

## PLANO CITY COUNCIL

**WILL CONVENE INTO EXECUTIVE SESSION AT 5:30 P.M. ON NOVEMBER 12, 2012, FOLLOWED BY THE PRELIMINARY OPEN MEETING IN THE PLANO MUNICIPAL BUILDING, 1520 K AVENUE, IN COMPLIANCE WITH VERNON'S TEXAS CODES ANNOTATED, GOVERNMENT CODE CHAPTER 551 (OPEN MEETINGS ACT), AS FOLLOWS:**

**Mission Statement: The City of Plano is a regional and national leader, providing outstanding services and facilities through cooperative efforts that engage our citizens and contribute to the quality of life in our community.**

### EXECUTIVE SESSION

- |      |   |           |         |
|------|---|-----------|---------|
| I.   | Legal Advice  | Wetherbee | 15 min. |
|      | a) Respond to questions and receive legal advice on agenda items  |           |         |
|      | b) Open Meetings Act Issues   |           |         |
|      | c) Obligations for Conflicts of Interest Disclosure   |           |         |
| II.  | Economic Development  | Bane      | 10 min. |
|      | Discuss a financial offer or other incentive to a business prospect to locate, stay, or expand in Plano and consider any commercial and financial information from the business prospect. |           |         |
| III. | Real Estate   | Turner    | 10 min. |
|      | a) Extension of Downtown Redevelopment Agreement  |           |         |
|      | b) Cottonbelt Station Site  |           |         |
| IV.  | Personnel   | Council   | 15 min. |
|      | City Manager Roles and Responsibilities   |           |         |

### PRELIMINARY OPEN MEETING

- |      |  |          |         |
|------|--|----------|---------|
| I.   | Consideration and action resulting from Executive Session discussion | Council  | 5 min.  |
| II.  | Comprehensive Monthly Financial Report                               | Cockrell | 10 min. |
| III. | Council items for discussion/action on future agendas                | Council  | 5 min.  |

IV. Consent and Regular Agendas

Council

5 min.

**In accordance with the provisions of the Open Meetings Act, during Preliminary Open Meetings, agenda items will be discussed and votes may be taken where appropriate.**

***Municipal Center is wheelchair accessible. A sloped curb entry is available at the main entrance facing Avenue L, with specially marked parking spaces nearby. Access and special parking are also available on the north side of building. The Council Chamber is accessible by elevator to the lower level. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary at 972-941-7120.***

# COMPREHENSIVE MONTHLY FINANCIAL REPORT

September 2012



# ABOUT THIS REPORT

The City of Plano Finance Department is dedicated to excellence in local government, comprehensive fiscal management, compliance and reporting. The Comprehensive Monthly Financial Report (CMFR) is a unique document, directed at providing our audience (internal and external users), with the general awareness of the City's financial positions and economic activity.

This report is comprised of four sections:

1. The **Financial Analysis** reports the performance of the major operating funds of the City. Narrative disclosures are used to highlight any significant changes or fluctuations.
  - 1A. The **Financial Summary** provides comparative data for major revenue sources and expenditure items.
2. The **Economic Analysis** section contains a summary of the key economic indicators and an in-depth review with graphic illustrations.
3. The **Investment Report** provides a description of investment activity during the month and a summary of interest earnings.

We would like to acknowledge those responsible for this report: Heather Potyok for the Financial Summary; Amy Anderson for the Economic Analysis Report and Myra Conklin for the Investment Report.

The CMFR is intended to provide our audience with a timely, unique, and informative document. Please provide us with any comments or suggestions you may have and should you desire additional information, feel free to contact my office.



Denise Tacke  
Director of Finance  
P.O. Box 860358  
Plano, TX 75006-0358  
972-941-7135



## **SECTION 1**

### **FINANCIAL ANALYSIS**

#### **City of Plano Comprehensive Monthly Financial Report**

This report is designed for internal use and does not include all the funds and accounts included in the City of Plano's operations. For a complete report, refer to the City of Plano Comprehensive Annual Financial Report, available on the City of Plano's website and through the City's Finance Department.

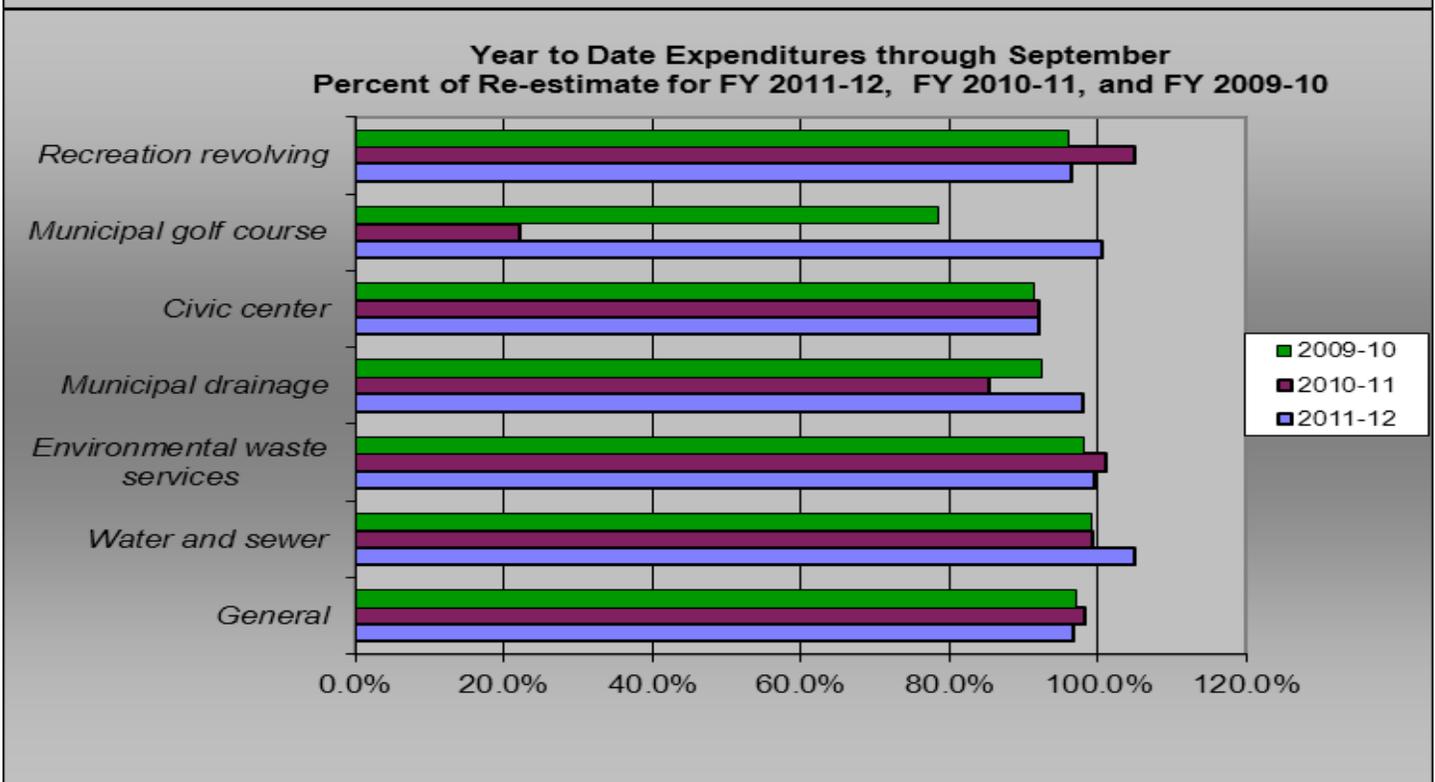
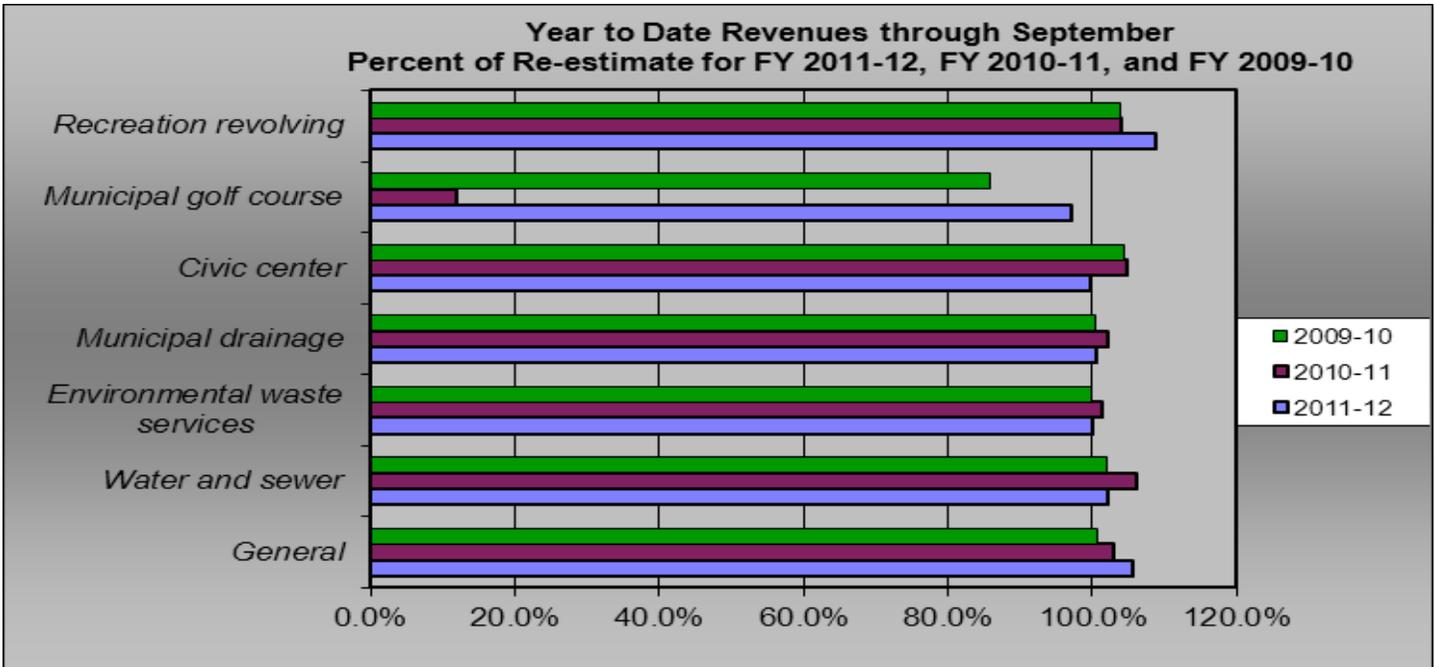
# REPORT NOTES SEPTEMBER 2012

The information represented in this report provides a summary of the General Fund and Business-type revenues and expenses which offers readers an overview of the City of Plano's finances.

This section compares year to date activity in the current fiscal year to the same time period in prior year. Please note that ending fund balances in all funds are subject to final audit adjustments.

The graphs below represent year to date revenues and expenses as a percent of the re-estimated budget comparing the current and prior fiscal years.

## HIGHLIGHTS OF FUND VARIANCES



# REPORT NOTES CONTINUED

## SEPTEMBER 2012

### FINANCIAL HIGHLIGHTS

#### GENERAL FUND VARIANCES

##### Revenues

- Sales tax revenues increased from the prior year by \$7,148,877, primarily as a result of positive audit adjustments of \$3,352,612 in the current year, as well as an increase in business to business sales coupled with improved consumer spending.
- Ad valorem tax revenues increased \$2,816,028 due an increase in the tax levy which is a result of an increase in property values.
- Court fine revenues are \$1,426,893 higher due to an increase in citation filings in addition to an increased effort in collections. In the prior year, 60,378 citations were filed while 75,009 citations were filed in the current year. Additionally, the City has had a successful warrant round-up in the current year.
- In February 2012, a five year, \$1,000,000 sponsorship agreement with Texas Health Presbyterian Hospital Plano was approved, resulting in \$200,000 in sponsorship revenue for fiscal year 2012. As part of the agreement, Texas Health Plano will be recognized at four Plano recreation centers in addition to making health information available to the public at those locations.
- Electric franchise revenue increased \$328,495 due to a rate increase effective July 2011.
- Engineering inspection fees increased \$162,264 due to an increase in new construction projects as well as existing projects that require inspections this year.
- Building permit revenues, which are based on square footage and valuation, are higher by \$145,633 primarily due to more and larger value projects in the current year.
- Rental registration fee revenues for multi-family dwellings increased \$133,141 as a result of timing of payments due to a change in the due date. The amendment to the ordinance changed the due date from June 30th to October 31st.
- Ambulance service revenue increased \$839,210 due to a change in ambulance billing providers performing billing and collection services.
- Rental income increased \$238,639 primarily due to new annual lease payments of \$250,000 related to the Ridgeview Ranch Golf Club. There were no lease payments for the first fifteen years of the lease.
- Athletic league participant fees increased \$59,376 as a result of timing of payments by various sports organizations for services provided by the Parks and Recreation Department coupled with a change in the fee structure effective January 1, 2011.
- Membership card fees increased \$355,973 due to the re-opening of Carpenter Park Recreation Center following the renovation. Carpenter Park closed on October 30, 2010 for renovations and re-opened on August 5, 2011. Carpenter Park was only open for one month in the prior fiscal year for this period.
- Gas franchise revenues decreased \$464,534 due to a surplus of natural gas resulting in lower prices.
- Interest revenue decreased \$439,525 due to lower interest rates in the current year.
- Athletic league participant user fees decreased \$104,037 due to a change in fee structure as of January 1, 2011 resulting in no fees for resident teams and non-resident teams paying \$72.00 per team in user fees.

