



TO: Mayor and Councilmembers
FROM: John Moran, City Manager
DATE: March 8, 2011
SUBJECT: CONSENT AGENDA - City Financial Reports

(II - B)

MEMO

To: John Moran, City Manager
From: Daphne Hamlin, City Accountant
Date: February 2011
Subject: January 2011 Budget Report

Monthly budget report will focus on the analysis of budgetary variances of the revenues and expenditures of each of the major operating funds and project the impact on available fund balance. As a benchmark for comparison, we'll bear in mind that as of the end of January, 4/12 months or 33.33% of the fiscal year.

Prior year comparisons can assist in budgetary analysis and are also included.

Presented in this format are: 1) an executive summary describing variance analysis and any other current budget issues, 2) budgetary comparison schedules of each major operating fund of the city, and 3) a fiscal year to date activity summary for cash and investments.

Executive Summary

The major operating funds that are part of the annual operating budget of the city are the general, interest & sinking, water & wastewater, refuse, and electric funds.

General Fund

In total, revenues in the general fund are 42.55% collected. Major reason for increase is due to property tax collected.

Sales Tax revenues are currently at 34.72%. For the same month last year, sales taxes were 27.24%. Sales tax revenues for current fiscal year was projected to be less than previous budget year.

Property taxes collected are currently at 67.59%. For the same month last year, property taxes were 68.12% collected. Bear in mind that property taxes are not due until January 31, 2011.

Franchise Fees revenues are currently at 39.34%. Reason for increase is due to one-time payment in the amount of \$27,173.80 for Gas Franchise. Currently, City of Farmersville plans to submit RFP for refuse service which will include a franchise fee.

Licenses/Permits revenues are currently at 15.02% this year as compared to 14.84% for the same month last year.

Municipal Court fines are currently at 19.77% this year as compared to 23.98% for the same month last year.

Fire run payments are currently @ 27.89%. Fire run payments are received quarterly from Collin County. Also, included is the Revenue Rescue Program.

Overall the general fund expenditures are at 31.88%

City council expenditures are currently at 67.05%. Due to substantial increase is one-time payment for Property/Liability Insurance due beginning of new budget year.

In All General Fund Departments Expenditures are within budget

Debt service (capital lease payments) is at 87.40% due to an annual lease payment (\$56,822) for quint fire truck.

Interest & Sinking Fund

The Interest & Sinking fund (I&S) is supported by the I&S portion of the property tax levy. I&S Account is currently showing 67.79% collected this year versus 66.85 % collected for the same period last year.

Total expenditures in the I&S account are for bond payments due on a biannual basis. Bond payments are allocated between the I&S fund and the water and wastewater fund. First bond payment for this budget year is due February 2011, second bond payment due August 2011

Refuse Fund

Sanitation services are provided under contract by IESI. Total revenues are 33.16% and total expenses are 28.51%.

Water & Wastewater Fund

Total revenues are 28.15% with water at 27.08/% and wastewater at 30.53%.

Water expenses are at 29.88% and wastewater is at 19.75%. Please note that Utility Clerk, City Manager and Public Works personnel have been moved from the General fund to Water Wastewater Fund to properly track expenses. Overall Water & Waste Water Expenses are at 26.11%

Electric Fund

Total revenues are 25.65%; 1st quarterly management payment was received in the amount of \$132,888.

The expenses are at 33.32% and include budgeted transfers to general fund (\$505,700 annual, or \$42,125 per month transfer).

Cash Summary

Cash is managed in accordance with the City's adopted Investment Policy. To minimize risk and earn interest, available cash is invested in local government investment pools and CD's. When needed for disbursement funds are transferred to the City's bank account from our investment pools.

