



**FARMERS  
BRANCH**

# **MEMORANDUM**

## **FINANCE**

**TO: Mayor William P. Glancy and the  
City Council**

**THRU: Gary D. Greer  
City Manager**

**FROM: Charles S. Cox  
Director of Finance**

**DATE: January 16, 2013**

**SUBJECT: Financial Report – September 2012**

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Revenue and Expenditure Reports for September 2012 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 2012.

CSC/sp

attachments

**GENERAL FUND  
STATEMENT OF REVENUE  
September 2012  
(UNAUDITED)**

	<b>AMENDED BUDGET 2011-12</b>	<b>ACTUAL REVENUES Y-T-D 09/30/12</b>	<b>ACTUAL AS % OF BUDGET (Y-T-D)</b>	<b>EXPECTED AS % OF BUDGET (Y-T-D)</b>	<b>ACTUAL AS % OF EXPECTED (Y-T-D)</b>
<b><u>TAXES</u></b>					
PROPERTY - CURRENT	\$17,350,000	\$17,050,762	98.28%	100.00%	98.28%
PROPERTY - PRIOR YEAR	100,000	93,295	93.30%		
SALES & USE TAXES	12,800,000	12,700,006	99.22%	100.00%	99.22%
MIXED BEVERAGE	60,000	50,803	84.67%		
FRANCHISE FEES	4,227,000	4,164,942	98.53%	100.00%	98.53%
PENALTIES & INTEREST	150,000	93,250	62.17%		
<i>SUB-TOTAL</i>	<b>\$34,687,000</b>	<b>\$34,153,058</b>	<b>98.46%</b>	<b>100.00%</b>	<b>98.46%</b>
<b><u>LICENSES &amp; PERMITS</u></b>					
HEALTH	\$45,000	\$43,195	95.99%		
BUILDING	664,000	676,002	101.81%	100.00%	101.81%
PLUMBING	80,000	78,421	98.03%		
ELECTRICAL	75,000	76,842	102.46%		
HVAC	60,000	67,134	111.89%		
MULTI-FAMILY INSPECTION	65,000	71,319	109.72%		
<i>SUB-TOTAL</i>	<b>\$989,000</b>	<b>\$1,012,913</b>	<b>102.42%</b>	<b>100.00%</b>	<b>102.42%</b>
<b><u>CHARGES FOR SERVICES</u></b>					
ZONING	\$16,500	\$16,468	99.81%		
PRINTING & DUPLICATING	14,000	12,013	85.81%		
POLICE SERVICES	112,000	104,444	93.25%		
AMBULANCE & 911 SERVICES	1,150,000	1,152,219	100.19%	100.00%	100.19%
REFUSE SERVICES	2,395,000	2,307,346	96.34%	100.00%	96.34%
HEALTH & INSPECTION FEE	60,000	67,545	112.58%		
ANIMAL CONTROL & SHELTER	35,000	38,682	110.52%		
SWIMMING POOL FEES	45,000	41,986	93.30%		
SENIOR CENTER FEES	44,000	32,795	74.53%		
PARKS & REC CONCESSIONS	175,000	174,217	99.55%		
BUILDING USE FEES	517,000	515,828	99.77%	100.00%	99.77%
EVENTS	157,000	160,744	102.38%		
<i>SUB-TOTAL</i>	<b>\$4,720,500</b>	<b>\$4,624,287</b>	<b>97.96%</b>	<b>100.00%</b>	<b>97.96%</b>
<b><u>FINES, FORFEITS &amp; ASSESSMENTS</u></b>					
COURT	\$2,037,000	\$2,040,562	100.17%	100.00%	100.17%
LIBRARY	142,500	144,136	101.15%		
<i>SUB-TOTAL</i>	<b>\$2,179,500</b>	<b>\$2,184,698</b>	<b>100.24%</b>	<b>100.00%</b>	<b>100.24%</b>

**GENERAL FUND  
STATEMENT OF REVENUE  
September 2012  
(UNAUDITED)**

	AMENDED BUDGET 2011-12	ACTUAL REVENUES Y-T-D 09/30/12	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<b><u>INTEREST/RENTS/CONTRIBUTIONS</u></b>					
INTEREST	\$50,000	\$46,610	93.22%		
RENTS	524,000	527,209	100.61%	100.00%	100.61%
SUB-TOTAL	\$574,000	\$573,819	99.97%	100.00%	99.97%
<b><u>MISCELLANEOUS</u></b>					
MISCELLANEOUS	\$51,900	\$54,950	105.88%		
RECYCLING	2,000	1,252	62.60%		
SALE OF ASSETS	674,000	653,883	97.02%	100.00%	N/A
INSURANCE RECOVERY	411,600	536,320	130.30%		
SUB-TOTAL	\$1,139,500	\$1,246,405	109.38%	100.00%	109.38%
<b>GRAND TOTAL</b>	<b>\$44,289,500</b>	<b>\$43,795,180</b>	<b>98.88%</b>	<b>100.00%</b>	<b>98.88%</b>

