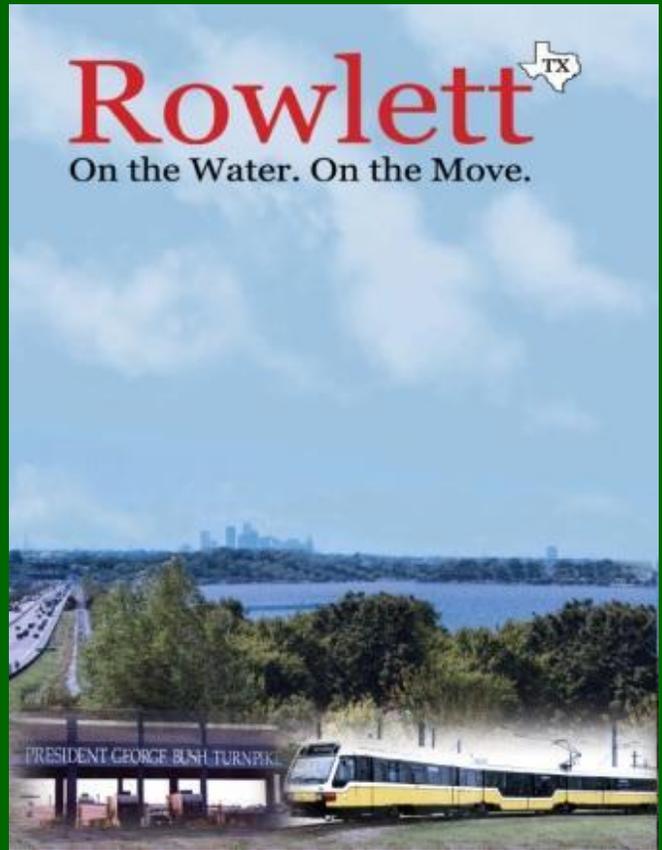




**Comprehensive  
Monthly  
Financial Report**

**September 2015**





# MONTHLY FINANCIAL REPORT

## PERFORMANCE AT A GLANCE

**September 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**

**September 30, 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 1.5% in the 3rd quarter of 2015 after increasing 3.9% in the 2nd quarter of 2015 as reported by the Bureau of Economic Analysis. The third-quarter increase mainly reflected an increase in consumer spending. Spending on services increased, notably on health care.

**Texas Retail Sales:** 

Texas retail sales totaled \$41.2 billion for the month of Aug., a decrease of \$0.7 billion (1.7%) over Aug. 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 decreased 1.4% between the months of July and August.

**UNEMPLOYMENT**

**National Unemployment:**

The national unemployment rate remained 5.1% in both August and September.

**State-Wide:** 

The Texas unemployment rate increased from 4.1% in August to 4.2% in September.

**Rowlett:** 

The City of Rowlett unemployment rate increased between August and September from 3.7% to 3.8%. Note – city unemployment rates are not seasonally adjusted.

Attached is the Comprehensive Monthly Financial report for September 2015. Twelve months of FY2015, or 100.0% of the fiscal year is complete.

**Revenues:** Overall, the City has earned or received \$88.6 million for FY2015. This amount is 103.6% of the approved operating budget of \$85.5 million and is 3.5% more than forecast through the month of September.

- General Fund revenues are \$0.1 million or 0.3% higher than expected
- Utility Fund revenues are \$0.7 million or 2.5% higher than expected.

**Expenditures:** Expenses totaled \$85.0 million year-to-date for FY2015. This amount is 99.2% of the approved operating budget of \$85.7 million and is 0.8% lower than forecast through the month of September.

- General Fund expenditures are \$85 thousand or 0.2% less than expected.
- Utility Fund expenditures are \$31 thousand or 0.1% less than expected.

**Surplus:** The net surplus from operations through September is \$3.5 million which is \$3.7 million better than expected. The adopted operating budget for the fiscal year anticipated a total decrease of \$0.2 million.

