



**FARMERS
BRANCH**

MEMORANDUM

FINANCE

**TO: Mayor Bob Phelps and the
City Council**

**THRU: Charles S. Cox
City Manager**

**FROM: Sherrelle Evans-Jones
Director of Finance**

DATE: November 17, 2016

SUBJECT: Financial Report – September 2016

Revenue and Expenditure Reports for September 2016 are attached. Revenues for this report include a column entitled "Expected as % of Budget Year-to-Date." This column, used primarily for revenues with budgets exceeding \$200,000, is used to more quickly identify revenue fluctuations based on a five-year historical trend.

The attached Pooled Cash and Investments report represents cash and investment totals by fund as of the end of September 2016.

Attachments

**GENERAL FUND
STATEMENT OF REVENUE
September 2016
(UNAUDITED)**

	AMENDED BUDGET 2015-16	ACTUAL REVENUES Y-T-D 09/30/16	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<u>TAXES</u>					
PROPERTY TAXES	\$22,300,000	\$22,152,361	99.34%	100.00%	99.34%
SALES & USE TAXES	13,560,000	13,554,921	99.96%	100.00%	99.96%
MIXED BEVERAGE	85,000	84,920	99.91%		
FRANCHISE FEES	4,336,000	4,235,296	97.68%	100.00%	97.68%
PENALTIES & INTEREST	100,000	79,358	79.36%		
SUB-TOTAL	\$40,381,000	\$40,106,856	99.32%	100.00%	99.32%
<u>LICENSES & PERMITS</u>					
HEALTH	\$45,000	\$44,445	98.77%		
BUILDING	810,200	996,792	123.03%	100.00%	123.03%
PLUMBING	102,000	93,609	91.77%		
ELECTRICAL	100,000	110,601	110.60%		
HVAC	86,000	87,763	102.05%		
MULTI-FAMILY INSPECTION	100,000	94,590	94.59%		
INTERGOVERNMENTAL REVENUE	150,000	150,000	100.00%		
SUB-TOTAL	\$1,393,200	\$1,577,800	113.25%	100.00%	113.25%
<u>CHARGES FOR SERVICES</u>					
ZONING	\$24,000	\$24,675	102.81%		
PRINTING & DUPLICATING	13,400	14,879	111.04%		
POLICE SERVICES	161,100	153,042	95.00%		
AMBULANCE & 911 SERVICES	1,610,000	1,493,317	92.75%	100.00%	92.75%
FIRE SERVICES	20,000	22,745	113.73%		
REFUSE SERVICES	2,480,800	2,467,089	99.45%	100.00%	99.45%
HEALTH & INSPECTION FEE	85,000	83,742	98.52%		
ANIMAL CONTROL & SHELTER	35,000	30,134	86.10%		
AQUATIC CENTER FEES	323,000	310,997	96.28%	100.00%	96.28%
SENIOR CENTER FEES	35,000	36,706	104.87%		
PARKS & REC CONCESSIONS	233,000	231,951	99.55%	100.00%	99.55%
BUILDING USE FEES	494,500	508,979	102.93%	100.00%	102.93%
EVENTS	27,000	29,504	109.27%		
SUB-TOTAL	\$5,541,800	\$5,407,760	97.58%	100.00%	97.58%
<u>FINES, FORFEITS & ASSESSMENTS</u>					
COURT	\$2,121,500	\$2,102,468	99.10%	100.00%	99.10%
LIBRARY	160,000	152,745	95.47%		
SUB-TOTAL	\$2,281,500	\$2,255,213	98.85%	100.00%	98.85%

