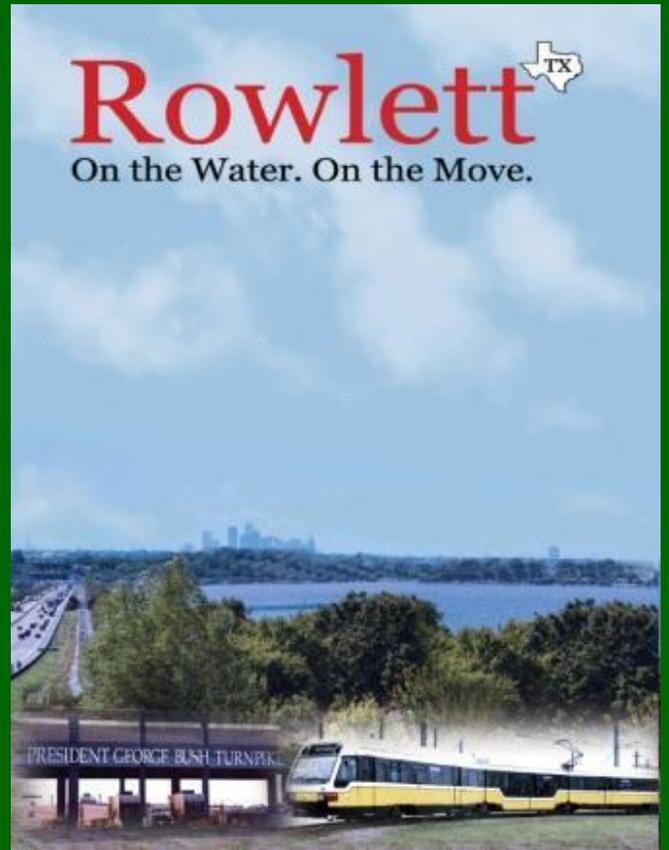




**Comprehensive
Monthly
Financial Report**

December 2015





MONTHLY FINANCIAL REPORT

PERFORMANCE AT A GLANCE

December 2015

	YEAR TO DATE	REFERENCE
ALL FUNDS SUMMARY	POSITIVE	Page 4
GENERAL FUND REV VS EXP	POSITIVE	Page 5
PROPERTY TAXES	POSITIVE	Page 5
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UTILITY FUND REV VS EXP	POSITIVE	Page 7
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DRAINAGE FUND REV VS EXP	POSITIVE	Page 9
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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

December 31, 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 2.0% 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 Oct., an increase of \$0.4 billion (1.0%) over Oct. 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 decreased 0.08% between the months of October and November.

UNEMPLOYMENT

National Unemployment:

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

State-Wide: 

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

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 December 2015. Three months of FY2016, or 25.0% of the fiscal year is complete.

Revenues: Overall, the City has earned or received \$31.6 million for FY2016. This amount is 35.1% of the approved operating budget of \$90.2 million and is 3.0% more than forecast through the month of December.

- General Fund revenues are \$0.2 million or 1.2% higher than expected
- Utility Fund revenues are \$0.5 million or 8.0% higher than expected.

Expenditures: Expenses totaled \$19.3 million year-to-date for FY2016. This amount is 21.5% of the approved operating budget of \$89.8 million and is 2.1% higher than forecast through the month of December.

- General Fund expenditures are \$43 thousand or 0.4% higher than expected.
- Utility Fund expenditures are \$0.5 million or 8.8% higher than expected.

Surplus: The net surplus from operations through December is \$12.4 million which is \$0.5 million better than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total increase of \$0.4 million.

