to live elsewhere are both positive trends.

**Analysis: Monitor Trend.** Farmers Branch has a high level of commuters, with many people commuting into Farmers Branch to work, and many commuting out of Farmers Branch to other cities. As the graph indicates, almost 98% of people who work in Farmers Branch do not live in Farmers Branch. This rate has remained stable since 2002, with the majority of the City's workforce commuting into town. This high percentage is a concern because people who work here are not

choosing to live here. However, this also shows that there is a relatively large population the City can market to as new housing subdivisions and/or multi-family housing is developed and new housing opportunities emerge. The percentage of people living in Farmers Branch and commuting out of the community is also high, with nearly 92% of Farmers Branch workers commuting out.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Employed in Farmers Branch	68,019	71,959	70,415	71,012	67,228	62,612	61,271	56,172	57,970	59,146
Employed in Farmers Branch, but Living elsewhere	66,312	70,153	68,994	69,604	65,837	61,459	59,977	55,046	56,790	57,866
Employed in Farmers Branch, but Living elsewhere as a percentage of Employed in Farmers Branch	97.49%	97.49%	97.98%	98.02%	97.93%	98.16%	97.89%	98.00%	97.96%	97.84%
Employed people who live in Farmers Branch	13,117	13,957	13,775	14,103	14,209	12,910	13,064	13,425	13,830	15,562
Living in Farmers Branch, but Employed elsewhere	11,410	12,151	12,354	12,695	12,818	11,757	11,770	12,299	12,650	14,282
Living in Farmers Branch, but Employed elsewhere as a percentage of Employed people who live in Farmers Branch	86.99%	87.06%	89.68%	90.02%	90.21%	91.07%	90.09%	91.61%	91.47%	91.77%
Living and Employed in Farmers Branch	1,707	1,806	1,421	1,408	1,391	1,153	1,294	1,126	1,180	1,280

## Business Activity

*How healthy is our local economy?* Business activity in the community provides a measure of the economic health of the community. The level of business activity affects a locality's financial condition in two ways. First, it directly affects revenue yields as sales taxes and gross receipts taxes are products of business activity. In a thriving community, business activity is vibrant as residents spend their disposable income in the community. Second, the effect of these indicators may be indirect to the extent that a change in business activity affects other demographic and economic areas such as employment base, personal income or property values. A decline in business activity may be an indicator of either a poor business environment in the City and/or a decline in the disposable income of residents and will tend to have a negative impact on employment base, personal income and/or commercial property values. This in turn can cause a decline in local revenues generated by businesses.

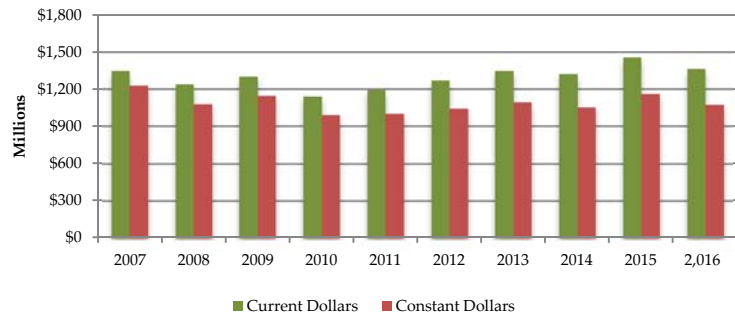
**Measurement:** Business activity is measured by the receipt of sales tax by the City. The City receives 1% of the retail sales of goods and services in the City. By dividing the City's sales tax receipts by 1%, the total amount of goods and services sold at retail in the City can be measured. This indicator is measured in both current and constant (adjusted for inflation) dollars. (Source: Texas State Comptroller)

**Warning Signs:** Drops in the total amount of goods and services sold at retail in the City; this is an especially important indicator if the drops are not reflective of trends in the regional, state or national economies.

## Financial Condition Analysis

**Analysis: Positive Trend.** Retail sales, in constant dollars, have decreased from \$1.226 million in 2007 to \$1.072 million in 2016. However average the average annual retail sales increased (after the effect of inflation is removed) of less than 1%. In 2007, business activity increased significantly due to the result of sales tax audits. In 2008 and 2009, retail sales were hard hit by the recession, but sales tax audits also helped to buffer the loss. In 2012, much of the increase can be attributed to the State's Amnesty Program, which allowed businesses to clear up their tax records without penalty or interest. In 2016, there was a 6.27% decrease from 2015 in business activity (current dollars) in the City.

**Business Activity**  
(Current & Constant Dollars)



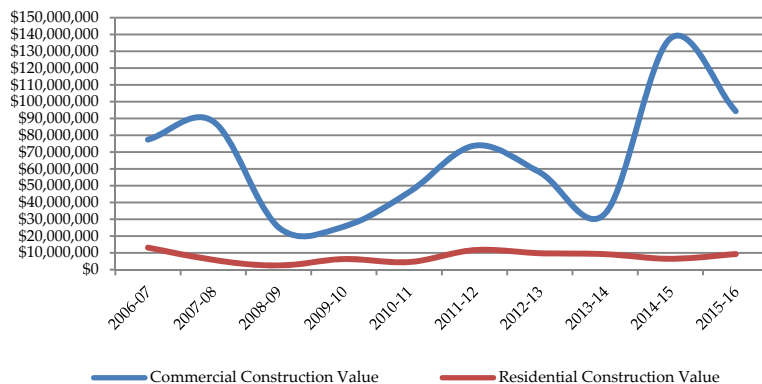
### Construction Value

*Is Farmers Branch growing?* Construction value is an important measure of, and leading indicator for, economic activity. If commercial and residential growths are occurring, other revenue sources will grow positively as well.

**Measurement:** Construction activity is measured by the City's Community Services Department.

**Warning Signs:** Declining constant dollar construction.

**Construction Value**  
(Constant Dollars)



**Analysis: Positive Trend.** Residential and commercial new construction, in constant dollars, while erratic from year to year, does reveal a steady increase from 2009-10 through 2011-12. A slowdown in new construction growth occurred in 2008-09 and 2009-10, the victim of retreating economic markets representing a 34% decline in total new construction from 2007-08 to 2009-10. The new commercial construction market dramatically rebounded in 2014-15, resulting from a surge in mixed-use and multi-family developments, while residential construction represented a slight decline in activity. 2015-16 construction shows a return to normal levels with residential slightly higher than average.



## Financial Condition Analysis

### REVENUE INDICATORS

These indicators analyze the capacity of a municipal government to provide services and highlight the growth, flexibility, elasticity, dependability, and diversity of the City's revenue base. Tracking revenues is important so that the City can effectively plan how it will maintain, expand or reduce service levels.

#### Revenues by Source

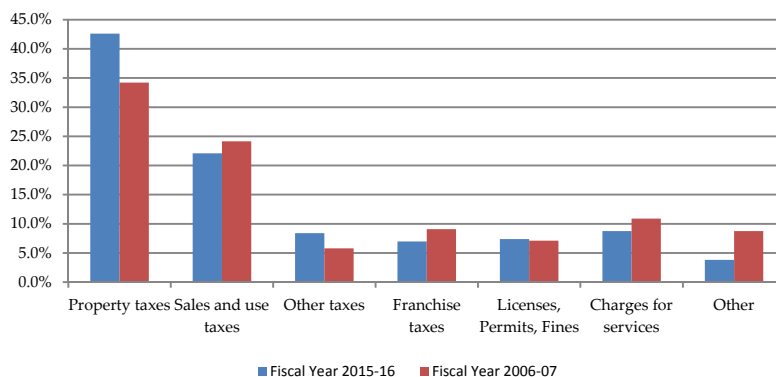
*Where does the City's money come from?* The trend and distribution of revenues can be used to analyze the City's capacity to provide services. Revenues should be free from spending restrictions to allow adjustments to changing conditions. They should be balanced between sources that fluctuate with the economy (elastic) and sources that do not (inelastic) to mitigate the effect of economic growth and decline. Revenue sources should also be diversified so they are not overly dependent on one sector or one tax base, or external funding sources (such as federal grants)

It is desirable to have a balance between elastic and inelastic revenues to limit the impact of sudden fluctuations in the tax base or inflation. But during inflationary periods, it is helpful to have a higher percentage of elastic revenues. As inflationary pressures drive up the cost of doing business, the same pressures will increase the City's revenues, thus offsetting the expenditure increase. These same elastic revenues will work against the City in periods of slow growth or recession; thus, inelastic revenues such as user fees will be more beneficial. The majority of the City's elastic revenues come from sales tax, landfill, and license and permits revenues.

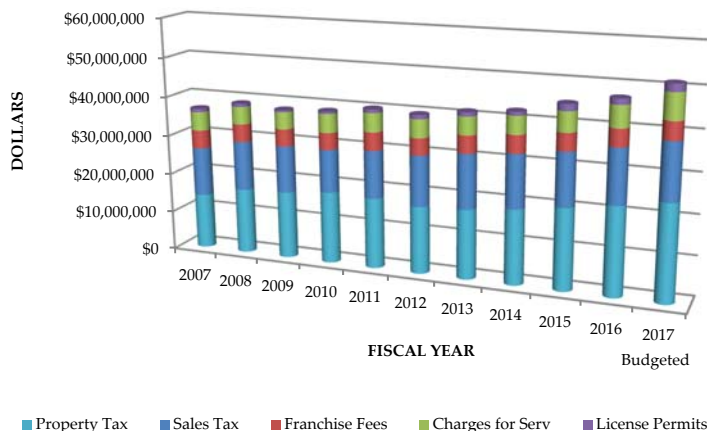
**Measurement:** Governmental Fund revenues are detailed in the statistical section of the City's Comprehensive Annual Financial Report. Major revenue sources are displayed both in current and constant, inflation adjusted, dollars.

**Warning Signs:** Imbalance between elastic (e.g. sales tax, licenses & permits) and inelastic (e.g. property tax) revenues.

