

**CITY OF FRISCO TEXAS  
FINANCIAL SERVICES  
DEPARTMENT  
AUGUST 31, 2018  
MONTHLY REPORT**



FINANCIAL SERVICES DEPARTMENT

## Staff Report

To: **Honorable Mayor Cheney and the Frisco City Council**  
Thru: **George Purefoy, City Manager**  
**Nell Lange, Assistant City Manager**  
From: **Anita Cothran, Director of Financial Services**  
Date: **September 7, 2018**  
Re: **Monthly Financial Report for August 2018**

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The financial reports presented are tracking as projected for the 11<sup>th</sup> month of our fiscal year. During the year, we account for transactions on a cash basis, but in September and October we do accrue for expenses in the year that we incurred the expense. We accrue our 13<sup>th</sup> month. Water sales are higher than we projected for the summer months, and we will be adjusting the revised budget revenues to reflect the increase in sales, mainly due to the dry weather.

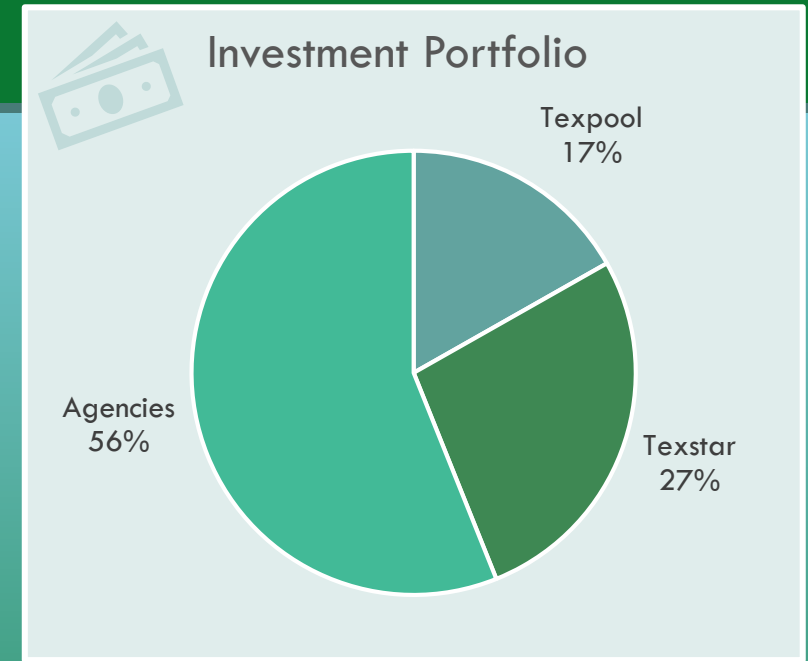
For August, our management team (9 members) in the Financial Services Department attended the City sponsored Lean Training. I anticipate that all of us will have our bronze certifications by October. We've also had three of our professional staff already earn the bronze, and more staff are attending training in September and October. Lean is an important concept for accounting operations. We first trained our staff in 2011 on the concepts and principles of lean, so it is helpful that we are able to take advantage of the City's training efforts in this area.

Also, for nine weeks this summer, our two new payroll staff members attended Saturday School at Collin College to study for the American Payroll Association Certifications for Payroll Professionals. They both plan to take the tests in the Spring. This training course has been beneficial to both of them and the City as we continue to review ways to streamline the payroll process, but follow the complex laws and regulations we must apply.

During August, we had another long term staff member announce her retirement. Debra Padilla, Treasury Analyst, has been with the City over 13 years, and has over 20 years of municipal service. She is retiring to spend more time with her family in New Mexico. Congratulations to Debra, we will miss her professionalism and tenacity. She has been reconciling the City's banks for all 13 years she has been with us.

As always, if you have any questions, let me know. 972-292-5510, [acothran@friscotexas.gov](mailto:acothran@friscotexas.gov).

