



**FARMERS
BRANCH**

MEMORANDUM

FINANCE

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

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

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

DATE: April 17, 2008

SUBJECT: Quarterly Financial Report- March 2008

Attached are the March 2008 Revenue and Expenditure reports. Revenues for this report include a column entitled "Expected as % of Budget Year-to-Date." This column, used only 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 March 2008.

CSC/sp

attachments

**GENERAL FUND
STATEMENT OF REVENUE
March 2008
(UNAUDITED)**

	ADOPTED BUDGET 2007-08	ACTUAL REVENUES Y-T-D 03/31/08	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	\$17,100,000	\$16,471,106	96.32%	97.00%	99.30%
PROPERTY - PRIOR YEAR	75,000	29,114	38.82%		
SALES & USE TAXES	12,800,000	6,010,792	46.96%	50.00%	93.92%
MIXED BEVERAGE	60,000	28,620	47.70%		
BINGO	200	0	0.00%		
FRANCHISE FEES	4,763,000	2,231,619	46.85%	52.00%	90.10%
PENALTIES & INTEREST	115,000	78,266	68.06%		
<i>SUB-TOTAL</i>	<u>\$34,913,200</u>	<u>\$24,849,517</u>	<u>71.18%</u>	<u>73.00%</u>	<u>97.50%</u>
<u>LICENSES & PERMITS</u>					
HEALTH	\$25,000	\$11,500	46.00%		
BUILDING	513,000	320,276	62.43%	42.00%	148.65%
PLUMBING	62,000	41,711	67.28%		
ELECTRICAL	82,000	42,237	51.51%		
HVAC	43,000	32,539	75.67%		
MULTI-FAMILY INSPECTION	32,000	22,510	70.34%		
<i>SUB-TOTAL</i>	<u>\$757,000</u>	<u>\$470,773</u>	<u>62.19%</u>	<u>45.00%</u>	<u>138.20%</u>
<u>CHARGES FOR SERVICES</u>					
ZONING	\$20,500	\$5,565	27.15%		
PRINTING & DUPLICATING	18,500	7,290	39.41%		
POLICE SERVICES	105,000	27,496	26.19%		
AMBULANCE & 911 SERVICES	1,155,000	602,873	52.20%	48.00%	108.74%
REFUSE SERVICES	2,800,000	1,006,218	35.94%	42.00%	85.56%
HEALTH & INSPECTION FEE	22,000	14,887	67.67%		
ANIMAL CONTROL & SHELTER	18,200	10,050	55.22%		
SWIMMING POOL FEES	40,000	1	0.00%		
SENIOR CENTER FEES	53,000	17,800	33.58%		
PARKS & REC CONCESSIONS	155,000	79,877	51.53%		
BUILDING USE FEES	565,300	220,749	39.05%	50.00%	78.10%
<i>SUB-TOTAL</i>	<u>\$4,952,500</u>	<u>\$1,992,806</u>	<u>40.24%</u>	<u>45.00%</u>	<u>89.42%</u>
<u>FINES, FORFEITS & ASSESSMENTS</u>					
COURT	\$2,541,000	\$1,085,462	42.72%	49.00%	87.18%
LIBRARY	82,000	38,178	46.56%		
<i>SUB-TOTAL</i>	<u>\$2,623,000</u>	<u>\$1,123,640</u>	<u>42.84%</u>	<u>49.00%</u>	<u>87.42%</u>

**GENERAL FUND
STATEMENT OF REVENUE
March 2008
(UNAUDITED)**

	ADOPTED BUDGET 2007-08	ACTUAL REVENUES Y-T-D 03/31/08	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	\$800,000	\$293,025	36.63%	50.00%	73.26%
RENTS	326,000	183,887	56.41%	50.00%	112.81%
SUB-TOTAL	\$1,126,000	\$476,912	42.35%	50.00%	84.71%
<u>MISCELLANEOUS</u>					
MISCELLANEOUS	\$118,000	\$143,931	121.98%		
RECYCLING	20,000	10,990	54.95%		
INSURANCE RECOVERY	21,500	1,661	7.73%		
SUB-TOTAL	\$159,500	\$156,582	98.17%	50.00%	196.34%
GRAND TOTAL	\$44,531,200	\$29,070,230	65.28%	68.00%	96.00%

