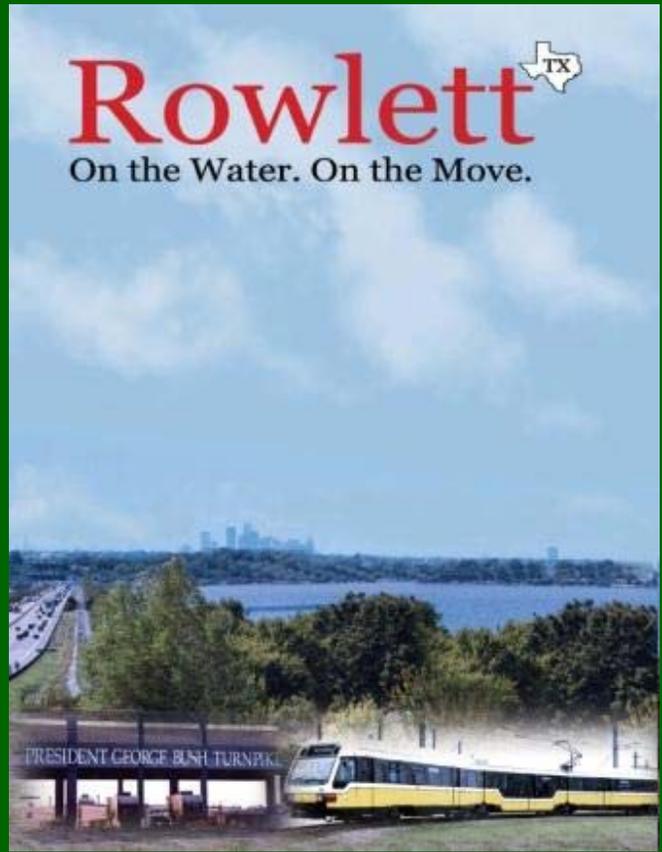




**Comprehensive
Monthly
Financial Report**

March 2012





MONTHLY FINANCIAL REPORT

PERFORMANCE AT A GLANCE

MARCH 2012

	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	MARCH 31, 2012 – NEWS FOR YOU
<p data-bbox="337 323 488 352">ECONOMY</p> <p data-bbox="191 359 430 388">National GDP: </p> <p data-bbox="191 394 634 705">GDP - the output of goods and services produced by labor and property located in the US – increased at a rate of 2.2% in the 1st quarter of 2012 after increasing 3.0% in the 4th quarter as reported by the Bureau of Economic Analysis. The slower economic growth reflected slower growth in inventory and fixed investment by businesses partly offset by faster growth in consumer spending.</p> <p data-bbox="191 741 493 770">Texas Retail Sales: </p> <p data-bbox="191 777 634 869">Texas retail sales totaled 36.23 billion for the month of February, an increase of \$2.42 billion over February 2011.</p> <p data-bbox="191 905 509 934">Texas Leading Index: </p> <p data-bbox="191 940 634 1190">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 1.2% between the months of January and February.</p>	<p data-bbox="659 323 1430 422">Attached is the Comprehensive Monthly Financial report for March 2012. Six months of FY 2012, or 50.0% of the fiscal year is complete.</p> <p data-bbox="659 453 1430 579">Revenues: Overall, the City has earned or received \$47.8 million for FY 2012. This amount is 62.6% of the approved operating budget of \$76.4 million and is 1.9% higher than forecast through the month of March.</p> <ul data-bbox="708 611 1430 737" style="list-style-type: none"> • General Fund revenues are \$0.3 million or 1.3% higher than expected. • Utility Fund revenues are \$0.4 million or 3.9% higher than expected. <p data-bbox="659 768 1430 894">Expenditures: Expenses totaled \$41.8 million year-to-date for FY 2012. This amount is 52.4% of the approved operating budget of \$77.2 million and is 3.0% lower than forecast through the month of February.</p> <ul data-bbox="708 926 1430 1052" style="list-style-type: none"> • General Fund expenditures are \$1.3 million or 7.7% lower than expected. • Utility Fund revenues are \$0.2 million or 1.2% lower than expected. <p data-bbox="659 1094 1430 1220">Surplus: The net surplus from operations through March is \$6.0 million which is \$2.2 million better than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total net reduction of \$0.7 million.</p>
<p data-bbox="285 1199 534 1228">UNEMPLOYMENT</p> <p data-bbox="191 1234 505 1264">National Unemployment:</p> <p data-bbox="191 1270 634 1362">The national unemployment rate decreased from February to March, from 8.3% to 8.2%</p> <p data-bbox="191 1394 391 1423">State-Wide: </p> <p data-bbox="191 1430 634 1522">The Texas unemployment rate for March 2012 was 7.0%. This is a decrease from the February rate of 7.1%.</p> <p data-bbox="191 1554 347 1583">Rowlett: </p> <p data-bbox="191 1589 634 1682">The City of Rowlett unemployment rate for March 2012 was 7.2%. This is a decrease from the February rate of 7.6%</p>	<p data-bbox="935 1270 1151 1299">NOTEWORTHY</p> <p data-bbox="659 1306 1430 1535">Water Restrictions: <i>North Texas Municipal Water District voted to return to "Normal" Stage 3 water restrictions. Effective April 1, 2012, Stage 3 restrictions return to 'normal' allowing weekly landscape watering, with the schedule based on the last number in the address. The no outdoor watering between 10am-6pm restriction remains in place.</i></p> <p data-bbox="659 1566 1430 1774">Realize Rowlett 2020 Phase II: <i>Realize Rowlett 2020 Phase II is now underway. Phase II will zoom in and flesh out the details in four target areas, giving special attention to the Downtown area. The end result will be regulatory tools that will help to achieve the vision for each individual area.</i></p>



