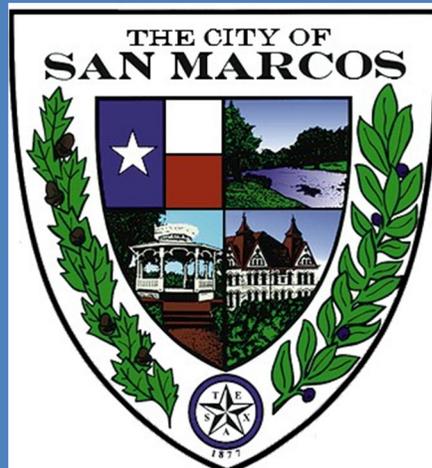


# PROPOSED BUDGET FISCAL YEAR 2020-2021



THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$2,714,724 OR 7.9%, AND OF THAT AMOUNT \$1,494,301 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE ROLL THIS YEAR.

TAX RATE	Proposed FY 2021	Adopted FY 2020	Adopted FY 2019
Property Tax Rate	.5930	.6139	.6139
No New Revenue Tax Rate	.5650	.5886	.5899
No New Revenue M&O Rate	.6450	.6315	.6406
Voter Approval Tax Rate	.6122	.6217	.6596
Debt Rate	.1736	.3685	.2262



# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### CITY COUNCIL

JANE HUGHSON ..... MAYOR  
MAXFIELD BAKER.....PLACE 1  
SAUL GONZALES .....PLACE 2  
ED MIHALKANIN. ....PLACE 3  
MARK ROCKEYMOORE .....PLACE 4  
JOCABED MARQUEZ. ....PLACE 5  
MELISSA DERRICK .....PLACE 6

### APPOINTED OFFICIALS

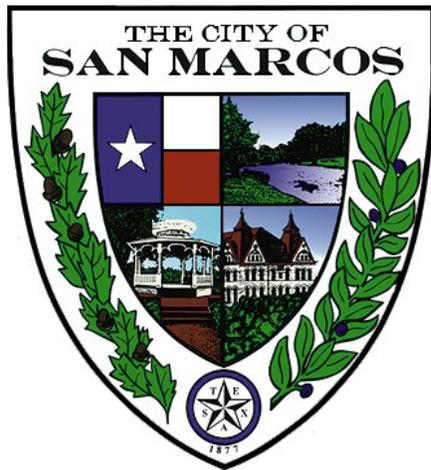
BERT LUMBRERAS .....CITY MANAGER  
MICHAEL COSENTINO .....CITY ATTORNEY  
TAMMY COOK.....INTERIM CITY CLERK  
DALLARI LANDRY.....MUNICIPAL COURT JUDGE

### CITY MANAGER'S OFFICE

STEPHANIE REYES ..... ASSISTANT CITY MANAGER  
JOE PANTALION ..... ASSISTANT CITY MANAGER  
CHASE STAPP..... DIRECTOR OF PUBLIC SAFETY

### BUDGET DOCUMENT PREPARATION

MELISSA ANN NEEL .....ASSISTANT DIRECTOR OF FINANCE



# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### TABLE OF CONTENTS

#### **INTRODUCTION**

Mission Statement	7
Executive Summary	8
City of San Marcos Financial Policy	13

#### **BUDGET SUMMARY**

Consolidated Fund Balance Statement	31
Consolidated Summary of Major Revenues and Expenditures	32
Consolidated Revenue Comparison	34
Consolidated Expense Comparison	35
Consolidated Fund Balance Comparison	36
Property Tax Valuation and Revenue	37

#### **GENERAL FUND**

General Fund	39
--------------	----

#### **DEBT SERVICE FUND**

Debt Service Fund	45
-------------------	----

#### **SPECIAL REVENUE FUNDS**

Hotel Occupancy Tax Fund	48
Municipal Court Technology Fund	49
Municipal Court Security Fee Fund	50
Municipal Court Juvenile Fee Fund	51
Municipal Court Efficiency Fee Fund	52

**SPECIAL REVENUE FUNDS CONT'D**

Seized Assets Fund	53
Community Development Block Grant Program Fund	54
Women, Infant And Children Program Fund	55
Cemetery Operations Fund	55
Tax Increment Reinvestment Zone (TIRZ,TIZ,TRZ)	56
Public Education Governmental Fund (PEG)	60

**ENTERPRISE FUNDS**

Electric Utility Fund	62
Water/Wastewater Utility Fund	63
Drainage Utility Fund	64
Municipal Airport Fund	65
Resource Recovery Fund	66
Transit Fund	67

## The Mission of the City of San Marcos

The goals of the City Government are to safeguard the health, safety and welfare of the City's residents, provide for a high quality of life, foster intergovernmental liaison and communication, encourage responsible citizenship, promote sound community and economic development, conserve and protect the City's natural resources and environment.

– *San Marcos City Charter*

# Executive Summary

The fiscal year 2021 proposed budget totals \$258,714,410 and meets the highest standards in budgeting as expected by the community. The budget represents a partnership between City Council and staff responding to the Council's vision for the community.

Staff used the City Council's Budget Policy Statement and Strategic Initiatives as a guide for developing the proposed budget. These Strategic Initiatives are:

- Workforce Housing
- Multi Model Transportation
- Workforce Development
- Downtown Vitality
- City Facilities

The Executive Summary explains the key choices and decisions made during the budget process to meet the priorities and guidelines established by City Council for the major City funds.

## General Fund

### Revenues

**Property Tax**-The property tax rate is proposed to remain at 59.30 cents per \$100 valuation for fiscal year 2021. This rate reflects the increase of 7.9 cents per \$100 valuation adopted in fiscal year 2020. The taxable property base increased by \$655M and new improvements were \$251.9M of that total. This budget will raise \$2.7M more in total property tax revenue than last year's budget, and of that \$1.4K is due to new construction.

**Sales Tax**-The sales tax revenue of \$39M includes a 5% decrease to the base sales taxes (\$1M), 10% decrease to the sales taxes attributed to the Tanger and Prime Outlet Malls (\$800K), and other misc. sales tax revenue decrease of 12% (\$2M). Percentages from FY20 year-end projections.

**Franchise Fees**-Franchise fee revenue includes revenue produced by the 8% in the franchise fees collected from the City owned electric and water/wastewater utilities.

**All Other Revenues**-All fees will be increased by the annual CPI calculated at 2.3% for FY21. New fees based on Cost Recovery assessments for Parks and Recreation programs and services will be effective January 1, 2021. Fee adjustments will be proposed to Council after budget adoption in accordance to the City's Fee Policy.

## Expenses

Expenses were increased by \$9.4M including:

- \$500K to sworn Fire and Police as agreed upon in the FY19 Meet & Confer
- 2.5% FY21 Merit/COLA increase for all non-civil service employees effective Oct. 1st
- EMS annual funding and expansion of service increase of \$533K
- Annual contracted services increase
- Economic development incentive and TIRZ payments increase \$7.9M  
\$5.7M for 75% of sales taxes generated by the Best Buy call center.

New expenses included:

- Three Captains and one Firefighter to complete staffing of new station No.6 funded by voter approved bond proceeds
- Two Community Enhancement Technicians and Horticultural Specialist funded by Community Enhancement Fee
- HVAC Service Technician
- Financial Analyst

## Electric Fund

### Revenues

The current year rate modeling does not indicate a need for any rate adjustment so no rate adjustment is recommended by the Citizens Utility Advisory Board (CUAB) for the electric rates. Revenues are budgeted based on system and customer anticipated growth and historical trends.

### Expenses

The current rate supports the addition of \$485K in operating expenses and \$296K in capital expenses including:

- Complex Meter Technician
- Senior Electrical Engineer
- Electrical Engineering Technician
- Utility Financial Analyst
- Contract Services
- Additional vehicles lease and equipment for new positions
- Professional Development
- Bucket Truck
- Transformer and substation test equipment

Expenses also include 8% franchise fee paid to the General Fund.

## Water/Wastewater Fund

### Revenues

The current year rate modeling indicates a need for a 5% rate adjustment for Water and a 3% rate adjustment for Wastewater. This rate adjustment is recommended by the Citizens Utility Advisory Board (CUAB) and is consistent with the anticipated small steady increase in rate to support efforts to secure future water supplies through the year 2060 as a member of Alliance Regional Water Authority (ARWA). Revenues are budgeted based on system and customer anticipated growth and historical trends.

### Expenses

The current rate supports the addition of \$270K in operating expenses and \$470K in capital expenses including:

- Water Collection Crew Leader
- Conservation Irrigation Inspector
- Contract Services
- Additional vehicle lease for new positions
- SCAD system upgrades and maintenance
- Tilt camera
- Maintenance skid
- Jet/vacuum truck
- Hydro excavator

Expenses also include 8% franchise fee paid to the General Fund.

## Stormwater Fund

### Revenues

A comprehensive rate study resulted in restructured rates with a rate increase of 6.5% has been recommended for adoption. Revenues are budgeted based on system and customer anticipated growth and historical trends.

### Expenses

The proposed rate supports the addition of \$81K in capital expenses including:

- Street sweeper
- Dump truck
- Track hoe

## Hotel Motel Fund

### Revenues

Revenues are budgeted to decrease \$900K from the FY20 budget. Of the total \$3M in revenue collected, \$1.1M is dedicated to the debt service for the debt issued to fund the construction of the City of San Marcos Conference Center.

### Expenses

Expenses totaling \$3.3M includes 13% budget reduction from prior year budget.

#### Tourism Programs Funded:

- Tanger Marketing \$50K
- Downtown Marketing Coop \$30K
- Eco Tourism \$14.5K
- Arts Programs \$185K with prior year reserves to fund projects
- Building Repairs \$10K

## Resource Recovery

### Revenues

The current year rate modeling indicates a need for a 3% rate adjustment for Resource Recovery. Revenues are budgeted based on customer anticipated growth and historical trends. Revenues are budgeted at \$5M

### Expenses

Current rates support \$5.1M of expenses. No additional expenses have been recommended.

.

## Transit

Revenues

Total sources of funding \$2.7M.

Expenses

Total increases to transit \$924K due to increase cost of service

# City of San Marcos Financial Policy

## I. Purpose

The broad purpose of this policy is to enable the City to achieve and maintain a long-term stable and positive financial condition through the use of sound financial management practices. The watchwords used to epitomize the City's financial management include integrity, prudent stewardship, planning, accountability, full disclosure and communication.

The more specific purpose of this policy is to provide guidelines to the Director of Finance in planning and managing the City's daily financial affairs and in developing recommendations to the City Manager and City Council.

The City Council will annually review and approve this policy as part of the budget process.

The scope of this policy covers the operating budget, revenues, expenditures, capital improvements program, financial planning, accounting, auditing, financial reporting, treasury management, debt management, and financial condition and reserves, in order to:

- A. Present fairly and with full disclosure the financial position and results of the financial operations of the City in conformity to generally accepted accounting principles (GAAP).
- B. Determine and demonstrate compliance with finance-related legal and contractual issues in accordance with provisions of the City's Charter, the City's Code of Ordinances, the Texas Local Government Code and other pertinent legal documents and mandates.

## II. Operating Budget

A. Preparation – Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The "budget" is the City's annual financial operating plan. The budget includes all of the operating departments of the governmental funds, special revenue funds, enterprise funds, and permanent funds of the City. The budget includes expenditures for personnel, contracted services, materials and supplies, other charges, operating transfers, social services, indirect costs, capital outlay and debt service. The budget is prepared by the City Manager and Director of Finance with the participation of all the City's Department Directors within the provisions of the City Charter, on a basis that is consistent with GAAP.

B. Multi-Year Planning – The Director of Finance will prepare a multi-year financial forecast of the General Fund. This forecast is an integral part of developing the adopted budget.

1. Adopted Budget – The City Manager presents a budget to the City Council. The budget provides a complete financial plan for the ensuing fiscal year, and shall contain a budget message explaining the budget, containing an outline of the adopted financial policies of the City for the ensuing fiscal year, setting forth the reasons for salient changes from the previous fiscal year in expenditure and revenue items, and explaining any major changes in financial policy.

- a) The budget should include four basic segments for review and evaluation. These segments are: (1) actual revenue and expenditure amounts for the last completed fiscal year, (2) original revenue and expenditure amounts budgeted for the current fiscal year, (3) revenue and expenditure amounts estimated for the current fiscal year, and (4) revenue and expenditure amounts for the ensuing fiscal year.
- b) The City Manager, not less than 30 days prior to the time the City Council makes its tax levy for the current fiscal year, shall file with the City Clerk the adopted budget.

2. Adoption – The City Council shall call and publicize a public hearing to allow for citizen participation. The City Council will subsequently adopt by Ordinance such budget, as it may have been amended, as the City's annual budget effective for the fiscal year beginning October 1<sup>st</sup>. The budget should be adopted by the City Council no later than the expiration of the fiscal year.

C. Balanced Budget – The operating budget will be balanced with current revenues, which may include beginning fund balances less required reserves as established by City Council, greater than or equal to current expenditures.

D. Planning – The budget process will be coordinated so as to identify major policy and financial issues for City Council consideration several months prior to the budget adoption date. This will allow adequate time for appropriate decisions and analysis of financial impacts.

