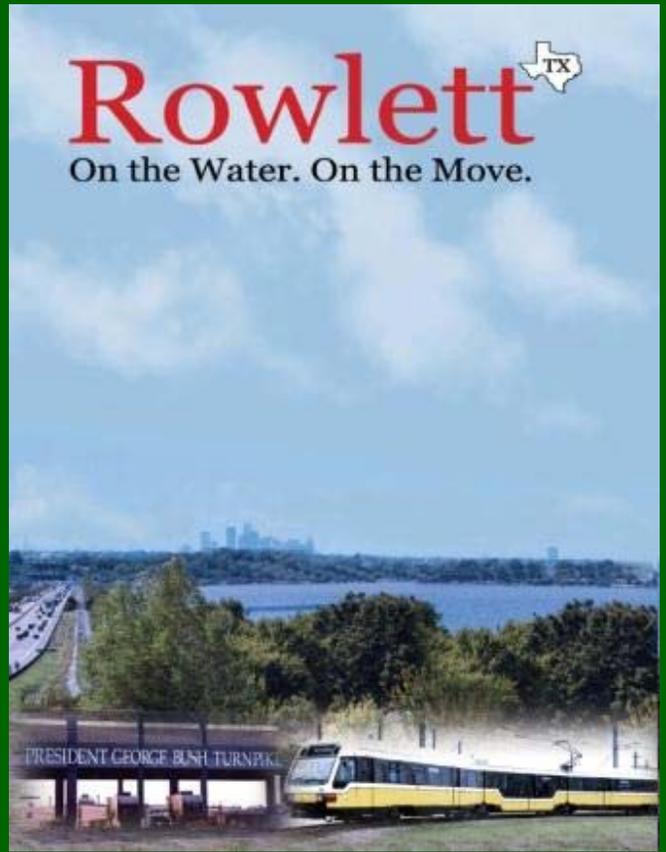




# **Comprehensive Monthly Financial Report**

**November 2012**





# MONTHLY FINANCIAL REPORT

## PERFORMANCE AT A GLANCE

## NOVEMBER 2012

	YEAR TO DATE	REFERENCE
ALL FUNDS SUMMARY	POSITIVE	Page 4
GENERAL FUND REV VS EXP	POSITIVE	Page 5
PROPERTY TAXES	POSITIVE	Page 5
SALES TAXES	POSITIVE	Page 6
FRANCHISE FEES	POSITIVE	Page 6
UTILITY FUND REV VS EXP	WARNING	Page 7
SEWER REVENUES	POSITIVE	Page 7
WATER REVENUES	NEGATIVE	Page 8
WATER USAGE	NEGATIVE	Page 8
REFUSE FUND REV VS EXP	WARNING	Page 9
DRAINAGE FUND REV VS EXP	POSITIVE	Page 9
DEBT SERVICE FUND REV VS EXP	POSITIVE	Page 10
EMPLOYEE BENEFITS REV VS EXP	POSITIVE	Page 10

### 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, 2012 – 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 2.7% in the 3rd quarter of 2012 after increasing 1.3% in the 2nd quarter as reported by the Bureau of Economic Analysis. The acceleration in growth was mainly driven by a rebound in inventory investment.

**Texas Retail Sales:** 

Texas retail sales totaled \$36.99 billion for the month of Sept., an increase of \$1.97 billion (5.6%) over Sept. 2012.

**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 0.24% between the months of Aug. and Sept.

**UNEMPLOYMENT**

**National Unemployment:** 

The national unemployment rate decreased from 7.9% in Oct. to 7.7% in Nov.

**State-Wide:** 

The Texas unemployment rate for October 2012 was 6.6%, a 2.9% decrease over September.

**Rowlett:** 

The City of Rowlett unemployment rate for October 2012 was 6.4%. This is a 3.2% increase from the September rate of 6.2%.

Attached is the Comprehensive Monthly Financial report for November 2012. Two months of FY 2013, or 16.7% of the fiscal year is complete.

**Revenues:** Overall, the City has earned or received \$9.9 million for FY 2013. This amount is 12.4% of the approved operating budget of \$79.6 million and is 4.4% higher than forecast through the month of November.

- General Fund revenues are \$3.3 million or 16.5% higher than expected.
- Utility Fund revenues are \$4.2 million or 2.1% lower than expected.

**Expenditures:** Expenses totaled \$10.4 million year-to-date for FY 2013. This amount is 13.0% of the approved operating budget of \$79.6 million and is 7.2% lower than forecast through the month of November.

- General Fund expenditures are \$0.8 million or 14.3% lower than expected.
- Utility Fund expenditures are \$0.1 million or 0.7% higher than expected.

**Surplus:** The net shortfall from operations through November is \$0.5 million which is \$1.2 million better than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total increase of \$0.1 million.

