



**FARMERS
BRANCH**

MEMORANDUM

FINANCE

TO: Mayor Robert C. Dye and the
City Council

THRU: Charles S. Cox
City Manager

FROM: Sherrelle Evans-Jones, CPA
Director of Finance

DATE: October 12, 2018

SUBJECT: Financial Report – September 2018

Revenue and Expenditure Reports for September 2018 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 2018.

Attachments

**GENERAL FUND
STATEMENT OF REVENUES
September 2018
(UNAUDITED)**

	ACTUAL REVENUES FY 15/16	ACTUAL REVENUES FY 16/17	ADJUSTED BUDGET 2017-18	ACTUAL REVENUES Y-T-D 09/30/18	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)	ACTUAL AS % OF EXPECTED (Y-T-D)
TAXES							
PROPERTY TAXES	\$22,306,338	\$24,078,709	\$25,965,000	\$26,015,893	100.20%	100.00%	100.20%
SALES & USE TAXES	13,554,926	13,853,566	14,032,000	14,304,158	101.94%	100.00%	101.94%
MIXED BEVERAGE	84,915	82,770	86,000	86,309	100.36%		
FRANCHISE FEES	4,235,295	4,187,078	4,135,500	4,165,501	100.73%	100.00%	100.73%
PENALTIES & INTEREST	79,358	84,936	150,000	149,568	99.71%		
<i>SUB-TOTAL</i>	<u>\$40,260,832</u>	<u>\$42,287,059</u>	<u>\$44,368,500</u>	<u>\$44,721,429</u>	<u>100.80%</u>	<u>100.00%</u>	<u>100.80%</u>
LICENSES & PERMITS							
HEALTH	\$44,445	\$49,765	\$42,000	\$44,820	106.71%		
BUILDING	996,792	1,508,010	3,910,400	4,152,320	106.19%	100.00%	106.19%
PLUMBING	93,610	131,367	233,800	291,023	124.48%		
ELECTRICAL	110,601	129,061	240,000	268,503	111.88%		
HVAC	87,763	101,582	160,000	168,128	105.08%		
MULTI-FAMILY INSPECTION	94,590	104,668	100,000	91,213	91.21%		
INTERGOVT'L REVENUE	150,000	150,000	250,000	250,000	0.00%		
<i>SUB-TOTAL</i>	<u>\$1,577,801</u>	<u>\$2,174,453</u>	<u>\$4,936,200</u>	<u>\$5,266,007</u>	<u>106.68%</u>	<u>100.00%</u>	<u>106.68%</u>
CHARGES FOR SERVICES							
ZONING	\$24,675	\$24,630	\$41,800	\$43,775	104.72%		
PRINTING & DUPLICATING	14,879	11,822	17,000	20,916	123.04%		
POLICE SERVICES	153,042	203,913	187,000	179,290	95.88%	100.00%	95.88%
AMBULANCE & 911	1,493,317	1,449,237	1,325,000	1,338,173	100.99%	100.00%	100.99%
FIRE SERVICES	22,745	23,027	38,000	39,413	103.72%		
REFUSE SERVICES	2,467,090	2,587,264	3,270,000	3,014,911	92.20%	100.00%	92.20%
HEALTH & INSPECTION FEE	83,742	30,612	31,500	34,245	108.71%		
ANIMAL CONTROL & SHELTER	30,134	25,975	27,000	29,589	109.59%		
AQUATIC CENTER FEES	310,997	367,187	350,000	365,001	104.29%	100.00%	104.29%
SENIOR CENTER FEES	36,706	29,004	30,000	32,467	108.22%		
PARKS & REC CONCESSIONS	231,951	212,498	200,000	216,735	108.37%	100.00%	108.37%
BUILDING USE FEES	508,979	486,762	515,000	542,516	105.34%	100.00%	105.34%
EVENTS	29,504	35,449	88,000	99,722	113.32%		
<i>SUB-TOTAL</i>	<u>\$5,407,761</u>	<u>\$5,487,380</u>	<u>\$6,120,300</u>	<u>\$5,956,753</u>	<u>97.33%</u>	<u>100.00%</u>	<u>97.33%</u>
FINES, FORFEITS & ASSESSMENTS							
COURT	\$2,102,468	\$2,140,085	\$1,668,500	\$1,751,164	104.95%	100.00%	104.95%
LIBRARY	152,745	112,960	57,000	57,498	100.87%		
<i>SUB-TOTAL</i>	<u>\$2,255,213</u>	<u>\$2,253,045</u>	<u>\$1,725,500</u>	<u>\$1,808,662</u>	<u>104.82%</u>	<u>100.00%</u>	<u>104.82%</u>

