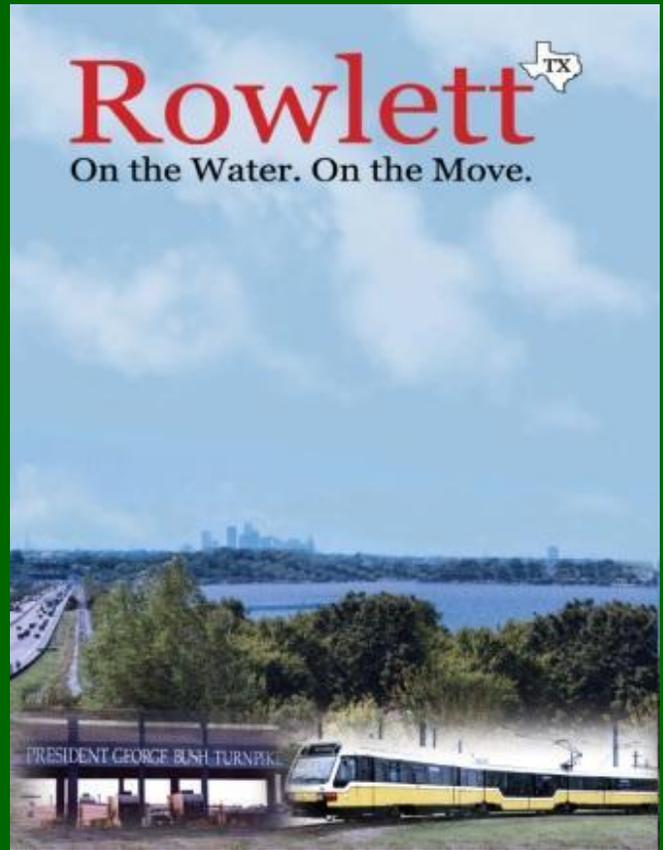




**Comprehensive  
Monthly  
Financial  
Report**

**November 2014**





# MONTHLY FINANCIAL REPORT

## PERFORMANCE AT A GLANCE

**November 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**

**NOVEMBER 30, 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 3.9% in the 3rd quarter of 2014 after increasing 4.6% in the 2nd quarter of 2014 as reported by the Bureau of Economic Analysis. The increase in GDP reflected an increase in consumer spending, business investment and increased exports.

**Texas Retail Sales:**  Texas retail sales totaled \$41.5 billion for the month of Sept., an increase of \$3.6 billion (9.5%) over Sept. 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 increased 0.2% between the months of Oct. and Sept.

Attached is the Comprehensive Monthly Financial report for November 2014. Two months of FY2015, or 16.7% of the fiscal year is complete.

**Revenues:** Overall, the City has earned or received \$11.0 million for FY2015. This amount is 12.9% of the approved operating budget of \$85.3 million and is 3.3% more than forecast through the month of November.

- General Fund revenues are \$0.2 million or 6.6% higher than expected.
- Utility Fund revenues are \$4 thousand or 0.1% lower than expected.

**Expenditures:** Expenses totaled \$11.3 million year-to-date for FY2015. This amount is 13.1% of the approved operating budget of \$86.0 million and is 2.1% lower than forecast through the month of November.

- General Fund expenditures are \$0.1 million or 2.3% lower than expected.
- Utility Fund expenditures are \$18 thousand or 0.5% higher than expected.

**Surplus:** The net shortfall from operations through November is \$0.3 million which is \$0.6 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.

**UNEMPLOYMENT**

**National Unemployment:** The national unemployment rate remained at 5.8% in both Oct. and Nov, a 17.1% decrease from Nov. 2013.

**State-Wide:**  The Texas unemployment rate decreased from 5.2% in Sept to 5.1% in October.

**Rowlett:**  The City of Rowlett unemployment rate for October 2014 was 4.7%, a 4.1% decrease over the Sept. unemployment rate of 4.9%. Note – city unemployment rates are not seasonally adjusted.

