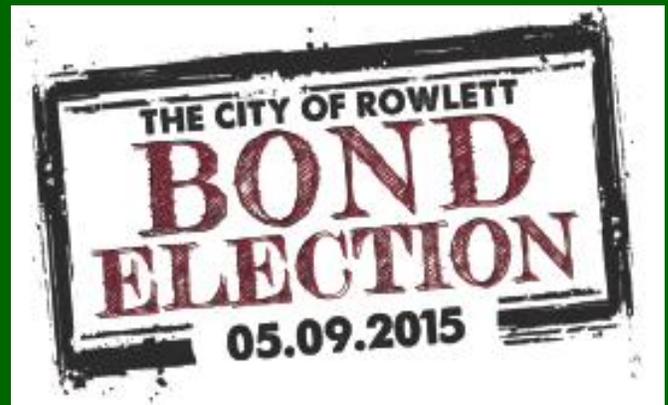
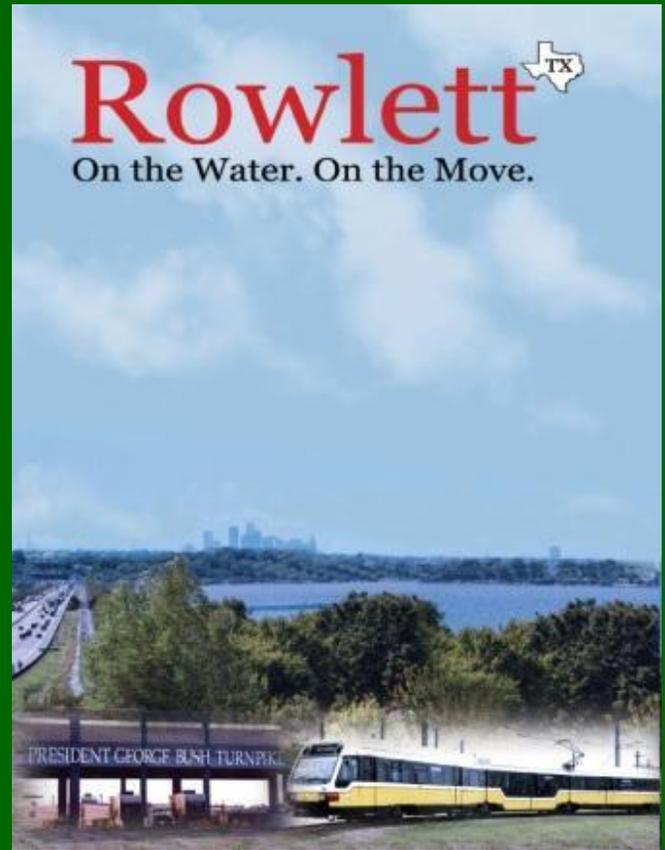




**Comprehensive  
Monthly  
Financial  
Report**

**January 2015**





# MONTHLY FINANCIAL REPORT

## PERFORMANCE AT A GLANCE

**January 2015**

	YEAR TO DATE	REFERENCE
ALL FUNDS SUMMARY	POSITIVE	Page 4
GENERAL FUND REV VS EXP	POSITIVE	Page 5
PROPERTY TAXES	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**

**JANUARY 31, 2015 – 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 2.6% in the 4th quarter of 2014 after increasing 5.0% in the 3rd quarter of 2014 as reported by the Bureau of Economic Analysis. The increase in GDP reflected an increase in consumer spending, inventory investment, business investment and increased exports.

**Texas Retail Sales:**  Texas retail sales totaled \$42.5 billion for the month of Nov., an increase of \$2.4 billion (6.0%) over Nov. 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 1.0% between the months of Oct and Nov.

Attached is the Comprehensive Monthly Financial report for January 2015. Four months of FY2015, or 33.3% of the fiscal year is complete.

**Revenues:** Overall, the City has earned or received \$41.3 million for FY2015. This amount is 48.4% of the approved operating budget of \$85.3 million and is 2.4% more than forecast through the month of January.

- General Fund revenues are \$0.5 million or 2.5% higher than expected.
- Utility Fund revenues are \$0.3 million or 3.4% lower than expected.