**GENERAL FUND
STATEMENT OF REVENUES
September 2018
(UNAUDITED)**

	ACTUAL REVENUES FY 15/16	ACTUAL REVENUES FY 16/17	ADJUSTED BUDGET 2017-18	ACTUAL REVENUES Y-T-D 09/30/18	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	\$171,394	\$207,404	\$350,000	\$371,346	106.10%		
RENTS	538,474	545,394	544,400	496,537	91.21%	100.00%	91.21%
<i>SUB-TOTAL</i>	<u>\$709,868</u>	<u>\$752,798</u>	<u>\$894,400</u>	<u>\$867,883</u>	<u>97.04%</u>	<u>100.00%</u>	<u>97.04%</u>
<u>MISCELLANEOUS</u>							
MISCELLANEOUS	\$39,570	\$81,801	\$81,000	\$94,008	116.06%		
RECYCLING	9,797	9,066	6,000	6,887	114.78%		
SALE OF ASSETS	16,811	23,607	18,600	18,594	99.97%		
INSURANCE RECOVERY	4,712	59,927	15,000	15,159	101.06%		
<i>SUB-TOTAL</i>	<u>\$70,890</u>	<u>\$174,401</u>	<u>\$120,600</u>	<u>\$134,648</u>	<u>111.65%</u>	<u>100.00%</u>	<u>111.65%</u>
GRAND TOTAL	<u><u>\$50,282,365</u></u>	<u><u>\$53,129,136</u></u>	<u><u>\$58,165,500</u></u>	<u><u>\$58,755,382</u></u>	<u><u>101.01%</u></u>	<u><u>100.00%</u></u>	<u><u>101.01%</u></u>

**ENTERPRISE FUNDS
STATEMENT OF REVENUES
September 2018
(UNAUDITED)**

	ACTUAL REVENUES FY 15/16	ACTUAL REVENUES FY 16/17	ADJUSTED BUDGET 2017-18	ACTUAL REVENUES Y-T-D 09/30/18	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	(\$4,858)	(\$6,660)	\$0	(\$10,263)	0.00%		
<i>SUB-TOTAL</i>	<u>(\$4,858)</u>	<u>(\$6,660)</u>	<u>\$0</u>	<u>(\$10,263)</u>	<u>0.00%</u>	<u>100.00%</u>	<u>0.00%</u>
<u>MISCELLANEOUS</u>							
RECONNECTS/SVC CHARGE	\$42,975	\$43,075	\$38,000	\$40,075	105.46%		
LATE FEES	171,972	177,895	235,000	235,212	100.09%		
SALE OF ASSETS	0	644	0	0	0.00%		
INSURANCE RECOVERY	0	0	600	606	101.00%		
MISCELLANEOUS	3,718	3,839	7,300	7,363	100.86%		
<i>SUB-TOTAL</i>	<u>\$218,665</u>	<u>\$225,453</u>	<u>\$280,900</u>	<u>\$283,256</u>	<u>100.84%</u>	<u>100.00%</u>	<u>100.84%</u>
<u>WATER/SEWER SALES</u>							
WATER SALES	\$12,608,979	\$13,460,167	\$16,039,000	\$16,060,470	100.13%	100.00%	100.13%
SEWER SERVICE	5,612,534	6,203,535	7,396,000	7,405,192	100.12%	100.00%	100.12%
ADDISON SEWER	16,623	20,969	22,000	20,231	91.96%		
BACKFLOW PROGRAM	32,750	35,165	38,000	40,415	106.36%		
TAPPING FEES	1,450	2,300	2,800	3,000	107.14%		
<i>SUB-TOTAL</i>	<u>\$18,272,336</u>	<u>\$19,722,136</u>	<u>\$23,497,800</u>	<u>\$23,529,308</u>	<u>100.13%</u>	<u>100.00%</u>	<u>100.13%</u>
<u>STORMWATER UTILITIES</u>							
CHARGES FOR SERVICES	\$1,302,476	\$1,322,296	\$1,368,600	\$1,368,227	99.97%	100.00%	99.97%
<i>SUB-TOTAL</i>	<u>\$1,302,476</u>	<u>\$1,322,296</u>	<u>\$1,368,600</u>	<u>\$1,368,227</u>	<u>99.97%</u>	<u>100.00%</u>	<u>99.97%</u>
GRAND TOTAL	<u><u>\$19,788,619</u></u>	<u><u>\$21,263,225</u></u>	<u><u>\$25,147,300</u></u>	<u><u>\$25,170,528</u></u>	<u><u>100.09%</u></u>	<u><u>100.00%</u></u>	<u><u>100.09%</u></u>

HOTEL/MOTEL FUND
STATEMENT OF REVENUES
September 2018
(UNAUDITED)

