

June, 2016

CITY OF PLANO

COMPREHENSIVE MONTHLY  
FINANCIAL REPORT



# 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:

- A. 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.
- B. The **Financial Summary** provides comparative data for major revenue sources and expenditure items.
- C. The **Economic Analysis** section contains a summary of the key economic indicators and an in-depth review with graphic illustrations.
- D. 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, 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.



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# Plano

## **SECTION A**

### **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.

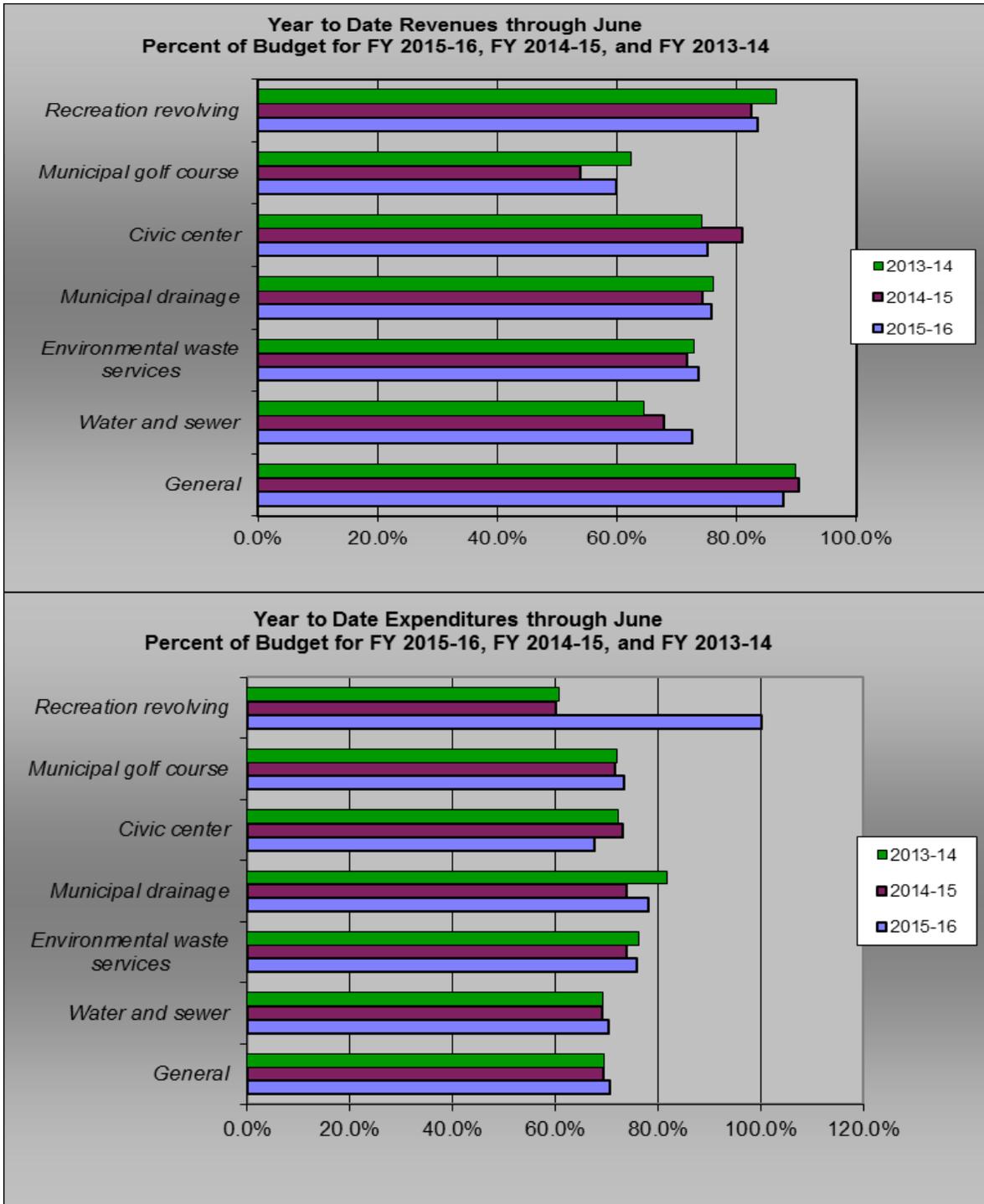
# REPORT NOTES JUNE 2016

The information represented in this report provides a summary of the General Fund and Enterprise Funds 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 are subject to final audit adjustments.

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

## HIGHLIGHTS OF FUND VARIANCES



# REPORT NOTES CONTINUED

## JUNE 2016

### FINANCIAL HIGHLIGHTS GENERAL FUND VARIANCES

#### REVENUES

##### Taxes

- Sales tax revenue decreased \$1,767,317. Losses were reported by multiple industries including information; construction; and real estate and rental and leasing. Positive audit adjustments are \$1,682,870 less than the prior year.
- Ad valorem tax revenue increased \$13,179,746 in the current year due to increased property values and a change in the tax split between the General Fund and the Debt Service Fund. The overall ad valorem tax rate remains at 48.86 cents per \$100 valuation in fiscal year 2016. However, the tax split for the General Fund operating portion increased by 1.38 cents while the Debt Service portion decreased 1.38 cents. The Debt Service rate is established at a level that will provide for the principal and interest on the City's debt.
- Mixed beverage tax revenue increased \$113,120 due to increased sales throughout the City in the current year.

##### Franchise Fee Revenue

- Telephone franchise revenues increased \$240,632 due to more subscribers in the current year.
- Gas revenues decreased \$810,102 due to a decline in usage in the current year which is impacted by weather conditions.

##### Licenses and Permits

- Building permits are higher over prior year by \$2,842,775 due to several large commercial permits issued in the current year in addition to an increase in the number of permits issued.

##### Fees and other revenue

- As a result of increased ambulance transports in the current year (8,841 transports in the current year vs. 8,285 transports in the prior year), ambulance revenue increased \$210,326.
- Due to the large number of roofing permits and home repairs as a result of storm activity in the current year, contractor registration revenue is higher by \$86,605. The City requires contractors to register annually.
- Engineering inspection fees decreased \$148,779 due to two large projects in the prior year. One project related to realignment of a city street while the other was a private development project.
- Increases in local league participation by non-resident teams, in addition to an increase in events and tournaments held in the current year, resulted in higher recreation user fee revenue and athletic league participant fees of \$40,768 and \$100,847, respectively.
- A percentage of recreation membership dues is allocated to replace fitness equipment. As the cost of replacement equipment has increased, the percentage allocated to the General Fund has increased resulting in higher revenue of \$62,046.
- Interest income increased \$388,336 due to quarterly market adjustments which are recorded as unrealized gains/losses.

# REPORT NOTES CONTINUED

## JUNE 2016

### EXPENDITURES

#### Personnel Services

- Personnel services increased \$10,744,300 from the prior year primarily due to a 3% non-civil and civil service salary increase effective September 21, 2015 and a headcount increase of 67 full time individuals and 24 part time individuals. Also, fiscal year 2016 has one additional pay period.

#### Materials and Supplies

- Publication expenditures and encumbrances for the libraries increased \$313,752 primarily due to increased spending for the City's e-book collection. The City's collection will continue to grow as funds allow.
- Current year expenditures of \$159,391 primarily relate to furniture for the new Neighborhood Services Office location which moved in May 2016. Additionally, current year expenditures and encumbrances of \$167,975 primarily relate to equipment for the Jack Carter Pool renovation.
- Costs associated with ammunition for the Police Department increased \$44,216. Ammunition is procured on an as needed basis.
- Concrete expenditures and encumbrances are higher by \$83,351 due to increased concrete replacement projects including curb and gutter sections in the current year.
- New construction and relocations of intersections during the year resulted in an increase of \$75,600 in traffic signals and signs maintenance parts and supplies.

#### Contractual and Professional and Other

- Professional services primarily related to a compensation study and various consulting services increased \$483,907 compared to prior year.
- Expenditures for City facilities for services such as pest control and cleaning are performed as needed and increased \$107,104.
- Human Resources contractual expenditures and encumbrances increased \$105,671 primarily due to hiring consultants due to staff turnover and system upgrades.
- Park and Field Service expenditures increased \$323,642 due to timing of encumbrances primarily related to contractual mowing, litter control, and restroom maintenance.
- Contractual tree service is impacted by weather conditions, such as rain, and the ability to perform work on sites. These factors resulted in a decline in current year expenditures and encumbrances of \$222,513.
- Contractual repair costs for Facilities Maintenance, such as office remodels, roof repairs and hardware repairs including air conditioning units, have increased \$185,594 and occur as needed.
- Prior year Plano Aquatic Center expenditures of \$68,496 relate to renovation of the pool grating system.
- Contractual expenditures for fire department medical services with Medical Center of Plano are higher by \$114,650 due to an increase in the current year contractual amount.
- Electric expenditures decreased \$145,493 due to timing of the monthly billing cycle in addition to installing more energy efficient heating and air conditioning units in various City facilities in the current year.
- Interdepartmental water expenditures increased \$352,182 due to less stringent water restrictions in the current year resulting in increased usage.
- Municipal garage charges decreased over prior year by \$233,615 primarily due to lower fuel prices in addition to less accident damage in the current year.

# REPORT NOTES CONTINUED

## JUNE 2016

- Equipment Replacement Fund (ERF) charges are based on department's actual purchases from their equipment replacement accounts and may vary year-to-year depending on the equipment replacement cycles established and when the replacement purchases actually occur. The expenditures represent departments paying into their respective depreciation accounts. Current year equipment replacement charges are higher by \$436,815. Additionally, personal computer replacement charges are higher by \$108,364.
- Copy machine rental expenditures decreased \$188,825 as the charges are recorded in the Technology Services Fund at this time.
- As a result of an increased Technology Services budget, General Fund expenditures are higher over prior year by \$507,348. The General Fund absorbs 80% of the services provided by Technology Services.
- Property damage expenditures for City property are higher by \$79,307 due to increased accident damage in the current year primarily in the Police Department.
- Current year expenditures of \$117,436 relate to a Neighborhood Vitality and Beautification Grant Program which began in May 2015 to support the City's goal of renewing neighborhoods.

### Capital Outlay

- Expenditures and encumbrances for furniture and fixtures decreased \$241,638 due to prior year costs related to office equipment and furniture for the Oak Point Park Nature and Retreat Center, which opened in July 2015.
- Current year expenditures of \$128,039 primarily relate to the purchase of a new mower for the Parks Grounds Maintenance Department.
- A brush chipper and 2015 Ram 3500 Truck were purchased in the prior year for the Natural Resources Department resulting in a decrease in expenditures of \$91,844. The Natural Resources Department is responsible for maintaining the Oak Point Park and Nature Preserve, Arbor Hills Nature Preserve as well as various nature sites throughout the City.
- Prior year rolling stock expenditures of \$35,121 primarily relate to the purchase of a Ford F-250 Truck used for grounds maintenance. Additionally, the Animal Control Department purchased a Ford F-350 extended cab truck in the prior year resulting in decreased expenditures of \$19,425.
- Prior year rolling stock expenditures of \$82,869 for the Police Department relate to the installation of back up cameras as well as consoles and docking stations for police vehicles.
- Non-print media costs and encumbrances increased \$134,112 due to timing of purchase orders.

### ENTERPRISE FUND VARIANCES

#### WATER AND SEWER

##### Revenues

Water revenues increased \$10,461,533 in the current year due to less stringent water restrictions as well as a change in rate structure. Sewer revenues, which are calculated on averages of the winter quarter period from prior actual usage, increased \$3,455,375.

