



CITY OF VICTORIA

Established 1824, Founded by Congress, Republic of Texas, 1839

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Date: January 31, 2017
To: Mayor and Members of City Council
From: Gilbert P. Reyna Jr., CPA
Director of Finance
Subject: City of Victoria, Texas Quarterly Financial Report, as of December 31, 2016

Attached you will find an overview of the City's financial position as of December 31, 2016. Only those funds with material financial impact on the City's financial position and certain funds that might be of Council interest were included in this report. Funds included in this report consist of: General Fund, Motel Tax Fund, Convention & Visitor's Bureau Fund, Water and Wastewater Operating Fund, 700 Main Center Fund, Community Center Fund, Environmental Services Fund, and Health Plan Fund.

The Internal Service Funds (*with the exception of the Health Plan Fund*), Special Revenue Funds (*with the exception of the Motel Tax Fund and Convention & Visitor's Bureau Fund*) and Trust & Agency Funds were not included in this report. These types of funds do not have a material financial impact on the City's overall financial operations nor do they measure the City's results of operations. However, I did analyze the working capital balances/fund balances of the Internal Service Funds and Special Revenue Funds as of December 31, 2016 and concluded that the Internal Service Funds and Special Revenue Funds are maintaining an adequate, acceptable working capital balance/fund balance level, per City Financial Policy.

Over all, City Funds' financial position is healthy and stable, as of December 31, 2016.

Overview of City of Victoria Major Operating Funds

General Fund

Fund Balance

The General Fund first quarter financial report reflects a beginning undesignated fund balance, as of October 1, 2016, of \$15.7 million, which represents approximately 3.8 months of General Fund 2017 budgeted operating expense. This positive level of fund balance has come about through conservative budgeting and spending. The General Fund beginning undesignated fund balance came in \$1.28 million higher than expected (*revenue came in \$711K higher than expected and expenditures came in \$565K lower than expected – see General Fund Financial Section for more information*).

This increase in undesignated fund balance has resulted from our long-term financial strategy to maintain a strong financial position and to budget revenues and expenditures conservatively. This strategy allows us to help fund capital improvements and large equipment with cash versus debt. It also gives the City financial flexibility to manage through periods of economic downturn, as we have experienced in prior years, and growth. As of December 31, 2016, the General Fund financial position is healthy and reflects a fund balance of \$18.74 million.

As of December 31, 2016, the projected year-end Fiscal Year 2017 General Fund undesignated fund balance is estimated to come in \$2.1 million higher than the original Fiscal Year 2017 General Fund undesignated fund balance. The main reasons for this increase are the beginning undesignated General Fund fund balance coming in \$1.28 million higher than expected; the \$504K sale of City's Hwy 59 property; transferring back \$147K from the Construction Fund to the General Fund, cancelling the Springwood Reclaim/Overlay Project; personnel cost projecting to come in \$82K under budget, due to projected vacancies; and maintenance & operating cost projecting to come in \$92K under budget due to the Fiscal Year 2016 carryover encumbrance mowing contract expiring in 12/31/16, as of December 31, 2016.

Sales Tax Revenue

As of the first quarter of Fiscal Year 2017, sales tax revenues came in \$183K short of the targeted budget benchmark; however, year-end sales tax revenue projection, as of December 31, 2016, is estimated to come in at its budgeted level. The Finance Department will continue to monitor the sales tax receipts throughout the fiscal year and will revise its year-end sales tax revenue projection as needed.

Ad Valorem Tax Revenue

As of the first quarter of Fiscal Year 2017, the City has collected approximately 39.8 percent or \$6.05 million of its budgeted ad valorem tax revenue. This large collection rate is due to property owners taking advantage of paying their real estate taxes by December 31, 2016 in order to deduct them off their 2016 federal tax return. *Note: taxes are levied on October 1, 2016 and are due by January 31, 2017.*

During the second and third quarter of Fiscal Year 2017, management will be developing budgetary strategic financial plan(s) for the Fiscal Year 2018 Budget. In addition, by the end of the third quarter, we will be well into the budget process and have more precise projections of actual expenditures and revenues.

Water/Wastewater Fund

Working Capital Balance

The Water/Wastewater Fund first quarter financial report reflects a beginning undesignated working capital balance, as of October 1, 2016, of \$12.1 million. The beginning undesignated working capital balance came in \$1.03 million higher than expected (*revenue came in \$25K or 0.1 percent higher; and expenses came in \$1.05 million or 3.8 percent lower, mainly due to Water(\$459K), Water Treatment Plant (\$186K), Sewer Department (\$631K), and Sewer Treatment Plant (\$246K) coming in lower than expected – see Water/Wastewater Fund Financial Section for more information*).

Water/Wastewater Fund beginning undesignated working capital balance represents approximately 5 months of Water/Wastewater Fund 2017 budgeted operating expense (*including debt service payments*). This working capital balance will help the Water/Wastewater Fund manage through periods of economic downturn, unpredictable weather conditions, and growth; and, pay for Water/Wastewater Fund Revenue Utility Bond principal and interest payment, due December 2016 and June 2017.

As of December 31, 2016, the Water/Wastewater Fund financial position is stable and reflects a working capital balance of \$6.7 million.

As of December 31, 2016, the projected year-end Fiscal Year 2017 Water/Wastewater Fund undesignated working capital balance is estimated at \$9.2 million, \$919K higher than the original Fiscal Year 2017 Water/Wastewater Fund undesignated working capital balance. The main reasons for the increase are the beginning undesignated working capital balance coming in \$1.03 million higher than expected; revenues are expected to come in \$8K higher; personnel cost is projected to come in \$178K over budget, due to estimated overtime pay; and, debt service is projected to come in \$63K under budget, due to refunding/refinancing certain Utility Revenue Bonds in October 2016, as of December 31, 2016.

Water Sales

As of the first quarter of Fiscal Year 2017, water revenues came in approximately \$31K or 0.2 percent under the budgeted benchmark (*due to weather conditions*); and, year-end water sales revenue is estimated to come in at approximately \$12.98 million, same as budgeted amount, as of December 31, 2016.

Sewer Sales

As of the first quarter of Fiscal Year 2017, sewer revenues came in approximately \$37K or 0.3 percent over the budgeted benchmark. This favorable variance is due to “winter average” calculation results. The winter averaging calculation takes into account the amount of water used during prior year winter months; and, the result of the calculation is applied to the sewer rate in order to calculate each residential sewer fee. The new “winter average” results will be implemented in April 2017 (third quarter of Fiscal Year 2017). The year-end sewer revenue projection is estimated to come in at approximately \$11.97 million, the same as budgeted amount, as of December 31, 2016.

The Finance Department will continue to monitor water and sewer revenues throughout the fiscal year and will revise its year-end revenue projection as needed.

Environmental Services Fund

The Environmental Services Fund is a summary of the financial operations of the Operating Fund and Closure/Post-Closure Fund.

- *The Operating Fund* - accounts for all of the financial operations of the Residential Collection Department, Brush & Bulky Item Collection Department, Yard Waste Collection Department, Recycling Center Collection Department, Administration Department, and Non-Departmental.
- *The Closure/Post-Closure Fund* - accounts for all financial transactions associated to the City's landfill closure cost (*landfill maintenance & infrastructure cost*) and post-closure cost (*maintenance cost associated to the landfill after it ceases operations*).

Working Capital Balance

The Environmental Services Fund first quarter financial report reflects a beginning undesignated and designated working capital balance, as of October 1, 2016, of \$7.2 million, which consists of \$5.2 million from the Operating Fund and \$2.0 million from the Closure/Post-Closure Fund. The Environmental Services Fund beginning undesignated & designated working capital came in \$913K higher than expected (*Operating Fund working capital balance came in \$890K higher than expected; and, Closure/Post-Closure Fund working capital balance came in \$22K higher than expected – see Environmental Services Fund Financial Section for more information*).

As of December 31, 2016, the Environmental Services Fund – Operating Fund and Closure/Post-Closure Fund is healthy and reflects a working capital balance of \$5.49 million and \$2.09 million, respectively.

As of December 31, 2016, the projected year-end Fiscal Year 2017 Environmental Services Fund working capital balance is estimated to come in \$937 higher than the original Fiscal Year 2017 Environmental Services Fund working capital balance. The main reason for the working capital increase is the net difference of beginning working capital balance coming in \$913K higher than expected; and, recycling waste tipping fee being projected to come in under budget.

Conclusion

As of December 31, 2016, the financial positions of the remaining Enterprise Funds, Motel Tax Fund, Convention & Visitor's Bureau Fund, and Health Plan Fund, as presented in this report, are stable.

Over all, the City finds itself in a healthy and stable financial position as of December 31, 2016. The Finance Department will continue to monitor all City Funds throughout the fiscal year. Questions or comments dealing with this report can be addressed to the City Manager or Director of Finance.

cc: Charmelle Garrett
City Manager

CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY FINANCIAL REPORT
PRO FORMA SCHEDULE OF FUND BALANCE POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year to Date	Fiscal Year 2016-17 Projected Actual
BEGINNING FUND BALANCE				
Undesignated Fund Balance	\$ 14,445,411	\$ 15,720,699	\$ 15,720,699	\$ 15,720,699
Reserved for Encumbrances	-	1,087,563	1,087,563	1,087,563
Reserved for Noncurrent Assets	-	-	-	-
TOTAL FUND BALANCE, OCTOBER 1	\$ 14,445,411	\$ 16,808,261	\$ 16,808,261	\$ 16,808,261
REVENUES				
Taxes and Franchise Fees	\$ 36,913,920	\$ 36,913,920	\$ 11,590,590	\$ 36,913,920
Fines and Forfeitures	1,308,040	1,308,040	230,537	1,308,040
Licenses and Permits	936,815	936,815	202,548	939,115
Charges for Services	2,150,100	2,150,100	501,147	2,150,100
Intergovernmental	2,055,000	2,055,000	10,992	2,040,000
Miscellaneous	337,052	337,052	612,846	841,016
Other Financing Sources	3,576,228	3,576,228	1,037,630	3,723,333
Total Revenues	\$ 47,277,155	\$ 47,277,155	\$ 14,186,291	\$ 47,915,524
TOTAL FUNDS AVAILABLE	\$ 61,722,566	\$ 64,085,416	\$ 30,994,552	\$ 64,723,785
EXPENDITURES				
General Administration	\$ 2,597,020	\$ 2,603,052	\$ 617,395	\$ 2,597,378
Public Safety	27,246,059	27,286,415	6,550,396	27,303,158
Development	2,226,783	2,284,369	734,401	2,272,146
Public Works	9,331,275	10,157,195	1,925,096	10,033,552
Building Services	680,250	683,906	157,418	679,644
Recreation	5,568,085	5,722,098	1,662,425	5,677,120
Non-Departmental Appropriations	1,569,644	1,569,644	607,083	1,569,644
Total Expenditures	\$ 49,219,116	\$ 50,306,679	\$ 12,254,214	\$ 50,132,643
ENDING FUND BALANCE				
Undesignated Fund Balance	\$ 12,503,450	\$ 13,778,738	\$ 18,740,338	\$ 14,591,142
Reserved for Encumbrances	-	-	-	-
Reserved for Noncurrent Assets	-	-	-	-
TOTAL FUND BALANCE, DECEMBER 31	\$ 12,503,450	\$ 13,778,738	\$ 18,740,338	\$ 14,591,142

Comments on the General Fund's "Pro Forma Schedule of Fund Balance" can be found on the following page.

CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY FINANCIAL REPORT – EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

The following comments will address the main issues associated to the General Fund’s financial status as of December 31, 2016:

- The Fiscal Year 2016 “audited” ending “*Undesignated Fund Balance*” came in at \$15,720,699, an increase of \$1,275,288 or 9%, compared to the projected Fiscal Year 2016 ending “*Undesignated Fund Balance*” calculated back in July 2016 of \$14,445,411. The increase in fund balance will be reserved in order to address future contingencies, fund City’s capital improvement program, or expense as Council determines.

Revenues came in 1.5% or \$710,565 higher than what was projected, mainly due to sales tax revenue; Springwood Reclaim/Overlay Street Project was canceled, which resulted in transferring funds back to the General Fund from the Construction Fund; ambulance revenue; weedy lot revenue; interest income; and auction sales.

Expenses came in 1.1% or \$564,722 lower than expected, mainly the net result of personnel cost coming in \$272K higher than expected; maintenance & operations cost coming in \$548K lower than expected; and, capital outlay coming in \$289K lower than expected.

- As of December 31, 2016, the original Fiscal Year 2017 budget has been amended for Fiscal Year 2016 carryover encumbrances of \$1,087,563.
- As of December 31, 2016, the General Fund undesignated fund balance is \$18,740,338. This undesignated fund balance will help finance/fund the remaining nine months of operations and capital improvement projects.
- The “Fiscal Year 2016-17 Projected Actual” column, as of December 31, 2016, assumes the full-amended budget amount will be expensed with some minor adjustments to certain expense accounts; and, revenue accounts are reflecting current financial conditions. By the end of the third quarter, we will be well into the budget process and have a more precise projection of actual expenditures and revenues.
- As of December 31, 2016, the Fiscal Year 2017 projected year-end General Fund undesignated fund balance is estimated to come in \$2,087,692 higher than the Original Fiscal Year 2017 General Fund undesignated fund balance. The main reasons for the net increase are as follow:
 - a. The beginning General Fund undesignated fund balance came in \$1,275,288 higher than expected;
 - b. Revenue is projected to come in \$638,369 over budget, mainly due to the sale of City’s Hwy 59 property and additional process/funds from the canceled Springwood Reclaim/Overlay Street Project, which was transferred back to the General Fund;
 - c. Personnel cost is projected to come in \$82,276 under budget, mainly due to anticipated vacancies, as of the first quarter of Fiscal Year 2017; and,
 - d. Maintenance and operating expense is projected to come in \$91,759 under budget, due to the FY 2016 Drainage Mowing contract, i.e. carryover encumbrance, expiring on 12/31/2016, as of the first quarter of Fiscal Year 2017.

Over all, the City’s General Fund financial position is healthy as of December 31, 2016.

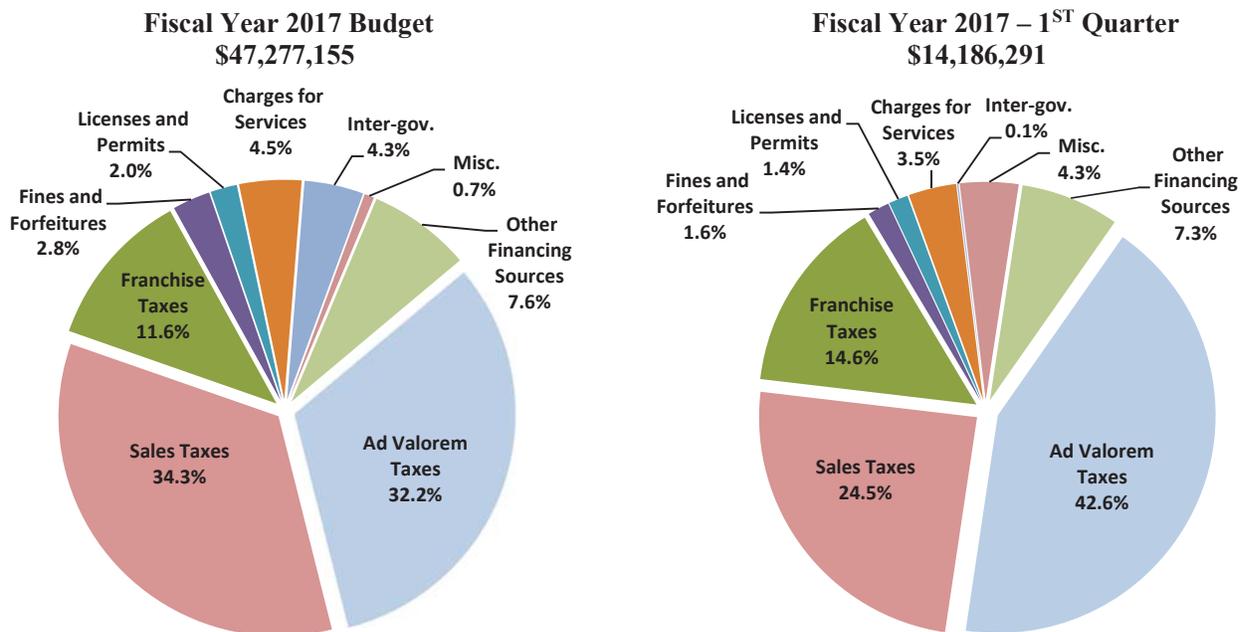
Comments addressing the budgeted revenue and expenditure “variances”, as of December 31, 2016, are addressed in a separate report following the General Fund Quarterly Financial Report.

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

General Fund Overview

The General Fund accounts for operations of traditional governmental services as well as financial resources not required to be accounted for in other funds.

General Fund Sources of Funds



As of December 31, 2016, the General Fund revenues total \$14,186,291 or 30 percent of the Fiscal Year General Fund 2017 budgeted revenues, which is higher than the budget benchmark of 23.4 percent. The main reason for a high collection rate is due to the sale of City's Hwy 59 property, Waste Management Franchise Fee, which is collected in advance, proceeds from the canceled Springwood Reclaim/Overlay Street Project, and ad valorem tax revenue - property owners took advantage of the real estate tax deduction in figuring their 2016 IRS tax return by paying their taxes by December 31, 2016 (property taxes are levied on October 1, 2016 and are due by January 31, 2017).

General Fund Sources of Funds
Revenue Variance as of December 31, 2016

Revenue Source	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount	FY 2017 Projected Actual
Ad Valorem Taxes	\$15,215,292	\$15,215,292	\$ 6,048,469	39.8%	\$ 3,793,402	\$2,255,068	(1) \$15,215,292
Sales Taxes	16,200,000	16,200,000	3,475,782	21.5%	3,659,000	(183,218)	(2) 16,200,000
Franchise Taxes	5,498,628	5,498,628	2,066,339	37.6%	1,480,561	585,778	(3) 5,498,628
Fines & Forfeitures	1,308,040	1,308,040	230,537	17.6%	326,114	(95,577)	(4) 1,308,040
Licenses & Permits	936,815	936,815	202,548	21.6%	230,582	(28,034)	(5) 939,115
Charges for Services	2,150,100	2,150,100	501,147	23.3%	536,087	(34,940)	(6) 2,150,100
Intergovernmental	2,055,000	2,055,000	10,992	0.5%	42,384	(31,392)	(7) 2,040,000
Miscellaneous	337,052	337,052	612,847	181.8%	84,031	528,814	(8) 841,016
Other Financing Sources	3,576,228	3,576,228	1,037,630	29.0%	893,995	143,635	(9) 3,723,333
Total	\$47,277,155	\$47,277,155	\$14,186,291	30.0%	\$11,046,156	\$3,140,134	\$47,915,524

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

General Fund Overview

- (1) *Ad Valorem Taxes* – this variance is due to property owners taking advantage of real estate tax deduction in figuring their 2016 IRS tax return by paying their taxes by December 31, 2016 (property taxes are levied on October 1, 2016 and are due by January 31, 2017). This large variance will help the City finance/fund the remaining nine months of operations and capital improvement projects.
- (2) *Sales Taxes* – sales tax revenue collection trend is lagging behind the Fiscal Year 2017 original budget amount by approximately 1.1% or \$183,218 after three months of collections. Note: The Fiscal Year 2017 original budget assumed a 1.3% decrease in sales tax revenue compared to Fiscal Year 2016 projected budget.
- (3) *Franchise Taxes* – franchise tax payments are received quarterly with the exception of Waste Management (WM). WM franchise contract was amended in Fiscal Year 2012, which requires WM to pay the City 100% of last year's franchise payment, with a modest growth assumption, in advance. At the end of the City's fiscal year, the City and WM will reconcile any difference between the amount advanced and actual franchise tax collected by WM throughout the fiscal year.
- (4) *Fines & Forfeitures* – the variance is mainly due to criminal & traffic violation revenue account coming in under budget for the first quarter, mainly due to the warrant roundup program not being implemented until the second quarter. In addition, this type of revenue is not collected evenly throughout the fiscal year.
- (5) *Licenses & Permits* – this variance is mainly due to building permit revenue accounts coming in under budget in the first quarter. These types of revenue are not collected evenly throughout the fiscal year.
- (6) *Charges for Services* – this variance is mainly due to ambulance revenue coming in under budget in the first quarter. This type of revenue is not collected evenly throughout the fiscal year.
- (7) *Intergovernmental* – this variance is mainly due to the youth sports complex and various softball program revenue accounts coming in under budget for the first quarter; majority of this revenue is not collected until the third and fourth quarter.
- (8) *Miscellaneous* – the variance is mainly due to the sale of City's Hwy 59 property, in the amount of \$503,964.
- (9) *Other Financing Sources* – the variance is mainly due to Springwood Reclaim/Overlay Street Project being canceled, which resulted in transferring funds back to the General Fund from the Construction Fund. Note: the total transfer from the Construction Fund was \$548,550 of which \$401,445 was recognized in FY 2016, i.e. estimated receivable for audit purpose, and \$147,105 was recognized in FY 2017.

As of December 31, 2016, the General Fund 2017 revenue is projected to come in \$638,369 over budget, mainly due to the sale of City's Hwy 59 property and additional proceeds/funds from the canceled Springwood Reclaim/Overlay Street Project, as mentioned above.

Finance Department will continue to monitor all revenue accounts; and, adjust General Fund revenue accounts to reflect current economic or financial trends. By the end of the third quarter, we will be well into the budget process and have a more precise projection of actual revenues.

**CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY FINANCIAL REVENUE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

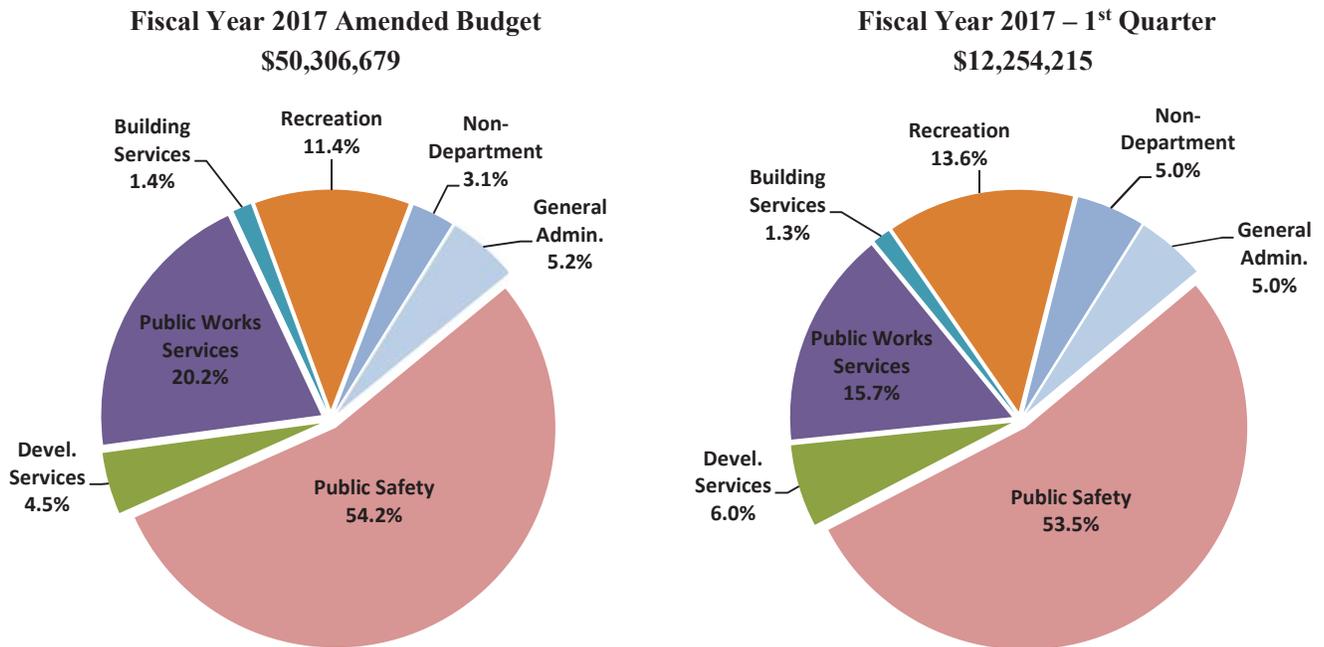
	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual Year to Date	Percent of Amended Budget Collected	Benchmark - Amount / Percentage -	Amount Over (Under) Benchmark Amount	Fiscal Year 2016-17 Projected Actual	Fiscal Year 2016-17 Year End Variance
REVENUES:								
TAXES AND FRANCHISE FEES:								
Ad Valorem Taxes	\$ 15,215,292	\$ 15,215,292	\$ 6,048,469	39.75%	\$ 3,793,402	\$ 2,255,068	\$ 15,215,292	\$ -
Sales Tax	16,200,000	16,200,000	3,475,782	21.46%	3,659,000	(183,218)	16,200,000	-
Franchise Fees	5,498,628	5,498,628	2,066,339	37.58%	1,480,561	585,778	5,498,628	-
Total Taxes and Franchise Fees	\$ 36,913,920	\$ 36,913,920	\$ 11,590,590	31.40%	\$ 8,932,963	\$ 2,657,627	\$ 36,913,920	\$ -
FINES AND FORFEITURES	\$ 1,308,040	\$ 1,308,040	\$ 230,537	17.62%	\$ 326,114	\$ (95,577)	\$ 1,308,040	\$ -
LICENSES AND PERMITS	\$ 936,815	\$ 936,815	\$ 202,548	21.62%	\$ 230,582	\$ (28,034)	\$ 939,115	\$ 2,300
CHARGES FOR SERVICES	\$ 2,150,100	\$ 2,150,100	\$ 501,147	23.31%	\$ 536,087	\$ (34,940)	\$ 2,150,100	\$ -
INTERGOVERNMENTAL	\$ 2,055,000	\$ 2,055,000	\$ 10,992	0.53%	\$ 42,384	\$ (31,392)	\$ 2,040,000	\$ (15,000)
MISCELLANEOUS	\$ 337,052	\$ 337,052	\$ 612,846	181.83%	\$ 84,032	\$ 528,814	\$ 841,016	\$ 503,964
OTHER FINANCING SOURCES	\$ 3,576,228	\$ 3,576,228	\$ 1,037,630	29.01%	\$ 893,995	\$ 143,635	\$ 3,723,333	\$ 147,105
TOTAL	\$ 47,277,155	\$ 47,277,155	\$ 14,186,291	30.01%	\$ 11,046,156	\$ 3,140,134	\$ 47,915,524	\$ 638,369

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

General Fund Overview

The General Fund accounts for operations of traditional governmental services as well as financial resources not required to be accounted for in other funds.

General Fund Uses of Funds



As of December 31, 2016, the General Fund expenses total \$12,254,215 or 24.4 percent of the Fiscal Year 2017 amended General Fund budgeted expenses, which is slightly higher than the budget benchmark of 24.1 percent. The main reasons for a high expense rate are due to the following expense categories:

- *Personnel* cost is coming in \$7,514 over the budget benchmark, mainly the net result of overtime pay and vacancies in first fiscal quarter. The monthly average vacancy rate for the first quarter was 23.67.
- *Maintenance & operation* cost is coming in \$301,572 under the budget benchmark, mainly the net result of various carryover 2016 encumbrances being paid; paying 100 percent of the TML insurance premiums, South Texas Zoo budget, Library’s electronic subscription contract, and Transit System budget; and, as of the first quarter, General Fund transfer to the Construction Fund, for the 2017 CIP Program, has not been made. The following pages provide more detail.
- *Capital Outlay* cost is coming in \$437,070 over the budget benchmark, mainly due to various carryover 2016 encumbrances being paid; and, acquiring mowing equipment for the Park Department in the first quarter.

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

General Fund Overview

General Fund Uses of Funds
Expense Variance as of December 31, 2016

Service Programs	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount		FY 2017 Projected Actual
General Administration	\$ 2,597,020	\$ 2,603,052	\$617,394	23.7%	\$ 620,187	(\$ 2,793)		\$ 2,597,378
Public Safety	27,246,059	27,286,415	6,550,397	24.0%	6,489,160	61,236	(1)	27,303,158
Development	2,226,783	2,284,369	734,400	32.1%	549,136	185,264	(2)	2,272,146
Public Works	9,331,275	10,157,195	1,925,096	19.0%	2,506,626	(581,530)	(3)	10,033,553
Building Services	680,250	683,906	157,418	23.0%	166,986	(9,568)	(4)	679,644
Recreation	5,568,085	5,722,098	1,662,426	29.1%	1,387,770	274,656	(5)	5,677,120
Non-Departmental	1,569,644	1,569,644	607,084	38.7%	391,337	215,747	(6)	1,569,644
Total	\$49,219,116	\$50,306,679	\$12,254,215	24.4%	\$12,111,202	\$143,012		\$50,132,643

(1) Public Safety came in \$61,236 over benchmark, mainly the net result of the following:

- Personnel cost came in \$76,617 over, mainly the net result of overtime pay and higher class pay coming in over budget, and incurring an average monthly vacancy rate of 16.66 in the first quarter; Police Department incurred an average monthly vacancy rate of 15.33, Fire Department incurred an average monthly vacancy rate of 1, and Municipal Court Department incurred an average monthly vacancy rate of 0.33.
- Maintenance & Operation cost came in \$44,039 over, mainly due to Police and Fire Department TML insurance and radio maintenance charges; and, Municipal Court annual software maintenance fee.
- Capital Outlay cost came in \$59,420 under, mainly due to Fire Department medical equipment, computer hardware, and machinery & equipment expense accounts coming in under budget for the first quarter. These types of expense do not occur evenly throughout the fiscal year.

(2) Development Services came in \$185,264 over benchmark, mainly the net result of the following:

- Personnel cost came in \$10,171 under, mainly due to one Development Center/Inspection Department staff being on leave of absence; Development Services incurred zero vacancy rate for the first quarter.
- Maintenance & Operation cost came in \$195,784 over, mainly due to Planning Department Transit System Program, \$209,000, being disbursed in the first quarter and GIS Department 2016 carryover encumbrance, i.e. professional service contract.
- Capital Outlay cost came in \$349 under, mainly due to Planning and GIS Department computer equipment expense account. This type of expense is not expended evenly throughout the fiscal year.