E. Reporting – Financial reports will be made available to Department Directors to manage their budgets and to enable the Director of Finance to monitor the overall budget. The Director of Finance will present summary financial and budgetary reports to the City Council to disclose the overall budget and financial condition of the City. The financial and budgetary reports will include comparisons of actual to budget, actual to prior year, appropriate ratios, and graphs to ensure full disclosure and present meaningful information.

F. Control and Accountability – Department Directors will be responsible to ensure that their department budgets will not exceed budgeted amounts. Department Directors will be responsible to ensure revenues generated by activities of their departments meet budgeted amounts.

G. Contingent Appropriation – A provision shall be made in the budget for a contingent appropriation of no more than three percent of total expenditures to be used in

case of emergencies or unforeseen circumstances. The contingent appropriation shall be under the control of and distributed by the City Manager after approval of the City Council. A detailed account of contingent appropriation expenditures shall be recorded and reported.

All expenditures of the contingent appropriation will be evaluated using the following criteria:

- Is the request of such an emergency nature that it must be made immediately?
- Why was the item not budgeted in the normal budget process?
- Why the transfer cannot be made within the division or department?

### III. Revenue Policies

A. Characteristics – The City Finance Department will strive for the following optimum characteristics in its revenue system:

1. Simplicity – Where possible and without sacrificing accuracy, the revenue system will be kept in simple order to reduce compliance costs for the taxpayer or service recipient.
2. Certainty – There will be a thorough knowledge and understanding of revenue sources to increase the reliability of the revenue system. Consistent collection policies will be enacted to provide assurances that the revenue base will materialize according to budgets and plans.
3. Equity – Equity will be maintained in the revenue system structure; i.e., subsidization between entities, funds, services, utilities, and customer classes will be minimized or eliminated.
4. Revenue Adequacy – There will be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.
5. Administration – The benefits of a revenue source should exceed the cost of levying and collecting that revenue. The cost of collection should be reviewed annually for cost effectiveness as a part of the indirect cost of service analysis. Where appropriate, the administrative processes of state, federal or local governmental collection agencies will be used in order to reduce administrative cost.
6. Diversification and Stability – A diversified revenue system with a stable source of income should be maintained. This will help avoid instabilities in similar revenue sources due to factors such as fluctuations in the economy and variations in the weather.

B. Issues – The following considerations and issues will guide the City Finance Department in its revenue policies concerning specific sources of funds:

1. Cost/Benefit and Financial Impact Analysis for Tax and Fee Abatements – A cost/benefit and financial impact analysis should be performed to assess tax or fee abatement economic development incentives.

2. Accounts Receivable – Accounts receivable procedures will target collection for a maximum of 30 days from service. Accounts past due more than 120 days may be sent to a collection agency. The Director of Finance is authorized to write-off non-collectible accounts that are delinquent for more than 180 days.

3. Non-Recurring Revenues – One-time or non-recurring revenues should not be used to finance current ongoing operations. Non-recurring revenues should be used only for non-recurring expenditures and not be used for budget balancing purposes.

4. Deferrals or Short-Term Loans – Deferrals or short-term loans will not be used for budget balancing purposes.

5. Property Tax Revenues – All real and business personal property located within the City is valued at 100% of the fair market value for any given year based on the current appraisal supplied to the City by the Hays County Tax Appraisal District (HCTAD). A visual reappraisal and reassessment of all real and business personal property will be done every third year. The HCTAD reappraises real and business personal property every year as a standard practice.

Conservatism will be used to estimate property tax revenues. The Hays County Tax Assessor Collector will furnish an estimated property tax collection rate to the Director of Finance. The Finance Department will endeavor with the Tax Assessor Collector to collect one hundred percent (100%) of property taxes levied in each fiscal year.

6. Interest Income – Interest earned from investment of available monies, whether pooled or not, will be distributed to the funds in accordance with the equity balance of the fund from which monies were provided to be invested.

7. User Fees and Service Charges – For services associated with a user fee or service charge, the direct and indirect costs of that service will be offset by a user fee where possible. Department Directors will annually review user fees and service charges to ensure that the costs of services are recouped through user fees and service charges. The City Council will determine how much of the cost of a service should be recovered by fees and service charges.

8. Indirect Cost Allocation – All City funds will include transfers to and receive credits from other funds for general and administrative costs incurred. The most predominant fund that receives credits from other funds is the General Fund. The General Fund receives credits for bearing such costs as administration, legal counsel, finance, personnel, data processing, engineering and other costs. An independent third party will conduct an indirect cost allocation study annually to determine the credits received.

9. Enterprise Fund Rates – The Director of Finance and the Department Directors of each Enterprise Fund will review rates annually to ensure sufficient coverage of operating expenses, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital.

10. Franchise Fees – The Electric Fund and Water and Wastewater Utility Fund will include franchise fees as a component of utility rates. A 7% Water and Wastewater Utility and a 7.5% moving to 7% Electric Utility Fund franchise fee is levied on gross sales. The City will aim to keep these franchise fees similar to those charged to investor-owned utility franchises operating within the City.

11. Intergovernmental Revenues (Federal/State/Local) – All potential grants will be examined for matching requirements and the source of the matching requirements. These revenue sources will be expended only for intended purpose of grant aid. It must be clearly understood that operational requirements set up as a result of a grant or aid could be discontinued once the term and conditions of the project have terminated.

12. Revenue Monitoring – Revenues actually received will be compared to budgeted revenues by the Director of Finance and variances will be investigated. This process will be summarized in the appropriate financial report and reported to the City Manager and City Council on a quarterly basis.

#### IV. Budgetary Sales Tax Estimation

- A. The estimated percentage increase in sales tax revenue for the ensuing fiscal year budget will not exceed the actual percentage increase of the most recently completed fiscal year in which a sales tax increase was realized.
- B. The following example illustrates the limitation set by this policy.

Fiscal Year 1 Actual	Fiscal Year 2 Actual	Percentage Increase	Fiscal Year 3 Estimated	Fiscal Year 4 Budget	Percentage Increase
\$10,000,000	\$10,500,000	5.0 %	\$11,550,000	\$12,127,500	5.0 %

In the example above, the Fiscal Year 4 Adopted Budget is limited to a 5.0% increase, which is the actual percentage increase of the most recently completed fiscal year (Fiscal Year 2).

- C. This policy ensures that the ensuing fiscal year budget contains a sales tax revenue estimate based on actual completed fiscal years only.

## V. Budgetary Sales Tax Revenue Shortfall Contingency Plan

- A. The City will establish a plan to address economic situations that cause sales tax revenue to be significantly less than the adopted budget sales tax revenue. The plan is comprised of the following components:

- Indicators – Serve as warnings that potential budgetary sales tax revenue shortfalls are increasing in probability. Staff will monitor state and national economic indicators to identify recessionary or inflationary trends that could negatively impact consumer spending. Staff will develop a monthly report that compares the current month's sales tax revenue to the same month of the previous year. The report will show sales tax revenue by month for the last ten fiscal years.

- Phases – Serve to classify and communicate the severity of the estimated budgetary sales tax revenue shortfall. Identify the actions to be taken at the given phase.

- Actions – Preplanned steps to be taken in order to prudently address and counteract the estimated budgetary sales tax revenue shortfall.

- B. The actions listed in phases 1 through 3 are short-term in nature. In the event the underlying economic situation is expected to last for consecutive years, more permanent actions, such as phases 4 and 5, will be taken.
- C. Staff will apprise City Council at the regular City Council meeting immediately following any action taken through this plan. Information such as underlying economic condition, economic indicators, estimated budgetary sales tax revenue shortfall, actions taken and expected duration will be presented to City Council.
- D. The City Council may appropriate fund balance as needed to cover any estimated budgetary sales tax revenue shortfall. Appropriation of fund balance must be carefully weighted and long-term budgetary impacts must be considered in conjunction with the projected length of the economic downturn.
- E. Actions taken through this plan must always consider the impact on revenue generation. Actions taken should reduce expenses well in excess of resulting revenue losses.
- F. These are only guidelines of possible actions that may be taken in the event of sales tax revenue decreases. In the event of a catastrophic event, necessary measures will be taken by the City Manager that are in the best interest of the City.
- G. The following is a summary of phase classifications and the corresponding actions to be taken. Revenue will be monitored on a quarterly basis, with action being taken in the

month following the completed quarter that experiences the shortfall. Actions are cumulative, so each level will include all actions set forth in prior levels.

1. ALERT: The estimated annual sales tax revenue is 1.5% less than the adopted sales tax revenue budget.
  - a. Freeze newly created positions.
  - b. Implement a time delay for hiring vacant positions.
2. MINOR: The estimated annual sales tax revenue is 2.5% less than the sales tax revenue adopted budget.
  - a. Suspend funding of Capital Maintenance accounts.
  - b. Suspend capital outlay purchases.
  - c. Reduce the number of temporary workers.
3. MODERATE: The estimated annual sales tax revenue is 3.5% less than the sales tax revenue adopted budget.
  - a. Implement a managed hiring program for vacant positions.
  - b. Reduce travel and training budgets.
  - c. Reduce office supply budgets.
  - d. Scrutinize professional services expenses.
  - e. Implement a salary freeze and suspend mid-year merit increases if possible.
4. MAJOR: The estimated annual sales tax revenue is 4.5% less than the adopted sales tax revenue budget.
  - a. Scrutinize repairs and maintenance expense. Perform only critical maintenance and make only critical repairs.
  - b. Freeze all external printing and publication expenses, except for legally required notices.
  - c. Reduce overtime budgets.
  - d. Prepare a Reduction in Force Plan.
  - e. Defer payments to City-owned utilities for electricity, street lighting, water and wastewater services.
5. CRISIS: The estimated annual sales tax revenue is 5% less than the adopted sales tax revenue budget.
  - a. Service level reductions, elimination of specific programs, reduction-in-force and other cost reduction strategies will be considered.
  - b. Reduce departmental budgets by a fixed percentage or dollar amount.
  - c. Departments will prioritize service levels and programs according to City Council goals and objectives.
  - d. Consider four-day work weeks to reduce personnel costs.
  - e. Reduce external program funding – social service agencies.

## VI. Expenditure Policies

- A. Appropriations – The point of budgetary control is at the department level budget for all funds. Following formal adoption, the budget is amended or adjusted as necessary.
  - 1. Amendment- An amendment involves increasing the total expenditures of the funds over the original adopted budget or changes to the total approved FTE count. The budget is amended through a submission made by a Department Director to the City Manager. The Department Director prepares a budget amendment detailing the reason, line items and amounts to be effected which is approved by the City Finance Department after verification of available dollars. The amendment is given to the City Manager or their designee for review for overall appropriate objectives and purposes. The amendment request is submitted to the City Council for formal adoption by ordinance.
  - 2. Adjustment-An adjustment involves moving expenses between line items, departments or funds, but does not increase total expenditures over the adopted budget. The budget is adjusted through a submission made by the Department Director. If the budget adjustment requires a transfer between funds, or involves the use of contingent appropriations, the adjustment is submitted to City Council for approval by a motion. If the budget adjustment requires a transfer between departments, it must be approved by the City Manager or their designee. All other adjustments may be approved by the City Finance Director.
  
- B. Encumbrance Accounting System – An encumbrance accounting system will be used to alert Department Directors when their maximum budget limits have been reached. Encumbrances are expenditure estimates and will reduce budgeted appropriations in the same manner as an actual expenditure. Once the actual expenditure amount is paid or the encumbrance lapses, the encumbrance will be deleted. Department Directors should use the encumbrance accounting system for all purchases.
  
- C. Personnel Savings – No recognized or significant personnel savings in any Department will be spent by the Department Director without the prior authorization of the City Manager. This control is used to realize personnel savings each year that will be recognized in the adopted budget as a reduction in the current fiscal year’s personnel appropriations.
  
- D. Capital Outlay-Any previously budgeted capital outlay funds not expended at year end may be moved to a cash funded Capital Improvements Projects account for expenditure in a subsequent fiscal year. These funds may be used for a capital outlay item or for other designated purpose.
  
- E. Impact Fees Reserves-Funds may be used to support projects identified in the impact fee study, as adopted by City Council, for new growth projects. Authorization for use of impact fee funds will be provided by the City Manager or their designee.
  
- F. Purchasing – All Department Directors will ensure their respective departments comply with the City's Purchasing Manual when purchasing goods or services.
  
- G. Prompt Payment – All invoices approved for payment will be paid by the City Finance Department within thirty (30) calendar days of receipt in accordance with the provisions of State law.

The Director of Finance will establish and maintain payment procedures that will make use of advance payment discounts. Advanced payment discounts will be used in all instances except when the City will earn more interest income than the advance payment discount through investing the idle cash.

## VII. Capital Improvements Program – Major Projects

A. Purpose – The Capital Improvements Program (CIP) is a multi-year financial planning tool used to identify and plan for major capital projects which address growth, transportation, public safety, and utility infrastructure issues in conjunction with goals and priorities as determined by City Council. A major capital project generally involves a significant expenditure of funds, beyond operation and maintenance costs, for the acquisition or construction of a needed facility or infrastructure. A major capital project should exceed \$50,000 in cost. The CIP coincides with the adoption of the budget and uses a ten-year projection.

