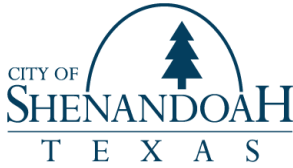


COUNCIL MONTHLY REPORT



DEPARTMENT: FINANCE

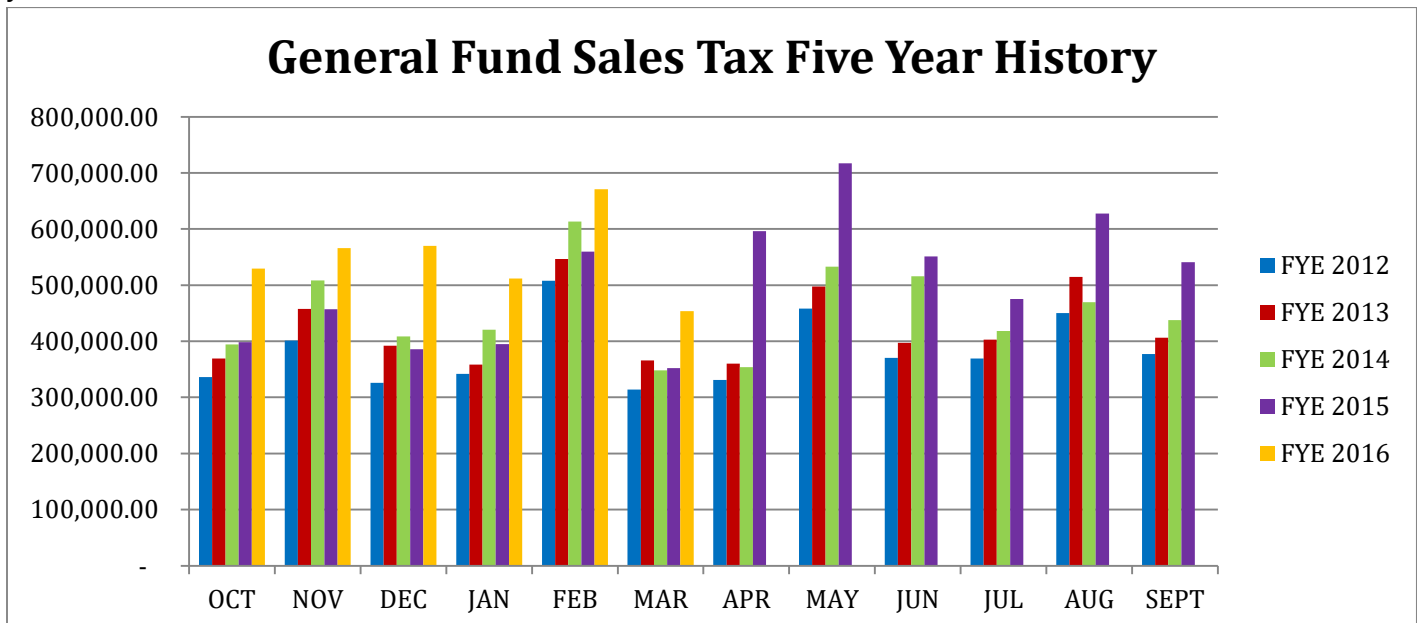
MONTH: FEBRUARY 2016

REVENUE

Sales tax receipts received in January, reported in March, are up 29% over the same month in 2015 (validity of this information has yet to be confirmed). The table below shows a comparison of sales tax receipts over five years: FY 2011-2012 to FY 2015-2016. Decreases from the previous year are shown in red.

General Fund Sales Tax - 5 Year Comparison					
	Sales Tax FY 2011-2012	Sales Tax FY 2012-2013	Sales Tax FY 2013-2014	Sales Tax FY 2014-2015	Sales Tax FY 2015-2016
OCT	335,941.10	369,391.25	394,342.33	398,463.01	529,234.52
NOV	401,363.89	457,850.00	508,617.69	456,877.76	566,140.52
DEC	325,973.71	392,284.71	408,659.61	385,601.00	569,854.76
JAN	341,632.69	358,544.76	420,523.80	395,068.35	511,995.45
FEB	507,880.23	546,714.39	613,223.58	559,795.01	670,777.67
MAR	314,160.92	366,007.27	348,002.56	351,977.96	453,860.55
APR	331,142.00	360,029.06	353,675.15	596,287.50	
MAY	458,102.64	497,834.09	532,982.48	716,952.48	
JUN	370,140.70	397,331.40	515,915.97	551,161.85	
JUL	369,186.72	403,084.53	418,467.34	475,396.14	
AUG	450,124.00	514,693.41	469,711.82	627,396.71	
SEPT	377,431.82	406,130.59	437,844.65	541,138.70	
TOTAL	4,583,080.42	5,069,895.46	5,421,966.98	6,056,116.47	3,301,863.47

