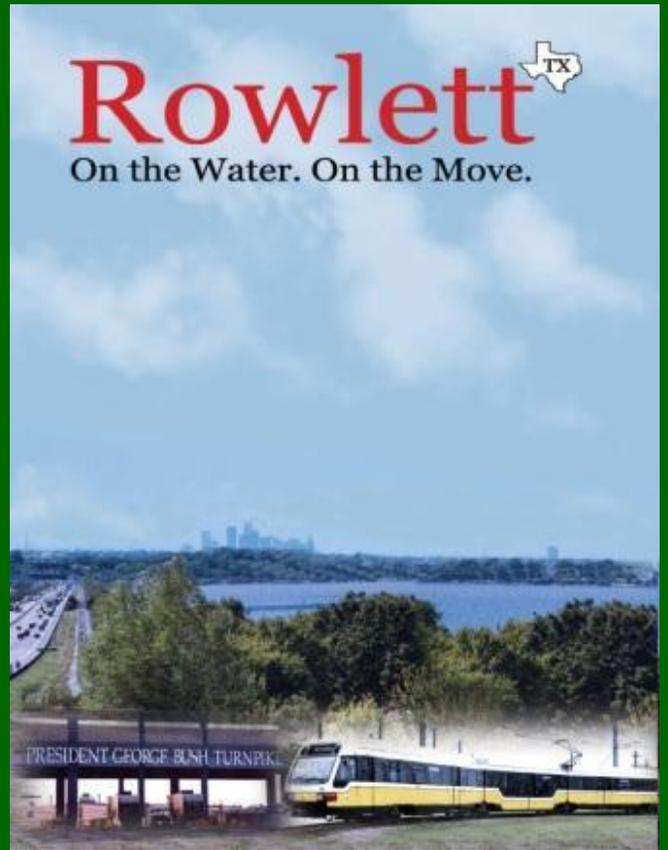




# **Comprehensive Monthly Financial Report**

**November 2015**





# MONTHLY FINANCIAL REPORT

## PERFORMANCE AT A GLANCE

**November 2015**

	YEAR TO DATE	REFERENCE
ALL FUNDS SUMMARY	POSITIVE	Page 4
GENERAL FUND REV VS EXP	POSITIVE	Page 5
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### PERFORMANCE INDICATORS

**POSITIVE** = Positive variance or negative variance < 1% compared to seasonal trends.

**WARNING** = Negative variance of 1-5% compared to seasonal trends

**NEGATIVE** = Negative variance of >5% compared to seasonal trends.

**ECONOMIC INDICATORS**

**November 30, 2015 – NEWS FOR YOU**

**ECONOMY**

**National GDP:** 

GDP - the output of goods and services produced by labor and property located in the US – increased at a rate of 2.1% in the 3rd quarter of 2015 after increasing 3.9% in the 2nd quarter of 2015 as reported by the Bureau of Economic Analysis. The third-quarter increase mainly reflected an increase in consumer spending. Spending on services increased, notably on health care.

**Texas Retail Sales:** 

Texas retail sales totaled \$41.2 billion for the month of Sept., a decrease of \$0.5 billion (1.2%) over Sept. 2014.

**Texas Leading Index:** 

The Texas Leading Index is a single summary statistic that sheds light on the future of the state's economy. The index is a composite of eight leading indicators—those that tend to change direction before the overall economy. The index increased 1.0% between the months of September and October.

**UNEMPLOYMENT**

**National Unemployment:**

The national unemployment rate remained at 5.0% in both October and November.

**State-Wide:** 

The Texas unemployment rate increased from 4.4% in October to 4.6% in September.

**Rowlett:** 

The City of Rowlett unemployment rate increased between October and November from 3.9% to 4.0%. Note – city unemployment rates are not seasonally adjusted.

Attached is the Comprehensive Monthly Financial report for November 2015. Two months of FY2016, or 16.7% of the fiscal year is complete.