**NOTEWORTHY**

**KIDS KINGDOM UPDATE:**

**Fundraiser: Pickets for Sale!**

One of the main components of that effort is the sale of engraved fence pickets, which will decorate the fence outlining Kids Kingdom, when complete. Donors may choose to have their name, their children's, their business or even a treasured pet's names engraved on their picket. These pickets are \$50 each.

**Build Week: November 30 – December 6**

Many, many volunteers are needed to build this magical playground, so please consider sharing your excitement, expertise and experience!



**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
September 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>
<b>Beginning Reserves</b>	\$ 17,438,670	\$ 13,025,520	\$ 13,025,520	0.0%
<b>Revenues:</b>				
General	37,764,467	37,764,467	37,890,877	0.3%
Water & sewer	27,518,760	27,518,760	28,202,108	2.5%
Debt service	7,783,232	7,783,232	8,235,619	5.8%
Drainage	1,346,939	1,346,939	1,342,885	-0.3%
Refuse	4,699,097	4,699,097	4,915,148	4.6%
Employee health benefits	4,405,117	4,405,117	4,169,788	-5.3%
Impact fees	44,357	44,357	1,431,309	3126.8%
Police seizure	100,550	100,550	100,033	-0.5%
Economic development	983,694	983,694	982,995	-0.1%
Hotel/motel tax	47,752	47,752	77,575	62.5%
P.E.G.	85,042	85,042	182,708	114.8%
Grants	73,792	73,792	324,782	340.1%
Community Development Block Grant	186,209	186,209	220,305	18.3%
Inspection Fees Fund	169,333	169,333	133,032	-21.4%
Juvenile diversion	33,281	33,281	33,841	1.7%
Court technology	26,936	26,936	28,362	5.3%
Court security	20,035	20,035	21,224	5.9%
Golf course	256,564	256,564	287,283	12.0%
<b>Total Revenues</b>	\$ 85,545,157	\$ 85,545,157	\$ 88,579,874	3.5%
<b>Expenses:</b>				
General	37,688,061	37,688,060	37,603,181	-0.2%
Water & sewer	27,018,760	27,018,760	26,988,190	-0.1%
Debt service	7,783,232	7,783,232	7,734,515	-0.6%
Drainage	1,318,500	1,318,500	1,240,663	-5.9%
Refuse	4,657,232	4,657,232	4,816,270	3.4%
Employee health benefits	4,337,523	4,337,523	3,832,278	-11.6%
Impact fees	916,238	916,238	159,487	-82.6%
Police seizure	350,550	350,550	526,906	50.3%
Economic development	436,593	436,593	406,961	-6.8%
Hotel/motel tax	42,749	42,749	91,029	112.9%
P.E.G.	113,142	113,142	42,054	-62.8%
Grants	71,434	71,434	324,782	354.7%
Community Development Block Grant	186,209	186,209	220,305	18.3%
Inspection Fees Fund	115,760	115,760	73,867	-36.2%
Juvenile diversion	34,399	34,399	30,664	-10.9%
Court technology	49,005	49,005	134,167	173.8%
Court security	23,989	23,989	32,263	34.5%
Golf course	559,025	559,025	778,357	39.2%
<b>Total Expenses</b>	\$ 85,702,401	\$ 85,702,401	\$ 85,035,940	-0.8%
<b>Current Year Surplus/(Shortfall)</b>	\$ (157,244)	\$ (157,244)	\$ 3,543,935	-2353.8%
<b>Ending Reserves</b>	\$ 17,281,426	\$ 12,868,276	\$ 16,569,454	28.8%

