

# COMPREHENSIVE MONTHLY FINANCIAL REPORT

February 2011



# 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; 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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## **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.

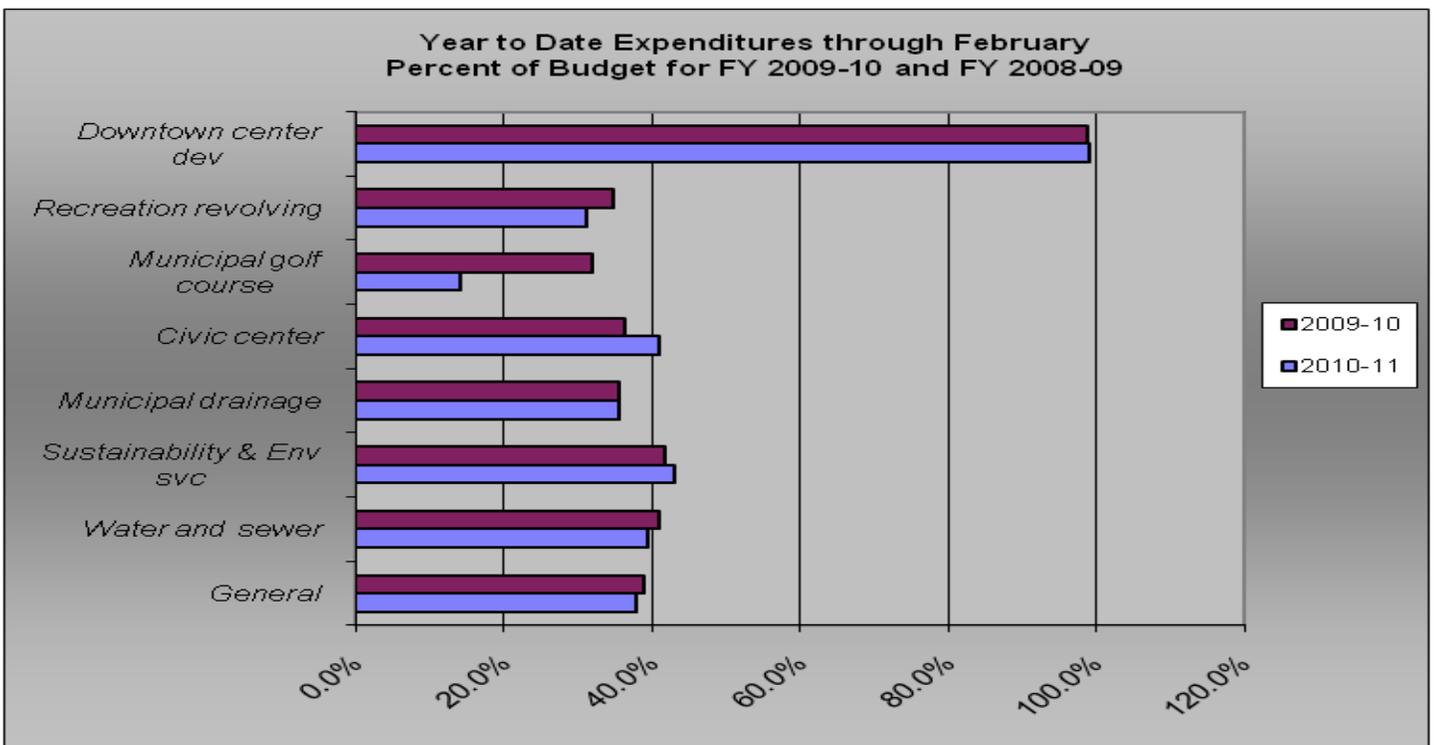
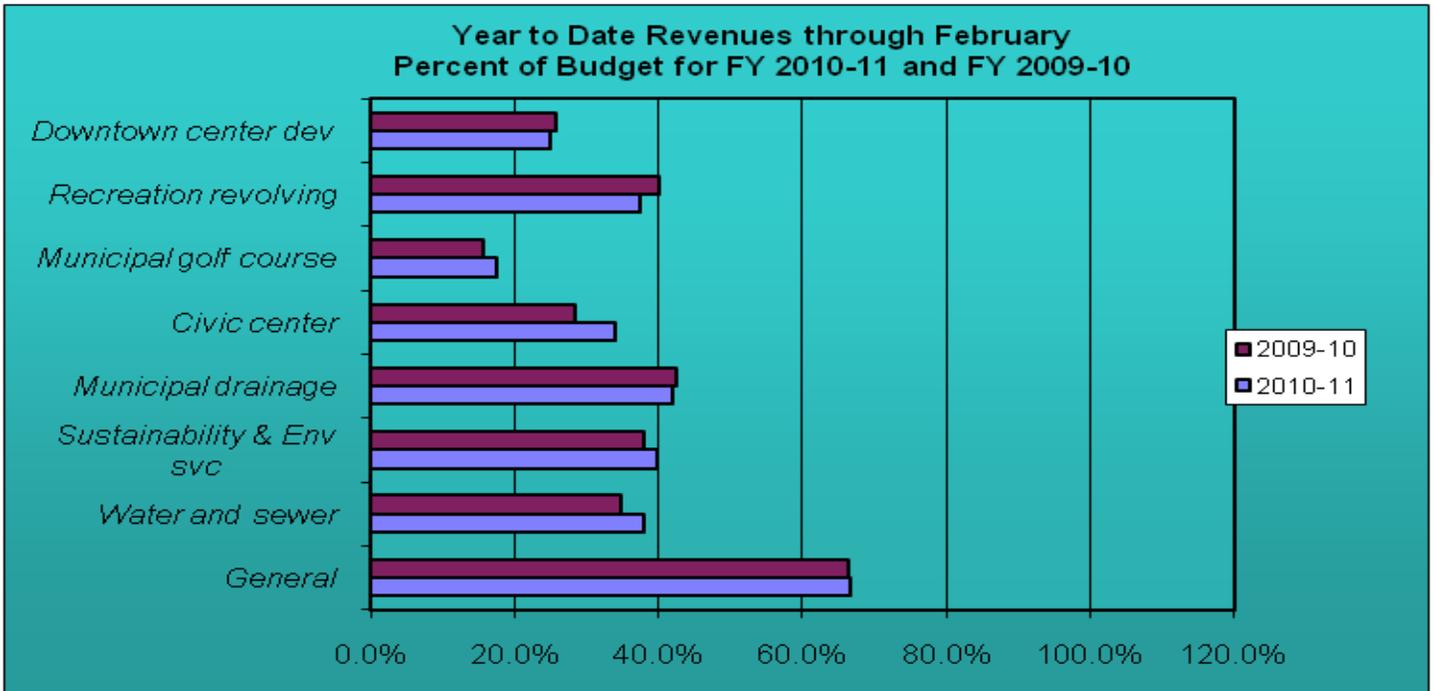
# REPORT NOTES FEBRUARY 2011

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 the re-estimated budget comparing the current and prior fiscal years.

## HIGHLIGHTS OF FUND VARIANCES



# REPORT NOTES CONTINUED

## FEBRUARY 2011

### FINANCIAL HIGHLIGHTS

#### GENERAL FUND VARIANCES

##### Revenues

- Sales tax revenues increased from the prior year by \$2,006,315, primarily as a result of a slight improvement in the local economy and more consumer confidence.
- Electric franchise revenues increased \$295,731 primarily due to timing of payments received.
- Revenues related to the Plano Independent School District Liaison Program increased \$159,980 due to an increase in the monthly amount remitted to the City based on contract modifications.
- Engineering inspection fees increased \$97,696 primarily due to the release of "The Trails of Glenwood Phase 2" which is a residential subdivision.
- Building permit revenues are higher by \$253,227 due to larger value projects, an increase in the number of permits issued, and a March 1, 2010 rate increase. Electrical, plumbing, and heating and air conditioning permit revenues are higher by \$15,112, \$38,416 and \$20,024, respectively, as a result of an increase in the number of permits issued and minimum permit fees.
- Filing fee revenues increased \$51,470 due to an increase in the number of projects coming in for review and approval during the current year.
- Recreation user fees increased \$12,247 due to increases in non-resident participation in outdoor athletic leagues. Miscellaneous Recreation Administration Fund revenues increased by \$42,563 as the City received \$50,000 from Dallas Area Rapid Transit (DART) in the current year to run the Senior Transportation Program.
- Franchise fees related to gas increased \$437,436 as a result of colder weather in the winter months resulting in increased usage of gas for heating purposes.
- Court fine revenues are \$1,113,315 lower due to a decrease in the number of citations issued.
- Ad valorem tax revenues decreased \$5,317,258 due a decrease in the tax levy which is a result of a decline in property values in addition to timing of payments.
- False alarm revenues decreased \$29,463 primarily to a decline in the economy which resulted in fewer individuals with alarms paying to have them monitored.
- Telephone franchise fee revenues decreased \$186,565 due to the expiration of a franchise agreement with Verizon in the previous year. Revenues are now based on line counts which have decreased as fewer people have land lines.
- Interest income decreased \$135,392 due to a continued decline in the market.
- Emergency 911 revenues from landlines decreased \$30,519 due to the timing of deposits as well as a decline in the number of land lines.
- Cable television franchise revenues decreased \$221,874 due to timing.
- Ambulance service revenue decreased \$136,604 due to the timing of collections.
- Closure of the Carpenter Recreation Center for a six month remodeling project resulted in recreation center membership card revenues declining by \$211,209.
- In the prior year, the City received a one-time lease payment of \$70,000 for housing of a cellular tower.

##### Expenditures

- Maintenance agreements for facilities services increased \$40,414 due to the opening of Fire Station No. 12, Warehouse Logistics, the Emergency Operations Center and the Environmental Education Complex.
- Purchases and encumbrances for fire uniforms increased \$187,985 due to the timing of orders placed.
- Costs associated with ammunition in the Police Department increased \$93,871. Ammunition is procured on an "as needed basis."
- The Park and Recreation Administration Fund reimbursed the Golf Course fund \$94,133 for golf course renovations in the current year.
- Non-departmental insurance costs related to reimbursable unemployment benefits increased \$42,076.
- Parts and supplies expenditures and encumbrances in the Facilities Maintenance Department increased \$38,645 due to timing of purchases.

