

City of Woodway Financial/Performance Report

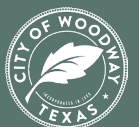
Six Months Ended March 31, 2026



City Manager
Adam Niolet, CPM, ICMA-CM

Assistant City Manager
Jennifer Rogers, TRMC

Finance Director
Brenda Hernandez, CPA, CPM



General Fund Revenues

Revenue Source	FY 2026			FY 2025		
	BUDGET	YTD	%	BUDGET	YTD	%
PROPERTY TAXES						
1 Property Taxes	\$ 6,431,880	\$ 6,280,729	98%	\$ 5,680,115	\$ 5,541,014	98%
Delinquent Property Taxes	20,000	10,622	53%	15,000	12,302	82%
Interest & Penalties	35,000	14,341	41%	35,000	16,438	47%
Total Property Taxes	\$ 6,486,880	\$ 6,305,692	97%	\$ 5,730,115	\$ 5,569,754	97%
SALES TAX						
Sales Tax (1%)	\$ 3,058,100	\$ 1,572,433	51%	\$ 2,885,000	\$ 1,489,835	52%
Sales Tax (.5%)	1,526,400	786,217	52%	1,440,000	744,917	52%
Sales Tax/380 Rebates	(20,000)	-	0%	(20,000)	(9,852)	0%
Total Sales Tax	\$ 4,564,500	\$ 2,358,650	52%	\$ 4,305,000	\$ 2,224,900	52%
FRANCHISE FEES						
Oncor Electric Franchise	\$ 375,000	\$ -	0%	\$ 375,000	\$ -	0%
Telecommunication Franchise	14,000	5,023	36%	14,000	6,251	45%
2 Atmos Gas Franchise	245,000	266,603	109%	250,000	228,847	92%
Cable Television Franchise	122,570	46,680	38%	122,570	54,105	44%
Total Franchise Fees	\$ 756,570	\$ 318,305	42%	\$ 761,570	\$ 289,203	38%
OTHER REVENUE SOURCES						
Permits	\$ 154,000	\$ 109,169	71%	\$ 146,000	\$ 104,591	72%
Court Fines & Misc Fees	116,550	42,417	36%	137,050	46,376	34%
3 Interest Income	206,000	49,234	24%	196,000	81,575	42%
Mixed Beverage Tax	18,000	11,447	64%	15,000	8,536	57%
Park Reservations	17,500	8,659	49%	15,000	8,115	54%
Animal Control Fees	500	-	0%	500	-	0%
4 Service Charges-Enterprise Funds	247,653	123,827	50%	529,035	264,518	50%
Dispatch Services	48,000	48,000	100%	48,000	48,000	100%
Misc. Income	9,820	8,528	87%	6,652	5,980	90%
Lease Revenue/Amortization	19,900	-	0%	20,900	250	1%
Family Center Revenues	155,000	58,516	38%	180,000	51,885	29%
Grant Proceeds	-	2,700		-	-	
5 Insurance Proceeds	-	137,698		-	3,470	
Intergovernmental Revenue	15,000	7,849	52%	15,000	12,412	
Total Other Revenue Sources	\$ 1,007,923	\$ 608,044	60%	\$ 1,309,137	\$ 635,708	49%
TOTAL REVENUES	\$ 12,815,873	\$ 9,590,690	75%	\$12,105,822	\$ 8,719,565	72%

For Six Months Ended March 31, 2026
50% of Fiscal Year Expired

Notes:

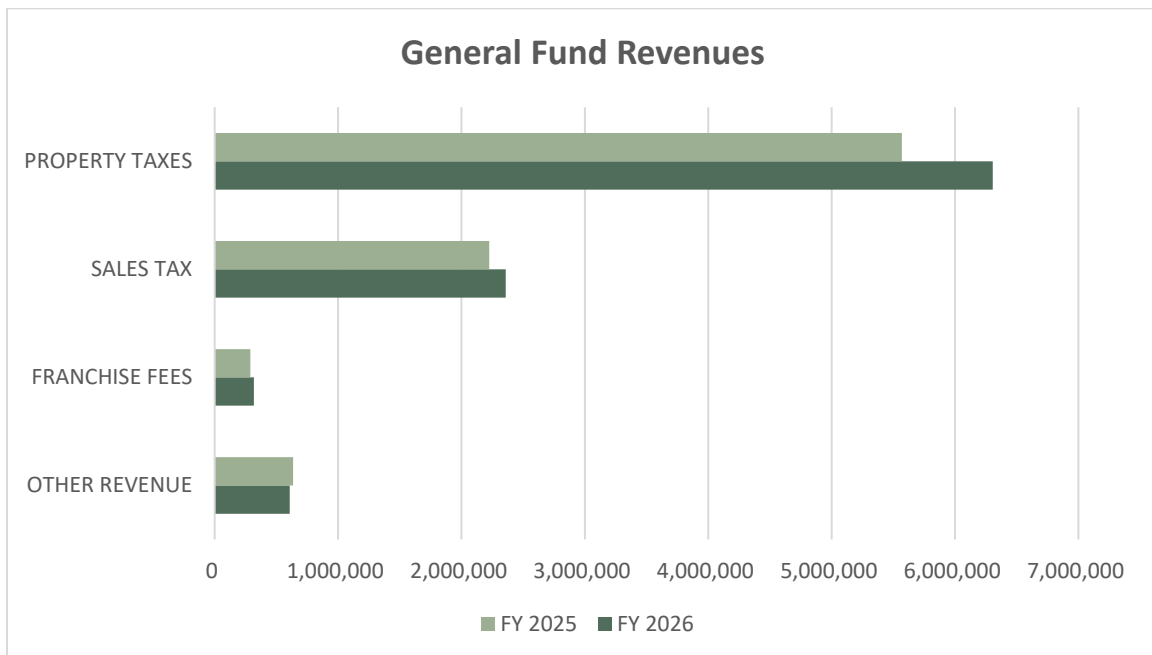
1: **Property Taxes** – The \$740k increase in property taxes directly correlates with an increase in the property tax rate as well as an increase in tax rate allocation to the general fund. For FY 2026, the tax rate adopted was 0.363836, of which 93% was allocated to the general fund, compared to FY 2025’s tax rate of 0.357865, of which 83% was allocated to the general fund.