	ACTUAL REVENUES FY 15/16	ACTUAL REVENUES FY 16/17	ADJUSTED BUDGET 2017-18	ACTUAL REVENUES Y-T-D 09/30/18	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	\$2,959,670	\$2,892,656	\$2,800,000	\$2,824,613	100.88%	100.00%	100.88%
SUB-TOTAL	<u>\$2,959,670</u>	<u>\$2,892,656</u>	<u>\$2,800,000</u>	<u>\$2,824,613</u>	<u>100.88%</u>	<u>100.00%</u>	<u>100.88%</u>
<u>INTEREST/RENTS/CONTRIBUTIONS</u>							
INTEREST	\$19,608	\$29,075	\$30,000	\$31,110	103.70%		
SUB-TOTAL	<u>\$19,608</u>	<u>\$29,075</u>	<u>\$30,000</u>	<u>\$31,110</u>	<u>103.70%</u>	<u>100.00%</u>	<u>103.70%</u>
<u>SPECIAL REVENUES</u>							
MISCELLANEOUS	\$3,484	\$2,824	\$2,000	\$2,233	111.65%		
HISTORICAL PARK RENTALS	12,248	15,761	7,500	9,506	126.75%		
HISTORICAL PARK TEAS	4,951	5,650	5,300	5,275	99.53%		
EVENTS	20,307	21,735	41,000	46,583	113.62%		
SUB-TOTAL	<u>\$40,990</u>	<u>\$45,970</u>	<u>\$55,800</u>	<u>\$63,597</u>	<u>113.97%</u>	<u>100.00%</u>	<u>113.97%</u>
GRAND TOTAL	<u><u>\$3,020,268</u></u>	<u><u>\$2,967,701</u></u>	<u><u>\$2,885,800</u></u>	<u><u>\$2,919,320</u></u>	<u><u>101.16%</u></u>	<u><u>100.00%</u></u>	<u><u>101.16%</u></u>

GENERAL FUND
STATEMENT OF EXPENDITURES
September 2018
(UNAUDITED)

DIVISION	ACTUAL EXPENDITURES FY 15/16	ACTUAL EXPENDITURES FY 16/17	ADJUSTED BUDGET 2017-18	ACTUAL EXPENDITURES AND ENCUMBRANCES 9/30/2018	ACTUAL AS % OF BUDGET (Y-T-D)
GENERAL GOVERNMENT	\$143,683	\$181,071	\$180,800	\$161,095	89.10%
GENERAL CONTRACTS	292,000	292,000	292,000	292,000	100.00%
ADMINISTRATION	1,393,825	671,385	980,900	959,851	97.85%
LEGAL	333,216	443,147	475,300	417,620	87.86%
NON-DEPARTMENTAL	(2,429,424)	(3,607,691)	(1,316,400)	(1,740,913)	132.25%
COMMUNICATIONS	372,929	614,133	656,300	613,110	93.42%
ECONOMIC DEVELOPMENT	570,366	607,475	443,900	402,971	90.78%
HUMAN RESOURCES	961,618	899,901	1,002,600	917,884	91.55%
FINANCE ADMINISTRATION	669,510	695,219	755,000	725,870	96.14%
ACCOUNTING	594,904	787,702	887,100	844,825	95.23%
INFORMATION SERVICES	2,278,788	2,701,935	2,547,800	2,471,702	97.01%
MUNICIPAL COURT	604,060	588,407	576,800	557,083	96.58%
PURCHASING	117,344	120,676	129,100	123,277	95.49%
PLANNING	410,043	353,658	445,300	378,251	84.94%
COMMUNITY SERVICES ADMIN.	469,952	417,361	400,300	387,075	96.70%
BUILDING INSPECTION	1,042,438	1,130,637	1,241,800	1,225,332	98.67%
PUBLIC WORKS ADMINISTRATION	714,367	663,793	696,400	669,381	96.12%
SUSTAINABILITY	2,088,967	2,483,063	2,824,200	2,612,294	92.50%
STREET MAINTENANCE	3,705,555	3,886,553	4,412,800	4,232,911	95.92%
ANIMAL SERVICES	631,852	771,723	746,800	678,247	90.82%
ENVIRONMENTAL SERVICES	406,403	350,847	435,000	351,592	80.83%
POLICE ADMINISTRATION	1,547,898	1,436,590	1,721,000	1,637,212	95.13%
POLICE INVESTIGATIONS	1,921,051	1,997,853	1,929,000	1,886,342	97.79%
POLICE PATROL	6,417,523	6,542,508	6,917,400	6,821,433	98.61%
POLICE DETENTION	1,052,578	1,145,241	1,245,200	1,220,196	97.99%
POLICE COMMUNICATIONS	1,995,551	1,665,618	1,844,600	1,764,997	95.68%
POLICE TRAINING	171,327	150,272	159,000	157,929	99.33%
FIRE ADMINISTRATION	1,168,267	1,337,402	1,308,100	1,291,393	98.72%
FIRE PREVENTION	493,662	542,216	575,200	570,624	99.20%
FIRE OPERATIONS	8,446,750	9,883,181	9,650,500	9,610,782	99.59%
PARKS & RECREATION ADMIN.	526,897	520,531	552,400	534,404	96.74%
PARK MAINTENANCE	5,143,170	4,989,440	5,548,500	5,206,708	93.84%
RECREATION	1,770,214	1,747,113	1,879,800	1,728,906	91.97%
AQUATICS CENTER	819,154	998,848	1,114,400	941,972	84.53%
SENIOR CENTER	830,287	721,841	870,400	786,752	90.39%
PARK BOARD	3,418	3,388	9,800	3,884	39.63%
SENIOR ADVISORY BOARD	3,667	3,647	4,800	3,179	66.23%
EVENTS	555,803	920,555	911,600	826,099	90.62%
LIBRARY	1,838,096	1,777,288	1,885,300	1,856,185	98.46%
GRAND TOTAL	\$50,077,709	\$51,436,527	\$56,940,800	\$54,130,455	95.06%

