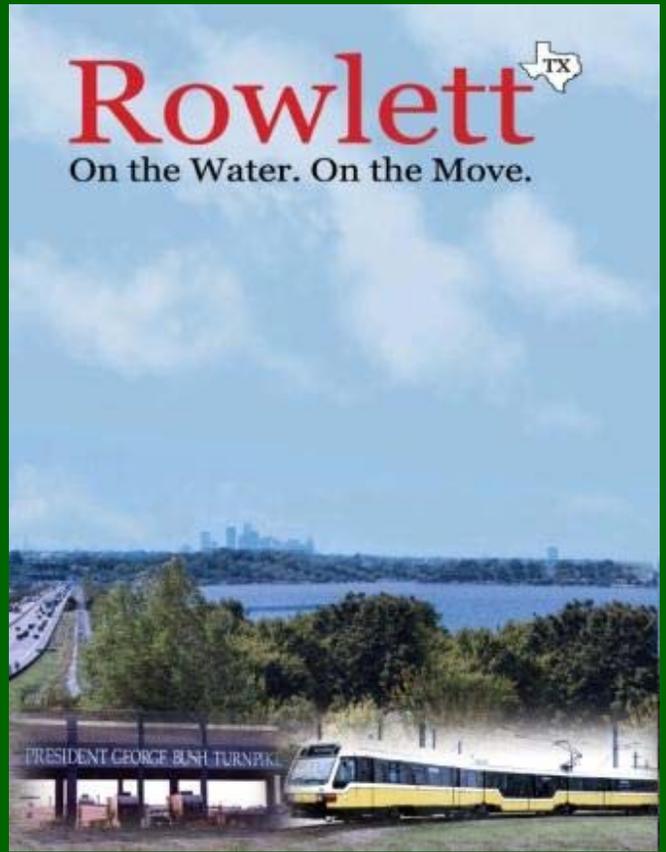




# **Comprehensive Monthly Financial Report**

**January 2013**





# MONTHLY FINANCIAL REPORT

## PERFORMANCE AT A GLANCE

**JANUARY 2013**

	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**

**JANUARY 31, 2013 – 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 0.1% in the 4th quarter of 2012 after increasing 3.1% in the 3rd quarter as reported by the Bureau of Economic Analysis. The decline in growth was mainly driven by a downturn in inventory investment, decline in federal government spending, and a downturn in net exports.

**Texas Retail Sales:**  Texas retail sales totaled \$37.24 billion for the month of Nov., an increase of \$2.03 billion (5.8%) over Nov. 2011.

**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 0.16% between the months of Nov. and Oct.

Attached is the Comprehensive Monthly Financial report for January 2013. Four months of FY 2013, or 33.3% of the fiscal year is complete.

**Revenues:** Overall, the City has earned or received \$37.5 million for FY 2013. This amount is 47.0% of the approved operating budget of \$79.6 million and is 3.3% higher than forecast through the month of January.

- General Fund revenues are \$0.9 million or 4.8% higher than expected.
- Utility Fund revenues are \$0.2 million or 2.0% higher than expected.

**Expenditures:** Expenses totaled \$20.7 million year-to-date for FY 2013. This amount is 26.1% of the approved operating budget of \$79.6 million and is 2.2% lower than forecast through the month of January.

- General Fund expenditures are \$0.6 million or 5.7% lower than expected.
- Utility Fund expenditures are \$0.1 million or 1.2% higher than expected.

**Surplus:** The net surplus from operations through January is \$16.7 million which is \$1.7 million better than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total increase of \$0.1 million.

**UNEMPLOYMENT**

**NOTEWORTHY**

**National Unemployment:**  The national unemployment rate increased to 7.9% in January from 7.8% in December.

**State-Wide:**  The Texas unemployment rate for December 2012 was 6.1%, a 1.6% decrease over November.

**Rowlett:** The City of Rowlett unemployment rate for December 2012 was 5.9%, remaining constant from November, 2012.

Mayor Todd Gittel presented the State of the City address by video at the January 14th regular City Council meeting. The video addressed many of the highlights of the past year and showed a culmination of many of the efforts of the community, staff, all of the boards, and the City Council. As with all City Council Meetings, this address was aired live on RTN16, the City's Cable Access Channel and is available for viewing on Rowlett.com.



