



1st Quarter FY2026 (Unaudited)

Quarterly Financial Report

FEBRUARY 3, 2026

Economic/Financial Condition Evaluation

*Fiscal Management Contingency Plan
Comprehensive Financial Plan, page 26*

Level I. Estimated Annual Revenue Below Budget
Projections for 3 consecutive months? **No**

Yes = Begin Level I contingency plan process

No = No contingency action needed

Budget Tracking – Capital

City Manager will report any capital expenditures that varies more than \$10,000

Budget Amendment - November 3, 2025

Fund 20	Budget Amendment	Waterline Replacement	138,250
For: Kinney Drive repairs/restoration of the asphalt street in various locations			

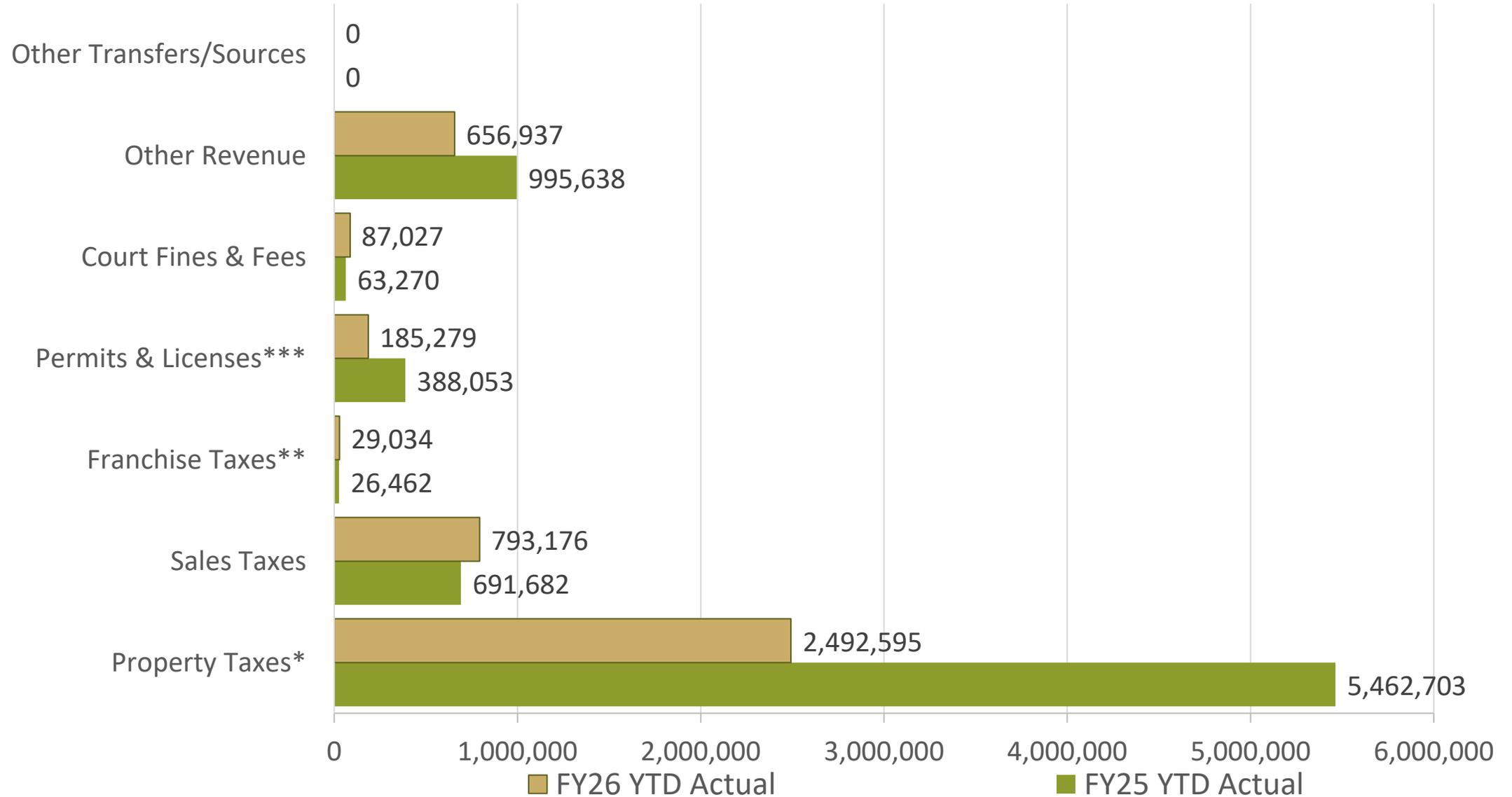
Customer Service	= within range	MCDC	= within range
Facilities	= within range	MDD	= within range
Fire Dept	= within range	Police	= within range
Fund 17 PEG	= within range	Public Works	= 138,250 increase
Fund 60 Capital Const	= within range	Recreation	= within range
Fund 63 Capital Const	= within range	Water Distribution	= within range
Fund 65 Utility Const	= within range	VERF	= within range