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
March 31, 2012**

BUDGET SUMMARY OF ALL FUNDS FY2012

	2012 <u>Budget</u>	2012 <u>Forecast</u>	2012 <u>Year-to-Date</u>	<u>Variance</u>
	\$ 14,262,492	\$ 14,262,492	\$ 14,262,492	0.0%
Beginning Reserves				
Revenues:				
General	32,110,964	22,802,497	23,088,327	1.3%
Water & sewer	24,025,444	9,994,793	10,384,616	3.9%
Debt service	8,996,721	8,383,730	8,424,849	0.5%
Drainage	1,320,414	660,139	661,564	0.2%
Refuse	4,550,646	2,274,958	2,273,218	-0.1%
Employee health benefits	3,316,590	1,658,295	1,593,217	-3.9%
Impact fees	44,357	23,814	60,566	154.3%
Police seizure	100,550	50,275	248,702	394.7%
Economic development	316,694	158,347	157,715	-0.4%
Innovations	-	-	985	0.0%
Hotel/motel tax	48,275	22,062	23,242	5.3%
P.E.G.	85,042	42,098	44,328	5.3%
Grants	24,590	10,246	39,056	281.2%
Community Development Block Grant	217,245	72,415	121,145	67.3%
Tax-increment financing	290,845	281,022	282,533	0.5%
Juvenile diversion	41,602	20,801	14,464	-30.5%
Court technology	33,670	16,835	11,763	-30.1%
Court security	25,044	12,522	8,709	-30.4%
Traffic safety	297,926	148,963	98,285	-34.0%
Golf course	595,847	297,711	296,680	-0.3%
Total Revenues	\$ 76,442,466	\$ 46,931,523	\$ 47,833,964	1.9%
Expenses:				
General	32,338,915	16,321,287	15,064,363	-7.7%
Water & sewer	23,815,437	13,385,735	13,222,276	-1.2%
Debt service	8,950,468	7,168,912	7,147,601	-0.3%
Drainage	1,546,376	856,053	832,189	-2.8%
Refuse	4,542,847	2,277,422	2,269,210	-0.4%
Employee health benefits	3,316,590	1,658,295	1,602,780	-3.3%
Impact fees	30,000	15,000	20,000	33.3%
Police seizure	125,000	62,500	328,744	426.0%
Economic development	338,370	169,185	76,152	-55.0%
Innovations	512,339	256,170	304,285	18.8%
Hotel/motel tax	42,749	21,375	10,263	-52.0%
P.E.G.	67,779	33,890	31,524	-7.0%
Grants	24,590	10,246	39,056	281.2%
Community Development Block Grant	217,245	72,415	121,145	67.3%
Tax-increment financing	290,845	281,022	282,533	0.5%
Juvenile diversion	73,136	36,568	7,937	-78.3%
Court technology	33,670	16,835	42,701	153.6%
Court security	24,851	12,426	14,850	19.5%
Traffic safety	297,926	148,963	98,285	-34.0%
Golf course	565,464	277,732	277,732	0.0%
Total Expenses	\$ 77,154,597	\$ 43,082,028	\$ 41,793,626	-3.0%
Current Year				
Surplus/(Shortfall)	\$ (712,131)	\$ 3,849,495	\$ 6,040,338	56.9%
Ending Reserves	\$ 13,550,361	\$ 18,111,987	\$ 20,302,830	12.1%

