



City of Huntsville Texas

Finance Division

Summary Notes to Monthly Finance Report

As of April 30<sup>th</sup> (7<sup>th</sup> month of fiscal year)

1 Summary report / monthly explanation for select funds

1.1 Sales Tax:

+ 7% increase (\$246K) through April. (Actual)  
+ 3% Compared to Budget

1.2 Hotel / Motel Tax:

3.55% increase YTD compared to prior year. Down 4% to budget.

1.3 Revenues:

	<u>March</u>	<u>April</u>
General Fund YTD	= 1.5%	0.6%
Water Fund YTD	= 3.6%	4.8%
Wastewater Fund YTD	= (3.1%)	(2.8%)
Solid Waste Fund YTD	= (0.1%)	0.1%
Street Fund YTD	= (3.3%)	(4.0)

YTD Revenues vs. YTD Budget:

	<u>March</u>	<u>April</u>
Water Sales	(4%)	(3%)
WW Service	(4%)	(4%)
Sales Tax	+5%	+3%
H/M	(2%)	(4%)

Changes in Revenue from Prior Year (thru March):

	<u>March</u>	<u>April</u>
Property & Sales Tax	+139K	+72K
Water	+180K	+276K
Wastewater	(130K)	(135K)
SW	+3K	2K

1.4 **Fund & capital expenditures** ->

Expenditures are exceeding revenue due to seasonal timing for: Water - (\$859K);  
WW - (74K); SW - (\$222K); and Streets (\$1,104K).

1.5 **Interest Revenue:** Above YTD budget, (\$2K). The city has invested in agency notes CD's,  
and Munis to increase yield with safety. Interest revenue is subject to investment timing.

Note: First month since recession pulled even with YTD budget.

1.6 Fund balances reserves:

Water 21%; Wastewater 38%; Solid Waste 45%; General Fund 96%; Streets 8%

**2 Key Performance Measurements**

2.1 Gift Shop net profit/losses. \$1.6K year to date; \$14,952 purchases for holiday inventory and stocking for spring. Average revenues of \$8,759 through April.

**3 Revenue section including sales tax and hotel/motel receipts + Utility Billing status (Tab 3)**

(Over/Under average monthly budget refers to an average monthly over the 12 month fiscal year)

- 3.1 **Total City Utility & Service** revenue is \$13,755K or -1% under YTD budget. Water is 3% under and Wastewater is 4% under budget. Tap fees from Construction are \$65K (18% over YTD budget).
- 3.2 **Sales Tax** receipts are \$3.7M. This is over YTD budget by 3%. Sales tax revenue is 7% over last fiscal year collections.
- 3.3 **Property Tax** receipts YTD are \$4.7M or 97% of the budget. Taxes are officially due January 1.
- 3.4 **Investment revenues** – YTD interest revenue totaled \$152K compared to YTD budget of \$150K. Due to timing difference of receiving cash interest payments. Interest on target with budget. Investment reports show on target with interest rate of 1%.
- 3.5 **Hotel/Motel Tax revenues** - \$290K YTD; this is 11% less than prior year and 4% under YTD budget. Units with 50 to 100 rooms are trending up, while those > 100 (larger motels) and < 50 rooms (smaller) are trending down since 2007.

**4 Expenditure section – Tab 5**

4.1 **Division budget / actual expenditures / prior year end Amendment** – City Manager (71% vs. 58%); IT (60% vs. 50% and 80% for 309 computer equipment fund); Recreation (58% vs. 58%); Public Safety Adm. (62% vs. 58%); Tourism (86% vs. 58%); Garage Operations (61% vs. 58%). Most due to timing differences.

Overtime Overages: Public Utilities 61%; Community Services 83%, and Fire 55%

**5 Cash Management section (Tab 6)**

5.1 Total cash & investment funds were \$38M.

5.2 Monthly interest rate averages:

<b>Percent of Profile</b>	<b>2%</b>	<b>2%</b>	<b>3%</b>	<b>1%</b>	<b>3%</b>	<b>33.5%</b>	<b>22.5%</b>	<b>29%</b>
	<b>Cash</b>	<b>Tex Pool</b>	<b>Cutwater TxClass</b>	<b>Logic</b>	<b>ICSA</b>	<b>Agencies</b>	<b>CD</b>	<b>TXMR WFB</b>
October	0.120%	0.209%	0.300%	0.315%	-	1.88%	1.81%	
November	0.104%	0.211%	0.280%	0.265%	-	1.88%	1.81%	
December	0.026%	0.209%	0.260%	0.227%	-	N/A	1.73%	
January	0.041%	0.163%	0.219%	0.184%	-	N/A	1.51%	
February	0.043%	0.151%	0.235%	0.167%	-	N/A	1.51%	
March	0.006%	0.150%	0.220%	0.170%	-	NA	1.52%	
April	0.100%	0.160%	0.220%	0.180%	-	2.0%	1.52%	
May	0.13%	0.19%	0.23%	0.21%	0.34%	1.64%	1.27%	
June	0.14%	0.21%	0.26%	0.26%	0.40%	1.64%	1.27%	0.34%
July	0.14%	0.22%	0.28%	0.29%	0.40%	1.66%	1.31%	0.29%
August	0.15%	0.22%	0.29%	0.32%	0.40%	1.66%	1.31%	0.32%
Sept	0.13%	0.22%	0.29%	0.29%	0.40%	1.60%	1.23%	0.32%
Oct 2010	0.10%	0.20%	0.26%	0.23%	0.40%	1.56%	1.18%	0.32%
Nov 2010	0.14%	0.19%	0.25%	0.22%	0.35%	1.55%	1.18%	0.30%
Dec 2010	0.0095%	0.20%	0.23%	0.21%	0.32%	1.55%	1.18%	0.30%
January 2011	0.1260%	0.20%	0.22%	0.21%	0.35%	1.65%	1.19%	0.30%
Feb 2011	0.10%	0.19%	0.17%	0.21%	0.35%	1.80%	1.18%	0.32%
March 2011	0.13%	0.19%	0.18%	0.22%	0.30%	1.80%	1.18%	0.32%
April 2011	0.11%	0.15%	0.17%	0.19%	0.30%	1.76%	1.08%	0.26%