**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.



**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
November 30, 2014**

**BUDGET SUMMARY OF ALL FUNDS FY2015**

	2015 <u>Budget</u>	2015 <u>Forecast</u>	2015 <u>Year-to-Date</u>	<u>Variance</u>
<b>Beginning Reserves</b>	<b>\$ 17,438,670</b>	<b>\$ 17,438,670</b>	<b>\$ 17,438,670</b>	<b>0.0%</b>
<b>Revenues:</b>				
General	37,097,467	3,321,719	3,542,217	6.6%
Water & sewer	28,605,460	4,898,998	4,895,213	-0.1%
Debt service	7,783,232	484,461	511,109	5.5%
Drainage	1,346,939	224,385	221,953	-1.1%
Refuse	4,699,097	782,618	804,825	2.8%
Employee health benefits	4,405,117	734,186	710,420	-3.2%
Impact fees	44,357	7,393	93,057	1158.7%
Police seizure	100,550	16,758	54,595	225.8%
Economic development	316,694	52,782	52,960	0.3%
Hotel/motel tax	47,752	7,879	7,905	0.3%
P.E.G.	85,042	-	120	0.0%
Grants	73,792	12,299	12,920	5.1%
Community Development Block Grant	186,209	31,035	16	-99.9%
Inspection Fees Fund	169,333	28,222	41,629	47.5%
Juvenile diversion	33,281	5,547	6,899	24.4%
Court technology	26,936	4,489	5,510	22.7%
Court security	20,035	3,339	4,041	21.0%
Golf course	256,564	20	1,132	0.0%
<b>Total Revenues</b>	<b>\$ 85,297,857</b>	<b>\$ 10,616,130</b>	<b>\$ 10,966,519</b>	<b>3.3%</b>
<b>Expenses:</b>				
General	37,021,061	5,556,821	5,431,373	-2.3%
Water & sewer	28,062,142	3,776,499	3,794,703	0.5%
Debt service	7,783,232	145,290	140,314	-3.4%
Drainage	1,318,500	147,903	140,018	-5.3%
Refuse	4,657,232	776,205	797,530	2.7%
Employee health benefits	4,337,523	722,921	697,164	-3.6%
Impact fees	916,238	152,706	-	-100.0%
Police seizure	350,550	58,425	28,292	-51.6%
Economic development	436,593	64,665	78,787	21.8%
Hotel/motel tax	42,749	7,125	-	-100.0%
P.E.G.	73,142	10,836	9,291	-14.3%
Grants	71,434	5,953	12,920	117.0%
Community Development Block Grant	186,209	31,035	-	-100.0%
Inspection Fees Fund	115,760	17,150	9,794	-42.9%
Juvenile diversion	34,399	5,096	4,294	-15.7%
Court technology	49,005	8,168	76,544	837.2%
Court security	23,989	3,998	5,094	27.4%
Golf course	559,025	50,744	75,950	49.7%
<b>Total Expenses</b>	<b>\$ 86,038,783</b>	<b>\$ 11,541,540</b>	<b>\$ 11,302,068</b>	<b>-2.1%</b>
<b>Current Year</b>				
<b>Surplus/(Shortfall)</b>	<b>\$ (740,926)</b>	<b>\$ (925,409)</b>	<b>\$ (335,549)</b>	<b>63.7%</b>
<b>Ending Reserves</b>	<b>\$ 16,697,744</b>	<b>\$ 16,513,261</b>	<b>\$ 17,103,121</b>	<b>3.6%</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 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	1,807,432	2,671,992	(864,560)
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 3,542,217</b>	<b>\$ 5,431,373</b>	<b>\$ (1,889,156)</b>
<b>Cumulative Forecast</b>	<b>\$ 3,321,719</b>	<b>\$ 5,556,821</b>	<b>\$ (2,235,102)</b>
<b>Actual to Forecast \$</b>	<b>\$ 220,498</b>	<b>\$ (125,449)</b>	<b>\$ 345,946</b>
<b>Actual to Forecast %</b>	<b>6.6%</b>	<b>-2.3%</b>	



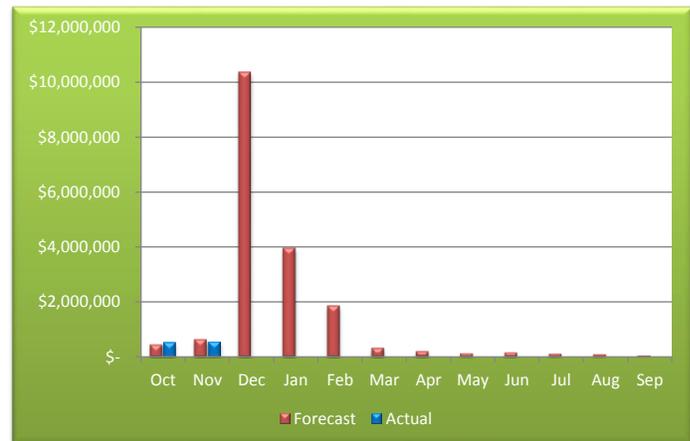
**Positive**

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 6.6% and expenses 2.3% lower than forecasted. These differences are primarily due to higher than expected charges for services revenue, and the timing of supply 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	556,508	(101,527)
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	-	-
<b>Total</b>	<b>\$ 18,489,122</b>	<b>\$ 1,082,654</b>	<b>\$ (30,378)</b>
<b>Actual to Forecast</b>			<b>-2.7%</b>



**Warning**

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 2.7% lower 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	\$ 460,063	\$ (18,441)
Nov	410,264	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		
<b>Total</b>	<b>\$ 5,631,653</b>	<b>\$ 870,327</b>	<b>\$ (18,441)</b>
<i>Actual to Forecast</i>			-2.1%



**Warning**

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 November represent an estimate. Overall, sales tax revenues are 2.1% lower than forecasted for this time of the year.