##### Expenses

Personnel services increased \$298,047 due to a 3% salary increase effective September 21, 2015, as well as one additional pay period in the current fiscal year. Chemical expenses and encumbrances increased \$301,186 due to the need for de-chlorination tablets in the current year. The City continues to flush water from fire hydrants, as needed, in order to keep the water as fresh and safe as possible for consumers. Although water consumption has increased, there is still a need to flush

# REPORT NOTES CONTINUED

## JUNE 2016

water in order to maintain quality standards. The City uses de-chlorination tablets to remove sterilization residuals making the flushed water safe for receiving creeks and streams as required by Federal Law. Costs associated with the purchase of water meters for new meter sets and meter change outs, as well as fire hydrant meters, vary from year-to-year and increased \$113,123 in the current year. Contractual payments to North Texas Municipal Water District (NTMWD) increased by \$7,447,386 in the current year due to a rate increase effective October 1, 2015. Equipment Replacement Fund (ERF) charges are based on department's actual purchases from their equipment replacement accounts and may vary year-to-year depending on the equipment replacement cycles established and when the replacement purchases actually occur. The expenditures represent departments paying into their respective depreciation accounts. Current year equipment replacement charges are higher by \$74,912. In the prior year, three mid-sized SUVs were purchased for the water quality technician positions resulting in lower expenses of \$60,669 compared to prior year.

### ENVIRONMENTAL WASTE SERVICES

#### Revenues

Commercial solid waste revenues are \$564,685 higher over prior year primarily due to an increase in collection fees and disposal volumes. Commercial solid waste revenues are the City's portion of the waste and disposal fees collected by Republic Services, the City's waste disposal contractor. The City receives 5% of gross receipts collected monthly which includes: revenues for monthly service, rental on roll-off containers, delivery charges, fees for late payment and additional collections. Republic Services also reimburses the City all costs associated with the commercial disposal of solid waste at other locations. Residential solid waste revenues increased \$89,378 over prior year due to timing of the billing cycle and increased number of residential accounts. Recycling revenue decreased \$119,119 due to a decline in commodity market prices. Advertising in several local magazines, attending trade shows and timing of monthly billings in the current year resulted in an increase in compost revenue of \$210,089.

#### Expenses

Personnel services increased \$288,082 due to a 3% salary increase effective September 21, 2015, as well as one additional pay period in the current year. Sand, clay and loam expenses increased \$12,431 due to higher demand for saleable products which increased manufacturing volume. Expenses for maintenance parts of compost equipment are purchased as needed and increased \$9,311 in the current year. Labor expenses and encumbrances increased \$161,858 due to higher rates for temporary labor effective December 2015. Temporary labor is used to bag, palletize, and wrap palletized bags for sale and collect brush, bags of clippings, and bulky waste located on the back of rear loader trucks. Additionally, temporary labor was used for assisting in a current year flooding incident at the Melissa Compost site. Contractual payments to NTMWD are higher by \$362,655 in the current year due to a 10% increase in waste tonnage in both residential and commercial customers. Contractual expenses and encumbrances increased \$49,873 primarily due to providing Environmental Education Center classroom visitors an education water walk which is access to a small creek. The projected completion date of the project is February 2017. Expenses for Lytx DriveCams increased \$41,439 due to timing of billings. New contracts with companies as part of the Commercial and Demolition Enhancement Program, to help divert waste from landfills and increase the City's diversion rate, increased current year expenses and encumbrances by \$44,195. Contractors are encouraged to bring qualifying items to an approved vendor and the City will pay for the load based on certain requirements. Municipal garage charges decreased \$205,769 primarily due to major repairs to equipment for the Compost and Solid Waste Collections Divisions in the prior year in addition to lower fuel prices in the current year. Equipment Replacement Fund (ERF)

# REPORT NOTES CONTINUED

## JUNE 2016

charges are based on department's actual purchases from their equipment replacement accounts and may vary year-to-year depending on the equipment replacement cycles established and when the replacement purchases actually occur. The expenditures represent departments paying into their respective depreciation accounts. Current year equipment replacement charges are higher by \$277,849. Current year expenses and encumbrances for improvements by contractors of \$180,633 are offset by prior year encumbrances of \$475,000 for a north downtown Plano centralized waste collection station. Project costs for the centralized waste collection station currently total \$317,979. Current year implements and apparatus expenses and encumbrances of \$77,989 primarily relate to a solid waste compacting system. Actual costs of \$55,173 and \$114,235 relate to upgrades for a compost loader and an automated refuse truck, respectively.

### MUNICIPAL DRAINAGE

#### Revenues

Municipal drainage charges have remained comparable at \$5.5 million in the current year and \$5.4 million in the prior year as rates for residential billing have not changed since November 2014.

#### Expenses

Personnel services increased \$174,985 from the prior year primarily due to a 3% salary increase effective September 21, 2015, as well as one additional pay period in the current fiscal year. Concrete expenses are higher by \$50,600 due to increased concrete replacement projects including curb and gutter sections in the current year. Professional contract costs decreased \$27,575 as expenses for flood studies occur on an as needed basis and vary year-to-year. Professional services expenses decreased \$22,756 primarily due to timing of the quarterly payments to North Central Texas Council of Governments (NCTCOG) in assisting the City to meet the requirements of the Storm Water Monitoring Program. Additionally, increased rainfall in the current year, resulted in reduced debris hauling services and decreased expenses of \$16,770. Municipal garage charges decreased over prior year by \$13,887 primarily due to lower fuel prices. Reimbursements to other funds increased \$166,680 in the current year due to salary reimbursements for a new Senior Mapping Technician in addition to increases in salary reimbursements for a Programmer Analyst and multiple Engineering staff. Prior year encumbrances of \$39,224 relate to the GIS system for mapping and drainage fees.

### PLANO CENTRE

#### Revenues

Hotel/Motel tax revenue increased \$816,025 due to new hotels established, resulting in increased occupancy rates. Plano Event Center increased fees for room rental, equipment, and audio-visual rentals beginning July 1, 2015. New business bookings, combined with price increases, have resulted in higher revenues across all categories. Specifically, room rental and audio-visual rental fees increased \$42,140 and \$38,437, respectively, over prior year. Concessions, inside catering, and service charge fees have increased over prior year, by \$34,755, \$29,967, and \$13,171, respectively. Current year contributions of \$26,000 relate to sponsorship payments for the music festival held at Oak Point Park and Nature Preserve in March of the current year. Interest income increased \$18,095 due to quarterly market adjustments which are recorded as unrealized gains/losses.

#### Expenses

Personnel services decreased \$20,986 due to a decline in headcount of three full time individuals and one part time individual. Minor apparatus expenses and encumbrances increased \$12,244 due to the purchase of trash cans, lids, and stage skirting which are purchased as needed. Although concession sales are higher, concession food expenses decreased \$17,121 primarily due to less cost-

# REPORT NOTES CONTINUED

## JUNE 2016

ly items purchased in the current year as a result of menu changes. As a result of increased concession sales, contract labor costs increased \$54,739 in the current year. Visit Plano Brochures and direct show pieces are printed based on current year need and outside printing expenses and encumbrances decreased \$15,543 in the current year. Advertising and marketing costs associated with promoting Plano as a convention, meeting, sporting and leisure destination have increased \$57,082. Current year contractual expenses of \$116,141 primarily relate to a sponsorship agreement with a local radio station for a music festival held at Oak Point Park and Nature Preserve in March of the current year. Electric expenses decreased \$15,649 due to a decline in usage impacted by current year weather conditions. Equipment Replacement Fund (ERF) charges are based on department's actual purchases from their equipment replacement accounts and may vary year-to-year depending on the equipment replacement cycles established and when the replacement purchases actually occur. The expenditures represent departments paying into their respective depreciation accounts. Current year equipment replacement charges are lower by \$37,455. Current year expenses of \$26,968 primarily relate to WiFi installation and maintenance services for the music festival held at Oak Point Park and Nature Preserve. Equipment rental expenses increased \$23,082 due to the rental of golf carts, light towers, message boards and cash registers for the music festival held at Oak Point Park and Nature Preserve in addition to increased equipment rentals for other events held in the current year. Contractual expenses and encumbrances increased \$32,450 primarily due to services to develop a marketing campaign for various hot air balloon activities. Grant awards in support of Historic Preservation increased \$31,196 while grant awards in support of Cultural Arts decreased \$192,434 due to timing of payments. Current and prior year budgeted amounts for these grant awards have remained consistent at \$800,000 for each award category. Prior year sales tax expenses of \$21,590 relate to a sales tax audit adjustment.

### GOLF COURSE

#### Revenues

Green fee revenue at Pecan Hollow Golf Course (the Golf Course) increased \$34,092 due to favorable weather conditions in the current year resulting in the course being open for 20 more days in the current year. Additionally, current year rounds to date total 34,327 while prior year rounds to date total 28,676.

#### Expenses

Personnel services increased \$27,233 due to a 3% salary increase effective September 21, 2015, as well as one additional pay period in the current fiscal year. Sand, clay, and loam is purchased as needed and current year expenses increased \$7,682. Electric expenses decreased \$7,280 due to closure of the Golf Course and Clubhouse for a portion of December as a result of flooding conditions. Equipment Replacement Fund (ERF) charges are based on department's actual purchases from their equipment replacement accounts and may vary year-to-year depending on the equipment replacement cycles established and when the replacement purchases actually occur. The expenses represent departments paying into their respective depreciation accounts and current year equipment replacement charges are higher by \$4,407. Contractual expenses for mowing and hedge trimming increased \$3,275 due to a new contract with higher pricing.

### RECREATION REVOLVING

#### Revenues

Aquatic Center revenue increased \$68,317 as the complex was closed for renovations in the prior year and re-opened in February 2015. Oak Point Recreation Center revenues decreased in the current year by \$37,335 as Oak Point was used while the Aquatic Center was closed for renovations.

## REPORT NOTES CONTINUED

### JUNE 2016

Tom Muehlenbeck Center revenues decreased \$53,596 due to a decline in swim lessons offered in the current year impacted by the limited availability of staff to instruct the courses. Additionally, participation in the adult programs offered at the Center has decreased in the current year and staff is in the process of revamping the adult programs offered. The opening of the Nature and Retreat Center and the success of the City's annual Haunt Jaunt 5k run resulted in increased outdoor adventure program revenue of \$26,718. The large turnout for the City's annual Aerobat meet in the current year resulted in increased revenue of \$12,059. Interest income increased \$7,529 due to quarterly market adjustments which are recorded as unrealized gains/losses. Ticket sales for music events increased \$17,065 due to the types of events held in the current year.

#### **Expenses**

Personnel services increased \$103,962 due to a 3% salary increase effective September 21, 2015 and an increase of 31 part time individuals, as well as one additional pay period in the current fiscal year. Current year expenses of \$31,684 primarily relate to a movable partition wall for the Oak Point Park Nature and Retreat Center. The partition wall is used to allow for additional room availability. Current year expenses and encumbrances of \$1,306,893 primarily relate to Jack Carter Pool renovations.