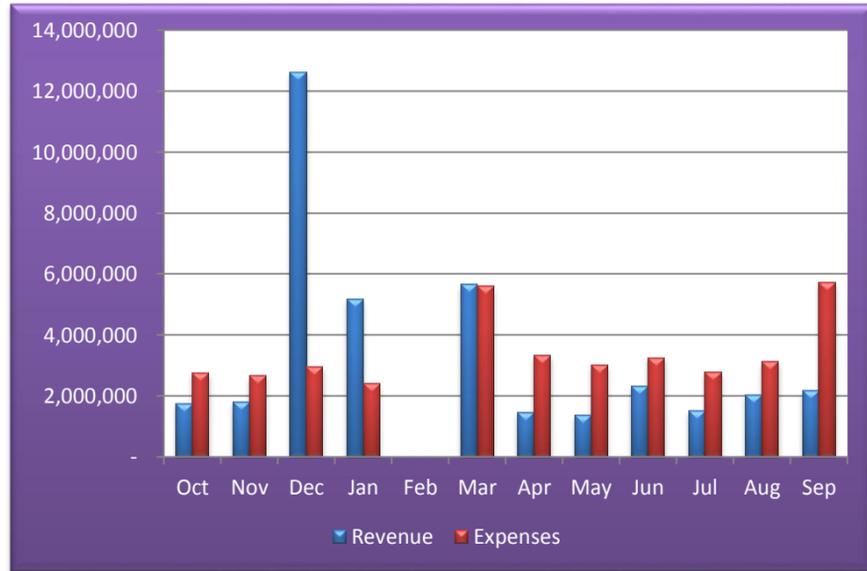
Positive
Warning
Negative

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	1,516,773	2,785,749	(1,268,977)
Aug	2,038,857	3,133,155	(1,094,298)
Sep	2,179,837	5,716,467	(3,536,631)
<b>Total</b>	<b>\$ 37,890,877</b>	<b>\$ 37,603,181</b>	<b>\$ 287,696</b>
<b>Cumulative Forecast</b>	<b>\$ 37,764,467</b>	<b>\$ 37,688,060</b>	<b>\$ 76,407</b>
<b>Actual to Forecast \$</b>	<b>\$ 126,410</b>	<b>\$ (84,879)</b>	<b>\$ 211,289</b>
<b>Actual to Forecast %</b>	<b>0.3%</b>	<b>-0.2%</b>	



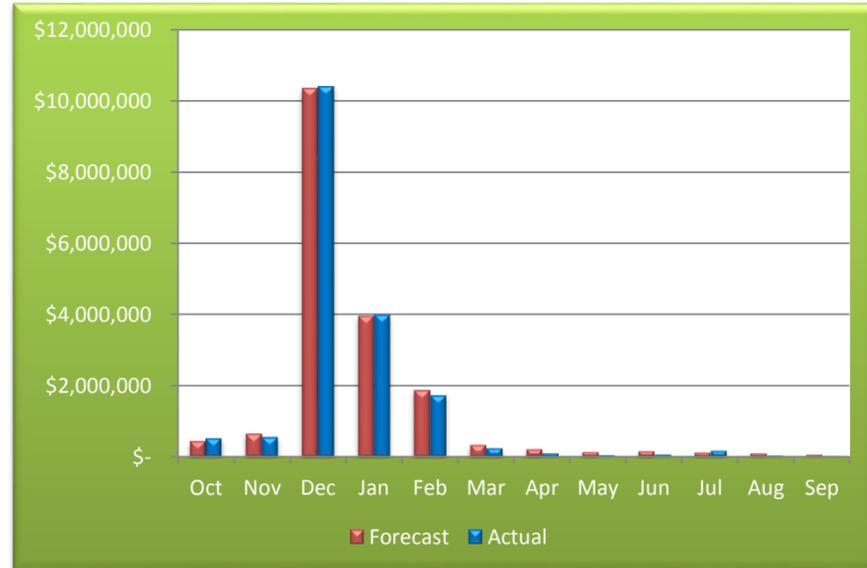
**Positive**

Cumulatively overall, the General Fund is as than expected for this fiscal year, with revenues 0.3% above budget and expenses 0.2% below budget.

