



FINANCIAL UPDATE

For the Period Ended December 31, 2018

Presented February 19, 2019

CITY OF FARMERS BRANCH | 2/13/2019



General Fund Results – Summary

December 2018 – Fiscal Year to Date

Revenues	YTD Est.	YTD Actual	Expenditures	YTD Est.	YTD Actual
Property Taxes	\$8,649,556	\$8,991,622	General Government	\$3,164,223	\$3,082,256
Sales & Use Taxes	3,726,947	4,107,808	Public Works	2,454,414	2,009,784
Charges for Service	1,237,004	1,200,262	Public Safety	6,577,437	6,598,169
Licenses & Permits	1,056,467	793,547	Parks & Recreation	3,258,558	2,965,612
Franchise Fees	987,494	949,522			
Fines, Forfeits & Assessments	475,529	373,343			
Interest, Contributions & Misc.	321,478	345,219			
Other Taxes	32,499	10,087			
TOTAL	\$16,486,974	\$16,771,410	TOTAL	\$15,454,632	\$14,655,821

General Fund Results – Revenue

December 2018 – Fiscal Year to Date – Budget to Actual

	YTD ESTIMATED 12/31/2018	YTD ACTUAL 12/31/2018	DIFFERENCE (Actual vs. Estimated)	ACTUAL AS % OF BUDGET (Y-T-D)	EXPECTED AS % OF BUDGET (Y-T-D)
Property Taxes	\$ 8,649,556	\$ 8,991,622	\$ 342,066	103.95%	31%
Sales & Use Taxes	3,726,947	4,107,808	380,861	110.22%	25%
Charges for Services	1,237,004	1,200,262	(36,742)	97.03%	19%
Franchise Fees	987,494	949,522	(37,972)	96.15%	23%
Licenses & Permits	1,056,467	793,547	(262,920)	75.11%	21%
Fines, Forfeits & Assessments	475,529	373,343	(102,186)	78.51%	22%
Interest, Contributions, Misc.	321,478	345,219	23,741	107.38%	27%
Other Taxes	32,499	10,087	(22,412)	31.04%	25%
	<u>\$ 16,486,974</u>	<u>\$ 16,771,410</u>	<u>\$ 284,436</u>	<u>101.73%</u>	<u>25%</u>

- **Property Taxes** are performing better than budget due to the timing of payments received.
- **Sales & Use Taxes** are performing better than budget due to positive economic outlook during the First Quarter and additional businesses in the City.
- **Licenses & Permits** is performing behind budget, partially due to a timing of construction activities (which is typically slower during the Winter season). We also note an anticipated slowing of new commercial and apartment activities. There are several apartments in the pipeline which haven't submitted applications yet.
- **Fines, Forfeits & Assessments** is behind budget due to the vacancy of the second Marshal position. Also, the average dollar disposed case has declined due to new legislation impacting municipal courts statewide.