**NOTEWORTHY**

**DART Light Rail Blue Line:** *DART extension into Rowlett opened on Saturday, December 1st with the biggest party of the year! Free DART Light Rail train rides to and from the downtown Garland station, live music, shopping and food were all available as DART and Rowlett celebrated the grand opening.*

**Water Bills to go up effective October 1:** *Effective October 1, 2012, the City of Rowlett water and sewer rates increased an average of \$11.95 per customer per month. For most residential customers, this will increase your monthly utility bill by about 9%. Refuse and drainage fees will remain flat.*



**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
November 30, 2012**

**BUDGET SUMMARY OF ALL FUNDS FY2012**

	2013 <u>Budget</u>	2013 <u>Forecast</u>	2013 <u>Year-to-Date</u>	<u>Variance</u>
	\$ 14,262,492	\$ 14,262,492	\$ 14,262,492	0.0%
<b>Beginning Reserves</b>				
<b>Revenues:</b>				
General	32,606,990	2,862,586	3,334,270	16.5%
Water & sewer	26,788,993	4,328,056	4,236,478	-2.1%
Debt service	8,612,739	507,396	584,893	15.3%
Drainage	1,333,611	222,164	219,749	-1.1%
Refuse	4,764,621	793,538	751,407	-5.3%
Employee health benefits	3,698,369	616,395	627,086	1.7%
Impact fees	44,357	4,639	7,562	63.0%
Police seizure	100,550	16,758	192	-98.9%
Economic development	316,694	52,782	52,615	-0.3%
Innovations	-	-	131	0.0%
Hotel/motel tax	47,752	7,879	9,381	19.1%
P.E.G.	85,042	-	6	0.0%
Grants	24,590	2,049	8,203	300.3%
Community Development Block Grant	228,181	-	4,508	0.0%
Juvenile diversion	33,281	5,547	6,987	26.0%
Court technology	26,936	4,489	5,630	25.4%
Court security	20,035	3,339	4,197	25.7%
Traffic safety	297,926	49,654	39,706	-20.0%
Golf course	600,628	20	172	757.9%
<b>Total Revenues</b>	<b>\$ 79,631,295</b>	<b>\$ 9,477,293</b>	<b>\$ 9,893,175</b>	<b>4.4%</b>
<b>Expenses:</b>				
General	32,727,568	5,835,113	4,999,738	-14.3%
Water & sewer	26,705,926	3,572,046	3,597,212	0.7%
Debt service	8,612,739	24,750	16,216	-34.5%
Drainage	1,300,049	151,607	137,480	-9.3%
Refuse	4,740,876	794,147	776,484	-2.2%
Employee health benefits	3,698,369	616,395	628,064	1.9%
Impact fees	30,000	5,000	5,000	0.0%
Police seizure	100,550	16,758	65,551	291.2%
Economic development	344,595	54,751	47,760	-12.8%
Innovations	-	-	17,081	0.0%
Hotel/motel tax	42,749	7,125	482	-93.2%
P.E.G.	69,547	13,374	9,686	-27.6%
Grants	24,590	2,049	8,203	300.3%
Community Development Block Grant	228,181	-	4,508	0.0%
Juvenile diversion	33,274	5,546	4,461	-19.6%
Court technology	206,120	34,353	17,387	-49.4%
Court security	22,170	3,695	4,996	35.2%
Traffic safety	297,926	49,654	39,706	-20.0%
Golf course	389,176	-	-	0.0%
<b>Total Expenses</b>	<b>\$ 79,574,405</b>	<b>\$ 11,186,365</b>	<b>\$ 10,380,014</b>	<b>-7.2%</b>
<b>Current Year</b>				
<b>Surplus/(Shortfall)</b>	<b>\$ 56,890</b>	<b>\$ (1,709,071)</b>	<b>\$ (486,839)</b>	<b>-71.5%</b>
<b>Ending Reserves</b>	<b>\$ 14,319,382</b>	<b>\$ 12,553,421</b>	<b>\$ 13,775,653</b>	<b>9.7%</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 FY2013**

<u>Month</u>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 1,581,793	\$ 3,174,107	\$ (1,592,314)
Nov	1,752,477	1,825,631	(73,154)
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 3,334,270</b>	<b>\$ 4,999,738</b>	<b>\$ (1,665,468)</b>
<b>Cumulative Forecast</b>	<b>\$ 2,862,586</b>	<b>\$ 5,835,113</b>	<b>\$ (2,972,527)</b>
<b>Actual to Forecast \$</b>	<b>\$ 471,684</b>	<b>\$ (835,375)</b>	<b>\$ 1,307,059</b>
<b>Actual to Forecast %</b>	<b>16.5%</b>	<b>-14.3%</b>	