# Plano

## **SECTION B**

### **FINANCIAL SUMMARY**

**City of Plano  
Comprehensive Monthly Financial Report**

MONTHLY FINANCIAL SUMMARY REPORT  
 THROUGH JUNE 30 OF FISCAL YEARS 2016, 2015, AND 2014  
 GENERAL FUND

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>9 Months Actual</u>	<u>Actual/ Budget</u>
<b>REVENUES:</b>				
<b>Ad valorem tax</b>	2016	\$ 110,692,516	110,976,707	100.3%
	2015	98,401,884	97,796,961	99.4%
	2014	88,281,249	87,573,737	99.2%
<b>Sales tax</b>	2016	72,673,623	57,225,695	78.7%
	2015	65,947,054	58,993,012	89.5%
	2014	61,503,635	54,841,013	89.2%
<b>Other revenue</b>	2016	61,748,725	46,909,450	76.0%
	2015	57,553,242	43,648,756	75.8%
	2014	54,738,205	41,355,223	75.6%
<b>TOTAL REVENUE</b>	2016	245,114,864	215,111,852	87.8%
	2015	221,902,180	200,438,729	90.3%
	2014	204,523,089	183,769,973	89.9%
<b>EXPENDITURES &amp; ENCUMBRANCES:</b>				
<b>Current operating</b>	2016	239,639,391	169,449,471	70.7%
	2015	225,068,934	155,364,608	69.0%
	2014	215,867,139	149,782,443	69.4%
<b>Capital outlay</b>	2016	3,178,017	1,787,265	56.2%
	2015	1,987,802	1,999,351	100.6%
	2014	1,133,800	1,286,233	113.4%
<b>Total expenditures and encumbrances</b>	2016	242,817,408	171,236,736	70.5%
	2015	227,056,736	157,363,959	69.3%
	2014	217,000,939	151,068,676	69.6%
<b>Excess (deficiency) of revenues over (under) expenditures</b>	2016	2,297,456	43,875,116	
	2015	(5,154,556)	43,074,770	
	2014	(12,477,850)	32,701,297	
<b>OTHER FINANCING SOURCES (USES)</b>				
<b>Transfers in</b>	2016	18,233,701	13,675,276	75.0%
	2015	18,231,624	13,675,133	75.0%
	2014	19,196,857	14,661,547	76.4%
<b>Transfers out</b>	2016	(36,543,442)	(29,410,538)	80.5%
	2015	(33,445,907)	(26,485,711)	79.2%
	2014	(26,623,744)	(20,698,010)	77.7%
<b>NET CHANGE IN FUND BALANCES</b>	2016	(16,012,285)	28,139,854	
	2015	(20,368,839)	30,264,192	
	2014	(19,904,737)	26,664,834	
<b>FUND BALANCES-BEGINNING</b>	2016		51,604,016	
	2015		51,324,818	
	2014		56,310,424	
<b>FUND BALANCES-ENDING JUNE 30</b>	2016		79,743,870	
	2015		81,589,010	
	2014		82,975,258	

MONTHLY FINANCIAL SUMMARY REPORT  
 THROUGH JUNE 30 OF FISCAL YEARS 2016, 2015, AND 2014  
 WATER AND SEWER FUND

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>9 Months Actual</u>	<u>Actual/ Budget</u>
<b>REVENUES:</b>				
Water and sewer revenue	2016	\$ 131,188,085	95,030,497	72.4%
	2015	119,360,339	81,101,090	67.9%
	2014	124,015,845	79,844,373	64.4%
Other fees and service charges	2016	3,152,557	2,584,906	82.0%
	2015	3,150,568	1,961,662	62.3%
	2014	3,103,330	2,289,688	73.8%
<b>TOTAL REVENUE</b>	2016	134,340,642	97,615,403	72.7%
	2015	122,510,907	83,062,752	67.8%
	2014	127,119,175	82,134,061	64.6%
<b>EXPENSES &amp; ENCUMBRANCES:</b>				
Capital outlay	2016	18,000	3,387	18.8%
	2015	-	97,553	-
	2014	14,000	27,119	193.7%
Other expenses & encumbrances	2016	108,856,489	76,573,026	70.3%
	2015	98,253,458	67,716,667	68.9%
	2014	92,521,957	63,943,950	69.1%
<b>Total expenses and encumbrances</b>	2016	108,874,489	76,576,413	70.3%
	2015	98,253,458	67,814,220	69.0%
	2014	92,535,957	63,971,069	69.1%
<b>Excess (deficiency) of revenues over (under) expenses</b>	2016	25,466,153	21,038,990	
	2015	24,257,449	15,248,532	
	2014	34,583,218	18,162,992	
<b>TRANSFERS OUT</b>	2016	(32,192,659)	(24,144,494)	75.0%
	2015	(35,467,816)	(26,600,863)	75.0%
	2014	(36,449,030)	(27,336,772)	75.0%
<b>CHANGE IN NET ASSETS</b>	2016	(6,726,506)	(3,105,504)	
	2015	(11,210,367)	(11,352,331)	
	2014	(1,865,812)	(9,173,780)	
<b>TOTAL NET ASSETS-BEGINNING</b>	2016		362,550,227	
	2015		363,335,057	
	2014		375,301,395	
<b>TOTAL NET ASSETS-ENDING JUNE 30</b>	2016		359,444,723	
	2015		351,982,726	
	2014		366,127,615	

MONTHLY FINANCIAL SUMMARY REPORT  
 THROUGH JUNE 30 OF FISCAL YEARS 2016, 2015, AND 2014  
 ENVIRONMENTAL WASTE SERVICES FUND

	Fiscal Year	Annual Budget	9 Months Actual	Actual/ Budget
<b>REVENUES:</b>				
Commerical solid waste franchise	2016	\$ 7,889,197	5,825,626	73.8%
	2015	7,202,710	5,260,941	73.0%
	2014	7,041,335	5,147,811	73.1%
Refuse collection revenue	2016	13,762,803	10,040,327	73.0%
	2015	13,554,450	10,094,339	74.5%
	2014	13,505,241	10,015,978	74.2%
Other fees and service charges	2016	2,903,842	2,217,336	76.4%
	2015	3,444,159	2,022,580	58.7%
	2014	3,259,771	2,195,899	67.4%
<b>TOTAL REVENUE</b>	2016	24,555,842	18,083,289	73.6%
	2015	24,201,319	17,377,860	71.8%
	2014	23,806,347	17,359,688	72.9%
<b>EXPENSES &amp; ENCUMBRANCES:</b>				
Capital outlay	2016	53,000	480,387	906.4%
	2015	295,000	577,645	195.8%
	2014	45,000	84,478	187.7%
Other expenses & encumbrances	2016	24,775,746	18,389,071	74.2%
	2015	23,880,621	17,267,180	72.3%
	2014	21,361,827	16,225,741	76.0%
<b>Total expenses and encumbrances</b>	2016	24,828,746	18,869,458	76.0%
	2015	24,175,621	17,844,825	73.8%
	2014	21,406,827	16,310,219	76.2%
<b>Excess (deficiency) of revenues over (under) expenses</b>	2016	(272,904)	(786,169)	
	2015	25,698	(466,965)	
	2014	2,399,520	1,049,469	
<b>TRANSFERS IN</b>				
Transfers in	2016	-	-	-
	2015	-	-	-
	2014	100,000	179,425	179.4%
Transfers out	2016	(1,570,489)	(1,177,867)	75.0%
	2015	(1,308,575)	(981,431)	75.0%
	2014	(1,344,007)	(1,008,005)	75.0%
<b>CHANGE IN NET ASSETS</b>				
	2016	(1,843,393)	(1,964,036)	
	2015	(1,282,877)	(1,448,396)	
	2014	1,155,513	220,889	
<b>TOTAL NET ASSETS-BEGINNING</b>				
	2016		5,041,049	
	2015		4,446,992	
	2014		3,496,269	
<b>TOTAL NET ASSETS-ENDING JUNE 30</b>				
	2016		3,077,013	
	2015		2,998,596	
	2014		3,717,158	

MONTHLY FINANCIAL SUMMARY REPORT  
 THROUGH JUNE 30 OF FISCAL YEARS 2016, 2015, AND 2014  
 MUNICIPAL DRAINAGE FUND

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>9 Months Actual</u>	<u>Actual/ Budget</u>
<b>REVENUES:</b>				
Fees and service charges	2016	\$ 7,204,618	5,451,183	75.7%
	2015	7,243,477	5,370,644	74.1%
	2014	7,259,016	5,534,926	76.2%
Miscellaneous revenue	2016	26,000	30,212	116.2%
	2015	13,670	22,594	165.3%
	2014	46,900	23,616	50.4%
<b>TOTAL REVENUE</b>	2016	7,230,618	5,481,395	75.8%
	2015	7,257,147	5,393,238	74.3%
	2014	7,305,916	5,558,542	76.1%
<b>EXPENSES &amp; ENCUMBRANCES:</b>				
Capital outlay	2016	-	6,502	-
	2015	58,000	51,793	89.3%
	2014	-	5,478	-
Other expenses & encumbrances	2016	3,564,355	2,781,302	78.0%
	2015	3,357,134	2,470,558	73.6%
	2014	2,818,775	2,296,326	81.5%
<b>Total expenses and encumbrances</b>	2016	3,564,355	2,787,804	78.2%
	2015	3,415,134	2,522,351	73.9%
	2014	2,818,775	2,301,804	81.7%
Excess (deficiency) of revenues over (under) expenses	2016	3,666,263	2,693,591	
	2015	3,842,013	2,870,887	
	2014	4,487,141	3,256,738	
<b>TRANSFERS OUT</b>				
Operating transfers out	2016	(3,690,580)	(2,767,935)	75.0%
	2015	(6,187,227)	(4,640,420)	75.0%
	2014	(3,539,058)	(2,654,294)	75.0%
<b>CHANGE IN NET ASSETS</b>				
	2016	(24,317)	(74,344)	
	2015	(2,345,214)	(1,769,533)	
	2014	948,083	602,444	
<b>TOTAL NET ASSETS-BEGINNING</b>				
	2016		32,973,789	
	2015		35,956,843	
	2014		33,670,182	
<b>TOTAL NET ASSETS-ENDING JUNE 30</b>				
	2016		32,899,445	
	2015		34,187,310	
	2014		34,272,626	

MONTHLY FINANCIAL SUMMARY REPORT  
 THROUGH JUNE 30 OF FISCAL YEARS 2016, 2015, AND 2014  
 NONMAJOR BUSINESS-TYPE FUNDS

	Fiscal Year	Annual Budget	9 Months Actual	Actual/ Budget
<b>REVENUES:</b>				
Hotel/motel tax	2016	\$ 7,903,541	5,365,108	67.9%
	2015	6,177,446	4,549,083	73.6%
	2014	5,123,120	3,804,539	74.3%
Other revenue	2016	6,563,398	5,730,441	87.3%
	2015	6,333,833	5,447,944	86.0%
	2014	6,765,188	5,433,654	80.3%
TOTAL REVENUE	2016	14,466,939	11,095,549	76.7%
	2015	12,511,279	9,997,027	79.9%
	2014	11,888,308	9,238,193	77.7%
<b>EXPENSES &amp; ENCUMBRANCES:</b>				
Capital outlay	2016	173,053	1,306,893	755.2%
	2015	-	-	-
	2014	89,000	123,529	138.8%
Other expenses & encumbrances	2016	13,328,057	9,045,621	67.9%
	2015	12,727,597	8,826,709	69.4%
	2014	11,695,190	8,013,863	68.5%
Total expenses and encumbrances	2016	13,501,110	10,352,514	76.7%
	2015	12,727,597	8,826,709	69.4%
	2014	11,784,190	8,137,392	69.1%
Excess (deficiency) of Revenues over (under) expenses	2016	965,829	743,035	
	2015	(216,318)	1,170,318	
	2014	104,118	1,100,801	
<b>TRANSFERS OUT:</b>				
Operating transfers out	2016	(1,843,347)	(1,382,511)	75.0%
	2015	(645,564)	(484,174)	75.0%
	2014	(614,416)	(460,812)	75.0%
<b>CHANGE IN NET ASSETS</b>				
	2016	(877,518)	(639,476)	
	2015	(861,882)	686,144	
	2014	(510,298)	639,989	
<b>TOTAL NET ASSETS-BEGINNING</b>				
	2016		10,997,672	
	2015		9,716,721	
	2014		8,871,351	
<b>TOTAL NET ASSETS-ENDING JUNE 30</b>				
	2016		10,358,196	
	2015		10,402,865	
	2014		9,511,340	