**REVENUE ANALYSIS**

**FRANCHISE FEES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ -	\$ -	\$ -
Nov	-	215	215
Dec	667,417		
Jan	-		
Feb	343,788		
Mar	656,587		
Apr	-		
May	-		
Jun	543,057		
Jul	-		
Aug	-		
Sep	867,119		
<b>Total</b>	<b>\$ 3,077,966</b>	<b>\$ 215</b>	<b>\$ 215</b>
<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	2,371,585	1,871,254	500,331
Dec			-
Jan			-
Feb			-
Mar			-
Apr			-
May			-
Jun			-
Jul			-
Aug			-
Sep			-
<b>Total</b>	<b>\$ 4,895,213</b>	<b>\$ 3,794,703</b>	<b>\$ 1,100,510</b>
<b>Cumulative Forecast</b>	<b>\$ 4,898,998</b>	<b>\$ 3,776,499</b>	<b>\$ 1,122,499</b>
<b>Actual to Forecast \$</b>	<b>\$ (3,785)</b>	<b>\$ 18,204</b>	<b>\$ (21,989)</b>
<b>Actual to Forecast</b>	<b>-0.1%</b>	<b>0.5%</b>	



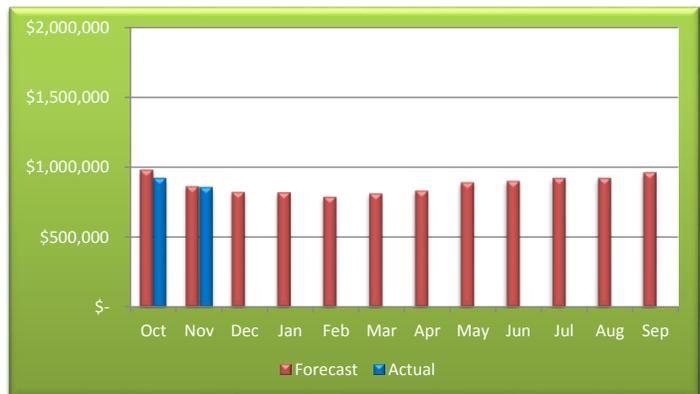
Positive

Utility fund revenues are 0.1% lower than forecast, and expenses are 0.5% higher which is close to projected for this time of the year.

**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	855,352	(7,729)
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		
<b>Total</b>	<b>\$ 10,516,122</b>	<b>\$ 1,774,542</b>	<b>\$ (69,420)</b>
<b>Actual to Forecast</b>			<b>-3.8%</b>



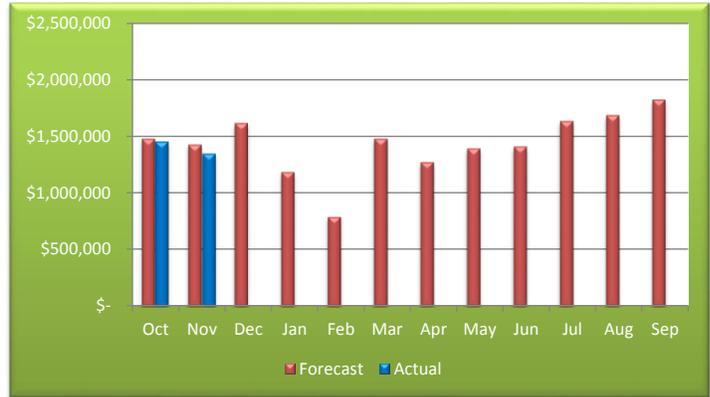
Warning

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 3.8% 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	1,343,838	(81,323)
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		
<b>Total</b>	<b>\$ 17,170,618</b>	<b>\$ 2,795,059</b>	<b>\$ (106,775)</b>
<i>Actual to Forecast</i>			<i>-3.7%</i>