B. Preparation – The CIP will be prepared annually and on a project basis categorized by specific program; i.e., streets, drainage, public safety, public buildings, parks and recreation, water, wastewater and electric. The CIP should contain a comprehensive description of the project, funding sources, the timing of capital projects, and the impact on operations. The CIP will be prepared by the Planning Department and reviewed by the City Manager with the involvement of responsible departments. The CIP will be submitted to the Planning and Zoning (P&Z) Commission for their review. After considerable deliberation including public workshops and hearings to gather citizen participation, the P&Z will approve a recommended CIP for City Council's approval. The City Council reviews the CIP for adherence to goals and priorities and approves the CIP for inclusion in the ensuing fiscal year budget. Capital projects within the first year of the CIP are approved for funding. Maintenance and operational costs related to capital projects are included in the ensuing fiscal year budget.

C. Funding Sources – Where applicable, assessments, impact fees, pro rata charges, or other fees should be used to fund capital projects which have a primary benefit to specific, identifiable property owners.

Recognizing that long-term debt is usually a more expensive financing method, alternative-financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives that equal or exceed the average life of the debt issue. The exceptions to this requirement are the traditional costs of issuing the debt, capitalized labor for design and construction of capital projects, and small component parts which are attached to major equipment purchases such as fire trucks. The types of debt issued are listed in Section VIII of this policy.

D. Timing and Expenditure Control – The Director of Finance will work with Department Directors during the fiscal year to schedule the timing of capital projects to insure funds availability. All capital projects must be funded and appropriated. The Finance Department must certify the availability of resources before any capital project contract is presented to the City Council for approval.

E. Reporting – Financial reports will be made available to Department Directors to manage their capital projects budgets and to enable the Director of Finance to monitor the overall capital projects budget.

## IX. Financial Planning, Accounting, Auditing and Reporting

A. Financial Planning – The Director of Finance provides recommendations for short-term and long-term strategic financial planning to efficiently and effectively use the City's financial resources. This financial planning is achieved in accordance with the goals and priorities of the City Council, the City Manager, and in compliance with applicable laws and Generally Accepted Accounting Principles (GAAP).

B. Accounting System – The Director of Finance is responsible for the development, maintenance and administration of the City's accounting system. Compliance with GAAP and applicable federal, state and local laws and regulations will be maintained. This responsibility also includes the implementation and maintenance of internal accounting controls for the City's financial resources. Functions of the accounting system include payroll, accounts payable, general ledger, grants, capital projects, fixed assets, accounts receivable, self-insurance, utility billing and collections.

C. Financial Auditing –

1. Qualifications of the Auditor – In conformance with the City's Charter and according to the provisions of Texas Local Government Code, the City will be financially audited annually by an outside independent auditing firm. The auditing firm must demonstrate that it has the breadth and depth of staff to conduct the City's financial audit in accordance with generally accepted auditing standards and contractual requirements. The auditing firm must hold a license under the Civil Statutes of Texas and be capable of demonstrating that it has sufficient staff which will enable it to conduct the City's financial audit. The auditing firm will complete its financial audit within 120 days of the City's fiscal year end. The auditing firm will submit its Management Letter to the City Council within 30 days of the completion of its financial audit. The Management Letter will state the auditing firm's findings of non-compliance and recommendations for compliance.

The Director of Finance shall respond within 60 days in writing to the City Manager and City Council regarding the auditing firm's Management Letter, addressing the findings of non-compliance contained therein.

2. Responsibility of Auditing Firm to City Council – The auditing firm is retained by and is accountable directly to the City Council and will have access to direct communication with the City Council if the City staff is unresponsive to the auditing firm's recommendations or if the auditing firm considers such communication necessary to fulfill its legal and professional responsibilities.

D. Financial Reporting –

1. External Reporting – The City Finance Department will prepare the necessary transmittal letter, financial summaries and tables, notes and miscellaneous financial information contained within the comprehensive annual financial report (CAFR). The auditing firm will audit this financial information for compliance with GAAP. The audited CAFR will be submitted to the City Council for their review and will be made available to the public for inspection.

2. Internal Reporting – The City Finance Department will prepare internal financial reports, sufficient to plan, monitor, and control the City's financial affairs. The City Finance Department will strive for excellence in its financial reporting. The following qualitative characteristics of accounting information will be incorporated in all reports that are prepared:

Definitions of Qualitative Characteristics of Accounting Information:

- Bias - Bias in measurement is the tendency of a measure to fall more often on one side than the other of what it represents instead of being equally likely to fall on either side. Bias in accounting measures means a tendency to be consistently too high or too low. Financial reporting will strive to eliminate bias in accounting measures.
- Comparability – The quality of information that enables users to identify similarities in and differences between two sets of economic phenomena.
- Completeness – The inclusion in reported information of everything material that is necessary for faithful representation.
- Conservatism – A prudent reaction to uncertainty to try to insure that uncertainty and risks inherent in financial situations are adequately considered.
- Consistency – Conformity from period to period with unchanging policies and procedures.
- Feedback Value – The quality of information that enables users to confirm or correct prior expectations.
- Materiality – The magnitude of an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.
- Neutrality – Absence in reported information of bias intended to attain a predetermined result or to induce a particular mode of behavior.
- Predictive Value – The quality of information that helps users to increase the likelihood of correctly forecasting the outcome of past or present events.
- Relevance – The capacity of information to make a difference in a decision by helping users to form predictions about the outcomes of past, present, and future events or to confirm or correct prior expectations.
- Reliability – The quality of information that assures that information is reasonably free from error and bias and faithfully represents what it purports to present.
- Representational Faithfulness – Correspondence or agreement between a measure

or description and the phenomenon that it purports to represent (sometimes called validity).

- Timeliness – Having information available to a decision-maker before it loses its capacity to influence decisions.
- Understandability – The quality of information that enables users to perceive its significance.
- Verifiability – The ability through consensus among measurers to insure that information represents what it purports to represent or that the chosen method of measurement has been used without error or bias.

## X. Treasury Management

A. Investments – The Director of Finance, or designee shall promptly deposit all City funds with the City's depository bank in accordance with the provisions of the current depository bank agreement. The Director of Finance, or designee will then promptly invest all funds in any negotiable instrument that the City Council has authorized under the provisions of the State of Texas Public Funds Investment Act and in accordance with the City Council approved Investment Policy.

B. Cash – The City's cash flow will be managed to maximize the cash available to invest. Such cash management will entail the centralization of cash collection centers such as utility bills, building and related permits and licenses, parks and recreation, and other collection offices where appropriate and feasible.

Idle cash position will be determined daily to maximize interest income. The underlying theme will be that idle cash will be invested with the intent to 1) safeguard assets, 2) maintain liquidity, and 3) maximize return.

The City Finance Department will use appropriate check-signing technology to sign all checks with the signatures of the City Manager and Director of Finance. Internal controls will be established to secure the technology and to prevent its misuse.

The City Manager, Assistant City Manager, and Director of Finance are authorized signatories on all City depository bank accounts. Any withdrawal, transfer or payment of City funds requires a minimum of two signatures.

## XI. Debt Management

A. Policy Statement – The City Council recognizes the primary purpose of major capital projects is to support provision of services to its residents. Using debt financing to meet the major capital project needs of the community must be evaluated according to two tests - efficiency and equity. The test of efficiency equates to the highest rate of return for a given investment of resources. The test of equity requires a determination of who should pay for the cost of major capital projects. In meeting the demand for major capital projects, the City will strive to balance the load between debt financing and "pay as you go"

financing methods. The City Council realizes failure to meet the demands of growth may inhibit its continued economic viability, but also realizes that the amount of debt incurred may have a negative financial impact. The City will achieve an appropriate balance between service demands and the amount of debt incurred. The aforementioned tests and methods of financing will assist the City Council, City Manager and Director of Finance in achieving this appropriate balance.

B. Types of Debt –

1. General Obligation Bonds (GO's) – General obligation bonds will be issued to fund major capital projects of the general government, are not to be used to fund operating needs of the City and are backed by the full faith and credit of the City as well as the ad valorem taxing authority of the City as prescribed by law. The term of a bond issue will not exceed the useful life of the major capital projects funded by the bond issue and will generally be limited to no more than twenty years. GO's must be authorized by a vote of the citizens of the City.

2. Revenue Bonds (RB's) – Revenue bonds may be issued to fund major capital projects necessary for the continuation or expansion of a service which produces a revenue sufficient enough to obtain investment grade ratings and credit enhancement and for which the major capital project may reasonably be expected to provide for a revenue stream to fund the annual debt service requirements. The term of a bond issue will not exceed the useful life of the major capital projects funded by the bond issue and will generally be limited to no more than twenty years. RB's do not need a vote of the citizens of the City.

3. Certificates of Obligation (CO's) and Limited Tax Notes (Notes) – Certificates of obligations may be issued to fund major capital projects, which are not otherwise covered under either General Obligation Bonds or Revenue Bonds. Notes will be used in order to fund capital requirements which the useful life does not exceed seven (7) years as authorized by State law. Debt service for CO's or Notes may be either from general revenues or backed by a specific revenue stream or streams or by a combination of both. The term of the CO's will not exceed the useful life of the major capital projects funded by the certificate issuances and will generally be limited to no more than twenty years. Neither CO's nor Notes require a vote of the citizens of the City.

4. Method of Sale – The Director of Finance will use a competitive bidding process in the sale of bonds unless the nature of the issue or market conditions warrant a negotiated sale. In situations where a competitive bidding process is not elected, the Director of Finance will publicly present the reasons why and will participate with the City's Financial Advisor in the selection of the underwriter or direct purchaser.

C. Analysis of Financing Alternatives – The Director of Finance will explore alternatives to the issuance of debt for major capital projects. These alternatives will

include, but are limited to: 1) grants-in-aid, 2) use of fund balance or working capital, 3) use of current revenues, 4) contributions from developers and others, 5) leases, and 6) impact fees.

D. Conditions for Using Debt – Debt financing of major capital projects will be done only when the following conditions exist:

- When non-continuous projects (those not requiring continuous annual appropriations) are desired;
- When it can be determined that future users will receive a benefit from the major capital project;
- When it is necessary to provide basic services to residents and taxpayers (for example, purchase of water rights);
- When total debt, including that issued by overlapping governmental entities, does not constitute an unreasonable burden to the residents and taxpayers.

E. Costs and Fees – All costs and fees related to debt issuance will be paid out of debt proceeds.

F. Debt Limitations – The City maintains the following limitations in relation to debt issuance:

- An Ad Valorem tax rate of \$1.20 per \$100 of assessed value is the maximum municipal tax rate that may be levied for all General Fund tax supported expenditures and debt service.
- Debt payments made solely from ad valorem tax revenue should not exceed 20% of combined General Fund and Debt Service Fund expenditures.
- Total outstanding debt should not exceed 5% of the current year's taxable assessed valuation.

G. Arbitrage Rebate Compliance – The City Finance Department will maintain a system of record keeping and reporting to comply with arbitrage rebate compliance requirements of the Federal tax code.

H. Sound Financing of Debt – When the City utilizes debt financing, it will ensure that the debt is soundly financed by:

- Conservatively projecting the revenue sources that will be used to pay the debt;
- Financing the major capital project over a period not greater than the useful life of the major capital project;
- Maintaining a debt service coverage ratio which ensures that combined debt service requirements will not exceed revenues pledged for the payment of debt; and
- To the extent possible, the City will aim to repay at least 25% of the principal amount of its general obligation debt within five years and at least 50% within 10 years. The City may choose to structure debt repayment so as to wraparound existing debt obligations or to achieve other financial planning goals.

I. Credit Enhancement – The City should seek credit enhancement (letters of credit, bond insurance, surety bonds, etc.) when such credit enhancement proves cost effective. Credit enhancement may be used to improve or establish a credit rating on a debt obligation even if such credit enhancement is not cost effective if the use of such credit enhancement meets the financial planning goals.

J. Financing Methods – The City maintains the following guidelines in relation to methods of financing used to issue debt:

- Where it is efficient and cost effective, the City will use revenue or other self-supporting bonds in lieu of tax supported/pledged debt instruments.
- When appropriate, the City will issue non-obligation debt, for example, Industrial Development Revenue bonds, to promote community stability and economic growth.

K. Refunding – Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refunding will be considered if and when there is a net economic benefit of the refunding or the refunding is essential in order to modernize covenants, which impinge on prudent and sound financial management.

L. Full and Complete Disclosure – The City of San Marcos is committed to full and complete financial disclosure, and to cooperating with credit rating agencies, institutional and individual investors, City departments, other levels of government, and the general public to share clear, comprehensible and accurate financial information. Official statements accompanying debt issues, comprehensive annual financial reports, and continuous disclosure statements will meet, at a minimum, the standards articulated by the Municipal Standards Rulemaking Board, the National Federation of Municipal Analysts, the Government Accounting Standards Board (GASB), and the Securities Exchange Commission (SEC). The City Finance Department will be responsible for ongoing disclosure to nationally recognized municipal securities information repositories (NRMSIRs). Updates of budget, debt and financial information will be provided to credit rating agencies and investors when new debt is issued.