**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	177,132	57,160
Aug	104,988	34,254	(70,734)
Sep	58,993	21,283	(37,710)
<b>Total</b>	<b>\$ 18,489,122</b>	<b>\$ 17,898,765</b>	<b>\$ (590,357)</b>
<b>Actual to Forecast</b>			<b>-3.2%</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 3.2% lower than budgetd for this fiscal year.



**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
September 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	566,827	(12,702)
Jul	427,562	494,168	66,606
Aug	452,415	494,464	42,049
Sep	548,190	605,088	56,898
<b>Total</b>	<b>\$ 5,631,653</b>	<b>\$ 5,995,489</b>	<b>\$ 363,836</b>
<i>Actual to Forecast</i>			6.5%



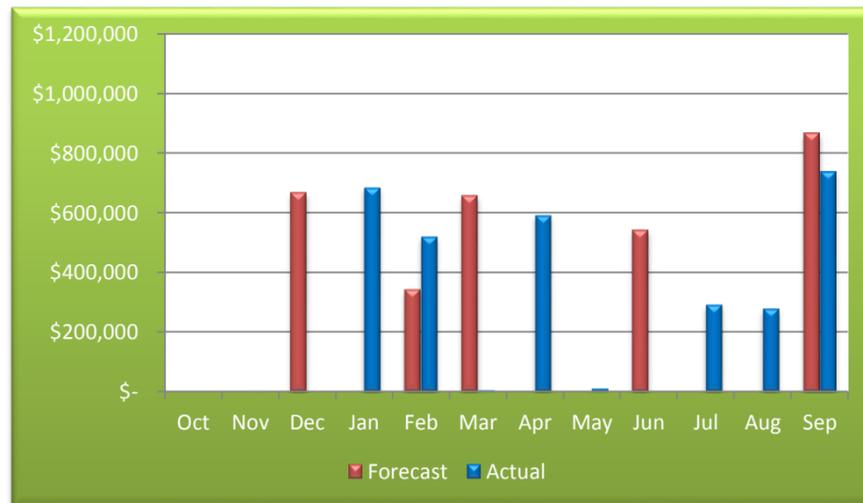
**Positive**

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. Overall, sales tax revenues are 6.5% higher than budgetd for this fiscal year.

**REVENUE ANALYSIS**

**FRANCHISE FEES FY2015**

Month	2015 Forecast	2015 Actual	Monthly Variance
Oct	\$ -	\$ -	\$ -
Nov	-	214	214
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)
Jul	-	290,866	290,866
Aug	-	278,479	278,479
Sep	867,119	739,040	(128,079)
<b>Total</b>	<b>\$ 3,077,966</b>	<b>\$ 3,115,761</b>	<b>\$ 37,795</b>
<i>Actual to Forecast</i>			1.2%



**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 are 1.2% higher than expected.

**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	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	2,843,221	1,958,034	885,187
Aug	2,537,741	1,971,227	566,514
Sep	3,134,815	1,920,249	1,214,566
<b>Total</b>	<b>\$ 28,202,108</b>	<b>\$ 26,988,190</b>	<b>\$ 1,213,918</b>
<b>Cumulative Forecast</b>	<b>\$ 27,518,760</b>	<b>\$ 27,018,760</b>	<b>\$ 500,000</b>
<b>Actual to Forecast \$</b>	<b>\$ 683,348</b>	<b>\$ (30,570)</b>	<b>\$ 713,918</b>
<b>Actual to Forecast</b>	<b>2.5%</b>	<b>-0.1%</b>	



