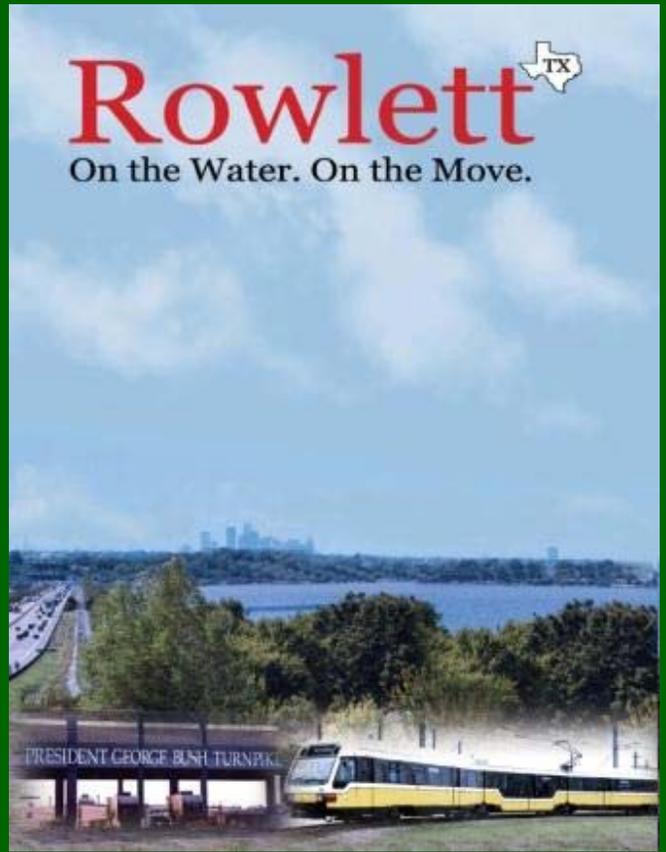




Comprehensive Monthly Financial Report

February 2013





MONTHLY FINANCIAL REPORT

PERFORMANCE AT A GLANCE

FEBRUARY 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

FEBRUARY 28, 2013 – 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 4th quarter of 2012 after increasing 3.1% in the 3rd quarter as reported by the Bureau of Economic Analysis. The deceleration 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 \$37.05 billion for the month of Dec., an increase of \$1.42 billion (4.0%) over Dec. 2012.

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 0.81% between the months of Nov. and Dec.

UNEMPLOYMENT

National Unemployment: 

The national unemployment rate decreased to 7.7% in February from 7.9% in January.

State-Wide: 

The Texas unemployment rate for January 2013 was 6.3%, a 0.2% increase over December.

Rowlett: 

The City of Rowlett unemployment rate for January 2013 was 6.7%, a 13.6% increase over December. Note – city unemployment rates are not seasonally adjusted.

Attached is the Comprehensive Monthly Financial report for February 2013. Five months of FY 2013, or 41.7% of the fiscal year is complete.

Revenues: Overall, the City has earned or received \$44.1 million for FY 2013. This amount is 55.3% of the approved operating budget of \$79.6 million and is 1.9% higher than forecast through the month of February.

- General Fund revenues are \$0.7 million or 3.2% higher than expected.
- Utility Fund revenues are \$0.1 million or 0.5% higher than expected.

Expenditures: Expenses totaled \$33.1 million year-to-date for FY 2013. This amount is 41.6% of the approved operating budget of \$79.6 million and is 1.6% lower than forecast through the month of February.

- General Fund expenditures are \$0.9 million or 7.0% lower than expected.
- Utility Fund expenditures are \$0.2 million or 1.9% higher than expected.

Surplus: The net surplus from operations through February is \$11.0 million which is \$1.4 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.

NOTEWORTHY

Mayor Todd Gotel presented the State of the City address by video at the January 14th regular City Council meeting, addressing many of the highlights of the past year. This address was aired live on RTN16, the City's Cable Access Channel and is available for viewing on Rowlett.com.