**PUBLIC UTILITY FUND
STATEMENT OF REVENUE
March 2008
(UNAUDITED)**

	ADOPTED BUDGET 2007-08	ACTUAL REVENUES Y-T-D 03/31/08	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	\$220,000	\$65,968	29.99%	50.00%	59.97%
<i>SUB-TOTAL</i>	<u>\$220,000</u>	<u>\$65,968</u>	<u>29.99%</u>	<u>50.00%</u>	<u>59.97%</u>
<u>MISCELLANEOUS</u>					
RECONNECTS/SVC CHARGE	\$28,000	\$11,560	41.29%		
LATE FEES	60,000	34,096	56.83%		
MISCELLANEOUS	2,800	1,280	45.71%		
<i>SUB-TOTAL</i>	<u>\$90,800</u>	<u>\$46,936</u>	<u>51.69%</u>	<u>50.00%</u>	<u>103.38%</u>
<u>WATER/SEWER SALES</u>					
WATER SALES	\$9,461,200	\$4,009,329	42.38%	45.00%	94.17%
SEWER SERVICE	3,490,400	1,744,934	49.99%	48.00%	104.15%
ADDISON SEWER	18,000	8,954	49.74%		
BACKFLOW PROGRAM	25,000	15,590	62.36%		
TAPPING FEES	2,000	375	18.75%		
<i>SUB-TOTAL</i>	<u>\$12,996,600</u>	<u>\$5,779,182</u>	<u>44.47%</u>	<u>46.00%</u>	<u>96.67%</u>
GRAND TOTAL	<u><u>\$13,307,400</u></u>	<u><u>\$5,892,086</u></u>	<u><u>44.28%</u></u>	<u><u>46.00%</u></u>	<u><u>96.25%</u></u>

**HOTEL/MOTEL FUND
STATEMENT OF REVENUE
March 2008
(UNAUDITED)**

	ADOPTED BUDGET 2007-08	ACTUAL REVENUES Y-T-D 03/31/08	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	\$2,300,000	\$1,192,287	51.84%	49.00%	105.79%
<i>SUB-TOTAL</i>	<u>\$2,300,000</u>	<u>\$1,192,287</u>	<u>51.84%</u>	<u>49.00%</u>	<u>105.79%</u>
<u>INTEREST/RENTS/CONTRIBUTIONS</u>					
INTEREST	\$126,500	\$60,843	48.10%		
<i>SUB-TOTAL</i>	<u>\$126,500</u>	<u>\$60,843</u>	<u>48.10%</u>	<u>50.00%</u>	<u>96.19%</u>
<u>SPECIAL REVENUES</u>					
MISCELLANEOUS	\$24,300	\$9,766	40.19%		
<i>SUB-TOTAL</i>	<u>\$24,300</u>	<u>\$9,766</u>	<u>40.19%</u>	<u>50.00%</u>	<u>80.38%</u>
GRAND TOTAL	<u><u>\$2,450,800</u></u>	<u><u>\$1,262,896</u></u>	<u><u>51.53%</u></u>	<u><u>49.00%</u></u>	<u><u>105.16%</u></u>

