

RULE 15c2-12 FILING COVER SHEET

This cover sheet is sent with all submissions to the Municipal Securities Rulemaking Board (the Nationally Recognized Municipal Securities Information Repository) and any applicable State Information Depository pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statute.

Issuer Name: City of Kerrville, Texas

Issue(s):

\$	5,970,000	General Obligation Refunding Bonds Series 2007
\$	2,035,000	Combination Tax and Revenue Certificates of Obligation Series 2007
\$	9,785,000	Combination Tax and Revenue Certificates of Obligation, Series 2009
\$	4,040,000	Combination Tax and Revenue Certificates of Obligation, Series 2010
\$	6,100,000	Combination Tax and Revenue Certificates of Obligation, Series 2011
\$	3,500,000	Combination Tax and Revenue Certificates of Obligation, Series 2011A
\$	9,905,000	Combination Tax and Revenue Certificate of Obligation, Series 2012
\$	10,000,000	Combination Tax & Revenue Certificates of Obligation, Series 2013
\$	8,910,000	Combination Tax and Revenue Certificates of Obligation, Series 2015
\$	9,590,000	Combination Tax and Revenue Certificates of Obligation, Series 2016

Filing Format electronic ___ paper; If available on the Internet, give URL: _____

CUSIP Numbers to which the information filed relates (optional):

Nine-digit number(s) (see following page(s)):

___ Six-digit number if information filed relates to all securities of the issuer

* * *

Financial & Operating Data Disclosure Information

Annual Financial Report or CAFR

Financial Information & Operating Data

___ Other (describe) _____

Fiscal Period Covered: FYE 2016

___ Monthly ___ Quarterly Annual ___ Other: _____

* * *

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: /s/ Sandra Yarbrough

Name: Sandra Yarbrough Title: Director of Finance

Employer: City of Kerrville, Texas

Voice Telephone Number: (830) 258-1120

Email Address: Sandra.Yarbrough@kerrvilletx.gov

DESCRIPTION OF ISSUES COVERED BY THIS REPORT

General Obligation Refunding Bonds Series 2007

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/18	\$ 1,045,000	492422 HD5
02/15/19	1,090,000	492422 HE3
02/15/20	1,130,000	492422 HF0
02/15/21	1,175,000	492422 HG8
02/15/22	1,230,000	492422 GS3
	<u>\$ 5,670,000</u>	

Combination Tax and Revenue Certificates of Obligation Series 2007

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/19	\$ 215,000	492422 GH7
02/15/21	225,000	492422 GK0
02/15/23	245,000	492422 GM6
02/15/25	265,000	492422 GP9
02/15/27	295,000	492422 GR5
	<u>\$ 1,245,000</u>	

Combination Tax and Revenue Certificates of Obligation, Series 2009

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/18	\$ 460,000	492422 HR4
02/15/19	475,000	492422 HS2
02/15/20	485,000	492422 HT0
02/15/21	505,000	492422 HU7
02/15/22	525,000	492422 HV5
02/15/23	545,000	492422 HW3
02/15/24	565,000	492422 HX1
02/15/25	595,000	492422 HY9
02/15/26	615,000	492422 HZ6
02/15/27	640,000	492422 JA9
02/15/28	670,000	492422 JB7
02/15/29	695,000	492422 JC5
	<u>\$ 6,775,000</u>	

Combination Tax and Revenue Certificates of Obligation, Series 2010

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/17	\$ 310,000	492422 JK7
08/15/18	315,000	492422 JL5
08/15/19	330,000	492422 JM3
08/15/20	345,000	492422 JN1
08/15/22	185,000	492422 JQ4
08/15/24	200,000	492422 JS0
08/15/26	215,000	492422 JU5
08/15/28	235,000	492422 JW1
08/15/30	255,000	492422 JY7
	<u>\$ 2,390,000</u>	

