

COMPREHENSIVE MONTHLY FINANCIAL REPORT

June 2010



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 five 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 Foldi and Allison Friloux for the Financial Summary, Brianna Alvarado and Myra Conklin for the Economic Analysis Report, and 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.

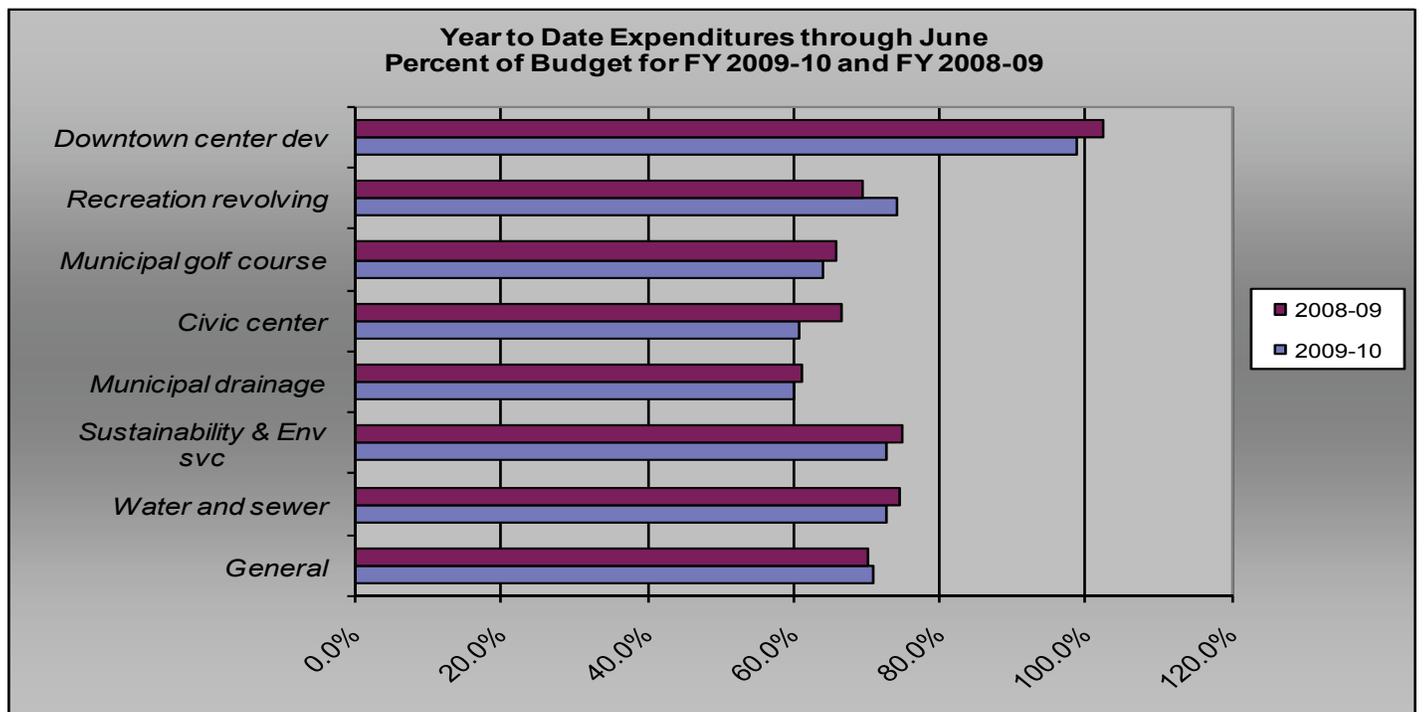
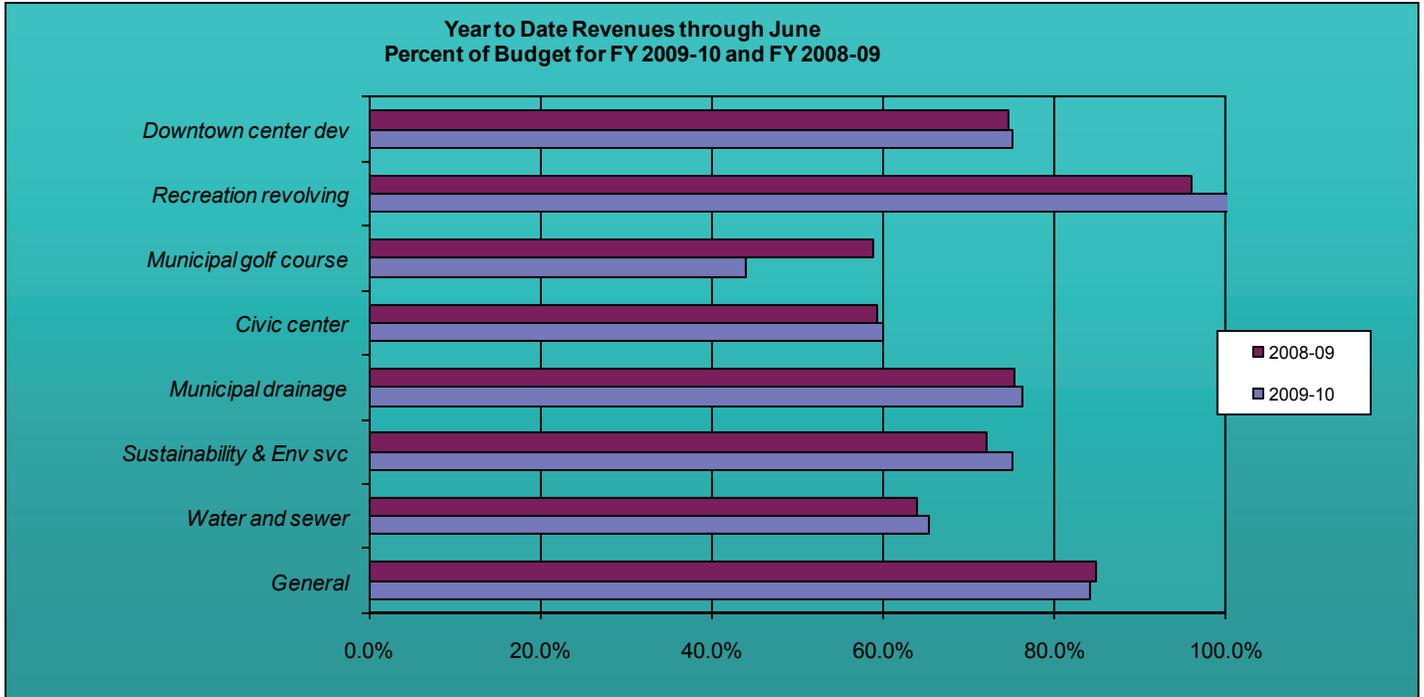
REPORT NOTES JUNE 2010

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 beginning 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 budget comparing the current and prior fiscal years.

HIGHLIGHTS OF FUND VARIANCES



REPORT NOTES CONTINUED

JUNE 2010

FINANCIAL HIGHLIGHTS

GENERAL FUND VARIANCES

Revenues

- Sales tax revenues decreased from the prior year by \$1,130,769, primarily as a result of the declining economy.
- Ad valorem tax revenue decreases of \$584,530 are attributable to timing of payments as well as appraised value protests resulting in contested tax payments.
- Telephone franchise fee revenues decreased \$800,843 due to the expiration of Verizon's franchise in the current year. Revenues are now based on line counts, which have decreased as fewer people have land lines.
- Electric franchise revenues decreased \$750,262 due to a lower settlement factor implemented by the Public Utility Commission. Additionally, electric fees were affected by lower natural gas prices.
- A decrease of \$1,154,562 in gas franchise revenues is the result of lower natural gas prices over the prior year.
- Ambulance service revenue decreased \$125,981 due to the timing of collections in addition to fewer patients having insurance to cover costs.
- Ticket sales for the arts decreased \$65,677 due to the declining economy.
- Court fine revenues are \$103,352 lower due to a decrease in the number of citations issued.
- False alarm revenues decreased \$66,936 due to back billings that occurred in the prior year as well as a decline in the economy, which resulted in fewer individuals with alarms paying to have them monitored and an increase in vacant homes in Plano.
- Emergency 911 revenues from landlines decreased \$67,126 due to the timing of deposits as well as a decline in the number of land lines.
- Interest income decreased \$268,479 due to a decline in the market.
- In the current year, the City received a one-time lease payment of \$70,000 for prior year housing of a cellular tower.
- Cable television franchise revenues increased \$287,596 due to a higher volume of subscribers in the current year.
- Filing fee revenues increased \$40,992 due to a large value project of \$12,000 and a March 1, 2010 rate increase.
- Revenues for alcoholic beverage licenses increased \$21,914 due to increased rates charged for on-premise alcohol sale permits.
- Scrap metal recycling revenue increased \$60,620 due to modifications to the meter change out program and varying scrap metal prices.
- Building permit revenues are higher by \$547,093 due to larger value projects, an increase in the number of permits issued, and a March 1, 2010 rate increase. Plumbing permit revenues are higher by \$32,343 as a result of an increase in the number of permits issued and minimum permit fees.
- Athletic league participant fees increased \$100,963 due to the timing of collections and fee increases for participants who attend Plano Independent School District but are not City of Plano residents. In previous years, this group was offered resident rates. Utilization of Plano's athletic fields by non-resident teams in local leagues, which are a higher rate, resulted in increased miscellaneous fees of \$124,883.

Expenditures

- Purchases and encumbrances for fire uniforms have decreased \$62,600 due to the timing of orders placed.
- Electric payments decreased \$232,464 from the prior year as a result of the City's participation in an electric aggregation group which contracts for lower rates. Additionally, the price of natural gas is lower.
- Gas payments decreased \$47,281 as a result of lower natural gas prices.