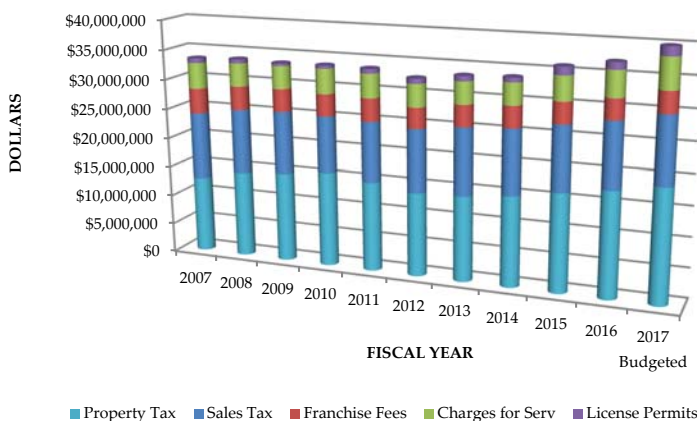
Revenues by Source  
Governmental Funds



Major Revenue Sources - General Fund  
(Current Dollars)



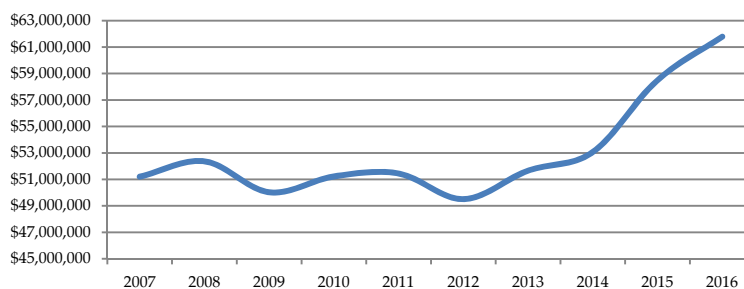
Major Revenue Sources - General Fund  
(Constant Dollars)



## Financial Condition Analysis

**Analysis: Positive Trend.** The City strives to maintain a diversification of revenue sources, balancing elastic and inelastic revenue sources, particularly in the General Fund, while recognizing that cyclical, sectorial and population shifts could impact revenue diversification. Although Farmers Branch is a very stable community, macroeconomic trends such as inflation, unemployment, and in particular retail sales, do affect the City's financial condition. Other independent variables such as weather also affect collections of certain revenues.

**Total Revenues  
Governmental Funds**



Property tax and sales and use tax collections continue to be the most important sources of revenues in the City's diversified revenue base. This diversity is a major factor for reliability – revenues are mostly stable, protected from extreme fluctuation, and prior to the recent recession overall growth was generally strong. Property taxes are relatively low, and a majority of other revenues are partially paid by non-residents using City services, easing the overall burden on the City's taxpayers.

### Revenues Per Capita, Constant Dollars, General Fund (Including & Excluding Tax Supported Debt Service)

*Are revenues changing in accordance with the population?* Revenues per capita measures the change in General Fund operating revenues, both including and excluding property tax revenue allocated to fund debt service, relative to changes in population size over time. Theoretically, as the population increases, the total amount of service provided must increase in order to maintain the same amount of service per capita. To allow for this increase in service, revenues must increase as well. A decrease in revenues per capita should signal the need to find new revenue sources, or develop cost-cutting strategies to get more mileage out of the existing revenues.

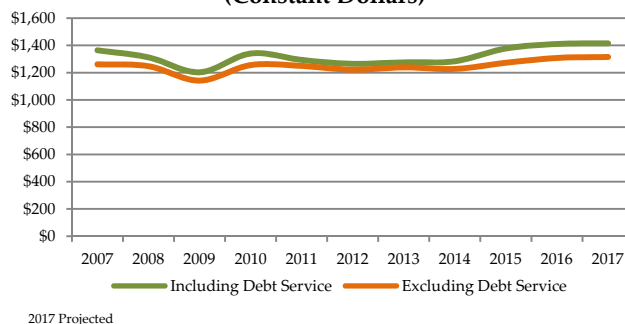
Revenues should grow enough each year to offset those factors which increase service costs: inflation and population growth. Revenue growth to cover capital improvements is also especially important. Historically, General Fund revenues have been the largest portion of Capital Improvement Program funding resulting in transfers of \$4,300,531 over the review period. Ideally, real per capita revenues should remain constant over time. Declining real per capita revenues indicate a warning trend and may reflect a weak local economy, high tax delinquencies or a reliance on revenues that do not grow with the economy. Real per capita revenues that are increasing may also be a warning trend if the increases reflect non-recurring revenues, increasing tax burdens or expenditure pressures from new development.

**Measurement:** This ratio is measured by dividing General Fund operating revenues [excluding debt service] and property tax revenue allocated to fund debt service [including debt service], by the City's population. These figures are then adjusted for inflation to reflect constant dollars. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Warning Signs:** A declining trend would indicate that the City's revenue base is declining on a per resident basis and may indicate that the City will not be able to maintain its current level of services due to a decline in the resources available to support those services.

**Analysis: Monitor Trend.** As demonstrated in the graph, City revenues (excluding debt service) per capita adjusted for inflation (constant dollars) have increased since 2007, from approximately \$1,261 per resident to approximately \$1,309 per resident in 2017 (in the 2017 revenue estimate). When including debt service the revenue per capita (constant dollars) increased from \$1,364 in 2007 to \$1,410 in 2017. When measuring current dollars, average overall revenues have increased since 2007 when both including and excluding debt service.

**Revenues Per Capita - General Fund  
(Constant Dollars)**



## Financial Condition Analysis

Although total City revenues, with the exception of the year ending 2009<sup>1</sup>, have increased from 2007 to 2017, once the effect of inflation and population increases are factored in, actual City revenues are not keeping pace with the increase in demand for services and the cost for those services. This is indicative of the economic challenges the City has faced since 2007 as the City's receipt of elastic revenues, especially sales tax, has been significantly reduced when compared to the late 1990's and early 2000's. An overall flattening of revenues over the past several years is a trend that requires close monitoring.

<sup>1</sup> In 2009, the decline in revenue per capita resulted from an unusually high population estimate that skewed results. A more conservative estimate of 2009 population reflects a level trend in both current and constant dollars as property tax revenues increased approximately 2.4% - offsetting small declines in other revenue streams.

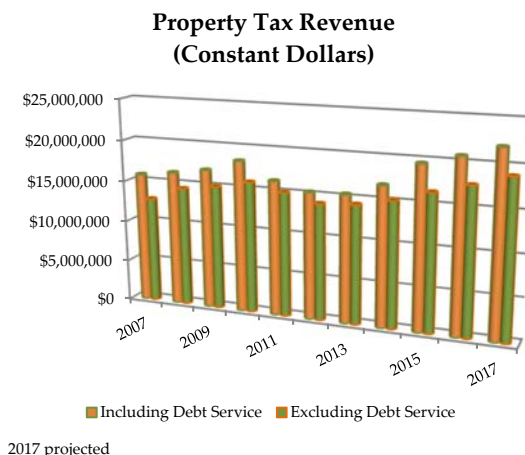
### Property Tax Revenues in Constant Dollars, General Fund (Including & Excluding Tax Supported Debt Service)

*How healthy is Farmers Branch's local economy?* Measuring property tax revenue provides an indicator of the expansion in the City's resource base and its ability to maintain or improve upon the services it provides to residents. In addition, this statistic provides information about the City's ability to maintain and invest in the capital infrastructure in the community (i.e., streets, sidewalks, street lights, sewers, bikeways, etc.). The City relies substantially on property tax revenue for the yearly budget. Frequent or increasing declines in property tax revenue can provide a warning that the City may have to cut programs and services in the future if the trend does not reverse.

**Measurement:** This ratio is measured by summing General Fund and Debt Service Fund property tax revenue for the past eleven years and adjusting to reflect constant, inflation adjusted, dollars. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Warning Signs:** A decrease in property tax revenues in constant dollars would indicate that the City's ability to maintain governmental services and invest in capital infrastructure in the community is eroding.

**Analysis: Monitor Trend.** Property tax revenue began to gradually improve through 2010 and expiring tax abatement agreements helped to mitigate a substantial increase in totally exempt parcels. The 2011 year was challenging due to nationwide economic difficulties that impacted the City's revenue base due to declining taxable property values of approximately \$359 million. Property tax revenues are beginning to show a good recovery, with a positive trend seen from 2012 to 2017. As the City continues work on bringing in new housing development, hopefully this upward trend will continue.



### Sales Tax Revenue Per Capita, Current and Constant Dollars, General Fund

*How healthy is Farmers Branch's local economy?* Changes in economic conditions are evident in terms of changes in sales tax collections. When consumer confidence is high, people spend more on goods and services, and local governments benefit through increases in sales tax collections. Prior to the recession, consumer spending was also fueled by a stronger real estate market that provided additional wealth to homeowners. The struggling economy and the declining real estate market have reduced consumer confidence, resulting in less consumer spending and declining sales tax revenues nationwide.

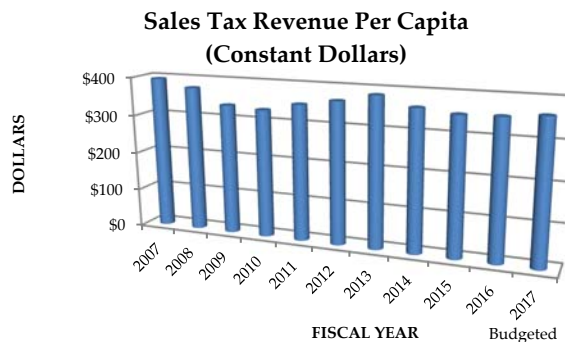
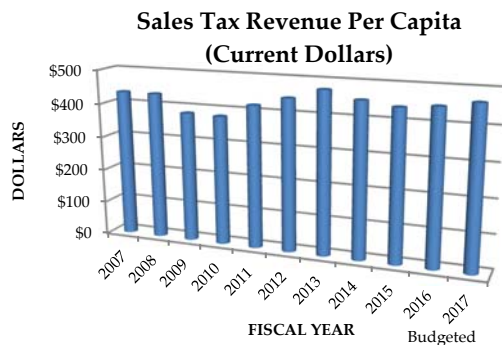
Sales tax is also affected by overall labor market conditions. If consumers have uncertainty in their employment they are likely to reduce their spending. Although the City receives a portion of its sales tax from tourists, economic conditions in the areas from which the tourist come can also impact sales taxes received by the City.

**Measurement:** This ratio is measured by dividing General Fund sales tax revenue by the population. Sales tax revenue is measured in both current dollars and constant, inflation adjusted, dollars. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Warning Signs:** A declining or negative growth in sales & use tax revenue.

