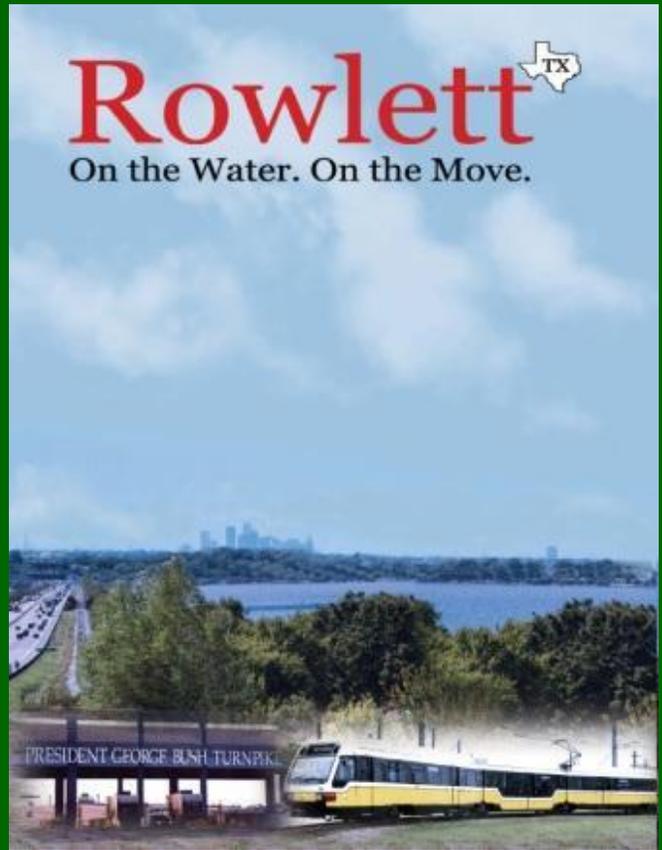




# **Comprehensive Monthly Financial Report**

**April 2014**





# MONTHLY FINANCIAL REPORT

## PERFORMANCE AT A GLANCE

**APRIL 2014**

	YEAR TO DATE	REFERENCE
ALL FUNDS SUMMARY	POSITIVE	Page 4
GENERAL FUND REV VS EXP	POSITIVE	Page 5
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DEBT SERVICE FUND REV VS EXP	POSITIVE	Page 10
EMPLOYEE BENEFITS REV VS EXP	POSITIVE	Page 10

### 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**

**APRIL 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 0.1% in the 1st quarter of 2014 after increasing 2.6% in the 4th quarter of 2013 as reported by the Bureau of Economic Analysis. The slowdown in growth reflects a downturn in exports, business investment, a larger decrease in inventory investment and a slowdown in consumer spending.

**Texas Retail Sales:** 

Texas retail sales totaled \$40.5 billion for the month of February, an increase of \$1.8 billion (4.7%) over February 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 1.0% between the months of January and February.

**UNEMPLOYMENT**

**National Unemployment:** 

The national unemployment rate decreased from 6.7% to 6.3% from March to April.

**State-Wide:** 

The Texas unemployment rate for March, 2014 was 5.5%, 0.9% less than March, 2013.

**Rowlett:** 

The City of Rowlett unemployment rate for March, 2014 was 5.4%, 0.4% less than March, 2013. Note – city unemployment rates are not seasonally adjusted.

Attached is the Comprehensive Monthly Financial report for April 2014. Seven months of FY 2014, or 58.3% of the fiscal year is complete.

**Revenues:** Overall, the City has earned or received \$54.4 million for FY 2014. This amount is 66.8% of the approved operating budget of \$81.4 million and is 0.3% more than forecast through the month of April.

- General Fund revenues are \$0.5 million or 2.2% higher than expected.
- Utility Fund revenues are \$0.6 million or 4.3% lower than expected.

**Expenditures:** Expenses totaled \$50.2 million year-to-date for FY 2014. This amount is 61.9% of the approved operating budget of \$81.0 million and is 2.3% lower than forecast through the month of April.