**PUBLIC UTILITY FUND  
STATEMENT OF REVENUE  
September 2012  
(UNAUDITED)**

	AMENDED BUDGET 2011-12	ACTUAL REVENUES Y-T-D 09/30/12	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<b><u>INTEREST/RENTS/CONTRIBUTIONS</u></b>					
INTEREST	\$8,000	\$7,483	93.54%		
SUB-TOTAL	\$8,000	\$7,483	93.54%	100.00%	93.54%
<b><u>MISCELLANEOUS</u></b>					
RECONNECTS/SVC CHARGE	\$48,000	\$41,045	85.51%		
LATE FEES	160,000	141,547	88.47%		
SALE OF ASSETS	17,000	16,550	97.35%		
MISCELLANEOUS	2,800	1,240	44.29%		
SUB-TOTAL	\$227,800	\$200,382	87.96%	100.00%	87.96%
<b><u>WATER/SEWER SALES</u></b>					
WATER SALES	\$10,015,000	\$9,948,844	99.34%	100.00%	99.34%
SEWER SERVICE	3,877,300	3,836,384	98.94%	100.00%	98.94%
ADDISON SEWER	18,000	16,765	93.14%		
BACKFLOW PROGRAM	25,000	25,020	100.08%		
TAPPING FEES	29,000	32,424	111.81%		
SUB-TOTAL	\$13,964,300	\$13,859,437	99.25%	100.00%	99.25%
<b>GRAND TOTAL</b>	<b>\$14,200,100</b>	<b>\$14,067,302</b>	<b>99.06%</b>	<b>100.00%</b>	<b>99.06%</b>

**HOTEL/MOTEL FUND**  
**STATEMENT OF REVENUE**  
September 2012  
(UNAUDITED)

	AMENDED BUDGET 2011-12	ACTUAL REVENUES Y-T-D 09/30/12	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
<b><u>OTHER TAXES</u></b>					
HOTEL/MOTEL TAX	\$1,918,000	\$1,932,530	100.76%	100.00%	100.76%
SUB-TOTAL	\$1,918,000	\$1,932,530	100.76%	100.00%	100.76%
<b><u>INTEREST/RENTS/CONTRIBUTIONS</u></b>					
INTEREST & RENTS	\$5,000	\$3,113	62.26%		
SUB-TOTAL	\$5,000	\$3,113	62.26%	100.00%	62.26%
<b><u>SPECIAL REVENUES</u></b>					
MISCELLANEOUS	\$2,500	\$160	6.40%		
HISTORICAL PARK RENTALS	15,000	12,963	86.42%		
HISTORICAL PARK TEAS	5,300	5,275	99.53%		
EVENTS	9,000	9,339	103.77%		
SUB-TOTAL	\$31,800	\$27,737	87.22%	100.00%	87.22%
GRAND TOTAL	\$1,954,800	\$1,963,380	100.44%	100.00%	100.44%