M. Credit Rating – The City of San Marcos seeks to maintain the highest possible credit ratings for all categories of debt that can be achieved without compromising the delivery of basic City services.

N. Elections – State law regulates which securities may be issued only after a vote of the electors of the City and approved by a majority of those voting on the issue.

1. Election Required – Securities payable in whole or in part from ad valorem taxes of the City except issues such as tax increment securities, certificates of obligation, and limited tax notes.

2. Election Not Required –

- Short-term notes (12 months or less) issued in anticipation of the collection of taxes and other revenues.
- Securities issued for the acquisition of water rights or capital improvements for water and wastewater treatment.
- Securities payable solely from revenue other than ad valorem taxes of the City.
- Refunding securities issued to refund and pay outstanding securities.
- Tax increment securities payable from ad valorem tax revenue derived from increased valuation for assessment of taxable property within a plan of development or other similar area as defined by applicable State Statutes.
- Certificates of obligation.
- Limited Tax Notes.
- Securities for the construction or improvement of public streets and/or rights-of-way in order to relieve congestion or for public safety matters.

## XII. Financial Conditions, Reserves, and Stability Ratios

A. Operational Coverage – The City's Enterprise Funds will comply with all bond covenants and maintain an operational coverage of at least 120%, such that current operating revenues will exceed current operating expenses.

B. Fund Balances/ Working Capital –

1. The General Fund's fund balance should be at least 25% of the General Fund's annual operating expenditures. This percentage is the equivalent of three months operational expenditures. As a goal, the City will strive to achieve 30% fund balance.
2. The Water and Wastewater Utility Fund working capital should be maintained at 25% of total recurring operating expenses or the equivalent of three months operating expenses Ending fund balances above 25% will be moved to cash fund future Capital Improvement projects
3. The Electric Utility Fund working capital should be maintained at the equivalent of 60 days of recurring operating expenses. Ending fund balances above the 60 days of recurring operating expenses will be moved to cash fund future Capital Improvement projects.
4. Reserves will be used for emergencies or unforeseen expenditures, except when balances can be reduced because their levels exceed guideline minimums as stated below.

C. Capital and Debt Service Funds –

1. Monies in the Capital Improvement Program Funds should be used within twenty-four months of receipt or within a reasonable time according to construction schedules. Interest income and unspent monies from bond issuances can be used to fund similar projects as outlined by bond covenants. Any remaining monies will be used to pay the bond issuance.
2. Revenues in the Debt Service Fund are based on property tax revenues and



to ensure that good internal controls are followed throughout their Department, that all City Finance Department directives or internal control recommendations are implemented, and that all independent auditor recommendations are addressed.

## XIV. Personnel and Training

A. Adequate Personnel – Personnel levels will be adequate for the City Finance Department to operate effectively. Overtime will be used only to address temporary or seasonal demands that require excessive hours. Workload allocation alternatives will be explored before increasing personnel.

B. Training – The City Finance Department will support the continuing education efforts of all personnel. Personnel will be held accountable for communicating, teaching, and sharing with other personnel members all information and training materials acquired from seminars, conferences, and related education efforts.

C. Awards, Credentials, Recognition – The City Finance Department will support efforts and involvement which result in meeting standards and receiving exemplary recitations on behalf of any of the City's fiscal policies, practices, processes, products, or personnel. Certifications may include Certified Government Finance Officer, Certified Public Accountant, Management Accountant, Certified - Internal Auditor, and Certified Cash Manager.

The City Finance Department will strive to maintain a high level of excellence in its policies and procedures. The CAFR and budget will be presented annually to the Governmental Finance Officers Association for evaluation and consideration for the Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### CONSOLIDATED FUND BALANCE STATEMENT

	Fund Balance 10-01-2019	Estimated Revenues FY 2019-20	Estimated Expenses FY 2019-20	Fund Balance 10-01-2020	Proposed Revenues FY 2020-21	Proposed Expenses FY 2020-21	Fund Balance 09-30-2021
<u>Governmental Funds</u>							
General Fund	17,228,659	90,496,280	88,829,829	18,895,110	91,140,984	93,935,617	16,100,477
Debt Service Fund	10,014,475	16,388,692	16,350,713	10,052,454	15,325,331	15,301,033	10,076,752
<u>Special Revenue Funds</u>							
Hotel Occupancy Tax Fund	840,024	2,654,080	2,962,809	731,295	3,066,742	3,343,582	454,455
Municipal Court Technology Fund	203,160	25,000	5,000	223,160	15,000	30,000	208,160
Municipal Court Security Fee Fund	121,245	18,500	37,073	102,672	11,100	77,448	36,324
Municipal Court Juvenile Fee Fund	56,777	36,000	28,465	64,312	21,600	50,027	35,885
Municipal Court Efficiency Fee Fund	45,443	4,000	24,000	25,443	2,400	5,000	22,843
Seized Assets Fund	110,742	5,000	5,000	110,742	5,000	5,000	110,742
TIRZ #2, #3, #5, TRZ #1	2,158,101	4,921,799	3,410,613	3,669,287	13,335,426	12,013,821	4,990,892
CDBG Program Fund	-	649,948	649,948	-	722,904	722,904	-
WIC Program Fund	-	2,035,837	2,035,837	-	2,476,387	2,476,387	-
Cemetery Operations Fund	74,376	210,000	208,380	75,996	180,000	207,198	48,798
PEG Funds	610,514	96,700	70,000	637,214	97,000	100,000	634,214
<u>Enterprise Funds</u>							
Water & Wastewater Utility Fund	10,402,489	46,037,417	45,338,969	11,100,938	50,703,341	50,920,848	10,883,430
Drainage Utility Fund	2,192,444	6,002,797	6,676,005	2,019,236	7,217,030	7,297,552	1,938,714
Electric Utility Fund	10,210,859	62,335,554	62,514,953	10,031,460	63,143,826	63,616,232	9,559,054
Municipal Airport Fund	(175)	636,855	548,318	88,362	561,510	620,416	29,456
Resource Recovery Fund	1,689,257	4,808,429	4,791,578	1,706,108	5,046,829	5,108,167	1,644,770
Transit	119,487	2,119,495	1,961,608	277,374	2,740,359	2,883,179	134,554
<b>All Funds</b>	<b>56,077,878</b>	<b>239,482,384</b>	<b>236,449,100</b>	<b>59,111,161</b>	<b>255,812,769</b>	<b>258,714,410</b>	<b>56,909,520</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### CONSOLIDATED SUMMARY OF MAJOR REVENUE AND EXPENSES

	General Fund	Debt Service Fund	Hotel Occupancy Tax Fund	CDBG Program Fund	WIC Program Fund	Other Special Revenue Funds	Water & Wastewater Utility Fund	Drainage Utility Fund
<b>Beginning Fund Balance</b>								
<b>October 1 2020</b>	18,895,110	10,052,454	531,295	-	-	4,832,830	11,100,938	1,519,236
<b>Major Revenues</b>								
Taxes	75,469,048	10,889,537	2,855,747	-	-	-	-	-
Licenses and Permits	3,709,848	-	-	-	-	-	-	-
Fines and Penalties	1,357,074	-	-	-	-	55,100	-	50,518
Interest Income	474,816	90,000	40,000	-	-	-	188,498	16,000
Cultural and Recreational	867,221	-	-	-	-	-	-	-
Current Services	1,181,939	-	-	-	-	-	-	-
Grants	-	-	-	722,904	2,476,387	-	-	-
Water Service Revenue	-	-	-	-	-	-	27,813,870	-
Wastewater Service Revenue	-	-	-	-	-	-	19,099,305	-
Drainage Service Revenue	-	-	-	-	-	-	-	7,150,512
Electric Service Revenue	-	-	-	-	-	-	-	-
Resource Recovery Revenue	-	-	-	-	-	-	-	-
Operating Transfers	6,442,469	-	170,995	-	-	-	-	-
Other Revenues	1,638,568	4,345,794	-	-	-	12,356,154	3,601,668	-
One-Time Revenues	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>91,140,984</b>	<b>15,325,331</b>	<b>3,066,742</b>	<b>722,904</b>	<b>2,476,387</b>	<b>12,411,254</b>	<b>50,703,341</b>	<b>7,217,030</b>
<b>Major Expenses</b>								
Personnel Services	56,144,898	-	-	144,000	1,718,240	102,275	5,672,239	1,221,837
Contracted Services	7,813,821	-	2,236,040	578,904	252,655	35,200	12,484,127	983,825
Materials and Supplies	4,940,906	-	-	-	124,295	5,000	1,446,009	194,707
Other Charges	4,977,759	-	-	-	381,196	11,705,018	9,123,755	1,409,749
Capital Outlay and Maintenance	-	-	-	-	-	125,000	440,000	81,000
System Improvements	-	-	-	-	-	-	-	-
Social Services	500,000	-	-	-	-	-	-	-
Debt Service	-	15,301,033	-	-	-	-	13,229,719	3,406,435
Operating Transfers	888,310	-	1,107,541	-	-	308,803	25,000	-
Transfer to Capital Reserves	-	-	-	-	-	-	8,500,000	-
One-Time Expenses	18,669,922	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>93,935,617</b>	<b>15,301,033</b>	<b>3,343,582</b>	<b>722,904</b>	<b>2,476,387</b>	<b>12,281,296</b>	<b>50,920,848</b>	<b>7,297,552</b>
<b>Ending Fund Balance on 09/30/2021</b>	<b>16,100,477</b>	<b>10,076,751</b>	<b>254,455</b>	<b>-</b>	<b>-</b>	<b>4,962,788</b>	<b>10,883,430</b>	<b>1,438,714</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### CONSOLIDATED SUMMARY OF MAJOR REVENUE AND EXPENSES

	Electric Utility Fund	Municipal Airport Fund	Resource Recovery Fund	Cemetery Fund	Transit Fund	Permanent Funds	Total from All Funds
<b>Beginning Fund Balance</b>							
<b>October 1 2020</b>	10,031,460	88,362	1,706,108	75,996	277,374	-	59,111,162
<b>Major Revenues</b>							
Taxes	-	-	-	-	-	-	89,214,331
Licenses and Permits	-	-	-	-	-	-	3,709,848
Fines and Penalties	-	-	-	-	-	-	1,462,692
Interest Income	284,779	-	-	-	-	-	1,094,093
Cultural and Recreational	-	-	-	-	-	-	867,221
Current Services	-	638,860	-	115,000	2,590,359	-	4,526,158
Grants	-	-	-	-	-	-	3,199,291
Water Service Revenue	-	-	-	-	-	-	27,813,870
Wastewater Service Revenue	-	-	-	-	-	-	19,099,305
Drainage Service Revenue	-	-	-	-	-	-	7,150,512
Electric Service Revenue	58,291,758	-	-	-	-	-	58,291,758
Resource Recovery Revenue	-	-	4,991,829	-	-	-	4,991,829
Operating Transfers	-	-	-	65,000	150,000	-	6,828,464
Other Revenues	4,567,290	(77,350)	55,000	-	-	-	26,487,124
One-Time Revenues	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>63,143,826</b>	<b>561,510</b>	<b>5,046,829</b>	<b>180,000</b>	<b>2,740,359</b>	<b>-</b>	<b>254,736,497</b>
<b>Major Expenses</b>							
Personnel Services	7,495,355	-	363,148	-	235,595	-	73,097,587
Contracted Services	40,342,199	479,247	4,298,614	202,198	2,585,409	-	72,292,240
Materials and Supplies	668,375	-	28,595	5,000	150	-	7,413,037
Other Charges	7,850,935	141,169	417,810	-	62,025	-	36,069,415
Capital Outlay and Maintenance	361,500	-	-	-	-	-	1,007,500
System Improvements	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	500,000
Debt Service	4,097,867	-	-	-	-	-	36,035,054
Operating Transfers	-	-	-	-	-	-	2,329,654
Transfer to Capital Reserves	2,800,000	-	-	-	-	-	11,300,000
One-Time Expenses	-	-	-	-	-	-	18,669,922
<b>Total Expenses</b>	<b>63,616,232</b>	<b>620,416</b>	<b>5,108,167</b>	<b>207,198</b>	<b>2,883,179</b>	<b>-</b>	<b>258,714,410</b>
<b>Ending Fund Balance</b>							
<b>on 09/30/2021</b>	9,559,054	29,456	1,644,770	48,798	134,554	-	55,133,248

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### CONSOLIDATED REVENUE COMPARISON