Combination Tax and Revenue Certificates of Obligation, Series 2011

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/17	\$ 265,000	492422 KN9
08/15/18	270,000	492422 KP4
08/15/19	280,000	492422 KQ2
08/15/20	295,000	492422 KR0
08/15/21	305,000	492422 KS8
08/15/22	320,000	492422 KT6
08/15/23	330,000	492422 KU3
08/15/24	345,000	492422 KV1
08/15/25	360,000	492422 KW9
08/15/26	370,000	492422 KX7
08/15/27	385,000	492422 KY5
08/15/28	400,000	492422 KZ2
08/15/29	420,000	492422 LA6
08/15/30	435,000	492422 LB4
	<u>\$ 4,780,000</u>	

Combination Tax and Revenue Certificates of Obligation, Series 2011A

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/18	\$ 180,000	492422LF5
02/15/19	185,000	492422LG3
02/15/20	190,000	492422LH1
02/15/21	195,000	492422LJ7
02/15/22	195,000	492422LK4
02/15/23	200,000	492422LL2
02/15/24	205,000	492422LM0
02/15/25	215,000	492422LN8
02/15/26	220,000	492422LP3
02/15/27	225,000	492422LQ1
02/15/28	235,000	492422LR9
02/15/29	240,000	492422LS7
02/15/30	250,000	492422LT5
02/15/31	255,000	492422LU2
	<u>\$ 2,990,000</u>	

Combination Tax and Revenue Certificate of Obligation, Series 2012

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/17	\$ 465,000	492422 LZ1
08/15/18	475,000	492422 MA5
08/15/19	480,000	492422 MB3
08/15/20	490,000	492422 MC1
08/15/21	495,000	492422 MD9
08/15/22	510,000	492422 ME7
08/15/23	520,000	492422 MF4
08/15/24	535,000	492422 MG2
08/15/25	545,000	492422 MH0
08/15/26	560,000	492422 MJ6
08/15/27	575,000	492422 MK3
08/15/28	580,000	492422 ML1
08/15/29	600,000	492422 MM9
08/15/30	615,000	492422 MN7
08/15/32	1,035,000	492422 MQ0
	<u>\$ 8,480,000</u>	

Combination Tax & Revenue Certificates of Obligation, Series 2013

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/17	\$ 450,000	492422MU1
08/15/18	455,000	492422MV9
08/15/19	465,000	492422MW7
08/15/20	470,000	492422MX5
08/15/21	480,000	492422MY3
08/15/22	485,000	492422MZ0
08/15/23	490,000	492422NA4
08/15/24	500,000	492422NB2
08/15/25	510,000	492422NC0
08/15/26	520,000	492422ND8
08/15/27	530,000	492422NE6
08/15/28	540,000	492422NF3
08/15/29	555,000	492422NG1
08/15/30	565,000	492422NH9
08/15/31	580,000	492422NJ5
08/15/32	595,000	492422NK2
08/15/33	610,000	492422NL0
	<u>\$ 8,800,000</u>	

Combination Tax and Revenue Certificates of Obligation, Series 2015

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/17	\$ 360,000	492422NN6
08/15/18	370,000	492422NP1
08/15/19	375,000	492422NQ9
08/15/20	385,000	492422NR7
08/15/21	390,000	492422NS5
08/15/22	400,000	492422NT3
08/15/23	405,000	492422NU0
08/15/24	420,000	492422NV8
08/15/25	430,000	492422NW6
08/15/26	445,000	492422NX4
08/15/27	455,000	492422NY2
08/15/28	470,000	492422NZ9
08/15/29	480,000	492422PA2
08/15/30	495,000	492422PB0
08/15/31	510,000	492422PC8
08/15/32	525,000	492422PD6
08/15/33	545,000	492422PE4
08/15/34	560,000	492422PF1
08/15/35	585,000	492422PG9
	<u>\$ 8,605,000</u>	

Combination Tax and Revenue Certificates of Obligation, Series 2016

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/17	\$ 370,000	492422PJ3
08/15/18	310,000	492422PK0
08/15/19	395,000	492422PL8
08/15/20	405,000	492422PM6
08/15/21	420,000	492422PN4
08/15/22	435,000	492422PP9
08/15/23	445,000	492422PQ7
08/15/24	460,000	492422PR5
08/15/25	475,000	492422PS3
08/15/26	480,000	492422PT1
08/15/27	490,000	492422PU8
08/15/28	505,000	492422PV6
08/15/29	515,000	492422PW4
08/15/30	530,000	492422PX2
08/15/31	545,000	492422PY0
08/15/32	565,000	492422PZ7
08/15/33	580,000	492422QA1
08/15/34	595,000	492422QB9
08/15/35	610,000	492422QC7
	<u>\$ 9,130,000</u>	