REPORT NOTES CONTINUED

JUNE 2010

- Expenditures and encumbrances for janitorial services decreased \$62,430 primarily as a result of contract modifications.
- Professional services in the Police Department decreased \$134,243. Of this amount, \$115,000 for juvenile referral and victim's assistance counseling costs were expensed in October 2008. These services will not be utilized in the current year.
- Chemical and fertilizer purchases for athletic fields decreased \$109,084 as a result of budget reductions.
- Closure of the print shop in December 2009 resulted in decreased costs and encumbrances of \$123,128.
- Reimbursement to the General Fund for salary expenses increased \$462,075. These include reimbursements to Public Safety Communications from the Wireline Fee Fund for \$246,926; to the Police Department from the Municipal Courts Building Security Fund for \$148,045; and to the Purchasing Department from the Warehouse and Equipment Maintenance funds for \$67,104.
- Expenditures and encumbrances for training in the fire department decreased \$47,659. Some fire rescue trainings were funded through grants obtained by the department in the last fiscal year.
- The Engineering and Parks Departments purchased new fleet equipment items in prior year costing \$56,453 and \$78,109, respectively.
- Municipal Court credit card charges decreased \$42,201 as a result of defendants paying convenience fees for credit card usage as opposed to the City absorbing those costs.
- Costs and encumbrances for library books and non-print decreased \$156,607 and increased \$80,369, respectively as a result of timing of purchase orders in addition to a shift in more purchases of non-print media as compared to books. Additionally, library publication costs and encumbrances for on-line books increased \$98,616 primarily due to an additional audio service provider in the current year.
- Prior year encumbrances include \$190,000 for renovation of the Day Labor Center.
- The Human Resources Department spent \$70,603 in the prior year for office and kitchen remodeling.
- Budgeted computer replacement charges decreased over the prior year by \$151,503 due to lower replacement costs and an extension of equipment life.
- Park and Field Services contracts related to park facility and field maintenance decreased \$122,846 due to budget reductions.
- Storage cabinets to house microfilm at the libraries were purchased in the prior year costing \$84,604.
- Contractual repair costs for City buildings decreased \$143,357 as these services are performed on an as needed basis.
- The annual maintenance agreement with Motorola for the City's radio system decreased over the prior year by \$197,902, primarily due to a decrease in contractual maintenance costs.
- Personal services decreased \$1,329,118 from the prior year. Funding for the City's Section 115 Trust, which began in December 2008, increased \$132,570. Salaries and TMRS costs for Civil Service employees increased \$407,718 and \$510,728, respectively. The increase is primarily attributed to participation in the Vacation Buy Down Program, which was implemented to reduce the City's liability for compensated absences. These increases were offset by non-civil service salary decreases of \$1,915,487 due to 64 vacant and 59 reduced positions and part-time labor decreases of \$906,888.
- An equipment replacement fund for \$250,000 was established in October 2009 for Parks and Recreation.
- Postage costs for records management increased \$185,484 as a result transferring the Mail Services Department to the General Fund as of April 2010.
- Due to an increase in pedestrian crosswalk applications throughout the City, cost and encumbrances for the Signs and Markings Department increased \$41,177.
- Medical and surgical costs and encumbrances for the Fire Department increased \$81,082 due to the addition of enhanced defibrillators for the entire fleet and additional supplies for life saving devices.
- Implements and apparatus costs and encumbrances for the Emergency Management Department increased \$405,961 to fund the design, purchase, installation, and maintenance of audio visual equipment for the Emergency Operations Center.
- Costs associated with ammunition in the Police Department increased \$104,906. Ammunition is procured on an "as needed basis."
- Costs and encumbrances in the current year of \$64,832 relate to installation of security cameras at radio towers throughout the City.
- Decreased rainfall in the current year allowed for increased water billings to City Departments of \$95,394.

REPORT NOTES CONTINUED

JUNE 2010

- Municipal garage charges for the Police Department increased \$75,405 due to increased fuel costs.
- Transfers to Technology Services increased over the prior year by \$388,226 due to higher costs budgeted in the current year.
- A special election to fill a City Council vacancy was held January 30, 2010. Expenditures associated with this election are \$88,966. Additionally, a runoff election was held in March 2010 with related expenditures of \$85,067.
- Payment for the Lights of Legacy Tree Lighting Festival was made in November in the amount of \$40,000. The City did not contribute in the prior year.

BUSINESS-TYPE VARIANCES

Water and Sewer

Decreased rainfall in the current year resulted in water revenue increases of \$1,413,241. Sewer revenues increased over the prior year by \$2,909,963 due to rate increases implemented in March 2009. Personal services costs increased \$116,850. Salary expense decreases of \$95,401, a result of staffing reductions, were offset by increases in health insurance costs of \$108,240 and funding of the City's 115 Trust of \$13,365. Current year expenses and encumbrances include costs of \$1,170,231 associated with the construction of a new environmental education complex, completed in April 2010. The Water and Sewer Fund will be reimbursed 50% of building construction costs by the Environmental Services Fund. Outside printing expenses and encumbrances increased \$48,409 due to utilization of a vendor to print utility inserts and City advertisements. Contractual payments to North Texas Municipal Water District (NTMWD) increased \$1,638,681. Annual dues to the Texas Commission on Environmental Quality increased \$213,974 as a result of increased fees. Municipal garage costs increased over the prior year by \$70,272 as a result of more costly repairs performed on utility operations and fleet. Costs spent in the prior year to repair a pump at the Ridgeview Pump Station totaled \$74,106. Expenses and encumbrances for the fixed network meter reading system decreased \$1,803,908 due to a decrease in the number of meters installed and the related costs. Electric payments decreased \$199,631 as a result of the City's participation in an electric aggregation group which contracts for lower rates. Additionally, the price of natural gas is lower. Costs for debris hauling services decreased \$67,514 due to a change in contractual fees paid per ton. Costs and encumbrances for water meters decreased \$175,740 due to timing of water meter installations.

Sustainability & Environmental Services

Commercial solid waste revenues are \$181,556 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. Residential solid waste revenues are \$52,981 higher than the prior year primarily due to the timing of the utility billing cycle. Recycling revenues increased \$320,000 primarily due to an increase in prices. Revenues related to the sale of compost increased \$128,688 due to the timing of deposits. Commercial franchise revenue decreased \$58,296 due to timing of deposits. Allied Waste is contracted to make contributions in support of the Education Community Outreach Program. Insurance and damages receipts decreased \$107,780. The Sustainability and Environmental Services Department received reimbursements in the prior year of \$113,893 due to vehicle accidents. Expenses and encumbrances decreased from the prior year by \$833,633. In the prior year, the Compost Operations Department purchased a new trailer, tractor/truck, and upgrades to a windrow turner at a cost of \$37,008, \$95,985, and \$14,009, respectively. The Otto Contract decreased \$79,852 due to a credit issued in the current year as well as the timing of purchase orders. Landscape bag costs decreased \$47,963 due to timing of purchase orders. Reimbursements from other funds increased \$139,516 due to utilization of a Water Education Supervisor by the Water and Sewer and Municipal Drainage Funds. Plano's percentage of contractual payments to NTMWD decreased \$604,767. Payment is based on allocation of tonnage between member cities. Additionally, fuel costs passed

REPORT NOTES CONTINUED

JUNE 2010

through to member cities by NTMWD decreased. Sand, clay and loam expenditures decreased \$60,942 due to the timing of purchase orders. Municipal garage charges decreased \$170,860 primarily due to outsourcing of Compost Operations fleet maintenance, as well as a reduction in overhead rate charges and implementation of fuel conservation measures. Utilization of outside services for Compost fleet maintenance offsets this decrease by \$261,799. Personal services costs increased \$97,690. Salaries decreased \$28,360 primarily due to vacant positions in the current year. Decreases are partially offset by increases in health insurance of \$43,274, funding of the City's 115 Trust of \$15,525 and increases in overtime costs of \$58,044. Temporary labor for the Solid Waste Collections Department increased \$54,747 primarily as a result of a change in hourly rates in addition to increased staffing for the February snow storm.

Municipal Drainage

A review of drainage accounts and subsequent modifications resulted in an increase in Municipal Drainage revenues of \$80,783. Interest income decreased \$24,967 due to a decline in the market. Personal services costs increased \$145,967. Positions vacant in the prior year were filled resulting in increased salary costs of \$56,398, health insurance costs of \$52,453 and funding of the City's Section 115 Trust of \$11,475. Contractual costs decreased \$12,824 due to a reduction in the volume of flood study requests as private development projects have declined. Reimbursements to other funds decreased \$38,041 primarily due to a reduction in the utilization of personnel in other funds.

Civic Center

Civic Center lease fees are lower by \$26,625 from the prior year due to fewer corporate business events. Food and beverage sales at Pecan Hollow decreased \$52,550 due to this past winter's weather conditions. Food, beverage and service revenues at Plano Centre decreased by \$115,057 due to less corporate spending for ancillary services, which resulted in lower contractual labor costs of \$144,982. Hotel/motel tax revenues decreased \$35,688 as a result of the economy. Interest income decreased \$30,142 as compared to the prior year due to a decline in the market. Expenses and encumbrances decreased \$665,228. Prior year expenses and encumbrances include \$179,592 for building design services to expand the Plano Centre and additional food expense of \$78,901. Prior year costs and encumbrances associated with remodel work in the restrooms at Plano Centre were \$75,236. Grant awards in support of the Arts and Historic Preservation decreased \$224,682, primarily due to the decline in hotel/motel tax revenue as these funds are paid out of this revenue source. Prior year costs of a convention hotel and conference center feasibility and market study were \$79,462. The City has contracted services in the current year to evaluate potential sites for a new center. Contract costs for the evaluation of the site are \$25,213, not to exceed \$49,000. Electric payments decreased \$29,838 as a result of the City's participation in an electric aggregation group which contracts for lower rates. Additionally, the price of natural gas is lower. Personal services decreased \$59,383 due to an individual retiring in the previous year. This position was not filled until July of 2009. Advertising costs increased \$92,853 due to expanded advertising venues and increased advertising to assist hotels in generating additional revenue. Current year costs increased \$40,670 due to the purchase of heated banquet cabinets. Outside printing costs increased \$48,884 due to the printing of the Convention and Tourism Meeting Planner's Guide which is printed every other year.

Golf Course

Golf revenues decreased \$136,909 due to economic and weather conditions. Pecan Hollow Golf Course closed 80 days in the current year and year to date rounds played are down by 9,739. Personal services decreased \$53,366 due to a reduction in staff. Electric payments decreased \$11,310 from the prior year as the result of the City's participation in an electric aggregation group which contracts for lower rates. Additionally, the price of natural gas is lower. Costs of maintenance parts and supplies products decreased from the prior year by \$17,205, as these items are primarily purchased on as needed basis.

REPORT NOTES CONTINUED

JUNE 2010

Recreation Revolving

Recreation class participation increased over the prior year, resulting in revenue increases of \$142,756. Salary costs increased \$44,376 as a result of increased swim programs and reclassification of temporary employees. Contractual services increases of \$77,323 are the result of additional instructors required for increased class participation.



