SUMMARY FINANCIAL STATEMENTS
BUDGET BASIS

FISCAL YEAR 2016

AS OF JUNE 30, 2016
Year to Date October 1, 2015 to June 30, 2016

YTD % - 75.00%

General Fund

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Original Budget</th>
<th>Budget Adj.</th>
<th>Amended Budget</th>
<th>YTD %</th>
<th>Actual to Date</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes and franchise fees</td>
<td>$80,773,541</td>
<td>$2,700,000</td>
<td>$83,473,541</td>
<td>62,605,156</td>
<td>69,465,455</td>
<td>83.22%</td>
</tr>
<tr>
<td>Other</td>
<td>14,865,531</td>
<td>-</td>
<td>14,865,531</td>
<td>11,149,148</td>
<td>11,328,411</td>
<td>76.21%</td>
</tr>
<tr>
<td>Transfers in from:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utility Fund for Paymt in lieu of taxes</td>
<td>2,514,353</td>
<td>-</td>
<td>2,514,353</td>
<td>1,885,765</td>
<td>1,885,765</td>
<td>75.00%</td>
</tr>
<tr>
<td>Golf Loan Repayment</td>
<td>407,630</td>
<td>-</td>
<td>407,630</td>
<td>305,723</td>
<td>305,723</td>
<td>75.00%</td>
</tr>
<tr>
<td>Expenditures</td>
<td>(90,144,011)</td>
<td>(267,718)</td>
<td>(90,411,729)</td>
<td>(67,808,797)</td>
<td>(64,522,099)</td>
<td>71.36%</td>
</tr>
<tr>
<td>Transfers out to:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rate Review</td>
<td>(25,000)</td>
<td>-</td>
<td>(25,000)</td>
<td>(18,750)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Hotel/Motel Tax Subsidy</td>
<td>(213,325)</td>
<td>-</td>
<td>(213,325)</td>
<td>(159,994)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Golf Course Subsidy</td>
<td>(1,249,984)</td>
<td>(676,272)</td>
<td>(1,926,256)</td>
<td>(1,444,692)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Capital Projects/Fleet</td>
<td>(6,928,735)</td>
<td>(1,756,010)</td>
<td>(8,684,745)</td>
<td>(6,513,559)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Net increase (decrease)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>18,463,255</td>
<td></td>
</tr>
<tr>
<td>Beg. Working Capital</td>
<td>14,999,670</td>
<td>1,443,610</td>
<td>16,443,280</td>
<td>16,443,280</td>
<td>34,906,535</td>
<td></td>
</tr>
<tr>
<td>End Working Capital</td>
<td>$14,999,670</td>
<td>$1,443,610</td>
<td>$16,443,280</td>
<td>$34,906,535</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Overview - Revenues and Transfers In

Revenues and Transfers In are projected to end the year approximately $3.9 million over the original budget primarily due to projected overages in sales tax ($3.5 million) and charges for services ($433K) offset by deficit in fines and forfeitures ($290K). Year to date, sales tax receipts are 12.4% over the original budget and 13.3% over prior year’s actual.

Sales tax receipts summary:

<table>
<thead>
<tr>
<th></th>
<th>Current Month</th>
<th>Year to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Budget</td>
<td>$2,639,453</td>
<td>$22,800,319</td>
</tr>
<tr>
<td>Actual – Current Year</td>
<td>$2,728,928</td>
<td>$25,628,219</td>
</tr>
<tr>
<td>Actual – Prior Year</td>
<td>$2,398,652</td>
<td>$22,617,654</td>
</tr>
</tbody>
</table>

In February 2013, Council approved a new financial standard that sales tax in excess of the $23,225,400 Fiscal Year 2013 Budget and adjusted annually for inflation ($24,475,158 for fiscal year 2016) will be transferred to capital projects funds for non-recurring, one-time uses. This transfer will be made at year-end when the final sales tax amount is available. Sales tax is currently projected to end the year at $34,852,012 or $10,376,854 over the capped amount.

Overview - Expenditures and Transfers Out

Fiscal year-to-date expenditures are below target due to the timing of some expenditures. Additionally, transfers out are not made evenly throughout the year with many transfers out being made when the receiving funds have need for the funding or at the end of the year.

Overview - Budget Adjustments

The increase in Budgeted Beginning Working Capital is due to better-than-budget actual results from Fiscal Year 2015. Other changes are from a budget amendments adopted during the year.

