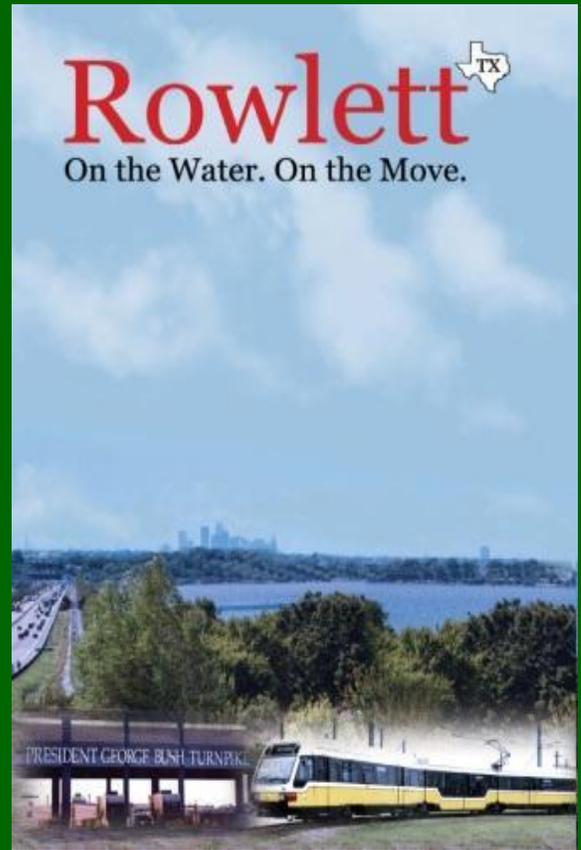




Comprehensive Monthly Financial Report

March 2016





MONTHLY FINANCIAL REPORT

PERFORMANCE AT A GLANCE

March 2016

	YEAR TO DATE	REFERENCE
ALL FUNDS SUMMARY	POSITIVE	Page 4
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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

March 31, 2016 – 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 1.4% in the 4th quarter of 2015 after increasing 2.0% in the 3rd quarter of 2015 as reported by the Bureau of Economic Analysis. The fourth quarter increase mainly reflected an increase in consumer spending. Spending on services increased, notably on recreation services and health care.

Texas Retail Sales: 

Texas retail sales totaled \$41.2 billion for the month of Jan., an increase of \$1.9 billion (4.8%) over Jan. 2015.

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 0.4% between the months of January and February.

UNEMPLOYMENT

National Unemployment: 

The national unemployment rate increased from 4.9% in Feb. to 5.0% in March.

State-Wide:

The Texas unemployment rate remained at 4.3% in both Feb. and March.

Rowlett: 

The City of Rowlett unemployment rate increased slightly between Feb. and Mar. from 3.5% to 3.6%. Note – city unemployment rates are not seasonally adjusted.

Attached is the Comprehensive Monthly Financial report for March 2016. Six months of FY2016, or 50.0% of the fiscal year is complete.

Revenues: Overall, the City has earned or received \$55.6 million for FY2016. This amount is 61.6% of the approved operating budget of \$90.2 million and is 2.0% more than forecast through the month of March.

- General Fund revenues are \$0.3 million or 1.1% higher than expected
- Utility Fund revenues are \$0.6 million or 5.0% higher than expected.

Expenditures: Expenses totaled \$49.8 million year-to-date for FY2016. This amount is 55.5% of the approved operating budget of \$89.8 million and is 1.6% higher than forecast through the month of March.

- General Fund expenditures are \$0.6 million or 3.2% lower than expected.
- Utility Fund expenditures are \$1.0 million or 6.4% higher than expected.

Surplus: The net surplus from operations through March is \$5.8 million which is \$0.3 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

LONG TERM RECOVERY COMMITTEE: The City has formed a Long Term Recovery Committee (LTRC), the role of which is absolutely essential to ensure the wellbeing of those affected by the December 26 tornado. There are and will continue to be many unmet needs, and the collective goal of this committee is to help these disaster victims get those needs met. For additional tornado recovery information, visit