**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
January 31, 2013**

**BUDGET SUMMARY OF ALL FUNDS FY2013**

	2013 <u>Budget</u>	2013 <u>Forecast</u>	2013 <u>Year-to-Date</u>	<u>Variance</u>
<b>Beginning Reserves</b>	\$ 14,262,492	\$ 14,262,492	\$ 14,262,492	0.0%
<b>Revenues:</b>				
General	32,606,990	17,914,425	18,783,207	4.8%
Water & sewer	26,788,993	7,915,462	8,072,562	2.0%
Debt service	8,612,739	6,833,310	7,032,413	2.9%
Drainage	1,333,611	444,405	440,143	-1.0%
Refuse	4,764,621	1,587,493	1,524,672	-4.0%
Employee health benefits	3,698,369	1,232,790	1,219,905	-1.0%
Impact fees	44,357	12,154	78,858	548.8%
Police seizure	100,550	33,517	488	-98.5%
Economic development	316,694	105,565	105,228	-0.3%
Innovations	-	-	255	0.0%
Hotel/motel tax	47,752	16,021	17,376	8.5%
P.E.G.	85,042	20,972	20,984	0.1%
Grants	24,590	5,464	13,699	150.7%
Community Development Block Grant	228,181	25,353	13,826	-45.5%
Juvenile diversion	33,281	11,094	12,856	15.9%
Court technology	26,936	8,979	10,404	15.9%
Court security	20,035	6,678	7,696	15.2%
Traffic safety	297,926	99,309	98,911	-0.4%
Golf course	600,628	279	334	20.0%
<b>Total Revenues</b>	<b>\$ 79,631,295</b>	<b>\$ 36,273,268</b>	<b>\$ 37,453,819</b>	<b>3.3%</b>
<b>Expenses:</b>				
General	32,727,568	10,494,258	9,892,610	-5.7%
Water & sewer	26,705,926	6,986,120	7,066,897	1.2%
Debt service	8,612,739	197,821	34,756	-82.4%
Drainage	1,300,049	299,014	285,931	-4.4%
Refuse	4,740,876	1,588,295	1,544,693	-2.7%
Employee health benefits	3,698,369	1,232,790	1,317,432	6.9%
Impact fees	30,000	10,000	106,896	969.0%
Police seizure	100,550	33,517	179,867	436.6%
Economic development	344,595	109,503	108,384	-1.0%
Innovations	-	-	17,338	0.0%
Hotel/motel tax	42,749	14,250	3,726	-73.9%
P.E.G.	69,547	24,074	20,511	-14.8%
Grants	24,590	5,464	13,699	150.7%
Community Development Block Grant	228,181	25,353	13,826	-45.5%
Juvenile diversion	33,274	11,091	8,923	-19.5%
Court technology	206,120	68,707	18,029	-73.8%
Court security	22,170	7,390	9,759	32.1%
Traffic safety	297,926	99,309	98,911	-0.4%
Golf course	389,176	-	-	0.0%
<b>Total Expenses</b>	<b>\$ 79,574,405</b>	<b>\$ 21,206,955</b>	<b>\$ 20,742,188</b>	<b>-2.2%</b>
<b>Current Year Surplus/(Shortfall)</b>	<b>\$ 56,890</b>	<b>\$ 15,066,314</b>	<b>\$ 16,711,631</b>	<b>10.9%</b>
<b>Ending Reserves</b>	<b>\$ 14,319,382</b>	<b>\$ 29,328,806</b>	<b>\$ 30,974,123</b>	<b>5.6%</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 FY2013**

<u>Month</u>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 1,581,793	\$ 3,174,107	\$ (1,592,314)
Nov	1,752,477	1,825,631	(73,154)
Dec	10,464,096	2,287,286	8,176,810
Jan	4,984,840	2,605,586	2,379,254
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 18,783,207</b>	<b>\$ 9,892,610</b>	<b>\$ 8,890,597</b>
<b>Cumulative Forecast</b>	<b>\$ 17,914,425</b>	<b>\$ 10,494,258</b>	<b>\$ 7,420,167</b>
<b>Actual to Forecast \$</b>	<b>\$ 868,782</b>	<b>\$ (601,648)</b>	<b>\$ 1,470,430</b>
<b>Actual to Forecast %</b>	<b>4.8%</b>	<b>-5.7%</b>	