## Financial Condition Analysis

**Analysis: Positive Trend.** Sales tax is a significant General Fund revenue source and makes up the second largest revenue source for the City, representing an average of 30% of net operating revenues. In current dollars, sales tax revenue per capita shows an increasing trend until the recession, which began in December 2007 and ended in June 2009<sup>1</sup>. In constant dollars, adjusted to a 2004 basis, sales tax revenue shows only slight changes until the recession. Sales tax revenue has begun rebounding since the recession showing a gradual increase in both current and constant dollars from 2011 thru 2013. Although it appears the trend is improving, sales tax revenue per capita is projected to increase slightly in 2016. The City is expecting flat sales tax revenue as revenue from existing businesses is expected to rise, but will be offset by the beginning of a retention incentive rebate for the City's largest taxpayers. Sales tax is a key factor to watch moving forward because it is representative of the health of the local economy. <sup>1</sup> Note: Results in 2009 constant dollars are distorted due to an unusually high population estimate. When comparing 2009 using the census population of 2010, the indicator would actually show a slight decline from 2008 to 2009 (\$376 to \$366 per capita)

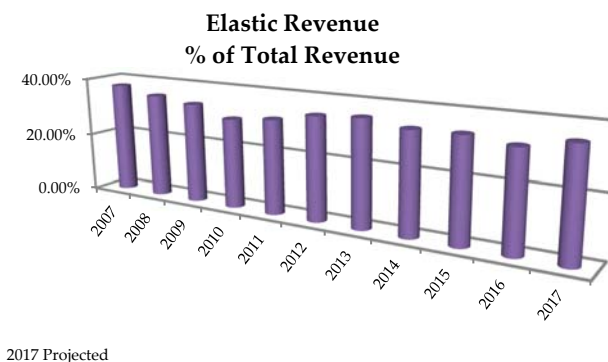


### Elastic Revenues as a Percentage of Total Revenues, General Fund

*Are the City's revenues diversified?* Elastic revenues, such as sales tax, are defined as those revenue sources that are highly responsive to changes in the economic base and inflation. Elastic revenues expand or contract readily in response to national and regional economic trends. Elastic revenue as a percent of total revenue is an important indicator of the City's reliance on volatile revenue sources that may contract rapidly in response to a decline in economic activity. Credit rating agencies believe that diverse revenue sources strengthen financial performance.

**Measurement:** This ratio is measured by dividing General Fund elastic revenue sources (the major elastic revenue sources include sales tax, a portion of landfill revenue, and permits/fees) by General Fund operating revenues. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Warning Signs:** The goal of the City should be to maintain a stable balance between elastic and inelastic revenues to mitigate the effects of economic growth or decline. An increase in the percent of elastic revenue sources as a portion of total revenues means the City is becoming more reliant on volatile revenue sources that may contract suddenly. A decrease in the percent of elastic revenue sources as a portion of total revenues may indicate financial stress if the decrease is in response to economic events. A decrease may also indicate a structural decline in the City's elastic revenue sources and this would mean that the City is becoming more dependent on inelastic revenues. An enhanced reliance on inelastic revenues can be detrimental because they do not expand rapidly in response to economic events and this decreases the City's ability to offset increasing operating costs in times of economic inflation.



**Analysis: Positive Trend.** Elastic revenues as a percent of total revenues began declining in 2009 due to a receding economy, but began increasing in 2011 as economic conditions began to show signs of improvement. Elastic revenues currently comprise approximately 32.2% of net operating revenues. An average rating for this ratio is appropriate as the City has maintained a relatively stable range of 30% to 38% from 2007 through 2017 and the fluctuation in elastic revenues has not had a negative impact due to the low inflationary environment that has occurred during this time period. Landfill operations were

## Financial Condition Analysis

outsourced in 1998 and reduced the elasticity of landfill revenues. The landfill contract provides for a guaranteed \$1 million payment from 2000 and beyond and these payments are not included in the calculations for elastic revenue.

### Hotel (Transient) Occupancy Tax Revenue Per Capita, Governmental Funds – Special Revenue Funds

*How healthy is Farmers Branch's local economy?* Hotel occupancy tax (or "transient occupancy tax") revenue per capita is an important indicator of the City's Hotel/Motel Fund revenue sources. While State law restricts use of the transient occupancy tax, the funds benefit attracting tourism and quality of life. Transient occupancy tax has a direct correlation to increases in sales tax as visitors come to Farmers Branch, stay in Farmers Branch hotels, shop at Farmers Branch businesses, and dine in Farmers Branch restaurants. Tourism and transient occupancy tax means people outside the area supplement and complement our quality of life by leaving tax dollars in the local economy.

**Measurement:** This ratio is measured by dividing total transient occupancy tax revenue by the population and adjusting to reflect constant, inflation adjusted, dollars. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Warning Signs:** A decrease in transient occupancy tax revenue per capita may affect the ability to attract regional, state and national events and result in a loss of economic competitiveness, which potentially could undermine the City's ability to meet changing service needs.

**Analysis: Monitor Trend.** In the years following the recession, both state and local governments saw plummeting tax revenues from almost all sources. Most cities planned for the 2011 fiscal year conservatively, rather than relying on a rebounding local economy. However, in 2011 sales tax revenue was up in Farmers Branch as were transient occupancy tax revenues, reflecting an increase in the number of visitors to local hotels. Part of this increase may have been attributable to Dallas hosting Super Bowl XLV in February 2011 as transient occupancy tax revenue increased approximately \$64,000 compared to the same period in the prior year.

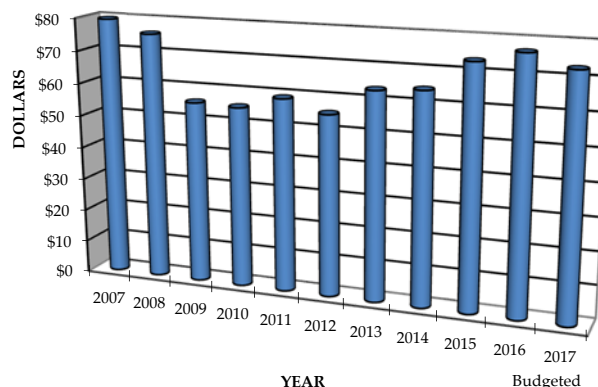
In 2012 transient occupancy tax revenues were reduced to reflect a shutdown for a \$17 million renovation of the Sheraton Hotel between December 2011 and March 2012, adversely affecting what was already a sluggish economy. In 2013, both sales and occupancy tax revenues reflect good news as the City accounted for an increase in these revenues, signaling improvement after the recession. Transient occupancy tax revenue is expected to decrease slightly in 2017 after showing an increase for fiscal 2016.<sup>1</sup>

*Note: Results in 2009 constant dollars are distorted due to an unusually high population estimate. When comparing 2009 using the census population of 2010, the indicator would actually show a decline from 2008 to 2009 of \$76 to \$61 per capita.*

### User Charges by Operating Expenses, Enterprise Funds

*Is the City's Water & Sewer Fund self-sufficient?* Enterprise activities generate revenues by providing services to citizens, either directly or through another agency, and are intended to operate more like a business than a public entity supported by taxes. User fees and charges are established in enterprise funds to promote efficiency by shifting payment of costs to specific users of services and to avoid general taxation. Rate increases are generally included as part of the budget to offset increasing operating costs, mandated environmental standard compliance, and pay-as-you-go capital costs attributable to repair and replacement of infrastructure. Charges for the services are set to cover most costs including equipment repair and replacement and debt service. Enterprise activities include sanitary sewer and clean water. This is an indicator of the long-term financial viability of the City's Enterprise Funds and indicates the ability of the City to maintain the infrastructure of the Enterprise Funds.

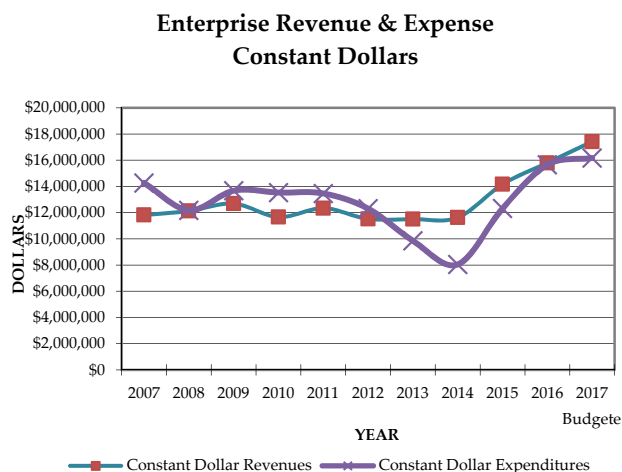
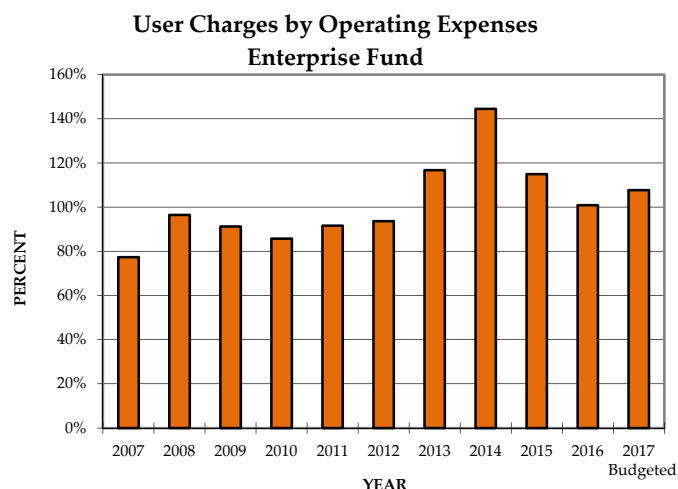
**Transient Occupancy Tax Revenue  
Revenues Per Capita  
(Constant Dollars)**



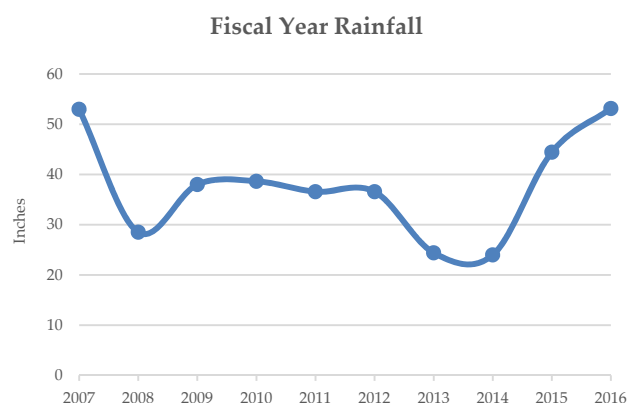


## Financial Condition Analysis

**Measurement:** Measure of operating revenues (charges for services only) divided by total operating expenses. In analyzing this indicator, an adjustment is made to normal coverage functions to include General Fund transfers and debt obligations in expenditure figures. (Source: City of Farmers Branch Comprehensive Annual Financial Report)



**Warning Signs:** A decreasing trend (i.e., user charges are offsetting less and less operating expenses over time) is indicative of future challenges and may indicate the need to generate additional revenue to ensure the future viability of the enterprise operation. Keeping this indicator above 100% is important because investments in capital infrastructure have to be financed by the Enterprise Fund and depreciation expense (which is a measure of the amount the City should be investing in its capital infrastructure each year) is incorporated into operating expenses. As long as the fund is generating revenues that are sufficient to offset total operating expenses including depreciation, the Enterprise Fund should have sufficient cash flow to invest in the capital infrastructure of the system. If coverage is less than 100%, fees and charges are not sufficient to cover operating expenditures, which translates to operating deficits.