SECTION 1A

FINANCIAL SUMMARY

**City of Plano
Comprehensive Monthly Financial Report**

MONTHLY FINANCIAL SUMMARY REPORT
 THROUGH JUNE 30 OF FISCAL YEARS 2010, 2009, AND 2008
 GENERAL FUND

	Fiscal Year	Annual Budget	9 Months Actual	Actual/ Budget	Performance Index
REVENUES:					
Ad valorem tax	2010	\$ 82,436,251	81,191,274	98.5%	131.32
	2009	83,068,770	81,775,804	98.4%	131.26
	2008	77,466,721	76,726,304	99.0%	132.06
Sales tax	2010	57,821,890	43,361,615	75.0%	99.99
	2009	57,417,708	44,492,384	77.5%	103.32
	2008	61,181,328	47,364,275	77.4%	103.22
Other revenue	2010	49,997,631	35,782,961	71.6%	95.43
	2009	52,721,887	37,736,600	71.6%	95.44
	2008	<u>48,068,964</u>	<u>37,112,356</u>	77.2%	102.94
TOTAL REVENUE	2010	190,255,772	160,335,850	84.3%	112.37
	2009	193,208,365	164,004,788	84.9%	113.18
	2008	<u>186,717,013</u>	<u>161,202,935</u>	86.3%	115.11
EXPENDITURES & ENCUMBRANCES:					
Current operating	2010	\$ 197,663,823	138,812,939	70.2%	93.64
	2009	201,136,043	140,918,642	70.1%	93.42
	2008	199,162,227	137,731,818	69.2%	92.21
Capital outlay	2010	1,010,000	1,834,342	181.6%	242.16
	2009	2,505,307	1,842,402	73.5%	98.05
	2008	<u>2,254,500</u>	<u>2,196,504</u>	97.4%	129.90
Total expenditures and encumbrances	2010	198,673,823	140,647,281	70.8%	94.39
	2009	203,641,350	142,761,044	70.1%	93.47
	2008	<u>201,416,727</u>	<u>139,928,322</u>	69.5%	92.63
Excess (deficiency) of revenues over (under) expenditures	2010	(8,418,051)	19,688,569	-	-
	2009	(10,432,985)	21,243,744	-	-
	2008	(14,699,714)	21,274,613	-	-
OTHER FINANCING SOURCES (USES)					
Transfers in	2010	19,486,530	14,614,898	75.0%	100.00
	2009	17,634,574	15,266,909	86.6%	115.43
	2008	16,609,119	12,456,839	75.0%	100.00
Transfers out	2010	(20,344,972)	(15,410,126)	75.7%	100.99
	2009	(19,678,201)	(15,005,865)	76.3%	101.68
	2008	<u>(21,947,400)</u>	<u>(17,169,907)</u>	78.2%	104.31
NET CHANGE IN FUND BALANCES	2010	(9,276,493)	18,893,341		
	2009	(12,476,612)	21,504,788		
	2008	(20,037,995)	16,561,545		
FUND BALANCES-BEGINNING	2010		42,744,130		
	2009		44,741,546		
	2008		<u>45,683,660</u>		
FUND BALANCES-ENDING JUNE 30	2010		61,637,471		
	2009		66,246,334		
	2008		<u>62,245,205</u>		

**MONTHLY FINANCIAL SUMMARY REPORT
THROUGH JUNE 30 OF FISCAL YEARS 2010, 2009, AND 2008
WATER AND SEWER FUND**

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>9 Months Actual</u>	<u>Actual/ Budget</u>	<u>Performance Index</u>
REVENUES:					
Water and sewer revenue	2010	\$ 114,488,347	74,709,843	65.3%	87.01
	2009	110,225,529	70,395,384	63.9%	85.15
	2008	96,339,563	64,418,777	66.9%	89.16
Other fees and service charges	2010	2,669,903	1,834,521	68.7%	91.61
	2009	2,572,861	1,851,909	72.0%	95.97
	2008	<u>2,693,389</u>	<u>1,633,886</u>	60.7%	80.88
TOTAL REVENUE	2010	117,158,250	76,544,364	65.3%	87.11
	2009	112,798,390	72,247,293	64.0%	85.40
	2008	<u>99,032,952</u>	<u>66,052,663</u>	66.7%	88.93
EXPENSES & ENCUMBRANCES:					
Capital outlay	2010	-	1,242,789	-	-
	2009	-	82,304	-	-
	2008	1,245,000	212,484	17.1%	22.76
Other expenses & encumbrances	2010	78,000,112	55,595,678	71.3%	95.04
	2009	75,009,576	55,839,834	74.4%	99.26
	2008	<u>66,173,780</u>	<u>47,699,426</u>	72.1%	96.11
Total expenses and encumbrances	2010	78,000,112	56,838,467	72.9%	97.16
	2009	75,009,576	55,922,138	74.6%	99.40
	2008	<u>67,418,780</u>	<u>47,911,910</u>	71.1%	94.75
Excess (deficiency) of revenues over (under) expenses	2010	39,158,138	19,705,897	-	-
	2009	37,788,814	16,325,155	-	-
	2008	31,614,172	18,140,753	-	-
TRANSFERS IN (OUT)					
Transfers in	2010	-	-	-	-
	2009	-	-	-	-
	2008	254,530	190,897	75.0%	100.00
Transfers out	2010	(38,482,630)	(28,861,972)	75.0%	100.00
	2009	(34,349,069)	(25,761,802)	75.0%	100.00
	2008	<u>(30,888,665)</u>	<u>(23,166,499)</u>	75.0%	100.00
CHANGE IN NET ASSETS	2010	\$ 675,508	(9,156,075)		
	2009	3,439,745	(9,436,647)		
	2008	980,037	(4,834,849)		
TOTAL NET ASSETS-BEGINNING	2010		324,231,841		
	2009		321,538,734		
	2008		<u>315,705,835</u>		
TOTAL NET ASSETS-ENDING JUNE 30	2010		315,075,766		
	2009		312,102,087		
	2008		<u>310,870,986</u>		

**MONTHLY FINANCIAL SUMMARY REPORT
THROUGH JUNE 30 OF FISCAL YEARS 2010, 2009, AND 2008
SUSTAINABILITY AND ENVIRONMENTAL SERVICES FUND**

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>9 Months Actual</u>	<u>Actual/ Budget</u>	<u>Performance Index</u>
REVENUES:					
Commerical solid waste franchise	2010	\$ 6,709,797	4,997,133	74.5%	99.30
	2009	6,496,731	4,815,577	74.1%	98.83
	2008	6,351,573	4,756,654	74.9%	99.85
Refuse collection revenue	2010	13,005,330	9,899,562	76.1%	101.49
	2009	13,316,939	9,510,658	71.4%	95.22
	2008	12,272,746	9,531,188	77.7%	103.55
Other fees and service charges	2010	2,508,431	1,803,429	71.9%	95.86
	2009	2,502,911	1,802,542	72.0%	96.02
	2008	<u>2,100,592</u>	<u>1,312,116</u>	62.5%	83.29
TOTAL REVENUE	2010	22,223,558	16,700,124	75.1%	100.19
	2009	22,316,581	16,128,777	72.3%	96.36
	2008	<u>20,724,911</u>	<u>15,599,958</u>	75.3%	100.36
EXPENSES & ENCUMBRANCES:					
Capital outlay	2010	-	31,535	-	-
	2009	256,170	188,409	73.5%	98.06
	2008	141,500	367,000	259.4%	345.82
Other expenses & encumbrances	2010	21,209,293	15,401,287	72.6%	96.82
	2009	21,440,299	16,078,046	75.0%	99.99
	2008	<u>19,969,352</u>	<u>15,287,528</u>	76.6%	102.07
Total expenses and encumbrances	2010	21,209,293	15,432,822	72.8%	97.02
	2009	21,696,469	16,266,455	75.0%	99.96
	2008	<u>20,110,852</u>	<u>15,654,528</u>	77.8%	103.79
Excess (deficiency) of revenues over (under) expenses	2010	1,014,265	1,267,302	-	-
	2009	620,112	(137,678)	-	-
	2008	614,059	(54,570)	-	-
TRANSFERS IN (OUT)					
Transfers in	2010	100,000	75,000	75.0%	100.00
	2009	100,000	75,000	75.0%	100.00
	2008	100,000	75,000	75.0%	100.00
Transfers out	2010	(1,288,707)	(966,530)	75.0%	100.00
	2009	(1,223,535)	(844,823)	69.0%	92.06
	2008	<u>(1,174,818)</u>	<u>(881,114)</u>	75.0%	100.00
CHANGE IN NET ASSETS	2010	\$ (174,442)	375,772		
	2009	(503,423)	(907,501)		
	2008	(460,759)	(860,684)		
TOTAL NET ASSETS-BEGINNING	2010		1,677,124		
	2009		1,690,291		
	2008		<u>2,308,223</u>		
TOTAL NET ASSETS-ENDING JUNE 30	2010		2,052,896		
	2009		782,790		
	2008		<u>1,447,539</u>		

**MONTHLY FINANCIAL SUMMARY REPORT
THROUGH JUNE 30 OF FISCAL YEARS 2010, 2009, AND 2008
MUNICIPAL DRAINAGE FUND**

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>9 Months Actual</u>	<u>Actual/ Budget</u>	<u>Performance Index</u>
REVENUES:					
Fees and service charges	2010	\$ 5,007,613	3,855,355	77.0%	102.65
	2009	4,928,110	3,774,572	76.6%	102.12
	2008	4,723,698	3,733,432	79.0%	105.38
Miscellaneous revenue	2010	85,000	37,709	44.4%	59.15
	2009	150,000	60,882	40.6%	54.12
	2008	<u>125,000</u>	<u>142,717</u>	114.2%	152.23
TOTAL REVENUE	2010	5,092,613	3,893,064	76.4%	101.93
	2009	5,078,110	3,835,454	75.5%	100.71
	2008	<u>4,848,698</u>	<u>3,876,149</u>	79.9%	106.59
EXPENSES & ENCUMBRANCES:					
Capital outlay	2010	-	-	-	-
	2009	-	1,764	-	-
	2008	-	-	-	-
Other expenses & encumbrances	2010	3,026,620	1,815,341	60.0%	79.97
	2009	2,803,503	1,716,496	61.2%	81.64
	2008	<u>2,579,209</u>	<u>1,607,793</u>	62.3%	83.12
Total expenses and encumbrances	2010	3,026,620	1,815,341	60.0%	79.97
	2009	2,803,503	1,718,260	61.3%	81.72
	2008	<u>2,579,209</u>	<u>1,607,793</u>	62.3%	83.12
Excess (deficiency) of revenues over (under) expenses	2010	2,065,993	2,077,723	-	-
	2009	2,274,607	2,117,194	-	-
	2008	2,269,489	2,268,356	-	-
TRANSFERS OUT					
Operating transfers out	2010	(2,991,845)	(2,243,884)	75.0%	100.00
	2009	(2,867,538)	(2,150,654)	75.0%	100.00
	2008	<u>(2,710,706)</u>	<u>(2,033,030)</u>	75.0%	100.00
CHANGE IN NET ASSETS	2010	(925,852)	(166,161)		
	2009	(592,931)	(33,460)		
	2008	(441,217)	235,326		
TOTAL NET ASSETS-BEGINNING	2010		23,065,380		
	2009		21,003,753		
	2008		<u>21,105,863</u>		
TOTAL NET ASSETS-ENDING JUNE 30	2010		22,899,219		
	2009		20,970,293		
	2008		<u>21,341,189</u>		

**MONTHLY FINANCIAL SUMMARY REPORT
THROUGH JUNE 30 OF FISCAL YEARS 2010, 2009, AND 2008
NONMAJOR BUSINESS-TYPE FUNDS**

	Fiscal Year	Annual Budget	9 Months Actual	Actual/ Budget	Performance Index
REVENUES:					
Hotel/motel tax	2010	\$ 4,494,486	2,611,830	58.1%	77.48
	2009	4,964,601	2,647,518	53.3%	71.10
	2008	4,518,066	3,060,267	67.7%	90.31
Other revenue	2010	6,761,751	5,290,427	78.2%	104.32
	2009	6,974,294	5,595,340	80.2%	106.97
	2008	6,695,120	5,626,976	84.0%	112.06
TOTAL REVENUE	2010	11,256,237	7,902,257	70.2%	93.60
	2009	11,938,895	8,242,858	69.0%	92.06
	2008	11,213,186	8,687,243	77.5%	103.30
EXPENSES & ENCUMBRANCES:					
Capital outlay	2010	-	49,774	-	-
	2009	-	75,236	-	-
	2008	80,500	124,087	154.1%	205.53
Other expenses & encumbrances	2010	12,218,004	7,873,180	64.4%	85.92
	2009	12,550,538	8,387,497	66.8%	89.11
	2008	11,659,342	7,995,867	68.6%	91.44
Total expenses and encumbrances	2010	12,218,004	7,922,954	64.8%	86.46
	2009	12,550,538	8,462,733	67.4%	89.91
	2008	11,739,842	8,119,954	69.2%	92.22
Excess (deficiency) of Revenues over (under) expenses	2010	(961,767)	(20,697)	-	-
	2009	(611,643)	(219,875)	-	-
	2008	(526,656)	567,289	-	-
TRANSFERS OUT:					
Operating transfers out	2010	(577,806)	(433,355)	75.0%	100.00
	2009	(1,444,860)	(1,083,646)	75.0%	100.00
	2008	(1,120,300)	(840,225)	75.0%	100.00
CHANGE IN NET ASSETS	2010	(1,539,573)	(454,052)		
	2009	(2,056,503)	(1,303,521)		
	2008	(1,646,956)	(272,936)		
TOTAL NET ASSETS-BEGINNING	2010		10,801,647		
	2009		13,062,762		
	2008		13,467,830		
TOTAL NET ASSETS-ENDING JUNE 30	2010		10,347,595		
	2009		11,759,241		
	2008		13,194,894		

