Report to City Council:

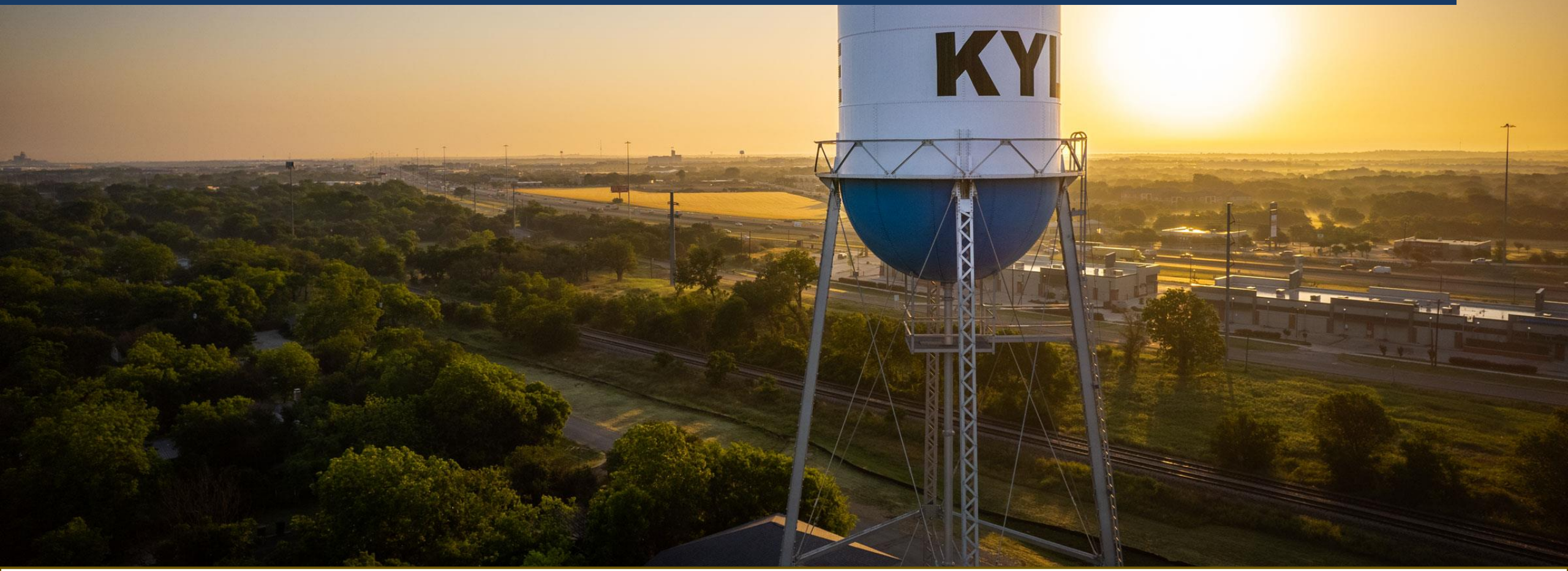
June 2026 Monthly Financial Update

City Council Meeting – July 16, 2026

Presentation Outline

1. Purpose of Monthly Financial Briefing
2. How Monthly Financial Briefings Help Council
3. General Fund Summary
4. Water Utility Fund Summary
5. Wastewater Utility Fund Summary
6. Storm Drainage Utility Fund Summary
7. FY 2026 Cost Containment Measures Implemented by ICM

FY 2025-26 MONTHLY FINANCIAL BRIEFING
JUNE 2026



Purpose of Monthly Financial Briefing

- The City of Kyle is committed to maintaining transparency, accountability, and proactive financial stewardship.
- Monthly financial reporting provides City Council with timely information regarding the City's financial position and budget performance throughout the fiscal year.

Monthly Financial Briefings Help Council...

- **Monitor Financial Performance** by comparing actual revenues and expenditures to the adopted budget throughout the year.
- **Identify Emerging Trends Early** to detect revenue shortfalls, expenditure pressures, or operational changes before they become significant financial challenges.
- **Support Informed Decision-Making** by providing current financial information to assist with policy discussions, budget amendments, and strategic priorities.
- **Enhance Fiscal Transparency** by providing consistent, routine reporting on the City's major operating funds and overall financial condition.
- **Evaluate Fund Balance Health** through ongoing monitoring of reserves and projected year-end financial positions to ensure long-term fiscal sustainability.
- **Improve Financial Accountability** by promoting regular review of departmental spending and revenue collection activity against approved budgets.
- **Support Long-Term Planning** by identifying trends that may impact future budgets, service levels, and financial forecasts.
- **Ensure Compliance with Financial Policies** by monitoring progress toward adopted financial targets, reserve policies, and budgetary controls.