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

General Fund Overview

(3) Public Works came in \$581,530 under benchmark, mainly the net result of the following:

- Personnel cost came in \$24,033 under, mainly due to temporary pay (Engineering Department) coming in under budget and incurring an average monthly vacancy rate of 2.67 for the first quarter; Engineering Department incurred an average monthly vacancy rate of 1 for the first quarter; Street Department incurred an average monthly vacancy rate of 0.67 for the first quarter; and, Traffic Control Department incurred an average monthly vacancy rate of 1 for the first quarter.
- Maintenance & Operation cost came in \$803,944 under, mainly the net result of the following:
 - i. Engineering Department came in \$6,190 under budget, mainly due to various expense accounts coming in under budget in the first quarter;
 - ii. Street Department came in \$869,178 under budget, mainly due to the Construction Fund Transfer expense account, i.e. Fiscal Year 2017 CIP Funding, coming in \$804,994 under budget in the first quarter; the transfer will occur sometime in the second quarter; and,
 - iii. Traffic Department came in \$71,424 over budget, mainly the net result of the Striping Program coming in over budget, due to Fiscal Year 2016 carryover encumbrance, and light & power expense account coming in under budget, in the first quarter.
- Capital Outlay cost came in \$246,447 over, mainly due to the following:
 - i. Engineering Department came in \$940 over; mainly due to computer equipment expense account coming in over budget; this type of account is not expensed evenly throughout the fiscal year;
 - ii. Street Department came in \$243,670 over, mainly due to Fiscal Year 2016 carryover encumbrance, i.e. 2016 Mayfair Terrace and Mayfair Subdivision Seal Coat Project; and,
 - iii. Traffic Department came in \$1,837 over, mainly due to machinery & equipment expense account coming in over budget; this type of account is not expensed evenly throughout the fiscal year.

(4) Building Services came in \$9,568 under benchmark, mainly the net result of the following:

- Personnel cost came in \$1,103 over budget, mainly the net result of one employee retirement payout (Building Services Department) and incurring an average monthly vacancy rate of 0.33 for the first quarter; Building Services Department incurred an average vacancy rate of 0.33; and, Custodial Department incurred an average vacancy rate of zero.
- Maintenance & Operation cost came in \$3,815 under budget, mainly due to Building Services Department light & power expense account coming in \$6,564 under budget and Custodial Department small tools & supply expense account coming in \$1,402 under budget, for the first quarter.
- Capital Outlay cost came in \$6,856 under budget, mainly due to Building Services Department heat & A/C expense account coming in \$6,856 under budget; this type of account is not expensed evenly throughout the fiscal year.

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

General Fund Overview

(5) Recreation came in \$274,656 over benchmark, mainly the net result of the following:

- Personnel cost came in \$28,170 under budget, mainly due to incurring an average monthly vacancy rate of 4 for the first quarter; Parks & Recreation Department incurred an average monthly vacancy rate of 3.33; and, Library Department incurred an average monthly vacancy rate of 0.67.
- Maintenance & Operation cost came in \$50,760 over budget, mainly the net result of the following:
 - i. Parks & Recreation Department came in \$1,430 under budget, mainly due to light & power expense account coming in under budget; and,
 - ii. Library Department came in \$52,190 over budget, mainly due to electronic subscription expense account coming in \$54,895 over budget, for the first quarter.
- Capital Outlay cost came in \$252,066 over budget, mainly the net result of the following:
 - i. Parks & Recreation Department came in \$272,167 over budget, mainly due Fiscal Year 2016 carryover encumbrance and machinery & equipment expense account coming in over budget; and,
 - ii. Library Department came in \$20,101 under budget, mainly due to various capital expense accounts coming in under budget, for the first quarter; these type of accounts are not expensed evenly throughout the fiscal year.

(6) Non-Departmental came in \$215,747 over budget, mainly due to annual payment for TML insurance premiums, South Texas Zoo Program, SAP software maintenance fee, and safety management charges; all being paid in the first quarter.

As of December 31, 2016, Fiscal Year 2017 General Fund expense is projected to come in \$174,036 under budget. The decrease is mainly due to personnel cost being projected to come in \$82,276 under budget, mainly due to anticipated vacancies and maintenance & operation cost is projected to come in \$91,760 under budget, mainly due to the Fiscal Year 2016 Drainage Mowing contract, i.e. carryover encumbrance, expiring on 12/31/2016.

Finance Department will continue to monitor all expense accounts; and, adjust General Fund expense accounts to reflect current economic or financial trends. By end of the third quarter, we will be well into the budget process and have a more precise projection of actual expenses.

**CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY FINANCIAL EXPENDITURE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Percent of Amended Budget Expended	Amount (Over) Under Benchmark		Fiscal Year 2016-17		Fiscal Year 2016-17	
	Original Budget	Amended Budget	Encumbrances	Year to Date	Actual	Year to Date		Quarter Benchmark Amount	Projected Actual	Amount	Benchmark	Actual	Variance
GENERAL ADMINISTRATION:													
City Manager and Council													
Personnel	\$ 566,944	\$ 566,944	\$ -	\$ -	128,664		22.69%	\$ 134,406	\$ 5,741	\$ 562,863	\$ (4,081)		
Maintenance & Operation	43,106	44,149	1,043		11,906		29.33%	11,007	(1,942)	44,149	-		
Capital Outlay	1,400	1,400	-	-	-		0.00%	349	349	1,400	-		
Subtotal	\$ 611,450	\$ 612,493	\$ 1,043	\$ 1,043	\$ 140,570		23.12%	\$ 145,762	\$ 4,149	\$ 608,412	\$ (4,081)		
Finance													
Personnel	\$ 484,139	\$ 484,139	\$ -	\$ -	114,323		23.61%	\$ 114,589	\$ 266	\$ 484,080	\$ (59)		
Maintenance & Operation	119,464	121,999	13,500		34,281		39.17%	30,416	(17,365)	121,999	-		
Capital Outlay	6,594	6,809	6,808		-		99.99%	1,698	(5,111)	6,809	-		
Subtotal	\$ 610,197	\$ 612,947	\$ 20,308	\$ 148,604			27.56%	\$ 146,703	\$ (22,209)	\$ 612,888	\$ (59)		
Legal													
Personnel	\$ 369,275	\$ 369,275	\$ -	\$ -	83,698		22.67%	\$ 85,739	\$ 2,041	\$ 367,421	\$ (1,854)		
Maintenance & Operation	92,941	92,941	-	-	19,646		21.14%	23,172	3,525	92,941	-		
Capital Outlay	-	-	-	-	-		0.00%	-	-	-	-		
Subtotal	\$ 462,216	\$ 462,216	\$ -	\$ 103,344			22.36%	\$ 108,911	\$ 5,566	\$ 460,362	\$ (1,854)		
Human Resources													
Personnel	\$ 314,865	\$ 314,865	\$ -	\$ -	74,428		23.64%	\$ 74,242	\$ (186)	\$ 314,924	\$ 59		
Maintenance & Operation	121,867	124,106	1,489		23,162		19.86%	30,941	6,291	124,106	-		
Capital Outlay	1,100	1,100	-	-	1,068		97.11%	274	(794)	1,100	-		
Subtotal	\$ 437,832	\$ 440,071	\$ 1,489	\$ 98,658			22.76%	\$ 105,458	\$ 5,311	\$ 440,130	\$ 59		
City Secretary													
Personnel	\$ 160,827	\$ 160,827	\$ -	\$ -	38,264		23.79%	\$ 38,199	\$ (65)	\$ 160,619	\$ (208)		
Maintenance & Operation	46,703	46,703	-	-	8,700		18.63%	11,644	2,944	46,703	-		
Capital Outlay	-	-	-	-	-		0.00%	-	-	-	-		
Subtotal	\$ 207,530	\$ 207,530	\$ -	\$ 46,964			22.63%	\$ 49,843	\$ 2,879	\$ 207,322	\$ (208)		
Public Information Office													
Personnel	\$ 212,708	\$ 212,708	\$ -	\$ -	49,994		23.50%	\$ 49,777	\$ (217)	\$ 213,178	\$ 470		
Maintenance & Operation	53,587	53,587	-	-	6,421		11.98%	13,360	6,939	53,587	-		
Capital Outlay	1,500	1,500	-	-	-		0.00%	374	374	1,500	-		
Subtotal	\$ 267,795	\$ 267,795	\$ -	\$ 56,415			21.07%	\$ 63,511	\$ 7,097	\$ 268,265	\$ 470		
TOTAL GENERAL ADMINISTRATION	\$ 2,597,020	\$ 2,603,052	\$ 22,840	\$ 594,554			23.72%	\$ 620,187	\$ 2,792	\$ 2,597,378	\$ (5,674)		

**CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY FINANCIAL EXPENDITURE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17	
	Original Budget	Amended Budget	Encumbrances Year to Date	Actual Year to Date	Percent of Amended Budget Expended	Quarter Benchmark Amount	(Over) Under Benchmark Amount	Projected Actual	Projected Actual	Year End Variance	Year End Variance	Year End Variance
PUBLIC SAFETY:												
Police												
Personnel	\$ 11,601,312	\$ 11,601,312	\$ -	\$ 2,750,253	23.71%	\$ 2,728,607	\$ (21,646)	\$ 11,575,777	\$ 11,575,777	\$ (25,535)	\$ (25,535)	\$ (25,535)
Maintenance & Operation	2,338,567	2,344,610	66,438	537,325	25.75%	584,547	(19,217)	2,344,610	2,344,610	-	-	-
Capital Outlay	106,567	114,245	6,988	9,847	14.74%	28,483	11,648	114,245	114,245	-	-	-
Subtotal	\$ 14,046,446	\$ 14,060,167	\$ 73,426	\$ 3,297,425	23.97%	\$ 3,341,637	\$ (29,214)	\$ 14,034,632	\$ 14,034,632	\$ (25,535)	\$ (25,535)	\$ (25,535)
Fire												
Personnel	\$ 10,552,333	\$ 10,552,333	\$ -	\$ 2,540,905	24.08%	\$ 2,485,132	\$ (55,774)	\$ 10,593,902	\$ 10,593,902	\$ 41,569	\$ 41,569	\$ 41,569
Maintenance & Operation	2,058,476	2,087,400	26,162	491,426	24.80%	520,420	2,832	2,087,400	2,087,400	-	-	-
Capital Outlay	222,414	219,894	3,162	3,715	3.13%	54,823	47,946	219,894	219,894	-	-	-
Subtotal	\$ 12,833,223	\$ 12,859,627	\$ 29,324	\$ 3,036,047	23.84%	\$ 3,060,375	\$ (4,996)	\$ 12,901,196	\$ 12,901,196	\$ 41,569	\$ 41,569	\$ 41,569
Municipal Court												
Personnel	\$ 270,079	\$ 270,079	\$ -	\$ 62,277	23.06%	\$ 63,080	\$ 802	\$ 270,788	\$ 270,788	\$ 709	\$ 709	\$ 709
Maintenance & Operation	96,311	96,311	-	51,666	53.64%	24,012	(27,654)	96,311	96,311	-	-	-
Capital Outlay	-	231	231	-	100.00%	58	(173)	231	231	-	-	-
Subtotal	\$ 366,390	\$ 366,621	\$ 231	\$ 113,943	31.14%	\$ 87,149	\$ (27,026)	\$ 367,330	\$ 367,330	\$ 709	\$ 709	\$ 709
TOTAL PUBLIC SAFETY												
	\$ 27,246,059	\$ 27,286,415	\$ 102,982	\$ 6,447,415	24.01%	\$ 6,489,160	\$ (61,236)	\$ 27,303,158	\$ 27,303,158	\$ 16,743	\$ 16,743	\$ 16,743
DEVELOPMENT:												
Development Services Administration												
Personnel	\$ 178,349	\$ 178,349	\$ -	\$ 42,366	23.75%	\$ 42,219	\$ (147)	\$ 178,013	\$ 178,013	\$ (336)	\$ (336)	\$ (336)
Maintenance & Operation	15,538	15,538	-	2,236	14.39%	3,874	1,638	15,538	15,538	-	-	-
Capital Outlay	-	-	-	-	0.00%	-	-	-	-	-	-	-
Subtotal	\$ 193,887	\$ 193,887	\$ -	\$ 44,603	23.00%	\$ 46,093	\$ 1,490	\$ 193,551	\$ 193,551	\$ (336)	\$ (336)	\$ (336)
Planning												
Personnel	\$ 225,511	\$ 225,511	\$ -	\$ 52,654	23.35%	\$ 52,450	\$ (204)	\$ 225,697	\$ 225,697	\$ 186	\$ 186	\$ 186
Maintenance & Operation	263,264	264,307	6,543	219,534	85.54%	65,896	(160,181)	264,307	264,307	-	-	-
Capital Outlay	700	700	-	-	0.00%	175	175	700	700	-	-	-
Subtotal	\$ 489,475	\$ 490,518	\$ 6,543	\$ 272,188	56.82%	\$ 118,520	\$ (160,211)	\$ 490,704	\$ 490,704	\$ 186	\$ 186	\$ 186

**CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY FINANCIAL EXPENDITURE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year		Fiscal Year		Fiscal Year		Percent of Amended Budget Expended	Quarter Benchmark Amount	Amount		Fiscal Year 2016-17 Year End Variance
	2016-17 Original Budget	2016-17 Amended Budget	2016-17 Encumbrances Year to Date	2016-17 Actual Year to Date	(Over) Benchmark Amount	2016-17 Projected Actual					
DEVELOPMENT - continued:											
Development Center - Inspections											
Personnel	\$ 648,578	\$ 648,578	\$ -	\$ 144,291		22.25%	\$ 153,466	\$ 9,175	\$ 638,043	\$ (9,935)	
Maintenance & Operation	151,819	151,819	90	24,534		16.22%	37,851	13,227	151,819	-	
Capital Outlay	-	-	-	-		0.00%	-	-	-	-	
Subtotal	\$ 800,397	\$ 800,397	\$ 90	\$ 168,826		21.10%	\$ 191,317	\$ 22,402	\$ 790,462	\$ (9,935)	
Code Enforcement											
Personnel	\$ 265,945	\$ 265,945	\$ -	\$ 61,311		23.05%	\$ 63,293	\$ 1,981	\$ 263,558	\$ (2,387)	
Maintenance & Operation	184,012	184,012	354	43,308		23.73%	45,877	2,214	184,012	-	
Capital Outlay	-	-	-	-		0.00%	-	-	-	-	
Subtotal	\$ 449,957	\$ 449,957	\$ 354	\$ 104,620		23.33%	\$ 109,170	\$ 4,196	\$ 447,570	\$ (2,387)	
Geographic Information System (GIS)											
Personnel	\$ 251,197	\$ 251,197	\$ -	\$ 60,135		23.94%	\$ 59,501	\$ (634)	\$ 251,446	\$ 249	
Maintenance & Operation	41,170	97,713	56,543	20,500		78.85%	24,361	(52,682)	97,713	-	
Capital Outlay	700	700	-	-		0.00%	175	175	700	-	
Subtotal	\$ 293,067	\$ 349,610	\$ 56,543	\$ 80,635		39.24%	\$ 84,037	\$ (53,141)	\$ 349,859	\$ 249	
Engineering											
Personnel	\$ 660,514	\$ 660,514	\$ -	\$ 144,564		21.89%	\$ 156,669	\$ 12,105	\$ 641,032	\$ (19,482)	
Maintenance & Operation	104,256	105,299	1,043	19,019		19.05%	26,253	6,190	105,299	-	
Capital Outlay	4,800	4,800	-	2,136		44.51%	1,197	(940)	4,800	-	
Subtotal	\$ 769,570	\$ 770,613	\$ 1,043	\$ 165,719		21.64%	\$ 184,118	\$ 17,356	\$ 751,131	\$ (19,482)	
Street											
Personnel	\$ 1,387,124	\$ 1,387,124	\$ -	\$ 329,895		23.78%	\$ 332,580	\$ 2,685	\$ 1,387,990	\$ 866	
Maintenance & Operation	5,042,633	5,300,373	167,158	285,127		8.53%	1,321,463	869,178	5,208,613	(91,760)	
Capital Outlay	71,475	399,098	261,750	81,421		85.99%	99,501	(243,670)	399,098	-	
Subtotal	\$ 6,501,232	\$ 7,086,595	\$ 428,908	\$ 696,444		15.88%	\$ 1,753,544	\$ 628,192	\$ 6,995,701	\$ (90,894)	

**CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY FINANCIAL EXPENDITURE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Percent of Amended Budget Expended	Quarter Benchmark Amount	Amount (Over) Under Benchmark		Fiscal Year 2016-17		Fiscal Year 2016-17 Year End Variance
	Original Budget	Amended Budget	Encumbrances Year to Date	Actual Year to Date	Amended Budget	Actual Year to Date			Projected Actual	Actual			
DEVELOPMENT - continued:													
Traffic Control													
Personnel	\$ 480,380	\$ 480,380	\$ -	\$ 106,065	22.08%	\$ 115,309	\$ 9,244	\$ 467,113	\$ (13,267)				
Maintenance & Operation	1,579,218	1,815,994	159,546	364,632	28.86%	452,755	(71,424)	1,815,994	-				
Capital Outlay	875	3,613	-	2,738	75.78%	901	(1,837)	3,613	-				
Subtotal	\$ 2,060,473	\$ 2,299,987	\$ 159,546	\$ 473,436	27.52%	\$ 568,964	\$ (64,018)	\$ 2,286,720	\$ (13,267)				
TOTAL DEVELOPMENT	\$ 11,558,058	\$ 12,441,564	\$ 653,026	\$ 2,006,470	21.38%	\$ 3,055,762	\$ 396,266	\$ 12,305,698	\$ (135,866)				
BUILDING SERVICES:													
Building Services													
Personnel	\$ 286,430	\$ 286,430	\$ -	\$ 69,986	24.43%	\$ 68,610	\$ (1,376)	\$ 285,042	\$ (1,388)				
Maintenance & Operation	154,698	158,354	-	37,937	23.96%	39,480	1,543	158,354	-				
Capital Outlay	27,500	27,500	-	-	0.00%	6,856	6,856	27,500	-				
Subtotal	\$ 468,628	\$ 472,284	\$ -	\$ 107,922	22.85%	\$ 114,946	\$ 7,024	\$ 470,896	\$ (1,388)				
Custodial													
Personnel	\$ 173,118	\$ 173,118	\$ -	\$ 42,167	24.36%	\$ 42,440	\$ 273	\$ 170,245	\$ (2,873)				
Maintenance & Operation	38,504	38,504	-	7,329	19.03%	9,600	2,271	38,504	-				
Capital Outlay	-	-	-	-	0.00%	-	-	-	-				
Subtotal	\$ 211,622	\$ 211,622	\$ -	\$ 49,496	23.39%	\$ 52,040	\$ 2,544	\$ 208,749	\$ (2,873)				
TOTAL BUILDING SERVICES	\$ 680,250	\$ 683,906	\$ -	\$ 157,418	23.02%	\$ 166,986	\$ 9,568	\$ 679,644	\$ (4,262)				

**CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY FINANCIAL EXPENDITURE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17	
	Original Budget	Amended Budget	Encumbrances Year to Date	Actual Year to Date	Percent of Amended Budget Expended	Quarter Benchmark Amount	(Over) Under Benchmark Amount	Projected Actual	Projected Actual	Year End Variance	Year End Variance	Year End Variance
RECREATION:												
Parks and Recreation												
Personnel	\$ 1,821,484	\$ 1,821,484	\$ -	\$ 415,819	22.83%	\$ 433,544	\$ 17,725	\$ 1,789,126	\$ 1,789,126	\$ (32,358)	\$ (32,358)	
Maintenance & Operation	1,125,257	1,155,792	68,207	218,519	24.81%	288,156	1,430	1,155,792	1,155,792	-	-	
Capital Outlay	369,000	492,477	235,153	159,796	80.20%	122,782	(272,167)	492,477	492,477	-	-	
Subtotal	\$ 3,315,741	\$ 3,469,754	\$ 303,360	\$ 794,134	31.63%	\$ 844,482	\$ (253,012)	\$ 3,437,395	\$ 3,437,395	\$ (32,358)	\$ (32,358)	
Library												
Personnel	\$ 1,363,673	\$ 1,363,673	\$ -	\$ 311,283	22.83%	\$ 321,729	\$ 10,446	\$ 1,351,054	\$ 1,351,054	\$ (12,619)	\$ (12,619)	
Maintenance & Operation	608,021	608,021	4,260	199,519	33.52%	151,589	(52,190)	608,021	608,021	-	-	
Capital Outlay	280,650	280,650	1,750	48,120	17.77%	69,970	20,101	280,650	280,650	-	-	
Subtotal	\$ 2,252,344	\$ 2,252,344	\$ 6,010	\$ 558,922	25.08%	\$ 543,288	\$ (21,644)	\$ 2,239,725	\$ 2,239,725	\$ (12,619)	\$ (12,619)	
TOTAL RECREATION	\$ 5,568,085	\$ 5,722,098	\$ 309,370	\$ 1,353,055	29.05%	\$ 1,387,770	\$ (274,656)	\$ 5,677,120	\$ 5,677,120	\$ (44,977)	\$ (44,977)	
NON-DEPARTMENTAL APPROPRIATIONS:												
Non-Departmental Appropriations												
Personnel	\$ 1,000	\$ 1,000	\$ -	\$ -	0.00%	\$ 250	\$ 250	\$ 1,000	\$ 1,000	\$ -	\$ -	
Maintenance & Operation	1,568,644	1,568,644	52,618	554,465	38.70%	391,087	(215,997)	1,568,644	1,568,644	-	-	
Capital Outlay	-	-	-	-	0.00%	-	-	-	-	-	-	
Subtotal	\$ 1,569,644	\$ 1,569,644	\$ 52,618	\$ 554,465	38.68%	\$ 391,337	\$ (215,747)	\$ 1,569,644	\$ 1,569,644	\$ -	\$ -	
TOTAL NON-DEPARTMENTAL	\$ 1,569,644	\$ 1,569,644	\$ 52,618	\$ 554,465	38.68%	\$ 391,337	\$ (215,747)	\$ 1,569,644	\$ 1,569,644	\$ -	\$ -	
TOTAL GENERAL FUND EXPENDITURES:	\$ 49,219,116	\$ 50,306,679	\$ 1,140,837	\$ 11,113,378	24.36%	\$ 12,111,202	\$ (143,012)	\$ 50,132,643	\$ 50,132,643	\$ (174,036)	\$ (174,036)	
GENERAL FUND												
Personnel	\$ 32,275,785	\$ 32,275,785	\$ -	\$ 7,623,343	23.62%	\$ 7,615,829	\$ (7,514)	\$ 32,193,509	\$ 32,193,509	\$ (82,276)	\$ (82,276)	
Maintenance & Operation	15,848,056	16,476,176	624,994	3,181,193	23.10%	4,107,759	301,572	16,384,416	16,384,416	(91,760)	(91,760)	
Capital Outlay	1,095,275	1,554,717	515,842	308,841	53.04%	387,614	(437,070)	1,554,717	1,554,717	-	-	
Total	\$ 49,219,116	\$ 50,306,679	\$ 1,140,837	\$ 11,113,378	24.36%	\$ 12,111,202	\$ (143,012)	\$ 50,132,643	\$ 50,132,643	\$ (174,036)	\$ (174,036)	

CITY OF VICTORIA, TEXAS
MOTEL TAX FUND QUARTERLY FINANCIAL REPORT
PRO FORMA SCHEDULE OF FUND BALANCE POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year to Date	Fiscal Year 2016-17 Projected Actual
BEGINNING FUND BALANCE				
Undesignated Fund Balance	\$ 250,069	\$ 366,472	\$ 366,472	\$ 366,472
Reserved for CVB Building Project	-	-	-	-
TOTAL FUND BALANCE, OCTOBER 1	\$ 250,069	\$ 366,472	\$ 366,472	\$ 366,472
REVENUES				
Motel Tax Receipts	\$ 1,360,000	\$ 1,360,000	\$ 332,080	\$ 1,360,000
Interest Income	2,500	2,500	376	2,500
Miscellaneous Revenue	1,000	1,000	1,745	1,745
Total Revenues	\$ 1,363,500	\$ 1,363,500	\$ 334,201	\$ 1,364,245
TOTAL FUNDS AVAILABLE	\$ 1,613,569	\$ 1,729,972	\$ 700,673	\$ 1,730,717
EXPENDITURES				
Personnel Services	\$ 34,701	\$ 34,701	\$ 8,185	\$ 34,701
Professional Services	22,000	22,000	-	22,000
South Texas Zoo	2,300	2,300	-	2,300
Victoria Symphony	8,400	8,400	-	8,400
Victoria Bach Festival	9,770	9,770	-	9,770
Victoria Convention & Visitors Bureau	695,566	695,566	173,892	695,566
Tournament Programs	101,500	101,500	28,615	101,500
Childrens Discovery Museum	2,770	2,770	-	2,770
Leo J. Welder Center	4,500	4,500	-	4,500
Theatre Victoria	3,034	3,034	-	3,034
Film Festival	8,470	8,470	-	8,470
Main Street Program	64,000	64,000	9,422	64,000
Quilt Guild of Victoria	3,900	3,900	-	3,900
Victoria Ballet Theatre	5,648	5,648	-	5,648
Minority Business Council	3,249	3,249	-	3,249
Museum of the Coastal Bend	6,000	6,000	-	6,000
ComicCon	10,000	10,000	-	10,000
Victoria Regional Museum Association	9,790	9,790	-	9,790
Victoria Preservation	7,132	7,132	-	7,132
St. Vincent De Paul	3,000	3,000	-	3,000
Hat Rod Productions	2,500	2,500	-	2,500
La Camara - Fiesta	3,537	3,537	-	3,537
Memorial Weekend Bash	6,000	6,000	-	6,000
Transfer to Community Center Building	150,000	150,000	37,500	150,000
Transfer to Community Center Operations	330,000	330,000	82,500	330,000
Total Expenditures	\$ 1,497,767	\$ 1,497,767	\$ 340,113	\$ 1,497,767
ENDING FUND BALANCE				
Undesignated Fund Balance	\$ 115,802	\$ 232,205	\$ 360,559	\$ 232,950
Reserved for CVB Building Project	-	-	-	-
TOTAL FUND BALANCE, DECEMBER 31	\$ 115,802	\$ 232,205	\$ 360,559	\$ 232,950

Comments on the Motel Tax Fund's "Pro Forma Schedule of Fund Balance" can be found on the following page.

CITY OF VICTORIA, TEXAS
MOTEL TAX FUND QUARTERLY FINANCIAL REPORT - EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

The following comments will address the main issues associated to the Motel Tax Fund's financial status as of December 31, 2016:

- The “audited” Fiscal Year 2016 ending “*Undesignated Fund Balance*” came in at \$366,472, an increase of \$116,403 or 47%, compared to the projected Fiscal Year 2016 ending “*Undesignated Fund Balance*” calculated back in July 2016 of \$250,069. The increase is due mainly to motel tax receipts coming in \$50,836 higher than expected, and expenses coming in \$65,568 under budget, due to Tournament Program (softball) and Children's Discovery Museum. The excess fund balance will be reserved in order to address future contingencies or expense as Council determines.
- As of December 31, 2016, the original Fiscal Year 2017 Motel Tax Fund budget has not been amended.
- As of December 31, 2016, the Motel Tax Fund has an undesignated fund balance of \$360,559.

Note: City collects its motel/hotel tax receipts the following month after the motels/hotels collect the hotel tax from their customers. Payments to the various “outside” agencies, receiving motel tax funding, are done quarterly once “post event form” has been submitted by the agency with the exception of the Convention & Visitors Bureau and Main Street Program, which are done monthly. Transfers to the Community Center Fund are done quarterly. Motel tax allocation, for “outside” agencies, will be based on actual current taxes received for each quarter, with no guarantee that the full funding level for each agency will be reached (per contract terms).

- The “Fiscal Year 2016-17 Projected Actual” column, as of December 31, 2016, assumes the full-amended budget amount will be expensed with some minor adjustments to certain expense accounts; and, revenue accounts are reflecting current financial conditions. By the end of the third quarter, we will be well into the budget process and have a more precise projection of actual expenditures and revenues.
- As of December 31, 2016, the Fiscal Year 2017 projected year-end Motel Tax Fund undesignated fund balance is estimated to come in \$117,148 higher than the Original Fiscal Year 2017 Motel Tax Fund undesignated fund balance (*assuming the City decides to fund “outside” agencies at a 100 percent level*). The main reason for the net increase is due to the beginning Motel Tax Fund undesignated fund balance coming in \$116,403 higher than expected.

Finance Department will continue to monitor motel tax receipts throughout the year; and, adjust motel tax revenue to reflect current economic or financial trends.

Over all, the City Motel Tax Fund's financial position is stable as of December 31, 2016.

Comments addressing the budgeted revenue and expenditure “variances”, as of December 31, 2016, are addressed in a separate report following the Motel Tax Fund's Quarterly Financial Report.

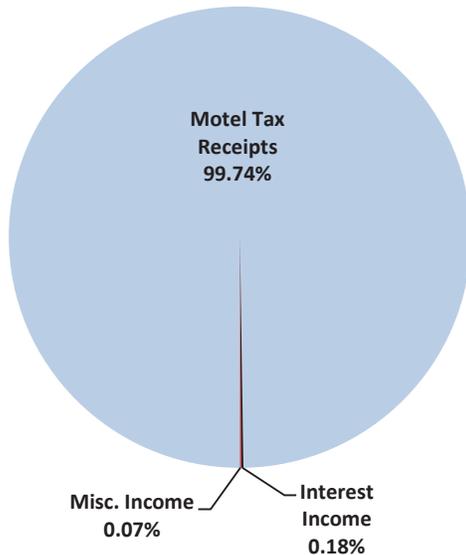
CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

Motel Tax Fund Overview

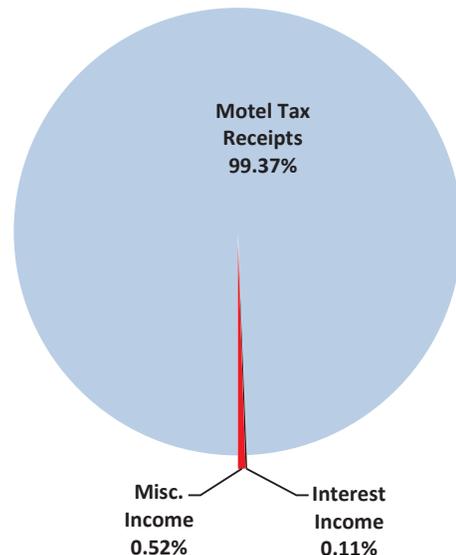
The Motel Tax Fund accounts for proceeds collected from all lodging properties that are legally restricted to expenditures for specific purposes, per Texas Tax Code Chapter 351 and City Ordinance.