##### Expenditures

- Municipal garage charges for the Police and Fire Departments increased \$28,302 and \$112,028, respectively, due to increased fuel costs as well as major repairs to vehicles and equipment.
- PC (personal computer) replacement charges increased \$421,427 as a result of PC replacement charges not being charged to departments in the prior year as a longer warranty on the personal computers (PCs) lengthened the replacement cycle from three to four years, alleviating the annual departmental PC replacement expenditure for 2010-11.
- Maintenance costs for facilities maintenance increased \$71,443 due to a City-wide bulb and ballast replacement in the current year in addition to a battery replacement at the Municipal Center.
- ERF (Equipment Replacement Fund) charges increased \$102,606 due to an increase in the amount of equipment purchased and replaced by the Fire and Police departments resulting in additional depreciation paid into the ERF.

# REPORT NOTES CONTINUED

## SEPTEMBER 2012

- Non-departmental contract costs increased \$171,492 due to new initiatives such as an ethics hotline, an indirect cost rate study, and consultant charges related to branding.
- Maintenance costs for signals increased \$60,912 due to additional storm repairs in the current year.
- Personnel services increased \$1,528,929 from the prior year primarily due to an increase in the number of retirees resulting in lump sum pay in final checks, sick and vacation payout. Additionally, a portion of the increase is due to a 0.73% increase in the employer percentage contributed to Texas Municipal Retirement System (TMRS) effective January 1, 2011 and a 2% across the board salary increase effective September 26, 2011.
- Library costs and encumbrances for books decreased \$177,356 due to the timing of purchase orders, while costs and encumbrances for non-print media increased \$132,024 as a result of an increased emphasis on building the DVD collection and the PlayAway collection for the City libraries. PlayAway is a pre-loaded personal listening device containing one entire book.
- Costs associated with ammunition in the Police Department decreased \$63,001. Ammunition is procured on an "as needed basis."
- Contract costs for the Art Center of North Texas decreased \$229,500 as the City is no longer paying operations and maintenance costs.
- Replacement charges decreased \$577,246 due to an extension of large rolling stock and equipment purchase cycles to reduce the cost impact to the General Fund.
- Contract costs for signs and markings decreased \$146,089 due to a decline in encumbered funds carried over in the current year in addition to budget reductions.
- The General Fund reimbursed the Golf Course Fund \$415,303 for golf course renovations in the prior year.
- Chemical expenses and encumbrances for the Parks and Recreation Departments decreased \$45,999 due to budget reductions coupled with the elimination of an approved port-emergent chemical that was previously used by the City.
- Postage for the Records Management department decreased \$167,477 due to the timing of purchase orders.
- Water billings to City Departments decreased \$847,732 due to a reduction in usage as a result of water restrictions.

### BUSINESS-TYPE VARIANCES

#### Water and Sewer

Water and sewer revenues declined \$10,647,351 and \$1,057,376, respectively, due to a decline in water consumption of 3,222,779,020 gallons as a result of the extreme drought conditions which increased water restrictions to Stage 3 effective November 1, 2011. Expenses and encumbrances for the fixed network meter reading system increased \$3,244,266 due to an increase in the number of meters installed and the related costs. Professional contract costs increased \$164,983 due to the purchase of Blackboard Connect, a new communication tool that can be utilized by all City departments as a means to communicate with citizens. Contractual payments to North Texas Municipal Water District (NTMWD) increased \$3,144,012 due to an 8.8% rate increase effective October 1, 2011. Land contract costs of \$110,775 relate to exterior work on the Environmental Education Complex related to dirt, hardscape, irrigation, and landscape preparation, which was reimbursed by the Environmental Waste Services Fund. Electric payments decreased \$457,787 due to a decreased demand on the pump station due to the imposed water restrictions.

# REPORT NOTES CONTINUED

## SEPTEMBER 2012

### Environmental Waste Services

Commercial solid waste revenues are \$73,538 higher primarily due to an increase in collection fees, disposal volumes and timing of collections. Commercial solid waste revenues are the City's portion of the waste and disposal fees collected by Allied Waste, the City's waste disposal contractor. Revenues related to the sale of compost increased \$327,158 due to the addition of new customers. Recycling revenues decreased \$450,651 due to an increase in the processing fee in November 2011 as well as a decrease in tonnage and commodity prices. Prior year capital outlay expenditures of \$81,380 relate to the installation of electrical work for a new fuel tank which NTWMD required the City to install at Custer Road. In addition, a new bagging machine was installed at the 121 Regional Compost Facility. Personnel services decreased \$134,107 due to a reduction in headcount from the prior year in addition to an individual that retired in March 2011. Municipal garage charges increased \$118,193 due to increased fuel and repair costs. Additional purchases of trash trucks and increased replacement costs resulted in increased replacement charges of \$269,075. The Environmental Waste Services Fund reimbursed the Water and Sewer Fund \$130,000 for a split rail fence and plant materials at the Environmental Education Complex. Current year rolling stock expenses include \$72,524 for an additional rear-end loader vehicle for the collection of yard trimmings as well as \$105,993 and \$85,500 for a tractor and trailer, respectively. The tractor and trailer are used to haul ground material from the Custer Road grind site to the 121 Regional Composting Facility.

### Municipal Drainage

Municipal drainage charges have remained consistent with the prior year at approximately \$5.2 million as there have been no rate changes. Personnel services increased \$102,517 due to an increase in the accrued vacation expense. Prior year expenses of \$38,519 for land improvement costs relate to pond restoration and silt removal from three park ponds.

### Civic Center

Lost business due to increasing regional competition has resulted in a decrease of lease fees, concession sales, and alcohol sales of \$6,492, \$8,040, and \$29,740, respectively. Additionally, equipment rentals are down \$36,964 as clients are using less technology in general and those that use technology are bringing more of their own equipment. Catering sales increased \$70,775 due to new clients. Service charges, a function of catering sales, increased \$8,792. As a result of increased food and beverage sales, concession food costs increased \$33,074. Grant awards in support of Historic Preservation and the Cultural Arts are based on a fixed percentage of budgeted hotel/motel tax receipts. These grant awards are calculated using fifteen percent of budgeted hotel/motel tax revenues for the current year. Historic Preservation and Cultural Arts grant awards increased \$169,636 and \$93,209, respectively, primarily due to an increase in budgeted hotel/motel tax revenues. Personnel costs increased \$89,992 due to a 2% across the board pay increase effective September 26, 2011 in addition to an increase in employer percentage contributed to Texas Municipal Retirement System (TMRS) effective January 1, 2011 and an increase in full-time positions. Current year implements and apparatus expenses of \$25,530 relate to replacement of catering banquet equipment and purchasing equipment for a new snack bar. Contract labor costs, a function of catering sales, increased \$9,572. Professional service contracts increased \$21,878 due to an additional advertising project.

# REPORT NOTES CONTINUED

## SEPTEMBER 2012

### Golf Course

Pecan Hollow Golf Course (the Golf Course) was closed for renovation from November 1, 2010 through October 31, 2011. The Golf Course had an increase in year to date rounds of 45,854, causing revenue to increase by \$805,825. Personnel services increased \$218,581 due to the golf course being fully staffed. Botanical and agricultural costs and maintenance costs increased \$35,672 and \$32,157, respectively, due to the golf course closure in the prior year. Increased software costs of \$6,749 relate to a new on-line tee time reservation system. The General Fund and Park Improvement Fund reimbursed the Golf Course Fund \$493,119 for golf course renovations in the prior year. Prior year contract costs of \$100,000 relate to four installments being paid to the Golf Pro in the prior year for one-year contracted services he renders on behalf of the City for the golf course.

### Recreation Revolving

Carpenter Park Recreation Center closed on October 30, 2010 and re-opened on August 5, 2011 after a renovation project. The renovation added 9,100 square feet resulting in the new weight and fitness room being 230% larger and allowing for a 1,500 square foot Senior Activity/Multi-Purpose room. Carpenter Park Recreation Center was open one month in the prior year for this period. Recreation fee revenue increased \$389,909 due to the increased enrollment in activities at Carpenter Recreation Center. Contract costs for Carpenter Recreation Center increased \$161,290 as additional instructors were hired to staff the larger recreation center. Credit card fees increased \$15,197 due to the increase in the number of individuals participating and paying with a credit card. Additionally, contract costs increased \$11,612 due to deposits and booking fees for the new Texas Music Series, a monthly event where country artists perform at the Courtyard Theater. Professional contract costs for printing of the Leisure Guide decreased \$13,252 due to fewer guides being printed. Prior year minor apparatus expenditures include \$49,999 for spin bikes for a new spin class.



## **SECTION 1A**

### **FINANCIAL SUMMARY**

**City of Plano  
Comprehensive Monthly Financial Report**

MONTHLY FINANCIAL SUMMARY REPORT  
 THROUGH SEPTEMBER 30 OF FISCAL YEARS 2012, 2011, AND 2010  
 GENERAL FUND

	Fiscal Year	Annual Budget	Recommended Re-estimate	12 Months Actual	Actual/ Re-estimate	Performance Index *
<b>REVENUES:</b>						
<b>Ad valorem tax</b>	2012	\$ 78,254,045	78,354,185	78,356,923	100.0%	100.00
	2011	76,291,685	75,763,574	75,540,895	99.7%	99.71
	2010	82,436,251	81,932,161	81,571,897	99.6%	99.56
<b>Sales tax</b>	2012	57,012,269	59,992,092	69,779,668	116.3%	116.31
	2011	57,012,269	57,792,985	62,630,791	108.4%	108.37
	2010	57,821,890	56,650,958	57,992,069	102.4%	102.37
<b>Other revenue</b>	2012	57,662,358	60,804,805	61,781,078	101.6%	101.61
	2011	59,519,031	58,000,983	59,527,914	102.6%	102.63
	2010	<u>60,867,804</u>	<u>57,781,042</u>	<u>58,139,724</u>	100.6%	100.62
<b>TOTAL REVENUE</b>	2012	192,928,672	199,151,082	209,917,669	105.4%	105.41
	2011	192,822,985	191,557,542	197,699,600	103.2%	103.21
	2010	<u>201,125,945</u>	<u>196,364,161</u>	<u>197,703,690</u>	100.7%	100.68
<b>EXPENDITURES &amp; ENCUMBRANCES:</b>						
<b>Current operating</b>	2012	\$ 204,632,365	206,486,900	199,632,258	96.7%	96.68
	2011	205,461,225	201,093,071	197,639,529	98.3%	98.28
	2010	207,374,024	205,528,578	199,927,163	97.3%	97.27
<b>Capital outlay</b>	2012	1,000,000	1,670,148	1,778,562	106.5%	106.49
	2011	1,026,000	1,937,626	1,908,400	98.5%	98.49
	2010	<u>1,010,000</u>	<u>2,599,424</u>	<u>2,556,214</u>	98.3%	98.34
<b>Total expenditures and encumbrances</b>	2012	205,632,365	208,157,048	201,410,820	96.8%	96.76
	2011	206,487,225	203,030,697	199,547,929	98.3%	98.28
	2010	<u>208,384,024</u>	<u>208,128,002</u>	<u>202,483,377</u>	97.3%	97.29
<b>Excess (deficiency) of revenues over (under) expenditures</b>	2012	(12,703,693)	(9,005,966)	8,506,849	-	-
	2011	(13,664,240)	(11,473,155)	(1,848,329)	-	-
	2010	(7,258,079)	(11,763,841)	(4,779,687)	-	-
<b>OTHER FINANCING SOURCES (USES)</b>						
<b>Transfers in</b>	2012	10,341,431	9,819,486	9,819,486	100.0%	100.00
	2011	10,046,194	10,745,174	12,002,402	111.7%	111.70
	2010	8,616,358	9,813,482	9,813,482	100.0%	100.00
<b>Transfers out</b>	2012	(11,400,000)	(10,500,000)	(10,759,708)	102.5%	102.47
	2011	(10,500,000)	(10,933,263)	(11,193,534)	102.4%	102.38
	2010	<u>(10,634,771)</u>	<u>(10,634,772)</u>	<u>(11,100,430)</u>	104.4%	104.38
<b>NET CHANGE IN FUND BALANCES</b>	2012	(13,762,262)	(9,686,480)	7,566,627		
	2011	(14,118,046)	(11,661,244)	(1,039,461)		
	2010	(9,276,492)	(12,585,131)	(6,066,635)		
<b>FUND BALANCES-BEGINNING</b>	2012			44,833,725		
	2011			41,400,577		
	2010			<u>42,744,130</u>		
<b>FUND BALANCES-ENDING SEPTEMBER 30</b>	2012			52,400,352		
	2011			40,361,116		
	2010			<u>36,677,495</u>		

\* The Performance Index is a projection of the City's proximity to arriving at re-estimated budget figures at this point in time. It is calculated taking twelve months divided by the number of months completed to date in the current fiscal year times 100 multiplied by the actual/re-estimate percentage.

