



FINANCIAL UPDATE

For the Period Ended June 30, 2019

Presented August 12, 2019

CITY OF FARMERS BRANCH | 7/30/2019



General Fund Results – Summary

June 2019 – Fiscal Year to Date

Revenues	YTD Est.	YTD Actual
Property Taxes	\$27,665,000	\$27,074,834
Sales & Use Taxes	10,940,900	12,706,159
Charges for Service	4,766,544	4,838,519
Licenses & Permits	3,418,950	2,695,661
Franchise Fees	3,287,515	3,179,087
Fines, Forfeits & Assessments	1,618,306	1,314,875
Interest, Contributions & Misc.	921,728	947,517
Other Taxes	97,500	92,471
TOTAL	\$52,716,443	\$52,849,123

Expenditures	YTD Est.	YTD Actual
General Government	\$9,490,875	\$8,581,138
Public Works	7,365,075	7,101,681
Public Safety	19,818,600	20,152,950
Culture & Recreation	9,777,600	9,159,429
TOTAL	\$46,452,150	\$44,995,197

General Fund Results – Revenue

June 2019 – Fiscal Year to Date – Budget to Actual

	YTD ESTIMATED 6/30/2019	YTD ACTUAL 06/30/2019	DIFFERENCE (Actual vs. Estimated)	ACTUAL AS % OF YTD ESTIMATED	EXPECTED AS % OF BUDGET (YTD)
Property Taxes	\$ 27,665,000	\$ 27,074,834	\$ (590,166)	97.87%	100.00%
Sales & Use Taxes	10,940,900	12,706,159	1,765,259	116.13%	74.00%
Charges for Services	4,766,544	4,838,519	71,975	101.51%	72.00%
Franchise Fees	3,287,515	3,179,087	(108,428)	96.70%	77.00%
Licenses & Permits	3,418,950	2,695,661	(723,289)	78.84%	69.00%
Fines, Forfeits & Assessments	1,618,306	1,314,875	(303,431)	81.25%	74.00%
Interest, Contributions, Misc.	921,728	947,517	25,789	102.80%	76.00%
Penalties & Interest	97,500	92,471	(5,029)	94.84%	75.00%
	<u>\$ 52,716,443</u>	<u>\$ 52,849,123</u>	<u>\$ 132,679</u>	<u>100.25%</u>	<u>85.00%</u>

- **Property Taxes** are trending behind budget due to the timing of receipts of property taxes. Any parcels that are uncollected are submitted to our third-party attorneys for collection efforts.
- **Sales & Use Taxes** continuing the trend of performing better than budget due to positive economic outlook during the first three quarters and additional businesses in the City.
- **Licenses & Permits** is performing behind budget, partially due to a timing of construction activities. We note some owners who have been completed preliminary steps of the building process; however they have not taken next steps triggering revenue recognition of permitting fees (submitted applications). We also note an anticipated slowing of new commercial and apartment activities.
- **Fines, Forfeits & Assessments** is behind budget due to the vacancy of the second Marshal position that existed for approximately 6 months of the year; new PT Marshal was hired in March 2019. Also, the average dollar disposed case has declined due to new legislation impacting municipal courts statewide.