NOTEWORTHY

ON DECEMBER 26, 2015 AROUND 7:00PM CST, ROWLETT, TEXAS WAS HIT BY AN EF4 TORNADO THAT CAUSED WIDESPREAD DEVASTATION IN OUR COMMUNITY. 1,145 homes and businesses were impacted. 23 individuals were injured with no fatalities. Approximately 8,000 homes and businesses lost power, over 6,000 of which were in Rowlett. For additional tornado recovery information, visit

[Rowlett, TX - Official Website - Tornado Information.](#)



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
December 31, 2015**

BUDGET SUMMARY OF ALL FUNDS FY2015

	2015 <u>Budget</u>	2015 <u>Forecast</u>	2015 <u>Year-to-Date</u>	<u>Variance</u>
Beginning Reserves	\$ 14,113,838	\$ 13,745,376	\$ 13,745,376	0.0%
Revenues:				
General	40,452,242	16,666,514	16,871,994	1.2%
Water & sewer	28,901,031	6,642,585	7,173,245	8.0%
Debt service	7,997,408	4,722,054	4,785,130	1.3%
Drainage	1,360,397	339,941	333,399	-1.9%
Refuse	4,827,003	1,206,664	1,228,833	1.8%
Employee health benefits	5,010,230	845,746	825,148	-2.4%
Police seizure	100,550	25,138	11,551	-54.0%
Economic development	316,694	79,174	133,274	68.3%
Hotel/motel tax	47,752	11,914	11,157	-6.4%
P.E.G.	85,893	-	20,562	0.0%
Grants	356,634	44,946	94,662	110.6%
Community Development Block Grant	179,247	44,812	23,588	-47.4%
Inspection Fees Fund	225,000	56,250	92,597	64.6%
Juvenile diversion	33,281	8,320	6,013	-27.7%
Court technology	26,936	6,734	5,293	-21.4%
Court security	20,035	5,009	3,991	-20.3%
Golf course	257,005	40	-	0.0%
Total Revenues	\$ 90,197,338	\$ 30,705,841	\$ 31,620,438	3.0%
Expenses:				
General	40,781,726	10,081,070	10,124,092	0.4%
Water & sewer	27,410,712	5,594,930	6,086,617	8.8%
Debt service	8,552,017	140,866	132,125	-6.2%
Drainage	1,401,835	272,849	213,859	-21.6%
Refuse	4,774,880	1,193,720	1,199,974	0.5%
Employee health benefits	4,967,764	1,240,371	1,034,364	-16.6%
Police seizure	187,097	46,774	97,246	107.9%
Economic development	443,023	106,292	146,618	37.9%
Hotel/motel tax	48,749	-	12,165	0.0%
P.E.G.	90,543	22,636	58,322	157.7%
Grants	359,565	44,946	94,662	110.6%
Community Development Block Grant	179,247	44,812	23,588	-47.4%
Inspection Fees Fund	218,760	50,483	30,338	-39.9%
Juvenile diversion	38,738	8,940	7,058	-21.0%
Court technology	43,874	10,969	1,042	-90.5%
Court security	23,672	5,918	7,488	26.5%
Golf course	254,990	-	-	0.0%
Total Expenses	\$ 89,777,192	\$ 18,865,575	\$ 19,269,559	2.1%
Current Year Surplus/(Shortfall)	\$ 420,146	\$ 11,840,267	\$ 12,350,880	4.3%
Ending Reserves	\$ 14,283,985	\$ 25,585,642	\$ 26,096,255	2.0%