2: **ATMOS Gas Franchise** – ATMOS pays franchise tax in February based on the previous calendar year's collections. The increase in revenue is due to the average cost of natural gas rising from \$2.52 to \$ 3.72 per thousand cubic feet from calendar year 2024 to 2025.

3: **Interest Income** – The \$32k decrease in interest income is due to an adjustment made on 10/1/25 for interest accrual. This adjustment, totaling \$18,718, was made for audit purposes to properly account for interest earned but not yet received. If this adjustment is excluded, the decrease in interest income is \$13,623, which correlates with the decrease in the interest rate and amount invested. As of 3/31/26, \$11.33M was invested at an average interest rate of 3.72%, compared with \$11.75M at an average interest rate of 4.39% as of 3/31/25.

4: **Service Charges** – Service charges have historically comprised a percentage of the general fund departmental budgets paid by the water/sewer fund and excess revenue over expenditures from the sanitation fund. Beginning in FY 26, the sanitation fund service charge was removed from the budget to offset anticipated cost increases associated with the closure of the Hannah Hill landfill.

5: **Insurance Proceeds** – Insurance proceeds fluctuate based on the quantity and severity of insurance claims incurred. This amount relates to significant repair costs for the bucket on the ladder truck, which was damaged during training/inclement weather.



General Fund Expenditures

Expenditures by Division	FY 2026			FY 2025		
	BUDGET	YTD	%	BUDGET	YTD	%
General Government						
1 City Secretary	\$ 295,774	\$ 177,355	60%	\$ 282,024	\$ 150,832	53%
Administration	857,268	435,178	51%	840,732	415,204	49%
2 Finance	652,948	337,523	52%	600,512	299,121	50%
3 Non-Departmental	410,952	144,911	35%	244,217	80,206	33%
Total General Government	\$ 2,216,942	\$ 1,094,966	49%	\$ 1,967,485	\$ 945,363	48%
Public Safety						
Public Safety	\$ 7,372,205	\$ 3,656,246	50%	\$ 7,193,588	\$ 3,521,266	49%
Municipal Court	255,893	113,450	44%	241,230	119,484	50%
Total Public Safety	\$ 7,628,098	\$ 3,769,697	49%	\$ 7,434,818	\$ 3,640,750	49%
Community Services						
4 Streets	\$ 692,641	\$ 333,477	48%	\$ 635,373	\$ 279,047	44%
Parks	575,936	245,886	43%	527,412	238,672	45%
Public Buildings	334,823	166,439	50%	303,564	161,519	53%
Administration/Inspections	539,268	250,578	46%	509,118	250,544	49%
Total Community Services	\$ 2,142,668	\$ 996,380	47%	\$ 1,975,467	\$ 929,782	47%
Community Programs						
Community Development	\$ 40,000	\$ 11,480	29%	\$ 50,000	\$ 5,865	12%
Youth Commission	3,000	-	0%	3,000	1,318	44%
Woodway Family Center	785,165	368,471	47%	675,052	337,080	50%
Total Community Programs	\$ 828,165	\$ 379,951	46%	\$ 728,052	\$ 344,263	47%
TOTAL EXPEDITURES	<u>\$12,815,873</u>	<u>\$ 6,240,995</u>	49%	<u>\$12,105,822</u>	<u>\$ 5,860,158</u>	48%