CITY OF PLANO, TEXAS  
EQUITY IN TREASURY POOL  
June 2016

FUND NO.	FUND NAME	CASH	EQUITY IN TREASURY POOL	TOTAL 6/30/2016	TOTAL 10/1/2015	TOTAL 6/30/2015
<b>GENERAL FUND:</b>						
01	General	\$ 46,365	80,525,707	80,572,072	51,446,783	81,635,588
77	Payroll	-	7,867,627	7,867,627	2,738,196	2,657,490
84	Rebate	-	546,981	546,981	575,905	574,019
		46,365	88,940,315	88,986,680	54,760,884	84,867,097
<b>DEBT SERVICE FUND:</b>						
03	G.O. Debt Service	-	37,452,419	37,452,419	3,696,873	34,747,303
		-	37,452,419	37,452,419	3,696,873	34,747,303
<b>CAPITAL PROJECTS:</b>						
21	Carpenter Park Recreation Center	-	352,207	352,207	349,648	344,663
22	Recreation Center Facilities	-	106,228	106,228	105,120	63,316
23	Street Enhancement	-	1,110,134	1,110,134	1,848,851	1,832,167
25	Police and Court CIP	-	697,234	697,234	1,026,509	1,514,108
27	Library CIP	-	946,856	946,856	939,975	934,389
28	Fire and Public Safety CIP	-	2,420,204	2,420,204	4,079,924	4,040,286
29	Technology Improvements	-	3,008,804	3,008,804	2,986,937	2,857,304
31	Municipal Facilities	-	860,872	860,872	24,890	24,162
32	Park Improvements	-	9,351,605	9,351,605	8,883,254	8,514,511
33	Street & Drainage Improvement	-	25,199,786	25,199,786	28,411,994	32,662,545
35	Capital Reserve	-	55,775,674	55,775,674	53,387,193	51,784,206
38	DART L.A.P.	-	283,904	283,904	(441,229)	207,997
39	Public Infrastructure	-	491,598	491,598	488,175	5,627
52	Park Service Areas	934	5,580,674	5,581,608	5,318,552	5,119,312
54	Animal Control Facilities	-	248,848	248,848	338,289	337,824
59	Service Center	-	129,647	129,647	128,704	128,283
60	Joint Use Facilities	-	194,143	194,143	565,185	600,636
85	Public Arts	-	133,688	133,688	132,717	132,282
160	TXDOT-SH121	-	4,122,803	4,122,803	4,663,509	5,152,413
190	G.O. Bond Clearing - 2000	-	-	-	893,063	1,216,370
230	Tax Notes Clearing - 2001	-	-	-	-	141
250	Tax Notes Clearing - 2001-A	-	40,413	40,413	59,723	60,013
106	G.O. Bond Clearing - 2009	-	-	-	-	56
109	G.O. Bond Clearing - 2010	-	180,753	180,753	362,333	375,796
220	Tax and Revenue C.O. Clearing - 2010	-	-	-	-	13,819
92	G.O. Bond Clearing - 2011	-	-	-	-	96,911
120	G.O. Bond Refund/Clearing - 2011	-	-	-	2,771,192	2,914,439
93	G.O. Bond Refund/Improvement - 2013	-	178,166	178,166	4,614,757	8,497,481
089	G.O. Bond Clearing-2014	-	2,404,501	2,404,501	4,129,424	4,450,945
105	G.O. Bond Clearing/Refund - 2015	-	6,694,350	6,694,350	25,339,821	28,069,408
310	Tax Notes Clearing - 2015	-	1,238,417	1,238,417	2,493,978	2,909,392
83	G.O Bond Refund/Clearing - 2016	-	39,605,505	39,605,505	-	-
		934	161,357,014	161,357,948	153,902,488	164,860,802
<b>ENTERPRISE FUNDS:</b>						
26	Municipal Drainage CIP	-	2,783,080	2,783,080	3,542,114	2,477,246
34	Sewer CIP	-	12,088,253	12,088,253	19,072,942	19,320,470
36	Water CIP	-	15,203,368	15,203,368	9,758,966	9,453,241
37	Downtown Center Development	-	534,845	534,845	486,588	427,543
41	Water & Sewer - Operating	551,465	19,540,927	20,092,392	25,310,799	7,783,082
42	Water & Sewer - Debt Service	-	686,528	686,528	-	-
43	Municipal Drainage - Debt Service	-	3,141,079	3,141,079	3,657,561	3,043,719
45	Sustainability & Environmental Services	11,681	3,775,175	3,786,856	5,124,289	3,464,531
46	Convention & Tourism	4,567	4,807,260	4,811,827	4,026,351	3,297,852
47	Municipal Drainage	-	2,644,430	2,644,430	2,463,906	3,182,709
48	Municipal Golf Course	-	44,171	44,171	198,692	36,867
51	Recreation Revolving	600	2,586,700	2,587,300	3,004,748	3,359,717
330	Municipal Drain Rev Bond Clearing - 2007	-	-	-	-	236,270
340	Municipal Drain Rev Bond Clearing - 2008	-	-	-	-	112,424
107	Municipal Drain Rev Bond Clearing - 2009	-	-	-	-	80,352
260	Municipal Drain Rev Bond Clearing - 2010	-	-	-	433,957	1,363,800
95	Water and Sewer Rev Bond Clearing - 2016	-	27,970,590	27,970,590	-	-
		568,313	95,806,406	96,374,719	77,080,913	57,639,823

FUND NO.	FUND NAME	CASH	EQUITY IN TREASURY POOL	TOTAL 6/30/2016	TOTAL 10/1/2015	TOTAL 6/30/2015
<b>SPECIAL REVENUE FUNDS:</b>						
2	Sproles Library	-	33,893	33,893	33,647	33,536
8	Library Training Lab	-	2,906	2,906	2,885	2,875
11	Advanced Funding Grants	-	115,742	115,742	163,023	136,994
12	Criminal Investigation	-	5,546,622	5,546,622	5,494,613	3,085,204
13	Grant	-	(420,493)	(420,493)	(404,175)	(432,933)
14	Wireline Fees	-	14,947,829	14,947,829	14,184,691	14,567,236
15	Judicial Efficiency	-	169,267	169,267	159,344	156,122
17	Intergovernmental Radio	-	457,409	457,409	360,173	378,019
18	Government Access/CATV	-	1,738,361	1,738,361	1,869,503	1,758,490
19	Teen Court Program	-	55,106	55,106	56,350	54,835
20	Municipal Courts Technology	-	1,294,107	1,294,107	1,275,048	1,239,167
24	S.E.L Programs	-	(1,017)	(1,017)	(529)	(1,215)
49	Public Improvement District	-	122,296	122,296	70,904	67,082
55	Municipal Court-Building Security Fees	-	984,131	984,131	970,730	965,922
57	Federal/State Library Grants	-	45,579	45,579	29,425	67,224
67	Disaster Relief	-	321,746	321,746	300,600	318,365
68	Animal Shelter Donations	-	185,418	185,418	144,039	131,496
69	Collin County Seized Assets	-	67,536	67,536	67,045	66,825
73	Memorial Library	-	382,600	382,600	372,242	370,989
86	Juvenile Case Manager	-	1,518,432	1,518,432	1,329,142	1,265,319
87	Traffic Safety	-	8,566,525	8,566,525	7,519,189	7,014,083
88	Child Safety	-	1,900,869	1,900,869	1,618,070	1,743,539
170	Economic Development Incentive Fund	-	44,100,985	44,100,985	41,405,158	39,433,851
		-	82,135,849	82,135,849	77,021,117	72,483,025
<b>INTERNAL SERVICE FUNDS:</b>						
58	PC Replacement	-	2,407,331	2,407,331	1,783,415	1,877,835
61	Equipment Maintenance	-	1,571,508	1,571,508	1,369,752	1,299,973
62	Information Technology	-	3,689,838	3,689,838	2,337,820	2,217,607
64	Warehouse	50	29,165	29,215	291,466	176,514
65	Property/Liability Loss	-	7,203,535	7,203,535	6,579,145	6,469,059
66	Technology Services	-	3,289,806	3,289,806	6,510,889	5,125,301
71	Equipment Replacement	-	24,214,582	24,214,582	23,166,642	25,058,899
78	Health Claims	-	23,793,248	23,793,248	23,810,058	22,946,198
79	Parkway Service Ctr. Expansion	-	(26,393)	(26,393)	(26,187)	(28,324)
		50	66,170,620	66,170,670	65,821,000	65,143,062
<b>AGENCY FUNDS:</b>						
7	Unclaimed Property	-	118,685	118,685	88,652	88,349
74	Developers' Escrow	-	2,500,918	2,500,918	6,867,260	8,462,442
		-	2,619,603	2,619,603	6,955,912	8,550,791
<b>COMPONENT UNIT:</b>						
5	TIF-East Side	-	9,782,129	9,782,129	9,616,301	10,643,423
		-	9,782,129	9,782,129	9,616,301	10,643,423
<b>115 TRUST:</b>						
91	115 Trust	-	(373,666)	(373,666)	(221,780)	(424,553)
		-	(373,666)	(373,666)	(221,780)	(424,553)
<b>TOTAL</b>		<b>\$ 615,662</b>	<b>543,890,689</b>	<b>544,506,351</b>	<b>448,633,708</b>	<b>498,510,773</b>
<b>TRUST FUNDS:</b>						
72	Retirement Security Plan	-	122,808,023	122,808,023	115,899,992	122,249,717
91	115 Trust	-	65,030,148	65,030,148	60,776,833	64,422,014
<b>TOTAL TRUST FUNDS</b>		<b>\$ -</b>	<b>187,838,171</b>	<b>187,838,171</b>	<b>176,676,825</b>	<b>186,671,731</b>

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, 2016 the Treasury Pool, including an adjustment to Fair Value as required by GASB 31, consisted of the following:

Cash	125,469,848
Local Government Investment Pool	12,915,091
Texas Daily	8,702,102
Federal Securities	127,788,705
Certificates of Deposit	40,348,619
Fair Value Adjustment	1,431,929
Municipal Bonds	209,040,160
Texas Term	15,000,000
Interest Receivable	3,194,235
	<u>543,890,689</u>

**HEALTH CLAIMS FUND  
THROUGH JUNE 30 OF FISCAL YEARS 2015 AND 2016**

	Total		
	FY'15	FY'16	Variance Favorable/(Unfavorable)
<b>Revenues</b>			
<b>Contributions</b>			
Employee Contributions	4,239,935	4,399,910	159,975
Employer Contributions	16,653,579	17,058,246	404,667
Cobra Contributions	26,423	39,909	13,486
Merchandise Sales-Taxable	-	6,140	6,140
	20,919,937	21,504,205	584,268
<b>Investment Income</b>	122,130	178,160	56,030
<b>Total Revenues</b>	21,042,067	21,682,365	640,298
<b>Expenses</b>			
<b>Claims</b>			
Medical	13,704,148	15,157,922	(1,453,774)
Dental	1,303,286	1,371,673	(68,387)
Rx (net claims after rebates)	3,236,663	3,219,127	17,536
	18,244,097	19,748,722	(1,504,625)
<b>Fees &amp; Expenses</b>	1,779,735	1,640,749	138,986
<b>Stop Loss</b>			
Premiums	1,601,710	1,303,884	297,826
Reimbursements	(536,293)	(935,449)	399,156
	1,065,417	368,435	696,982
<b>Total Expenses</b>	21,089,249	21,757,906	(668,657)
<b>Other Revenues (Expenses)</b>	(43,736)	(50,379)	(6,643)
<b>Transfers Out</b>	(3,000,000)	-	3,000,000
<b>Net Increase (Decrease)</b>	(3,090,918)	(125,920)	2,964,998
<b>Fund Balance - October 1</b>	24,018,312	21,995,405	
<b>Fund Balance - June 30</b>	20,927,394	21,869,485	

**ANALYSIS OF PROPERTY LIABILITY LOSS FUND THROUGH JUNE 30 OF FISCAL YEARS 2016, 2015 & 2014**

PROPERTY LIABILITY LOSS FUND	Fiscal Year 2016	Fiscal Year 2015	Fiscal Year 2014
Claims Paid per General Ledger	\$ 1,480,047	\$ 1,592,141	\$ 1,657,261
Net Judgments/Damages/Attorney Fees	754,004	573,356	614,508
<b>Total Expenses</b>	\$ 2,234,051	\$ 2,165,497	\$ 2,271,769



# Plano

## **SECTION C**

### **ECONOMIC ANALYSIS**

**City of Plano  
Comprehensive Monthly Financial Report**

# ECONOMIC ANALYSIS JUNE 2016

## General Fund Revenue June YTD Figure I

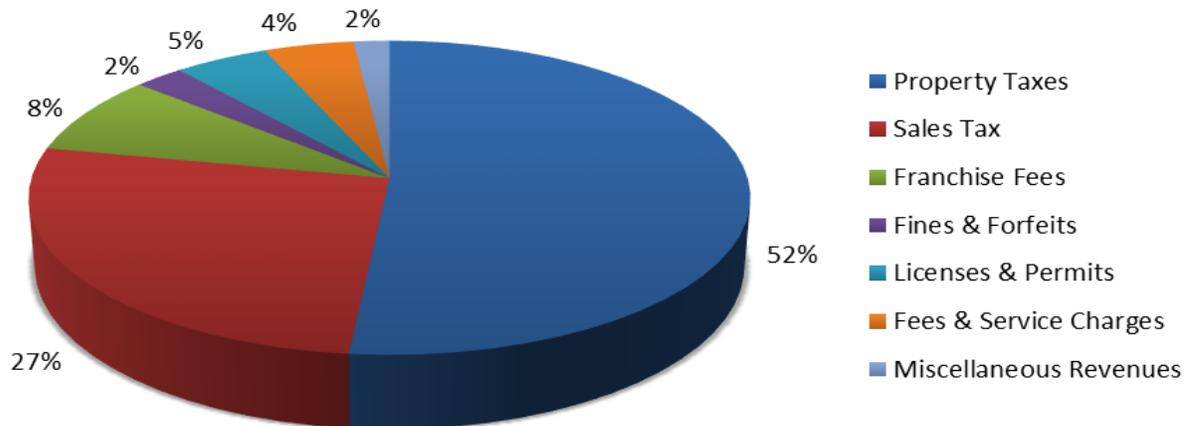


Figure I shows a breakdown of the various sources of revenues for the City's General Fund year to date through June 30, 2016. The largest category is Property Tax in the amount of \$110,967,707. Closest behind Property Tax is Sales Tax in the amount of \$57,225,695 and Franchise Fees with a total of \$17,585,161.

