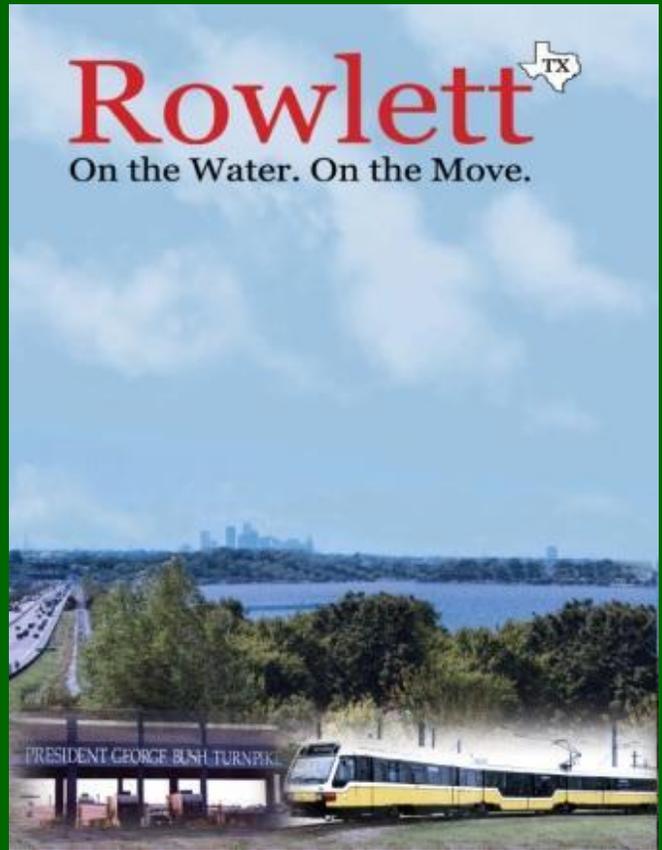




Comprehensive Monthly Financial Report

June 2015





MONTHLY FINANCIAL REPORT

PERFORMANCE AT A GLANCE

June 2015

	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

June 30, 2015 – NEWS FOR YOU

ECONOMY

National GDP: 
 GDP - the output of goods and services produced by labor and property located in the US – decreased at a rate of 0.2% in the 1st quarter of 2015 after increasing 2.2% in the 4th quarter of 2014 as reported by the Bureau of Economic Analysis. The decline reflects declines in exports, business investments, and state and local government spending offset by an increase in consumer spending on services.

Texas Retail Sales: 
 Texas retail sales totaled \$41.8 billion for the month of April, an increase of \$1.3 billion (3.2%) over April 2014.

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 0.8% between the months of April and May.

UNEMPLOYMENT

National Unemployment: 
 The national unemployment rate decreased from 5.5% to 5.3% from May to June.

State-Wide: 
 The Texas unemployment rate increased from 4.2% in April to 4.3% in June.

Rowlett:
 The City of Rowlett unemployment rate remained the same for April and May at 3.5%. Note – city unemployment rates are not seasonally adjusted.

Attached is the Comprehensive Monthly Financial report for June 2015. Nine months of FY2015, or 75.0% of the fiscal year is complete.

Revenues: Overall, the City has earned or received \$70.0 million for FY2015. This amount is 82.1% of the approved operating budget of \$85.3 million and is 3.0% more than forecast through the month of June.

- General Fund revenues are \$0.4 million or 1.2% higher than expected.
- Utility Fund revenues are \$0.3 million or 1.3% lower than expected.

Expenditures: Expenses totaled \$62.9 million year-to-date for FY2015. This amount is 73.1% of the approved operating budget of \$86.1 million and is 2.9% lower than forecast through the month of June.

- General Fund expenditures are \$0.9 million or 3.3% lower than expected.
- Utility Fund expenditures are \$0.3 million or 1.5% lower than expected.

Surplus: The net surplus from operations through June is \$7.1 million which is \$3.9 million better than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total decrease of \$0.8 million.