For Six Months Ended March 31, 2026
50% of Fiscal Year Expired

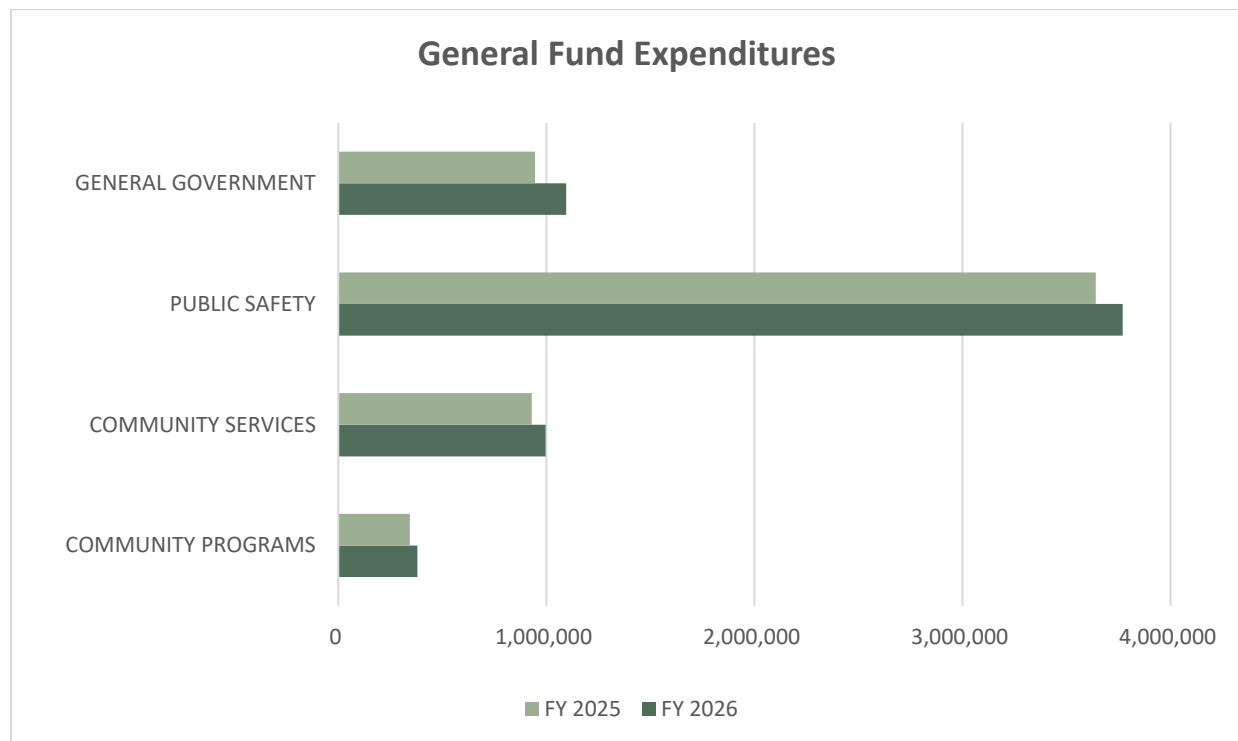
Notes:

1: **City Secretary** – The \$27k increase correlates to a large vacation pay-out due to the retirement of the City Secretary.

2: **Finance** – The \$38k increase is primarily attributed to an overall increase in budget in FY 26, specifically related to personnel and benefits expenses, as the department was restructured due to the retirement of the Payroll/Accounting Specialist. Additionally, because the annual audit was performed a month earlier, audit fees were paid in Q2 of FY 26 that were not present in Q2 of FY 25.

3: **Nondepartmental** – The \$65k increase is primarily attributed to an overall increase in the non-departmental budget in FY 26. Costs for social media archiving software and network switches were not incurred last year, but they were anticipated and budgeted for in FY 26.

4: **Streets** – The \$54k increase in streets is due to a rise in repair & maintenance, equipment rental, and property liability insurance incurred in FY 26. Additionally, there was a \$17,900 increase in equipment replacement transfers, as the Streets department purchased a backhoe/loader in FY 25 and began repaying the equipment replacement fund over the asset's life in FY 26.

