



CITY OF DICKINSON

FY2016-2017

QUARTERLY INVESTMENT AND FINANCIAL REPORT

PERIOD ENDING JUNE 30, 2017

**City of Dickinson
Investment Report
For the Period Ended June 30, 2017**

The City invests cash that is not immediately needed for operations in Certificates of Deposit, TexPool, and Securities issued by Agencies of the Federal Government as allowed by the Public Funds Investment Act and the City's Investment Policy.

As of June 30, 2017, the City's cash and investments were as follows:

| Investment Category | Book Value | Percentage | Weighted Average Maturity (Days) |
|-------------------------|---------------------|----------------|----------------------------------|
| Cash in Demand Accounts | \$ 7,323,237 | 85.71% | 0.99 |
| Government Pools | \$ 1,220,926 | 14.29% | 1.00 |
| Certificates of Deposit | \$ - | 0.00% | 0.00 |
| TOTAL | \$ 8,544,163 | 100.00% | 0.99 |

The portfolio is highly liquid with \$7,323,237 or 85.71% available immediately.

Interest rates on investments range from 0.03% to 0.35%. These rates are historic lows leading to a recommendation to keep the portfolio liquid for the coming 3 months. This strategy is being implemented by moving money to the City's new depository bank, Capital One, which currently has the greatest return rates. Additionally, staff continues a review of accounts to evaluate the distribution of accounts and types of accounts being held by the City.

Compliance: The City requires its depository banks to provide collateral for all deposits in excess of Federal Deposit Insurance. As of June 30, 2017, the market value of collateral pledged to the City by Capital One through the Bank of New York Mellon was \$8,193,824.85.

Market Value: The City currently holds no investments in which the book value differs from the market value. For all holdings, the book value is equal to the market value.