NOTEWORTHY

CIP BOND PROJECTS As shared in the May issue of this newsletter, the \$25.8 million capital improvement plan bond election passed on May 9. Projects funded by those bonds are fully in the planning and execution stages! Kids Kingdom will break ground in November, various parks improvements will soon be underway, and the preconstruction planning and design has begun on some of the streets projects. These bonds will be sold over a three year period as part of a pre-determined strategy to sell the bonds without having to increase the property tax rate.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
June 30, 2015**

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	\$ 13,025,520	\$ 13,025,520	0.0%
Revenues:				
General	37,097,467	31,776,801	32,155,410	1.2%
Water & sewer	28,605,460	19,951,879	19,686,330	-1.3%
Debt service	7,783,232	7,485,314	7,949,196	6.2%
Drainage	1,346,939	1,010,203	1,006,217	-0.4%
Refuse	4,699,097	3,524,315	3,681,991	4.5%
Employee health benefits	4,405,117	3,303,838	3,232,073	-2.2%
Impact fees	44,357	33,268	1,210,649	3539.1%
Police seizure	100,550	75,413	87,119	15.5%
Economic development	316,694	237,521	236,809	-0.3%
Hotel/motel tax	47,752	33,999	47,490	39.7%
P.E.G.	85,042	63,672	125,200	96.6%
Grants	73,792	55,344	181,593	228.1%
Community Development Block Grant	186,209	139,657	89,212	-36.1%
Inspection Fees Fund	169,333	127,000	112,150	-11.7%
Juvenile diversion	33,281	24,961	26,106	4.6%
Court technology	26,936	20,202	21,759	7.7%
Court security	20,035	15,026	16,282	8.4%
Golf course	256,564	128,751	159,507	23.9%
Total Revenues	\$ 85,297,857	\$ 68,007,161	\$ 70,025,092	3.0%
Expenses:				
General	37,021,061	26,865,054	25,967,809	-3.3%
Water & sewer	28,062,142	21,458,053	21,138,679	-1.5%
Debt service	7,783,232	6,505,163	6,497,239	-0.1%
Drainage	1,318,500	980,140	932,182	-4.9%
Refuse	4,657,232	3,492,924	3,526,648	1.0%
Employee health benefits	4,337,523	3,253,142	2,883,987	-11.3%
Impact fees	916,238	687,179	32,243	-95.3%
Police seizure	350,550	262,913	363,914	38.4%
Economic development	436,593	317,897	319,416	0.5%
Hotel/motel tax	42,749	21,375	56,732	165.4%
P.E.G.	113,142	101,809	88,880	-12.7%
Grants	71,434	50,599	181,593	258.9%
Community Development Block Grant	186,209	139,657	89,212	-36.1%
Inspection Fees Fund	115,760	85,748	53,123	-38.0%
Juvenile diversion	34,399	25,481	21,729	-14.7%
Court technology	49,005	46,080	133,472	189.7%
Court security	23,989	17,992	24,838	38.1%
Golf course	559,025	431,746	580,605	34.5%
Total Expenses	\$ 86,078,783	\$ 64,742,949	\$ 62,892,302	-2.9%
Current Year Surplus/(Shortfall)	\$ (780,926)	\$ 3,264,212	\$ 7,132,790	118.5%
Ending Reserves	\$ 16,657,744	\$ 16,289,732	\$ 20,158,309	23.7%