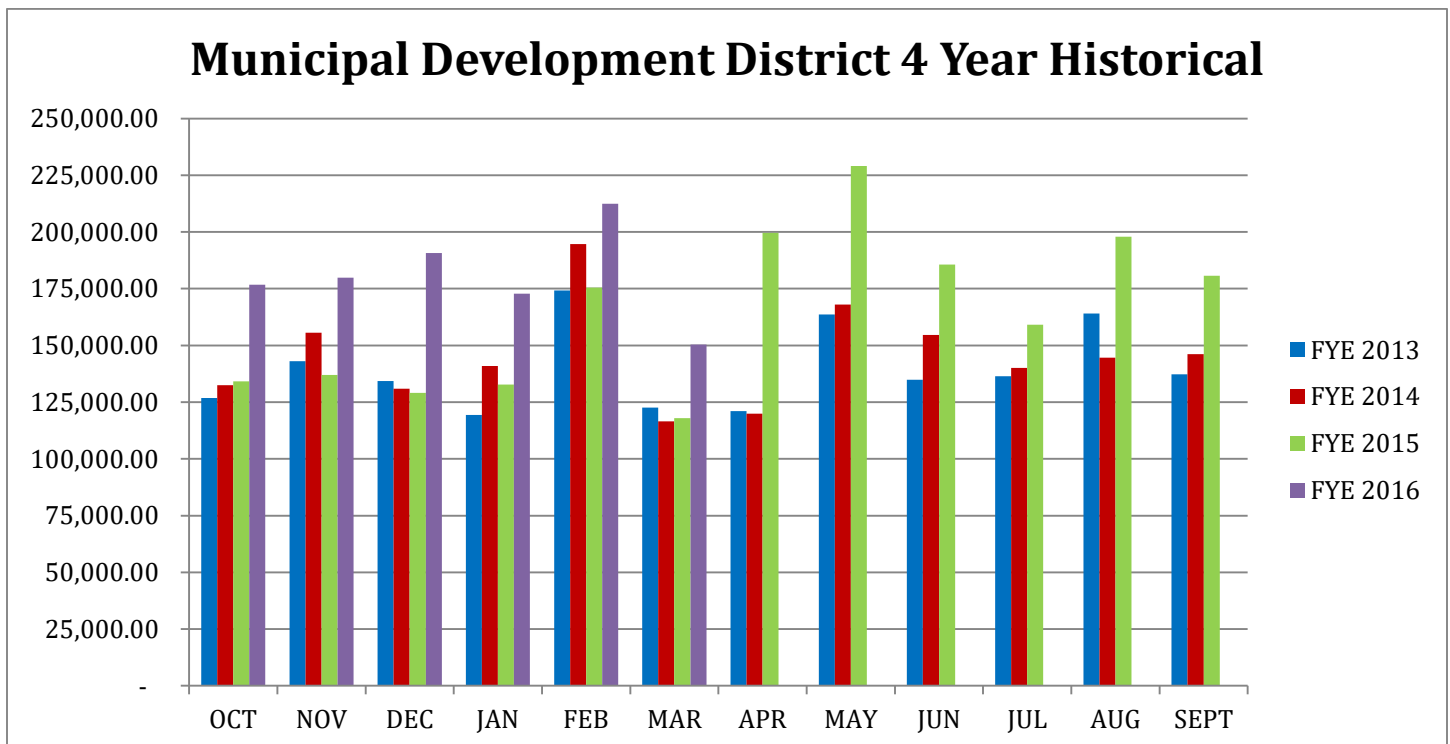
The chart below plots a five year history of sales tax revenue from the 2011-2012 fiscal year to the current fiscal year.



For the Shenandoah Municipal Development District sales tax receipts received in January, reported in March are up 21.59% over the same month in 2015. The validity of this information has not been confirmed. The table below shows a four year history. Decreases from the previous year are shown in red.