**GENERAL FUND  
STATEMENT OF EXPENDITURES  
September 2012  
(UNAUDITED)**

DIVISION	AMENDED BUDGET 2011-12	ACTUAL EXPENDITURES AND ENCUMBRANCES 09/30/12	ACTUAL AS % OF BUDGET (Y-T-D)
GENERAL GOVERNMENT	\$128,500	\$114,707	89.27%
GENERAL CONTRACTS	213,500	213,500	100.00%
ADMINISTRATION	1,114,100	1,114,236	100.01%
LEGAL	2,347,000	2,263,474	96.44%
NON-DEPARTMENTAL	(2,679,200)	(2,678,563)	99.98%
COMMUNICATIONS	261,600	253,862	97.04%
ECONOMIC DEVELOPMENT	414,700	407,507	98.27%
HUMAN RESOURCES	561,100	546,670	97.43%
FINANCE ADMINISTRATION	675,700	644,939	95.45%
ACCOUNTING	547,500	544,237	99.40%
INFORMATION SERVICES	1,383,600	1,362,096	98.45%
PURCHASING	111,100	104,950	94.46%
COMMUNITY SERVICES ADMIN.	458,600	425,903	92.87%
BUILDING INSPECTION	953,200	944,157	99.05%
ENVIRONMENTAL HEALTH	877,900	833,598	94.95%
PUBLIC WORKS ADMINISTRATION	764,200	743,192	97.25%
SOLID WASTE COLLECTION	1,898,000	1,833,673	96.61%
STREET MAINTENANCE	3,160,500	3,110,131	98.41%
POLICE ADMINISTRATION	1,071,100	1,030,504	96.21%
POLICE INVESTIGATIONS	1,722,400	1,695,973	98.47%
POLICE PATROL	5,660,800	5,641,401	99.66%
POLICE DETENTION	991,800	958,751	96.67%
POLICE COMMUNICATIONS	1,734,700	1,607,422	92.66%
POLICE TRAINING	232,500	233,480	100.42%
MUNICIPAL COURT	501,500	469,156	93.55%
FIRE ADMINISTRATION	877,400	872,324	99.42%
FIRE PREVENTION	479,300	476,701	99.46%
FIRE OPERATIONS	7,917,600	7,926,036	100.11%
BUILDING MAINTENANCE	2,022,800	1,973,850	97.58%
PARKS & RECREATION ADMIN.	392,400	374,711	95.49%
PARK MAINTENANCE	4,205,500	4,166,461	99.07%
RECREATION	2,065,100	1,906,014	92.30%
SWIMMING POOL	248,400	197,198	79.39%
SENIOR CENTER	581,000	529,725	91.17%
PARK BOARD	4,800	2,962	61.71%
SENIOR ADVISORY BOARD	4,800	4,221	87.94%
CHRISTMAS	199,500	187,760	94.12%
LIBRARY	1,436,500	1,431,635	99.66%
<b>GRAND TOTAL</b>	<b><u><u>\$45,541,500</u></u></b>	<b><u><u>\$44,468,554</u></u></b>	<b><u><u>97.64%</u></u></b>

**PUBLIC UTILITY FUND**  
**STATEMENT OF EXPENDITURES**  
**September 2012**  
**(UNAUDITED)**

<b>DIVISION</b>	<b>AMENDED BUDGET 2011-12</b>	<b>ACTUAL EXPENDITURES AND ENCUMBRANCES 09/30/12</b>	<b>ACTUAL AS % OF BUDGET (Y-T-D)</b>
ADMINISTRATION	\$3,418,100	\$3,367,773	98.53%
OPERATIONS	<u>11,055,900</u>	<u>10,982,857</u>	<u>99.34%</u>
<b>GRAND TOTAL</b>	<b><u><u>\$14,474,000</u></u></b>	<b><u><u>\$14,350,630</u></u></b>	<b><u><u>99.15%</u></u></b>

**HOTEL/MOTEL FUND**  
**STATEMENT OF EXPENDITURES**  
September 2012  
(UNAUDITED)

<b>DIVISION</b>	<b>AMENDED BUDGET 2011-12</b>	<b>ACTUAL EXPENDITURES AND ENCUMBRANCES 09/30/12</b>	<b>ACTUAL AS % OF BUDGET (Y-T-D)</b>
HISTORICAL PRESERVATION	\$859,800	\$808,948	94.09%
PROMOTION OF TOURISM	850,500	829,852	97.57%
CONVENTION CENTER	<u>446,500</u>	<u>445,480</u>	<u>99.77%</u>
<b>GRAND TOTAL</b>	<b><u><u>\$2,156,800</u></u></b>	<b><u><u>\$2,084,280</u></u></b>	<b><u><u>96.64%</u></u></b>



**City of Farmers Branch  
Portfolio Summary Report  
Quarter ending 9/30/12**

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, 2012.

Beginning Book Value	\$40,471,909
Beginning Market Value	\$40,481,297
WAM <sup>1</sup> at Beginning Date	292 days
Ending Book Value	\$32,915,769
Ending Market Value	\$32,956,857
Unrealized Gain/(Loss)	\$ 41,089
WAM at Ending Date	266 days
Change in Market Value	\$(7,524,440) <sup>2</sup>

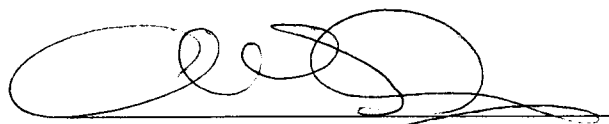
Yield Calculated on Weighted Average of Total Portfolio's Average Daily Balance	.385%
Fiscal Year to Date Average Monthly Yield	.383%
266 Day T-Bill at Jun. 30, 2012	0.172%

<sup>1</sup> WAM = Weighted Average Maturity

<sup>2</sup> 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:



Charles S. Cox  
Director of Finance

The City of Farmers Branch  
Investment Portfolio  
September 30, 2012

Trade Date	Maturity Date	Rating Moody/S&P	Type/ Broker/Dealer	CUSIP	Weighted Average Maturity	Coupon	Yield	PAR Value	Purchase Principal	Market Value September 12	Current Book Value	Unrealized Gain/(Loss)	Accrued Interest Receivable	Percent of Total Portfolio
Nov-23-2011	Dec-01-2012	Aa2/AA	<b>Snohomish Cnty WA</b> Wells Fargo	83308563	20	2.000%	0.300%	1,000,000	1,017,330	1,003,150	1,003,333	(183)	5,000	3.11%
Mar-14-2012	Apr-01-2013	AA+	<b>St. Clair Minn. ISD</b> Morgan Keegan	788771FG3	8	2.000%	0.250%	140,000	142,561	141,081	141,280	(200)	1,225	0.44%
Nov-03-2011	Apr-15-2013	Aa3	<b>West Gen. NY Cntrl School</b> Vining Sparks	952859HZ	30	3.000%	0.691%	455,000	470,188	461,238	460,807	431	5,688	1.41%
Nov-17-2011	Aug-15-2013	Aaa/AA+	<b>Howard Cnty Md</b> BOSC/Bank of Tx	4425653A3	152	5.000%	0.399%	1,395,000	1,506,461	1,454,329	1,450,730	3,599	5,813	4.34%
<b>TOTAL MUNICIPAL OBLIGATIONS</b>					<b>210</b>	<b>3.552%</b>	<b>0.403%</b>	<b>2,990,000</b>	<b>3,136,539</b>	<b>3,059,798</b>	<b>3,056,150</b>	<b>3,648</b>	<b>17,725</b>	<b>9.30%</b>
Feb-23-2012	Feb-20-2014		<b>CDAR (2-yr)</b> BOSC/Bank of Tx	1003743426	508	0.410%	0.410%	2,500,000	2,500,000	2,500,000	2,500,000	0	6,406	7.77%
<b>TOTAL CERTIFICATES of DEPOSITS</b>					<b>508</b>	<b>0.410%</b>	<b>0.410%</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>0</b>	<b>6,406</b>	<b>7.77%</b>
Feb-22-2012	Nov-19-2012	Aaa/AA+	<b>FNMA</b> Vining Sparks	31398AHZ8	4	4.750%	0.160%	2,000,000	2,067,758	2,012,500	2,011,293	1,207	31,667	6.22%
Feb-22-2012	Dec-27-2012	Aaa/AA+	<b>FHLMC</b> Vining Sparks	3134G1LD4	7	1.100%	0.186%	2,000,000	2,015,420	2,004,880	2,003,855	1,025	5,500	6.22%
Mar-08-2012	Mar-27-2013	Aaa/AA+	<b>FHLB</b> Morgan Keegan	313372RK2	35	1.000%	0.229%	4,850,000	4,889,285	4,868,347	4,868,006	341	0	15.08%
Feb-22-2012	May-01-2013	Aa2/A	<b>FNMA</b> BOSC/Bank of Texas	31359MRK1	54	4.625%	0.450%	6,000,000	6,296,640	6,155,940	6,148,320	7,620	92,500	18.66%
Jan-12-2012	Jan-02-2014	Aa2/A	<b>FNMA</b> Vining Sparks	31359MTP8	109	5.125%	0.707%	5,500,000	5,974,386	5,824,390	5,806,374	18,016	46,979	17.10%
Feb-22-2012	Jan-30-2014	Aaa/AA+	<b>FHLMC</b> Vining Sparks	3128X2TM7	71	5.000%	0.382%	3,347,000	3,644,851	3,556,957	3,547,726	9,232	27,892	10.41%
<b>TOTAL AGENCY OBLIGATIONS</b>					<b>281</b>	<b>3.765%</b>	<b>0.408%</b>	<b>23,697,000</b>	<b>24,888,340</b>	<b>24,423,014</b>	<b>24,385,574</b>	<b>37,441</b>	<b>204,537</b>	<b>73.68%</b>
Sep-30-2012	Sep-30-2012		Repo/BoA-Flexicash/TexPool		1	0.160%	0.160%	2,974,045	2,974,045	2,974,045	2,974,045	0	0	9.25%
<b>TOTAL REPO AGREEMENTS (Collateralized)</b>					<b>1</b>	<b>0.160%</b>	<b>0.160%</b>	<b>2,974,045</b>	<b>2,974,045</b>	<b>2,974,045</b>	<b>2,974,045</b>	<b>0</b>	<b>0</b>	<b>9.25%</b>
<b>TOTAL INVESTMENTS</b>						<b>3.151%</b>		<b>32,161,045</b>	<b>33,498,924</b>	<b>32,956,857</b>	<b>32,915,769</b>	<b>41,089</b>	<b>228,669</b>	<b>100.00%</b>

