



**FARMERS
BRANCH**

MEMORANDUM

FINANCE

TO: Mayor William P. Glancy and the
City Council

THRU: Gary D. Greer
City Manager

CS
FROM: Charles S. Cox
Director of Finance

DATE: January 16, 2013

SUBJECT: Financial Report – December 2012

Revenue and Expenditure Reports for December 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 December 2012.

CSC/sp

attachments

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

	ADOPTED BUDGET 2012-13	ACTUAL REVENUES Y-T-D 12/31/12	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 - CURRENT	\$17,900,000	\$4,690,189	26.20%	22.00%	119.10%
PROPERTY - PRIOR YEAR	50,000	2,816	5.63%		
SALES & USE TAXES	12,935,000	3,285,778	25.40%	26.00%	97.70%
MIXED BEVERAGE	60,000	12,240	20.40%		
FRANCHISE FEES	4,508,000	993,399	22.04%	23.00%	95.81%
PENALTIES & INTEREST	150,000	5,302	3.53%		
<i>SUB-TOTAL</i>	<u>\$35,603,000</u>	<u>\$8,989,724</u>	<u>25.25%</u>	<u>24.00%</u>	<u>105.21%</u>
<u>LICENSES & PERMITS</u>					
HEALTH	\$45,000	\$10,620	23.60%		
BUILDING	660,000	187,050	28.34%	24.00%	118.09%
PLUMBING	75,000	25,867	34.49%		
ELECTRICAL	75,000	22,465	29.95%		
HVAC	60,000	5,523	9.21%		
MULTI-FAMILY INSPECTION	100,000	36,376	36.38%		
<i>SUB-TOTAL</i>	<u>\$1,015,000</u>	<u>\$287,901</u>	<u>28.36%</u>	<u>24.00%</u>	<u>118.19%</u>
<u>CHARGES FOR SERVICES</u>					
ZONING	\$16,500	\$3,455	20.94%		
PRINTING & DUPLICATING	14,000	2,652	18.94%		
POLICE SERVICES	112,000	12,047	10.76%		
AMBULANCE & 911 SERVICES	1,220,000	322,180	26.41%	26.00%	101.57%
REFUSE SERVICES	2,280,000	373,397	16.38%	19.00%	86.20%
HEALTH & INSPECTION FEE	70,000	18,172	25.96%		
ANIMAL CONTROL & SHELTER	35,000	7,155	20.44%		
SWIMMING POOL FEES	45,000	0	0.00%		
SENIOR CENTER FEES	44,000	16,100	36.59%		
PARKS & REC CONCESSIONS	175,000	37,482	21.42%		
BUILDING USE FEES	463,000	88,891	19.20%	20.00%	95.99%
EVENTS	178,800	1,724	0.96%		
<i>SUB-TOTAL</i>	<u>\$4,653,300</u>	<u>\$883,255</u>	<u>18.98%</u>	<u>22.00%</u>	<u>86.28%</u>
<u>FINES, FORFEITS & ASSESSMENTS</u>					
COURT	\$1,997,000	\$470,865	23.58%	21.00%	112.28%
LIBRARY	160,000	20,721	12.95%		
<i>SUB-TOTAL</i>	<u>\$2,157,000</u>	<u>\$491,586</u>	<u>22.79%</u>	<u>22.00%</u>	<u>103.59%</u>

GENERAL FUND
STATEMENT OF REVENUE
December 2012
(UNAUDITED)

	ADOPTED BUDGET 2012-13	ACTUAL REVENUES Y-T-D 12/31/12	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	\$75,000	\$16,174	21.57%		
RENTS	528,000	124,164	23.52%	26.00%	90.45%
SUB-TOTAL	\$603,000	\$140,338	23.27%	27.00%	86.20%
<u>MISCELLANEOUS</u>					
MISCELLANEOUS	\$46,000	\$24,261	52.74%		
RECYCLING	10,000	332	3.32%		
SALE OF ASSETS	0	19,798	0.00%		N/A
INSURANCE RECOVERY	21,500	766	3.56%		
SUB-TOTAL	\$77,500	\$45,157	58.27%	25.00%	233.07%
GRAND TOTAL	\$44,108,800	\$10,837,961	24.57%	24.00%	102.38%