General Fund Summary

		Actual 2023-24	Actual 2024-25	Approved Budget 2025-26	Year to Date w/Encumbrance 6/30/2026	Budget to Actual Variance		
						YTD As % of Budget	Budget Remaining	% of Budget Remaining
	BEGINNING FUND BALANCE	$ 34,218,420	$ 25,832,912	$ 19,244,259	$ 14,977,707			
	REVENUE							
1	Property Taxes	$ 17,787,140	$ 19,945,823	$ 21,669,253	$ 22,271,449	102.78%	$ (602,197)	-2.78%
2	Sales Taxes	18,045,781	19,353,934	21,946,333	15,406,116	70.20%	6,540,216	29.80%
3	Other Taxes	282,706	290,571	258,183	246,297	95.40%	11,886	4.60%
4	Gross Receipts & Franchise Fees	3,708,497	3,911,684	4,042,089	3,182,032	78.72%	860,057	21.28%
5	Charges for Services	5,000,012	5,280,152	5,321,123	4,096,135	76.98%	1,224,987	23.02%
6	Fines and Forfeitures	407,840	515,848	503,000	341,539	67.90%	161,461	32.10%
7	Licenses, Fees and Permits	17,634	24,598	13,000	8,173	62.87%	4,827	37.13%
8	Library Revenue	63,278	55,630	51,500	44,430	86.27%	7,070	13.73%
9	Special Events	51,459	25,845	-	56,396	0.00%	(56,396)	0.00%
10	Police Department Revenue	17,892	20,179	16,900	16,146	95.54%	754	4.46%
11	Interest and Other	6,803,010	6,556,139	2,322,700	885,825	38.14%	1,436,875	61.86%
12	PID Administration Fee	3,401	3,355	3,500	710	20.29%	2,790	79.71%
13	Construction Inspection	6,511,552	4,814,248	5,636,002	3,370,151	59.80%	2,265,851	40.20%
14	Land Use Planning & Review	1,497,358	1,814,553	1,362,334	807,324	59.26%	555,010	40.74%
15	Recreation Programs	301,364	350,971	324,000	334,158	103.14%	(10,158)	-3.14%
	TOTAL REVENUE	$ 60,498,927	$ 62,963,529	$ 63,469,916	$ 51,066,882	80.46%	$ 12,403,034	19.54%
16	Transfer In:	$ 2,136,313	$ 9,884,444	$ 15,131,999	$ 11,348,999	75.00%	$ 3,783,000	75.00%
	TOTAL REVENUE AND TRANSFERS IN:	$ 62,635,240	$ 72,847,974	$ 78,601,915	$ 62,415,881	79.41%	$ 16,186,034	20.59%