MONTHLY BUDGET REPORT
 JANUARY 2011 (4/12 MONTHS OR 33.33% OF FISCAL YEAR)
 GENERAL FUND

	PRIOR FISCAL YEAR						CURRENT FISCAL YEAR					
	FINAL BUDGET	CURRENT MONTH	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET	CURRENT BUDGET	CURRENT MONTH	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
REVENUE												
PROPERTY TAX	683,184	230,786	465,397	-	217,787	68.12%	694,013	250,602	469,109	-	224,904	67.59%
SALES TAX	262,300	15,836	71,440	-	190,860	27.24%	254,299	20,705	88,296	-	166,003	34.72%
FRANCHISE FEES	53,200	4,197	48,495	-	4,705	91.16%	79,945	1,200	31,449	-	48,496	39.34%
LICENSES/ PERMITS	57,752	880	8,569	-	49,183	14.84%	35,189	1,192	5,284	-	29,905	15.02%
MUNICIPAL CT FINES	131,794	8,752	31,604	-	100,190	23.98%	128,954	3,340	25,495	-	103,459	19.77%
48 SUPPORT/ REIMB	90,213	5,179	37,898	-	52,315	42.01%	43,772	-	19,321	-	24,451	44.14%
FIRE RUN PAYMENTS	125,468	2,198	25,143	-	100,325	20.04%	116,210	936	32,414	-	83,796	27.89%
KCS RAILWAY MOWING	18,900	-	6,300	-	12,600	33.33%	12,600	-	-	-	12,600	0.00%
LEASES/ RENTALS	34,873	3,689	14,219	-	20,654	40.77%	38,800	1,564	12,712	-	26,088	32.76%
MISCELLANEOUS INCOME	64,793	409	8,839	-	55,954	13.64%	76,040	8,623	20,066	-	55,974	26.39%
INTEREST	20,000	46	302	-	19,698	1.51%	10,353	163	705	-	9,648	6.81%
TRANSFERS IN	813,921	67,452	269,813	-	544,108	33.15%	767,869	63,988	255,956	-	511,913	33.33%
TOTAL REVENUE	2,356,398	339,424	988,019	-	1,368,379	41.93%	2,258,044	352,313	960,807	-	1,297,237	42.55%
EXPENDITURES (BY DEPARTMENT)												
CITY COUNCIL	10,140	243	5,317	-	4,823	52.44%	8,740	100	5,860	-	2,880	67.05%
ADMINISTRATION	607,022	55,915	224,907	2,531	379,584	37.05%	589,337	34,088	186,481	80	402,776	31.64%
MUNICIPAL COURT	107,116	10,349	47,008	702	59,406	43.89%	90,720	6,596	32,433	-	58,287	35.75%
LIBRARY/ CIVIC CENTER	155,751	9,842	48,978	-	106,773	31.45%	126,392	8,612	37,077	2,555	86,760	29.33%
POLICE	653,775	36,814	176,532	280	476,963	27.00%	718,770	57,442	241,902	1,010	475,858	33.65%
FIRE	124,107	14,347	121,782	8,318	(5,993)	98.13%	131,150	4,648	23,931	812	106,407	18.25%
STREET	604,490	35,518	187,314	311	416,865	30.99%	524,542	32,002	132,445	1,400	390,697	25.25%
DEBT SERVICE (LEASES)	85,425	1,475	62,724	-	22,701	73.43%	68,393	-	59,774	-	8,619	87.40%
TRANSFERS OUT	-	-	-	-	-	0.00%	-	-	-	-	-	0.00%
TOTAL EXPENDITURES	2,347,826	164,503	874,562	12,142	1,461,122	37.25%	2,258,044	143,488	719,903	5,857	1,532,284	31.88%
NET REVENUES OVER (UNDER)												
EXPENDITURES	8,572	174,921	113,457	(12,142)	(92,753)		-	208,825	240,904	(5,859)	(235,046)	

MONTHLY BUDGET REPORT
 JANUARY 2011 (4/12 MONTHS OR 33.33% OF FISCAL YEAR)
 INTEREST & SINKING FUND

	PRIOR FISCAL YEAR					CURRENT FISCAL YEAR				
	FINAL BUDGET	CURRENT MONTH	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET	CURRENT BUDGET	CURRENT MONTH	Y-T-D ACTUAL	BUDGET BALANCE	% OF BUDGET
REVENUE										
PROPERTY TAX	233,240	78,153	157,694	75,546	67.61%	239,740	86,923	162,625	77,115	67.83%
INTEREST	3,000	57	232	2,768	7.73%	500	72	233	267	46.60%
TRANSFERS IN	-	-	-	-	0.00%	-	-	-	-	0.00%
TOTAL REVENUE	236,240	78,210	157,926	78,314	66.85%	240,240	86,995	162,858	77,382	67.79%
EXPENDITURES (BY DEPARTMENT)										
DEBT SERVICE PRINCIPAL	113,339	-	-	113,339	0.00%	123,340	-	-	123,340	0.00%
DEBT SERVICE INTEREST	116,075	-	-	116,075	0.00%	110,413	-	-	110,413	0.00%
PAYING AGENT FEES	1,000	-	-	1,000	0.00%	1,000	-	-	1,000	0.00%
TOTAL EXPENDITURES	230,414	-	-	230,414		234,753	-	-	234,753	0.00%
NET REVENUES OVER (UNDER) EXPENDITURES	5,826	78,210	157,926			5,487	86,995	162,858		