Note: FY 2010 and 2011 re-estimated budget and actual figures include carryforward amounts.

FY 2012 carryforward amounts are not available at time of print.

**MONTHLY FINANCIAL SUMMARY REPORT  
THROUGH SEPTEMBER 30 OF FISCAL YEARS 2012, 2011, AND 2010  
WATER AND SEWER FUND**

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>Recommended Re-estimate</u>	<u>12 Months Actual</u>	<u>Actual/ Re-estimate</u>	<u>Performance Index*</u>
<b>REVENUES:</b>						
<b>Water and sewer revenue</b>	2012	\$ 119,524,755	111,303,138	113,637,213	102.1%	102.10
	2011	114,814,263	117,880,987	125,343,980	106.3%	106.33
	2010	114,488,347	110,876,716	113,719,124	102.6%	102.56
<b>Other fees and service charges</b>	2012	3,252,285	3,004,696	3,021,433	100.6%	100.56
	2011	3,026,852	2,761,154	2,850,036	103.2%	103.22
	2010	<u>2,818,831</u>	<u>3,072,251</u>	<u>2,702,853</u>	88.0%	87.98
<b>TOTAL REVENUE</b>	2012	122,777,040	114,307,834	116,658,646	102.1%	102.06
	2011	117,841,115	120,642,141	128,194,016	106.3%	106.26
	2010	<u>117,307,178</u>	<u>113,948,967</u>	<u>116,421,977</u>	102.2%	102.17
<b>EXPENSES &amp; ENCUMBRANCES:</b>						
<b>Capital outlay</b>	2012	320,849	454,285	144,982	31.9%	31.91
	2011	-	23,423	143,010	610.6%	610.55
	2010	-	1,265,976	1,261,729	99.7%	99.66
<b>Other expenses &amp; encumbrances</b>	2012	90,734,491	90,895,698	95,755,493	105.3%	105.35
	2011	91,593,144	89,717,523	89,027,433	99.2%	99.23
	2010	<u>91,399,723</u>	<u>86,160,343</u>	<u>85,425,588</u>	99.1%	99.15
<b>Total expenses and encumbrances</b>	2012	91,055,340	91,349,983	95,900,475	105.0%	104.98
	2011	91,593,144	89,740,946	89,170,443	99.4%	99.36
	2010	<u>91,399,723</u>	<u>87,426,319</u>	<u>86,687,317</u>	99.2%	99.15
<b>Excess (deficiency) of revenues over (under) expenses</b>	2012	31,721,700	22,957,851	20,758,171	-	-
	2011	26,247,971	30,901,195	39,023,573	-	-
	2010	25,907,455	26,522,648	29,734,660	-	-
<b>TRANSFERS IN (OUT)</b>						
<b>Transfers in</b>	2012	-	436,352	-	0.0%	-
	2011	-	857,239	700,000	81.7%	81.66
	2010	-	-	-	0.0%	-
<b>Transfers out</b>	2012	(26,192,397)	(32,593,556)	(29,593,556)	90.8%	90.80
	2011	(21,906,246)	(24,053,240)	(24,008,020)	99.8%	99.81
	2010	<u>(25,083,019)</u>	<u>(26,355,801)</u>	<u>(26,355,801)</u>	100.0%	100.00
<b>CHANGE IN NET ASSETS</b>	2012	\$ 5,529,303	(9,199,353)	(8,835,385)		
	2011	4,341,725	7,705,194	15,715,553		
	2010	824,436	166,847	3,378,859		
<b>TOTAL NET ASSETS-BEGINNING</b>	2012			364,250,750		
	2011			343,560,326		
	2010			<u>324,231,841</u>		
<b>TOTAL NET ASSETS-ENDING SEPTEMBER 30</b>	2012			355,415,365		
	2011			359,275,879		
	2010			<u>327,610,700</u>		

\* The Performance Index is a projection of the City's proximity to arriving at re-estimated budget figures at this point in time. It is calculated taking twelve months divided by the number of months completed to date in the current fiscal year times 100 multiplied by the actual/re-estimate percentage.

Note: FY 2010 and 2011 re-estimated budget and actual figures include carryforward amounts.  
FY 2012 carryforward amounts are not available at time of print.

**MONTHLY FINANCIAL SUMMARY REPORT  
THROUGH SEPTEMBER 30 OF FISCAL YEARS 2012, 2011, AND 2010  
ENVIRONMENTAL WASTE SERVICES FUND**

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>Recommended Re-estimate</u>	<u>12 Months Actual</u>	<u>Actual/ Re-estimate</u>	<u>Performance Index*</u>
<b>REVENUES:</b>						
<b>Commerical solid waste franchise</b>	2012	\$ 6,834,921	6,834,921	6,834,884	100.0%	100.00
	2011	6,504,545	6,773,996	6,761,347	99.8%	99.81
	2010	6,709,797	6,447,518	6,286,201	97.5%	97.50
<b>Refuse collection revenue</b>	2012	13,418,184	13,389,534	13,410,847	100.2%	100.16
	2011	13,172,550	13,432,486	13,759,267	102.4%	102.43
	2010	13,005,330	13,256,284	13,273,530	100.1%	100.13
<b>Other fees and service charges</b>	2012	2,962,558	2,912,131	2,910,700	100.0%	99.95
	2011	2,455,656	2,598,360	2,614,591	100.6%	100.62
	2010	2,508,431	2,237,740	2,347,948	104.9%	104.92
<b>TOTAL REVENUE</b>	2012	23,215,663	23,136,586	23,156,431	100.1%	100.09
	2011	22,132,751	22,804,842	23,135,205	101.4%	101.45
	2010	22,223,558	21,941,542	21,907,679	99.8%	99.85
<b>EXPENSES &amp; ENCUMBRANCES:</b>						
<b>Capital outlay</b>	2012	667,000	476,119	285,539	60.0%	59.97
	2011	6,500	219,401	249,133	113.6%	113.55
	2010	-	-	23,616	0.0%	0.00
<b>Other expenses &amp; encumbrances</b>	2012	23,078,426	22,923,649	22,971,435	100.2%	100.21
	2011	22,777,980	22,205,103	22,425,323	101.0%	100.99
	2010	22,498,000	22,178,148	21,715,570	97.9%	97.91
<b>Total expenses and encumbrances</b>	2012	23,745,426	23,399,768	23,256,974	99.4%	99.39
	2011	22,784,480	22,424,504	22,674,456	101.1%	101.11
	2010	22,498,000	22,178,148	21,739,186	98.0%	98.02
<b>Excess (deficiency) of revenues over (under) expenses</b>	2012	(529,763)	(263,182)	(100,543)	-	-
	2011	(651,729)	380,338	460,749	-	-
	2010	(274,442)	(236,606)	168,493	-	-
<b>TRANSFERS IN (OUT)</b>						
<b>Transfers in</b>	2012	100,000	100,000	100,000	100.0%	100.00
	2011	100,000	100,000	100,000	100.0%	100.00
	2010	100,000	100,000	100,000	100.0%	100.00
<b>Transfers out</b>	2012	-	-	-	0.0%	-
	2011	-	-	-	0.0%	-
	2010	-	-	-	0.0%	-
<b>CHANGE IN NET ASSETS</b>	2012	\$ (429,763)	(163,182)	(543)		
	2011	(551,729)	480,338	560,749		
	2010	(174,442)	(136,606)	268,493		
<b>TOTAL NET ASSETS-BEGINNING</b>	2012			2,190,138		
	2011			2,128,099		
	2010			1,677,124		
<b>TOTAL NET ASSETS-ENDING SEPTEMBER 30</b>	2012			2,189,595		
	2011			2,688,848		
	2010			1,945,617		

\* The Performance Index is a projection of the City's proximity to arriving at re-estimated budget figures at this point in time. It is calculated taking twelve months divided by the number of months completed to date in the current fiscal year times 100 multiplied by the actual/re-estimate percentage.

**MONTHLY FINANCIAL SUMMARY REPORT  
THROUGH SEPTEMBER 30 OF FISCAL YEARS 2012, 2011, AND 2010  
MUNICIPAL DRAINAGE FUND**

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>Recommended Re-estimate</u>	<u>12 Months Actual</u>	<u>Actual/ Re-estimate</u>	<u>Performance Index*</u>
<b>REVENUES:</b>						
<b>Fees and service charges</b>	2012	\$ 5,158,231	5,238,231	5,274,459	100.7%	100.69
	2011	5,145,367	5,145,367	5,219,286	101.4%	101.44
	2010	5,007,613	5,143,661	5,156,487	100.2%	100.25
<b>Miscellaneous revenue</b>	2012	26,000	46,900	37,851	80.7%	80.71
	2011	42,440	28,514	65,692	230.4%	230.39
	2010	<u>85,000</u>	<u>42,479</u>	<u>51,552</u>	121.4%	121.36
<b>TOTAL REVENUE</b>	2012	5,184,231	5,285,131	5,312,310	100.5%	100.51
	2011	5,187,807	5,173,881	5,284,978	102.1%	102.15
	2010	<u>5,092,613</u>	<u>5,186,140</u>	<u>5,208,039</u>	100.4%	100.42
<b>EXPENSES &amp; ENCUMBRANCES:</b>						
<b>Capital outlay</b>	2012	-	2,540	4,328	170.4%	-
	2011	300,000	300,000	39,800	13.3%	13.27
	2010	-	-	-	0.0%	-
<b>Other expenses &amp; encumbrances</b>	2012	2,648,169	2,697,677	2,644,199	98.0%	98.02
	2011	2,624,071	2,712,627	2,529,242	93.2%	93.24
	2010	<u>3,046,620</u>	<u>2,883,128</u>	<u>2,667,411</u>	92.5%	92.52
<b>Total expenses and encumbrances</b>	2012	2,648,169	2,700,217	2,648,527	98.1%	98.09
	2011	2,924,071	3,012,627	2,569,042	85.3%	85.28
	2010	<u>3,046,620</u>	<u>2,883,128</u>	<u>2,667,411</u>	92.5%	92.52
<b>Excess (deficiency) of revenues over (under) expenses</b>	2012	2,536,062	2,584,914	2,663,783	-	-
	2011	2,263,736	2,161,254	2,715,936	-	-
	2010	2,045,993	2,303,012	2,540,628	-	-
<b>TRANSFERS OUT</b>						
<b>Operating transfers out</b>	2012	(3,270,690)	(3,270,690)	(3,270,690)	100.0%	100.00
	2011	(3,271,318)	(3,271,318)	(3,271,318)	100.0%	100.00
	2010	<u>(2,971,845)</u>	<u>(2,856,210)</u>	<u>(2,856,210)</u>	100.0%	100.00
<b>CHANGE IN NET ASSETS</b>	2012	(734,628)	(685,776)	(606,907)		
	2011	(1,007,582)	(1,110,064)	(555,382)		
	2010	(925,852)	(553,198)	(315,582)		
<b>TOTAL NET ASSETS-BEGINNING</b>	2012			32,725,438		
	2011			32,455,677		
	2010			<u>23,065,380</u>		
<b>TOTAL NET ASSETS-ENDING SEPTEMBER 30</b>	2012			32,118,531		
	2011			31,900,295		
	2010			<u>22,749,798</u>		

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Note: FY 2010 and 2011 re-estimated budget and actual figures include carryforward amounts.

FY 2012 carryforward amounts are not available at time of print.