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



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
March 31, 2016**

BUDGET SUMMARY OF ALL FUNDS FY2016

	2016 <u>Budget</u>	2016 <u>Forecast</u>	2016 <u>Year-to-Date</u>	<u>Variance</u>
Beginning Reserves	\$ 14,113,838	\$ 13,111,690	\$ 13,111,690	0.0%
Revenues:				
General	40,452,242	28,636,298	28,956,698	1.1%
Water & sewer	28,901,031	12,420,014	13,037,838	5.0%
Debt service	7,997,408	7,428,883	7,410,569	-0.2%
Drainage	1,360,397	680,131	666,893	-1.9%
Refuse	4,827,003	2,413,465	2,466,252	2.2%
Employee health benefits	5,010,230	2,098,304	2,005,830	-4.4%
Police seizure	100,550	50,275	15,174	-69.8%
Economic development	316,694	158,347	214,335	35.4%
Hotel/motel tax	47,752	21,823	39,268	79.9%
P.E.G.	85,893	21,473	46,800	117.9%
Grants	356,634	149,819	279,055	86.3%
Community Development Block Grant	179,247	89,624	101,150	12.9%
Inspection Fees Fund	225,000	112,500	138,902	23.5%
Juvenile diversion	33,281	16,638	13,142	-21.0%
Court technology	26,936	13,470	11,154	-17.2%
Court security	20,035	10,020	8,382	-16.3%
Golf course	257,005	128,290	127,274	-0.8%
Disaster	-	-	20,365	0.0%
Total Revenues	\$ 90,197,338	\$ 54,449,372	\$ 55,559,081	2.0%
Expenses:				
General	40,781,726	19,937,224	19,305,057	-3.2%
Water & sewer	27,410,712	15,128,285	16,103,745	6.4%
Debt service	8,552,017	7,342,833	7,425,959	1.1%
Drainage	1,401,835	852,712	694,009	-18.6%
Refuse	4,774,880	2,387,440	2,415,118	1.2%
Employee health benefits	4,967,764	2,483,882	1,920,316	-22.7%
Police seizure	187,097	93,549	139,219	48.8%
Economic development	443,023	221,512	261,779	18.2%
Hotel/motel tax	48,749	18,000	15,970	-11.3%
P.E.G.	90,543	45,272	63,335	39.9%
Grants	359,565	149,819	279,055	86.3%
Community Development Block Grant	179,247	89,624	101,150	12.9%
Inspection Fees Fund	218,760	109,380	68,966	-36.9%
Juvenile diversion	38,738	19,369	7,354	-62.0%
Court technology	43,874	21,937	1,736	-92.1%
Court security	23,672	11,836	14,622	23.5%
Golf course	254,990	122,495	137,030	11.9%
Disaster	-	-	842,655	100.0%
Total Expenses	\$ 89,777,192	\$ 49,035,165	\$ 49,797,075	1.6%
Current Year Surplus/(Shortfall)	\$ 420,146	\$ 5,414,207	\$ 5,762,006	6.4%
Ending Reserves	\$ 14,283,985	\$ 18,525,897	\$ 18,873,696	1.9%

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 FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 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	6,131,916	2,801,063	3,330,853
Feb	4,140,663	2,670,152	1,470,511
Mar	1,812,124	3,709,750	(1,897,626)
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 28,956,699	\$ 19,305,058	\$ 9,651,641
Cumulative Forecast	\$ 28,636,298	\$ 19,937,224	\$ 8,699,074
Actual to Forecast \$	\$ 320,401	\$ (632,165)	\$ 952,566
Actual to Forecast %	1.1%	-3.2%	



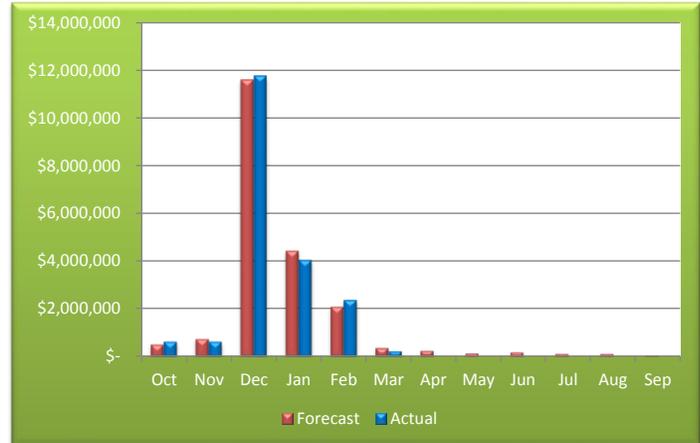
Positive

Cumulatively overall, the General Fund is better than expected for this time of the year. Revenues are 1.1% higher due to permit fees and charges for service, and expenses 3.2% lower than forecasted due to vacancies and the timing of supply purchases.

