

QUARTERLY FINANCIAL REPORT AS OF MARCH 31, 2026

ITEM # 7
JUNE 8, 2026



FINANCE DEPARTMENT

Presented by:
Kristine Horton
Finance Director

2ND QUARTER FYE 2026 FINANCIAL REPORT



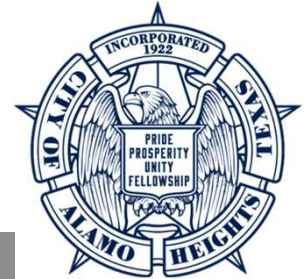
- Property Tax Collections
- Sales Tax
- General Fund Revenues & Expenditures
- Utility Fund Revenues & Expenditures
- Capital Projects Fund
- Investment Portfolio Update



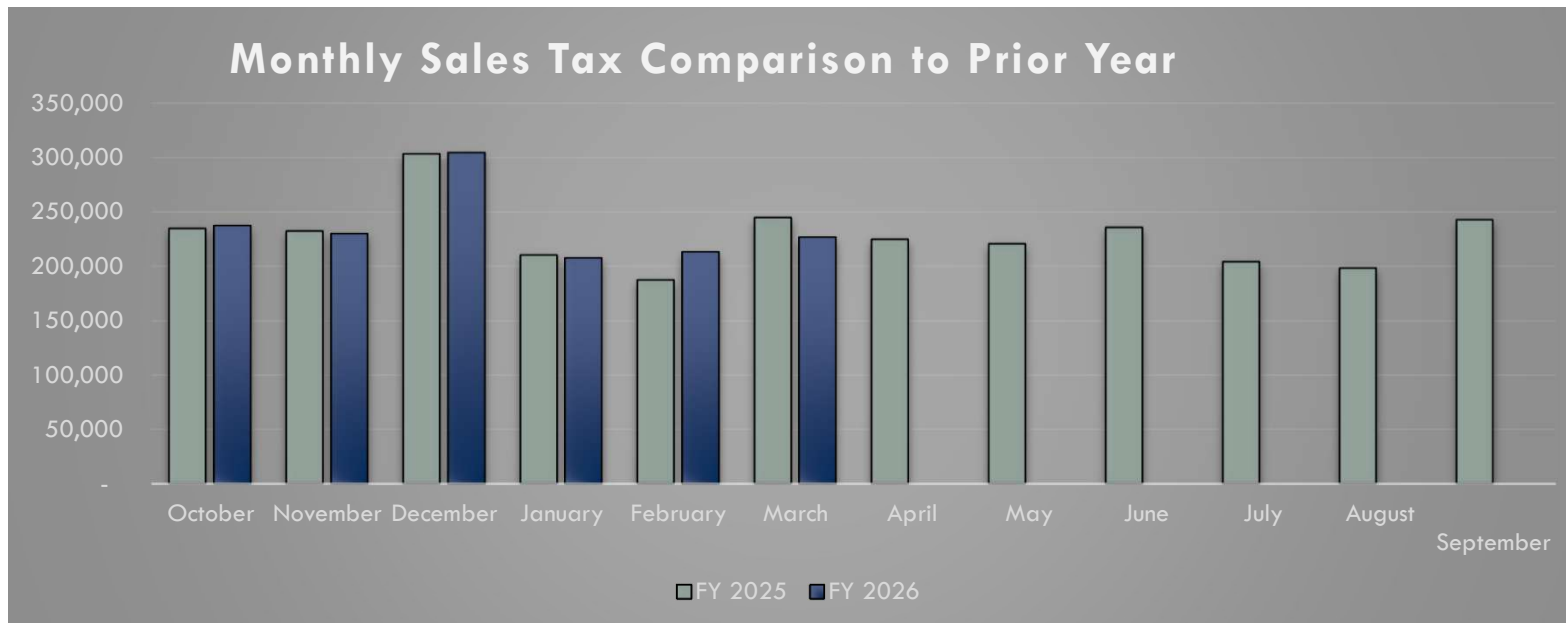
PROPERTY TAX COLLECTIONS M&O AND I&S



	Budget	Actual	Budget Balance Under/(Over)	% Received
Net Tax	\$8,653,164	\$7,682,858	\$ 970,306	88.79%