**MONTHLY FINANCIAL SUMMARY REPORT  
THROUGH SEPTEMBER 30 OF FISCAL YEARS 2012, 2011, AND 2010  
NONMAJOR BUSINESS-TYPE FUNDS**

	<b>Fiscal Year</b>	<b>Annual Budget</b>	<b>Recommended Re-estimate</b>	<b>12 Months Actual</b>	<b>Actual/ Re-estimate</b>	<b>Performance Index*</b>
<b>REVENUES:</b>						
<b>Hotel/motel tax</b>	2012	\$ 4,567,687	4,762,155	4,744,456	99.6%	99.63
	2011	3,946,116	4,434,648	4,722,431	106.5%	106.49
	2010	4,494,486	3,907,046	4,098,810	104.9%	104.91
<b>Other revenue</b>	2012	6,310,469	6,408,493	6,706,469	104.6%	104.65
	2011	5,590,680	5,716,686	5,375,315	94.0%	94.03
	2010	6,761,751	6,363,412	6,448,024	101.3%	101.33
<b>TOTAL REVENUE</b>	2012	10,878,156	11,170,648	11,450,925	102.5%	102.51
	2011	9,536,796	10,151,334	10,097,746	99.5%	99.47
	2010	11,256,237	10,270,458	10,546,834	102.7%	102.69
<b>EXPENSES &amp; ENCUMBRANCES:</b>						
<b>Capital outlay</b>	2012	-	6,749	32,309	478.7%	-
	2011	-	50,000	26,539	53.1%	-
	2010	-	49,774	49,774	100.0%	-
<b>Other expenses &amp; encumbrances</b>	2012	10,851,426	11,053,857	10,373,207	93.8%	93.84
	2011	10,427,098	10,053,029	9,267,200	92.2%	92.18
	2010	12,238,004	10,959,522	10,086,143	92.0%	92.03
<b>Total expenses and encumbrances</b>	2012	10,851,426	11,060,606	10,405,516	94.1%	94.08
	2011	10,427,098	10,103,029	9,293,739	92.0%	91.99
	2010	12,238,004	11,009,296	10,135,917	92.1%	92.07
<b>Excess (deficiency) of Revenues over (under) expenses</b>	2012	26,730	110,042	1,045,409	-	-
	2011	(890,302)	48,305	804,007	-	-
	2010	(981,767)	(738,838)	410,917	-	-
<b>TRANSFERS OUT:</b>						
<b>Operating transfers out</b>	2012	(540,376)	(555,036)	(555,036)	100.0%	100.00
	2011	(434,772)	(456,069)	(476,069)	104.4%	104.39
	2010	(557,806)	(473,044)	(473,044)	100.0%	100.00
<b>CHANGE IN NET ASSETS</b>	2012	(513,646)	(444,994)	490,373		
	2011	(1,325,074)	(407,764)	327,938		
	2010	(1,539,573)	(1,211,882)	(62,127)		
<b>TOTAL NET ASSETS-BEGINNING</b>	2012			8,611,952		
	2011			10,264,683		
	2010			10,801,647		
<b>TOTAL NET ASSETS-ENDING SEPTEMBER 30</b>	2012			9,102,325		
	2011			10,592,621		
	2010			10,739,520		

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Note: FY 2010 and 2011 re-estimated budget and actual figures include carryforward amounts.

FY 2012 carryforward amounts are not available at time of print.

CITY OF PLANO, TEXAS  
EQUITY IN TREASURY POOL  
September 2012

FUND NO.	FUND NAME	CASH	EQUITY IN TREASURY POOL	TOTAL 9/30/2012	TOTAL 10/1/2011	TOTAL 9/30/2011
<b>GENERAL FUND:</b>						
01	General	\$ 42,707	53,711,396	53,754,103	44,178,414	44,178,414
77	Payroll	-	2,374,191	2,374,191	3,390,701	3,390,701
		<u>42,707</u>	<u>56,085,587</u>	<u>56,128,294</u>	<u>47,569,115</u>	<u>47,569,115</u>
<b>DEBT SERVICE FUND:</b>						
03	G.O. Debt Service	-	2,223,733	2,223,733	2,057,646	2,057,646
		-	<u>2,223,733</u>	<u>2,223,733</u>	<u>2,057,646</u>	<u>2,057,646</u>
<b>CAPITAL PROJECTS:</b>						
21	Senior Center Facilities	-	325,314	325,314	322,158	322,158
22	Recreation Center Facilities	-	1,088,344	1,088,344	1,244,673	1,244,673
23	Street Enhancement	-	1,780,091	1,780,091	1,763,711	1,763,711
25	1991 Police & Courts Facility	-	1,540,659	1,540,659	1,526,482	1,526,482
27	1991 Library Facility	-	915,921	915,921	907,448	907,448
28	1991 Fire Facility	-	3,907,479	3,907,479	3,871,202	3,871,202
29	Technology Improvements	-	1,722,112	1,722,112	1,693,852	1,693,852
31	Municipal Facilities	-	510,955	510,955	503,832	503,832
32	Park Improvements	-	7,600,131	7,600,131	7,266,875	7,266,875
33	Street & Drainage Improvement	-	16,201,649	16,201,649	15,391,886	15,391,886
35	Capital Reserve	-	46,001,117	46,001,117	44,618,657	44,618,657
38	DART L.A.P.	-	270,201	270,201	267,714	267,714
39	Spring Creekwalk	-	24,632	24,632	24,405	24,405
52	Park Service Areas	-	5,124,220	5,124,220	4,911,270	4,911,270
53	Creative & Performing Arts	-	2,304,076	2,304,076	2,282,875	2,282,875
54	Animal Control Facilities	-	344,850	344,850	341,677	341,677
59	Service Center	-	126,551	126,551	125,387	125,387
60	Joint Use Facilities	-	664,453	664,453	658,339	658,339
85	Public Arts	-	129,116	129,116	127,928	127,928
160	TXDOT-SH121	-	7,595,637	7,595,637	10,401,335	10,401,335
109	G.O. Bond Clearing - 2010	-	1,614,304	1,614,304	2,254,050	2,254,050
110	G.O. Bond Clearing - 1999	-	390,343	390,343	386,751	386,751
190	G.O. Bond Clearing - 2000	-	3,634,706	3,634,706	3,601,260	3,601,260
230	Tax Notes Clearing - 2001	-	1,073,826	1,073,826	1,113,332	1,113,332
250	Tax Notes Clearing - 2001-A	-	60,277	60,277	59,723	59,723
270	G.O. Bond Refund/Clearing - 2003	-	4,094	4,094	4,057	4,057
089	C.O. Bond Clearing - 2006	-	145,688	145,688	144,347	144,347
102	G.O. Bond Clearing - 2007	-	297	297	73,511	73,511
106	G.O. Bond Clearing - 2009	-	584,849	584,849	2,615,881	2,615,881
220	Tax and Revenue C.O. Clearing - 2010	-	6,842,995	6,842,995	8,960,547	8,960,547
92	G.O. Bond Clearing - 2011	-	2,700,033	2,700,033	13,257,914	13,257,914
120	G.O. Bond Refund/Clearing - 2011	-	25,444,045	25,444,045	-	-
		-	<u>140,672,965</u>	<u>140,672,965</u>	<u>130,723,079</u>	<u>130,723,079</u>
<b>ENTERPRISE FUNDS:</b>						
26	Municipal Drainage CIP	-	373,842	373,842	370,402	370,402
34	Sewer CIP	-	14,098,292	14,098,292	12,276,808	12,276,808
36	Water CIP	-	13,284,267	13,284,267	17,552,619	17,552,619
37	Downtown Center Development	-	221,557	221,557	178,323	178,323
41	Water & Sewer - Operating	2,810,504	17,964,521	20,775,025	17,531,332	17,531,332
42	Water & Sewer - Debt Service	-	387,919	387,919	340,240	340,240
43	Municipal Drainage - Debt Service	-	3,853,804	3,853,804	3,814,759	3,814,759
45	Sustainability & Environmental Services	650	1,434,494	1,435,144	979,603	979,603
46	Convention & Tourism	2,717	2,616,387	2,619,104	2,621,632	2,621,632
81	Friends of Plano Centre	-	4,094	4,094	4,057	4,057
47	Municipal Drainage	-	2,979,181	2,979,181	3,471,104	3,471,104
48	Municipal Golf Course	-	65,665	65,665	75,720	75,720
51	Recreation Revolving	350	2,048,571	2,048,921	1,561,444	1,561,444
330	Municipal Drain Rev Bond Clearing - 2007	-	233,081	233,081	230,936	230,936
340	Municipal Drain Rev Bond Clearing - 2008	-	257,965	257,965	840,954	840,954
107	Municipal Drain Rev Bond Clearing - 2009	-	1,706,602	1,706,602	1,690,898	1,690,898
260	Municipal Drain Rev Bond Clearing - 2010	-	3,477,871	3,477,871	3,445,868	3,445,868
		<u>2,814,221</u>	<u>65,008,113</u>	<u>67,822,334</u>	<u>66,986,699</u>	<u>66,986,699</u>

CITY OF PLANO, TEXAS  
EQUITY IN TREASURY POOL  
September 2012

FUND NO.	FUND NAME	CASH	EQUITY IN TREASURY POOL	TOTAL 9/30/2012	TOTAL 10/1/2011	TOTAL 9/30/2011
<b>SPECIAL REVENUE FUNDS:</b>						
2	Sproles Library	-	34,663	34,663	34,344	34,344
5	TIF-East Side	-	7,524,557	7,524,557	9,630,537	9,630,537
11	LLEBG-Police Grant	-	(17,918)	(17,918)	40,057	40,057
12	Criminal Investigation	-	1,963,025	1,963,025	1,513,827	1,513,827
13	Grant	95	(189,536)	(189,441)	(222,091)	(222,091)
14	Wireline Fees	-	13,294,460	13,294,460	12,129,621	12,129,621
15	Judicial Efficiency	-	124,096	124,096	112,383	112,383
17	Intergovernmental	-	484,134	484,134	422,397	422,397
18	Government Access/CATV	-	802,980	802,980	462,736	462,736
19	Teen Court Program	-	55,530	55,530	54,802	54,802
20	Municipal Courts Technology	-	1,411,025	1,411,025	1,773,888	1,773,888
24	American Recovery/Reinv Act Grant	-	112,229	112,229	(50,420)	(50,420)
55	Municipal Court-Building Security Fees	-	924,255	924,255	993,762	993,762
57	State Library Grants	-	(2,384)	(2,384)	(1,077)	(1,077)
67	Disaster Relief	-	587,141	587,141	634,527	634,527
68	Animal Shelter Donations	-	102,544	102,544	50,976	50,976
73	Memorial Library	-	390,654	390,654	365,883	365,883
86	Juvenile Case Manager	-	641,924	641,924	421,522	421,522
87	Traffic Safety	-	4,858,321	4,858,321	4,948,673	4,948,673
88	Child Safety	-	1,320,602	1,320,602	1,221,749	1,221,749
170	Economic Development Incentive Fund	-	20,280,370	20,280,370	16,052,538	16,052,538
		95	54,702,672	54,702,767	50,590,634	50,590,634
<b>INTERNAL SERVICE FUNDS:</b>						
6	Public Safety Technology	-	2,095,275	2,095,275	2,075,995	2,075,995
9	Technology Infrastructure	-	(7,166)	(7,166)	(7,100)	(7,100)
58	PC Replacement	-	705,134	705,134	391,116	391,116
61	Equipment Maintenance	200	237,574	237,774	389,755	389,755
62	Information Technology	-	5,202,852	5,202,852	4,667,712	4,667,712
64	Warehouse	100	188,564	188,664	177,953	177,953
65	Property/Liability Loss	-	5,212,954	5,212,954	4,389,684	4,389,684
66	Technology Services	-	8,244,162	8,244,162	7,469,315	7,469,315
71	Equipment Replacement	-	19,490,635	19,490,635	15,626,623	15,626,623
78	Health Claims	-	26,300,714	26,300,714	22,026,966	22,026,966
79	Parkway Service Ctr. Expansion	-	(28,187)	(28,187)	(28,187)	(28,187)
		300	67,642,511	67,642,811	57,179,832	57,179,832
<b>FIDUCIARY FUNDS:</b>						
7	Unclaimed Property	-	72,130	72,130	67,882	67,882
8	Library Training Lab	-	2,837	2,837	2,811	2,811
69	Collin County Seized Assets	-	113,357	113,357	115,709	115,709
74	Developers' Escrow	-	2,423,243	2,423,243	2,454,278	2,454,278
84	Rebate	-	656,536	656,536	892,286	892,286
		-	3,268,103	3,268,103	3,532,966	3,532,966
<b>TOTAL</b>		\$ 2,857,323	389,603,684	392,461,007	358,639,971	358,639,971
<b>TRUST FUNDS</b>						
72	Retirement Security Plan	-	73,968,262	73,968,262	73,968,261	73,968,261
91	115 Trust	-	37,251,018	37,251,018	34,831,879	34,831,879
<b>TOTAL TRUST FUNDS</b>		\$ -	111,219,280	111,219,280	108,800,140	108,800,140