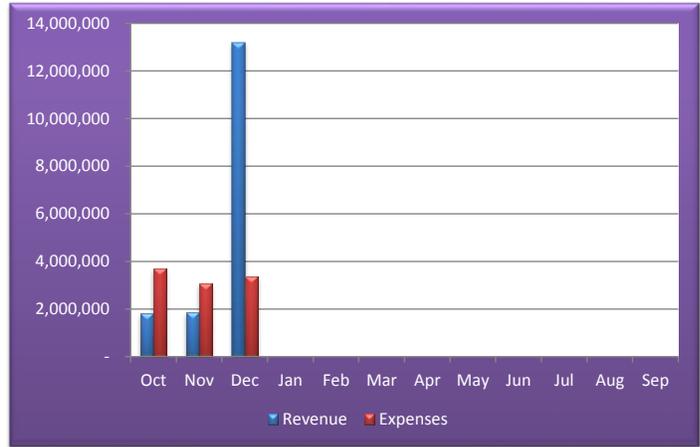
Positive
Warning
Negative

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	\$ (1,203,103)
Dec	13,210,437	3,373,494	\$ 9,836,943
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 16,871,995	\$ 10,124,093	\$ 6,747,902
Cumulative Forecast	\$ 16,666,514	\$ 10,081,070	\$ 6,585,444
Actual to Forecast \$	\$ 205,481	\$ 43,023	\$ 162,458
Actual to Forecast %	1.2%	0.4%	



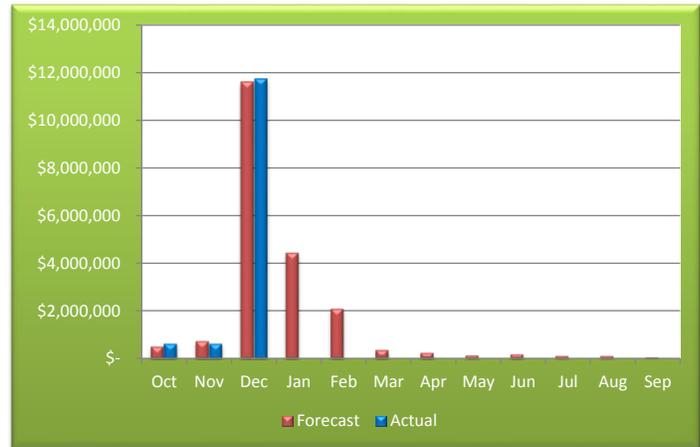
Positive

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 0.4% higher than forecasted. These differences are primarily due to higher than expected property and sales taxes revenues and higher than expected overtime expenses.

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	11,750,304	140,057
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		
Total	\$ 20,732,585	\$ 13,028,855	\$ 153,920
Actual to Forecast			1.2%



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 1.2% higher than forecasted for this time of the year.

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	507,859	26,484
Dec	631,413	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		
Total	\$ 6,251,617	\$ 1,636,636	\$ 36,222
<i>Actual to Forecast</i>			2.3%



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 2.3% higher than budgeted for this fiscal year. The sales taxes reported here for December 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	-	9	9
Jan	684,373		
Feb	449,247		
Mar	-		
Apr	597,132		
May	-		
Jun	-		
Jul	575,539		
Aug	-		
Sep	787,599		
Total	\$ 3,093,891	\$ 9	\$ 9
<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	2,016,697	2,347,286	(330,589)
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 7,173,245	\$ 6,086,617	\$ 1,086,628
Cumulative Forecast	\$ 6,642,585	\$ 5,594,930	\$ 1,047,656
Actual to Forecast \$	\$ 530,660	\$ 491,688	\$ 38,972
Actual to Forecast	8.0%	8.8%	



Positive

Utility fund revenues are 8.0% higher than forecast as a result of higher than expected water and sewer revenues. Expenses are 8.8% higher than forecast due to higher than expected overtime expenses and wastewater treatment expenses. 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	\$ 49,157
Nov	873,354	937,249	63,895
Dec	842,927	794,871	(48,056)
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		
Total	\$ 10,921,401	\$ 2,691,160	\$ 64,996
Actual to Forecast			2.5%



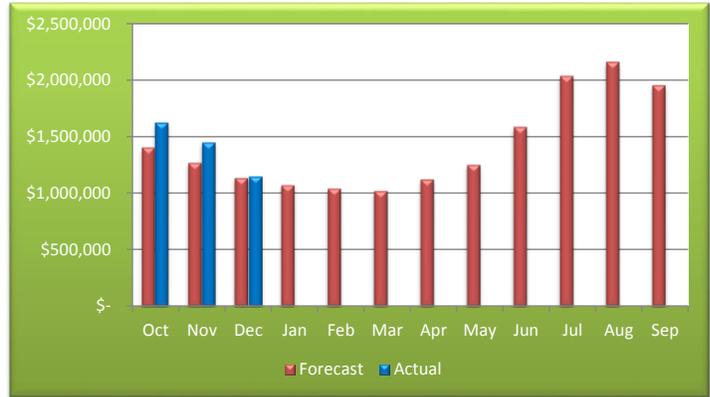
Positive

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 2.5% higher than forecasted for this time of year.