TOTAL SALES TAX REVENUE BY MONTH



General Fund	Budget	Actual	Budget Balance Under/(Over)	% Received
Net Sales Tax	\$1,730,000	\$ 945,116	\$ 784,884	54.63%

Street Maintenance	Budget	Actual	Budget Balance Under/(Over)	% Received
Net Sales Tax	\$ 865,000	\$ 472,557	\$ 392,443	54.63%

Sales tax collections from the state are 2 months in arrears. YTD sales tax is \$1,417,673 an increase of .45% compared to prior year 1st Qtr. total of \$1,411,277.



GENERAL FUND REVENUES

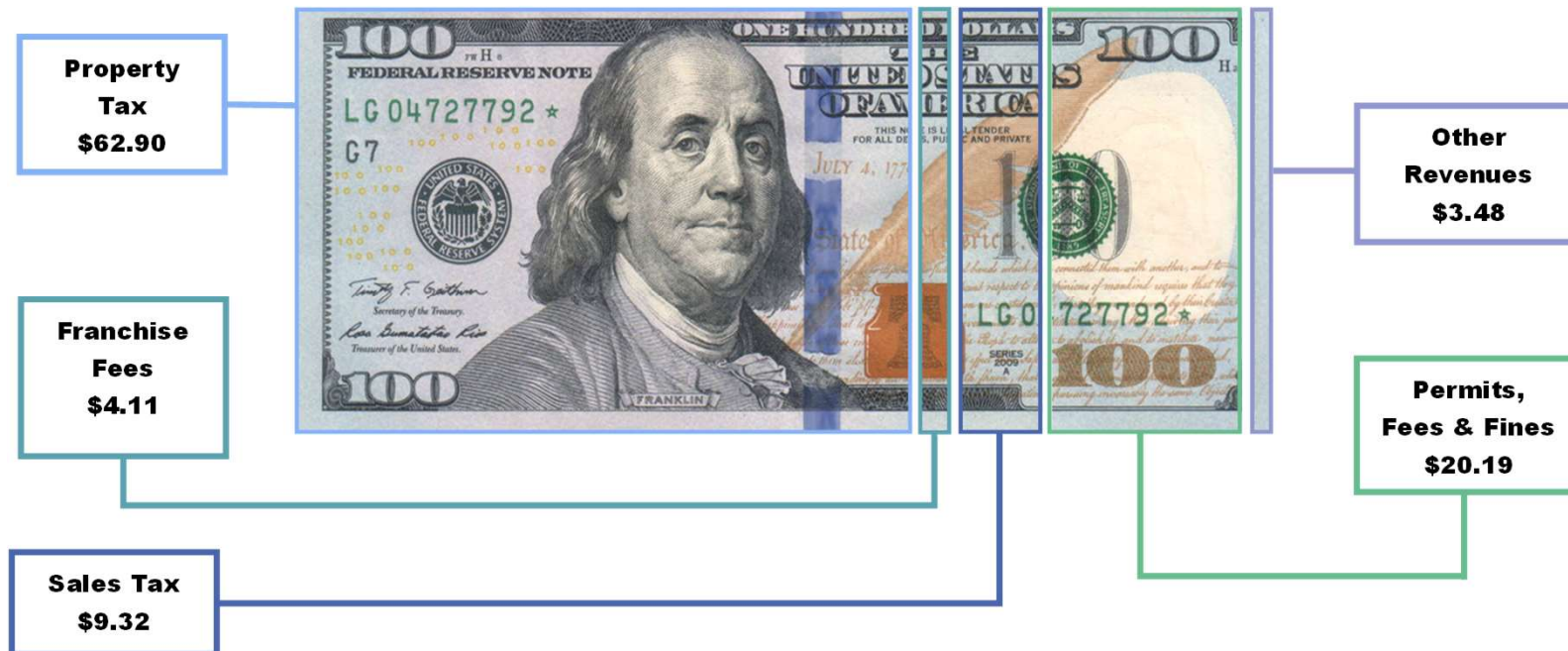
Classification Ending Month	FY 25-26 Org. Budget	1st Quarter Ending 12/2025	2nd Quarter Ending 3/2026	Overall Totals Unaudited	100% Budget
Revenues:					
Property Taxes	\$ 7,349,328	\$ 3,726,076	\$ 2,658,044	\$ 6,384,120	87%
Sales Taxes	1,730,000	451,618	494,120	945,737	55%
Other Taxes - Franchise	781,185	227,230	189,702	416,932	53%
Total Taxes	\$ 9,860,513	\$ 4,404,924	\$ 3,341,866	\$ 7,746,789	79%
Permits & Fees	875,210	288,468	346,750	635,219	73%
Intergovernmental - Tricity Svcs.	1,086,858	158,199	284,471	442,670	41%
Charges for Services - SW, EMS	1,844,937	417,064	411,376	828,440	45%
Fines & Forfeitures - Court	240,300	61,547	81,685	143,231	60%
Investment Interest	487,900	107,307	214,765	322,072	66%
Miscellaneous	61,650	14,643	16,689	31,332	51%
Transfers In	119,325	-	-	-	0%
Total Revenues	\$ 14,576,693	\$ 5,452,152	\$ 4,697,601	\$ 10,149,753	70%