**Expenditures:** Expenses totaled \$22.6 million year-to-date for FY2015. This amount is 26.3% of the approved operating budget of \$86.0 million and is 4.8% lower than forecast through the month of January.

- General Fund expenditures are \$0.8 million or 6.9% lower than expected.
- Utility Fund expenditures are \$0.1 million or 1.5% higher than expected.

**Surplus:** The net surplus from operations through January is \$18.7 million which is \$2.1 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 increased to 5.7% in January, a 1.8% increase from December.

**State-Wide:**  The Texas unemployment rate decreased from 4.9% in November to 4.6% in December.

**Rowlett:**  The City of Rowlett unemployment rate for December 2014 was 4.1%, a 8.9% decrease over the November unemployment rate of 4.5%. 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.

**BOND ELECTION MAY 9<sup>TH</sup>** The City of Rowlett will hold a Community Investment Program (CIP) bond election on May 9, 2015. If passed, no increase to the tax rate will occur.



**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
January 31, 2015**

**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>	\$ 17,438,670	\$ 17,438,670	\$ 17,438,670	0.0%
<b>Revenues:</b>				
General	37,097,467	20,823,495	21,337,032	2.5%
Water & sewer	28,605,460	9,488,367	9,166,864	-3.4%
Debt service	7,783,232	6,176,912	6,776,283	9.7%
Drainage	1,346,939	448,847	445,603	-0.7%
Refuse	4,699,097	1,565,651	1,629,250	4.1%
Employee health benefits	4,405,117	1,468,372	1,423,151	-3.1%
Impact fees	44,357	14,786	163,448	1005.4%
Police seizure	100,550	33,517	59,062	76.2%
Economic development	316,694	105,565	105,584	0.0%
Hotel/motel tax	47,752	16,021	16,997	6.1%
P.E.G.	85,042	20,972	26,918	28.4%
Grants	73,792	24,597	24,041	-2.3%
Community Development Block Grant	186,209	62,070	48,755	-21.5%
Inspection Fees Fund	169,333	56,444	50,184	-11.1%
Juvenile diversion	33,281	11,094	11,818	6.5%
Court technology	26,936	8,979	9,438	5.1%
Court security	20,035	6,678	6,928	3.7%
Golf course	256,564	279	1,228	340.6%
<b>Total Revenues</b>	<b>\$ 85,297,857</b>	<b>\$ 40,332,646</b>	<b>\$ 41,302,584</b>	<b>2.4%</b>
<b>Expenses:</b>				
General	37,021,061	11,580,161	10,785,664	-6.9%
Water & sewer	28,062,142	7,624,293	7,738,675	1.5%
Debt service	7,783,232	211,630	159,553	-24.6%
Drainage	1,318,500	298,943	273,625	-8.5%
Refuse	4,657,232	1,552,411	1,587,197	2.2%
Employee health benefits	4,337,523	1,445,841	1,231,572	-14.8%
Impact fees	916,238	305,413	1,826	-99.4%
Police seizure	350,550	116,850	60,315	-48.4%
Economic development	436,593	134,537	139,569	3.7%
Hotel/motel tax	42,749	14,250	4,708	-67.0%
P.E.G.	73,142	24,381	21,268	-12.8%
Grants	71,434	15,874	24,041	51.4%
Community Development Block Grant	186,209	62,070	48,755	-21.5%
Inspection Fees Fund	115,760	38,587	21,781	-43.6%
Juvenile diversion	34,399	11,466	8,864	-22.7%
Court technology	49,005	41,205	85,092	106.5%
Court security	23,989	7,996	9,250	15.7%
Golf course	559,025	243,884	399,102	63.6%
<b>Total Expenses</b>	<b>\$ 86,038,783</b>	<b>\$ 23,729,791</b>	<b>\$ 22,600,858</b>	<b>-4.8%</b>
<b>Current Year</b>				
<b>Surplus/(Shortfall)</b>	<b>\$ (740,926)</b>	<b>\$ 16,602,855</b>	<b>\$ 18,701,727</b>	<b>12.6%</b>
<b>Ending Reserves</b>	<b>\$ 16,697,744</b>	<b>\$ 34,041,525</b>	<b>\$ 36,140,397</b>	<b>6.2%</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**