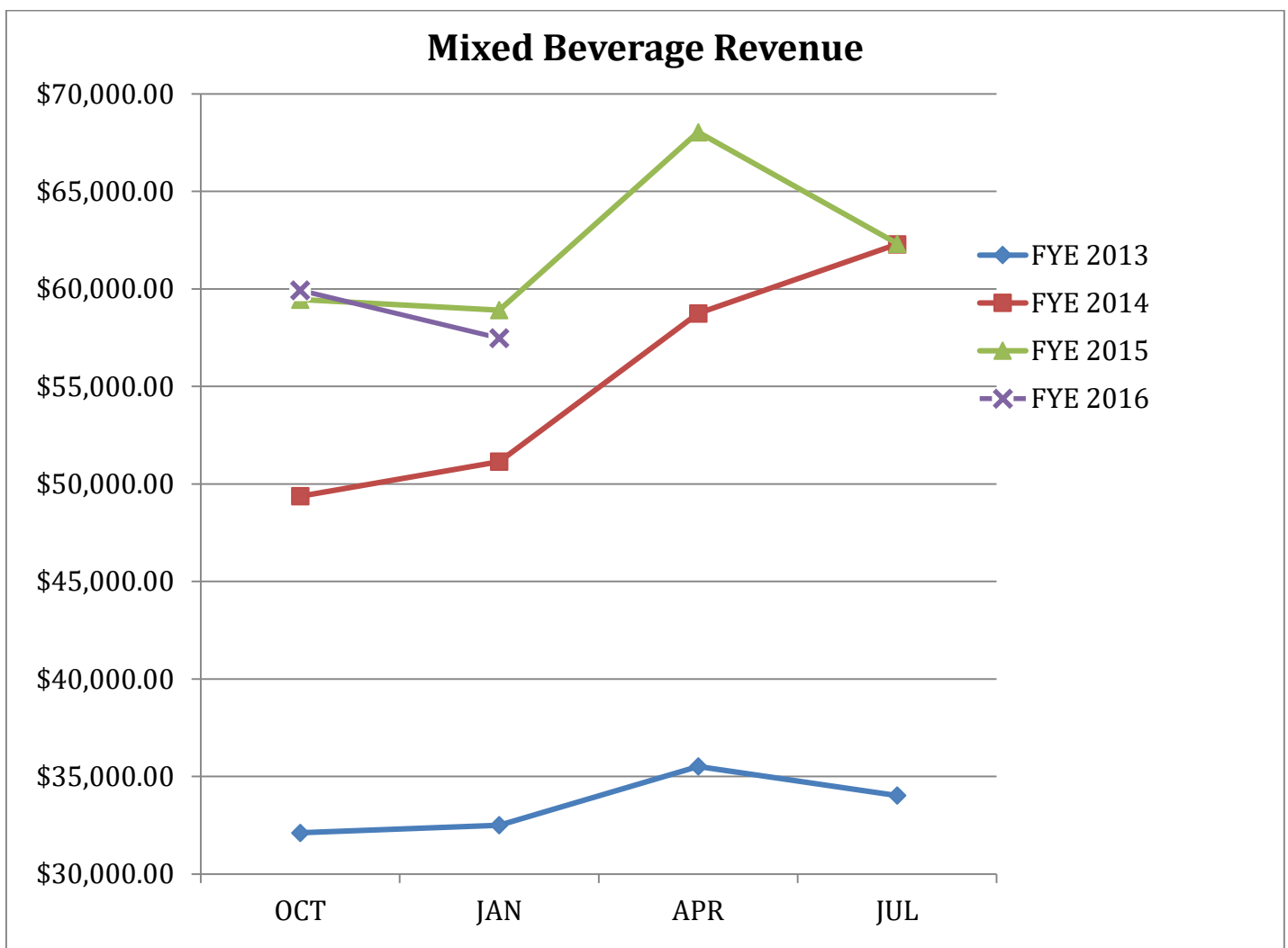
Municipal Development District Sales Tax Report				
	Sales Tax FY 2012-2013	Sales Tax FY 2013-2014	Sales Tax FY 2014-2015	Sales Tax FY 2015-2016
OCT	126,891.50	132,531.91	134,121.98	176,792.05
NOV	143,100.77	155,593.35	137,039.48	179,873.46
DEC	134,331.77	130,963.08	129,069.45	190,743.79
JAN	119,334.34	140,870.35	132,715.53	172,779.54
FEB	174,244.21	194,711.99	175,420.84	212,442.67
MAR	122,620.90	116,577.23	117,910.59	150,369.51
APR	121,105.17	119,859.74	199,614.21	
MAY	163,670.43	167,939.73	229,109.08	
JUN	134,934.74	154,665.14	185,611.00	
JUL	136,413.94	140,109.37	159,123.20	
AUG	164,059.76	144,599.73	197,857.45	
SEPT	137,281.10	146,173.09	180,695.27	
TOTAL	1,677,988.63	1,744,594.71	1,797,592.81	1,083,001.02

