



Financial Position and Fund Balance

GENERAL FUND



GRANT FUND IMPACT

- **Awarded State Funds - \$6.4M (Net \$4.3M)**
 - City is subrecipient of State Grant
 - Amount utilized for Fire and Community
 - TDEM approved. Feds have until June 2024 to audit submission
- **Awarded Federal Funds - \$29.5M (Net \$19.5M)**
 - Plan submitted
 - 5 Categories
 - \$10M for Water / Wastewater Projects
 - Must be expended by 12/31/2024





ARPA Funds

	<u>FY 22-FY 24</u>
Revenue Replacement (Reimbursement)	\$16,140,725
One Time Premium Pay (Reimbursement)	\$603,213
<u>Rehiring Frozen Positions (Reimbursement)</u>	<u>\$2,759,368</u>
General Fund Reimbursement Total	\$19,503,306
Water/Wastewater Capital Projects	<u>\$9,975,020</u>
Total ARPA Uses	<u>\$29,478,326</u>



Sources of Revenue General Fund

	FY 22- FY 24
Net Federal Funds Related Increase	\$19,503,306
Net State Funds Related Increase	\$4,309,402
<u>Net Overall General Fund Increase</u>	<u>\$1,485,292</u>
Total	<u>\$25,298,000</u>



General Fund Assigned Fund Balances

INFLATION RESERVES \$1.5M (5%)

Reserve for additional inflation across all departments

MISC COUNCIL REQUESTS \$275K (1%)