General Fund Results – Revenue

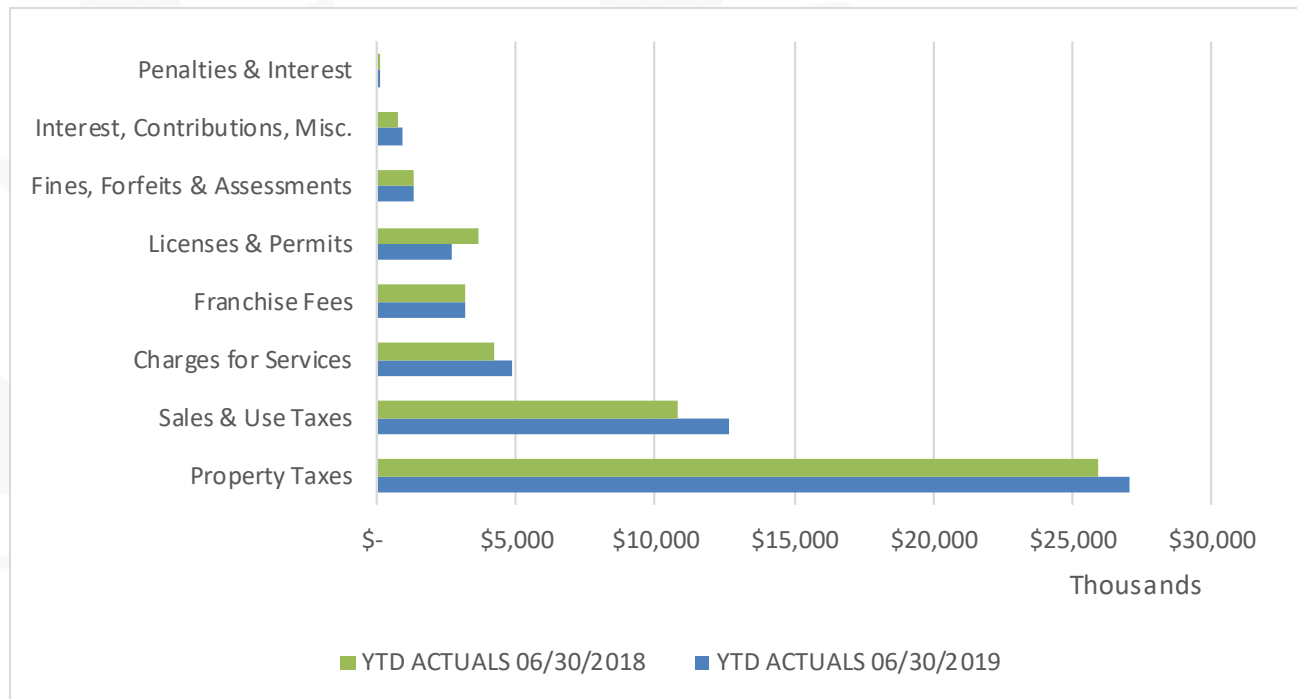
June 2019 – Fiscal Year to Date – CY Actual to PY Actual

	YTD ACTUALS 06/30/2019	YTD ACTUALS 06/30/2018	DIFFERENCE CURRENT YEAR TO PRIOR YEAR	ACTUAL AS % OF BUDGET (YTD)
Property Taxes	\$ 27,074,834	\$ 25,955,833	\$ 1,119,001	4.13%
Sales & Use Taxes	12,706,159	10,791,071	1,915,089	15.07%
Charges for Services	4,838,519	4,250,675	587,844	12.15%
Franchise Fees	3,179,087	3,198,488	(19,401)	-0.61%
Licenses & Permits	2,695,661	3,685,349	(989,688)	-36.71%
Fines, Forfeits & Assessments	1,314,875	1,357,323	(42,449)	-3.23%
Interest, Contributions, Misc.	947,517	774,546	172,971	18.26%
Penalties & Interest	92,471	133,672	(41,201)	-44.56%
	\$ 52,849,123	\$ 50,146,957	\$ 2,702,166	5.11%

- **Property Taxes** at June 2019 exceeds that of June 2018 due to the growth in values.
- **Sales & Use Taxes** is performing significantly better than the same period in 2018 because of increased businesses and improved economic outlook.
- **Charges for Services** is performing better than the same period in 2018 because the landfill expansion revenue has been fully realized in the 2019 amounts.
- **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.