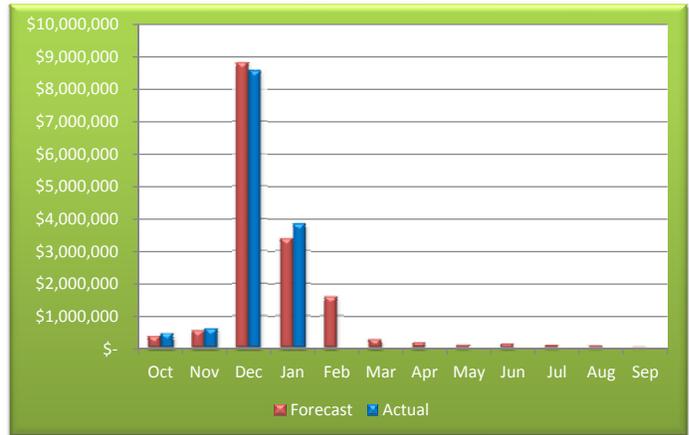
**Positive**

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 4.8% and expenses 5.7% lower than forecasted. These differences are primarily due to higher than expected property taxes, vacancy savings and lower than expected supplies expenses.

**REVENUE ANALYSIS**

**PROPERTY TAXES FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 361,132	\$ 457,968	\$ 96,836
Nov	534,516	597,911	63,395
Dec	8,820,527	8,563,603	(256,924)
Jan	3,376,438	3,835,692	459,254
Feb	1,581,369	-	-
Mar	263,488	-	-
Apr	157,399	-	-
May	90,545	-	-
Jun	113,108	-	-
Jul	75,084	-	-
Aug	62,289	-	-
Sep	23,016	-	-
<b>Total</b>	<b>\$ 15,458,911</b>	<b>\$ 13,455,174</b>	<b>\$ 362,561</b>
<b>Actual to Forecast</b>			<b>2.8%</b>



**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 2.8% higher than forecasted for this time of the year.

**REVENUE ANALYSIS**

**SALES TAXES FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 338,068	\$ 457,566	\$ 119,498
Nov	395,411	391,973	(3,438)
Dec	487,305	556,357	69,052
Jan	340,193	<b>340,193</b>	-
Feb	307,672		
Mar	484,235		
Apr	371,600		
May	341,969		
Jun	469,987		
Jul	369,136		
Aug	365,199		
Sep	501,215		
<b>Total</b>	<b>\$ 4,771,990</b>	<b>\$ 1,746,089</b>	<b>\$ 185,112</b>
<i>Actual to Forecast</i>			11.9%



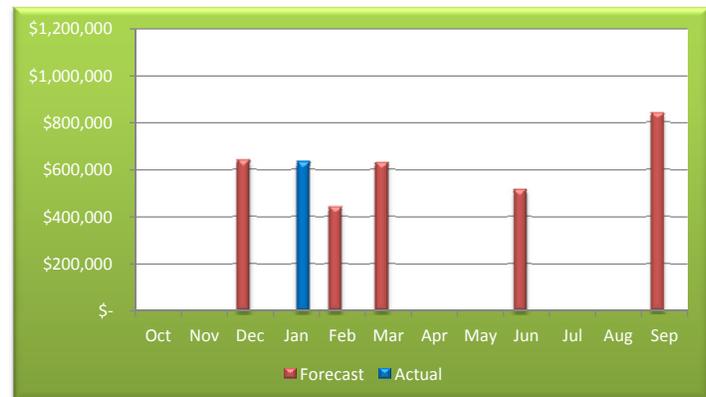
Positive

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. Sales taxes for the month of December are 14.2% higher than forecasted and cumulatively sales taxes are 11.9% over forecast for the year. The sales taxes reported here for January represent an estimate.

**REVENUE ANALYSIS**

**FRANCHISE FEES FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	\$ -	\$ 110	\$ 110
Nov	-	-	-
Dec	638,370	-	(638,370)
Jan	-	629,663	629,663
Feb	440,516		
Mar	627,540		
Apr	-		
May	-		
Jun	514,010		
Jul	-		
Aug	-		
Sep	838,072		
<b>Total</b>	<b>\$ 3,058,509</b>	<b>\$ 629,773</b>	<b>\$ (8,597)</b>
<i>Actual to Forecast</i>			-1.3%



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 in February.