PUBLIC UTILITY FUND
STATEMENT OF REVENUE
December 2012
(UNAUDITED)

	ADOPTED BUDGET 2012-13	ACTUAL REVENUES Y-T-D 12/31/12	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	\$2,016	25.20%		
SUB-TOTAL	\$8,000	\$2,016	25.20%	28.00%	90.00%
<u>MISCELLANEOUS</u>					
RECONNECTS/SVC CHARGE	\$48,000	\$13,675	28.49%		
LATE FEES	160,000	43,085	26.93%		
SALE OF ASSETS	10,000	0	0.00%		
MISCELLANEOUS	2,800	240	8.57%		
SUB-TOTAL	\$220,800	\$57,000	25.82%	25.00%	103.26%
<u>WATER/SEWER SALES</u>					
WATER SALES	\$11,193,400	\$2,814,758	25.15%	26.00%	96.72%
SEWER SERVICE	3,916,400	1,037,472	26.49%	26.00%	101.89%
ADDISON SEWER	18,000	4,700	26.11%		
BACKFLOW PROGRAM	25,000	10,605	42.42%		
TAPPING FEES	2,000	2,991	149.55%		
SUB-TOTAL	\$15,154,800	\$3,870,526	25.54%	26.00%	98.23%
GRAND TOTAL	\$15,383,600	\$3,929,542	25.54%	26.00%	98.25%

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

	ADOPTED BUDGET 2012-13	ACTUAL REVENUES Y-T-D 12/31/12	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	\$2,100,000	\$589,137	28.05%	26.00%	107.90%
SUB-TOTAL	<u>\$2,100,000</u>	<u>\$589,137</u>	<u>28.05%</u>	<u>26.00%</u>	<u>107.90%</u>
<u>INTEREST/RENTS/CONTRIBUTIONS</u>					
INTEREST & RENTS	\$5,200	\$721	13.87%		
SUB-TOTAL	<u>\$5,200</u>	<u>\$721</u>	<u>13.87%</u>	<u>25.00%</u>	<u>55.46%</u>
<u>SPECIAL REVENUES</u>					
MISCELLANEOUS	\$2,500	\$112	4.48%		
HISTORICAL PARK RENTALS	15,000	3,189	21.26%		
HISTORICAL PARK TEAS	5,300	5,275	99.53%		
EVENTS	9,800	13,171	134.40%		
SUB-TOTAL	<u>\$32,600</u>	<u>\$21,747</u>	<u>66.71%</u>	<u>25.00%</u>	<u>266.83%</u>
GRAND TOTAL	<u><u>\$2,137,800</u></u>	<u><u>\$611,605</u></u>	<u><u>28.61%</u></u>	<u><u>26.00%</u></u>	<u><u>110.03%</u></u>

