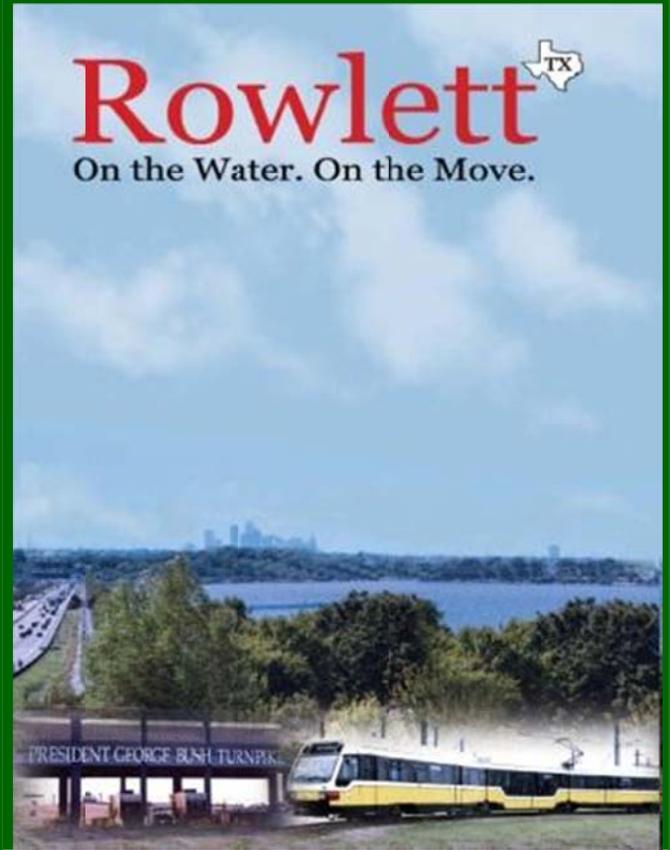




Comprehensive Monthly Financial Report

June 2013





MONTHLY FINANCIAL REPORT

PERFORMANCE AT A GLANCE

JUNE 2013

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

JUNE 30, 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 1.8% in the 1st quarter of 2013 after increasing 0.4% in the 4th quarter of 2012 as reported by the Bureau of Economic Analysis. The increase was largely accounted for by a rebound in inventory investment, mainly reflecting an upturn in manufacturing.

Texas Retail Sales: 
 Texas retail sales totaled \$37.5 billion for the month of May, an increase of \$0.1 billion (0.27%) over May 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 decreased 0.32% between the months of April and May.

UNEMPLOYMENT

National Unemployment:
 The national unemployment rate remained at 7.6% in both May and June.

State-Wide:
 The Texas unemployment rate for June, 2013 was 6.5%, the same as May, 2013.

Rowlett: 
 The City of Rowlett unemployment rate for June 2013 was 6.8%, a 9.7% increase over the May unemployment rate of 6.2%. Note – city unemployment rates are not seasonally adjusted.

Attached is the Comprehensive Monthly Financial report for June 2013. Nine months of FY 2013, or 75.0% of the fiscal year is complete.

Revenues: Overall, the City has earned or received \$63.2 million for FY 2013. This amount is 79.1% of the approved operating budget of \$80.0 million and is 1.0% higher than forecast through the month of June.

- General Fund revenues are \$0.4 million or 1.5% higher than expected.
- Utility Fund revenues are \$0.3 million or 1.5% lower than expected.

Expenditures: Expenses totaled \$59.5 million year-to-date for FY 2013. This amount is 74.4% of the approved operating budget of \$80.1 million and is 1.8% lower than forecast through the month of June.

- General Fund expenditures are \$1.6 million or 6.6% lower than expected.
- Utility Fund expenditures are \$60 thousand or 0.3% lower than expected.

Surplus: The net surplus from operations through June is \$3.7 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.

NOTEWORTHY

North Texas Municipal Water District initiates Stage 3 water restrictions On April 25, the City of Rowlett received notice that the Board of Directors of the North Texas Municipal Water District (NTMWD) voted to implement Stage 3 of its Drought Plan. Below average rainfall and low lake levels have necessitated the move to more stringent conservation efforts.

Mosquito season is here. North Texas county health departments are melding their planning, research, and information efforts to make an impact on this year's West Nile virus season. Continued preventative measures to avoid West Nile Virus depend on mosquito prevention by the public. A major component is residents of each of these counties eliminating and reducing mosquito breeding areas in and around their homes.