**Revenues:** Overall, the City has earned or received \$11.1 million for FY2016. This amount is 12.4% of the approved operating budget of \$90.2 million and is 5.1% more than forecast through the month of November.

- General Fund revenues are \$45 thousand or 1.2% higher than expected
- Utility Fund revenues are \$0.6 million or 12.1% higher than expected.

**Expenditures:** Expenses totaled \$12.4 million year-to-date for FY2016. This amount is 14.0% of the approved operating budget of \$88.9 million and is 1.9% lower than forecast through the month of November.

- General Fund expenditures are \$0.1 million or 1.5% lower than expected.
- Utility Fund expenditures are \$2 thousand or 0.1% lower than expected.

**Surplus:** The net shortfall from operations through November is \$1.3 million which is \$0.8 million better than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total increase of \$1.3 million.

**NOTEWORTHY**

**NOTEWORTHY**

**CITY HALL WEST PARKING LOT CLOSED BEGINNING DECEMBER 9<sup>TH</sup>** Downtown construction will close the west parking lot of City Hall for approximately 2 years. Access to the east parking lots will remain open, as will the after-hours Utility Billing payment box on a walk-up basis, but the drive-thru will also close.



**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
November 30, 2015**

**BUDGET SUMMARY OF ALL FUNDS FY2015**

	2015 <u>Budget</u>	2015 <u>Forecast</u>	2015 <u>Year-to-Date</u>	<u>Variance</u>
<b>Beginning Reserves</b>	\$ 14,113,838	\$ 15,253,461	\$ 15,253,461	0.0%
<b>Revenues:</b>				
General	40,452,242	3,616,374	3,661,557	1.2%
Water & sewer	28,901,031	4,601,962	5,156,549	12.1%
Debt service	7,997,408	498,109	510,295	2.4%
Drainage	1,360,397	226,628	221,185	-2.4%
Refuse	4,827,003	804,443	812,303	1.0%
Employee health benefits	5,010,230	665,718	592,987	-10.9%
Police seizure	100,550	16,758	-	-100.0%
Economic development	316,694	52,782	52,490	-0.6%
Hotel/motel tax	47,752	7,879	7,231	-8.2%
P.E.G.	85,893	-	7,386	0.0%
Grants	356,634	29,964	56,042	87.0%
Community Development Block Grant	179,247	29,875	23,588	-21.0%
Inspection Fees Fund	225,000	37,500	30,808	-17.8%
Juvenile diversion	33,281	5,547	4,274	-22.9%
Court technology	26,936	4,489	3,769	-16.0%
Court security	20,035	3,339	2,839	-15.0%
Golf course	257,005	20	-	0.0%
<b>Total Revenues</b>	<b>\$ 90,197,338</b>	<b>\$ 10,601,388</b>	<b>\$ 11,143,303</b>	<b>5.1%</b>
<b>Expenses:</b>				
General	40,241,421	6,850,824	6,750,598	-1.5%
Water & sewer	27,179,163	3,741,490	3,739,331	-0.1%
Debt service	8,552,017	21,954	4,808	-78.1%
Drainage	1,401,835	197,074	140,590	-28.7%
Refuse	4,759,486	793,248	787,018	-0.8%
Employee health benefits	4,967,764	826,914	694,104	-16.1%
Police seizure	138,050	23,008	80,719	250.8%
Economic development	443,023	70,862	46,858	-33.9%
Hotel/motel tax	48,749	-	2,950	0.0%
P.E.G.	80,922	13,487	51,353	280.8%
Grants	359,565	29,964	56,042	87.0%
Community Development Block Grant	179,247	29,875	23,588	-21.0%
Inspection Fees Fund	218,760	33,655	21,915	-34.9%
Juvenile diversion	38,738	5,960	4,686	-21.4%
Court technology	43,874	7,312	695	-90.5%
Court security	23,672	3,945	5,091	29.0%
Golf course	254,990	-	-	0.0%
<b>Total Expenses</b>	<b>\$ 88,931,276</b>	<b>\$ 12,649,572</b>	<b>\$ 12,410,346</b>	<b>-1.9%</b>
<b>Current Year Surplus/(Shortfall)</b>	<b>\$ 1,266,062</b>	<b>\$ (2,048,184)</b>	<b>\$ (1,267,043)</b>	<b>-38.1%</b>
<b>Ending Reserves</b>	<b>\$ 15,129,901</b>	<b>\$ 13,205,277</b>	<b>\$ 13,986,418</b>	<b>5.9%</b>