Overview - Fund Balance

Amended Budgetary Fund Balance is budgeted to end the year at $16,443,280 which represents 66 days of budgeted operating expenditures. The City’s financial standards call for a minimum of 60 days ending fund balance.
### Year to Date October 1, 2015 to June 30, 2016

**Water and Sewer Fund**

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Original Budget</th>
<th>Budget Adj.</th>
<th>Amended Budget</th>
<th>YTD %</th>
<th>Actual to Date</th>
<th>% of Budget to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and Charges</td>
<td>$37,303,083</td>
<td>$ -</td>
<td>$37,303,083</td>
<td>$27,977,312</td>
<td>$24,497,250</td>
<td>65.67%</td>
</tr>
<tr>
<td>Other</td>
<td>1,222,500</td>
<td>-</td>
<td>1,222,500</td>
<td>916,875</td>
<td>1,001,989</td>
<td>81.96%</td>
</tr>
<tr>
<td>Expenditures</td>
<td>(32,017,582)</td>
<td>-</td>
<td>(32,017,582)</td>
<td>(24,013,187)</td>
<td>(22,692,667)</td>
<td>70.88%</td>
</tr>
<tr>
<td>Transfers out to:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund for</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paymt in lieu of taxes</td>
<td>(2,514,353)</td>
<td>-</td>
<td>(2,514,353)</td>
<td>(1,885,765)</td>
<td>(1,885,765)</td>
<td>75.00%</td>
</tr>
<tr>
<td>Debt Service</td>
<td>(1,803,637)</td>
<td>-</td>
<td>(1,803,637)</td>
<td>(1,352,728)</td>
<td>(1,341,692)</td>
<td>74.39%</td>
</tr>
<tr>
<td>Capital Projects</td>
<td>(2,900,000)</td>
<td>-</td>
<td>(2,900,000)</td>
<td>(2,175,000)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Net increase (decrease)</td>
<td>(709,989)</td>
<td>-</td>
<td>(709,989)</td>
<td>(532,493)</td>
<td>(420,885)</td>
<td></td>
</tr>
<tr>
<td>Beg. Working Capital</td>
<td>9,669,445</td>
<td>2,578,659</td>
<td>12,248,104</td>
<td>12,248,104</td>
<td>11,827,219</td>
<td></td>
</tr>
<tr>
<td>End Working Capital</td>
<td>$8,959,456</td>
<td>$2,578,659</td>
<td>$11,538,115</td>
<td>$11,827,219</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rain</th>
<th>Rain Days</th>
<th>Av Hgh Tmp.</th>
<th>Billed (000 gal)</th>
<th>Received (000 gal)</th>
<th>Unacct'd Water</th>
<th>Daily Per Capita (gals)</th>
</tr>
</thead>
<tbody>
<tr>
<td>JUN-CY</td>
<td>3.6</td>
<td>7</td>
<td>84</td>
<td>515,419</td>
<td>531,865</td>
<td>3.09%</td>
</tr>
<tr>
<td>JUN-PY</td>
<td>4.0</td>
<td>7</td>
<td>92</td>
<td>435,191</td>
<td>502,856</td>
<td>13.46%</td>
</tr>
<tr>
<td>YTD-CY</td>
<td>43.9</td>
<td>71</td>
<td>73</td>
<td>4,471,908</td>
<td>4,749,115</td>
<td>5.84%</td>
</tr>
<tr>
<td>YTD-PY</td>
<td>41.0</td>
<td>87</td>
<td>69</td>
<td>4,012,134</td>
<td>4,208,734</td>
<td>4.67%</td>
</tr>
</tbody>
</table>

Unaccounted for water for the past 12 months was 6.06%

**Overview - Revenues**
Fiscal year-to-date sales and charges revenues are under target due to seasonality of revenues. Additionally, budgeted revenues include an average 7.5% rate increase effective January 1, 2016.

Subsequent to budget adoption, Council adopted an average 7.5% rate increase effective March 1, 2016. Revenues are currently projected to end the year $1.6 million under budget. This deficit will be funded by better-than-budget actual results from Fiscal Year 2015. However, these projections are highly susceptible to weather extremes.

**Overview - Expenditures and Transfers Out**
Expenditures are below target due to the timing of expenditures. Additionally, transfers out are not made evenly throughout the year with many transfers out being made when the receiving funds have need for the funding or at the end of the year.

**Overview - Budget Adjustments**
The increase in Budgeted Beginning Working Capital is due to better-than-budget actual results from Fiscal Year 2015.

**Overview - Fund Balance**
Amended Budgetary Fund Balance is budgeted to end the year at $11,538,115 which represents 116 days of budgeted operating expenditures. The City’s financial standards call for a minimum of 90 days ending fund balance.
Year to Date October 1, 2015 to June 30, 2016