The chart below plots a four year history of MDD sales tax revenue from the 2012-2013 fiscal year to the current fiscal year.



Mixed Beverage tax receipts received in January for October through December 2015 are detailed below. When looking at the historical data, the City received the lowest amount of tax revenue during FY 2012-2013 due to the adjustment in tax allocation by the state.

Mixed Beverage Revenue				
	FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016
OCT	\$32,110.43	\$49,367.66	\$59,453.27	\$59,926.12
JAN	\$32,504.04	\$51,138.78	\$58,912.43	\$57,476.93
APR	\$35,517.19	\$58,740.02	\$68,036.47	
JUL	\$34,020.48	\$62,287.56	\$62,318.74	
Total	\$134,152.14	\$221,534.02	\$248,720.91	\$117,403.05

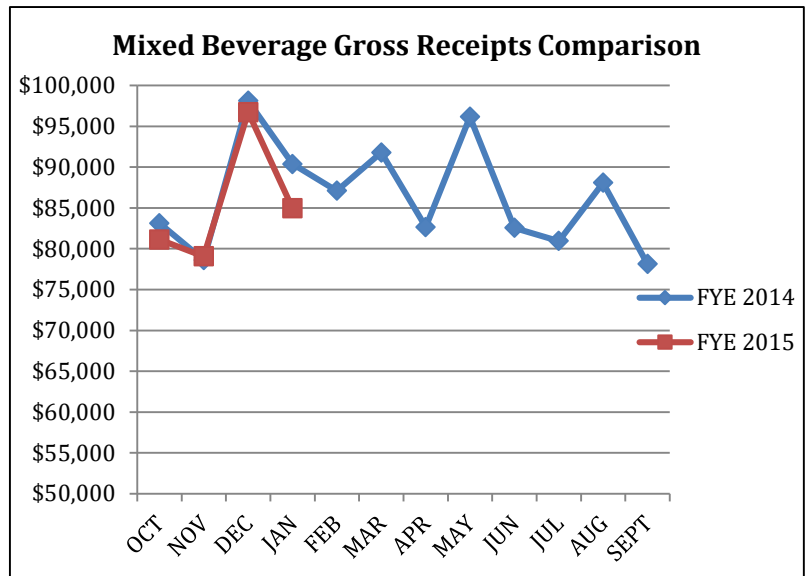


The State Comptroller will continue to publish Mixed Beverage Gross Receipts tax receipts for individual permit holders, however, it will not do the same for Mixed Beverage Sales tax receipts. Gross Receipts for January, reported in February, were \$84,946.58. The table shows that Twin Peaks receives a significant amount of mixed beverage sales receipts over the City's previous top producer, Pappadeaux Seafood. Out of the 25 restaurants listed, nine had an increase over the same month last year.