ENTERPRISE FUNDS
STATEMENT OF EXPENDITURES
September 2018
(UNAUDITED)

DIVISION	ACTUAL EXPENDITURES FY 15/16	ACTUAL EXPENDITURES FY 16/17	ADJUSTED BUDGET 2017-18	ACTUAL EXPENDITURES AND ENCUMBRANCES 09/30/18	ACTUAL AS % OF BUDGET (Y-T-D)
WATER & SEWER ADMINISTRATION	\$4,497,013	\$4,597,366	\$4,596,100	\$4,520,697	98.36%
WATER & SEWER OPERATIONS	14,675,573	15,386,315	17,506,000	16,696,678	95.38%
STORMWATER UTILITIES	983,080	261,954	1,259,000	571,306	45.38%
GRAND TOTAL	<u><u>\$20,155,666</u></u>	<u><u>\$20,245,635</u></u>	<u><u>\$23,361,100</u></u>	<u><u>\$21,788,681</u></u>	<u><u>93.27%</u></u>

HOTEL/MOTEL FUND
STATEMENT OF EXPENDITURES
September 2018
(UNAUDITED)

DIVISION	ACTUAL EXPENDITURES FY 15/16	ACTUAL EXPENDITURES FY 16/17	ADJUSTED BUDGET 2017-18	ACTUAL EXPENDITURES AND ENCUMBRANCES 09/30/18	ACTUAL AS % OF BUDGET (Y-T-D)
HISTORICAL PRESERVATION	\$1,097,852	\$2,305,788	\$2,049,700	\$1,963,495	95.79%
PROMOTION OF TOURISM	1,195,564	1,135,789	1,336,200	1,276,801	95.55%
CONVENTION CENTER	6,606	393,558	19,000	5,934	31.23%
GRAND TOTAL	\$2,300,022	\$3,835,135	\$3,404,900	\$3,246,230	95.34%

Texas Economy Keeps Growing but Signs of Supply-Side Constraints Emerge

October 3, 2018

The regional economy continues to post strong growth and outpace the nation. Year to date, Texas employment growth is an annualized 3 percent, well above the U.S. growth of 1.7 percent. Regional activity is also expanding rapidly, with the September readings of the Dallas Fed Texas Business Outlook Surveys (TBOS) remaining near multiyear highs for production and revenue. Moreover, Texas personal income growth in the second quarter was the highest in the nation at 6 percent, which bodes well for second-quarter gross domestic product (GDP) growth (available on Nov. 14). First-quarter real GDP, the most recent GDP data available at the state level, shows the Texas economy grew an annualized 2.9 percent quarter over quarter compared with 2.2 percent for the nation.

While Texas job growth is very robust, it has slowed just a bit from the second quarter. Employment grew an annualized 2.8 percent from June to August, twice as fast as the nation's growth of 1.4 percent, but still down from its pace of 3.5 percent in the second quarter (*Chart 1*). The Texas employment growth forecast for the year is 2.8 percent (December/December, with a range of 2.3 percent to 3.3 percent), suggesting growth in the remaining four months of the year will slow further from the current pace.

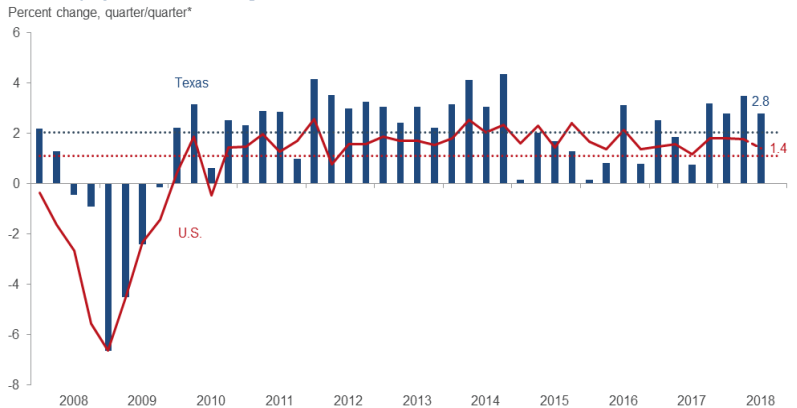
Labor Market Remains Tight

The Texas economy is likely growing above potential, which means there may be capacity constraints acting as bottlenecks or speed limits on the expansion. Tight labor markets, for example, have made hiring difficult for local firms. Two-thirds of Texas firms noted difficulties finding qualified workers in the August release of the Dallas Fed's TBOS Special Questions survey. Meanwhile, the state unemployment rate has never been this low for this long, at least not since the advent of modern recordkeeping. The state unemployment rate moved down to 3.9 percent in August, and several metros have unemployment rates below the state's average, including Austin, Dallas-Fort Worth, Midland-Odessa and San Antonio (*Chart 2*). Business contacts report labor shortages are particularly severe for construction workers and truck drivers. The lack of truck drivers, even delivery trucks in some cases, has resulted in longer delivery times and supplier backlogs.

