



June 3, 2015

Dear Citizens:

The City Manager has recently completed the 2014 Annual Report to the City Council. The report covers several areas of City business including a summary of the financial condition, business improvements, and investments in quality of life, community service, community development, infrastructure improvements, environmental services and human resources.

A brief summary of the financial condition reported that the General Fund actual revenues exceeded budgeted revenues by \$698,411. Revenues were extremely close to the proposed budget and exceeded expectations by \$10,196. Expenditures were less than budgeted and are the sole reason of the profitable year. All areas of the General Fund were under budget by approximately 4% which allows the fund balance to grow. Again this year, a significant amount of work was accomplished on various street and drainage projects. The audited figures show that the unassigned fund balance for the General Fund is \$5,446,755 which is 34% of the General Fund expenditures. The financial accounting policy recommends that the City should maintain at least 25% of operating expenses in General Fund balance. Moody's Investment Rating agency summarized the City of Corsicana outlook by saying *"The city's reserves have improved to healthier levels following multiple surpluses and should remain solid given a formal reserve policy combined with frequent monitoring of expenditures. The city has realized five consecutive years of surpluses through fiscal year 2014 ..."*. In addition, in March, the City bond rating was confirmed as stable on the General Obligation bonds. The rating agencies, Standard & Poor's and Moody's, spend a great amount of time analyzing and studying the financial data of the City. This indicates the professionals in the field have confidence in the City's current financial policies and condition.

Of course the major role of the Council is to ensure the financial stability of the City, but in addition to this there were major accomplishments like the Christmas celebration all over town, improvements at the Library, Parks and Recreation programs and continuing citywide beautification projects.

Please visit the City of Corsicana's website at the link shown below to view the full report.

<http://www.cityofcorsicana.com/Archive.aspx?AMID=37>

Kindest regards,

Chuck McClanahan
Mayor