**Analysis: Monitor Trend.** Both revenue and expenses are directly impacted by weather patterns. With the exception of General Fund transfers and capital replacement funding, the City has little or no influence in the short-term in controlling costs such as purchasing water, treating sewage, and electrical costs. The City, like most other cities, pays for water on a two-pronged system in which they are billed for a “demand charge” in addition to the actual water used, the “volume charge”. In 2010, the City negotiated a new 30-year contract with the City of Dallas, which significantly decreased the demand cost component of purchasing treated water. However, the City is required to pay the demand charge regardless of how little water is used.

In 1973, the City entered into a 50-year contract with the Trinity River Authority whereby the Authority provides and operates a regional wastewater treatment plant and wastewater conveyance facility. The City pays for treatment services based on a usage formula that provides reimbursement for operations, maintenance and debt service payments to the Authority. The City’s proportionate share of costs is determined annually according to its contributing flow to the system.

The user charge ratio has improved since 2010 and exceeded 100% in both 2013 and 2014 due to drier than usual conditions. In 2015 & 2016 the City increased water and sewer rates by 12% and 15% respectively to offset increasing costs. However, the City spent slightly more than it generated in operating revenues in six of the ten years represented and spent significantly more than it generated in one year (2007) dropping below 80%, which was a negative trend. Fiscal year 2006 represents coverage at 120% attributable to a drought in North Texas that ended in 2007 with high rainfall. Fiscal year 2017 is projected to be slightly above

## Financial Condition Analysis

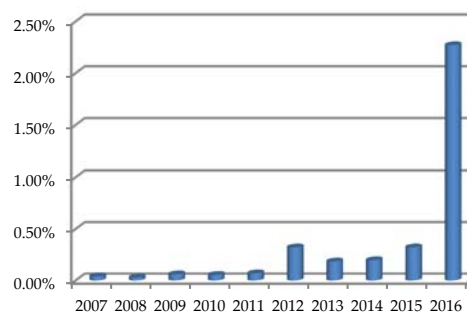
100% coverage. The City operates this fund on a pay-as-you-go philosophy for maintenance and support expenses. This is achieved without issuance of debt through annual transfers from the General Fund. Fiscal year 2017 projected revenue increased 9% to offset costs from water & sewer operating expenditures expected to increase due to the increased costs for purchased water due to legal proceedings with Sabine River Authority. Sabine River Authority's contract is in dispute and under appeal with the Public Utilities Commission. Until the dispute is resolved, higher costs have been implemented and must be passed on to customers as moderate and wet weather conditions over the past two years have sharply reduced revenues and eliminated fund balance reserves. During 2016-17, the City's waste water treatment through Trinity River Authority is expected to increase from 2.25 million gallons per month to approximately 5.0 million gallons per month due to increased meter accuracy.

### Uncollected Property Taxes as a Percentage of Adjusted Tax Levy

*Are residents able to pay their taxes?* Every year, a percentage of property owners are unable to pay property taxes. If this percentage increases over time, it may indicate an overall decline in the local government's economic health. Additionally, as uncollected property taxes rise, liquidity is decreased, and there is less cash on hand to pay bills or to invest.

Credit rating firms assume that a local government normally will be unable to collect from 2% to 3% of its property taxes within the year that taxes are due. If uncollected property taxes rise to more than 5% to 8%, rating firms consider this a negative factor because it signals potential instability in the property tax base. An increase in the rate of delinquency for two consecutive years is also considered a negative factor.

**Total Uncollected Property Taxes  
as % of Adjusted Tax Levy**



**Measurement:** This indicator is measured by subtracting total tax collections from the adjusted property tax levy and then dividing by the adjusted property tax levy. The City's original tax levy is based on certified taxable values as of July each year. The original tax levy is then subsequently adjusted throughout the year by the Dallas County Tax Office as disputes and/or protests are resolved. Subsequent adjustments are continual and often result in a change to data reported in prior years. (Note: Information reported for the current year is always based on the original tax levy as subsequent adjustments are not reported until the following year.) (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Warning Signs:** Increasing amount of uncollected property tax as a percentage of taxes levied.

**Analysis: Positive Trend.** Uncollected property tax, as a percentage of the adjusted tax levy, remained relatively consistent throughout the review period at an average of less than 1%. The current year percentage is based on the original tax levy due to a one-year delay in reporting subsequent adjustments. The collection rate for the period 2007 through 2016 has averaged over 99%, which is an excellent record. The City's ability to collect delinquent taxes is well within credit rating industry standards.

### EXPENDITURE INDICATORS

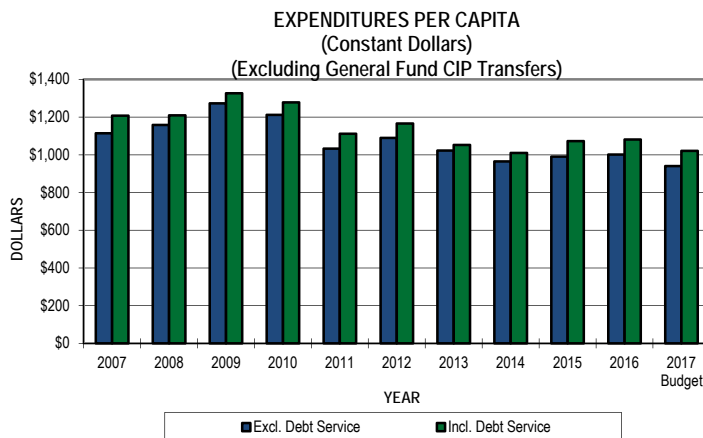
Expenditures are a rough measure of a City's service provision efforts and are an important indicator of financial condition. Generally, the more a government spends in constant dollars, the more services it provides. This reasoning does not take into account how effective the services are or how efficiently they are delivered. Revenue status should be reviewed in conjunction with expenditure growth to evaluate appropriate expenditure levels.

The following section is a profile of the City's expenditures. Taking a closer look at the expenditures will allow the City to recognize potential problems before they arise. Since the goal is to provide quality services while spending responsibly, it is important to examine the City's expenditure profile so that excessive or unexpected expenditure growth, undesirable increases in fixed costs or declines in personal productivity can be identified early.

## Financial Condition Analysis

### Operating Expenditures Per Capita

Are expenditures changing in accordance with the population? Examining per capita expenditures shows changes in expenditures relative to changes in population. Increasing per capita expenditures can indicate that the cost of providing services is outstripping the community's ability to pay. Likewise, decreasing expenditures can indicate that the City is not investing adequately in the community. This provides information that can be used to compare current and projected expenditure patterns to previous years and to provide a basis for analyzing increases or decreases in expenditures.



**Measurement:** General Fund operating expenditures (less transfers for CIP), including and excluding expenditures for debt service and adjusted for inflation, are divided by the City's estimated population for each year. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Warning Signs:** Substantial increases or decreases in any one year or a sustained trend of increases or decreases (unless the decreases do not correspond to a decrease in service levels). If an increase in spending is greater than that which can be accounted for by inflation, population or new programs, it may indicate that the City is spending more funds to support the same level of services or the methods of providing the services are inefficient. Likewise, decreasing expenditures may indicate that the City is experiencing challenges in maintaining service levels and/or is not investing adequately in the community.

**Analysis: Positive Trend.** Operating expenditures per capita, both including and excluding debt service and adjusted for inflation, declined from 2006 through 2007. In 2008, expenditures increased due to an employee buyout program and reduction-in-force payouts. Expenditures, excluding debt service, peaked in 2009 due to a substantial increase in road resurfacing and repair projects. Since 2009, expenditures (excluding debt service) have been decreasing as the City has actively implemented cost containment measures to reduce its expenditures in response to the decrease in revenue experienced during the recession. As a result, the City is significantly more efficient as the decline in operating expenditures has not corresponded to a decrease in service levels. When excluding debt service expenditures, the City has been able to reduce and maintain expenditures per capita without significantly impacting services provided to the community. Fluctuations in expenditures, including debt service, are related to the issuance of new debt each year from 2009 to 2015. <sup>1</sup> Note: Results in 2009 constant dollars are distorted due to an unusually high population estimate. When measuring 2009 using the census population of 2010, the indicator would actually reflect \$420 per capita excluding debt service and \$436 including debt service.

The City should continue to monitor expenditures per capita in the coming years. If this indicator begins to show growth (even gradually), this may evolve into a warning trend and steps to reverse the trend may have to be taken. Additionally, as the City's population ages, expenditures per capita may naturally increase, because older populations have a greater need for many City services. The City should start planning for how it will make up for this potential increase in expenditures now, so that it does not lead to unexpected financial strains in the future.

### Operating Expenditures by Function

How does the City spend its resources? Operating expenditures by function shows a breakdown of what the City's expenditures are going towards and allows the government to identify where increases in expenditures are coming from. This ratio measures how the City is allocating its resources in its service provision efforts. A change may be indicative of a change in the way the City is choosing to provide services.

**Measurement:** This is measured by comparing budget basis actual expenditures for all of the City's expenditure classifications. (Source: Annual City budget documents.)

**Warning Signs:** Substantial increases or decreases in any one year or a sustained trend of increases or decreases in any function. Shifts in expenditures from one function to another, especially if expenditures shift towards general government, may indicate that the City is having a difficult time meeting all of its obligations and is shifting resources to more high priority areas.