# REPORT NOTES CONTINUED

## FEBRUARY 2011

- Water billings to City Departments increased \$302,034 due to a six percent rate increase effective November 1, 2010.
- Expenses and encumbrances related to the Streets Department for items such as steel, dowel pins, street repairs, and flex base increased \$28,712 due to timing.
- Electric payments increased \$147,734 from the prior year as a result of timing of payments.
- Library publication costs and encumbrances for books and non-print media increased \$151,247 and \$120,925, respectively, primarily due to the timing of purchase orders.
- Contractual repair costs for City buildings increased \$133,330 as these services are performed on an as-needed basis.
- Expenditures and encumbrances for janitorial services decreased \$533,722 primarily due to the expiration of the contract in March 2011 and timing of encumbrances. Once a new contract is in place, janitorial expenses and encumbrances will be comparable to prior year.
- Non-departmental contract costs related to Social Service Agency Grants decreased \$213,713 as a result of budget cutbacks. As it relates to the Buffington Grants, funding was reduced from \$2.00 per capita to \$1.00 per capita.
- Expenditures and encumbrances related to signs and markings decreased \$106,114 primarily due to timing of purchases.
- The annual maintenance agreement with Motorola for the City's radio system decreased over the prior year by \$83,109, primarily due to maintenance agreement modifications. Maintenance of the system is being managed by in-house staff.
- Minor apparatus expenses and encumbrances for the Fire Department decreased \$67,596 due to timing of purchases.
- Gas payments decreased \$68,125 as a result of timing of payments.
- Expenditures and encumbrances related to street signals decreased \$43,801 due to budget reductions and timing of purchases.
- Contract costs and encumbrances for the Collin County Cultural Arts decreased \$44,614 due to the project being put on hold pending determination of when the City of Frisco will sell bonds.
- Budgeted computer and other asset replacement charges decreased over the prior year by \$286,017 as a longer warranty on the personal computers (PCs) lengthened the replacement cycle from three to four years, alleviating the annual departmental PC replacement expenditure for 2010-11.
- An equipment replacement fund for \$250,000 was established in October 2009 for the Parks and Recreation Department.
- Municipal garage charges for the Fire Department decreased \$49,582 primarily due to a decline in the cost of vehicle repairs.
- Costs and encumbrances in the prior year of \$61,682 relate to installation of security cameras at radio towers throughout the City.
- Election expenditures are lower in the current year due to a special election to fill a City Council vacancy held January 30, 2010. Expenditures associated with this election were \$73,536.
- Payment for the Lights of Legacy Tree Lighting Festival was made in November 2009 in the amount of \$40,000. The City did not contribute in the current year.
- Personal services decreased \$1,812,994 from the prior year primarily due to the timing of the final September 2010 payroll and year-end accrual entries. The first October 2010 payroll had only four days that related to September activity while the first October 2009 payroll had ten days that related to September activity. Additionally, the Annual Required Contribution (ARC), which is based upon an actuarial study, for the City's Section 115 Trust decreased \$837,503 for the period.

### BUSINESS-TYPE VARIANCES

#### Water and Sewer

Water revenues increased \$4,660,302 due to significant rainfall in the prior year and warmer and drier weather in the current year as well as a 6% rate increase effective November 1, 2010. Sewer revenues decreased over the prior year by \$609,845 due to less commercial water usage as this impacts sewer usage.

# REPORT NOTES CONTINUED

## FEBRUARY 2011

Personal services costs decreased \$125,709 primarily due to staffing reductions. Postage expenditures decreased \$35,000 due to a credit issued in the current year. Prior year expenses and encumbrances include costs of \$1,168,447 associated with the construction of a new environmental education complex which was completed in April 2010. The Water and Sewer Fund will be reimbursed 50% of building construction costs by the Sustainability and Environmental and Services Fund. Municipal garage charges decreased \$48,749 due to a decline in the cost of vehicle repairs coupled with a decline in repairs due to accident damage from the prior year. Electric payments increased \$74,610 as a result of timing of payments. Credit card processing fees increased \$58,985 primarily due to timing of payments. Costs and encumbrances for water meters increased \$90,266 due to timing of water meter installations. Contractual payments to North Texas Municipal Water District (NTMWD) increased \$509,219.

### Sustainability & Environmental Services

Commercial solid waste revenues are \$260,512 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. Recycling revenues increased \$69,220 primarily due to an increase in prices. Revenues related to the sale of compost increased \$55,323 due to the addition of new customers. Tipping fees increased \$57,512 due to an increase in yard waste drop off from landscapers and developers. Outside printing costs decreased \$53,166 due to the printing of the 2010 Live Green in Plano calendar in the prior year. In the current year, a newsletter was sent out containing a one-page calendar. Contractual repair costs decreased \$57,077 due to timing of repairs. Plano's percentage of contractual payments to NTMWD increased \$373,403. Payment is based on allocation of tonnage between member cities. Implements and apparatus expenses and encumbrances increased \$78,474 due to the installation of electrical work for a new fuel tank NTMWD required the City to install at Custer Road in addition to a new bagging machine installed at the 121 Regional Compost Facility.

### Municipal Drainage

The addition of drainage charges to City accounts beginning in October 2010 resulted in an increase in Municipal Drainage revenues of \$23,624. Interest income decreased \$16,334 due to a continued decline in the market. Personal services costs decreased \$74,805 primarily due to staffing reductions. Contract costs for street cleaning services decreased \$48,886 due to budget reductions, which resulted in contract modifications. Maintenance and supply costs for pipes, storm drains, curb repair and tree removal decreased \$8,383 due to timing. Land improvement costs increased \$39,500 due to pond restoration and silt removal from three park ponds in the current year. Increased contractual costs of \$55,523 in the current year primarily relate to the implementation of the Integrated Storm Water Management (iSWM) Based Program that the City is required to develop by the Environmental Protection Agency (EPA) for the City's permit.

### Civic Center

Civic Center lease fees are lower by \$16,478 from the prior year due to fewer corporate business events. This additionally impacts ancillary services with food and beverage revenues decreasing by \$73,794, and service charges, a function of food and beverage sales, lower by \$6,188. Food and beverage sales at Pecan Hollow decreased \$53,537 as Pecan Hollow grill operations were outsourced as of June 2010. Hotel/motel tax revenues increased \$132,479 primarily due to an increase in occupancy. Interest income decreased \$8,959 as compared to the prior year due to a continued decline in the market. Personal services decreased \$80,449 due to the closure of the underperforming concession outlets at Pecan Hollow Golf Course and Tom Muehlenbeck Recreation Center resulting in permanent staffing reductions. Minor apparatus expenditures and encumbrances decreased \$160,790 due to budget reductions. Grant awards in support of Historic Preservation increased \$94,056 primarily due to timing. In addition, grant awards in support of Cultural Arts decreased \$198,427 also due to timing as well as a decrease in monetary allocations. Advertising costs increased \$149,105 due to expanded

# REPORT NOTES CONTINUED

## FEBRUARY 2011

advertising venues and increased advertising to assist hotels in generating additional revenue. Professional contract costs for an outside advertising agency increased \$101,564 due to timing of purchase orders as the advertising agency is compiling a strategic media plan to promote Plano as a tourism and meeting destination for overnight visitors.

### **Golf Course**

Golf revenues decreased \$72,261 due to the golf course renovation closure on November 2, 2010. In the prior year, the Golf Course was closed for 69 days due to excessive rain. Pecan Hollow Golf Course was closed zero days in the current year prior to the renovation closure, and year to date rounds played are down by 5,224. Personal services decreased \$80,152 due to staffing reductions. The Park and Recreation Administration Fund reimbursed the Golf Course fund \$126,556 for golf course renovations in the current year. Contract costs increased \$30,324 due to the first installment being paid to the Golf Pro for services he renders on behalf of the City for the golf course.

### **Recreation Revolving**

Recreation fee revenue decreased \$108,166 due to the renovation closure of Carpenter Park Recreation Center which is expected to be a six month renovation. The Carpenter Park Recreation Center renovation closure resulted in decreased personal services of \$67,290 and decreased contractual services of \$14,017. Maintenance agreement costs increased \$52,064 due to timing of the payment for class registration software system and servers.



## **SECTION 1A**

### **FINANCIAL SUMMARY**

**City of Plano  
Comprehensive Monthly Financial Report**

MONTHLY FINANCIAL SUMMARY REPORT  
 THROUGH FEBRUARY 28 OF FISCAL YEARS 2011, 2010, AND 2009  
 GENERAL FUND

	<u>Fiscal</u> <u>Year</u>	<u>Annual</u> <u>Budget</u>	<u>5 Months</u> <u>Actual</u>	<u>Actual/</u> <u>Budget</u>	<u>Performance</u> <u>Index *</u>
<b>REVENUES:</b>					
<b>Ad valorem tax</b>	2011	\$ 76,291,685	74,167,611	97.2%	233.32
	2010	82,436,251	79,484,869	96.4%	231.41
	2009	83,068,770	80,843,162	97.3%	233.57
<b>Sales tax</b>	2011	57,012,269	27,209,589	47.7%	114.54
	2010	57,821,890	25,203,274	43.6%	104.61
	2009	57,417,708	26,746,093	46.6%	111.80
<b>Other revenue</b>	2011	49,822,530	20,919,341	42.0%	100.77
	2010	49,997,631	21,490,971	43.0%	103.16
	2009	<u>52,721,887</u>	<u>22,984,168</u>	43.6%	104.63
<b>TOTAL REVENUE</b>	2011	183,126,484	122,296,541	66.8%	160.28
	2010	190,255,772	126,179,114	66.3%	159.17
	2009	<u>193,208,365</u>	<u>130,573,423</u>	67.6%	162.20
<b>EXPENDITURES &amp; ENCUMBRANCES:</b>					
<b>Current operating</b>	2011	\$ 196,031,891	73,629,080	37.6%	90.14
	2010	197,663,823	76,347,211	38.6%	92.70
	2009	201,136,043	78,105,501	38.8%	93.20
<b>Capital outlay</b>	2011	1,026,000	1,087,959	106.0%	254.49
	2010	1,010,000	946,721	93.7%	224.96
	2009	<u>2,505,307</u>	<u>1,494,677</u>	59.7%	143.19
<b>Total expenditures and encumbrances</b>	2011	197,057,891	74,717,039	37.9%	91.00
	2010	198,673,823	77,293,932	38.9%	93.37
	2009	<u>203,641,350</u>	<u>79,600,178</u>	39.1%	93.81
<b>Excess (deficiency) of revenues over (under) expenditures</b>	2011	(13,931,407)	47,579,502	-	-
	2010	(8,418,051)	48,885,182	-	-
	2009	(10,432,985)	50,973,245	-	-
<b>OTHER FINANCING SOURCES (USES)</b>					
<b>Transfers in</b>	2011	19,741,695	8,867,790	44.9%	107.81
	2010	19,486,530	8,119,388	41.7%	100.00
	2009	17,634,574	9,461,546	53.7%	128.77
<b>Transfers out</b>	2011	(19,929,334)	(8,535,372)	42.8%	102.79
	2010	(20,344,972)	(8,625,387)	42.4%	101.75
	2009	<u>(19,678,201)</u>	<u>(8,438,739)</u>	42.9%	102.92
<b>NET CHANGE IN FUND BALANCES</b>	2011	(14,119,046)	47,911,920		
	2010	(9,276,493)	48,379,183		
	2009	(12,476,612)	51,996,052		
<b>FUND BALANCES-BEGINNING</b>	2011		41,400,577		
	2010		42,744,130		
	2009		<u>44,741,546</u>		
<b>FUND BALANCES-ENDING FEBRUARY 28</b>	2011		89,312,497		
	2010		91,123,313		
	2009		<u>96,737,598</u>		