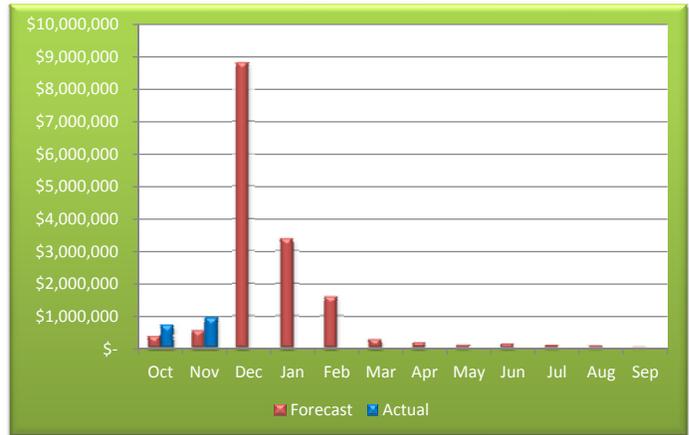
Positive

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 16.5% and expenses 14.3% lower than forecasted. These differences are primarily due to higher than expected property and sales tax collections, vacancy savings and lower than expected supplies expenses.

**REVENUE ANALYSIS**

**PROPERTY TAXES FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 361,132	\$ 694,432	\$ 333,300
Nov	534,516	905,532	371,016
Dec	8,820,527		
Jan	3,376,438		
Feb	1,581,369		
Mar	263,488		
Apr	157,399		
May	90,545		
Jun	113,108		
Jul	75,084		
Aug	62,289		
Sep	23,016		
<b>Total</b>	<b>\$ 15,458,911</b>	<b>\$ 1,599,964</b>	<b>\$ 704,316</b>
<b>Actual to Forecast</b>			<b>78.6%</b>



Positive

Property taxes represents nearly 50% of the total General Fund budget and serves as the primary funding source for the general government. Cumulatively overall, property tax revenues are 78.6% higher than forecasted for this time of the year.

**REVENUE ANALYSIS**

**SALES TAXES FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 338,068	\$ 457,566	\$ 119,498
Nov	395,411	395,411	-
Dec	487,305		
Jan	340,193		
Feb	307,672		
Mar	484,235		
Apr	371,600		
May	341,969		
Jun	469,987		
Jul	369,136		
Aug	365,199		
Sep	501,215		
<b>Total</b>	<b>\$ 4,771,990</b>	<b>\$ 852,977</b>	<b>\$ 119,498</b>
<i>Actual to Forecast</i>			16.3%



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. Sales taxes for the month of October are 16.3% higher than forecasted. The sales taxes reported here for November represent an estimate.

**REVENUE ANALYSIS**

**FRANCHISE FEES FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	\$ -	\$ 110	\$ 110
Nov	-	-	-
Dec	638,370		
Jan	-		
Feb	440,516		
Mar	627,540		
Apr	-		
May	-		
Jun	514,010		
Jul	-		
Aug	-		
Sep	838,072		
<b>Total</b>	<b>\$ 3,058,509</b>	<b>\$ 110</b>	<b>\$ 110</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 FY2013**

<u>Month</u>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 2,139,089	\$ 1,824,240	\$ 314,849
Nov	2,097,389	1,772,973	324,417
Dec			
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 4,236,478</b>	<b>\$ 3,597,212</b>	<b>\$ 639,266</b>
<b>Cumulative Forecast</b>	<b>\$ 4,328,056</b>	<b>\$ 3,572,046</b>	<b>\$ 756,010</b>
<b>Actual to Forecast \$</b>	<b>\$ (91,578)</b>	<b>\$ 25,166</b>	<b>\$ (116,745)</b>
<b>Actual to Forecast</b>	<b>-2.1%</b>	<b>0.7%</b>	



**Warning**

Utility fund revenues are 2.1% lower than predicted for this time of year with expenses are 0.7% higher. These differences are primarily due to lower than expected water sales .

**REVENUE ANALYSIS**

**SEWER REVENUES FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 884,374	\$ 890,089	\$ 5,715
Nov	868,945	878,411	9,466
Dec	786,084		
Jan	778,846		
Feb	769,687		
Mar	767,703		
Apr	868,068		
May	837,117		
Jun	897,684		
Jul	1,054,455		
Aug	1,053,496		
Sep	988,340		
<b>Total</b>	<b>\$ 10,554,799</b>	<b>\$ 1,768,500</b>	<b>\$ 15,181</b>
<b>Actual to Forecast</b>			<b>0.9%</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 0.9% more than forecasted for this time of year.