**MONTHLY FINANCIAL SUMMARY REPORT
THROUGH JUNE 30 OF FISCAL YEARS 2010, 2009, AND 2008
ECONOMIC DEVELOPMENT FUND**

	<u>Fiscal</u> <u>Year</u>	<u>Annual</u> <u>Budget</u>	<u>9 Months</u> <u>Actual</u>	<u>Actual/</u> <u>Budget</u>	<u>Performance</u> <u>Index</u>
REVENUES:					
Miscellaneous revenue	2010	\$ 200,000	127,836	63.9%	85.22
	2009	310,000	177,204	57.2%	76.22
	2008	<u>185,000</u>	<u>307,386</u>	166.2%	221.54
EXPENSES & ENCUMBRANCES					
Personal services	2010	596,878	421,799	70.7%	94.22
	2009	559,469	420,773	75.2%	100.28
	2008	550,728	390,044	70.8%	94.43
Materials and supplies	2010	15,500	7,618	49.1%	65.53
	2009	23,452	10,060	42.9%	57.19
	2008	23,500	19,446	82.7%	110.33
Contractual / professional and other	2010	5,272,154	2,188,556	41.5%	55.35
	2009	5,485,693	3,250,784	59.3%	79.01
	2008	6,275,424	1,137,185	18.1%	24.16
Capital outlay	2010	-	-	-	-
	2009	-	-	-	-
	2008	-	-	-	-
Total Expenses and Encumbrances	2010	<u>5,884,532</u>	<u>2,617,973</u>	44.5%	59.32
	2009	<u>6,068,614</u>	<u>3,681,617</u>	60.7%	80.89
	2008	<u>6,849,652</u>	<u>1,546,675</u>	22.6%	30.11
Excess (Deficiency) of Revenues Over (Under) Expenses	2010	(5,684,532)	(2,490,137)	-	-
	2009	(5,758,614)	(3,504,413)	-	-
	2008	(6,664,652)	(1,239,289)	-	-
TRANSFERS IN					
Operating transfers in	2010	5,910,201	4,432,651	75.0%	100.00
	2009	6,068,614	4,551,460	75.0%	100.00
	2008	<u>6,849,652</u>	<u>5,137,239</u>	75.0%	100.00
CHANGE IN NET ASSETS					
	2010	225,669	1,942,514		
	2009	310,000	1,047,047		
	2008	185,000	3,897,950		
TOTAL NET ASSETS-BEGINNING					
	2010		14,046,444		
	2009		12,255,577		
	2008		<u>6,940,876</u>		
TOTAL NET ASSETS-ENDING JUNE 30					
	2010		15,988,958		
	2009		13,302,624		
	2008		<u>10,838,826</u>		

CITY OF PLANO, TEXAS
EQUITY IN TREASURY POOL
June 2010

FUND NO.	FUND NAME	CASH	EQUITY IN TREASURY POOL	TOTAL 6/30/2010	TOTAL 10/1/09	TOTAL 6/30/2009
GENERAL FUND:						
01	General	\$ 32,170	60,990,388	61,022,558	39,172,121	59,935,212
77	Payroll	-	2,229,574	2,229,574	2,010,272	2,072,211
		32,170	63,219,962	63,252,132	41,182,393	62,007,423
DEBT SERVICE FUND:						
03	G.O. Debt Service	-	32,614,421	32,614,421	3,285,456	33,612,186
		-	32,614,421	32,614,421	3,285,456	33,612,186
CAPITAL PROJECTS:						
22	Recreation Center Facilities	-	610,869	610,869	601,809	587,311
23	Street Enhancement	-	1,692,788	1,692,788	1,679,141	1,651,896
25	1991 Police & Courts Facility	-	1,499,549	1,499,549	1,063,019	1,160,136
27	1991 Library Facility	-	889,001	889,001	881,835	876,509
28	1991 Fire Facility	-	3,710,990	3,710,990	3,680,893	3,512,415
29	Technology Improvements	-	1,225,192	1,225,192	1,215,315	871,529
31	Municipal Facilities	-	459,102	459,102	453,185	448,719
32	Park Improvements	-	7,210,400	7,210,400	7,151,871	6,355,396
33	Street & Drainage Improvement	-	13,585,031	13,585,031	9,455,742	7,465,398
35	Capital Reserve	-	43,715,791	43,715,791	39,870,612	37,394,269
38	DART L.A.P.	-	778,841	778,841	772,562	771,313
39	Spring Creekwalk	-	23,974	23,974	23,781	23,743
52	Park Service Areas	-	4,582,972	4,582,972	5,627,066	5,634,611
53	Creative & Performing Arts	-	2,274,171	2,274,171	2,255,838	2,215,240
54	Animal Control Facilities	-	350,361	350,361	347,537	340,720
59	Service Center	-	133,752	133,752	132,674	132,459
60	Joint Use Facilities	-	645,318	645,318	640,116	637,087
85	Public Arts	-	121,944	121,944	120,961	118,080
160	TXDOT-SH121	-	9,720,117	9,720,117	10,192,812	-
109	G.O. Bond Clearing - 2010	-	6,665,942	6,665,942	-	-
110	G.O. Bond Clearing - 1999	-	295,734	295,734	321,785	326,298
190	G.O. Bond Clearing - 2000	-	3,631,985	3,631,985	3,607,700	3,667,366
230	Tax Notes Clearing - 2001	-	1,109,911	1,109,911	1,110,963	1,116,988
240	G.O. Bond Clearing - 2001-A	-	183,668	183,668	182,187	184,727
250	Tax Notes Clearing - 2001-A	-	59,539	59,539	59,059	60,160
270	G.O. Bond Refund/Clearing - 2003	-	123,727	123,727	122,730	124,525
089	C.O. Bond Clearing - 2006	-	145,527	145,527	146,347	148,795
102	G.O. Bond Clearing - 2007	-	147,288	147,288	1,221,403	1,355,325
105	Tax Notes Clearing - 2007	-	-	-	-	525
082	G.O. Bond Clearing - 2008	-	319,185	319,185	11,759,316	15,690,678
083	Tax Notes Clearing - 2008	-	7,407,449	7,407,449	11,283,467	13,459,860
106	G.O. Bond Clearing - 2009	-	12,125,900	12,125,900	20,795,000	23,287,485
150	Tax Notes Clearing - 2009	-	6,429,567	6,429,567	6,377,735	6,443,617
220	Tax and Revenue C.O. Clearing - 2010	-	10,096,295	10,096,295	-	-
		-	141,971,880	141,971,880	143,144,461	136,063,180
ENTERPRISE FUNDS:						
26	Municipal Drainage CIP	-	333,926	333,926	296,030	284,940
34	Sewer CIP	-	11,615,923	11,615,923	10,880,651	10,143,569
36	Water CIP	-	12,718,928	12,718,928	10,379,496	5,635,494
37	Downtown Center Development	-	153,770	153,770	141,340	136,191
41	Water & Sewer - Operating	1,286,853	(12,936,757)	(11,649,904)	1,976,623	(7,444,427)
42	Water & Sewer - Debt Service	-	1,903,005	1,903,005	328,790	1,751,368
43	Municipal Drainage - Debt Service	-	2,722,795	2,722,795	3,356,177	2,688,477
44	W & S Impact Fees Clearing	-	-	-	-	3,939,526
45	Sustainability & Environmental Services	700	1,123,613	1,124,313	(598,717)	(623,812)
46	Convention & Tourism	3,110	2,067,288	2,070,398	2,800,286	2,865,304
81	Friends of Plano Centre	-	3,985	3,985	3,953	3,947
47	Municipal Drainage	-	4,038,380	4,038,380	4,189,957	4,335,048
48	Municipal Golf Course	-	(23,804)	(23,804)	126,677	34,397
49	Property Management	-	414,205	414,205	470,085	466,889
51	Recreation Revolving	350	1,679,967	1,680,317	1,387,532	1,607,660
330	Municipal Drain Rev Bond Clearing - 2007	-	1,128,761	1,128,761	1,600,634	1,732,629
340	Municipal Drain Rev Bond Clearing - 2008	-	2,140,549	2,140,549	2,123,293	2,119,860
107	Municipal Drain Rev Bond Clearing - 2009	-	1,794,848	1,794,848	1,780,378	1,803,974
260	Municipal Drain Rev Bond Clearing - 2010	-	3,652,977	3,652,977	-	-
		1,291,013	34,532,359	35,823,372	41,243,185	31,481,034