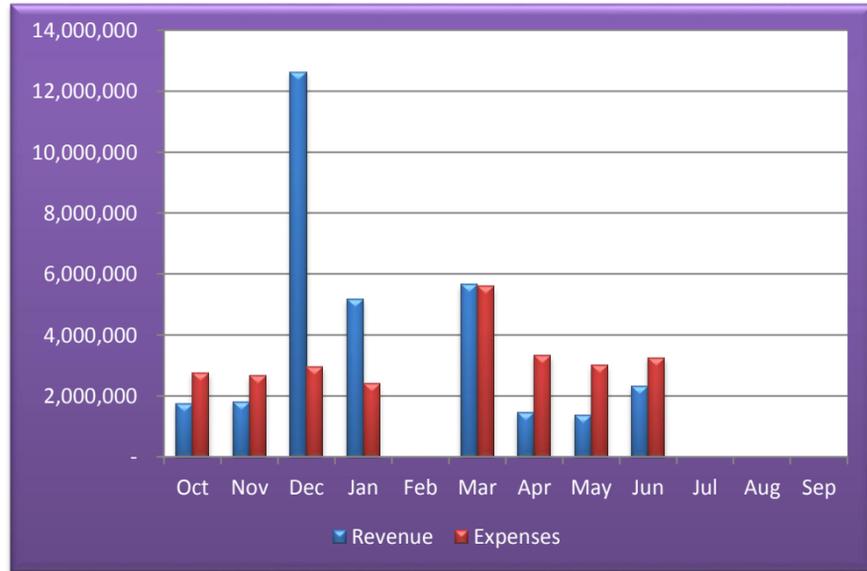
Positive
Warning
Negative

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	5,664,737	5,594,393	70,344
Apr	1,462,874	3,331,111	(1,868,237)
May	1,377,737	2,995,627	(1,617,890)
Jun	2,313,029	3,261,014	(947,985)
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 32,155,410	\$ 25,967,809	\$ 6,187,601
Cumulative Forecast	\$ 31,776,801	\$ 26,865,054	\$ 4,911,747
Actual to Forecast \$	\$ 378,610	\$ (897,245)	\$ 1,275,854
Actual to Forecast %	1.2%	-3.3%	



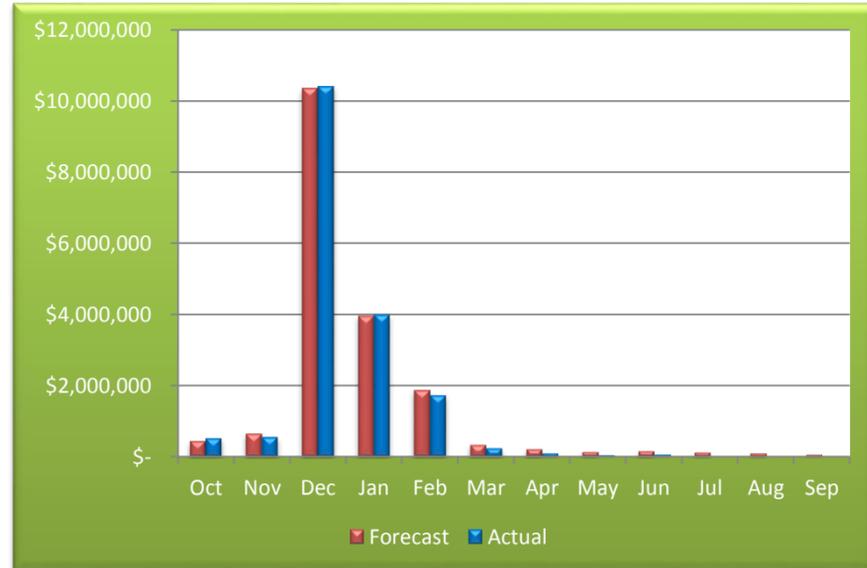
Positive

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 1.2% and expenses 3.3% lower than forecasted. These differences are primarily due to higher than expected franchise fees and building permit revenues, 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	1,729,174	(154,881)
Mar	340,621	243,070	(97,551)
Apr	216,375	96,413	(119,962)
May	138,080	54,281	(83,799)
Jun	164,504	58,969	(105,535)
Jul	119,972	-	-
Aug	104,988	-	-
Sep	58,993	-	-
Total	\$ 18,489,122	\$ 17,666,096	\$ (539,073)
Actual to Forecast			-3.0%



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 3.0% lower than forecasted for this time of the year.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
June 30, 2015**