**GENERAL FUND
STATEMENT OF REVENUE
September 2016
(UNAUDITED)**

	AMENDED BUDGET 2015-16	ACTUAL REVENUES Y-T-D 09/30/16	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<u>INTEREST/RENTS/CONTRIBUTIONS</u>					
INTEREST	\$165,000	\$195,496	118.48%		
RENTS	583,000	538,474	92.36%	100.00%	92.36%
SUB-TOTAL	\$748,000	\$733,970	98.12%	100.00%	98.12%
<u>MISCELLANEOUS</u>					
MISCELLANEOUS	\$50,200	\$39,570	78.82%		
RECYCLING	10,000	9,797	97.97%		
SALE OF ASSETS	16,800	16,811	100.07%		
INSURANCE RECOVERY	6,800	4,712	69.29%		
SUB-TOTAL	\$83,800	\$70,890	84.59%	100.00%	84.59%
GRAND TOTAL	\$50,429,300	\$50,152,489	99.45%	100.00%	99.45%

ENTERPRISE FUNDS
STATEMENT OF REVENUE
September 2016
(UNAUDITED)

	AMENDED BUDGET 2015-16	ACTUAL REVENUES Y-T-D 09/30/16	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<u>INTEREST/RENTS/CONTRIBUTIONS</u>					
INTEREST	\$8,000	(\$5,541)	-69.26%		
SUB-TOTAL	\$8,000	(\$5,541)	-69.26%	100.00%	-69.26%
<u>MISCELLANEOUS</u>					
RECONNECTS/SVC CHARGE	\$48,000	\$42,975	89.53%		
LATE FEES	175,000	171,972	98.27%		
SALE OF ASSETS	10,000	0	0.00%		
MISCELLANEOUS	2,800	3,718	132.79%		
SUB-TOTAL	\$235,800	\$218,665	92.73%	100.00%	92.73%
<u>WATER/SEWER SALES</u>					
WATER SALES	\$13,537,500	\$12,608,979	93.14%	100.00%	93.14%
SEWER SERVICE	5,771,800	5,612,534	97.24%	100.00%	97.24%
ADDISON SEWER	18,000	16,623	92.35%		
BACKFLOW PROGRAM	30,000	32,750	109.17%		
TAPPING FEES	11,000	1,450	13.18%		
SUB-TOTAL	\$19,368,300	\$18,272,336	94.34%	100.00%	94.34%
<u>STORMWATER UTILITIES</u>					
CHARGES FOR SERVICES	\$1,284,000	\$1,303,144	101.49%	100.00%	101.49%
SUB-TOTAL	\$1,284,000	\$1,303,144	101.49%	100.00%	101.49%
 GRAND TOTAL	 \$20,896,100	 \$19,788,604	 94.70%	 100.00%	 94.70%

HOTEL/MOTEL FUND
STATEMENT OF REVENUE
September 2016
(UNAUDITED)

	AMENDED BUDGET 2015-16	ACTUAL REVENUES Y-T-D 09/30/16	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<u>OTHER TAXES</u>					
HOTEL/MOTEL TAX	\$2,970,000	\$2,959,669	99.65%	100.00%	99.65%
SUB-TOTAL	\$2,970,000	\$2,959,669	99.65%	100.00%	99.65%
<u>INTEREST/RENTS/CONTRIBUTIONS</u>					
INTEREST	\$15,000	\$22,365	149.10%		
SUB-TOTAL	\$15,000	\$22,365	149.10%	100.00%	149.10%
<u>SPECIAL REVENUES</u>					
MISCELLANEOUS	\$2,500	\$1,553	62.12%		
HISTORICAL PARK RENTALS	15,000	12,248	81.65%		
HISTORICAL PARK TEAS	5,300	4,951	93.42%		
EVENTS	33,200	20,307	61.17%		
SUB-TOTAL	\$56,000	\$39,059	69.75%	100.00%	69.75%
 GRAND TOTAL	 \$3,041,000	 \$3,021,093	 99.35%	 100.00%	 99.35%