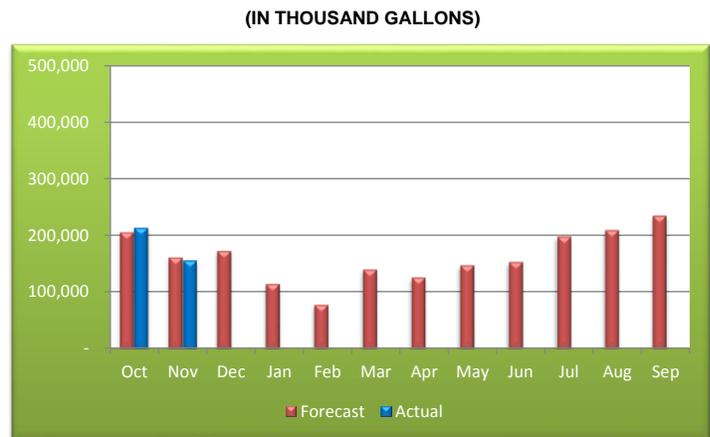
**Warning**

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 3.7% 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	205,110	212,743	7,633
Nov	160,605	155,467	(5,138)
Dec	172,215		
Jan	114,165		
Feb	77,400		
Mar	139,320		
Apr	125,775		
May	147,060		
Jun	152,865		
Jul	197,370		
Aug	208,980		
Sep	234,135		
<b>Total</b>	<b>1,935,000</b>	<b>368,210</b>	<b>2,495</b>
<i>Actual to Forecast</i>			<i>1.2%</i>



**Positive**

The City purchases its water from the North Texas Municipal Water District. Customer usage is 1.2% higher 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	402,813	408,017	(5,205)
Dec			-
Jan			-
Feb			-
Mar			-
Apr			-
May			-
Jun			-
Jul			-
Aug			-
Sep			-
<b>Total</b>	<b>\$ 804,825</b>	<b>\$ 797,530</b>	<b>\$ 7,294</b>
<b>Cumulative Forecast</b>	<b>\$ 782,618</b>	<b>\$ 776,205</b>	<b>\$ 6,412</b>
<b>Actual to Forecast \$</b>	<b>\$ 22,207</b>	<b>\$ 21,325</b>	<b>\$ 882</b>
<b>Actual to Forecast</b>	<b>2.8%</b>	<b>2.7%</b>	



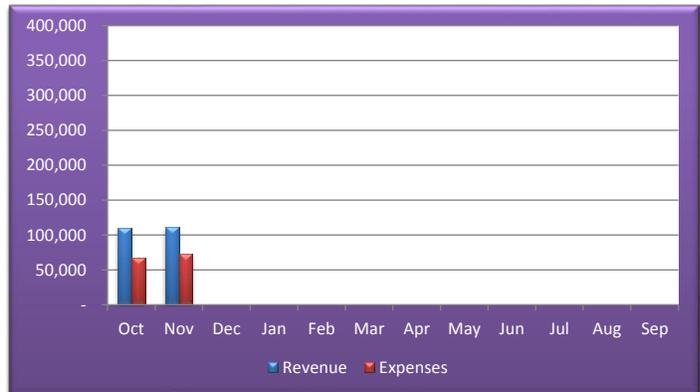
Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 2.8% higher than forecasted, and expenses are also 2.7% 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	110,599	67,145	\$ 43,454
Nov	111,354	72,873	38,481
Dec			-
Jan			-
Feb			-
Mar			-
Apr			-
May			-
Jun			-
Jul			-
Aug			-
Sep			-
<b>Total</b>	<b>\$ 221,953</b>	<b>\$ 140,018</b>	<b>\$ 81,935</b>
<b>Cumulative Forecast</b>	<b>\$ 224,385</b>	<b>\$ 147,903</b>	<b>\$ 76,482</b>
<b>Actual to Forecast \$</b>	<b>\$ (2,432)</b>	<b>\$ (7,885)</b>	<b>\$ 5,453</b>
<b>Actual to Forecast</b>	<b>-1.1%</b>	<b>-5.3%</b>	



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 1.1% lower than forecasted but expenses 5.3% 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	261,982	129,846	132,136
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 511,109</b>	<b>\$ 140,314</b>	<b>\$ 370,795</b>
<b>Cumulative Forecast</b>	<b>\$ 484,461</b>	<b>\$ 145,290</b>	<b>\$ 339,170</b>
<b>Actual to Forecast \$</b>	<b>\$ 26,648</b>	<b>\$ (4,976)</b>	<b>\$ 31,625</b>
<b>Actual to Forecast</b>	<b>5.5%</b>	<b>-3.4%</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 5.5% higher than projected and expenses 3.4% lower than expected. The fund pays conduit debt in November 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	419,181	447,218	\$ (28,037)
Nov	291,239	249,946	41,293
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 710,420</b>	<b>\$ 697,164</b>	<b>\$ 13,256</b>
<b>Cumulative Forecast</b>	<b>\$ 734,186</b>	<b>\$ 722,921</b>	<b>\$ 11,266</b>
<b>Actual to Forecast \$</b>	<b>\$ (23,766)</b>	<b>\$ (25,756)</b>	<b>\$ 1,990</b>
<b>Actual to Forecast</b>	<b>-3.2%</b>	<b>-3.6%</b>	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 3.2% lower than forecasted and expenses are 3.6% lower than forecasted. Revenues reflect higher than expected premium payments, and expenses are lower than forecasted due to lower than expected claims.