REVENUE ANALYSIS

SALES TAXES FY2015

Month	2015 Forecast	2015 Actual	Monthly Variance
Oct	\$ 478,504	\$ 460,063	\$ (18,441)
Nov	410,264	452,581	42,317
Dec	581,282	598,257	16,975
Jan	405,356	396,499	(8,857)
Feb	376,136	408,413	32,277
Mar	504,779	597,027	92,248
Apr	432,807	464,601	31,794
May	434,829	457,500	22,671
Jun	579,529	579,529	-
Jul	427,562		
Aug	452,415		
Sep	548,190		
Total	\$ 5,631,653	\$ 4,414,470	\$ 210,984
<i>Actual to Forecast</i>			5.0%



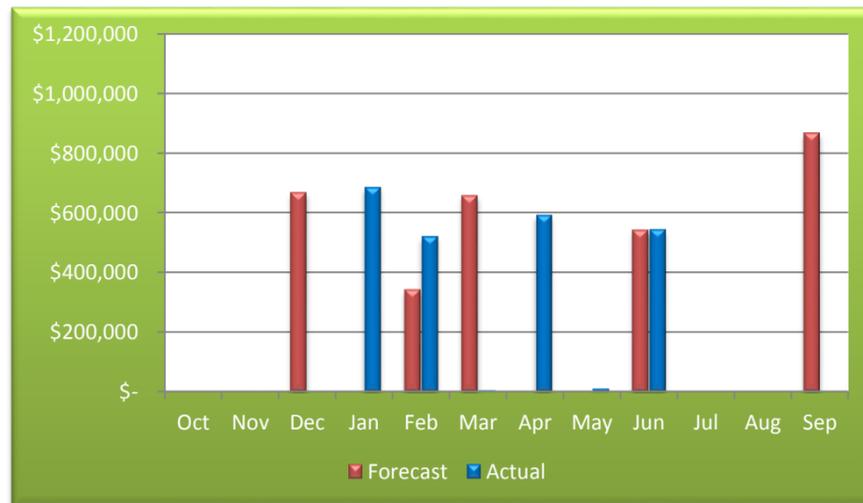
Positive

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 June represent an estimate. Overall, sales tax revenues are 5.0% higher than forecasted for this time of the year.

REVENUE ANALYSIS

FRANCHISE FEES FY2015

Month	2015 Forecast	2015 Actual	Monthly Variance
Oct	\$ -	\$ -	\$ -
Nov	-	215	215
Dec	667,417	-	(667,417)
Jan	-	683,614	683,614
Feb	343,788	519,339	175,551
Mar	656,587	4,369	(652,218)
Apr	-	589,708	589,708
May	-	10,131	10,131
Jun	543,057	543,057	0
Jul	-		
Aug	-		
Sep	867,119		
Total	\$ 3,077,966	\$ 2,350,432	\$ 139,585
<i>Actual to Forecast</i>			6.3%



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. Natural gas franchise fee was 51.1% higher than expected. Overall, franchise fees 6.3% higher than expected.

OVERALL FUND PERFORMANCE

UTILITY FUND REVENUES VS EXPENSES FY2015

Month	2015 Revenue	2015 Expenses	Monthly Variance
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	4,162,568	7,533,495	(3,370,927)
Apr	2,319,497	1,957,159	362,338
May	1,981,222	1,833,178	148,044
Jun	2,056,178	2,076,172	(19,993)
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 19,686,330	\$ 21,138,679	\$ (1,452,349)
Cumulative Forecast	\$ 19,951,879	\$ 21,458,053	\$ (1,506,174)
Actual to Forecast \$	\$ (265,549)	\$ (319,373)	\$ 53,825
Actual to Forecast	-1.3%	-1.5%	