Major Funds Aug 31 (,000)	% of Budget		% of Budget			
	General	FY 18	FY 17	Utility	FY 18	FY 17
Revenue Budget	\$158,295			\$94,824		
YTD Actual	\$151,596	96%	94%	\$91,542	97%	91%
Expense Budget	\$169,454			\$94,411		
YTD Spent	\$138,283	82%	85%	\$85,054	90%	95%
Revenues Over (Under) Expenses	\$ 13,313			\$ 6,488		




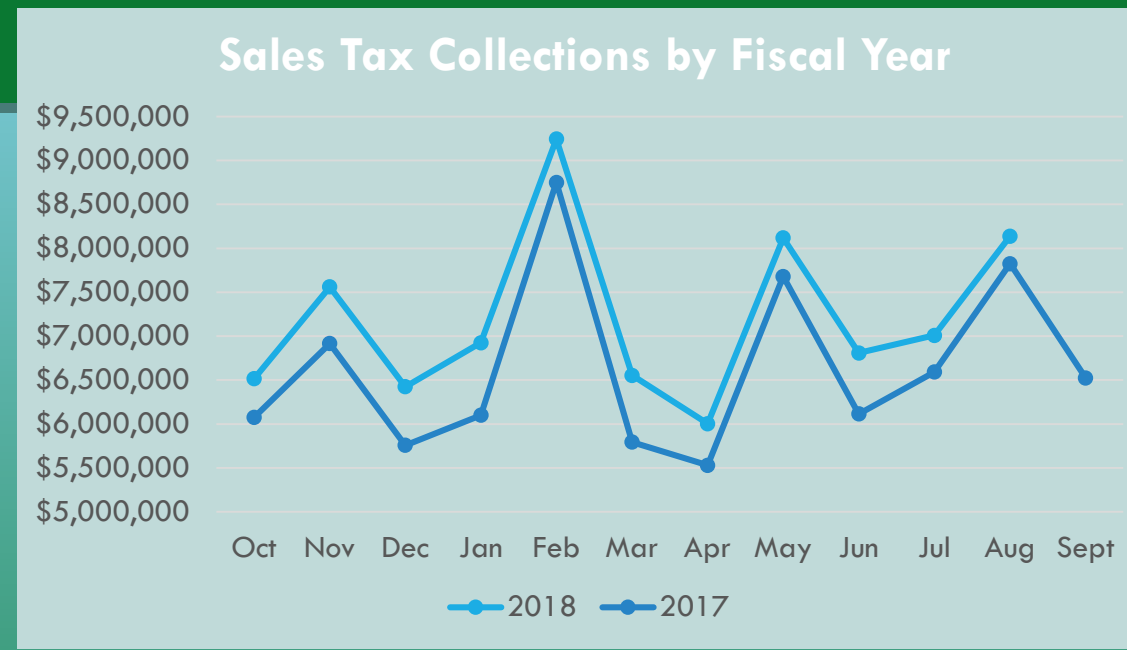
**General Fund:** General Fund revenues continue to be 8% higher than prior year, with tax collections strong. Sales Tax collections are tracking at a 9% increase for FY 18 over FY 17. Expenditures are tracking as projected in budget with 82% of the budget expended. All Departments are within budget. We are typically behind in expenditures when compared to budget, since we process accruals in our Period 13 (net 30) each October.

**Utility Fund:** Utility Fund sales are higher than projected with the dry summer and expenses are tracking as projected.