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

**MONTHLY FINANCIAL SUMMARY REPORT  
THROUGH FEBRUARY 28 OF FISCAL YEARS 2011, 2010, AND 2009  
WATER AND SEWER FUND**

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>5 Months Actual</u>	<u>Actual/ Budget</u>	<u>Performance Index</u>
<b>REVENUES:</b>					
<b>Water and sewer revenue</b>	2011	\$ 114,814,263	43,846,561	38.2%	91.65
	2010	114,488,347	39,776,006	34.7%	83.38
	2009	110,225,529	38,119,230	34.6%	83.00
<b>Other fees and service charges</b>	2011	3,026,852	1,016,568	33.6%	80.60
	2010	2,669,903	1,055,324	39.5%	94.86
	2009	<u>2,572,861</u>	<u>1,094,954</u>	42.6%	102.14
<b>TOTAL REVENUE</b>	2011	117,841,115	44,863,129	38.1%	91.37
	2010	117,158,250	40,831,330	34.9%	83.64
	2009	<u>112,798,390</u>	<u>39,214,184</u>	34.8%	83.44
<b>EXPENSES &amp; ENCUMBRANCES:</b>					
<b>Capital outlay</b>	2011	-	23,837	0.0%	0.00
	2010	-	1,234,709	0.0%	0.00
	2009	-	87,321	0.0%	0.00
<b>Other expenses &amp; encumbrances</b>	2011	79,534,355	31,357,720	39.4%	94.62
	2010	78,000,112	30,687,064	39.3%	94.42
	2009	<u>75,009,576</u>	<u>29,111,453</u>	38.8%	93.14
<b>Total expenses and encumbrances</b>	2011	79,534,355	31,381,557	39.5%	94.70
	2010	78,000,112	31,921,773	40.9%	98.22
	2009	<u>75,009,576</u>	<u>29,198,774</u>	38.9%	93.42
<b>Excess (deficiency) of revenues over (under) expenses</b>	2011	38,306,760	13,481,572	-	-
	2010	39,158,138	8,909,557	-	-
	2009	37,788,814	10,015,410	-	-
<b>TRANSFERS IN (OUT)</b>					
<b>Transfers in</b>	2011	-	700,000	0.0%	-
	2010	-	-	0.0%	-
	2009	-	-	0.0%	0.00
<b>Transfers out</b>	2011	(33,965,035)	(14,152,098)	41.7%	100.00
	2010	(38,482,630)	(16,034,429)	41.7%	100.00
	2009	<u>(34,349,069)</u>	<u>(14,312,112)</u>	41.7%	100.00
<b>CHANGE IN NET ASSETS</b>	2011	\$ 4,341,725	29,474		
	2010	675,508	(7,124,872)		
	2009	3,439,745	(4,296,702)		
<b>TOTAL NET ASSETS-BEGINNING</b>	2011		343,560,326		
	2010		324,231,841		
	2009		<u>321,538,734</u>		
<b>TOTAL NET ASSETS-ENDING FEBRUARY 28</b>	2011		343,589,800		
	2010		317,106,969		
	2009		<u>317,242,032</u>		

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**MONTHLY FINANCIAL SUMMARY REPORT  
THROUGH FEBRUARY 28 OF FISCAL YEARS 2011, 2010, AND 2009  
SUSTAINABILITY AND ENVIRONMENTAL SERVICES FUND**

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>5 Months Actual</u>	<u>Actual/ Budget</u>	<u>Performance Index</u>
<b>REVENUES:</b>					
<b>Commerical solid waste franchise</b>	2011	\$ 6,504,545	2,689,452	41.3%	99.23
	2010	6,709,797	2,428,941	36.2%	86.88
	2009	6,496,731	2,648,395	40.8%	97.84
<b>Refuse collection revenue</b>	2011	13,172,550	5,521,129	41.9%	100.59
	2010	13,005,330	5,446,831	41.9%	100.52
	2009	13,316,939	5,305,737	39.8%	95.62
<b>Other fees and service charges</b>	2011	2,455,656	626,500	25.5%	61.23
	2010	2,508,431	565,907	22.6%	54.14
	2009	<u>2,502,911</u>	<u>625,370</u>	25.0%	59.97
<b>TOTAL REVENUE</b>	2011	22,132,751	8,837,081	39.9%	95.83
	2010	22,223,558	8,441,679	38.0%	91.16
	2009	<u>22,316,581</u>	<u>8,579,502</u>	38.4%	92.27
<b>EXPENSES &amp; ENCUMBRANCES:</b>					
<b>Capital outlay</b>	2011	6,500	78,474	1207.3%	2,897.50
	2010	-	-	0.0%	0.00
	2009	256,170	28,343	11.1%	26.55
<b>Other expenses &amp; encumbrances</b>	2011	21,502,075	9,155,031	42.6%	102.19
	2010	21,209,293	8,865,527	41.8%	100.32
	2009	<u>21,440,299</u>	<u>9,507,931</u>	44.3%	106.43
<b>Total expenses and encumbrances</b>	2011	21,508,575	9,233,505	42.9%	103.03
	2010	21,209,293	8,865,527	41.8%	100.32
	2009	<u>21,696,469</u>	<u>9,536,274</u>	44.0%	105.49
<b>Excess (deficiency) of revenues over (under) expenses</b>	2011	624,176	(396,424)	-	-
	2010	1,014,265	(423,848)	-	-
	2009	620,112	(956,772)	-	-
<b>TRANSFERS IN (OUT)</b>					
<b>Transfers in</b>	2011	100,000	41,667	41.7%	100.00
	2010	100,000	41,667	41.7%	100.00
	2009	100,000	41,667	41.7%	100.00
<b>Transfers out</b>	2011	(1,590,383)	(1,231,627)	77.4%	185.86
	2010	(1,288,707)	(536,961)	41.7%	100.00
	2009	<u>(1,223,535)</u>	<u>(509,806)</u>	41.7%	100.00
<b>CHANGE IN NET ASSETS</b>	2011	\$ (866,207)	(1,586,384)		
	2010	(174,442)	(919,142)		
	2009	(503,423)	(1,424,911)		
<b>TOTAL NET ASSETS-BEGINNING</b>	2011		2,128,099		
	2010		1,677,124		
	2009		<u>1,690,291</u>		
<b>TOTAL NET ASSETS-ENDING FEBRUARY 28</b>	2011		541,715		
	2010		757,982		
	2009		<u>265,380</u>		

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**MONTHLY FINANCIAL SUMMARY REPORT  
THROUGH FEBRUARY 28 OF FISCAL YEARS 2011, 2010, AND 2009  
MUNICIPAL DRAINAGE FUND**

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>5 Months Actual</u>	<u>Actual/ Budget</u>	<u>Performance Index</u>
<b>REVENUES:</b>					
<b>Fees and service charges</b>	2011	\$ 5,145,367	2,164,839	42.1%	100.98
	2010	5,007,613	2,141,215	42.8%	102.62
	2009	4,928,110	2,093,483	42.5%	101.95
<b>Miscellaneous revenue</b>	2011	42,440	5,813	13.7%	32.87
	2010	85,000	20,307	23.9%	57.34
	2009	150,000	31,343	20.9%	50.15
<b>TOTAL REVENUE</b>	2011	5,187,807	2,170,652	41.8%	100.42
	2010	5,092,613	2,161,522	42.4%	101.87
	2009	5,078,110	2,124,826	41.8%	100.42
<b>EXPENSES &amp; ENCUMBRANCES:</b>					
<b>Capital outlay</b>	2011	300,000	39,500	13.2%	-
	2010	-	-	0.0%	0.00
	2009	-	-	0.0%	-
<b>Other expenses &amp; encumbrances</b>	2011	2,604,071	992,990	38.1%	91.52
	2010	3,046,620	1,084,665	35.6%	85.45
	2009	2,823,503	984,129	34.9%	83.65
<b>Total expenses and encumbrances</b>	2011	2,904,071	1,032,490	35.6%	85.33
	2010	3,046,620	1,084,665	35.6%	85.45
	2009	2,823,503	984,129	34.9%	83.65
<b>Excess (deficiency) of revenues over (under) expenses</b>	2011	2,283,736	1,138,162	-	-
	2010	2,045,993	1,076,857	-	-
	2009	2,254,607	1,140,697	-	-
<b>TRANSFERS OUT</b>					
<b>Operating transfers out</b>	2011	(3,271,318)	(1,371,383)	41.9%	100.61
	2010	(2,971,845)	(1,246,602)	41.9%	100.67
	2009	(2,847,538)	(1,194,808)	42.0%	100.70
<b>CHANGE IN NET ASSETS</b>	2011	(987,582)	(233,221)		
	2010	(925,852)	(169,745)		
	2009	(592,931)	(54,111)		
<b>TOTAL NET ASSETS-BEGINNING</b>	2011		32,455,677		
	2010		23,065,380		
	2009		21,003,753		
<b>TOTAL NET ASSETS-ENDING FEBRUARY 28</b>	2011		32,222,456		
	2010		22,895,635		
	2009		20,949,642		

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

MONTHLY FINANCIAL SUMMARY REPORT  
 THROUGH FEBRUARY 28 OF FISCAL YEARS 2011, 2010, AND 2009  
 NONMAJOR BUSINESS-TYPE FUNDS

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>5 Months Actual</u>	<u>Actual/Budget</u>	<u>Performance Index</u>
<b>REVENUES:</b>					
Hotel/motel tax	2011	\$ 3,946,116	1,374,120	34.8%	83.57
	2010	4,494,486	1,241,641	27.6%	66.30
	2009	4,964,601	1,320,389	26.6%	63.83
Other revenue	2011	5,590,680	1,908,648	34.1%	81.94
	2010	6,761,751	2,201,192	32.6%	78.13
	2009	6,974,294	2,453,145	35.2%	84.42
<b>TOTAL REVENUE</b>	2011	9,536,796	3,282,768	34.4%	82.61
	2010	11,256,237	3,442,833	30.6%	73.41
	2009	11,938,895	3,773,534	31.6%	75.86
<b>EXPENSES &amp; ENCUMBRANCES:</b>					
Capital outlay	2011	-	-	-	-
	2010	-	-	-	-
	2009	-	75,236	0.0%	0.00
Other expenses & encumbrances	2011	10,427,098	3,896,288	37.4%	89.68
	2010	12,218,004	4,415,341	36.1%	86.73
	2009	12,550,538	4,629,236	36.9%	88.52
<b>Total expenses and encumbrances</b>	2011	10,427,098	3,896,288	37.4%	89.68
	2010	12,218,004	4,415,341	36.1%	86.73
	2009	12,550,538	4,704,472	37.5%	89.96
<b>Excess (deficiency) of Revenues over (under) expenses</b>	2011	(890,302)	(613,520)	-	-
	2010	(961,767)	(972,508)	-	-
	2009	(611,643)	(930,938)	-	-
<b>TRANSFERS OUT:</b>					
Operating transfers out	2011	(454,772)	(189,489)	41.7%	100.00
	2010	(577,806)	(240,753)	41.7%	100.00
	2009	(1,444,860)	(602,025)	41.7%	100.00
<b>CHANGE IN NET ASSETS</b>	2011	(1,345,074)	(803,009)		
	2010	(1,539,573)	(1,213,261)		
	2009	(2,056,503)	(1,532,963)		
<b>TOTAL NET ASSETS-BEGINNING</b>	2011		10,264,683		
	2010		10,801,647		
	2009		13,062,762		
<b>TOTAL NET ASSETS-ENDING FEBRUARY 28</b>	2011		9,461,674		
	2010		9,588,386		
	2009		11,529,799		