**GENERAL FUND
STATEMENT OF EXPENDITURES
September 2016
(UNAUDITED)**

DIVISION	AMENDED BUDGET 2015-16	ACTUAL EXPENDITURES AND ENCUMBRANCES 9/30/2016	ACTUAL AS % OF BUDGET (Y-T-D)
GENERAL GOVERNMENT	\$166,900	\$150,935	90.43%
GENERAL CONTRACTS	292,000	292,000	100.00%
ADMINISTRATION	1,404,900	1,393,826	99.21%
LEGAL	347,400	333,216	95.92%
NON-DEPARTMENTAL	(2,430,100)	(2,429,424)	99.97%
COMMUNICATIONS	381,300	372,930	97.80%
ECONOMIC DEVELOPMENT	576,500	570,367	98.94%
HUMAN RESOURCES	999,600	961,617	96.20%
FINANCE ADMINISTRATION	700,500	669,510	95.58%
ACCOUNTING	601,200	594,903	98.95%
INFORMATION SERVICES	2,349,400	2,278,788	96.99%
MUNICIPAL COURT	615,600	604,059	98.13%
PURCHASING	125,600	117,344	93.43%
PLANNING	424,700	410,043	96.55%
COMMUNITY SERVICES ADMIN.	481,400	469,952	97.62%
BUILDING INSPECTION	1,103,200	1,042,437	94.49%
ANIMAL SERVICES	652,700	631,850	96.81%
PUBLIC WORKS ADMINISTRATION	716,500	714,366	99.70%
SOLID WASTE COLLECTION	2,095,500	2,088,966	99.69%
STREET MAINTENANCE	3,753,700	3,705,554	98.72%
ENVIRONMENTAL SERVICES	390,900	406,404	103.97%
POLICE ADMINISTRATION	1,537,200	1,547,899	100.70%
POLICE INVESTIGATIONS	1,926,000	1,921,052	99.74%
POLICE PATROL	6,468,700	6,417,525	99.21%
POLICE DETENTION	1,059,800	1,052,577	99.32%
POLICE COMMUNICATIONS	2,030,400	1,995,551	98.28%
POLICE TRAINING	178,500	171,327	95.98%
FIRE ADMINISTRATION	1,151,600	1,168,267	101.45%
FIRE PREVENTION	492,400	493,662	100.26%
FIRE OPERATIONS	8,438,100	8,446,752	100.10%
PARKS & RECREATION ADMIN.	534,400	526,897	98.60%
PARK MAINTENANCE	5,189,800	5,143,171	99.10%
RECREATION	1,766,400	1,770,215	100.22%
SWIMMING POOL	849,000	819,154	96.48%
SENIOR CENTER	816,300	830,289	101.71%
PARK BOARD	9,800	3,418	34.88%
SENIOR ADVISORY BOARD	4,800	3,667	76.40%
EVENTS	576,500	555,801	96.41%
LIBRARY	1,811,300	1,838,096	101.48%
GRAND TOTAL	<u>\$50,590,400</u>	<u>\$50,084,963</u>	<u>99.00%</u>

**ENTERPRISE FUNDS
STATEMENT OF EXPENDITURES
September 2016
(UNAUDITED)**

DIVISION	AMENDED BUDGET 2015-16	ACTUAL EXPENDITURES AND ENCUMBRANCES 09/30/16	ACTUAL AS % OF BUDGET (Y-T-D)
WATER & SEWER ADMINISTRATION	\$4,515,500	\$4,497,011	99.59%
WATER & SEWER OPERATIONS	14,670,100	14,675,573	100.04%
STORMWATER UTILITIES	<u>1,172,700</u>	<u>983,081</u>	<u>83.83%</u>
GRAND TOTAL	<u><u>\$20,358,300</u></u>	<u><u>\$20,155,665</u></u>	<u><u>99.00%</u></u>

HOTEL/MOTEL FUND
 STATEMENT OF EXPENDITURES
 September 2016
 (UNAUDITED)

DIVISION	AMENDED BUDGET 2015-16	ACTUAL EXPENDITURES AND ENCUMBRANCES 09/30/16	ACTUAL AS % OF BUDGET (Y-T-D)
HISTORICAL PRESERVATION	\$1,138,500	\$1,097,851	96.43%
PROMOTION OF TOURISM	1,250,900	1,195,564	95.58%
CONVENTION CENTER	<u>10,000</u>	<u>6,606</u>	<u>66.06%</u>
GRAND TOTAL	<u><u>\$2,399,400</u></u>	<u><u>\$2,300,021</u></u>	<u><u>95.86%</u></u>