Mixed Beverage Monthly Sales Revenue by Vendor				
	QUARTER 2 FYE 2015		QUARTER 2 FYE 2016	
	JAN	TOTAL	JAN	TOTAL
TWIN PEAKS	\$14,502.08	\$14,502.08	\$15,246.58	\$15,246.58
PAPPADEAUX	\$10,474.78	\$10,474.78	\$10,073.45	\$10,073.45
BJ'S	\$7,302.86	\$7,302.86	\$5,700.02	\$5,700.02
GUADALAJARA	\$6,271.20	\$6,271.20	\$6,113.34	\$6,113.34
BUFFALO WILD WINGS	\$5,684.74	\$5,684.74	\$4,345.55	\$4,345.55
MAIN EVENT	\$5,826.32	\$5,826.32	\$5,328.17	\$5,328.17
LUPE TORTILLA	\$4,758.47	\$4,758.47	\$5,152.16	\$5,152.16
CHUY'S	\$3,689.89	\$3,689.89	\$3,745.83	\$3,745.83
SALTGRASS STEAKHOUSE #18	\$4,317.07	\$4,317.07	\$3,784.36	\$3,784.36
BOB'S STEAK & CHOP HOUSE	\$6,569.61	\$6,569.61	\$5,822.83	\$5,822.83
BABIN'S SEAFOOD HOUSE # 3	\$2,196.72	\$2,196.72	\$2,077.80	\$2,077.80
FIELDING'S WOOD GRILL	\$4,424.94	\$4,424.94	\$3,989.85	\$3,989.85
HOOTERS	\$1,882.36	\$1,882.36	\$1,786.42	\$1,786.42
OUTBACK STEAKHOUSE	\$1,678.75	\$1,678.75	\$1,641.70	\$1,641.70
BUCA DE BEPPO	\$1,618.85	\$1,618.85	\$1,689.94	\$1,689.94
EL BOSQUE	\$1,456.24	\$1,456.24	\$1,243.11	\$1,243.11
RED LOBSTER #6284	\$1,034.14	\$1,034.14	\$940.14	\$940.14
BENNIGAN'S	\$690.70	\$690.70	\$0.00	\$0.00
GURI DO SUL STEAKHOUSE	\$864.03	\$864.03	\$449.16	\$449.16
RED ROBIN	\$876.36	\$876.36	\$904.76	\$904.76
CASA MEDINA	\$896.59	\$896.59	\$968.01	\$968.01
ANOTHER BROKEN EGG CAFE	\$400.25	\$400.25	\$465.71	\$465.71
SPRING CREEK BARBEQUE	\$114.36	\$114.36	\$0.00	\$0.00
MI RANCHO	\$2,530.92	\$2,530.92	\$3,026.45	\$3,026.45
COURTYARD - SHENANDOAH	\$324.88	\$324.88	\$451.24	\$451.24
TOTAL	\$90,387.11	\$90,387.11	\$84,946.58	\$84,946.58

Mixed Beverage tax receipts for gross receipts received in January are down 6.02% over the same month in 2015. The graph and table below show the beverage tax comparisons.

Mixed Beverage Sales Report		
	Mixed Bev Sales FY 2014-2015	Mixed Bev Sales FY 2015-2016
OCT	\$83,124.19	\$81,130.20
NOV	\$78,626.80	\$79,063.29
DEC	\$98,113.23	\$96,737.24
JAN	\$90,387.11	\$84,946.58
FEB	\$87,097.90	
MAR	\$91,791.17	
APR	\$82,648.55	
MAY	\$96,156.75	
JUN	\$82,551.45	
JUL	\$80,945.93	
AUG	\$88,087.96	
SEPT	\$78,118.16	



Sales Tax News

House Resolution (H.R.) 644 was passed by Congress on February 11 to permanently ban a tax on internet sales. The Internet Tax Freedom Act originally placed a temporary ban on the tax. Texas, among a few other states, enacted legislation to impose a tax on internet sales before the temporary ban was put into place. H.R. 644 extends the grandfathering provision for Texas and the other applicable states until June 30, 2020.

The National Retail Federation (NRF) reports that the Tenth Circuit Court of Appeals recently upheld a Colorado law that requires internet sales to be reported with an annual summary of purchases. The Government Finance Officers Association (GFOA) states “broadly... this upholds the constitutionality of use tax reporting requirements in any state”. Many other states have filed similar bills considering the Marketplace Fairness Act has failed at the congressional level for several years. The Colorado law does not force sellers to remit sales tax but could be a step in the right direction. There was an attempt to use the above referenced H.R. 644 as a vehicle to move the internet sales tax collection, but negotiations forced the measure to be removed.

The NRF reports that while the national 2015 holiday sales lagged behind projections, it still represented growth higher than both 2012 and 2013 seasons. Projections from the NRF are that a major slowdown in the economy is not very probably. January 2016 retail sales increased by 0.6% from December 2015, a strong increase according the NRF. That increase, combined with energy prices and the current labor market reinforce the January prediction that a recession is not likely. Additional information is available at NRF.com.

Finance News

Two congressional representatives recently created the Municipal Finance Caucus to represent state and local governments. The caucus will provide a forum for discussing state and local governments’ ability to fund projects for their communities and to fight for bipartisan policies which will enhance access to the capital markets. Primary focus will be on tax exempt status of debt, regulations on such debt and the municipal securities market.