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 FY2012

Month	2012 Revenue	2012 Expenses	Monthly Variance
Oct	\$ 1,223,497	\$ 2,553,136	\$ (1,329,639)
Nov	1,538,720	2,472,765	(934,045)
Dec	10,712,393	2,716,159	7,996,233
Jan	4,480,376	2,501,977	1,978,400
Feb	2,902,679	2,510,359	392,320
Mar	2,230,661	2,309,967	(79,306)
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 23,088,327	\$ 15,064,363	\$ 8,023,964
Cumulative Forecast	\$ 22,802,497	\$ 16,321,287	\$ 6,481,210
Actual to Forecast \$	\$ 285,830	\$ (1,256,924)	\$ 1,542,754
Actual to Forecast %	1.3%	-7.7%	



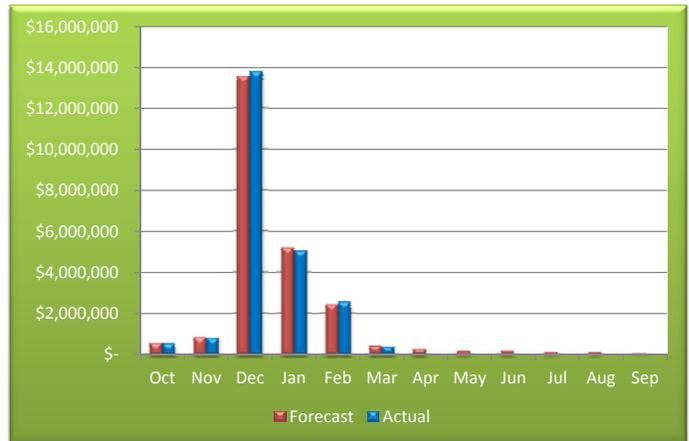
Positive

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 1.3% and expenses 7.7% lower than forecasted. These differences are primarily due to higher than expected sales tax and higher than projected vacancy savings.

REVENUE ANALYSIS

PROPERTY TAXES FY2012

Month	2012 Forecast	2012 Actual	Monthly Variance
Oct	\$ 556,130	\$ 527,493	\$ (28,637)
Nov	823,136	786,365	(36,771)
Dec	13,552,023	13,796,602	244,579
Jan	5,199,597	5,048,899	(150,698)
Feb	2,435,253	2,563,924	128,671
Mar	405,762	372,122	(33,640)
Apr	242,389		
May	139,436		
Jun	174,183		
Jul	115,626		
Aug	95,923		
Sep	35,446		
Total	\$ 23,774,904	\$ 23,095,405	\$ 123,504
Actual to Forecast			0.5%



Positive

Property taxes represents nearly 50% of the total General Fund budget and serves as the primary funding source for the general government. Cumulatively overall, property tax revenues are 0.5% better than forecasted for this time of the year.

REVENUE ANALYSIS

SALES TAXES FY2012

<u>Month</u>	<u>2012 Forecast</u>	<u>2012 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 303,544	\$ 341,356	\$ 37,812
Nov	360,887	362,073	1,186
Dec	452,781	485,007	32,226
Jan	305,669	334,553	28,884
Feb	273,148	328,527	55,379
Mar	449,711	449,711	-
Apr	337,076		
May	307,445		
Jun	435,463		
Jul	334,612		
Aug	330,675		
Sep	466,686		
Total	\$ 4,357,697	\$ 2,301,226	\$ 155,486
<i>Actual to Forecast</i>			7.2%