- General Fund expenditures are \$1.2 million or 6.0% lower than expected.
- Utility Fund expenditures are \$0.2 million or 1.3% lower than expected.

**Surplus:** The net surplus from operations through April is \$4.2 million which is \$1.3 million better than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total increase of \$0.4 million.

**NOTEWORTHY**

**ONCE EVERY TWO WEEKS LANDSCAPE WATERING RESTRICTIONS (STAGE 3 WATER RESTRICTIONS) EXTENDED THROUGH AT LEAST MAY 31, 2014**

In an effort to preserve the resources and water supplies available now, the North Texas Municipal Water District (NTMWD) has voted to continue the winter watering strategies of Stage 3 of its Drought Plan. The goal of Stage 3 is a 10% reduction in water use and increased awareness in ongoing water conservation efforts.



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

**BUDGET SUMMARY OF ALL FUNDS FY2014**

	2014 <u>Budget</u>	2014 <u>Forecast</u>	2014 <u>Year-to-Date</u>	<u>Variance</u>
<b>Beginning Reserves</b>	<b>\$ 16,862,505</b>	<b>\$ 16,862,505</b>	<b>\$ 16,862,505</b>	<b>0.0%</b>
<b>Revenues:</b>				
General	33,671,772	24,814,220	25,360,732	2.2%
Water & sewer	27,531,543	14,686,735	14,054,579	-4.3%
Debt service	8,246,662	7,828,139	7,788,078	-0.5%
Drainage	1,346,939	785,694	775,698	-1.3%
Refuse	4,835,889	2,820,827	2,817,380	-0.1%
Employee health benefits	4,095,123	2,388,822	2,268,724	-5.0%
Impact fees	44,357	26,165	235,885	801.5%
Police seizure	100,550	58,654	114,407	95.1%
Economic development	316,694	184,738	184,449	-0.2%
Innovations	-	-	793	0.0%
Hotel/motel tax	47,752	24,831	33,758	36.0%
P.E.G.	85,042	42,098	43,912	4.3%
Grants	41,838	21,500	107,922	402.0%
Community Development Block Grant	191,254	111,566	159,958	43.4%
Inspection Fees Fund	169,333	98,778	95,671	-3.1%
Juvenile diversion	33,281	19,414	21,309	9.8%
Court technology	26,936	15,713	17,232	9.7%
Court security	20,035	11,687	12,580	7.6%
Golf course	601,728	300,948	301,404	0.2%
<b>Total Revenues</b>	<b>\$ 81,406,728</b>	<b>\$ 54,240,529</b>	<b>\$ 54,394,470</b>	<b>0.3%</b>
<b>Expenses:</b>				
General	35,101,079	20,493,988	19,259,919	-6.0%
Water & sewer	25,703,823	17,046,517	16,828,139	-1.3%
Debt service	8,246,662	6,778,539	6,810,282	0.5%
Drainage	1,303,580	815,882	766,608	-6.0%
Refuse	4,728,613	2,778,241	3,025,745	8.9%
Employee health benefits	4,070,097	2,374,223	2,184,025	-8.0%
Impact fees	30,000	17,500	-	-100.0%
Police seizure	100,550	58,654	430,203	633.5%
Economic development	355,588	206,015	202,667	-1.6%
Innovations	224,605	131,020	92,818	-29.2%
Hotel/motel tax	42,749	24,937	5,418	-78.3%
P.E.G.	71,811	41,429	40,922	-1.2%
Grants	41,838	21,500	107,922	402.0%
Community Development Block Grant	191,254	111,566	159,958	43.4%
Inspection Fees Fund	146,144	85,251	-	-100.0%
Juvenile diversion	33,210	19,373	17,141	-11.5%
Court technology	29,145	17,001	31,356	84.4%
Court security	24,102	14,060	18,865	34.2%
Golf course	601,728	311,075	204,583	-34.2%
<b>Total Expenses</b>	<b>\$ 81,046,578</b>	<b>\$ 51,346,771</b>	<b>\$ 50,186,571</b>	<b>-2.3%</b>
<b>Current Year</b>				
<b>Surplus/(Shortfall)</b>	<b>\$ 360,150</b>	<b>\$ 2,893,759</b>	<b>\$ 4,207,899</b>	<b>45.4%</b>
<b>Ending Reserves</b>	<b>\$ 17,222,655</b>	<b>\$ 19,756,264</b>	<b>\$ 21,070,404</b>	<b>6.7%</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 FY2014**