**GENERAL FUND
STATEMENT OF EXPENDITURES
March 2008
(UNAUDITED)**

DIVISION	ADOPTED BUDGET 2007-08	ACTUAL EXPENDITURES AND ENCUMBRANCES 03/31/08	ACTUAL AS % OF BUDGET (Y-T-D)
GENERAL GOVERNMENT	\$111,200	\$55,123	49.57%
GENERAL CONTRACTS	192,000	192,000	100.00%
ADMINISTRATION	992,100	563,247	56.77%
LEGAL	770,400	344,701	44.74%
NON-DEPARTMENTAL	(1,121,400)	(861,851)	76.85%
COMMUNICATIONS	462,900	261,193	56.43%
ECONOMIC DEVELOPMENT	417,000	168,670	40.45%
HUMAN RESOURCES	801,300	356,071	44.44%
FINANCE ADMINISTRATION	599,000	368,823	61.57%
ACCOUNTING	491,400	254,605	51.81%
INFORMATION SERVICES	1,207,400	696,591	57.69%
PURCHASING	152,400	76,543	50.23%
COMMUNITY SERVICES ADMIN.	772,000	333,614	43.21%
BUILDING INSPECTION	1,085,700	546,701	50.35%
ENVIRONMENTAL HEALTH	783,800	342,027	43.64%
ENGINEERING	1,412,800	711,033	50.33%
TRAFFIC	1,031,800	396,453	38.42%
PUBLIC WORKS ADMINISTRATION	428,900	209,628	48.88%
SOLID WASTE COLLECTION	2,174,300	1,172,915	53.94%
STREET MAINTENANCE	2,840,900	1,045,826	36.81%
POLICE ADMINISTRATION	482,000	242,533	50.32%
POLICE INVESTIGATIONS	1,504,700	748,387	49.74%
POLICE PATROL	6,486,800	3,219,863	49.64%
POLICE COMMUNICATIONS	1,893,100	986,172	52.09%
MUNICIPAL COURT	585,000	270,053	46.16%
FIRE ADMINISTRATION	874,500	483,026	55.23%
FIRE PREVENTION	437,500	221,828	50.70%
FIRE OPERATIONS	7,356,000	3,641,132	49.50%
BUILDING MAINTENANCE	1,057,300	648,313	61.32%
PARKS & RECREATION ADMIN.	564,500	282,594	50.06%
PARK MAINTENANCE	4,150,800	1,932,972	46.57%
RECREATION	1,673,000	759,264	45.38%
SWIMMING POOL	208,200	39,887	19.16%
SENIOR CENTER	534,600	251,790	47.10%
PARK BOARD	10,600	4,870	45.94%
SENIOR ADVISORY BOARD	9,400	3,730	39.68%
CHRISTMAS	149,600	67,329	45.01%
LIBRARY	1,910,100	920,554	48.19%
GRAND TOTAL	<u>\$45,493,600</u>	<u>\$21,958,210</u>	<u>48.27%</u>

PUBLIC UTILITY FUND
STATEMENT OF EXPENDITURES
 March 2008
 (UNAUDITED)

DIVISION	ADOPTED BUDGET 2007-08	ACTUAL EXPENDITURES AND ENCUMBRANCES 03/31/08	ACTUAL AS % OF BUDGET (Y-T-D)
ADMINISTRATION	\$2,734,000	\$1,276,980	46.71%
OPERATIONS	<u>11,427,000</u>	<u>4,963,437</u>	<u>43.44%</u>
GRAND TOTAL	<u><u>\$14,161,000</u></u>	<u><u>\$6,240,417</u></u>	<u><u>44.07%</u></u>

HOTEL/MOTEL FUND
STATEMENT OF EXPENDITURES
March 2008
(UNAUDITED)

DIVISION	ADOPTED BUDGET 2007-08	ACTUAL EXPENDITURES AND ENCUMBRANCES 03/31/08	ACTUAL AS % OF BUDGET (Y-T-D)
HISTORICAL PRESERVATION	\$788,400	\$375,089	47.58%
PROMOTION OF TOURISM	1,137,200	642,399	56.49%
CONVENTION CENTER	<u>526,800</u>	<u>242,457</u>	<u>46.02%</u>
GRAND TOTAL	<u><u>\$2,452,400</u></u>	<u><u>\$1,259,945</u></u>	<u><u>51.38%</u></u>

Pooled Cash and Investments
Including Premiums/(Discounts)

March, 2008 (unaudited)