	Actual Fiscal Year 2018/2019	Approved Fiscal Year 2019/2020	Estimated Fiscal Year 2019/2020	Proposed Fiscal Year 2020/2021
<u>Governmental Funds</u>				
General Fund	80,831,244	86,383,933	90,496,280	91,140,984
Debt Service Fund	17,701,469	18,529,078	16,388,692	15,325,331
<u>Special Revenue Funds</u>				
Hotel Occupancy Tax Fund	4,225,101	3,995,707	2,654,080	3,066,742
Municipal Court Technology Fund	24,575	25,000	25,000	15,000
Municipal Court Security Fee Fund	17,659	18,500	18,500	11,100
Municipal Court Juvenile Fee Fund	33,692	36,000	36,000	21,600
Municipal Court Efficiency Fee Fund	4,454	4,000	4,000	2,400
Seized Assets Fund	40,091	5,000	5,000	5,000
TIRZ #2, #3, #5, TRZ #1, TIZ #1	3,631,571	5,497,767	4,921,799	13,335,426
CDBG Program Fund	654,893	649,948	649,948	722,904
WIC Program Fund	1,542,230	2,035,837	2,035,837	2,476,387
Cemetery Operations Fund	203,008	235,500	210,000	180,000
PEG Funds	92,003	97,000	96,700	97,000
<u>Enterprise Funds</u>				
Water/Wastewater Utility Fund	40,865,941	46,324,215	46,037,417	50,703,341
Drainage Utility Fund	5,778,114	6,943,594	6,002,797	7,217,030
Electric Utility Fund	58,834,002	62,018,343	62,335,554	63,143,826
Municipal Airport Fund	554,059	615,855	636,855	561,510
Resource Recovery Fund	4,643,257	4,808,429	4,808,429	5,046,829
Transit Fund	610,000	1,923,681	2,119,495	2,740,359
Total	220,287,361	240,147,387	239,482,384	255,812,769

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### CONSOLIDATED EXPENSE COMPARISON

	Actual Fiscal Year 2018/2019	Approved Fiscal Year 2019/2020	Estimated Fiscal Year 2019/2020	Proposed Fiscal Year 2020/2021
<b><u>Governmental Funds</u></b>				
General Fund	79,766,274	85,063,337	88,829,829	93,935,617
Debt Service Fund	16,839,028	16,967,811	16,350,713	15,301,033
<b><u>Special Revenue Funds</u></b>				
Hotel Occupancy Tax Fund	3,518,507	4,057,936	2,962,809	3,343,582
Municipal Court Technology Fund	-	5,000	5,000	30,000
Municipal Court Security Fee Fund	30,926	87,073	37,073	77,448
Municipal Court Juvenile Fee Fund	28,287	28,465	28,465	50,027
Municipal Court Efficiency Fee Fund	-	20,000	24,000	5,000
Seized Assets Fund	123,019	5,000	5,000	5,000
TIRZ #2, #3, #5, TRZ #1, TIZ #1	2,384,050	4,128,767	3,410,613	12,013,821
CDBG Program Fund	654,893	649,948	649,948	722,904
WIC Program Fund	1,542,230	2,035,837	2,035,837	2,476,387
Cemetery Operations Fund	203,063	252,546	208,380	207,198
PEG Funds	26,738	100,000	70,000	100,000
<b><u>Enterprise Funds</u></b>				
Water/Wastewater Utility Fund	40,533,965	45,914,292	45,338,969	50,920,848
Drainage Utility Fund	5,150,211	6,806,827	6,676,005	7,297,552
Electric Utility Fund	59,514,629	62,929,979	62,514,953	63,616,232
Municipal Airport Fund	578,846	615,915	548,318	620,416
Resource Recovery Fund	4,481,238	4,793,597	4,791,578	5,108,167
Transit Fund	592,355	1,961,608	1,961,608	2,883,179
<b>Total</b>	<b>215,968,260</b>	<b>236,423,940</b>	<b>236,449,100</b>	<b>258,714,410</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### CONSOLIDATED FUND BALANCE COMPARISON

	Actual Fiscal Year 2018/2019	Approved Fiscal Year 2019/2020	Estimated Fiscal Year 2019/2020	Proposed Fiscal Year 2020/2021
<b><u>Governmental Funds</u></b>				
General Fund	17,228,659	18,549,255	18,895,110	16,100,477
Debt Service Fund	10,014,475	11,575,741	10,052,454	10,076,751
<b><u>Special Revenue Funds</u></b>				
Hotel Occupancy Tax Fund	640,024	577,795	531,295	454,455
Municipal Court Technology Fund	203,160	223,160	223,160	208,160
Municipal Court Security Fee Fund	121,245	52,672	102,672	36,324
Municipal Court Juvenile Fee Fund	56,777	64,312	64,312	35,885
Municipal Court Efficiency Fee Fund	45,443	29,443	25,443	22,843
Seized Assets Fund	110,742	110,742	110,742	110,742
TIRZ #2, #3, #5, TRZ #1, TIZ #1	2,158,101	3,527,101	3,669,287	4,990,892
CDBG Program Fund	-	-	-	-
WIC Program Fund	-	-	-	-
Cemetery Operations Fund	74,376	57,330	75,996	48,798
PEG Funds	610,514	607,514	637,214	634,214
<b><u>Enterprise Funds</u></b>				
Water/Wastewater Utility Fund	10,402,489	10,812,412	11,100,938	10,883,430
Drainage Utility Fund	1,692,444	1,829,211	1,519,236	1,938,714
Electric Utility Fund	10,210,859	9,299,223	10,031,460	9,559,054
Municipal Airport Fund	(175)	(235)	88,362	29,456
Resource Recovery Fund	1,689,257	1,704,089	1,706,108	1,644,770
Transit Fund	119,487	81,560	277,374	134,554
<b>Total</b>	<b>55,377,878</b>	<b>59,101,325</b>	<b>59,111,162</b>	<b>56,909,520</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### PROPERTY TAX VALUATION AND REVENUE

<b>Total Market Value</b>	\$ 6,272,774,779
Less: Exemptions & Exempt Properties	-
<b>Net Taxable Assessed Valuations</b>	<b>\$ 6,272,774,779</b>

Assessed Value X \$0.5930 Tax Rate	\$ 37,197,554
98.00% Collection Rate	\$ 36,453,603
2.00% Delinquent Rate	\$ 743,951

**Total Taxes To Be Collected:**

Current Collections	\$ 36,453,603
Delinquent Collections 65.00%	483,568
Penalties and Interest 35.00%	260,383
	<b>\$ 37,197,554</b>

**Division of Tax Rate:**

Debt Service	29.2749%	\$ 0.1736	\$ 10,889,537
O & M	70.7251%	0.4194	26,308,017
	100.0000%	\$ 0.5930	<b>\$ 37,197,554</b>

**General Fund Detail:**

Current Ad Valorem	\$ 25,781,857
Delinquent	342,004
Penalties	184,156
	<b>\$ 26,308,017</b>

**Debt Service Fund Detail:**

Current Ad Valorem	\$ 9,613,469
TIZ	1,058,277
Delinquent	141,564
Penalties	76,227
	<b>\$ 10,889,537</b>

**One-cent equals:** \$ 627,277



# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### GENERAL FUND

	Actual 2018/2019	Approved 2019/2020	Estimated 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>16,163,689</b>	<b>17,228,659</b>	<b>17,228,659</b>	<b>18,895,110</b>
<b>Operating Revenues</b>				
Property Taxes	19,540,680	23,074,153	22,942,616	25,553,975
Sales Tax	37,148,661	38,088,295	42,386,000	39,078,135
Franchise Taxes and other Fees	9,751,894	10,039,116	10,795,675	10,836,938
Licenses and Permits	3,362,898	3,361,754	3,226,754	3,709,848
Fines and Penalties	1,223,773	1,249,990	1,081,239	1,357,074
Interest Income	447,565	463,801	343,801	474,816
Cultural and Recreational	745,161	772,872	588,793	867,221
Current Services	871,915	910,337	840,337	1,181,939
Other Revenue	1,567,694	1,860,566	1,818,014	1,638,568
Reimbursement from Other Funds	6,171,002	6,563,052	6,473,052	6,442,469
<b>Total Operating Revenue</b>	<b>80,831,244</b>	<b>86,383,933</b>	<b>90,496,280</b>	<b>91,140,984</b>
<b>Operating Expenditures</b>				
Personnel Services	50,229,289	54,584,392	52,784,392	56,144,898
Contracted Services	7,285,642	7,992,879	7,382,970	7,813,821
Materials and Supplies	4,531,059	4,843,879	3,543,879	4,940,906
Other Charges	3,867,783	4,562,622	4,062,622	4,977,759
Social Services	500,000	500,000	500,000	500,000
Operating Transfers	1,506,905	1,510,112	1,372,858	888,310
<b>Total Operating Expenditures</b>	<b>67,920,678</b>	<b>73,993,883</b>	<b>69,646,720</b>	<b>75,265,694</b>
<b>Non-Recurring Expenses</b>				
One-Time Operating Transfers	-			
Eco Development/TIRZ	8,969,882	7,727,220	16,440,875	15,627,646
Other Incentives	92,355	200,000	100,000	-
Capital Lease, Equipment, Maintenance	2,783,359	3,142,234	2,642,234	3,042,276
<b>One-Time Expenditures</b>	<b>11,845,596</b>	<b>11,069,454</b>	<b>19,183,109</b>	<b>18,669,922</b>
<b>Total Expenditures</b>	<b>79,766,274</b>	<b>85,063,337</b>	<b>88,829,829</b>	<b>93,935,617</b>
Reserved Fund Balance				
<b>Ending Unreserved Fund Balance</b>	<b>17,228,659</b>	<b>18,549,255</b>	<b>18,895,110</b>	<b>16,100,477</b>
<b>Fund Balance as a Percentage of Operating Expenditures</b>	25.9%	25.6%	27.7%	21.6%
<b>Days of Operation</b>	95	93	101	79

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### GENERAL FUND

	Actual 2018/2019	Approved 2019/2020	Estimated 2019/2020	Proposed 2020/2021
<b>Taxes</b>				
Current Ad Valorem Taxes	19,371,309	15,600,450	22,825,944	25,781,847
TIRZ Allocation	-	-	-	-
Delinquent Ad Valorem Taxes	88,787	206,945	70,910	241,883
Penalty & Int On Delinq Taxes	80,583	111,432	45,762	130,245
Sales Tax	37,148,661	32,002,025	42,386,000	39,078,135
Mixed Beverage Tax	509,070	496,610	430,322	451,838
Other Utility Franchise	1,430,763	1,357,649	1,485,326	1,515,033
Telephone Franchise	73,504	92,220	77,992	78,772
Solid Waste Hauler Permit Fee	427,327	287,389	444,714	667,070
Cosm Elec Utility Franchise	4,312,335	4,735,677	4,704,232	4,423,341
Cosm W/WW Utility Franchise	2,998,894	3,027,529	3,653,089	3,850,884
Total	66,441,234	57,917,925	76,124,291	76,219,048
<b>Licenses &amp; Permits</b>				
Professional & Occupational	60,330	64,002	58,411	61,898
Alcohol Permit	23,985	26,218	20,403	19,170
Pet Licenses	1,388	2,527	2,866	1,366
Building Permits	1,936,495	1,383,397	1,751,458	2,191,531
Parking Permits	607	-	1,588	1,172
Permit Tech Fee	38,296	30,458	32,638	32,161
Mechanical (Htg/Ac) Permit	61,058	42,758	49,352	48,410
Plumbing & Gas Permits	130,544	65,767	129,022	138,104
Sign Permit Fees	27,520	25,912	35,825	32,950
Mobile Home Inspection	4,320	4,002	4,212	6,624
Zoning	46,683	50,502	40,752	45,590
Electrical Permit	80,076	44,070	77,269	79,241
Cert Of Occupancy	13,645	5,127	10,504	14,250
Specific Use Permit	22,281	28,249	25,848	26,630
Site Development Permit	308,522	214,113	252,886	301,443
Plat Review-Subdivisions	99,252	107,443	106,720	118,596
Variances & Appeals	-	4,610	3,289	(557)
Construction Plan Review	155,005	411,702	304,938	215,403
Temp Food Srvc Facilities	3,031	1,652	75	2,600
Food Permits/Food Handler	152,686	209,144	175,444	157,384
Food Handler Cert Fee	-	-	-	-
Septic Tank Permits	2,487	2,411	30	943
Other Permits/Fees	15,861	13,989	8,838	18,693
Street Closure Permits	77,149	10,000	45,814	83,663
Architectural Barrier Review	43,034	33,613	40,554	57,151
Moving	6,913	8,095	3,585	7,899
Security Alarm Permit Fee	28,502	37,809	22,784	29,103
Fire Prev & Prot Permit Fee	18,806	28,853	21,649	18,431
Total	3,358,474	2,856,423	3,226,754	3,709,848