Month	2014 Revenue	2014 Expenses	Monthly Variance
Oct	1,600,503	2,235,034	\$ (634,531)
Nov	1,555,810	3,052,790	(1,496,980)
Dec	11,090,742	2,532,120	8,558,622
Jan	5,184,857	2,858,962	2,325,895
Feb	2,670,847	2,488,264	182,583
Mar	2,084,191	2,653,398	(569,207)
Apr	1,173,782	3,439,351	(2,265,569)
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 25,360,732</b>	<b>\$ 19,259,919</b>	<b>\$ 6,100,813</b>
<b>Cumulative Forecast</b>	<b>\$ 24,814,220</b>	<b>\$ 20,493,988</b>	<b>\$ 4,320,231</b>
<b>Actual to Forecast \$</b>	<b>\$ 546,512</b>	<b>\$ (1,234,070)</b>	<b>\$ 1,780,581</b>
<b>Actual to Forecast %</b>	<b>2.2%</b>	<b>-6.0%</b>	



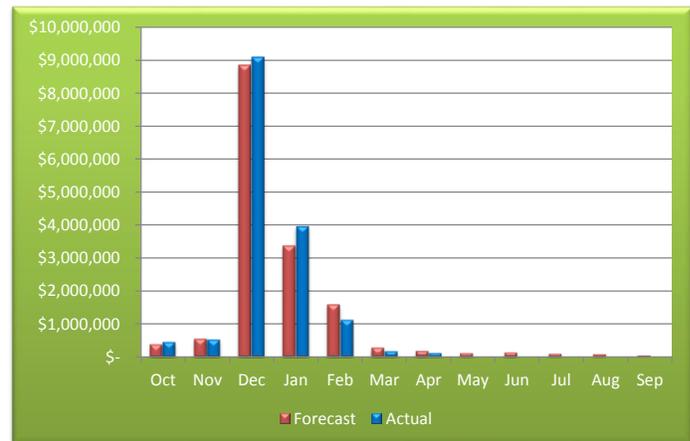
**Positive**

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 2.2% and expenses 6.0% lower than forecasted. These differences are primarily due to higher than expected property tax collections and sales tax revenues, vacancy savings and lower than expected supplies expenses.

**REVENUE ANALYSIS**

**PROPERTY TAXES FY2014**

Month	2014 Forecast	2014 Actual	Monthly Variance
Oct	\$ 388,488	\$ 460,233	\$ 71,745
Nov	561,872	531,720	(30,152)
Dec	8,847,877	9,078,518	230,641
Jan	3,403,794	3,978,058	574,264
Feb	1,608,725	1,136,084	(472,641)
Mar	290,844	181,028	(109,816)
Apr	184,755	118,224	(66,531)
May	117,901	-	-
Jun	140,464	-	-
Jul	102,440	-	-
Aug	89,645	-	-
Sep	50,372	-	-
<b>Total</b>	<b>\$ 15,787,177</b>	<b>\$ 15,483,865</b>	<b>\$ 197,510</b>
<b>Actual to Forecast</b>			<b>1.3%</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. Property taxes are generally collected in December of each year. Cumulatively overall, property tax revenues are 1.3% higher than forecasted for this time of the year.