A Treasury Pool fund has been created for the purpose of consolidating cash and investments. All City funds not restricted or held in trust are included in this consolidated fund. Each fund's "Equity in Treasury Pool" represents the fund's proportionate share of the Treasury Pool Fund. At September 30, 2012 the Treasury Pool, including an adjustment to Fair Value as required by GASB 31, consisted of the following:

Cash	58,101,652
Local Government Investment Pool	18,363,722
Texas Daily	18,278,475
Federal Securities	231,427,350
Certificates of Deposit	49,565,888
Fair Value Adjustment	3,618,298
Municipal Bonds	9,071,395
Interest Receivable	1,176,904
	<u>389,603,684</u>

## HEALTH CLAIMS FUND THROUGH SEPTEMBER 30 OF FISCAL YEARS 2012 AND 2011

<u>Health Claims Fund</u>	MTD			Fiscal YTD		
	FY11	FY12	% Change	Prior	Current	% Change
	Sep	Sep				
<b>Revenues</b>						
Employees Health Ins. Contributions	424,152	422,266	-0.4%	4,940,092	5,082,254	2.9%
Employers Health Ins. Contributions	1,673,882	1,665,800	-0.5%	20,211,605	20,066,579	-0.7%
Contributions for Retirees	76,414	48,321	-36.8%	920,434	914,922	-0.6%
Cobra Insurance Receipts	967	9,307	862.6%	52,509	75,119	43.1%
Retiree Insurance Receipts	89,624	92,375	3.1%	908,333	882,509	-2.8%
Retiree Contributions	(163,562)	(55,046)	-66.3%	(908,333)	(790,134)	-13.0%
Employer Contribution-OPEB	319,110	318,945	-0.1%	3,861,495	3,830,643	-0.8%
Interest	85,303	303,712	256.0%	297,671	233,081	-21.7%
Miscellaneous Revenue	-	-	-	-	25	-
<b>Total Revenues</b>	<b>2,505,891</b>	<b>2,805,680</b>	<b>12.0%</b>	<b>30,283,805</b>	<b>30,295,000</b>	<b>0.0%</b>
<b>Transfers Out</b>	<b>336,379</b>	<b>517,477</b>	<b>53.8%</b>	<b>4,192,847</b>	<b>4,750,679</b>	<b>13.3%</b>
<b>Expenses</b>						
Stop Loss Premiums	136,542	137,831	0.9%	1,549,736	1,652,135	6.6%
Stop Loss Reimbursements	(353,120)	(273,107)	-22.7%	(2,167,964)	(1,703,625)	-21.4%
Fees - Total	111,542	164,256	47.3%	1,318,552	1,363,636	3.4%
Health Claims Paid Reinsurance	389,828	(1,893,882)	-585.8%	389,446	(1,893,329)	-586.2%
Retiree Claims	(451,199)	(464,617)	3.0%	(3,306,936)	(3,016,705)	-8.8%
Rx Claims - Total	252,919	373,650	47.7%	2,953,825	3,486,249	18.0%
Health Claims - Total	1,655,622	1,603,216	-3.2%	18,925,963	19,088,318	0.9%
Contracts - Prof Services (Hay)	12,197	17,528	43.7%	128,935	161,560	25.3%
Retiree Insurance Paid- Medicare	-	(282)	-	309,426	377,519	22.0%
<b>Total Expenses</b>	<b>1,754,331</b>	<b>(335,406)</b>	<b>-119.1%</b>	<b>20,100,983</b>	<b>19,515,758</b>	<b>-2.9%</b>
<b>Net increase (decrease)</b>	<b>415,180</b>	<b>2,623,609</b>	<b>531.9%</b>	<b>5,989,976</b>	<b>6,028,563</b>	<b>0.6%</b>
<b>Health Claims Fund Balance - Cumulative</b>	<b>20,043,478</b>	<b>26,199,902</b>	<b>30.7%</b>			

Note: FY 2012 expense does not include the IBNR accrual as the data is not available at time of print.

## ANALYSIS OF PROPERTY LIABILITY LOSS FUND THROUGH SEPTEMBER 30 OF FISCAL YEARS 2012, 2011 & 2010

PROPERTY LIABILITY LOSS FUND	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010
Claims Paid per General Ledger	\$ 1,056,407	\$1,829,703	\$1,309,251
Net Judgments/Damages/Attorney Fees	847,564	1,771,711	988,435
<b>Total Expenses</b>	<b>\$ 1,903,971</b>	<b>\$3,601,414</b>	<b>\$2,297,686</b>

Note: FY 2012 expense does not include the IBNR accrual as the data is not available at time of print.



## **SECTION 2**

### **ECONOMIC ANALYSIS**

**City of Plano  
Comprehensive Monthly Financial Report**

# ECONOMIC ANALYSIS SEPTEMBER 2012

**General Fund Revenue  
September YTD  
Figure I**

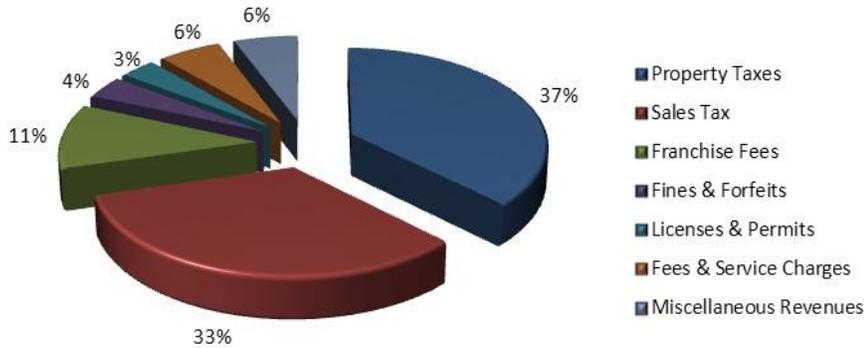


Figure I shows a breakdown of the various sources of revenues for the City's General Fund year to date through September 30, 2012. The largest category is Property Tax in the amount of \$78,356,923. Closest behind Property Tax is Sales Tax in the amount of \$69,779,668 and Franchise Fees with a total of \$22,770,810.

**General Fund Expenditures and  
Encumbrances  
September YTD  
Figure II**

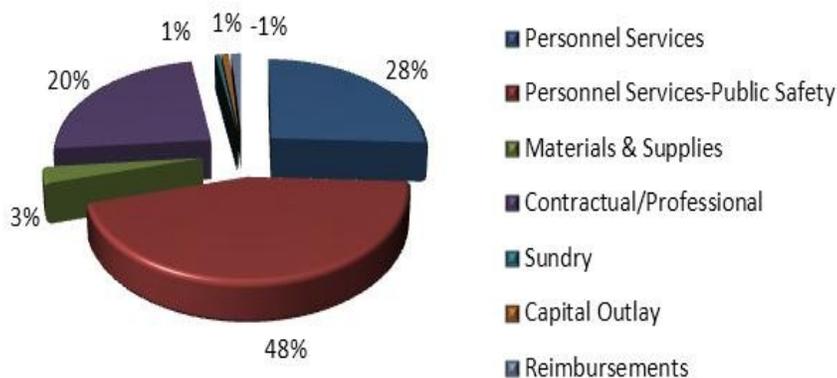


Figure II shows a breakdown of the various expenditures and encumbrances for the City's General Fund Year to Date through September 30, 2012. The largest category is Personnel Services-Public Safety in the amount of \$92,297,940 which includes the police, fire, fire-civilian and public safety communications departments. Closest behind that category are Personnel Services (for all other departments) totaling \$53,130,890 and Contractual and Professional Services totaling \$49,532,413.

# ECONOMIC ANALYSIS

## SEPTEMBER 2012

### Sales Tax Comparisons City of Plano and Area Cities

Figure III

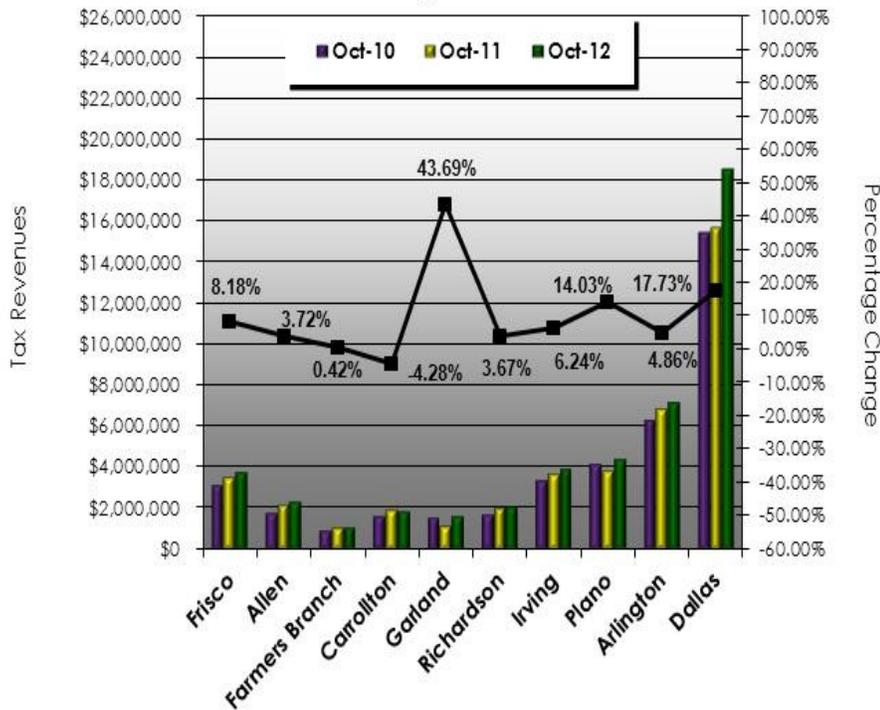
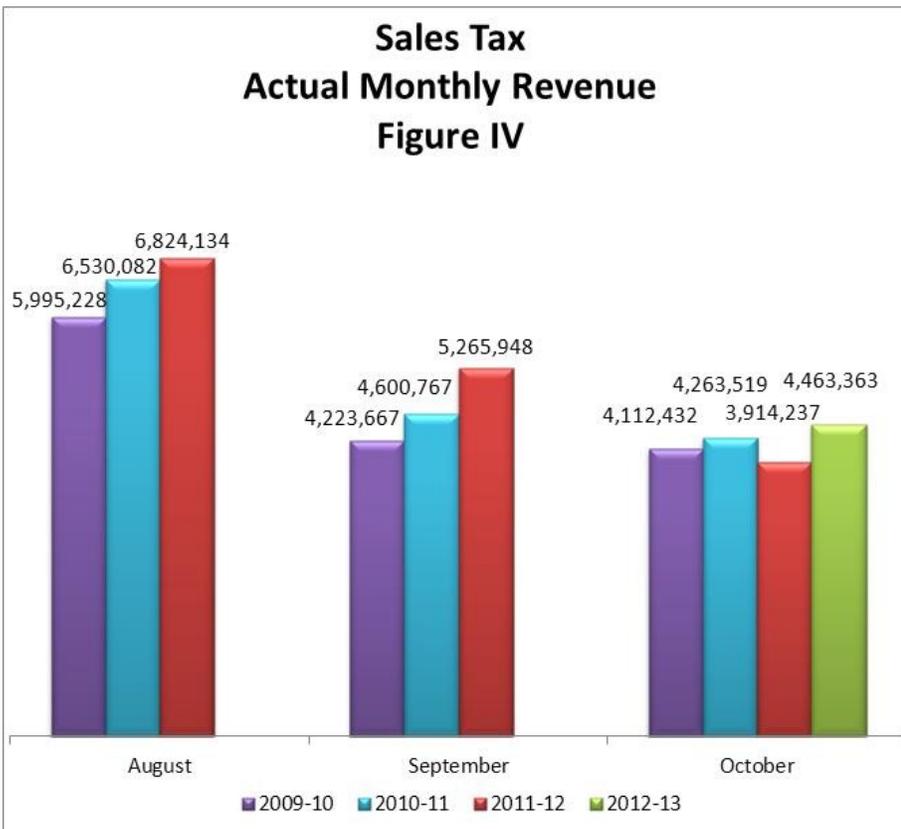


Figure III shows sales tax allocations collected in the months of October 2010, October 2011 and October 2012 for the City of Plano and nine area cities. Each of the cities shown has a sales tax rate of 1%, except for the cities of Allen and Frisco, which have a 2% rate, but distribute half of the amount shown in the graph to 4A and 4B development corporations within their respective cities, and the City of Arlington which has a 1.75% sales tax rate with .25% dedicated to road maintenance and .50% for funding of the Dallas Cowboys Complex Development Project. In the month of October the City of Plano received \$4,463,363 from this 1% tax.