**FY 2017 Third Quarter Investment Report
Period Ended June 30, 2017**

| G/L Account | Description | Book Value | Current Interest Rate | Yield to Maturity | Maturity Date | Days to Maturity | Beginning Market Value for Period | Changes to Market Value | Ending Market Value for Period | Interest Paid YTD |
|--|----------------------------------|---------------------|-----------------------|-------------------|---------------|------------------|-----------------------------------|-------------------------|--------------------------------|-------------------|
| Cash in Demand Accounts | | | | | | | | | | |
| 99-1120 | Capital 1 - Operating Acct | \$ 5,442,137 | 0.35% | 0.35% | Demand | 1 | \$ 6,049,859 | \$ (607,722) | \$ 5,442,137 | \$ 9,994 |
| 01-1121 | Capital 1 - Supplemental Acct | \$ 222,416 | 0.35% | 0.35% | Demand | 1 | \$ 96,880 | \$ 125,535 | \$ 222,416 | \$ 2,402 |
| 15-1120 | Capital 1 - PID#1 Acct | \$ 62,836 | 0.35% | 0.35% | Demand | 1 | \$ 282,602 | \$ (219,766) | \$ 62,836 | \$ 200 |
| 02-1270 | Capital 1 - Debt Service | \$ 70,652 | 0.35% | 0.35% | Demand | 1 | \$ 74,063 | \$ (3,411) | \$ 70,652 | \$ 220 |
| 03-1255 | Capital 1 - State Narcotics | \$ 6,931 | 0.35% | 0.35% | Demand | 1 | \$ 5,423 | \$ 1,508 | \$ 6,931 | \$ - |
| 03-1256 | Capital 1 - Awarded Fed. Seized | \$ 173,823 | 0.35% | 0.35% | Demand | 1 | \$ 118,152 | \$ 55,671 | \$ 173,823 | \$ 185 |
| 03-1258 | Capital 1 - Awarded State Seized | \$ 13,411 | 0.35% | 0.35% | Demand | 1 | \$ 13,411 | \$ - | \$ 13,411 | \$ - |
| 01-1288 | Capital 1 - Employee Ben. Trust | \$ 100,000 | 0.35% | 0.35% | Demand | 1 | \$ 100,000 | \$ - | \$ 100,000 | \$ 117 |
| 08-1120 | Capital 1 - Street Maintenance | \$ 1,178,640 | 0.35% | 0.35% | Demand | 1 | \$ 993,249 | \$ 185,390 | \$ 1,178,640 | \$ 2,652 |
| 01-1271 | Regions - Money Market Acct | \$ - | 0.15% | 0.15% | Demand | 1 | \$ 200,932 | \$ (200,932) | \$ - | \$ 67 |
| 44-1120 | Regions - RWB Account | \$ - | 0.00% | 0.00% | Demand | 1 | \$ 10,235 | \$ (10,235) | \$ - | \$ - |
| 44-1121 | Texas First - RWB Account | \$ 52,392 | 0.00% | 0.00% | Demand | 1 | \$ - | \$ 52,392 | \$ 52,392 | \$ - |
| Total Cash in Demand Accounts | | \$ 7,323,237 | | | | | \$ 7,944,805 | \$ (621,569) | \$ 7,323,237 | \$ 15,838 |
| Invested in Government Pools | | | | | | | | | | |
| 01-1259 | TexPool - General Fund | \$ 1,220,926 | 0.03% | 0.03% | Demand | 1 | \$ 1,218,533 | \$ 2,394 | \$ 1,220,926 | \$ 5,381 |
| Total Invested in Government Pools | | \$ 1,220,926 | | | | | \$ 1,218,533 | \$ 2,394 | \$ 1,220,926 | \$ 5,381 |
| Invested in Certificates of Deposit | | | | | | | | | | |
| 01-1269 | AMOCO Federal Credit Union | \$ - | 0.00% | 0.00% | Matured | 0 | \$ - | \$ - | \$ - | \$ - |
| 01-1264 | Texas First Bank | \$ - | 0.00% | 0.00% | Matured | 0 | \$ - | \$ - | \$ - | \$ - |
| Total Invested in Certificates of Deposit | | \$ - | | | | | \$ - | \$ - | \$ - | \$ - |
| TOTAL ALL INVESTMENTS | | \$ 8,544,163 | | | | | \$ 9,163,338 | \$ (619,175) | \$ 8,544,163 | \$ 21,219 |

| Investment Category | Book Value | Percentage | Weighted Average Maturity (Days) |
|-------------------------|---------------------|----------------|----------------------------------|
| Cash in Demand Accounts | \$ 7,323,237 | 85.71% | 0.99 |
| Government Pools | \$ 1,220,926 | 14.29% | 1.00 |
| Certificates of Deposit | \$ - | 0.00% | 0.00 |
| TOTAL | \$ 8,544,163 | 100.00% | 0.99 |

Investment schedules presented per the provisions of the Texas Code Chapter 2256 (Public Funds Investment Act) and the City of Dickinson Investment Policy

The City requires its depository banks to provide collateral for all deposits in excess of Federal Deposit Insurance. As of June 30, 2017, the market value of collateral pledged to the City was \$8,193,824.85 pledged by Capital One.

Unrealized gain/loss is the difference between the market value of the City's securities and what it paid for them. Gains and losses are realized only when a security is sold prior to maturity. Since it is the City's practice to hold all securities to maturity, it is unlikely that unrealized gains and losses will be realized. As of June 30, 2017, the City had no unrealized gains or losses.

In view of historically low interest rates, the recommended investment strategy for the next fiscal quarter is to invest primarily in shorter term Certificates, Bonds and Investment Pools. The recommended strategy is currently being implemented.