CITY OF PLANO, TEXAS
EQUITY IN TREASURY POOL
June 2010

FUND NO.	FUND NAME	CASH	EQUITY IN TREASURY POOL	TOTAL 6/30/2010	TOTAL 10/1/09	TOTAL 6/30/2009
SPECIAL REVENUE FUNDS:						
2	Sproles Library	-	41,398	41,398	186,351	186,050
4	TIF-Mall	-	40,893	40,893	-	74,434
5	TIF-East Side	-	9,277,984	9,277,984	5,774,599	6,647,617
11	LLEBG-Police Grant	-	78,741	78,741	40,868	40,802
12	Criminal Investigation	-	1,318,914	1,318,914	1,341,294	1,218,338
13	Grant	95	(263,766)	(263,671)	(469,977)	(733,222)
14	Wireline Fees	-	10,531,925	10,531,925	9,740,731	9,849,602
15	Judicial Efficiency	-	101,841	101,841	126,175	122,876
16	Industrial	-	18,422	18,422	18,273	18,244
17	Intergovernmental	-	453,507	453,507	371,968	374,051
18	Government Access/CATV	-	348,565	348,565	296,436	435,126
19	Teen Court Program	-	50,136	50,136	49,271	47,152
20	Municipal Courts Technology	-	1,693,845	1,693,845	1,706,473	1,682,191
24	American Recovery/Reinv Act Grant	-	(1,133,972)	(1,133,972)	226,793	(265)
55	Municipal Court-Building Security Fees	-	1,044,880	1,044,880	1,179,873	1,186,251
56	911 Reserve Fund	-	-	-	-	2
57	State Library Grants	-	(14,075)	(14,075)	(35,972)	52,055
67	Disaster Relief	-	1,213,246	1,213,246	1,203,465	1,203,116
68	Animal Shelter Donations	-	253,627	253,627	207,918	230,880
73	Memorial Library	-	409,864	409,864	348,226	373,006
86	Juvenile Case Manager	-	331,104	331,104	276,850	229,006
87	Traffic Safety	-	2,143,919	2,143,919	2,322,902	1,989,926
88	Child Safety	-	1,303,144	1,303,144	1,007,206	1,115,206
		95	29,244,142	29,244,237	25,919,723	26,342,444
INTERNAL SERVICE FUNDS:						
6	Public Safety Technology	-	2,023,143	2,023,143	2,006,834	1,985,785
9	Technology Infrastructure	-	(7,845)	(7,845)	(7,782)	(8,965)
58	PC Replacement	-	602,748	602,748	946,678	1,295,254
61	Equipment Maintenance	200	450,162	450,362	1,006,981	631,892
62	Information Technology	-	5,337,397	5,337,397	4,692,594	3,770,561
63	Office Services	-	(246,960)	(246,960)	(104,926)	33,348
64	Warehouse	100	316,574	316,674	144,325	(29,949)
65	Property/Liability Loss	-	4,393,883	4,393,883	4,434,801	3,665,626
66	Technology Services	-	7,804,614	7,804,614	6,845,943	6,776,528
71	Equipment Replacement	-	18,222,389	18,222,389	15,723,557	14,015,388
78	Health Claims	-	15,050,729	15,050,729	11,149,912	10,148,988
79	Parkway Service Ctr. Expansion	-	(28,416)	(28,416)	(28,187)	(28,580)
		300	53,918,418	53,918,718	46,810,730	42,255,876
FIDUCIARY FUNDS:						
7	Unclaimed Property	-	63,207	63,207	58,343	58,249
8	Library Training Lab	-	2,761	2,761	2,739	2,734
69	Collin County Seized Assets	-	161,658	161,658	146,232	161,867
74	Developers' Escrow	-	2,527,103	2,527,103	2,463,818	3,551,247
75	Plano Economic Development Trust	-	91,836	91,836	376,134	555,212
76	Economic Development	200	16,744,351	16,744,551	13,843,089	12,881,710
84	Rebate	-	1,460,921	1,460,921	1,492,232	1,497,831
		200	21,051,837	21,052,037	18,382,587	18,708,850
TOTAL		\$ 1,323,778	376,553,019	377,876,797	319,968,535	350,470,993
TRUST FUNDS						
		CASH	TRUST INVESTMENTS	TOTAL 6/30/2010	TOTAL 10/1/09	TOTAL 6/30/2009
72	Retirement Security Plan	-	65,458,505	65,458,505	65,458,505	61,611,854
91	115 Trust	-	31,323,608	31,323,608	27,657,043	24,108,373
TOTAL TRUST FUNDS		\$ -	96,782,113	96,782,113	93,115,548	85,720,227

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 June 30, 2010 the Treasury Pool, including an adjustment to Fair Value as required by GASB 31, consisted of the following:

Cash	27,527,178
Local Government Investment Pool	17,150,112
Texas Daily	12,369,033
Federal Securities	269,230,920
Certificates of Deposit	48,200,090
Fair Value Adjustment	641,530
Interest Receivable	1,434,156
	<u>376,553,019</u>

HEALTH CLAIMS FUND THROUGH JUNE 30 OF FISCAL YEARS 2010 AND 2009

Health Claims Fund	6 month Variance Favorable (Unfavorable)			2 month Variance Favorable (Unfavorable)			1 month Variance Favorable (Unfavorable)			Year to Date Variance Favorable (Unfavorable)		
	FY 09-10 October - March	FY 08-09 October - March		FY 09-10 April - May	FY 08-09 April - May		FY 09-10 June	FY 08-09 June		FY 09-10 Total	FY 08-09 Total	
Revenues												
Employees Health Ins. Contributions	\$ 1,951,322	\$ 1,562,494	388,828	\$ 712,573	\$ 533,008	179,565	\$ 351,811	\$ 263,997	87,814	3,015,706	2,359,499	656,207
Employers Health Ins. Contributions	10,513,892	9,478,853	1,035,039	3,484,218	3,544,211	(49,993)	1,728,801	1,761,697	(32,896)	15,736,911	14,784,761	952,150
Contributions for Retirees	437,321	372,005	65,316	141,620	124,878	16,742	74,650	65,098	9,552	653,591	561,981	91,610
Cobra Insurance Receipts	21,144	23,945	(2,801)	9,976	9,475	501	2,054	4,304	(2,250)	33,174	37,724	(4,550)
Retiree Insurance Receipts	373,911	273,428	100,483	133,019	99,133	33,886	70,677	69,119	1,558	577,607	441,680	135,927
Retiree Contributions	(302,652)	-	(302,652)	(71,259)	-	(71,259)	-	(152,503)	152,503	(373,911)	(152,503)	(221,408)
Employer Contribution-OPEB	3,231,225	2,211,975	1,019,250	800,550	1,096,740	(296,190)	(1,080)	543,240	(544,320)	4,030,695	3,851,955	178,740
Interest	42,939	66,712	(23,773)	21,796	18,195	3,601	43,296	34,128	9,168	108,031	119,035	(11,004)
Total Revenues	16,269,102	13,989,412	2,279,690	5,242,493	5,425,640	(183,147)	2,270,209	2,589,080	(318,871)	23,781,804	22,004,132	1,777,672
Transfers Out												
Transfers Out	4,112,376	2,010,628	(2,101,748)	670,209	1,340,418	670,209	-	680,902	680,902	4,782,585	4,031,948	(750,637)
Expenses												
Insurance	546,713	583,646	36,933	207,975	155,953	(52,022)	206,624	78,348	(128,276)	961,312	817,947	(143,365)
Contracts- Professional Svc.	127,911	147,115	19,204	20,249	22,127	1,878	10,817	5,500	(5,317)	158,977	174,742	15,765
Contracts- Other	524,897	598,428	73,531	218,691	229,284	10,593	225,238	94,924	(130,314)	968,826	922,636	(46,190)
Health Claims Paid Reinsurance	(41,287)	(674,424)	(633,137)	(401)	(470,597)	(470,196)	-	7,088	7,088	(41,688)	(1,137,933)	(1,096,245)
Retiree Claims	(771,505)	(685,801)	85,704	(184,181)	(473,734)	(309,553)	(443,867)	(199,176)	244,691	(1,379,553)	(1,358,711)	20,842
Health Claims - Prescription	1,760,283	1,761,414	1,131	591,231	658,366	67,135	300,845	315,785	14,940	2,652,359	2,735,565	83,206
Health Claims Paid -UHC	7,452,289	9,357,519	1,905,330	2,646,074	2,679,120	33,046	1,566,289	1,234,513	(331,776)	11,664,652	13,271,252	1,606,600
Cobra Insurance Paid	1,124	1,818	694	232	439	207	471	314	(157)	1,827	2,571	744
Retiree Insurance Paid	43,816	39,386	(4,430)	14,578	12,903	(1,675)	14,918	6,786	(8,132)	73,312	59,075	(14,237)
Retiree Insurance Paid-Medicare	160,676	150,436	(10,240)	49,382	43,535	(5,847)	27,489	22,444	(5,045)	237,547	216,415	(21,132)
Freight	-	-	-	-	-	-	7	-	(7)	7	-	(7)
Total Expenses	9,804,917	11,279,537	1,474,720	3,583,830	2,857,396	(726,434)	1,908,831	1,566,526	(342,305)	15,297,578	15,703,559	405,981
Net Increase (decrease)	2,351,809	699,147	1,652,662	988,454	1,227,826	(239,372)	361,378	341,652	19,726	3,701,641	2,268,625	1,433,016
Health Claims Fund Balance - Cumulative	\$ 9,726,792	\$ 4,678,986	5,047,806	\$ 10,716,246	\$ 5,905,813	4,808,433	\$ 11,076,624	\$ 6,248,464	4,828,160			

ANALYSIS OF PROPERTY LIABILITY LOSS FUND THROUGH JUNE 30 OF FISCAL YEARS 2010, 2009 & 2008

PROPERTY LIABILITY LOSS FUND	Fiscal Year 2010	Fiscal Year 2009	Fiscal Year 2008
Claims Paid per General Ledger	\$912,201	\$1,269,279	\$546,833
Net Judgments/Damages/Attorney Fees	\$521,215	\$689,342	\$774,804
Total Expenses	\$1,433,416	\$1,958,621	\$1,321,637



SECTION 2

ECONOMIC ANALYSIS

**City of Plano
Comprehensive Monthly Financial Report**

ECONOMIC ANALYSIS

JUNE 2010

General Fund Revenue June YTD Figure I

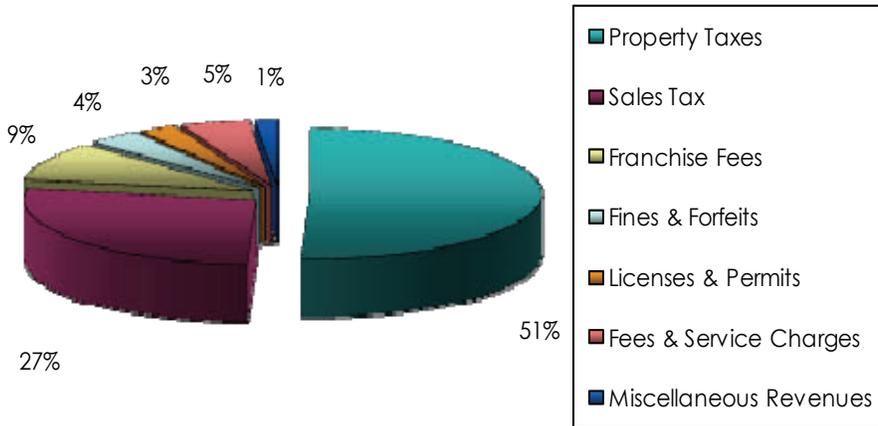


Figure I shows a breakdown of the various sources of revenues for the City's General Fund year to date through June 30, 2010. The largest category is Property Tax in the amount of \$81,191,274. Closest behind Property Tax is Sales Tax in the amount of \$43,361,615 and Franchise Fees with a total of \$15,169,813.