Month	2015 Revenue	2015 Expenses	Monthly Variance
Oct	1,734,785	2,759,381	\$ (1,024,596)
Nov	1,807,432	2,671,992	(864,560)
Dec	12,610,694	2,938,279	9,672,416
Jan	5,184,121	2,416,012	2,768,108
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 21,337,032</b>	<b>\$ 10,785,664</b>	<b>\$ 10,551,368</b>
<b>Cumulative Forecast</b>	<b>\$ 20,823,495</b>	<b>\$ 11,580,161</b>	<b>\$ 9,243,334</b>
<b>Actual to Forecast \$</b>	<b>\$ 513,537</b>	<b>\$ (794,497)</b>	<b>\$ 1,308,035</b>
<b>Actual to Forecast %</b>	<b>2.5%</b>	<b>-6.9%</b>	



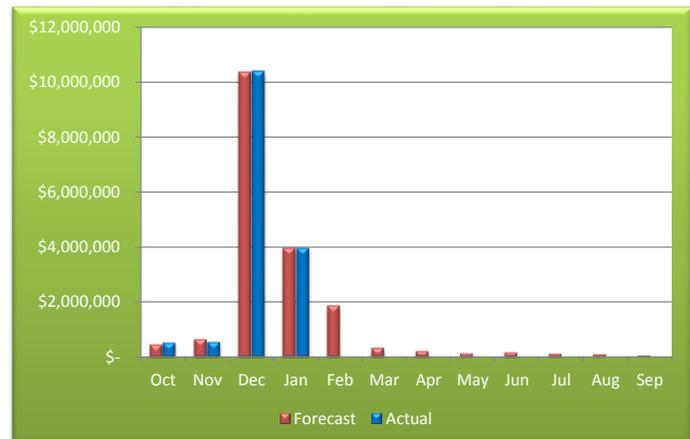
Positive

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 2.5% and expenses 6.9% lower than forecasted. These differences are primarily due to higher than expected building permit revenues and other charges for service, and the timing of supply and capital equipment purchases.

**REVENUE ANALYSIS**

**PROPERTY TAXES FY2015**

Month	2015 Forecast	2015 Actual	Monthly Variance
Oct	\$ 454,997	\$ 526,146	\$ 71,149
Nov	658,035	556,508	(101,527)
Dec	10,362,155	10,407,110	44,955
Jan	3,986,347	3,994,425	8,078
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>\$ 15,484,189</b>	<b>\$ 22,655</b>
<b>Actual to Forecast</b>			<b>0.1%</b>



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 0.1% 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	\$ 460,063	\$ (18,441)
Nov	410,264	452,581	42,317
Dec	581,282	598,257	16,975
Jan	405,356	<b>405,356</b>	-
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>\$ 1,916,257</b>	<b>\$ 40,851</b>
<i>Actual to Forecast</i>			2.2%



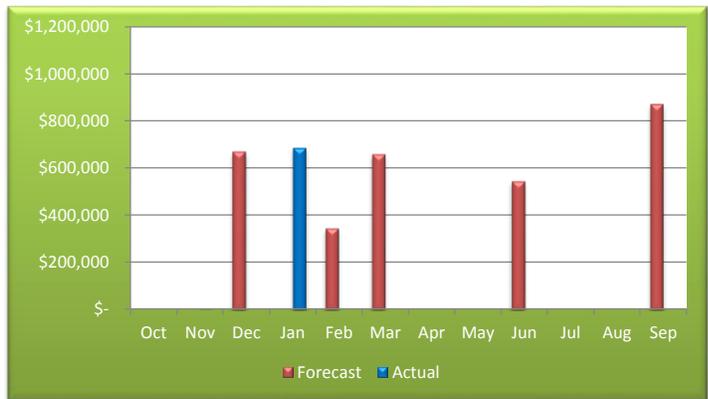
Positive

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 January represent an estimate. Overall, sales tax revenues are 2.2% higher 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	-	(667,417)
Jan	-	683,614	683,614
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>\$ 683,829</b>	<b>\$ 16,413</b>
<i>Actual to Forecast</i>			2.5%



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, franchise fees 2.5% higher than expected.