Texas Housing Market Begins to Cool Down

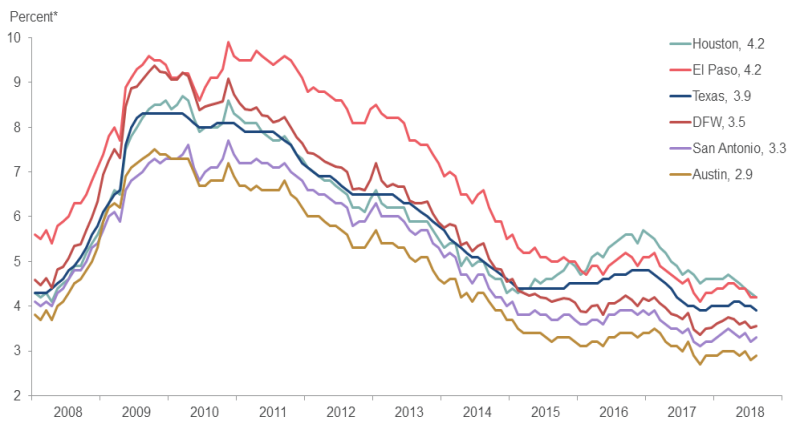
Another force acting to slow the red-hot economy is higher interest rates. Housing markets in particular are sensitive to higher rates, and Texas house prices appear to be decelerating slightly. U.S. house prices may also be slowing, likely for the same reason. Growth in the S&P Case-Shiller Home Price Index for Dallas-Fort Worth has been falling, albeit from high

Chart 1
Texas Employment Growth Strong



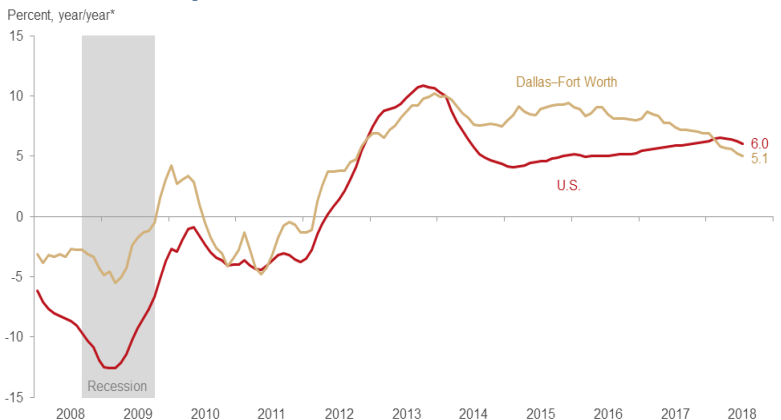
*Seasonally adjusted, annualized rate.
NOTES: Partial third quarter 2018 is June over August percent change. Dashed lines indicate long-run average from January 1990 to December 2017.
SOURCES: Bureau of Labor Statistics, Texas Workforce Commission, seasonal and other adjustments by the Federal Reserve Bank of Dallas.

Chart 2
Texas Unemployment Rates at Record Lows



*Seasonally adjusted.
NOTE: Data are through August 2018.
SOURCES: Bureau of Labor Statistics, seasonal and other adjustments by the Federal Reserve Bank of Dallas.

Chart 3
House Prices Decelerating in DFW



*Seasonally adjusted.
NOTES: Data are through July 2018. The Case-Shiller Home Price Index for DFW is used to approximate Texas.
SOURCE: Standard & Poor's CoreLogic Case-Shiller Home Price Index.

levels, since the start of 2017 (Chart 3). The latest reading puts year-over-year home price appreciation at 5.1 percent compared with 6.0 percent for the nation as a whole.

Energy Indicators Slow Due to Lack of Pipeline Capacity

Texas continues to hit new records in oil production, particularly in the Permian Basin; however, limited pipeline capacity is trapping a surplus of oil in West Texas, leading to a stagnation of drilling activity and energy-sector employment growth (Chart 4). Producers can use rail or trucks to move the oil closer to customers, but the cost of transporting crude via these alternative methods is at least two to five times the cost of moving it out via pipeline.

Texas Exports Rising Despite Stronger Dollar, Retaliatory Tariffs

Texas exports rose sharply in July and are up 16 percent year to date compared with the same period last year (Chart 5). U.S. exports increased at a slower 5.2 percent so far this year. Texas exports remain strong despite a rising dollar, higher tariffs and widespread uncertainty around future U.S. trade policy.

The secret to Texas' outsized success in export markets is the growth of oil and gas exports, which were up 126 percent year over year in the second quarter. Petroleum and coal product exports strengthened 24 percent, followed by transportation equipment at 16 percent. Chemicals exports rose 9.5 percent, and primary and fabricated metals exports increased 4.4 percent.

In two and a half years, oil and gas exports have gone from making up 5.2 percent of state exports to the largest share at 18 percent, equivalent to \$45 billion in exports over the last 12 months. The fracking boom combined with the removal of the crude oil export ban by the U.S. Congress were instrumental in unleashing this growth.