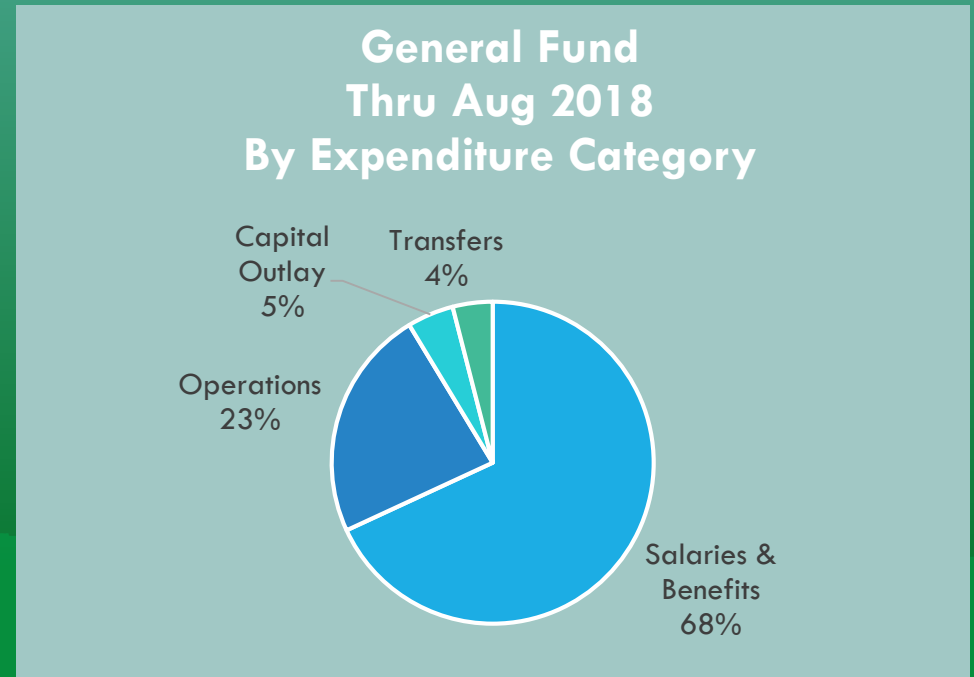
Portfolio Yields	Aug
Texpool	1.95%
Texstar	1.95%
Agencies	1.82%


Portfolio Balances (,000)	Aug
Texpool	\$ 88,846
TexStar	\$143,513
Agencies	\$296,595
Total	\$528,954

 Key/Major General Fund Revenues (,000)	Aug Collections	YTD Collections	% of Budget
Property Tax	\$ 0	\$74,016	101%
Sales Tax	\$ 4,069	\$39,653	91%
Franchise Tax	\$ 1,243	\$ 8,837	86%
Licenses & Permits	\$ 1,286	\$12,201	97%
Parks & Recreation	\$ 488	\$ 5,589	94%
EMS	\$ 222	\$ 2,513	96%




General Fund Expenditures By Function (,000)	Aug	YTD Expend	% of Budget
General Government	\$4,264	\$40,631	76%
Public Safety	\$6,623	\$66,941	86%
Public Works	\$1,178	\$12,112	77%
Culture & Recreation	\$1,921	\$18,599	84%







<b>Building/Development Fees</b>	<b>Aug Activity</b>
Fees Collected	\$1,145,420
Collin County Permits	934 Total
Denton County Permits	536 Total
Valuation	\$180 Million



<b>Municipal Court</b>	<b>Aug Activity</b>
# of cases filed	1,955
# of cases closed	1,894
# warrants issued/cleared	571 / 283
% of on-line/phone payments	33%



<b>Key Other Funds Revenues (,000)</b>	<b>Aug Collections</b>
Hotel Taxes	\$552



<b>Utility Billing</b>	<b>Aug Activity</b>
# of active customers	56,567
# new meter sets	283
# new customers	308
# on line pay/% of total pay	14,870/26%
Fees collected UB	\$12.8 Million