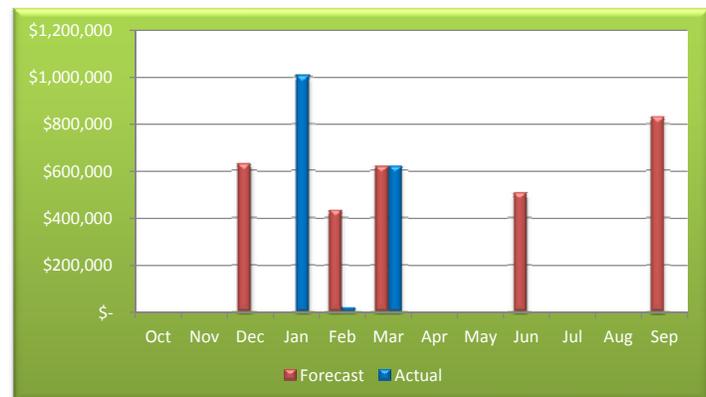
Positive

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 the current month represent an estimate. Cumulatively overall, sales tax revenues are 7.2% better than forecasted for this time of the year.

REVENUE ANALYSIS

FRANCHISE FEES FY2012

<u>Month</u>	<u>2012 Forecast</u>	<u>2012 Actual</u>	<u>Monthly Variance</u>
Oct	\$ -	\$ -	\$ -
Nov	-	-	-
Dec	630,471	-	(630,471)
Jan	-	1,004,309	1,004,309
Feb	431,878	15,364	(416,514)
Mar	619,641	619,704	63
Apr	-		
May	-		
Jun	506,111		
Jul	-		
Aug	-		
Sep	830,174		
Total	\$ 3,018,276	\$ 1,639,377	\$ (42,614)
<i>Actual to Forecast</i>			-2.5%



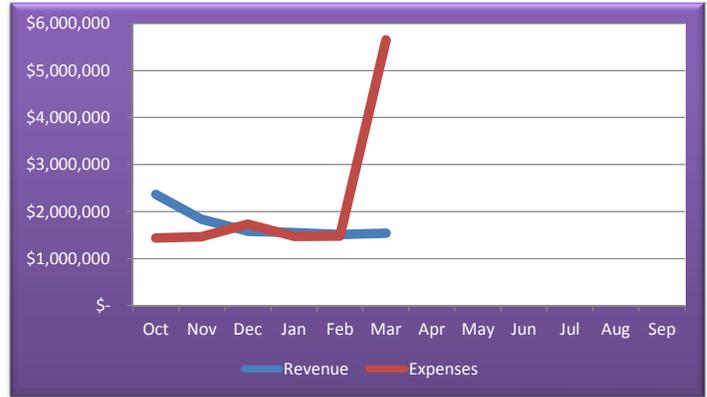
Warning

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. Cumulatively overall, franchise fees are 2.5% less than forecasted for this time of the year as a result of lower natural gas revenues. FY 2012 gas payment was 16.8% or \$72 K less than forecasted.

OVERALL FUND PERFORMANCE

UTILITY FUND REVENUES VS EXPENSES FY2012

<u>Month</u>	<u>2012 Revenue</u>	<u>2012 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 2,366,677	\$ 1,434,379	\$ 932,298
Nov	1,829,020	1,465,728	363,292
Dec	1,580,184	1,731,116	(150,932)
Jan	1,554,164	1,471,421	82,743
Feb	1,512,712	1,475,286	37,426
Mar	1,541,860	5,644,346	(4,102,486)
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 10,384,616	\$ 13,222,276	\$ (2,837,659)
Cumulative Forecast	\$ 9,994,793	\$ 13,385,735	\$ (3,390,941)
Actual to Forecast \$	\$ 389,823	\$ (163,459)	\$ 553,282
Actual to Forecast	3.9%	-1.2%	



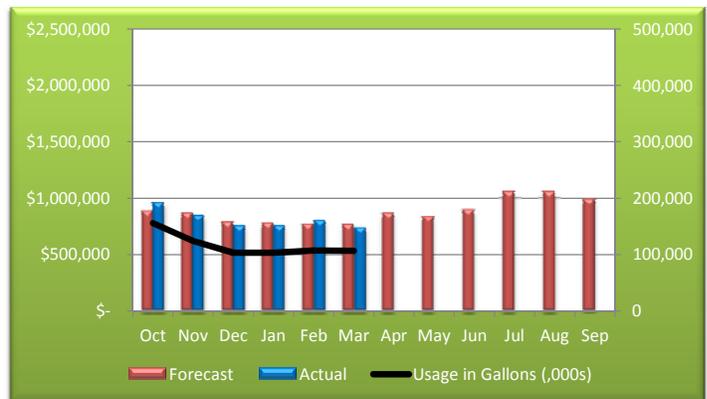
Positive

Cumulatively overall, the Utility Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 3.9% and expenses 1.2% lower than forecasted. These differences are primarily due to higher than expected water sales and higher than projected vacancy savings. Note, utility fund debt service payments are made in March.