Motel Tax Fund Sources of Funds

Fiscal Year 2017 Budget
\$1,363,500



Fiscal Year 2017 – 1st Quarter
\$334,201



As of December 31, 2016, the Motel Tax Fund revenues total \$334,201 or 24.5 percent of the Fiscal Year 2017 Motel Tax Fund budgeted revenues, which is lower than the budget benchmark of 25 percent. The main reason for a low collection rate is due to motel tax receipts estimated to come in \$7,920 lower than expected, for the first quarter.

Motel Tax Fund Sources of Funds
Revenue Variance as of December 31, 2016

Revenue Source	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount	FY 2017 Projected Actual
Motel Tax Receipts	\$1,360,000	\$1,360,000	\$332,080	24.4%	\$340,000	(\$7,920)	\$1,360,000
Interest Income	2,500	2,500	376	15.0%	625	(249)	2,500
Miscellaneous	1,000	1,000	1,745	174.5%	250	1,495	1,745
Total	\$1,363,500	\$1,363,500	\$334,201	24.5%	\$340,875	(\$6,674)	\$1,364,245

As of December 31, 2016, the Motel Tax Fund 2017 revenue is projected to come in \$745 over budget. The increase is mainly due to miscellaneous revenue being projected to come in \$745 or 74.5 percent over budget. Finance will continue to monitor motel tax receipts and make any modifications as necessary.

**CITY OF VICTORIA, TEXAS
MOTEL TAX FUND QUARTERLY FINANCIAL REVENUE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

Motel Tax Fund - Revenues	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17 Actual Year to Date	Percent of Amended Budget Collected	Quarter Benchmark Amount	Amount Over (Under) Benchmark Amount		Fiscal Year 2016-17		Fiscal Year 2016-17 Year End Variance
	Original Budget	Amended Budget	Amended Budget	Actual Year to Date				Projected Actual	Projected Actual			
Motel Tax Receipts	\$ 1,360,000	\$ 1,360,000	\$ 1,360,000	\$ 332,080	24.42%	\$ 340,000	\$ (7,920)	\$ 1,360,000	\$ -			\$ -
Interest Income	2,500	2,500	2,500	376	15.04%	625	(249)	2,500	-			-
Miscellaneous	1,000	1,000	1,000	1,745	174.48%	250	1,495	1,745	745			745
TOTAL	\$ 1,363,500	\$ 1,363,500	\$ 1,363,500	\$ 334,201	24.51%	\$ 340,875	\$ (6,675)	\$ 1,364,245	\$ 745			\$ 745

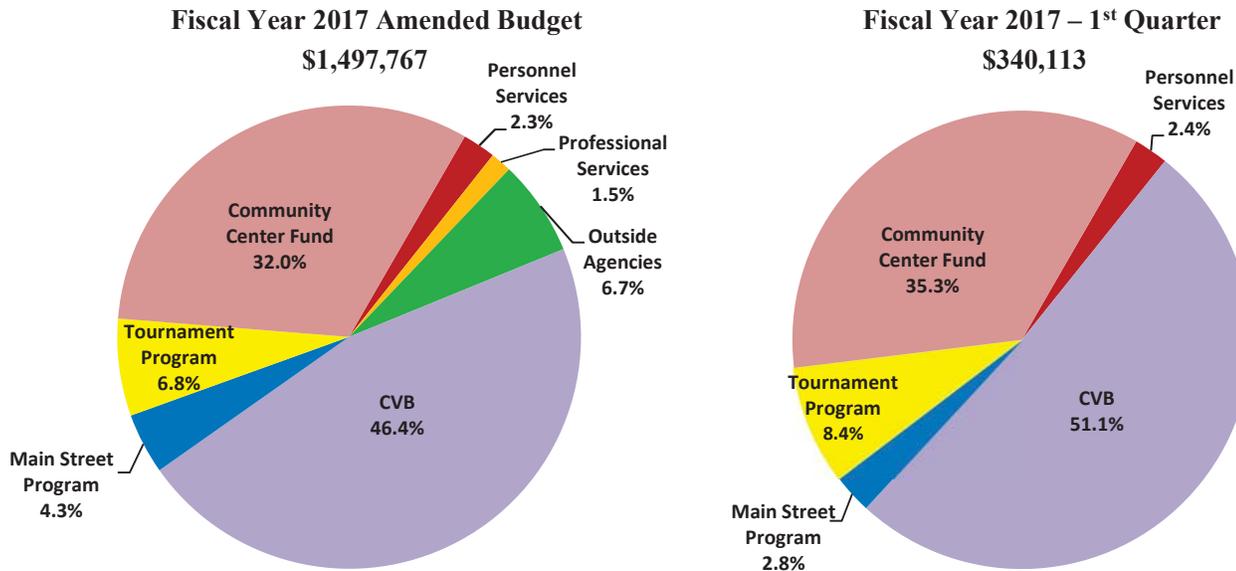
REVENUES:

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Motel Tax Fund Overview

The Motel Tax Fund accounts for proceeds collected from all lodging properties that are legally restricted to expenditures for specific purposes, per Texas Tax Code Chapter 351 and City Ordinance.

Motel Tax Fund Uses of Funds



As of December 31, 2016, the Motel Tax Fund expenses total \$340,113 or 22.7 percent of the Fiscal Year 2017 amended Motel Tax Fund budgeted expenses, which is lower than the budget benchmark of 24.9 percent. The main reason for a low expense rate is the majority of the “outside” agency disbursements will not occur until the agencies have submitted their Post-Event Report, which usually occurs in the third and/or fourth quarter.

Motel Tax Fund Uses of Funds
Expense Variance as of December 31, 2016

Service Programs	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount	FY 2017 Projected Actual
Personnel Services	\$ 34,701	\$ 34,701	\$ 8,185	23.6%	\$ 8,146	\$ 39	\$ 34,701
Professional Services	22,000	22,000	-	0.0%	5,485	(5,485) (1)	22,000
Outside Agencies	100,000	100,000	-	0.0%	24,933	(24,933) (2)	100,000
CVB	695,566	695,566	173,892	25.0%	173,415	477	695,566
Main Street Program	64,000	64,000	9,422	14.7%	15,956	(6,534) (3)	64,000
Tournament Program	101,500	101,500	28,615	28.2%	25,305	3,310 (4)	101,500
Community Center Fd.	480,000	480,000	120,000	25.0%	119,671	329	480,000
Total	\$1,497,767	\$1,497,767	\$340,113	22.7%	\$372,911	(\$32,797)	\$1,497,767

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Motel Tax Fund Overview

- (1) *Professional Services* are expenses associated to audit services performed by an outside audit firm on various motels/hotels that are collecting hotel tax receipts; and, maintenance fee for the online motel/hotel reporting and software program. The audit service is usually performed during the summer and fall; and, the maintenance fee payment is paid in the third quarter. As of the first quarter, professional services expense account is coming in under budget.
- (2) *Outside Agencies'* quarterly funding allocation is coming in \$24,933 under benchmark. Payments to outside agencies, with the exception of the Main Street Program, are made after the City has collected its quarterly motel tax receipts and the agency has submitted its *post-event form*, which will be reviewed and approved by the Legal and Finance Departments. "HOT" funds have been allocated to the following outside agencies, for Fiscal Year 2017:

1. Victoria Reg. Museum Association	\$ 9,790
2. Film Festival	8,470
3. Theatre Victoria	3,034
4. Victoria Symphony	8,400
5. Victoria Bach Festival	9,770
6. Quilt Guild of Victoria	3,900
7. Victoria Ballet Theatre	5,648
8. Children's Discovery Museum	2,770
9. Leo J. Welder Center	4,500
10. Minority Business Council	3,249
11. Memorial Weekend Bash	6,000
12. HAT Rod Production	2,500
13. La Camara – Fiesta Victoria	3,537
14. Comic Con	<u>10,000</u>
Total Art Program Funding:	\$81,568
15. Victoria Preservation, Inc.	7,132
16. Museum of the Coastal Bend	6,000
17. South Texas Zoological Society	2,300
18. St. Vincent de Paul	<u>3,000</u>
Total	<u>\$100,000</u>

- (3) *Main Street Program* is coming in \$6,534 under benchmark, mainly due to Main Street Program expenses for December will not be paid until January, i.e. second quarter. The Main Street Program is reimbursed on a monthly basis, after the City has collected its motel tax receipts from the Motels/Hotels (i.e. timing difference).

***CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016***

Motel Tax Fund Overview

- (4) *Tournament Program* is coming in \$3,310 over benchmark, as of the first quarter. Majority of the program expenses will occur during the summer and fall.

As of December 31, 2016, Fiscal Year 2017 Motel Tax Fund expense is projected to come in at budget. Finance Department will continue to monitor motel-tax receipts and expenses throughout the year.

**CITY OF VICTORIA, TEXAS
MOTEL TAX FUND QUARTERLY FINANCIAL EXPENDITURE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

Motel Tax Fund - Expenditures	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Percent of	Quarter	Amount	Fiscal Year	Fiscal Year
	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Encumbrances Year to Date	FY 2017 Actual Year to Date	Amended Budget Expended	Benchmark Amount	(Over) Under Amount	Benchmark Amount	Projected Actual	FY 2017 Year End	FY 2017 Variance
Expenditures:											
Personnel Services	\$ 34,701	\$ 34,701	\$ -	\$ 8,185	23.59%	\$ 8,146	\$ (38)	\$ 34,701	\$ -		
Professional Services	22,000	22,000	-	-	0.00%	5,485	5,485	22,000	-		
South Texas Zoo	2,300	2,300	-	-	0.00%	573	573	2,300	-		
Victoria Symphony	8,400	8,400	-	-	0.00%	2,094	2,094	8,400	-		
Victoria Bach Festival	9,770	9,770	-	-	0.00%	2,436	2,436	9,770	-		
Victoria Convention & Visitors Bureau	695,566	695,566	-	173,892	25.00%	173,415	(476)	695,566	-		
Tournament Programs	101,500	101,500	-	28,615	28.19%	25,305	(3,310)	101,500	-		
Childrens Discovery Museum	2,770	2,770	-	-	0.00%	691	691	2,770	-		
Leo J. Welder Center	4,500	4,500	-	-	0.00%	1,122	1,122	4,500	-		
Theatre Victoria	3,034	3,034	-	-	0.00%	756	756	3,034	-		
Film Festival	8,470	8,470	-	-	0.00%	2,112	2,112	8,470	-		
Main Street Program	64,000	64,000	-	9,422	14.72%	15,956	6,534	64,000	-		
Quilt Guild of Victoria	3,900	3,900	-	-	0.00%	972	972	3,900	-		
Victoria Ballet Theatre	5,648	5,648	-	-	0.00%	1,408	1,408	5,648	-		
Minority Business Council	3,249	3,249	-	-	0.00%	810	810	3,249	-		
Museum of the Coastal Bend	6,000	6,000	-	-	0.00%	1,496	1,496	6,000	-		
ComicCon	10,000	10,000	-	-	0.00%	2,493	2,493	10,000	-		
Victoria Regional Museum Association	9,790	9,790	-	-	0.00%	2,441	2,441	9,790	-		
Victoria Preservation	7,132	7,132	-	-	0.00%	1,778	1,778	7,132	-		
St. Vincent De Paul	3,000	3,000	-	-	0.00%	748	748	3,000	-		
Hat Rod Productions	2,500	2,500	-	-	0.00%	623	623	2,500	-		
La Camara - Fiesta	3,537	3,537	-	-	0.00%	882	882	3,537	-		
Memorial Weekend Bash	6,000	6,000	-	-	0.00%	1,496	1,496	6,000	-		
Transfer to Community Center Building	150,000	150,000	-	37,500	25.00%	37,397	(103)	150,000	-		
Transfer to Community Center Operations	330,000	330,000	-	82,500	25.00%	82,274	(226)	330,000	-		
TOTAL EXPENDITURES:	\$ 1,497,767	\$ 1,497,767	\$ -	\$ 340,113	22.71%	\$ 372,911	\$ 32,797	\$ 1,497,767	\$ -		

CITY OF VICTORIA, TEXAS
CONVENTION & VISITORS BUREAU FUND QUARTERLY FINANCIAL REPORT
PRO FORMA SCHEDULE OF FUND BALANCE POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year to Date	Fiscal Year 2016-17 Projected Actual
BEGINNING FUND BALANCE				
Undesignated Fund Balance - CVB	\$ 76,101	\$ 145,546	\$ 145,546	\$ 145,546
Undesignated Fund Balance - Bootfest	299,020	279,116	279,116	279,116
Reserved Fund Balance - Bootfest Encumb.	-	66,825	66,825	66,825
Reserved Fund Balance - CVB Encumb.	-	31,060	31,060	31,060
TOTAL FUND BALANCE, OCTOBER 1	\$ 375,121	\$ 522,547	\$ 522,547	\$ 522,547
REVENUES				
Convention & Visitors Bureau	\$ 696,366	\$ 696,366	\$ 176,540	\$ 698,214
Bootfest 2016	157,500	157,500	96,646	96,646
Bootfest 2017	59,764	59,764	10	59,764
Total Revenues	\$ 913,630	\$ 913,630	\$ 273,196	\$ 854,624
TOTAL FUNDS AVAILABLE	\$ 1,288,751	\$ 1,436,177	\$ 795,743	\$ 1,377,171
EXPENDITURES				
Convention & Visitors Bureau	\$ 700,547	\$ 731,607	\$ 154,893	\$ 717,566
Bootfest 2016	198,360	265,185	182,995	182,995
Bootfest 2017	93,000	93,000	-	93,000
Total Expenditures	\$ 991,907	\$ 1,089,792	\$ 337,888	\$ 993,561
ENDING FUND BALANCE				
Undesignated Fund Balance - CVB	\$ 71,920	\$ 141,364	\$ 198,253	\$ 157,254
Undesignated Fund Balance - Bootfest	224,924	205,021	259,602	226,356
TOTAL FUND BALANCE, DECEMBER 31	\$ 296,844	\$ 346,385	\$ 457,856	\$ 383,610

Comments on the Convention & Visitors Bureau Fund's "Pro Forma Schedule of Fund Balance" can be found on the following page.

CITY OF VICTORIA, TEXAS
CONVENTION & VISITORS BUREAU FUND
QUARTERLY FINANCIAL REPORT - EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

The following comments will address the main issues associated to the Convention & Visitors Bureau Fund's financial status as of December 31, 2016:

- The Convention & Visitors Bureau Fund is a summary of the financial operations of the Convention & Visitors Bureau Cost Center and Bootfest Cost Center.
 - a. *The Convention & Visitors Bureau (CVB) Cost Center* accounts for the financial transactions associated to the City of Victoria tourism marketing campaign.
 - b. *The Bootfest Cost Center* accounts for the financial transactions associated to the annual Bootfest Festival Program.
- The “audited” Fiscal Year 2016 ending “*CVB Undesignated Fund Balance*” came in at \$145,546, an increase of \$69,445 or 91%, compared to the projected Fiscal Year 2016 ending “*CVB Undesignated Fund Balance*” calculated back in July 2016 of \$76,101. The increase was due to personnel and marketing program coming in under budget. The excess fund balance will be reserved in order to address future contingencies or expense as Council determines.

The “audited” Fiscal Year 2016 ending “*Bootfest Undesignated Fund Balance*” came in at \$279,116, a decrease of \$19,904 or 7%, compared to the projected Fiscal Year 2016 ending “*Bootfest Undesignated Fund Balance*” calculated back in July 2016 of \$299,020. The decrease in fund balance was due to Bootfest 2016 Program coming in over budget.

There is a timing difference between when Council approves the Bootfest Budget and when Bootfest Festival is held. In other words, Bootfest 2016 Festival was held in October 2016, i.e. City's Fiscal Year 2017; however, the budget is allocated over two fiscal years (2016 and 2017).

- As of December 31, 2016, the Fiscal Year 2017 Convention & Visitor's Bureau Fund budget has been amended for Fiscal Year 2016 carryover encumbrances, \$31,060 for CVB and \$66,825 for Bootfest 2016 Program.
- As of December 31, 2016, the Convention & Visitors Bureau Fund - CVB undesignated fund balance is 198,253. This undesignated fund balance will help finance/fund the remaining nine months of operations.

As of December 31, 2016, the Convention & Visitors Bureau Fund - Bootfest undesignated fund balance is \$259,602. This balance will help finance/fund Bootfest 2017 and future Bootfest Programs. *Note: there is a timing difference between when Council approves the Bootfest Budget and when Bootfest Festival is held. In other words, Bootfest 2017 Festival will be held in October 2017, i.e. City's Fiscal Year 2018; the Bootfest Program budget is allocated over two fiscal years (2017 and 2018).*

- The “Fiscal Year 2016-17 Projected Actual” column, as of December 31, 2016, assumes the full-amended budget amount will be expensed with some minor adjustment to expenses; and, revenue accounts are reflecting current financial conditions. By the end of the third quarter, we will be well into the budget process and have a more precise projection of actual expenses and revenues.

CITY OF VICTORIA, TEXAS
CONVENTION & VISITORS BUREAU FUND
QUARTERLY FINANCIAL REPORT - EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

- As of December 31, 2016, the Fiscal Year 2017 projected year-end CVB and Bootfest undesignated fund balances are estimated to come in at \$157,254 and \$226,356, respectively, for a total of \$383,610, higher than the Fiscal Year 2017 Original Budget year-end undesignated fund balance of \$296,844. The increase in fund balance is mainly due to the CVB beginning fund balance coming in higher than expected and Fiscal Year 2017 CVB payroll being projected to come in under budget.

Over all, the City Convention & Visitors Bureau Fund's financial position is healthy as of December 31, 2016.

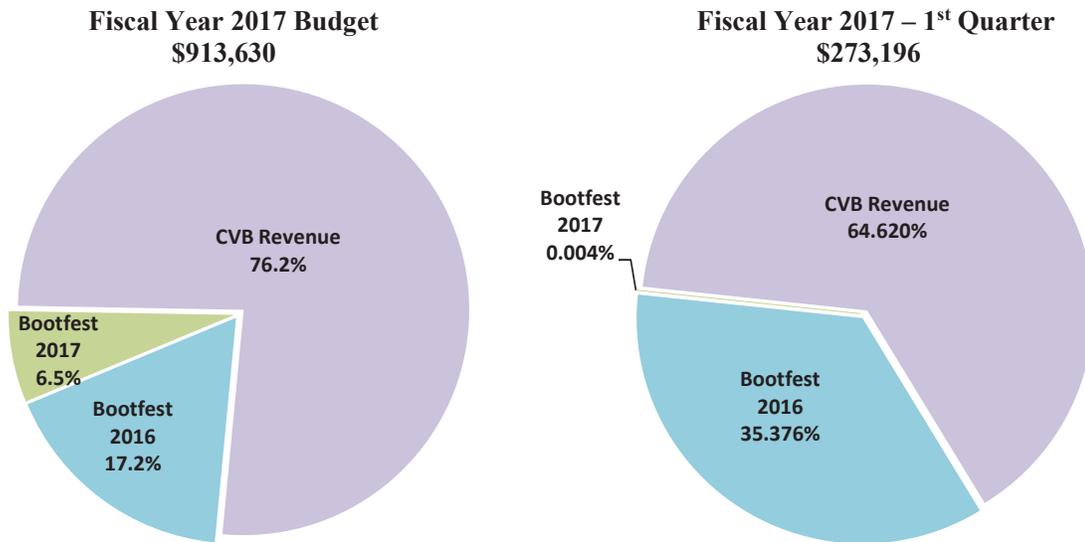
Comments addressing the budgeted revenue and expenditure "variances", as of December 31, 2016, are addressed in a separate report following the Convention & Visitors Bureau Fund's Quarterly Financial Report.

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

Convention & Visitors Bureau Fund Overview

The Convention & Visitors Bureau Fund accounts for the financial operations of the Convention & Visitors Bureau Program and the annual Bootfest Festival Program.

Convention & Visitors Bureau Fund Sources of Funds



As of December 31, 2016, the Convention & Visitors Bureau Fund revenues total \$273,196 or 29.9 percent of the Fiscal Year 2017 Convention & Visitors Bureau Fund budgeted revenues, which is lower than the budget benchmark of 37.9 percent. The main reason for a low collection rate for the first quarter is due to the following:

- a) Bootfest 2016 Program revenue came in \$60,854 under budget, mainly due to liquor sales; the Bootfest 2016 was held in October 2016, i.e. Fiscal Year 2017; and,
- b) Bootfest 2017 Program revenue came in \$14,931 under benchmark, majority of the Bootfest 2017 revenue will be collected during the third and fourth quarter of Fiscal Year 2017.

Convention & Visitors Bureau Fund Sources of Funds
Revenue Variance as of December 31, 2016

Revenue Source	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount		FY 2017 Projected Actual
CVB Revenue	\$696,366	\$696,366	\$176,540	25.4%	\$174,092	\$ 2,449	(1)	\$698,214
Bootfest 2016	157,500	157,500	96,646	61.4%	157,500	(60,854)	(2)	96,646
Bootfest 2017	59,764	59,764	10	0.02%	14,941	(14,931)	(3)	59,764
Total	\$913,630	\$913,630	\$273,196	29.9%	\$346,533	(\$73,336)		\$854,624

***CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016***

Convention & Visitors Bureau Fund Overview

- (1) CVB Revenue is coming in \$2,449 over budget, mainly due to miscellaneous revenue account coming in over budget, due to reimbursement from Victoria College and Bootfest 2016 overtime payment, for the first quarter.
- (2) Bootfest 2016 Program was finalized in October 2016; and, revenues came in \$60,854 lower than expected, mainly due to liquor sales.
- (3) Bootfest 2017 Program is coming in \$14,931 under benchmark, majority of the Bootfest 2017 Program revenue are collected during the third and fourth quarter.

As of December 31, 2016, the Convention & Visitors Bureau Fund revenue is projected to come in \$59,006 or 6.5 percent under budget, mainly due to Bootfest 2016 Program revenue coming in lower than expected. Finance Department will continue to monitor CVB and Bootfest receipts and make any modifications as necessary.

**CITY OF VICTORIA, TEXAS
CONVENTION & VISITORS BUREAU FUND QUARTERLY FINANCIAL REVENUE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

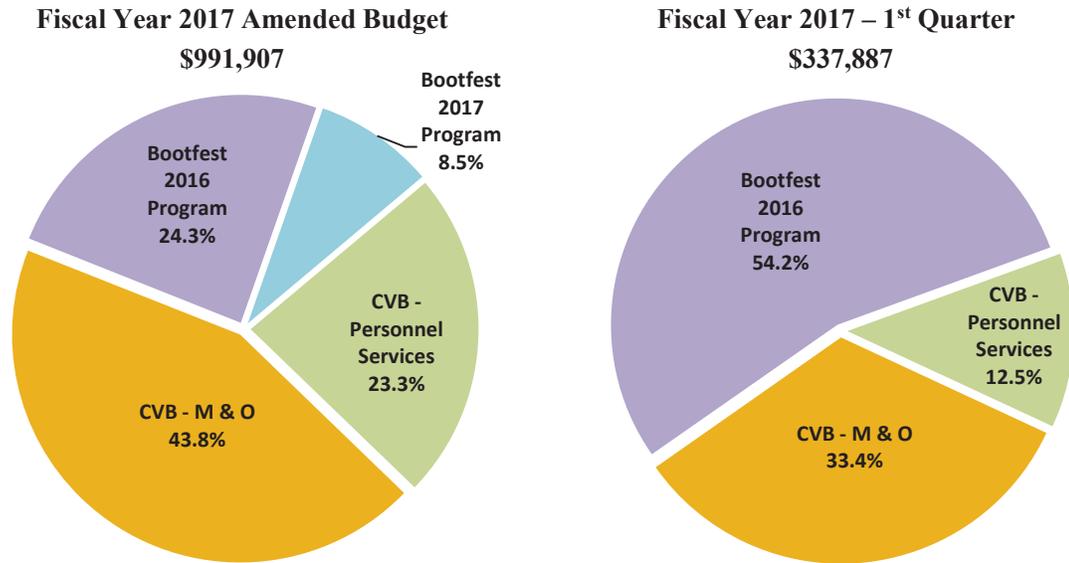
	Fiscal Year	Fiscal Year	Fiscal Year	Percent of Amended Budget Collected	Quarter	Amount	Fiscal Year	Fiscal Year
	2016-17 Original Budget	2016-17 Amended Budget	2016-17 Actual Year to Date		Benchmark Amount	Over (Under) Benchmark Amount	2016-17 Projected Actual	2016-17 Year End Variance
REVENUES:								
<i>Convention & Visitors Bureau</i>								
Transfer from Motel Tax Fund	\$ 695,566	\$ 695,566	\$ 173,892	25.00%	\$ 173,892	\$ 1	\$ 695,566	\$ -
Miscellaneous Income	800	800	2,648	331.02%	200	2,448	2,648	1,848
Sub-total	\$ 696,366	\$ 696,366	\$ 176,540	25.35%	\$ 174,092	\$ 2,449	\$ 698,214	\$ 1,848
<i>Booifest 2016</i>								
Liquor Sales	\$ 146,000	\$ 146,000	\$ 89,990	61.64%	\$ 146,000	\$ (56,010)	\$ 89,990	\$ (56,010)
Merchandise Sales	7,400	7,400	822	11.11%	7,400	(6,578)	822	(6,578)
Street Vendor Permits	-	-	-	0.00%	-	-	-	-
Private Donations	-	-	1,750	0.00%	-	1,750	1,750	1,750
Miscellaneous	4,100	4,100	4,084	99.61%	4,100	(16)	4,084	(16)
Sub-total	\$ 157,500	\$ 157,500	\$ 96,646	61.36%	\$ 157,500	\$ (60,854)	\$ 96,646	\$ (60,854)
<i>Booifest 2017</i>								
Street Vendor Permits	\$ 13,200	\$ 13,200	\$ -	0.00%	\$ 3,300	\$ (3,300)	\$ 13,200	\$ -
Merchandise Sales	50	50	10	20.00%	13	(3)	50	-
Private Donations	46,500	46,500	-	0.00%	11,625	(11,625)	46,500	-
Miscellaneous	14	14	-	0.00%	4	(4)	14	-
Transfer from Motel Tax Fund	-	-	-	0.00%	-	-	-	-
Sub-total	\$ 59,764	\$ 59,764	\$ 10	0.02%	\$ 14,941	\$ (14,931)	\$ 59,764	\$ -
Total	\$ 913,630	\$ 913,630	\$ 273,196	29.90%	\$ 346,533	\$ (73,336)	\$ 854,624	\$ (59,006)

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Convention & Visitors Bureau Fund Overview

The Convention & Visitors Bureau Fund accounts for the financial operations of the Convention & Visitors Bureau Program and the annual Bootfest Festival Program.

Convention & Visitors Bureau Fund Uses of Funds



As of December 31, 2016, the Convention & Visitors Bureau Fund expenses total \$337,887 or 31 percent of the Fiscal Year 2017 amended Convention & Visitors Bureau Fund budgeted expenses, which is lower than the budget benchmark of 42.8 percent. The reason for a low expense rate for the first quarter is mainly the net result of the following:

- CVB Program came in \$23,152 under benchmark, mainly due to CVB’s marketing program and payroll coming in under budget;
- Bootfest 2016 Program came in \$82,190 or 31 percent under budget (Bootfest 2016 Program was finalized in October 2016); and,
- Bootfest 2017 Program came in \$23,186 under benchmark; most of the expenses will occur in the third and fourth quarter of Fiscal Year 2017 (Bootfest 2017 Program will be held in October 2017, i.e. Fiscal Year 2018).

Convention & Visitors Bureau Fund Uses of Funds
Expense Variance as of December 31, 2016

Service Programs	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount		FY 2017 Projected Actual
CVB – Personnel Serv.	\$254,277	\$ 254,277	\$ 42,173	16.6%	\$ 59,039	\$ 16,866	(1)	\$240,236
CVB – M & O	446,270	477,330	112,719	23.6%	119,006	6,286	(2)	477,330
CVB – Capital Outlay	-	-	-	00.0%	-	-		-
Bootfest 2016	198,360	265,185	182,995	69.0%	265,185	82,190	(3)	182,995
Bootfest 2017	93,000	93,000	-	00.0%	23,186	23,186	(4)	93,000
Total	\$991,907	\$1,089,792	\$337,887	31.0%	\$466,416	\$128,528		\$993,561

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Convention & Visitors Bureau Fund Overview

- (1) *CVB – Personnel Services* cost came in \$16,866 under benchmark, due to incurring an average monthly vacancy rate of 1 in the first quarter.
- (2) *CVB – Maintenance & Operation* cost came in \$6,286 under benchmark, mainly due to CVB’s marketing program coming in under budget in the first quarter.
- (3) *Bootfest 2016* was a festival/program that was held in October 2016. The festival/program was budgeted over two Fiscal Years, 2016 and 2017. The budget for Fiscal Year 2017 came in \$82,190 or 31 percent under budget. Over all, the program netted a profit (including “HOT” funding) of \$29,936, a decrease from last year’s Bootfest Program of \$16,495 or 36 percent. If “HOT” funding was excluded from the “equation”, Bootfest 2016 netted a loss of \$70,080, an increase over last year’s Bootfest Program loss of \$16,495 or 31 percent.
- (4) *Bootfest 2017* will be held in October 2017. The budget for Bootfest 2017 will be budgeted over two Fiscal Years, 2017 and 2018. The budget for Fiscal Year 2017, as of the first quarter, is coming in \$23,186 under benchmark. Majority of the Bootfest 2017 expenses will not occur until the third and fourth quarter of Fiscal Year 2017.

As of December 31, 2016, Fiscal Year 2017 Convention & Visitors Bureau Program expense is projected to come in \$96,231 under budget, mainly due to CVB personnel services cost and Bootfest 2016 projecting to come in \$14,041 and \$82,190 under budget, respectively.

Finance Department will continue to monitor CVB Fund’s expenses throughout the year; and, adjust expense accounts to reflect current economic or financial trends.