As of January 31, 2016, the City's outstanding property taxes totaled \$606,338.36. Of this amount, \$602,144.26 is from 2007 to 2015 and \$4,194.10 is from years prior to 2007. The table below shows the remaining balances as reported on the tax collector's monthly report. We are currently waiting for the update amounts from the Montgomery County Tax Assessor.

Outstanding Property Tax Report FY 2015-2016						
	2007 to Present		Prior to 2007		Total	
Month	Balance	Change from Prev Month	Balance	Change from Prev Month	Balance	Change from Prev Month
OCT	\$1,886,438.78	\$1,847,395.84	\$4,194.10	\$0.00	\$1,890,632.88	\$1,847,395.84
NOV	\$1,789,224.96	-\$97,213.82	\$4,194.10	\$0.00	\$1,793,419.06	-\$97,213.82
DEC	\$1,253,740.85	-\$535,484.11	\$4,194.10	\$0.00	\$1,257,934.95	-\$535,484.11
JAN	\$602,144.26	-\$651,596.59	\$4,194.10	\$0.00	\$606,338.36	-\$651,596.59
FEB	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MAR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
APR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MAY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
JUN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
JUL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AUG	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SEPT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

The table below shows other revenue receipts for the month of February. Most franchise fees are received on a quarterly basis but may not follow the quarters of the calendar year.

- The majority of property taxes are received in January and February;
- Mixed beverage receipts are received quarterly.

Other Revenue Ending 2/29/16			
	Monthly Activity	YTD	Budgeted Amount
Property Taxes:	366,958.26	923,263.85	875,637.00
Mixed Beverage Tax:	0.00	117,411.05	258,032.00
Building Permit:	26,117.50	267,536.80	401,000.00
Other Permits:	385.00	2,220.00	14,000.00
Gas Franchise:	0.00	0.00	33,100.00
Cable Franchise:	5,306.48	20,929.24	19,000.00
Telephone Franchise:	32,235.29	58,104.21	130,000.00
Trash Collection:	16,977.47	84,019.18	239,738.00
Recycling:	2,159.66	10,628.48	35,100.00
Code Enforcement:	0.00	0.00	1,000.00
Court Fines:	3,094.00	8,879.00	21,000.00
Court Fees:	1,461.90	4,127.60	12,000.00
Interest:	430.67	1,196.04	4,800.00
Leases:	1,800.00	9,000.00	21,600.00
Undesignated Revenue:	20,774.30	87,912.39	60,000.00
Proceeds/Sale of Cap. Assets:	0.00	0.00	36,000.00

The City is 42% through the fiscal year and has received 51.18% of original budgeted revenues for the General Fund, 35.95% for Hotel/Motel and 48.72% for Water/Sewer. The table below shows the budget status of each fund and department. The last column on the right shows percent remaining for each department and includes actual expenses as well as encumbrances. All revenue percent remaining will show as a negative due to the software system requirements.