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

Year to Date Average Monthly Yield through

266 Day T-Bill Dated

As of

September 30, 2012

Portfolio Weighted Average Maturity (WAM) in Days

Portfolio Market to Book Value Percentage Gain/Loss

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: 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

# Pooled Cash and Investments

Including Premiums/(Discounts)

September, 2012 (unaudited)



**FARMERS  
BRANCH**

## Cash and Investments

<u>Fund No.</u>	<u>Fund Name</u>	<u>Sep-30-2011</u>	<u>Oct-01-2011</u>	<u>Sep-30-2012</u>
<b>General Fund:</b>				
101	General	\$7,538,384	\$7,506,088	\$6,992,476
102	Payroll	743,832	729,630	720,898
103	Fixed Assets	801,866	801,866	1,022,359
105	Economic Development	320,123	1,120,123	1,348,199
Sub-Total		<u>9,404,206</u>	<u>10,157,707</u>	<u>10,083,932</u>
<b>Special Revenue Fund:</b>				
201	Hotel-Motel	705,551	697,540	390,137
202	Police Forfeitures	41,572	41,071	84,742
203	Special Revenue Donations	112,269	110,358	128,506
204	Dividend	0	0	0
205	Youth Scholarship	24,575	24,253	26,299
206	Grant	(1,537)	908	(19,508)
207	Building Security	200,562	198,010	184,290
208	LF Closure/Post Closure	7,174,993	7,069,602	6,497,709
209	Court Technology Fund	256,710	253,325	251,408
210	Local Law Enforcement Block Grant	0	0	0
211	Stars Center	500,186	959,244	990,965
212	Cemetery	116,495	114,753	87,246
213	Legal Defense	0	0	200,039
214	Photographic Light System	321,478	321,478	374,438
215	Dangerous Structures	3,324,649	2,483,251	2,038,085
216	PEG Access channel	6,783	6,737	65,583
217	Farmers Branch Local Gov. Corp.	40,683	40,683	40,683
222	Police Forfeitures - Federal	178,613	175,988	152,974
233	Fixed Assets	27,611	27,611	27,611
Sub-Total		<u>13,031,193</u>	<u>12,524,812</u>	<u>11,521,206</u>
<b>Capital Fund:</b>				
301	Non-Bond Capital Improvement Programs	223,027	201,584	260,973
302	DART	715,784	703,626	494,471
303	Hotel/Motel Capital Improvement	105,666	105,262	103,263
304	* PID Debt Service	0	0	0
305	Hotel/Motel Bond	0	0	0
306	Street Improvement/Animal Shelter	13,126	12,493	0
307	Fire Station	3,058,171	3,003,565	(163,546)
308	Dangerous Structures	0	0	0
313	Non-Bond Convention Center	0	0	0
318	Street Bond	0	0	0
321	Stars/Conference Cntr Bond	0	0	0
324	Drainage Bond	0	0	0
325	Water Bond	0	0	0
326	* Sewer Interceptor Bond	0	0	0
327	* Non-Bond Utility fund	6,195,555	6,107,095	5,629,077
328	TIF District #1	(18,921)	124	86,205
329	TIF District #2	162,541	163,045	58,035
Sub-Total		<u>10,454,949</u>	<u>10,296,794</u>	<u>6,468,479</u>
<b>Debt Service Fund:</b>				
401	Debt Service	1,699,939	1,716,911	17,592
402	Debt Service Convention Center	104,753	104,753	109,660
403	Stars Center	76,674	76,674	103,203
Sub-Total		<u>1,881,367</u>	<u>1,898,338</u>	<u>230,455</u>
<b>Enterprise Fund:</b>				
501	Water And Sewer	1,853,813	2,061,351	1,560,737
503	Fixed Assets	339,011	339,011	354,268
Sub-Total		<u>2,192,824</u>	<u>2,400,362</u>	<u>1,915,004</u>
<b>Internal Service Fund:</b>				
601	Internal Services	12,417	99,092	3,024
602	Worker's Comp	850,647	581,190	482,842
603	Fixed Assets	73,315	73,315	78,515
604	Health Claims	130,062	310,154	198,085
Sub-Total		<u>1,066,440</u>	<u>1,063,750</u>	<u>762,466</u>
<b>GRAND TOTAL</b>		<u><b>\$38,030,978</b></u>	<u><b>\$38,341,763</b></u>	<u><b>\$30,981,542</b></u>

\* Reported in Enterprise Fund at year-end.