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MONTHLY FINANCIAL SUMMARY REPORT  
 THROUGH FEBRUARY 28 OF FISCAL YEARS 2011, 2010, AND 2009  
 ECONOMIC DEVELOPMENT FUND

	<u>Fiscal Year</u>	<u>Annual Budget</u>	<u>5 Months Actual</u>	<u>Actual/ Budget</u>	<u>Performance Index</u>
<b>REVENUES:</b>					
Miscellaneous revenue	2011	\$ 165,000	68,285	41.4%	99.32
	2010	200,000	59,783	29.9%	71.74
	2009	<u>310,000</u>	<u>87,226</u>	28.1%	67.53
<b>EXPENSES &amp; ENCUMBRANCES</b>					
Personal services	2011	585,270	220,106	37.6%	90.26
	2010	596,878	225,942	37.9%	90.85
	2009	559,469	220,782	39.5%	94.71
Materials and supplies	2011	15,463	2,852	18.4%	44.27
	2010	15,500	1,866	12.0%	28.89
	2009	23,452	3,083	13.1%	31.55
Contractual / professional and other	2011	255,025	1,124,681	441.0%	1,058.42
	2010	5,272,154	767,449	14.6%	34.94
	2009	5,485,693	1,753,101	32.0%	76.70
Capital outlay	2011	-	-	-	-
	2010	-	-	-	-
	2009	-	-	-	-
<b>Total Expenses and Encumbrances</b>	2011	<u>855,758</u>	<u>1,347,639</u>	157.5%	377.95
	2010	5,884,532	995,257	16.9%	40.59
	2009	<u>6,068,614</u>	<u>1,976,966</u>	32.6%	78.18
Excess (Deficiency) of Revenues Over (Under) Expenses	2011	(690,758)	(1,279,354)	-	-
	2010	(5,684,532)	(935,474)	-	-
	2009	(5,758,614)	(1,889,740)	-	-
<b>TRANSFERS IN</b>					
Operating transfers in	2011	5,782,588	2,392,740	0.41	99.31
	2010	5,910,201	2,462,584	0.42	100.00
	2009	<u>6,068,614</u>	<u>2,528,589</u>	0.42	100.00
<b>CHANGE IN NET ASSETS</b>					
	2011	5,091,830	1,113,386		
	2010	225,669	1,527,110		
	2009	310,000	638,849		
<b>TOTAL NET ASSETS-BEGINNING</b>					
	2011		16,461,377		
	2010		14,046,444		
	2009		<u>12,255,577</u>		
<b>TOTAL NET ASSETS-ENDING FEBRUARY 28</b>					
	2011		17,574,763		
	2010		15,573,554		
	2009		<u>12,894,426</u>		

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CITY OF PLANO, TEXAS  
EQUITY IN TREASURY POOL  
February 2011

FUND NO.	FUND NAME	CASH	EQUITY IN TREASURY POOL	TOTAL 2/28/2011	TOTAL 10/1/10	TOTAL 2/28/2010
<b>GENERAL FUND:</b>						
01	General	\$ 34,761	85,504,537	85,539,298	37,230,863	84,634,665
77	Payroll	-	2,368,807	2,368,807	3,228,496	2,219,554
		<u>34,761</u>	<u>87,873,344</u>	<u>87,908,105</u>	<u>40,459,359</u>	<u>86,854,219</u>
<b>DEBT SERVICE FUND:</b>						
03	G.O. Debt Service	-	42,623,287	42,623,287	1,184,919	42,077,324
		<u>-</u>	<u>42,623,287</u>	<u>42,623,287</u>	<u>1,184,919</u>	<u>42,077,324</u>
<b>CAPITAL PROJECTS:</b>						
21	Senior Center Facilities	-	288,263	288,263	288,268	-
22	Recreation Center Facilities	-	1,198,904	1,198,904	1,198,923	608,353
23	Street Enhancement	-	1,715,358	1,715,358	1,715,385	1,685,816
25	1991 Police & Courts Facility	-	1,504,147	1,504,147	1,504,171	1,067,245
27	1991 Library Facility	-	893,114	893,114	893,129	885,340
28	1991 Fire Facility	-	3,788,559	3,788,559	3,788,619	3,695,526
29	Technology Improvements	-	1,460,563	1,460,563	1,460,586	1,220,146
31	Municipal Facilities	-	472,219	472,219	471,126	456,113
32	Park Improvements	-	6,931,411	6,931,411	6,529,458	7,180,571
33	Street & Drainage Improvement	-	12,850,810	12,850,810	12,223,661	4,316,690
35	Capital Reserve	-	44,810,499	44,810,499	44,375,115	40,962,290
38	DART L.A.P.	-	263,797	263,797	263,801	775,633
39	Spring Creekwalk	-	24,048	24,048	24,048	23,876
52	Park Service Areas	-	4,658,330	4,658,330	4,616,759	5,396,129
53	Creative & Performing Arts	-	2,307,683	2,307,683	2,307,719	2,264,805
54	Animal Control Facilities	-	336,678	336,678	344,628	348,918
59	Service Center	-	123,552	123,552	126,076	133,201
60	Joint Use Facilities	-	648,673	648,673	648,683	642,660
85	Public Arts	-	123,946	123,946	123,948	121,442
160	TXDOT-SH121	-	11,692,609	11,692,609	13,232,514	11,165,900
109	G.O. Bond Clearing - 2010	-	5,880,679	5,880,679	6,505,000	-
110	G.O. Bond Clearing - 1999	-	292,794	292,794	292,799	313,552
190	G.O. Bond Clearing - 2000	-	3,601,203	3,601,203	3,601,260	3,617,028
230	Tax Notes Clearing - 2001	-	1,113,314	1,113,314	1,113,332	1,105,340
240	G.O. Bond Clearing - 2001-A	-	182,184	182,184	182,187	182,911
250	Tax Notes Clearing - 2001-A	-	59,722	59,722	59,723	59,294
270	G.O. Bond Refund/Clearing - 2003	-	18,763	18,763	118,730	123,218
089	C.O. Bond Clearing - 2006	-	144,345	144,345	144,347	144,928
102	G.O. Bond Clearing - 2007	-	122,906	122,906	126,999	804,905
105	Tax Notes Clearing - 2007	-	-	-	-	-
082	G.O. Bond Clearing - 2008	-	(10,223)	(10,223)	240,521	450,117
083	Tax Notes Clearing - 2008	-	2,243,977	2,243,977	4,336,358	9,194,610
106	G.O. Bond Clearing - 2009	-	6,592,791	6,592,791	10,815,358	13,696,803
150	Tax Notes Clearing - 2009	-	6,377,633	6,377,633	6,377,735	6,403,088
220	Tax and Revenue C.O. Clearing - 2010	-	9,999,841	9,999,841	10,000,000	-
		<u>-</u>	<u>132,713,092</u>	<u>132,713,092</u>	<u>140,050,966</u>	<u>119,046,448</u>
<b>ENTERPRISE FUNDS:</b>						
26	Municipal Drainage CIP	-	364,983	364,983	349,979	332,551
34	Sewer CIP	-	11,345,907	11,345,907	11,293,460	11,287,040
36	Water CIP	-	14,464,528	14,464,528	13,495,486	12,516,102
37	Downtown Center Development	-	160,383	160,383	163,166	135,299
41	Water & Sewer - Operating	2,077,904	691,683	2,769,587	3,002,305	(7,192,569)
42	Water & Sewer - Debt Service	-	942,956	942,956	432,530	1,248,473
43	Municipal Drainage - Debt Service	-	3,940,976	3,940,976	3,304,059	3,990,019
44	W & S Impact Fees Clearing	-	1,241	1,241	-	-
45	Sustainability & Environmental Services	650	320,445	321,095	1,769,424	252,008
46	Convention & Tourism	8,717	1,792,804	1,801,521	1,998,168	1,901,905
81	Friends of Plano Centre	-	3,997	3,997	3,997	3,969
47	Municipal Drainage	-	3,828,435	3,828,435	3,992,167	4,026,687
48	Municipal Golf Course	-	121,629	121,629	103,081	(10,067)
49	Property Management	-	230,559	230,559	413,724	451,168
51	Recreation Revolving	350	1,128,039	1,128,389	1,440,036	997,734
330	Municipal Drain Rev Bond Clearing - 2007	-	326,558	326,558	949,670	1,520,797
340	Municipal Drain Rev Bond Clearing - 2008	-	2,147,113	2,147,113	2,147,147	2,131,734
107	Municipal Drain Rev Bond Clearing - 2009	-	1,800,351	1,800,351	1,800,380	1,787,456
260	Municipal Drain Rev Bond Clearing - 2010	-	3,634,069	3,634,069	3,634,127	-
		<u>2,087,621</u>	<u>47,246,656</u>	<u>49,334,277</u>	<u>50,292,904</u>	<u>35,380,306</u>