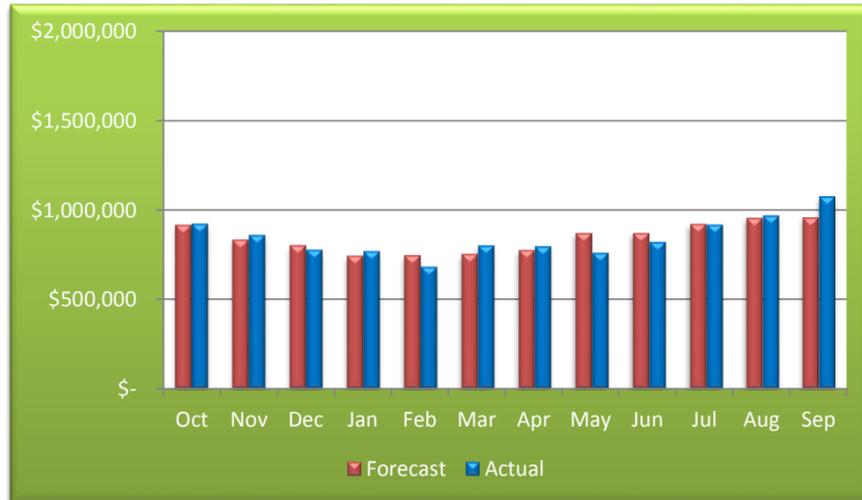
Positive

Utility fund revenues are 2.5% higher than expected as a result of higher than expected impact fees net lower than expected water and sewer revenues. Expenses are 0.1% less than expected for the fiscal year. The fund makes semi-annual debt payments in March and September.

**REVENUE ANALYSIS**

**SEWER REVENUES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 916,365	\$ 919,190	\$ 2,825
Nov	833,754	855,352	21,597
Dec	802,473	772,784	(29,688)
Jan	744,348	766,420	22,071
Feb	745,497	679,354	(66,143)
Mar	753,752	796,213	42,461
Apr	775,606	791,597	15,990
May	870,292	755,162	(115,130)
Jun	869,921	816,984	(52,937)
Jul	920,105	912,597	(7,507)
Aug	954,769	963,349	8,580
Sep	956,485	1,072,098	115,613
<b>Total</b>	<b>\$ 10,143,368</b>	<b>\$ 10,101,099</b>	<b>\$ (42,269)</b>
<b>Actual to Forecast</b>			<b>-0.4%</b>



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 0.4% lower than budget for the fiscal year.

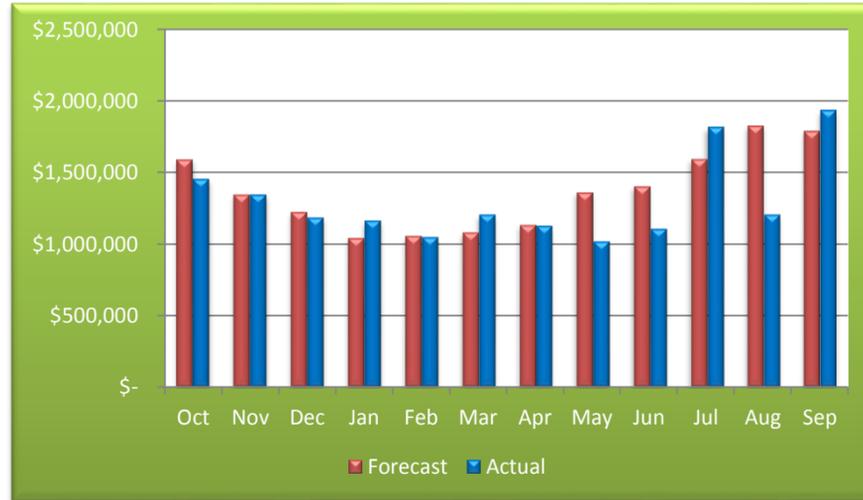


**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
September 30, 2015**

**REVENUE ANALYSIS**

**WATER REVENUES FY2015**

Month	2015 Forecast	2015 Actual	Monthly Variance
Oct	\$ 1,591,776	\$ 1,451,221	\$ (140,555)
Nov	1,346,151	1,343,838	(2,313)
Dec	1,225,508	1,182,809	(42,699)
Jan	1,044,611	1,162,524	117,913
Feb	1,057,784	1,045,383	(12,401)
Mar	1,082,048	1,203,771	121,722
Apr	1,133,210	1,126,605	(6,605)
May	1,361,568	1,017,128	(344,440)
Jun	1,402,780	1,103,062	(299,718)
Jul	1,593,044	1,814,632	221,588
Aug	1,827,396	1,203,204	(624,192)
Sep	1,790,796	1,933,297	142,501
<b>Total</b>	<b>\$ 16,456,672</b>	<b>\$ 15,587,473</b>	<b>\$ (869,199)</b>
<b>Actual to Forecast</b>			<b>-5.3%</b>