GENERAL FUND REVENUE TAX DOLLARS

Where Does Each \$100 Come From?

Based on the City's General Fund Revenue = \$ 10.15 Million





GENERAL FUND EXPENDITURE

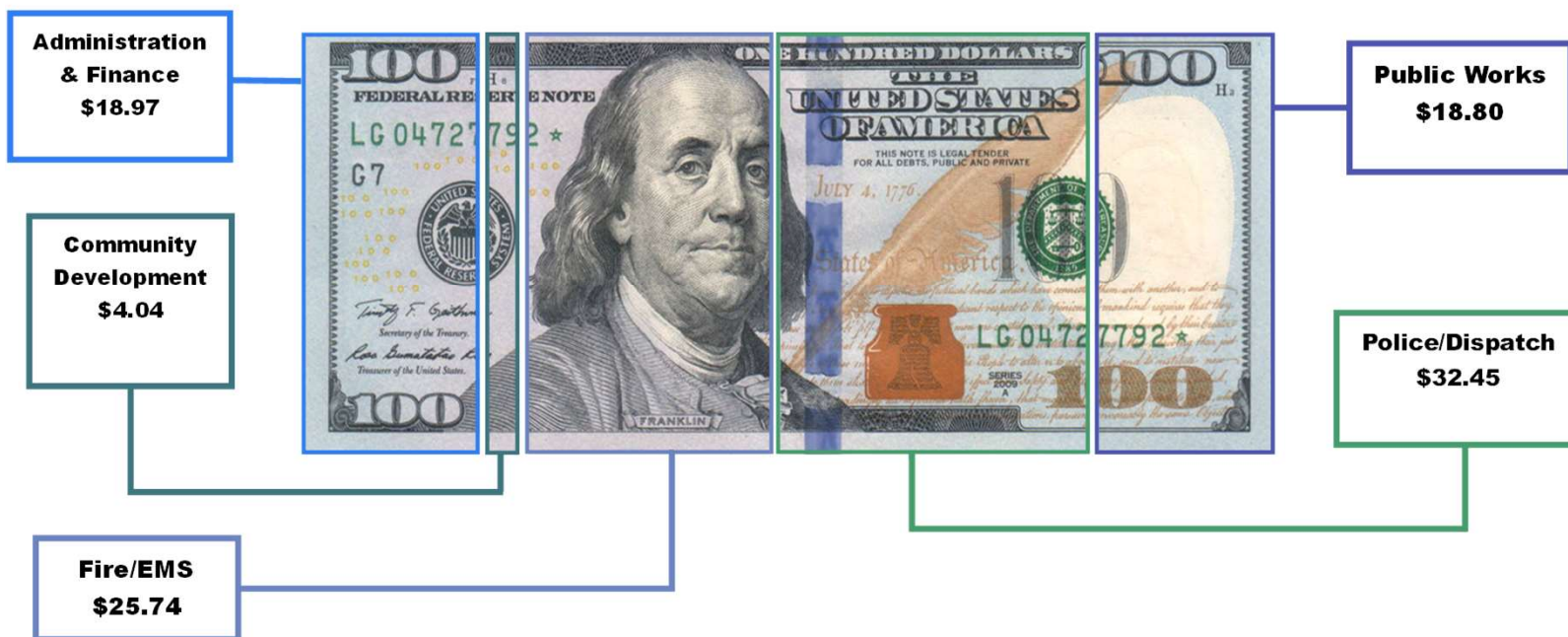
Classification Ending Month	FY 25-26 Org. Budget	1st Quarter Ending 12/2025	2nd Quarter Ending 3/2026	Overall Totals Unaudited	100% Budget
Expenditures:					
Administration & Finance	\$ 2,358,968	\$ 757,547	\$ 564,564	\$ 1,322,112	56%
Community Development	688,797	148,329	132,943	281,272	41%
Fire/EMS	3,551,997	971,233	822,337	1,793,570	50%
Police/Dispatch	4,599,759	1,211,769	1,049,720	2,261,490	49%
Public Works	2,650,844	790,765	519,619	1,310,383	49%
Transfers Out	936,900	-	-	-	0%
Total Expenditures	\$ 14,787,265	\$ 3,879,643	\$ 3,089,184	\$ 6,968,827	47%
Net Revenues (Expenditures)	\$ (210,572)	\$ 1,572,509	\$ 1,608,417	\$ 3,180,926	



GENERAL FUND TAX DOLLARS AT WORK

Where Does Every \$100 of City Funds Go?

Based on the City's General Fund Expenditures = \$6.97 Million