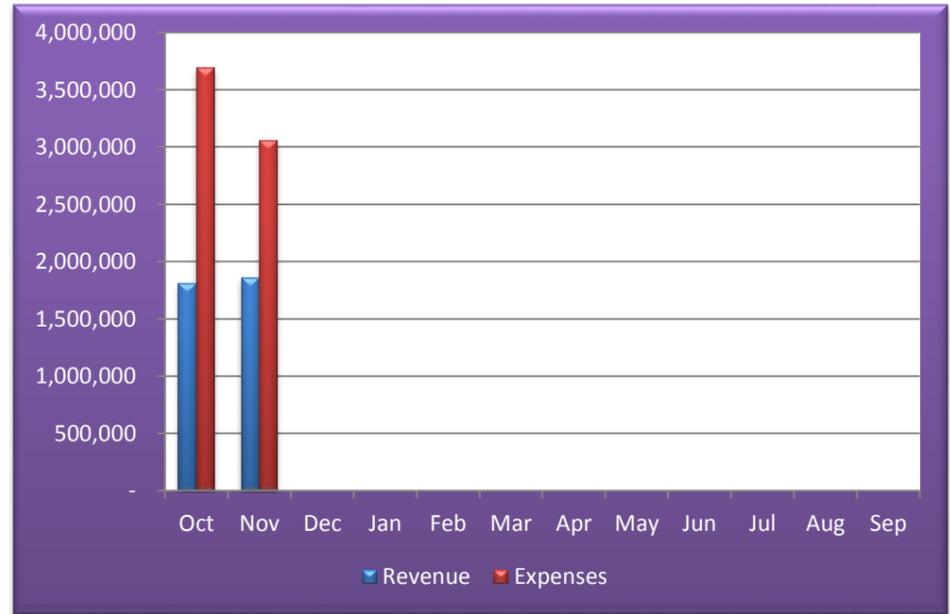
Positive
Warning
Negative

Positive variance or negative variance <1% compared to forecast  
 Negative variance between 1%-5% compared to forecast  
 Negative variance >5% compared to forecast

**OVERALL FUND PERFORMANCE**

**GENERAL FUND REVENUES VS EXPENSES FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	1,803,893	3,689,831	\$ (1,885,938)
Nov	1,857,665	3,060,768	
Dec			
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 3,661,557</b>	<b>\$ 6,750,598</b>	<b>\$ (1,885,938)</b>
<b>Cumulative Forecast</b>	<b>\$ 3,616,374</b>	<b>\$ 6,850,824</b>	<b>\$ (3,234,450)</b>
<b>Actual to Forecast \$</b>	<b>\$ 45,183</b>	<b>\$ (100,225)</b>	<b>\$ 1,348,512</b>
<b>Actual to Forecast %</b>	<b>1.2%</b>	<b>-1.5%</b>	