**Warning**

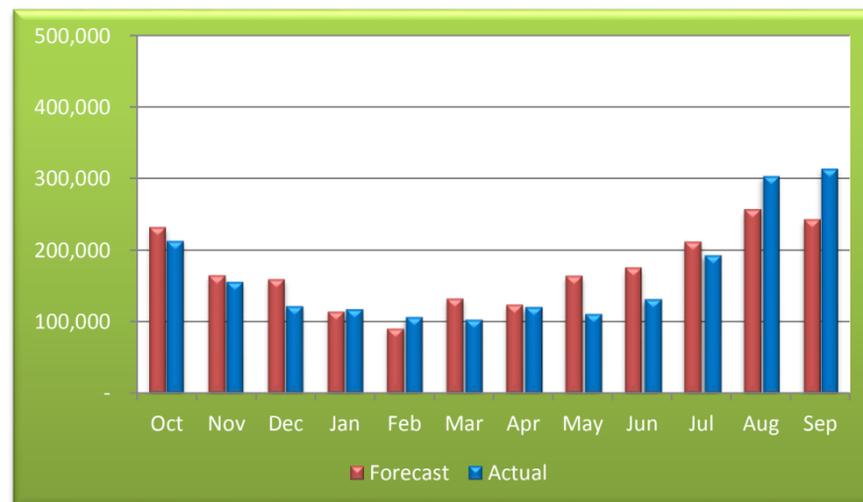
Water sales represent just over 50% of the total Utility Fund budget and cover the cost of water acquisition from the North Texas Municipal Water District. Water revenues are 5.3% less than budget for this fiscal year.

**REVENUE ANALYSIS**

**WATER USAGE FY2015**

Month	2015 Forecast	2015 Actual	Monthly Variance
Oct	230,714	212,743	(17,971)
Nov	164,000	155,467	(8,533)
Dec	158,656	121,571	(37,085)
Jan	113,907	117,372	3,465
Feb	90,108	106,758	16,650
Mar	132,116	103,031	(29,085)
Apr	123,449	120,442	(3,007)
May	163,827	111,168	(52,659)
Jun	175,086	131,780	(43,306)
Jul	211,170	192,582	(18,588)
Aug	255,754	302,948	47,194
Sep	241,994	313,179	71,185
<b>Total</b>	<b>2,060,780</b>	<b>1,989,041</b>	<b>(71,739)</b>
<b>Actual to Forecast</b>			<b>-3.5%</b>

(IN THOUSAND GALLONS)



**Warning**

The City purchases its water from the North Texas Municipal Water District. Customer usage in September is 29.4% higher than forecast, but cumulatively usage is 3.5% lower than the revised forecast for 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	409,888	406,561	3,327
Aug	395,635	399,096	(3,461)
Sep	427,635	483,965	(56,330)
<b>Total</b>	<b>\$ 4,915,148</b>	<b>\$ 4,816,270</b>	<b>\$ 98,879</b>
<b>Cumulative Forecast</b>	<b>\$ 4,699,097</b>	<b>\$ 4,657,232</b>	<b>\$ 41,865</b>
<b>Actual to Forecast \$</b>	<b>\$ 216,051</b>	<b>\$ 159,038</b>	<b>\$ 57,014</b>
<b>Actual to Forecast</b>	<b>4.6%</b>	<b>3.4%</b>	



Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are 4.6% higher than budget, and expenses are 3.4% higher than budget.