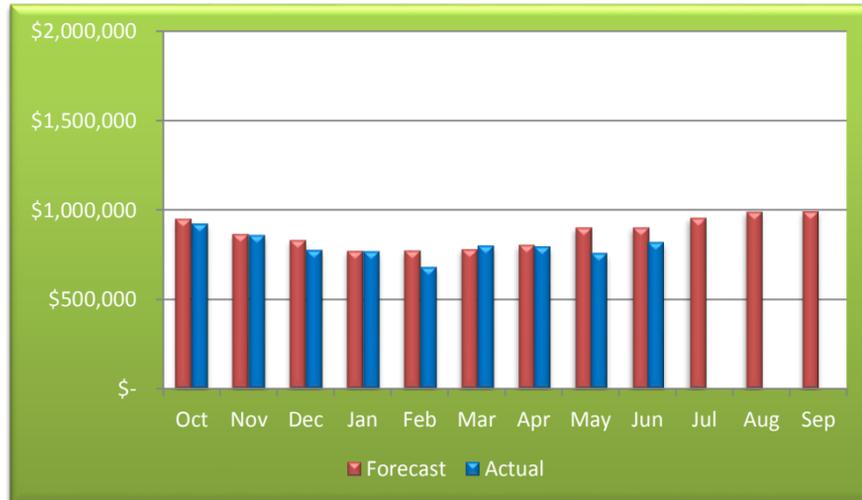
Positive

Utility fund revenues are 1.3% lower than forecast as a result of lower than expected water and sewer revenues net higher than expected impact fees and penalty charges. Expenses are lower than projected by 1.5% because of lower than expected personnel costs and the timing of supply and capital equipment purchases. The fund makes semi-annual debt payments in March and September.

REVENUE ANALYSIS

SEWER REVENUES FY2015

Month	2015 Forecast	2015 Actual	Monthly Variance
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	679,354	(93,539)
Mar	781,451	796,213	14,762
Apr	804,109	791,597	(12,512)
May	902,274	755,162	(147,112)
Jun	901,889	816,984	(84,905)
Jul	953,917	-	-
Aug	989,855	-	-
Sep	991,635	-	-
Total	\$ 10,516,122	\$ 7,153,055	\$ (427,660)
Actual to Forecast			-5.6%



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 5.6% lower than forecasted for this time of year.

REVENUE ANALYSIS

WATER REVENUES FY2015

Month	2015 Forecast	2015 Actual	Monthly Variance
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	1,045,383	(58,291)
Mar	1,128,991	1,203,771	74,779
Apr	1,182,373	1,126,605	(55,768)
May	1,420,637	1,017,128	(403,509)
Jun	1,463,637	1,103,062	(360,576)
Jul	1,662,155		
Aug	1,906,674		
Sep	1,868,487		
Total	\$ 17,170,618	\$ 10,636,340	\$ (1,096,961)
Actual to Forecast			-9.3%



Negative

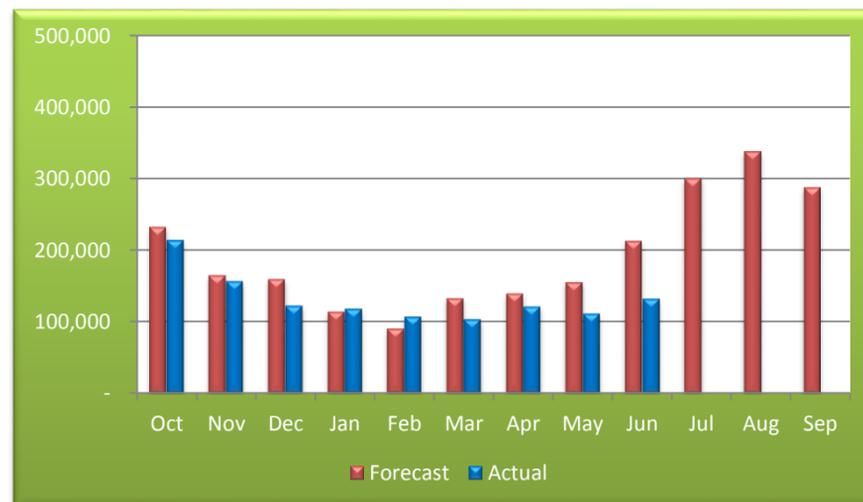
Water sales represent just over 50% of the total Utility Fund budget and cover the cost of water acquisition from the North Texas Municipal Water District. Water revenues are 9.3% less than forecasted for this time of year.