March is Clean Up Month! The annual March Clean-Up Campaign allows Rowlett residents to dispose of brush and nonhazardous bulk items free of charge and without limits on the number of visits. The program runs every day in March, including weekends, from 10:00 am to 6:00 pm, weather permitting.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
February 28, 2013**

BUDGET SUMMARY OF ALL FUNDS FY2013

	2013 <u>Budget</u>	2013 <u>Forecast</u>	2013 <u>Year-to-Date</u>	<u>Variance</u>
	\$ 14,262,492	\$ 14,262,492	\$ 14,262,492	0.0%
Beginning Reserves				
Revenues:				
General	32,606,990	20,926,244	21,590,001	3.2%
Water & sewer	26,788,993	9,654,596	9,700,398	0.5%
Debt service	8,612,739	7,867,605	7,943,339	1.0%
Drainage	1,333,611	555,522	552,910	-0.5%
Refuse	4,764,621	1,984,452	1,930,466	-2.7%
Employee health benefits	3,698,369	1,540,987	1,525,729	-1.0%
Impact fees	44,357	15,238	98,300	545.1%
Police seizure	100,550	41,896	20,970	-49.9%
Economic development	316,694	131,956	131,497	-0.3%
Innovations	-	-	280	0.0%
Hotel/motel tax	47,752	18,361	21,309	16.1%
P.E.G.	85,042	20,972	23,790	13.4%
Grants	24,590	7,855	34,841	343.5%
Community Development Block Grant	228,181	50,707	44,387	-12.5%
Juvenile diversion	33,281	13,867	16,610	19.8%
Court technology	26,936	11,223	13,429	19.7%
Court security	20,035	8,348	9,926	18.9%
Traffic safety	297,926	124,136	119,289	-3.9%
Golf course	600,628	299,710	297,530	-0.7%
Total Revenues	\$ 79,631,295	\$ 43,273,674	\$ 44,075,001	1.9%
Expenses:				
General	32,727,568	13,059,650	12,147,191	-7.0%
Water & sewer	26,705,926	8,663,590	8,824,146	1.9%
Debt service	8,612,739	7,029,226	6,842,550	-2.7%
Drainage	1,300,049	662,168	644,457	-2.7%
Refuse	4,740,876	1,982,367	2,012,636	1.5%
Employee health benefits	3,698,369	1,540,987	1,697,585	10.2%
Impact fees	30,000	12,500	106,896	755.2%
Police seizure	100,550	41,896	196,385	368.7%
Economic development	344,595	144,922	128,111	-11.6%
Innovations	-	-	17,338	0.0%
Hotel/motel tax	42,749	17,812	5,851	-67.2%
P.E.G.	69,547	29,424	36,436	23.8%
Grants	24,590	7,855	34,841	343.5%
Community Development Block Grant	228,181	50,707	44,387	-12.5%
Juvenile diversion	33,274	13,864	11,265	-18.7%
Court technology	206,120	85,883	28,649	-66.6%
Court security	22,170	9,238	28,649	210.1%
Traffic safety	297,926	124,136	119,289	-3.9%
Golf course	389,176	189,588	189,588	0.0%
Total Expenses	\$ 79,574,405	\$ 33,665,812	\$ 33,116,248	-1.6%
Current Year Surplus/(Shortfall)	\$ 56,890	\$ 9,607,862	\$ 10,958,753	14.1%
Ending Reserves	\$ 14,319,382	\$ 23,870,354	\$ 25,221,245	5.7%

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 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	2,806,795	2,254,581	552,214
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 21,590,001	\$ 12,147,191	\$ 9,442,810
Cumulative Forecast	\$ 20,926,244	\$ 13,059,650	\$ 7,866,594
Actual to Forecast \$	\$ 663,757	\$ (912,459)	\$ 1,576,216
Actual to Forecast %	3.2%	-7.0%	



