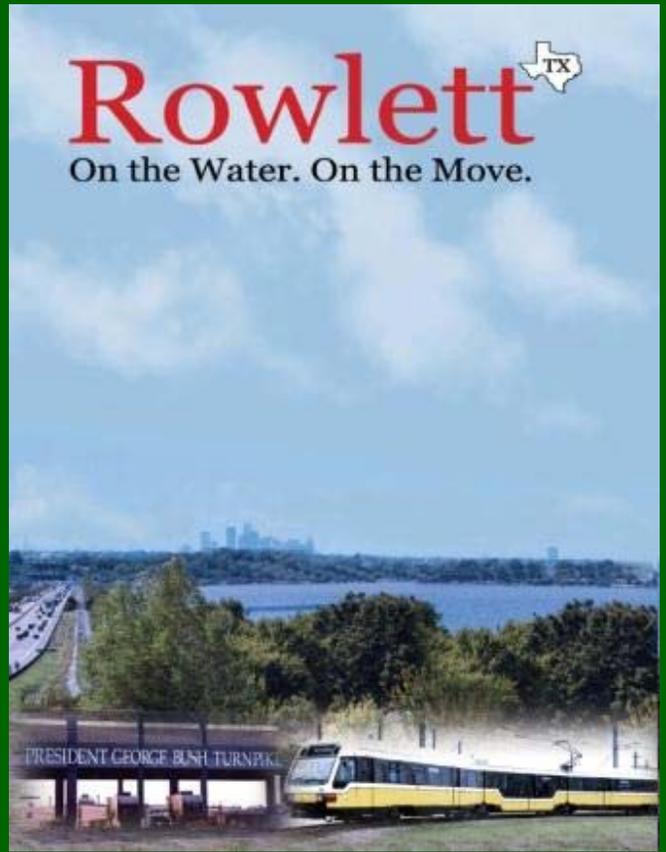




Comprehensive Monthly Financial Report

December 2012





MONTHLY FINANCIAL REPORT

PERFORMANCE AT A GLANCE

DECEMBER 2012

	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

DECEMBER 31, 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 3.1% 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 \$36.98 billion for the month of Oct., an increase of \$2.09 billion (6.0%) over Oct. 2011.

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 remained at 7.8% from November to December.

State-Wide: 
 The Texas unemployment rate for November 2012 was 6.2%, a 0.4% decrease over October.

Rowlett: 
 The City of Rowlett unemployment rate for November 2012 was 5.9%. This is a 0.5% decrease from the October rate of 6.4%.

Attached is the Comprehensive Monthly Financial report for December 2012. Three months of FY 2013, or 25.0% of the fiscal year is complete.

Revenues: Overall, the City has earned or received \$29.0 million for FY 2013. This amount is 35.1% of the approved operating budget of \$79.6 million and is 2.1% higher than forecast through the month of December.

- General Fund revenues are \$13.8 million or 2.0% higher than expected.
- Utility Fund revenues are \$6.4 million or 4.2% higher than expected.

Expenditures: Expenses totaled \$15.5 million year-to-date for FY 2013. This amount is 19.5% of the approved operating budget of \$79.6 million and is 5.7% lower than forecast through the month of December.

- General Fund expenditures are \$1.1 million or 13.0% lower than expected.
- Utility Fund expenditures are \$0.1 million or 2.4% higher than expected.

Surplus: The net surplus from operations through December is \$12.5 million which is \$1.5 million better than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total increase of \$0.1 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.*



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
December 31, 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%
Beginning Reserves				
Revenues:				
General	32,606,990	13,522,228	13,798,366	2.0%
Water & sewer	26,788,993	6,142,155	6,401,765	4.2%
Debt service	8,612,739	5,052,792	5,030,174	-0.4%
Drainage	1,333,611	333,244	329,832	-1.0%
Refuse	4,764,621	1,190,299	1,144,080	-3.9%
Employee health benefits	3,698,369	924,592	991,563	7.2%
Impact fees	44,357	6,249	67,421	979.0%
Police seizure	100,550	25,138	192	-99.2%
Economic development	316,694	79,174	78,941	-0.3%
Innovations	-	-	212	0.0%
Hotel/motel tax	47,752	11,914	13,485	13.2%
P.E.G.	85,042	20,972	20,982	0.0%
Grants	24,590	3,074	13,366	334.8%
Community Development Block Grant	228,181	-	11,101	0.0%
Juvenile diversion	33,281	8,320	9,810	17.9%
Court technology	26,936	6,734	7,906	17.4%
Court security	20,035	5,009	5,877	17.3%
Traffic safety	297,926	74,482	57,115	-23.3%
Golf course	600,628	40	285	610.7%
Total Revenues	\$ 79,631,295	\$ 27,406,415	\$ 27,982,475	2.1%
Expenses:				
General	32,727,568	8,373,392	7,287,024	-13.0%
Water & sewer	26,705,926	5,260,147	5,383,916	2.4%
Debt service	8,612,739	175,549	21,469	-87.8%
Drainage	1,300,049	225,311	208,065	-7.7%
Refuse	4,740,876	1,194,222	1,160,266	-2.8%
Employee health benefits	3,698,369	924,592	1,001,248	8.3%
Impact fees	30,000	7,500	106,096	1314.6%
Police seizure	100,550	25,138	103,919	313.4%
Economic development	344,595	82,127	80,439	-2.1%
Innovations	-	-	17,081	0.0%
Hotel/motel tax	42,749	10,687	3,426	-67.9%
P.E.G.	69,547	18,724	14,762	-21.2%
Grants	24,590	3,074	13,366	334.8%
Community Development Block Grant	228,181	-	11,101	0.0%
Juvenile diversion	33,274	8,319	6,601	-20.6%
Court technology	206,120	51,530	17,774	-65.5%
Court security	22,170	5,543	7,768	40.2%
Traffic safety	297,926	74,482	57,115	-23.3%
Golf course	389,176	-	-	0.0%
Total Expenses	\$ 79,574,405	\$ 16,440,335	\$ 15,501,436	-5.7%
Current Year				
Surplus/(Shortfall)	\$ 56,890	\$ 10,966,080	\$ 12,481,039	13.8%
Ending Reserves	\$ 14,319,382	\$ 25,228,572	\$ 26,743,531	6.0%