1st Quarter FY 2026

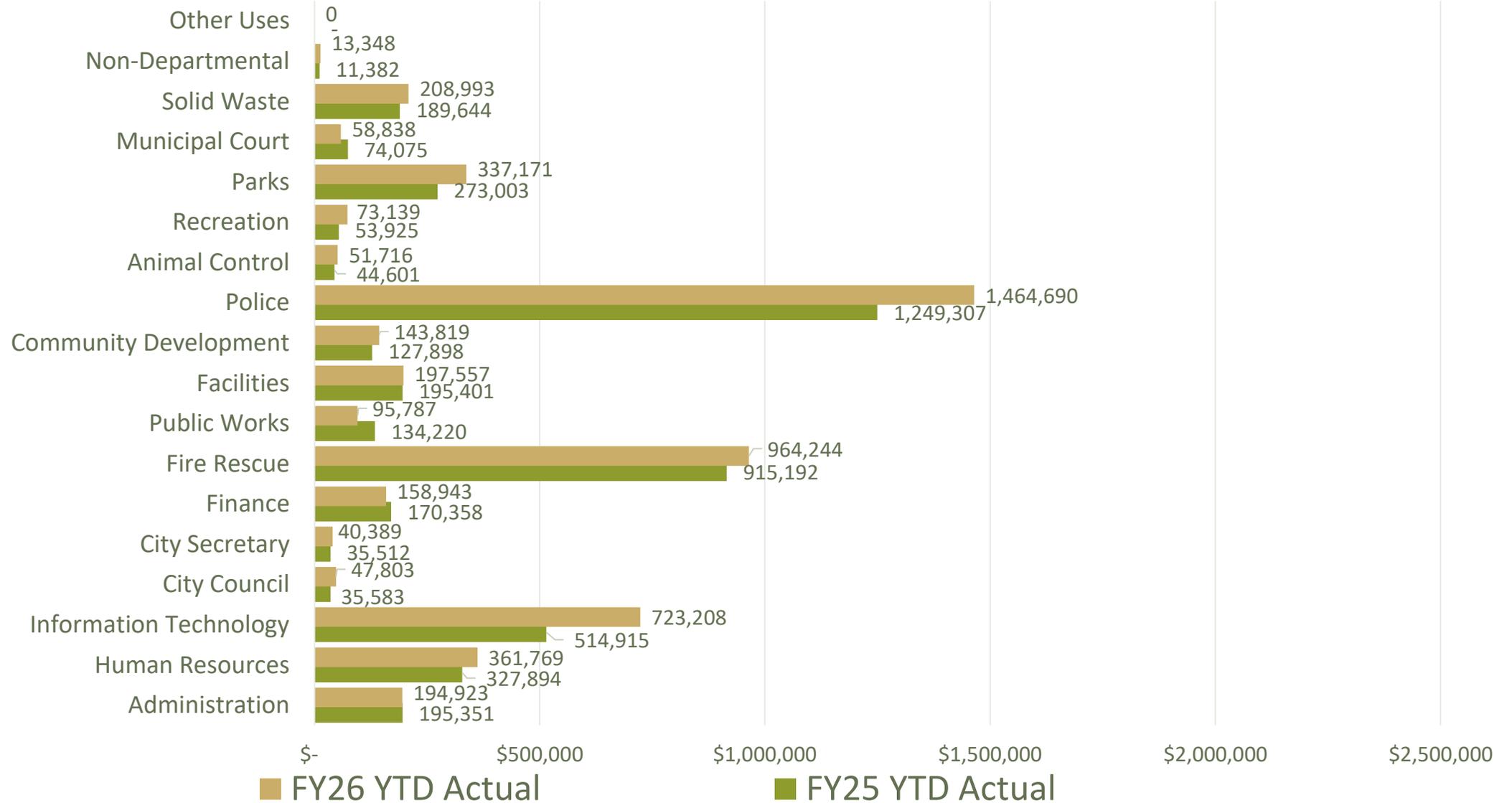
General Fund/MDD/MCDC/Street Sales Tax Collections Comparison

