

**REQUIRED SUPPLEMENTARY
INFORMATION**



**CITY OF THE COLONY, TEXAS
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (BUDGET BASIS)
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2008**

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Ad valorem taxes, penalties and interest	\$ 9,830,103	\$ 10,064,500	\$ 10,080,359	\$ 15,859
Franchise taxes	1,975,000	1,941,000	1,782,819	(158,181)
Municipal sales tax	2,870,000	2,996,000	3,055,468	59,468
Licenses and permits	633,025	1,400,328	1,542,896	142,568
Charge for services	906,680	872,460	1,031,277	158,817
Fines and forfeitures	1,351,050	1,189,890	1,135,061	(54,829)
Grants	30,756	35,478	226,622	191,144
Interest earned	350,000	350,000	248,222	(101,778)
Miscellaneous	643,288	359,216	416,505	57,289
Total revenues	<u>18,589,902</u>	<u>19,208,872</u>	<u>19,519,229</u>	<u>310,357</u>
EXPENDITURES				
Current:				
General government:				
Developmental services	1,029,085	1,105,932	1,061,158	44,774
General administration	354,107	361,155	359,983	1,172
City secretary	224,380	231,004	223,266	7,738
City council	21,840	16,473	14,593	1,880
Human resources	289,356	341,874	333,368	8,506
Finance	539,237	555,372	552,166	3,206
Information technology	639,065	684,293	683,465	828
Nondepartmental	3,363,028	2,090,966	2,089,099	1,867
Public safety:				
Municipal court	316,646	347,768	342,349	5,419
Fire	3,871,257	4,232,226	4,227,672	4,554
Police	5,276,727	5,698,280	5,608,016	90,264
Public works:				
Inspections				
Engineering	213,790	214,353	214,148	205
Public works	1,403,940	1,448,213	1,445,753	2,460
Culture and recreation:				
Parks and recreation	1,937,120	1,967,495	1,897,236	70,259
Aquatic park	348,580	360,331	357,727	2,604
Library	794,392	853,016	845,787	7,229
Total expenditures	<u>20,622,550</u>	<u>20,508,751</u>	<u>20,255,786</u>	<u>252,965</u>
Excess (deficiency) of revenues over expenditures	<u>(2,032,648)</u>	<u>(1,299,879)</u>	<u>(736,557)</u>	<u>563,322</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sales of capital assets				
Transfers from other funds	2,275,648	2,275,648	2,095,000	(180,648)
Transfers to other funds	(243,000)	(836,384)	(836,384)	-
Total other financing sources (uses)	<u>2,032,648</u>	<u>1,439,264</u>	<u>1,258,616</u>	<u>(180,648)</u>
NET CHANGE IN FUND BALANCE	-	139,385	522,059	382,674
FUND BALANCES, BEGINNING OF YEAR	<u>6,022,335</u>	<u>6,022,335</u>	<u>6,022,335</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 6,022,335</u>	<u>\$ 6,161,720</u>	<u>\$ 6,544,394</u>	<u>\$ 382,674</u>

**CITY OF THE COLONY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED SEPTEMBER 30, 2008**

BUDGETARY INFORMATION

The City Council adheres to the following procedures in establishing the budgets reflected in the financial statements:

1. Prior to July 31, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. The proposed budget is filed with the City Secretary not less than 30 days prior to the time the City Council approves the tax levy for the fiscal year commencing the following October 1. Public hearings are conducted to obtain taxpayers' comments.
3. Prior to October 1, the budget is legally enacted by the City Council through passage of an ordinance.
4. The City Manager has authority to transfer appropriation balances from one expenditure account to another within a single department of the City. Only the City Council may transfer any unencumbered appropriation balance or portion thereof from one department to another. Appropriations lapse at the end of the fiscal year.

An annual budget is legally adopted for the General Fund using the budgetary basis of accounting. The budgetary basis of accounting differs from accounting principles generally accepted in the United States of America in that encumbrances are recorded as expenditures in the period they are encumbered and not when incurred.

CITY OF THE COLONY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED SEPTEMBER 30, 2008

A reconciliation from the budgetary basis of accounting for expenditures to GAAP basis for the General Fund is as follows:

	Budgetary Basis Expenditures 9/30/2008	Encumbrances Outstanding 9/30/2007	Encumbrances Outstanding 9/30/2008	GAAP Basis Expenditures 9/30/2008
General Fund:				
General government:				
Developmental services	1,061,158	\$ 7,000	\$ (61,884)	\$ 1,006,274
General administration	359,983	5	-	359,988
City secretary	223,266	53	(2,800)	220,519
City council	14,593	-	-	14,593
Human resources	333,368	41	-	333,409
Finance	552,166	5,617	(27,712)	530,071
Information Technology	683,465	(163)	(12,519)	670,783
Nondepartmental	2,089,099	12,065	(37,618)	2,063,546
Public safety:				
Municipal court	342,349	291	(6,025)	336,615
Fire	4,227,672	1,803	(11,352)	4,218,123
Police	5,608,016	2,789	(4,903)	5,605,902
Public works:				
Engineering	214,148	9,204	(21,712)	201,640
Public works	1,445,753	13,637	-	1,459,390
Culture and recreation:				
Parks and recreation	1,897,236	97,627	(112,464)	1,882,399
Aquatic park	357,727	1,473	(1,295)	357,905
Library	845,787	376	(3,117)	843,046
	<u>\$ 20,255,786</u>	<u>\$ 151,818</u>	<u>\$ (303,401)</u>	<u>\$ 20,104,203</u>