CONTINUING DISCLOSURE REPORT
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2016

CITY OF KERRVILLE, TEXAS

GENERAL OBLIGATION DEBT



FSC Continuing Disclosure Services
A Division of Hilltop Securities.

FINANCIAL STATEMENTS

The audited financial statements for the City for the fiscal year ended September 30, 2016 are being separately filed directly with the Nationally Recognized Municipal Securities Information Repository and any applicable State Information Depository, and are hereby incorporated by reference into this Annual Continuing Disclosure Report.

SIGNATURE OF ISSUER

The information set forth herein has been obtained from the City and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a promise or guarantee. This Annual Continuing Disclosure Report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion contained herein are subject to change without notice, and the delivery of this Annual Continuing Disclosure Report will not, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described.

CITY OF KERRVILLE, TEXAS

/s/ Sandra Yarbrough

Sandra Yarbrough
Director of Finance

Approved for Submission:

03/27/2017

Date

CERTIFICATE OF SUBMISSION OF ANNUAL REPORT

Subject to the continuing disclosure requirements of SEC Rule 15c2-12, this Annual Continuing Disclosure Report for the City of Kerrville, Texas with respect to the issues listed on the report cover was submitted directly to the National Recognized Municipal Securities Information Repository ("NRMSIR") listed below as well as to any applicable State Information Depository ("SID").

NRMSIR

Municipal Securities Rulemaking Board ("MSRB")
via the Electronic Municipal Market Access ("EMMA") system

FSC Continuing Disclosure Services, A Division of Hilltop Securities Inc.

Signed by:

/s/ Alain Garcia

CITY OF KERRVILLE, TEXAS

2017 GENERAL OBLIGATION DEBT REPORT

TABLE 1 – VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT

2016/2017 Market Valuation Established by Kerr County Appraisal District (excluding totally exempt property)		\$ 1,995,677,139
Less Exemptions/Reductions at 100% Market Value:		
Homestead Cap Adjustment	\$ 3,742,310	
Disabled Veterans	25,454,961	
Over 65	8,971,386	
Productivity Loss	11,801,039	
Freeport Exemption	974,220	50,943,916
2016/2017 Net Taxable Assessed Valuation		\$ 1,944,733,223
2016/2017 Freeze Adjusted Equivalent Taxable Assessed Valuation ⁽¹⁾		\$ 1,900,367,747
General Obligation Debt Payable from Ad Valorem Taxes as of September 30, 2016 ⁽²⁾		
General Obligation Bonds	\$ 6,645,000	
Certificates of Obligation	55,350,000	
General Obligation Debt Payable from Ad Valorem Taxes		\$ 61,995,000
Less: Self-Supporting General Obligation Debt ⁽²⁾		
Waterworks and Sewer System Supported General Obligation Bond Debt	\$ 3,687,975	
Waterworks and Sewer System Supported Certificates of Obligation Debt	35,415,000	
EIC ⁽³⁾ Sales Tax Supported Certificates of Obligation Debt	14,880,000	\$ 53,982,975
Net General Obligation Debt Payable from Ad Valorem Taxes		\$ 8,012,025
General Obligation Interest and Sinking Fund as of September 30, 2016 ⁽⁴⁾		\$ 1,162,465
Ratio Net General Obligation Tax Debt to Freeze Adjusted Equivalent Taxable Assessed Valuation		0.42%

2017 Estimated Population - 24,111
Per Capita Freeze Adjusted Equivalent Taxable Assessed Valuation - \$78,817
Per Capita General Obligation Debt Payable from Ad Valorem Taxes - \$2,571
Per Capita Net General Obligation Debt Payable from Ad Valorem Taxes - \$332