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 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	10,464,096	2,287,286	8,176,810
Jan			-
Feb			-
Mar			-
Apr			-
May			-
Jun			-
Jul			-
Aug			-
Sep			-
Total	\$ 13,798,366	\$ 7,287,024	\$ 6,511,342
Cumulative Forecast	\$ 13,522,228	\$ 8,373,392	\$ 5,148,836
Actual to Forecast \$	\$ 276,138	\$ (1,086,368)	\$ 1,362,506
Actual to Forecast %	2.0%	-13.0%	



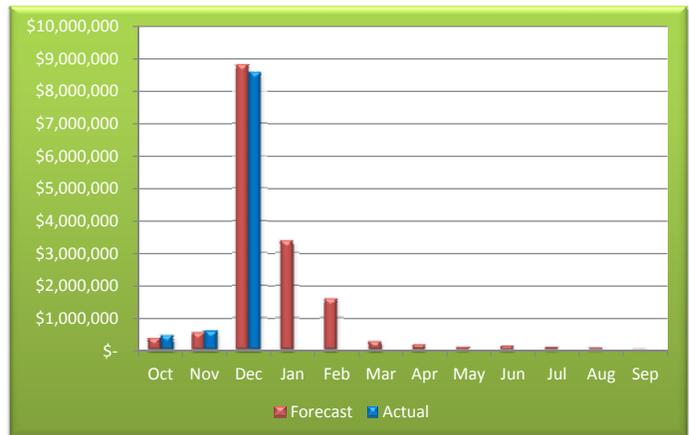
Positive

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 2.0% and expenses 13.0% lower than forecasted. These differences are primarily due to higher than expected licenses and permits fees, 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	\$ 457,968	\$ 96,836
Nov	534,516	582,801	48,285
Dec	8,820,527	8,578,713	(241,814)
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		
Total	\$ 15,458,911	\$ 9,619,482	\$ (96,693)
Actual to Forecast			-1.0%



Warning

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 1.0% lower 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	391,973	(3,438)
Dec	487,305	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		
Total	\$ 4,771,990	\$ 1,336,844	\$ 116,060
<i>Actual to Forecast</i>			9.5%



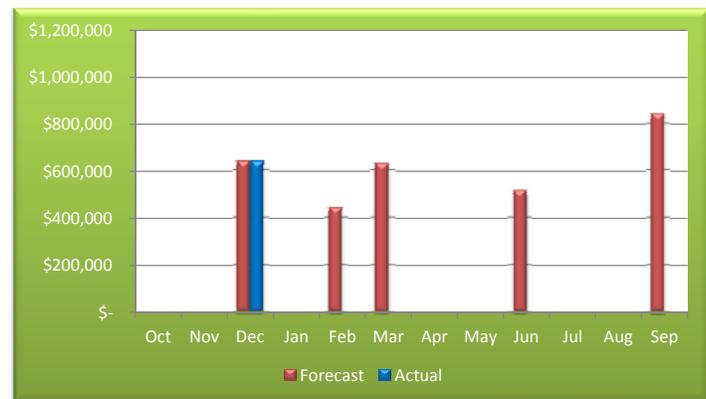
Positive

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 November are 0.9% lower than forecasted. The sales taxes reported here for December 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	638,370	(0)
Jan	-		
Feb	440,516		
Mar	627,540		
Apr	-		
May	-		
Jun	514,010		
Jul	-		
Aug	-		
Sep	838,072		
Total	\$ 3,058,509	\$ 638,480	\$ 110
<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