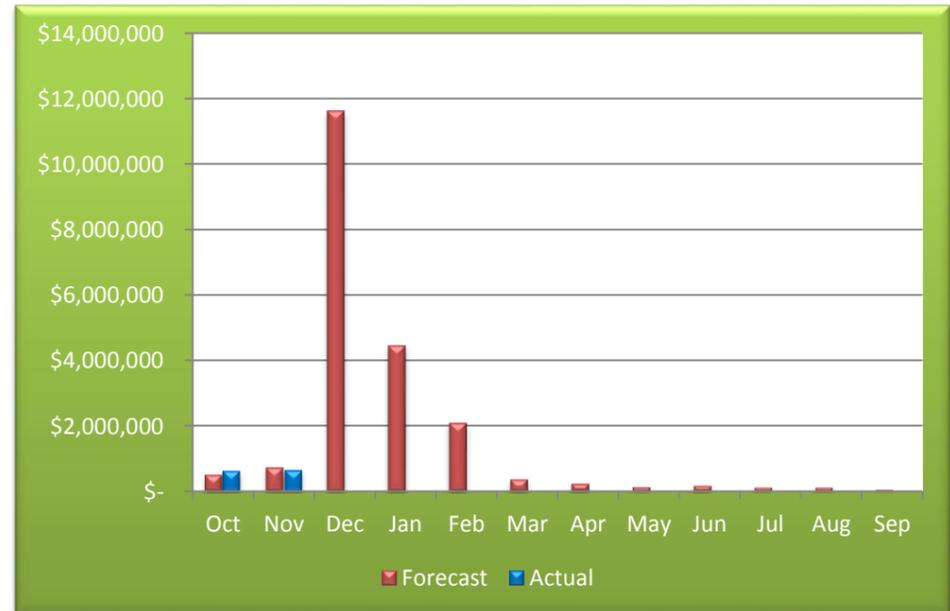
**Positive**

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 1.2% and expenses 1.5% lower than forecasted. These differences are primarily due to higher than expected property taxes and the timing of supply purchases.

**REVENUE ANALYSIS**

**PROPERTY TAXES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 518,315	635,883	\$ 117,568
Nov	746,373	642,668	(103,705)
Dec	11,610,248		
Jan	4,478,238		
Feb	2,114,724		
Mar	373,187		
Apr	248,791		
May	145,128		
Jun	186,593		
Jul	124,396		
Aug	124,396		
Sep	62,198		
<b>Total</b>	<b>\$ 20,732,585</b>	<b>\$ 1,278,551</b>	<b>\$ 13,863</b>
<b>Actual to Forecast</b>			<b>1.1%</b>



**Positive**

Property taxes represents nearly 50% of the total General Fund revenue budget and serves as the primary funding source for the general government. They are generally collected in December and January of each year. Cumulatively overall, property tax revenues are 1.1% higher than forecasted for this time of the year.

