

# City of Glenn Heights

## Memo

**Date:** April 10, 2010  
**To:** Mayor and City Council  
**From:** Patrick Harvey, Director of Finance  
**Subject:** February 2010 Financial Reports

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This memo accompanies the February 2010 Revenue and Expense Reports for the City of Glenn Heights, and highlights selected financial activities for the first five months of FY 2010. The first five months of the fiscal year represents 41.67% of the total fiscal year, and this memo provides an explanation of variances from that standard.

### General Fund

**Revenues: General fund total revenue for the first five months of the fiscal year is above budget expectations (actual 76.87% vs. expected 41.67%).** Collections of **Property tax** revenue remain on track to meet budget expectations. In **Franchise Fee** revenue, we received a quarterly payment from AT & T for telephone franchise in February in the amount of \$8,449.79. The remaining amount of franchise fee revenue was the garbage franchise fee of approximately \$3,355.44. We received \$24,836.54 in **Sales tax** revenue in the month of February. The amount received was \$30.39 above the February 2009 sales tax receipt. Comparing FY 2010 sales tax receipts with FY 2009 sales tax receipts, the City is below last year by \$2,938. This reflects the prolonged slump in the national economy. We may see an upturn in the coming months due to the sales generated by the local option permit, beginning in April, 2010. **Permits and Fees** revenue is above expectations due to developer residential building activity in the Gateway Estates and Kingston Meadow subdivisions. **Ambulance service fees** reflect calls for service and improved collections. **Municipal Court fines** were up due our participation in the state wide warrant round up. The continued national economic downturn has prompted the Federal Reserve to maintain lower interest rates, reflected in **Interest** revenue. In **Miscellaneous** revenue we received \$8,356.67 from TML for the loss incurred on a police vehicle (2006 Ford). Additionally, the City received an equity return from TML in the amount of \$16,131.00. This represents a return based upon a favorable loss experience incurred by TML during the 2008-2009 year.

**Expenditures: Total General Fund expenditures are below budget expectations (38.15% actual vs. 41.67% expected).**

**City Secretary Office** expenditures include a quarterly payment of \$2,285.40 to the Ellis County appraisal district and \$2,460.00 to the Dallas County appraisal district.

**Planning** expenditures includes payments of \$7,240.17 for third party inspection services, which are embedded in the permit fees charged to the customer for development services rendered by the City.

### **Water and Sewer Fund**

**Revenues: Total Water and Sewer Fund revenues were below budget expectations (34.15% vs. 41.67%).** **Water** sales should accelerate during the summer given the weather conditions. **Late Charges** are generated from enforcing customer prompt payment and exceed budget expectations. **Convenience Fee** represents the customer charge through payment by credit card. **Miscellaneous Fees** reflect the NSF fees charged on customer remittances.

**Expenditures: The year to date expenditure trend is within expectations (40.32% actual vs. 41.67% expected).**

**Utility Administration** expenditures include the annual maintenance fee to Tyler Technologies for the utility billing and collection software (\$7,185.50), and a payment to the external auditing firm for progress payments on the City's 9-30-2009 audit (\$4,500.00)

**Non Departmental** expenditures include the annual planned transfer from the Water and Sewer fund to the Debt Service fund to provide resources for the semiannual payment of principal and interest on outstanding debt.

### **Other Funds**

#### **Debt Service (Fund 300)**

**Expenditures:** Includes the following payments:

Monthly lease for the INCODE financial system	\$2,914.71
1997 General Obligation Bonds	127,712.50
1999 Certificates of Obligation Bonds	98,286.25
2003 Certificates of Obligation Bonds	11,857.50
2006 Street Improvement Bonds	190,885.00
2008 Certificates of Obligation Bonds	<u>110,400.00</u>
Total	<u>\$542,055.96</u>

Payments on bonds include principal and interest.

#### **Capital Projects – 2008 Bonds (Fund 401)**

**Expenditures:** Includes the initial payment (\$41,310.00) on the City project to extend the drainage structures and headwalls on Bear Creek Road. This project was awarded by Council to A&M Construction on September 8, 2009.

**Please note that future monthly reports will focus on highlights for that month.**







**OTHER FUNDS: FINANCIAL SUMMARY**

**FY 2009 - 2010**

**Through February 2010**

**41.67% of Budget Year**

<b>FUND #</b>	<b>FUND NAME</b>	<b>ANNUAL REVENUE BUDGET</b>	<b>CURRENT MONTH REVENUES</b>	<b>ACTUAL YEAR-TO-DATE REVENUES</b>
<b>OPERATING FUNDS</b>				
550	Drainage	\$147,192	\$12,066	\$59,776
<b>SPECIAL REVENUE FUNDS</b>				
200	Mun. Ct. Technology	\$9,007	\$1,069	\$3,737
201	Mun. Ct. Security Fund	\$6,511	\$803	\$2,817
205	911 Wireless Fund	\$40,055	\$4,416	\$21,161
208	Anniversary Celebration	\$0	\$0	\$20
209	FY 2009 Carryover	\$0	\$2	\$17
211	JAG Fund	\$0	\$2	\$15,889
212	CJD Equipment Grant	\$0	\$0	\$0
215	Impact Fees	\$200,455	\$1,089	\$81,094
230	Park Land Dedication	\$41,080	\$262	\$14,430
<b>DEBT SERVICE FUND</b>				
300	General Debt Service	\$836,144	\$341,558	\$697,376
<b>CAPITAL PROJECTS</b>				
400	2006 Bonds	\$333,654	\$484	\$2,872
401	2008 Bonds	\$15,000	\$111	\$798

<b>ANNUAL EXPENDITURE BUDGET</b>	<b>CURRENT MONTH EXPENDITURES</b>	<b>ACTUAL YEAR-TO-DATE EXPENDITURES</b>
<b>OPERATING FUNDS</b>		
\$125,375	\$2,254	\$5,405
<b>SPECIAL REVENUE FUNDS</b>		
\$5,000	\$400	\$2,919
\$0	\$0	\$0
\$35,000	\$0	\$0
\$0	\$97	\$1,154
\$0	\$0	\$12,307
\$0	\$0	\$0
\$0	\$0	\$0
\$225,708	\$18,809	\$75,371
\$32,400	\$0	\$38,523
<b>DEBT SERVICE FUND</b>		
\$862,279	\$542,056	\$625,037
<b>CAPITAL PROJECTS</b>		
\$2,147,769	\$0	\$0
\$961,150	\$41,765	\$52,743