**CITY OF ROWLETT, TEXAS
FINANCIAL STATUS DASHBOARD
June 30, 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	32,886,990	27,954,714	28,385,563	1.5%
Water & sewer	26,788,993	17,784,871	17,523,342	-1.5%
Debt service	8,612,739	8,277,293	8,259,987	-0.2%
Drainage	1,333,611	1,000,207	994,711	-0.5%
Refuse	4,764,621	3,573,458	3,496,449	-2.2%
Employee health benefits	3,787,878	2,840,909	2,568,595	-9.6%
Impact fees	44,357	35,694	176,910	395.6%
Police seizure	100,550	75,413	379,604	403.4%
Economic development	316,694	237,521	236,927	-0.2%
Innovations	-	-	737	0.0%
Hotel/motel tax	47,752	33,999	37,416	10.0%
P.E.G.	85,042	63,672	69,243	8.7%
Grants	24,590	17,418	47,625	173.4%
Community Development Block Grant	228,181	152,121	569,147	274.1%
Juvenile diversion	33,281	24,961	29,270	17.3%
Court technology	26,936	20,202	23,634	17.0%
Court security	20,035	15,026	17,446	16.1%
Traffic safety	297,926	223,445	132,484	-40.7%
Golf course	600,628	300,783	298,249	-0.8%
Total Revenues	\$ 80,000,804	\$ 62,631,705	\$ 63,247,339	1.0%
Expenses:				
General	33,215,129	24,758,624	23,119,133	-6.6%
Water & sewer	26,707,119	20,309,267	20,249,055	-0.3%
Debt service	8,612,739	7,047,504	6,869,736	-2.5%
Drainage	1,300,646	971,582	944,348	-2.8%
Refuse	4,740,876	3,558,658	3,508,668	-1.4%
Employee health benefits	3,698,369	2,773,777	2,940,447	6.0%
Impact fees	30,000	22,500	106,896	375.1%
Police seizure	100,550	75,413	434,829	476.6%
Economic development	345,192	254,872	239,122	-6.2%
Innovations	-	-	17,338	0.0%
Hotel/motel tax	42,749	32,062	37,753	17.8%
P.E.G.	69,845	53,727	60,388	12.4%
Grants	24,590	17,418	47,625	173.4%
Community Development Block Grant	228,181	152,121	569,147	274.1%
Juvenile diversion	33,274	24,956	21,637	-13.3%
Court technology	206,120	154,590	29,833	-80.7%
Court security	22,170	16,628	28,487	71.3%
Traffic safety	297,926	223,445	132,484	-40.7%
Golf course	389,176	199,588	189,588	-5.0%
Total Expenses	\$ 80,064,651	\$ 60,646,729	\$ 59,546,514	-1.8%
Current Year Surplus/(Shortfall)	\$ (63,847)	\$ 1,984,976	\$ 3,700,825	86.4%
Ending Reserves	\$ 14,198,645	\$ 16,247,468	\$ 17,963,317	10.6%

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	2,188,330	2,469,028	(280,699)
Apr	1,349,643	2,389,859	(1,040,215)
May	1,388,018	3,545,007	(2,156,989)
Jun	1,869,572	2,568,049	(698,477)
Jul			
Aug			
Sep			
Total	\$ 28,385,563	\$ 23,119,133	\$ 5,266,430
Cumulative Forecast	\$ 27,954,714	\$ 24,758,624	\$ 3,196,090
Actual to Forecast \$	\$ 430,849	\$ (1,639,491)	\$ 2,070,340
Actual to Forecast %	1.5%	-6.6%	



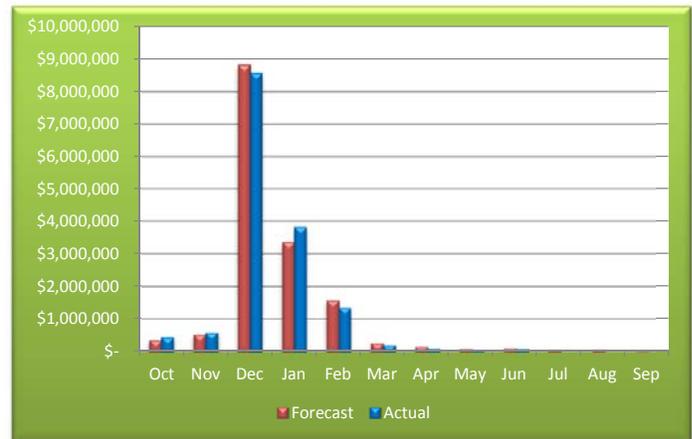
Positive

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 1.5% and expenses 6.6% 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	204,532	(58,956)
Apr	157,399	106,625	(50,774)
May	90,545	43,298	(47,247)
Jun	113,108	97,657	(15,451)
Jul	75,084		
Aug	62,289		
Sep	23,016		
Total	\$ 15,458,911	\$ 15,266,354	\$ (32,168)
Actual to Forecast			-0.2%



