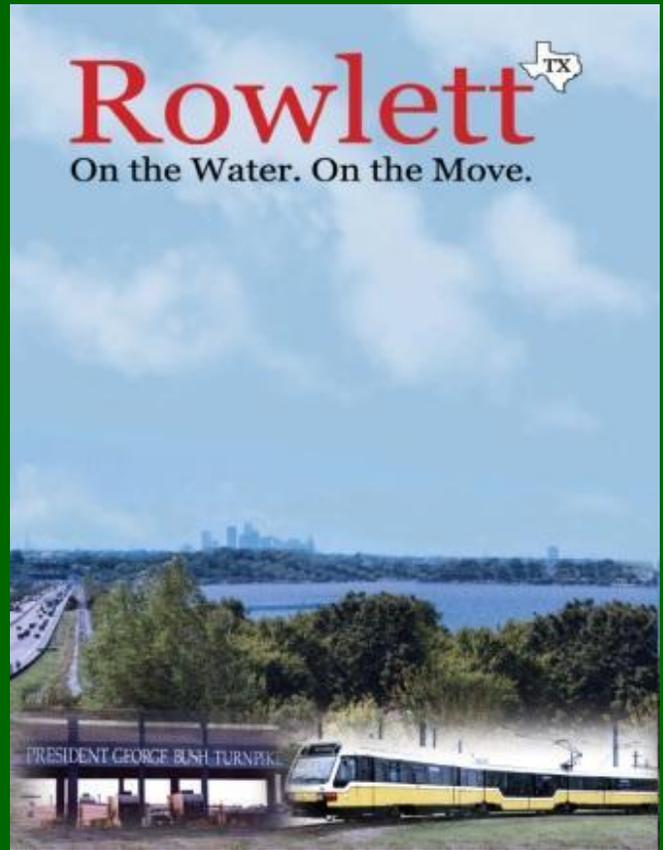




**Comprehensive
Monthly
Financial
Report**

October 2014





MONTHLY FINANCIAL REPORT

PERFORMANCE AT A GLANCE

OCTOBER 2014

	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

OCTOBER 31, 2014 – 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 3.5% in the 3rd quarter of 2014 after increasing 4.6% in the 2nd quarter of 2014 as reported by the Bureau of Economic Analysis.

Texas Retail Sales: 

Texas retail sales totaled \$41.5 billion for the month of Aug., an increase of \$3.2 billion (8.4%) over Aug. 2013.

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 1.1% between the months of July and August.

UNEMPLOYMENT

National Unemployment: 

The national unemployment rate decreased from 5.9% in September to 5.8% in October.

State-Wide: 

The Texas unemployment rate decreased from 5.3% in Aug to 5.2% in September.

Rowlett: 

The City of Rowlett unemployment rate for September 2014 was 4.9%, a 12.5% decrease over the Aug. unemployment rate of 5.6%. Note – city unemployment rates are not seasonally adjusted.

Attached is the Comprehensive Monthly Financial report for October 2014. One month of FY 2015, or 8.3% of the fiscal year is complete.

Revenues: Overall, the City has earned or received \$5.6 million for FY 2015. This amount is 6.5% of the approved operating budget of \$85.2 million and is 6.6% more than forecast through the month of October.

- General Fund revenues are \$0.2 million or 9.5% higher than expected.
- Utility Fund revenues are \$12 thousand or 0.5% lower than expected.

Expenditures: Expenses totaled \$5.7 million year-to-date for FY 2015. This amount is 6.6% of the approved operating budget of \$86.0 million and is as forecast through the month of October.

- General Fund expenditures are \$19 thousand or 0.7% lower than expected.
- Utility Fund expenditures are \$1 thousand or 0.1% higher than expected.

Surplus: The net shortfall from operations through October is \$0.1 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 decrease of \$0.7 million.

NOTEWORTHY

NORTH TEXAS MUNICIPAL WATER DISTRICT INITIATES SEASONAL STAGE 3 RESTRICTIONS; EVERY OTHER WEEK WATERING IN EFFECT THROUGH MARCH 31, 2015!

Recently, due to below average rainfall and extremely low lake levels, NTMWD has initiated Stage 3 seasonal watering. This limits landscape watering with sprinklers or irrigation systems to once every two weeks between November 1 and March 31.

HOLIDAY PARADE & MAIN STREET FEST, SATURDAY, DECEMBER 6 FROM 3:00 TO 7:00 P.M;

Main Street comes alive with holiday sparkle, including children's activities, choir performances, photos with Santa, and a spectacular fireworks show! The Noon Exchange Club's 28th Annual Holiday Parade is at 4pm. Then the holiday light show all along Main Street is switched on for the season.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
October 31, 2014**