REVENUE ANALYSIS

WATER USAGE FY2015

Month	2015 Forecast	2015 Actual	Monthly Variance
Oct	232,649	212,743	(19,906)
Nov	165,375	155,467	(9,908)
Dec	159,987	121,571	(38,416)
Jan	114,863	117,372	2,509
Feb	90,864	106,758	15,894
Mar	133,224	103,031	(30,193)
Apr	139,785	120,442	(19,343)
May	155,805	111,168	(44,637)
Jun	213,518	131,780	(81,738)
Jul	300,529		
Aug	338,135		
Sep	287,959		
Total	2,332,694	1,180,332	(225,739)
Actual to Forecast			-16.1%

(IN THOUSAND GALLONS)



Negative

The City purchases its water from the North Texas Municipal Water District. Customer usage is 16.1% 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

Month	2015 Revenue	2015 Expenses	Monthly Variance
Oct	402,012	389,513	\$ 12,499
Nov	402,813	408,017	(5,204)
Dec	414,147	393,290	20,857
Jan	410,278	396,377	13,901
Feb	411,625	371,957	39,668
Mar	411,625	371,957	39,668
Apr	407,277	396,813	10,464
May	411,116	397,536	13,580
Jun	411,099	401,188	9,911
Jul			-
Aug			-
Sep			-
Total	\$ 3,681,991	\$ 3,526,648	\$ 155,343
Cumulative Forecast	\$ 3,524,315	\$ 3,492,924	\$ 31,391
Actual to Forecast \$	\$ 157,677	\$ 33,724	\$ 123,953
Actual to Forecast	4.5%	1.0%	



Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 4.5% higher than forecasted, and expenses are 1.0% higher than forecasted.

OVERALL FUND PERFORMANCE

DRAINAGE FUND REVENUES VS EXPENSES FY2015

Month	2015 Revenue	2015 Expenses	Monthly Variance
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	111,715	205,389	(93,674)
Mar	111,715	205,389	(93,674)
Apr	111,925	83,177	28,749
May	112,284	76,064	36,220
Jun	112,974	88,538	24,436
Jul			-
Aug			-
Sep			-
Total	\$ 1,006,217	\$ 932,182	\$ 74,035
Cumulative Forecast	\$ 1,010,203	\$ 980,140	\$ 30,063
Actual to Forecast \$	\$ (3,986)	\$ (47,958)	\$ 43,972
Actual to Forecast	-0.4%	-4.9%	



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 0.4% lower than forecasted but expenses 4.9% lower than forecasted.

OVERALL FUND PERFORMANCE

DEBT SERVICE FUND REVENUES VS EXPENSES FY2015

Month	2015 Revenue	2015 Expenses	Monthly Variance
Oct	249,127	10,468	\$ 238,659
Nov	261,982	129,846	132,136
Dec	4,512,111	7,928	4,504,183
Jan	1,753,063	11,311	1,741,752
Feb	-	-	-
Mar	1,020,513	6,324,674	(5,304,161)
Apr	62,873	2,108	60,765
May	43,688	633	43,055
Jun	45,840	10,271	35,568
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 7,949,196	\$ 6,497,239	\$ 1,451,957
Cumulative Forecast	\$ 7,485,314	\$ 6,505,163	\$ 980,152
Actual to Forecast \$	\$ 463,882	\$ (7,923)	\$ 471,805
Actual to Forecast	6.2%	-0.1%	



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 6.2% higher than projected and expenses 0.1% 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

Month	2015 Revenue	2015 Expenses	Monthly Variance
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	722,117	579,469	142,648
Apr	724,226	704,687	19,539
May	362,578	368,259	(5,681)
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 3,232,073	\$ 2,883,987	\$ 348,086
Cumulative Forecast	\$ 3,303,838	\$ 3,253,142	\$ 50,696
Actual to Forecast \$	\$ (71,765)	\$ (369,155)	\$ 297,390
Actual to Forecast	-2.2%	-11.3%	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 2.2% lower than forecasted and expenses are 11.3% 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.