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### GENERAL FUND

	Actual 2018/2019	Approved 2019/2020	Estimated 2019/2020	Proposed 2020/2021
<b>Fines &amp; Penalties</b>				
Parking Meter Fines	174,575	157,372	178,478	182,946
Traffic Fines	568,264	632,827	604,238	694,043
School Bus Safety Fines	-	25,000	-	-
Mc Technology Fee	-	7,573	-	-
Other-Expunction	42,386	135,960	45,341	37,250
Complaints	287,472	259,865	314,291	319,576
Over-Under	2,327	51	-	-
Failure To Appear Fee	-	24,701	-	-
Warrant Fee	65,870	38,299	32,288	43,881
False Alarm Charges	17,434	27,517	23,686	24,466
Defensive Driving Admin Fee	9,168	29,637	8,850	7,948
Arrest Fee	29,571	58,199	46,971	28,005
Mc-Special Exp Fee	7,076	318,444	3,229	-
Dismissal Fee	9,732	18,908	13,140	11,518
Traffic Fee	7,366	3,605	7,552	6,223
Child Safety-Sb 460	2,534	4,500	3,178	1,218
Total	1,223,773	1,742,457	1,281,239	1,357,074
<b>Interest Income</b>				
Interest Income	447,565	134,000	443,801	474,816
Total	447,565	134,000	443,801	474,816
<b>Cultural and Recreational</b>				
Softball/Athletic Programs	18,629	4,964	9,177	27,978
Summer Fun Program Fee	74,926	93,716	0	81,212
Library Lost Materials	18,168	8,345	8,669	15,901
Library Fines	20,753	32,980	16,617	16,283
Library Cards	5,614	10,510	4,397	4,727
Library Misc Fee	18,028	20,413	20,602	18,557
Aquatic	41,424	12,495	21,188	66,470
PARD Building User Fee	79,895	93,464	77,618	78,007
Swimming Lessons	6,813	11,511	(0)	8,793
Hays County Library Donations	85,144	80,000	85,000	100,144
Annual Entry Fee-Resident	110,101	25,909	102,616	117,720
Annual Entry Fee-Non Resident	65,454	170,768	66,391	51,590
Daily Entry Fee-Resident	24,391	38,339	21,908	16,077
Daily Entry Fee-Non Resident	7,308	6,339	9,242	7,799

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### GENERAL FUND

	Actual 2018/2019	Approved 2019/2020	Estimated 2019/2020	Proposed 2020/2021
Basketball Court Rental	7,133	1,233	8,173	13,023
Racquetball Court Rental	120	1,041	1,023	(532)
Equipment Rental Fee	1,220	1,238	1,038	1,401
Aerobics Fee	51,237	81,724	56,260	35,421
Instructional Fee	21,568	20,586	25,741	19,815
Lap Swim Fee	2,667	3,565	3,086	1,716
Senior Activities	2,672	2,224	1,033	1,948
Travel Programs Fee	(43)	23,876	5,121	(7,349)
Activity Center Meeting Room	62,172	54,830	34,250	70,270
PARD-Equipment Rent	6,369	4,118	4,606	7,568
Av Equipment	-	1,053	5	(611)
PARD-Other Revenue	1,033	10,000	5,033	1,293
<b>Total</b>	<b>732,795</b>	<b>815,242</b>	<b>588,793</b>	<b>755,221</b>

### Charges for Current Services

Passports	177,170	164,369	120,000	207,431
Animal Shelter Chrgs (Pound)	25,712	60,941	25,676	27,796
Animal Shelter Adopt Fee	25,047	50,054	25,580	27,753
Animal Shelter Vaccine-Micro	5,458	14,500	6,132	4,908
Parking Space Leases	-	953	-	(1,035)
Births-Vital Stats	34,107	46,742	30,000	41,142
Deaths-Vital Stats	2,860	3,681	2,499	3,154
Police Fees-Variou	11,440	12,846	10,449	10,853
Photographs	-	-	-	-
Criminal Record Name Check	-	7	-	(10)
Fleet Services	-	-	-	1,547
Fire Dept Rescue	-	-	-	(21,970)
Community Enhancement Fee	590,121	410,000	620,000	880,371
<b>Total</b>	<b>871,915</b>	<b>764,093</b>	<b>840,337</b>	<b>1,181,939</b>

### Other Revenues

Txdot Signal Reimbursement	-	-	-	-
Land Sales	-	4,215	-	-
TX State Reimbursement	68,031	-	65,000	65,000
SMCISD Reimbursement	179,240	171,258	173,921	189,050
Animal Shelter Svs Expansion	438,940	282,291	547,422	554,414
Auction Sales	21,378	22,993	150,000	89,188
Rebates	183,576	202,150	150,000	186,602
Misc Sales	1,713	729	1,000	1,348
Other Revenue	70,381	50,000	170,000	82,242
Other Revenue - Property Tax	54,924	79,166	55,000	67,236
Loan Repayment - JQH	549,313	547,924	505,670	502,315
MUD Fees	13	-	-	(98,987)
NSF Service Charge	186	305	-	159
<b>Total</b>	<b>1,567,694</b>	<b>1,361,031</b>	<b>1,818,014</b>	<b>1,638,568</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### GENERAL FUND

	Actual 2018/2019	Approved 2019/2020	Estimated 2019/2020	Proposed 2020/2021
<b>Reimbursement from Other Funds</b>				
Water/Wastewater Utility Fund	3,583,510	3,324,955	3,711,114	2,896,415
Electric Utility Fund	2,248,001	2,130,807	2,427,068	1,644,803
Drainage Utility Fund	131,500	73,222	138,075	1,343,374
WIC Program Fund	202,165	260,131	196,794	557,877
Total	6,165,176	5,789,115	6,473,052	6,442,469
<b>Total Revenues</b>	<b>80,808,627</b>	<b>71,380,286</b>	<b>90,796,280</b>	<b>91,778,984</b>

#### Recap of Revenues:

Taxes	66,441,234	57,917,925	76,124,291	76,219,048
Licenses & Permits	3,358,474	2,856,423	3,226,754	3,709,848
Fines & Penalties	1,223,773	1,742,457	1,281,239	1,357,074
Interest Income	447,565	134,000	443,801	474,816
Cultural and Recreational	732,795	815,242	588,793	755,221
Charges for Current Services	871,915	764,093	840,337	1,181,939
Other Revenue	1,567,694	1,361,031	1,818,014	1,638,568
Reimbursements from Other Funds	6,165,176	5,789,115	6,473,052	6,442,469
One-Time Revenues	-	-	-	-
<b>Total Revenues</b>	<b>80,808,627</b>	<b>71,380,286</b>	<b>90,796,280</b>	<b>91,778,984</b>



# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### DEBT SERVICE FUND

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>9,152,034</b>	<b>10,014,475</b>	<b>10,014,475</b>	<b>10,052,454</b>
<b>Operating Revenues</b>				
Current Ad Valorem	11,604,815	11,221,997	11,221,997	10,671,746
Delinquent Ad Valorem	43,679	148,863	148,863	141,564
Penalties and Interest	58,517	80,157	52,850	76,227
Interest Income	228,458	90,000	80,000	90,000
Hammonds Transfer	547,924	505,053	462,500	170,000
BAB Subsidy	94,522	102,608	99,498	
Pass Thru Toll Revenue	3,266,265	3,030,000	3,400,000	2,759,450
TIRZ Transfer	202,658	1,839,572	-	308,803
Venue Tax Transfer	1,654,631	1,510,828	922,985	1,107,541
<b>Total Operating Revenues</b>	<b>17,701,469</b>	<b>18,529,078</b>	<b>16,388,692</b>	<b>15,325,331</b>
<b>Operating Expenditures</b>				
Principal Payments	8,620,000	9,010,000	9,010,000	8,580,000
Interest Payments	6,219,528	6,115,339	6,115,339	5,655,906
Fiscal Agent Fees	5,020	6,900	7,050	6,850
TIZ Payments	1,994,480	1,835,572	1,218,324	1,058,277
<b>Total Operating Expenditures</b>	<b>16,839,028</b>	<b>16,967,811</b>	<b>16,350,713</b>	<b>15,301,033</b>
<b>Ending Fund Balance</b>	<b>10,014,475</b>	<b>11,575,741</b>	<b>10,052,454</b>	<b>10,076,751</b>
<b>Fund Balance as a Percentage of Total Expenditures</b>	59.47%	68.22%	61.48%	65.86%
<b>Total Outstanding Tax Supported Debt</b>	71,430,000	76,700,000	76,700,000	110,985,000

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### DEBT SERVICE FUND

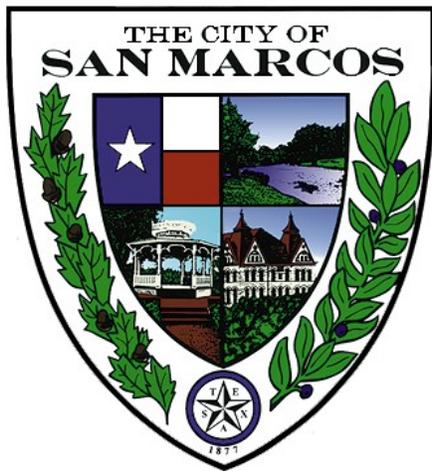
#### Outstanding Tax Supported Debt

#### Outstanding Principal

Series 2008A Combination Tax and Revenue Certificates of Obligation	3,995,000
Series 2012 General Obligation Refunding Bonds	2,820,000
Series 2013 General Obligation Refunding Bonds	670,000
Series 2013 Combination Tax & Revenue Bonds	2,610,000
Series 2014 Combination Tax & Revenue Bonds	4,755,000
Series 2014 General Obligation Refunding Bonds	5,185,000
Series 2014A General Obligation Refunding Bonds	6,780,000
Series 2015 Combination Tax & Revenue Bonds	4,070,000
Series 2016 GO Refunding Bonds	5,950,000
Series 2016 Combination Tax & Revenue Bonds	8,670,000
Series 2017 Combination Tax & Revenue Bonds	6,370,000
Series 2018 Combination Tax & Revenue Bonds	8,665,000
Series 2018 General Obligation Bonds	22,850,000
Series 2018 Combination Tax & Revenue Bonds TWDB	1,750,000
Series 2019 GO Refunding Bonds	4,330,000
Series 2019 Combination Tax & Revenue Bonds	8,460,000
Series 2020 Refunding Bonds	1,890,000
Series 2020 Combination Tax & Revenue Bonds	11,165,000

Total 110,985,000

**Fund Balance as a Percentage of Total Original Principal Amount for Outstanding Tax Supported Debt** 9.08%



# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### HOTEL OCCUPANCY TAX FUND

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Fund Balance - Reserved and Unreserved</b>	<b>745,911</b>	<b>640,024</b>	<b>840,024</b>	<b>731,295</b>
<b>Operating Revenues</b>				
Hotel Occupancy Tax	2,426,674	2,386,908	1,586,908	1,747,205
Penalties	38,949	1,000	1,000	1,000
Embassy Tax Revenue	844,915	782,639	469,583	608,339
Venue Tax-2%	693,336	681,972	453,401	499,202
Interest Income	77,745	1,000	1,000	40,000
Other Revenue	-	-	-	-
Operating Transfer from General Fund	143,481	142,188	142,188	170,995
<b>Total Operating Revenues</b>	<b>4,225,101</b>	<b>3,995,707</b>	<b>2,654,080</b>	<b>3,066,742</b>
<b>Operating Expenditures</b>				
Tanger Marketing Program	126,750	50,000	50,000	50,000
Downtown Mrktng Coop	15,065	30,000	15,000	30,000
Eco Tourism	15,224	40,000	16,000	14,508
Sports Tourism	5,000	60,000	30,000	1
Tourist Account	-	-	-	-
Transportation	-	-	-	-
Mural Funding	33,575	35,000	18,000	35,000
Arts Project Funding	121,100	137,500	137,500	50,000
Permanent Art	34,471	137,500	3,000	100,000
Repairs-Building Materials	-	20,000	-	10,000
Main Street Program	284,039	388,089	298,089	431,994
Convention & Visitor Bureau (City Department)	1,372,456	1,695,236	1,472,236	1,514,538
<b>Total Operating Expenditures</b>	<b>2,007,679</b>	<b>2,593,325</b>	<b>2,039,825</b>	<b>2,236,040</b>
<b>Operating Transfers and Adjustments</b>				
Transfer of Venue Tax	1,510,828	1,464,611	922,985	1,107,541
<b>Total Transfers and Adjustments</b>	<b>1,510,828</b>	<b>1,464,611</b>	<b>922,985</b>	<b>1,107,541</b>
Reserved for Unspent Allocations - Arts Funding (Permanent Art)	356,985	-	-	-
Reserved for Unspent Allocations - Sculpture Garden	15,731	-	-	-
Reserved for Unspent Allocations - Mural Funding	46,961	-	-	-
Reserved for Unspent Allocations - Conference Ctr Repairs	129,000	-	-	-
Reserve for Unspent Allocation-Eco Tourism	55,000	-	-	-
Reserve for Unspent Allocation-Sports Tourism	62,904	-	-	-
Reserve for Unspent Allocation-Branding	-	-	-	-
Reserved for Unspent Allocations - Transportation	-	-	-	-
Reserved for Unspent Allocations - Wayfinding	-	-	-	-
Reserved for Unspent Allocations - Airport Improvements	-	-	-	-
Reserved for Unspent Allocations - Master Plan	125,000	-	-	-
Reserved for Unspent Allocations - Prime	-	-	-	-
Reserved for Unspent Allocations - Advertising	15,000	-	-	-
Reserved for Unspent Allocations - Sidewalk Resealing	5,900	-	-	-
<b>Total Reserves for Unspent Allocations</b>	<b>812,481</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Unreserved Fund Balance</b>	<b>640,024</b>	<b>577,795</b>	<b>531,295</b>	<b>454,455</b>
<b>Fund Balance as a Percentage of Total Expenditures</b>	<b>31.88%</b>	<b>22.28%</b>	<b>26.05%</b>	<b>20.32%</b>