General Fund Summary 1

		Actual 2023-24	Actual 2024-25	Approved Budget 2025-26	Year to Date w/Encumbrance 6/30/2026	Budget to Actual Variance		
						YTD As % of Budget	Budget Remaining	% of Budget Remaining
	BEGINNING FUND BALANCE	$ 34,218,420	$ 25,832,912	$ 19,244,259	$ 14,977,707			
	EXPENDITURES							
	Mayor and Council							
1	Mayor	$ 57,276	$ 42,313	$ 33,292	$ 19,324	58.04%	$ 13,968	41.96%
2	Council District 1	43,958	28,308	29,417	13,419	45.62%	15,998	54.38%
3	Council District 2	44,212	24,910	29,417	15,331	52.12%	14,086	47.88%
4	Council District 3	24,672	20,046	29,417	17,179	58.40%	12,238	41.60%
5	Council District 4	32,740	23,849	29,417	16,759	56.97%	12,658	43.03%
6	Council District 5	32,225	25,302	29,417	14,143	48.08%	15,274	51.92%
7	Council District 6	24,058	21,495	29,417	12,954	44.04%	16,463	55.96%
	Total Mayor and Council:	$ 259,141	$ 186,222	$ 209,794	$ 109,110	52.01%	$ 100,684	47.99%
8	City Attorney's Office	$ 196,817	$ 575,224	$ 653,331	$ 463,258	70.91%	$ 190,073	29.09%
9	City Manager's Office	1,573,079	1,596,073	1,996,558	1,484,184	74.34%	512,373	25.66%
10	Animal Services	-	3,250	1,035,521	804,102	77.65%	231,419	22.35%
11	Administration	440,726	515,677	-	1,386	0.00%	(1,386)	0.00%
12	Human Resource & Civil Service	924,838	964,613	1,337,271	862,147	64.47%	475,124	35.53%
13	City Secretary's Office	525,475	608,903	726,678	541,327	74.49%	185,351	25.51%
14	Communications	755,912	1,085,482	1,299,569	891,644	68.61%	407,926	31.39%
15	Information Technology Services	1,436,091	4,847,785	5,748,613	4,580,714	79.68%	1,167,898	20.32%
16	Building and Code Enforcement	4,397,673	3,357,499	3,296,452	1,871,965	56.79%	1,424,487	43.21%
17	Planning Division	1,143,301	892,114	1,438,959	1,021,462	70.99%	417,497	29.01%
18	Economic Development	575,363	567,425	837,715	375,306	44.80%	462,409	55.20%
19	Financial Services Department	2,272,240	3,121,906	4,349,467	3,089,658	71.04%	1,259,809	28.96%
20	Parks and Recreation:	6,816,107	9,696,542	9,756,586	7,247,241	74.28%	2,509,345	25.72%
21	Library Services	1,178,777	1,669,606	1,702,806	1,310,687	76.97%	392,119	23.03%
22	Kyle Police Department:	17,550,473	21,259,562	20,320,039	16,299,682	80.21%	4,020,357	19.79%
23	Council Initiated Programs	582,517	1,032,902	-	-	0.00%	-	0.00%
24	Transportation & Public Works	6,920,013	8,266,649	14,784,772	9,211,202	62.30%	5,573,571	37.70%
25	Solid Waste Services (Contract)	4,252,341	4,552,277	4,565,251	3,138,837	68.75%	1,426,415	31.25%
	Departmental Total:	$ 51,800,883	$ 64,801,414	$ 74,059,382	$ 53,303,910	71.97%	$ 20,755,472	28.03%
26	Non Departmental	$ 1,528,290	$ 2,425,155	$ 1,492,628	$ 783,795	52.51%	$ 708,833	47.49%
27	Economic Incentive Program	1,923,380	1,232,136	1,580,000	501,555	31.74%	1,078,445	68.26%
	TOTAL EXPENDITURES:	$ 55,252,553	$ 68,458,705	$ 77,132,009	$ 54,589,260	70.77%	$ 22,542,750	29.23%
	TOTAL TRANSFERS OUT:	$ 15,768,195	$ 15,244,472	$ 2,107,968	$ 1,580,976	75.00%	$ 526,992	25.00%
	TOTAL EXPENDITURES & TRANSFERS OUT	$ 71,020,748	$ 83,703,177	$ 79,239,977	$ 56,170,336	70.89%	$ 23,069,642	29.11%

General Fund Summary Spreadsheet

	Actual 2023-24	Actual 2024-25	Approved Budget 2025-26	Year to Date w/Encumbrance 6/30/2026	Budget to Actual Variance		
					YTD As % of Budget	Budget Remaining	% of Budget Remaining
BEGINNING FUND BALANCE	$ 34,218,420	$ 25,832,912	$ 19,244,259	$ 14,977,707			
TOTAL REVENUE AND TRANSFERS IN:	$ 62,635,240	$ 72,847,974	$ 78,601,915	$ 62,415,881	79.41%	$ 16,186,034	20.59%
TOTAL EXPENDITURES & TRANSFERS OUT	$ 71,020,748	$ 83,703,177	$ 79,239,977	$ 56,170,336	70.89%	$ 23,069,642	29.11%
TOTAL REVENUE & TRANSFERS-IN IN EXCESS (DEFICIT) OVER EXPENDITURES	$ (8,385,508)	$ (10,855,204)	$ (638,062)	$ 6,245,545			
ESTIMATED ENDING FUND BALANCE	**$ 25,832,912**	**$ 14,977,707**	**$ 18,606,197**	**$ 21,223,252**			