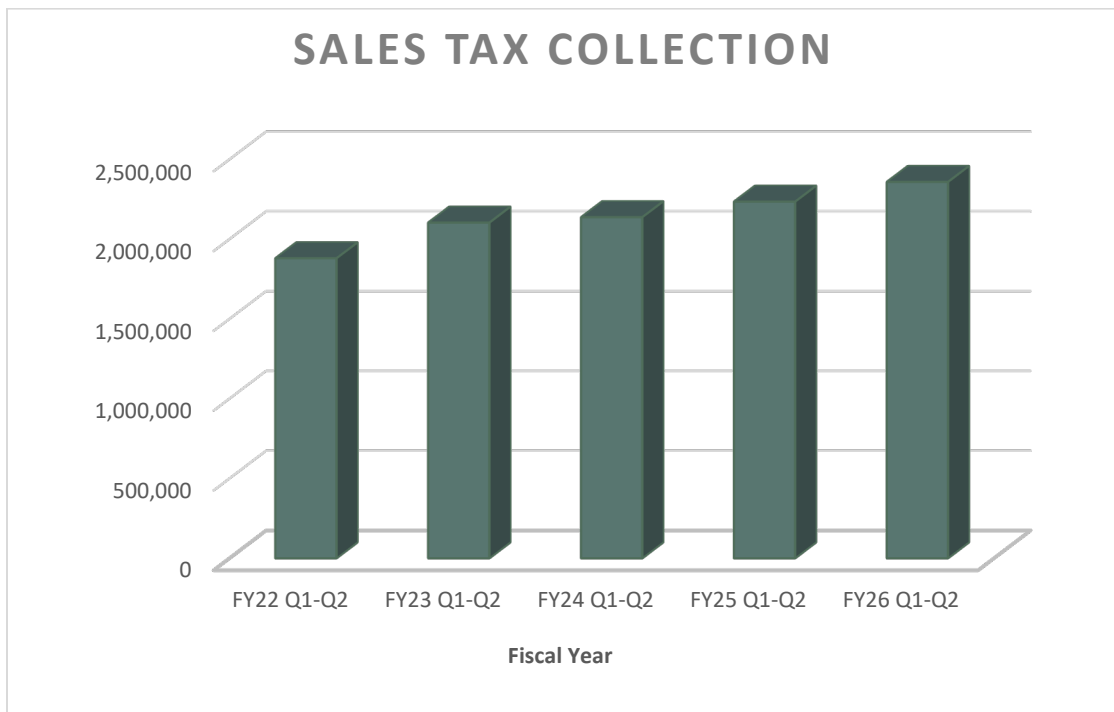


Sales & Use Tax Comparison

Sales & Use Tax Comparison March 31, 2026

Month	Prior Year			Current Year			
	Budget	Actual	%	Budget	Actual	Budget v. Actual \$	Budget v. Actual %
October	\$ 365,369	\$ 378,329	8.36%	\$ 374,423	\$ 384,589	\$ 10,166	2.72%
November	383,139	378,089	8.36%	374,185	429,287	55,102	14.73%
December	390,919	364,601	8.06%	360,836	419,151	58,315	16.16%
January	351,495	329,374	7.28%	325,973	377,834	51,862	15.91%
February	351,171	449,822	9.95%	445,177	436,209	(8,969)	-2.01%
March	318,308	334,537	7.40%	331,083	311,579	(19,504)	-5.89%
April	326,163	319,573	7.07%	316,273			
May	370,659	400,707	8.86%	396,569			
June	333,925	367,131	8.12%	363,340			
July	349,679	411,877	9.11%	407,624			
August	399,953	436,515	9.65%	432,008			
September	384,220	374,476	8.28%	370,609			
	Less Rebates:	(22,207)		Less Rebates:	-		
TOTAL	\$ 4,325,000	\$ 4,522,824		\$ 4,498,100	\$ 2,358,650	\$ 146,973	

Collections to budget 52.44%

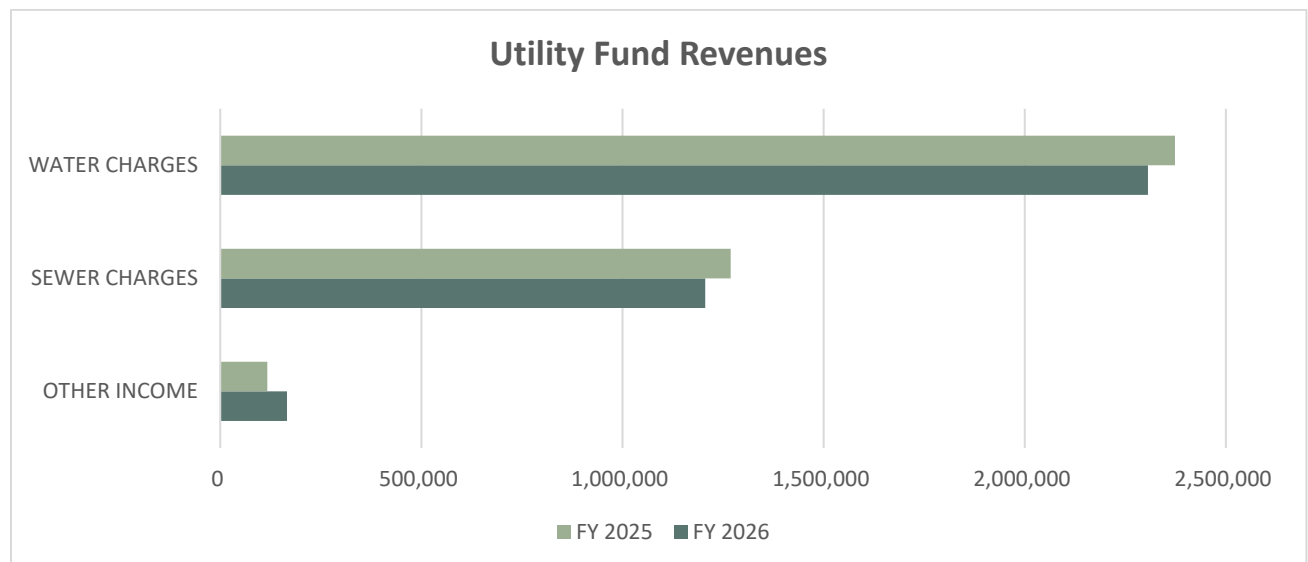


Utility Fund Revenues

REVENUE SOURCE	FY 2026			FY 2025		
	BUDGET	YTD	%	BUDGET	YTD	%
WATER SERVICE CHARGES						
Water Sales - Residential	\$ 4,103,000	\$ 1,769,815	43%	\$ 4,103,000	\$ 1,791,224	44%
Water Sales - Commercial	1,000,000	435,650	44%	970,690	495,215	51%
Water Sales - Wholesale	136,800	53,883	39%	136,800	51,692	38%
Water Taps	45,000	8,800	20%	33,000	-	0%
Reconnects & Transfers	87,592	38,218	44%	93,500	35,581	38%
Total Water Charges	\$ 5,372,392	\$ 2,306,366	43%	\$ 5,336,990	\$ 2,373,712	44%
SEWER SYSTEM CHARGES						
Sewer Charges - Residential	\$ 2,405,305	\$ 1,083,864	45%	\$ 2,420,000	\$ 1,162,936	48%
Sewer Charges - Commercial	233,199	119,230	51%	240,845	105,870	44%
Sewer Taps	16,000	2,627	16%	9,900	-	0%
Total Sewer Charges	\$ 2,654,504	\$ 1,205,721	45%	\$ 2,670,745	\$ 1,268,806	48%
OTHER INCOME						
Interest Income	\$ 45,000	\$ 4,087	9%	\$ 28,866	\$ 15,091	52%
Miscellaneous Income	19,495	34,833	179%	5,000	39,500	790%
1 Insurance Proceeds	-	127,162		-	62,581	
Convenience Fees	100,000	-	0%	-	-	
Total Other Income	\$ 164,495	\$ 166,081	101%	\$ 33,866	\$ 117,172	346%
TOTAL INCOME	\$ 8,191,391	\$ 3,678,168	45%	\$ 8,041,601	\$ 3,759,690	47%

Notes:

1: **Insurance Proceeds** – Insurance proceeds fluctuate based on the quantity and severity of insurance claims incurred related to repairs on wells, lift stations, vehicles, and equipment.