CITY OF PLANO, TEXAS  
EQUITY IN TREASURY POOL  
February 2011

FUND NO.	FUND NAME	CASH	EQUITY IN TREASURY POOL	TOTAL 2/28/2011	TOTAL 10/1/10	TOTAL 2/28/2010
<b>SPECIAL REVENUE FUNDS:</b>						
2	Sproles Library	-	41,250	41,250	(104,170)	41,227
4	TIF-Mall	-	2,751,198	2,751,198	-	-
5	TIF-East Side	-	9,919,669	9,919,669	8,168,122	5,764,609
11	LLEBG-Police Grant	-	79,014	79,014	28,904	93,847
12	Criminal Investigation	-	1,495,887	1,495,887	1,410,996	1,305,054
13	Grant	95	(373,089)	(372,994)	(555,702)	(442,916)
14	Wireline Fees	-	11,276,874	11,276,874	10,814,378	10,117,373
15	Judicial Efficiency	-	105,799	105,799	101,752	99,557
16	Industrial	-	18,478	18,478	18,479	18,346
17	Intergovernmental	-	529,364	529,364	437,064	463,351
18	Government Access/CATV	-	409,411	409,411	331,858	392,422
19	Teen Court Program	-	54,008	54,008	52,066	52,289
20	Municipal Courts Technology	-	1,679,410	1,679,410	1,680,517	1,701,552
24	American Recovery/Reinv Act Grant	-	94,764	94,764	(965,451)	(710,854)
55	Municipal Court-Building Security Fees	-	1,046,721	1,046,721	1,098,131	1,100,835
56	911 Reserve Fund	-	-	-	-	-
57	State Library Grants	-	(2,778)	(2,778)	(1,077)	(3,651)
67	Disaster Relief	-	676,745	676,745	1,216,985	1,208,249
68	Animal Shelter Donations	-	286,693	286,693	264,350	232,233
73	Memorial Library	-	417,219	417,219	401,249	425,320
86	Juvenile Case Manager	-	363,056	363,056	356,843	299,614
87	Traffic Safety	-	3,216,571	3,216,571	2,775,804	1,755,844
88	Child Safety	-	1,506,993	1,506,993	1,413,384	1,201,085
		95	35,593,257	35,593,352	28,944,482	25,115,386
<b>INTERNAL SERVICE FUNDS:</b>						
6	Public Safety Technology	-	2,029,347	2,029,347	2,029,379	2,014,811
9	Technology Infrastructure	-	(7,869)	(7,869)	(7,869)	(7,813)
58	PC Replacement	-	517,599	517,599	559,320	761,716
61	Equipment Maintenance	200	492,205	492,405	733,850	339,624
62	Information Technology	-	4,847,547	4,847,547	5,395,555	5,156,210
63	Office Services	-	-	-	-	(287,367)
64	Warehouse	100	227,673	227,773	308,931	47,516
65	Property/Liability Loss	-	4,085,935	4,085,935	4,337,329	4,454,701
66	Technology Services	-	6,916,267	6,916,267	7,463,528	7,404,471
71	Equipment Replacement	-	13,245,314	13,245,314	14,060,998	18,657,945
78	Health Claims	-	18,128,511	18,128,511	15,770,613	13,267,731
79	Parkway Service Ctr. Expansion	-	(28,186)	(28,186)	(28,187)	(28,299)
		300	50,454,343	50,454,643	50,623,448	51,781,246
<b>FIDUCIARY FUNDS:</b>						
7	Unclaimed Property	-	66,889	66,889	63,382	62,946
8	Library Training Lab	-	2,769	2,769	2,769	2,750
69	Collin County Seized Assets	-	152,588	152,588	149,715	159,648
74	Developers' Escrow	-	2,679,802	2,679,802	2,325,172	2,519,032
75	Plano Economic Development Trust	-	21,687	21,687	37,578	184,457
76	Economic Development	200	1,181,411	1,181,611	1,199,512	15,532,776
170	Economic Development Incentive Fund	-	16,506,116	16,506,116	15,366,903	-
84	Rebate	-	1,428,943	1,428,943	1,458,405	1,455,918
		200	22,040,205	22,040,405	20,603,436	19,917,527
<b>TOTAL</b>		\$ 2,122,977	418,544,184	420,667,161	332,159,515	380,172,456
<b>TRUST FUNDS</b>						
72	Retirement Security Plan	-	73,591,867	73,591,867	73,591,867	65,458,505
91	115 Trust	-	34,528,881	34,528,881	31,783,976	30,582,502
<b>TOTAL TRUST FUNDS</b>		\$ -	108,120,748	108,120,748	105,375,843	96,041,007

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 February 28, 2011 the Treasury Pool, including an adjustment to Fair Value as required by GASB 31, consisted of the following:

Cash	24,744,189
Local Government Investment Pool	32,681,845
Texas Daily	31,897,580
Federal Securities	293,691,254
Certificates of Deposit	34,735,188
Fair Value Adjustment	(1,246,492)
Interest Receivable	2,040,620
	<u>418,544,184</u>

# HEALTH CLAIMS FUND THROUGH FEBRUARY 28 OF FISCAL YEARS 2011 AND 2010

Health Claims Fund	Quarterly			1 month			1 month			Year to Date		
	FY 10-11 October - December	FY 09-10 October - December	Variance Favorable (Unfavorable)	FY 10-11 January	FY 09-10 January	Variance Favorable (Unfavorable)	FY 10-11 February	FY 09-10 February	Variance Favorable (Unfavorable)	FY 10-11 Total	FY 09-10 Total	Variance Favorable (Unfavorable)
<b>Revenues</b>												
Employees Health Ins. Contributions	\$ 955,502	\$ 884,399	71,103	\$ 424,105	\$ 354,223	69,882	\$ 424,528	\$ 355,937	68,591	1,804,135	1,594,559	209,576
Employers Health Ins. Contributions	5,335,611	5,273,233	62,378	1,679,400	1,745,740	(66,340)	1,678,158	1,741,398	(63,240)	8,693,169	8,760,371	(67,202)
Contributions for Retirees	229,542	204,485	25,057	51,219	92,846	(41,627)	109,599	69,441	40,158	390,360	366,772	23,588
Cobra Insurance Receipts	14,266	11,271	2,995	2,374	4,409	(2,035)	5,230	1,531	3,699	21,870	17,211	4,659
Retiree Insurance Receipts	222,621	164,376	58,245	70,530	68,180	2,350	73,519	70,096	3,423	366,670	302,652	64,018
Retiree Contributions	(157,833)	(89,510)	(68,323)	(64,789)	(74,866)	10,077	(70,529)	(68,180)	(2,349)	(293,151)	(232,556)	(60,595)
Employer Contribution-OPEB	976,800	1,624,725	(647,925)	323,070	535,140	(212,070)	321,503	534,330	(212,827)	1,621,373	2,694,195	(1,072,822)
Interest	(42,502)	20,670	(63,172)	21,066	9,478	11,588	20,944	17,788	3,156	(492)	47,936	(48,428)
<b>Total Revenues</b>	<b>7,534,007</b>	<b>8,093,649</b>	<b>(559,642)</b>	<b>2,506,975</b>	<b>2,735,150</b>	<b>(228,175)</b>	<b>2,562,952</b>	<b>2,722,341</b>	<b>(159,389)</b>	<b>12,603,934</b>	<b>13,551,140</b>	<b>(947,206)</b>
<b>Transfers Out</b>												
Transfers Out	1,122,575	2,101,749	979,174	336,379	670,209	333,830	336,379	670,209	333,830	1,795,333	3,442,167	1,646,834
<b>Expenses</b>												
Insurance	309,736	234,263	(75,473)	138,848	104,576	(34,272)	137,627	103,661	(33,966)	586,211	442,500	(143,711)
Contracts- Professional Svc.	69,620	92,110	22,490	6,712	23,574	16,862	5,316	6,796	1,480	81,648	122,480	40,832
Contracts- Other	267,417	234,556	(32,861)	107,205	87,138	(20,067)	91,130	102,885	11,755	465,752	424,579	(41,173)
Health Claims Paid Reinsurance	417	(43,048)	(43,465)	-	1,870	1,870	-	(260)	(260)	417	(41,438)	(41,855)
Retiree Claims	(733,181)	(280,667)	(452,514)	(261,818)	(259,372)	2,446	(143,187)	(115,347)	27,840	(1,138,186)	(655,386)	(482,800)
Health Claims - Prescription	767,753	1,019,730	251,977	190,277	205,937	15,660	164,700	181,267	16,567	1,122,730	1,406,934	284,204
Health Claims Paid -UHC	4,354,891	3,903,532	(451,359)	1,770,998	1,247,962	(523,036)	1,069,276	1,038,509	(30,767)	7,195,165	6,190,003	(1,005,162)
Cobra Insurance Paid	615	682	67	199	269	70	184	199	15	998	1,150	152
Retiree Insurance Paid	21,357	21,424	67	7,264	7,213	(51)	7,615	7,455	(160)	36,236	36,092	(144)
Retiree Insurance Paid- Medicare	90,301	80,397	(9,904)	5,464	35,943	30,479	62,225	22,422	(39,803)	157,990	138,762	(19,228)
Freight	-	-	-	-	-	-	-	-	-	0	-	-
<b>Total Expenses</b>	<b>5,148,926</b>	<b>5,262,979</b>	<b>114,053</b>	<b>1,965,149</b>	<b>1,455,110</b>	<b>(510,039)</b>	<b>1,394,886</b>	<b>1,347,587</b>	<b>(47,299)</b>	<b>8,508,961</b>	<b>8,065,676</b>	<b>(443,285)</b>
<b>Net increase (decrease)</b>	<b>1,262,506</b>	<b>728,921</b>	<b>533,585</b>	<b>205,447</b>	<b>609,831</b>	<b>(404,384)</b>	<b>831,687</b>	<b>704,545</b>	<b>127,142</b>	<b>2,299,640</b>	<b>2,043,297</b>	<b>256,343</b>
Health Claims Fund Balance - Cumulative	\$ 15,323,628	\$ 8,103,904	7,219,724	\$ 15,529,075	\$ 8,713,735	6,815,340	\$ 16,360,762	\$ 9,418,280	6,942,482			

## ANALYSIS OF PROPERTY LIABILITY LOSS FUND THROUGH FEBRUARY 28 OF FISCAL YEARS 2011, 2010 & 2009

PROPERTY LIABILITY LOSS FUND	Fiscal Year 2011	Fiscal Year 2010	Fiscal Year 2009
Claims Paid per General Ledger	\$630,352	\$437,430	\$778,653
Net Judgments/Damages/Attorney Fees	\$236,410	\$188,684	\$443,077
<b>Total Expenses</b>	<b>\$866,762</b>	<b>\$626,114</b>	<b>\$1,221,730</b>



## **SECTION 2**

### **ECONOMIC ANALYSIS**

**City of Plano  
Comprehensive Monthly Financial Report**

# ECONOMIC ANALYSIS FEBRUARY 2011

## General Fund Revenue February YTD Figure I

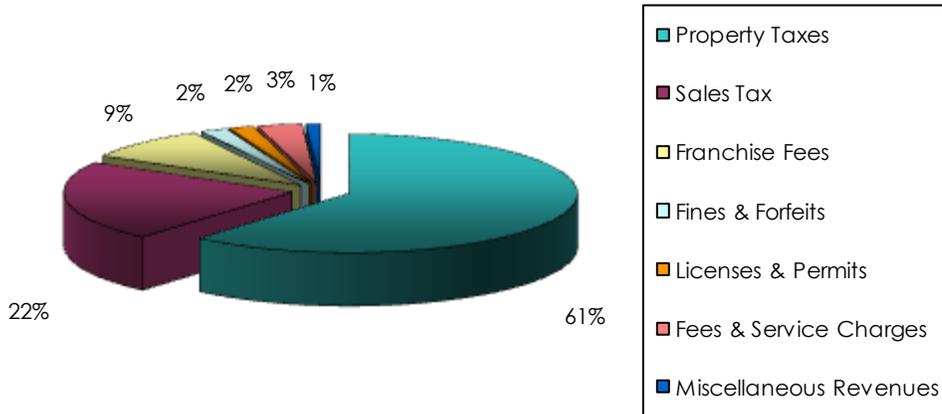


Figure I shows a breakdown of the various sources of revenues for the City's General Fund year to date through February 28, 2011. The largest category is Property Taxes in the amount of \$74,167,611. Closest behind Property Taxes is Sales Tax in the amount of \$26,539,728 and Franchise Fees with a total of \$10,758,853.