Water Utility Fund Summary

		Actual 2023-24	Actual 2024-25	Approved Budget 2025-26	Year to Date w/Encumbrance 6/30/2026	Budget to Actual Variance: YTD As % of Budget	Budget to Actual Variance: Budget Remaining	Budget to Actual Variance: % of Budget Remaining
	BEGINNING FUND BALANCE	$ 13,738,534	$ 15,005,254	$ 15,506,580	$ 18,197,866			
	REVENUE:							
1	Water Sales	$ 18,196,116	$ 22,829,557	$ 26,823,975	$ 22,142,723	82.55%	$ 4,681,252	17.45%
2	Misc Water Charges	1,078,311	843,898	855,000	921,106	107.73%	(66,106)	-7.73%
3	Interest and Other	1,233,138	1,172,994	950,000	234,284	24.66%	715,716	75.34%
	TOTAL REVENUE:	$ 20,507,565	$ 24,846,449	$ 28,628,975	$ 23,298,113	81.38%	$ 5,330,862	18.62%
4	Transfer In	$ -	$ 4,946,490	$ -	$ -	0.00%	$ -	0.00%
	TOTAL REVENUE AND TRANSFERS IN:	$ 20,507,565	$ 29,792,939	$ 28,628,975	$ 23,298,113	81.38%	$ 5,330,862	18.62%
	EXPENDITURES:							
5	City Attorney's Office	$ -	$ 2,048	$ 129,750	$ 66,015	50.88%	$ 63,735	49.12%
6	Administrative Services	1,589,903	1,251,990	917,326	453,640	49.45%	463,687	50.55%
7	Information Technology	-	396,239	349,508	350,066	100.16%	(558)	-0.16%
8	Transportation & Public Works	415,428	548,373	340,113	201,394	59.21%	138,719	40.79%
9	Water Utilities	14,472,523	15,863,086	23,500,817	13,816,083	58.79%	9,684,733	41.21%
10	Non-Departmental	107,352	119,243	407,822	149,233	36.59%	258,588	63.41%
11	General Debt I&S	-	-	3,202,000	-	0.00%	3,202,000	100.00%
	TOTAL EXPENDITURES:	$ 16,585,205	$ 18,180,978	$ 28,847,335	$ 15,036,431	52.12%	$ 13,810,905	47.88%
	TOTAL TRANSFERS OUT:	$ 1,548,326	$ 3,113,656	$ 4,670,417	$ 3,502,812	75.00%	$ 1,167,604	25.00%
	TOTAL EXPENDITURES & TRANSFERS OUT	$ 18,133,531	$ 21,294,634	$ 33,517,752	$ 18,539,243	55.31%	$ 14,978,509	44.69%
	TOTAL REVENUE & TRANSFERS-IN IN EXCESS (DEFICIT) OVER EXPENDITURES	$ 2,374,034	$ 8,498,305	$ (4,888,777)	$ 4,758,870			
	ESTIMATED ENDING FUND BALANCE	**$ 15,005,254**	**$ 18,197,866**	**$ 10,617,803**	**$ 22,956,737**			

Wastewater Utility Fund Summary

		Actual 2023-24	Actual 2024-25	Approved Budget 2025-26	Year to Date w/Encumbrance 6/30/2026	Budget to Actual Variance: YTD As % of Budget	Budget to Actual Variance: Budget Remaining	Budget to Actual Variance: % of Budget Remaining
	BEGINNING FUND BALANCE	$ 10,232,900	$ 14,146,013	$ 15,152,117	$ 18,892,948			
	REVENUE:							
1	Wastewater Service Charges	$ 12,414,644	$ 14,832,064	$ 15,088,836	$ 12,780,126	84.70%	$ 2,308,710	15.30%
2	Misc Wastewater Charges	443,026	348,871	235,000	414,763	176.49%	(179,763)	-76.49%
3	Interest and Other	714,480	1,810,119	520,000	245,641	47.24%	274,359	52.76%
	TOTAL REVENUE:	$ 13,572,150	$ 16,991,054	$ 15,843,836	$ 13,440,530	84.83%	$ 2,403,306	15.17%
4	Transfer In	$ -	$ -	$ -	$ -	0.00%	-	0.00%
	TOTAL REVENUE AND TRANSFERS IN:	$ 13,572,150	$ 16,991,054	$ 15,843,836	$ 13,440,530	84.83%	$ 2,403,306	15.17%
	EXPENDITURES:							
5	City Attorney's Office	$ -	$ 385	$ 149,750	$ 71,092	47.47%	$ 78,658	52.53%
6	Administrative Services	1,071,402	1,188,194	875,006	344,143	39.33%	530,863	60.67%
7	Information Technology	-	368,848	338,310	347,374	102.68%	(9,063)	-2.68%
8	Transportation & Public Works:	423,937	542,241	840,853	198,405	23.60%	642,448	76.40%
9	Water Utilities	4,474,882	4,762,100	7,095,891	4,043,863	56.99%	3,052,028	43.01%
10	Non-Departmental	36,414	99,668	336,588	101,290	30.09%	235,298	69.91%
11	Debt Service	1,022,614	990,865	1,744,600	403,069	23.10%	1,341,531	76.90%
	TOTAL EXPENDITURES:	$ 7,029,249	$ 7,952,301	$ 11,380,998	$ 5,509,236	48.41%	$ 5,871,763	51.59%
	TOTAL TRANSFERS OUT:	$ 1,212,173	$ 1,997,651	$ 2,637,860	$ 1,978,395	75.00%	$ 659,465	25.00%
	TOTAL EXPENDITURES & TRANSFERS OUT	$ 8,241,422	$ 9,949,952	$ 14,018,858	$ 7,487,631	53.41%	$ 6,531,228	46.59%
	TOTAL REVENUE & TRANSFERS-IN IN EXCESS (DEFICIT) OVER EXPENDITURES	$ 5,330,728	$ 7,041,102	$ 1,824,978	$ 5,952,899			
	ESTIMATED ENDING FUND BALANCE	**$ 14,146,013**	**$ 18,892,948**	**$ 16,977,095**	**$ 24,845,847**			