General Fund Results – Revenue

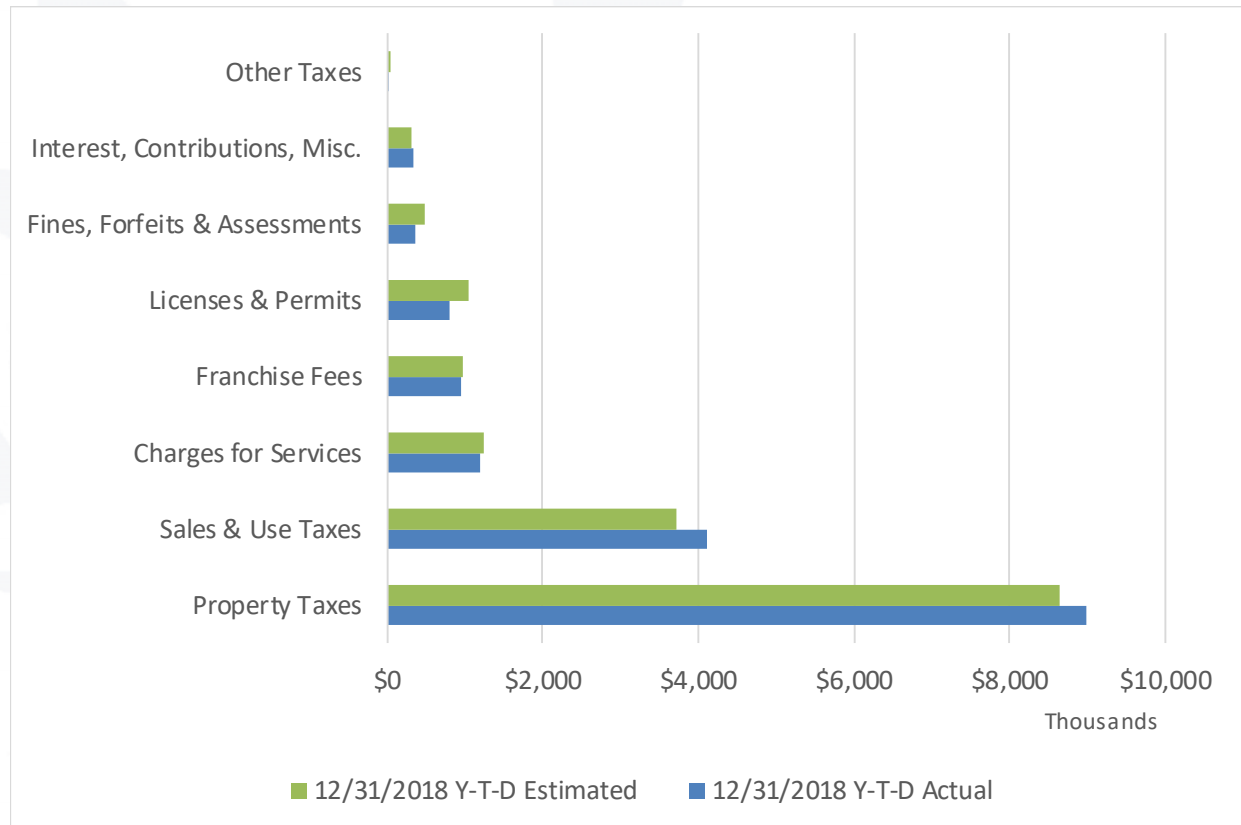
December 2018 – Fiscal Year to Date – CY Actual to PY Actual

	YTD ACTUAL 12/31/2018	YTD ACTUAL 12/31/2017	DIFFERENCE (2018 vs 2017)	ACTUAL AS % OF BUDGET (Y-T-D)
Property Taxes	\$ 8,991,622	\$ 9,201,748	\$ (210,126)	-2.34%
Sales & Use Taxes	4,107,808	3,484,937	622,871	15.16%
Charges for Services	1,200,262	1,068,261	132,001	11.00%
Franchise Fees	949,522	975,269	(25,747)	-2.71%
Licenses & Permits	793,547	1,149,695	(356,148)	-44.88%
Fines, Forfeits & Assessments	373,343	437,953	(64,610)	-17.31%
Interest, Contributions, Misc.	345,219	173,942	171,277	49.61%
Other Taxes	10,087	27,680	(17,593)	-174.41%
	<u>\$ 16,771,410</u>	<u>\$ 16,519,485</u>	<u>\$ 251,925</u>	<u>1.50%</u>

- **Property Taxes** at 12/31/18 is less than 12/31/17 because 2017 included one-time property tax payments related to ag-land.
- **Sales & Use Taxes** is performing significantly better than the same period in 2017 because of increased businesses and improved economic outlook.
- **Licenses & Permits** is performing behind the same period in 2018 due to the timing of some apartment permit and a delay in our West Side buildout.