**FARMERS
BRANCH**

Cash and Investments

<u>Fund No.</u>	<u>Fund Name</u>	<u>Mar-28-2007</u>	<u>Oct-01-2007</u>	<u>Mar-29-2008</u>
General Fund:				
101	General	\$16,012,866	\$8,223,810	\$15,573,746
102	Payroll	55,734	647,409	(316,698)
103	Fixed Assets	1,561,149	1,853,204	2,122,526
Sub-Total		17,629,749	10,724,422	17,379,574
Special Revenue Fund:				
201	Hotel-Motel	2,026,033	1,932,157	2,143,853
202	Police Forfeitures	30,110	33,850	4,101
203	Special Revenue Donations	126,459	144,318	154,787
204	Dividend	0	0	0
205	Youth Scholarship	16,876	19,648	20,533
206	Grant	267,900	73	22,685
207	Building Security	158,945	169,611	167,065
208	LF Closure/Post Closure	7,139,716	7,772,583	8,318,488
209	Court Technology Fund	304,506	203,188	238,599
210	Local Law Enforcement Block Grant	0	0	0
211	Stars Center	805,666	771,684	871,673
212	Cemetery	0	0	(3,248)
213	Legal Defense	4,646	1,491	769
214	Photographic Light System	0	(2,612)	48,903
222	Police Forfeitures - Federal	190,438	286,367	203,025
233	Fixed Assets	68,142	191,189	136,444
Sub-Total		11,139,439	11,523,546	12,327,678
Capital Fund:				
301	Non-Bond Capital Improvement Programs	11,540,825	9,701,711	7,126,244
302	DART	579,699	893,605	828,436
303	Hotel/Motel Capital Improvement	156,456	153,973	159,622
304	* PID Debt Service	2,772,701	0	322,180
305	Hotel/Motel Bond	0	0	0
306	Street Improvement/Animal Shelter	0	0	7,591,311
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	37,781	0	0
326	* Sewer Interceptor Bond	0	0	0
327	* Non-Bond Utility fund	7,976,752	8,713,288	5,901,173
328	TIF District #1	1,311,565	3,855,394	3,236,031
329	TIF District #2	169,984	164,541	182,008
Sub-Total		24,545,764	23,482,513	25,347,006
Debt Service Fund:				
401	Debt Service	3,036,852	66,700	2,087,178
402	Debt Service Convention Center	238,828	83,039	250,552
403	Stars Center	(451,090)	77,200	(13,372)
Sub-Total		2,824,589	226,939	2,324,358
Enterprise Fund:				
501	Water And Sewer	1,726,766	1,011,967	3,101,585
503	Fixed Assets	907,789	154,200	368,884
Sub-Total		2,634,555	1,166,167	3,470,469
Internal Service Fund:				
601	Internal Services	(154,767)	(36,939)	(182,295)
602	Worker's Comp	860,501	989,366	1,131,388
603	Fixed Assets	221,977	77,932	149,621
Sub-Total		927,712	1,030,359	1,098,715
GRAND TOTAL		\$59,701,807	\$48,153,947	\$61,947,799

* Reported in Enterprise Fund at year-end.

**City of Farmers Branch
Portfolio Summary Report
Quarter ending 3/31/08**

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 December 31, 2007.

Beginning Book Value	\$53,467,005
Beginning Market Value	\$53,562,831
WAM ¹ at Beginning Date	216 days
Ending Book Value	\$63,263,525
Ending Market Value	\$63,650,701
Unrealized Gain/(Loss)	\$ 387,176
WAM at Ending Date	255 days
Change in Market Value	\$ 10,087,870 ²

Yield Calculated on Weighted Average of Total Portfolio's Average Daily Balance	4.118%
Fiscal Year to Date Average Monthly Yield	4.502%
277 Day T-Bill at Mar. 31, 2008	1.650%