**REVENUE ANALYSIS**

**SALES TAXES FY2014**

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 459,941	\$ 427,851	\$ (32,090)
Nov	394,348	414,283	19,935
Dec	558,732	565,590	6,858
Jan	389,630	399,637	10,007
Feb	361,544	348,585	(12,959)
Mar	485,196	556,530	71,334
Apr	416,016	416,016	-
May	417,960		
Jun	557,046		
Jul	410,975		
Aug	434,864		
Sep	526,923		
<b>Total</b>	<b>\$ 5,413,175</b>	<b>\$ 3,128,491</b>	<b>\$ 63,084</b>
<i>Actual to Forecast</i>			2.1%



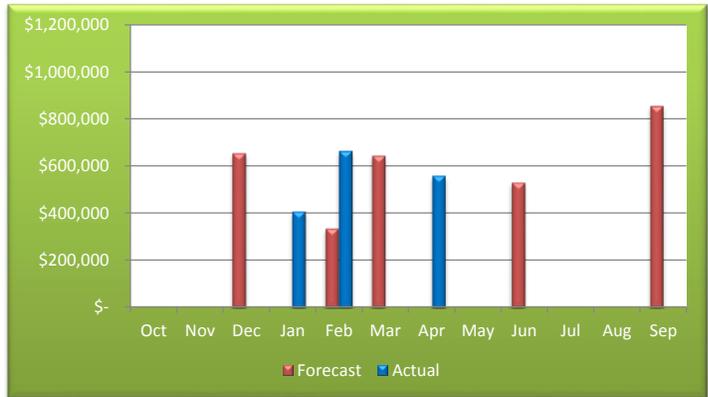
Positive

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 March are 14.7% higher than projected. Cumulatively, sales taxes are 2.1% higher than projected. Sales taxes for April are an estimate.

**REVENUE ANALYSIS**

**FRANCHISE FEES FY2014**

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	\$ -	\$ -	\$ -
Nov	-	-	-
Dec	652,928	-	(652,928)
Jan	-	405,092	405,092
Feb	333,775	659,673	325,898
Mar	642,098	-	(642,098)
Apr	-	556,094	556,094
May	-		
Jun	528,568		
Jul	-		
Aug	-		
Sep	852,633		
<b>Total</b>	<b>\$ 3,010,000</b>	<b>\$ 1,620,859</b>	<b>\$ (7,941)</b>
<i>Actual to Forecast</i>			-0.5%



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. Franchise payments are currently 0.5% lower than projected for the fiscal year.

**OVERALL FUND PERFORMANCE**

**UTILITY FUND REVENUES VS EXPENSES FY2014**

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 2,506,570	\$ 1,769,999	\$ 736,571
Nov	2,111,806	2,053,463	58,343
Dec	1,899,070	1,913,043	(13,973)
Jan	1,894,254	1,945,298	(51,044)
Feb	1,840,086	1,845,514	(5,429)
Mar	1,865,352	5,579,472	(3,714,120)
Apr	1,937,442	1,721,349	216,092
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 14,054,579</b>	<b>\$ 16,828,139</b>	<b>\$ (2,773,560)</b>
<b>Cumulative Forecast</b>	<b>\$ 14,686,735</b>	<b>\$ 17,046,517</b>	<b>\$ (2,359,782)</b>
<b>Actual to Forecast \$</b>	<b>\$ (632,156)</b>	<b>\$ (218,378)</b>	<b>\$ (413,778)</b>
<b>Actual to Forecast</b>	<b>-4.3%</b>	<b>-1.3%</b>	



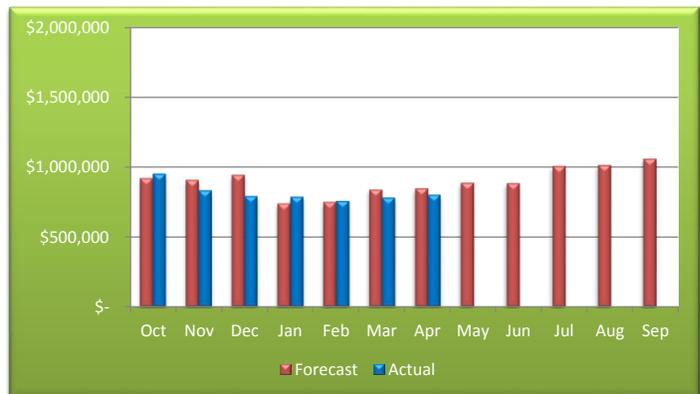
**Warning**

Utility fund revenues are 4.3% lower than forecast, and expenses are 1.3% lower than expected. These differences are primarily due to lower than expected water and sewer revenues. The fund makes semi-annual debt payments in March and September.