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	\$ 218,404
Nov	1,266,499	1,446,969	180,470
Dec	1,132,796	1,145,412	12,617
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		
Total	\$ 17,027,975	\$ 4,214,186	\$ 411,490
<i>Actual to Forecast</i>			10.8%



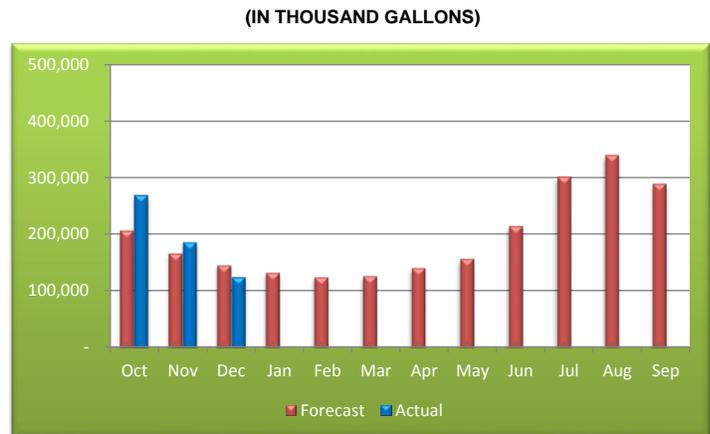
Positive

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. Cumulatively, water revenues are 10.8% 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	124,951	(19,696)
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		
Total	2,331,906	579,106	63,342
<i>Actual to Forecast</i>			12.3%



Positive

The City purchases its water from the North Texas Municipal Water District. Customer usage in December is 13.6% lower than forecast, but cumulatively customer usage is 12.3% 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	416,530	412,957	3,574
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 1,228,833	\$ 1,199,975	\$ 28,859
Cumulative Forecast	\$ 1,206,664	\$ 1,193,720	\$ 12,944
Actual to Forecast \$	\$ 22,169	\$ 6,255	\$ 15,914
Actual to Forecast	1.8%	0.5%	



Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 1.8% higher than forecasted, and expenses are 0.5% higher 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	112,214	73,269	38,945
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 333,400	\$ 213,859	\$ 119,541
Cumulative Forecast	\$ 339,941	\$ 272,849	\$ 67,092
Actual to Forecast \$	\$ (6,540)	\$ (58,990)	\$ 52,449
Actual to Forecast	-1.9%	-21.6%	



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 1.9% lower than forecasted but expenses 21.6% 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	253,679	898	252,781
Dec	4,274,836	127,318	4,147,518
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 4,785,130	\$ 132,126	\$ 4,653,004
Cumulative Forecast	\$ 4,722,054	\$ 140,866	\$ 4,581,188
Actual to Forecast \$	\$ 63,075	\$ (8,740)	\$ 71,815
Actual to Forecast	1.3%	-6.2%	



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 1.3% higher than projected and expenses 6.2% 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	13,426
Dec	232,162	340,261	(108,099)
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 825,149	\$ 1,034,365	\$ (209,216)
Cumulative Forecast	\$ 845,746	\$ 1,240,371	\$ (394,625)
Actual to Forecast \$	\$ (20,597)	\$ (206,006)	\$ 185,409
Actual to Forecast	-2.4%	-16.6%	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 2.4% lower than forecasted and expenses are 16.6% 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.