	Cash	Tex Pool	TX Class	Logic	ICSA	Agencies	CD	TXMR WFB	Total
October	\$614,838	\$8,386,521	\$7,759,909	\$6,211,023		\$1,538,316	\$12,500,000		\$37,010,607
November	\$654,888	\$8,702,840	\$8,389,260	\$6,199,076		\$1,517,466	\$12,520,849		\$37,984,379
December	\$988,781	\$7,999,284	\$9,861,721	\$7,761,559		\$-0-	\$11,520,850		\$38,142,195
January	\$656,704	\$8,264,514	\$9,341,620	\$6,053,817		\$-0-	\$14,020,850		\$38,337,505
February	\$709,520	\$9,058,877	\$9,521,692	\$5,878,702		\$-0-	\$14,020,850		\$39,189,641
March	\$728,818	\$8,710,851	\$9,827,811	\$4,979,504		\$-0-	\$14,029,850		\$38,267,694
April	\$550,940	\$7,227,755	\$14,981,869	\$4,606,242		\$350,000	\$14,020,849		\$41,737,659
May	\$552,460	\$2,717,468	\$12,636,737	\$1,810,970	\$3,500,000	\$6,351,000	\$15,020,850		\$42,589,218
June	\$591,283	\$2,498,267	\$6,070,734	\$1,628,335	\$3,591,381	\$6,351,000	\$15,020,850	\$8,236,057	\$43,897,906
July	\$615,576	\$2,460,816	\$4,104,671	\$1,466,723	\$3,502,570	\$6,225,000	\$13,020,850	\$10,385,932	\$41,782,138
August	\$665,353	\$1,380,153	\$2,777,926	\$2,028,163	\$2,783,603	\$8,531,372	\$13,020,850	\$8,170,347	\$39,357,766
Sept	\$675,307	\$1,397,344	\$1,120,398	\$1,858,690	\$2,725,514	\$10,946,372	\$13,020,850	\$7,750,311	\$39,494,786
Oct 2010	\$955,623	\$1,114,481	\$1,072,840	\$1496,983	\$2,260,390	\$11,421,371	\$13,020,849	\$8,076,475	\$39,418,796
Nov 2010	\$1,036,744	\$1,148,850	\$1,693,889	\$1,056,180	\$2,090,023	\$10,250,191	\$13,020,850	\$9,926,394	\$40,226,621
Dec 2010	\$915,540	\$896,113	\$1,296,194	\$328,305	\$1,526,024	\$12,671,191	\$13,020,850	\$9,606,968	\$40,261,705
Jan 2011	\$732,539	\$1,374,713	\$1,376,455	\$269,356	\$1,221,024	\$12,405,000	\$11,053,934	\$11,966,564	\$40,339,586
Feb 2011	\$477,591	\$798,626	\$1,258,194	\$77,356	\$1,221,024	\$13,405,000	\$11,053,934	\$11,751,088	\$40,042,813
Mar 2011	\$1,504,375		\$1,118,182	-	\$1,219,663	\$12,105,000	\$11,053,934	\$11,321,799	\$39,313,458
April 2011	\$1,825,597	\$945,462	\$1,324,359	0%	\$1,146,960	\$14,205,000	\$8,553,931	\$10,175,223	

**Note: CD's = 1.19% weighted average interest rate and 127 days weighted average maturity.**

5.3 The City opened two money market secured accounts in 2010 (ICSA & TXMR Wells Fargo). Investment balances bank at 3/31/11 total \$12.5M and are earning 0.30% to 0.32% versus pool rates of approximately 0.18% to 0.19%.

Money market secured accounts are covered by either pledges or FDIC insurance.

	<b>Book</b>	<b>Market</b>	<b>YTC</b>	<b>YTM</b>	<b>Days to Maturity</b>
<b>Agencies</b>	\$8,699,630	\$8,665,981		1.66%	1224 (176 to call)
<b>Pools</b>	\$2,229,822	\$2,229,822		0.16%	1
<b>Money Market</b>	\$11,322,183	\$11,322,183		0.26%	1
<b>Cash</b>	\$1,504,375	\$477,591		0.11%	1
<b>CD's</b>	\$8,570,909	\$8,570,909		1.08%	63
<b>Municipal Bonds</b>	\$5,660,723	\$5,638,882		1.87%	965
<b>All</b>	\$38,05,115 Book \$36,483,268 Market	\$36,427,777		1.03%	204 to M 455 to Call

**Treasury Yield Comparison:**

<b>6 m</b>	<b>0.11%</b>
<b>1 year</b>	<b>0.22%</b>
<b>2 years</b>	<b>0.61%</b>

**Interest rate meets budget target of 1%**

**6 Inventory:**

\$264,359 a decrease of \$14K.  
 Gasoline –decrease of 12K to 20K;  
 Diesel – decrease of \$2.K  
 Tires – increase of \$7K to \$9K since Oct.1, and increase of \$2907 for April.

Finance Staff