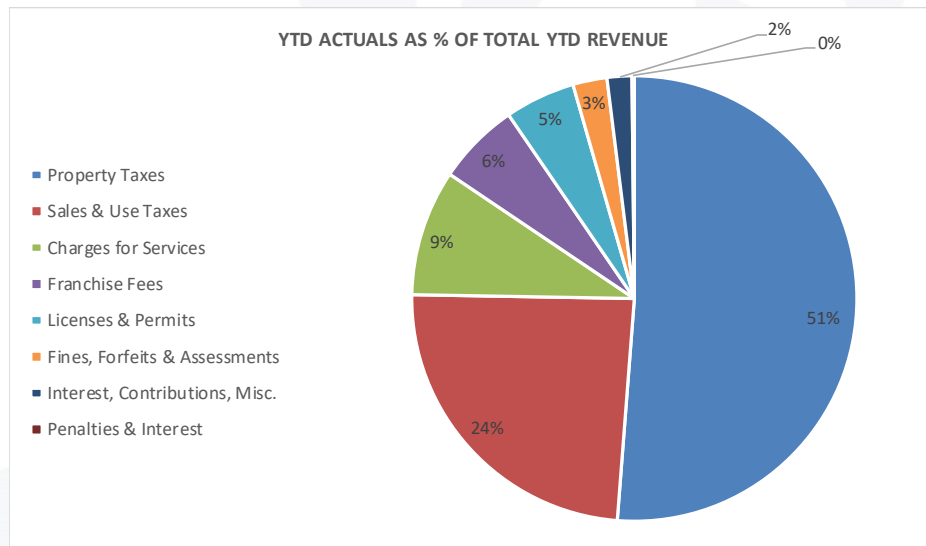
General Fund Results – Revenues

June 2019 – Fiscal Year to Date



General Fund Results – Revenues

June 2019



- Taxes continue to be the largest source of General Fund Revenue, with current Y-T-D actuals representing 51%.
- Other revenue sources are currently providing a valuable 49% of revenue to support General Fund activities.

General Fund Results – Expenditures

June 2019 – Fiscal Year to Date

	A	B	C = B/A
	ANNUAL BUDGET	YTD ACTUAL	% OF ANNUAL BUDGET
General Government	\$12,654,400	\$8,581,138	67.8%
Public Works	9,820,100	7,101,681	72.3%
Public Safety	26,424,800	20,152,950	76.3%
Culture & Recreation	13,036,800	9,159,429	70.3%
	\$61,936,100	\$44,995,197	72.65%

General Fund Results – Expenditures

June 2019 – Detail by Department

	ADJUSTED BUDGET 2018-19	ACTUAL YTD 6/30/2019	ACTUAL YTD %	PROJECTED YTD 6/30/2019	DIFFERENCE (Projected vs Actual)
General Government	\$12,654,400	\$8,581,138	67.81%	\$9,490,800	\$909,662
General Government	\$1,635,100	\$537,991	32.90%	\$1,226,325	\$688,334
General Administration	1,081,000	823,903	76.22%	810,750	(13,153)
Communications	746,700	543,125	72.74%	560,025	16,900
Economic Development	448,300	344,115	76.76%	336,225	(7,890)
Human Resources	1,074,000	729,283	67.90%	805,500	76,217
Finance	2,479,500	1,807,335	72.89%	1,859,625	52,290
Information Services	2,729,300	2,183,817	80.01%	2,046,975	(136,842)
Community Services	2,460,500	1,611,569	65.50%	1,845,375	233,806
Public Works	\$9,820,100	\$7,101,681	72.32%	\$7,365,075	\$263,394
Public Works	\$4,882,500	\$3,585,073	73.43%	\$3,661,875	\$76,802
Sustainability & Public Health	4,937,600	3,516,608	71.22%	3,703,200	186,592
Public Safety	\$26,424,800	\$20,152,950	76.27%	\$19,818,600	(\$334,350)
Police	\$14,350,500	\$10,858,038	75.66%	\$10,762,875	(\$95,163)
Fire	12,074,300	9,294,912	76.98%	9,055,725	(239,187)
Culture & Recreation	\$13,036,800	\$9,159,429	70.26%	\$9,777,600	\$618,172
Parks & Recreation	\$11,166,100	\$7,557,525	67.68%	\$8,374,575	\$817,050
Library	1,870,700	1,601,904	85.63%	1,403,025	(198,879)
TOTAL	\$61,936,100	\$44,995,197	72.65%	\$46,452,075	\$1,456,878