REVENUE ANALYSIS

PROPERTY TAXES FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 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	4,068,982	(409,257)
Feb	2,114,724	2,394,128	279,404
Mar	373,187	235,787	(137,399)
Apr	248,791		
May	145,128		
Jun	186,593		
Jul	124,396		
Aug	124,396		
Sep	62,198		
Total	\$ 20,732,585	\$ 19,727,751	\$ (113,332)
Actual to Forecast			-0.6%



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 0.6% lower than forecasted for this time of the year.

REVENUE ANALYSIS

SALES TAXES FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 487,626	\$ 497,364	\$ 9,738
Nov	481,375	507,859	26,484
Dec	631,413	665,451	34,038
Jan	418,858	439,620	20,762
Feb	431,362	496,445	65,083
Mar	631,413	631,413	-
Apr	493,878		
May	487,626		
Jun	600,155		
Jul	525,136		
Aug	481,375		
Sep	581,400		
Total	\$ 6,251,617	\$ 3,238,152	\$ 156,105
<i>Actual to Forecast</i>			5.1%



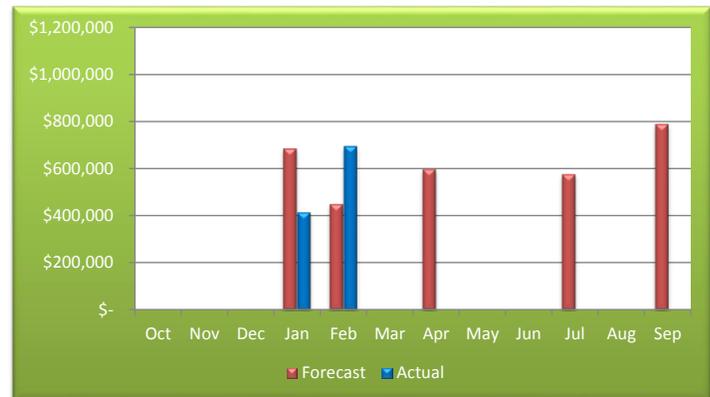
Positive

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 5.1% higher than budgeted for this fiscal year. The sales taxes reported here for March represent an estimate.

REVENUE ANALYSIS

FRANCHISE FEES FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 Actual</u>	<u>Monthly Variance</u>
Oct	\$ -	\$ -	\$ -
Nov	-	-	-
Dec	-	9	9
Jan	684,373	412,265	(272,108)
Feb	449,247	692,114	242,867
Mar	-	-	-
Apr	597,132		
May	-		
Jun	-		
Jul	575,539		
Aug	-		
Sep	787,599		
Total	\$ 3,093,891	\$ 1,104,388	\$ (29,232)
<i>Actual to Forecast</i>			-2.6%



Warning

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. The natural gas franchise fee was \$40,666 or 9.0% below budget for this fiscal year. Cumulatively overall, franchise fees are 2.6% lower than forecasted for this time of the year.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
March 31, 2016**

OVERALL FUND PERFORMANCE

UTILITY FUND REVENUES VS EXPENSES FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 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	2,021,574	2,033,971	(12,398)
Feb	1,882,458	5,788,563	(3,906,104)
Mar	1,960,561	2,194,594	(234,033)
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 13,037,838	\$ 16,103,745	\$ (3,065,907)
Cumulative Forecast	\$ 12,420,014	\$ 15,128,285	\$ (2,708,271)
Actual to Forecast \$	\$ 617,825	\$ 975,461	\$ (357,636)
Actual to Forecast	5.0%	6.4%	



Warning

Utility fund revenues are 5.0% higher than forecast as a result of higher than expected water revenues. Expenses are 6.4% higher than forecast due to higher than expected wastewater treatment expenses. The fund makes semi-annual debt payments in February and September.

REVENUE ANALYSIS

SEWER REVENUES FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 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	766,081	(64,890)
Feb	822,173	743,564	(78,609)
Mar	810,975	762,127	(48,848)
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	\$ 4,962,931	\$ (127,351)
Actual to Forecast			-2.5%



Warning

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% lower than forecasted for this time of year.