UTILITY FUND REVENUES & EXPENSES

Classification Ending Month	FY 25-26 Org. Budget	1st Quarter Ending 12/2025	2nd Quarter Ending 3/2026	Overall Totals Unaudited	100% Budget
Revenues:					
Water	\$ 2,339,437	\$ 681,708	\$ 561,160	\$ 1,242,867	53%
Sewer	2,222,092	1,127,253	74,554	1,201,807	54%
Drought Surcharge Fees	80,000	85,306	94,835	180,142	225%
Intergovernmental - Penalty Fees	36,219	13,487	10,958	24,445	67%
Investment Interest	64,852	19,228	20,462	39,690	61%
Miscellaneous	11,175	16,281	6,482	22,763	204%
Total Revenues	\$ 4,753,775	\$ 1,943,263	\$ 768,451	\$ 2,711,715	57%
Expenditures:					
Water	\$ 2,570,675	\$ 651,311	\$ 595,890	\$ 1,247,201	49%
Sewer	1,601,000	366,563	252,163	618,726	39%
Capital Expenditures	1,485,750	289,894	208,972	498,865	34%
Transfers Out	619,110	-	-	-	0%
Total Expenditures	\$ 6,276,535	\$ 1,307,768	\$ 1,057,025	\$ 2,364,793	38%
Net Revenues (Expenditures)	\$(1,522,760)	\$ 635,495	\$ (288,573)	\$ 346,922	