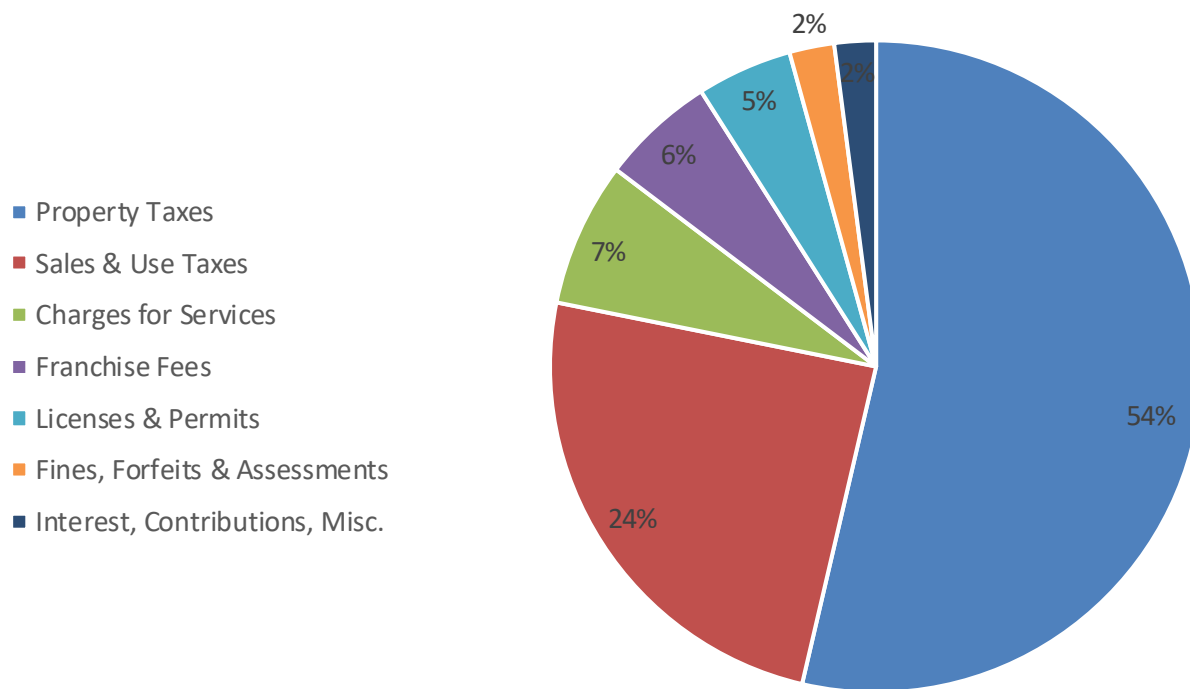
General Fund Results – Revenues

December 2018 – Fiscal Year to Date



General Fund Results – Revenues

December 2018



- Taxes continue to be the largest source of General Fund Revenue, with current Y-T-D actuals representing 54%.
- Other revenue sources are currently providing a valuable 46% of revenue to support General Fund activities.



General Fund Results – Expenditures

December 2018 – Fiscal Year to Date

	A	B	C = B/A
	Annual Budget	YTD Actual	% of Annual Budget
General Government	\$12,917,000	\$3,082,256	23.9%
Public Works	9,730,300	2,009,784	20.7%
Public Safety	26,243,600	6,598,169	25.1%
Parks	12,930,200	2,965,612	22.9%
	\$61,821,100	\$14,655,821	23.7%