**CITY OF VICTORIA, TEXAS
 CVB FUND QUARTERLY FINANCIAL EXPENDITURE REPORT
 FOR THE CORRESPONDING FISCAL YEAR PRESENTED
 AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17	
	Original Budget	Fiscal Year Amended Budget	Fiscal Year Amended Budget	Encumbrances Year to Date	Fiscal Year Actual	Percent of Amended Budget Expended	Quarter Benchmark Amount	Amount (Over) Under Benchmark	Fiscal Year Projected Actual	Fiscal Year Variance	Year End	Year End
Convention & Visitors Bureau and Bootfest Cost Centers												
Personnel Services	\$ 254,277	\$ 254,277	\$ -	\$ -	\$ 42,173	16.59%	\$ 59,039	\$ 16,866	\$ 240,236	\$ (14,041)		
Maintenance & Operations	446,270	477,330	60,931	60,931	51,788	23.61%	119,006	6,286	477,330	-		
Capital Outlays	-	-	-	-	-	0.00%	-	-	-	-		
Sub-total:	\$ 700,547	\$ 731,607	\$ 60,931	\$ 60,931	\$ 93,961	21.17%	\$ 178,045	\$ 23,152	\$ 717,566	\$ (14,041)		
Bootfest 2016 Program Expenditures:												
Personnel Services	\$ 50,500	\$ 50,500	\$ -	\$ -	\$ 62,978	124.71%	\$ 50,500	\$ (12,478)	\$ 62,978	\$ 12,478		
Maintenance & Operations	147,860	214,685	-	-	120,017	55.90%	214,685	94,667	120,017	(94,667)		
Capital Outlays	-	-	-	-	-	0.00%	-	-	-	-		
Sub-total:	\$ 198,360	\$ 265,185	\$ -	\$ -	\$ 182,995	69.01%	\$ 265,185	\$ 82,190	\$ 182,995	\$ (82,190)		
Bootfest 2017 Program Expenditures:												
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -		
Maintenance & Operations	93,000	93,000	-	-	-	0.00%	23,186	23,186	93,000	-		
Capital Outlays	-	-	-	-	-	0.00%	-	-	-	-		
Sub-total:	\$ 93,000	\$ 93,000	\$ -	\$ -	\$ -	0.00%	\$ 23,186	\$ 23,186	\$ 93,000	\$ -		
TOTAL EXPENDITURES:	\$ 991,907	\$ 1,089,792	\$ 60,931	\$ 60,931	\$ 276,956	31.00%	\$ 466,416	\$ 128,528	\$ 993,561	\$ (96,231)		

CITY OF VICTORIA, TEXAS
WATER AND WASTEWATER OPERATING FUND QUARTERLY FINANCIAL REPORT
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital	\$ 11,074,893	\$ 12,101,055	\$ 12,101,055	\$ 12,101,055
Designated Working Capital - Encumbrances	-	1,470,780	1,470,780	1,470,780
Reserved Working Capital	-	-	-	-
TOTAL WORKING CAPITAL, OCTOBER 1	\$ 11,074,893	\$ 13,571,835	\$ 13,571,835	\$ 13,571,835
REVENUES				
Charges for Services				
Water Department	\$ 13,200,000	\$ 13,200,000	\$ 3,385,993	\$ 13,200,000
Wastewater Department	12,686,000	12,686,000	3,180,974	12,686,000
Miscellaneous	64,000	64,000	9,986,359	10,037,353
Total Revenues	\$ 25,950,000	\$ 25,950,000	\$ 16,553,325	\$ 35,923,353
TOTAL FUNDS AVAILABLE	\$ 37,024,893	\$ 39,521,835	\$ 30,125,160	\$ 49,495,188
EXPENDITURES				
UBO Department Appropriations	\$ 872,408	\$ 872,408	\$ 235,914	\$ 872,804
Water Department Appropriations	3,830,311	4,412,722	1,480,274	4,487,608
Water Plant Department Appropriations	3,527,264	3,617,470	928,230	3,618,416
Wastewater Department Appropriations	2,900,157	3,432,272	984,166	3,503,121
Wastewater Treatment Dept. Appropriations	5,081,744	5,335,912	943,957	5,356,991
Pre-Treatment Department Appropriations	327,932	339,811	83,877	349,433
Environmental Department Appropriations	111,096	111,096	35,246	111,096
Non-Departmental Appropriations	2,766,446	2,766,446	802,748	2,766,446
Transfer to Debt Service Fund	9,352,555	9,352,555	17,978,390	19,254,952
Total Expenditures	\$ 28,769,913	\$ 30,240,693	\$ 23,472,802	\$ 40,320,867
ENDING WORKING CAPITAL				
Undesignated Working Capital	\$ 8,254,980	\$ 9,281,142	\$ 6,652,358	\$ 9,174,321
Designated Working Capital - Encumbrances	-	-	-	-
Reserved Working Capital	-	-	-	-
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 8,254,980	\$ 9,281,142	\$ 6,652,358	\$ 9,174,321

Comments on the Water/Wastewater Fund's Pro Forma Schedule of Working Capital can be found on the following page.

CITY OF VICTORIA, TEXAS
WATER/WASTEWATER OPERATING FUND
QUARTERLY FINANCIAL REPORT - EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

The following comments will address the main issues associated to the Water/Wastewater Fund's financial status as of December 31, 2016:

- The “audited” Fiscal Year 2016 ending “*Undesignated Working Capital*” came in at \$12,101,055, an increase of \$1,026,162 or 9%, compared to the projected Fiscal Year 2016 ending “*Undesignated Working Capital*” calculated back in July 2016, of \$11,074,893. The increase in working capital balance will be reserved in order to address future contingencies, fund City's capital improvement program, or expense as Council determines.
Revenue came in \$25,339 or 0.1% lower than what was projected, mainly due to water sales coming in under budget.
Expenses came in \$1,051,501 or 3.8% lower than what was projected, mainly the net result of Water Department (\$459K), Water Plant Department (\$186K) and Sewer Department (\$631K) coming in lower than expected; and, Sewer Treatment Plant (\$246K) coming in higher than expected.
- As of December 31, 2016, the Original Fiscal Year 2017 Budget has been amended by \$1,470,780 for Fiscal Year 2016 carryover encumbrances.
- As of December 31, 2016, the Water/Wastewater Fund undesignated working capital balance is \$6,652,358. The main reason for such a low working capital balance, as of the first quarter, is that the Utility Revenue Bonds principal and interest payments of \$8,010,985, excluding the refunding bond transaction, were paid during the first quarter, per the bond amortization schedule.
- The Fiscal Year 2016-17 Projected Actual column, as of December 31, 2016, assumes the full amended budget amount will be expensed with some minor adjustments to certain expense accounts; and, revenue has been adjusted to reflect current financial conditions. By the end of the third quarter, we will be well into the budget process and have a more precise projection of actual expenses and revenues.
- As of December 31, 2016, Water/Wastewater Fund projected year-end undesignated working capital balance is projected to come in \$919,341 higher than the Fiscal Year 2017 Original Budget year-end undesignated working capital balance of \$8,254,980. The increase is due to the following:
 - a. Beginning undesignated working capital came in \$1,026,162 higher than expected;
 - b. Revenue is projected to come in \$8,003 over budget, mainly due to interest earning being projected to come in over budget;
 - c. Expense is expected to come in \$177,777 over budget, due to personnel cost being projected to come in over budget, mainly due to overtime pay;
 - d. Debt Service is expected to come in \$62,953 under budget, due to refunding/refinancing certain Utility Revenue Bonds in October 2016.

Over all, the City's Water/Wastewater Fund's financial position is stable as of December 31, 2016.

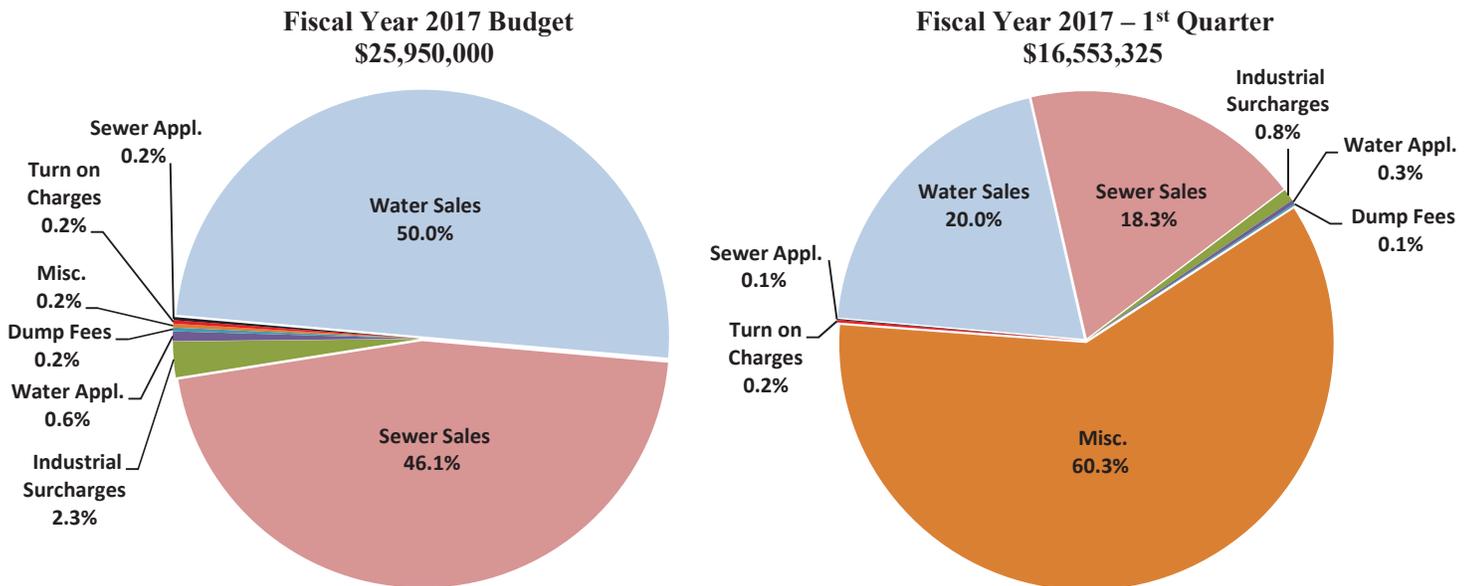
Comments addressing the budgeted revenue and expense “variances”, as of December 31, 2016, are addressed in a separate report following the Water/Wastewater Fund Quarterly Financial Report.

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

Water/Wastewater Fund Overview

The Water/Wastewater Fund accounts for the operations that are financed and operated in a manner similar to a private business enterprise. The fund accounts for the provision of water and wastewater services to the residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, maintenance and operations, billing, collections, and debt management.

Water/Wastewater Fund Sources of Funds



As of December 31, 2016, the Water/Wastewater Fund revenues total \$16,553,325 or 63.8 percent of the Fiscal Year 2017 Water/Wastewater Fund budgeted revenues, which is slightly higher than the budget benchmark of 63.7 percent. The main reasons for a slightly high collection rate for the first quarter is as follows:

1. *Water sales* are coming in \$30,873 under benchmark, due mainly to a wet winter;
2. *Sewer sales* are coming in \$37,432 over benchmark, due to the “winter average calculation”. Winter average calculation takes into account the amount of water used during prior year’s winter months; and, the results of the calculation (usage) is applied to the current sewer rates in order to calculate each customer’s sewer fee. The winter average calculation is done during the second quarter of each fiscal year. The revised winter average calculation usage will be implemented in April 2017;
3. *Water Turn on Charges* are coming in \$10,475 over benchmark; this type of revenue is not collected evenly throughout the fiscal year;
4. *Industrial surcharges* (revenue derived from industrial pretreatment charges/permits including cleaning grease stoppage, out-of-city water and sewer service charge and industrial wastewater surcharge) are coming in \$20,104 under benchmark; this type of revenue is not collected evenly throughout the fiscal year; and,
5. *Miscellaneous revenue* is coming in \$5,009 over benchmark, mainly due to interest income coming in over budget. *Note: the main reason why the above graph is showing a 60.3 percent collection rate is due to refunding/refinancing certain Utility Revenue Bonds in October 2016. The City collected \$9.97 million from the refunding bond sale, which was used to pay-off the “old” Utility Revenue Bonds.*

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

Water/Wastewater Fund Overview

Water/Wastewater Fund Sources of Funds
Revenue Variance as of December 31, 2016

Revenue Source	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount		FY 2017 Projected Actual
Water Sales	\$12,975,000	\$12,975,000	\$ 3,314,873	25.6%	\$ 3,345,746	(\$30,873)	(1)	\$12,975,000
Water Applications	165,000	165,000	45,645	27.7%	41,250	4,395	(2)	165,000
Water Turn on Charges	60,000	60,000	25,475	42.5%	15,000	10,475	(3)	60,000
Sewer Sales	11,970,000	11,970,000	3,024,565	25.3%	2,987,133	37,432	(4)	11,970,000
Sewer Applications	50,000	50,000	10,720	21.4%	12,500	(1,780)	(5)	50,000
Sewer Dump Fees	61,000	61,000	14,543	23.8%	15,250	(707)	(6)	61,000
Industrial Surcharges	605,000	605,000	131,146	21.7%	151,250	(20,104)	(7)	605,000
Miscellaneous	64,000	64,000	9,986,359	15603.7%	9,981,350	5,009	(8)	10,037,353
Total	\$25,950,000	\$25,950,000	\$16,553,325	63.8%	\$16,549,479	\$ 3,846		\$35,923,353

- (1) *Water Sales* are coming in \$30,873 under budget as of the first quarter, due to a wet winter. Finance Department will continue to monitor this account; and, adjust its year-end projection, based on financial trends.
- (2) *Water Applications* are coming in \$4,395 over benchmark. This type of revenue is not collected evenly throughout the fiscal year.
- (3) *Water Turn on Charges* are coming in \$10,475 over benchmark. This type of revenue is not collected evenly throughout the fiscal year.
- (4) *Sewer Sales* are coming in \$37,432 over benchmark, due to the “winter average calculation”. Finance will continue to monitor this account; and, adjust its year-end projection, based on financial trends.
- (5) *Sewer Applications* are coming in \$1,780 under benchmark. This type of revenue is not collected evenly throughout the fiscal year.
- (6) *Sewer Dump Fees* are coming in \$707 under benchmark. This type of revenue is not collected evenly throughout the fiscal year.
- (7) *Industrial Surcharges* are coming in \$20,104 under benchmark. This type of revenue is not collected evenly throughout the fiscal year.
- (8) *Miscellaneous* is coming in \$5,009 over benchmark, mainly due to interest revenue coming in over budget as a result of certain investment security maturing in the first quarter. Note: the main reason why \$9.99 million was collected during the first quarter is due to refunding/refinancing certain Utility Revenue Bonds in October 2016. The City collected \$9.97 million from the refunding bond sales, which was used to pay-off the “old” Utility Revenue Bonds.

Excluding the refunding bond transaction, as of December 31, 2016, the Water/Wastewater Fund 2017 revenue is projected to come in \$8,003 over budget, mainly due to interest revenue being projected to come in over budget. Finance Department will continue to monitor all revenue accounts; and, adjust its year-end projection, based on financial trends.

**CITY OF VICTORIA, TEXAS
WATER/WASTEWATER FUND QUARTERLY FINANCIAL REVENUE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

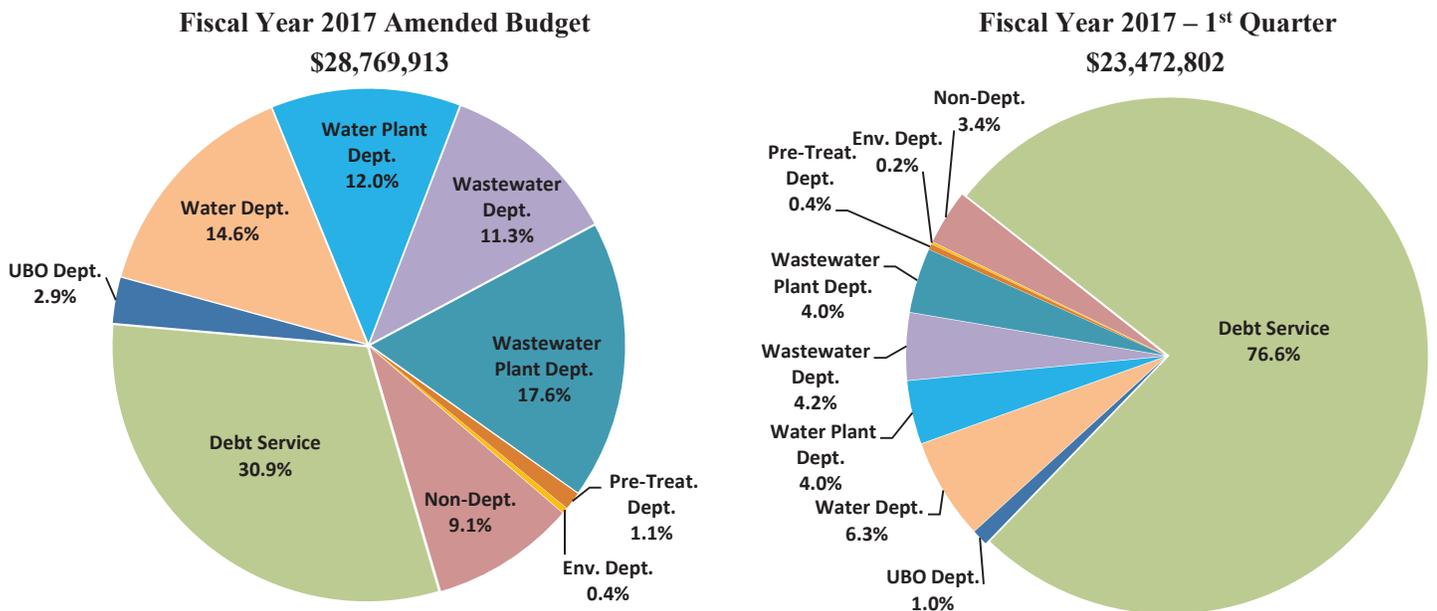
	Fiscal Year	Fiscal Year	Fiscal Year	Percent of Amended Budget Collected	Quarter Benchmark Amount	Amount Over (Under) Benchmark Amount	Fiscal Year	Fiscal Year
	2016-17 Original Budget	2016-17 Amended Budget	2016-17 Actual Year to Date				2016-17 Projected Actual	2016-17 Year End Variance
WATER DEPARTMENT								
Water Sales	\$ 12,975,000	\$ 12,975,000	\$ 3,314,873	25.55%	\$ 3,345,746	\$ (30,873)	\$ 12,975,000	\$ -
Water Applications	165,000	165,000	45,645	27.66%	41,250	4,395	165,000	-
Water Turn on Charges	60,000	60,000	25,475	42.46%	15,000	10,475	60,000	-
Sub-Total	\$ 13,200,000	\$ 13,200,000	\$ 3,385,993	25.65%	\$ 3,401,996	\$ (16,003)	\$ 13,200,000	\$ -
WASTEWATER DEPARTMENT								
Sewer Sales	\$ 11,970,000	\$ 11,970,000	\$ 3,024,565	25.27%	\$ 2,987,133	\$ 37,432	\$ 11,970,000	\$ -
Unbilled Industrial Surcharges	605,000	605,000	131,146	21.68%	151,250	(20,104)	605,000	-
Sewer Applications	50,000	50,000	10,720	21.44%	12,500	(1,780)	50,000	-
Sewer Dump Fees	61,000	61,000	14,543	23.84%	15,250	(707)	61,000	-
Sub-Total	\$ 12,686,000	\$ 12,686,000	\$ 3,180,974	25.07%	\$ 3,166,133	\$ 14,841	\$ 12,686,000	\$ -
MISCELLANEOUS								
Interest Income from Operating Fund	\$ 17,000	\$ 17,000	\$ 16,463	96.84%	\$ 4,250	\$ 12,213	\$ 25,000	\$ 8,000
Other Miscellaneous	10,000	10,000	4,541	45.41%	2,500	2,041	10,000	-
Returned Check Fees	5,000	5,000	-	0.00%	1,250	(1,250)	5,003	3
Salvage and Material Sales	32,000	32,000	5	0.02%	8,000	(7,995)	32,000	-
Refunding Bond Proceeds	-	-	9,150,000	0.00%	9,150,000	-	9,150,000	9,150,000
Premium Bond Proceeds	-	-	815,350	0.00%	815,350	-	815,350	815,350
Sub-Total	\$ 64,000	\$ 64,000	\$ 9,986,359	15603.69%	\$ 9,981,350	\$ 5,009	\$ 10,037,353	\$ 9,973,353
Total	\$ 25,950,000	\$ 25,950,000	\$ 16,553,325	63.79%	\$ 16,549,479	\$ 3,846	\$ 35,923,353	\$ 9,973,353

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Water/Wastewater Fund Overview

The Water/Wastewater Fund accounts for the operations that are financed and operated in a manner similar to a private business enterprise. The fund accounts for the provision of water and wastewater services to the residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, maintenance and operations, billing, collections, and debt management.

Water/Wastewater Fund Uses of Funds



As of December 31, 2016, the Water/Wastewater Fund expenses total \$23,472,802 or 77.6 percent of the Fiscal Year 2017 amended Water/Wastewater Fund budgeted expenses, which is higher than the budget benchmark of 76.4 percent. The main reason for a high expense rate for the first quarter is due to the following expense categories:

- *Personnel* cost came in \$51,003 over benchmark; the net result of vacancies and overtime cost coming in over budget. Over all, the Water/Wastewater Fund experienced an average monthly vacancy rate of 3.33 in the first quarter. The following pages will provide more detailed information.
- *Maintenance & operation* cost came in \$76,766 under benchmark; net result of office supplies (UBO postage), software maintenance, radio maintenance fee, TCEQ water/sewer annual fee, and Water/Sewer Master Plan Project coming in over budget due to being expensed or encumbered in the first quarter; and, construction fund transfers (2017 CIP funding) and light and power expense accounts are coming in under budget.
- *Capital Outlay* cost came in \$383,601 over benchmark; net result of Fiscal Year 2016 carryover encumbrances, i.e. North Heights Ph III Utility Improvement Project and SW Ben Jordan and Bottom Street Improvement Project; and, machinery & equipment and software (SCADA Project) capital expense account coming in under budget.
- *Debt Service* cost came in at budgeted benchmark. *Note: the reason why debt service cost reflects a 76.6 percent rate for the first quarter is due to the refunding/refinancing certain Utility Revenue Bonds in October 2016. The City collected \$9.97 million from the refunding bond sale, which was used to pay-off \$9.97 million in "old" Utility Revenue Bonds.*

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Water/Wastewater Fund Overview

Water/Wastewater Fund Uses of Funds
Expense Variance as of December 31, 2016

Service Programs	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount		FY 2017 Projected Actual
Utility Billing Office	\$ 872,408	\$ 872,408	\$ 235,914	27.0%	\$ 210,716	(\$ 25,199)	(1)	\$ 872,804
Water Utility	3,830,311	4,412,722	1,480,274	33.6%	1,077,337	(402,937)	(2)	4,487,608
Water Plant	3,527,264	3,617,470	928,230	25.7%	891,774	(36,455)	(3)	3,618,416
Wastewater Utility	2,900,157	3,432,272	984,166	28.7%	841,990	(142,176)	(4)	3,503,121
Wastewater Plant	5,081,744	5,335,912	943,957	17.7%	1,314,624	370,667	(5)	5,356,991
Pre-Treatment	327,932	339,811	83,876	24.7%	82,715	(1,162)	(6)	349,433
Environmental	111,096	111,096	35,246	31.7%	27,701	(7,545)	(7)	111,096
Non-Departmental	2,766,446	2,766,446	802,748	29.0%	689,717	(113,031)	(8)	2,766,446
Debt Service	9,352,555	9,352,555	17,978,390	192.2%	17,978,390	-	(9)	19,254,952
Total	\$28,769,913	\$30,240,693	\$23,472,802	77.6%	\$23,114,964	(\$357,838)		\$40,320,867

(1) *Utility Billing Office Department* came in \$25,199 over benchmark, mainly due to the following:

- Personnel cost came in \$5,618 over, mainly due to retiree health insurance premium, for the first and second quarter, being paid in the first quarter. The average monthly vacancy rate was zero for the first quarter.
- Maintenance & Operation cost came in \$19,966 over, mainly due to office supplies (postage) and software maintenance (annual) fee expense accounts coming in over budget.
- Capital Outlay cost came in \$385 under, due to capital computer equipment expense account coming in under budget; this type of expense is not expensed evenly throughout the fiscal year.

(2) *Water Utility Department* came in \$402,937 over benchmark, mainly due to the following:

- Personnel cost came in \$20,859 over, mainly the net result of retiree health insurance premium, for the first and second quarter, being paid in the first quarter, and overtime and temporary pay coming in over budget; and, incurring an average monthly vacancy rate of 1 in the first quarter.
- Maintenance & Operation cost came in \$127,836 over, mainly due to water mains maintenance and radio maintenance (annual) expense accounts coming in over budget; and, encumbering the Fiscal Year 2017 Water Master Plan Project in the first quarter; these type of expenses are not expensed evenly throughout the fiscal year.
- Capital Outlay cost came in \$254,242 over, mainly due to the Fiscal Year 2016 carryover encumbrance, i.e. North Heights Ph III Utility Improvement Project; this type of expense is not expensed evenly throughout the fiscal year.

(3) *Water Plant Department* came in \$36,455 over benchmark, mainly due to the following:

- Personnel cost came in \$5,207 under, mainly due to vacancies. The average monthly vacancy rate was 0.67 for the first quarter.

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Water/Wastewater Fund Overview

- Maintenance & Operation cost came in \$41,874 over, mainly the net result of equipment maintenance, other structure maintenance, and professional services (annual TCEQ water permit) expense accounts coming in over budget; and, light & power expense account coming in under budget in the first quarter.
 - Capital Outlay cost came in \$212 under, mainly the net result of other structure expense account coming in under budget and equipment expense account coming in over budget; these types of accounts are not expended evenly throughout the fiscal year.
- (4) *Wastewater Utility Department* came in \$142,176 over benchmark, mainly the net result of the following:
- Personnel cost came in \$9,509 over, mainly the net result of retiree insurance premium, for the first and second quarter, being paid in the first quarter and overtime pay coming in over budget; and, incurring an average monthly vacancy rate of 0.33 in the first quarter.
 - Maintenance & Operation cost came in \$2,939 under, mainly the net result of capital replacement charges (vehicle replacement) coming in under budget; and, professional services (Wastewater Master Plan) expense account coming in over budget; these types of accounts are not expended evenly throughout the fiscal year.
 - Capital Outlay cost came in \$135,606 over, mainly due to the Fiscal Year 2016 carryover encumbrance, i.e. North Height Ph III Utility Improvement Project; this type of account is not expended evenly throughout the fiscal year.
- (5) *Wastewater Plant Department* came in \$370,667 under benchmark, mainly the net result of the following:
- Personnel cost came in \$7,541 over, mainly the net result of overtime coming in over; and, incurring an average monthly vacancy rate of 1.33 in the first quarter.
 - Maintenance & Operation cost came in \$372,558 under, mainly due to the construction fund transfer (Fiscal Year 2017 CIP funding for Dewatering Project) expense account coming in under budget for the first quarter; this type of expense is not expended evenly throughout the fiscal year.
 - Capital Outlay cost came in \$5,650 under, mainly the net result of computer software (SCADA Project) coming in under budget; and, street (SW Ben Jordan and Bottom Street Improvement Project) expense account coming in over budget, in the first quarter; these types of expenses are not expended evenly throughout the fiscal year.
- (6) *Pre-Treatment Department* came in \$1,162 over, mainly the net result of personnel cost coming in over budget, due to one employee retirement payout (vacation and sick leave pay); and, professional services (TCEQ permit) expense account coming in under budget; this type of expense does not occur evenly throughout the fiscal year.
- (7) *Environmental Department* came in \$7,545 over benchmark, mainly due to professional services (legal/legislative services) expense account coming in over budget in the first quarter.
- (8) *Non-Departmental* came in \$113,031 over benchmark, mainly due to safety management charges and TML insurance renewal being expensed in the first quarter.

***CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016***

Water/Wastewater Fund Overview

(9) *Debt Service* cost came in at budgeted benchmark. Note: the reason why debt service cost, for the first quarter, is exceeding its Fiscal Year 2017 annual budget is due to the refunding/financing certain Utility Revenue Bonds in October 2016. The City collected \$9.97 million from the refunding bond sale, which was used to pay-off \$9.97 million in “old” Utility Revenue Bonds.

As of December 31, 2016, Fiscal Year 2017 Water/Wastewater Fund expense is projected to come in \$177,777 over budget. The increase is mainly the net result of personnel cost being projected to come in \$177,777 over budget, mainly the net result of overtime pay and expected vacancies; and, debt service cost being projected to come in \$62,953 under budget, due to the Utility Revenue Series 2016 Bond Refinancing Program.

Finance Department will continue to monitor all expense accounts; and, adjust Water/Wastewater Fund expense accounts to reflect current economic or financial trends. By end of the third quarter, we will be well into the budget process and have a more precise projection of actual expenses.