Pooled Cash and Investments
Including Premiums/(Discounts)

August, 2016 (unaudited)



Cash and Investments

**FARMERS
BRANCH**

<u>Fund No.</u>	<u>Fund Name</u>	<u>Sep-30-2015</u>	<u>Oct-01-2015</u>	<u>Sep-30-2016</u>
<u>General Fund:</u>				
101	General	\$7,720,198	\$7,720,198	\$7,410,132
102	Payroll	817,225	817,225	924,883
103	Fixed Assets	878,540	878,540	809,779
105	Economic Development	3,135,203	3,135,203	2,715,318
Sub-Total		<u>12,551,166</u>	<u>12,551,166</u>	<u>11,860,111</u>
<u>Special Revenue Fund:</u>				
201	Hotel-Motel	1,308,524	1,308,524	2,061,351
202	Police Forfeitures	199,875	199,875	197,831
203	Special Revenue Donations	271,081	271,081	181,998
205	Youth Scholarship	16,650	16,650	16,829
206	Grant	74	74	4,283
207	Building Security	116,712	116,712	42,511
208	LF Closure/Post Closure	4,822,386	4,822,386	3,888,934
209	Court Technology	104,406	104,406	80,332
211	Stars Center	1,222,808	1,222,808	0
212	Cemetery	21,326	21,326	1,783
214	Photographic Light System	531,000	531,000	738,910
215	Dangerous Structures	277,396	277,396	5,450
216	PEG Access Channel	7,777	7,777	76,700
217	Farmers Branch Local Government Corp.	40,683	40,683	40,683
222	Police Forfeitures - Federal	70,257	70,257	30,242
228	Huffines Extension	0	0	700,000
233	Fixed Assets	152,694	152,694	152,694
Sub-Total		<u>9,163,649</u>	<u>9,163,649</u>	<u>8,220,532</u>
<u>Capital Fund:</u>				
301	Non-Bond Capital Improvement Programs	772,735	772,735	1,150,688
302	DART	0	0	0
303	Hotel/Motel Capital Improvement	33,624	33,624	33,940
309	Radio System	762,713	762,713	698,942
323	Aquatics Center	362,055	362,055	237,348
327	* Non-Bond Utility	2,570,579	2,570,579	3,733,057
328	TIF District #1	53,609	53,609	9,201
329	TIF District #2	523,283	523,283	185,524
330	Consolidated Dispatch	498,264	498,264	123,671
331	Justice Center Improvements	0	0	2,597,455
332	Street Improvements	10,954,560	10,954,560	7,496,455
Sub-Total		<u>16,531,422</u>	<u>16,531,422</u>	<u>16,266,282</u>
<u>Debt Service Fund:</u>				
401	Debt Service	154,756	154,756	125,232
403	Stars Center	106,073	106,073	1,392,168
Sub-Total		<u>260,830</u>	<u>260,830</u>	<u>1,517,400</u>
<u>Enterprise Fund:</u>				
501	Water and Sewer	(1,013,792)	(1,013,792)	(976,458)
503	Fixed Assets - Water and Sewer	468,305	468,305	476,668
511	Stormwater Utility	31	31	825,659
513	Fixed Assets - Stormwater	53	53	53
Sub-Total		<u>(545,404)</u>	<u>(545,404)</u>	<u>325,923</u>
<u>Internal Service Fund:</u>				
601	Internal Services	686,742	686,742	440,114
602	Workers' Compensation	771,809	771,809	825,003
603	Fixed Assets	182,865	182,865	116,320
604	Health Claims	1,315,612	1,315,612	1,000,366
Sub-Total		<u>2,957,028</u>	<u>2,957,028</u>	<u>2,381,802</u>
GRAND TOTAL		<u>\$40,918,690</u>	<u>\$40,918,690</u>	<u>\$40,572,049</u>

* Reported in Enterprise Fund at year-end.

**City of Farmers Branch
Portfolio Summary Report
Quarter ending 9/30/16**

This quarterly report is in full compliance with the City of Farmers Branch's investment strategy as established for operating and pooled funds and the Public Funds Investment Act (Chapter 2256). Beginning period information is as of June 30, 2016.