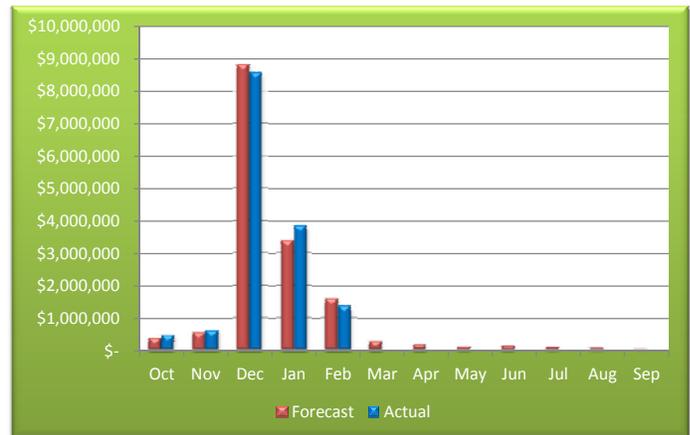
Positive

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 3.2% and expenses 7.0% lower than forecasted. These differences are primarily due to higher than expected sales 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	1,359,068	(222,301)
Mar	263,488	-	-
Apr	157,399	-	-
May	90,545	-	-
Jun	113,108	-	-
Jul	75,084	-	-
Aug	62,289	-	-
Sep	23,016	-	-
Total	\$ 15,458,911	\$ 14,814,242	\$ 140,260
Actual to Forecast			1.0%



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 1.0% higher than forecasted for this time of the year.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
February 28, 2013**

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	387,255	47,062
Feb	307,672	307,672	-
Mar	484,235		
Apr	371,600		
May	341,969		
Jun	469,987		
Jul	369,136		
Aug	365,199		
Sep	501,215		
Total	\$ 4,771,990	\$ 2,100,823	\$ 232,174
<i>Actual to Forecast</i>			12.4%



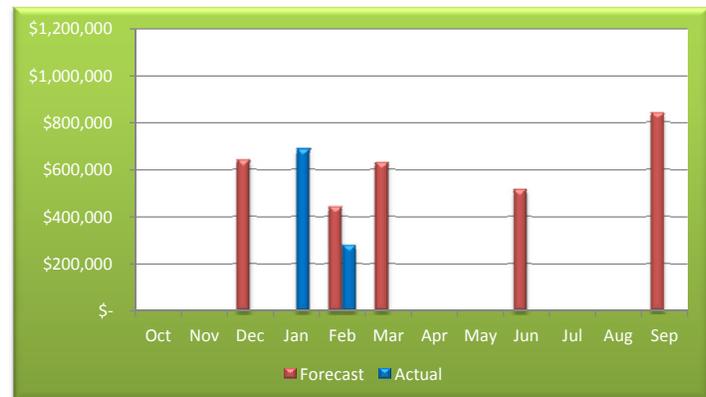
Positive

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 January are 13.8% higher than forecasted and cumulatively sales taxes are 12.4% over forecast for the year. The sales taxes reported here for February 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	-	683,373	683,373
Feb	440,516	277,476	(163,040)
Mar	627,540		
Apr	-		
May	-		
Jun	514,010		
Jul	-		
Aug	-		
Sep	838,072		
Total	\$ 3,058,509	\$ 960,959	\$ (117,927)
<i>Actual to Forecast</i>			-10.9%



Negative

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 fees are 10.9% lower than forecasted as a result of the yearly payment for natural gas totaling 30.2% lower than forecasted.



CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
February 28, 2013

OVERALL FUND PERFORMANCE

UTILITY FUND REVENUES VS EXPENSES FY2013

<u>Month</u>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly Variance</u>
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	1,627,836	1,757,248	(129,413)
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 9,700,398	\$ 8,824,146	\$ 876,252
Cumulative Forecast	\$ 9,654,596	\$ 8,663,590	\$ 991,006
Actual to Forecast \$	\$ 45,802	\$ 160,556	\$ (114,754)
Actual to Forecast	0.5%	1.9%	