## General Fund Expenditures and Encumbrances June YTD Figure II

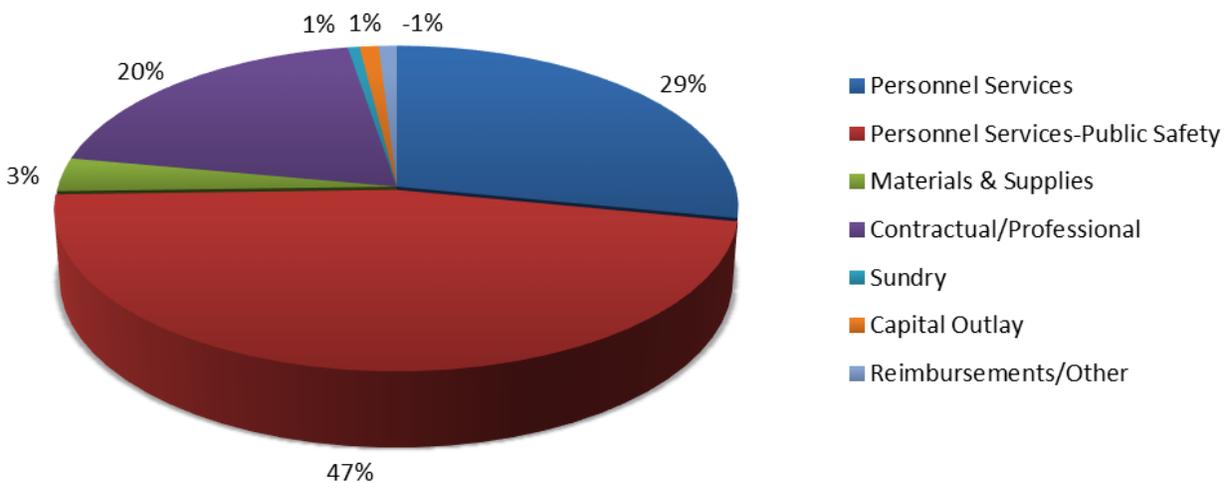


Figure II shows a breakdown of the various expenditures and encumbrances for the City's General Fund Year to Date through June 30, 2016. The largest category is Personnel Services for Public Safety Services totaling \$81,152,095 which includes the police, fire, fire-civilian and public safety communications departments. Closest behind that category are Personnel Services (for all other departments) totaling \$49,128,408 and Contractual and Professional totaling \$34,026,756

# ECONOMIC ANALYSIS

## JUNE 2016

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

Figure III

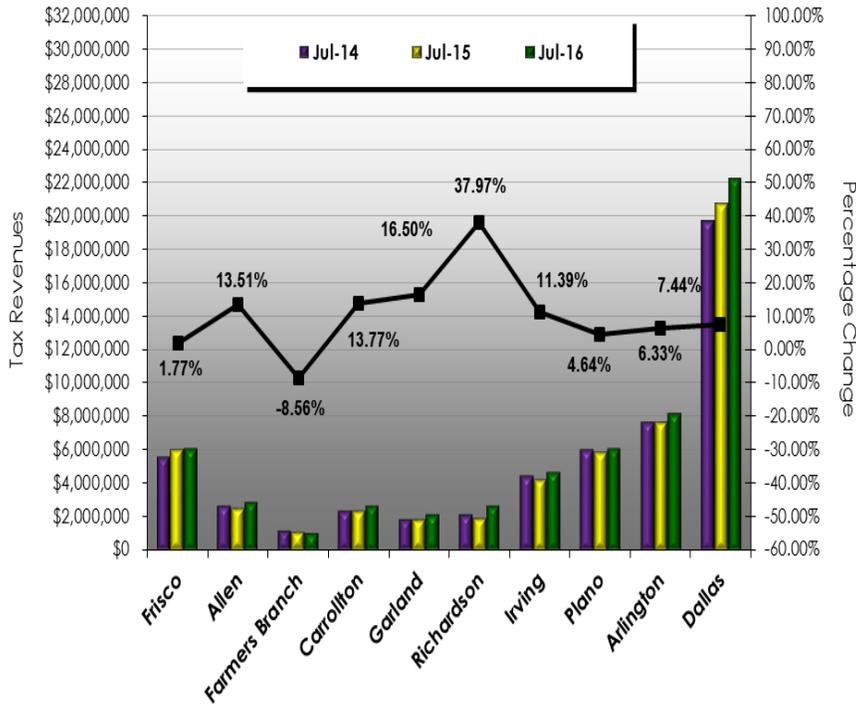
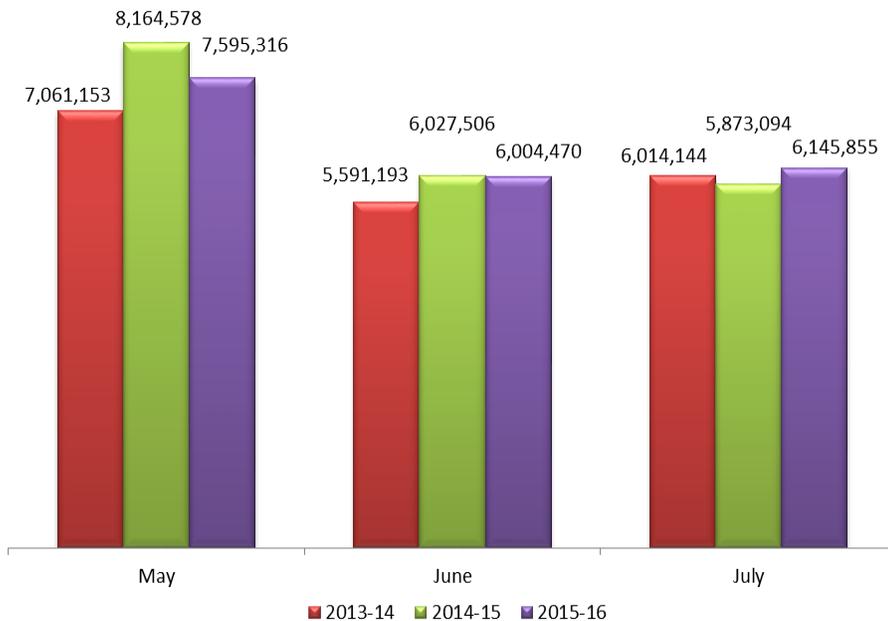


Figure III shows sales tax allocations collected in the months of July 2014, July 2015, and July 2016 for the City of Plano and nine area cities. Each of the cities shown has a sales tax rate of 1%, except for the cities of Allen and Frisco, which have a 2% rate, but distribute half of the amount shown 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 \$6,145,855 from this 1% tax.

The percentage change in sales tax allocations for the area cities, comparing July 2016 to July 2015, ranged from -8.56% for the City of Farmers Branch to 37.97% for the City of Richardson.

### Sales Tax Actual Monthly Revenue Figure IV



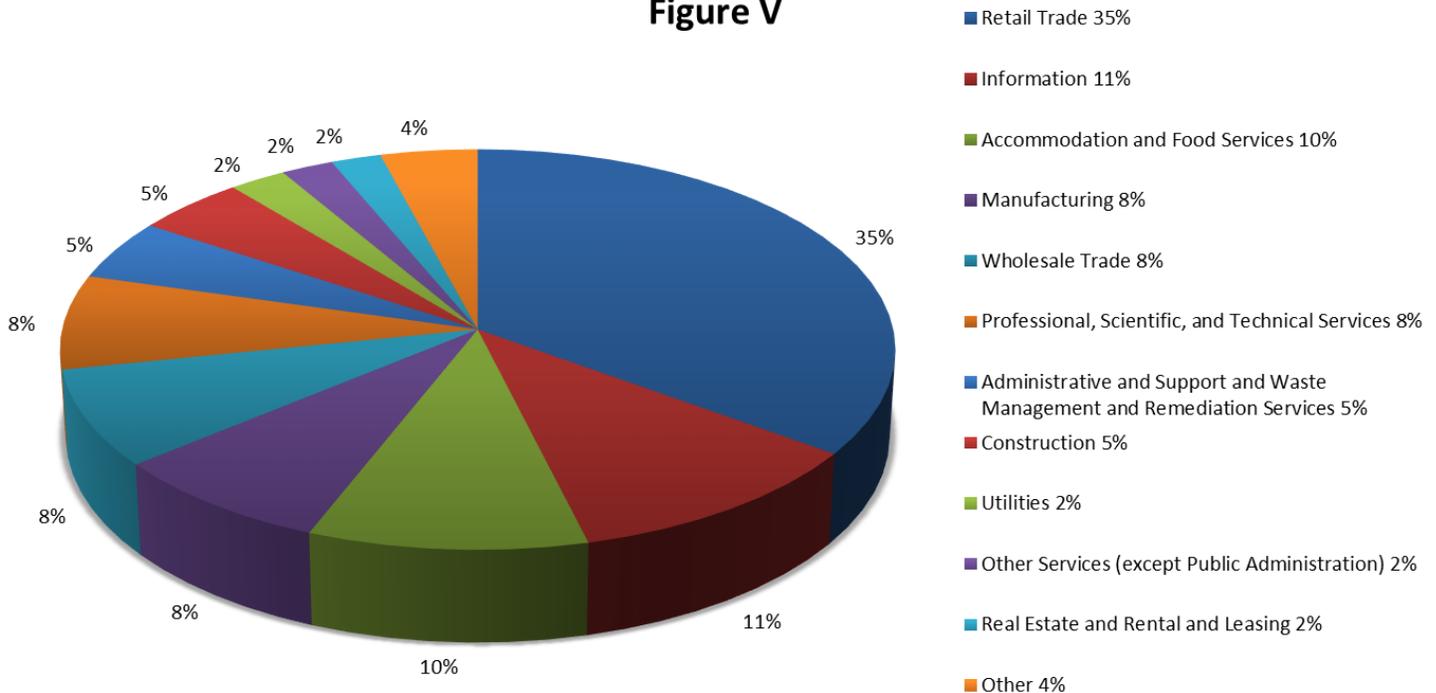
Sales tax allocation of \$6,145,855 was remitted to the City of Plano in the month of July. This amount represents an increase of 4.64% compared to the amount received in July 2015. Sales tax revenue is generated from the 1% tax on applicable business activity within the City. These taxes were collected 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 of the last three fiscal years.

# ECONOMIC ANALYSIS

## JUNE 2016

**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 remitted to the City in May 2016.

Some examples in each code are as follows:

**Retail Trade:** Kroger, Total Gym Fitness, Home Depot

**Information:** McAfee, Pitney Bowes Software, Avaya

**Accommodation and Food Services:** Compass One, Heartland Food Products, Pizza Hut

**Manufacturing:** Oracle, Tempur-pedic North America, Apple

**Wholesale Trade:** Fry's Electronics, Dell Software, HEB Grocery Company

**Professional, Scientific, and Technical Services:** Softlayer Technologies, Accudata Systems, JDA Software

**Administrative, Support, Waste Management, and Remediation Services:** Grogreen, TRS Recovery Services, Prestige Maintenance USA

**Construction:** Ace Fence of DFW, Johnson Controls, Texas Custom Pools

**Utilities:** Ambit Texas, Alliance Power Company, Reliant Energy

**Other Service (except Public Administration):** Harmon, Miracom Network, Safelite Fulfillment

**Real Estate, Rental, and Leasing:** Netflix, CSI Leasing, Sunbelt Rentals

**All other NAICS codes:** *Arts, Entertainment, and Recreation; Finance and Insurance; Health Care and Social Assistance; Unknown; Management of Companies and Enterprises; Mining; Transportation and Warehousing; Public Administration; Educational Services; and Agricultural, Forestry, Fishing, and Hunting:* Pinstack- Plano, Jazzercise; Capital One, Ace Cash Express; Carefusion Solutions, Lincare; Wayfair, Milliman Solutions; Amazon Services, Spartan Tool; Chevron, Denbury Onshore; Cessna Aircraft Company, JCP Logistics; Collin County, City of Allen; Plano ISD, Ashford University; Pet Waste, Plants Alive.