**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
January 31, 2015**

**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	2,199,908	2,022,527	177,381
Jan	2,071,743	1,921,446	150,298
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 9,166,864</b>	<b>\$ 7,738,675</b>	<b>\$ 1,428,189</b>
<b>Cumulative Forecast</b>	<b>\$ 9,488,367</b>	<b>\$ 7,624,293</b>	<b>\$ 1,864,075</b>
<b>Actual to Forecast \$</b>	<b>\$ (321,503)</b>	<b>\$ 114,383</b>	<b>\$ (435,886)</b>
<b>Actual to Forecast</b>	<b>-3.4%</b>	<b>1.5%</b>	



**Warning**

Utility fund revenues are 3.4% lower than forecast as a result of lower water and wastewater treatment revenues. NTMWD is maintaining stage 3 water restrictions thru March 31, 2015. Expenses are 1.5% higher as a result of repair expenses.

**REVENUE ANALYSIS**

**SEWER REVENUES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 950,041	\$ 919,190	\$ (30,851)
Nov	864,394	855,352	(9,042)
Dec	831,962	772,784	(59,178)
Jan	771,702	766,420	(5,282)
Feb	772,893	-	-
Mar	781,451	-	-
Apr	804,109	-	-
May	902,274	-	-
Jun	901,889	-	-
Jul	953,917	-	-
Aug	989,855	-	-
Sep	991,635	-	-
<b>Total</b>	<b>\$ 10,516,122</b>	<b>\$ 3,313,745</b>	<b>\$ (104,353)</b>
<b>Actual to Forecast</b>			<b>-3.1%</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 3.1% 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	\$ 1,660,832	\$ 1,451,221	\$ (209,611)
Nov	1,404,552	1,343,838	(60,714)
Dec	1,278,675	1,182,809	(95,866)
Jan	1,089,930	1,162,524	72,594
Feb	1,103,674		
Mar	1,128,991		
Apr	1,182,373		
May	1,420,637		
Jun	1,463,637		
Jul	1,662,155		
Aug	1,906,674		
Sep	1,868,487		
<b>Total</b>	<b>\$ 17,170,618</b>	<b>\$ 5,140,392</b>	<b>\$ (293,597)</b>
<b>Actual to Forecast</b>			<b>-5.4%</b>



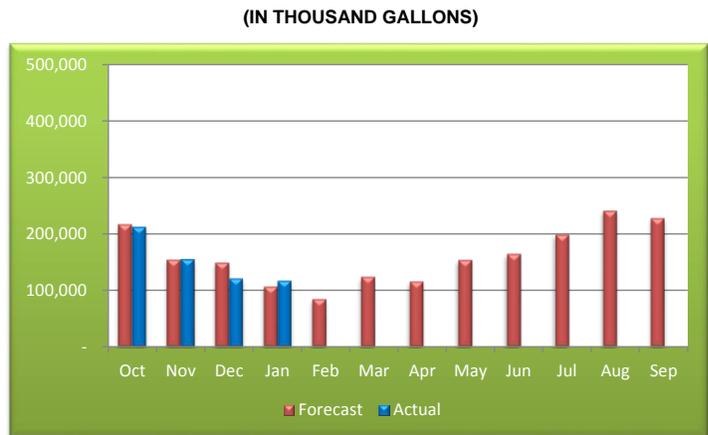
**Negative**

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 5.4% 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	216,632	212,743	(3,889)
Nov	153,990	155,467	1,477
Dec	148,973	121,571	(27,402)
Jan	106,955	117,372	10,417
Feb	84,609		
Mar	124,052		
Apr	115,914		
May	153,828		
Jun	164,400		
Jul	198,281		
Aug	240,144		
Sep	227,223		
<b>Total</b>	<b>1,935,000</b>	<b>607,153</b>	<b>(19,397)</b>
<b>Actual to Forecast</b>			<b>-3.1%</b>



**Warning**

The City purchases its water from the North Texas Municipal Water District. Customer usage is 3.1% 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	402,813	408,017	(5,205)
Dec	414,147	393,290	20,858
Jan	410,278	396,377	13,901
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 1,629,250</b>	<b>\$ 1,587,197</b>	<b>\$ 42,052</b>
<b>Cumulative Forecast</b>	<b>\$ 1,565,651</b>	<b>\$ 1,552,411</b>	<b>\$ 13,241</b>
<b>Actual to Forecast \$</b>	<b>\$ 63,599</b>	<b>\$ 34,787</b>	<b>\$ 28,812</b>
<b>Actual to Forecast</b>	<b>4.1%</b>	<b>2.2%</b>	