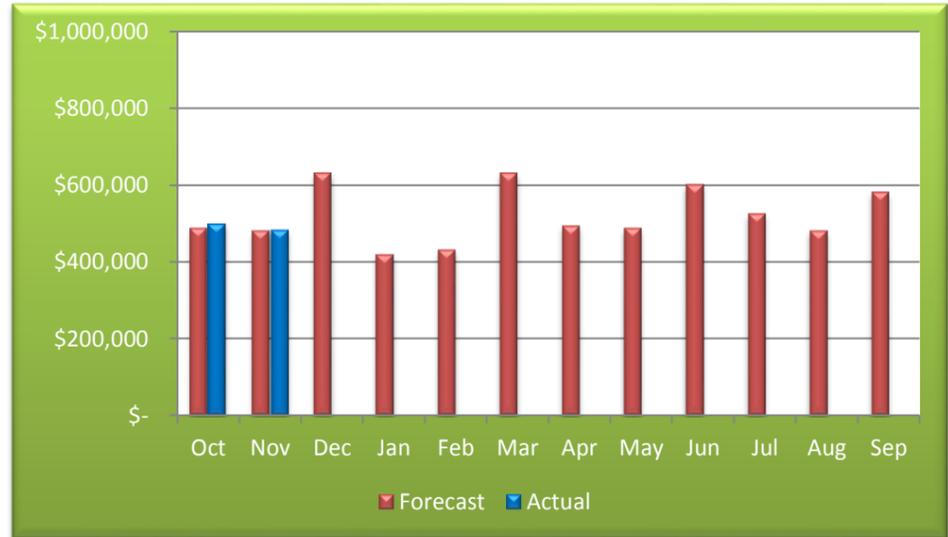


**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
November 30, 2015**

**REVENUE ANALYSIS**

**SALES TAXES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 487,626	\$ 497,364	\$ 9,738
Nov	481,375	481,375	-
Dec	631,413		
Jan	418,858		
Feb	431,362		
Mar	631,413		
Apr	493,878		
May	487,626		
Jun	600,155		
Jul	525,136		
Aug	481,375		
Sep	581,400		
<b>Total</b>	<b>\$ 6,251,617</b>	<b>\$ 978,739</b>	<b>\$ 9,738</b>
<i>Actual to Forecast</i>			1.0%



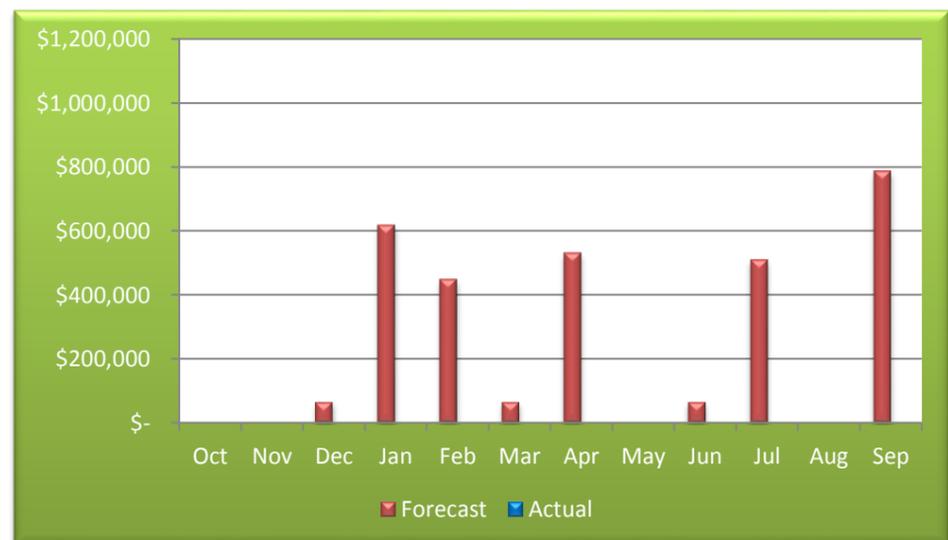
Positive

Sales tax is an important indicator of financial health for the Rowlett community. Sales taxes are collected by the State Comptroller and are recorded two months later. Overall, sales tax revenues are 1.0% higher than budgeted for this fiscal year. The sales taxes reported here for November represent an estimate.

**REVENUE ANALYSIS**

**FRANCHISE FEES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ -	\$ -	\$ -
Nov	-	-	-
Dec	66,005		
Jan	618,368		
Feb	449,247		
Mar	66,005		
Apr	531,127		
May	-		
Jun	66,005		
Jul	509,534		
Aug	-		
Sep	787,599		
<b>Total</b>	<b>\$ 3,093,891</b>	<b>\$ -</b>	<b>\$ -</b>
<i>Actual to Forecast</i>			0.0%



Positive

Franchise fees represents nearly 10% of the total General Fund budget and include electric, gas, cable and telecommunications. Most fees are paid quarterly with natural gas being paid yearly in February.

**OVERALL FUND PERFORMANCE**

**UTILITY FUND REVENUES VS EXPENSES FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 2,682,717	\$ 1,889,190	\$ 793,527
Nov	2,473,831	1,850,141	623,690
Dec			
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 5,156,549</b>	<b>\$ 3,739,331</b>	<b>\$ 1,417,217</b>
<b>Cumulative Forecast</b>	<b>\$ 4,601,962</b>	<b>\$ 3,741,490</b>	<b>\$ 860,472</b>
<b>Actual to Forecast \$</b>	<b>\$ 554,586</b>	<b>\$ (2,159)</b>	<b>\$ 556,746</b>
<b>Actual to Forecast</b>	<b>12.1%</b>	<b>-0.1%</b>	



**Positive**

Utility fund revenues are 12.1% higher than forecast as a result of higher than expected water and sewer revenues. Expenses are 0.1% lower than forecast due to the timing of supply purchases. The fund makes semi-annual debt payments in March and September.