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

DIVISION	ADOPTED BUDGET 2012-13	ACTUAL EXPENDITURES AND ENCUMBRANCES 12/31/12	ACTUAL AS % OF BUDGET (Y-T-D)
GENERAL GOVERNMENT	\$126,900	\$29,832	23.51%
GENERAL CONTRACTS	246,000	75,000	30.49%
ADMINISTRATION	1,071,700	373,541	34.85%
LEGAL	535,400	47,107	8.80%
NON-DEPARTMENTAL	(1,910,800)	(663,211)	34.71%
COMMUNICATIONS	337,600	74,825	22.16%
ECONOMIC DEVELOPMENT	445,800	118,952	26.68%
HUMAN RESOURCES	551,100	122,823	22.29%
FINANCE ADMINISTRATION	662,600	173,886	26.24%
ACCOUNTING	548,800	139,305	25.38%
INFORMATION SERVICES	1,424,400	374,686	26.30%
PURCHASING	116,600	30,038	25.76%
COMMUNITY SERVICES ADMIN.	478,400	138,729	29.00%
BUILDING INSPECTION	1,036,900	257,548	24.84%
ENVIRONMENTAL HEALTH	862,500	206,814	23.98%
PUBLIC WORKS ADMINISTRATION	674,900	99,542	14.75%
SOLID WASTE COLLECTION	1,960,600	1,244,016	63.45%
STREET MAINTENANCE	3,222,800	820,052	25.45%
POLICE ADMINISTRATION	1,096,300	277,105	25.28%
POLICE INVESTIGATIONS	1,741,200	407,120	23.38%
POLICE PATROL	5,549,500	1,362,911	24.56%
POLICE DETENTION	1,062,500	243,791	22.95%
POLICE COMMUNICATIONS	1,703,000	491,045	28.83%
POLICE TRAINING	248,400	68,431	27.55%
MUNICIPAL COURT	515,200	136,665	26.53%
FIRE ADMINISTRATION	808,500	216,030	26.72%
FIRE PREVENTION	497,300	129,954	26.13%
FIRE OPERATIONS	8,022,500	2,064,053	25.73%
BUILDING MAINTENANCE	1,266,700	530,517	41.88%
PARKS & RECREATION ADMIN.	407,600	90,981	22.32%
PARK MAINTENANCE	4,562,200	1,134,581	24.87%
RECREATION	1,557,100	314,471	20.20%
SWIMMING POOL	225,100	3,432	1.52%
SENIOR CENTER	594,900	132,825	22.33%
PARK BOARD	4,800	648	13.50%
SENIOR ADVISORY BOARD	4,800	558	11.63%
CHRISTMAS	664,700	151,331	22.77%
LIBRARY	1,450,100	350,458	24.17%
GRAND TOTAL	<u><u>\$44,374,600</u></u>	<u><u>\$11,770,392</u></u>	<u><u>26.53%</u></u>

PUBLIC UTILITY FUND
STATEMENT OF EXPENDITURES
 December 2012
 (UNAUDITED)

DIVISION	ADOPTED BUDGET 2012-13	ACTUAL EXPENDITURES AND ENCUMBRANCES 12/31/12	ACTUAL AS % OF BUDGET (Y-T-D)
ADMINISTRATION	\$3,458,800	\$881,373	25.48%
OPERATIONS	<u>12,017,300</u>	<u>2,463,163</u>	<u>20.50%</u>
GRAND TOTAL	<u><u>\$15,476,100</u></u>	<u><u>\$3,344,536</u></u>	<u><u>21.61%</u></u>

HOTEL/MOTEL FUND
 STATEMENT OF EXPENDITURES
 December 2012
 (UNAUDITED)

DIVISION	ADOPTED BUDGET 2012-13	ACTUAL EXPENDITURES AND ENCUMBRANCES 12/31/12	ACTUAL AS % OF BUDGET (Y-T-D)
HISTORICAL PRESERVATION	\$860,600	\$210,223	24.43%
PROMOTION OF TOURISM	895,900	363,797	40.61%
CONVENTION CENTER	<u>455,500</u>	<u>112,839</u>	<u>24.77%</u>
GRAND TOTAL	<u><u>\$2,212,000</u></u>	<u><u>\$686,859</u></u>	<u><u>31.05%</u></u>

**City of Farmers Branch
Portfolio Summary Report
Quarter ending 12/31/12**

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 September 30, 2012.