\* FY21 Beginning Fund Balance increased by \$200K for use of prior year reserves in Arts

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### MUNICIPAL COURT TECHNOLOGY FUND

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>178,585</b>	<b>203,160</b>	<b>203,160</b>	<b>223,160</b>
<b>Operating Revenues</b>				
Technology Fee	24,575	25,000	25,000	15,000
Interest Income	-			
<b>Total Operating Revenues</b>	<b>24,575</b>	<b>25,000</b>	<b>25,000</b>	<b>15,000</b>
<b>Operating Expenditures</b>				
Materials and Supplies	-	5,000	5,000	5,000
<b>Total Operating Expenditures</b>	<b>-</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
<b>One-Time Expenditures</b>				
Capital Outlay	-	-	-	25,000
<b>Total One-Time Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>203,160</b>	<b>223,160</b>	<b>223,160</b>	<b>208,160</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### MUNICIPAL COURT SECURITY FEE FUND

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>134,511</b>	<b>121,245</b>	<b>121,245</b>	<b>102,672</b>
<b>Operating Revenues</b>				
Security Fee	17,659	18,500	18,500	11,100
Interest Income	-	-	-	-
<b>Total Operating Revenues</b>	<b>17,659</b>	<b>18,500</b>	<b>18,500</b>	<b>11,100</b>
<b>Operating Expenditures</b>				
Personnel	30,926	32,073	32,073	52,248
Contracted Services	-	50,000	-	25,200
Materials & Supplies	-	5,000	5,000	-
<b>Total Operating Expenditures</b>	<b>30,926</b>	<b>87,073</b>	<b>37,073</b>	<b>77,448</b>
<b>Ending Unreserved Fund Balance</b>	<b>121,245</b>	<b>52,672</b>	<b>102,672</b>	<b>36,324</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### MUNICIPAL COURT JUVENILE FEE FUND

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>51,373</b>	<b>56,777</b>	<b>56,777</b>	<b>64,312</b>
<b>Operating Revenues</b>				
Juvenile Fee	28,528	30,500	30,500	18,300
Truancy Fee	5,164	5,500	5,500	3,300
Interest Income	-	-	-	-
<b>Total Operating Revenues</b>	<b>33,692</b>	<b>36,000</b>	<b>36,000</b>	<b>21,600</b>
<b>Operating Expenditures</b>				
Personnel Services	28,287	28,465	28,465	50,027
<b>Total Operating Expenditures</b>	<b>28,287</b>	<b>28,465</b>	<b>28,465</b>	<b>50,027</b>
<b>Ending Unreserved Fund Balance</b>	<b>56,777</b>	<b>64,312</b>	<b>64,312</b>	<b>35,885</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### MUNICIPAL COURT EFFICIENCY FUND

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>40,990</b>	<b>45,443</b>	<b>45,443</b>	<b>25,443</b>
<b>Operating Revenues</b>				
Efficiency Fee	4,454	4,000	4,000	2,400
Other Revenue	-	-	-	-
<b>Total Operating Revenues</b>	<b>4,454</b>	<b>4,000</b>	<b>4,000</b>	<b>2,400</b>
<b>Operating Expenditures</b>				
Contracted Services	-	20,000	24,000	5,000
<b>Total Operating Expenditures</b>	<b>-</b>	<b>20,000</b>	<b>24,000</b>	<b>5,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>45,443</b>	<b>29,443</b>	<b>25,443</b>	<b>22,843</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### SEIZED ASSETS FUND

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>193,671</b>	<b>110,742</b>	<b>110,742</b>	<b>110,742</b>
<b>Operating Revenues</b>				
Seized Assets	40,091	5,000	5,000	5,000
Interest Income	-	-	-	-
<b>Total Operating Revenues</b>	<b>40,091</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
<b>Operating Expenditures</b>				
Contracted Services	-	5,000	5,000	5,000
Capital Outlay	123,019	-	-	-
<b>Total Operating Expenditures</b>	<b>123,019</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>110,742</b>	<b>110,742</b>	<b>110,742</b>	<b>110,742</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### COMMUNITY DEVELOPMENT BLOCK GRANT FUND

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	-	-	-	-
<b>Operating Revenues</b>				
Grant Revenue	654,893	649,948	649,948	722,904
<b>Total Operating Revenues</b>	<b>654,893</b>	<b>649,948</b>	<b>649,948</b>	<b>722,904</b>
<b>Operating Expenditures</b>				
Personnel Services	-	129,990	129,990	144,000
Contracted Services	654,893	519,958	519,958	578,904
<b>Total Operating Expenditures</b>	<b>654,893</b>	<b>649,948</b>	<b>649,948</b>	<b>722,904</b>
<b>Ending Unreserved Fund Balance</b>	-	-	-	-

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### CEMETERY OPERATIONS FUND

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>74,431</b>	<b>74,376</b>	<b>74,376</b>	<b>75,996</b>
<b>Operating Revenues</b>				
Burial Permits	-		-	-
Monument Permits	-		-	-
Other Revenue	-			-
Interest Income	-			-
Sale of Cemetery Lots	118,008	55,500	70,000	115,000
Sale of Memorial Plaques	-	-	-	-
<b>Total Operating Revenues</b>	<b>118,008</b>	<b>55,500</b>	<b>70,000</b>	<b>115,000</b>
<b>One-Time Operating Revenues</b>				
Operating Transfer - General Fund	85,000	180,000	140,000	65,000
Operating Transfer - Cemetery Perpetual Care Fund	-	-	-	-
<b>Total One-Time Operating Revenues</b>	<b>85,000</b>	<b>180,000</b>	<b>140,000</b>	<b>65,000</b>
<b>Operating Expenditures</b>				
Contracted Services	200,790	247,546	203,380	202,198
Materials and Supplies	2,273	5,000	5,000	5,000
<b>Total Operating Expenditures</b>	<b>203,063</b>	<b>252,546</b>	<b>208,380</b>	<b>207,198</b>
<b>Ending Unreserved Fund Balance</b>	<b>74,376</b>	<b>57,330</b>	<b>75,996</b>	<b>48,798</b>
<b>Fund Balance as a Percentage of Total Expenditures</b>	<b>36.63%</b>	<b>22.70%</b>	<b>36.47%</b>	<b>23.55%</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### TAX INCREMENT FINANCING SUMMARY

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>910,579</b>	<b>2,158,101</b>	<b>2,158,101</b>	<b>3,669,287</b>
<b>Operating Revenues</b>				
Interest Income	-	-	-	-
TIRZ Revenue City	2,906,482	4,543,767	3,889,201	3,559,154
TIRZ Revenue County	725,090	954,000	1,032,598	1,076,272
Other Sources	-	-	-	8,700,000
<b>Total Operating Revenues</b>	<b>3,631,571</b>	<b>5,497,767</b>	<b>4,921,799</b>	<b>13,335,426</b>
<b>Operating Expenditures</b>				
Distribution	2,181,392	3,930,767	3,201,577	11,705,018
Debt Service Transfer	202,658	198,000	209,036	308,803
<b>Total Operating Expenditures</b>	<b>2,384,050</b>	<b>4,128,767</b>	<b>3,410,613</b>	<b>12,013,821</b>
<b>Ending Unreserved Fund Balance</b>	<b>2,158,101</b>	<b>3,527,101</b>	<b>3,669,287</b>	<b>4,990,892</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### TAX INCREMENT REINVESTMENT ZONE #2 BLANCO VISTA DEVELOPMENT

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	-	-	-	-
<b>Operating Revenues</b>				
TIRZ Revenue City	1,211,422	1,539,767	1,283,139	-
TIRZ Revenue County	-	-	-	-
Other Resources		-	-	8,700,000
<b>Total Operating Revenues</b>	<b>1,211,422</b>	<b>1,539,767</b>	<b>1,283,139</b>	<b>8,700,000</b>
<b>Operating Expenditures</b>				
Distributions	1,211,422	1,539,767	1,283,139	8,700,000
<b>Total Operating Expenditures</b>	<b>1,211,422</b>	<b>1,539,767</b>	<b>1,283,139</b>	<b>8,700,000</b>
<b>Ending Unreserved Fund Balance</b>	-	-	-	-

### TAX INCREMENT REINVESTMENT ZONE #3 CONFERENCE CENTER

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	-	<b>(3,000)</b>	<b>(3,000)</b>	<b>(3,000)</b>
<b>Operating Revenues</b>				
TIRZ Revenue City	139,411	138,000	145,959	224,803
TIRZ Revenue County	60,247	60,000	63,077	84,000
<b>Total Operating Revenues</b>	<b>199,658</b>	<b>198,000</b>	<b>209,036</b>	<b>308,803</b>
<b>Operating Expenditures</b>				
Operating Transfers To Debt Service Fund	202,658	198,000	209,036	308,803
<b>Total Operating Expenditures</b>	<b>202,658</b>	<b>198,000</b>	<b>209,036</b>	<b>308,803</b>
<b>Ending Unreserved Fund Balance</b>	<b>(3,000)</b>	<b>(3,000)</b>	<b>(3,000)</b>	<b>(3,000)</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### TAX INCREMENT REINVESTMENT ZONE #4 KISSING TREE

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>		<b>123,318</b>	<b>123,318</b>	<b>123,318</b>
<b>Operating Revenues</b>				
Interest Income		-		-
TIRZ Revenue City	76,147	206,000	209,974	387,136
TIRZ Revenue County	47,171	135,000	135,000	135,000
<b>Total Operating Revenues</b>	<b>123,318</b>	<b>341,000</b>	<b>344,974</b>	<b>522,136</b>
<b>Operating Expenditures</b>				
Distributions	-	341,000	344,974	522,136
<b>Total Operating Expenditures</b>	<b>-</b>	<b>341,000</b>	<b>344,974</b>	<b>522,136</b>
<b>Ending Unreserved Fund Balance</b>	<b>123,318</b>	<b>123,318</b>	<b>123,318</b>	<b>123,318</b>

### TAX INCREMENT REINVESTMENT ZONE #5 DOWNTOWN

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>910,579</b>	<b>1,730,806</b>	<b>1,730,806</b>	<b>2,742,074</b>
<b>Operating Revenues</b>				
Interest Income	-	-	-	-
TIRZ Revenue City	509,532	610,000	676,665	464,333
TIRZ Revenue County	310,695	400,000	334,603	400,000
<b>Total Operating Revenues</b>	<b>820,227</b>	<b>1,010,000</b>	<b>1,011,268</b>	<b>864,333</b>
<b>Operating Expenditures</b>				
Distributions	-	-	-	-
<b>Total Operating Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,730,806</b>	<b>2,740,806</b>	<b>2,742,074</b>	<b>3,606,407</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### TRANSPORTATION REINVESTMENT ZONE

#### LOOP 110

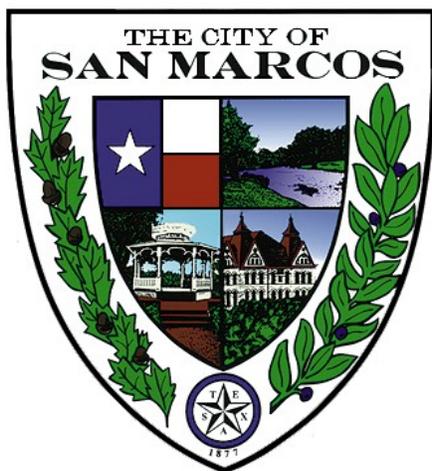
	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	-	-	-	-
<b>Operating Revenues</b>				
Interest Income	-	-	-	-
TRZ Revenue City	969,970	2,050,000	1,573,464	2,482,882
<b>Total Operating Revenues</b>	<b>969,970</b>	<b>2,050,000</b>	<b>1,573,464</b>	<b>2,482,882</b>
<b>Operating Expenditures</b>				
Distributions	969,970	2,050,000	1,573,464	2,482,882
<b>Total Operating Expenditures</b>	<b>969,970</b>	<b>2,050,000</b>	<b>1,573,464</b>	<b>2,482,882</b>
<b>Ending Unreserved Fund Balance</b>	-	-	-	-

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### PUBLIC EDUCATION GOVERNMENTAL FUND (PEG)

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>545,249</b>	<b>610,514</b>	<b>610,514</b>	<b>637,214</b>
<b>Operating Revenues</b>				
Public Education Governmental Fee	92,003	97,000	96,700	97,000
<b>Total Operating Revenues</b>	<b>92,003</b>	<b>97,000</b>	<b>96,700</b>	<b>97,000</b>
<b>Capital Outlay</b>				
Equipment	26,738	100,000	70,000	100,000
<b>Total One-Time Expenditures</b>	<b>26,738</b>	<b>100,000</b>	<b>70,000</b>	<b>100,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>610,514</b>	<b>607,514</b>	<b>637,214</b>	<b>634,214</b>



# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### ELECTRIC UTILITY FUND SUMMARY