General Fund Results – Expenditures

December 2018 – Detail by Department

	ADJUSTED BUDGET 2018-19	ACTUAL Y-T-D 12/31/2018	ACTUAL Y-T-D %	PROJECTED Y-T-D 12/31/2018	DIFFERENCE
General Government	\$12,633,000	\$3,082,256 	24.40%	\$3,164,223	\$81,967
General Government	\$1,698,700	\$144,309	8.50%	\$430,842	\$286,533
General Administration	1,081,000	273,571	25.31%	270,231	(3,340)
Communications	726,700	187,240	25.77%	181,659	(5,581)
Economic Development	448,300	110,308	24.61%	112,062	1,754
Human Resources	1,074,000	264,126	24.59%	268,476	4,350
Finance	2,479,500	614,541	24.78%	619,827	5,286
Information Services	2,729,300	921,718	33.77%	682,305	(239,413)
Community Services	2,395,500	566,443	23.65%	598,821	32,378
Public Works	\$9,820,100	\$2,009,784	20.47%	\$2,454,414	\$444,630
Public Works	\$4,882,500	\$1,159,228	23.74%	\$1,220,568	\$61,340
Sustainability & Public Health	4,937,600	850,556	17.23%	1,233,846	383,290
Public Safety	\$26,331,200	\$6,598,169 	25.06%	\$6,577,437	(\$20,732)
Police	\$14,350,500	\$3,448,877	24.03%	\$3,582,318	\$133,441
Fire	11,980,700	3,149,292	26.29%	2,995,119	(154,173)
Culture & Recreation	\$13,036,800	\$2,965,612	22.75%	\$3,258,558	\$292,946
Parks & Recreation	\$11,166,100	\$2,408,828	21.57%	\$2,790,897	\$382,069
Library	1,870,700	556,784	29.76%	467,661	(89,123)
TOTAL	\$61,821,100	\$14,655,821	23.71%	\$15,454,632	\$798,811