**REVENUE ANALYSIS**

**SEWER REVENUES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 909,883	\$ 959,040	\$ 49,158
Nov	873,354	937,249	63,895
Dec	842,927		
Jan	830,971		
Feb	822,173		
Mar	810,975		
Apr	846,813		
May	899,217		
Jun	967,756		
Jul	1,044,105		
Aug	1,056,180		
Sep	1,017,048		
<b>Total</b>	<b>\$ 10,921,401</b>	<b>\$ 1,896,290</b>	<b>\$ 113,053</b>
<b>Actual to Forecast</b>			<b>6.3%</b>



**Positive**

Sewer sales represent over 40% of the Utility Fund budget and cover the cost of sewer treatment paid to City of Garland. Cumulatively overall, sewer revenues are 6.3% higher than forecasted for this time of year.

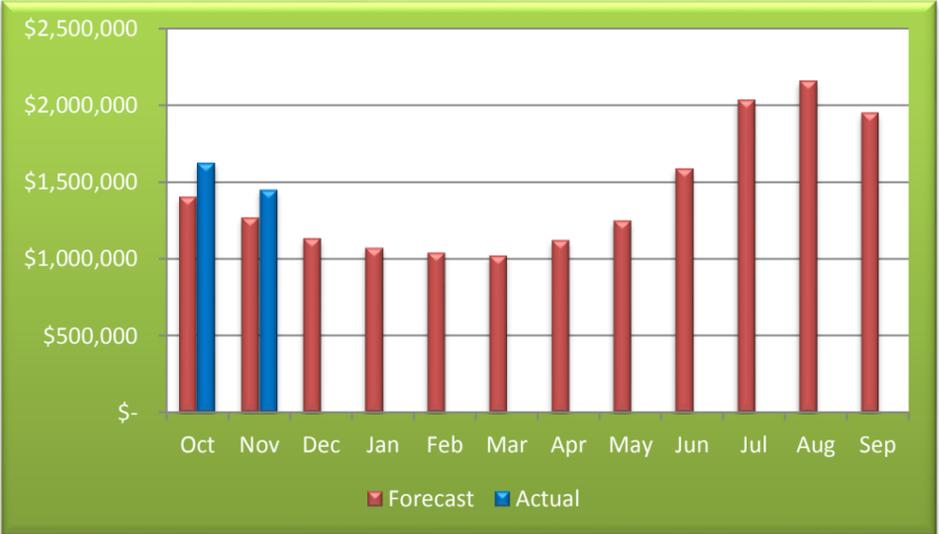


**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
November 30, 2015**

**REVENUE ANALYSIS**

**WATER REVENUES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 1,403,401	\$ 1,621,805	\$ 218,403
Nov	1,266,499	1,446,969	180,470
Dec	1,132,796		
Jan	1,069,153		
Feb	1,039,399		
Mar	1,018,224		
Apr	1,121,145		
May	1,248,648		
Jun	1,585,123		
Jul	2,033,999		
Aug	2,158,983		
Sep	1,950,603		
<b>Total</b>	<b>\$ 17,027,975</b>	<b>\$ 3,068,774</b>	<b>\$ 398,873</b>
<i>Actual to Forecast</i>			14.9%