**CITY OF VICTORIA, TEXAS
WATER/WASTEWATER FUND QUARTERLY FINANCIAL EXPENSE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Percent of Amended Budget Expended	Quarter Benchmark Amount	Amount (Over) Under Benchmark Amount	Fiscal Year 2016-17 Projected Actual	Fiscal Year 2016-17 Year End Variance
	2016-17 Original Budget	2016-17 Amended Budget	2016-17 Encumbrances Year to Date	2016-17 Actual Year to Date		Benchmark Amount	Amount	2016-17 Projected Actual	2016-17 Year End Variance
Utility Billing Office - UBO:									
Personnel	\$ 562,751	\$ 562,751	\$ -	\$ 139,132	24.72%	\$ 133,514	\$ (5,618)	\$ 563,147	\$ 396
Maintenance & Operation	308,113	308,113	1,345	95,438	31.41%	76,817	(19,966)	308,113	-
Capital Outlay	1,544	1,544	-	-	0.00%	385	385	1,544	-
Subtotal	\$ 872,408	\$ 872,408	\$ 1,345	\$ 234,569	27.04%	\$ 210,716	\$ (25,199)	\$ 872,804	\$ 396
Water Department:									
Personnel	\$ 1,997,734	\$ 1,997,734	\$ -	\$ 496,102	24.83%	\$ 475,244	\$ (20,859)	\$ 2,072,619	\$ 74,885
Maintenance & Operation	964,177	1,021,588	124,496	258,038	37.44%	254,697	(127,836)	1,021,588	-
Capital Outlay	868,400	1,393,400	455,439	146,199	43.18%	347,396	(254,242)	1,393,400	-
Subtotal	\$ 3,830,311	\$ 4,412,722	\$ 579,935	\$ 900,339	33.55%	\$ 1,077,337	\$ (402,937)	\$ 4,487,608	\$ 74,885
Water Plant Department:									
Personnel	\$ 874,388	\$ 874,388	\$ -	\$ 202,676	23.18%	\$ 207,883	\$ 5,207	\$ 875,334	\$ 946
Maintenance & Operation	2,470,737	2,560,943	151,560	528,796	26.57%	638,482	(41,874)	2,560,943	-
Capital Outlay	182,139	182,139	-	45,198	24.82%	45,410	212	182,139	-
Subtotal	\$ 3,527,264	\$ 3,617,470	\$ 151,560	\$ 776,670	25.66%	\$ 891,774	\$ (36,455)	\$ 3,618,416	\$ 946
Wastewater Department:									
Personnel	\$ 1,122,432	\$ 1,122,432	\$ -	\$ 275,621	24.56%	\$ 266,112	\$ (9,509)	\$ 1,193,280	\$ 70,848
Maintenance & Operation	785,675	849,271	87,385	121,413	24.59%	211,736	2,939	849,271	-
Capital Outlay	992,050	1,460,570	166,600	333,148	34.22%	364,142	(135,606)	1,460,570	-
Subtotal	\$ 2,900,157	\$ 3,432,272	\$ 253,985	\$ 730,181	28.67%	\$ 841,990	\$ (142,176)	\$ 3,503,121	\$ 70,848
Wastewater Treatment Dept:									
Personnel	\$ 1,109,918	\$ 1,109,918	\$ -	\$ 268,561	24.20%	\$ 261,020	\$ (7,541)	\$ 1,130,997	\$ 21,079
Maintenance & Operation	3,135,966	3,143,232	55,736	355,361	13.08%	783,655	372,558	3,143,232	-
Capital Outlay	835,860	1,082,763	9,446	254,853	24.41%	269,949	5,650	1,082,763	-
Subtotal	\$ 5,081,744	\$ 5,335,912	\$ 65,182	\$ 878,775	17.69%	\$ 1,314,624	\$ 370,667	\$ 5,356,991	\$ 21,079

**CITY OF VICTORIA, TEXAS
WATER/WASTEWATER FUND QUARTERLY FINANCIAL EXPENSE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Percent of Amended Budget Expended	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17 Year End Variance
	Original Budget	Amended Budget	Encumbrances Year to Date	Actual Year to Date	Quarter Benchmark Amount	Amount (Over) Under Benchmark Amount		Projected Actual				
Pre-Treatment Department:												
Personnel	\$ 220,411	\$ 220,411	\$ -	\$ 66,004	\$ 52,947	\$ (13,057)	29.95%	\$ 230,033	\$ 230,033	\$ 9,622		
Maintenance & Operation	107,521	119,400	11,879	5,994	29,768	11,895	14.97%	119,400	119,400	-		
Capital Outlay	-	-	-	-	-	-	0.00%	-	-	-		
Subtotal	\$ 327,932	\$ 339,811	\$ 11,879	\$ 71,997	\$ 82,715	\$ (1,162)	24.68%	\$ 349,433	\$ 349,433	\$ 9,622		
Environmental Department:												
Personnel	\$ 4,896	\$ 4,896	\$ -	\$ 1,224	\$ 1,224	\$ -	25.00%	\$ 4,896	\$ 4,896	\$ -		
Maintenance & Operation	106,200	106,200	-	34,022	26,477	(7,545)	32.04%	106,200	106,200	-		
Capital Outlay	-	-	-	-	-	-	0.00%	-	-	-		
Subtotal	\$ 111,096	\$ 111,096	\$ -	\$ 35,246	\$ 27,701	\$ (7,545)	31.73%	\$ 111,096	\$ 111,096	\$ -		
Non-Departmental:												
Personnel	\$ 1,500	\$ 1,500	\$ -	\$ -	\$ 374	\$ 374	0.00%	\$ 1,500	\$ 1,500	\$ -		
Maintenance & Operation	2,764,946	2,764,946	-	802,748	689,343	(113,405)	29.03%	2,764,946	2,764,946	-		
Capital Outlay	-	-	-	-	-	-	0.00%	-	-	-		
Subtotal	\$ 2,766,446	\$ 2,766,446	\$ -	\$ 802,748	\$ 689,717	\$ (113,031)	29.02%	\$ 2,766,446	\$ 2,766,446	\$ -		
Debt Service												
Principal Payment	\$ 6,540,000	\$ 6,540,000	\$ -	\$ 6,715,000	\$ 6,715,000	\$ -	102.68%	\$ 6,715,000	\$ 6,715,000	\$ 175,000		
Interest Expense	2,804,655	2,804,655	-	1,295,985	1,295,985	-	46.21%	2,567,847	2,567,847	(236,808)		
Refunding Bond Payment	-	-	-	9,801,584	9,801,584	-	0.00%	9,801,584	9,801,584	9,801,584		
Bond Issue Cost	-	-	-	162,621	162,621	-	0.00%	162,621	162,621	162,621		
Agent & Arbitrage Fees	7,900	7,900	-	3,200	3,200	-	40.51%	7,900	7,900	-		
Subtotal	\$ 9,352,555	\$ 9,352,555	\$ -	\$ 17,978,390	\$ 17,978,390	\$ -	192.23%	\$ 19,254,952	\$ 19,254,952	\$ 9,902,397		
TOTAL	\$ 28,769,913	\$ 30,240,693	\$ 1,063,886	\$ 22,408,916	\$ 23,114,964	\$ (357,838)	77.62%	\$ 40,320,867	\$ 40,320,867	\$ 10,080,174		
Water/Wastewater Fund												
Personnel	\$ 5,894,030	\$ 5,894,030	\$ -	\$ 1,449,319	\$ 1,398,316	\$ (51,003)	24.59%	\$ 6,071,807	\$ 6,071,807	\$ 177,777		
Maintenance & Operation	10,643,335	10,873,692	432,401	2,201,809	2,710,975	76,766	24.23%	10,873,692	10,873,692	-		
Capital Outlay	2,879,993	4,120,415	631,486	779,397	1,027,282	(383,601)	34.24%	4,120,415	4,120,415	-		
Debt Service	9,352,555	9,352,555	-	17,978,390	17,978,390	-	192.23%	19,254,952	19,254,952	9,902,397		
Subtotal	\$ 28,769,913	\$ 30,240,693	\$ 1,063,886	\$ 22,408,916	\$ 23,114,964	\$ (357,838)	77.62%	\$ 40,320,867	\$ 40,320,867	\$ 10,080,174		

CITY OF VICTORIA, TEXAS
700 MAIN CENTER FUND QUARTERLY FINANCIAL REPORT
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year to Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital	\$ 43,750	\$ 65,315	\$ 65,315	\$ 65,315
Designated Working Capital - Encumbrances	-	-	-	-
Reserved Working Capital	-	-	-	-
TOTAL WORKING CAPITAL, OCTOBER 1	\$ 43,750	\$ 65,315	\$ 65,315	\$ 65,315
REVENUES				
Charges for Services-Internal Customers	\$ 123,800	\$ 123,800	\$ 30,974	\$ 123,800
Charges for Services-External Customers	27,500	27,500	7,017	27,500
Total Revenues	\$ 151,300	\$ 151,300	\$ 37,991	\$ 151,300
TOTAL FUNDS AVAILABLE	\$ 195,050	\$ 216,615	\$ 103,306	\$ 216,615
EXPENDITURES				
Personnel Services	\$ -	\$ -	\$ -	\$ -
Operations & Maintenance Budget	146,546	124,546	36,996	124,546
Capital Outlay Budget	-	22,000	17,076	22,000
Total Expenditures	\$ 146,546	\$ 146,546	\$ 54,072	\$ 146,546
ENDING WORKING CAPITAL				
Undesignated Working Capital	\$ 48,504	\$ 70,069	\$ 49,233	\$ 70,069
Designated Working Capital - Encumbrances	-	-	-	-
Reserved Working Capital	-	-	-	-
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 48,504	\$ 70,069	\$ 49,233	\$ 70,069

Comments on the 700 Main Center Fund's "Pro Forma Schedule of Working Capital" can be found on the following page.

CITY OF VICTORIA, TEXAS
700 MAIN CENTER FUND
QUARTERLY FINANCIAL REPORT – EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

The following comments will address the main issues associated to the 700 Main Center Fund's financial status as of December 31, 2016:

- The “audited” Fiscal Year 2016 ending “*Undesignated Working Capital*” came in at \$65,315, an increase of \$21,565 or 49.3%, compared to the projected Fiscal Year 2016 ending “*Undesignated Working Capital*” calculated back in July 2016 of \$43,750; the increase is due to various expense accounts coming in under budget.
- As of December 31, 2016, the Fiscal Year 2017 700 Main Center Fund budget has not been amended.
- As of December 31, 2016, the 700 Main Center Fund is maintaining a stable undesignated working capital balance of \$49,233.
- The Fiscal Year 2016-17 Projected Actual column, as of December 31, 2016, assumes the full amended budget amount will be expensed with some minor adjustments. By the end of the third quarter, we will be well into the budget process and have a more precise projection of actual expenses and revenues.
- As of December 31, 2016, 700 Main Center projected year-end undesignated working capital balance is estimated to come in \$21,565 higher than the Original Fiscal Year 2017 700 Main Center Fund undesignated working capital balance; the increase is due to the beginning undesignated working capital coming in higher than expected.

Over all, the City 700 Main Center Fund's financial position is stable as of December 31, 2016.

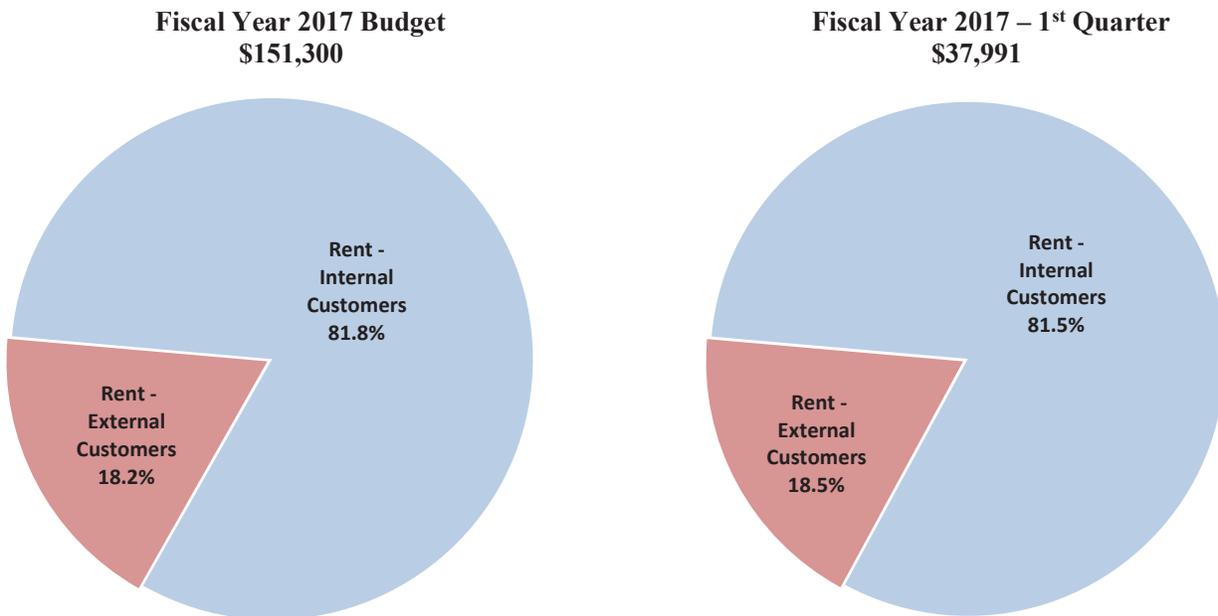
Comments addressing the budgeted revenue and expense “variances”, as of December 31, 2016, are addressed in a separate report following the 700 Main Center Fund's Quarterly Financial Report.

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

700 Main Center Fund Overview

The 700 Main Center Fund accounts for the revenue and expenses of a large office complex operated by the City as an enterprise. The building was initially purchased and renovated by the City primarily to be used as a business incubator center. It is currently leasing space to several City departments and the Victoria Economic Development Corporation.

700 Main Center Fund Sources of Funds



As of December 31, 2016, the 700 Main Center Fund revenues total \$37,991 or 25.1 percent of the Fiscal Year 2017 700 Main Center Fund budgeted revenues, which is relatively the same as the budget benchmark of 25 percent.

700 Main Center Fund Sources of Funds
Revenue Variance as of December 31, 2016

Revenue Source	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount	FY 2017 Projected Actual
Rent – Internal Customers	\$123,800	\$123,800	\$30,974	25.0%	\$30,950	\$ 24	\$123,800
Rent – External Customers	27,500	27,500	7,017	25.5%	6,875	142	27,500
Total	\$151,300	\$151,300	\$37,991	25.1%	\$37,825	\$166	\$151,300

As of December 31, 2016, the 700 Main Center Fund 2017 revenue is projected to come in at budget.

**CITY OF VICTORIA, TEXAS
700 MAIN CENTER FUND QUARTERLY FINANCIAL REVENUE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17 Amended		Fiscal Year 2016-17 Actual		Percent of Budget Collected		Quarter Benchmark		Amount Over (Under) Benchmark		Fiscal Year 2016-17 Projected		Fiscal Year 2016-17 Year End	
	Original Budget	Amended Budget	Actual	Year to Date	Amended Budget	Collected	Amount	Amount	Amount	Amount	Projected	Actual	Year End	Variance		
Charges For Services - Internal Customers	\$ 123,800	\$ 123,800	\$ 30,974	\$ 30,974	25.02%	\$ 30,950	\$ 24	\$ 123,800	\$ -							
Charges For Services - External Customers	27,500	27,500	7,017	7,017	25.52%	6,875	142	27,500	-							
TOTAL	\$ 151,300	\$ 151,300	\$ 37,991	\$ 37,991	25.11%	\$ 37,825	\$ 166	\$ 151,300	\$ -							

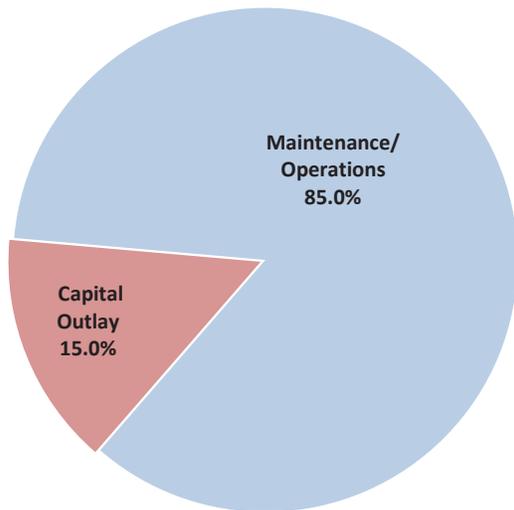
CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

700 Main Center Fund Overview

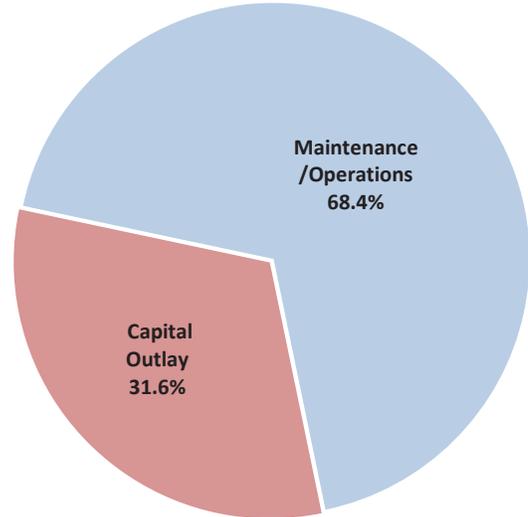
The 700 Main Center Fund accounts for the revenue and expenses of a large office complex operated by the City as an enterprise. The building was initially purchased and renovated by the City primarily to be used as a business incubator center. It is currently leasing space to several City departments and the Victoria Economic Development Corporation.

700 Main Center Fund Uses of Funds

Fiscal Year 2017 Amended Budget
\$146,546



Fiscal Year 2017 – 1st Quarter
\$54,072



As of December 31, 2016, the 700 Main Center Fund expenses total \$54,072 or 36.9 percent of the Fiscal Year 2017 amended 700 Main Center Fund budgeted expenses, which is higher than the budget benchmark of 24.9 percent. The main reasons for a higher expense rate are the following expense categories:

- *Maintenance & operation* cost came in \$5,945 over benchmark, mainly due to safety management annual fee and insurance annual premium being expensed in the first quarter.
- *Capital Outlay* cost came in \$11,591 over benchmark, mainly due to machinery & equipment expense account coming in over budget. During the first quarter, the 700 Main Center generator’s “control switch box” was damaged; a purchase order was issued and the repairs are in progress.

700 Main Center Fund Uses of Funds
Expense Variance as of December 31, 2016

Service Programs	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount	FY 2017 Projected Actual
Maintenance & Operations	\$146,546	\$124,546	\$36,996	29.7%	\$31,051	(\$ 5,945)	\$124,546
Capital Outlay	-	22,000	17,076	77.6%	5,485	(11,591)	22,000
Total	\$146,546	\$146,546	\$54,072	36.9%	\$36,536	(\$17,536)	\$146,546

As of December 31, 2016, Fiscal Year 2017 700 Main Center Fund expense is projected to come in at budget.

**CITY OF VICTORIA, TEXAS
700 MAIN CENTER FUND QUARTERLY FINANCIAL EXPENSE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Percent of	Quarter	Amount	Fiscal Year	Fiscal Year
	2016-17	2016-17	2016-17	2016-17	Amended	Benchmark	(Over)	2016-17	2016-17
	Original	Amended	Encumbrances	Actual	Budget	Amount	Under	Projected	Year End
	Budget	Budget	Year to Date	Year to Date	Expended	Amount	Benchmark	Actual	Variance
	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -
Personnel Services	146,546	124,546	2,070	34,926	29.71%	31,051	(5,945)	124,546	-
Maintenance & Operations	-	22,000	17,076	-	77.62%	5,485	(11,591)	22,000	-
Capital Outlays	\$ 146,546	\$ 146,546	\$ 19,146	\$ 34,926	36.90%	\$ 36,536	\$ (17,536)	\$ 146,546	\$ -
TOTAL EXPENDITURES:									

CITY OF VICTORIA, TEXAS
COMMUNITY CENTER FUND QUARTERLY FINANCIAL REPORT
COMBINED PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital - Operating	\$ 566,262	\$ 619,115	\$ 619,115	\$ 619,115
Designated Working Capital - Building	362,108	406,434	406,434	406,434
Reserved Working Capital - Building Encumb.	-	91,708	91,708	91,708
Reserved Working Capital - Operating Encumb.	-	-	-	-
TOTAL WORKING CAPITAL , OCTOBER 1	\$ 928,370	\$ 1,117,257	\$ 1,117,257	\$ 1,117,257
REVENUES				
Charges for Services	\$ 243,000	\$ 243,000	\$ 98,865	\$ 243,000
Interest Income - Operating	500	500	251	500
Interest Income - Building	1,500	1,500	344	1,500
Miscellaneous	1,773	1,773	872	1,773
Transfers From Motel Tax Fund - Operating	330,000	330,000	82,500	330,000
Transfers From Motel Tax Fund - Building	150,000	150,000	37,500	150,000
Total Revenues	\$ 726,773	\$ 726,773	\$ 220,333	\$ 726,773
TOTAL FUNDS AVAILABLE	\$ 1,655,143	\$ 1,844,030	\$ 1,337,590	\$ 1,844,030
EXPENDITURES				
Personnel Services	\$ 297,146	\$ 297,146	\$ 78,997	\$ 289,357
Operations & Maintenance Budget	261,977	261,977	55,482	261,977
Capital Outlay Budget	301,812	393,520	109,090	393,520
Total Expenditures	\$ 860,935	\$ 952,643	\$ 243,569	\$ 944,854
ENDING WORKING CAPITAL				
Undesignated Working Capital - Operating	\$ 582,412	\$ 635,265	\$ 667,124	\$ 643,054
Designated Working Capital - Building	211,796	256,122	426,896	256,122
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 794,208	\$ 891,387	\$ 1,094,020	\$ 899,176

Comments on the Community Center Fund's Pro Forma Schedule of Working Capital" can be found on the following page.

CITY OF VICTORIA, TEXAS
COMMUNITY CENTER FUND
QUARTERLY FINANCIAL REPORT – EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

The following comments will address the main issues associated to the Community Center Fund's financial status as of December 31, 2016:

- The audited Fiscal Year 2016 ending “*Undesignated Working Capital - Operating*” came in at \$619,115, an increase of \$52,853 or 9.3%, compared to the projected Fiscal Year 2016 ending “*Undesignated Working Capital - Operating*” calculated back in July 2016. The increase is mainly due to rental income coming in over budget; and, building maintenance and light & power expense accounts coming in under budget.
- The audited Fiscal Year 2016 ending “*Designated Working Capital - Building*” came in at \$406,434, an increase of \$44,326 or 12.2%, compared to the projected Fiscal Year 2016 ending “*Designated Working Capital - Building*” calculated back in July 2016. The variance is due to various building improvement projects coming in under budget. The increase in working capital balance will be applied to future building improvement projects.
- As of December 31, 2016, the Fiscal Year 2017 Community Center Fund budget has been amended for Fiscal Year 2016 carryover encumbrances of \$91,708.
- As of December 31, 2016, the Community Center Fund is maintaining an undesignated operating working capital balance of \$667,124 and a designated building working capital balance of \$426,896 for a total working capital balance of \$1,094,020.
- The Fiscal Year 2016-17 Projected Actual column, as of December 31, 2016, assumes the full amended budget amount will be expensed with some minor adjustments; and, revenue accounts are reflecting current financial conditions. By the end of the third quarter, we will be well into the budget process and have a more precise projection of actual expenses and revenues.
- As of December 31, 2016, the projected Fiscal Year 2017 year-end undesignated operating working capital balance is estimated to come in \$60,642 higher than the Original Fiscal Year 2017 year-end undesignated operating working capital balance. The variance is mainly due to the beginning undesignated working capital balance coming in \$52,853 higher than expected and personnel cost is projected to come in \$7,789 under budget.

As of December 31, 2016, the projected Fiscal Year 2017 year-end designated building working capital balance is estimated to come in \$44,326 higher than the Original Fiscal Year 2017 year-end designated building working capital balance, due to the beginning designated working capital balance coming in higher than expected.

Over all, the City Community Center Fund's financial position is healthy as December 31, 2016.

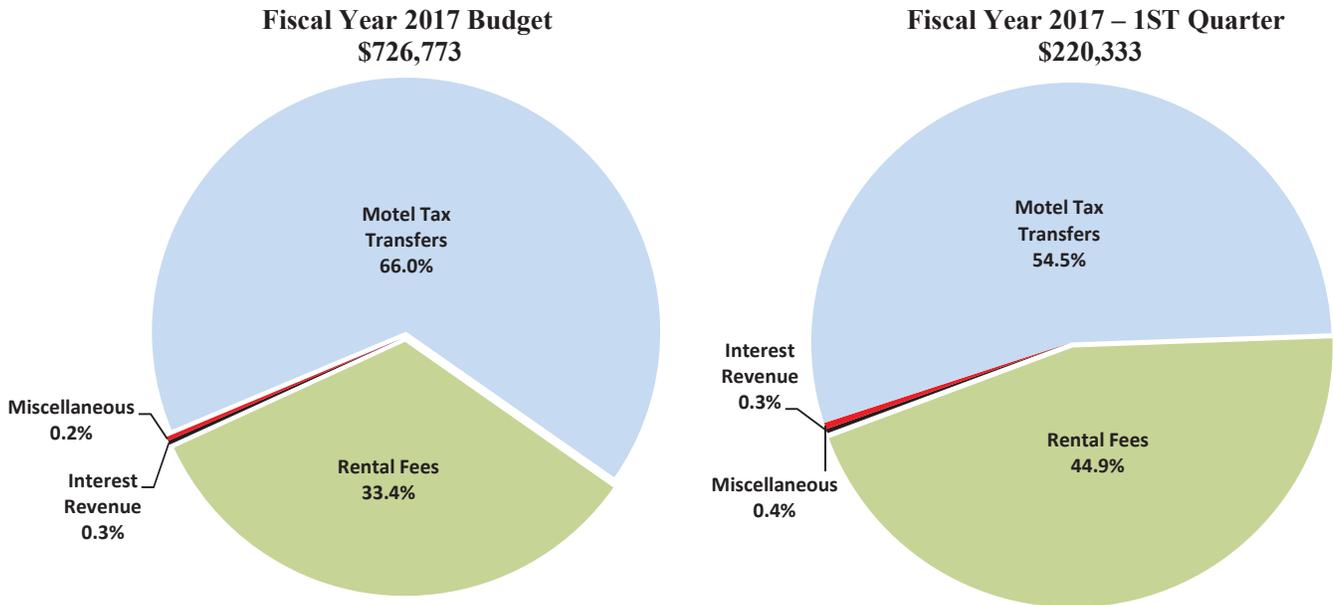
Comments addressing the budgeted revenue and expense “variances”, as of December 31, 2016, are addressed in a separate report following the Community Center Fund Quarterly Financial Report.

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

Community Center Fund Overview

The Community Center Fund accounts for all transactions generated by the operations of the City Community Center. Revenues include usage fees and motel tax transfers. Expenses include operational and capital cost of the Community Center Complex.

Community Center Fund Sources of Funds



As of December 31, 2016, the Community Center Fund revenues total \$220,333 or 30.3 percent of the Fiscal Year 2017 Community Center Fund budgeted revenues, which is higher than the budget benchmark of 25 percent, mainly due to Community Center rental revenue account coming in over budget in the first quarter.

Community Center Fund Sources of Funds
Revenue Variance as of December 31, 2016

Revenue Source	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount	FY 2017 Projected Actual
Rental Fees	\$243,000	\$243,000	\$ 98,865	40.7%	\$ 60,750	\$38,115	\$243,000
Interest Revenue	2,000	2,000	595	29.8%	500	95	2,000
Miscellaneous	1,773	1,773	872	49.2%	443	429	1,773
Motel Tax Transfers – Op.	330,000	330,000	82,500	25.0%	82,500	-	330,000
Motel Tax Transfers – Bldg.	150,000	150,000	37,500	25.0%	37,500	-	150,000
Total	\$726,773	\$726,773	\$220,333	30.3%	\$181,693	\$38,639	\$726,773

As of December 31, 2016, the Community Center Fund 2017 revenue is projected to come in within budget. Finance Department will continue to monitor all revenues; and, adjust Community Center Fund revenue accounts to reflect current economic or financial trends.

**CITY OF VICTORIA, TEXAS
COMMUNITY CENTER FUND QUARTERLY FINANCIAL REVENUE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

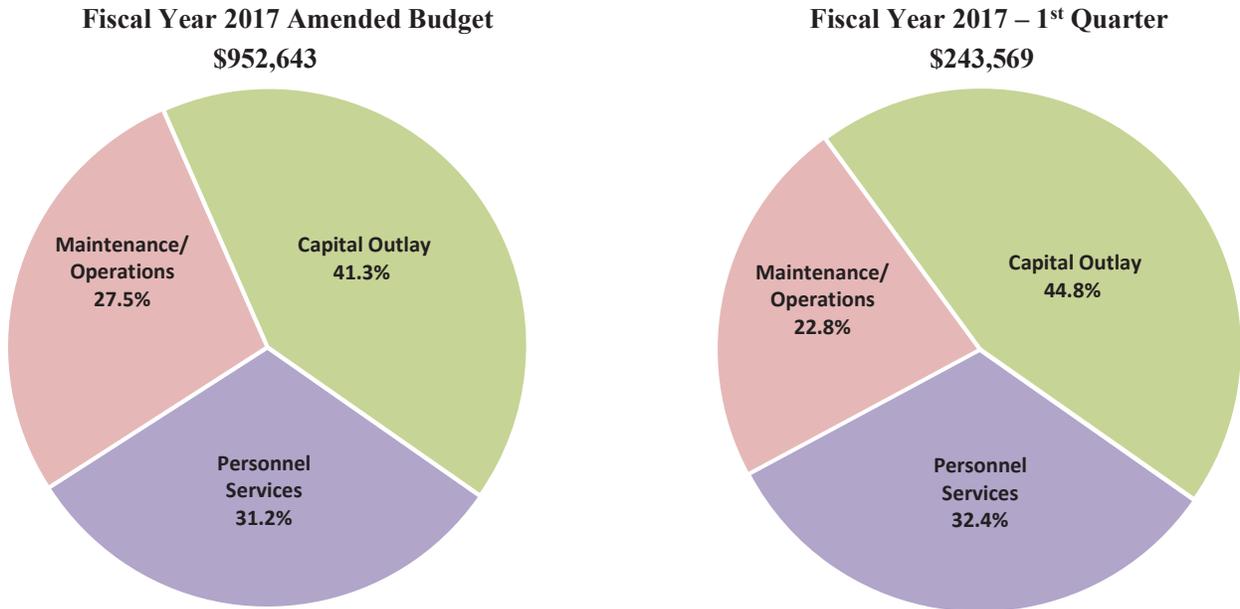
	Fiscal Year	Fiscal Year	Fiscal Year	Percent of Amended Budget Collected	Quarter	Amount	Fiscal Year	Fiscal Year
	2016-17 Original Budget	2016-17 Amended Budget	2016-17 Actual Year to Date		Benchmark Amount	Over (Under) Benchmark Amount	2016-17 Projected Actual	2016-17 Year End Variance
Revenues:								
Community Center Rental Fees	\$ 226,000	\$ 226,000	\$ 92,734	41.03%	\$ 56,500	\$ 36,234	\$ 226,000	\$ -
Table and Chair Rental Fees	17,000	17,000	6,131	36.07%	4,250	1,881	17,000	-
Interest Income - Operating Account	500	500	251	50.23%	125	126	500	-
Interest Income - Building Account	1,500	1,500	344	22.96%	375	(31)	1,500	-
Miscellaneous	1,648	1,648	851	51.64%	412	439	1,648	-
Convenience Fee	125	125	21	16.80%	31	(10)	125	-
Transfer From Motel Tax Fund - Operating Acct.	330,000	330,000	82,500	25.00%	82,500	-	330,000	-
Transfer From Motel Tax Fund - Building Acct.	150,000	150,000	37,500	25.00%	37,500	-	150,000	-
Total	\$ 726,773	\$ 726,773	\$ 220,333	30.32%	\$ 181,693	\$ 38,639	\$ 726,773	\$ -

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Community Center Fund Overview

The Community Center Fund accounts for all transactions generated by the operations of the City Community Center. Revenues include usage fees and motel tax transfers. Expenses include operational and capital cost of the Community Center Complex.

Community Center Fund Uses of Funds



As of December 31, 2016, the Community Center Fund expenses total \$243,569 or 25.6 percent of the Fiscal Year 2017 amended Community Center Fund budgeted expenses, which is lower than the budget benchmark of 25.8 percent. The main reasons for a low expense rate are the following expense categories:

- (1) *Personnel* cost came in \$2,949 under benchmark, due to temporary and overtime pay coming in under budget in the first quarter; and, zero monthly vacancy rate.
- (2) *Maintenance & operation* cost came in \$9,832 under benchmark, mainly due to light & power expense account coming in under budget.
- (3) *Capital Outlay* cost came in \$10,980 over benchmark, mainly the net result of Fiscal Year 2016 carryover encumbrance, i.e. building improvements projects, and other structure capital expense account coming in under budget in the first quarter; these types of accounts are not expensed evenly throughout the fiscal year.