The percentage change in sales tax allocations for the area cities, comparing October 2011 to October 2012, ranged from -4.28% for the City of Carrollton to 43.69% for the City of Garland.

### Sales Tax Actual Monthly Revenue Figure IV



Sales tax allocation of \$4,463,363 was remitted to the City of Plano in the month of October. This amount represents an increase of 14.03% compared to the amount received in October 2011. Sales tax revenue is generated from the 1% tax on applicable business activity within the City. These taxes were collected by businesses filing monthly returns, reported in August to the State, and received in October by the City of Plano.

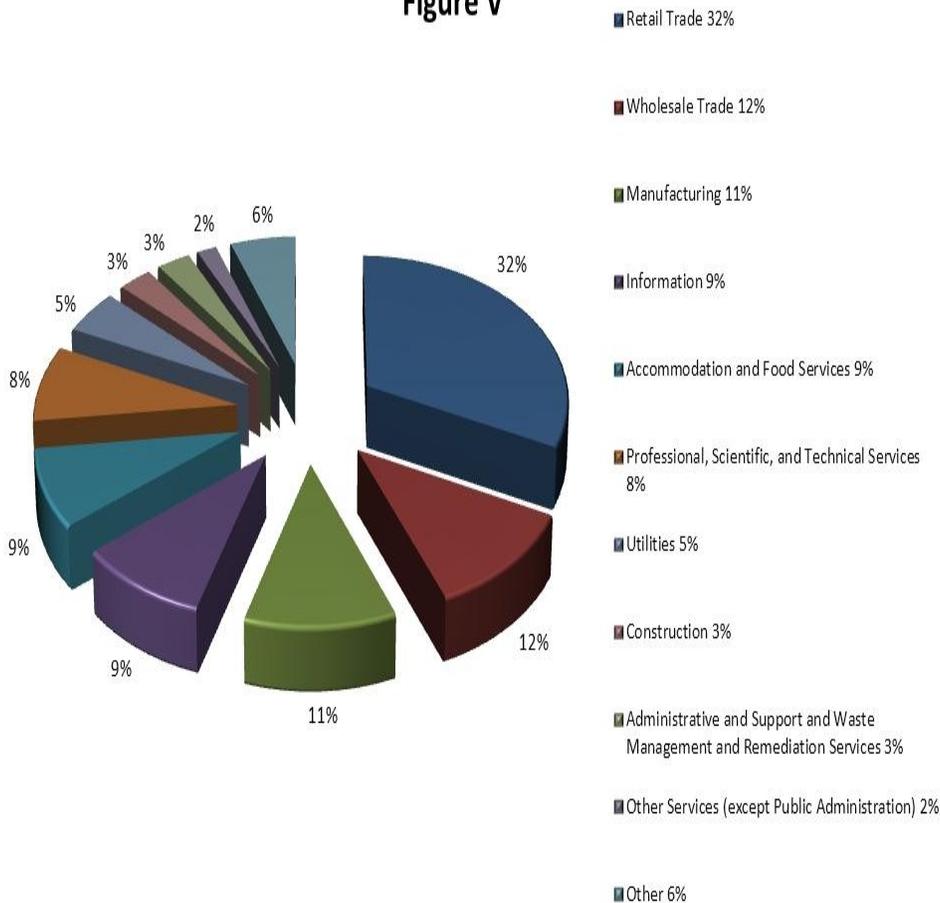
Figure IV represents actual sales and use tax receipts for the months of August, September, and October of fiscal years 2009-2010, 2010-2011, 2011-2012, and 2012-13.

# ECONOMIC ANALYSIS

## SEPTEMBER 2012

### Sales and Use Tax by NAICS Code

Figure V



The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

Figure V shows the percentage of sales and use tax by NAICS Code collected in October 2012.

Some examples in each code are as follows:

**Retail Trade:** Wal-Mart, Aaron Brothers, Randall's Food & Drugs

**Wholesale Trade:** Fry's, Pattons Medical, Insight Direct

**Manufacturing:** Pepsico, Trippe Manufacturing, Oracle

**Information:** GTE Southwest, Hostway Services, T-Mobile

**Accommodation and Food Services:** Movie Grill Concepts, Sybra, Chuy's

**Professional, Scientific, and Technical Services:** LinkedIn, Peopleclick, General Datatech

**Utilities:** Gexa Energy, Penstar Power, Cirro Group

**Construction:** Texas Custom Pools, Estes Electric, Venture Mechanical

**Administrative and Support and Waste Management and Remediation Services:** Prestige Maintenance, Dealertrack, Allied Waste Systems

**Other Services (except Public Administration):** Tech Dogs, Smartscrubs, Safelite Fulfillment

**All other NAICS codes:** Real Estate and Rental and Leasing, Unknown, Arts, Entertainment, and Recreation, Finance and Insurance, Management of Companies and Enterprises, Health Care and Social Assistance, Public Administration, Mining, Transportation and Warehousing, Educational Services, and Agriculture, Forestry, Fishing and Hunting: Netflix, VFS Financing, Quicktrip, Origami Owl, Leslie's Poolmart, Cory Morrow Band, Unimed Direct, Insight Investments, O'Reilly Group, Spartan Tool, Carefusion Solutions, Lincare, Landmark Protective Services, Ace Cash Express, Blue Star Pipe, Red Dog Services, Jordan Towing, Fleetnet America, Assessment Technologies Institute, Coaxis, Johnson Turf, Plants Alive

# ECONOMIC ANALYSIS

## SEPTEMBER 2012

### Cumulative Jobs Created in Plano

Figure VI

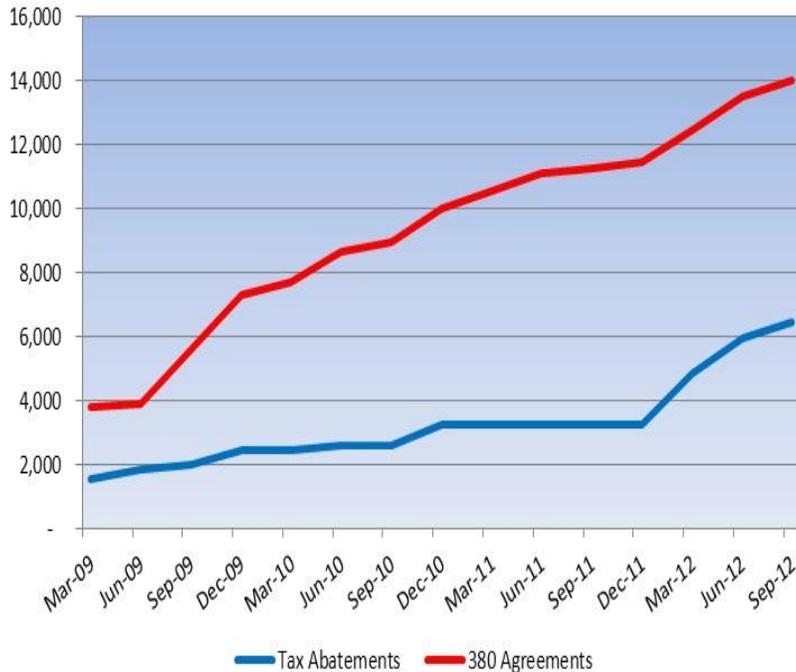


Figure VI, left, tracks the number of jobs cumulatively beginning 4th quarter 2008 created in Plano due to the City entering into either a Property Tax Abatement Agreement or a 380 Economic Development Agreement (380 agreement).

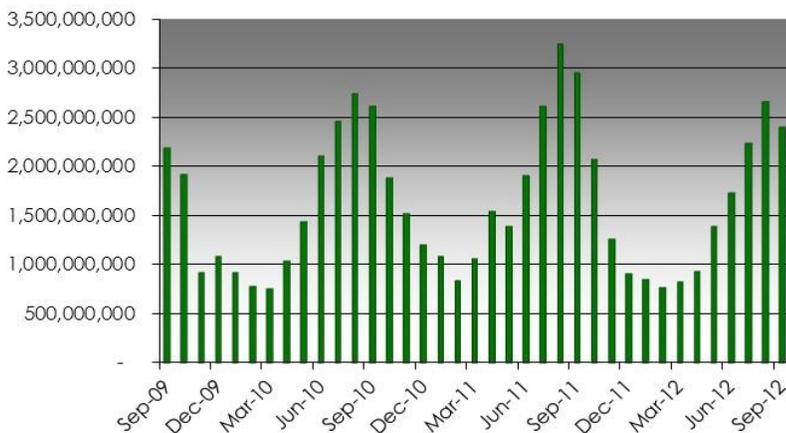
The City of Plano often uses property tax abatements to attract new industry and commercial enterprises, and to encourage the retention and development of existing businesses. The City can limit the property taxes assessed on real property or tangible personal property located on real property due to the repairs or improvements to the property. Only property located within a reinvestment zone is eligible for a tax abatement agreement. During the 3rd quarter of 2012, there were 520 jobs created via tax abatement agreements.

Enacted by the Texas Legislature in 1991, 380 Agreements let cities make loans and grants of public money to businesses or developers in return for building projects within the city. Cities often pay these grants from the increase in sales or property taxes generated by the project. During the 3rd quarter of 2012, 505 jobs were created via 380 agreements.

Please note that the quarterly jobs created in this figure are based on the date the agreement was passed by City Council.

### Local Water Consumption

(Gallons)  
Figure VII

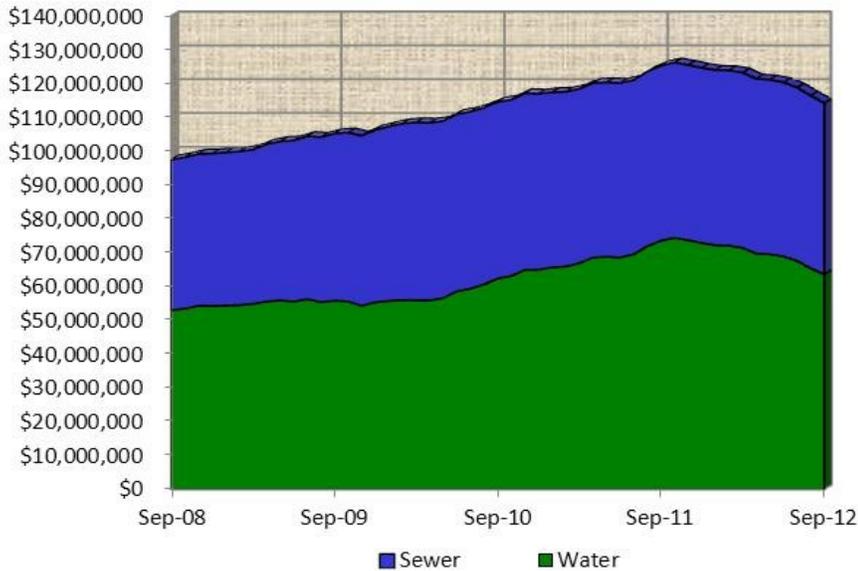


In September, the City of Plano pumped 2,209,785,000 gallons of water from the North Texas Municipal Water District (NTMWD). Consumption was 2,408,525,470 gallons among 80,120 billed water accounts while billed sewer accounts numbered 76,288. The minimum daily water pumpage was 42,007,000 gallons, which occurred on Sunday, September 30<sup>th</sup>. Maximum daily pumpage was 104,257,000 gallons and occurred on Tuesday, September 4<sup>th</sup>. This month's average daily pumpage was 73,660,000 gallons.

Figure VI shows the monthly actual local water consumption.