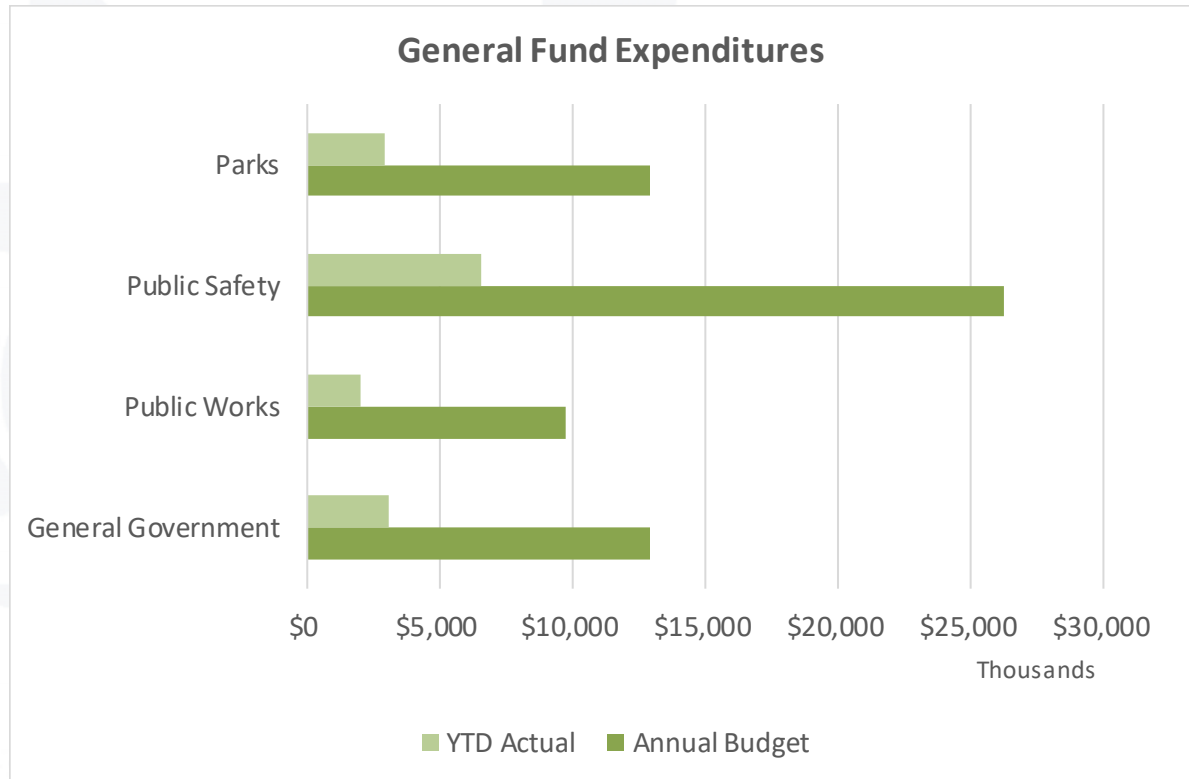
General Fund Results – Expenditures

December 2018 – Expenditure by Type

	ADJUSTED BUDGET 2018-19	% OF BUDGET	ACTUAL Y-T-D 12/31/2018
Personal Services/Benefits	\$ 35,650,800	57.67%	\$ 8,753,314
Purchased Prof & Tech Services	3,908,100	6.32%	1,050,841
Supplies	2,121,800	3.43%	398,426
Repairs & Maintenance	6,580,700	10.64%	1,936,919
Services	7,744,700	12.53%	1,307,636
Production & Disposal	41,500	0.07%	17,820
Contracts	285,000	0.46%	127,500
Events	472,300	0.76%	183,007
Other Objects	2,427,500	3.93%	233,193
Transfers	2,588,700	4.19%	647,165
Total Appropriations	<u>\$ 61,821,100</u>	<u>100.00%</u>	<u>\$ 14,655,821</u>

General Fund Results – Expenditures

December 2018 – Fiscal Year to Date



Enterprise Fund Results – Summary

December 2018 – Fiscal Year to Date

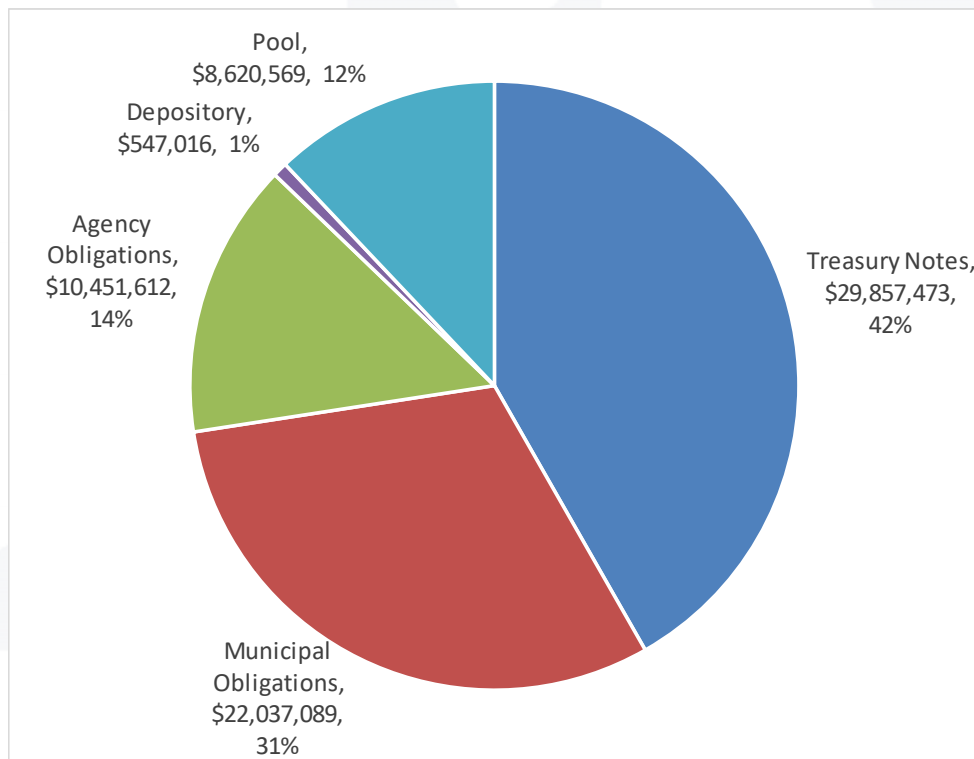
	Adjusted Budget	12/31/18 Actual	Actual As % of Budget	Expected As % of Budget	12/31/17 Actual	Difference	% Change
Revenues							
Water/Sewer Sales	\$ 23,215,100	\$ 5,518,818	23.77%	27.00%	\$ 6,065,189	\$ (546,371)	-9.01%
Stormwater Charges for Service	1,445,000	369,041	25.54%	25.00%	328,221	\$ 40,820	12.44%
Miscellaneous Fees & Interest	424,500	90,521	21.32%	25.00%	87,540	\$ 2,981	3.41%
	<u>\$ 25,084,600</u>	<u>\$ 5,978,380</u>	<u>23.83%</u>	<u>27.00%</u>	<u>\$ 6,480,950</u>	<u>\$ (502,570)</u>	<u>-7.75%</u>
Expenses							
Water/Sewer Administration	4,631,600	1,213,153	25.00%	25.00%	\$ 1,184,154	\$ 28,999	2.45%
Water/Sewer Operations	18,542,300	3,975,192	25.00%	25.00%	4,479,170	\$ (503,978)	-11.25%
Stormwater Utilities	1,449,000	688,604	25.00%	25.00%	19,473	\$ 669,131	3436.20%
	<u>24,622,900</u>	<u>5,876,949</u>	<u>25.00%</u>	<u>25.00%</u>	<u>\$ 5,682,797</u>	<u>\$ 194,152</u>	<u>3.42%</u>
Net Income/(Loss)	<u>\$ 461,700</u>	<u>\$ 101,431</u>			<u>\$ 798,153</u>	<u>\$ (696,722)</u>	