Wage Pressures Accelerate in Texas

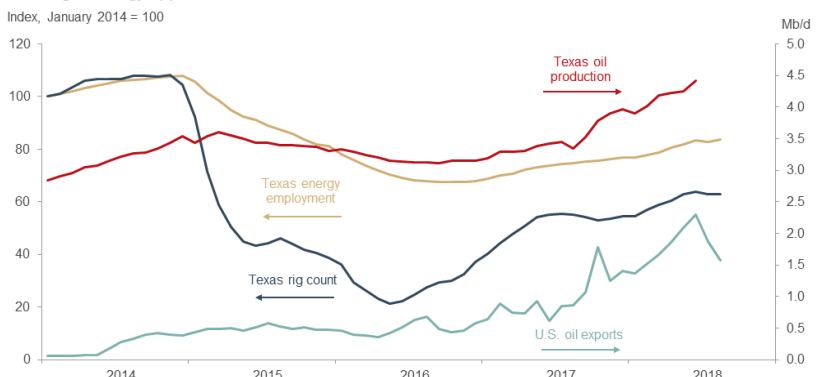
Strong economic growth and tight labor markets should bring rising wages for the state's workers. However, since the recession, rising wages have either been slow to materialize or hard to measure (or both), but that may be changing. There are now more signs of mounting wage pressures in Texas. Data from the Employer Costs for Employee Compensation (ECEC) from the Bureau of Labor Statistics suggest that wage and salary growth for private-industry workers spiked this year in Houston and DFW, with hourly wages up nearly 13 percent and 9 percent, respectively, in the first quarter (relative to the same period one year prior) (Chart 6). In the U.S. as a whole, however, hourly wages rose only 3 percent over the same period. Consistent with these data are the wage and benefit indexes of the Dallas Fed TBOS, which either hit new records or had near-record readings in September.

—Benjamin Meier and Pia Orrenius

About the Authors

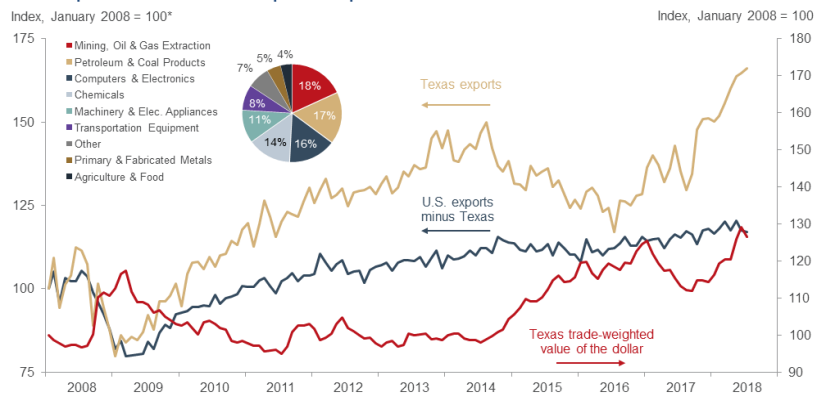
Meier is a research assistant and Orrenius is a vice president and senior research economist in the Research Department at the Federal Reserve Bank of Dallas.

Chart 4
Slowing in Energy Apparent in Several Indicators, but Not Production



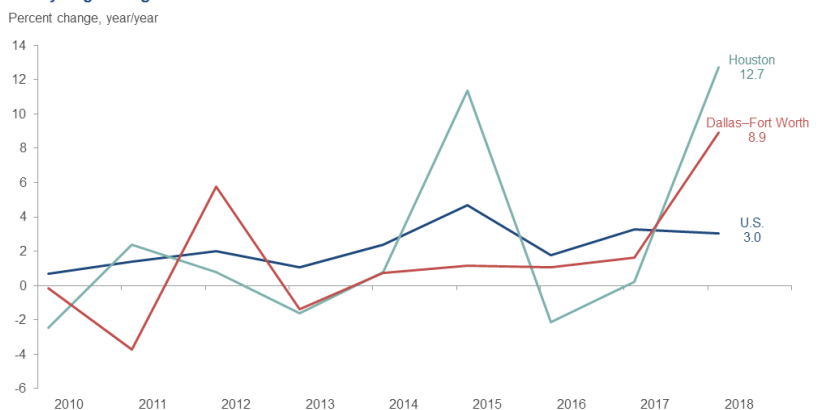
NOTES: Texas energy employment, rig count and U.S. oil exports are through August. Texas oil production is through June. Employment data are seasonally adjusted. Mb/d is million barrels per day.
SOURCES: Baker Hughes; Energy Information Administration; Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by the Federal Reserve Bank of Dallas.

Chart 5
Texas Exports Continue Ascent Despite the Expensive Dollar



*Seasonally adjusted.
NOTES: Pie chart data are for second quarter 2018. Time series data are through July 2018. Data are in real dollars.
SOURCES: Census Bureau; WISERTrade; seasonal and other adjustments by the Federal Reserve Bank of Dallas.