Budget Report					
For Fiscal: 2014-2015 Period Ending: 02/29/2016					
	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Percent Remaining
Fund: 100 - GENERAL FUND					
00 - Revenue	8,408,639.60	8,408,639.60	1,010,496.10	4,303,861.26	-48.82%
11 - Administration	993,757.00	993,757.00	97,491.82	388,692.82	60.89%
12 - Finance	358,197.00	358,197.00	23,206.32	136,407.78	61.92%
14 - Community Outreach	30,555.00	30,555.00	1,565.00	17,105.66	44.02%
17 - Non-Department	2,941,912.00	2,941,912.00	461,088.35	998,374.56	66.06%
21 - Emergency Management	6,140.00	6,140.00	0.00	3,891.06	36.63%
22 - Police	2,579,115.00	2,579,115.00	200,452.44	1,044,768.95	59.49%
23 - Municipal Court	73,992.50	73,992.50	5,473.34	28,608.68	61.34%
30 - Public Works	822,993.00	822,993.00	48,984.66	301,519.58	63.36%
31 - Swimming Pool	106,610.00	106,610.00	17,960.61	25,919.81	75.69%
32 - Parks	10,610.00	10,610.00	901.45	3,327.53	68.64%
43- Capital Projects & Infrastructure	470,967.50	470,967.50	25,903.85	137,839.01	70.73%
Fund: 130 - BUILDING PERMITS TECHNOLOGY FUND					
00 - Revenue	6,500.00	6,500.00	380.00	2,685.00	-58.69%
30 - Public Works	3,940.00	3,940.00	0.00	0.00	100.00%
Fund: 140 - TRASH AND RECYCLING					
00 - Revenue	274,898.00	274,898.00	19,388.70	87,049.42	-68.33%
33 - Trash & Recycling	274,838.00	274,838.00	18,725.87	93,942.92	65.82%
Fund: 200 - SPECIAL REVENUE					
00 - Revenue	1,280,245.00	1,280,245.00	89,663.10	460,219.57	-64.05%
45 - Hotel / Motel	634,111.02	634,111.02	27,602.95	182,351.96	71.24%
Fund: 300 - DEBT SERVICE					
00 - Revenue	2,383,306.00	2,383,306.00	579,385.85	1,108,646.99	-53.48%
80 - Debt Service	2,383,306.00	2,383,306.00	315,883.05	319,008.05	86.61%
Fund: 400 - CAPITAL PROJECTS GENERAL FUND					
00 - Revenue	1,184,962.00	1,184,962.00	51,134.08	308,596.87	-73.96%
60 - Capital Purchases/Projects General Fund	902,967.00	902,967.00	198,809.92	590,345.84	34.62%
61 - Capital Purchases/Projects Water & Sewer	281,995.00	281,995.00	22,835.20	0.00	100.00%
Fund: 500 - DESIGNATED COURT FUNDS					
00 - Revenue	0.00	0.00	154.00	447.05	0.00
23 - Office Equip. & Furnishings-Court-Tech. Fund	0.00	0.00	0.00	0.00	0.00
Fund: 600 - WATER / SEWER					
00 - Revenue	2,651,282.40	2,651,282.40	168,131.63	1,291,690.89	-51.28%
50 - Water & Sewer	2,459,871.00	2,459,871.00	133,378.81	456,931.26	-81.42%
51 - Utility Billing	31,234.00	31,234.00	627.01	8,632.32	72.36%

FINANCIAL

The table below shows the account balances for all City bank accounts as of February 29, 2016.

City of Shenandoah Bank Accounts			
Ending Balances as of February 29, 2016			
General Fund		Water/Sewer Fund	
Wells Fargo		Wells Fargo	3,109,237.41
Checking	5,200,244.51	Texpool	32,639.47
Court Cash Bond	1,408.13		
Texpool Transfer	175.80	MDD	
Municipal Court	106,953.25	Wells Fargo	4,542,822.97
Texpool	194,150.99	TexPool	1,092,783.87
Equipment Replacement Fund		Payroll Fund	
Wells Fargo	303,789.64	Wells Fargo	950.90
Hotel/Motel Fund		Land Trust Fund	
Wells Fargo	1,405,802.42	Woodforest	3,493.75
TexPool	205,480.30		
Debt Service Fund		Bonds	
TexPool	14,677.01	Texpool	
		2007 Bond	-
		2009 CO	-
		2009 GO	-
Capital Projects Fund		2011 GO	48,693.36
Wells Fargo	1,187,526.97		

As of February 29, 2016 the City has \$17,669,014.29 in pledged securities with BNY Mellon which is 111% of all balances held in Wells Fargo.

UTILITY BILLING

Below is a snapshot of utility billing activity

Utility Billing			
	January 2016	February 2016	Month-to-Month % Change
Total Active Customer/Accounts	1,176	1,179	0.3%
Number of New Customers	11	13	18.2%
Total Deposits on File	\$98,694.80	\$99,144.80	0.5%
Monthly Total On-Line Payments	248	226	-8.9%
Auto Bank Draft Members	147	150	2.0%
Electronic Banking Bill Pay	234	229	-2.1%
% Members Paying Electronically	53.5%	51.3%	-4.1%
Deposit Refund	\$3,944.04	\$341.97	-91.3%
Deposits Applied to Account Balances	\$73.12	\$108.03	47.7%
Total Account Closed	68	69	1.5%
Balance of Closed Accounts	\$12,216.66	\$12,228.01	0.1%
Total Past Due Balance	\$36,598.58	\$21,987.55	-39.9%
Late Fee Assessed	\$3,167.50	\$2,513.62	-20.6%

MUNICIPAL COURT

In February there was one new case for code enforcement filed in the court. The City has collected \$6,663.20 in fines and fees this month. To date, there are 6,122 outstanding cases with a balance of \$1,601,876.44. Of the 6,122 cases, 2,056 (\$576,957.56) are from 2007 to 2015; 4,066 (\$1,024,918.88) are prior to 2007. The graph below shows the case count and value.