Community Center Fund Uses of Funds
Expense Variance as of December 31, 2016

Service Programs	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount		FY 2017 Projected Actual
Personnel Services	\$297,146	\$297,146	\$78,997	26.6%	\$81,945	\$ 2,949	(1)	\$ 289,357
Maintenance & Operations	261,977	261,977	55,482	21.2%	65,315	9,832	(2)	261,977
Capital Outlay	301,812	393,520	109,090	27.7%	98,110	(10,980)	(3)	393,520
Total	\$860,935	\$952,643	\$243,569	25.6%	\$245,370	\$ 1,801		\$944,854

***CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016***

Community Center Fund Overview

As of December 31, 2016, Fiscal Year 2017 Community Center Fund expense is projected to come in \$7,789 under budget, due to personnel cost being project to come in under budget. Finance will continue to monitor all expenses; and, adjust Community Center Fund expense accounts to reflect current financial trends.

**CITY OF VICTORIA, TEXAS
COMMUNITY CENTER FUND QUARTERLY FINANCIAL EXPENSE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Encumbrances Year to Date	Fiscal Year 2016-17 Actual Year to Date	Percent of Amended Budget Expended	Quarter Benchmark Amount	Amount (Over) Under Benchmark Amount	Fiscal Year 2016-17 Projected Actual	Fiscal Year 2016-17 Year End Variance
Expenditures:									
Personnel Services	\$ 297,146	\$ 297,146	\$ -	\$ 78,997	26.59%	\$ 81,945	\$ 2,949	\$ 289,357	\$ (7,789)
Maintenance & Operations	261,977	261,977	800	54,682	21.18%	65,315	9,832	261,977	-
Capital Outlays - Building Account	301,812	393,520	52,801	56,289	27.72%	98,110	(10,980)	393,520	-
TOTAL EXPENDITURES:	\$ 860,935	\$ 952,643	\$ 53,601	\$ 189,968	25.57%	\$ 245,370	\$ 1,801	\$ 944,854	\$ (7,789)

CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY FINANCIAL REPORT
COMBINED PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 4,328,100	\$ 5,219,047	\$ 5,219,047	\$ 5,219,047
Designated Working Capital - Closure & Post-Closure Fund	2,012,672	2,034,629	2,034,629	2,034,629
Reserved Working Capital - Encumbrances	-	10,294	10,294	10,294
TOTAL WORKING CAPITAL , OCTOBER 1	\$ 6,340,772	\$ 7,263,970	\$ 7,263,970	\$ 7,263,970
REVENUES				
Operating Fund	\$ 5,481,700	\$ 5,481,700	\$ 1,381,102	\$ 5,482,770
Closure & Post-Closure Fund	249,500	249,500	57,032	249,500
Total Revenues	\$ 5,731,200	\$ 5,731,200	\$ 1,438,134	\$ 5,732,270
TOTAL FUNDS AVAILABLE	\$ 12,071,972	\$ 12,995,170	\$ 8,702,104	\$ 12,996,240
EXPENSES				
Residential Collection Department	\$ 3,854,820	\$ 3,861,363	\$ 810,702	\$ 3,863,444
Brush & Bulky Item Collection Department	340,167	340,167	77,388	334,349
Yard Waste Collection Department	317,772	317,772	78,949	322,567
Recycling Center Collection Department	804,003	804,003	152,145	779,775
Closure & Post-Closure Fund	-	3,750	3,750	3,750
Total Expenditures	\$ 5,316,761	\$ 5,327,055	\$ 1,122,934	\$ 5,303,885
ENDING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 4,493,039	\$ 5,383,986	\$ 5,487,508	\$ 5,408,226
Designated Working Capital - Closure & Post-Closure Fund	2,262,172	2,284,129	2,091,661	2,284,129
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 6,755,211	\$ 7,668,115	\$ 7,579,169	\$ 7,692,355

Comments on the Environmental Services Fund's "Pro Forma Schedule of Working Capital" can be found on the following page.

CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND
QUARTERLY FINANCIAL REPORT – EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

The following comments will address the main issues associated to the Environmental Services Fund’s financial status as of December 31, 2016:

- The Environmental Services Fund is a summary of the financial operations of the (1) Operating Fund and (2) Closure and Post-Closure Fund.

1) *The Operating Fund* accounts for all of the financial operations of the Residential Collection Department, Brush & Bulky Item Collection Department, Yard Waste Collection Department, Recycling Center Collection Department, Administration Department, and Non-Departmental. *Note: for Fiscal Year 2017, the Administration Department operating budget is allocated 75% to the Residential Collection Department, 12% each to the Brush & Bulky Collection Department and Yard Waste Collection Department, and 1% to the Recycling Center Collection Department. The Non-Departmental operating budget is allocated 97.92% to the Residential Collection Department, 1% each to the Brush & Bulky Collection Department and Yard Waste Collection Department, and .08% to the Recycling Center Collection Department).*

2) *The Closure and Post-Closure Fund* accounts for all financial transactions associated to the City’s landfill closure cost (landfill maintenance & infrastructure cost) and post-closure cost (maintenance cost associated to the landfill after it ceases operations).

The City of Victoria owns and operates a landfill site. State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care cost will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

- The audited Fiscal Year 2016 ending “*Undesignated Working Capital – Operating Fund*” came in at \$5,219,047, an increase of \$890,947 or 21%, compared to the projected Fiscal Year 2016 ending “*Undesignated Working Capital – Operating Fund*” calculated back in July 2016 of \$4,328,100. The increase is mainly due to postponing Fiscal Year 2016 landfill improvement projects until Fiscal Year 2017 and recycling waste tipping fee came in under budget.

The audited Fiscal Year 2016 ending Undesignated Working Capital – Operating Fund of \$5,219,047 consists of the following operating service centers:

1) Residential Collection Department – Working Capital Balance	\$4,172,837
2) Brush & Bulky Collection Department – Working Capital Balance	500,704
3) Yard Waste Collection Department - Working Capital Balance	169,852
4) Recycling Center Collection Department - Working Capital Balance	<u>375,654</u>
Total Undesignated Working Capital – Operating Fund:	<u>\$5,219,047</u>

CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND
QUARTERLY FINANCIAL REPORT – EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

The following comments will address the main issues associated to the Environmental Services Fund’s financial status as of December 31, 2016 - continued:

- The audited Fiscal Year 2016 ending “*Designated Working Capital – Restricted (Closure/Post Closure Fund)*” came in at \$2,034,629, an increase of \$21,957 or 1%, compared to the projected Fiscal Year 2016 ending “*Designated Working Capital – Restricted (Closure/Post Closure Fund)*” calculated back in July 2016 of \$2,012,672.
- As of December 31, 2016, the Environmental Services Fund budget has been amended for the Fiscal Year 2016 carryover encumbrances of \$10,294.
- As of December 31, 2016, the Environmental Services Fund is maintaining an undesignated operating working capital balance of \$5,487,508 and a designated closure/post-closure working capital balance of \$2,091,661. Total working capital for the Environmental Services Fund, as of December 31, 2016, is \$7,579,169.
- As of December 31, 2016, the Environmental Services Operating Fund – Service Costs per Customer are as follows:

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Projected Actual
1. Residential Collection Department			
• Operating Service Cost per Customer	\$13.20	\$13.23	\$13.23
• Monthly Residential Collection Fee	\$13.75	\$13.75	\$13.75
• Net Income/(Deficit) per Customer	\$ 0.55	\$ 0.52	\$ 0.52
2. Brush & Bulky Collection Department			
• Operating Service Cost per Customer	\$ 1.61	\$ 1.61	\$ 1.59
• Monthly Brush & Bulky Collection Fee	\$ 1.85	\$ 1.85	\$ 1.85
• Net Income/(Deficit) per Customer	\$ 0.24	\$ 0.24	\$ 0.26
3. Yard Waste Collection Department			
• Operating Service Cost per Customer	\$ 1.63	\$ 1.63	\$ 1.66
• Monthly Yard Waste Collection Fee	\$ 1.97	\$ 1.97	\$ 1.97
• Net Income/(Deficit) per Customer	\$ 0.34	\$ 0.34	\$ 0.31
4. Recycling Center Collection Department			
• Operating Service Cost per Customer	\$ 2.89	\$ 2.89	\$ 2.78
• Monthly Recycling & Hazardous Collection Fee	\$ 2.92	\$ 2.92	\$ 2.92
• Net Income/(Deficit) per Customer	\$ 0.03	\$ 0.03	\$ 0.14

CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND
QUARTERLY FINANCIAL REPORT – EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

The following comments will address the main issues associated to the Environmental Services Fund's financial status as of December 31, 2016 - continued:

- The Fiscal Year 2016-17 Projected Actual column, as of December 31, 2016, assumes the full amended budget amount will be expensed with some minor adjustments; and, revenues have been adjusted to reflect current economic conditions. By the end of the third quarter, we will be well into the budget process and have a more precise projection of actual expenses and revenues.
- As of December 31, 2016, the projected Fiscal Year 2017 year-end undesignated operating working capital balance is estimated to come in \$915,187 higher than the Original Fiscal Year year-end undesignated operating working capital balance. The main reasons for the net increase are the following:
 - 1) Beginning undesignated operating working capital balance came in \$890,947 higher than expected;
 - 2) Revenue is projected to come in \$1,070 over budget, mainly due to interest income revenue;
 - 3) Personnel cost is projected to come in \$15,901 over budget, due to the net result of anticipated vacancies and premium pay (overtime) coming in over budget; and,
 - 4) Maintenance & operation cost is projected to come in \$39,071 under budget, mainly due to recycling tipping fee expense account being projected to come in under budget.
- As of December 31, 2016, the projected Fiscal Year 2017 year-end designated closure/post-closure working capital balance is estimated to come in \$21,957 higher than the Original Fiscal Year 2017 year-end designated closure/post-closure working capital balance. The increase is mainly due to the beginning designated closure/post-closure working capital balance coming in higher than expected.

Over all, the City Environmental Services Fund's financial position is "stable" as of December 31, 2016.

Comments addressing the budgeted revenue and expense "variances", as of December 31, 2016, are addressed in a separate report following the Environmental Services Fund Quarterly Financial Report.

CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY FINANCIAL REPORT - OPERATING FUND
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 4,328,100	\$ 5,219,047	\$ 5,219,047	\$ 5,219,047
Reserved Working Capital - Encumbrances	-	6,544	6,544	6,544
TOTAL WORKING CAPITAL, OCTOBER 1	\$ 4,328,100	\$ 5,225,591	\$ 5,225,591	\$ 5,225,591
REVENUES				
Residential Collection Department	\$ 3,696,000	\$ 3,696,000	\$ 937,226	\$ 3,697,070
Brush & Bulky Item Collection Department	470,700	470,700	116,087	470,700
Yard Waste Collection Department	463,900	463,900	115,738	463,900
Recycling Center Department	851,100	851,100	212,051	851,100
Total Revenues	\$ 5,481,700	\$ 5,481,700	\$ 1,381,102	\$ 5,482,770
TOTAL FUNDS AVAILABLE	\$ 9,809,800	\$ 10,707,291	\$ 6,606,693	\$ 10,708,361
EXPENSES				
Residential Collection Department	\$ 3,854,820	\$ 3,861,363	\$ 810,702	\$ 3,863,444
Brush & Bulky Item Collection Department	340,167	340,167	77,388	334,349
Yard Waste Collection Department	317,772	317,772	78,949	322,567
Recycling Center Collection Department	804,003	804,003	152,145	779,775
Total Expenditures	\$ 5,316,761	\$ 5,323,305	\$ 1,119,184	\$ 5,300,135
ENDING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 4,493,039	\$ 5,383,986	\$ 5,487,508	\$ 5,408,226
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 4,493,039	\$ 5,383,986	\$ 5,487,508	\$ 5,408,226

CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY FINANCIAL REPORT - RESIDENTIAL DEPT.
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 3,332,719	\$ 4,172,837	\$ 4,172,837	\$ 4,172,837
Reserved Working Capital - Encumbrances	-	6,544	6,544	6,544
TOTAL WORKING CAPITAL , OCTOBER 1	\$ 3,332,719	\$ 4,179,381	\$ 4,179,381	\$ 4,179,381
REVENUES				
Charges for Services - Garbage Fees	\$ 3,678,000	\$ 3,678,000	\$ 922,333	\$ 3,678,000
Interest Income - Operating	14,000	14,000	9,824	14,000
Miscellaneous	4,000	4,000	5,070	5,070
Total Revenues	\$ 3,696,000	\$ 3,696,000	\$ 937,226	\$ 3,697,070
TOTAL FUNDS AVAILABLE	\$ 7,028,719	\$ 7,875,381	\$ 5,116,607	\$ 7,876,451
EXPENSES				
Personnel	\$ 660,965	\$ 660,965	\$ 190,853	\$ 664,683
Maintenance & Operation	1,444,554	1,451,098	365,269	1,451,098
Administration Overhead Cost Allocation	197,753	197,753	53,992	196,115
Non-Departmental Overhead Cost Allocation	642,447	642,447	200,588	642,447
Capital Outlay	909,100	909,100	-	909,100
Total Expenditures	\$ 3,854,820	\$ 3,861,363	\$ 810,702	\$ 3,863,444
ENDING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 3,173,899	\$ 4,014,018	\$ 4,305,905	\$ 4,013,007
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 3,173,899	\$ 4,014,018	\$ 4,305,905	\$ 4,013,007

CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY FINANCIAL REPORT - BRUSH & BULKY DEPT.
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 520,860	\$ 500,704	\$ 500,704	\$ 500,704
Reserved Working Capital - Encumbrances	-	-	-	-
TOTAL WORKING CAPITAL , OCTOBER 1	\$ 520,860	\$ 500,704	\$ 500,704	\$ 500,704
REVENUES				
Brush & Bulky Variable Fees	\$ 35,000	\$ 35,000	\$ 7,403	\$ 35,000
Brush & Bulky Fixed Fees	435,700	435,700	108,684	435,700
Total Revenues	\$ 470,700	\$ 470,700	\$ 116,087	\$ 470,700
TOTAL FUNDS AVAILABLE	\$ 991,560	\$ 971,404	\$ 616,791	\$ 971,404
EXPENSES				
Personnel	\$ 134,267	\$ 134,267	\$ 35,528	\$ 128,711
Maintenance & Operation	167,718	167,718	31,180	167,718
Administration Overhead Cost Allocation	31,641	31,641	8,639	31,378
Non-Departmental Overhead Cost Allocation	6,541	6,541	2,042	6,541
Capital Outlay	-	-	-	-
Total Expenditures	\$ 340,167	\$ 340,167	\$ 77,388	\$ 334,349
ENDING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 651,393	\$ 631,237	\$ 539,402	\$ 637,055
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 651,393	\$ 631,237	\$ 539,402	\$ 637,055

CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY FINANCIAL REPORT - YARD WASTE DEPT.
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 155,831	\$ 169,852	\$ 169,852	\$ 169,852
Reserved Working Capital - Encumbrances	-	-	-	-
TOTAL WORKING CAPITAL , OCTOBER 1	\$ 155,831	\$ 169,852	\$ 169,852	\$ 169,852
REVENUES				
Yard Waste Fixed Fees	\$ 463,900	\$ 463,900	\$ 115,738	\$ 463,900
Total Revenues	\$ 463,900	\$ 463,900	\$ 115,738	\$ 463,900
TOTAL FUNDS AVAILABLE	\$ 619,731	\$ 633,752	\$ 285,590	\$ 633,752
EXPENSES				
Personnel	\$ 169,018	\$ 169,018	\$ 44,626	\$ 174,075
Maintenance & Operation	110,572	110,572	23,643	110,572
Administration Overhead Cost Allocation	31,641	31,641	8,639	31,378
Non-Departmental Overhead Cost Allocation	6,541	6,541	2,042	6,541
Capital Outlay	-	-	-	-
Total Expenditures	\$ 317,772	\$ 317,772	\$ 78,949	\$ 322,567
ENDING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 301,959	\$ 315,980	\$ 206,641	\$ 311,185
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 301,959	\$ 315,980	\$ 206,641	\$ 311,185

CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY FINANCIAL REPORT - RECYCLING DEPT.
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 318,690	\$ 375,654	\$ 375,654	\$ 375,654
Reserved Working Capital - Encumbrances	-	-	-	-
TOTAL WORKING CAPITAL, OCTOBER 1	\$ 318,690	\$ 375,654	\$ 375,654	\$ 375,654
REVENUES				
Recycling Center Fixed Fees	\$ 688,200	\$ 688,200	\$ 171,523	\$ 688,200
Extra Cart Fees - Recycling	9,800	9,800	2,340	9,800
Household Hazardous Waste Fees	153,100	153,100	38,188	153,100
Total Revenues	\$ 851,100	\$ 851,100	\$ 212,051	\$ 851,100
TOTAL FUNDS AVAILABLE	\$ 1,169,790	\$ 1,226,754	\$ 587,705	\$ 1,226,754
EXPENSES				
Personnel	\$ 102,329	\$ 102,329	\$ 31,939	\$ 117,194
Maintenance & Operation	688,743	688,743	119,316	649,672
Administration Overhead Cost Allocation	2,637	2,637	720	2,615
Non-Departmental Overhead Cost Allocation	545	545	170	545
Capital Outlay	9,750	9,750	-	9,750
Total Expenditures	\$ 804,003	\$ 804,003	\$ 152,145	\$ 779,775
ENDING WORKING CAPITAL				
Undesignated Working Capital - Operating Fund	\$ 365,787	\$ 422,751	\$ 435,560	\$ 446,979
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 365,787	\$ 422,751	\$ 435,560	\$ 446,979

CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY FINANCIAL REPORT -
CLOSURE AND POST-CLOSURE FUND
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

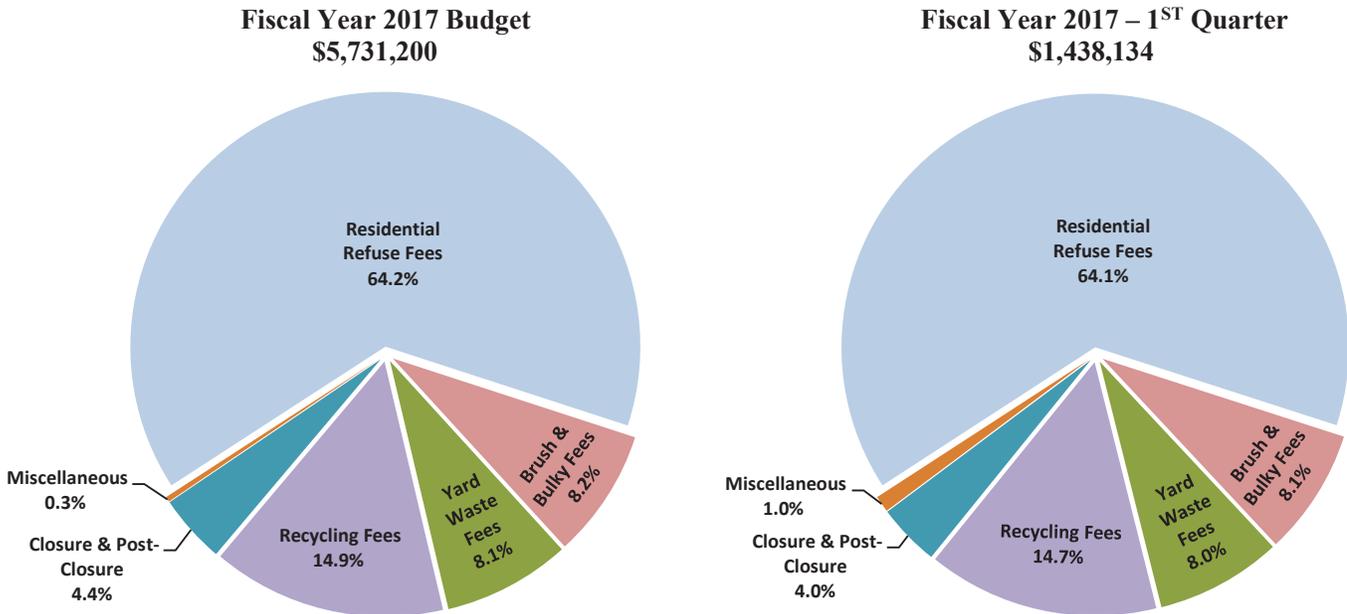
	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Designated Working Capital - Closure & Post-Closure Fund	\$ 2,012,672	\$ 2,034,629	\$ 2,034,629	\$ 2,034,629
Reserved Working Capital - Encumbrances	-	3,750	3,750	3,750
TOTAL WORKING CAPITAL , OCTOBER 1	\$ 2,012,672	\$ 2,038,379	\$ 2,038,379	\$ 2,038,379
REVENUES				
TLM Royalty Payment	\$ 20,000	\$ 20,000	\$ 1,095	\$ 20,000
Renovar Royalty Payment	37,000	37,000	8,742	37,000
Lease Income	4,500	4,500	-	4,500
Interest Income from Restricted Fund	8,000	8,000	2,195	8,000
Transfer from Operating Fund	180,000	180,000	45,000	180,000
Total Revenues	\$ 249,500	\$ 249,500	\$ 57,032	\$ 249,500
TOTAL FUNDS AVAILABLE	\$ 2,262,172	\$ 2,287,879	\$ 2,095,411	\$ 2,287,879
EXPENSES				
Closure / Post-Closure - Maintenance	\$ -	\$ -	\$ -	\$ -
Closure / Post-Closure - Capital Outlay	-	3,750	3,750	3,750
Total Expenses	\$ -	\$ 3,750	\$ 3,750	\$ 3,750
ENDING WORKING CAPITAL				
Designated Working Capital - Closure & Post-Closure Fund	\$ 2,262,172	\$ 2,284,129	\$ 2,091,661	\$ 2,284,129
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 2,262,172	\$ 2,284,129	\$ 2,091,661	\$ 2,284,129

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

Environmental Services Fund Overview

The Environmental Services Fund accounts for the financial operations of providing residential solid waste, brush & bulky, yard waste, recycling, and landfill services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, maintenance and operations, billing, and collection.

Environmental Services Fund Sources of Funds



As of December 31, 2016, the Environmental Services Fund revenues total \$1,438,134 or 25.1 percent of the Fiscal Year 2017 Environmental Services Fund budgeted revenues, which is higher than the budget benchmark of 25 percent. The main reason for a slightly higher collection rate is due to miscellaneous revenue (interest revenue and “Bootfest 2016” overtime payment) coming in over budget.

Environmental Services Fund Sources of Funds
Revenue Variance as of December 31, 2016

Revenue Source	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount		FY 2017 Projected Actual
Residential Refuse Fees	\$3,678,000	\$3,678,000	\$922,333	25.1%	\$919,500	\$ 2,833	(1)	\$3,678,000
Brush & Bulky Fees	470,700	470,700	116,087	24.7%	117,675	(1,588)	(2)	470,700
Yard Waste Fees	463,900	463,900	115,738	24.9%	115,975	(237)		463,900
Recycling Fees	851,100	851,100	212,051	24.9%	212,775	(724)		851,100
Closure/Post-Closure	249,500	249,500	57,032	22.9%	62,375	(5,343)	(3)	249,500
Miscellaneous	18,000	18,000	14,894	82.7%	4,500	10,394	(4)	19,070
Total	\$5,731,200	\$5,731,200	\$1,438,134	25.1%	\$1,432,800	\$ 5,334		\$5,732,270

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

Environmental Services Fund Overview

- (1) *Residential Refuse Fees Revenue* came in \$2,833 over benchmark, mainly due to “extra cart” fees coming in \$2,688 higher in the first quarter.
- (2) *Brush & Bulky Fees Revenue* came in \$1,588 under benchmark, mainly due to brush pick up fees coming in \$1,347 under; most of this revenue is collected during the second and third quarter.
- (3) *Closure/Post-Closure Revenue* came in \$5,343 under benchmark. The decrease in revenue is mainly due to TLM royalty payment (i.e. mulch site operator) and lease income (pasture lease) revenue accounts coming in \$3,905 and \$1,125 under, respectively. Finance Department will continue to monitor these accounts; and, adjust year-end projection, based on financial trends.
- (4) *Miscellaneous Revenue* came in \$10,394 over benchmark. The increase is mainly due to interest income revenue account coming in over in the first quarter; and, Bootfest 2016 reimbursement for Environmental Services staff overtime. These types of revenue are not collected evenly throughout the fiscal year.

As of December 31, 2016, the Environmental Services Fund 2017 revenue is projected to come in \$1,070 over budget, mainly due to interest income.

Finance Department will continue to monitor all revenue accounts; and, adjust Environmental Services Fund revenue accounts to reflect current economic or financial trends. By end of the third quarter, we will be well into the budget process and have a more precise revenue projection.

**CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY FINANCIAL REVENUE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

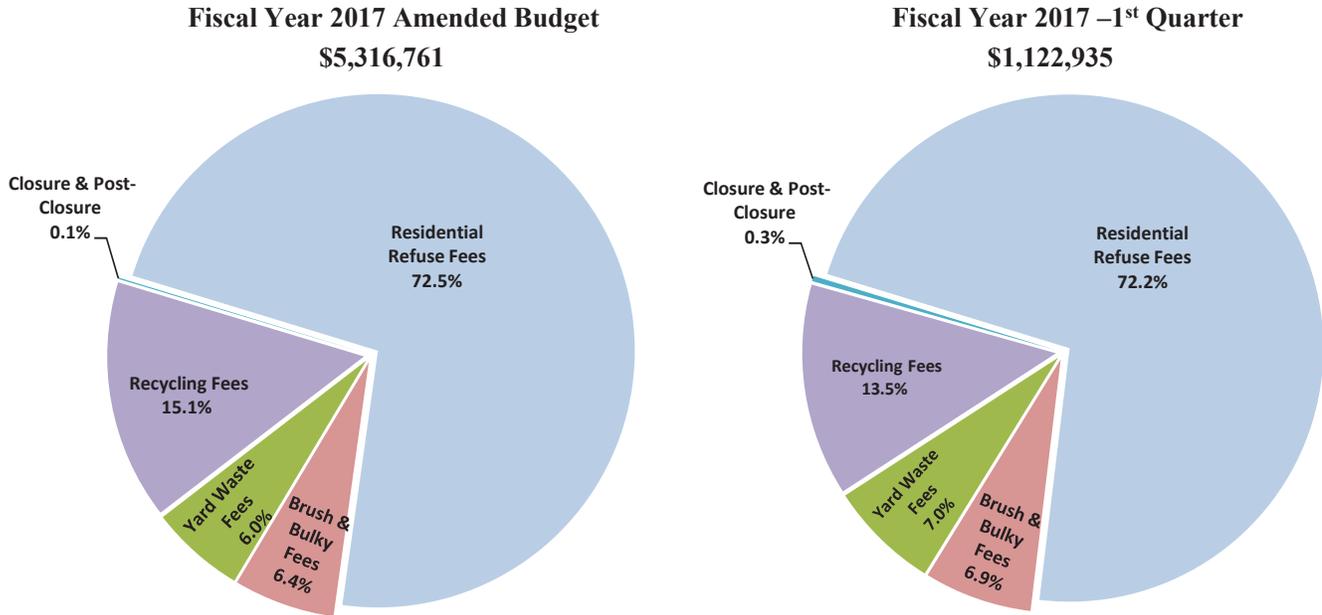
	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual Year to Date	Percent of Amended Budget Collected	Quarter Benchmark Amount	Amount Over (Under) Benchmark Amount	Fiscal Year 2016-17 Projected Actual	Fiscal Year 2016-17 Year End Variance
OPERATING FUND -								
CHARGES FOR SERVICES								
Garbage Fees	\$ 3,419,000	\$ 3,419,000	\$ 854,895	25.00%	\$ 854,750	\$ 145	\$ 3,419,000	\$ -
Extra Cart Fees	259,000	259,000	67,438	26.04%	64,750	2,688	259,000	-
Brush & Bulky Variable Fees	35,000	35,000	7,403	21.15%	8,750	(1,347)	35,000	-
Brush & Bulky Fixed Fees	435,700	435,700	108,684	24.94%	108,925	(241)	435,700	-
Recycling Center Fixed Fees	688,200	688,200	171,523	24.92%	172,050	(527)	688,200	-
Extra Cart Fees - Recycling	9,800	9,800	2,340	23.88%	2,450	(110)	9,800	-
Household Hazardous Waste Fees	153,100	153,100	38,188	24.94%	38,275	(87)	153,100	-
Yard Waste Fixed Fees	463,900	463,900	115,738	24.95%	115,975	(237)	463,900	-
Interest Income from Operating Fund	14,000	14,000	9,824	70.17%	3,500	6,324	14,000	-
Miscellaneous Revenue	4,000	4,000	5,070	126.75%	1,000	4,070	5,070	1,070
Sub-Total	\$ 5,481,700	\$ 5,481,700	\$ 1,381,102	25.19%	\$ 1,370,425	\$ 10,677	\$ 5,482,770	\$ 1,070
CLOSURE & POST-CLOSURE FUND -								
CHARGES FOR SERVICES								
TLM Royalty Payment	\$ 20,000	\$ 20,000	\$ 1,095	5.48%	\$ 5,000	\$ (3,905)	\$ 20,000	\$ -
Renovar Royalty Payment	37,000	37,000	8,742	23.63%	9,250	(508)	37,000	-
Lease Income	4,500	4,500	-	0.00%	1,125	(1,125)	4,500	-
Interest Income from Restricted Fund	8,000	8,000	2,195	27.44%	2,000	195	8,000	-
Transfer from Operating Fund	180,000	180,000	45,000	25.00%	45,000	-	180,000	-
Sub-Total	\$ 249,500	\$ 249,500	\$ 57,032	22.86%	\$ 62,375	\$ (5,343)	\$ 249,500	\$ -
Total	\$ 5,731,200	\$ 5,731,200	\$ 1,438,134	25.09%	\$ 1,432,800	\$ 5,334	\$ 5,732,270	\$ 1,070

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Environmental Services Fund Overview

The Environmental Services Fund accounts for the financial operations of providing residential solid waste, brush & bulky, yard waste, recycling, and landfill services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, maintenance and operations, billing, and collection.