# ECONOMIC ANALYSIS

## JUNE 2016

**Cumulative Jobs Created in Plano**  
Figure VI

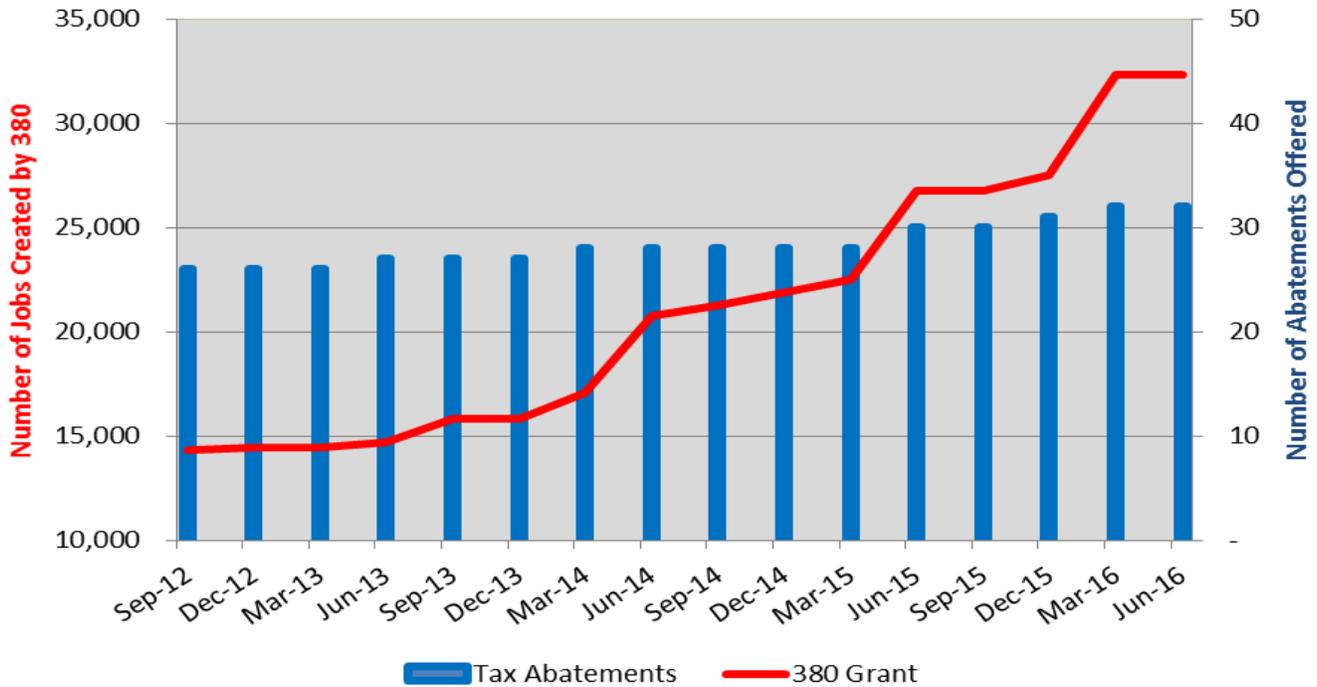


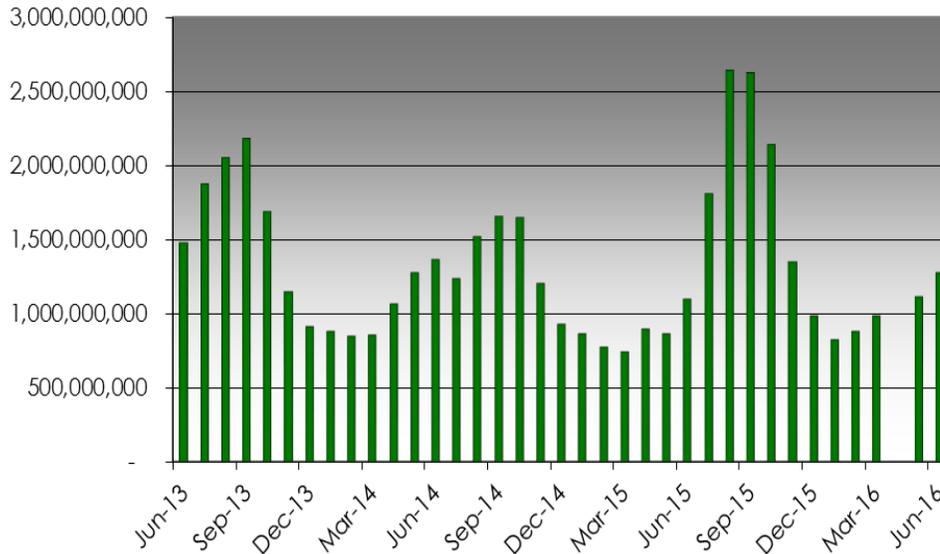
Figure VI tracks the number of jobs cumulatively created in Plano due to the City entering into a 380 Economic Development Agreement (380 Grant) and the number of cumulative tax abatements offered.

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 this past quarter, there was 1 tax abatement offered.

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 this past quarter, no jobs were created via 380 agreements.

Please note that the information presented in this figure is based on the date the agreement was passed by City Council.

**Local Water Consumption**  
(Gallons)  
Figure VII

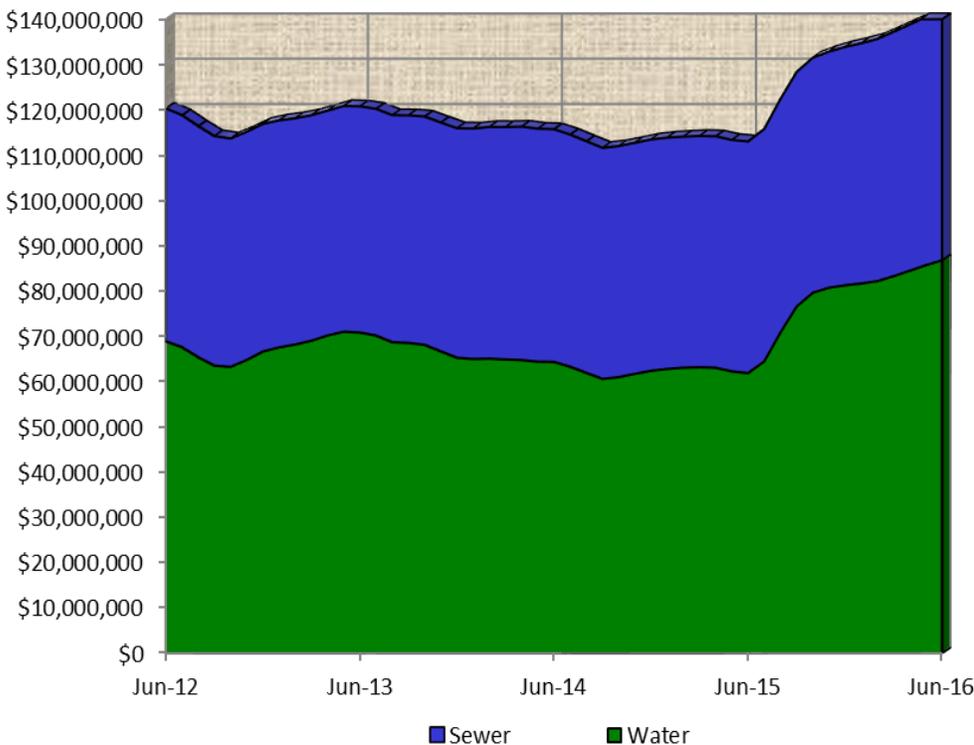


In June, the City of Plano pumped 1,860,414,000 gallons of water from the North Texas Municipal Water District (NTMWD). The minimum daily water pumpage was 37,459,000 gallons, which occurred on Monday, June 4<sup>th</sup>. Maximum daily pumpage was 95,772,000 gallons and occurred on Thursday, June 30<sup>th</sup>. This month's average daily pumpage was 62,014,000 gallons.

Figure VI shows the monthly actual local water consumption.

Note: April 2016 consumption are unavailable at this time due to a system conversion in Customer and Utility Services.

**Annualized Water & Sewer Billings**  
Figure VIII



The actual water and sewer customer billing revenues in June were \$6,277,842 and \$4,731,316 representing an increase of 20.81% and 10.24% respectively compared to June 2015 revenues. The aggregate water and sewer accounts netted \$11,009,158 for an increase of 16.03%.

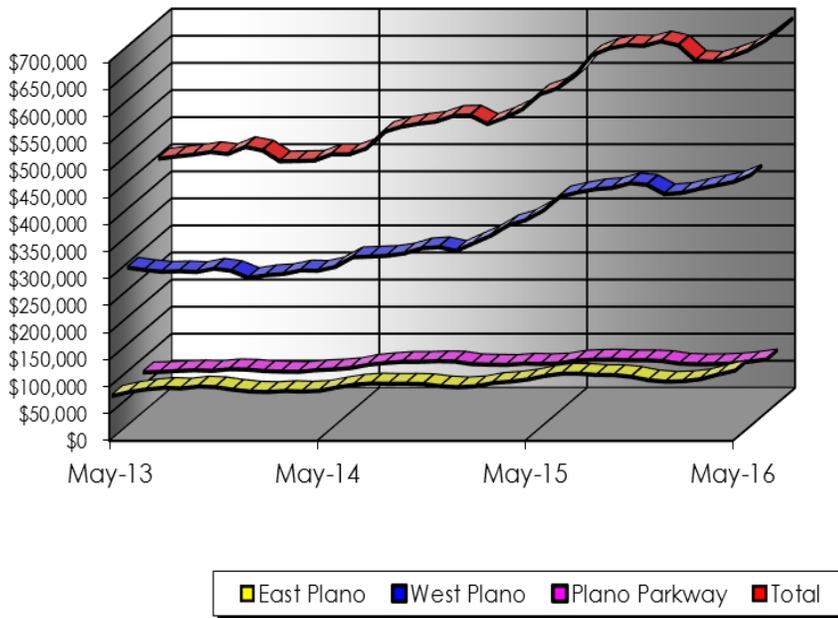
June consumption brought annualized revenue of \$86,761,187 for water and \$55,261,498 for sewer, totaling \$142,022,685. This total represents an increase of 25.69% compared to last year's annualized revenue.

Figure VIII represents the annualized billing history of water and sewer revenues for June 2012 through June 2016.

# ECONOMIC ANALYSIS

## JUNE 2016

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



May revenue from hotel/motel occupancy tax was \$738,679. This represents an increase of \$102,257 or 16.07% compared to May 2015. The average monthly revenue for the past six months was \$685,898, an increase of 15.12% from the previous year's average. The six-month average for East Plano increased to \$141,460, the West Plano average increased to \$487,904, and the Plano Pkwy average increased to \$109,315 from the prior year.