## Financial Condition Analysis

**Analysis: Positive Trend.** As clearly demonstrated in this chart, the City continuously expends the majority of its resources on public safety and public works (including Water & Sewer). This is an important indicator of the City's commitment to providing a high level of service to residents. General government expenditures (those associated with administration) have traditionally been approximately 11% to 16% of total expenditures in the City. As the City moves forward, it wants to provide first-rate service while maintaining the budget responsibly. This means the City needs to maintain a productive staff, keep up with technology that will help to improve productivity, and evaluate the benefit of programs to make sure they are still serving the public effectively. This is a positive trend for the City because it highlights that none of the City's departments have had sudden changes or significant expenditure growth.

### Employees Per Capita

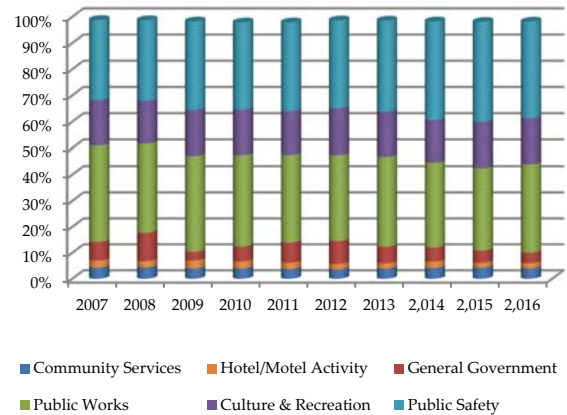
*Is the City labor intensive?* The employee's per capita statistic ratio is an important indicator of operating expenditures as personnel costs are generally the largest portion of a local government's operating budget. If employees per capita increase, this may indicate difficulty in balancing revenues and expenditures in the future unless new revenue sources are obtained to finance the additional employees. An increase in employees per capita is not negative if a direct correlation can be made to increased services. Decreases in employees per capita may indicate that the City will have a difficult time sustaining current levels of service.

**Measurement:** This ratio is calculated by dividing the City's total full-time equivalents per year by the estimated population (per 1,000) for each year. Population estimates are provided by the North Central Texas Council of Governments (NCTCOG) with the exception of census years. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

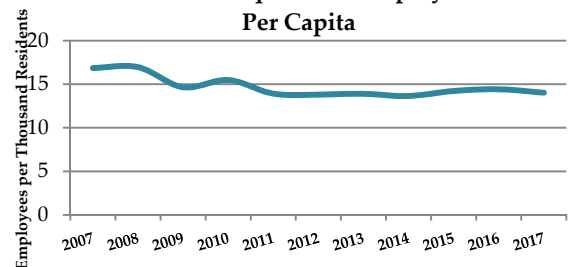
**Warning Signs:** Substantial increases or decreases in a year or a sustained trend of increases or decreases per 1,000 population.

**Analysis: Positive Trend.** Farmers Branch has demonstrated a relatively stable ratio of employees per 1,000 population. This ratio remained relatively constant from 2004 to 2008 despite adding 15 positions to staff a new fire station between 2007 and 2008 and adding three positions in the police department in 2008. These additional positions were offset by an overall reduction in non-public safety positions as part of a city-wide initiative to right-size staffing levels. The significant drop in 2009 is attributable to an unusually high population estimate in 2009, which had the effect of distorting per capita staffing levels. Had the population been more conservatively estimated, actual staffing reductions would have been only slightly reduced in 2009. Likewise, in 2010, staffing levels appear to have increased when the population estimate was corrected via the 2010 census. The decrease in 2011 was attributable to outsourcing the City's library and residential sanitation services. The decreases in staffing are a result of improved efficiency efforts and have not resulted in a decrease in services provided to the community. Overall, the City shows a stable trend working within a range of 13.9 to 17.2 employees per 1,000 population for

Expenditures by Function



Full-Time Equivalent Employees Per Capita



Fiscal Year Ending	FTE's	Population	Full-Time Equivalents Per 1,000 Population
2007	480.43	28,500	16.86
2008	487.79	28,750	16.97
2009	455.63	31,100	14.65
2010	443.42	28,616	15.50
2011	398.13	28,600	13.92
2012	395.34	28,620	13.81
2013	400.49	28,800	13.91
2014	404.84	29,660	13.65
2015	431.78	30,350	14.23
2016	439.56	30,480	14.42
2017	427.73	30,480	14.03

## Financial Condition Analysis

the entire period.

### Employee Costs Per Capita – General Fund

*Are personnel costs changing in accordance with the population?* This indicator measures personnel costs (salaries + benefits) per capita. Personnel costs are a major portion of the City's operating budget. An increase in employee costs per capita may indicate that the government is becoming more labor intensive, personnel productivity is declining or the population is changing in a way that requires more services out of the local government.

Considering this indicator, the City cannot simply view increasing employee costs as an inherently negative trend. An investment in employees can also indicate a commitment by the government to target problems. For example, if crime is an ongoing problem and the City increases its number of police officers, employee costs per capita may rise, but this is a positive sign because the City has stepped up in order to solve a problem.

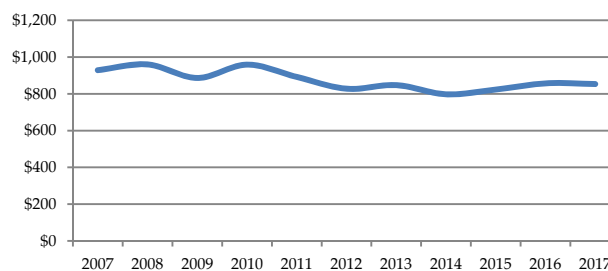
**Measurement:** This ratio is calculated by dividing the City's General Fund annual personnel services costs (budget basis actual costs adjusted for internal transfers related to staff support to other funds) by the estimated population for each year. Population estimates are provided by the North Central Texas Council of Governments (NCTCOG) with the exception of census years. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Warning Signs:** Substantial increases or decreases in a year or a sustained trend of increases or decreases per 1,000 population.

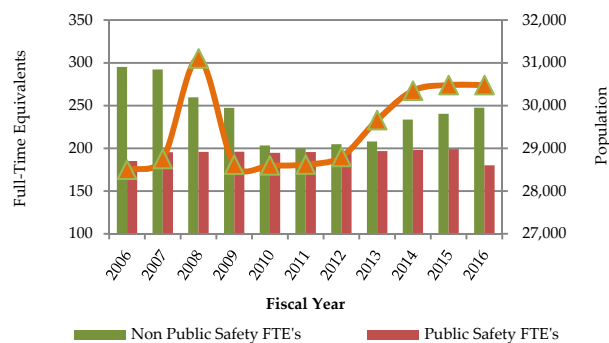
**Analysis: Positive Trend.** During the review period, the City implemented a multi-phased staff reduction program to provide for a more efficient government operation that could be sustainable long-term. As part of this program, employees were offered retirement/buyout incentives, vacant positions were eliminated, library and sanitation services were outsourced, departments were restructured and/or reorganized to increase efficiency, and an outside review of personnel pay and benefits was completed. The impact of these changes is expected to benefit future fiscal years by reducing overall expenses.

During the period of 2008 to 2012, the City eliminated almost 100 full-time equivalent positions thru the multi-phased staff reduction program, representing a 20% decrease for all positions or a 33% decrease when not including public safety positions. However, the City did not begin realizing expense savings until 2011 due to the initial costs involved in implementing the program. Ultimately, the cost cutting efforts positioned the City well to capitalize on an improving state and local economy. (Note: The primary reason for the sharp decline in 2009, and corresponding sharp rise in 2010, is due to an unusually high population estimate in 2009 that was corrected in 2010 when census results were published. Employee costs per capita would have remained level between 2008 and 2010 without the unusually high estimate.) Increases in 2013 thru 2017 were due primarily to a pay structure adjustment for sworn personnel (recommended in a compensation study performed in 2015-16); reinstatement of merit-based pay increases, the addition of two full-time employees, and higher than expected health claims costs. This indicator should continue to be monitored so that growth in employee costs does not begin to greatly out-pace population growth.

Employee Costs Per Capita - General Fund  
Constant Dollars



Meeting Citizen Needs with Fewer Employees



## Financial Condition Analysis

### OPERATING POSITION INDICATORS

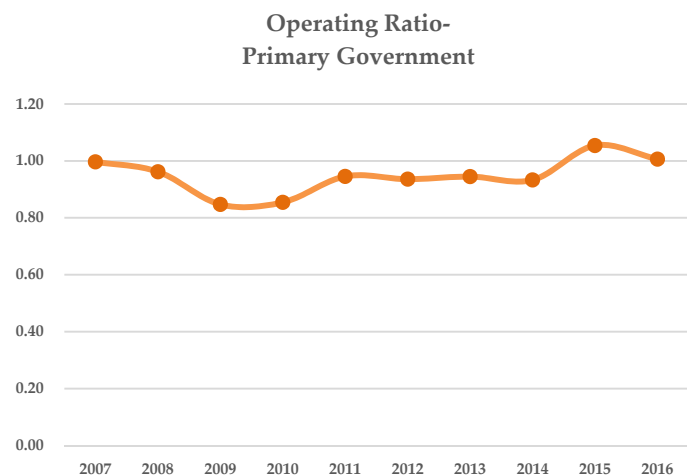
This section is an analysis of the City's operating position trends. The term "operating position" refers to a local government's ability to (1) balance its budget on a current basis, (2) maintain reserves for emergencies, and (3) maintain sufficient cash (liquidity) to pay its obligations on time.

An analysis of operating position can help to identify the following situations:

- A pattern of continuous operating deficits
- A decline in reserves
- A decline in liquidity
- Ineffective revenue forecasting techniques
- Ineffective budgetary controls

#### Operating Ratio – Primary Government

*Is the City estimating its budget correctly?* During a typical year, a government generates either an operating surplus or an operating deficit. An operating surplus develops when current revenues exceed current expenditures. An operating deficit develops when the reverse occurs. An operating surplus or deficit may be created intentionally, by a policy decision, or unintentionally, because of the difficulty of precisely predicting revenues and expenditures or trends in the underlying local and national economies. Deficits are usually funded from unreserved fund balances; surpluses are usually used to increase fund balances. The accumulation of operating surpluses builds reserves, which provide a financial cushion against the loss of a revenue source; an economic downturn; unanticipated expenditures required by natural disasters and the like; unexpected capital expenditures; uneven cash flows; and similar items.