		FY 2026	FY 2025	FY 2024	FY 2023
	<u>Prior Period Comparison</u>	<u>Oct 25-Sept 26</u>	<u>Oct 24-Sept 25</u>	<u>Oct 23-Sept 24</u>	<u>Oct 22-Sept 23</u>
October	114,800; 30.1% <FY25	500,387	384,587	456,021	480,543
November	31,385; 3.3% < FY25	529,351	497,966	479,619	493,028
December	56,033; 11.7%< FY25	535,158	479,125	458,501	468,085
January			487,691	494,891	489,855
February			682,092	932,703	569,387
March			415,275	57,239	418,897
April			347,888	420,351	395,514
May			522,617	509,934	532,744
June			492,951	471,594	484,024
July			491,784	463,593	457,363
August			500,359	509,529	527,972
September			<u>620,563</u>	<u>473,872</u>	<u>550,135</u>
Total		<u>\$1,564,896</u>	<u>\$5,922,898</u>	<u>\$5,727,847</u>	<u>\$5,867,547</u>
Budget	• 27.0% of budget collected	<u>\$5,788,802</u>	<u>\$5,830,776</u>	<u>\$5,843,899</u>	<u>\$6,165,876</u>

General Fund Revenue – FY26 vs FY25



Expenditures by Department – FY26 vs FY25



All Funds Summary - 25% of Fiscal Year - Continued

<i>Fund</i>		<i>Unaudited</i>	<i>Year to Date (Q1)</i>	<i>Year to Date(Q1)</i>	<i>Transfers (Q1)</i>	<i>Projected</i>
#	<i>Funds</i>	<i>Beginning</i>	<i>Revenue</i>	<i>Expenses</i>	<i>In/(Out)</i>	<i>Fund Balance</i>
		<i>Fund Balance</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>Fund Balance</i>	<i>12/31/2025</i>
		<i>9/30/2025</i>				
	OPERATING FUNDS					
10	General Fund	\$ 11,580,601	\$ 4,244,048	\$ 5,136,337	\$ -	\$ 10,688,312
20	Utility Fund	14,258,499	3,620,185	2,238,826	-	15,639,858
25	Stormwater Fund	397,244	91,762	43,391	-	445,615
24	Street Maintenance Fund	1,129,519	205,388	22,719	-	1,312,188
	Total Operating Funds	27,365,863	8,161,383	7,441,273	-	28,085,973
	RESERVE FUNDS					
40	Debt Service Fund	913,087	863,823	-	-	1,776,910
	Total Reserve Funds	913,087	863,823	-	-	1,776,910
	CAPITAL PROJECT FUNDS					
60	Capital Construction Fund	9,764,722	11,541	212,508	-	9,563,755
65	Utility Capital Construction Fund	13,839,611	16,453	232,556	-	13,623,508
63	General Obligation Bond Fund	1,679,742	17,804	7,386	-	1,690,160
	Total Capital Funds	25,284,075	45,798	452,450	-	24,877,423

All Funds Summary –25% of Fiscal Year - Continued

<i>Fund</i>		<i>Unaudited</i>	<i>Year to Date (Q1)</i>	<i>Year to Date(Q1)</i>	<i>Transfers (Q1)</i>	<i>Projected</i>
#	<i>Funds</i>	<i>Beginning</i>	<i>Revenue</i>	<i>Expenses</i>	<i>In/(Out)</i>	<i>Fund Balance</i>
		<i>Fund Balance</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>Fund Balance</i>	<i>12/31/2025</i>
		<i>9/30/2025</i>				
	SPECIAL PURPOSE FUNDS					
12	Court Restricted Fund	38,708	11,221	12,339	-	37,590
15	Animal Shelter	12,169	-	-	-	12,169
17	Cable TV/PEG	25,787	1,991	-	-	27,778
33	Police Seizures	11,576	-	-	-	11,576
37	Public Safety Donations (w/o LEOSE & Opioid)	1,242	-	-	-	1,242
72	Vehicle Equipment Replacement Fund	1,254,762	(3,583)	112,502	-	1,138,677
	Total Special Purpose Funds	1,344,244	9,629	124,841	-	1,229,032
	COMPONENT UNITS					
38	Murphy Municipal Development Corp.	4,053,138	237,074	36,691	-	4,253,521
34	Murphy Community Development Corp.	1,847,795	407,531	17,950	-	2,237,376
16	Community Events	264,689	47,214	314,117	-	(2,214)
	Total Component Units	6,165,622	691,819	368,758	-	6,488,683

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All Funds Summary –25% of Fiscal Year

<i>Fund #</i>	<i>Funds</i>	<i>Unaudited Beginning Fund Balance 9/30/2025</i>	<i>Year to Date (Q1) Revenue (Unaudited)</i>	<i>Year to Date(Q1) Expenses (Unaudited)</i>	<i>Transfers (Q1) In/(Out) Fund Balance</i>	<i>Projected Fund Balance 12/31/2025</i>
GRANT FUNDS						
37	Public Safety Grants (LEOSE & Opioid)	39,731	-	25	-	39,706
28	American Rescue Plan Act (ARPA)	223,728	-	-	-	223,728
	Total Grant Funds	263,459	-	25	-	263,434
IMPACT FEE AND ESCROW FUNDS						
70	Water/Sewer Impact Fee Fund	797,994	88,903	-	-	886,897
30	Capital Improvement/Escrow Fund	33,827	-	-	-	33,827
	Total Impact Fee & Escrow Funds	831,821	88,903	-	-	920,724
	Total of all Funds	\$ 62,168,171	\$ 9,861,355	\$ 8,387,347	\$ -	\$ 63,642,179