Stephanie Russell

Prepared by: Stephanie Russell, Assistant City Administrator/CFO & Investment Officer

CITY OF DICKINSON
STATEMENT OF NET REVENUES - GENERAL FUND
Fiscal Year 2017 Third Quarter
Period Ending: June 30, 2017

| | FY 2017 Original Budget | FY 2017 Actuals As Of* 06/30/17 | FY 2017 Over/(Under) Budget | FY 2017 % Realized |
|-----------------------------|-------------------------------|---------------------------------------|-----------------------------------|-----------------------|
| REVENUES | | | | |
| Sales Tax | 6,052,398 | 5,017,366 | (1,035,032) | 83% |
| Ad Valorem (Property) Tax | 3,102,451 | 3,018,326 | (84,125) | 97% |
| Other Taxes | 45,600 | 44,093 | (1,507) | 97% |
| Franchise Fees | 1,049,200 | 777,830 | (271,370) | 74% |
| Licenses & Permits | 289,700 | 304,537 | 14,837 | 105% |
| Court Fines & Fees | 724,000 | 629,341 | (94,659) | 87% |
| Charges for Service | 400,000 | 333,405 | (66,595) | 83% |
| Miscellaneous Income | 37,600 | 32,668 | (4,932) | 87% |
| Interest Income | 14,000 | 17,868 | 3,868 | 128% |
| Intergovernmental Income | | | | |
| Bullet Proof Vest Grant | - | 4,350 | 4,350 | 0% |
| Dickinson Edu. Finance Corp | - | 25,000 | 25,000 | 0% |
| Contract for Jail Services | 9,000 | 12,480 | 3,480 | 139% |
| Ambulance DHS Football | 2,250 | 450 | (1,800) | 20% |
| Transfer From DEDC | 317,991 | 136,834 | (181,157) | 43% |
| Transfer From DMD #1 | 563,865 | 90,276 | (473,589) | 16% |
| Transfer from BAS | 197,033 | 87,374 | (109,659) | 44% |
| Emergency Service Co. Fee | 156,000 | 94,500 | (61,500) | 61% |
| Transfers & Other Sources | | | | |
| Transfer From PID#1 | 15,000 | - | (15,000) | 0% |
| TOTAL REVENUES | 12,976,088 | 10,626,699 | (2,349,389) | |

CITY OF DICKINSON
STATEMENT OF NET REVENUES - GENERAL FUND
Fiscal Year 2017 Third Quarter
Period Ending: June 30, 2017

| | FY 2017 Original Budget | FY 2017 Actuals As Of* 06/30/17 | FY 2017 Over/(Under) Budget | FY 2017 % Realized |
|-------------------------------|-------------------------------|---------------------------------------|-----------------------------------|-----------------------|
| EXPENDITURES | | | | |
| Administration | 531,965 | 361,200 | (170,765) | 68% |
| Finance | 243,818 | 189,394 | (54,424) | 78% |
| Community Development | 503,983 | 332,187 | (171,796) | 66% |
| Municipal Court | 317,722 | 232,990 | (84,732) | 73% |
| Police Department | 4,039,251 | 2,808,271 | (1,230,980) | 70% |
| Fire Marshal | 204,391 | 138,151 | (66,240) | 68% |
| Emergency Management | 117,583 | 77,904 | (39,679) | 66% |
| Public Works | 624,153 | 417,040 | (207,113) | 67% |
| Information Technology | 324,709 | 267,021 | (57,688) | 82% |
| Library | 417,255 | 231,701 | (185,554) | 56% |
| Tourism | 232,320 | 86,674 | (145,646) | 37% |
| Animal Services | 197,033 | 135,970 | (61,063) | 69% |
| EMS | 1,011,747 | 704,355 | (307,392) | 70% |
| City-Wide Services | | | | |
| 380 Grant Payments | 3,443,000 | 2,222,503 | (1,220,497) | 65% |
| Other Contractual Payments | 719,996 | 626,541 | (93,455) | 87% |
| TOTAL EXPENDITURES | 12,928,926 | 8,831,902 | (4,097,024) | |
| REVENUE-EXPENDITURES | 47,162 | 1,794,797 | 1,747,635 | |
| BEGINNING FUND BALANCE | 4,816,591 | 4,649,979 | | |
| Transfer to Other Funds* | - | 5,484 | | |
| ENDING FUND BALANCE | 4,863,753 | 6,450,260 | | |