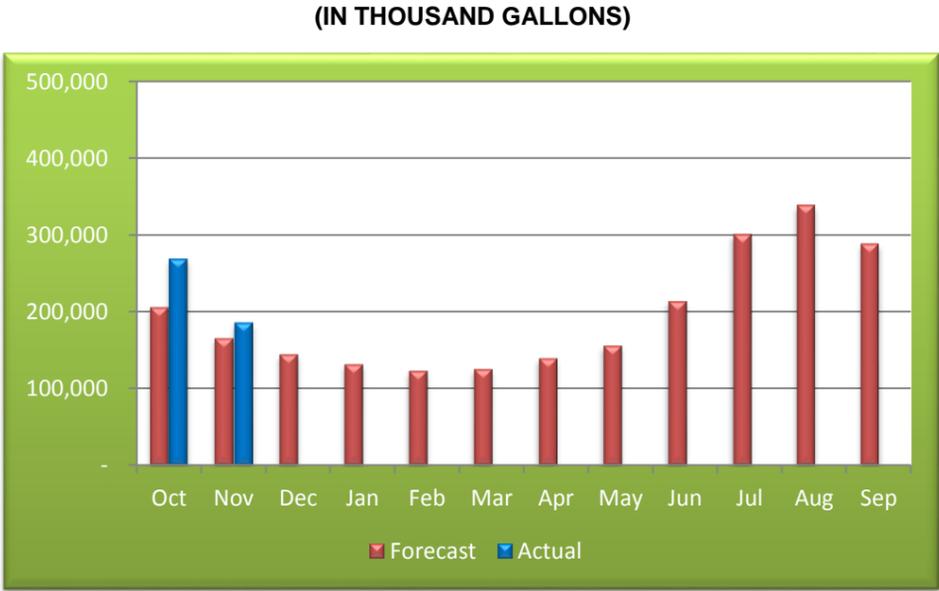
**Positive**

Water sales represent just over 50% of the total Utility Fund budget and cover the cost of water acquisition from the North Texas Municipal Water District. Water revenues are 14.9% higher than the forecast for this time of year.

**REVENUE ANALYSIS**

**WATER USAGE FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	205,688	268,258	62,570
Nov	165,430	185,897	20,467
Dec	144,647		
Jan	131,535		
Feb	123,505		
Mar	125,372		
Apr	139,784		
May	155,805		
Jun	213,519		
Jul	300,529		
Aug	338,135		
Sep	287,959		
<b>Total</b>	<b>2,331,906</b>	<b>454,155</b>	<b>83,038</b>
<i>Actual to Forecast</i>			22.4%



**Positive**

The City purchases its water from the North Texas Municipal Water District. Customer usage in November is 22.4% higher than forecast. The contract with NTMWD requires the City to pay for a minimum of 3.2 billion gallons of water per year.

**OVERALL FUND PERFORMANCE**

**REFUSE FUND REVENUES VS EXPENSES FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 391,264	\$ 388,769	\$ 2,495
Nov	421,039	398,249	22,790
Dec			
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 812,303</b>	<b>\$ 787,018</b>	<b>\$ 25,286</b>
<b>Cumulative Forecast</b>	<b>\$ 804,443</b>	<b>\$ 793,248</b>	<b>\$ 11,196</b>
<b>Actual to Forecast \$</b>	<b>\$ 7,860</b>	<b>\$ (6,230)</b>	<b>\$ 14,090</b>
<b>Actual to Forecast</b>	<b>1.0%</b>	<b>-0.8%</b>	