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	\$ 17,438,670	\$ 17,438,670	\$ 17,438,670	0.0%
Revenues:				
General	37,097,467	1,584,785	1,734,785	9.5%
Water & sewer	28,605,460	2,535,330	2,523,628	-0.5%
Debt service	7,783,232	133,735	249,127	86.3%
Drainage	1,346,939	112,194	110,599	-1.4%
Refuse	4,699,097	391,317	402,012	2.7%
Employee health benefits	4,405,117	367,093	419,181	14.2%
Impact fees	44,357	3,696	64,695	1650.2%
Police seizure	100,550	8,379	-	-100.0%
Economic development	316,694	26,391	26,554	0.6%
Hotel/motel tax	47,752	3,653	3,960	8.4%
P.E.G.	85,042	-	64	0.0%
Grants	73,792	6,149	5,302	-13.8%
Community Development Block Grant	186,209	15,517	-	-100.0%
Inspection Fees Fund	169,333	14,111	6,918	-51.0%
Juvenile diversion	33,281	2,773	3,193	15.1%
Court technology	26,936	2,245	2,523	12.4%
Court security	20,035	1,670	1,824	9.3%
Golf course	256,564	-	766	0.0%
Total Revenues	\$ 85,297,857	\$ 5,209,039	\$ 5,555,130	6.6%
Expenses:				
General	37,021,061	2,740,384	2,759,381	0.7%
Water & sewer	28,062,142	1,922,149	1,923,448	0.1%
Debt service	7,783,232	15,507	10,468	-32.5%
Drainage	1,318,500	72,384	67,145	-7.2%
Refuse	4,657,232	388,103	389,513	0.4%
Employee health benefits	4,337,523	361,460	447,218	23.7%
Impact fees	916,238	76,353	-	-100.0%
Police seizure	350,550	29,213	11,273	-61.4%
Economic development	436,593	29,728	59,662	100.7%
Hotel/motel tax	42,749	3,562	-	-100.0%
P.E.G.	73,142	5,418	3,191	-41.1%
Grants	71,434	2,976	5,302	78.1%
Community Development Block Grant	186,209	15,517	-	-100.0%
Inspection Fees Fund	115,760	8,575	3,892	-54.6%
Juvenile diversion	34,399	2,548	1,894	-25.7%
Court technology	49,005	4,084	19,029	366.0%
Court security	23,989	1,999	1,976	-1.2%
Golf course	559,025	25,372	-	-100.0%
Total Expenses	\$ 86,038,783	\$ 5,705,333	\$ 5,703,392	0.0%
Current Year				
Surplus/(Shortfall)	\$ (740,926)	\$ (496,294)	\$ (148,262)	-70.1%
Ending Reserves	\$ 16,697,744	\$ 16,942,376	\$ 17,290,408	2.1%

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	1,734,785	2,759,381	\$ (1,024,596)
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 1,734,785	\$ 2,759,381	\$ (1,024,596)
Cumulative Forecast	\$ 1,584,785	\$ 2,740,384	\$ (1,155,599)
Actual to Forecast \$	\$ 150,000	\$ 18,996	\$ 131,003
Actual to Forecast %	9.5%	0.7%	



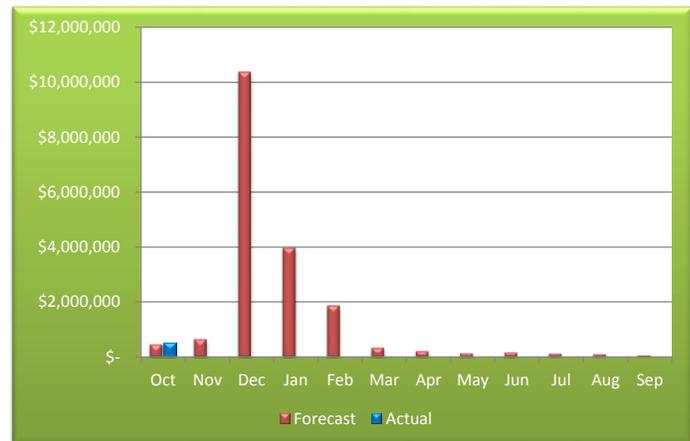
Positive

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 9.5% and expenses 0.7% higher than forecasted. These differences are primarily due to higher than expected tax collections and other fees and the timing of supply and other equipment purchases.

REVENUE ANALYSIS

PROPERTY TAXES FY2015

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 454,997	\$ 526,146	\$ 71,149
Nov	658,035	-	-
Dec	10,362,155	-	-
Jan	3,986,347	-	-
Feb	1,884,055	-	-
Mar	340,621	-	-
Apr	216,375	-	-
May	138,080	-	-
Jun	164,504	-	-
Jul	119,972	-	-
Aug	104,988	-	-
Sep	58,993	-	-
Total	\$ 18,489,122	\$ 526,146	\$ 71,149
Actual to Forecast			15.6%



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 15.6% 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	\$ 478,504	\$ 478,504	\$ -
Nov	410,264		
Dec	581,282		
Jan	405,356		
Feb	376,136		
Mar	504,779		
Apr	432,807		
May	434,829		
Jun	579,529		
Jul	427,562		
Aug	452,415		
Sep	548,190		
Total	\$ 5,631,653	\$ 478,504	\$ -
<i>Actual to Forecast</i>			<i>0.0%</i>



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. The sales taxes reported here for October 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	667,417		
Jan	-		
Feb	343,788		
Mar	656,587		
Apr	-		
May	-		
Jun	543,057		
Jul	-		
Aug	-		
Sep	867,119		
Total	\$ 3,077,966	\$ -	\$ -
<i>Actual to Forecast</i>			



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. No franchise payments are expected until December.