Beginning Book Value	\$46,820,604
Beginning Market Value	\$46,938,442
WAM ¹ at Beginning Date	438 days
Ending Book Value	\$42,148,759
Ending Market Value	\$42,285,985
Unrealized Gain/(Loss)	\$ 137,226
WAM at Ending Date	449 days
Change in Market Value	\$ (4,652,457) ²

Yield Calculated on Weighted Average of Total Portfolio's Average Daily Balance	.962%
Fiscal Year to Date Average Monthly Yield	.896%
449 Day T-Bill at Sept 30, 2016	.706%

¹ WAM = Weighted Average Maturity

² Change in market value is due primarily to cash flow changes or new investments and investment maturities during the period. Cash from maturing investments is either reinvested or used to pay the City's bills.

The City follows a policy of holding investments to maturity. This policy would prevent any unrealized loss (or gain) noted above from actually occurring.

Approved by:

Sherrelle Evans-Jones
Finance Director

The City of Farmers Branch

Investment Portfolio

September 30, 2016

Trade Date	Maturity Date	Rating Moody/S&P	Type/ Broker Dealer	CUSIP	Weighted Average Maturity	Coupon	Yield	PAR Value	Purchase Principal	Market Value Sep-2016	Current Book Value	Unrealized Gain/(Loss)	Accrued Interest Receivable	Percent of Total Portfolio
Aug-26-2014	Dec-01-2016	/AAA	Sth San Antonio Sch BOSC/Bank of Tx	8398562J9	3	4.250%	0.608%	630,000	681,509	633,805	634,599	(794)	6,694	1.50%
Mar-26-2015	May-01-2017	/AA-	New Jersey ST HSG Cantor Fitzgerald	646108QB9	29	1.210%	1.161%	2,000,000	2,002,000	2,002,140	2,000,577	1,563	8,067	4.75%
Feb-10-2015	Jan-01-2018	A2/A	Georgia ST Muni Elec Cantor Fitzgerald	3735412D2	13	3.520%	1.438%	410,000	434,088	421,890	420,667	1,223	2,405	0.97%
Feb-20-2015	Nov-01-2018	Aa1/AAA	NYC TRANS FIN Auth Wells Fargo	64971QH55	378	1.280%	1.363%	7,200,000	7,178,472	7,263,864	7,187,801	76,063	30,720	17.10%
Jan-15-2015	Nov-01-2018	Aa1/AA+	Mass. ST BDS Raymond James	57582RAN6	210	1.400%	1.321%	4,000,000	4,011,600	4,036,240	4,006,430	29,810	18,667	9.50%
Feb-13-2015	Dec-01-2018	/AA	St. Clair CO SD Raymond James	788420FS1	16	1.700%	1.329%	285,000	288,905	288,275	287,249	1,025	1,211	0.68%
TOTAL MUNICIPAL OBLIGATIONS					648	1.504%	1.292%	14,525,000	14,596,573	14,646,214	14,537,324	108,890	67,764	34.49%
Jan-21-2015	Jan-21-2018	FDIC Ins	CDAR (3-yr) BOSC/Bank of Tx	1003743426	36	1.050%	1.050%	550,000	550,000	550,000	550,000	0	9,866	1.31%
Feb-11-2015	Feb-10-2018	FDIC Ins	CDAR (3-yr) BOSC/Bank of Tx	1003743426	192	1.070%	1.070%	2,800,000	2,800,000	2,800,000	2,800,000	0	48,685	6.65%
Jul-07-2016	Jul-05-2018	FDIC Ins	CDAR (2-yr) BOSC/Bank of Tx	1003743426	177	0.800%	0.800%	2,000,000	2,000,000	2,000,000	2,000,000	0	3,333	4.75%
Sep-28-2016	Sep-27-2018	FDIC Ins	CDAR (2-yr) BOSC/Bank of Tx	1003743426	191	0.830%	0.830%	1,900,000	1,900,000	1,900,000	1,900,000	0	657	4.51%