CITY OF DICKINSON
STATEMENT OF NET REVENUES - OTHER FUNDS
Fiscal Year 2017 Third Quarter
Period Ending: June 30, 2017

| | FY 2017 Original Budget | FY 2017 Actuals As Of* 06/30/17 | FY 2017 Over/(Under) Budget | FY 2017 % Realized |
|--|-------------------------------|---------------------------------------|-----------------------------------|-----------------------|
| DEBT SERVICE FUND | | | | |
| REVENUES | | | | |
| Property Tax | 712,445 | 693,267 | (19,178) | 97% |
| Interest Income | 500 | 513 | 13 | 103% |
| Transfers & Other Contributions | | | | |
| Transfer from GF Reserve | 450 | - | (450) | 0% |
| DEDC | 68,980 | 68,980 | - | 100% |
| WCID #1 Contribution | 86,965 | 86,964 | (1) | 100% |
| TOTAL REVENUES | \$ 869,340 | \$ 849,724 | \$ (19,616) | |
| EXPENDITURES | | | | |
| Issue Cost & Cont. Disclosure | 5,750 | 3,500 | (2,250) | 61% |
| Principal | | | | |
| 2009 GO Refund | 120,000 | 120,000 | - | 100% |
| 2014 GO Refund | 475,000 | 475,000 | - | 100% |
| Interest | | | | |
| 2009 GO Refund | 50,695 | 36,610 | (14,085) | 72% |
| 2009 CO | 71,120 | 25,348 | (45,773) | 36% |
| 2014 GO Refund | 146,775 | 75,763 | (71,013) | 52% |
| TOTAL EXPENDITURES | 869,340 | 736,220 | (133,120) | |
| NET REVENUES | \$ - | \$ 113,504 | \$ 113,504 | |
| MUNICIPAL DRAINAGE UTILITY FUND | | | | |
| REVENUES | | | | |
| Deferred Revenue | - | 182,741 | 182,741 | 100% |
| Delinquent Drainage Fees | - | 56,483 | 56,483 | 100% |
| Resident Drainage | 250,000 | - | (250,000) | 0% |
| Commercial Drainage | 45,000 | - | (45,000) | 0% |
| Multi-Family/Mobile Home | 43,000 | - | (43,000) | 0% |
| TOTAL REVENUES | \$ 338,000 | \$ 239,224 | \$ (98,776) | |
| EXPENDITURES | | | | |
| Salaries & Benefits | 211,239 | 152,171 | (59,068) | 72% |
| Other Operating Expenses | 132,102 | 42,054 | (90,048) | 32% |
| 2017 Projects: | | | | |
| FM 517 (Hot Spot #1) | 18,000 | - | (18,000) | 0% |
| TOTAL EXPENDITURES | \$ 361,341 | \$ 194,224 | \$ (167,117) | |
| NET REVENUES | \$ (23,341) | \$ 45,000 | \$ 68,341 | |

CITY OF DICKINSON
STATEMENT OF NET REVENUES - OTHER FUNDS
Fiscal Year 2017 Third Quarter
Period Ending: June 30, 2017