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>11,650,668</b>	<b>10,210,859</b>	<b>10,210,859</b>	<b>10,031,460</b>
<b>Operating Revenues</b>				
Interest Income	397,125	281,959	281,959	284,779
Sales Tax Discount	8,603	8,916	8,916	9,362
Electric Service Revenue	53,904,378	57,203,312	57,203,312	58,291,758
Connections - Electric	547,952	575,050	375,050	603,803
Reconnection Charges	117,518	122,935	67,935	129,082
Penalties	596,800	568,428	428,428	596,849
Pole Attachment Contracts	457,186	357,000	357,000	360,570
Sale of Transformers	15,561	3,329	3,329	3,362
Ferguson Revenue	426,439	12,210	712,210	426,439
Service Charges	12,450	22,701	22,701	22,928
Other Revenue	75,788	167,371	179,581	169,045
Reimbursement from Other Funds	2,252,586	2,675,413	2,675,413	2,245,850
BAB Subsidy	21,616	19,720	19,720	-
<b>Total Operating Revenues</b>	<b>58,834,002</b>	<b>62,018,343</b>	<b>62,335,554</b>	<b>63,143,826</b>
<b>Operating Expenses</b>				
Personnel Services	5,619,294	6,914,021	6,337,021	7,495,355
Purchase of Power	35,612,345	36,502,187	36,502,187	35,714,775
Contracted Services	2,375,491	4,212,844	3,567,844	4,627,424
Materials and Supplies	629,136	1,455,030	1,348,030	668,375
Other Charges	3,444,295	3,962,125	3,897,339	3,150,935
Franchise Fee	4,312,335	4,643,519	4,843,519	4,700,000
Debt Service	4,277,975	4,522,300	4,250,729	4,097,867
<b>Total Operating Expenses</b>	<b>56,270,870</b>	<b>62,212,026</b>	<b>60,746,669</b>	<b>60,454,732</b>
<b>One-Time Expenses</b>				
One-Time Operating Transfers	40,000	42,000	42,000	-
Capital Outlay	203,759	426,284	426,284	361,500
Transfer to Capital Reserves	3,000,000	249,669	1,300,000	2,800,000
<b>Total One-Time Expenses</b>	<b>3,243,759</b>	<b>717,953</b>	<b>1,768,284</b>	<b>3,161,500</b>
<b>Total Expenses</b>	<b>59,514,629</b>	<b>62,929,979</b>	<b>62,514,953</b>	<b>63,616,232</b>
<b>Ending Fund Balance</b>	<b>10,970,040</b>	<b>9,299,223</b>	<b>10,031,460</b>	<b>9,559,054</b>
<b>Fund Balance Reserve-Revenue Stabilization</b>	<b>759,181</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Enbcumbrance Reserve</b>	<b>2,276,570</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Unreserved Fund Balance</b>	<b>7,934,289</b>	<b>9,299,223</b>	<b>10,031,460</b>	<b>9,559,054</b>
 <b>Fund Balance in Days of Opertation</b>	 54.97	 58.15	 64.60	 61.72

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### WATER/WASTEWATER UTILITY FUND SUMMARY

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>12,955,360</b>	<b>10,402,489</b>	<b>10,402,489</b>	<b>11,100,938</b>
<b>Operating Revenues</b>				
Interest Income	360,913	285,482	168,498	188,498
Water Service Revenue	20,903,785	24,079,879	24,079,879	27,813,870
Wastewater Service Revenue	15,889,372	18,493,283	18,493,283	19,099,305
Pretreatment Program	789,830	806,735	806,735	814,802
Connections- Water	241,821	233,265	233,265	240,263
Connections-Sewer	14,776	2,400	2,400	2,472
Reuse Water Revenue	517,030	590,500	590,500	644,632
Wholesale Water Sales	693,023	525,000	525,000	771,637
Penalties	392,737	341,303	341,303	351,542
Other Revenue	278,746	262,060	262,060	239,318
Service Charges	178,669	83,591	83,591	86,099
Debt Service Reimbursement (Series 2006 and 2006A)	450,842	450,903	450,903	450,903
Build America Bond Subsidy	154,397	169,814	-	-
<b>Total Operating Revenues</b>	<b>40,865,941</b>	<b>46,324,215</b>	<b>46,037,417</b>	<b>50,703,341</b>
<b>Operating Expenses</b>				
Personnel Services	5,045,507	5,354,194	5,354,194	5,672,239
Contracted Services	9,490,986	11,879,409	11,879,409	12,484,127
Materials and Supplies	1,446,405	1,520,388	1,520,388	1,446,009
Other Charges	6,290,089	7,075,372	7,204,490	5,823,755
Franchise Fee	2,998,894	3,251,541	3,251,541	3,300,000
Debt Service	13,357,532	14,397,946	14,327,433	13,229,719
<b>Total Operating Expenses</b>	<b>38,629,414</b>	<b>43,478,850</b>	<b>43,537,455</b>	<b>41,955,848</b>
<b>Non-Recurring Expenses</b>				
Operating/Administrative Transfers	137,607	161,514	161,514	25,000
Capital Outlay	466,944	490,000	240,000	440,000
Transfer to Capital Reserves	1,300,000	1,783,928	1,400,000	8,500,000
<b>Total One-Time Expenses</b>	<b>1,904,551</b>	<b>2,435,442</b>	<b>1,801,514</b>	<b>8,965,000</b>
<b>Total Expenses</b>	<b>40,533,965</b>	<b>45,914,292</b>	<b>45,338,969</b>	<b>50,920,848</b>
<b>Ending Fund Balance</b>	<b>13,287,336</b>	<b>10,812,412</b>	<b>11,100,938</b>	<b>10,883,430</b>
<b>Fund Balance Reserve-Revenue Stabilization</b>	<b>2,884,847</b>	-	-	-
<b>Encumbrance Reserve</b>	<b>788,250</b>			
<b>Ending Unreserved Fund Balance</b>	<b>9,614,239</b>	<b>10,812,412</b>	<b>11,100,938</b>	<b>10,883,430</b>
<b>Fund Balance as a Percentage of Total Expenses</b>	24.9%	24.9%	25.5%	25.9%

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### DRAINAGE UTILITY FUND SUMMARY

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>1,064,541</b>	<b>1,692,444</b>	<b>2,192,444</b>	<b>2,019,236</b>
<b>Operating Revenues</b>				
Interest Income	9,490	16,000	16,000	16,000
Drainage Utility Fee	5,681,762	6,837,751	5,937,750	7,150,512
Penalties	46,720	49,048	49,047	50,518
Other Revenue	-	-	-	-
Build America Subsidy	40,143	40,795	-	-
<b>Total Operating Revenues</b>	<b>5,778,114</b>	<b>6,943,594</b>	<b>6,002,797</b>	<b>7,217,030</b>
<b>Total Funds Available</b>	<b>6,842,655</b>	<b>8,636,038</b>	<b>8,195,241</b>	<b>9,236,266</b>
<b>Operating Expenses</b>				
Personnel Services	804,231	1,265,039	1,215,039	1,221,837
Contracted Services	793,739	1,196,517	1,126,517	983,825
Materials and Supplies	107,480	181,805	181,805	194,707
Other Charges	323,685	353,527	353,527	1,409,749
Debt Service	3,121,077	3,469,118	3,469,118	3,406,435
<b>Total Operating Expenses</b>	<b>5,150,211</b>	<b>6,466,005</b>	<b>6,346,005</b>	<b>7,216,552</b>
<b>One-Time Expenses</b>				
Capital Outlay	-	330,000	330,000	81,000
Operating Transfer	-	10,822	-	-
<b>Total One-Time Expenses</b>	<b>-</b>	<b>340,822</b>	<b>330,000</b>	<b>81,000</b>
<b>Reserved Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,692,444</b>	<b>1,829,211</b>	<b>1,519,236</b>	<b>1,938,714</b>
<b>Fund Balance as a Percentage of Total Expenses</b>	<b>32.86%</b>	<b>28.29%</b>	<b>23.94%</b>	<b>26.86%</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### MUNICIPAL AIRPORT FUND SUMMARY

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Unreserved Fund Balance</b>	<b>24,612</b>	<b>(175)</b>	<b>(175)</b>	<b>88,362</b>
<b>Operating Revenues</b>				
Interest Income	-	-	-	-
Penalties Assessed	-	-	-	-
City-Owned T-Hangar Rentals	55,400	55,200	63,000	64,800
City-Owned Shelter Rentals	13,711	14,280	16,170	16,800
Agricultural Land Lease	70,000	134,130	70,000	70,000
Fuel Flowage Fees	69,443	69,400	54,000	60,000
City-Owned Storage Area Rentals	4,200	4,200	4,875	5,100
Private Hangar/Land Rentals	82,522	113,786	92,595	155,260
Commercial Land/Facility Rentals	246,587	244,809	235,143	231,000
Tie-Down Rent	17,868	16,150	15,900	15,900
Commercial Gross Receipts	34,452	37,900	22,100	20,000
Other Sources	-	-	116,072	-
<b>Total Operating Revenues</b>	<b>594,183</b>	<b>689,855</b>	<b>689,855</b>	<b>638,860</b>
<b>Non-Operating Revenues</b>				
Commercial Land/Facility Improvement Credits	(65,124)	(74,000)	(53,000)	(77,350)
Transfer from General Fund	25,000	-	-	-
<b>Total Non-Operating Revenues</b>	<b>(40,124)</b>	<b>(74,000)</b>	<b>(53,000)</b>	<b>(77,350)</b>
<b>Total Revenue</b>	<b>554,059</b>	<b>615,855</b>	<b>636,855</b>	<b>561,510</b>
<b>Operating Expenses</b>				
Contracted Services	499,458	508,850	469,850	479,247
Materials and Supplies	160	5,000	-	-
Other Charges	79,228	102,065	78,468	141,169
<b>Total Operating Expenses</b>	<b>578,846</b>	<b>615,915</b>	<b>548,318</b>	<b>620,416</b>
<b>Ending Unreserved Fund Balance</b>	<b>(175)</b>	<b>(235)</b>	<b>88,362</b>	<b>29,456</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### RESOURCE RECOVERY FUND SUMMARY

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Fund Balance - Reserved and Unreserved</b>	<b>1,527,239</b>	<b>1,689,257</b>	<b>1,689,257</b>	<b>1,706,108</b>
<b>Operating Revenues</b>				
Residential Garbage Collection Fee	3,016,105	3,307,944	3,307,944	3,526,760
Penalties	74,822	79,069	79,069	83,034
Recycling Collection Fee	1,458,556	1,366,416	1,366,416	1,382,034
Other Revenue	93,774	55,000	55,000	55,000
<b>Total Operating Revenue</b>	<b>4,643,257</b>	<b>4,808,429</b>	<b>4,808,429</b>	<b>5,046,829</b>
<b>Operating Expenses</b>				
Personnel Services	457,622	403,946	403,946	363,148
Contracted Services	3,751,497	4,078,562	4,094,543	4,298,614
Materials and Supplies	46,320	27,000	27,000	28,595
Other Charges	225,799	284,089	256,089	417,810
<b>Total Operating Expenses</b>	<b>4,481,238</b>	<b>4,793,597</b>	<b>4,781,578</b>	<b>5,108,167</b>
Capital Improvements	-	-	10,000	-
<b>Total Expenses</b>	<b>4,481,238</b>	<b>4,793,597</b>	<b>4,791,578</b>	<b>5,108,167</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,689,257</b>	<b>1,704,089</b>	<b>1,706,108</b>	<b>1,644,770</b>

# CITY OF SAN MARCOS

## 2020-21 ANNUAL BUDGET

### TRANSIT FUND SUMMARY

	Actual 2018/2019	Approved 2019/2020	Revised 2019/2020	Proposed 2020/2021
<b>Beginning Fund Balance - Reserved and Unreserved</b>	<b>101,842</b>	<b>119,487</b>	<b>119,487</b>	<b>277,374</b>
<b>Operating Revenues</b>				
Federal Transit Funds	-	887,184	362,000	-
State Transit Funds	-	211,497	181,000	-
Fare Revenue	-	150,000	70,000	100,000
Other Sources	-	25,000	1,356,495	2,490,359
<b>Total Operating Revenue</b>	<b>-</b>	<b>1,273,681</b>	<b>1,969,495</b>	<b>2,590,359</b>
Operating Transfer - General Fund	610,000	650,000	150,000	150,000
<b>Total One-Time Operating Revenues</b>	<b>610,000</b>	<b>650,000</b>	<b>150,000</b>	<b>150,000</b>
<b>Total Funds Available</b>	<b>711,842</b>	<b>2,043,168</b>	<b>2,238,982</b>	<b>3,017,733</b>
<b>Operating Expenses</b>				
Personnel Services	136,595	207,315	207,315	235,595
Contracted Services	450,021	1,745,200	1,745,200	2,585,409
Materials and Supplies	609	3,000	3,000	150
Other Charges	5,130	6,093	6,093	62,025
<b>Total Operating Expenses</b>	<b>592,355</b>	<b>1,961,608</b>	<b>1,961,608</b>	<b>2,883,179</b>
Capital Improvements	-	-	-	-
<b>Ending Unreserved Fund Balance</b>	<b>119,487</b>	<b>81,560</b>	<b>277,374</b>	<b>134,554</b>