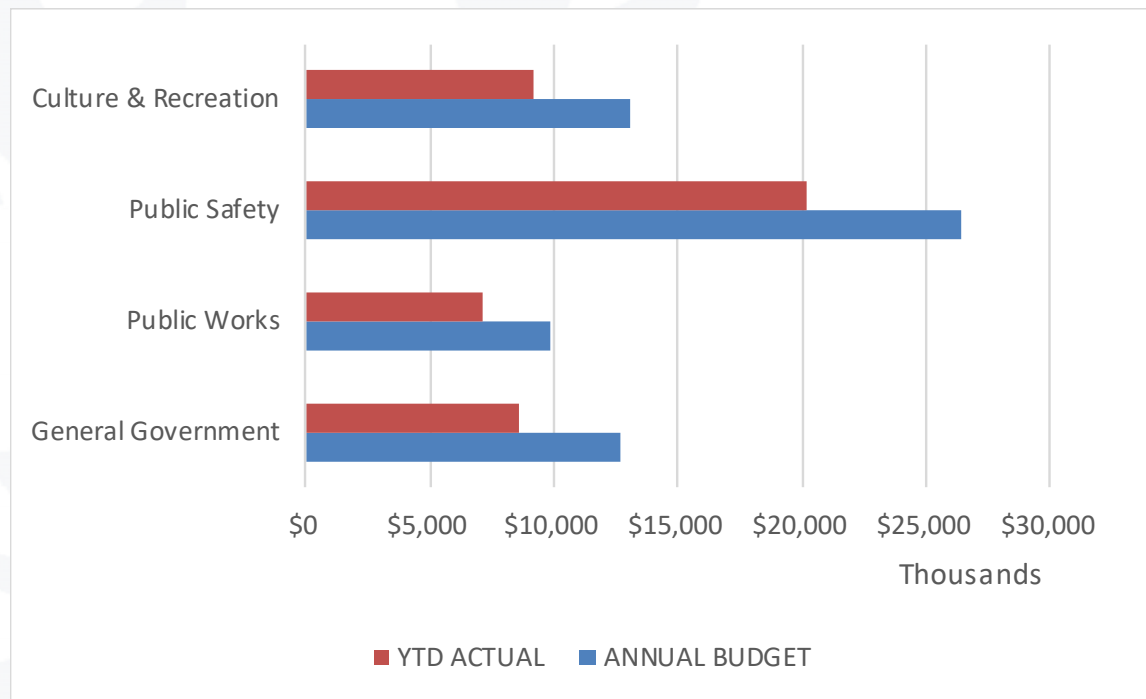
General Fund Results – Expenditures

June 2019 – Expenditure by Type

	ADJUSTED BUDGET 2018- 19	% OF BUDGET	ACTUAL YTD 6/30/2019
Personal Services/Benefits	\$ 35,650,800	57.56%	\$ 27,543,843
Purchased Prof & Tech Services	3,908,100	6.31%	3,462,404
Supplies	2,121,800	3.43%	1,408,435
Repairs & Maintenance	6,580,700	10.62%	5,123,716
Services	7,744,700	12.50%	5,236,606
Production & Disposal	41,500	0.07%	27,374
Contracts	400,000	0.65%	375,000
Events	472,300	0.76%	349,087
Other Objects	2,427,500	3.92%	673,738
Transfers	2,588,700	4.18%	794,995
Total Appropriations	<u>\$ 61,936,100</u>	<u>100.00%</u>	<u>\$ 44,995,197</u>

