

City of Glenn Heights

Memo

Date: April 21, 2010
To: Mayor and City Council
From: Patrick Harvey, Director of Finance
Subject: March 2010 Financial Reports

This memo accompanies the March 2010 Revenue and Expense Reports for the City of Glenn Heights, and highlights selected financial activities for the first six months of FY 2010. The first six months of the fiscal year represents 50% 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 half of the fiscal year is above budget expectations (actual 78.01% vs. expected 50%). **Property tax** revenue collections are occurring normally – we have received the bulk of property taxes by the due date of January 31. Staff anticipates property tax revenue collections should meet budget estimates. In **Gas Franchise** revenue, we received the annual remittance from ATMOS Energy of \$43,237.60, approximately \$6,800 less than budgeted. The amount that we received last year from ATMOS was \$57,843.61. Additionally, we received a **Video Franchise** fee from AT&T in the amount of \$11,021.21. We received \$16,464.57 in **Sales tax** revenue in the month of March. The amount received was \$324.75 below the December 2008 sales tax receipt. Comparing FY 2010 sales tax receipts with FY 2009 sales tax receipts, the City is below last year by \$2,024.96. 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 the construction of a 2800 square foot beverage store at 1701 S. Beckley. **Ambulance service fees** reflect calls for service and improved collections. **Municipal Court fines** have improved due to the warrant round up and improved collections. The continued national economic downturn has prompted the Federal Reserve to maintain lower interest rates, reflected in **Interest** revenue.

Expenditures: Total General Fund expenditures are below budget expectations (47.89% actual vs. 50% expected).

The employee salary increases implemented in January 2010 are reflected in Personnel Services in every General Fund department with the exception of Administration.

City Secretary Office expenditures include three of the four payments for the local tax collection office (Contract for Taxes) and a payment to Dallas County for the upcoming election (Election Expenses).

Finance expenditures include printing costs for the FY 2009 Comprehensive Annual Financial Report and review fees to the Government Finance Officers Association (GFOA) for the annual excellence in Financial Reporting award (Budget Expenses)

Fire expenditures include acquisition of a 5 inch intake and portable radio batteries, as well as for repair and testing of gear (Other Equipment).

Planning expenditures includes payments to Bureau Veritas for third party inspection services which are recouped from the customer in the permit revenue fee structure. Rental equipment represents the acquisition of a plotter.

Water and Sewer Fund (Fund 500)

Revenues: Total Water and Sewer Fund revenues were below budget expectations (40.21% vs. 50%). **Water** sales should accelerate during the summer depending upon the weather conditions. **Late Charges** are generated from enforcing customer prompt payment. **Reconnection Fees** are lower than anticipated due to a temporary suspension of enforcement activities against delinquent customers during the months of November, December and January. **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 (47.82% actual vs. 50% expected).

Utility Administration expenditures include the overage incurred on the estimated audit fee (Auditing). Technology expenditures include annual maintenance payment for INCODE software.

Non Departmental expenditures include the annual planned transfer to the Debt Service fund to provide resources for the payment of bond principal and interest.

Municipal Drainage Fund (Fund 550)

Revenues and Other Financing Sources: This category includes the loan proceeds for the acquisition of the Gradall.

Expenditures: Includes the planned acquisition of the Gradall (\$120,000) and the vacuum truck (\$28,000).

Other Funds

Justice Assistance Grant (JAG) Fund (Fund 211)

Expenditures: Includes the acquisition of tasers and cartridges funded by the Justice Assistance grant.

Impact Fees Fund (Fund 215)

Expenditures: Includes payments to J. Stowe and Company for the development of an impact study and to Jacobs Engineering for the preparation of a future land use map.

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

OTHER FUNDS: FINANCIAL SUMMARY

FY 2009 - 2010

Through March 2010

50.00% of Budget Year

FUND #	FUND NAME	ANNUAL REVENUE BUDGET	CURRENT MONTH REVENUES	ACTUAL YEAR-TO-DATE REVENUES
OPERATING FUNDS				
550	Drainage	\$147,192	\$132,042	\$191,819
SPECIAL REVENUE FUNDS				
200	Mun. Ct. Technology	\$9,007	\$1,236	\$4,973
201	Mun. Ct. Security Fund	\$6,511	\$928	\$3,745
205	911 Wireless Fund	\$40,055	\$4,138	\$25,299
208	Anniversary Celebration	\$0	\$0	\$20
209	FY 2009 Carryover	\$0	\$2	\$19
211	JAG Fund	\$0	\$1	\$15,890
212	CJD Equipment Grant	\$0		\$0
215	Impact Fees	\$200,455	\$17,554	\$98,648
216	Keep GH Beautiful		\$12	\$12
230	Park Land Dedication	\$41,080	\$2,764	\$17,194
DEBT SERVICE FUND				
300	General Debt Service	\$836,144	\$17,545	\$714,921
CAPITAL PROJECTS				
400	2006 Bonds	\$333,654	\$536	\$3,408
401	2008 Bonds	\$15,000	\$129	\$928

ANNUAL EXPENDITURE BUDGET	CURRENT MONTH EXPENDITURES	ACTUAL YEAR-TO-DATE EXPENDITURES
OPERATING FUNDS		
\$125,375	\$148,438	\$153,843
SPECIAL REVENUE FUNDS		
\$5,000		\$2,919
\$0		\$0
\$35,000		\$0
\$0	\$97	\$1,251
\$0		\$12,307
\$0	\$15,775	\$15,775
\$0		\$0
\$225,708	\$26,787	\$102,158
		\$0
\$32,400		\$38,523
DEBT SERVICE FUND		
\$862,279	\$3,325	\$628,362
CAPITAL PROJECTS		
\$2,147,769		\$0
\$961,150	\$32,945	\$85,688