An operating deficit in any one year may not be cause for concern, but frequent and increasing deficits can indicate that current revenues are not supporting current expenditures and that serious problems may lie ahead or it could simply represent changes in policy decisions.

**Measurement:** Total primary government revenues divided by total primary government expenses. (*Source: Statement of Activities – Primary Government, City of Farmers Branch Comprehensive Annual Financial Report*)

**Warning Signs:** Credit rating agencies consider the following occurrences to be warning trends: two consecutive years of operating deficits, a current deficit greater than the previous year, deficits in two or more of the last five years, or an abnormally large deficit (greater than 10% of revenues) in any one year.

**Analysis: Monitor Trend.** By industry standards, the City's operating ratio is considered a negative trend as the City has incurred operating deficits in seven of the last ten years. However, these deficits were a result of policy change decisions during the review period to reduce General Fund fund balance target levels, to reduce staffing levels by implementing a buy-out plan, and to replace capital assets that had previously been deferred, all of which resulted in planned increases in expenditures during the review period. As the City planned for use of fund balance, this indicator is not considered negative.

#### Fund Balance as a Percentage of Net Operating Revenue, Governmental Funds

*How does our budgetary carryover position look?* This statistic measures the amount of resources available to meet City obligations in the Governmental Funds in comparison to annual revenues in these funds.

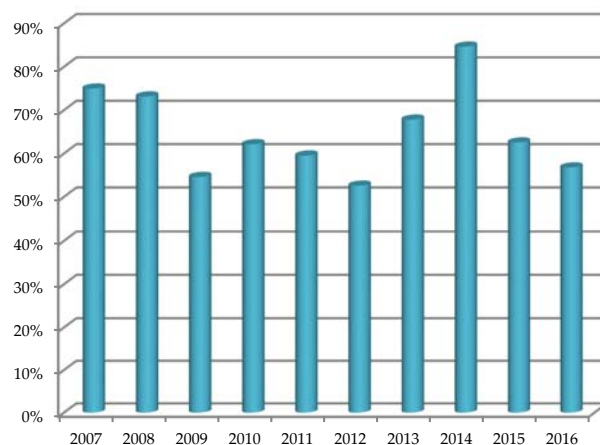
## Financial Condition Analysis

**Measurement:** Total Governmental Fund ending fund balances divided by total Governmental Fund revenues. (Source: *Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds, City of Farmers Branch Comprehensive Annual Financial Report*)

**Warning Signs:** A substantial decrease in any one year or a trend of decreases could indicate the City's ability to meet its obligations was being eroded.

**Analysis: Monitor Trend.** Fund balance as a percentage of net operating revenue has remained relatively stable, but a trend of decreases began in 2008-09 as the impact of a sluggish economy proved greater than expected. However, the City has a very healthy level of Governmental Fund balance, which provides sufficient resources to respond to emergencies or the loss of a major revenue source. Decline in 2015 and 2016 fund balances was primarily due to use of bond proceeds from debt issued in previous years for construction projects including street improvements and an aquatics facility.

**Governmental Fund Balance  
as a Percent of Revenues**

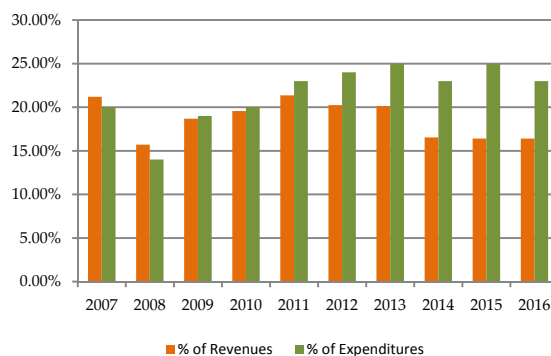


### Unassigned Fund Balance as a Percentage of Revenues & Expenditures, General Fund

How much money does the City have available for appropriation in the General Fund? The financial health of the City is partly determined by the level of fund balances available to cushion revenue shortfalls caused by economic downturns, emergencies, or uneven cash flows. To determine the appropriate level of reserves, a government should analyze the elasticity of the revenue base, the level of insurance it maintains, the likelihood and magnitude of natural disasters, and the government's liquidity and ability to borrow.

In October 2012, the City Council passed an ordinance defining a General Fund fund balance target as a target range with a low end of 15% and a high end of 20% of actual GAAP (generally accepted accounting principles) basis expenditures and other financing sources and uses. [From 2004 through 2006, the City's financial policy was to maintain an unallocated fund balance for unanticipated emergencies of 25% of the operating budget of the General Fund; from 2007 through 2012, this amount was reduced to 20%.]

**Unassigned Fund Balance  
as a Percentage of Revenues &  
Expenditures -  
General Fund**



**Measurement:** Total General Fund unassigned fund balance divided by General Fund revenues and General Fund expenditures plus other financing sources (uses). (Source: *Governmental Funds Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances, City of Farmers Branch Comprehensive Annual Financial Report*)

**Warning Signs:** A declining fund balance or insufficient level of fund balance or sustained trend of decreases. The ICMA considers an unassigned fund balance at or below 5% of net revenues to signal that a City is in financial distress. The ICMA considers a strong fund reserve balance to be at or above 15% of net revenues.

**Analysis: Positive Trend.** The General Fund unassigned fund balance dropped below policy level in 2008 and 2009 as part of the City's approved financial plan to partially offset significant declines in revenues and soften the impact of an economic downturn on City programs and services. From 2007 to 2010, cost containment efforts (mainly personnel) were implemented in order to offset declining revenues. The City's General Fund unassigned fund balance over the last ten years has consistently been within recommended standards.

## Liquidity – Primary Government

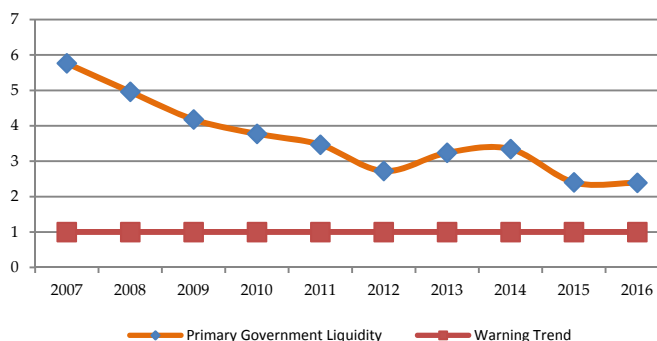
*What is the City's cash position?* A good measure of a local government's short-run financial condition is its cash position. Cash position, which includes cash on hand and in the bank, as well as other assets that can be easily converted to cash, determines a government's ability to pay its short term obligations. This is also known as liquidity, and the immediate effect of insufficient liquidity is insolvency – the inability to pay bills. Liquidity ratios, therefore, are concerned with a government's ability to pay for its most immediate obligations. The ratios can help determine if, over the next year (or less), a government will have enough cash (or assets that can be quickly converted to cash) on hand to pay the bills that come due. A larger value in the ratios indicates a larger amount of assets are available to cover liabilities, thus a higher level of cash solvency or liquidity. The "cash ratio" and "current ratio" are two common measures of liquidity. The "cash ratio" measures the ratio of cash, cash equivalents and investments to current liabilities and the "current ratio" measures the ratio of current assets to current liabilities to determine net position. Credit agencies review the liquidity of a local government as one of the focuses of their balance sheet examination. This indicator helps to assess the City's ability to sustain a strong financial position.

**Measurement:** This indicator is measured using the "cash ratio" [cash, cash equivalents and investments ÷ current liabilities] (includes all liabilities except those listed as noncurrent liabilities) and the "current ratio" [current assets ÷ current liabilities] for the City's primary government. (Source: *Statement of Net Position – Primary Government, City of Farmers Branch Comprehensive Annual Financial Report*)

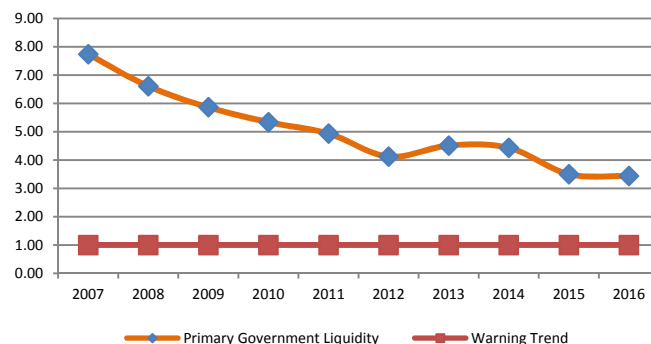
**Warning Signs:** A substantial decrease in one year or a trend of low or declining liquidity may indicate that the City has overextended itself in the long run and will have trouble meeting obligations in the future. A 1:1 ratio of cash and short-term investments to current liabilities means the City has enough cash on hand to cover accounts payable and other liabilities due within one year. If this ratio is less than 1:1 (or less than 100%), the entity is considered to be facing liquidity problems.

**Analysis: Monitor Trend.** There was a steady decline in liquidity from 2007 to 2012. However, despite this decline, the City has a high level of liquidity and this is reflected by the City's ability to meet current operating expenditures without having to resort to short-term borrowing. The City's liquidity ratio has remained well above the warning ratios for the entire review period and is considered a healthy level. Utilizing the cash ratio, which is a narrower measure that compares only the most liquid assets of the government, primary government activities current assets for the year ending 2016 are two times greater than current liabilities – meaning the City has \$2 in assets that can be converted rapidly to cash for every \$1 of liabilities. Utilizing the current ratio, primary government activities current assets for the year ending 2016 are three times greater than current liabilities – meaning the City has \$3 in assets for every \$1 of current liabilities.