MONTHLY BUDGET REPORT
 JANUARY 2011 (4/12 MONTHS OR 33.33% OF FISCAL YEAR)
 REFUSE UTILITY FUND

	PRIOR FISCAL YEAR					CURRENT FISCAL YEAR						
	FINAL BUDGET	CURRENT MONTH	Y-T-D	ACTUAL	BUDGET BALANCE	% OF BUDGET	CURRENT BUDGET	CURRENT MONTH	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
REVENUE												
RESIDENTIAL COLLECTION	217,956	17,846	71,935	146,021	33.00%	219,016	18,441	73,725	-	145,291	33.66%	
COMMERCIAL COLLECTION	165,027	13,549	54,540	110,487	33.05%	165,855	13,447	53,842	-	112,013	32.46%	
BRUSH COLLECTION	4,000	230	1,330	2,670	33.25%	4,000	-	1,320	-	2,680	33.00%	
PENALTIES	7,000	497	2,157	4,843	30.81%	7,000	1,313	2,861	-	4,139	40.87%	
RECYCLING	4,644	451	1,659	2,985	35.72%	5,220	404	1,238	-	3,982	23.72%	
INTEREST	1,200	13	57	1,143	4.75%	125	10	45	-	80	36.00%	
TOTAL REVENUE	399,827	32,586	131,678	268,149	32.93%	401,216	33,615	133,031	-	268,185	33.16%	
EXPENSES												
PERSONNEL	-	-	-	-	-	-	-	-	-	-	0.00%	
PROFESSIONAL SERVICES	4,055	338	1,351	2,704	33.32%	4,055	338	1,351	-	2,704	33.32%	
MAINTENANCE	-	-	-	-	0.00%	-	-	-	-	-	0.00%	
OPERATING EXPENSES	306,000	2,495	79,809	226,191	26.08%	313,166	24,793	85,026	-	228,140	27.15%	
SUPPLIES	-	-	-	-	0.00%	-	-	-	-	-	0.00%	
MISCELLANEOUS	-	-	-	-	-	-	-	-	-	-	0.00%	
CAPITAL OUTLAY	-	-	-	-	0.00%	-	-	-	-	-	0.00%	
TRANSFERS OUT	89,772	7,481	29,924	59,848	33.33%	83,995	6,999	27,998	-	55,997	33.33%	
TOTAL EXPENDITURES	399,827	10,314	111,084	288,743	27.78%	401,216	32,130	114,375	-	286,841	28.51%	
NET REVENUES OVER (UNDER) EXPENSES	-	22,272	20,594			-	1,485	18,656				