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- (1) At an election on November 7, 2006, voters in the City approved a tax freeze for citizens who are disabled and/or 65 years of age or older. The tax freeze became effective on January 1, 2007.
 - (2) General obligation debt in the amounts shown for which repayment is provided from revenues of the waterworks and sewer system or from economic development sales tax revenues provided by the City of Kerrville, Texas Economic Improvement Corporation (the "EIC"). The amount of self-supporting debt is based on the percentages of revenue support as shown in Table 10. It is the City's current policy to provide these payments from the waterworks and sewer system revenues and the EIC; this policy is subject to change in the future.
 - (3) "EIC" is the City of Kerrville, Texas Economic Improvement Corporation, which is a nonprofit corporation created by the City pursuant to the Development Corporation Act (codified under Chapters 501 – 505, Texas Local Government Code, as amended). The City levies and collects a ½ of 1% economic development sales and use tax for the benefit of the EIC, the proceeds of which are used by the EIC to promote economic development in the City in accordance with the Development Corporation Act. A portion of the City's general obligation debt (but not Certificates) is supported with such EIC economic development sales tax.

TABLE 2 – TAXABLE ASSESSED VALUATION BY CATEGORY

Category	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2017		2016		2015	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 1,236,007,288	61.93%	\$ 1,191,726,199	62.30%	\$ 1,165,220,475	62.30%
Real, Residential, Multi-Family	79,348,793	3.98%	78,752,756	4.22%	78,934,223	4.22%
Real, Vacant Lots/Tracts	44,137,079	2.21%	46,563,897	2.40%	44,867,688	2.40%
Real, Acreage (Land Only)	11,938,137	0.60%	11,938,407	0.70%	13,100,752	0.70%
Real, Farm and Ranch Improvements	10,577,726	0.53%	10,523,870	0.57%	10,586,263	0.57%
Real, Commercial and Industrial	389,765,728	19.53%	380,764,694	20.05%	375,013,577	20.05%
Real and Tangible Personal, Utilities	25,621,979	1.28%	24,107,414	1.28%	23,916,950	1.28%
Tangible Personal, Business	162,341,476	8.13%	141,636,207	6.90%	129,092,966	6.90%
Tangible Personal, Other	10,343,954	0.52%	10,162,392	0.54%	10,096,017	0.54%
Real Property, Inventory	9,777,613	0.49%	10,440,940	0.41%	7,612,031	0.41%
Special Inventory	15,817,366	0.79%	13,676,813	0.63%	11,770,833	0.63%
Total Appraised Value Before Exemptions	\$ 1,995,677,139	100.00%	\$ 1,920,293,589	100.00%	\$ 1,870,211,775	100.00%
Less: Total Exemptions/Reductions	50,943,916 ⁽¹⁾		48,276,172 ⁽¹⁾		47,332,635 ⁽¹⁾	
Net Taxable Assessed Value	\$ 1,944,733,223		\$ 1,872,017,417		\$ 1,822,879,140	

Category	Taxable Appraised Value for Fiscal Year Ended September 30,			
	2014		2013	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 1,136,252,784	62.85%	\$ 1,131,625,396	62.97%
Real, Residential, Multi-Family	85,973,366	4.76%	86,527,240	4.81%
Real, Vacant Lots/Tracts	49,086,796	2.72%	48,173,146	2.68%
Real, Acreage (Land Only)	9,894,544	0.55%	16,481,129	0.92%
Real, Farm and Ranch Improvements	9,906,024	0.55%	3,497,454	0.19%
Real, Commercial & Industrial	339,692,376	18.79%	332,970,898	18.53%
Real and Tangible Personal, Utilities	22,594,889	1.25%	35,419,292	1.97%
Tangible Personal, Business	125,624,433	6.95%	113,603,464	6.32%
Tangible Personal, Other	10,058,238	0.56%	10,105,082	0.56%
Real Property, Inventory	8,030,422	0.44%	8,363,822	0.47%
Special Inventory	10,762,726	0.60%	10,355,146	0.58%
Total Appraised Value Before Exemptions	\$ 1,807,876,598	100.00%	\$ 1,797,122,069	100.00%
Less: Total Exemptions/Reductions	41,698,826 ⁽¹⁾		39,149,716 ⁽¹⁾	
Net Taxable Assessed Value	\$ 1,766,177,772		\$ 1,757,972,353	

NOTE: Valuations shown are certified taxable assessed values reported by the Kerr County Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

(1) At an election on November 7, 2006, voters in the City approved a tax freeze for citizens who are disabled and/or 65 years of age or older. The tax freeze became effective on January 1, 2007. The Net Taxable Assessed Valuation includes the values related to the freeze exemption. See Table 3 and Table 4 for additional details.

TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year Ended 9/30	Estimated Population ⁽¹⁾	Net Taxable Assessed Valuation ⁽²⁾	Freeze Adjusted Equivalent Taxable Assessed Valuation ⁽³⁾	Freeze Adjusted Taxable Assessed Valuation Per Capita	Net G.O. Tax Debt Outstanding at End of Year ⁽⁴⁾	Ratio of Net G.O. Tax Debt to Freeze Adjusted Taxable Assessed Valuation	Net G.O. Tax Debt Per Capita
2013	22,347	\$ 1,757,972,353	\$ 1,711,921,816	\$ 76,606	\$ 10,680,105	0.62%	\$ 478
2014	22,983	1,766,177,772	1,725,385,007	75,072	9,900,861	0.57%	431
2015	23,558	1,822,879,140	1,783,059,670	75,688	9,097,266	0.51%	386
2016	23,808	1,872,017,417	1,830,934,906	76,904	8,012,025	0.44%	337
2017	24,111	1,944,733,223	1,872,346,876	77,655	8,971,255	0.48%	372

(1) Source: City of Kerrville, Texas.

(2) As reported by the Kerr County Appraisal District on the City’s annual State Property Tax Board Reports; subject to change during the ensuing year.

(3) The Freeze Adjusted Equivalent Taxable Assessed Valuation is calculated by converting the Actual Tax value in the Certified Totals by Kerr County Appraisal District into a taxable assessed valuation equivalent.

(4) Does not include self-supporting debt.

TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year Ended 9/30	Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy ⁽¹⁾	Actual Tax Included in Tax Levy	% Current Collections	% Total Collections
2013	\$ 0.5625	\$ 0.4890	\$ 0.0735	\$ 9,679,191	\$ 2,453,869	97.29%	98.25%
2014	0.5625	0.4890	0.0735	10,023,771	2,510,111	98.52%	98.64%
2015	0.5625	0.4890	0.0735	10,029,711	2,552,896	98.16%	98.28%
2016	0.5625	0.4890	0.0735	10,299,009	2,615,371	98.18%	98.61%
2017	0.5625	0.4890	0.0735	11,225,684	2,626,881	(Process of Collection)	

(1) Tax levy includes a portion of taxes collected from the freeze adjusted values.

TABLE 5 – TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2016/17	% of Total
		Net Taxable Assessed Valuation	Net Taxable Assessed Valuation
Mooney Aviation Company Inc.	General Aviation	\$ 22,304,684	1.22%
Avery, James Craftsman Inc.	Retail	20,249,190	1.11%
Windstream Comm Kerrville	Utility	10,296,102	0.56%
Wal-Mart Stores Inc.	Discount Retail	8,561,493	0.47%
S-H Forty-Nine Properties, LLC	Real Estate	8,400,000	0.46%
Atmos Energy/Mid-Tex Division	Gas Supply and Planning	7,655,945	0.42%
Comanche Trace Ranch & Golf Club	Subdivision	6,574,685	0.36%
Home Depot, USA, Inc.	Home Retail	6,385,963	0.35%
Lowe's Home Centers Inc.	Home Retail	6,270,099	0.34%
Wal-Mart Stores Inc. #508	Discount Retail	6,066,874	0.33%
		<u>\$ 102,765,035</u>	<u>5.61%</u>

TABLE 6 – TAX ADEQUACY

2017 Principal and Interest Requirements ⁽¹⁾	\$1,063,044
\$0.0571 Tax Rate at 98% Collection Produces	\$1,063,408
Average Annual Principal and Interest Requirements, 2017 - 2029 ⁽¹⁾	\$ 749,718
\$0.0403 Tax Rate at 98% Collection Produces	\$ 750,531
Maximum Annual Principal and Interest Requirements, 2018 ⁽¹⁾	\$1,079,664
\$0.0580 Tax Rate at 98% Collection Produces	\$1,080,169

(1) Does not include self-supporting debt.