REVENUE ANALYSIS

SEWER REVENUES FY2012

<u>Month</u>	<u>2012 Forecast</u>	<u>2012 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 879,788	\$ 956,593	\$ 76,805
Nov	864,359	843,123	(21,236)
Dec	781,498	753,644	(27,854)
Jan	774,260	753,521	(20,739)
Feb	765,101	798,898	33,797
Mar	763,117	738,136	(24,981)
Apr	863,482		
May	832,531		
Jun	893,098		
Jul	1,049,869		
Aug	1,048,910		
Sep	983,757		
Total	\$ 10,499,770	\$ 4,843,915	\$ 15,792
Actual to Forecast			0.3%



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 0.3% better than forecasted for this time of year.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
March 31, 2012**

REVENUE ANALYSIS

WATER REVENUES FY2012

<u>Month</u>	<u>2012 Forecast</u>	<u>2012 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 1,018,164	\$ 1,302,102	\$ 283,938
Nov	914,521	890,935	(23,586)
Dec	719,385	739,951	20,566
Jan	686,190	669,115	(17,075)
Feb	663,042	717,758	54,716
Mar	675,179	665,099	(10,080)
Apr	870,781		
May	855,239		
Jun	1,087,442		
Jul	1,600,086		
Aug	1,675,571		
Sep	1,569,021		
Total	\$ 12,334,621	\$ 4,984,960	\$ 308,479
<i>Actual to Forecast</i>			6.6%



Positive

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. Cumulatively overall, water revenues are 6.6% better than forecasted for this time of year primarily due to a 2.5% increase in consumption compared to the same time period last year.

REVENUE ANALYSIS

WATER USAGE FY2012

<u>Month</u>	<u>2012 Forecast</u>	<u>2012 Actual</u>	<u>Monthly Variance</u>
Oct	174,810	291,105	116,295
Nov	139,224	176,136	36,912
Dec	138,804	133,572	(5,232)
Jan	128,475	116,890	(11,585)
Feb	118,245	121,164	2,919
Mar	123,390	121,029	(2,361)
Apr	139,285		
May	171,618		
Jun	254,065		
Jul	300,079		
Aug	374,332		
Sep	367,772		
Total	2,430,099	959,896	136,948
<i>Actual to Forecast</i>			16.6%



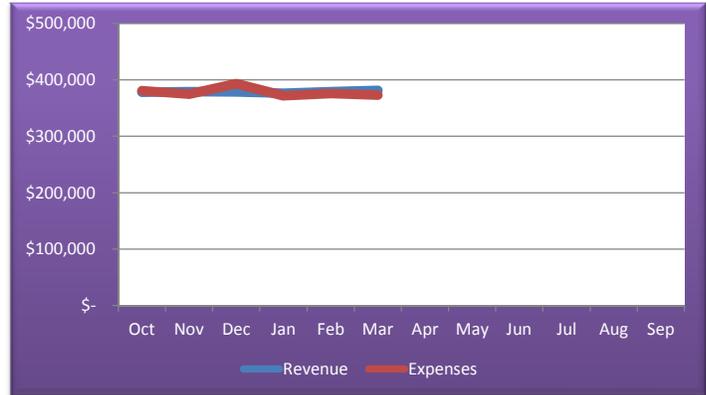
Positive

The City purchases its water from the North Texas Municipal Water District. Cumulative overall, customer usage is 16.6% higher than forecasted for this time of the year, primarily due to an unusually warm and dry fall. 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 FY2012

<u>Month</u>	<u>2012 Revenue</u>	<u>2012 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 377,866	\$ 380,693	\$ (2,827)
Nov	379,425	374,831	4,594
Dec	378,838	393,078	(14,240)
Jan	376,254	371,982	4,272
Feb	379,147	375,780	3,367
Mar	381,688	372,847	8,841
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 2,273,218	\$ 2,269,210	\$ 4,008
Cumulative Forecast	\$ 2,274,958	\$ 2,277,422	\$ (2,463)
Actual to Forecast \$	\$ (1,740)	\$ (8,211)	\$ 6,471
Actual to Forecast	-0.1%	-0.4%	



Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Cumulatively overall, the fund is better than forecasted for this time of the year, with revenues 0.1% lower than forecasted but expenses 0.4% lower than forecasted.