TOTAL CERTIFICATES of DEPOSITS					596	0.931%	0.931%	7,250,000	7,250,000	7,250,000	7,250,000	0	62,541	17.22%
Jan-11-2016	Oct-11-2016	Aaa/AA+	FFCB - Discount Raymond James	3133EDUV2	1	0.650%	0.718%	1,975,000	1,973,993	1,975,133	1,974,944	189	5,349	4.69%
Jan-14-2016	Nov-15-2016	Aaa/AA+	FNMA Raymond James	3135G0ES8	4	1.375%	0.706%	1,500,000	1,508,325	1,501,245	1,501,249	(4)	6,875	3.56%
Feb-06-2015	Feb-02-2017	Aaa/AA+	FAMCA Wells Fargo	31315PK73	28	0.650%	0.635%	3,500,000	3,501,050	3,502,307	3,500,197	2,110	1,896	8.31%
Apr-03-2014	Apr-20-2017	Aaa/AA+	FNMA Cantor Fitzgerald	3135G0ZB2	19	0.750%	0.997%	1,500,000	1,488,924	1,501,425	1,498,000	3,425	4,688	3.56%
Jan-08-2016	Jul-14-2017	Aaa/AA+	FHLMC - Discount Deutsche Bank	3137EADV8	36	0.750%	0.913%	2,000,000	1,995,100	2,000,320	1,997,414	2,906	2,500	4.75%
Sep-28-2016	Sep-11-2017	Aaa/AA+	FFCB - Discount Wells Fargo	1003743426	41	0.000%	0.635%	1,900,000	1,888,371	1,887,851	1,888,855	(1,004)	0	4.51%
Jan-15-2015	Jan-04-2019	Aaa/AA+	FHLB Raymond James	3130A0G87	183	1.670%	1.171%	3,450,000	3,518,437	3,508,822	3,488,108	20,714	9,603	8.19%
TOTAL AGENCY OBLIGATIONS					312	0.885%	0.838%	15,825,000	15,874,199	15,877,103	15,848,767	28,336	30,910	37.58%
Sep-30-2016	May-31-2014	FDIC/Col	DEPOSITORY JPMorgan-Chase		1	0.300%	0.300%	108,418	108,418	108,418	108,418	0	0	0.26%
TOTAL DEPOSITORY (Collateralized)					1	0.300%	0.300%	108,418	108,418	108,418	108,418	0	0	0.26%
Sep-30-2016	Sep-30-2016	AAAm	Repo/BoA-Flexicash/TexPool		43	0.380%	0.380%	4,404,249	4,404,249	4,404,249	4,404,249	0	0	10.46%
TOTAL REPO AGREEMENTS (Collateralized)					43	0.380%	0.380%	4,404,249	4,404,249	4,404,249	4,404,249	0	0	10.46%
TOTAL INVESTMENTS						1.051%		42,112,668	42,233,439	42,285,985	42,148,759	137,226	161,214	100.00%

This Month's Yield Calculated on Weighted Average of Total Portfolio 0.962%

Year to Date Average Monthly Yield through

September 30, 2016

0.896%

449 Day T-Bill Dated As of

September 30, 2016

Dec-2017

0.706%

Portfolio Weighted Average Maturity (WAM) in Days

449

Portfolio Market to Book Value Percentage Gain/Los

0.33%

All securities are recorded in a commingled pool entitled "Pooled Equity Fund".

For purposes of this report, all repurchase agreements are assumed to mature as of the reporting period end date.

Key: CDAR = Certificate of Deposit Account Registry Service, TB= US Treasury Bill, TN = US Treasury Note, FHLB = Federal Home Loan Bank Note, Repo = Repurchase Agreement, FFCB - Federal Farm Credit Bank Note. FNDN = Fannie Mae Discount Note, SLMA = Student Loan Marketing Association Note, FNMA = Fannie Mae Note, FHLMC = Freddie Mac, FAMCA = Farmer Mac Note

ALL INSTRUMENTS ARE HELD TO MATURITY

Director of Finance