Beginning Book Value	\$32,915,769
Beginning Market Value	\$32,956,857
WAM ¹ at Beginning Date	266 days
Ending Book Value	\$35,134,509
Ending Market Value	\$35,164,613
Unrealized Gain/(Loss)	\$ 30,104
WAM at Ending Date	212 days
Change in Market Value	\$ 2,207,756 ²


Yield Calculated on Weighted Average of Total Portfolio's Average Daily Balance	.369%
Fiscal Year to Date Average Monthly Yield	.387%
212 Day T-Bill at Dec. 31, 2012	0.118%

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:



Charles S. Cox
Director of Finance

**The City of Farmers Branch
Investment Portfolio
December 31, 2012**

Trade Date	Maturity Date	Rating	Type	Broker/Dealer	CUSIP	Weighted Average Maturity	Coupon	Yield	PAR Value	Purchase Principal	Market Value December-12	Current Book Value	Unrealized Gain/(Loss)	Accrued Interest Receivable	Percent of Total Portfolio
Mar-14-2012	Apr-01-2013	AA+	St. Clair Minn. ISD	Morgan Keegan	788771FG3	5	2.000%	0.250%	140,000	142,561	140,510	140,689	(180)	467	0.41%
Nov-03-2011	Apr-15-2013	Aa3	West Gen. NY Cntrl School	Vining Sparks	952859HZ	20	3.000%	0.691%	455,000	470,188	458,331	458,127	204	2,275	1.32%
Nov-17-2011	Aug-15-2013	Aaa/AAA	Howard Cnty Md	BOSC/Bank of Tx	4425653A3	132	5.000%	0.399%	1,395,000	1,506,461	1,436,655	1,434,807	1,847	23,250	4.05%
Dec-19-2012	Dec-15-2013	A1	Malden Mass. GO Rec. Bonds	Morgan Keegan	561076F21	61	1.000%	0.450%	425,000	427,304	427,142	427,208	(66)	151	1.24%
TOTAL MUNICIPAL OBLIGATIONS						218	3.745%	0.454%	2,415,000	2,546,513	2,462,637	2,460,831	1,806	26,143	7.02%
Feb-23-2012	Feb-20-2014	FDIC Ins	CDAR (2-yr)	BOSC/Bank of Tx	1003743426	208	0.410%	0.410%	2,500,000	2,500,000	2,500,000	2,500,000	0	8,969	7.27%
Dec-13-2012	Dec-12-2013	FDIC Ins	CDAR (1-yr)	BOSC/Bank of Tx	1003743426	173	0.210%	0.210%	2,325,000	2,325,000	2,500,000	2,500,000	0	203	6.76%
TOTAL CERTIFICATES of DEPOSITS						381	0.314%	0.314%	4,825,000	4,825,000	5,000,000	5,000,000	0	9,172	14.02%
Mar-08-2012	Mar-27-2013	Aaa/AA+	FHLB	Morgan Keegan	313372RK2	21	1.000%	0.229%	4,850,000	4,889,285	4,859,324	4,858,184	1,140	12,125	14.10%
Feb-22-2012	May-01-2013	Aa2/A	FNMA	BOSC/Bank of Texas	31359MRK1	36	4.625%	0.450%	6,000,000	6,296,640	6,088,798	6,088,992	(194)	23,125	17.44%
Jan-12-2012	Jan-02-2014	Aa2/A	FNMA	Vining Sparks	31359MTP8	105	5.125%	0.707%	5,500,000	5,974,386	5,763,163	5,747,076	16,087	117,448	15.98%
Feb-22-2012	Jan-30-2014	Aaa/AA+	FHLMC	Vining Sparks	3128X2TM7	69	5.000%	0.382%	3,347,000	3,644,851	3,520,140	3,508,876	11,265	69,729	9.73%
TOTAL AGENCY OBLIGATIONS						230	3.936%	0.456%	19,697,000	20,805,162	20,231,426	20,203,128	28,298	222,427	57.25%
Dec-31-2012	Dec-31-2012	AAA	Repo/BoA-Flexicash/TexPool			47	0.150%	0.150%	7,470,550	7,470,550	7,470,550	7,470,550	0	0	21.71%
TOTAL REPO AGREEMENTS (Collateralized)						47	0.150%	0.150%	7,470,550	7,470,550	7,470,550	7,470,550	0	0	21.71%
TOTAL INVESTMENTS							2.592%		34,407,550	35,647,224	35,164,613	35,134,509	30,104	257,742	100.00%