**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	28,748
May	112,284	76,064	36,220
Jun	112,974	88,538	24,436
Jul	111,462	63,701	47,761
Aug	107,502	148,224	(40,722)
Sep	117,704	96,556	21,147
<b>Total</b>	<b>\$ 1,342,885</b>	<b>\$ 1,240,663</b>	<b>\$ 102,221</b>
<b>Cumulative Forecast</b>	<b>\$ 1,346,939</b>	<b>\$ 1,318,500</b>	<b>\$ 28,439</b>
<b>Actual to Forecast \$</b>	<b>\$ (4,054)</b>	<b>\$ (77,837)</b>	<b>\$ 73,782</b>
<b>Actual to Forecast</b>	<b>-0.3%</b>	<b>-5.9%</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 expected for the year, with revenues 0.3% lower than budget but expenses 5.9% lower than budget.

**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	103,233	12,943	90,290
Aug	163,022	1,212,672	(1,049,650)
Sep	20,167	11,661	8,506
<b>Total</b>	<b>\$ 8,235,619</b>	<b>\$ 7,734,515</b>	<b>\$ 501,103</b>
<b>Cumulative Forecast</b>	<b>\$ 7,783,232</b>	<b>\$ 7,783,232</b>	<b>\$ (0)</b>
<b>Actual to Forecast \$</b>	<b>\$ 452,387</b>	<b>\$ (48,717)</b>	<b>\$ 501,103</b>
<b>Actual to Forecast</b>	<b>5.8%</b>	<b>-0.6%</b>	



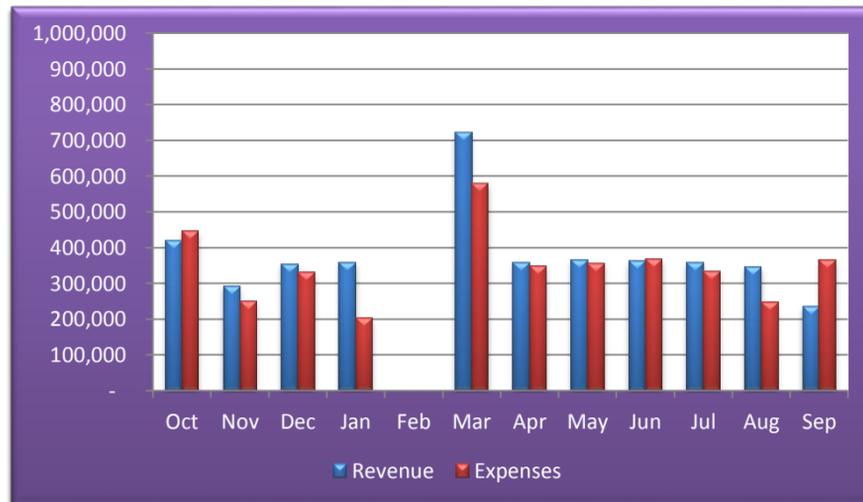
Positive

General Debt Service Fund is used to pay principal and interest on tax-supported debt. Overall, the fund is better than expected, with revenues 5.8% higher than budget and expenses 0.6% lower than budget. 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	357,464	348,042	9,422
May	366,762	356,845	9,917
Jun	362,578	368,259	(5,681)
Jul	357,184	334,018	23,166
Aug	345,709	247,464	98,246
Sep	234,821	366,610	(131,788)
<b>Total</b>	<b>\$ 4,169,788</b>	<b>\$ 3,832,278</b>	<b>\$ 337,509</b>
<b>Cumulative Forecast</b>	<b>\$ 4,405,117</b>	<b>\$ 4,337,523</b>	<b>\$ 67,594</b>
<b>Actual to Forecast \$</b>	<b>\$ (235,329)</b>	<b>\$ (505,245)</b>	<b>\$ 269,915</b>
<b>Actual to Forecast</b>	<b>-5.3%</b>	<b>-11.6%</b>	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 5.3% lower than budget and expenses are 11.6% lower than budget. Revenues reflect lower than expected premium payments due to vacancies and plan choices, and expenses are lower due to lower than expected claims.