## General Fund Expenditures and Encumbrances February YTD Figure II

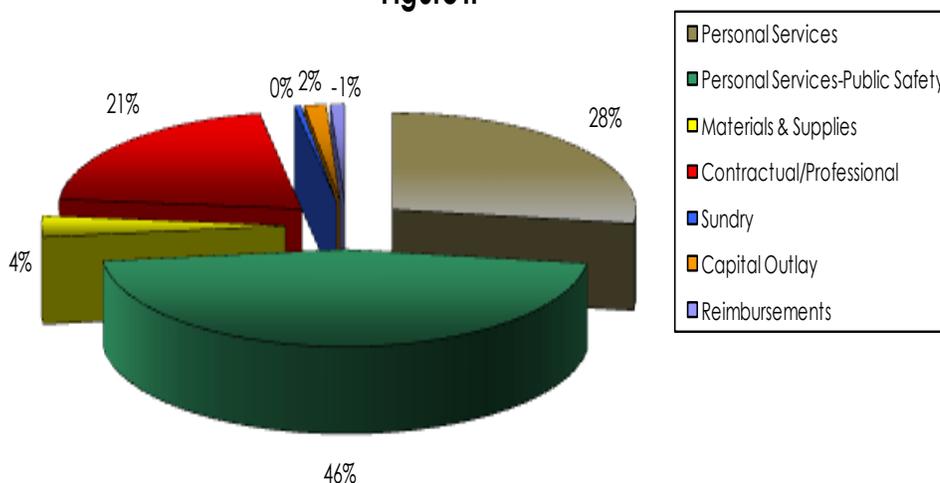


Figure II shows a breakdown of the various expenditures and encumbrances for the City's General Fund Year to Date through February 28, 2011. The largest category is Personal Services-Public Safety in the amount of \$34,860,993 which includes the police, fire, fire-civilian and public safety communications departments. Closest behind that category are Personal Services (for all other departments) with a total of \$20,782,086 and Contractual/Professional totaling \$15,708,529.

# ECONOMIC ANALYSIS

## FEBRUARY 2011

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

Figure III

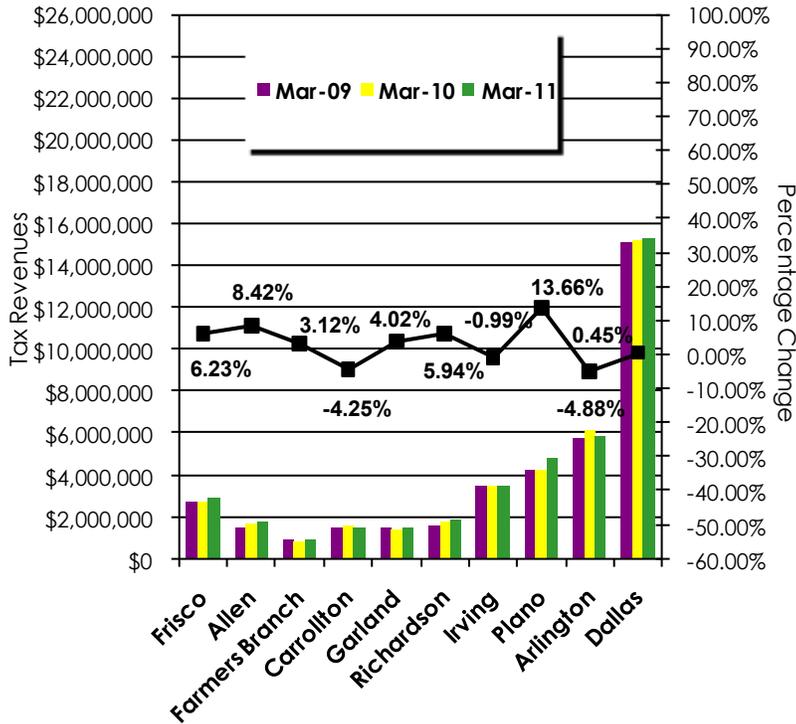


Figure III shows sales tax allocations collected in the months of March 2009, March 2010 and March 2011 for the City of Plano and nine area cities. Each of the cities shown has a sales tax rate of 1%, except for the cities of Allen and Frisco, which have a 2% rate, but distribute half of the amount shown 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 January the City of Plano received \$7,149,432 from this 1% tax.

The percentage change in sales tax allocations for the area cities, comparing March 2010 to March 2011, ranged from 13.66% for the City of Plano to -4.88% for the City of Arlington.

### Sales Tax Actual Monthly Revenue

Figure IV



Sales tax allocation of \$4,784,306 was remitted to the City of Plano in the month of March. This amount represents an increase of 13.66% compared to the amount received in March 2010. Current year to date sales tax revenue is \$31,473,108. 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 January to the State, and received in March by the City of Plano.

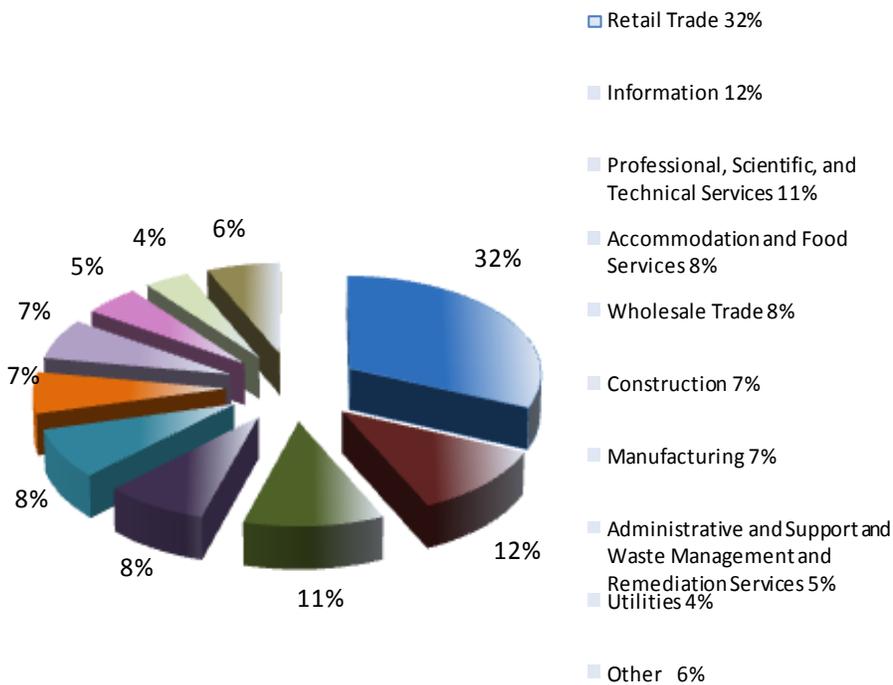
Figure IV represents actual sales and use tax receipts for the months of January, February, and March for fiscal years 2008-2009, 2009-2010 and 2010-2011.

# ECONOMIC ANALYSIS

## FEBRUARY 2011

### 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 February 2011.

Some examples in each code are as follows:

**Retail Trade:** Wal-Mart, Best Buy, Target.

**Information:** Sprint, Verizon, Time Warner.

**Professional, Scientific, and Technical Services:** Gexa Energy, Perot Systems, AT&T.

**Accommodation and Food Services:** Maggiano's, Starbucks, Wendy's.

**Wholesale Trade:** Fry's Electronics, Hewlett Packard, Hobby Lobby.

**Construction:** Texas Custom Pools, Structure Solutions, Johnson Controls.

**Manufacturing:** Pepsico, Apple, Frito Lay.

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

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

**All other NAICS codes: Real Estate and Rental and Leasing, Other Services (except Public Administration), Finance and Insurance, Arts, Entertainment, and Recreation, Management of Companies and Enterprises, Mining, Healthcare and Social Assistance, Unknown, Public Administration, Transportation and Warehousing, Educational Services, and Agriculture, Forestry, Fishing and Hunting:** Rent-a-Center, Netflix, Ulta Salon, Cosmetics & Fragrance, Bibbentuckers, Banc of America Leasing & Capital, Moneygram Payment Systems, Main Event Entertainment, Plano Golf Course, O'Reilly Group, Capital Contractors, Blue Star Pipe, Chevron, Baylor Regional Medical Center at Plano, Briggs Medical Service Company, The Book Barn, Duro-Last, CFP Fire Protection, Comptroller of Public Accounts, FedEx Corporate Services, Signature Towing, College Entrance Examination Board, Ashford University, RCB Ventures, and Deborah W Tisdale.

# ECONOMIC ANALYSIS

## FEBRUARY 2011

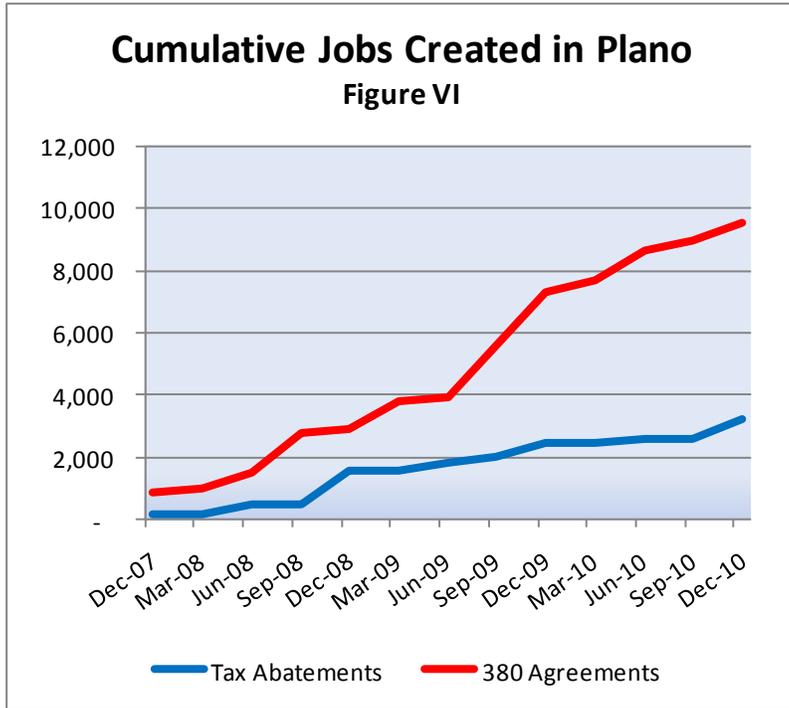


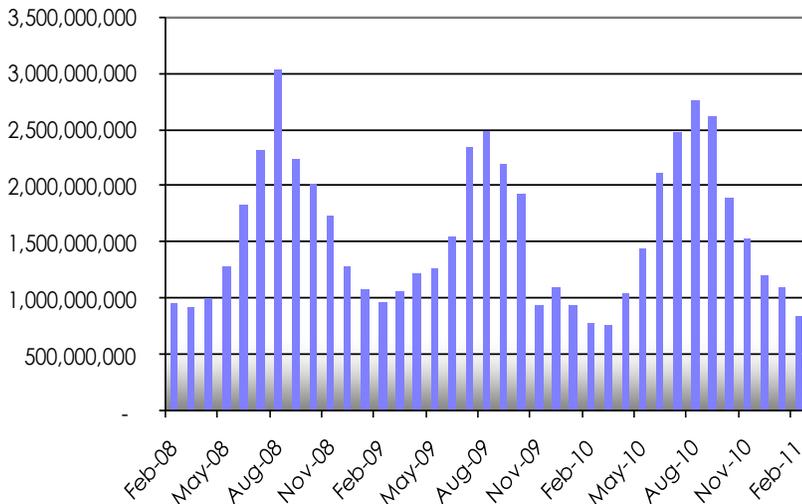
Figure VI, left, tracks the number of jobs cumulatively beginning 4<sup>th</sup> quarter 2007 created in Plano due to the City entering into either a Property Tax Abatement Agreement or a 380 Economic Development Agreement (380 agreement).