**OVERALL FUND PERFORMANCE**

**UTILITY FUND REVENUES VS EXPENSES FY2013**

Month	2013 Revenue	2013 Expenses	Monthly Variance
Oct	\$ 2,139,089	\$ 1,824,240	\$ 314,849
Nov	2,097,389	1,772,973	324,417
Dec	2,165,287	1,786,703	378,584
Jan	1,670,797	1,682,982	(12,184)
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 8,072,562</b>	<b>\$ 7,066,897</b>	<b>\$ 1,005,665</b>
<b>Cumulative Forecast</b>	<b>\$ 7,915,462</b>	<b>\$ 6,986,120</b>	<b>\$ 929,342</b>
<b>Actual to Forecast \$</b>	<b>\$ 157,101</b>	<b>\$ 80,777</b>	<b>\$ 76,323</b>
<b>Actual to Forecast</b>	<b>2.0%</b>	<b>1.2%</b>	



Positive

Utility fund revenues are 2.0% higher than predicted for this time of year but expenses are also 1.2% higher. These differences are primarily due to higher than expected purchase services.

**REVENUE ANALYSIS**

**SEWER REVENUES FY2013**

Month	2013 Forecast	2013 Actual	Monthly Variance
Oct	\$ 884,374	\$ 893,808	\$ 9,434
Nov	868,945	874,692	5,747
Dec	786,084	849,762	63,678
Jan	778,846	772,281	(6,565)
Feb	769,687		
Mar	767,703		
Apr	868,068		
May	837,117		
Jun	897,684		
Jul	1,054,455		
Aug	1,053,496		
Sep	988,340		
<b>Total</b>	<b>\$ 10,554,799</b>	<b>\$ 3,390,543</b>	<b>\$ 72,294</b>
<b>Actual to Forecast</b>			<b>2.2%</b>



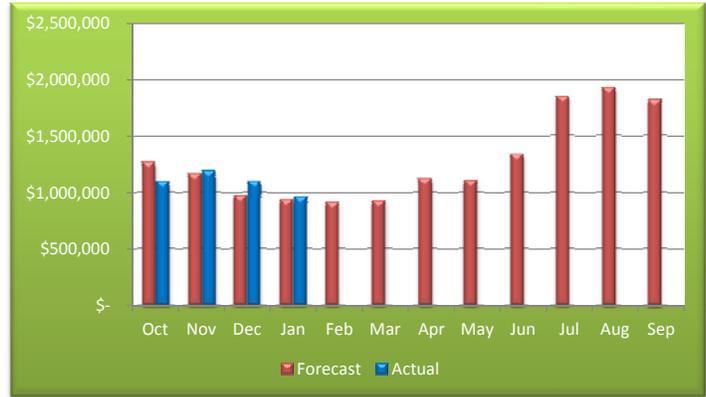
Positive

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 2.2% more than forecasted for this time of year.

**REVENUE ANALYSIS**

**WATER REVENUES FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 1,266,568	\$ 1,088,274	\$ (178,294)
Nov	1,162,925	1,182,629	19,704
Dec	967,789	1,092,214	124,425
Jan	934,594	952,729	18,135
Feb	911,446		
Mar	923,583		
Apr	1,119,185		
May	1,103,643		
Jun	1,335,846		
Jul	1,848,490		
Aug	1,923,975		
Sep	1,817,430		
<b>Total</b>	<b>\$ 15,315,474</b>	<b>\$ 4,315,846</b>	<b>\$ (16,030)</b>
<i>Actual to Forecast</i>			<i>-0.4%</i>



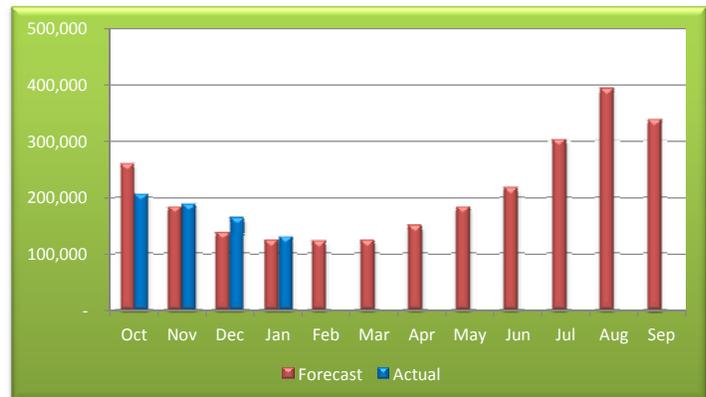
**Positive**

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. Water revenues are highly variable with the weather. Water revenues are 0.4% less than forecasted for this time of year.