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	2,523,628	1,923,448	\$ 600,179
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 2,523,628	\$ 1,923,448	\$ 600,179
Cumulative Forecast	\$ 2,535,330	\$ 1,922,149	\$ 613,181
Actual to Forecast \$	\$ (11,702)	\$ 1,300	\$ (13,002)
Actual to Forecast	-0.5%	0.1%	



Positive

Utility fund revenues are 0.5% lower than forecast, and expenses are 0.1% higher. These differences are primarily due to lower than expected water and wastewater treatment sales.

REVENUE ANALYSIS

SEWER REVENUES FY2015

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 980,881	\$ 919,190	\$ (61,691)
Nov	863,081		
Dec	822,085		
Jan	818,618		
Feb	787,673		
Mar	810,911		
Apr	832,390		
May	891,378		
Jun	901,239		
Jul	922,611		
Aug	922,221		
Sep	963,034		
Total	\$ 10,516,122	\$ 919,190	\$ (61,691)
Actual to Forecast			-6.3%



Negative

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% lower 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	\$ 1,476,673	\$ 1,451,221	\$ (25,452)
Nov	1,425,161		
Dec	1,614,038		
Jan	1,184,773		
Feb	789,848		
Mar	1,476,673		
Apr	1,270,626		
May	1,390,820		
Jun	1,407,991		
Jul	1,631,209		
Aug	1,682,721		
Sep	1,820,086		
Total	\$ 17,170,618	\$ 1,451,221	\$ (25,452)
Actual to Forecast			-1.7%



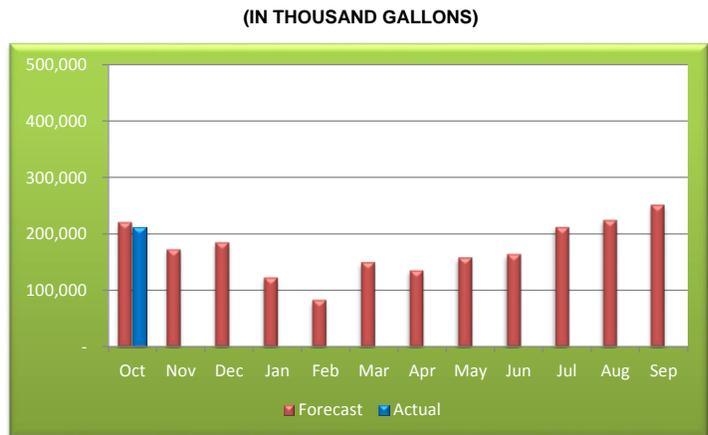
Warning

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 1.7% less than forecasted 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	220,275	212,743	(7,532)
Nov	172,480		
Dec	184,948		
Jan	122,606		
Feb	83,123		
Mar	149,621		
Apr	135,074		
May	157,933		
Jun	164,167		
Jul	211,963		
Aug	224,431		
Sep	251,446		
Total	2,078,067	212,743	(7,532)
Actual to Forecast			-3.4%



Warning

The City purchases its water from the North Texas Municipal Water District. Customer usage is 3.4% 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 FY2015

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	402,012	389,513	\$ 12,499
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 402,012	\$ 389,513	\$ 12,499
Cumulative Forecast	\$ 391,317	\$ 388,103	\$ 3,214
Actual to Forecast \$	\$ 10,695	\$ 1,410	\$ 9,285
Actual to Forecast	2.7%	0.4%	



Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 2.7% higher than forecasted, and expenses are 0.4% 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	110,599	67,145	\$ 43,454
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 110,599	\$ 67,145	\$ 43,454
Cumulative Forecast	\$ 112,194	\$ 72,384	\$ 39,810
Actual to Forecast \$	\$ (1,595)	\$ (5,239)	\$ 3,643
Actual to Forecast	-1.4%	-7.2%	



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 1.4% lower than forecasted but expenses 7.2% 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	249,127	10,468	\$ 238,659
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 249,127	\$ 10,468	\$ 238,659
Cumulative Forecast	\$ 133,735	\$ 15,507	\$ 118,227
Actual to Forecast \$	\$ 115,393	\$ (5,039)	\$ 120,432
Actual to Forecast	86.3%	-32.5%	



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 86.3% higher than projected and expenses 32.5% lower than expected. The fund makes 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	419,181	447,218	\$ (28,037)
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 419,181	\$ 447,218	\$ (28,037)
Cumulative Forecast	\$ 367,093	\$ 361,460	\$ 5,633
Actual to Forecast \$	\$ 52,088	\$ 85,758	\$ (33,670)
Actual to Forecast	14.2%	23.7%	



Negative

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 14.2% higher than forecasted and expenses are 23.7% higher than forecasted. Revenues reflect higher than expected premium payments, and expenses are higher than forecasted due to higher than expected claims.