# ECONOMIC ANALYSIS SEPTEMBER 2012

**Annualized Water & Sewer Billings  
Figure VIII**

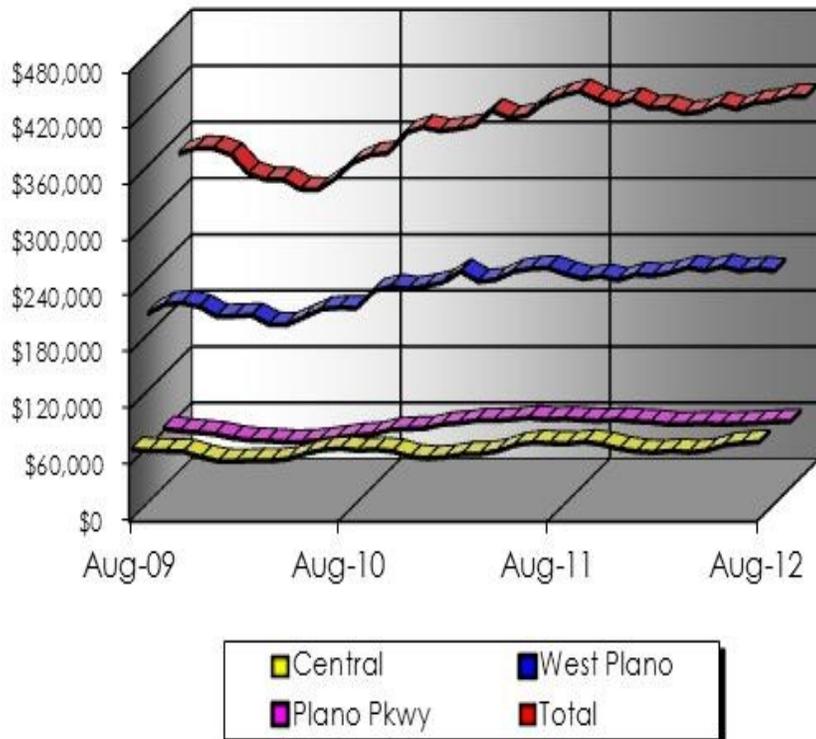


The actual water and sewer customer billing revenues in September were \$8,154,407 and \$4,278,674 representing a decrease of 18.64% and 7.1% respectively compared to September 2011 revenues. The aggregate water and sewer accounts netted \$12,433,080 for a decrease of 15%.

September consumption brought annualized revenue of \$63,512,006 for water and \$50,678,048 for sewer, totaling \$114,190,053. This total represents a decrease of 8.82% compared to last year's annualized revenue.

Figure VIII represents the annualized billing history of water and sewer revenues for September 2008 through September 2012.

**Hotel/Motel Occupancy Tax  
Six Month Trend  
Figure IX**



August revenue from hotel/motel occupancy tax was \$376,670. This represents an increase of \$12,153 or 3.33% compared to August 2011. The average monthly revenue for the past six months was \$401,091, an increase of 0.87% from the previous year's average. The six-month average for the Central area increased to \$82,131, the West Plano average increased to \$248,314, and the Plano Pkwy average decreased to \$70,646 from the prior year.

The six month trend amount will not equal the hotel/motel taxes reported in the financial section. The economic report is based on the amount of taxes earned during a month, while the financial report indicates when the City received the tax.

\*The August revenue for the Central average excludes Best Western. This hotel did not make their occupancy tax payment by the CMFR submission deadline.

# ECONOMIC ANALYSIS

## SEPTEMBER 2012

**Unemployment Rates**  
**Unadjusted Rate Comparison**

Figure X

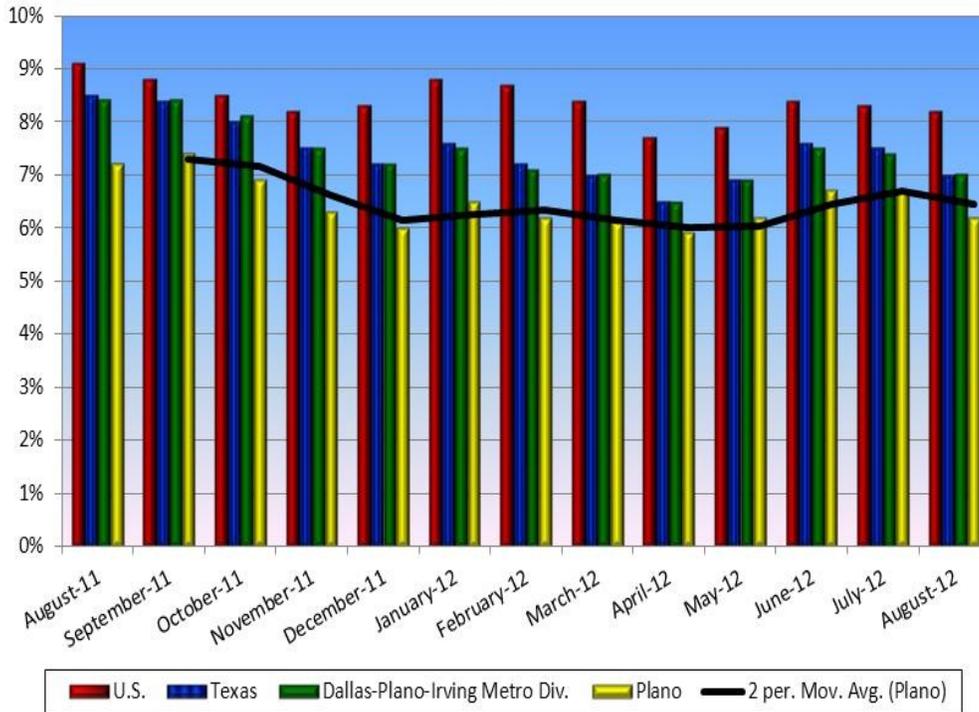


Figure X shows unadjusted unemployment rates based on the Bureau of Labor Statistics U.S. City Average, and Local Area Unemployment Statistics estimates for the State of Texas, the Dallas-Plano-Irving Metropolitan Division and the City of Plano from August 2011 to August 2012.

**Average Home Selling Price By City**  
Figure XI

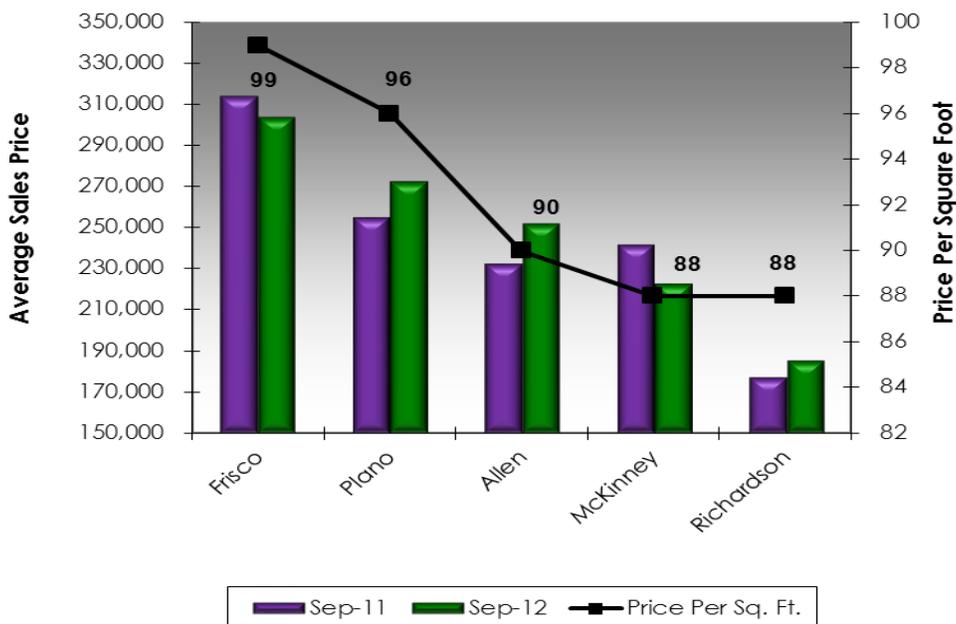


Figure XI shows the average home selling price for the months of September 2011 and September 2012 for the City of Plano and four area cities. The average price per square foot is also included for each city for the month of September 2012. The average sales price in Plano has increased \$17,861 from September 2011 at \$255,049 to September 2012 at \$272,910.

Please note that the average sales price and price per square foot can change significantly from month to month due to the location of the properties sold.

# ECONOMIC ANALYSIS

## SEPTEMBER 2012

**Real Estate Recap**  
Figure XII

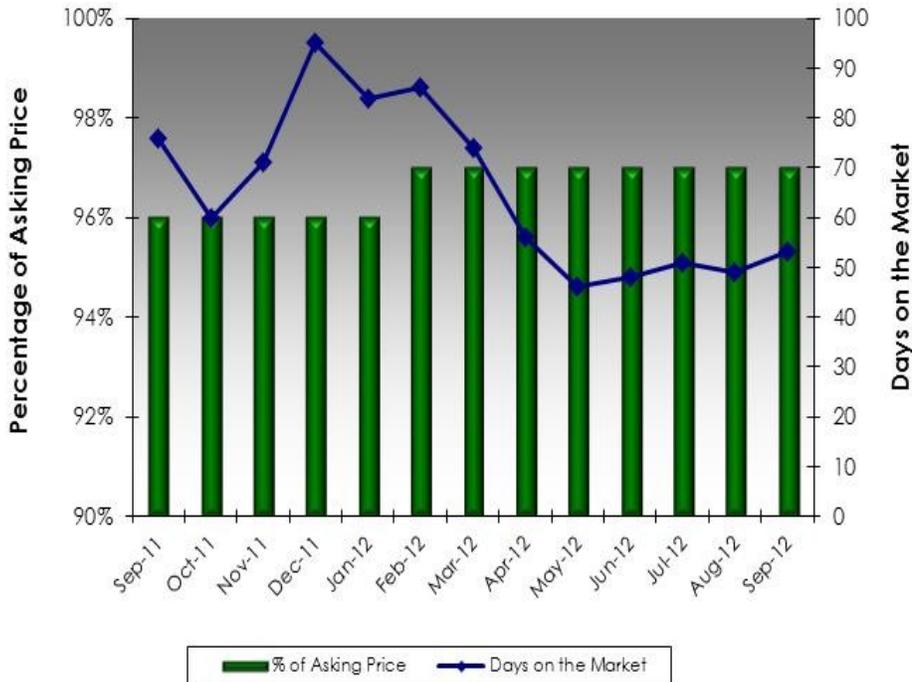


Figure XII represents the percentage of sales price to asking price for single family homes for the past year along with days on the market. The percentage of asking price increased 1% from 96% in September 2011 to 97% in September 2012. Days on the market decreased from 76 to 53 days in September 2011 and September 2012.

Please note that the average sales price and price per square foot can change significantly from month to month due to the location of the properties sold.



## **SECTION 3**

### **INVESTMENT REPORT**

#### **City of Plano Comprehensive Monthly Financial Report**

Funds of the City of Plano are invested in accordance with Chapter 2256 of the "Public Funds Investment Act." The Act clearly defines allowable investment instruments for local governments. The City of Plano Investment Policy incorporates the provisions of the Act and all investment transactions are executed in compliance with the Act and the Policy.

# INVESTMENT REPORT

## SEPTEMBER 2012

Interest received during September totaled \$1,799,763 and represents interest paid on maturing investments and coupon payments on investments. Interest allocation is based on average balances within each fund during the month. The two-year Treasury note yield remained the same throughout the month of September at 0.23%.

As of September 30, a total of \$379,781,397 was invested in the Treasury Fund. Of this amount, \$42,495,459 was General Obligation Bond Funds, \$5,675,519 was Municipal Drainage Revenue Bond Funds, and \$331,610,419 was in the remaining funds.

Metrics	Current Month Actual	Fiscal YTD	Prior Fiscal YTD	Prior Fiscal Year Total
Funds Invested (1)	\$5,262,482	\$175,208,944	\$222,169,916	\$222,169,916
Interest Received (2)	\$1,799,763	\$6,535,073	\$6,424,799	\$6,424,799
Weighted Average Maturity (in days) (3)	459		497	
Modified Duration (4)	1.23		1.32	
Average 2-Year T-Note Yield (5)	0.21%		0.26%	

\* See interest allocation footnote on Page C-3.

- (1) Does not include funds on deposit earning a "NOW" rate, and/or moneys in investment pools or cash accounts.
- (2) Cash Basis. Amount does not include purchased interest.
- (3) The length of time (expressed in days) until the average investment in the portfolio will mature. The Prior fiscal YTD column represents current month, prior year.
- (4) Expresses the measurable change in the value of the portfolio in response to a 100-basis-point (1%) change in interest.
- (5) Compares 2012 to 2011 for the current month.