General Fund Results – Expenditures

June 2019 – Fiscal Year to Date



Enterprise Fund Results – Summary

June 2019 – Fiscal Year to Date

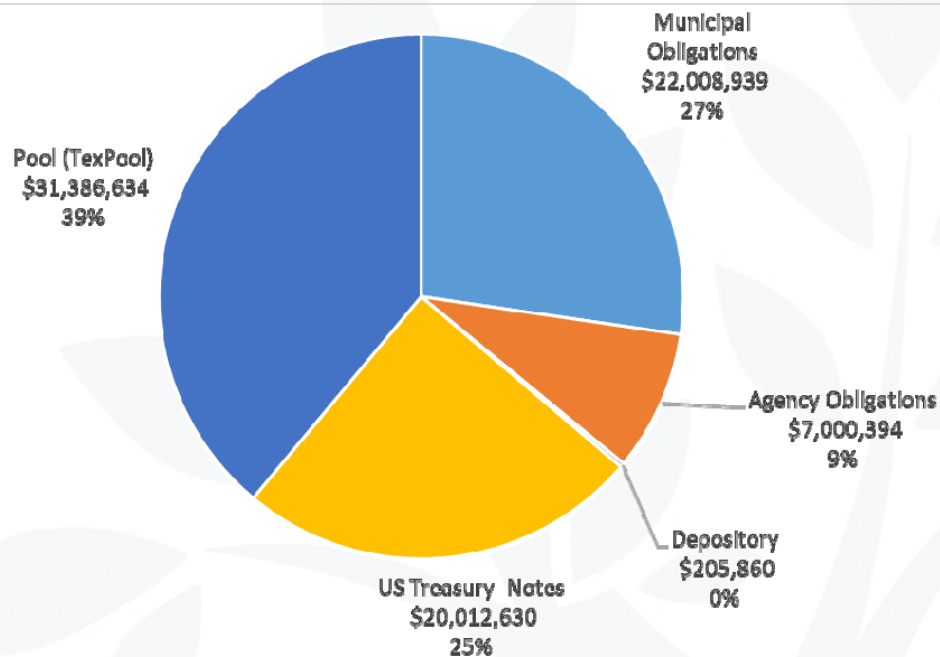
	ADJUSTED BUDGET 2018- 19	ACTUAL YTD 6/30/2019	ACTUAL AS % OF BUDGET	EXPECTED AS % OF BUDGET	ACTUAL YTD 6/30/2018	DIFFERENCE	% CHANGE
Revenues							
Water/Sewer Sales	\$ 23,215,100	\$ 15,204,697	65.49%	60.00%	\$ 15,548,641	\$ (343,944)	-2.21%
Stormwater Charges for Services	1,445,000	1,120,058	77.51%	77.51%	1,024,239	95,819	9.36%
Miscellaneous Fees & Interest	424,500	358,080	84.35%	67.00%	606,632	(248,552)	-40.97%
	<u>\$ 25,084,600</u>	<u>\$ 16,682,835</u>	<u>66.51%</u>	<u>67.00%</u>	<u>\$ 17,179,512</u>	<u>\$ (496,678)</u>	<u>-2.89%</u>
Expenses							
Water/Sewer Administration	4,631,600	3,458,105	74.66%	75.00%	\$ 3,402,248	\$ 55,857	1.64%
Water/Sewer Operations	18,542,300	15,903,352	85.77%	75.00%	12,702,749	3,200,603	25.20%
Stormwater Utilities	1,449,000	918,100	63.36%	75.00%	177,173	740,927	418.19%
	<u>24,622,900</u>	<u>20,279,557</u>	<u>82.36%</u>	<u>75.00%</u>	<u>\$ 16,282,170</u>	<u>\$ 3,997,387</u>	<u>24.55%</u>
Net Income/(Loss)	<u>\$ 461,700</u>	<u>\$ (3,596,722)</u>			<u>\$ 897,342</u>	<u>\$ (4,494,065)</u>	

Hotel/Motel Fund Results – Summary

June 2019 – Fiscal Year to Date

	ADJUSTED BUDGET 2018- 19	ACTUAL YTD 6/30/2019	ACTUAL AS % OF BUDGET	EXPECTED AS % OF BUDGET	ACTUAL YTD 6/30/2018	DIFFERENCE	% CHANGE
Revenues							
Hotel/Motel Tax	\$ 3,050,000	\$ 2,338,933	76.69%	66.00%	\$ 2,166,858	\$ 172,076	7.94%
Special Revenues	60,500	55,025	90.95%	67.00%	52,941	2,084	3.94%
Interest	35,000	31,836	90.96%	67.00%	23,104	8,731	37.79%
	<u>\$ 3,145,500</u>	<u>\$ 2,425,794</u>	<u>77.12%</u>	<u>66.00%</u>	<u>\$ 2,242,903</u>	<u>\$ 182,891</u>	<u>8.15%</u>
Expenditures							
Historic Preservation	\$ 1,566,800	\$ 1,040,023	66.38%	50.00%	\$ 1,361,590	\$ (321,567)	-23.62%
Promotion of Tourism	1,431,900	1,185,637	82.80%	50.00%	990,440	195,196	19.71%
Convention Center	19,000	-	0.00%	50.00%	5,000	(5,000)	-100.00%
	<u>\$ 3,017,700</u>	<u>\$ 2,225,660</u>	<u>73.75%</u>	<u>50.00%</u>	<u>\$ 2,357,030</u>	<u>\$ (131,371)</u>	<u>-5.57%</u>
Net Increase/(Decrease) to Fund Balance	<u>\$ 127,800</u>	<u>\$ 200,134</u>			<u>\$ (114,127)</u>	<u>\$ 314,261</u>	

Investment Portfolio As of June 30, 2019



- Book Value at 6/30/19 - \$80,614,456
- Market Value at 6/30/19 - \$80,716,065
- Unrealized Gain - \$101,609
- Weighted Average Maturity at 6/30/19 – 130 Days
- Fiscal Year-to-Date Average Monthly Yield – 2.360%



Questions?