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

Year to Date Average Monthly Yield through

212 Day T-Bill Dated As of

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, FNMA = Fannie Mae Note, FHLMC = Freddie Mac, FAMCA = Farmer Mac Note

Director of Finance

ALL INSTRUMENTS ARE HELD TO MATURITY

Pooled Cash and Investments

Including Premiums/(Discounts)

December, 2012 (unaudited)



Cash and Investments

FARMERS
BRANCH

<u>Fund No.</u>	<u>Fund Name</u>	<u>Dec-31-2011</u>	<u>Oct-01-2012</u>	<u>Dec-31-2012</u>
General Fund:				
101	General	\$6,051,573	\$6,773,320	\$5,601,946
102	Payroll	669,884	720,891	683,871
103	Fixed Assets	491,065	1,022,359	776,329
105	Economic Development	1,221,655	1,367,997	1,510,697
Sub-Total		<u>8,434,178</u>	<u>9,884,567</u>	<u>8,572,843</u>
Special Revenue Fund:				
201	Hotel-Motel	652,614	396,074	437,623
202	Police Forfeitures	43,987	83,548	72,947
203	Special Revenue Donations	100,225	129,772	122,005
204	Dividend	0	0	0
205	Youth Scholarship	24,630	25,962	22,849
206	Grant	14,709	480	(14,035)
207	Building Security	168,721	183,258	191,451
208	LF Closure/Post Closure	6,926,004	6,474,927	6,458,330
209	Court Technology Fund	252,481	248,536	241,598
210	Local Law Enforcement Block Grant	0	0	0
211	Stars Center	1,023,275	985,077	1,011,067
212	Cemetery	107,099	87,747	82,615
213	Legal Defense	0	200,039	598,986
214	Photographic Light System	254,315	374,438	279,241
215	Dangerous Structures	2,370,623	2,070,602	1,767,173
216	PEG Access channel	20,686	63,355	76,342
217	Farmers Branch Local Gov. Corp.	40,683	40,683	40,683
222	Police Forfeitures - Federal	158,760	152,675	136,989
233	Fixed Assets	27,611	27,611	27,611
Sub-Total		<u>12,186,424</u>	<u>11,544,782</u>	<u>11,553,477</u>
Capital Fund:				
301	Non-Bond Capital Improvement Programs	170,164	329,363	233,118
302	DART	673,975	505,203	512,713
303	Hotel/Motel Capital Improvement	102,010	98,102	51,921
304	* PID Debt Service	0	0	0
305	Hotel/Motel Bond	0	0	0
306	Street Improvement/Animal Shelter	12,452	0	0
307	Fire Station	1,340,365	63,606	45,611
308	Dangerous Structures	0	0	0
309	Radio System	0	0	2,947,000
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	6,231,738	5,595,511	5,854,054
328	TIF District #1	(20,377)	85,234	68,499
329	TIF District #2	212,286	41,957	44,818
Sub-Total		<u>8,722,612</u>	<u>6,718,977</u>	<u>9,757,733</u>
Debt Service Fund:				
401	Debt Service	2,200,890	26,931	353,484
402	Debt Service Convention Center	215,726	109,660	222,283
403	Stars Center	(283,478)	103,203	(260,832)
Sub-Total		<u>2,133,138</u>	<u>239,794</u>	<u>314,936</u>
Enterprise Fund:				
501	Water And Sewer	1,870,943	1,703,352	1,795,048
503	Fixed Assets	323,817	354,268	345,743
Sub-Total		<u>2,194,760</u>	<u>2,057,620</u>	<u>2,140,792</u>
Internal Service Fund:				
601	Internal Services	34,181	34,066	30,808
602	Worker's Comp	642,263	482,942	543,537
603	Fixed Assets	74,614	78,515	78,515
604	Health Claims	84,686	324,645	(120,320)
Sub-Total		<u>835,744</u>	<u>920,168</u>	<u>532,539</u>
GRAND TOTAL		<u>\$34,506,856</u>	<u>\$31,365,907</u>	<u>\$32,872,320</u>

* Reported in Enterprise Fund at year-end.