MONTHLY BUDGET REPORT
 JANUARY 2011 (4/12 MONTHS OR 33.33% OF FISCAL YEAR)
 WATER & WASTEWATER UTILITY FUND

	PRIOR FISCAL YEAR					CURRENT FISCAL YEAR						
	FINAL BUDGET	CURRENT MONTH	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET	CURRENT BUDGET	CURRENT MONTH	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
REVENUE												
WATER REVENUE												
CC CONV FEE							1,400	120	390		1,010	27.86%
IMPACT FEES									2,100	(2,100)		
WATER SALES	684,272	53,785	218,772	-	465,500	31.97%	799,348	53,174	210,338	-	589,010	26.31%
CONNECTION FEE	3,666	125	1,127	-	2,539	30.74%	2,999	175	1,102	-	1,897	36.75%
PENALTIES & RECONNECT FEES	13,692	680	3,331	-	10,361	24.33%	8,397	1,734	4,617	-	3,780	54.98%
TAP FEES			600	-	(600)	0.00%			1,200	-	(1,200)	0.00%
OTHER INCOME								27	173	-	(173)	0.00%
TOTAL WATER REVENUE	701,630	54,590	223,830	-	477,800	31.90%	812,144	55,230	219,920	-	592,224	27.08%
WASTEWATER REVENUE												
SEWER	352,384	28,377	114,042	-	238,342	32.36%	351,000	26,223	106,017	-	244,983	30.20%
TAP FEES			600	-	(600)	0.00%			600	-	(600)	0.00%
PENALTIES	8,335	639	2,629	-	5,706	31.54%	7,861	1,259	2,947	-	4,914	37.49%
IMPACT FEES												0.00%
TOTAL WASTEWATER REVENUE	360,719	29,016	117,271	-	243,448	32.51%	358,861	27,482	109,564	-	249,297	30.53%
OTHER INCOME			27	-	(27)							0.00%
INTEREST	10,000	1,030	677	-	9,323	6.77%	2,000	162	729	-	1,271	36.45%
TRANSFERS IN												0.00%
TOTAL ALL REVENUES	1,072,349	84,636	341,805	-	730,544	31.87%	1,173,005	82,874	330,213	-	842,792	28.15%
EXPENSES												
ADMINISTRATION EXPENSES												
PERSONNEL							114,612	5,062	19,184		95,428	16.74%
PROFESSIONAL SERVICES							5,000	8,480	11,011		(6,011)	220.22%
MAINTENANCE							2,040	2,725	4,250		(2,210)	208.33%
OPERATING EXPENSES							16,000	2,114	5,243		10,757	32.77%
SUPPLIES							1,250				1,250	0.00%
MISCELLANEOUS							1,500	72	820		680	54.67%
WATER EXPENSES												
PERSONNEL	140,612	9,778	30,744	-	109,868	21.86%	92,070	7,871	35,772	-	56,298	38.85%
PROFESSIONAL SERVICES	16,655	1,387	5,865	-	10,790	35.21%	22,655	11,370	31,913	-	(9,258)	140.87%
MAINTENANCE	57,000	3,160	23,090	1,127	32,783	40.51%	93,000	5,465	16,308	23	76,669	17.54%
OPERATING EXPENSES	29,800	1,541	7,626	-	22,174	25.59%	31,200	2,342	6,573	-	24,627	21.07%
SUPPLIES	371,995	29,293	121,497	-	250,498	32.66%	395,894	32,069	109,401	-	286,493	27.63%
MISCELLANEOUS	9,400		6,465	-	2,935	68.78%	9,400	470	5,070	-	4,330	53.94%
CAPITAL OUTLAY	15,000			-	15,000	0.00%	15,000			-	15,000	0.00%
TRANSFERS OUT	123,442	10,286	41,147	-	82,295	33.33%	177,264	11,588	46,354	-	130,910	26.15%
TOTAL WATER EXPENSES	763,904	55,445	236,434	1,127	526,343	30.95%	976,885	89,628	291,899	23	684,963	29.88%
WASTEWATER EXPENSES												
PERSONNEL							108,075	4,799	23,705	-	84,370	21.93%
PROFESSIONAL SERVICES			610	-	(610)	0.00%	30,000	715	715	-	29,285	0.00%
MAINTENANCE	210,000	15,758	102,282	55	107,663	48.71%	258,395	17,150	82,768	-	175,627	32.03%
OPERATING EXPENSES	12,050	635	2,377	-	9,673	19.73%	8,730	1,078	2,309	-	6,421	26.45%
SUPPLIES							750			-	750	0.00%
MISCELLANEOUS												0.00%
DEBT SERVICE	114,690			-	114,690	0.00%	116,859			-	116,859	0.00%
CAPITAL OUTLAY	10,000			-	10,000	0.00%	10,000			-	10,000	0.00%
TRANSFERS OUT	23,979	1,998	7,993	-	15,986	33.33%	46,950	1,250	5,000	-	41,950	10.65%
TOTAL WASTEWATER EXPENSES	370,719	18,391	113,262	55	257,402	30.55%	579,759	24,992	114,497	-	465,262	19.75%
TOTAL ALL EXPENSES	1,134,623	73,836	349,696	1,182	783,745	30.82%	1,556,644	114,620	406,396	23	1,150,225	26.11%
NET REVENUES OVER (UNDER) EXPENSES	(62,274)	10,800	(7,891)	(1,182)			(383,639)	(31,746)	(76,183)			