Status of Outstanding Cases 2015 to Present								
	Cases 2007 to Present	Dollar Value	Cases Prior to 2007	Dollar Value	Total Cases	Case Count Change	Total Dollar Value	Total Dollar Value Change
FEB	2,152	\$ 605,730.56	4,114	\$ 1,037,661.88	6,266	31	\$1,643,392.44	\$8,822.40
MAR	2,148	\$ 604,512.46	4,109	\$ 1,036,082.88	6,257	9	\$1,640,595.34	\$2,797.10
APR	2,144	\$ 603,068.06	4,101	\$ 1,034,116.88	6,245	12	\$1,637,184.94	\$3,410.40
MAY	2,140	\$ 601,972.86	4,099	\$ 1,033,542.88	6,239	6	\$1,635,515.74	\$1,669.20
JUN	2,138	\$ 601,329.66	4,099	\$ 1,033,542.88	6,237	2	\$1,634,872.54	\$643.20
JUL	2,120	\$ 596,274.54	4,088	\$ 1,033,542.88	6,208	29	\$1,626,398.42	\$8,474.12
AUG	2,117	\$ 595,660.14	4,088	\$ 1,033,542.88	6,205	3	\$1,625,984.02	\$414.40
SEPT	2,100	\$ 591,254.64	4,088	\$ 1,030,473.88	6,188	17	\$1,621,728.52	\$4,255.50
OCT	2,094	\$ 589,249.34	4,082	\$ 1,029,010.88	6,176	12	\$1,618,260.22	\$3,468.30
NOV	2,090	\$ 587,945.24	4,079	\$ 1,028,355.88	6,169	7	\$1,616,301.12	\$1,959.10
DEC	2,074	\$ 582,726.96	4,079	\$ 1,028,355.88	6,153	16	\$1,611,082.84	\$5,218.28
JAN	2,069	\$ 581,872.96	4,077	\$ 1,027,840.88	6,146	7	\$1,609,713.84	\$1,369.00
FEB	2,056	\$ 576,957.56	4,066	\$ 1,024,918.88	6,122	24	\$1,601,876.44	\$7,837.40

The court technology fee is a \$4.00 fee added to most criminal convictions. The fee is designed to help courts enhance technology. In February there were no purchases from the Court Technology account. The chart below outlines the Court Technology revenue and the expenses.

Court Technology Balance							
	Balance Forward	FY 2010- 2011	FY 2011- 2012	FY 2012- 2013	FY 2013- 2014	FY 2014- 2015	FY 2015- 2016
Total Revenue	\$13,730.29	\$2,981.12	\$1,185.37	\$917.41	\$667.62	\$527.59	\$256.00
Total Expenses		\$4,359.45	\$0.00	\$1,708.52	\$0.00	\$3,345.89	\$0.00
Total		\$12,351.96	\$13,537.33	\$12,746.22	\$13,413.84	\$10,595.54	\$10,851.54

CUSTOMER SERVICE

Below is a snapshot of front desk activity:

Front Desk Activity Month to Month Comparison														
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB
Phone Calls Handled	1,525	1,278	1,638**	1,775	1,545	1,638	1,605	1,637	1,619	1,799	1,567	1,522	1,686	1596
Permits Issued	72	63	96	102	66	91	59	81	89	91	90	63	92	77
Plans Processed	54	53	53	65	51	76	59	81	60	88	53	64	72	55
Inspections Scheduled	339	416	467	500	405	398	411	427	502	523	472	453	463	498
E-Gov Requests Submitted	76*	78*	66*	73*	73*	64*	78*	93*	94*	99*	68*	76*	81*	71*
Payments Processed	578	588	793**	610	583	652	629	632	581	636	582	615	665	557
Warrants Issued	0	1	0	0	2	0	1	9	7	0	0	2	2	0
Court Cases Set	0	1	0	3	2	9	5	2	2	0	0	0	0	2
Certificates of Occupancy	9	11	2	11	9	9	11	11	5	10	3	10	13	10

* Increase E-GOV due to tracking plan review

**Increase due to NCAA ticket sales

SUBMITTED BY: Jennifer Calvert, Director of Finance