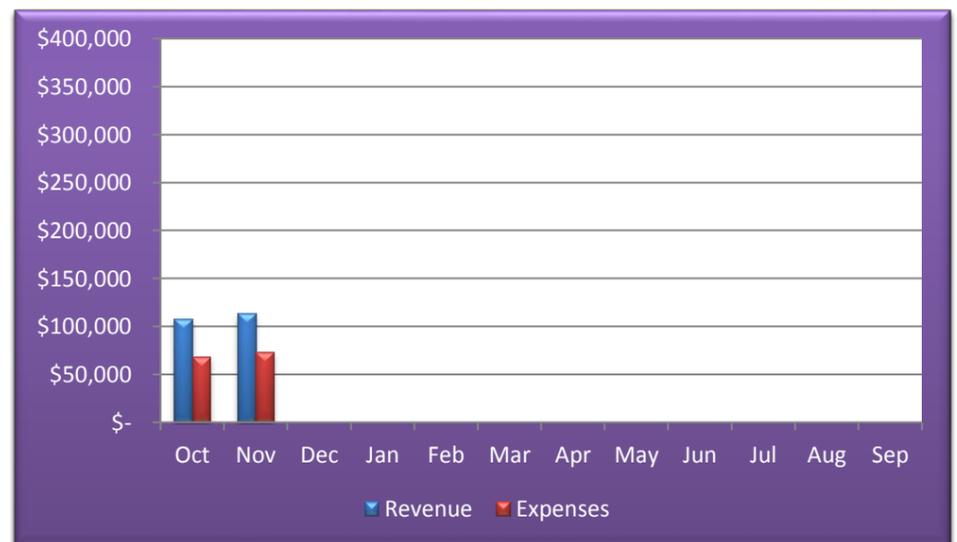
Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 1.0% higher than forecasted, and expenses are 0.8% lower than forecasted.

**OVERALL FUND PERFORMANCE**

**DRAINAGE FUND REVENUES VS EXPENSES FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 107,637	\$ 67,427	\$ 40,210
Nov	113,549	73,163	40,386
Dec			
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 221,185</b>	<b>\$ 140,590</b>	<b>\$ 80,595</b>
<b>Cumulative Forecast</b>	<b>\$ 226,628</b>	<b>\$ 197,074</b>	<b>\$ 29,554</b>
<b>Actual to Forecast \$</b>	<b>\$ (5,443)</b>	<b>\$ (56,484)</b>	<b>\$ 51,042</b>
<b>Actual to Forecast</b>	<b>-2.4%</b>	<b>-28.7%</b>	



Positive

The Drainage Fund accounts for monies collected from customers on their utility bills for the municipal drainage system. Cumulatively overall, the fund is better than forecasted for this time of the year, with revenues 2.4% lower than forecasted but expenses 28.7% lower than forecasted.

**OVERALL FUND PERFORMANCE**

**DEBT SERVICE FUND REVENUES VS EXPENSES FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 256,615	\$ 3,910	\$ 252,705
Nov	253,680	898	252,783
Dec			
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 510,295</b>	<b>\$ 4,808</b>	<b>\$ 505,487</b>
<b>Cumulative Forecast</b>	<b>\$ 498,109</b>	<b>\$ 21,954</b>	<b>\$ 476,156</b>
<b>Actual to Forecast \$</b>	<b>\$ 12,185</b>	<b>\$ (17,146)</b>	<b>\$ 29,332</b>
<b>Actual to Forecast</b>	<b>2.4%</b>	<b>-78.1%</b>	



**Positive**

General Debt Service Fund is used to pay principal and interest on tax-supported debt. Overall, the fund is better than forecasted, with revenues 2.4% higher than projected and expenses 78.1% lower than expected. The fund pays conduit debt in December and makes other semi-annual debt payments in February and August.

**OVERALL FUND PERFORMANCE**

**EMPLOYEE HEALTH BENEFITS FUND REVENUES VS EXPENSES FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 256,170	\$ 370,713	\$ (114,543)
Nov	336,817	323,391	13,425
Dec			
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 592,987</b>	<b>\$ 694,104</b>	<b>\$ (101,117)</b>
<b>Cumulative Forecast</b>	<b>\$ 665,718</b>	<b>\$ 826,914</b>	<b>\$ (161,196)</b>
<b>Actual to Forecast \$</b>	<b>\$ (72,731)</b>	<b>\$ (132,810)</b>	<b>\$ 60,079</b>
<b>Actual to Forecast</b>	<b>-10.9%</b>	<b>-16.1%</b>	



**Positive**

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 10.9% lower than forecasted and expenses are 16.1% lower than forecasted. Revenues reflect lower than expected premium payments due to vacancies and plan choices, and expenses are lower than forecasted due to lower than expected claims.