**Liquidity - Primary Government  
(Cash Ratio)**



**Liquidity - Primary Government  
(Current Ratio)**





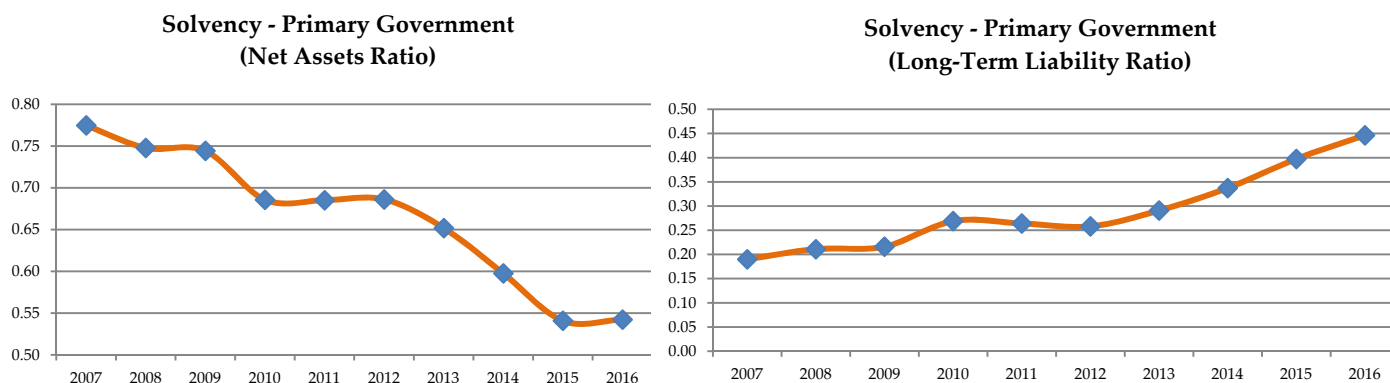
## Financial Condition Analysis

### Solvency – Primary Government

*What is our future spending ability?* Solvency and liquidity are both terms that refer to a state of financial health, but with some notable differences. Solvency refers to the capacity to meet long-term financial commitments. Liquidity refers to the ability to meet short-term obligations and refers to the capability to sell assets quickly to raise cash. A solvent government is one that owns more than it owes; in other words, it has a positive net worth and a manageable debt load. On the other hand, a government with adequate liquidity may have enough available to pay its bills, but it may be heading for financial disaster down the road. Solvency and liquidity are equally important, and healthy governments are both solvent and possess adequate liquidity.

Long-run solvency is measured using the “net assets ratio” and “long-term liability ratio.” The “net assets ratio” measures the portion of net assets compared to total assets and determines what percentage of total assets are paid for and what percentage of total assets is classified as a liability. The “net assets ratio” is designed to provide a clear picture of a government’s future spending and ability, as well as the ability to overcome emergencies and down cycles in the economy. A larger “net assets ratio” indicates a higher level of long-run solvency. The “long-term liability ratio” measures a government’s ability to pay long-term debt by comparing long-term liabilities to total assets. A higher ratio for the “long-term liability ratio” indicates a lower level of ability to pay off long-term debt or a strain on future resources as well as increasing levels of long-term obligation.

**Measurement:** This indicator is measured using the “net assets ratio” [net assets ÷ total assets] and “long-term liability ratio” (long-term liabilities ÷ total assets) for the City’s primary government. (Source: *Statement of Net Position – Primary Government, City of Farmers Branch Comprehensive Annual Financial Report*)



**Warning Signs:** A low “net assets ratio” indicates a low level of long-run solvency; whereas, a high “long-term liability ratio” indicates a lower level of ability to pay off long-term debt or a strain on future resources. [It should be noted that the net assets and long-term liability ratios should maintain a negative relationship to each other. When combined, the total ratio should be near “1” with current liabilities making up the difference.]

**Analysis: Monitor Trend.** This ratio has declined from a high of 77 to 54 for the “net assets ratio” and has increased from a low of 19 to 45 for the “long-term liability ratio.” Although the City still maintains satisfactory levels of long-run solvency and the ability to payoff long-term debt, the current trends are gradually increasing debt levels. Net assets ratio for 2016 increased slightly by \$0.25 million. The City plans to hold a quality of life bond election in November of 2017 to possibly issue up to \$15MM in additional general obligation debt. This will be in addition to the second phase of street improvement debt authorized by voters in 2014 that is anticipated to be issued in 2018.

### Operating Income in Constant Dollars, Water & Sewer Fund

*What is the operating position of the Water & Sewer Fund?* This indicator provides information about the ability of the Water & Sewer Fund to generate sufficient operating revenues to offset operating expenses. Measuring the Water & Sewer Fund operating income is important because unlike other City government funds, a local government cannot raise taxes to increase support for an Enterprise Fund – enterprises are subject to the laws of supply and demand.

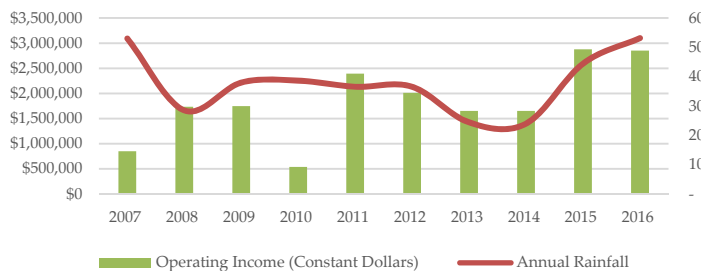
## Financial Condition Analysis

One of the many challenges in managing a Water & Sewer Fund is that water demand, and thus revenues, vary with weather patterns. Customer water use patterns and conservation efforts also have a very strong influence on revenues and, by extension, on financial performance. Managing the price-usage nexus is critical when navigating between conservation goals and revenue requirements. When sales fall, revenues typically fall with them. But a decrease in water sales, however, does not lead to a commensurate reduction in utility expenses. Without constant attention to pricing levels and structures, consistent decreases in water use from year-to-year can lead to significant revenue shortfalls. While many local governments have an expressed goal of reducing water usage, excessive declines in water use over recent years have caught many cities off-guard, as revenues have fallen below predicted levels.

**Measurement:** Operating revenues less operating expenses in constant dollars. (Source: *Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds, City of Farmers Branch Comprehensive Annual Financial Report*)

**Warning Signs:** A substantial decrease in operating income in one year or a trend of decreasing operating income over several years. Either of these situations would indicate that the ability of the Water & Sewer Fund to continue operations is being eroded.

Water and Sewer Operating Income  
(Constant Dollars)



**Analysis: Monitor Trend.** The City's water and sewer operating income stream has fluctuated considerably over the past ten years and steeply decreased in 2007 due primarily to high levels of rainfall. Income declined in 2010 due to slightly higher rainfall levels and conservation efforts; however, the decline would have been even more pronounced had the City not renegotiated its treated water contract that provided for a one-time opportunity to reduce annual expenditures by approximately \$432,000 (without this adjustment operating income would have been at approximately the same level as in 2004). Increased revenue in 2015 and 2016 is the result of a rate increases to offset increased charges. As can be seen in the graph, higher levels of rainfall generally result in lower operating income, while lower levels of rainfall usually result in higher operating income. Despite the declines, the Water & Sewer Fund has continued to run on a surplus, with operating revenues exceeding operating expenditures. However, if the declining income trend continues a more thorough evaluation of the fund may be necessary. (See *User Charges by Operating Expenses, Enterprise Fund* for notation on Sabine River Authority dispute)

### DEBT STRUCTURE INDICATORS

Debt is an effective way to finance capital improvements, and may even be used to stabilize short-term revenue fluctuations. Its misuse, however, can cause serious financial problems. Even a temporary inability to repay can result in loss of credit rating and increased cost of future borrowing. The most common forms of long-term debts are general obligations, special obligations and revenue bonds. Even when these types of debt are used exclusively for capital projects, the outstanding debt cannot exceed the ability to repay as measured by the wealth of the community in the form of property value or personal income. Another method to evaluate ability to repay is to consider the amount of principal and interest or "debt service" that is obligated to be repaid each year. Also to be considered is "overlapping debt", which is the debt of another jurisdiction that is issued against a tax base within part or all of the boundaries of the community.

#### Current Liabilities as a Percentage of Net Operating Revenues

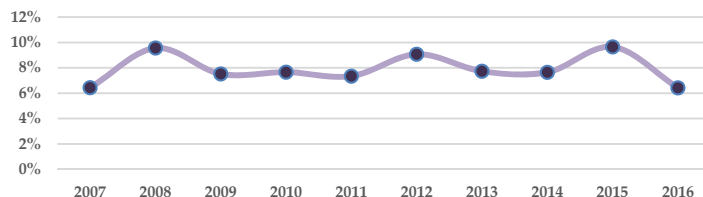
*Can the City afford to pay its bills?* This ratio indicates the ability of the City to meet its future liabilities with operating revenues. Current liabilities are those that the City has an obligation to pay within one fiscal year.

**Measurement:** Current liabilities divided by net operating revenues. [Net operating revenues are defined as the total revenues to the General, Special Revenue and Debt Service funds before any interfund transfer and less those revenues legally restricted to capital improvements or other special purposes.] (Source: *City of Farmers Branch Comprehensive Annual Financial Report*)

## Financial Condition Analysis

**Warning Signs:** A trend of increases in current liabilities as a percent of revenues may indicate that the City will not be able to meet its future liabilities due to the lack of sufficient revenues. Credit industry benchmarks consider short-term debt exceeding 5% of operating revenues and a two-year trend of increasing short-term debt outstanding at the end of the fiscal year to be negative factors.

Current Liabilities as a Percentage of Operating Revenue



**Analysis: Monitor Trend.** This ratio increased from 6.4% in 2007 to 9.6% in 2008. The current ratio is 6.42%, which is a decrease of 3.24% from the prior year. The City's current liabilities as percentage of net operating revenues has remained below 10% during the review period and has averaged 7.9% over the past ten years, which means that City revenues were always at or more than ten times the amount of its current liabilities. Although this ratio would be considered strong by many cities, credit industry benchmarks consider a ratio above 5% to be a negative factor.

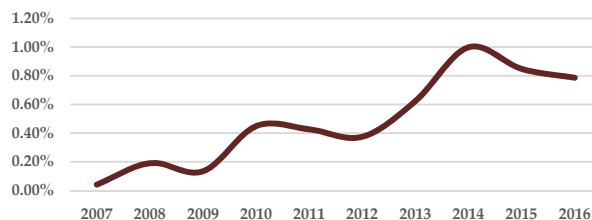
### Long-Term Debt as a Percentage of Assessed Valuation

*How much does the City owe?* This statistic compares the City's assessed valuation to long-term debt and provides an analytical measure of the City's ability to service its current debt obligations as well as its ability to incur further debt if necessary. Daily operating expenditures generally produce benefits in the current period and are funded by current operating revenues. Conversely, capital expenditures produce long-term benefits and are funded over the long-term by issuing debt. Direct long-term debt is bonded debt for which the local government has pledged its full faith and credit. For this analysis long-term debt is General Obligation bonds which are tax supported and have no sinking fund adjustment. An increase in direct debt as a percentage of assessed valuation can indicate that the government's ability to repay is diminishing—because the government depends on property tax to pay its debts. Increasing debt as a percentage of assessed valuation is a warning sign. However, in analyzing this indicator, it is more complicated than just "the lower, the better" because a low debt profile may indicate underinvestment in public infrastructure and capital facilities. Investment in the community enhances growth prospects for the community both in attracting residents and in attracting new businesses.