**REVENUE ANALYSIS**

**SEWER REVENUES FY2014**

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 919,553	\$ 950,609	\$ 31,056
Nov	907,875	832,809	(75,066)
Dec	942,658	791,813	(150,845)
Jan	738,313	788,346	50,033
Feb	750,346	757,401	7,055
Mar	837,264	780,639	(56,625)
Apr	847,397	802,118	(45,279)
May	886,960	-	-
Jun	884,119	-	-
Jul	1,006,135	-	-
Aug	1,014,318	-	-
Sep	1,058,609	-	-
<b>Total</b>	<b>\$ 10,793,547</b>	<b>\$ 5,703,735</b>	<b>\$ (239,671)</b>
<b>Actual to Forecast</b>			<b>-4.0%</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 4.0% lower than forecasted for this time of year.

**REVENUE ANALYSIS**

**WATER REVENUES FY2014**

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 1,256,608	\$ 1,432,250	\$ 175,642
Nov	1,350,960	1,153,189	(197,771)
Dec	1,260,545	1,019,459	(241,086)
Jan	1,121,060	995,804	(125,256)
Feb	983,482	955,899	(27,583)
Mar	1,114,506	988,809	(125,697)
Apr	1,167,772	1,036,762	(131,010)
May	1,239,689		
Jun	1,278,088		
Jul	1,552,096		
Aug	1,663,331		
Sep	1,831,139		
<b>Total</b>	<b>\$ 15,819,276</b>	<b>\$ 7,582,171</b>	<b>\$ (672,762)</b>
<i>Actual to Forecast</i>			<i>-8.1%</i>



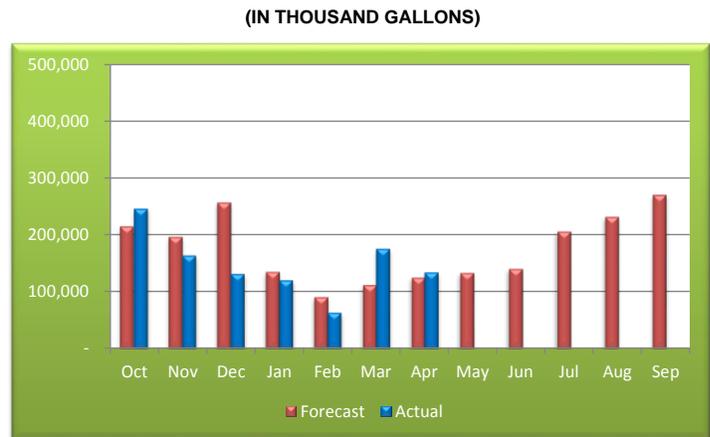
**Negative**

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 8.1% less than forecasted for this time of year.

**REVENUE ANALYSIS**

**WATER USAGE FY2014**

<u>Month</u>	<u>2014 Forecast</u>	<u>2014 Actual</u>	<u>Monthly Variance</u>
Oct	214,791	244,924	30,133
Nov	196,050	163,192	(32,858)
Dec	256,386	131,044	(125,342)
Jan	135,250	119,810	(15,440)
Feb	90,680 *	63,297	(27,383)
Mar	111,904	174,862	62,958
Apr	124,977	133,624	8,647
May	133,120		
Jun	140,531		
Jul	205,774		
Aug	231,212		
Sep	269,573		
<b>Total</b>	<b>2,110,249</b>	<b>1,030,753</b>	<b>(99,286)</b>
<i>Actual to Forecast</i>			<i>-8.8%</i>



**Negative**

The City purchases its water from the North Texas Municipal Water District. Customer usage is 8.8% 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. \*Budget amendment approved by City Council in February.