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 0.2% lower 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	\$ 361,401	\$ 457,566	\$ 96,165
Nov	418,744	391,973	(26,771)
Dec	510,638	556,357	45,719
Jan	363,526	387,255	23,729
Feb	331,005	359,169	28,164
Mar	507,568	482,821	(24,747)
Apr	394,933	413,641	18,708
May	365,302	415,585	50,283
Jun	493,320	493,320	-
Jul	392,469		
Aug	388,532		
Sep	524,552		
Total	\$ 5,051,990	\$ 3,957,687	\$ 211,250
<i>Actual to Forecast</i>			5.6%



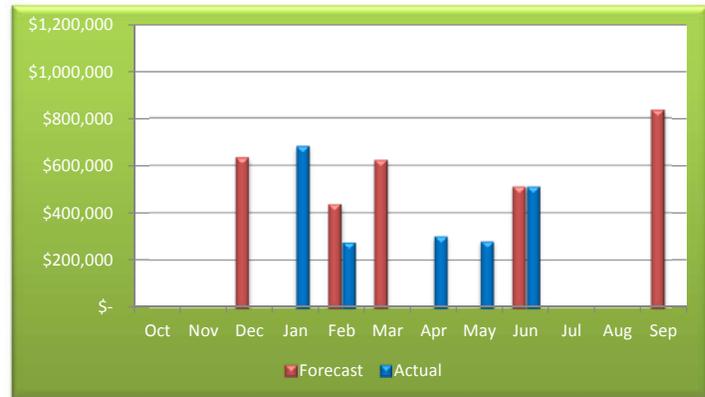
Positive

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 May are 13.8% higher than forecasted and cumulatively sales taxes are 5.6% over forecast for the year. The sales taxes reported here for June 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	-	(627,540)
Apr	-	303,375	303,375
May	-	281,709	281,709
Jun	514,010	514,050	40
Jul	-		
Aug	-		
Sep	838,072		
Total	\$ 3,058,509	\$ 2,060,093	\$ (160,343)
<i>Actual to Forecast</i>			-7.2%



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 7.2% 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
June 30, 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	324,416
Dec	2,165,287	1,786,703	378,584
Jan	1,670,797	1,682,982	(12,185)
Feb	1,627,836	1,757,248	(129,412)
Mar	1,838,432	6,040,182	(4,201,750)
Apr	1,926,725	1,775,991	150,735
May	2,009,539	1,869,406	140,133
Jun	2,048,248	1,739,331	308,917
Jul			-
Aug			-
Sep			-
Total	\$ 17,523,342	\$ 20,249,055	\$ (2,725,713)
Cumulative Forecast	\$ 17,784,871	\$ 20,309,267	\$ (2,524,396)
Actual to Forecast \$	\$ (261,529)	\$ (60,212)	\$ (201,317)
Actual to Forecast	-1.5%	-0.3%	



Warning

Utility fund revenues are 1.5% lower than forecast, and expenses are 0.3% lower. These differences are primarily due to lower than expected water sales. Additionally, the first of the twice yearly bond payments was made in March.

REVENUE ANALYSIS

SEWER REVENUES FY2013

<u>Month</u>	<u>2013 Forecast</u>	<u>2013 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 884,374	\$ 890,089	\$ 5,715
Nov	868,945	878,411	9,466
Dec	786,084	913,194	127,110
Jan	778,846	708,849	(69,997)
Feb	769,687	720,882	(48,805)
Mar	767,703	807,800	40,097
Apr	868,068	817,933	(50,135)
May	837,117	857,496	20,379
Jun	897,684	854,656	(43,028)
Jul	1,054,455		
Aug	1,053,496		
Sep	988,340		
Total	\$ 10,554,799	\$ 7,449,309	\$ (9,199)
Actual to Forecast			-0.1%