TABLE 8 – DEBT SERVICE REQUIREMENTS

Fiscal Year Ending 9/30	Outstanding Debt Service ⁽¹⁾			Less:	Total Net	% of
	Principal	Interest	Total	Self-Supporting Debt Service	Tax-Supported Debt Service	Principal Retired
2017	4,100,000	1,847,793	5,947,793	4,884,750	1,063,044	
2018	4,175,000	1,728,408	5,903,408	4,828,267	1,075,141	
2019	4,385,000	1,602,556	5,987,556	4,907,892	1,079,664	
2020	4,510,000	1,469,058	5,979,058	4,908,802	1,070,256	
2021	4,380,000	1,329,882	5,709,882	4,638,540	1,071,342	34.76%
2022	4,535,000	1,193,941	5,728,941	4,654,239	1,074,702	
2023	3,385,000	1,074,193	4,459,193	3,943,810	515,383	
2024	3,260,000	970,403	4,230,403	3,716,680	513,723	
2025	3,370,000	869,129	4,239,129	3,722,805	516,324	
2026	3,465,000	768,545	4,233,545	3,715,468	518,078	63.82%
2027	3,565,000	665,694	4,230,694	3,711,711	518,983	
2028	3,520,000	560,616	4,080,616	3,713,456	367,160	
2029	3,630,000	451,420	4,081,420	3,718,876	362,544	
2030	3,020,000	348,926	3,368,926	3,368,926	-	
2031	2,525,000	257,600	2,782,600	2,782,600	-	90.05%
2032	2,085,000	189,838	2,274,838	2,274,838	-	
2033	1,735,000	128,806	1,863,806	1,863,806	-	
2034	1,155,000	75,556	1,230,556	1,230,556	-	
2035	1,195,000	39,506	1,234,506	1,234,506	-	100.00%
	<u>\$ 61,995,000</u>	<u>\$ 15,571,867</u>	<u>\$ 77,566,867</u>	<u>\$ 67,820,527</u>	<u>\$ 9,746,340</u>	

(1) "Outstanding Debt Service" does not include lease/purchase obligations.

TABLE 9 – INTEREST AND SINKING FUND BUDGET PROJECTION

Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/2017 ⁽¹⁾		\$ 1,063,044
Interest and Sinking Fund, 9/30/2016	\$ 1,165,079	
Budgeted Interest and Sinking Fund Tax Levy	<u>1,132,496</u>	<u>2,297,575</u>
Estimated Balance, 9/30/2017		<u><u>\$ 1,234,532</u></u>

(1) Does not include self-supporting debt.

TABLE 10 – COMPUTATION OF SELF-SUPPORTING DEBT

Net Waterworks and Sewer System Revenue Available as of 9/30/2016	\$6,669,347
Net EIC Sales Tax Revenue Available as of 9/30/2016	3,215,695
Less: Requirements for Waterworks and Sewer System Revenue Bonds	-
Less: Requirements for EIC Sales Tax Revenue Bonds	<u>-</u>
Balance Available for Other Purposes	<u><u>\$ 9,885,042</u></u>
Requirements for Waterworks and Sewer System Supported General Obligation Debt	\$ 3,773,463
Requirements for EIC Sales Tax Supported General Obligation Debt	\$ 1,111,286
Maximum Requirements for EIC Sales Tax Supported General Obligation Debt	\$ 1,117,236
Percentage of Waterworks and Sewer System Supported General Obligation Debt Self-Supporting	100%
Percentage of EIC Sales Tax Supported General Obligation Debt Self-Supporting	100%

TABLE 11 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

The City does not have any authorized but unissued voted general obligation bonds. The City is authorized by the laws of the State to incur general obligation debt, such as the Certificates, for certain authorized purposes without an election.