MONTHLY BUDGET REPORT
 JANUARY 2011 (4/12 MONTHS OR 33.33% OF FISCAL YEAR)
 ELECTRIC UTILITY FUND

	PRIOR FISCAL YEAR						CURRENT FISCAL YEAR					
	FINAL BUDGET	CURRENT MONTH	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET	CURRENT BUDGET	CURRENT MONTH	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
REVENUE												
MANAGEMENT AGREEMENT	596,440	134,614	134,614	-	461,826	22.57%	530,000	-	135,960	-	394,040	25.65%
INTEREST	1,500	31	128	-	1,372	8.53%	500	24	109	-	391	21.80%
TRANSFER IN	100,000	-	-	-	100,000	0.00%	-	-	-	-	-	-
TOTAL REVENUE	697,940	134,645	134,742	-	563,198	19.31%	530,500	24	136,069	-	394,431	25.65%
EXPENSES												
PERSONNEL SERVICES	-	-	-	-	-	-	35,580	1,702	6,194	-	29,386	17.41%
PROFESSIONAL SERVICES	-	712	712	-	(712)	0.00%	20,000	3,638	8,413	-	11,587	42.07%
MAINTENANCE	150,000	865	7,043	421	142,536	4.70%	25,000	1,632	5,601	153	19,246	22.40%
OPERATING EXPENSES	-	-	-	-	-	0.00%	-	-	-	-	-	0.00%
SUPPLIES	-	-	-	-	-	0.00%	-	-	-	-	-	0.00%
MISCELLANEOUS	-	-	-	-	-	0.00%	-	-	-	-	-	0.00%
CAPITAL OUTLAY	-	-	-	-	-	0.00%	-	-	-	-	-	0.00%
TRANSFERS OUT	547,940	45,661	182,646	-	365,294	33.33%	505,700	42,125	168,500	-	337,200	33.32%
TOTAL EXPENSES	697,940	47,238	190,401	421	507,118	27.28%	586,280	49,097	188,708	153	397,419	32.19%
NET REVENUES OVER (UNDER) EXPENSES	-	87,407	(55,659)				(55,780)	(49,073)	(52,639)			

**City of Farmersville
Investment Report**

January 2011

SUMMARY OF ACTIVITY
IN TEXPOOL INVESTMENT ACCOUNTS
CITY OF FARMERSVILLE
MONTH ENDING JANUARY 2011

	C/O TAX DEPOSITS	C/O REV RESERVE	CUST DEPOSITS	WATER TOWER RES.
Beginning Market Value for reporting period	107,390.72	6,604.01	107,183.07	4,475.89
FNB INTEREST				
Changes in Market Value:				
Deposits				
Withdrawals				
Interest Earned	14.48	0.93	14.47	0.62
Ending Market Value for Period	107,405.20	6,604.94	107,197.54	4,476.51

	TEXSTAR 2005 C/O	TEXSTAR 2006 C/O	GENERAL FND. RES.	REFUSE FUND RES.
Beginning Market Value for reporting period	4,107.33	660,915.29	998,502.78	75,246.84
Changes in Market Value:				
Deposits				
Withdrawals				
Interest Earned	0.57	91.88	(Cash Dividend)	(Cash Dividend)
Ending Market Value for period	4,107.90	661,007.17	998,502.78	75,246.84

	Parks Improvement	Library/Civic Center	Electric Fund Res.	Water Fund Res.
Beginning Market Value for reporting period	3,239.06		179,506.24	800,231.39
Changes to Market Value:				
Deposits				
Withdrawals				
Interest Earned	0.37		CASH DIVIDEND	107.85
Ending Market Value for period	3,239.43	-	179,506.24	800,339.24

Weighted average maturity = 45 days

The Public Funds Investment Act (Sec.2256.008) requires the City's Investment Officer to obtain 10 hrs. of continuing education each period from a source approved by the governing body. Listed below are courses Daphne Hamlin will complete to satisfy that requirement:

I hereby certify that the City of Farmersville's Investment Portfolio is in compliance with the City's investment strategy as expressed in the City's Investment Policy (Resolution 99-17, and with relevant p of the law.


Daphne Hamlin, City Investment Officer

Collateralization of Bank Deposits @ January 31, 2011

Pledged Securities	Deposit Amount	FDIC	Needed Market Value Collateral Pledged	
(1) FNB Interst & Sinking	\$ 287,511 \$	250,000 \$	37,511	
(2) FNB Operating Account	\$ 242,205 \$	250,000 \$	-	
(3) FNB Money Market	\$ 171,827 \$	250,000		
(3) Certificate of Deposit	\$ - \$	- \$	-	
(3) Certificate of Deposit	\$ - \$	- \$	-	
Total:	\$ 701,543 \$	750,000 \$	37,511	Needed Pledged per Bank

Summary of Pledge Securities:

- (1) First National Bank Interest & Sinking Account has 100% coverage thru FDIC at \$250,000
- (2) First National Bank City of Farmersville Operating Account has 100% coverage thru FDIC (unlimited) for municipalities