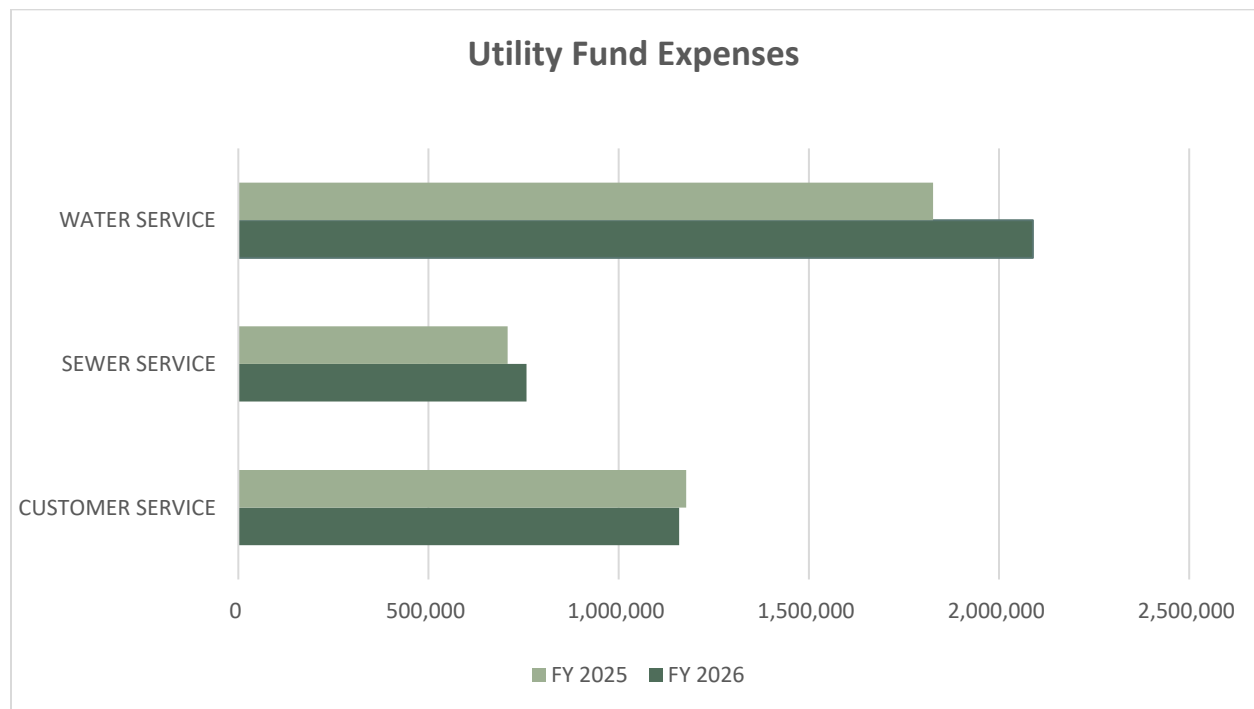


Utility Fund Expenses

Expenditures by Division	FY 2026			FY 2025		
	BUDGET	YTD	%	BUDGET	YTD	%
1 Water Service	\$ 4,081,089	\$ 2,088,994	51%	\$ 3,909,836	\$ 1,826,432	47%
Sewer Service	1,703,220	757,735	44%	1,741,762	707,872	41%
Customer Service	2,407,082	1,159,091	48%	2,390,003	1,177,664	49%
TOTAL EXPENDITURES	\$ 8,191,391	\$ 4,005,819	49%	\$ 8,041,601	\$ 3,711,968	46%

Notes:

1: **Water Service** –The \$263k increase in water service costs is due to a significant increase in water purchased from the City of Waco due to the Acorn and the Business Acres wells outages for repair. As of 3/31/26, water purchase charges totaled \$1.17M, up from \$895k at 3/31/25.



Water System

	FY2026	FY2025
Revenues:		
Water Sales	\$ 2,259,348	\$ 2,338,131
Water Taps	8,800	-
Reconnects & Transfers	38,218	35,581
Other Income (75%)	124,561	87,880
Total Revenues	\$ 2,430,927	\$ 2,461,592
Expenses:		
Water Service	\$ 2,088,994	\$ 1,826,432
Customer Services less Debt Service (75%)	324,692	196,358
Debt Service	144,225	144,200
Total Expenses	\$ 2,557,911	\$ 2,166,990
Increase (decrease) in net position	\$ (126,985)	\$ 294,602

Sewer System

	FY2026	FY2025
Revenues:		
Sewer Charges	\$ 1,203,094	\$ 1,268,806
Sewer Taps	2,627	-
Other Income (25%)	41,520	29,293
Total Revenues	\$ 1,247,242	\$ 1,298,099
Expenses:		
Sewer Service	\$ 757,735	\$ 707,872
Customer Services less Debt Service (25%)	108,231	65,453
Debt Service	581,943	771,654
Total Expenses	\$ 1,447,908	\$ 1,544,979
(Decrease) in net position	\$ (200,666)	\$ (246,880)
Total increase (decrease) in net position	(\$327,651)	\$47,722

Notes:

The water/sewer fund was not self-supporting as of March 31, 2026. In FY 26, the utility fund experienced a revenue decline due to a 15.5M-gallon decrease in water consumption. Meanwhile, the fund experienced a 7-14% increase in water and sewer operations. This resulted in a \$327,651 deficit.