Capital Projects - Budget Summary

Project Name	Original Budget	FY26 Actual (as of 12/31/25)	Project to-date Activity	Budget Balance*	% Status of Phase as of 12/31/25	Fund Source(s)
FM544 Pedestrian Bridge & Trail Connection	4,680,856	-	673,130	4,007,726	95% Design/0% Construction	'19 GO Bonds, '20 &'22 Tax Notes, MDD, TXDOT
FM544 Pedestrian Bridge & Trails project - "Proposition D for Trails Unspent"	419,144	-	-	419,144	95% Design/0% Construction	Surety Proceeds from Proposition D & Interest
FM 544 Right Turn Lane HEB	650,000	-	-	650,000	0%	MDD & MCDC
Gables Pavement Rehabilitation	53,847	-	20,020	33,827	37.2% Complete	Gables Escrow
Sidewalks Repairs and Rehab (citywide)	1,035,000	22,719	22,719	1,012,281	2%	Street Fund
Rodeo Dr Elevated Storage Tank - Interior & Exterior Paint	675,000	2,760	2,760	672,420	0%	Utility Fund

Capital Projects - Budget Summary Continued

Project Name	Original Budget	FY26 Actual (as of 12/31/25)	Project to-date Activity	Budget Balance*	% Status of Phase as of 12/31/25	Fund Source(s)
McMillen Road	5,500,000	-	-	5,500,000	0%	'25 CO General fund construction
Dispatch Software CAD/RMS	904,000	-	-	904,000	0%	'25 CO General fund construction
Oak Glen to Ridgestone water line replacement FY26	98,650	-	-	98,650	0%	'18 Util. COs Unspent
Woodcrest to Rocky Glen water line replacement FY26	98,650	-	-	98,650	0%	'18 Util. COs Unspent
Bunny Run (S. Maxwell Crk westerly to Timbers Nature Preserve)water line replacement FY26	98,651	-	-	98,651	0%	'18 Util. COs Unspent
Hawthorn Pump Station FY26	100,000	-	-	100,000	0%	'18 Util. COs Unspent

Capital Projects - Budget Summary Continued

Project Name	Original Budget	FY26 Actual (as of 12/31/25)	Project to- date Activity	Budget Balance*	% Status of Phase as of 12/31/25	Fund Source(s)
200 Block Oak Bluff Water Mains/Sanitary Sewer FY25	250,000	-	-	250,000	0%	'18 Util. COs Unspent
100 Block Post rest, 400 Block Walnut Water Mains/Sanitary Sewer FY25	250,000	-	-	250,000	0%	'18 Util. COs Unspent
Skyline Drive (Horizon Dr. to S. Murphy Road) including water mains and sanitary sewer FY26	175,481	-	-	175,481	0%	'18 Util. COs Unspent
Water Distribution Service Line Replacements (FY26) – 2018 CO	970,714	-	-	970,714	0%	'18 Util. COs Unspent
Water Service Line Replacement throughout the City	8,160,000	-	-	8,160,000	0%	'25 CO Utility fund construction
Cast Iron Water Main Replacement throughout the city	1,700,000	-	-	1,700,000	0%	'25 CO Utility fund construction

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Capital Projects - Budget Summary Continued

Project Name	Original Budget	FY26 Actual (as of 12/31/25)	Project to-date Activity	Budget Balance*	% Status of Phase as of 12/31/25	Fund Source(s)
Water Mains and Wastewater Line (FM544 to Woodlake)	750,000	-	-	650,000	0%	'25 CO Utility fund construction
Kinney Waterline Replacement	750,000	-	413,744	286,256	100% Design completion; 75% Construction	Utility Fund
Total	27,319,993	32,347	1,139,241	26,180.752		

FY26 Capital Project Expenditures

Fund Type	FY26 Adopted Budget	FY26 YTD Actual (Unaudited)
2019 General Obligation Bonds	\$ 1,562,515	\$ -
2020 Tax Notes	85,341	-
2022 Tax Notes	3,037,957	-
2025 CO GF Construction	1,754,000	6,868
2025 CO UT Construction	3,237,445	
Murphy Municipal Development District (MDD) & Murphy Community Development Corporation (MCDC)	1,330,000	-
Street & Sidewalk Maintenance	940,266	22,719
2018 Certificates of Obligation (Water & Sewer)	1,542,146	-
Gables Escrow	20,686	-
Utility Fund Water (Capital Projects Total)	675,000	2,760
Total	\$ 14,185,356	\$ 32,347



Questions??

Finance Department