### Month-to-Month Comparison

Metrics	August 2012	September 2012	Difference
Portfolio Holding Period Yield	0.83%	0.78%	-0.05% (-5 Basis Points)
Average 2-Year T-Note Yield	0.27%	0.21%	-0.06% (-6 Basis Points)

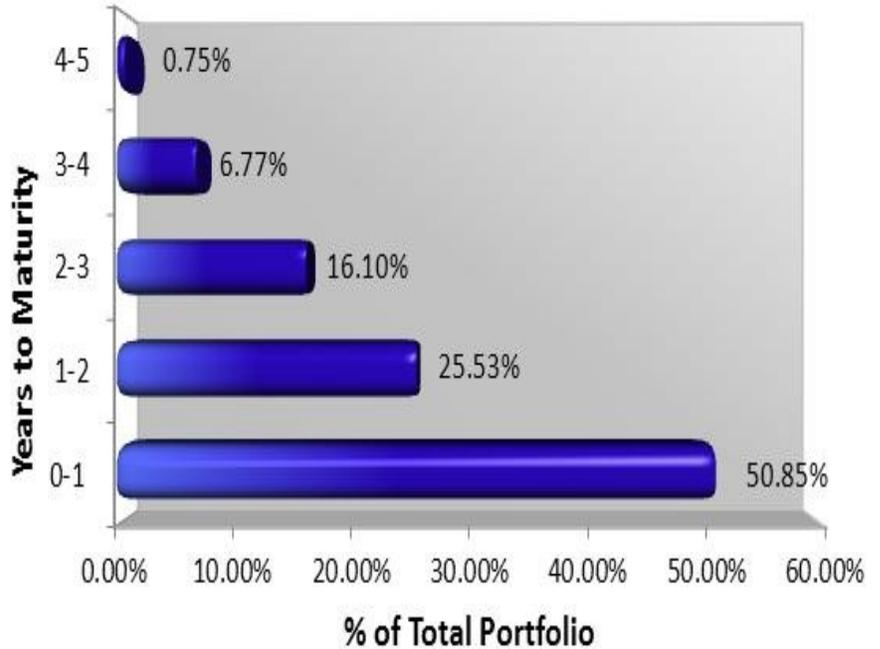
# INVESTMENT REPORT SEPTEMBER 2012

## Portfolio Maturity Schedule

Figure I

Years to Maturity*	Book Value	% Total
0-1	\$196,391,512	50.85%
1-2	98,595,065	25.53%
2-3	62,171,462	16.10%
3-4	26,157,271	6.77%
4-5	2,893,306	0.75%
<b>Total</b>	<b>\$386,208,616</b>	<b>100.00%</b>

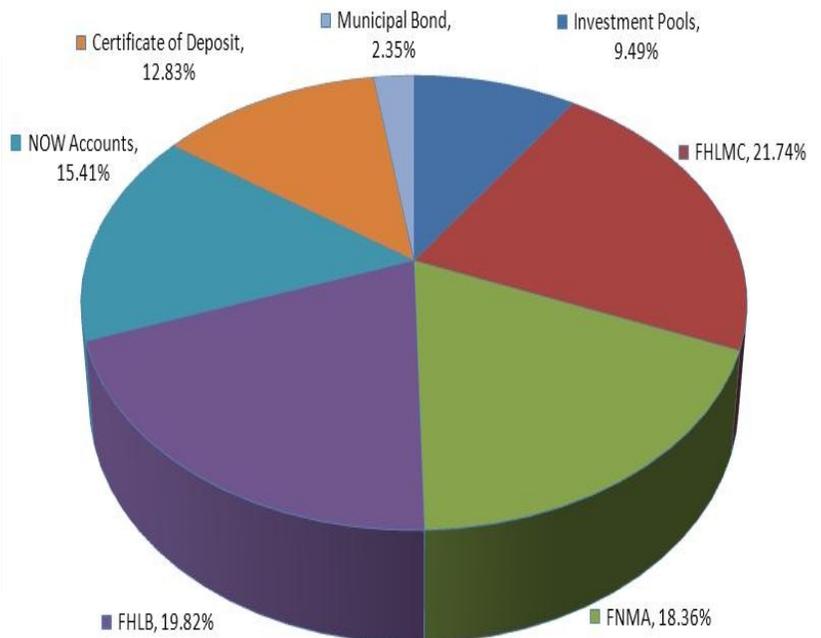
\*Does not take into consideration callable issues that can, if called, significantly shorten the Weighted Average Maturity.



## Portfolio Diversification

Figure II

Type	Book Value	% Total
Investment Pools	\$36,642,197	9.49%
FHLMC	83,948,029	21.74%
FNMA	70,895,890	18.36%
FHLB	76,583,432	19.82%
NOW Account	59,501,786	15.41%
Certificate of Deposit	49,565,888	12.83%
Municipal Bond	9,071,394	2.35%
<b>Total</b>	<b>\$386,208,616</b>	<b>100.00%</b>



# INVESTMENT REPORT

## SEPTEMBER 2012

### Allocated Interest/Fund Balance

Figure III

Fund	Beginning Fund Balance 9/30/2012	Allocated Interest Current Month	Fiscal Y-T-D	Ending Fund Balance 9/30/2012	% of Total
General	52,821,583	672,151	529,109	53,493,733	14.09%
G. O. Debt Services	2,197,907	25,826	27,176	2,223,733	0.59%
Street & Drainage Improvements	16,050,294	188,237	145,724	16,238,531	4.28%
Sewer CIP	13,934,955	163,338	125,365	14,098,292	3.71%
Capital Reserve	45,466,242	534,875	417,423	46,001,117	12.11%
Water & Sewer Operating	17,804,365	145,111	176,156	17,949,476	4.73%
Water & Sewer Debt Service	383,590	4,329	3,061	387,919	0.10%
Park Service Area Fees	5,064,528	59,692	46,531	5,124,220	1.35%
Property/ Liability Loss	5,159,326	54,369	43,495	5,213,696	1.37%
Information Services	8,151,421	92,740	74,361	8,244,162	2.17%
Equipment Replacement	19,261,692	225,965	166,746	19,487,657	5.13%
Developer's Escrow	2,395,026	28,217	22,626	2,423,243	0.64%
G. O. Bond Funds	41,986,008	509,451	383,026	42,495,459	11.19%
Municipal Drainage Bond Clearing	5,609,197	66,322	53,620	5,675,519	1.49%
Grants - TXDOT	7,470,430	88,325	81,176	7,558,755	1.99%
Econ. Dev. Incentive Fund	20,046,325	234,044	172,816	20,280,369	5.34%
Other	111,577,799	1,307,717	1,065,849	112,885,517	29.72%
<b>Total</b>	<b>375,380,688</b>	<b>4,400,709</b>	<b>3,534,260</b>	<b>379,781,397</b>	<b>100%</b>

**Footnote: All City funds not restricted or held in trust are included in the Treasury Pool. As of September 30, 2012 allocated interest to these funds include an adjustment to fair value as required by GASB 31.**

### Portfolio Statistics

Figure IV

Month	Total Invested (End of Month)	Portfolio Yield	# of Securities Purchased*	Maturities/ Sold/Called*	Weighted Ave. Mat. (Days)	# of Securities
July, 2011	398,442,203	0.92%	6	3	573	71
August, 2011	397,444,451	0.89%	2	4	536	69
September, 2011	364,919,596	0.83%	1	4	497	66
October, 2011	350,553,290	0.86%	3	1	518	68
November, 2011	381,210,639	0.80%	1	1	455	68
December, 2011	404,438,432	0.78%	3	0	458	71
January, 2012	461,518,791	0.73%	3	1	430	73
February, 2012	478,704,999	0.76%	10	2	522	81
March, 2012	455,350,232	0.78%	31	32	519	80
April, 2012	443,393,354	0.78%	0	3	502	77
May, 2012	437,221,079	0.79%	2	2	487	77
June, 2012	429,726,189	0.81%	9	1	493	85
July, 2012	422,472,214	0.80%	0	3	476	82
August, 2012	387,216,842	0.83%	2	4	479	80
September, 2012	386,208,616	0.78%	2	4	459	78

\*Does not include investment pool purchased or changes in bank account balances.

# INVESTMENT REPORT SEPTEMBER 2012

## Equity in Treasury Pool By Major Category Figure V

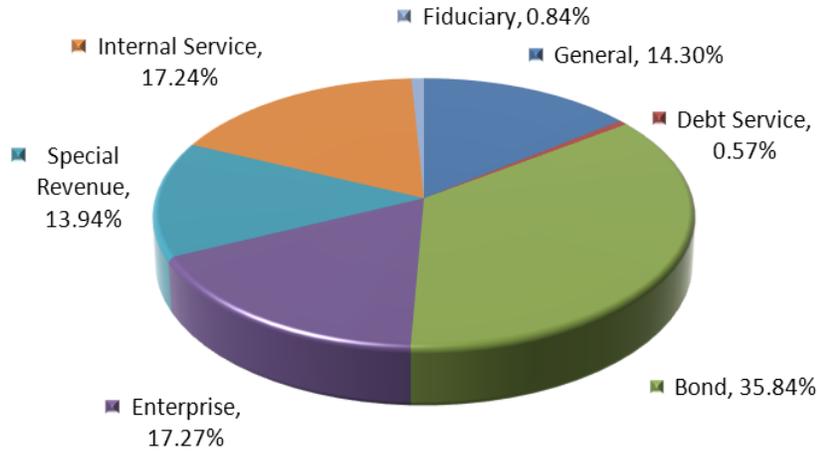
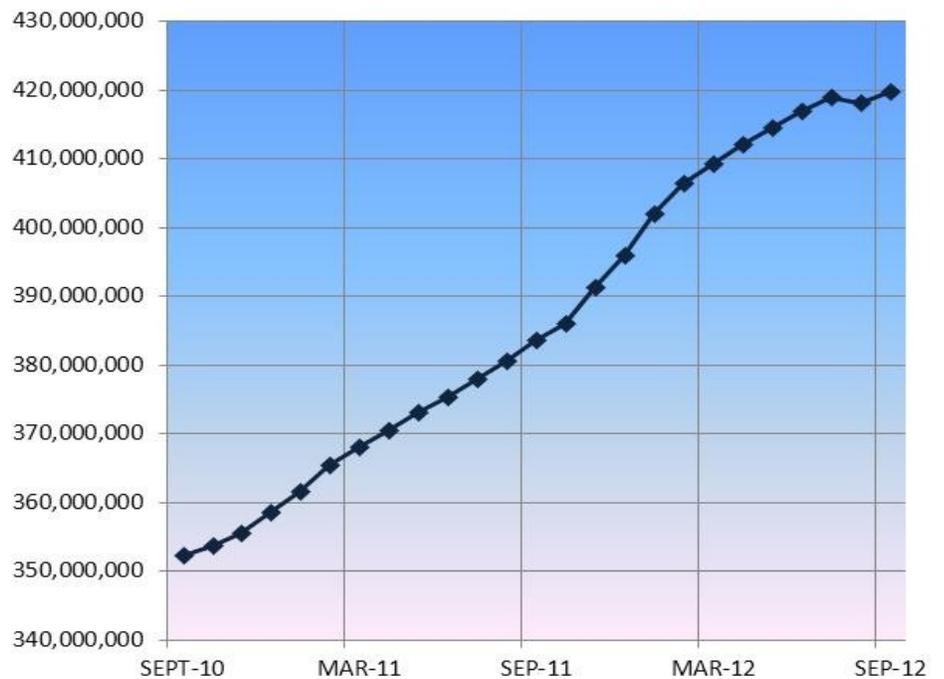


Figure V shows a breakdown of the various sources of funds for the City's Treasury Pool as of September 30, 2012. The largest category is the Bond Funds in the amount of \$140,672,965. Closest behind are the Enterprise Funds with a total of \$67,822,334 and the Internal Service Funds with a total of \$67,642,811.

## Annualized Average Portfolio Figure VI

The annualized average portfolio for September 30, 2012 was \$419,851,221. This is an increase of \$36,294,933 when compared to the September 2011 average of \$383,556,288.



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## Discussion/Action Items for Future Council Agendas

***November 13 – Plano Town Hall Meeting – City Council Chambers – 7-8 pm***

***November 13-16 - TML Conference – Grapevine, TX***

***November 18 – Lights of Legacy Tree Lighting***

***November 22-23 – Thanksgiving Holidays***

**November 26**

- Comprehensive Monthly Financial Report
- DART Report

***November 27-December 1 – NLC Congress of Cities – Boston, MA***

***November 30 – Dickens in Historic Downtown Plano***

***December 6 – Meet & Greet Your City Council and City Staff – Parr Library – 6-8 pm***

***December 6 – Employee Holiday Luncheon – Plano Centre – 11 am – 1 pm***

***December 8 – Plano Children’s Christmas Parade***

***December 10 – DART Light Rail 10th Anniversary Luncheon – 11:30 am – 1 pm  
The Roof Top at Urban Rio***

**December 10**

**December 18 (Tuesday)**

- Comprehensive Monthly Financial Report

**December 24 & 25 – Winter/Christmas Holidays**

**January 1 – New Year's Day**

**January 14**

**January 21 – Martin Luther King Day**

**January 28**

- Comprehensive Monthly Financial Report

***February 1-3– TML Elected Officials Conference – Austin***

**February 11**

***February 21 – Meet & Greet Your City Council and City Staff – Harrington Library -- 6-8 pm***

**February 25**

- Comprehensive Monthly Financial Report