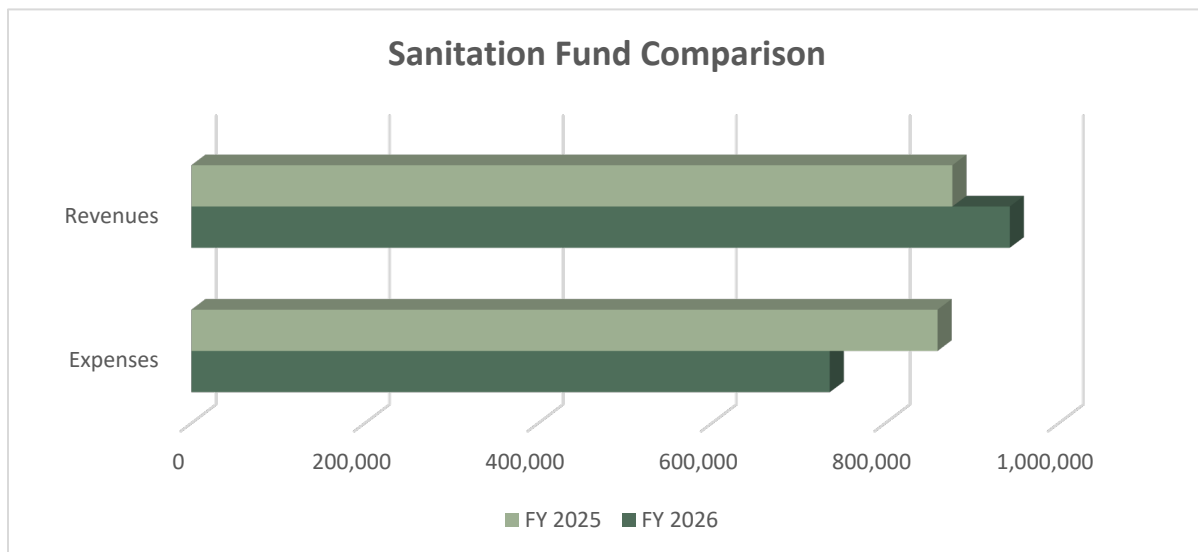
Sanitation Fund Revenues & Expenses

Revenue Source	FY 2026			FY 2025		
	BUDGET	YTD	%	BUDGET	YTD	%
Sanitation Fund						
Waste Collection Franchise	\$ 66,341	\$ 29,713	45%	\$ 66,341	\$ 28,657	43%
Residential	1,068,300	568,315	53%	1,068,300	533,122	50%
Commercial	801,225	345,535	43%	801,225	315,450	39%
Interest Income & Misc	1,000	30	3%	1,000	60	6%
	<u>\$ 1,936,866</u>	<u>\$ 943,594</u>	49%	<u>\$ 1,936,866</u>	<u>\$ 877,289</u>	45%

Expenditures by Division	FY 2026			FY 2025		
	BUDGET	YTD	%	BUDGET	YTD	%
Sanitation Fund						
1 Service Charges-GF	\$ -	\$ -		\$ 298,866	\$ 149,433	50%
Disposal-Landfill	143,484	143,484	100%	276,000	137,676	50%
Residential	1,125,000	370,610	33%	850,000	357,949	42%
Commercial	593,500	221,868	37%	500,000	215,183	43%
Hazard Waste	24,076	-	0%	12,000	-	0%
TOTAL EXPENDITURES	<u>\$ 1,886,060</u>	<u>\$ 735,962</u>	39%	<u>\$ 1,936,866</u>	<u>\$ 860,241</u>	44%
		\$ 207,631			\$ 17,048	

Notes:

1: **Service Charges-GF**– Beginning in FY 26, this service charge was removed from the budget to offset anticipated cost increases associated with the closure of the Hannah Hill landfill.



Cash Accounts

March 31, 2026

Type	Account Name	Bank Balance 12/31/2025	Bank Balance 3/31/2026	\$Variance
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Checking Accounts

Combined Operating Fund	\$	-	\$	-	\$	-
CBA Interest Proceeds		12,234		37,765		25,531
Subtotal:	\$	12,234	\$	37,765	\$	25,531

Money Market Investment Accounts

Combined Investment	\$	9,454,333	\$	11,139,862	\$	1,685,529
Water Deposit Escrow		119,659		120,462		803
Builder's Deposits		11,952		12,050		97
Subtotal:	\$	9,585,945	\$	11,272,374	\$	1,686,429

Savings Accounts

Drug Seizure Restricted Fund	\$	2,983	\$	3,008	\$	24
Asset Forfeiture Restricted Fund		67,900		58,372		(9,529)
Subtotal:	\$	70,883	\$	61,379	\$	(9,504)

Total Cash Accounts	\$	9,669,062	\$	11,371,518	\$	1,702,457
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Notes:

Major changes in cash accounts during Q2 of FY 2026:

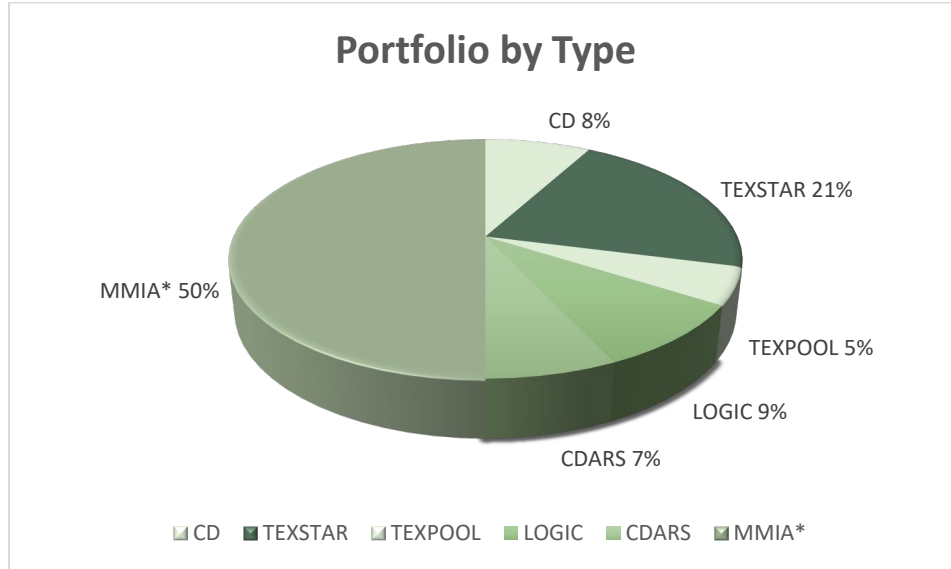
1. \$3,017,513 worth of deposits from the McLennan County Tax Office
2. Routine operating expenditures from January to March 2026
3. Approved capital outlay projects/equipment replacement from January to March 2026

Investments

March 31, 2026

Account Name	CD #	Interest Rate	Balance 12/31/2025	Additions	Maturities	Balance 03/31/2026	Accrued Interest
Certificates of Deposit							
<u>FNBCT</u>	150046	3.70%	\$ 1,500,000	\$ -	\$ -	\$ 1,500,000	\$ 27,588
	Date of Maturity 09/18/2025						
<u>TFNB</u>	57902	4.25%	\$ 240,000	\$ -	\$ -	\$ 240,000	\$ 10,364
	Date of Maturity 04/17/2026						
CDARS							
<u>American Bank:</u>							
13-Week	1032420407	3.50%	\$ 757,139	\$ -	\$ (757,139)	\$ -	\$ -
	Date of Maturity 03/19/2026						
26-Week	1032929024	3.52%	\$ -	\$ 763,774	\$ -	\$ 763,774	\$ 958
	Date of Maturity 09/17/2026						
26-Week	1032214904	3.54%	\$ 509,945	\$ -	\$ -	\$ 509,945	\$ 6,921
	Date of Maturity 05/14/2026						
52-Week	1031169816	3.82%	\$ 250,000	\$ -	\$ -	\$ 250,000	\$ 8,541
	Date of Maturity 05/14/2026						
			\$ 1,517,084	\$ 763,774	\$ (757,139)	\$ 1,523,719	\$ 16,420
Local Government Investment Pools							
<u>Logic</u>							
LT Capital Projects	1393948001	3.82%	\$ 2,142,973	\$ 20,244	\$ -	\$ 2,163,217	\$ -
<u>Texpool</u>							
General Fund	1551700003	3.69%	\$ 965,667	\$ 8,808	\$ -	\$ 974,475	\$ -
Utility Fund	1551700001	3.69%	\$ 95,482	\$ 871	\$ -	\$ 96,353	\$ -
			\$ 1,061,150	\$ 9,679	\$ -	\$ 1,070,828	\$ -
<u>TexStar</u>							
2021 Utility Improven	2021-000	3.68%	\$ 4,851,353	\$ 42,152	\$ (434,361)	\$ 4,459,144	\$ -
2021 WFC Improven	2021-001	3.68%	\$ 367,345	\$ 3,342	\$ -	\$ 370,686	\$ -
			\$ 5,218,698	\$ 45,494	\$ (434,361)	\$ 4,829,830	\$ -
Total Investments			\$ 11,679,905	\$ 839,191	\$ (1,191,500)	\$ 11,327,595	\$ 54,371

Investments (continued)

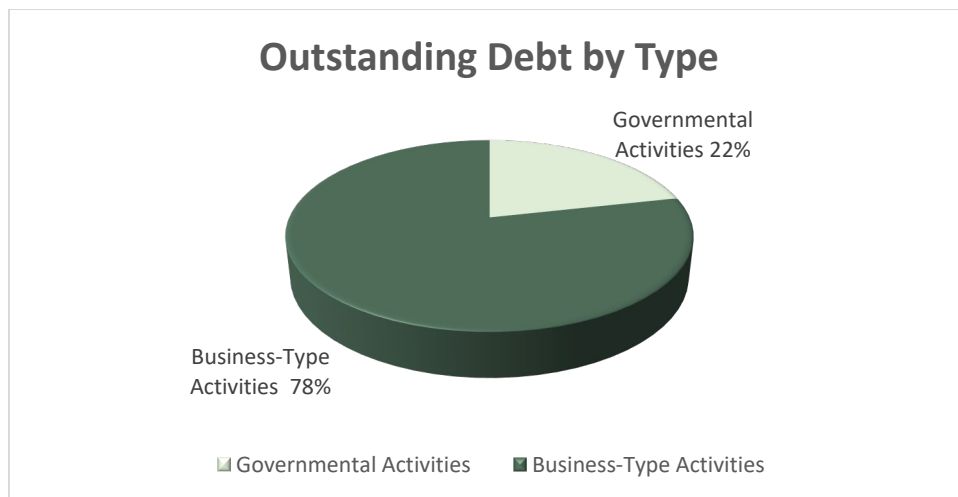


*MMIA is the Money Market Combined Investment account included in the Cash Accounts section of the financial report. MMIA's annual percentage yield: 3.43%.