Golf Course Fund

<table>
<thead>
<tr>
<th></th>
<th>Original Budget</th>
<th>Budget Adj.</th>
<th>Amended Budget</th>
<th>YTD %</th>
<th>Actual to Date</th>
<th>% of Budget to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$ -</td>
<td>$ 944,860</td>
<td>$ 944,860</td>
<td>708,645</td>
<td>$ 379,255</td>
<td>40.14%</td>
</tr>
<tr>
<td>Transfers in from:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>1,249,984</td>
<td>676,272</td>
<td>1,926,256</td>
<td>1,444,692</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Expenditures</td>
<td>(842,354)</td>
<td>(1,621,132)</td>
<td>(2,463,486)</td>
<td>(1,847,615)</td>
<td>(1,153,449)</td>
<td>46.82%</td>
</tr>
<tr>
<td>Transfers out to:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Service</td>
<td>(407,630)</td>
<td>-</td>
<td>(407,630)</td>
<td>(305,723)</td>
<td>(305,723)</td>
<td>75.00%</td>
</tr>
<tr>
<td>Net increase (decrease)</td>
<td>-</td>
<td>-</td>
<td>(1)</td>
<td>(1,079,917)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beg. Working Capital</td>
<td>-</td>
<td>53,484</td>
<td>53,484</td>
<td>53,484</td>
<td></td>
<td></td>
</tr>
<tr>
<td>End Working Capital</td>
<td>$ -</td>
<td>$ 53,484</td>
<td>$ 53,484</td>
<td>$ (1,026,433)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**Overview – Revenues and Transfers in**

Fiscal year-to-date revenues represent revenues from the Lake Course which re-opened on April 15, 2016. The Creeks Course has been closed due to flooding since May 16, 2015, and the Lake Course was shut down on May 28, 2015. Amended budget revenues assume the Creek Course would reopen June 15, 2016; however, the reopening has been delayed and is now projected for August 5, 2016. A subsidy from the General Fund is will be needed and is currently budgeted at $1,926,256 for FY 2016.

**Overview - Expenditures and Transfers Out**

Expenditures are below target due to the timing of expenditures and the closure of the courses.

**Overview - Budget Adjustments**

The increase in Budgeted Beginning Working Capital is due to better-than-budget actual results from Fiscal Year 2015. Other changes are from a budget amendments adopted for the reopening of the golf courses.

**Overview - Fund Balance**

The current operating fund balance is a negative $1,026,433. A subsidy from the General Fund is will be needed and is currently budgeted at $1,926,256 for FY 2016. The target fund balance is 50% of debt service or $203,815. However, due to the current situation, the fund balance will subsidized only to breakeven.
Year to Date October 1, 2015 to June 30, 2016
YTD % - 75.00%

Solid Waste Fund

<table>
<thead>
<tr>
<th></th>
<th>Original Budget</th>
<th>Budget Adj.</th>
<th>Amended Budget</th>
<th>YTD % of Budget</th>
<th>Actual to Date</th>
<th>% of Budget to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$ 9,474,510</td>
<td>$ -</td>
<td>$ 9,474,510</td>
<td>$ 7,105,883</td>
<td>$ 7,150,282</td>
<td>75.47%</td>
</tr>
<tr>
<td>Expenditures</td>
<td>(8,214,429)</td>
<td>-</td>
<td>(8,214,429)</td>
<td>(6,160,822)</td>
<td>(6,002,093)</td>
<td>73.07%</td>
</tr>
<tr>
<td>Transfers out to:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Projects</td>
<td>(1,260,081)</td>
<td>-</td>
<td>(1,260,081)</td>
<td>(945,061)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Net increase (decrease)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beg. Working Capital</td>
<td>400,000</td>
<td>56,596</td>
<td>456,596</td>
<td></td>
<td>456,596</td>
<td></td>
</tr>
<tr>
<td>End Working Capital</td>
<td>400,000</td>
<td>56,596</td>
<td>456,596</td>
<td></td>
<td>1,604,785</td>
<td></td>
</tr>
</tbody>
</table>

Overview – Revenues
Total Revenues are just slightly above target.

Overview - Expenditures and Transfers Out
Expenditures are below target due to the timing of some expenditures. Transfers out are not made evenly throughout the year with many transfers out being made when the receiving funds have need for the funding or at the end of the year.

Overview - Budget Adjustments
The increase in Budgeted Beginning Working Capital is due to better-than-budget actual results from Fiscal Year 2015.

Overview - Fund Balance
Amended Budgetary Fund Balance is budgeted to end the year at $456,596. The City’s financial standards call for a Fund Balance target of $200,000.
Year to Date October 1, 2015 to June 30, 2016
YTD % - 75.00%
Other Operating Funds

Information on the other operating funds of the City (Risk, Fleet, Administrative Services, Employee Health and Disability, Hotel/Motel and Debt Service) is provided on an exception only basis. All other operating funds are on target with budget.

Risk Management Fund – Fund balance for the Risk Management Fund is currently $3,348,969 which exceeds the City’s financial standard of one year of claims net of recoveries.

Fleet Services Fund – The Fleet Operations were outsourced effective July 1, 2010. The current fund balance is $505,186.

Employee Health and Disability Fund – Year-to-date the Fund has a net loss of $2,614,548. The fund has a current fund balance of $3,322,030.