Expenditures and Encumbrances June YTD Figure II

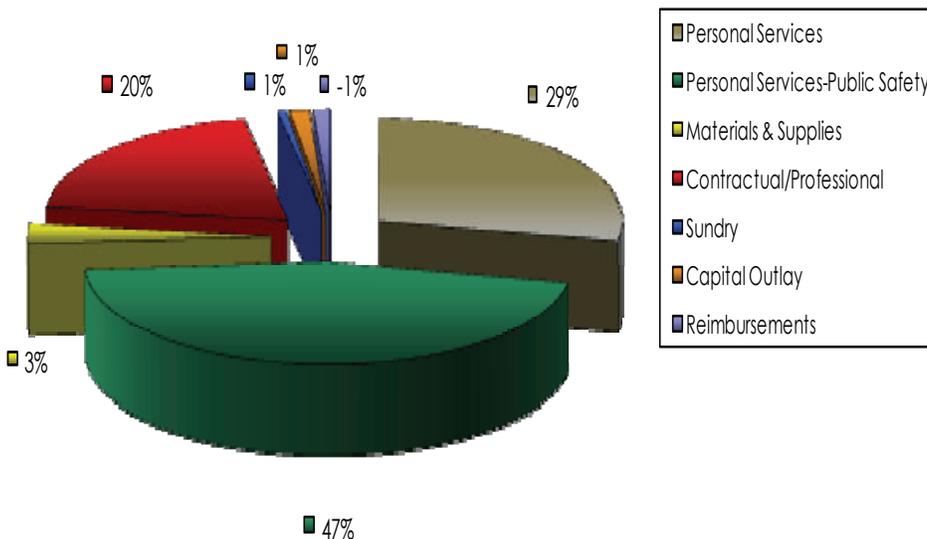


Figure II shows a breakdown of the various expenditures and encumbrances for the City's General Fund Year to Date through June 30, 2010. The largest category is Personal Services-Public Safety in the amount of \$65,624,744 which includes the police, fire, fire-civilian and public safety communications departments. Closest behind that category are Personal Services (for all other departments) with a total of \$40,492,925 and Contractual/ Professional Services totaling \$28,800,418.

ECONOMIC ANALYSIS

JUNE 2010

Sales Tax Comparisons City of Plano and Area Cities Figure III

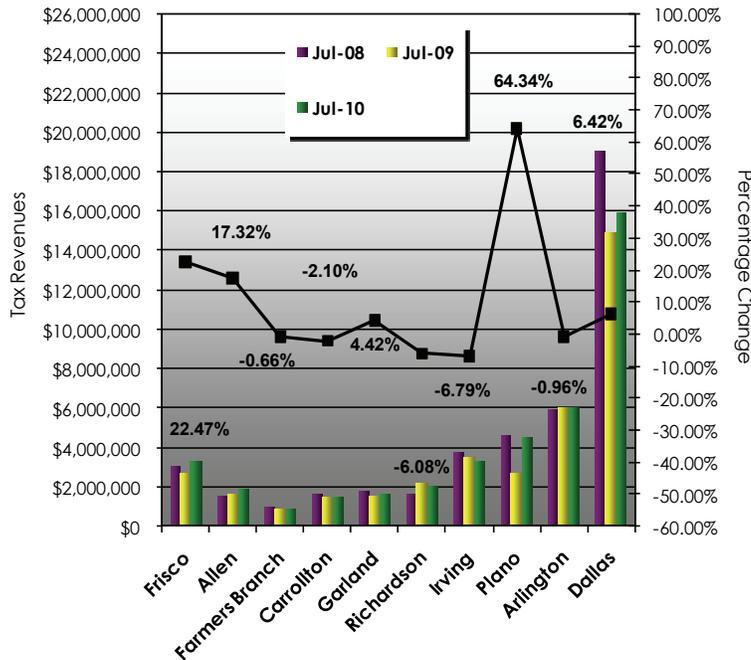


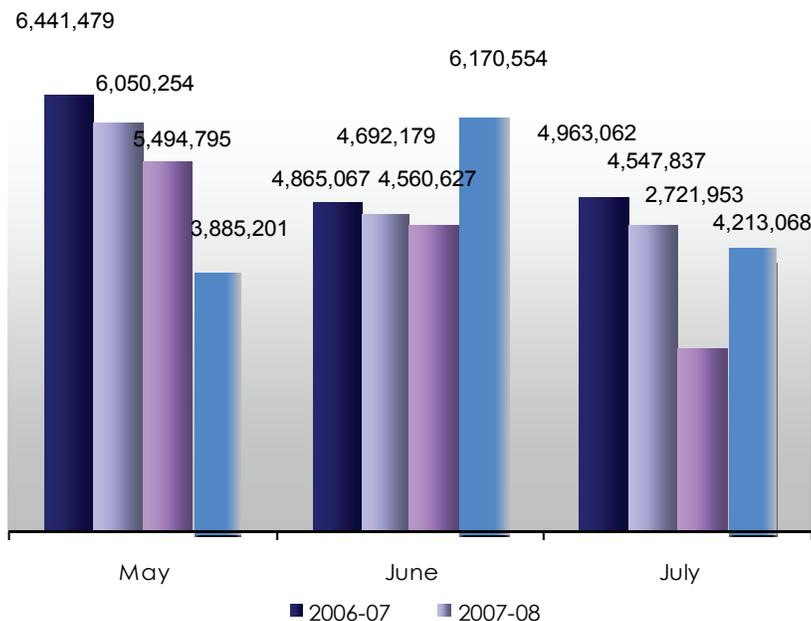
Figure III shows sales tax allocations collected in the months of July 2008, July 2009 and July 2010 for the City of Plano and nine area cities. Each of the cities shown has a sales tax rate of 1%, except for the cities of Allen and Frisco, which have a 2% rate, but distribute half of the amount shown 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 July the City of Plano received \$4,473,282 from this 1% tax.

The percentage change in sales tax allocations for the area cities, comparing July 2009 to July 2010, ranged from 64.34% for the City of Plano to -6.79% for the City of Irving.

The large increase this month for the City of Plano is due to an audit adjustment which reduced Plano's sales tax in the amount of \$1,455,351.01 in July 2009 which resulted in sales tax for that month of \$2,721,953.44.

Sales Tax

Actual Monthly Revenue Figure IV



Sales tax allocation of \$4,473,282 was remitted to the City of Plano in the month of July. This amount represents an increase of -64.34% compared to the amount received in July 2009. Current year to date sales tax revenue is \$48,057,810.

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 May to the State, and received in July by the City of Plano.

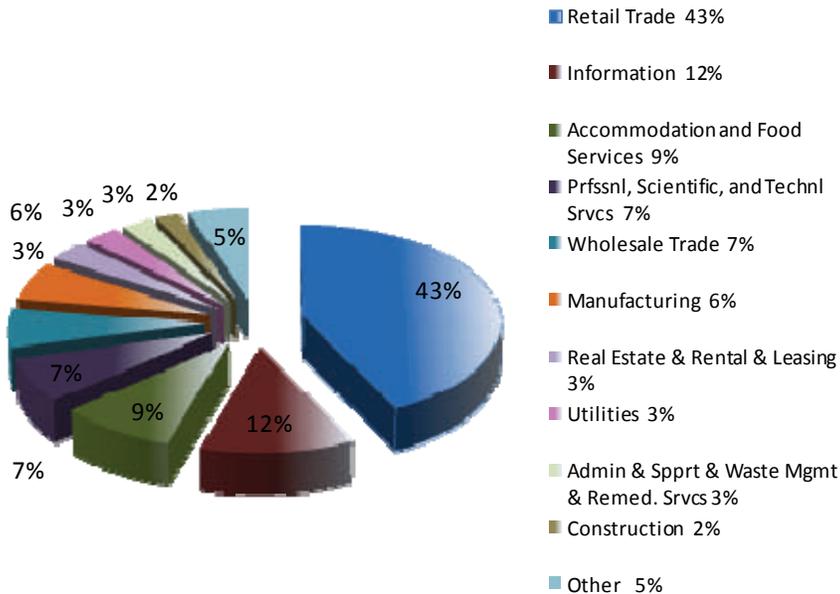
Figure IV represents actual sales and use tax receipts for the months of May, June, and July fiscal years 2006-2007, 2007-2008, 2008-2009, and 2009-2010.

ECONOMIC ANALYSIS

JUNE 2010

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 July 2010.

Some examples in each code are as follows:

Retail Trade: Wal-Mart, Costco, Kohl's.

Information: AT&T, Verizon, Microsoft licensing.

Accommodation and Food Services: Brinker, Starbucks, Sodexo Services.

Professional, Scientific, and Technical Services: EDS, Perot Systems, Cisco Systems.

Wholesale Trade: Oracle USA, Hewlett Packard, Hobby Lobby.

Manufacturing: Pepsico, TI, Apple, Frito Lay.

Real Estate and Rental and Leasing: Hewlett Packard Financial Services Company, IBM Credit LLC, Blockbuster Inc.

Utilities: Reliant Energy, Direct Energy, Green Mountain Energy.

Administration, Support, Waste Management and Remediation Services: Allied Waste Systems, Trugreen, Hadden Landscaping.

Construction: Texas Custom Pools, Outdoor Lighting Services, Scott and Reid General Contractors.

All other NAICS codes: Other Services (except Public Admin), Finance and Insurance, Mining, Arts, Entertainment & Recreation, Public Administration, Health Care & Social Services, Transportation & Warehousing, Management of Companies & Enterprises, Educational Services, and Agriculture, Forestry, Hunting & Fishing, and **Unknown:** Service King Paint & Body, Exxon Mobile Corporation, Main Event Entertainment LP, Comptroller of Public Accounts, Baylor Regional Medical Center at Plano, Iron Mountain Information Management Inc., Alliance Systems Inc, Open Pages Inc., Environmental Soil Stabilization LLC, Pomerantz Acquisition Corp.

ECONOMIC ANALYSIS

JUNE 2010

Cumulative Jobs Created in Plano
Figure VI

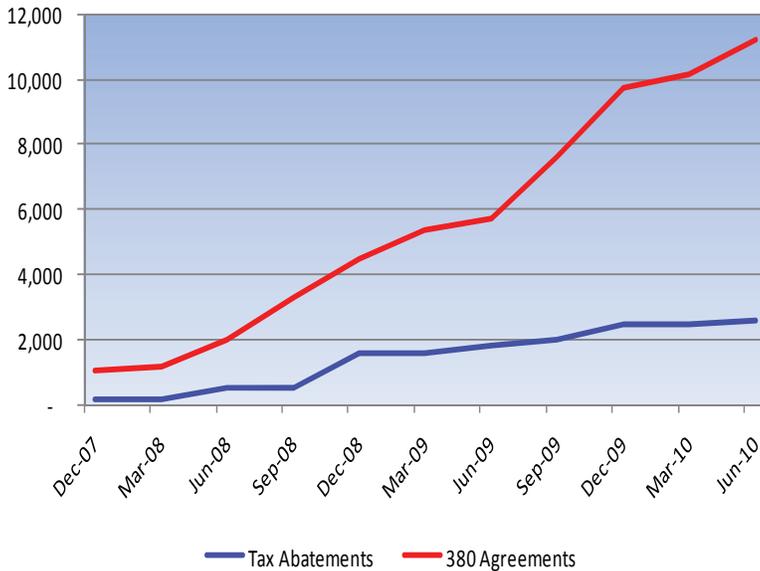


Figure VI, left, tracks the number of jobs cumulatively beginning 4th quarter 2007 created in Plano due to the City entering into either a Property Tax Abatement Agreement or a 380 Economic Development Agreement (380 agreement).