Storm Drainage Utility Fund

		Actual 2023-24	Actual 2024-25	Approved Budget 2025-26	Year to Date w/Encumbrance 6/30/2026	Budget to Actual Variance		
						YTD As % of Budget	Budget Remaining	% of Budget Remaining
	BEGINNING FUND BALANCE	$ 1,257,406	$ 1,299,041	$ 1,572,771	$ 1,714,526			
	REVENUE:							
1	Drainage Fee - Residential	$ 901,122	$ 942,189	$ 1,186,920	$ 719,165	60.59%	$ 467,755	39.41%
2	Drainage Fee - Commercial	995,026	1,202,902	885,281	894,612	101.05%	(9,331)	-1.05%
3	Floodplain Development Application Review Fee	-	750	1,500	-	0.00%	1,500	100.00%
4	Interest Income	34,731	73,840	39,727	9,326	23.48%	30,401	76.52%
5	Misc Drainage Fee	51,866	27,294	27,377	23,453	85.67%	3,924	14.33%
	TOTAL REVENUE:	$ 1,982,744	$ 2,246,975	$ 2,140,805	$ 1,646,556	76.91%	$ 494,249	23.09%
6	Transfer In - G/F	$ -	$ -	$ -	$ -	0.00%	-	0.00%
	TOTAL REVENUE AND TRANSFERS IN:	$ 1,982,744	$ 2,246,975	$ 2,140,805	$ 1,646,556	76.91%	$ 494,249	23.09%
	EXPENDITURES:							
7	City Attorney's Office	$ -	$ 245	$ 15,000	$ -	0.00%	$ 15,000	100.00%
8	Information Technology	-	33,189	44,000	85,643	194.64%	(41,643)	-94.64%
9	Transportation & Pubic Works	1,435,922	1,585,630	2,649,308	2,135,949	80.62%	513,359	19.38%
10	Non-Departmental	(3,861)	5,471	64,319	-	0.00%	64,319	100.00%
	TOTAL EXPENDITURES:	$ 1,432,061	$ 1,624,536	$ 2,772,627	$ 2,221,592	80.13%	$ 551,035	19.87%
	TOTAL TRANSFERS OUT:	$ 500,000	$ 217,957	$ 239,753	$ 179,815	75.00%	$ 59,938	25.00%
	TOTAL EXPENDITURES & TRANSFERS OUT	$ 1,932,061	$ 1,842,493	$ 3,012,380	$ 2,401,407	79.72%	$ 610,973	20.28%
	TOTAL REVENUE & TRANSFERS-IN IN EXCESS (DEFICIT) OVER EXPENDITURES	$ 50,683	$ 404,483	$ (871,574)	$ (754,850)			
	ESTIMATED ENDING FUND BALANCE	**$ 1,299,041**	**$ 1,714,526**	**$ 701,197**	**$ 959,675**			