Environmental Services Fund Uses of Funds



As of December 31, 2016, the Environmental Services Fund expenses total \$1,122,935 or 21.1 percent of the Fiscal Year 2017 amended Environmental Services Fund budgeted expenses, which is lower than the budget benchmark of 25.9 percent. The main reason for a low expense rate is the net result of the following expense categories:

- *Personnel* cost came in \$1,020 over benchmark, the net result of vacancies and overtime cost coming in over budget. Over all, the Environmental Services Fund experienced an average monthly vacancy rate of 0.33 in the first quarter. The following pages will provide more detailed information.
- *Maintenance & operation* cost came in \$27,723 under benchmark, mainly net result of recycling tipping fee expense account coming in under budget in the first quarter; this type of expense is not expensed evenly throughout the fiscal year.
- *Capital Outlay* cost came in \$229,111 under benchmark, mainly due to landfill improvement project coming in under budget in the first quarter; landfill improvements are expected to start in the second and third quarter.

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Environmental Services Fund Overview

Environmental Services Fund Uses of Funds
Expense Variance as of December 31, 2016

Service Programs	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount	FY 2017 Projected Actual
Residential Refuse	\$3,854,820	\$3,861,363	\$810,702	21.0%	\$998,720	\$188,018	(1) \$3,863,444
Brush & Bulky	340,167	340,167	77,388	22.8%	89,012	11,624	(2) 334,349
Yard Waste	317,772	317,772	78,949	24.8%	83,857	4,908	(3) 322,567
Recycling	804,003	804,003	152,145	18.9%	203,410	51,265	(4) 779,775
Closure/Post-Closure	-	3,750	3,750	100.0%	3,750	-	3,750
Total	\$5,316,761	\$5,327,055	\$1,122,935	21.1%	\$1,378,748	\$255,814	\$5,303,885

(1) *Residential Refuse Service* came in \$188,018 under benchmark, mainly the net result of the following:

- Personnel cost came in \$1,234 over, due to longevity and overtime pay coming in over. Residential Refuse Service Department incurred an average monthly vacancy rate of zero in the first quarter.
- Maintenance & Operation cost came in \$37,428 over, mainly the net result of solid waste tipping fee expense account coming in under; VES repair charges (vehicle repairs) coming in over; and safety management charges and TML insurance premiums being paid in the first quarter.
- Capital Outlay cost came in \$226,680 under, due to Landfill Improvement Projects and machinery & equipment (carts) expense account coming in under; most of this expense will occur during the second and third quarter.

(2) *Brush & Bulky Service* came in \$11,624 under benchmark, mainly the net result of the following:

- Personnel cost came in \$1,434 under, mainly due to overtime pay coming in under. Brush & Bulky Service Department incurred an average monthly vacancy rate of zero in the first quarter.
- Maintenance & Operation cost came in \$10,190 under, mainly due to brush tipping fee expense account coming in under. This type of expense is not expensed evenly throughout the fiscal year.

(3) *Yard Waste Service* came in \$4,908 under benchmark, mainly the net result of the following:

- Personnel cost came in \$1,428 under, mainly the net result of overtime pay coming in over and incurring an average monthly vacancy rate of 0.33 in the first quarter.
- Maintenance & Operation cost came in \$3,480 under, mainly the net result of fuel expense account coming in under and contract labor expense account coming in over, in the first quarter. These types of accounts are not expensed evenly throughout the fiscal year.

***CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016***

Environmental Services Fund Overview

(4) *Recycling Service* came in \$51,265 under benchmark, mainly the net result of the following:

- Personnel cost came in \$3,527 over, mainly due to overtime pay coming in over. Recycling Service Department incurred an average monthly vacancy rate of zero in the first quarter.
- Maintenance & Operation cost came in \$52,361 under, mainly due to professional services (Waste Management Hazardous Waste Program) and recycling tipping fee expense accounts coming in under. These types of accounts are not expensed evenly throughout the fiscal year.
- Capital Outlay cost came in \$2,431 under, mainly due to machinery & equipment (carts) expense account coming in under. This type of account is not expensed evenly throughout the fiscal year.

As of December 31, 2016, Fiscal Year 2017 Environmental Services Fund expense is projected to come in \$23,170 under budget. The decrease is mainly the net result of personnel cost being projected to come in \$15,901 over budget, the net result of vacancies and overtime pay; and, maintenance & operations cost being projected to come in \$39,071 under budget, mainly due to recycling tipping fee coming in under budget.

Finance Department will continue to monitor all expense accounts; and, adjust Environmental Services Fund expense accounts to reflect current economic or financial trends. By end of the third quarter, we will be well into the budget process and have a more precise expense projection.

**CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY FINANCIAL EXPENSE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17	
	Original Budget	Amended Budget	Encumbrances Year to Date	Actual Year to Date	Percent of Amended Budget Expended	Quarter Benchmark Amount	Amount (Over) Under Benchmark	Projected Actual	Year End Variance	Year End Variance	Year End Variance	Year End Variance
Residential Collection Department:												
Personnel	\$ 660,965	\$ 660,965	\$ -	\$ 190,853	28.87%	\$ 189,619	\$ (1,234)	\$ 664,683	\$ 3,718			
Maintenance & Operation	1,444,554	1,451,098	7,584	357,685	25.17%	361,781	(3,489)	1,451,098	-			
Administration Overhead Cost Allocation	197,753	197,753	-	53,992	27.30%	53,328	(663)	196,115	(1,638)			
Non-Departmental Overhead Cost Allocation	642,447	642,447	-	200,588	31.22%	167,312	(33,276)	642,447	-			
Capital Outlay	909,100	909,100	-	-	0.00%	226,680	226,680	909,100	-			
Subtotal	\$ 3,854,820	\$ 3,861,363	\$ 7,584	\$ 803,118	21.00%	\$ 998,720	\$ 188,018	\$ 3,863,444	\$ 2,080			
Brush & Bulky Item Collection Department:												
Personnel	\$ 134,267	\$ 134,267	\$ -	\$ 35,528	26.46%	\$ 36,962	\$ 1,434	\$ 128,711	\$ (5,556)			
Maintenance & Operation	167,718	167,718	-	31,180	18.59%	41,815	10,635	167,718	-			
Administration Overhead Cost Allocation	31,641	31,641	-	8,639	27.30%	8,533	(106)	31,378	(262)			
Non-Departmental Overhead Cost Allocation	6,541	6,541	-	2,042	31.22%	1,703	(339)	6,541	-			
Capital Outlay	-	-	-	-	0.00%	-	-	-	-			
Subtotal	\$ 340,167	\$ 340,167	\$ -	\$ 77,388	22.75%	\$ 89,012	\$ 11,624	\$ 334,349	\$ (5,818)			
Yard Waste Collection Department:												
Personnel	\$ 169,018	\$ 169,018	\$ -	\$ 44,626	26.40%	\$ 46,053	\$ 1,428	\$ 174,075	\$ 5,057			
Maintenance & Operation	110,572	110,572	-	23,643	21.38%	27,567	3,925	110,572	-			
Administration Overhead Cost Allocation	31,641	31,641	-	8,639	27.30%	8,533	(106)	31,378	(262)			
Non-Departmental Overhead Cost Allocation	6,541	6,541	-	2,042	31.22%	1,703	(339)	6,541	-			
Capital Outlay	-	-	-	-	0.00%	-	-	-	-			
Subtotal	\$ 317,772	\$ 317,772	\$ -	\$ 78,949	24.84%	\$ 83,857	\$ 4,908	\$ 322,567	\$ 4,795			
Recycling Center Collection Department:												
Personnel	\$ 102,329	\$ 102,329	\$ -	\$ 31,939	31.21%	\$ 28,412	\$ (3,527)	\$ 117,194	\$ 14,865			
Maintenance & Operation	688,743	688,743	587	118,729	17.32%	171,714	52,398	649,672	(39,071)			
Administration Overhead Cost Allocation	2,637	2,637	-	720	27.30%	711	(9)	2,615	(22)			
Non-Departmental Overhead Cost Allocation	545	545	-	170	31.22%	142	(28)	545	-			
Capital Outlay	9,750	9,750	-	-	0.00%	2,431	2,431	9,750	-			
Subtotal	\$ 804,003	\$ 804,003	\$ 587	\$ 151,558	18.92%	\$ 203,410	\$ 51,265	\$ 779,775	\$ (24,228)			
Closure & Post-Closure Fund:												
Maintenance & Operation	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -			
Capital Outlay	-	3,750	3,750	-	100.00%	3,750	-	3,750	-			
Subtotal	\$ -	\$ 3,750	\$ 3,750	\$ -	100.00%	\$ 3,750	\$ -	\$ 3,750	\$ -			
TOTAL	\$ 5,316,761	\$ 5,327,055	\$ 11,921	\$ 1,111,014	21.08%	\$ 1,378,748	\$ 255,814	\$ 5,303,885	\$ (23,170)			

**CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY FINANCIAL EXPENSE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17	
	Original Budget	Amended Budget	Encumbrances Year to Date	Actual Year to Date	Percent of Amended Budget Expended	Quarter Benchmark Amount	Amount (Over) Under Benchmark	Projected Actual	Year End Variance			
Overhead Cost Allocation:												
Administration Department:												
Personnel	\$ 239,887	\$ 239,887	\$ -	\$ 64,295	26.80%	\$ 65,175	\$ 880	\$ 237,703	\$ (2,184)			
Maintenance & Operation	23,784	23,784	-	7,694	32.35%	5,930	(1,764)	23,784	-			
Capital Outlay	-	-	-	-	0.00%	-	-	-	-			
Subtotal	\$ 263,671	\$ 263,671	\$ -	\$ 71,989	27.30%	\$ 71,104	\$ (884)	\$ 261,487	\$ (2,184)			
Non-Departmental:												
Personnel	\$ 5,129	\$ 5,129	\$ -	\$ 2,565	50.00%	\$ 2,565	\$ (0)	\$ 5,129	\$ -			
Maintenance & Operation	650,945	650,945	-	202,278	31.07%	168,296	(33,982)	650,945	-			
Subtotal	\$ 656,074	\$ 656,074	\$ -	\$ 204,843	31.22%	\$ 170,860	\$ (33,982)	\$ 656,074	\$ -			
Environmental Services Fund:												
Personnel	\$ 1,311,595	\$ 1,311,595	\$ -	\$ 369,805	28.20%	\$ 368,785	\$ (1,020)	\$ 1,327,496	\$ 15,901			
Maintenance & Operation	3,086,316	3,092,860	8,171	741,208	24.23%	777,102	27,723	3,053,788	(39,071)			
Capital Outlay	918,850	922,600	3,750	-	0.41%	232,861	229,111	922,600	-			
Subtotal	\$ 5,316,761	\$ 5,327,055	\$ 11,921	\$ 1,111,014	21.08%	\$ 1,378,748	\$ 255,814	\$ 5,303,885	\$ (23,170)			

CITY OF VICTORIA, TEXAS
HEALTH PLAN FUND QUARTERLY FINANCIAL REPORT
COMBINED PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital-Employee Health	\$ 2,271,108	\$ 2,129,191	\$ 2,129,191	\$ 2,129,191
Undesignated Working Capital-Retiree Health	1,364,339	1,195,616	1,195,616	1,195,616
Undesignated Working Capital-Dental	1,050,349	1,030,669	1,030,669	1,030,669
Designated Working Capital - Encumbrances	-	-	-	-
TOTAL WORKING CAPITAL, OCTOBER 1	\$ 4,685,796	\$ 4,355,477	\$ 4,355,477	\$ 4,355,477
REVENUES				
Charges for Services:				
Employee Health	\$ 4,788,086	\$ 4,788,086	\$ 1,035,767	\$ 4,769,163
Retiree Health	1,047,603	1,047,603	403,838	1,027,396
Dental	315,914	315,914	71,666	311,679
Total Revenues	\$ 6,151,603	\$ 6,151,603	\$ 1,511,272	\$ 6,108,238
TOTAL FUNDS AVAILABLE	\$ 10,837,399	\$ 10,507,080	\$ 5,866,749	\$ 10,463,715
EXPENDITURES				
Maintenance & Operation - Employee	\$ 4,800,650	\$ 4,805,650	\$ 1,366,441	\$ 4,919,769
Maintenance & Operation - Retiree	1,152,088	1,152,088	417,418	1,147,232
Maintenance & Operation - Dental	291,100	291,100	66,564	310,211
Total Expenditures	\$ 6,243,838	\$ 6,248,838	\$ 1,850,422	\$ 6,377,212
ENDING WORKING CAPITAL				
Undesignated Working Capital-Employee Health	\$ 2,258,544	\$ 2,111,627	\$ 1,798,518	\$ 1,978,585
Undesignated Working Capital-Retiree Health	1,259,854	1,091,131	1,182,037	1,075,780
Undesignated Working Capital-Dental	1,075,163	1,055,483	1,035,772	1,032,137
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 4,593,561	\$ 4,258,242	\$ 4,016,327	\$ 4,086,503

Comments on the Health Plan Fund's "Pro Forma Schedule of Working Capital" can be found on the following pages.

CITY OF VICTORIA, TEXAS
HEALTH PLAN FUND
QUARTERLY FINANCIAL REPORT – EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2016

The following comments will address the main issues associated to the Health Plan Fund’s financial status as of December 31, 2016:

- The audited Fiscal Year 2016 ending “*Undesignated Working Capital*” came in at \$4,355,477, a decrease of \$330,319 or 7 percent, compared to the projected Fiscal Year 2016 ending “*Undesignated Working Capital*” calculated back in July 2016 of \$4,685,796. The decrease in working capital balance is mainly due to revenue coming in \$24,605 or 0.4 percent higher; and, expense coming in \$354,924 or 6 percent over budget, mainly due to employee’s and retiree’s medical claims coming in \$172,986 and \$168,780, respectively, higher than expected.
- As of December 31, 2016, Council amended the Fiscal Year 2017 Original Budget for the Fiscal Year 2016 carryover encumbrances of \$5,000.
- As of December 31, 2016, the Health Plan Fund is showing an undesignated working capital balance of \$4,016,327, which is made up as follows:
 - 1. Employee Health Undesignated Working Capital Balance: \$1,798,518
 - 2. Retiree Health Undesignated Working Capital Balance: 1,182,037
 - 3. Dental Undesignated Working Capital Balance: 1,035,772
 - \$4,016,327
- The “Fiscal Year 2016-17 Projected Actual” column, as of December 31, 2016, assumes the full-amended budget will be expensed, with some minor adjustments to various expense accounts; and, revenue has been adjusted to reflect current financial conditions. By the end of the third quarter, we will be well into the budget process and have a more precise projection of actual expenses and revenues.
- As of December 31, 2016, the Health Plan Fund projected year-end undesignated working capital balance is estimated to come in \$507,058 lower than the Original Fiscal Year 2017 Health Plan Fund undesignated working capital balance. The main reason for the anticipated decrease is the net result of the following:
 - a. The beginning undesignated working capital balance came in \$330,319 lower than expected;
 - b. Revenue is projected to come in \$43,365 under budget, mainly due to fewer participants in the City’s health care program; and,
 - c. Expense is projected to come in \$128,374 over budget, mainly due to employee’s medical claims being projected to come in over budget.

Over all, the Health Plan Fund financial position is stable as of December 31, 2016.

Comments addressing the budgeted revenue and expense “variances”, as of December 31, 2016, are addressed in a separate report following the Health Plan Fund Quarterly Financial Report.

CITY OF VICTORIA, TEXAS
HEALTH PLAN FUND - EMPLOYEE HEALTH QUARTERLY FINANCIAL REPORT
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrance Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital	\$ 2,271,108	\$ 2,129,191	\$ 2,129,191	\$ 2,129,191
Designated Working Capital	-	-	-	-
Reserved Working Capital	-	-	-	-
TOTAL WORKING CAPITAL, OCTOBER 1	\$ 2,271,108	\$ 2,129,191	\$ 2,129,191	\$ 2,129,191
REVENUES				
Charges for Services:				
Health - City	\$ 2,818,436	\$ 2,818,436	\$ 610,533	\$ 2,818,355
Health - Employee - Self	1,735,000	1,735,000	394,411	1,710,000
Health Insurance Cobra	1,100	1,100	3,911	3,911
Reimb Excess Stop Loss	150,000	150,000	-	150,000
Refund and Drug Rebate	50,000	50,000	18,013	50,000
Interest Income	17,000	17,000	7,120	20,000
Miscellaneous	16,550	16,550	1,779	16,896
Total Revenues	\$ 4,788,086	\$ 4,788,086	\$ 1,035,767	\$ 4,769,163
TOTAL FUNDS AVAILABLE	\$ 7,059,194	\$ 6,917,277	\$ 3,164,959	\$ 6,898,354
EXPENDITURES				
Health - Employees Claims	\$ 4,800,650	\$ 4,805,650	\$ 1,366,441	\$ 4,919,769
Total Expenditures	\$ 4,800,650	\$ 4,805,650	\$ 1,366,441	\$ 4,919,769
ENDING WORKING CAPITAL				
Undesignated Working Capital	\$ 2,258,544	\$ 2,111,627	\$ 1,798,518	\$ 1,978,585
Designated Working Capital	-	-	-	-
Reserved Working Capital	-	-	-	-
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 2,258,544	\$ 2,111,627	\$ 1,798,518	\$ 1,978,585

CITY OF VICTORIA, TEXAS
HEALTH PLAN FUND - RETIREE HEALTH QUARTERLY FINANCIAL REPORT
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital	\$ 1,364,339	\$ 1,195,616	\$ 1,195,616	\$ 1,195,616
Designated Working Capital	-	-	-	-
Reserved Working Capital	-	-	-	-
TOTAL WORKING CAPITAL, OCTOBER 1	\$ 1,364,339	\$ 1,195,616	\$ 1,195,616	\$ 1,195,616
REVENUES				
Charges for Services:				
Health - Retiree - City	\$ 575,303	\$ 575,303	\$ 140,137	\$ 572,496
Health - Retiree	272,300	272,300	63,702	254,900
Transfer from Other Funds	200,000	200,000	200,000	200,000
Total Revenues	\$ 1,047,603	\$ 1,047,603	\$ 403,838	\$ 1,027,396
TOTAL FUNDS AVAILABLE	\$ 2,411,942	\$ 2,243,219	\$ 1,599,455	\$ 2,223,012
EXPENDITURES				
Health - Retiree Claims	\$ 952,088	\$ 952,088	\$ 217,418	\$ 947,232
OPEB Trust	200,000	200,000	200,000	200,000
Total Expenditures	\$ 1,152,088	\$ 1,152,088	\$ 417,418	\$ 1,147,232
ENDING WORKING CAPITAL				
Undesignated Working Capital	\$ 1,259,854	\$ 1,091,131	\$ 1,182,037	\$ 1,075,780
Designated Working Capital	-	-	-	-
Reserved Working Capital	-	-	-	-
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 1,259,854	\$ 1,091,131	\$ 1,182,037	\$ 1,075,780

CITY OF VICTORIA, TEXAS
HEALTH PLAN FUND - DENTAL QUARTERLY FINANCIAL REPORT
PRO FORMA SCHEDULE OF WORKING CAPITAL POSITION
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016

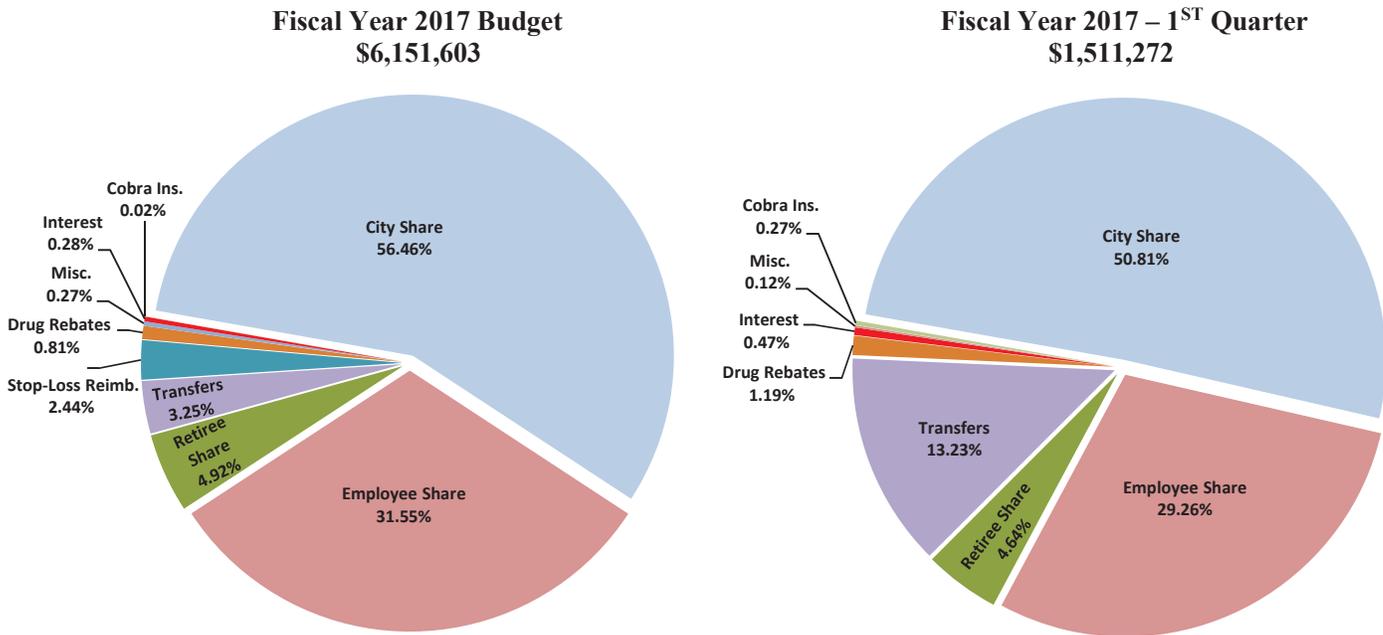
	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Actual & Encumbrances Year To Date	Fiscal Year 2016-17 Projected Actual
BEGINNING WORKING CAPITAL				
Undesignated Working Capital	\$ 1,050,349	\$ 1,030,669	\$ 1,030,669	\$ 1,030,669
Designated Working Capital	-	-	-	-
Reserved Working Capital	-	-	-	-
TOTAL WORKING CAPITAL, OCTOBER 1	\$ 1,050,349	\$ 1,030,669	\$ 1,030,669	\$ 1,030,669
REVENUES				
Charges for Services:				
Dental - City	\$ 79,414	\$ 79,414	\$ 17,168	\$ 79,451
Dental - Employee	206,000	206,000	47,778	206,000
Dental - Retiree	30,300	30,300	6,493	26,000
Dental Insurance Cobra	200	200	228	228
Total Revenues	\$ 315,914	\$ 315,914	\$ 71,666	\$ 311,679
TOTAL FUNDS AVAILABLE	\$ 1,366,263	\$ 1,346,583	\$ 1,102,336	\$ 1,342,348
EXPENDITURES				
Dental Claims	\$ 291,100	\$ 291,100	\$ 66,564	\$ 310,211
Total Expenditures	\$ 291,100	\$ 291,100	\$ 66,564	\$ 310,211
ENDING WORKING CAPITAL				
Undesignated Working Capital	\$ 1,075,163	\$ 1,055,483	\$ 1,035,772	\$ 1,032,137
Designated Working Capital	-	-	-	-
Reserved Working Capital	-	-	-	-
TOTAL WORKING CAPITAL, DECEMBER 31	\$ 1,075,163	\$ 1,055,483	\$ 1,035,772	\$ 1,032,137

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016

Health Plan Fund Overview

The Health Plan Fund accounts for transactions of a self-insured health insurance plan for City employees, employees' dependents, and retirees.

Health Plan Fund Sources of Funds



As of December 31, 2016, the Health Plan Fund revenues total \$1,511,272 or 24.6 percent of the Fiscal Year 2017 Health Plan Fund budgeted revenues, which is lower than the budget benchmark of 25.9 percent. The main reasons for the low collection rate is mainly due to the stop-loss reimbursement revenue account coming in under benchmark, this type of revenue is not collected evenly throughout the fiscal year, and City's contributions are coming in under benchmark, City's health contributions are based on staffed positions; by year end, the City will transfer, from other City Funds, the remaining health contribution balances.

Health Plan Fund Sources of Funds
Revenue Variance as of December 31, 2016

Revenue Source	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount		FY 2017 Projected Actual
City's Contribution	\$3,473,153	\$3,473,153	\$767,837	22.1%	\$ 812,560	(\$44,722)	(1)	\$3,470,303
Employee's Contribution	1,941,000	1,941,000	442,189	22.8%	447,923	(5,735)	(2)	1,916,000
Retiree's Contribution	302,600	302,600	70,195	23.2%	75,650	(5,455)	(3)	280,900
Stop-Loss Reimbursement	150,000	150,000	-	0.00%	37,500	(37,500)	(4)	150,000
Drug Rebates	50,000	50,000	18,013	36.0%	12,500	5,513	(5)	50,000
Cobra Insurance	1,300	1,300	4,139	318.4%	325	3,814	(6)	4,139
OPEB Transfer	200,000	200,000	200,000	100.00%	200,000	-		200,000
Interest	17,000	17,000	7,120	41.9%	4,250	2,870	(7)	20,000
Miscellaneous	16,550	16,550	1,779	10.7%	4,138	(2,359)	(8)	16,896
Total	\$6,151,603	\$6,151,603	\$1,511,272	24.6%	\$1,594,846	(\$83,574)		\$6,108,238

***CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL REVENUE REPORT
AS OF DECEMBER 31, 2016***

Health Plan Fund Overview

- (1) *City's Contribution* came in \$44,722 under benchmark. Throughout the fiscal year, the City's contribution/allocation is based on actual staffed positions and not budgeted positions. By year-end, the Health Plan Fund will be re-evaluated and, if needed, the remaining budget will be transferred to the Health Plan Fund.
- (2) *Employee's Contribution* came in \$5,735 under benchmark. The budget was developed around a certain number of health care participants; however, the actual number of health care participants is lower than the budgeted amount, as of the first quarter.
- (3) *Retiree's Contribution* came in \$5,455 under benchmark. The budget was developed around a certain number of health care participants; however, the actual number of health care participants is lower than the budgeted amount, as of the first quarter.
- (4) *Stop-Loss Reimbursement* came in \$37,500 under benchmark. This reimbursement is from our private stop-loss insurance carrier for medical claims that have exceeded the City's self-insurance limit in a given fiscal year. As of the first quarter, this account is coming in under budget; this type of revenue is not collected evenly throughout the fiscal year.
- (5) *Drug Rebates* came in \$5,513 over benchmark. The Drug Rebate Program helps to offset the City's drug cost. This type of revenue is not collected evenly throughout the fiscal year.
- (6) *Cobra Insurance* came in \$3,814 over benchmark; this type of revenue is not collected evenly throughout the fiscal year.
- (7) *Interest* came in \$2,870 over benchmark, mainly due to a maturity of an investment security; this type of revenue is not collected evenly throughout the fiscal year.
- (8) *Miscellaneous* came in \$2,359 under benchmark; this type of revenue is not collected evenly throughout the fiscal year.

As of December 31, 2016, the Health Plan Fund 2017 revenue is projected to come in \$43,365 under budget; the decrease is mainly due to an estimated decrease in health care participants.

Finance Department will continue to monitor all revenue accounts; and, adjust its year-end projections based on current financial trends.

**CITY OF VICTORIA, TEXAS
HEALTH PLAN FUND QUARTERLY FINANCIAL REVENUE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

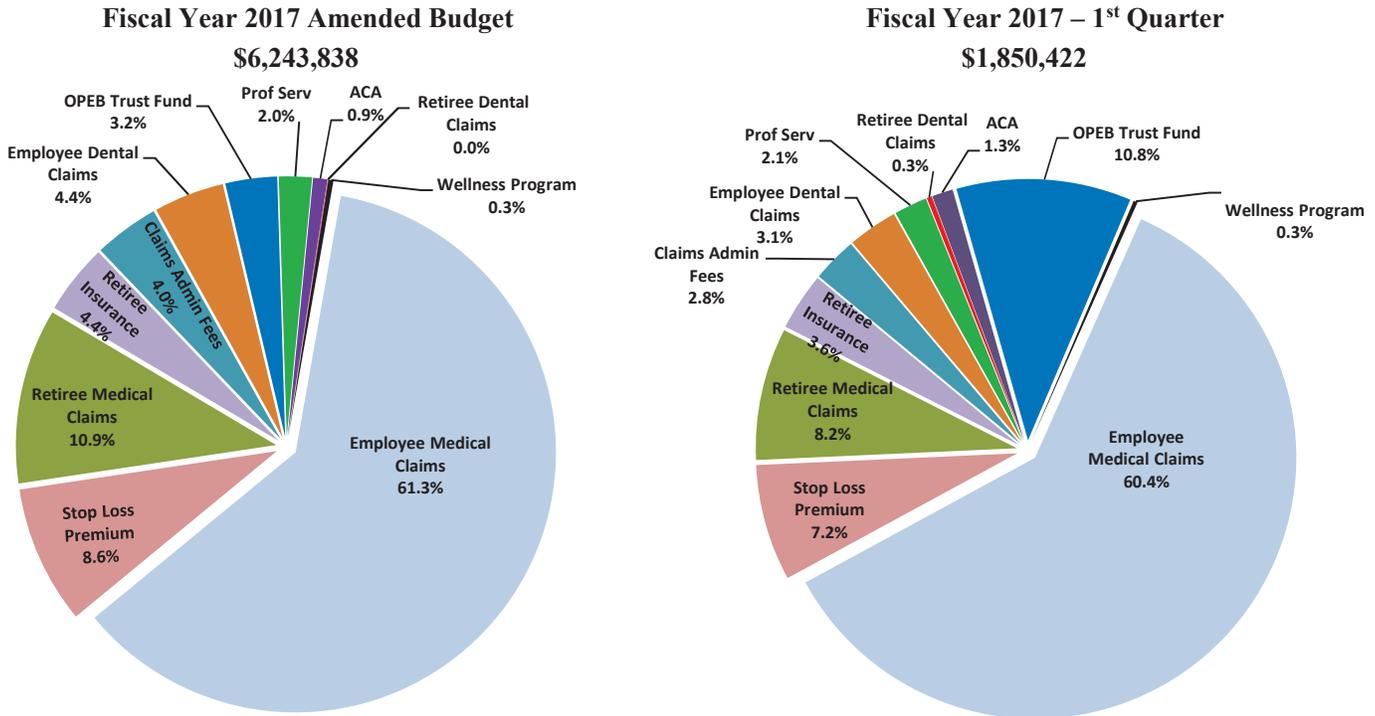
	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17	
	Original Budget	Amended Budget	Actual	Year to Date	Percent of Amended Budget Collected	Quarter Benchmark Amount	Over (Under) Benchmark Amount	Projected Actual	Year End Variance	
Health Insurance - Employee										
City Share - PPO	\$ 2,269,373	\$ 2,269,373	\$ 460,010			\$ 523,701	\$ (63,691)	\$ 2,123,510	\$ (145,863)	
City Share - HDHP	549,063	549,063	150,523		27.41%	126,707	23,816	694,846	145,783	
Employee Share - PPO	1,384,000	1,384,000	311,885		22.54%	319,385	(7,500)	1,352,000	(32,000)	
Employee Share - HDHP	351,000	351,000	82,526		23.51%	81,000	1,526	358,000	7,000	
Health Insurance - Cobra	1,100	1,100	3,911		355.55%	275	3,636	3,911	2,811	
Reimburse Excess Stop Loss	150,000	150,000	-		0.00%	37,500	(37,500)	150,000	-	
Drug Rebates	50,000	50,000	18,013		36.03%	12,500	5,513	50,000	-	
Miscellaneous	16,550	16,550	1,779		10.75%	4,138	(2,359)	16,896	346	
Interest Income	17,000	17,000	7,120		41.88%	4,250	2,870	20,000	3,000	
Sub-Total	\$ 4,788,086	\$ 4,788,086	\$ 1,035,767		21.63%	\$ 1,109,455	\$ (73,688)	\$ 4,769,163	\$ (18,923)	
Health Insurance - Retiree										
City Share - PPO	\$ 252,929	\$ 252,929	\$ 55,812		22.07%	\$ 63,232	\$ (7,420)	\$ 228,007	\$ (24,922)	
City Share - HDHP	51,315	51,315	12,318		24.00%	12,829	(511)	50,322	(993)	
City Share - HRA Insurance / Over 65	271,059	271,059	72,007		26.56%	67,765	4,242	294,167	23,108	
Retiree Share - PPO	224,300	224,300	53,038		23.65%	56,075	(3,037)	212,200	(12,100)	
Retiree Share - HDHP	48,000	48,000	10,664		22.22%	12,000	(1,336)	42,700	(5,300)	
Transfer from Other Funds	200,000	200,000	200,000		100.00%	200,000	-	200,000	-	
Sub-Total	\$ 1,047,603	\$ 1,047,603	\$ 403,838		38.55%	\$ 411,901	\$ (8,062)	\$ 1,027,396	\$ (20,207)	
Dental Insurance										
City Share	\$ 79,414	\$ 79,414	\$ 17,168		21.62%	\$ 18,326	\$ (1,158)	\$ 79,451	\$ 37	
Employee Share	206,000	206,000	47,778		23.19%	47,538	239	206,000	-	
Retiree Share	30,300	30,300	6,493		21.43%	7,575	(1,082)	26,000	(4,300)	
Dental Insurance - Cobra	200	200	228		114.17%	50	178	228	28	
Sub-Total	\$ 315,914	\$ 315,914	\$ 71,666		22.69%	\$ 73,490	\$ (1,823)	\$ 311,679	\$ (4,235)	
Total	\$ 6,151,603	\$ 6,151,603	\$ 1,511,272		24.57%	\$ 1,594,846	\$ (83,574)	\$ 6,108,238	\$ (43,365)	

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Health Plan Fund Overview

The Health Plan Fund accounts for transactions of a self-insured health insurance plan for City employees, employees' dependents, and retirees.