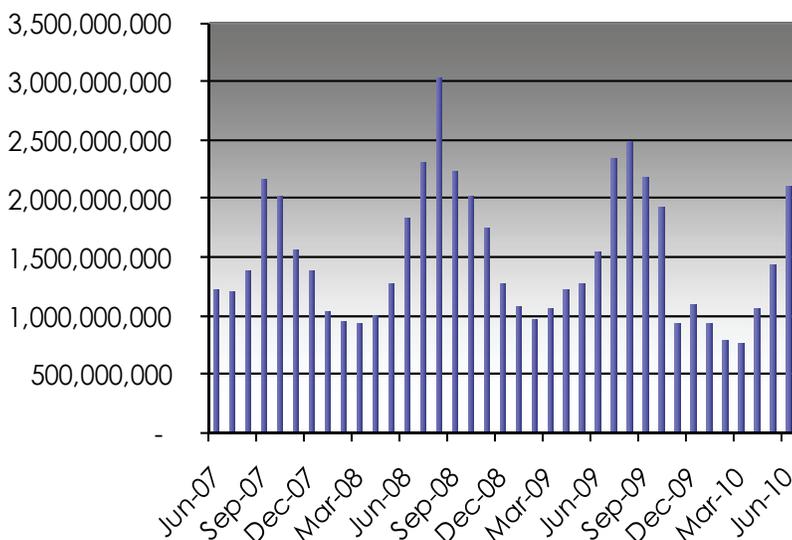
The City of Plano often uses property tax abatements to attract new industry and commercial enterprises, and to encourage the retention and development of existing businesses. The City can limit the property taxes assessed on real property or tangible personal property located on real property due to the repairs or improvements to the property. Only property located within a reinvestment zone is eligible for a tax abatement agreement. During the 2nd quarter of 2010, 134 jobs were 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 2nd quarter of 2010, 934 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



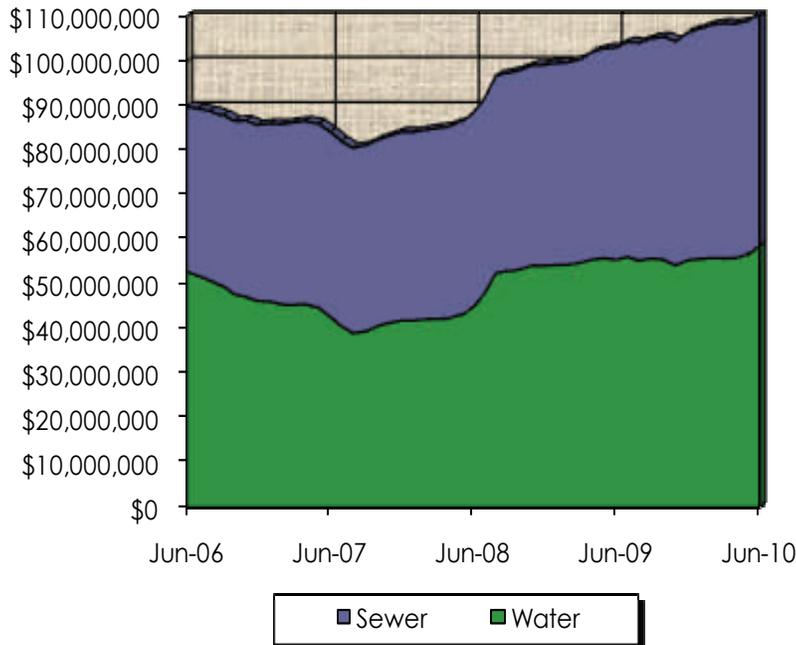
In June, the City of Plano pumped 2,552,278,000 gallons of water from the North Texas Municipal Water District (NTMWD). Consumption was 2,106,348,890 gallons among 79,178 billed water accounts while billed sewer accounts numbered 75,464. The minimum daily water pumpage was 58,797,000 gallons, which occurred on Tuesday, June 29th. Maximum daily pumpage was 102,045,000 gallons and occurred on Monday, June 21st. This month's average daily pumpage was 85,076,000 gallons.

Figure VII shows the monthly actual local water consumption.

ECONOMIC ANALYSIS

JUNE 2010

Annualized Water & Sewer Billings Figure VIII

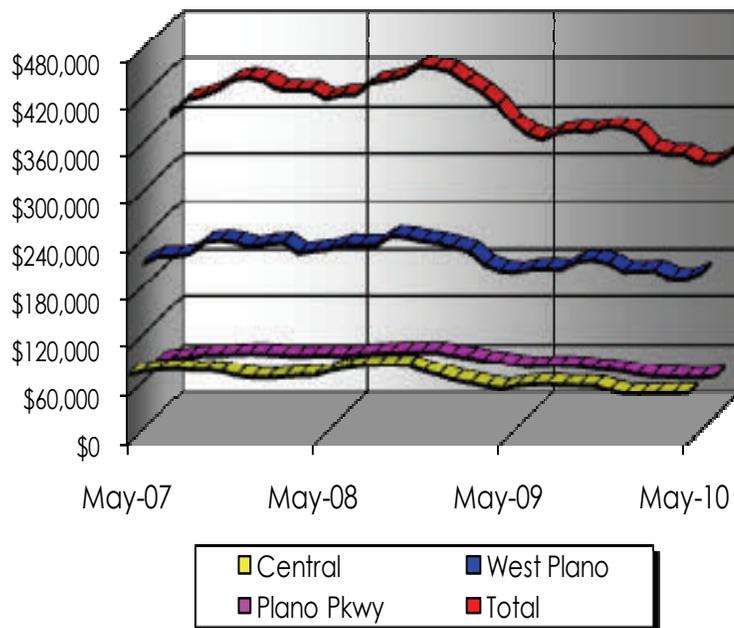


The actual water and sewer customer billing revenues in June were \$6,676,048 and \$4,352,1494, representing an increase of 41.81% and a decrease of .62% respectively compared to June 2009 revenues. The aggregate water and sewer accounts netted \$11,028,542 for an increase of 21.36%.

June consumption brought annualized revenue of \$58,550,147 for water and \$52,314,950 for sewer, totaling \$110,865,097. This total represents an increase of 9.97% compared to last year's annualized revenue.

Figure VIII represents the annualized billing history of water and sewer revenues for June 2006 through June 2010.

Hotel/Motel Occupancy Tax Six Month Trend Figure IX



May revenue from hotel/motel occupancy tax was \$353,097. This represents an increase of \$22,923 or 6.94% compared to May 2009. The average monthly revenue for the past six months (see graph) was \$311,948, a decrease of -5.61% from the previous year's average. The six-month average for the Central area decreased to \$62,635, the West Plano average decreased to \$198,730, and the Plano Pkwy average decreased to \$50,583 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 May revenue and central average excludes the Central Holiday Inn Hotel. This hotel did not make their occupancy tax payment by the CMFR submission deadline.

ECONOMIC ANALYSIS

JUNE 2010

**Unemployment Rates
Unadjusted Rate Comparison
Figure X**

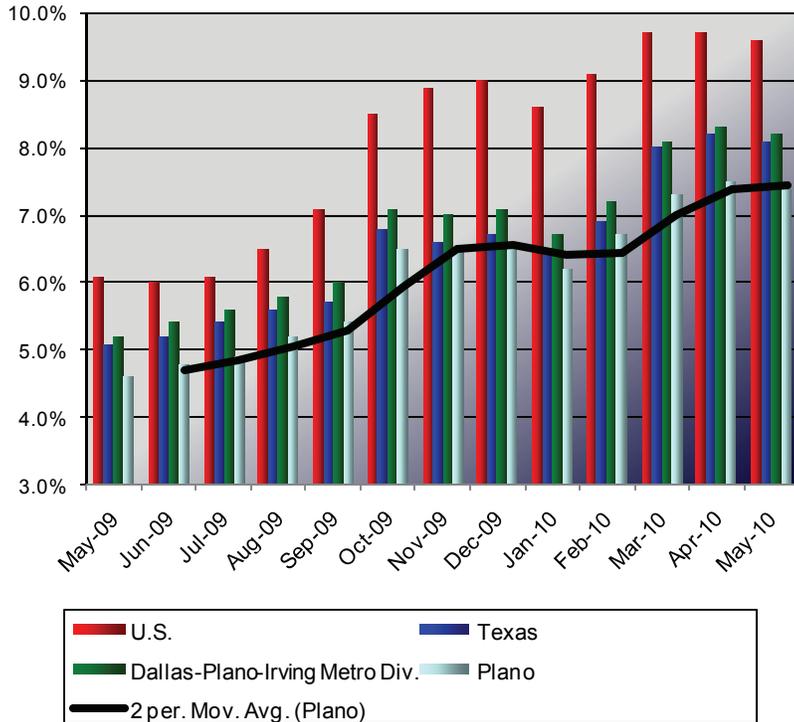


Figure X shows unadjusted unemployment rates based on the Bureau of Labor Statistics U.S. City Average, and Local Area Unemployment Statistics estimates for the State of Texas, the Dallas-Plano-Irving Metropolitan Division and the City of Plano from May 2009 to May 2010.

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

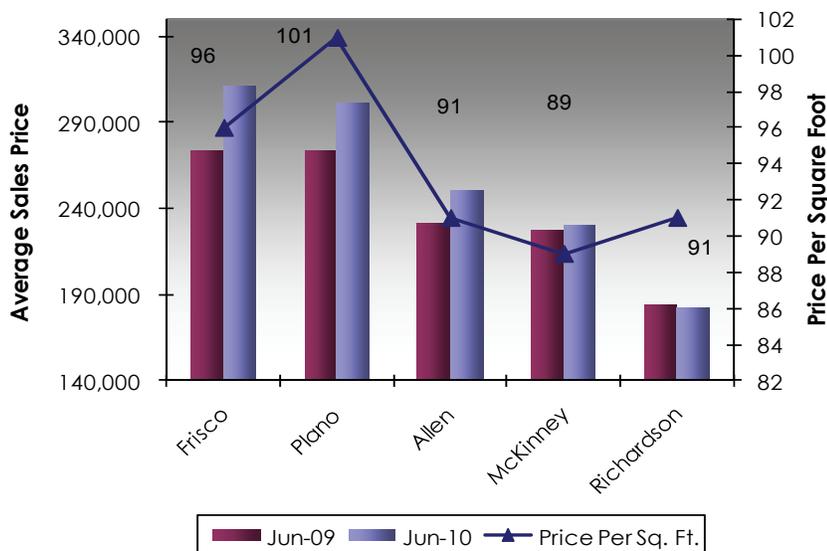


Figure XI shows the average home selling price for the months of June 2009 and June 2010 for the City of Plano and four area cities. The average price per square foot is also included for each city for the month of June 2010. The average sales price in Plano has increased \$26,942 from June 2009 at \$273,867 to June 2010 at \$300,809.