TABLE 12 – OTHER OBLIGATIONS

As of September 30, 2016, the City has no other obligations.

TABLE 13 – CHANGE IN NET POSITION

	Fiscal Year Ended September 30,				
	2016	2015	2014	2013	2012
REVENUES:					
Program Revenues:					
Charges for Services	\$ 5,433,867	\$ 5,997,917	\$ 4,434,801	\$ 4,265,019	\$ 4,506,527
Operating Grants and Contributions	759,117	141,033	72,200	718,813	302,520
Capital Grants and Contributions	2,626,390	772,266	970,605	2,000,000	5,552,634
General Revenues:					
Property Taxes	10,353,103	10,108,053	9,751,801	9,689,758	9,655,313
Sales Taxes	6,426,901	6,201,119	5,786,539	5,554,073	5,119,521
Hotel Occupancy Taxes	1,106,705	1,080,836	1,045,911	957,853	853,661
Franchise Taxes	1,580,265	1,741,795	1,775,520	1,715,538	1,825,722
Alcoholic Beverage Taxes	74,082	74,021	68,661	54,735	52,847
Unrestricted Investment Earnings	130,455	57,226	58,136	44,413	56,261
Capital Contributions	-	-	1,509,703	-	-
Gain (loss) on sale of position	-	-	-	-	(235,328)
Miscellaneous	2,032,635	2,789,174	-	1,322,049	1,257,450
Total Revenues	<u>\$ 30,523,520</u>	<u>\$ 28,963,440</u>	<u>\$ 25,473,877</u>	<u>\$ 26,322,251</u>	<u>\$ 28,947,128</u>
EXPENSES:					
General Government	\$ 6,107,677	\$ 6,272,205	\$ 5,158,955	\$ 4,667,282	\$ 4,076,996
Public Safety	12,932,381	13,168,482	12,364,758	11,630,832	11,312,519
Culture and Recreation	3,700,771	3,404,868	3,065,837	3,370,928	3,081,774
Public Works	3,403,977	3,490,145	3,159,162	3,326,708	3,003,950
Business Programs	-	-	-	-	166,718
Health and Welfare	-	-	-	-	-
Non Departmental	-	-	-	-	-
Interest on Long-term Debt	818,384	519,320	564,565	566,169	644,587
Depreciation - Unallocated	-	-	-	-	-
Total Expenditures	<u>\$ 26,963,190</u>	<u>\$ 26,855,020</u>	<u>\$ 24,313,277</u>	<u>\$ 23,561,918</u>	<u>\$ 22,286,544</u>
Increase in Net Position Before Transfers	\$ 3,560,330	\$ 2,108,420	\$ 1,160,600	\$ 2,760,333	\$ 6,660,584
Transfers	1,910,213	1,802,560	1,125,310	1,250,000	2,149,028
Increase in Net Position	\$ 5,470,543	\$ 3,910,980	\$ 2,285,910	\$ 4,010,333	\$ 8,809,612
Beginning Net Position	85,616,512	81,705,532 ⁽¹⁾	78,460,140	74,449,807 ⁽¹⁾	65,974,711
Prior Period Entries	-	-	-	-	-
Ending Net Position	<u>\$ 91,087,055</u>	<u>\$ 85,616,512</u>	<u>\$ 80,746,050</u>	<u>\$ 78,460,140</u>	<u>\$ 74,784,323</u>

(1) Restated.