REVENUE ANALYSIS

WATER REVENUES FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 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	1,187,109	117,956
Feb	1,039,399	1,065,031	25,632
Mar	1,018,224	1,117,106	98,881
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	\$ 7,583,432	\$ 653,958
<i>Actual to Forecast</i>			<i>9.4%</i>



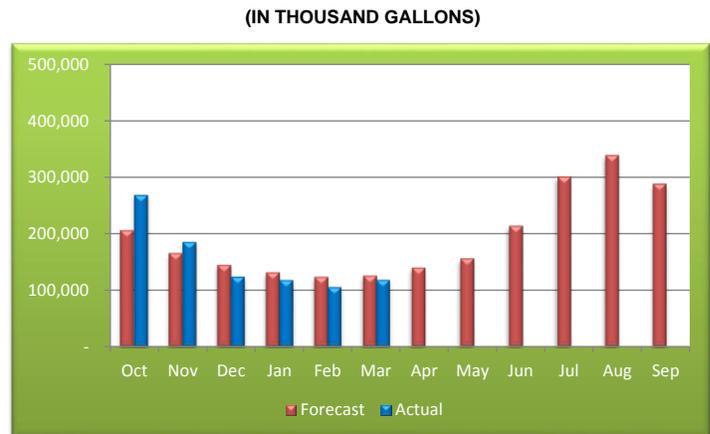
Positive

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 9.4% higher than the forecast for this time of year.

REVENUE ANALYSIS

WATER USAGE FY2016

<u>Month</u>	<u>2016 Forecast</u>	<u>2016 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	119,045	(12,490)
Feb	123,505	106,152	(17,353)
Mar	125,372	119,261	(6,111)
Apr	139,784		
May	155,805		
Jun	213,519		
Jul	300,529		
Aug	338,135		
Sep	287,959		
Total	2,331,906	923,564	27,388
<i>Actual to Forecast</i>			<i>3.6%</i>



Positive

The City purchases its water from the North Texas Municipal Water District. Customer usage in March is 4.9% lower than forecast, but cumulatively customer usage is 3.6% 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 FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 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	414,551	399,248	15,304
Feb	410,311	406,265	4,045
Mar	412,556	409,631	2,925
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 2,466,252	\$ 2,415,119	\$ 51,132
Cumulative Forecast	\$ 2,413,465	\$ 2,387,440	\$ 26,025
Actual to Forecast \$	\$ 52,787	\$ 27,679	\$ 25,108
Actual to Forecast	2.2%	1.2%	



Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 2.2% higher than forecasted, and expenses are 1.2% higher than forecasted.

OVERALL FUND PERFORMANCE

DRAINAGE FUND REVENUES VS EXPENSES FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 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	112,904	66,819	46,085
Feb	109,356	338,156	(228,800)
Mar	111,234	75,175	36,059
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 666,894	\$ 694,009	\$ (27,114)
Cumulative Forecast	\$ 680,131	\$ 852,712	\$ (172,581)
Actual to Forecast \$	\$ (13,237)	\$ (158,703)	\$ 145,466
Actual to Forecast	-1.9%	-18.6%	



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 18.6% lower than forecasted.

OVERALL FUND PERFORMANCE

DEBT SERVICE FUND REVENUES VS EXPENSES FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 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	1,501,932	14,247	1,487,685
Feb	1,016,301	7,269,552	(6,253,251)
Mar	107,207	10,035	97,172
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 7,410,569	\$ 7,425,960	\$ (15,391)
Cumulative Forecast	\$ 7,428,883	\$ 7,342,833	\$ 86,050
Actual to Forecast \$	\$ (18,314)	\$ 83,127	\$ (101,441)
Actual to Forecast	-0.2%	1.1%	



Positive

General Debt Service Fund is used to pay principal and interest on tax-supported debt. Revenues are 0.2% lower than projected, and expenses 1.1% higher 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 FY2016

<u>Month</u>	<u>2016 Revenue</u>	<u>2016 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	559,908	233,094	326,815
Feb	139,704	347,350	(207,646)
Mar	481,069	305,508	175,562
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 2,005,831	\$ 1,920,317	\$ 85,515
Cumulative Forecast	\$ 2,098,304	\$ 2,483,882	\$ (385,578)
Actual to Forecast \$	\$ (92,472)	\$ (563,565)	\$ 471,093
Actual to Forecast	-4.4%	-22.7%	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 4.4% lower than forecasted and expenses are 22.7% 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.