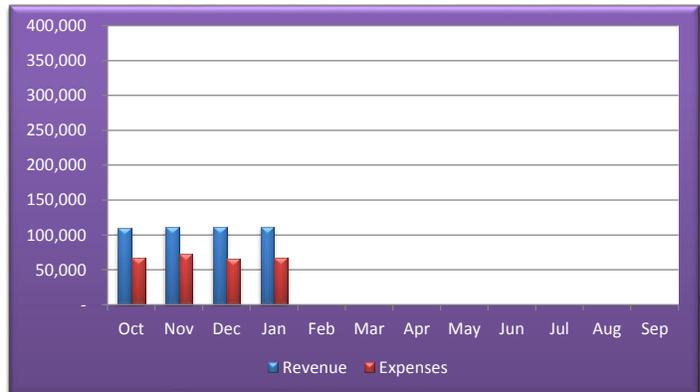
Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 4.1% higher than forecasted, and expenses are also 2.2% 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	111,572	66,014	45,558
Jan	112,079	67,593	44,486
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 445,603</b>	<b>\$ 273,625</b>	<b>\$ 171,978</b>
<b>Cumulative Forecast</b>	<b>\$ 448,847</b>	<b>\$ 298,943</b>	<b>\$ 149,904</b>
<b>Actual to Forecast \$</b>	<b>\$ (3,244)</b>	<b>\$ (25,318)</b>	<b>\$ 22,074</b>
<b>Actual to Forecast</b>	<b>-0.7%</b>	<b>-8.5%</b>	



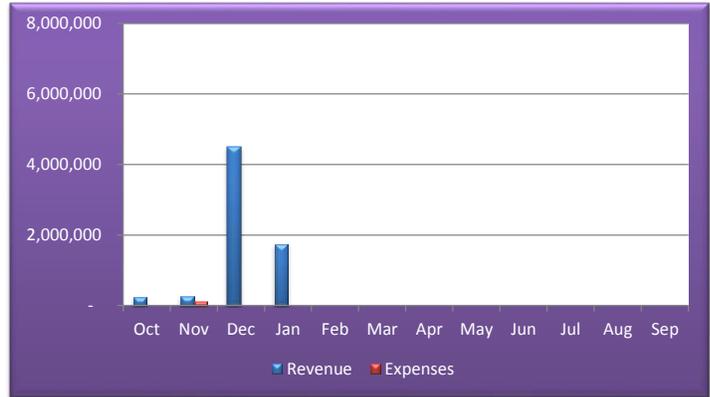
Positive

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 0.7% lower than forecasted but expenses 8.5% 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	4,512,111	7,928	4,504,183
Jan	1,753,062	11,311	1,741,752
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 6,776,283</b>	<b>\$ 159,553</b>	<b>\$ 6,616,730</b>
<b>Cumulative Forecast</b>	<b>\$ 6,176,912</b>	<b>\$ 211,630</b>	<b>\$ 5,965,282</b>
<b>Actual to Forecast \$</b>	<b>\$ 599,371</b>	<b>\$ (52,077)</b>	<b>\$ 651,448</b>
<b>Actual to Forecast</b>	<b>9.7%</b>	<b>-24.6%</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 9.7% higher than projected and expenses 24.6% 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	354,624	332,130	22,494
Jan	358,108	202,278	155,830
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 1,423,151</b>	<b>\$ 1,231,572</b>	<b>\$ 191,579</b>
<b>Cumulative Forecast</b>	<b>\$ 1,468,372</b>	<b>\$ 1,445,841</b>	<b>\$ 22,531</b>
<b>Actual to Forecast \$</b>	<b>\$ (45,221)</b>	<b>\$ (214,269)</b>	<b>\$ 169,048</b>
<b>Actual to Forecast</b>	<b>-3.1%</b>	<b>-14.8%</b>	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 3.1% lower than forecasted and expenses are 14.8% 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.