FY 2025-26 GENERAL FUND
COST CONTAINMENT MEASURES IMPLEMENTED

Current Year Estimates – General Fund

Revenues & Expenditures
Fiscal Year 2025-26

1100- GENERAL FUND	Approved Budget 2025-2026	Current Year Estimate 2025-2026
Beginning Fund Balance	$ 19,244,259	$ 14,977,707
REVENUE		
Property Tax	$ 21,669,253	$ 20,828,940
Sales Tax	$ 21,946,333	$ 20,207,728
Development Revenues	$ 6,998,336	$ 4,933,181
Other Revenues	$ 12,855,995	$ 13,409,235
TOTAL REVENUES	**$ 63,469,916**	**$ 59,379,084**
Transfers-In	$ 15,131,999	$ 15,132,015
TOTAL TRANSFERS-IN	**$ 15,131,999**	**$ 15,132,015**
TOTAL REVENUES & TRANSFERS-IN	**$ 78,601,915**	**$ 74,511,099**
TOTAL ESTIMATED FUNDS AVAILABLE	**$ 97,846,174**	**$ 89,488,806**
EXPENDITURES		
Operations & Maintenance	$ 77,132,010	$ 77,079,710
Future Supplemental	$ -	$ -
Cash Funding - CIP	$ -	$ -
Cash Funding- Equipment/Other	$ -	$ -
2% Increase Per Meet and Confer (FY27 and FY28) + 2% Step Increase	$ -	$ -
TOTAL EXPENDITURES	**$ 77,132,010**	**$ 77,079,710**
Transfers-Out - TIRZ	$ 2,107,968	$ 2,107,969
TOTAL TRANSFERS-OUT	**$ 2,107,968**	**$ 2,107,969**
TOTAL EXPENDITURES & TRANSFERS-OUT	**$ 79,239,978**	**$ 79,187,679**
REVENUE IN EXCESS OF REQUIREMENTS	**$ (638,063)**	**$ (4,676,580)**
ESTIMATED ENDING FUND BALANCE	**$ 18,606,196**	**$ 10,301,127**
Required Minumum Fund Balance Per Policy (25% of Operating Expenses)	***$ 19,809,994***	***$ 19,796,920***
$ Fund Balance in Excess of Minimum Required Per Policy	***$ (1,203,798)***	***$ (9,495,792)***
% Fund Balance in Excess of Minimum Required Per Policy	***-6.08%***	***-47.97%***
TOTAL GAP REQUIRING BALANCING		**$ (14,172,372)**

FY2025-26 COST CONTAINMENT MEASURES

1. Redundancy Based Position Eliminations
2. Positions on Temporary Freeze
3. Support Cost Containment
4. Purchase Order Purge

REDUNDANCY BASED POSITION ELIMINATIONS GENERAL FUND

Eliminated Position	FY 2026 Savings
Chief Communications Officer	$35,828
Executive Director of Strategic Development	$57,736
Chief Development Officer	$51,823
Assistant Finance Director	$41,583
Deputy Parks and Recreation Director	$32,385
Business and Strategic Planning Manager	$23,368
Total Savings (6 FTEs):	**$242,723**

POSITIONS ON TEMPORARY FREEZE GENERAL FUND

Frozen Position	FY 2026 Savings
Director, Animal Services	$82,988
Building Inspector	$45,334
Code Enforcement Officer	$38,377
Procurement Specialist	$18,303
Budget Analyst	$14,873
Human Resources Business Partner	$45,334
Assistant Director, Library Services	$72,304
Circulation Assistant- Part-Time (2)	$24,140
Parks Aquatic Maintenance Technician	$30,116
Senior Parks Technician	$12,323
Emergency Planner	$53,730
Records Specialist (2)	$70,731

POSITIONS ON TEMPORARY FREEZE GENERAL FUND

Frozen Position	FY 2026 Savings
Engineering Technician	$41,783
Engineering Associate	$53,730
Street Technician (2)	$70,731
City Manager	$64,102
Assistant Parks Director	$26,410
Recreation Coordinator	$16,617
Director, Transportation and Public Works	$46,189
Recreation Divisional Manager	$18,770
Total Savings (23 FTEs)	**$846,782**

GENERAL FUND COST CONTAINMENT SUMMARY

1. Redundancy Based Position Eliminations: $242,723
2. Positions on Temporary Freeze: $846,782
3. Support Cost Containment: $3,434,215
4. Purchase Order (PO) Purge: $671,252

FY 2025-26 GENERAL FUND COST CONTAINMENT SAVINGS: $5,195,972

QUESTIONS?

QUESTIONS?