**REVENUE ANALYSIS**

**WATER REVENUES FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 1,266,568	\$ 1,089,142	\$ (177,426)
Nov	1,162,925	1,181,761	18,836
Dec	967,789		
Jan	934,594		
Feb	911,446		
Mar	923,583		
Apr	1,119,185		
May	1,103,643		
Jun	1,335,846		
Jul	1,848,490		
Aug	1,923,975		
Sep	1,817,430		
<b>Total</b>	<b>\$ 15,315,474</b>	<b>\$ 2,270,903</b>	<b>\$ (158,590)</b>
<b>Actual to Forecast</b>			<b>-6.5%</b>



**Negative**

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 highly variable with the weather. Water revenues are 6.5% less than forecasted for this time of year.

**REVENUE ANALYSIS**

**WATER USAGE FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	259,455	205,540	(53,915)
Nov	183,154	187,606	4,452
Dec	137,185		
Jan	123,269		
Feb	121,904		
Mar	123,297		
Apr	149,889		
May	182,800		
Jun	216,668		
Jul	302,232		
Aug	392,638		
Sep	337,845		
<b>Total</b>	<b>2,530,336</b>	<b>393,146</b>	<b>(49,463)</b>
<b>Actual to Forecast</b>			<b>-11.2%</b>



**Negative**

The City purchases its water from the North Texas Municipal Water District. Customer usage is 11.2% lower than forecasted for this time of the year. 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 FY2013**

<u>Month</u>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 366,252	\$ 391,924	\$ (25,672)
Nov	385,155	384,560	595
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 751,407</b>	<b>\$ 776,484</b>	<b>\$ (25,077)</b>
<b>Cumulative Forecast</b>	<b>\$ 793,538</b>	<b>\$ 794,147</b>	<b>\$ (609)</b>
<b>Actual to Forecast \$</b>	<b>\$ (42,131)</b>	<b>\$ (17,663)</b>	<b>\$ (24,468)</b>
<b>Actual to Forecast</b>	<b>-5.3%</b>	<b>-2.2%</b>	



**Warning**

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 5.3% lower than forecasted but expenses are 2.2% lower than forecasted.

**OVERALL FUND PERFORMANCE**

**DRAINAGE FUND REVENUES VS EXPENSES FY2013**

<u>Month</u>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 110,022	\$ 65,908	\$ 44,114
Nov	109,727	71,572	38,155
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 219,749</b>	<b>\$ 137,480</b>	<b>\$ 82,269</b>
<b>Cumulative Forecast</b>	<b>\$ 222,164</b>	<b>\$ 151,607</b>	<b>\$ 70,556</b>
<b>Actual to Forecast \$</b>	<b>\$ (2,414)</b>	<b>\$ (14,127)</b>	<b>\$ 11,713</b>
<b>Actual to Forecast</b>	<b>-1.1%</b>	<b>-9.3%</b>	



**Positive**

The Drainage Fund accounts for monies collected from customers on their utility bills to address maintenance and capital needs in the municipal drainage system. Cumulatively overall, the fund better than forecasted for this time of the year, with revenues 1.1% lower than forecasted and expenses 9.3% lower than forecasted.

**OVERALL FUND PERFORMANCE**

**DEBT SERVICE FUND REVENUES VS EXPENSES FY2013**

<u>Month</u>	2013 <u>Revenue</u>	2013 <u>Expenses</u>	Monthly <u>Variance</u>
Oct	\$ 256,784	\$ 3,949	\$ 252,835
Nov	328,109	12,267	315,843
Dec			
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 584,893</b>	<b>\$ 16,216</b>	<b>\$ 568,677</b>
<b>Cumulative Forecast</b>	<b>\$ 507,396</b>	<b>\$ 24,750</b>	<b>\$ 482,646</b>
<b>Actual to Forecast \$</b>	<b>\$ 77,497</b>	<b>\$ (8,534)</b>	<b>\$ 86,031</b>
<b>Actual to Forecast</b>	<b>15.3%</b>	<b>-34.5%</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 higher as a result of better than expected property tax collections and expenses 34.5% lower. The fund makes semi-annual debt payments in February and August.

**OVERALL FUND PERFORMANCE**

**EMPLOYEE HEALTH BENEFITS FUND REVENUES VS EXPENSES FY2013**

<u>Month</u>	2013 <u>Revenue</u>	2013 <u>Expenses</u>	Monthly <u>Variance</u>
Oct	\$ 410,972	\$ 369,539	\$ 41,433
Nov	216,114	258,525	(42,411)
Dec			
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 627,086</b>	<b>\$ 628,064</b>	<b>\$ (978)</b>
<b>Cumulative Forecast</b>	<b>\$ 616,395</b>	<b>\$ 616,395</b>	<b>\$ -</b>
<b>Actual to Forecast \$</b>	<b>\$ 10,691</b>	<b>\$ 11,669</b>	<b>\$ (978)</b>
<b>Actual to Forecast</b>	<b>1.7%</b>	<b>1.9%</b>	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 1.7% higher than forecasted and expenses are 1.9% higher than forecasted.