| | FY 2017 Original Budget | FY 2017 Actuals As Of* 06/30/17 | FY 2017 Over/(Under) Budget | FY 2017 % Realized |
|--------------------------------|-------------------------------|---------------------------------------|-----------------------------------|-----------------------|
| STREET MAINTENANCE FUND | | | | |
| REVENUES | | | | |
| Street Maintenance Sales Tax | 1,513,100 | 1,254,342 | (258,758) | 83% |
| Interest Income | 1,000 | 2,652 | 1,652 | 265% |
| TOTAL REVENUES | \$ 1,514,100 | \$ 1,256,994 | \$ (257,106) | |
| EXPENDITURES | | | | |
| Street Repair/Patch | 100,000 | 246,145 | 146,145 | 246% |
| Legal Notices | 1,000 | - | (1,000) | 0% |
| Projects | | | | |
| 33rd Street | - | 3,813 | 3,813 | 0% |
| 28th Street (W of HWY 3) | - | 486 | 486 | 0% |
| Oleander (Palm to Bridge) | - | 304 | 304 | 0% |
| Greenbriar Street | - | 121,596 | 121,596 | 0% |
| 35th (E. of Kansas) | 626,282 | 366,206 | (260,076) | 58% |
| Nebraska | 193,287 | 5,170 | (188,117) | 3% |
| Hollywood | 269,044 | 93,988 | (175,056) | 35% |
| Gill Road | 284,242 | 36,841 | (247,401) | 13% |
| Johnson Street | 179,497 | 7,069 | (172,428) | 4% |
| Mariner's | 178,246 | 107,228 | (71,018) | 60% |
| Pine Oak Circle | 152,132 | 18,817 | (133,315) | 12% |
| Winding Way | 390,816 | 30,498 | (360,318) | 8% |
| Pine Ln. | 91,190 | 7,116 | (84,074) | 8% |
| Timber Ln. | 65,136 | 5,083 | (60,053) | 8% |
| Chicago St. | 195,408 | 15,249 | (180,159) | 8% |
| Holly Dr. | 205,178 | 27,775 | (177,403) | 14% |
| Woodlawn | 130,272 | 10,166 | (120,106) | 8% |
| Benson St. | 117,245 | 9,149 | (108,096) | 8% |
| TOTAL EXPENDITURES | \$ 3,178,975 | \$ 1,112,700 | \$ (2,066,275) | |
| NET REVENUES | \$ (1,664,875) | \$ 144,294 | \$ 1,809,169 | |

CITY OF DICKINSON
STATEMENT OF NET REVENUES - OTHER FUNDS
Fiscal Year 2017 Third Quarter
Period Ending: June 30, 2017

| | FY 2017 Original Budget | FY 2017 Actuals As Of* 06/30/17 | FY 2017 Over/(Under) Budget | FY 2017 % Realized |
|--|-------------------------------|---------------------------------------|-----------------------------------|-----------------------|
| BAYOU LAKES PUBLIC IMPROVEMENT DISTRICT NO. 1 | | | | |
| REVENUES | | | | |
| Pentalty & Interest | 2,700 | 1,096 | (1,604) | 41% |
| Assessments | 260,000 | 283,720 | 23,720 | 109% |
| Attorney Fees | 1,200 | 192 | (1,008) | 16% |
| Refunds | 5,400 | - | (5,400) | 0% |
| Interest Income | 300 | - | (300) | 0% |
| TOTAL REVENUES | \$ 269,600 | \$ 285,008 | \$ 15,408 | |
| EXPENDITURES | | | | |
| Audit & CAFR | 3,600 | - | (3,600) | 0% |
| Collection Fees | 7,500 | 7,800 | 300 | 104% |
| Advertising & Legal Fees | - | 2,841 | 2,841 | 0% |
| Developer Reimbursement | 230,000 | 226,910 | (3,090) | 99% |
| Tax Refunds to Homeowners | 6,700 | - | (6,700) | 0% |
| Transfer to General Fund | 15,000 | - | (15,000) | 0% |
| TOTAL EXPENDITURES | \$ 262,800 | \$ 237,551 | \$ (25,249) | |
| NET REVENUES | \$ 6,800 | \$ 47,457 | \$ 40,657 | |
| VEHICLE EQUIPMENT RECPLACEMENT FUND | | | | |
| REVENUES | | | | |
| Transfer in from DMD #1 | 355,600 | - | (355,600) | 0% |
| Auction Proceeds | - | 15,473 | 15,473 | 0% |
| TOTAL REVENUES | \$ 355,600 | \$ 15,473 | \$ (340,127) | |
| EXPENDITURES | | | | |
| Furniture & Equipment | | | | |
| Public Works | 300,000 | 310,214 | 10,214 | 103% |
| Drainage | 70,000 | - | (70,000) | 0% |
| Police Department | 49,035 | 45,334 | (3,701) | 92% |
| EMS | 51,600 | 4,695 | (46,905) | 9% |
| City Wide | - | 30,436 | 30,436 | 0% |
| Vehicle Acquisition | | | | |
| Law Enforcement | 180,000 | 150,924 | (29,076) | 84% |
| Fire Marshal | 32,000 | 31,989 | (11) | 100% |
| EMS | 184,000 | - | (184,000) | 0% |
| TOTAL EXPENDITURES | \$ 866,635 | \$ 573,593 | \$ (293,042) | |
| NET REVENUES | \$ (511,035) | \$ (558,119) | \$ (477,042) | |