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
March 31, 2008**

Trade Date	Maturity Date	Type/ Broker Dealer	CUSIP	Weighted Average Maturity	Coupon	Yield	PAR Value	Purchase Principal	Market Value 03/31/08	Current Book Value	Unrealized Gain/(Loss)	Accrued Interest Receivable	Percent of Total Portfolio
Oct-31-2007	Jul-31-2008	TN Morgan Keegan	912828FM7	73	5.000%	4.009%	3,000,000	3,021,563	3,035,160	3,008,385	26,775	25,000	4.72%
Feb-01-2008	Nov-15-2008	TN Wells Fargo	912828ELO	92	4.380%	2.034%	2,000,000	2,036,250	2,035,940	2,030,208	5,732	31,250	3.15%
TOTAL U.S. TREASURY OBLIGATIONS				165	4.752%	3.219%	5,000,000	5,057,813	5,071,100	5,038,594	32,506	56,250	7.87%
Feb-02-2007	Apr-07-2008	FHLB Deutsche Bank	3133XBEE1	1	4.430%	5.201%	4,500,000	4,460,445	4,501,395	4,498,587	2,808	83,063	7.08%
Jan-11-2007	May-16-2008	FHLB BOSC/Bank of Tx	3133XBSD8	4	4.250%	5.150%	4,500,000	4,447,665	4,508,460	4,495,094	13,366	63,750	7.08%
Jan-04-2007	Jun-02-2008	FHLMC BOSC/Bank of Tx	3128X4BD2	7	4.350%	5.005%	6,900,000	6,838,863	6,920,148	6,891,009	29,139	75,038	10.86%
Jul-21-2006	Jul-01-2008	FHLB Morgan Keegan	3133XG3T9	8	5.530%	5.364%	5,300,000	5,315,847	5,338,107	5,302,311	35,796	48,848	8.34%
Nov-26-2007	Aug-25-2008	FMCDN BOSC/Bank of Tx	313396D42	4	0.000%	4.155%	1,800,000	1,745,532	1,785,060	1,772,766	12,294	0	2.83%
May-17-2007	Sep-02-2008	FNMA BOSC/Bank of Tx	31359MSY0	11	4.000%	5.151%	4,250,000	4,189,353	4,275,245	4,229,152	46,093	0	6.69%
Sep-29-2006	Sep-12-2008	FHLB JP Morgan	3133XEZP7	9	5.000%	4.968%	3,250,000	3,251,820	3,285,555	3,250,417	35,138	0	5.11%
Nov-05-2003	Oct-15-2008	FHLMC-PID Resv JP Morgan	3134A2UJ5	2	5.125%	3.585%	600,000	641,526	608,814	604,575	4,239	12,813	0.94%
Oct-31-2007	Oct-21-2008	FHLB Morgan Keegan	3133XDJT9	19	4.750%	4.388%	5,300,000	5,317,956	5,364,607	5,309,726	54,881	108,892	8.34%
Feb-14-2008	Dec-17-2008	FHLB-Disc Wells Fargo	313384T66	25	0.000%	2.426%	5,600,000	5,487,774	5,519,360	5,504,608	14,752	0	8.81%
Aug-03-2007	Dec-26-2008	FHLB Morgan Keegan	31339XKW3	5	3.000%	4.950%	1,000,000	973,950	1,004,380	986,161	18,219	7,500	1.57%
Mar-11-2004	Feb-15-2009	FAMCA Paine Weber	31315PUJ4	12	3.375%	3.002%	2,250,000	2,288,138	2,267,010	2,256,787	10,223	6,328	3.54%
Oct-03-2007	Sep-11-2009	FHLB Morgan Stanley	3133XCTF0	18	4.380%	4.478%	1,900,000	1,896,352	1,956,411	1,897,224	59,187	0	2.99%
Feb-01-2008	Dec-18-2009	FHLB-CALL 12/18/08 Deutsche Bank	3133XNSD2	117	4.250%	2.628%	10,750,000	10,900,500	10,907,918	10,883,398	24,520	124,118	16.92%
Nov-03-2004	May-15-2029	FNMA Wells Fargo	31359YBH9	22	0.000%	5.620%	470,000	120,658	162,799	168,782	(5,983)	0	0.74%
TOTAL AGENCY OBLIGATIONS				264	3.846%	4.200%	58,370,000	57,876,380	58,405,268	58,050,599	354,670	530,349	91.86%
Mar-31-2008	Mar-31-2008	Repo/Merrill-Flexicash		1	2.470%	2.470%	174,333	174,333	174,333	174,333	0	0	0.27%
TOTAL REPO AGREEMENTS (Collateralized)				1	2.470%	2.470%	174,333	174,333	174,333	174,333	0	0	0.27%

TOTAL INVESTMENTS **3.913%** **63,544,333** **63,108,525** **63,650,701** **63,263,525** **387,176** **586,599** **100.00%**

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

4.118%

Year to Date Average Monthly Yield through

March 31, 2008

4.502%

277 Day T-Bill Dated

As of

March 31, 2008

Dec-2008

1.650%

Portfolio Weighted Average Maturity (WAM) in Days

255

Portfolio Market to Book Value Percentage Gain/Loss

0.61%

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,

FNND = 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