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 4<sup>th</sup> quarter of 2010, 640 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 4<sup>th</sup> quarter of 2010, 625 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



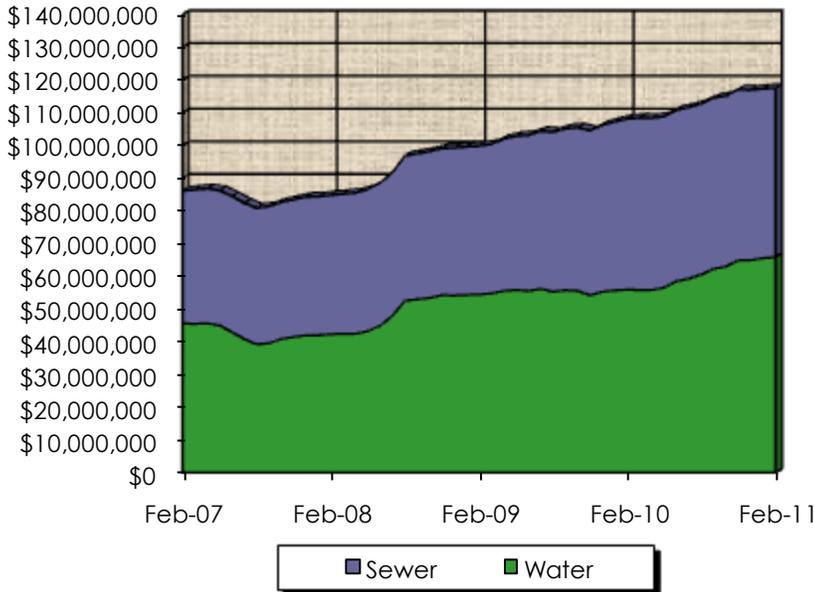
In February, the City of Plano pumped 1,023,824,000 gallons of water from the North Texas Municipal Water District (NTMWD). Consumption was 836,457,200 gallons among 78,883 billed water accounts while billed sewer accounts numbered 75,233. The minimum daily water pumpage was 28,251,000 gallons, which occurred on Tuesday, February 1<sup>st</sup>. Maximum daily pumpage was 42,190,000 gallons and occurred on Saturday, February 19<sup>th</sup>. This month's average daily pumpage was 36,565,000 gallons.

Figure VII shows the monthly actual local water consumption.

# ECONOMIC ANALYSIS

## FEBRUARY 2011

**Annualized Water & Sewer Billings**  
Figure VIII

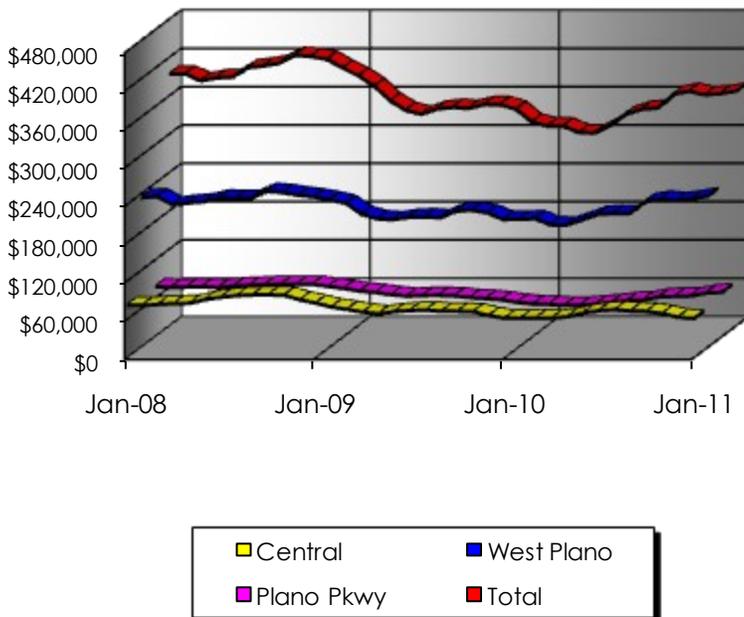


The actual water and sewer customer billing revenues in February were \$3,284,266 and \$4,140,684 representing an increase of 10.30% and a decrease of 3.93% respectively compared to February 2010 revenues. The aggregate water and sewer accounts netted \$7,424,950 for an increase of 1.88%.

February consumption brought annualized revenue of \$65,887,016 for water and \$51,618,520 for sewer, totaling \$117,505,537. This total represents an increase of 8.67% compared to last year's annualized revenue.

Figure VIII represents the annualized billing history of water and sewer revenues for February 2007 through February 2011.

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



January revenue from hotel/motel occupancy tax was \$367,922. This represents an increase of \$70,940 or 23.89% compared to January 2009. The average monthly revenue for the past six months was \$366,891, an increase of 17.51% from the previous year's average. The six-month average for the Central area decreased to \$61,533, the West Plano average increased to \$236,351, and the Plano Pkwy average increased to \$69,007 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.

# ECONOMIC ANALYSIS

## FEBRUARY 2011

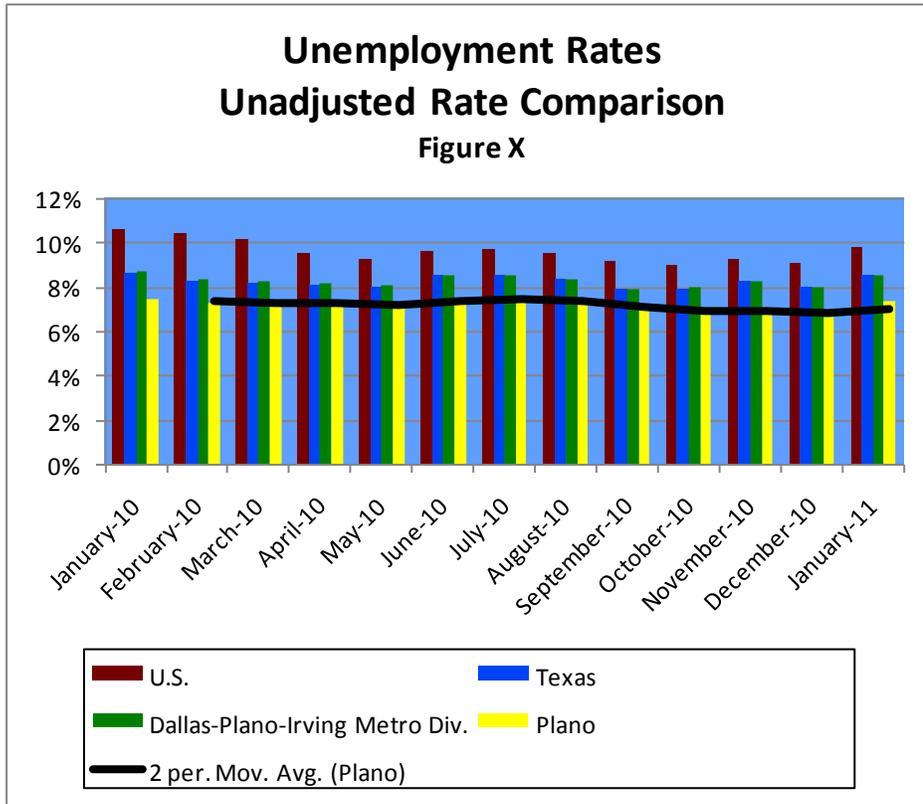


Figure X shows unadjusted unemployment rates based on the Bureau of Labor Statistics U.S. City Average, and Local Area Unemployment Statistics estimates for the State of Texas, the Dallas-Plano-Irving Metropolitan Division and the City of Plano from January 2010 to January 2011.

### Average Home Selling Price By City Figure XI

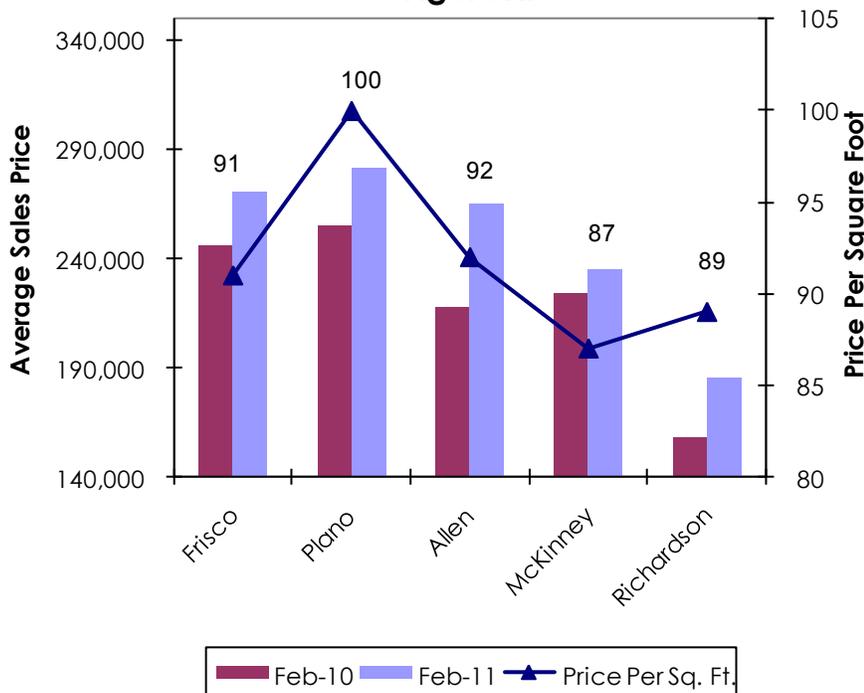


Figure XI shows the average home selling price for the months of February 2010 and February 2011 for the City of Plano and four area cities. The average price per square foot is also included for each city for the month of February 2011. The average sales price in Plano has increased \$27,155 from February 2010 at \$254,641 to February 2011 at \$281,796.