Chart 6
Hourly Wages Surge in 2018 in Houston and DFW



NOTES: Data include only private firms. Data are through first quarter 2018.
SOURCE: Bureau of Labor Statistics Employer Costs for Employee Compensation.

Pooled Cash and Investments
Including Premiums/(Discounts)

September, 2018 (unaudited)



**FARMERS
BRANCH**

		Cash and Investments		
Fund No.	Fund Name	Sep-30-2017	Oct-01-2017	Sep-30-2018
General Fund:				
101	General	\$7,088,470	\$7,088,470	\$12,544,782
102	Payroll	1,184,533	1,184,533	1,372,298
103	Fixed Assets	1,075,139	1,075,139	1,725,182
105	Economic Development	2,874,141	2,874,141	2,955,698
Sub-Total		12,222,284	12,222,284	18,597,961
Special Revenue Fund:				
201	Hotel-Motel	1,223,862	1,223,862	1,054,400
202	Police Forfeitures	173,672	173,672	170,300
203	Special Revenue Donations	193,416	193,416	457,218
205	Youth Scholarship	17,609	17,609	17,771
206	Grant	(15,149)	(15,149)	0
207	Building Security	39,060	39,060	29,503
208	LF Closure/Post Closure	3,038,772	3,038,772	2,315,029
209	Court Technology	70,938	70,938	37,464
212	Cemetery	4,219	4,219	5,517
214	Photographic Light System	877,473	877,473	1,008,433
215	Dangerous Structures	0	0	0
216	PEG Access Channel	141,747	141,747	146,620
217	Farmers Branch Local Government Corp.	40,683	40,683	40,683
218	Joint Fire Training	15,983	15,983	15,473
222	Police Forfeitures - Federal	7,029	7,029	67,279
223	TIF District #3	80,074	80,074	165,013
225	Residential Revitalization	0	0	793,101
228	Huffines Extension	701,210	701,210	714,091
233	Fixed Assets	206,756	206,756	179,639
Sub-Total		6,817,355	6,817,355	7,217,535
Capital Fund:				
301	Non-Bond Capital Improvement Programs	2,389,155	2,389,155	3,392,327
303	Hotel/Motel Capital Improvement	1,021,002	1,021,002	1,266,007
309	Radio System	636,659	636,659	312,613
320	Fire Station #2 / Landfill	0	0	10,940,848
323	Aquatics Center	215,221	215,221	0
327	* Non-Bond Utility	5,367,707	5,367,707	5,306,651
328	TIF District #1	6,757	6,757	14,203
329	TIF District #2	518,874	518,874	303,400
330	Consolidated Dispatch	162,381	162,381	101,121
331	Justice Center Improvements	2,432,442	2,432,442	56,661
332	Street Improvements	3,716,918	3,716,918	10,303,651
333	Trails and Sidewalks	0	0	4,025,924
Sub-Total		16,467,116	16,467,116	36,023,407
Debt Service Fund:				
401	Debt Service	222,725	222,725	506,184
402	Landfill	0	0	2,510
403	Stars Center	498,310	498,310	499,623
Sub-Total		721,036	721,036	1,008,317
Enterprise Fund:				
501	Water and Sewer	(980,040)	(980,040)	513,079
503	Fixed Assets - Water and Sewer	700,235	700,235	683,681
511	Stormwater Utility	1,462,303	1,462,303	2,531,578
513	Fixed Assets - Stormwater	53	53	53
Sub-Total		1,182,552	1,182,552	3,728,390
Internal Service Fund:				
601	Internal Services	897,717	897,717	1,264,627
602	Workers' Compensation	756,379	756,379	847,781
603	Fixed Assets	163,552	163,552	155,419
604	Health Claims	1,233,320	1,233,320	829,410
Sub-Total		3,050,968	3,050,968	3,097,237
GRAND TOTAL		\$40,461,310	\$40,461,310	\$69,672,847

* Reported in Enterprise Fund at year-end.

**City of Farmers Branch
Portfolio Summary Report
Quarter ending 9/30/18**

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, 2018.

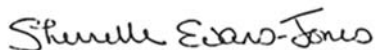
Beginning Book Value	\$73,377,911
Beginning Market Value	\$73,188,801
WAM ¹ at Beginning Date	335 days
Ending Book Value	\$70,278,601
Ending Market Value	\$70,056,613
Unrealized Gain/(Loss)	\$ (221,988)
WAM at Ending Date	275 days
Change in Market Value	\$ 3,132,188 ²
Yield Calculated on Weighted Average of Total Portfolio's Average Daily Balance	2.044%
Fiscal Year to Date Average Monthly Yield	1.698%
275 Day T-Bill at 9/30/18	2.528%