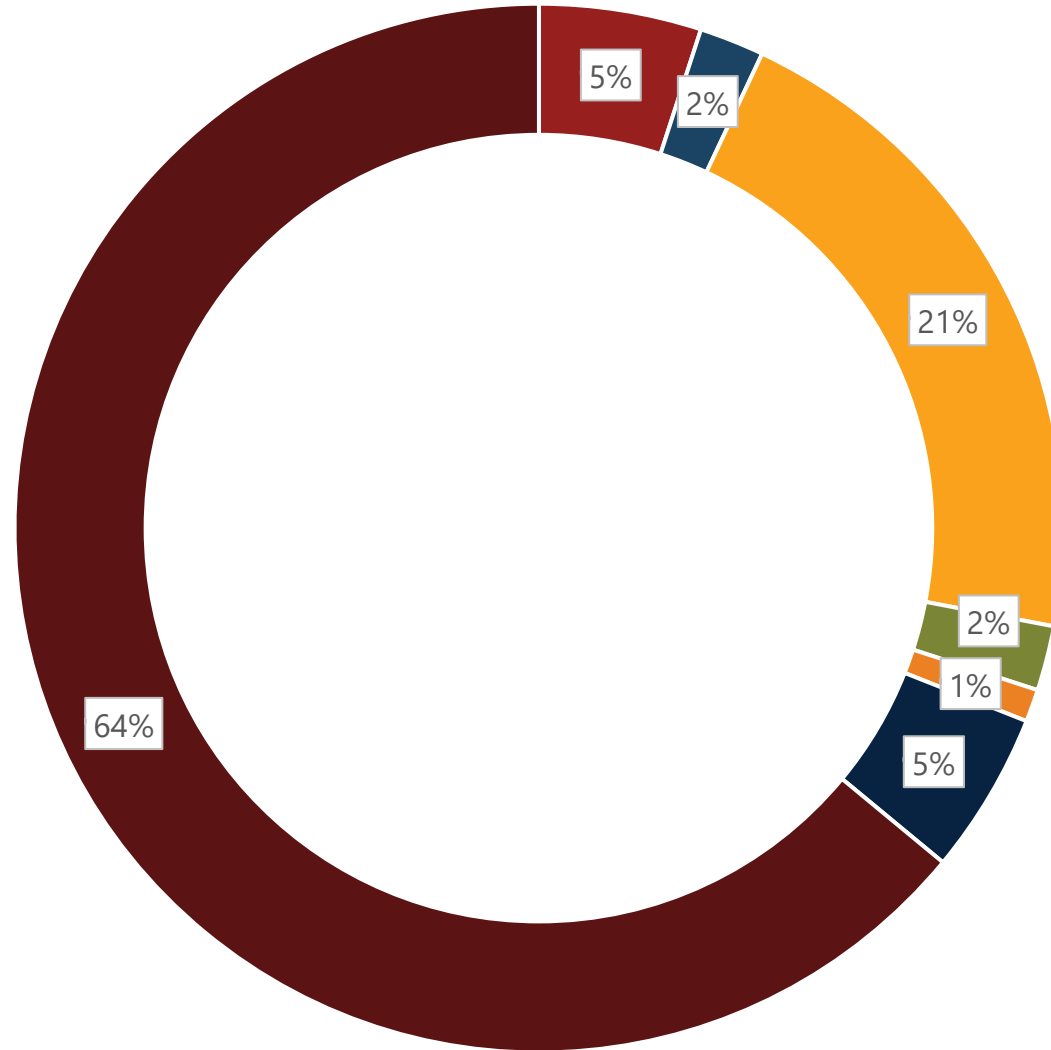
Reserve for Council Requests

MISC ITEMS \$835K (2%)

Possible adjustments between funds for miscoded transactions

REQUIRED RESERVE \$20.7M (64%)

Required Fund Balance percentage. Increased from 18% to 20% in FY23



ECONOMIC DEVELOPMENT \$500K (2%)

Additional set aside for recruitment expenses

RESERVE FOR LIQUIDITY \$6.6M (21%)

Reserve to maintain AA+ and Aa1 Bond ratings and health of internal service funds

RESERVE FOR FUTURE OPS \$1.7M (5%)

O&M tax rate reserved and not spent in prior years

TOTAL ASSIGNED BALANCE = \$32.1M



General Fund Forecast

	YEE		FORECAST				
	FY22	FY23	FY24	FY25	FY26	FY27	FY28
Beginning Fund Balance	\$ 46,784	\$ 67,951	\$ 65,737	\$ 66,128	\$ 66,289	\$ 68,307	\$ 70,970
Total Revenues	\$ 102,400	\$ 104,492	\$ 107,695	\$ 111,375	\$ 114,607	\$ 118,399	\$ 122,720
Total Recurring Expenses	\$ 85,043	\$ 103,436	\$ 107,144	\$ 111,324	\$ 114,689	\$ 117,966	\$ 121,310
Total One Time Expenses (Reserve Generated)	\$ (3,810)	\$ 3,270	\$ 160	\$ (110)	\$ (2,100)	\$ (2,230)	\$ (2,350)
Ending Assigned and Unassigned Fund Balance	\$ 67,951	\$ 65,737	\$ 66,128	\$ 66,289	\$ 68,307	\$ 70,970	\$ 74,730
Less: Assigned Fund Balance	\$ 10,530	\$ 11,450	\$ 13,579	\$ 15,952	\$ 18,299	\$ 20,785	\$ 23,410
Less: Required Reserve (20%)	\$ 17,010	\$ 20,688	\$ 21,428	\$ 22,264	\$ 22,934	\$ 23,592	\$ 24,262
Assigned Fund Balance	\$ 27,540	\$ 32,138	\$ 35,007	\$ 38,216	\$ 41,233	\$ 44,377	\$ 47,672
Ending Unassigned Fund Balance	\$ 40,411	\$ 33,599	\$ 31,121	\$ 28,073	\$ 27,074	\$ 26,593	\$ 27,058
Available for Recurring:	\$ 17,357	\$ 2,214	\$ 391	\$ 161	\$ 2,018	\$ 2,663	\$ 3,760
Available for One Time:	\$ 23,054	\$ 31,385	\$ 30,730	\$ 27,912	\$ 25,056	\$ 23,930	\$ 23,298
Total Reserve %	80%	65%	62%	60%	60%	60%	62%
Unassigned Reserve %	68%	53%	49%	45%	44%	43%	42%
Liquidity Reserve %	24%	26%	25%	25%	25%	25%	25%



FY 23 General Fund Summary

	FY 23
Estimated Beginning Balance	\$67,951,072
FY 23 One Time SLA's and One Time Merit Pool	(\$4,967,800)
Reserves in FY 23 Budget	(\$32,188,070)
<u>Reserve needed for balanced 5 year forecast</u>	<u>(\$5,497,202)</u>
Total Available Unreserved Fund Balance	\$25,298,000



Possible Uses

Unlimited Potential Building Demolition (net amount)	\$240,000
Additional Police Vehicles	\$500,000
Ambulance Pay (One Time)	\$350,000
Economic Development Project (Commercial Redevelopment)	\$12,950,000
<u>Future Capital Project (Recreation Center)</u>	<u>\$11,258,000</u>
Total From General Fund	<u>\$25,298,000</u>