**Budget Summary for August  
Fiscal Year 2018  
(Compare to 92%)**

	Approved Original FY18 Budget	Revised FY18 Budget	Monthly Actual	% of Bdgt	YTD Actual	% of Bdgt	FY 17 Actual	Monthly Actual	% of YTD Act	YTD Actual	% of YTD Act	% Inc /(Dec) 17/18
<b>Gen Fund Rev</b>												
Property Tax	73,669,831	73,623,537	0	0%	74,015,800	101%	69,719,828	118,910	0%	69,313,073	99%	7%
Sales Tax	42,332,481	43,724,396	4,069,471	9%	39,652,978	91%	40,265,592	3,912,066	10%	36,532,676	91%	9%
Beverage Tax	822,935	978,600	0	0%	789,457	81%	834,437	0	0%	619,413	74%	27%
Franchise Tax	9,705,458	10,226,422	1,242,552	12%	8,836,960	86%	9,104,999	921,975	10%	7,793,856	86%	13%
Licenses & Permits	12,353,419	12,591,178	1,286,303	10%	12,201,620	97%	12,904,536	1,189,325	9%	11,635,195	90%	5%
Intergovernmental	1,867,488	2,063,250	87,615	4%	1,776,258	86%	2,401,473	26,621	1%	1,285,034	54%	38%
Charges for Services	8,540,637	8,666,674	760,553	9%	8,583,312	99%	9,487,800	764,334	8%	8,797,093	93%	-2%
Fines	1,990,898	2,054,500	116,476	6%	1,991,040	97%	2,044,424	199,858	10%	1,838,490	90%	8%
Interest Income	378,750	800,000	118,650	15%	1,103,601	138%	493,758	54,505	11%	449,947	91%	145%
Contributions	22,000	98,475	3,627	4%	39,676	40%	26,801	3,997	15%	28,777	107%	38%
Rental Income	1,167,435	1,148,435	128,225	11%	1,090,230	95%	1,204,041	105,264	9%	1,060,057	88%	3%
Other Fees	788,033	993,258	14,468	1%	438,868	44%	708,596	34,623	5%	544,086	77%	-19%
Transfers In	2,068,524	1,326,644	0	0%	1,076,644	81%	984,000	0	0%	984,000	100%	9%
<b>Total</b>	<b>155,707,889</b>	<b>158,295,369</b>	<b>7,827,940</b>	<b>5%</b>	<b>151,596,444</b>	<b>96%</b>	<b>150,180,285</b>	<b>7,331,478</b>	<b>5%</b>	<b>140,881,697</b>	<b>94%</b>	<b>8%</b>
<b>Gen Fund Exp</b>												
Administration	6,581,382	6,683,677	471,279	7%	5,462,672	82%	6,461,925	578,095	9%	5,295,282	82%	3%
Financial Services	11,080,152	13,509,235	1,606,711	12%	8,830,077	65%	9,802,404	1,364,641	14%	8,132,150	83%	9%
Police	40,009,612	39,854,244	3,356,791	8%	34,102,448	86%	34,745,518	2,541,929	7%	30,297,844	87%	13%
Fire	37,386,597	38,352,307	3,265,955	9%	32,838,637	86%	34,390,338	2,816,506	8%	29,195,547	85%	12%
Public Works	11,274,510	13,332,784	1,039,646	8%	10,432,608	78%	7,033,338	819,821	12%	5,891,374	84%	77%
Human Resources	2,236,034	2,256,672	147,798	7%	1,884,022	83%	1,985,328	147,272	7%	1,676,036	84%	12%
Administrative Serv	9,223,956	11,233,661	854,727	8%	7,522,925	67%	7,701,708	599,823	8%	6,534,233	85%	15%
IT Serv	6,427,515	6,415,044	628,874	10%	5,073,470	79%	3,519,091	340,490	10%	3,153,268	90%	61%
Library	4,953,716	5,296,541	347,511	7%	4,610,437	87%	4,451,875	336,363	8%	3,938,447	88%	17%
Parks & Recreation	16,259,759	16,721,108	1,573,554	9%	13,988,912	84%	14,876,129	1,398,545	9%	12,882,222	87%	9%
Engineering Serv	2,279,897	2,341,724	138,795	6%	1,679,099	72%	5,014,906	314,812	6%	4,059,722	81%	-59%
Development Serv	7,184,826	7,672,442	529,237	7%	6,333,239	83%	6,562,897	483,621	7%	5,793,958	88%	9%
Non-departmental	447,496	5,784,696	25,209	0%	5,524,890	96%	3,516,530	14,173	0%	2,214,297	63%	150%
<b>Total</b>	<b>155,345,452</b>	<b>169,454,135</b>	<b>13,986,087</b>	<b>8%</b>	<b>138,283,436</b>	<b>82%</b>	<b>140,061,987</b>	<b>11,756,091</b>	<b>8%</b>	<b>119,064,380</b>	<b>85%</b>	<b>16%</b>
Rev-Exp	362,437	(11,158,766)	(6,158,147)		13,313,008		10,118,298	(4,424,613)		21,817,317		