**Measurement:** Net direct debt divided by the City's assessed value. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Warning Signs:** A trend of increases in bonded debt as a percent of assessed value may indicate that the City will have trouble meeting its future debt obligations and will not be able to incur further debt; however, the overall debt outstanding and the purposes served by that debt must also be taken into account when rating this indicator.

Long-Term Debt as a Percentage of Assessed Valuation



**Analysis: Positive Trend.** This indicator puts into perspective the City's outstanding long-term debt in relationship to taxable assessed valuation, thus allowing the City to determine if there is sufficient power to afford current and future debt. Debt issued between fiscal year 2009 and 2014, has caused an increase in this trend; however, the trend remains considerably below the 10% industry benchmark.

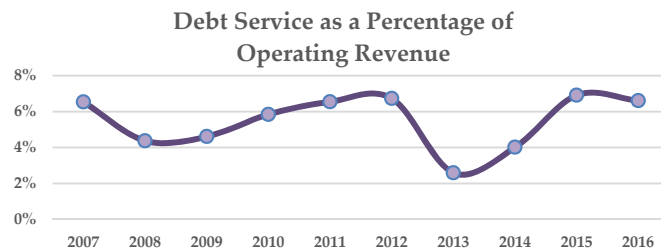
### Debt Service

*What are the fixed debt service costs?* Debt service, in this indicator, is the amount of principal and interest that the City must pay each year on net direct bonded long-term debt plus the interest it must pay on direct short-term debt. Increasing debt service reduces expenditure flexibility by adding to the government's obligations. Increasing debt service costs may also indicate excessive debt and fiscal strain. [Net direct debt is direct debt minus self-supporting debt and is funded by a percentage of property tax exclusively.]



## Financial Condition Analysis

**Measurement:** Net direct debt service (annual principal and interest payments on debt) divided by net operating revenues. [Net operating revenues are defined as the total revenues to the General, Special Revenue and Debt Service funds before any interfund transfer and less those revenues legally restricted to capital improvements or other special purposes.] (Source: City of Farmers Branch Comprehensive Annual Financial Report and annual budget documents)



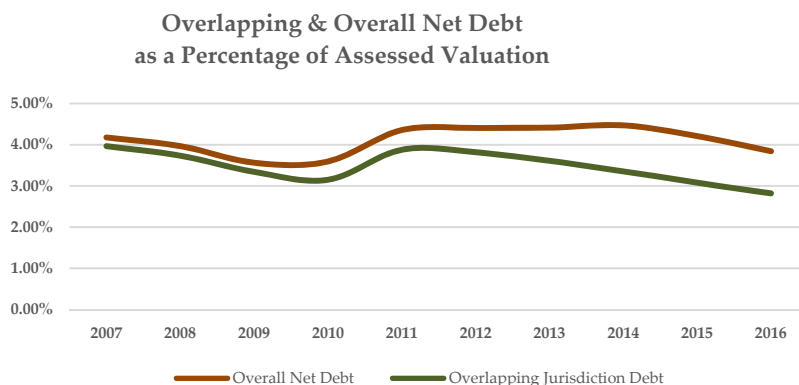
**Warning Signs:** Increasing net direct debt as a percentage of net operating revenues. Credit industry benchmarks consider debt exceeding 20% of operating revenues a potential problem; 10% is considered acceptable.

**Analysis: Positive Trend.** The City's assessed value is able to sustain significant debt; however, the impact of debt service on operating revenues is important. Since 1992, debt service as a percentage of operating revenues, has consistently been below the credit rating benchmark of 20% and has decreased from 25% in 1990 to 6.61% in 2016. This is a positive trend for the City because it indicates that the City has been borrowing responsibly; too little debt service may indicate that a City is not investing in its future, while too much debt service may indicate financial irresponsibility.

### Overlapping & Overall Net Debt

*How much do we owe if overlapping jurisdictions default on their debt?* Overlapping debt is the net direct bonded debt of another jurisdiction that is issued against a tax base within part or all of the boundaries of the community. The level of overlapping debt is only that debt applicable to the property shared by both jurisdictions. The overlapping debt indicator measures the ability of the community's tax base to repay the debt obligations issued by all of its governmental and quasi-governmental jurisdictions. If other jurisdictions default, a community may have a contingent, moral or political obligation to assume the debt, provide the services, or both.

Credit industry benchmarks for assessing long-term debt often include the net direct bonded debt of the local government, as well as the bonded debt of geographically overlapping jurisdictions that are applicable to the local government. This is referred to as overall net debt.



**Measurement:** Long-term overlapping bonded debt and overall net debt (City net debt + long-term overlapping bonded debt) divided by total assessed valuation. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Warning Signs:** Increasing long-term overlapping bonded debt as a percentage of assessed valuation; overall net debt exceeding 10% of assessed valuation or that reflects an increase of 20% over the previous year. Continuing increases in this trend may signal a need for the various local governments to coordinate their efforts in terms of long-term financing initiatives.

**Analysis: Positive Trend.** Overlapping jurisdiction debt has averaged 3.47%, while overall net debt of the City has averaged 4.10% for the ten year review period, both of which are below credit industry benchmarks.

### Other Long-Term Liabilities, Pensions

*What are some of the other long-term debts the City is obligated to pay?* The City provides pension benefits for all eligible employees through a nontraditional, joint contributory, hybrid defined plan in the state-wide Texas Municipal Retirement System (TMRS).

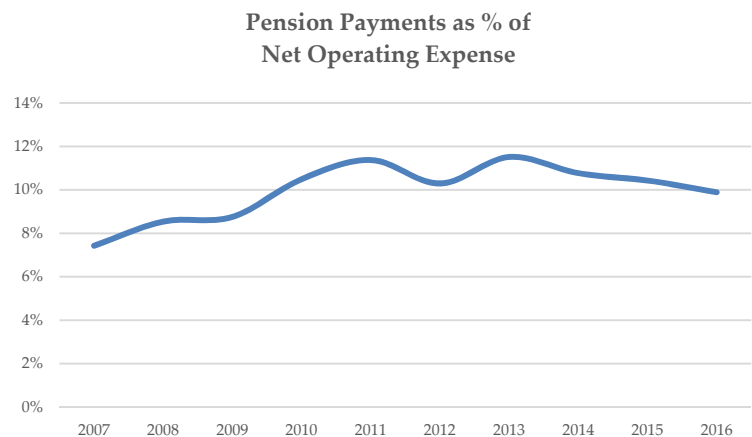
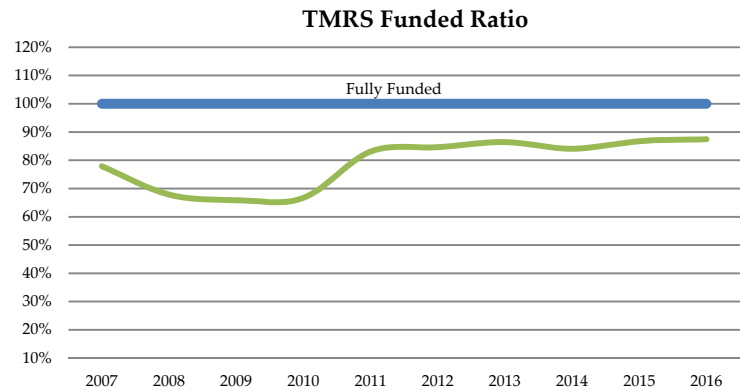
## Financial Condition Analysis

The City does not participate in the Social Security system benefits or 7% contributions. The City closely monitors its pension funding and cost levels to ensure both a financially sustainable employee benefit as well as a wise use of taxpayer dollars.

**Measurement:** All long-term liabilities associated with the City's pension include contributions to pension plan based on actuarial estimates. Funding ratio is the assets divided by the liabilities. Basically the dollar amount that is required to meet future benefits of current participants. This ratio should increase over time until fully funded. A public pension system is considered healthy at a ratio of 80% or greater. Pension payments can be a major component of costs. Measured as a percentage of net operating expenses. A rising percentage is an indication of fiscal strain. The City's goal is to maintain this percentage at 12% or less.

**Warning Signs:** Underfunded pension plan adds to obligations the City must already meet and reduces its ability to fund current operations.

**Analysis: Positive Trend.** The trends for pension, on average, remain stable. Since 2010 the funding ratio has been on a steady increase as the percentage of payments to net operating expenses has remained relatively stable.



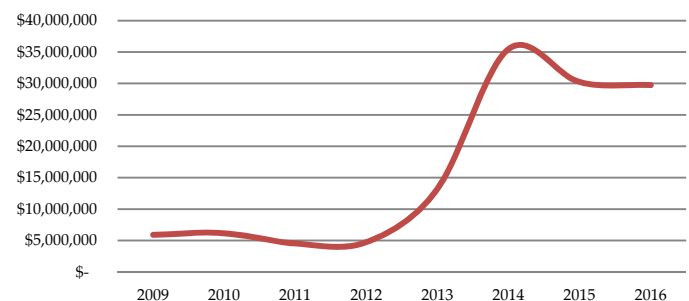
### Other Long-Term Liabilities, Other Postemployment Benefits

The City also has liabilities with postemployment benefits other than pension (OPEB). These benefits are primarily made up of healthcare benefits for retirees.

**Measurement:** Liabilities associated with other postemployment benefits other than pension divided by net operating expenses.

**Analysis: Monitor Trend.** GASB requirements for recording OPEB started in 2009 and were gradually phased in to 2011. Significant plan design changes in 2015 accounting requirements sharply reduced this liability

### Unfunded Actuarial Accrued Liability (AAL)



### Other Long-Term Liabilities, Landfill

Long-term liabilities that are anticipated for the closure of the City owned Camelot landfill. Increase reduces resources available to other City projects. The City has applied to the Texas Commission on Environmental Quality for a landfill expansion. Once approved, the long-term liability growth should stabilize.

Financial Condition Analysis

Measurement: Liabilities associated with anticipated closure and post closure care costs of the City owned Camelot landfill.

Analysis: **Monitor Trend.** Trend shows increase in current dollars however when adjusted for inflation the liabilities associated with the Camelot landfill are flat.