**REVENUE ANALYSIS**

**WATER USAGE FY2013**

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	259,455	205,540	(53,915)
Nov	183,154	187,606	4,452
Dec	137,185	163,893	26,708
Jan	123,269	129,425	6,156
Feb	121,904		
Mar	123,297		
Apr	149,889		
May	182,800		
Jun	216,668		
Jul	302,232		
Aug	392,638		
Sep	337,845		
<b>Total</b>	<b>2,530,336</b>	<b>686,464</b>	<b>(16,599)</b>
<i>Actual to Forecast</i>			<i>-2.4%</i>



**Warning**

The City purchases its water from the North Texas Municipal Water District. Customer usage is 2.4% 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 FY2013**

<u>Month</u>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 366,252	\$ 391,924	\$ (25,672)
Nov	385,155	384,560	595
Dec	392,673	383,782	8,891
Jan	380,591	384,427	(3,836)
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 1,524,672</b>	<b>\$ 1,544,693</b>	<b>\$ (20,021)</b>
<b>Cumulative Forecast</b>	<b>\$ 1,587,493</b>	<b>\$ 1,588,295</b>	<b>\$ (802)</b>
<b>Actual to Forecast \$</b>	<b>\$ (62,821)</b>	<b>\$ (43,602)</b>	<b>\$ (19,219)</b>
<b>Actual to Forecast</b>	<b>-4.0%</b>	<b>-2.7%</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 4.0% lower than forecasted but expenses are 2.7% lower than forecasted.

**OVERALL FUND PERFORMANCE**

**DRAINAGE FUND REVENUES VS EXPENSES FY2013**

<u>Month</u>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly Variance</u>
Oct	\$ 110,022	\$ 65,908	\$ 44,114
Nov	109,727	71,572	38,155
Dec	110,083	70,585	39,498
Jan	110,311	77,866	32,445
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 440,143</b>	<b>\$ 285,931</b>	<b>\$ 154,212</b>
<b>Cumulative Forecast</b>	<b>\$ 444,405</b>	<b>\$ 299,014</b>	<b>\$ 145,391</b>
<b>Actual to Forecast \$</b>	<b>\$ (4,261)</b>	<b>\$ (13,083)</b>	<b>\$ 8,821</b>
<b>Actual to Forecast</b>	<b>-1.0%</b>	<b>-4.4%</b>	



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 better than forecasted for this time of the year, with revenues 1.0% lower than forecasted and expenses 4.4% lower than forecasted.

**OVERALL FUND PERFORMANCE**

**DEBT SERVICE FUND REVENUES VS EXPENSES FY2013**

<u>Month</u>	2013 <u>Revenue</u>	2013 <u>Expenses</u>	Monthly <u>Variance</u>
Oct	\$ 256,784	\$ 3,949	\$ 252,835
Nov	328,109	12,267	315,842
Dec	4,445,281	5,253	4,440,028
Jan	2,002,239	13,288	1,988,951
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 7,032,413</b>	<b>\$ 34,756</b>	<b>\$ 6,997,656</b>
<b>Cumulative Forecast</b>	<b>\$ 6,833,310</b>	<b>\$ 197,821</b>	<b>\$ 6,635,489</b>
<b>Actual to Forecast \$</b>	<b>\$ 199,102</b>	<b>\$ (163,065)</b>	<b>\$ 362,167</b>
<b>Actual to Forecast</b>	<b>2.9%</b>	<b>-82.4%</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 2.9% higher than projected and expenses 82.4% lower than expected. The fund makes semi-annual debt payments in February and August.

**OVERALL FUND PERFORMANCE**

**EMPLOYEE HEALTH BENEFITS FUND REVENUES VS EXPENSES FY2013**

<u>Month</u>	2013 <u>Revenue</u>	2013 <u>Expenses</u>	Monthly <u>Variance</u>
Oct	\$ 410,972	\$ 369,539	\$ 41,433
Nov	216,114	258,525	(42,411)
Dec	364,477	373,185	(8,707)
Jan	228,342	316,183	(87,842)
Feb			
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
<b>Total</b>	<b>\$ 1,219,905</b>	<b>\$ 1,317,432</b>	<b>\$ (97,527)</b>
<b>Cumulative Forecast</b>	<b>\$ 1,232,790</b>	<b>\$ 1,232,790</b>	<b>\$ -</b>
<b>Actual to Forecast \$</b>	<b>\$ (12,885)</b>	<b>\$ 84,642</b>	<b>\$ (97,527)</b>
<b>Actual to Forecast</b>	<b>-1.0%</b>	<b>6.9%</b>	



Warning

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 1.0% lower than forecasted and expenses are 6.9% higher than forecasted. Revenues are lower than expected due to personnel vacancies, and expenses are higher than forecasted due to higher than expected claims.