**Budget Summary for August  
Fiscal Year 2018  
(Compare to 92%)**

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<b>Utility Rev</b>												
Water	50,101,067	50,101,067	7,742,264	15%	51,007,845	102%	47,917,674	5,541,211	12%	43,480,548	91%	17%
Sewer	39,052,741	39,052,741	3,261,734	8%	33,871,716	87%	32,268,008	2,898,069	9%	29,749,294	92%	14%
Licenses & Permits	1,650,000	1,650,000	92,472	6%	1,970,776	119%	3,725,542	223,843	6%	3,202,963	86%	-38%
Interest	150,000	150,000	47,739	32%	435,506	290%	220,719	22,965	10%	196,405	89%	122%
Misc	550,000	550,000	112,268	20%	936,851	170%	1,003,015	73,520	7%	913,009	91%	3%
Transfers In	3,319,743	3,319,743	0	0%	3,319,743	100%	3,300,281	0	0%	3,300,281	100%	1%
<b>Total</b>	<b>94,823,551</b>	<b>94,823,551</b>	<b>11,256,477</b>	<b>12%</b>	<b>91,542,437</b>	<b>97%</b>	<b>88,435,239</b>	<b>8,759,608</b>	<b>10%</b>	<b>80,842,500</b>	<b>91%</b>	<b>13%</b>
<b>Utility Exp</b>												
Administration	82,977	297,977	12,680	4%	256,697	86%	56,952	52	0%	48,193	85%	433%
Financial Services	1,700,613	1,795,213	134,948	8%	1,432,317	80%	1,502,578	114,985	8%	1,316,417	88%	9%
Public Works	69,613,154	69,399,928	5,502,514	8%	62,215,496	90%	63,626,487	6,147,825	10%	58,898,111	93%	6%
Administrative Serv	190,134	192,534	14,451	8%	156,928	82%	141,728	12,913	9%	115,025	81%	36%
IT Serv	2,762,767	2,724,690	199,323	7%	2,273,384	83%	2,319,119	177,493	8%	2,002,583	86%	14%
Engineering Serv	3,796,419	3,936,716	281,590	7%	3,281,814	83%	3,443,054	264,102	8%	2,995,758	87%	10%
Non-departmental	16,164,066	16,064,066	2,836,675	18%	15,437,781	96%	14,508,481	2,784,959	19%	16,245,487	112%	-5%
<b>Total</b>	<b>94,310,130</b>	<b>94,411,124</b>	<b>8,982,181</b>	<b>10%</b>	<b>85,054,417</b>	<b>90%</b>	<b>85,598,399</b>	<b>9,502,329</b>	<b>11%</b>	<b>81,621,574</b>	<b>95%</b>	<b>4%</b>
Rev-Exp	513,421	412,427	2,274,296		6,488,020		2,836,840	(742,721)		(779,074)		
<b>Utility Stormwater</b>												
Revenue	3,760,598	3,811,230	326,638	9%	3,509,453	92%	3,638,105	311,469	9%	3,326,701	91%	5%
Expenses	3,600,322	5,776,044	162,393	3%	3,439,424	60%	3,073,889	350,833	11%	2,294,215	75%	50%
Rev-Exp	160,276	(1,964,814)	164,245		70,029		564,216	(39,364)		1,032,486		
<b>Environmental</b>												
Revenue	15,322,579	15,907,433	1,478,416	9%	14,806,040	93%	13,649,525	1,174,350	9%	12,676,414	93%	17%
Expenses	14,565,356	16,482,059	1,399,073	8%	14,758,890	90%	13,712,687	1,246,352	9%	12,483,157	91%	18%
Rev-Exp	757,223	(574,626)	79,343		47,150		(63,162)	(72,002)		193,257		

**Relative Value Report**

Today's Date: 31-Aug-18  
 Settlement Date: 4-Sep-18

**DISCLAIMER:** Securities listed here represent the best market offers as of early morning on this date. All information is subject to change at any time without notice. This report is intended for informational purposes only, and is in no way a solicitation or offer to sell any securities or services. This information has been obtained from sources believed to be reliable, but we do not warrant or guarantee the accuracy or timeliness of this information. There are no warranties, expressed or implied, as to accuracy, completeness, or results obtained from this information.