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, 2018

Trade Date	Maturity Date	Rating Moody/S&P	Type/ Broker Dealer	CUSIP	Weighted Average Maturity	Coupon	Yield	PAR Value	Purchase Principal	Market Value Sep-2018	Current Book Value	Unrealized Gain/(Loss)	Accrued Interest Receivable	Percent of Total Portfolio
Feb-01-2018	Apr-30-2020	Aaa	US Treasury BOSC/Bank of Tx	912828K58	255	1.375%	2.194%	7,600,000	7,464,625	7,435,888	7,503,675	(67,788)	43,542	10.80%
May-17-2018	May-31-2019	Aaa	US Treasury Cantor Fitzgerald	912828SX9	71	1.125%	2.331%	5,000,000	4,938,477	4,955,039	4,961,548	(6,509)	18,750	7.10%
May-17-2018	Nov-30-2019	Aaa	US Treasury Raymond James	9128283H1	113	1.750%	2.508%	4,500,000	4,448,848	4,451,185	4,461,636	(10,450)	26,250	6.39%
TOTAL US TREASURY NOTES					439	1.401%	2.317%	17,100,000	16,851,949	16,842,112	16,926,859	(84,747)	88,542	24.30%
Feb-20-2015	Nov-01-2018	Aa1/AAA	NYC TRANS FIN Auth Wells Fargo	64971QH55	5	1.280%	1.363%	7,200,000	7,178,472	7,192,944	7,199,282	(6,338)	30,720	10.23%
Jan-15-2015	Nov-01-2018	Aa1/AA	Mass. ST BDS Raymond James	57582RAN6	3	1.400%	1.321%	4,000,000	4,011,600	3,997,080	4,000,378	(3,298)	18,667	5.68%
Feb-13-2015	Dec-01-2018	/AA	St. Clair CO SD Raymond James	788420FS1	0	1.700%	1.329%	285,000	288,905	284,459	285,212	(754)	1,211	0.40%
Jan-09-2017	Jul-01-2019	Aa3/AA	Florida State Board of Admin Wells Fargo	341271AA2	34	2.163%	1.850%	6,255,000	6,302,163	6,233,733	6,269,935	(36,202)	22,549	8.89%
Jan-16-2018	Dec-01-2019	Aa2/AA	Columbus OH City School Hilltop Securities	1995072R4	24	2.286%	2.075%	2,900,000	2,911,165	2,875,031	2,907,039	(32,008)	16,574	4.12%
Jan-16-2018	Feb-01-2020	Aaa/AAA	Georgia St GO Hilltop Securities	373384K88	20	2.750%	2.050%	2,090,000	2,119,093	2,090,439	2,109,201	(18,762)	4,790	2.97%
Feb-01-2018	Apr-01-2020	Aaa/AAA	Texas ST Trans Comm Cantor Fitzgerald	882722VG3	4	3.373%	2.300%	400,000	409,012	403,308	406,412	(3,104)	5,622	0.57%
Jun-07-2018	Jun-01-2020	Aa2/	Tulsa Cnty OK ISD Wells Fargo	899593LZ8	37	3.000%	2.759%	3,050,000	3,064,061	3,052,745	3,062,010	(9,265)	26,796	4.33%
May-17-2018	Jul-01-2020	Aa3/AA	Florida State Hur. Catastrophe Wells Fargo	34074GDH4	93	2.995%	2.900%	7,285,000	7,298,987	7,280,629	7,296,566	(15,937)	36,364	10.35%
TOTAL MUNICIPAL OBLIGATIONS					220	2.197%	2.026%	33,465,000	33,583,457	33,410,367	33,536,037	(125,669)	163,293	47.55%
Jan-15-2015	Jan-04-2019	Aaa/AA+	FHLB Raymond James	3130A0G87	96	1.670%	1.171%	3,450,000	3,518,437	3,443,278	3,454,850	(11,572)	9,603	4.90%
TOTAL AGENCY OBLIGATIONS					96	1.670%	1.171%	3,450,000	3,518,437	3,443,278	3,454,850	(11,572)	9,603	4.90%
Sep-30-2018	Sep-30-2018	FDIC/Col	DEPOSITORY JPMorgan-Chase		1	0.690%	0.690%	217,192	217,192	217,192	217,192	0	0	0.31%
TOTAL DEPOSITORY (Collateralized)					1	0.690%	0.690%	217,192	217,192	217,192	217,192	0	0	0.31%
Sep-30-2018	Sep-30-2018	AAAm	POOL TexPool		28	1.995%	1.995%	16,143,664	16,143,664	16,143,664	16,143,664	0	0	22.94%
TOTAL REPO AGREEMENTS (Collateralized)					28	1.995%	1.995%	16,143,664	16,143,664	16,143,664	16,143,664	0	0	22.94%

TOTAL INVESTMENTS 1.925% 70,375,856 70,314,698 70,056,613 70,278,601 (221,988) 261,437 100.00%

This Month's Yield Calculated on Weighted Average of Total Portfolio 2.044%

Year to Date Average Monthly Yield through September 30, 2018 1.698%

275 Day T-Bill Dated As of September 30, 2018 Jul-2019 2.528%

Portfolio Weighted Average Maturity (WAM) in Days 275

Portfolio Market to Book Value Percentage Gain/Loss -0.32%

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

Sherrill Evans-Jones

Director of Finance

ALL INSTRUMENTS ARE HELD TO MATURITY