Health Plan Fund Uses of Funds



As of December 31, 2016, the Health Plan Fund expenses total \$1,850,422 or 29.6 percent of the Fiscal Year 2017 amended Health Plan Fund budgeted expenses, which is higher than the budget benchmark of 27.5 percent. The main reason for a high expense rate is due mainly to employees' medical claims coming in \$163,536 over budget.

Health Plan Fund Uses of Funds
Expense Variance as of December 31, 2016

Programs	FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Actual YTD	Percent of Budget	Quarter Budget Benchmark	Quarter Variance Amount		FY 2017 Projected Actual
Employee Med Claims	\$3,862,500	\$3,827,500	\$1,117,789	29.2%	\$954,254	(\$163,536)	(1)	\$3,971,729
Employee Dental Claims	274,000	274,000	57,161	20.9%	68,312	11,152	(2)	267,690
Retiree Med Claims	679,800	679,800	151,655	22.3%	169,484	17,829	(3)	661,506
Retiree Dental Claims	3,100	3,100	6,047	195.1%	773	(5,274)	(4)	29,096
Retiree Insurance	272,288	272,288	65,762	24.2%	68,072	2,310	(5)	285,726
Stop Loss Premium	538,100	538,100	133,360	24.8%	134,525	1,165	(6)	533,440
Claim Administration Fee	252,610	252,610	51,464	20.4%	63,149	11,686	(7)	238,885
OPEB Trust Fund	200,000	200,000	200,000	100.0%	200,000	-		200,000
Professional Services	87,640	127,640	38,138	29.9%	31,823	(6,315)	(8)	115,340
Fed Healthcare Ref Act	55,000	55,000	24,150	43.9%	24,150	-		55,000
Wellness Program	18,800	18,800	4,897	26.0%	4,687	(210)		18,800
Total	\$6,243,838	\$6,248,838	\$1,850,422	29.6%	\$1,719,228	(\$131,194)		\$6,377,212

CITY OF VICTORIA, TEXAS
QUARTERLY FINANCIAL EXPENDITURE REPORT
AS OF DECEMBER 31, 2016

Health Plan Fund Overview

- (1) *Employee Medical Claims* came in \$163,536 over benchmark, due to employees' medical claims coming in higher than expected. Normally by this time of the calendar year many employees have met their deductible, which may partially account for claims exceeding the budgeted benchmark. This type of account is not expensed evenly throughout the fiscal year.
- (2) *Employee Dental Claims* came in \$11,152 under benchmark. This type of account is not expensed evenly throughout the fiscal year.
- (3) *Retiree Medical Claims* came in \$17,829 under benchmark, due to retirees' claims coming in lower than expected. This type of account is not expensed evenly throughout the fiscal year.
- (4) *Retiree Dental Claims* came in \$5,274 over benchmark. The variance is due to incorrectly setting the Fiscal Year 2017 retiree dental claims budget at \$3,100 instead of \$31,000, i.e. left off one zero. If the budget was set correctly, retiree dental claims would have been under budget.
- (5) *Retiree Insurance, i.e. health insurance exchange; health reimbursement account*, came in \$2,310 under benchmark; this type of expense is not expensed evenly throughout the fiscal year.
- (6) *Stop Loss Premium* came in \$1,165 under benchmark. The City has purchased Stop Loss Insurance from a private insurance company in order to hedge/limit its medical claim exposure over a certain amount in a given year. Effective January 2017, the City will have a new Stop Loss Insurance carrier; and, it is expected that the insurance premium cost will be within budget.
- (7) *Claim Administration Fee* came in \$11,686 under benchmark; Benefit Administrative Services (BAS) is the City's claim administrator. The cost is tied to the number of medical/dental claims filed in a given month, which can vary from month to month.
- (8) *Professional Services* came in \$6,315 over benchmark, mainly due to Fiscal Year 2016 carryover encumbrance, i.e. health care consultant contract; and, Benefit Med-Tech Services, new service, coming in over budget in the first quarter.

As of December 31, 2016, Fiscal Year 2017 Health Plan Fund expense is projected to come in \$128,374 over budget; the increase is mainly due to employee medical claims being projected to come in \$144,229 over budget. Finance Department will continue to monitor all accounts; and, adjust its year-end projections, based on financial trends. By end of the third quarter, we will be well into the budget process and have a more precise expense projection.

**CITY OF VICTORIA, TEXAS
HEALTH PLAN FUND QUARTERLY FINANCIAL EXPENSE REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Percent of Amended Budget Expended	Quarter	Amount	Fiscal Year	Fiscal Year
	2016-17 Original Budget	2016-17 Amended Budget	2016-17 Encumbrances Year to Date	2016-17 Actual Year to Date		Benchmark Amount	(Over) Under Benchmark Amount	2016-17 Projected Budget	2016-17 Year End Variance
EXPENDITURES:									
Health Insurance - Employee									
Plan Admin Fees	\$ 5,310	\$ 5,310	-	\$ -	17.14%	\$ 1,324	\$ 414	\$ 5,460	\$ 150
Claims Admin Fees	233,300	233,300	-	47,198	20.23%	58,325	11,128	220,000	(13,300)
Professional Services	68,000	73,000	10,000	11,847	29.93%	18,200	(3,647)	73,000	-
Medical Claims - PPO	3,124,857	3,089,857	-	802,864	25.98%	770,348	(32,516)	2,852,736	(237,121)
Medical Claims - HDHP	737,643	737,643	-	314,925	42.69%	183,906	(131,020)	1,118,993	381,350
Wellness Program	18,800	18,800	-	4,897	26.05%	4,687	(210)	18,800	-
Disease Management	19,640	19,640	-	4,835	24.62%	4,897	62	19,340	(300)
Stop Loss Premium	538,100	538,100	-	133,360	24.78%	134,525	1,165	533,440	(4,660)
Federal Healthcare Reform Act Benefit Med-Tech Services	55,000	55,000	-	24,150	43.91%	24,150	-	55,000	-
	-	35,000	-	11,456	32.73%	8,726	(2,730)	23,000	(12,000)
Sub-Total	\$ 4,800,650	\$ 4,805,650	\$ 10,000	\$ 1,356,441	28.43%	\$ 1,209,087	\$ (157,354)	\$ 4,919,769	\$ 114,119

Health Insurance - Retiree									
Medical Claims - PPO	\$ 396,094	\$ 396,094	-	\$ 71,165	17.97%	\$ 98,752	\$ 27,587	\$ 310,416	\$ (85,678)
Medical Claims - HDHP	283,706	283,706	-	80,490	28.37%	70,732	(9,758)	351,090	67,384
Medical Retiree - Insurance (over 65)	272,288	272,288	-	65,762	24.15%	68,072	2,310	285,726	13,438
OPEB Trust Fund	200,000	200,000	-	200,000	100.00%	200,000	-	200,000	-
Sub-Total	\$ 1,152,088	\$ 1,152,088	\$ -	\$ 417,418	36.23%	\$ 437,556	\$ 20,139	\$ 1,147,232	\$ (4,856)

Dental Insurance									
Dental - Employee	\$ 274,000	\$ 274,000	-	\$ 57,161	20.86%	\$ 68,312	\$ 11,152	\$ 267,690	\$ (6,310)
Dental - Retiree	3,100	3,100	-	6,047	195.07%	773	(5,274)	29,096	25,996
Claims Admin Fees	14,000	14,000	-	3,356	23.97%	3,500	144	13,425	(575)
Sub-Total	\$ 291,100	\$ 291,100	\$ -	\$ 66,564	22.87%	\$ 72,585	\$ 6,021	\$ 310,211	\$ 19,111

Total Expenditures:	\$ 6,243,838	\$ 6,248,838	\$ 10,000	\$ 1,840,422	29.61%	\$ 1,719,228	\$ (131,194)	\$ 6,377,212	\$ 128,374
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**CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY CAPITAL OUTLAY REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Percent of Amended Budget Expended	Benchmark Amount / Percentage 24.93%		Fiscal Year 2016-17	
	Original Budget	Amended Budget	Encumbrances Year to Date	Year to Date	Actual Year to Date	Amount (Over) Under Benchmark		Amount	Projected Actual		
GENERAL ADMINISTRATION:											
City Manager											
Computer Equipment-Hardware	\$ 1,400	\$ 1,400	\$ -	\$ -	\$ -	0.00%	\$ 349	\$ 349	\$ 349	\$ 1,400	
Subtotal	\$ 1,400	\$ 1,400	\$ -	\$ -	\$ -	0.00%	\$ 349	\$ 349	\$ 349	\$ 1,400	
Finance											
Computer Equipment-Hardware	\$ 6,594	\$ 6,809	\$ 6,808	\$ -	\$ -	99.99%	\$ 1,698	\$ (5,111)	\$ (5,111)	\$ 6,809	
Subtotal	\$ 6,594	\$ 6,809	\$ 6,808	\$ -	\$ -	99.99%	\$ 1,698	\$ (5,111)	\$ (5,111)	\$ 6,809	
Human Resources											
Computer Equipment-Hardware	\$ 1,100	\$ 1,100	\$ -	\$ -	\$ 1,068	97.11%	\$ 274	\$ (794)	\$ (794)	\$ 1,100	
Subtotal	\$ 1,100	\$ 1,100	\$ -	\$ -	\$ 1,068	97.11%	\$ 274	\$ (794)	\$ (794)	\$ 1,100	
Public Information Office											
Buildings & Improvements	\$ 1,500	\$ 1,500	\$ -	\$ -	\$ -	0.00%	\$ 374	\$ 374	\$ 374	\$ 1,500	
Subtotal	\$ 1,500	\$ 1,500	\$ -	\$ -	\$ -	0.00%	\$ 374	\$ 374	\$ 374	\$ 1,500	
TOTAL GENERAL ADMINISTRATION	\$ 10,594	\$ 10,809	\$ 6,808	\$ 1,068	\$ 1,068	72.87%	\$ 2,695	\$ (5,182)	\$ (5,182)	\$ 10,809	
PUBLIC SAFETY:											
Police											
Buildings & Improvements	\$ 25,583	\$ 28,808	\$ -	\$ -	\$ 3,225	11.19%	\$ 7,182	\$ 3,958	\$ 28,808		
Office Equip, Instr & Apparatus	5,900	10,353	-	-	6,622	63.96%	2,581	(4,041)	10,353		
Computer Equipment-Hardware	34,080	34,080	-	-	-	0.00%	8,497	8,497	34,080		
Computer Equipment-Software	11,778	11,778	-	-	-	0.00%	2,936	2,936	11,778		
Machinery & Equipment	23,055	23,055	3,782	-	-	16.40%	5,748	1,966	23,055		
Other Equipment	6,171	6,171	3,206	-	-	51.96%	1,539	(1,668)	6,171		
Subtotal	\$ 106,567	\$ 114,245	\$ 6,988	\$ 9,847	\$ 9,847	14.74%	\$ 28,483	\$ 11,648	\$ 114,245		
Fire											
Buildings & Improvements	\$ 8,850	\$ 8,850	\$ 3,162	\$ -	\$ 800	44.77%	\$ 2,206	\$ (1,756)	\$ 8,850		
Heat, Vent, & Air Conditioning	2,500	2,500	-	-	-	0.00%	623	623	2,500		
Communications Equipment	21,000	21,000	-	-	-	0.00%	5,236	5,236	21,000		
Chem, Med, Surg, Equip	53,075	53,075	-	-	-	0.00%	13,232	13,232	53,075		
Computer Equipment-Hardware	58,332	58,332	-	-	-	0.00%	14,543	14,543	58,332		
Computer Equipment-Software	2,252	2,252	-	-	2,025	89.93%	561	(1,464)	2,252		
Machinery & Equipment	76,405	73,885	-	-	890	1.20%	18,421	17,531	73,885		
Subtotal	\$ 222,414	\$ 219,894	\$ 3,162	\$ 3,715	\$ 3,715	3.13%	\$ 54,823	\$ 47,946	\$ 219,894		

**CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY CAPITAL OUTLAY REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Percent of Amended Budget Expended	Benchmark Amount / Percentage 24.93%		Fiscal Year 2016-17	
	Original Budget	Amended Budget	Encumbrances Year to Date	Fiscal Year 2016-17 Actual	Amount (Over) Under Benchmark Amount	Projected Actual		Amount / Percentage	Amount		
									Under	Over	
PUBLIC SAFETY - continued:											
Municipal Court											
Office Eqipt, Instr & Apparatus	\$ -	\$ 231	\$ 231	\$ -	\$ (173)	\$ 231	100.00%	\$ 58	\$ (173)	\$ 231	231
Subtotal	\$ -	\$ 231	\$ 231	\$ -	\$ (173)	\$ 231	100.00%	\$ 58	\$ (173)	\$ 231	231
TOTAL PUBLIC SAFETY	\$ 328,981	\$ 334,370	\$ 10,381	\$ 13,562			7.16%	\$ 83,363	\$ 59,420	\$ 334,370	
DEVELOPMENT:											
Planning											
Computer Equipment-Hardware	\$ 700	\$ 700	\$ -	\$ -	\$ 175	\$ 700	0.00%	\$ 175	\$ 175	\$ 700	700
Subtotal	\$ 700	\$ 700	\$ -	\$ -	\$ 175	\$ 700	0.00%	\$ 175	\$ 175	\$ 700	700
Geographic Information System (GIS)											
Computer Equipment-Hardware	\$ 700	\$ 700	\$ -	\$ -	\$ 175	\$ 700	0.00%	\$ 175	\$ 175	\$ 700	700
Subtotal	\$ 700	\$ 700	\$ -	\$ -	\$ 175	\$ 700	0.00%	\$ 175	\$ 175	\$ 700	700
Engineering											
Computer Equipment-Hardware	\$ 3,300	\$ 3,300	\$ -	\$ 2,136	\$ 823	\$ (1,314)	64.74%	\$ 374	\$ 374	\$ 3,300	3,300
Machinery & Equipment	1,500	1,500	-	-	1,197	(940)	0.00%	374	374	1,500	1,500
Subtotal	\$ 4,800	\$ 4,800	\$ -	\$ 2,136	\$ 1,197	\$ (940)	44.51%	\$ 748	\$ (570)	\$ 4,800	4,800
Street											
Buildings & Improvements	\$ 875	\$ 875	\$ -	\$ -	\$ 218	\$ 218	0.00%	\$ 218	\$ 218	\$ 875	875
Drainage Improvement	50,000	50,000	-	-	12,466	12,466	0.00%	12,466	12,466	50,000	50,000
Computer Equipment-Hardware	1,100	1,100	-	-	274	274	0.00%	274	274	1,100	1,100
Machinery & Equipment	19,500	19,500	-	15,548	4,862	(10,687)	79.73%	81,681	(245,942)	19,500	19,500
AUC-Construction	-	327,623	261,750	65,873	99,501	(243,670)	100.00%	327,623	327,623	327,623	327,623
Subtotal	\$ 71,475	\$ 399,098	\$ 261,750	\$ 81,421	\$ 99,501	\$ (243,670)	85.99%	\$ 327,623	\$ 327,623	\$ 399,098	399,098
Traffic Control											
Computer Equipment-Hardware	\$ 875	\$ 875	\$ -	\$ -	\$ 218	\$ 218	0.00%	\$ 218	\$ 218	\$ 875	875
Machinery & Equipment	-	2,738	-	2,738	683	(2,056)	100.00%	683	(2,056)	2,738	2,738
Subtotal	\$ 875	\$ 3,613	\$ -	\$ 2,738	\$ 901	\$ (1,837)	75.78%	\$ 901	\$ (1,837)	\$ 3,613	3,613
TOTAL DEVELOPMENT	\$ 78,550	\$ 408,911	\$ 261,750	\$ 86,296	\$ 101,948	\$ (246,098)	85.12%	\$ 246,098	\$ (246,098)	\$ 408,911	408,911

**CITY OF VICTORIA, TEXAS
GENERAL FUND QUARTERLY CAPITAL OUTLAY REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17		Fiscal Year 2016-17		Fiscal Year 2016-17		Percent of Amended Budget Expended	Benchmark Amount / Percentage 24.93%		Fiscal Year 2016-17		
	Original Budget	Amended Budget	Encumbrances Year to Date	Year to Date	Actual	Year to Date		Amount (Over) Under Benchmark Amount	Projected Actual			
BUILDING SERVICES:												
Building Services												
Buildings & Improvements	\$ 27,500	\$ 27,500	\$ -	\$ -	-	-	0.00%	\$ 6,856	\$ 6,856	\$ 6,856	\$ 27,500	
Subtotal	\$ 27,500	\$ 27,500	\$ -	\$ -	-	-	0.00%	\$ 6,856	\$ 6,856	\$ 6,856	\$ 27,500	
TOTAL BUILDING SERVICES												
	\$ 27,500	\$ 27,500	\$ -	\$ -	-	-	0.00%	\$ 6,856	\$ 6,856	\$ 6,856	\$ 27,500	
RECREATION:												
Parks and Recreation												
Other Structures	\$ 106,500	\$ 229,977	\$ 15,836	\$ 139,786	139,786	67.67%	\$ 57,337	\$ (98,285)	\$ 229,977	\$ 229,977		
Machinery & Equipment	262,500	262,500	219,317	20,010	20,010	91.17%	65,445	(173,882)	262,500	262,500		
Subtotal	\$ 369,000	\$ 492,477	\$ 235,153	\$ 159,796	159,796	80.20%	\$ 122,782	\$ (272,167)	\$ 492,477	\$ 492,477		
Library												
Heat, Vent, & Air Conditioning	\$ 26,600	\$ 26,600	\$ -	\$ -	-	0.00%	\$ 6,632	\$ 6,632	\$ 26,600	\$ 26,600		
Office Equipmt, Instr & Apparatus	1,750	1,750	1,750	-	-	100.00%	436	(1,314)	1,750	1,750		
Computer Equipment-Hardware	30,100	30,100	-	-	-	0.00%	7,504	7,504	30,100	30,100		
Books	222,200	222,200	-	48,120	48,120	21.66%	55,398	7,278	222,200	222,200		
Subtotal	\$ 280,650	\$ 280,650	\$ 1,750	\$ 48,120	48,120	17.77%	\$ 69,970	\$ 20,101	\$ 280,650	\$ 280,650		
TOTAL RECREATION												
	\$ 649,650	\$ 773,127	\$ 236,903	\$ 207,915	207,915	57.53%	\$ 192,752	\$ (252,066)	\$ 773,127	\$ 773,127		
TOTAL GENERAL FUND CAPITAL OUTLAY:												
	\$ 1,095,275	\$ 1,554,717	\$ 515,842	\$ 308,841	308,841	53.04%	\$ 387,614	\$ (437,070)	\$ 1,554,717	\$ 1,554,717		

**CITY OF VICTORIA, TEXAS
MOTEL TAX FUND QUARTERLY CAPITAL OUTLAY REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Encumbrances Year to Date	Fiscal Year 2016-17 Actual Year to Date	Percent of Amended Budget Expended	Benchmark Amount / Percentage 24.93%	Amount (Over) Under Benchmark Amount	Fiscal Year 2016-17 Projected Actual
\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	-
\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	-

EXPENDITURES

TOTAL EXPENDITURES:

**CITY OF VICTORIA, TEXAS
CONVENTION & VISITORS BUREAU FUND QUARTERLY CAPITAL OUTLAY REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Encumbrances Year to Date	Fiscal Year 2016-17 Actual Year to Date	Percent of Amended Budget Expended	Benchmark Amount / Percentage 24.93%	Amount (Over) Under Benchmark Amount	Fiscal Year 2016-17 Projected Actual
\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -	-
\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -	-
EXPENDITURES							
TOTAL EXPENDITURES:							

**CITY OF VICTORIA, TEXAS
WATER/WASTEWATER FUND QUARTERLY CAPITAL OUTLAY REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year		Fiscal Year	
	2016-17 Original Budget	2016-17 Amended Budget	2016-17 Encumbrances Year to Date	2016-17 Actual Year to Date	2016-17 Actual Year to Date	Percent of Amended Budget Expended	Benchmark - Amount/ Percentage - 24.93%	Amount (Over) Benchmark	Projected Actual
Utility Billing Office - UBO:									
Computer Equipment-Hardware	\$ 1,544	\$ 1,544	\$ -	\$ -	-	0.00%	\$ 385	\$ 385	\$ 1,544
Subtotal	\$ 1,544	\$ 1,544	\$ -	\$ -	-	0.00%	\$ 385	\$ 385	\$ 1,544
Water Department:									
Buildings & Improvements	\$ 875	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
Mains & Hydrants	800,000	1,325,000	455,439	129,561	129,561	44.15%	330,342	(254,658)	1,325,000
Computer Equipment-Hardware	3,425	3,425	-	-	-	0.00%	854	854	3,425
Machinery & Equipment	64,100	64,975	-	16,638	16,638	25.61%	16,199	(439)	64,975
Subtotal	\$ 868,400	\$ 1,393,400	\$ 455,439	\$ 146,199	146,199	43.18%	\$ 347,396	\$ (254,242)	\$ 1,393,400
Water Plant Department:									
Heat, Vent, Air Conditioner	\$ 10,593	\$ 10,593	\$ -	\$ -	-	0.00%	\$ 2,641	\$ 2,641	\$ 10,593
Other Structures	100,000	100,000	-	-	-	0.00%	24,932	24,932	100,000
Office Equipmt, Instr & Appar	24,200	24,200	-	23,890	23,890	98.72%	6,033	(17,856)	24,200
Computer Equipment-Hardware	1,800	1,800	-	-	-	0.00%	449	449	1,800
Machinery & Equipment	45,546	45,546	-	21,308	21,308	46.78%	11,355	(9,953)	45,546
Subtotal	\$ 182,139	\$ 182,139	\$ -	\$ 45,198	45,198	24.82%	\$ 45,410	\$ 212	\$ 182,139
Wastewater Department:									
Buildings & Improvements	\$ 875	\$ 875	\$ -	\$ -	-	0.00%	\$ 218	\$ 218	\$ 875
Mains & Hydrants	900,000	1,368,520	166,600	301,920	301,920	34.24%	341,193	(127,327)	1,368,520
Computer Equipment-Hardware	1,625	1,625	-	-	-	0.00%	405	405	1,625
Machinery & Equipment	89,550	89,550	-	31,229	31,229	34.87%	22,326	(8,903)	89,550
Subtotal	\$ 992,050	\$ 1,460,570	\$ 166,600	\$ 333,148	333,148	34.22%	\$ 364,142	\$ (135,606)	\$ 1,460,570
Wastewater Treatment Dept:									
Other Structures	\$ 36,500	\$ 36,500	\$ 2,446	\$ -	-	6.70%	\$ 9,100	\$ 6,654	\$ 36,500
Office Equipmt, Instr & Appar	15,500	15,500	7,000	7,950	7,950	96.45%	3,864	(11,086)	15,500
Computer Equipment-Software	750,000	750,000	-	-	-	0.00%	186,986	186,986	750,000
Machinery & Equipment	33,860	33,860	-	-	-	0.00%	8,442	8,442	33,860
Auc-Construction	-	246,903	-	246,903	246,903	100.00%	61,557	(185,346)	246,903
Subtotal	\$ 835,860	\$ 1,082,763	\$ 9,446	\$ 254,853	254,853	24.41%	\$ 269,949	\$ 5,650	\$ 1,082,763
TOTAL	\$ 2,879,993	\$ 4,120,415	\$ 631,486	\$ 779,397	779,397	34.24%	\$ 1,027,282	\$ (383,601)	\$ 4,120,415

**CITY OF VICTORIA, TEXAS
700 MAIN CENTER FUND QUARTERLY CAPITAL OUTLAY REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Percent of	Benchmark	Amount	Fiscal Year
	2016-17	2016-17	2016-17	2016-17	2016-17	Amended	Amount /	(Over) Under	2016-17
	Original	Amended	Encumbrances	Actual	Year to Date	Budget	Percentage	Benchmark	Projected
	Budget	Budget	Year to Date	Year to Date	Year to Date	Expended	24.93%	Amount	Actual
	\$ -	\$ 22,000	\$ 17,076	\$ -		77.62%	\$ 5,485	\$ (11,591)	\$ 22,000
EXPENDITURES:									
Machinery & Equipment									
TOTAL EXPENDITURES:	\$ -	\$ 22,000	\$ 17,076	\$ -		77.62%	\$ 5,485	\$ (11,591)	\$ 22,000

**CITY OF VICTORIA, TEXAS
COMMUNITY CENTER FUND QUARTERLY CAPITAL OUTLAY REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Encumbrances Year to Date	Fiscal Year 2016-17 Actual Year to Date	Percent of Amended Budget Expended	Benchmark Amount / Percentage 24.93%	Amount (Over) Under Benchmark Amount	Fiscal Year 2016-17 Projected Actual
EXPENDITURES								
Buildings & Improvements	\$ 79,000	\$ 160,976	\$ 52,801	\$ 29,175	50.92%	\$ 40,134	\$ (41,843)	\$ 160,976
Heat, Vent, Air Conditioner	32,312	32,312	-	-	0.00%	8,056	8,056	32,312
Other Structures	190,500	190,500	-	17,382.50	9.12%	47,495	30,112	190,500
Computer Equipment-Hardware	-	9,732	-	9,731.41	100.00%	2,426	(7,305)	9,732
TOTAL EXPENDITURES:	\$ 301,812	\$ 393,520	\$ 52,801	\$ 56,289	27.72%	\$ 98,110	\$ (10,980)	\$ 393,520

**CITY OF VICTORIA, TEXAS
ENVIRONMENTAL SERVICES FUND QUARTERLY CAPITAL OUTLAY REPORT
FOR THE CORRESPONDING FISCAL YEAR PRESENTED
AS OF DECEMBER 31, 2016**

	Fiscal Year 2016-17 Original Budget	Fiscal Year 2016-17 Amended Budget	Fiscal Year 2016-17 Encumbrances Year to Date	Fiscal Year 2016-17 Actual Year to Date	Percent of Amended Budget Expended	Benchmark - Amount / Percentage - 24.93%	Amount (Over) Under Benchmark Amount	Fiscal Year 2016-17 Projected Actual
Residential Collection Department:								
Other Structures	\$ 865,000	\$ 865,000	\$ -	\$ -	0.00%	\$ 215,658	\$ 215,658	\$ 865,000
Computer Equipment-Hardware	3,300	3,300	-	-	0.00%	823	823	3,300
Machinery & Equipment	40,800	40,800	-	-	0.00%	10,200	10,200	40,800
Subtotal	\$ 909,100	\$ 909,100	\$ -	\$ -	0.00%	\$ 226,680	\$ 226,680	\$ 909,100
Recycling Center Department:								
Buildings & Improvements	\$ -	\$ -	\$ -	\$ -	0.00%	-	-	\$ -
Machinery & Equipment	9,750	9,750	-	-	0.00%	2,431	2,431	9,750
Subtotal	\$ 9,750	\$ 9,750	\$ -	\$ -	0.00%	\$ 2,431	\$ 2,431	\$ 9,750
Closure & Post-Closure Fund:								
CIP-Construction	\$ -	\$ 3,750	\$ 3,750	\$ -	100.00%	\$ 3,750	\$ -	\$ 3,750
Subtotal	\$ -	\$ 3,750	\$ 3,750	\$ -	100.00%	\$ 3,750	\$ -	\$ 3,750
TOTAL	\$ 918,850	\$ 922,600	\$ 3,750	\$ -	0.41%	\$ 232,861	\$ 229,111	\$ 922,600