CITY OF DICKINSON
STATEMENT OF NET REVENUES - OTHER FUNDS
Fiscal Year 2017 Third Quarter
Period Ending: June 30, 2017

| | FY 2017 Original Budget | FY 2017 Actuals As Of* 06/30/17 | FY 2017 Over/(Under) Budget | FY 2017 % Realized |
|-----------------------------------|-------------------------------|---------------------------------------|-----------------------------------|-----------------------|
| BUILDING MAINTENANCE FUND | | | | |
| REVENUES | | | | |
| Transfer from General Fund | - | - | - | 0% |
| TOTAL REVENUES | \$ - | \$ - | \$ - | |
| EXPENDITURES | | | | |
| City Hall Repairs | - | 1,025 | 1,025 | 0% |
| Public Safety Building Repairs | 54,000 | - | (54,000) | 0% |
| Public Works Repairs | - | 5,280 | 5,280 | 0% |
| Library Repairs | - | 2,100 | 2,100 | 0% |
| Central Fire Station Repairs | - | 1,488 | 1,488 | 0% |
| Public Safety Building Renovation | - | - | - | 0% |
| Maintenance Bldg Upgrades | - | 2,945 | 2,945 | 0% |
| New Metal Building at PW | - | 1,238 | 1,238 | 0% |
| Marquee Sign for Central FS | 60,000 | - | (60,000) | 0% |
| TOTAL EXPENDITURES | \$ 114,000 | \$ 14,077 | \$ (99,923) | |
| NET REVENUES | \$ (114,000) | \$ (14,077) | \$ 99,923 | |
| SPECIAL REVENUE FUNDS | | | | |
| REVENUES | | | | |
| Other Taxes | 32,000 | 17,100 | (14,900) | 53% |
| Court Fines & Fees | 32,020 | 26,203 | (5,817) | 82% |
| Miscellaneous Income | - | 185 | 185 | 0% |
| Intergovernmental Income | 49,976 | 213,802 | 163,826 | 428% |
| Transfers & Other Sources | 20,651 | 5,484 | (15,167) | 27% |
| TOTAL REVENUES | \$ 134,647 | \$ 262,775 | \$ 128,128 | |
| EXPENDITURES | | | | |
| Miscellaneous Grants | 3,500 | 4,678 | 1,178 | 134% |
| Child Safety | - | 1,933 | 1,933 | 0% |
| Court Efficiency | 5,096 | 2,394 | (2,702) | 47% |
| Court Security | 14,285 | 6,909 | (7,376) | 48% |
| Court Technology | 18,100 | 9,447 | (8,653) | 52% |
| Federal Seized | 48,100 | 76,982 | 28,882 | 160% |
| State Seized/Narcotics | - | 1,854 | 1,854 | 0% |
| Library Grant Fund | - | - | - | 0% |
| Library Trust Fund | 17,100 | 2,140 | (14,960) | 13% |
| VOCA Grant | 70,627 | 32,637 | (37,990) | 46% |
| Hotel/Motel Tax Fund | 20,770 | 14,254 | (6,516) | 69% |
| TOTAL EXPENDITURES | \$ 197,578 | \$ 153,227 | \$ (44,351) | |
| NET REVENUES | \$ (62,931) | \$ 109,548 | \$ 172,479 | |