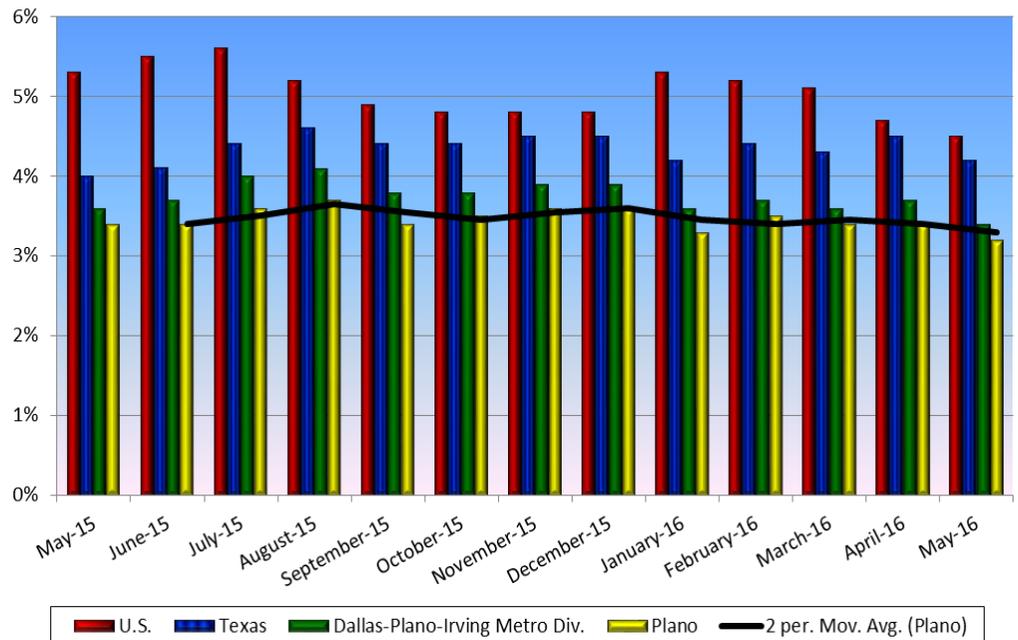
The six month trend amount will not equal the hotel/motel taxes reported in the financial section. The economic report is based on the amount of taxes earned during a month, while the financial report indicates when the City received the tax.

\*The May revenue for the East Plano average excludes the Motel 6 at 1820 N Central Expressway. This hotel did not make their occupancy tax payment by the CMFR submission deadline.

Figure X shows unemployment rates for the US, the State of Texas, the Dallas-Plano-Irving Metropolitan Division, and the City of Plano from May 2015 to May 2016.

\*rates are not seasonally adjusted and are provided by the Labor Market & Career Information (LMCI) Department of the Texas Workforce Commission

**Unemployment Rates**  
**Unadjusted Rate Comparison**  
**Figure X**



# ECONOMIC ANALYSIS

## JUNE 2016

### Average Home Selling Price By City

Figure XI

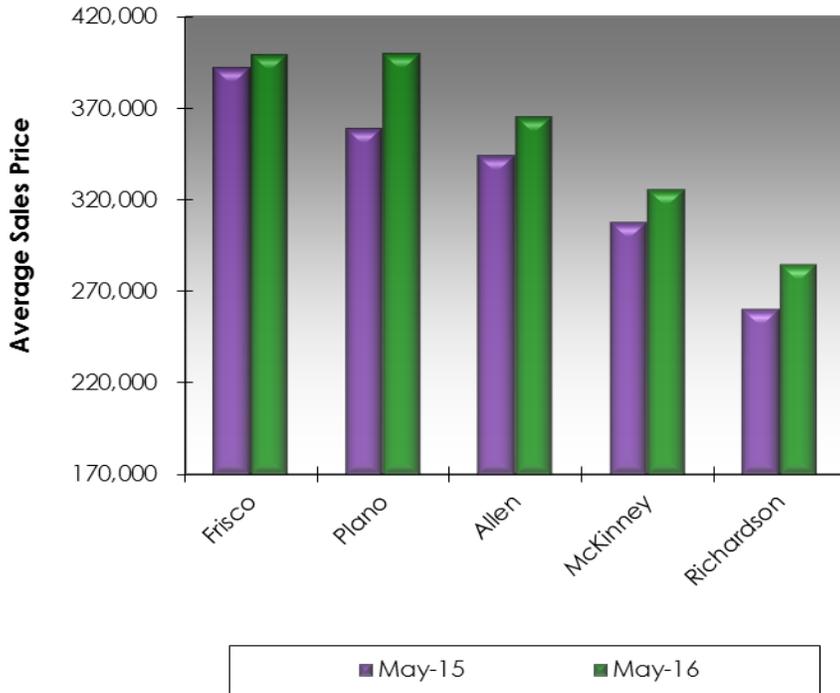


Figure XI shows the average home selling price for the months of June 2015 and June 2016 for the City of Plano and four area cities. The average sales price in Plano has increased \$40,987 from June 2015 at \$359,438 to June 2016 at \$400,425.

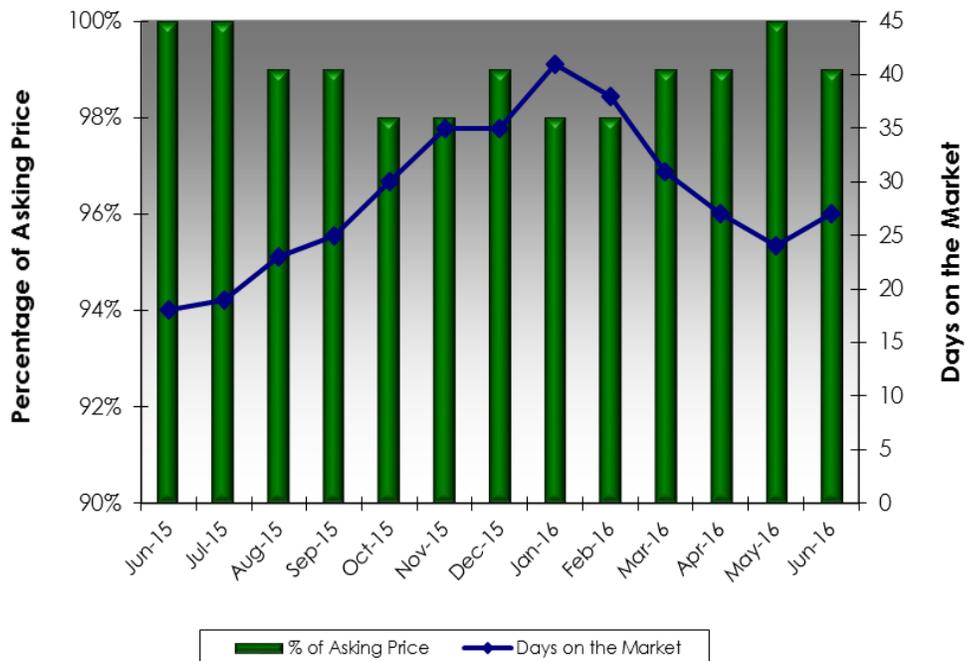
Please note that the average sales price can change significantly from month to month due to the location of the properties sold.

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 from 100% in June 2015 to 99% in June 2016. Days on the market increased from 18 days in June 2015 to 27 days in June 2016.

Please note that the percentage of asking price and number of days on the market can change significantly from month to month due to the location of the properties sold.

### Real Estate Recap

Figure XII



# ECONOMIC ANALYSIS

## JUNE 2016

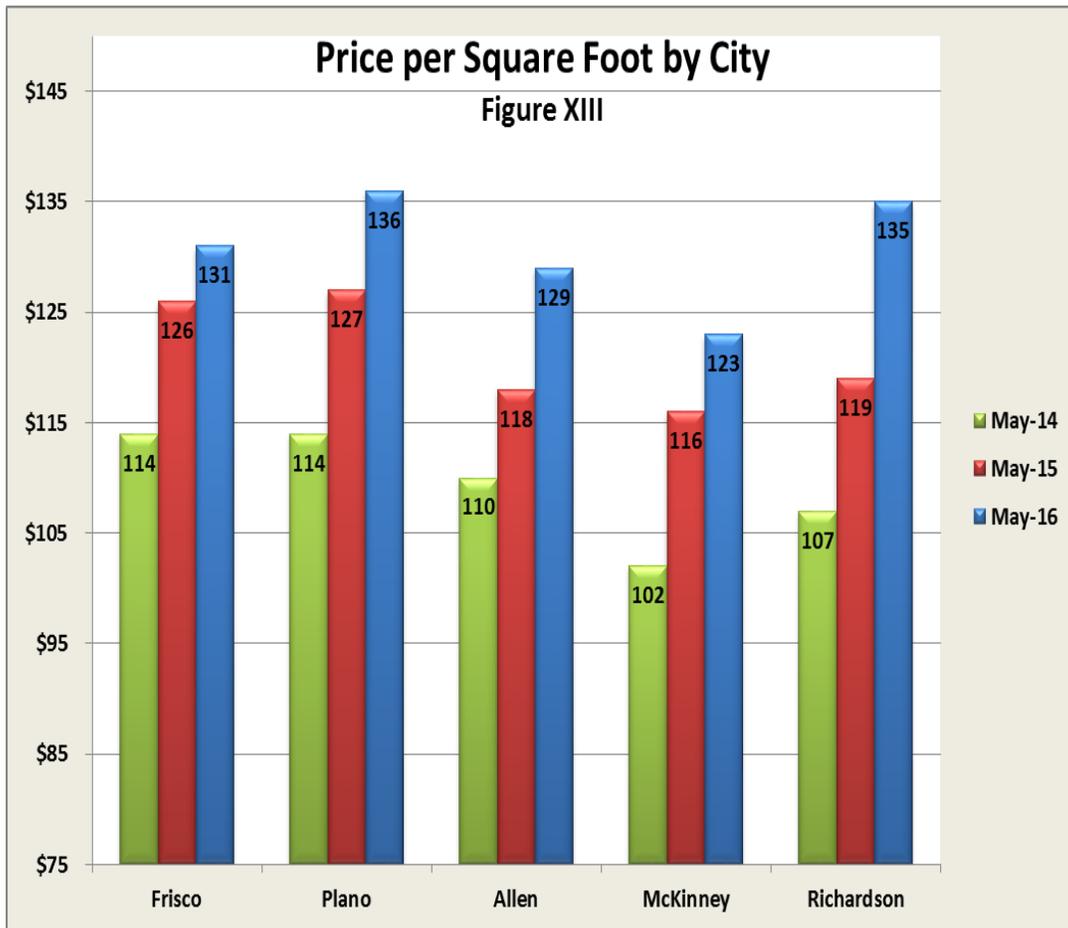


Figure XIII shows the price per square foot for the month of June in 2014, 2015, and 2016 for the City of Plano and 4 area cities. The price per square foot in Plano has increased 7% in June 2016 when compared to June 2015.

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

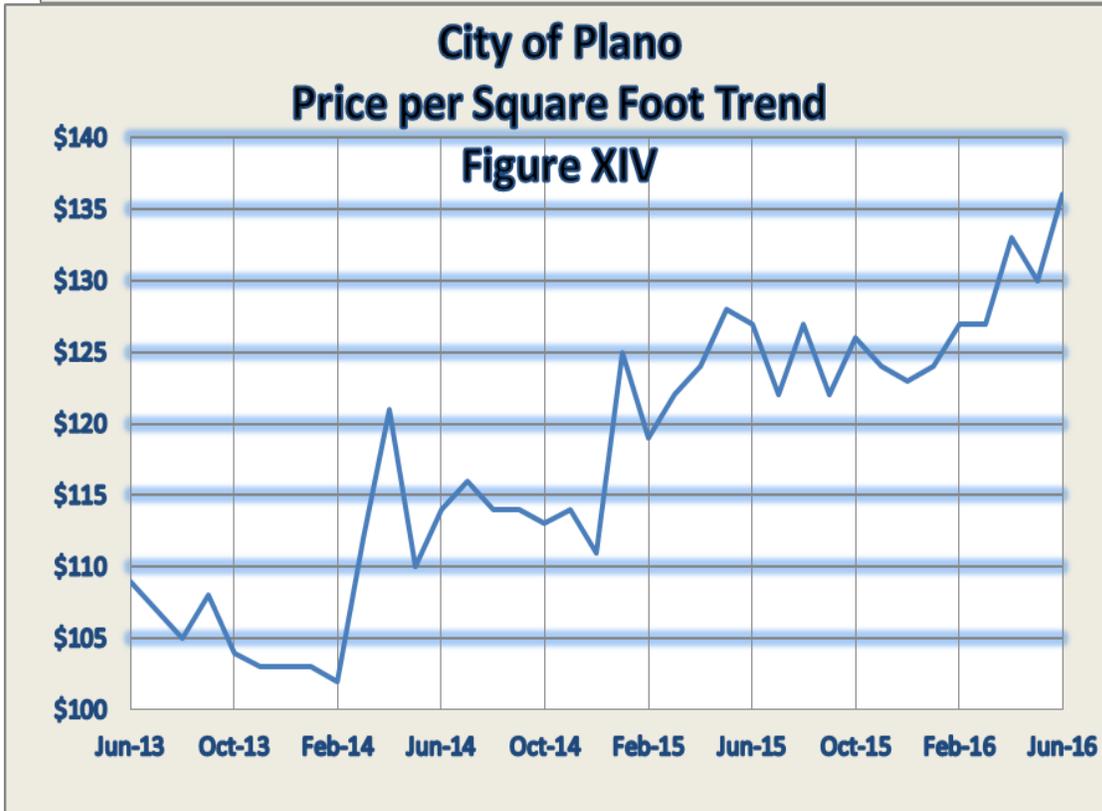


Figure XIV shows the average price per square foot in the City of Plano over the last 3 years.