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 0.1% lower 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	815,151	(96,295)
Mar	923,583	946,175	22,592
Apr	1,119,185	999,441	(119,744)
May	1,103,643	1,071,358	(32,285)
Jun	1,335,846	1,109,757	(226,089)
Jul	1,848,490		
Aug	1,923,975		
Sep	1,817,430		
Total	\$ 15,315,474	\$ 9,257,727	\$ (467,852)
<i>Actual to Forecast</i>			<i>-4.8%</i>



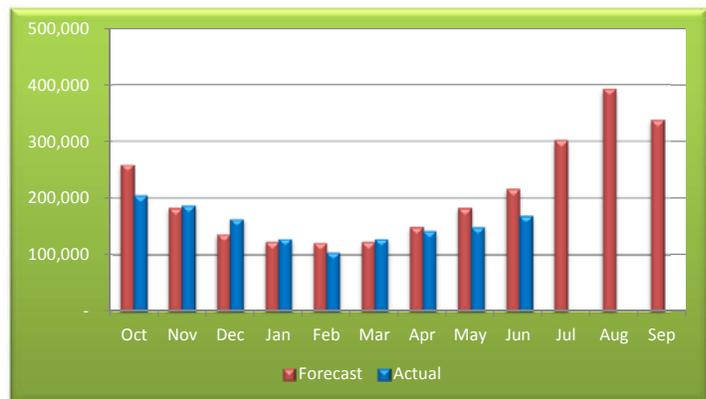
Warning

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 4.8% 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	128,760	5,463
Apr	149,889	142,911	(6,978)
May	182,800	149,680	(33,120)
Jun	216,668	169,546	(47,122)
Jul	302,232		
Aug	392,638		
Sep	337,845		
Total	2,530,336	1,382,530	(115,091)
<i>Actual to Forecast</i>			<i>-7.7%</i>



Negative

The City purchases its water from the North Texas Municipal Water District. Customer usage is 7.7% 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	\$ 391,923	\$ (25,671)
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	(62,149)
Mar	388,264	317,584	70,680
Apr	395,238	362,370	32,868
May	400,191	423,996	(23,804)
Jun	382,291	392,083	(9,792)
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 3,496,449	\$ 3,508,668	\$ (12,219)
Cumulative Forecast	\$ 3,573,458	\$ 3,558,658	\$ 14,800
Actual to Forecast \$	\$ (77,009)	\$ (49,990)	\$ (27,018)
Actual to Forecast	-2.2%	-1.4%	



Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 2.2% lower than forecasted, and expenses are 1.4% 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	112,766	358,526	(245,759)
Mar	109,880	81,451	28,429
Apr	110,666	68,043	42,623
May	116,140	81,804	34,336
Jun	105,116	68,593	36,523
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Total	\$ 994,711	\$ 944,348	\$ 50,364
Cumulative Forecast	\$ 1,000,207	\$ 971,582	\$ 28,625
Actual to Forecast \$	\$ (5,495)	\$ (27,234)	\$ 21,739
Actual to Forecast	-0.5%	-2.8%	



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 0.5% higher than forecasted but expenses 2.8% lower than forecasted. The first of the bi-annual bond payments was made in February.

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	126,203	9,749	116,454
Apr	75,481	4,526	70,955
May	45,568	1,122	44,446
Jun	69,395	11,787	57,608
Jul			
Aug			
Sep			
Total	\$ 8,259,987	\$ 6,869,736	\$ 1,390,251
Cumulative Forecast	\$ 8,277,293	\$ 7,047,504	\$ 1,229,790
Actual to Forecast \$	\$ (17,307)	\$ (177,768)	\$ 160,462
Actual to Forecast	-0.2%	-2.5%	



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 0.2% lower than projected and expenses 2.5% 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	216,782	222,512	(5,730)
Apr	347,234	449,740	(102,506)
May	219,850	371,896	(152,046)
Jun	259,000	198,714	60,286
Jul			
Aug			
Sep			
Total	\$ 2,568,595	\$ 2,940,447	\$ (371,852)
Cumulative Forecast	\$ 2,840,909	\$ 2,773,777	\$ 67,132
Actual to Forecast \$	\$ (272,313)	\$ 166,670	\$ (438,983)
Actual to Forecast	-9.6%	6.0%	



Negative

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 9.6% lower than forecasted and expenses are 6.0% higher than forecasted. Revenues are lower than expected due to personnel vacancies, and expenses are higher than forecasted due to higher than expected claims.