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

JUNE 2010

Real Estate Recap
Figure XII

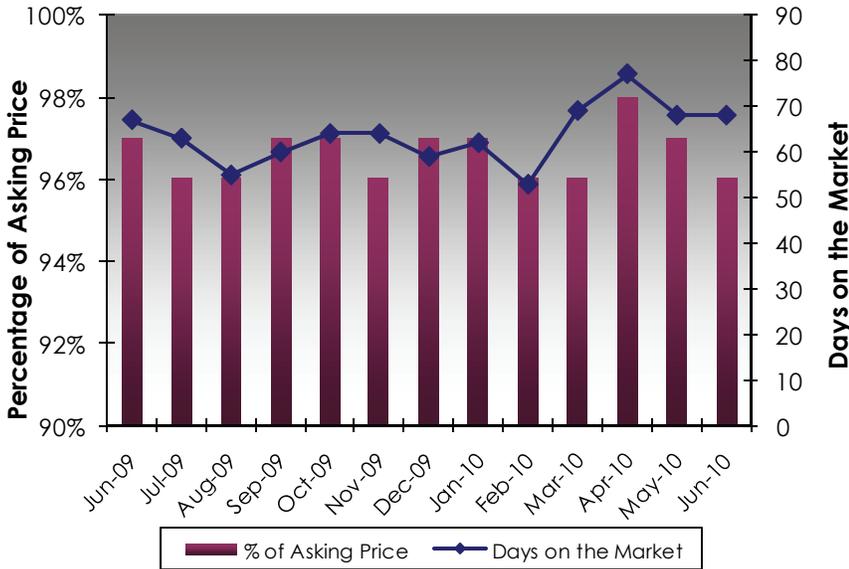


Figure XII represents the percentage of sales price to asking price for single family homes for the past year along with days on the market. The percentage of asking price decreased to 96% in June 2010 from 97% in June 2009. Days on the market increased from 60 to 67 days in June 2009 and June 2010.



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

JUNE 2010

Interest received during June totaled \$206,790 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 decreased throughout the month of June, starting at 0.78% and ending at 0.61%.

As of June 30, a total of \$365,251,529 was invested in the Treasury Fund. Of this amount, \$48,741,718 was General Obligation Bond Funds, \$8,717,135 was Municipal Drainage Revenue Bond Funds, and \$307,792,676 was in the remaining funds.

Metrics	Current Month Actual	Fiscal YTD	Prior Fiscal YTD	Prior Fiscal Year Total
Funds Invested (1)	\$38,659,379	\$208,157,562	\$275,811,342	\$361,486,327
Interest Received (2)	\$206,790	\$3,558,963	\$3,321,330	\$4,622,227
Weighted Average Maturity (in days) (3)	391		222	
Modified Duration (4)	1.10		0.61	
Average 2-Year T-Note Yield (5)	0.72%		1.18%	

* 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 2010 to 2009 for the current month.

Month-to-Month Comparison

Metrics	May 2010	June 2010	Difference
Portfolio Holding Period Yield	1.01%	1.15%	+0.14% (+14 Basis Points)
Average 2-Year T-Note Yield	0.83%	0.72%	-0.11% (-11Basis Points)

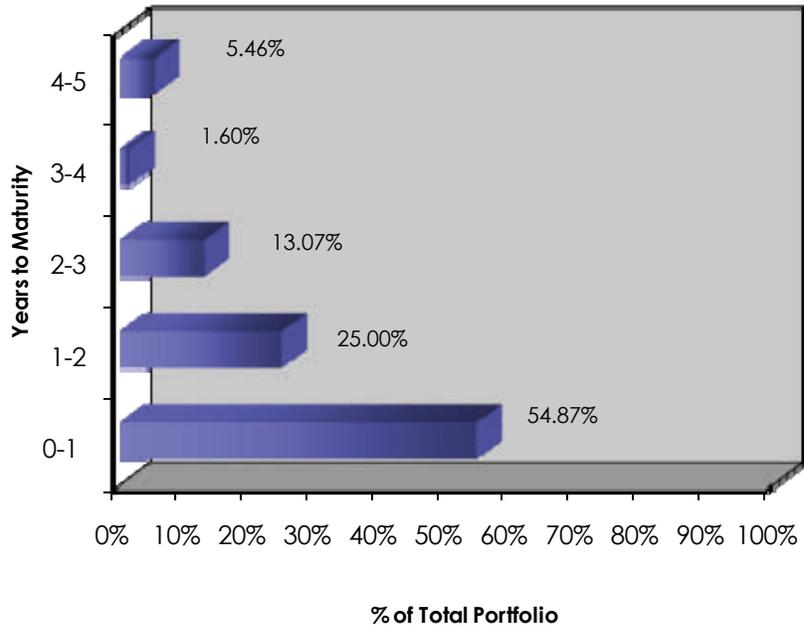
INVESTMENT REPORT JUNE 2010

Portfolio Maturity Schedule

Figure I

Years to Maturity*	Book Value	% Total
0-1	\$205,547,820	54.87%
1-2	\$93,461,085	25.00%
2-3	\$48,971,996	13.07%
3-4	\$6,000,000	1.60%
4-5	\$20,433,007	5.46%
Total	\$374,593,908	100.00%

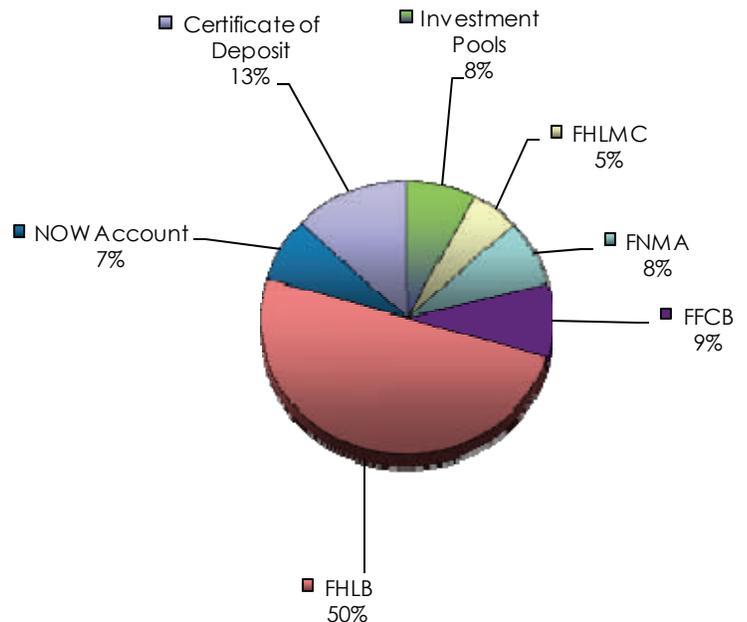
*Does not take into consideration callable issues that can, if called, significantly shorten the Weighted Average Maturity.



Portfolio Diversification

Figure II

Type	Book Value	% Total
Investment Pools	\$29,519,145	7.88%
FHLMC	20,056,817	5.35%
FNMA	29,057,657	7.76%
FFCB	32,432,377	8.66%
FHLB	187,318,284	50.00%
NOW Account	28,009,538	7.48%
Certificate of Deposit	48,200,090	12.87%
Total	\$374,593,908	100.00%



INVESTMENT REPORT

JUNE 2010

Allocated Interest/Fund Balance Figure III

Fund	Beginning Fund	Allocated Interest		Ending Fund	% of
	Balance 6/30/10	Current Month	Fiscal Y-T-D	Balance 6/30/10	Total
General	60,807,569	182,820	477,385	60,990,389	16.70%
G. O. Debt Services	32,519,275	95,146	211,868	32,614,421	8.93%
Street & Drainage Improvements	13,545,682	39,349	84,018	13,585,013	3.72%
Sewer CIP	11,582,105	33,817	100,476	11,615,922	3.18%
Capital Reserve	43,588,526	127,265	375,208	43,715,791	11.97%
Water & Sewer Operating	(12,897,774)	(38,983)	(67,850)	(12,936,757)	-3.54%
Water & Sewer Debt Service	1,897,704	5,301	10,956	1,903,005	0.52%
Park Service Area Fees	4,569,559	13,416	45,921	4,582,972	1.25%
Property/ Liability Loss	4,380,873	13,010	39,591	4,393,883	1.20%
Information Services	7,781,920	22,694	65,970	7,804,614	2.14%
Equipment Replacement	18,168,801	53,588	158,552	18,222,389	4.99%
Developer's Escrow	2,519,699	7,404	22,678	2,527,103	0.69%
G. O. Bond Funds	48,598,498	143,220	434,652	48,741,718	13.34%
Municipal Drainage Bond Clearing	8,691,094	26,041	62,946	8,717,135	2.39%
Grants - TXDOT	9,691,258	28,858	96,097	9,720,116	2.66%
Other	108,737,727	316,070	939,871	109,053,797	29.86%
Total	364,182,516	1,069,013	3,058,339	365,251,529	100%

Footnote: All City funds not restricted or held in trust are included in the Treasury Pool. As of June 30, 2010 allocated interest to these funds may include an adjustment to fair value as required by GASB 31.

Portfolio Statistics Figure IV

Month	Total Invested (End of Month)	Portfolio Yield	# of	Maturities/	Weighted	# of
			Securities Purchased*	Sold/ Called	Ave. Mat. (Days)	
May, 2009	356,669,678	0.87%	12	3	194	31
June, 2009	347,628,523	1.07%	8	0	221	39
July, 2009	339,056,884	1.15%	6	3	289	42
August, 2009	339,629,101	1.11%	2	4	292	40
September, 2009	318,909,436	1.16%	1	0	298	41
October, 2009	301,596,747	1.19%	1	2	288	40
November, 2009	298,555,134	1.19%	1	2	264	39
December, 2009	312,227,614	1.06%	1	1	229	39
January, 2010	352,090,688	0.96%	2	1	186	40
February, 2010	379,028,855	0.90%	3	1	153	42
March, 2010	391,228,759	1.10%	44	7	374	79
April, 2010	378,780,132	1.08%	0	4	345	75
May, 2010	375,471,511	1.01%	3	7	311	71
June, 2010	374,593,908	1.15%	6	3	391	74

*Does not include investment pool purchases or changes in NOW account balances.

INVESTMENT REPORT

JUNE 2010

Equity in Treasury Pool By Major Category Figure V

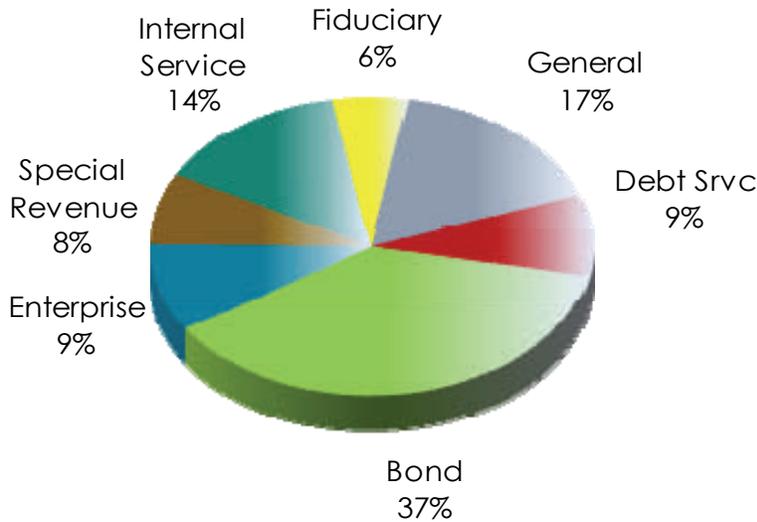


Figure V shows a breakdown of the various sources of funds for the City's Treasury Pool as of June 30, 2010. The largest category is the Bond Funds in the amount of \$141,971,880. Closest behind is the General Fund with \$63,252,132, and the Internal Service Funds with a total of \$53,918,718.

Annualized Average Portfolio Figure VI

The annualized average portfolio for June 30, 2010 was \$346,764,064. This is an increase of \$13,823,602 when compared to the June 2009 average of \$332,940,462.

