



City of Huntsville Texas

Finance Division

Summary Notes to Monthly Finance Report

As of February 28th (5th month of fiscal year)

1 Summary report / monthly explanation for select funds

- 1.1 **Fiscal Year 2009 Revenues** → \$51.22M Budget vs. \$27.2M Actual –Revenues are more than YTD budget considering seasonal factors. Utilities & Service – 3.5% below, Sales Tax – 4.6% below YTD.
- 1.2 **Division & capital expenditures** → Divisions within budget.
- 1.3 **Interest Revenue:** Significantly under budget (48% incl. accrued revenue) due to interest rates. The city has invested in FHLB notes and CD's to increase yield with safety.(See Section 6). Prior year end investment income was 65% under prior year budget. CD and agency quarterly interest not accrued monthly.
- 1.4 **Inventory** \$223.6K, up from \$217.7K. (tab 10)
- 1.5 Fund balances are at 25% or greater.

2 Key Performance Measurements

- 2.1 New Section, to be supplied by Divisions and published by Finance.

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 \$9.41M vs. \$9.75M (3.5%) under YTD budget. Water is 7.6% under and Wastewater is at 100% of YTD monthly budget. Tap fees from Construction are \$28.8K (18% under YTD budget).
- 3.2 **Sales Tax** receipts are \$2.63M. This is under YTD budget by 4.6% and 6% under YTD last year.
- 3.3 **Property Tax** receipts YTD are \$4.5M; Taxes are officially due January 1. Delinquent payment from the Arbors Apts. of about \$350K will be maintained as not available for budgeting purposes. Collections exceed last year by \$275K (Gen. Fund +\$301K and Debt Svc. Fund -\$26K).
- 3.4 **Investment revenues** – YTD interest revenue totaled \$97.1K (48% under YTD budget).
- 3.5 **Hotel/Motel Tax revenues** - \$223K YTD; this is 9.6% less than prior year. Units with 50 to 100 rooms are trending up, while those > 100 (larger motels) and < 50 rooms (smaller) are trending down since 2007.

3.6 **Utility Billing Accounts Receivable** are 98.5% current, and 1.3% were between 30 – 60 days past due. Write-offs YTD totaled \$6,331. See “Accounts Receivable charts” in tab 3.

	<u>Accounts</u>	<u>Disconnects</u>	<u>Finals</u>	<u>Charge Offs</u>
October '09	8312	147	148	38
Nov. '09	8307	133	150	28
Dec. '09	8335	114	116	28
January '10	8321	166	113	10
February '10	8325	155	119	33

3.7 **Contractual, Grants, and Contribution revenues:** Annual budget is \$199K with year to date actual being \$41K (20.6%). (Tab 3).

4 CIP & Grants section

4.1 **CIP report** – Remaining budget for Projects is \$13.3 (Tab 4) (this includes 999 of \$1.4M). The increase is due to the library expansion project at \$3.5M.

4.2 **CIP available money vs. budget report** – Net available \$8.2M cash with a budget of \$10.8M, with \$1.4M from participants or grants and \$3.5M to come from Bonds to be issued for the Library capital project.

Net Available Cash	\$ 8.22M
Remaining Budget	<u>(11.87M)</u>
Deficit	(3.65M)
Participants & Grants	1.38M
Bonds for Library capital project	<u>3.50M</u>
Net Available w/ receivables	\$1.23M

- Fire Truck has been delivered.
- Utility project for the State Park wastewater/water project will be reimbursed 100% from State grants in the amount of \$1,367K.
- Library bond planned for \$3.5M.

5 Expenditure section – Tab 5

5.1 **Division budget / actual expenditures / prior year end Amendment** – YTD is under budget (7%). Over budget vs.42% YTD: Airport (111%); Community Svc Adm (46%); Public Safety Adm (46.2%); Arts CTR (44.5%);

5.2 **Payroll OT expenditures are on target.** Payroll is 42% Actual vs. 42% of year completed. Over budget: Community Services (56%); Fire (88%);

5.3 **Gas & Diesel (See Tab 5).** Mega track fuel report – trend analysis gallons & \$'s.

- Trend analysis provided to Division managers for visibility of consumption.
31.9% of gasoline & 12.7% of diesel use is by county & external vehicles by contract.
- Gasoline average price per gallon (pumped) for November is \$2.28; YTD = \$2.19
- Diesel average price per gallon (pumped) for September is \$ 2.14; YTD = \$2.22

6 Cash Management section (Tab 6)

6.1 Total cash & investment funds were \$38M; same as prior month.

6.2 Monthly interest rate averages:

Percent of Profile	2%	23%	24%	15%	0%	36%
	Cash	Tex Pool	MBIA	Logic	Agencies	CD
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%

	Cash	Tex Pool	MBIA	Logic	Agencies	CD	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

Note: CD's = 1.52% weighted average interest rate and 146 days weighted average maturity. Overall WAM=53 days and yield=0.66%

6.3 Percent by Portfolio for January: Cash 1.8%; Pools 62.4%; Agencies 0%; CD's 35.8%.

7 Governmental funds section including capital expenditures funds

7.1 Balance sheets and Summary Income Statements provided.

8 Enterprise funds section

8.1 Balance sheets and Summary Income Statements provided.

9 Fiduciary funds section

9.1 Balance sheets and Summary Income Statements provided.

10 Inventory section [fuel / parts / supplies / pipe / etc.] - (Tab 10)

10.1 Warehouse Inventory by Division:

Total on-hand is \$234K, up from \$229K. Prior Year end balance was \$220K.

- Gas & diesel totaled \$53.6K combined, up from \$46.2K from prior month amount.
- Street inventory was \$33.2K vs. \$34.9K prior month.
- Audit was completed showing inventory usage; but database entry issues with gas and diesel continue, and notification of problems as they arise. Inventory variances resolved, solid waste diesel pumps are a remaining issue.

Gas & Diesel:

	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>
FY 07-08	\$43K	\$49K	\$35K	\$31K	\$59K	\$62K	\$87K	\$90K	\$75K	\$55K	\$66K	\$57K
FY 08-09	\$33K	\$41K	\$28K	\$36.5K	34.7K	31.8K	35.7K	\$28K	\$36K	\$38	\$31K	\$42.8K
FY 09-10	\$36K	\$37K	\$51K	\$46.2K	\$53.6							

11 Budget amendments

12 OPEN notes and add ins

Finance Staff