# Plano

## **SECTION D**

### **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 2016

Interest received during June totaled \$319,882 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 0.91% and ending at 0.58%.

As of June 30, a total of \$526,492,304, was invested in the Treasury Fund. Of this amount, \$50,342,105 was General Obligation Bond Funds, \$27,970,591 was Water and Sewer Bond Funds and \$448,179,608 was in the remaining funds.

Metrics	Current Month Actual	Fiscal YTD	Prior Fiscal YTD	Prior Fiscal Year Total
Funds Invested (1)	\$ 34,599,916	\$ 188,109,342	\$ 163,495,220	\$ 196,027,410
Interest Received (2)	\$ 319,882	\$ 6,405,071	\$ 6,055,027	\$ 9,531,571
Weighted Average Maturity (in days) (3)	405		427	
Modified Duration (4)	1.05		1.13	
Average 2-Year T-Note Yield (5)	0.73%		0.69%	

\* 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 2016 to 2015 for the current month.

### Month-to-Month Comparison

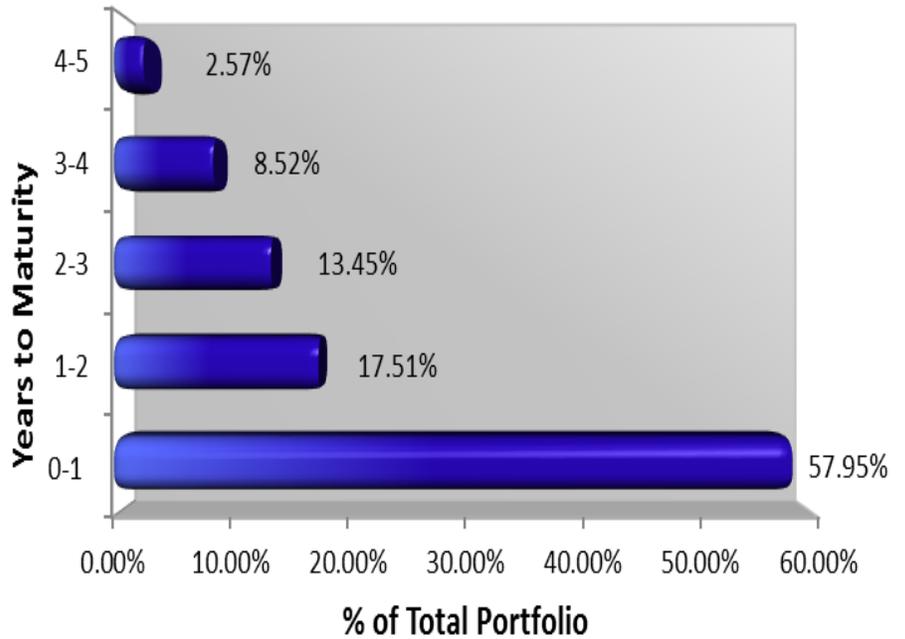
Metrics	May 2016	June 2016	Difference
Portfolio Holding Period Yield	0.84%	0.85%	+0.01% (+1 Basis Points)
Average 2-Year T-Note Yield	0.82%	0.73%	-0.09% (-9 Basis Points)

# INVESTMENT REPORT JUNE 2016

## Portfolio Maturity Schedule

Figure I

Years to Maturity*	Book Value	% Total
0-1	\$310,878,462	57.95%
1-2	93,947,941	17.51%
2-3	72,151,227	13.45%
3-4	45,734,069	8.52%
4-5	13,766,315	2.57%
<b>Total</b>	<b>\$536,478,014</b>	<b>100.00%</b>

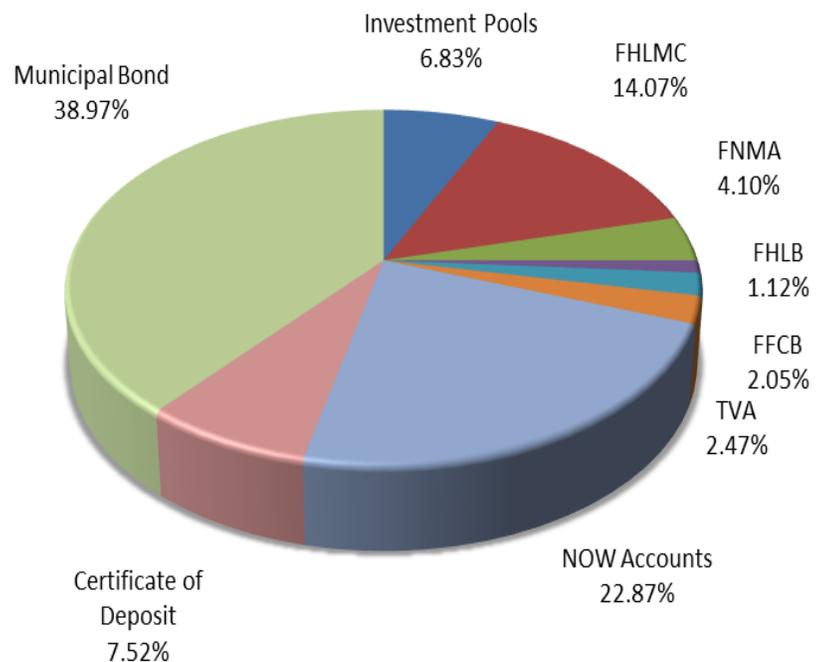


\*Does not take into consideration callable issues that can, if called, significantly shorten the Weighted Average Maturity.

## Portfolio Diversification

Figure II

Type	Book Value	% Total
Investment Pools	\$36,617,193	6.83%
FHLMC	75,498,159	14.07%
FNMA	22,017,901	4.10%
FHLB	6,027,077	1.12%
FFCB	11,005,360	2.05%
TVA	13,240,207	2.47%
NOW Account	122,683,337	22.87%
Certificate of Deposit	40,348,619	7.52%
Municipal Bond	209,040,161	38.97%
<b>Total</b>	<b>\$536,478,014</b>	<b>100.00%</b>



# INVESTMENT REPORT

## JUNE 2016

### Allocated Interest/Fund Balance

Figure III

Fund	Beginning Fund Balance 6/30/2016	Allocated Interest Current Month	Fiscal Y-T-D	Ending Fund Balance 6/30/2016	% of Total
General	80,366,429	159,277	779,529	80,525,706	15.29%
G. O. Debt Services	37,384,705	67,714	289,936	37,452,419	7.11%
Street & Drainage Improvements	25,152,708	47,078	200,076	25,199,786	4.79%
Sewer CIP	12,065,038	23,215	116,639	12,088,253	2.30%
Capital Reserve	55,672,856	102,819	415,206	55,775,675	10.59%
Water & Sewer Operating	19,504,192	36,736	158,142	19,540,928	3.71%
Park Service Area Fees	5,570,587	10,087	40,204	5,580,674	1.06%
Property/ Liability Loss	7,190,501	13,034	50,774	7,203,535	1.37%
Information Services	3,283,746	6,060	33,182	3,289,806	0.62%
Equipment Replacement	24,170,440	44,142	169,634	24,214,582	4.60%
Developer's Escrow	2,496,389	4,529	100,947	2,500,918	0.48%
G. O. Bond Funds	50,286,319	55,786	146,082	50,342,105	9.56%
Grants - TXDOT	27,945,241	25,350	25,350	27,970,591	5.31%
Econ. Dev. Incentive Fund	4,115,336	7,467	32,126	4,122,803	0.78%
Other	44,021,572	79,413	315,995	44,100,985	8.38%
	126,353,284	230,254	829,030	126,583,538	24.05%
<b>Total</b>	<b>525,579,343</b>	<b>912,961</b>	<b>3,702,852</b>	<b>526,492,304</b>	<b>100.00%</b>

**Footnote: All City funds not restricted or held in trust are included in the Treasury Pool. As of June 30, 2016 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
April, 2015	473,747,028	0.76%	5	3	441	109
May, 2015	468,257,875	0.71%	3	7	374	105
June, 2015	495,924,433	0.77%	23	4	427	124
July, 2015	477,501,366	0.79%	0	5	418	119
August, 2015	479,756,661	0.73%	1	9	348	111
September, 2015	446,956,318	0.73%	10	3	415	118
October, 2015	433,824,811	0.77%	2	1	434	119
November, 2015	465,708,764	0.75%	1	2	420	118
December, 2015	465,708,764	0.75%	1	2	358	117
January, 2016	510,204,818	0.82%	5	3	415	119
February, 2016	533,343,377	0.84%	5	7	447	117
March, 2015	511,670,694	0.93%	7	6	537	118
April, 2016	494,051,383	0.86%	1	4	427	115
May, 2016	490,780,270	0.84%	0	4	407	111
June, 2016	536,478,014	0.85%	5	5	405	111

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

# INVESTMENT REPORT

## JUNE 2016

**Equity in Treasury Pool  
By Major Category  
Figure V**

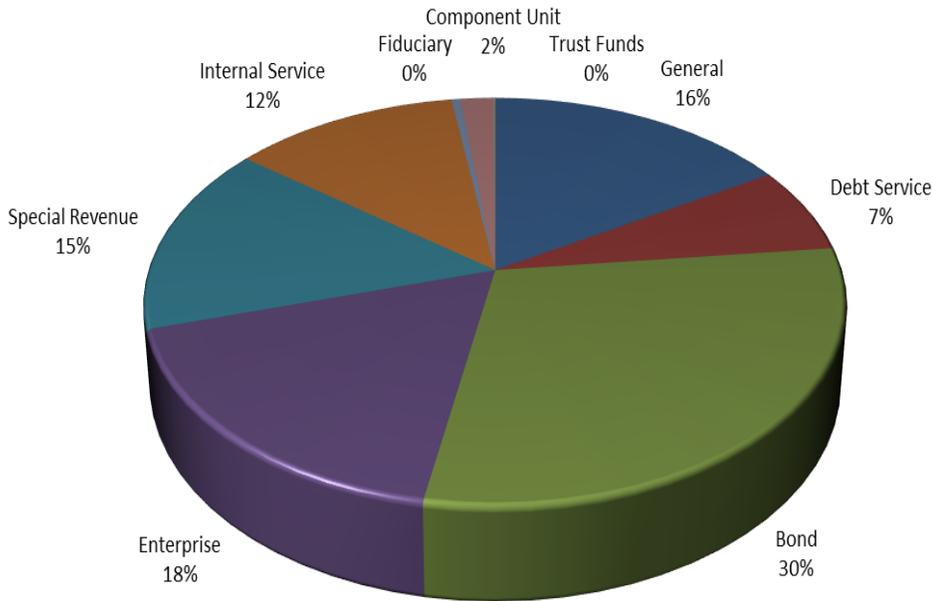


Figure V shows a breakdown of the various sources of funds for the City's Treasury Pool as of June 30, 2016. The largest category is the Bond Funds in the amount of \$161,357,014. Closest behind are the Enterprise Fund with a total of \$95,806,406 and the General Fund with a total of \$88,940,315.

**Annualized Average Portfolio  
Figure VI**

The annualized average portfolio for June 30, 2016 was \$485,992,385. This is an increase of \$26,029,295 when compared to the May 2015 average of \$459,963,090.