Hotel/Motel Fund Results – Summary

December 2018 – Fiscal Year to Date

	Adjusted Budget	12/31/18 Actual	Actual As % of Budget	Expected As % of Budget	12/31/17 Actual	Difference	% Change
Revenues							
Hotel/Motel Tax	\$ 3,050,000	\$ 782,063	25.64%	25.00%	\$ 2,879,478	\$ (2,097,415)	-72.84%
Special Revenues	35,000	10,941	31.26%	25.00%	44,279	(33,338)	-75.29%
Interest	60,500	17,889	29.57%	25.00%	28,338	(10,449)	-36.87%
	<u>\$ 3,145,500</u>	<u>\$ 810,893</u>	25.78%	25.00%	<u>\$ 2,952,095</u>	<u>\$ (2,141,202)</u>	-72.53%
Expenditures							
Historic Preservation	\$ 1,566,800	\$ 337,429	21.54%	25.00%	\$ 2,305,457	\$ (1,968,028)	-85.36%
Promotion of Tourism	1,431,900	552,784	38.60%	25.00%	1,132,707	(579,923)	-51.20%
Convention Center	19,000	-	0.00%	25.00%	393,558	(393,558)	-100.00%
	<u>\$ 3,017,700</u>	<u>\$ 890,213</u>	29.50%	25.00%	<u>\$ 3,831,722</u>	<u>\$ (2,941,509)</u>	-76.77%
Net Increase/(Decrease) to Fund Balance							
	<u>\$ 127,800</u>	<u>\$ (79,320)</u>			<u>\$ (879,627)</u>	<u>\$ 800,307</u>	

Investment Portfolio As of December 31, 2018



- Book Value at 12/31/18 - \$71,513,757
- Market Value at 12/31/18 - \$71,404,240
- Unrealized Loss - \$109,518
- Weighted Average Maturity at 12/31/18 – 279 Days
- Fiscal Year-to-Date Average Monthly Yield – 2.258%

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Questions?