**OVERALL FUND PERFORMANCE**

**REFUSE FUND REVENUES VS EXPENSES FY2014**

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 393,619	\$ 395,068	\$ (1,449)
Nov	396,211	388,645	7,567
Dec	401,618	388,287	13,331
Jan	398,650	391,384	7,266
Feb	396,073	680,753	(284,680)
Mar	400,681	381,364	19,317
Apr	430,529	400,245	30,284
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 2,817,380</b>	<b>\$ 3,025,745</b>	<b>\$ (208,365)</b>
<b>Cumulative Forecast</b>	<b>\$ 2,820,827</b>	<b>\$ 2,778,241</b>	<b>\$ 42,586</b>
<b>Actual to Forecast \$</b>	<b>\$ (3,447)</b>	<b>\$ 247,505</b>	<b>\$ (250,951)</b>
<b>Actual to Forecast</b>	<b>-0.1%</b>	<b>8.9%</b>	



Negative

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 0.1% lower than forecasted, and expenses are 8.9% higher than forecasted due to expenses from the ice storm cleanup.

**OVERALL FUND PERFORMANCE**

**DRAINAGE FUND REVENUES VS EXPENSES FY2014**

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 111,003	\$ 61,084	\$ 49,919
Nov	110,081	63,512	46,569
Dec	110,877	73,691	37,186
Jan	110,715	70,278	40,437
Feb	110,681	347,255	(236,574)
Mar	110,885	68,186	42,699
Apr	111,456	82,602	28,854
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 775,698</b>	<b>\$ 766,608</b>	<b>\$ 9,090</b>
<b>Cumulative Forecast</b>	<b>\$ 785,694</b>	<b>\$ 815,882</b>	<b>\$ (30,188)</b>
<b>Actual to Forecast \$</b>	<b>\$ (9,996)</b>	<b>\$ (49,274)</b>	<b>\$ 39,278</b>
<b>Actual to Forecast</b>	<b>-1.3%</b>	<b>-6.0%</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 1.3% lower than forecasted but expenses 6.0% lower than forecasted. The first of two semi-annual bond payments was made in February.

**OVERALL FUND PERFORMANCE**

**DEBT SERVICE FUND REVENUES VS EXPENSES FY2014**

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 242,680	\$ 13,921	\$ 228,759
Nov	276,231	130,274	145,957
Dec	4,377,953	7,593	4,370,360
Jan	1,934,744	12,067	1,922,677
Feb	771,850	6,631,905	(5,860,055)
Mar	106,583	13,099	93,485
Apr	78,036	1,423	76,613
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 7,788,078</b>	<b>\$ 6,810,282</b>	<b>\$ 977,796</b>
<b>Cumulative Forecast</b>	<b>\$ 7,828,139</b>	<b>\$ 6,778,539</b>	<b>\$ 1,049,600</b>
<b>Actual to Forecast \$</b>	<b>\$ (40,061)</b>	<b>\$ 31,743</b>	<b>\$ (71,804)</b>
<b>Actual to Forecast</b>	<b>-0.5%</b>	<b>0.5%</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 0.5% lower than projected, and expenses 0.5% higher than expected. The fund makes semi-annual debt payments in February and August.

**OVERALL FUND PERFORMANCE**

**EMPLOYEE HEALTH BENEFITS FUND REVENUES VS EXPENSES FY2014**

<u>Month</u>	<u>2014 Revenue</u>	<u>2014 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 377,939	\$ 348,484	\$ 29,455
Nov	313,479	182,787	130,692
Dec	267,500	268,769	(1,269)
Jan	303,830	252,833	50,997
Feb	361,937	362,044	(107)
Mar	322,699	416,103	(93,403)
Apr	321,340	353,006	(31,666)
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 2,268,724</b>	<b>\$ 2,184,025</b>	<b>\$ 84,698</b>
<b>Cumulative Forecast</b>	<b>\$ 2,388,822</b>	<b>\$ 2,374,223</b>	<b>\$ 14,599</b>
<b>Actual to Forecast \$</b>	<b>\$ (120,098)</b>	<b>\$ (190,198)</b>	<b>\$ 70,100</b>
<b>Actual to Forecast</b>	<b>-5.0%</b>	<b>-8.0%</b>	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 5.0% lower than forecasted due to vacant positions (lower than expected employee contributions). Expenses are 8.0% lower than forecasted due to lower than expected claims.