TABLE 13A – GENERAL FUND REVENUES AND EXPENDITURE HISTORY

	Fiscal Year Ended September 30,				
	2016	2015	2014	2013	2012
REVENUES					
Taxes	\$ 17,047,831	\$ 16,729,935	\$ 16,186,958	\$ 15,761,029	\$ 15,438,470
Licenses and Permits	466,303	532,607	504,931	350,543	321,442
Intergovernmental	1,347,808	1,373,334	989,191	1,120,372	1,178,804
Charges for Services	3,334,083	3,412,045	2,261,251	2,563,359	2,548,745
Grants	742,139	141,033	71,724	16,144	27,359
Fine and Forfeitures	548,847	351,265	354,814	432,834	467,272
Interest	62,239	34,920	31,603	22,359	39,789
Miscellaneous	675,775	815,759	1,093,418	905,292	1,065,896
Total Revenues	<u>\$ 24,225,025</u>	<u>\$ 23,390,898</u>	<u>\$ 21,493,890</u>	<u>\$ 21,171,932</u>	<u>\$ 21,087,777</u>
EXPENDITURES					
Current Expenditures:					
General Government	\$ 4,281,627	\$ 4,661,935	\$ 4,534,100	\$ 4,360,389	\$ 3,716,296
Public Safety	12,313,269	12,523,990	12,000,803	11,138,120	10,653,384
Culture and Recreation	2,492,818	2,241,214	2,168,758	1,965,466	1,927,963
Public Works	3,017,017	3,162,298	3,006,868	2,992,271	2,806,458
Health and Welfare	-	-	-	-	-
Nondepartmental	-	-	-	-	166,718
Business Programs	-	-	-	446,249	451,565
Capital Outlay	736,945	1,609,758	437,577	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 22,841,676</u>	<u>\$ 24,199,195</u>	<u>\$ 22,148,106</u>	<u>\$ 20,902,495</u>	<u>\$ 19,722,383</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES					
	<u>\$ 1,383,349</u>	<u>\$ (808,297)</u>	<u>\$ (654,216)</u>	<u>\$ 269,437</u>	<u>\$ 1,365,394</u>
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	\$ 2,003,038	\$ 1,884,695	\$ 1,446,984	\$ 1,256,185	\$ 1,445,956
Operating Transfers Out	(1,346,000)	(927,500)	(1,547,825)	(700,000)	(207,188)
Loan Proceeds	-	995,355	284,526	-	-
Total Other Financing Sources (Uses)	<u>\$ 657,038</u>	<u>\$ 1,952,550</u>	<u>\$ 183,685</u>	<u>\$ 556,185</u>	<u>\$ 1,238,768</u>
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES					
	<u>\$ 2,040,387</u>	<u>\$ 1,144,253</u>	<u>\$ (470,531)</u>	<u>\$ 825,622</u>	<u>\$ 2,604,162</u>
FUND BALANCES AT BEGINNING OF YEAR					
	<u>\$ 10,239,780</u>	<u>\$ 9,095,527</u>	<u>\$ 9,566,058</u>	<u>\$ 8,740,436</u>	<u>\$ 6,136,275</u>
PRIOR PERIOD ADJUSTMENT					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES AT END OF YEAR					
	<u>\$ 12,280,167</u>	<u>\$ 10,239,780</u>	<u>\$ 9,095,527</u>	<u>\$ 9,566,058</u>	<u>\$ 8,740,437</u>

TABLE 14 – MUNICIPAL SALES TAX HISTORY

Year Ended 9/30	Total Collected ⁽¹⁾	% of Ad Valorem Tax Levy ⁽²⁾	Equivalent of Ad Valorem Tax Rate ⁽²⁾	Per Capita ⁽³⁾
2012	\$ 5,119,521	53.68%	\$ 0.3008	\$ 229.16
2013	5,554,073	57.38%	0.3244	241.66
2014	5,786,539	57.73%	0.3354	245.63
2015	6,211,170	61.93%	0.3483	260.89
2016	9,493,271	92.18%	0.5185	393.73

(1) Excludes half-cent sales tax for economic development.

(2) Based on the Freeze Adjusted Equivalent Taxable Assessed Valuation.

(3) Based on population estimates of the City staff.

TABLE 15 – CURRENT INVESTMENTS

As of January 31, 2017, the City's funds were invested as follows:

Description	% of Portfolio	Book Value	Market Value
Certificates of Deposit	9.10%	\$ 5,481,489	\$ 7,089,774
Investment Pools	45.83%	27,614,977	500,005
Commercial Paper	12.21%	7,358,450	2,696,010
Wells Fargo Bank	32.86%	19,798,249	11,261,693
	<u>100.00%</u>	<u>\$ 60,253,164</u>	<u>\$ 46,474,886</u>