MATURITY DATE	SECURITY TYPE	DISCOUNT/SPREAD	YIELD
<b>Agency Discount Notes</b>			
27-Sep-18	FFCB	1.940%	1.942%
19-Oct-18	FHLB	2.075%	2.080%
30-Nov-18	FHLB	2.080%	2.091%
28-Dec-18	FHLB	2.125%	2.140%
28-Jan-19	FFCB	2.180%	2.199%
22-Feb-19	FHLB	2.200%	2.223%
1-Apr-19	FHLMC	2.240%	2.270%
29-Apr-19	FHLMC	2.260%	2.294%
29-May-19	FHLMC	2.295%	2.335%
27-Jun-19	FHLMC	2.320%	2.365%
25-Jul-19	FHLB	2.270%	2.317%
15-Aug-19	FHLB	2.270%	2.320%
<b>Commercial Paper</b>			
4-Oct-18	MUFG Bank Ltd	2.040%	2.043%
3-Nov-18	MUFG Bank Ltd	2.100%	2.107%
4-Dec-18	MUFG Bank Ltd	2.240%	2.253%
2-Jan-19	Natixis NY	2.310%	2.328%
1-Feb-19	MUFG Bank Ltd	2.360%	2.383%
2-Mar-19	JPMorgan Securities	2.480%	2.511%
1-Jun-19	JPMorgan Securities	2.600%	2.652%
<b>Agency Bullets (Non-Callable)</b>			
2-Aug-19	FNMA 0.875	-19.5	2.438%
20-Dec-19	FFCB 1.600	-6.0	2.573%
13-Mar-20	FHLB 4.125	-4.0	2.593%
11-Jun-20	FFCB 2.550	+3.0	2.663%
11-Sep-20	FHLB 2.875	+5.0	2.683%
12-Mar-21	FHLB 3.625	+8.0	2.713%
27-Aug-21	FFCB 2.700***	+6.0	2.751%

\*\*\* Spread versus 3-Year Treasury (All others vs 2-Year)

Investment Pool Yields:	TexPool	TexSTAR
Previous Day:	1.945%	1.938%
7 Day Moving Avg:	1.942%	1.942%

Agency Discount Note Yields			
	Current	Week Ago	Month Ago
<b>1 Mo</b>	1.943%	1.923%	1.898%
<b>2 Mo</b>	2.081%	2.007%	1.921%
<b>3 Mo</b>	2.091%	2.071%	2.020%
<b>6 Mo</b>	2.223%	2.209%	2.179%
<b>9 Mo</b>	2.335%	2.314%	2.232%
<b>12 Mo</b>	2.321%	2.312%	2.250%

Commercial Paper Yields			
	Current	Week Ago	Month Ago
<b>1 Mo</b>	2.043%	2.023%	1.993%
<b>2 Mo</b>	2.107%	2.097%	2.077%
<b>3 Mo</b>	2.253%	2.253%	2.253%
<b>4 Mo</b>	2.328%	2.348%	2.369%
<b>5 Mo</b>	2.383%	2.363%	2.424%
<b>6 Mo</b>	2.511%	2.460%	2.480%
<b>9 Mo</b>	2.652%	2.631%	2.652%

Agency Bullet Yields			
	Current	Week Ago	Month Ago
<b>1 Yr</b>	2.438%	2.456%	2.427%
<b>1.5 Yr</b>	2.593%	2.611%	2.657%
<b>2 Yr</b>	2.683%	2.681%	2.722%
<b>2.5 Yr</b>	2.713%	2.721%	2.802%
<b>3 Yr</b>	2.751%	2.754%	2.868%