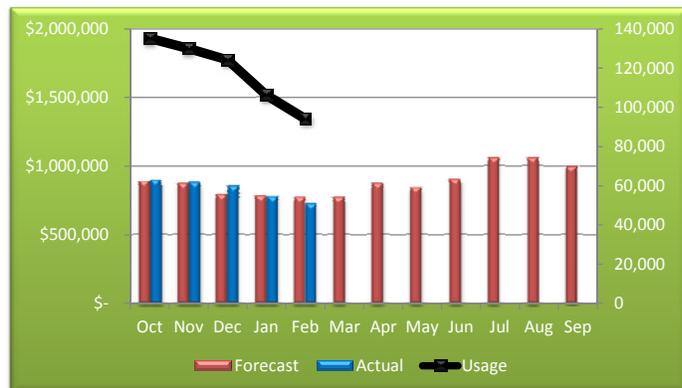
Warning

Utility fund revenues are 0.5% higher than predicted for this time of year, and expenses are also 1.9% higher. These differences are primarily due to higher than expected purchase services.

REVENUE ANALYSIS

SEWER REVENUES FY2013

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
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	720,882	(48,805)
Mar	767,703		
Apr	868,068		
May	837,117		
Jun	897,684		
Jul	1,054,455		
Aug	1,053,496		
Sep	988,340		
Total	\$ 10,554,799	\$ 4,111,425	\$ 23,489
Actual to Forecast			0.6%



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 0.6% more than forecasted for this time of year.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
February 28, 2013**

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	815,151	(96,295)
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		
Total	\$ 15,315,474	\$ 5,130,997	\$ (112,325)
Actual to Forecast			-2.1%



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 highly variable with the weather. Water revenues are 2.1% 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	105,169	(16,735)
Mar	123,297		
Apr	149,889		
May	182,800		
Jun	216,668		
Jul	302,232		
Aug	392,638		
Sep	337,845		
Total	2,530,336	791,633	(33,334)
Actual to Forecast			-4.0%



Warning

The City purchases its water from the North Texas Municipal Water District. Customer usage is 4.0% 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.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
February 28, 2013**

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	405,794	467,943	(62,148)
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 1,930,466	\$ 2,012,636	\$ (82,170)
Cumulative Forecast	\$ 1,984,452	\$ 1,982,367	\$ 2,084
Actual to Forecast \$	\$ (53,986)	\$ 30,268	\$ (84,254)
Actual to Forecast	-2.7%	1.5%	



Warning

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 2.7% lower than forecasted, and expenses are 1.5% higher 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	112,766	358,526	(245,759)
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 552,910	\$ 644,457	\$ (91,547)
Cumulative Forecast	\$ 555,522	\$ 662,168	\$ (106,646)
Actual to Forecast \$	\$ (2,612)	\$ (17,711)	\$ 15,099
Actual to Forecast	-0.5%	-2.7%	



Positive

The Drainage Fund accounts for monies collected from customers on their utility bills for the municipal drainage system. Cumulatively overall, the fund better than forecasted for this time of the year, with revenues 0.5% lower than forecasted but expenses 2.7% lower than forecasted. The first of the bi-annual bond payments was made in February.



CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
 February 28, 2013

OVERALL FUND PERFORMANCE

DEBT SERVICE FUND REVENUES VS EXPENSES FY2013

<u>Month</u>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly 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	910,927	6,807,794	(5,896,867)
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 7,943,339	\$ 6,842,550	\$ 1,100,789
Cumulative Forecast	\$ 7,867,605	\$ 7,029,226	\$ 838,379
Actual to Forecast \$	\$ 75,734	\$ (186,676)	\$ 262,410
Actual to Forecast	1.0%	-2.7%	



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 1.0% higher than projected and expenses 2.7% 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>	<u>2013 Revenue</u>	<u>2013 Expenses</u>	<u>Monthly 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	305,824	380,153	(74,329)
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Total	\$ 1,525,729	\$ 1,697,585	\$ (171,856)
Cumulative Forecast	\$ 1,540,987	\$ 1,540,987	\$ -
Actual to Forecast \$	\$ (15,258)	\$ 156,598	\$ (171,856)
Actual to Forecast	-1.0%	10.2%	



Negative

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 10.2% higher than forecasted. Revenues are lower than expected due to personnel vacancies, and expenses are higher than forecasted due to higher than expected claims.