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

## FEBRUARY 2011

**Real Estate Recap**  
**Figure XII**

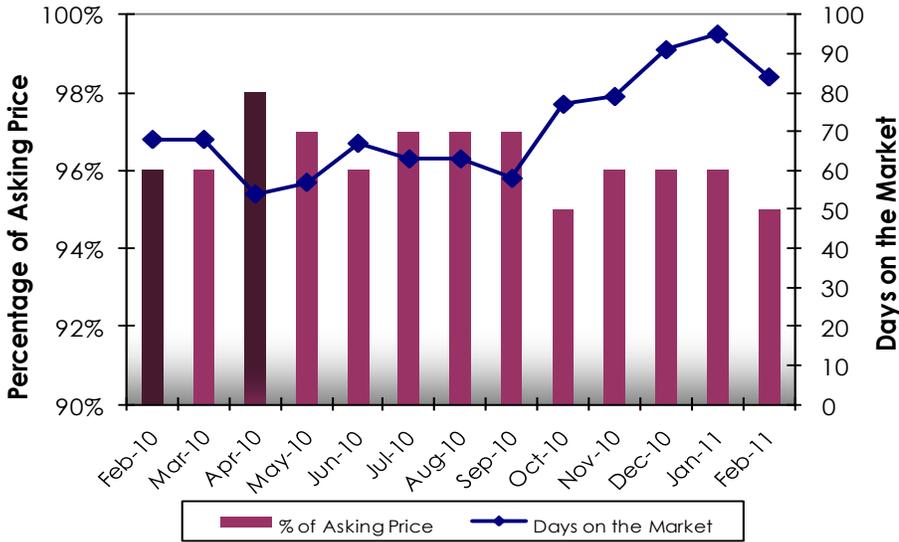


Figure XII represents the percentage of sales price to asking price for single family homes for the past year along with days on the market. The percentage of asking price decreased from February 2010 at 96% to February 2011 at 95%. Days on the market increased from 68 to 84 days in February 2010 and February 2011.



## **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

## FEBRUARY 2011

Interest received during February totaled \$231,266 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 increased throughout the month of February, starting at 0.61% and ending at 0.69%.

As of February 28, a total of \$403,503,270 was invested in the Treasury Fund. Of this amount, \$36,619,930 was General Obligation Bond Funds, \$7,908,091 was Municipal Drainage Revenue Bond Funds, and \$358,975,249 was in the remaining funds.

Metrics	Current Month Actual	Fiscal YTD	Prior Fiscal YTD	Prior Fiscal Year Total
Funds Invested (1)	\$53,087,062	\$141,891,806	\$17,983,000	\$305,438,014
Interest Received (2)	\$231,266	\$1,220,940	\$1,750,316	\$5,678,534
Weighted Average Maturity (in days) (3)	657		153	
Modified Duration (4)	1.74		0.46	
Average 2-Year T-Note Yield (5)	0.77%		0.86%	

\* 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 2011 to 2010 for the current month.

### Month-to-Month Comparison

Metrics	January 2011	February 2011	Difference
Portfolio Holding Period Yield	0.95%	1.06%	+0.11% (+11 Basis Points)
Average 2-Year T-Note Yield	0.61%	0.77%	+0.16% (+16 Basis Points)

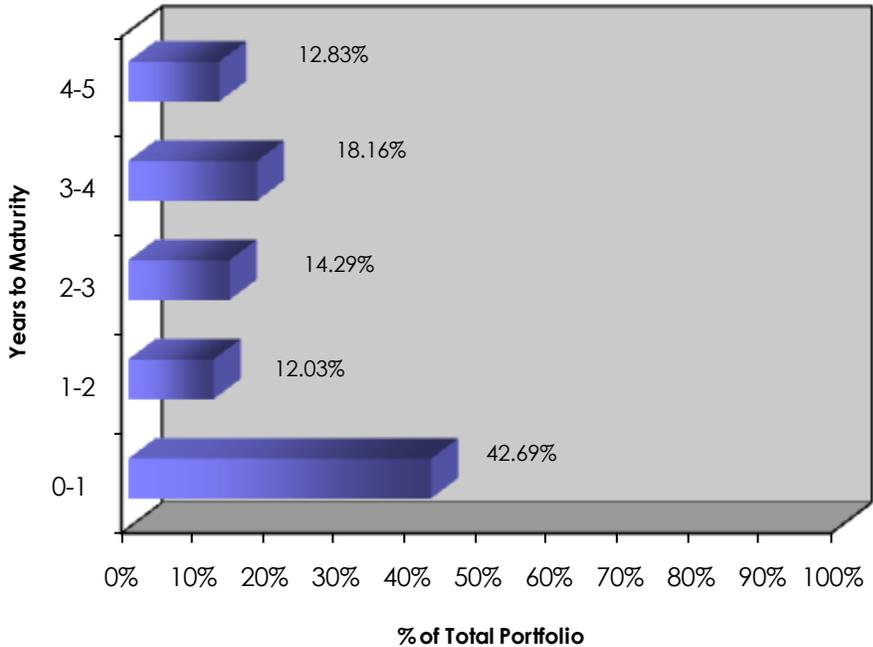
# INVESTMENT REPORT FEBRUARY 2011

## Portfolio Maturity Schedule

Figure I

Years to Maturity*	Book Value	% Total
0-1	\$181,722,770	42.69%
1-2	\$51,220,435	12.03%
2-3	\$60,809,790	14.29%
3-4	\$77,311,887	18.16%
4-5	\$54,588,267	12.83%
<b>Total</b>	<b>\$425,653,149</b>	<b>100.00%</b>

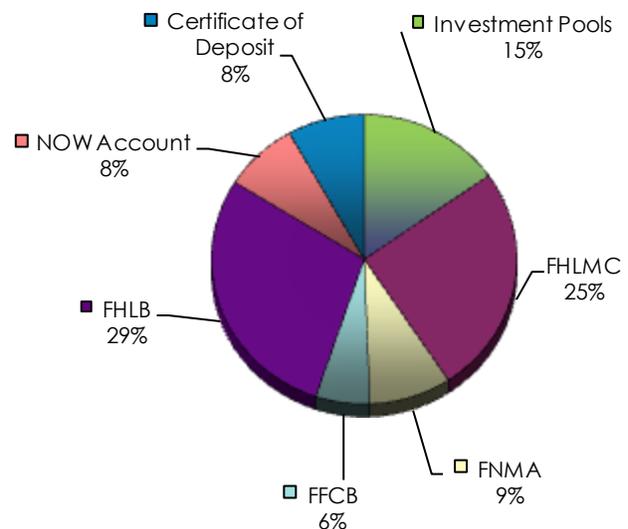
\*Does not take into consideration callable issues that can, if called, significantly shorten the Weighted Average Maturity.



## Portfolio Diversification

Figure II

Type	Book Value	% Total
Investment Pools	\$64,579,426	15.17%
FHLMC	108,715,988	25.54%
FNMA	37,012,428	8.70%
FFCB	24,447,648	5.74%
FHLB	122,467,686	28.77%
NOW Account	33,694,785	7.92%
Certificate of Deposit	34,735,188	8.16%
<b>Total</b>	<b>\$425,653,149</b>	<b>100.00%</b>



# INVESTMENT REPORT

## FEBRUARY 2011

### Allocated Interest/Fund Balance

Figure III

Fund	Beginning Fund	Allocated Interest		Ending Fund	% of
	Balance 2/28/11	Current Month	Fiscal Y-T-D	Balance 2/28/11	Total
General	85,414,018	90,519	54,037	85,504,537	21.19%
General Obligation Debt Services	42,578,504	44,783	33,167	42,623,287	10.56%
Street & Drainage Improvements	12,837,480	13,331	1,316	12,850,811	3.18%
Sewer CIP	11,332,485	13,422	(514)	11,345,907	2.81%
Capital Reserve	44,757,929	52,571	(560)	44,810,500	11.11%
Water & Sewer Operating	689,564	2,119	(6,095)	691,683	0.17%
Water & Sewer Debt Service	941,903	1,053	9	942,956	0.23%
Park Service Area Fees	4,652,835	5,496	(67)	4,658,331	1.15%
Property/ Liability Loss	4,081,183	4,753	785	4,085,936	1.01%
Information Services	6,907,682	8,584	(1,411)	6,916,266	1.71%
Equipment Replacement	13,229,949	15,365	2,713	13,245,314	3.28%
Developer's Escrow	2,676,638	3,164	532	2,679,802	0.66%
General Obligation Bond Funds	36,576,129	43,801	(176)	36,619,930	9.08%
Municipal Drainage Bond Clearing	7,898,712	9,379	(336)	7,908,091	1.96%
Grants - TXDOT	11,678,487	14,122	(669)	11,692,609	2.9%
Economic Development Incentive Fund	16,486,806	19,311	241	16,506,117	4.09%
Other	100,304,739	116,454	4,773	100,421,193	24.90%
<b>Total</b>	<b>403,045,043</b>	<b>458,227</b>	<b>87,745</b>	<b>403,503,270</b>	<b>100%</b>

Footnote: All City funds not restricted or held in trust are included in the Treasury Pool. As of February 28, 2011 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)	
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
July, 2010	368,086,371	1.09%	5	7	411	72
August, 2010	364,665,624	1.08%	3	2	409	73
September, 2010	330,224,105	1.11%	4	6	583	71
October, 2010	320,046,379	1.18%	6	2	759	75
November, 2010	318,660,783	1.16%	0	1	738	74
December, 2010	348,897,264	1.07%	3	2	670	75
January, 2011	389,343,109	0.95%	2	1	571	76
February, 2011	425,653,149	1.06%	5	2	657	79

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

# INVESTMENT REPORT FEBRUARY 2011

## Equity in Treasury Pool By Major Category Figure V

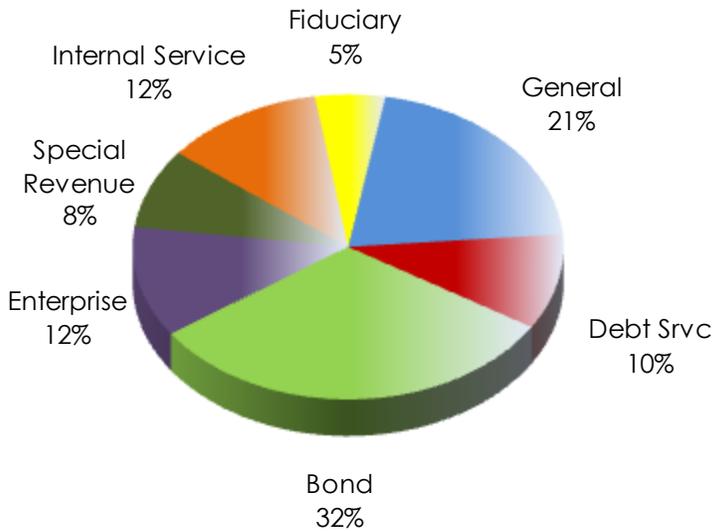


Figure V shows a breakdown of the various sources of funds for the City's Treasury Pool as of February 28, 2011. The largest category is the Bond Funds in the amount of \$132,713,092. Closest behind is the General Fund with \$87,908,105, and the Internal Service Funds with a total of \$50,454,643.

## Annualized Average Portfolio Figure VI

The annualized average portfolio for February 28, 2011 was \$365,470,925. This is an increase of \$24,658,774 when compared to the February 2010 average of \$340,812,150.