Month	2013 Revenue	2013 Expenses	Monthly Variance
Oct	\$ 2,139,089	\$ 1,824,240	\$ 314,849
Nov	2,097,389	1,772,973	324,417
Dec	2,165,287	1,786,703	378,584
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 6,401,765	\$ 5,383,916	\$ 1,017,850
Cumulative Forecast	\$ 6,142,155	\$ 5,260,147	\$ 882,008
Actual to Forecast \$	\$ 259,610	\$ 123,769	\$ 135,842
Actual to Forecast	4.2%	2.4%	



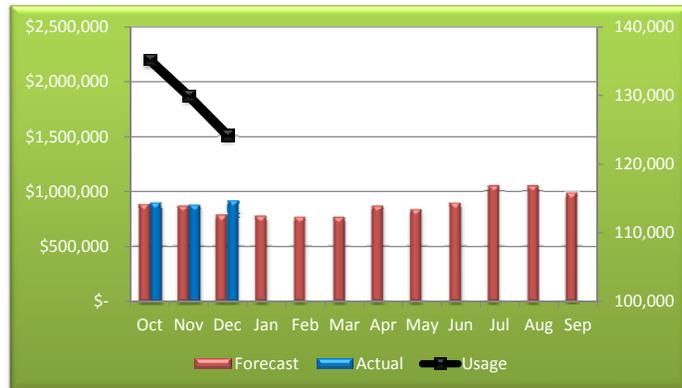
Positive

Utility fund revenues are 4.2% higher than predicted for this time of year but expenses are also 2.4% higher. These differences are primarily due to higher than expected purchase services.

REVENUE ANALYSIS

SEWER REVENUES FY2013

Month	2013 Forecast	2013 Actual	Monthly Variance
Oct	\$ 884,374	\$ 893,808	\$ 9,434
Nov	868,945	874,692	5,747
Dec	786,084	913,194	127,110
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		
Total	\$ 10,554,799	\$ 2,681,694	\$ 142,291
Actual to Forecast			5.6%



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 5.6% 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	1,168,369	200,580
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		
Total	\$ 15,315,474	\$ 3,439,272	\$ 41,990
Actual to Forecast			1.2%



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 highly variable with the weather. Water revenues are 1.2% more 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	163,893	26,708
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		
Total	2,530,336	557,039	(22,755)
Actual to Forecast			-3.9%



Warning

The City purchases its water from the North Texas Municipal Water District. Customer usage is 3.9% 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	392,673	383,782	8,891
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 1,144,080	\$ 1,160,266	\$ (16,186)
Cumulative Forecast	\$ 1,190,299	\$ 1,194,222	\$ (3,923)
Actual to Forecast \$	\$ (46,219)	\$ (33,956)	\$ (12,263)
Actual to Forecast	-3.9%	-2.8%	



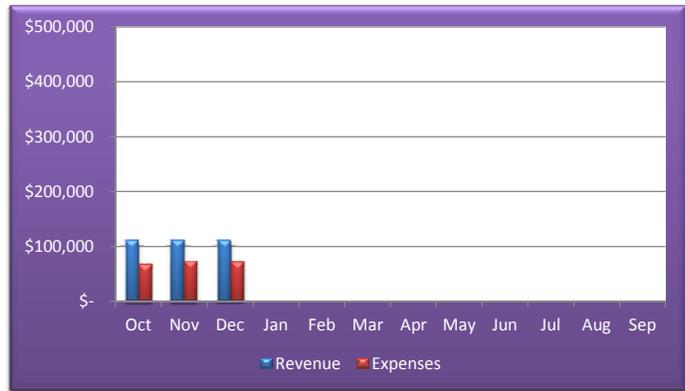
Warning

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 3.9% lower than forecasted but expenses are 2.8% 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	110,083	70,585	39,498
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 329,832	\$ 208,065	\$ 121,767
Cumulative Forecast	\$ 333,244	\$ 225,311	\$ 107,934
Actual to Forecast \$	\$ (3,412)	\$ (17,246)	\$ 13,833
Actual to Forecast	-1.0%	-7.7%	



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 1.0% lower than forecasted and expenses 7.7% lower than forecasted.

OVERALL FUND PERFORMANCE

DEBT SERVICE FUND REVENUES VS EXPENSES FY2013

<u>Month</u>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 256,784	\$ 3,949	\$ 252,835
Nov	328,109	12,267	315,843
Dec	4,445,281	5,253	4,440,028
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 5,030,174	\$ 21,469	\$ 5,008,705
Cumulative Forecast	\$ 5,052,792	\$ 175,549	\$ 4,877,243
Actual to Forecast \$	\$ (22,618)	\$ (154,080)	\$ 131,463
Actual to Forecast	-0.4%	-87.8%	



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 as projected and expenses 87.8% 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>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 410,972	\$ 369,539	\$ 41,433
Nov	216,114	258,525	(42,411)
Dec	364,477	373,185	(8,707)
Jan			
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 991,563	\$ 1,001,248	\$ (9,685)
Cumulative Forecast	\$ 924,592	\$ 924,592	\$ -
Actual to Forecast \$	\$ 66,971	\$ 76,656	\$ (9,685)
Actual to Forecast	7.2%	8.3%	



Warning

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 7.2% higher than forecasted and expenses are 8.3% higher than forecasted.