OVERALL FUND PERFORMANCE

DRAINAGE FUND REVENUES VS EXPENSES FY2012

<u>Month</u>	<u>2012 Revenue</u>	<u>2012 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 109,631	\$ 87,314	\$ 22,317
Nov	109,058	97,450	11,608
Dec	109,197	88,994	20,203
Jan	108,674	90,773	17,901
Feb	109,662	380,067	(270,405)
Mar	115,342	87,591	27,751
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 661,564	\$ 832,189	\$ (170,625)
Cumulative Forecast	\$ 660,139	\$ 856,053	\$ (195,913)
Actual to Forecast \$	\$ 1,425	\$ (23,864)	\$ 25,288
Actual to Forecast	0.2%	-2.8%	



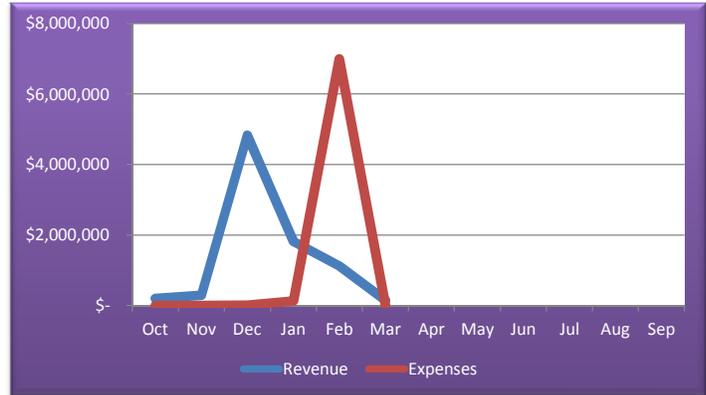
Positive

The Drainage Fund accounts for monies collected from customers on their utility bills to address maintenance and capital needs in the municipal drainage system. Cumulatively overall, the fund is better than forecasted for this time of the year, with revenues 0.2% higher than forecasted and expenses 2.8% lower than forecasted.

OVERALL FUND PERFORMANCE

DEBT SERVICE FUND REVENUES VS EXPENSES FY2012

<u>Month</u>	<u>2012 Revenue</u>	<u>2012 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 205,063	\$ 600	\$ 204,463
Nov	296,265	4,281	291,984
Dec	4,834,712	16,271	4,818,441
Jan	1,816,121	129,076	1,687,045
Feb	1,121,811	6,997,050	(5,875,239)
Mar	150,877	323	150,554
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 8,424,849	\$ 7,147,601	\$ 1,277,248
Cumulative Forecast	\$ 8,383,730	\$ 7,168,912	\$ 1,214,818
Actual to Forecast \$	\$ 41,120	\$ (21,311)	\$ 62,431
Actual to Forecast	0.5%	-0.3%	



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% higher than forecasted and expenses 0.3% lower, primarily the result of higher property tax collections. The fund makes semi-annual debt payments, and a payment was made in February.

OVERALL FUND PERFORMANCE

EMPLOYEE HEALTH BENEFITS FUND REVENUES VS EXPENSES FY2012

<u>Month</u>	<u>2012 Revenue</u>	<u>2012 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 354,405	\$ 261,820	\$ 92,585
Nov	248,791	283,303	(34,511)
Dec	247,364	231,897	15,467
Jan	372,340	240,436	131,903
Feb	119,720	298,598	(178,878)
Mar	250,597	286,726	(36,129)
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 1,593,217	\$ 1,602,780	\$ (9,563)
Cumulative Forecast	\$ 1,658,295	\$ 1,658,295	\$ -
Actual to Forecast \$	\$ (65,078)	\$ (55,515)	\$ (9,563)
Actual to Forecast	-3.9%	-3.3%	



Positive

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, the fund is better than forecasted, with revenues 3.9% lower than forecasted due to vacancies and expenses 3.3% lower than forecasted due to lower than expected claims.