Outstanding Debt

	Outstanding at 3/31/2026	Due 8/15/2026	Maturity Date
Governmental Activities:			
Certificate of Obligation 2021	\$ 5,675,000	\$ 185,000	2046
Business-Type Activities:			
GO Refunding Bond 2016	\$ 740,000	\$ 365,000	2027
Certificate of Obligation 2016	1,610,000	255,000	2031
Certificate of Obligation 2017	7,745,000	310,000	2042
Certificate of Obligation 2021	9,970,000	325,000	2046
	\$ 20,065,000	\$ 1,255,000	
Total	\$ 25,740,000	\$ 1,440,000	

Total Cash & Investments **22,699,114**
 Cash & Investments/Debt Ratio **0.88**



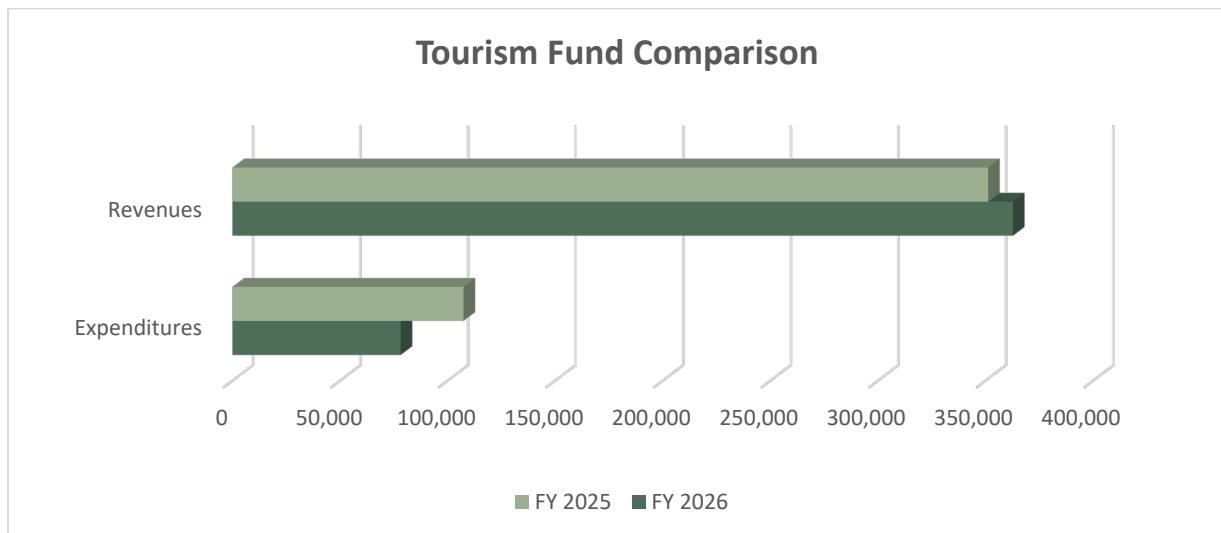
Tourism Fund Revenues & Expenditures

REVENUE SOURCE	FY 2026			FY 2025		
	BUDGET	YTD	%	BUDGET	YTD	%
Hotel Occupancy Tax						
Hotel Occupancy Tax	\$ 850,000	\$ 362,360	43%	\$ 975,000	\$ 348,561	36%
Other Income						
Interest Income	10,000	320	3%	16,000	2,640	17%
Total Income	\$ 860,000	\$ 362,680	42%	\$ 991,000	\$ 351,201	35%

EXPENDITURES BY DIVISION	FY 2026			FY 2025		
	BUDGET	YTD	%	BUDGET	YTD	%
Category A						
Principal	\$ -	\$ -		\$ 100,000	\$ -	0%
Interest	-	-		4,000	2,000	50%
Paying Agent Fees	-	-		500	-	0%
Transfer to CBA Fund for Vistor Center	686,402	-	0%	680,368	-	0%
Transfer to CBA Construction	-	-		75,000	-	0%
Transfer to Discover Woodway	-	-		40,000	-	0%
Category C						
1 Tourism Advertising & Promotions	122,000	78,139	64%	150,000	105,363	70%
Total Expenditures	\$ 808,402	\$ 78,139	10%	\$ 1,049,868	\$ 107,363	10%

Notes:

1: **Advertising & Promotions**– The \$27k decrease in primarily attributed to an overall decrease in budget in FY 26, specifically related to the termination of the Baylor Athletics sponsorship that was paid in FY 25 but not present in FY 26.



CBA Operations Revenues & Expenditures

REVENUE SOURCE	FY 2026			FY 2025		
	BUDGET	YTD	%	BUDGET	YTD	%
Arboretum Rentals	\$ 200,000	\$ 67,183	34%	\$ 300,000	\$ 76,583	26%
Transfer from Tourism Fund	686,402	-	0%	680,368	-	0%
Transfer from General Fund	181,451	-		-	-	
Interest Income	5,000	-	0%	4,998	-	0%
Total Income	\$ 1,072,853	\$ 67,183	6%	\$ 985,366	\$ 76,583	8%

EXPENDITURES BY DIVISION	FY 2026			FY 2025		
	BUDGET	YTD	%	BUDGET	YTD	%
Carleen Bright Arboretum	\$ 479,622	\$ 230,172	48%	\$ 470,329	\$ 235,167	50%
1 Pavilion	593,231	302,822	51%	515,037	236,830	46%
Total Expenditures	\$ 1,072,853	\$ 532,995	50%	\$ 985,366	\$ 471,997	48%

Notes:

1: **Pavilion**– The \$66k increase is primarily attributed to an overall increase in budget in FY 26, specifically related to personnel and benefits expenses as the department added 1.5 FTEs that were not present in FY 25’s budget.