CAPITAL PROJECTS FUND



Classification Ending Month	FY 25-26 Org. Budget	1st Quarter Ending 12/2025	2nd Quarter Ending 3/2026	Overall Totals Unaudited	100% Budget
Quarterly Beginning Fund Balance	16,802,052	16,802,052	16,964,765	16,802,052	
Revenues:					
Transfer In From General Fund	\$ 25,000	\$ -	\$ -	\$ -	0%
Interest from 2021 Bond Proceeds	334,080	162,713	149,114	311,827	93%
Total Revenues	\$ 359,080	\$ 162,713	\$ 149,114	\$ 311,827	87%
Expenditures:					
Lower Broadway Project	-	-	-	-	0%
Olmos Basin Cleanup	25,000	-	-	-	0%
Total Expenditures	\$ 25,000	\$ -	\$ -	\$ -	0%
Net Revenues (Expenditures)	\$ 334,080	\$ 162,713	\$ 149,114	\$ 311,827	
Quarterly Ending Fund Balance:	17,136,132	16,964,765	17,113,879	17,113,879	



INVESTMENT PORTFOLIO UPDATE

<u>3 Month Certificate of Deposit</u>	<u>Amount</u>	<u>%</u>	
None	-	0.00%	0.00%
<u>U.S. Agency Bonds</u>			
FHLB 3130B44Z1 M12/18/26 (Callable 9/18/25)	-		0.00%
FFMC 3142WVH2 M8/13/26	2,000,000		5.27%
FHLB 3130B7U77 M 9/10/27 (Callable 9/10/26)	3,000,000		7.90%
	<u>5,000,000</u>	<u>13.17%</u>	
<u>Investment Pools</u>			
Lone Star Operating	8,513,675.57		22.43%
Lone Star Bond Acct.	15,819,270.79		41.68%
Lone Star Drought	719,872.58		1.90%
Logic Operating	6,081,813.21		16.02%
Tex Star	3,956.15		0.01%
Texpool	3,824.67		0.01%
Subtotal	<u>31,142,413</u>	<u>82.05%</u>	
<u>Bank Accounts</u>			
Frost Bank Operating Acct	<u>1,814,646</u>	<u>4.78%</u>	4.78%
Total Investment Portfolio As of March 31, 2026	<u>37,957,059</u>	<u>100.00%</u>	

*Frost Bank pledges securities in the name of the City to cover the balance over the FDIC limit of \$250,000



INVESTMENT PORTFOLIO CONTINUED

	<u>Market</u>
Beginning Total as of December 31, 2025	\$ 36,702,480
Changes	
Net Change to Investment Pool Accounts	\$ 2,108,641
Net Change to CD's	\$ -
Net Change in FHLB & FAMC Bank Bonds	\$ -
Net Change to Savings Account	\$ -
Net Change to Operating Account	\$ (854,062)*
Net Increase/(Decrease)	<u>\$ 1,254,578</u>
Ending Total as of March 31, 2026	<u>\$ 37,957,059</u>

* The decrease in the Operating Bank Account balance is primarily attributable to three factors: (1) a seasonal decline in property tax collections during the second quarter, (2) the payment of the first semiannual debt service obligation for the fiscal year, and (3) a February transfer of \$831,466 to investment pools for the purpose of setting aside drought surcharge fee revenues and investing available funds to generate additional interest income.



INVESTMENT PORTFOLIO CONTINUED

PERFORMANCE MEASURES:

		<u>3 Month Average</u>
Benchmark 90 Day Treasury	3.59%	
Average Yield		3.66%
U.S. Agency Bonds		3.96%
Savings Account		0.00%
CD		0.00%
Investment Pools		3.78%
Operating Account		0.00%
Weighted Avg Maturity Days		32
<u>Maximum Days to Maturity 365 days</u>	<u>Days until Maturity</u>	
FHLB (Callable 9/10/26)		262
FAMC		135

This report is in compliance with the investment strategies established by the City of Alamo Heights Investment Policy and the Public Funds Investment Act (Ch. 2256)