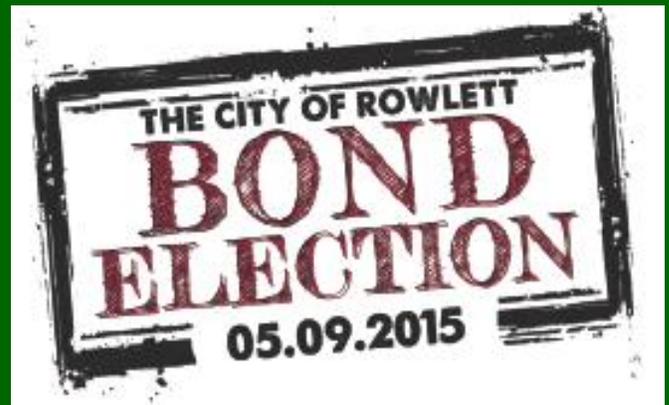
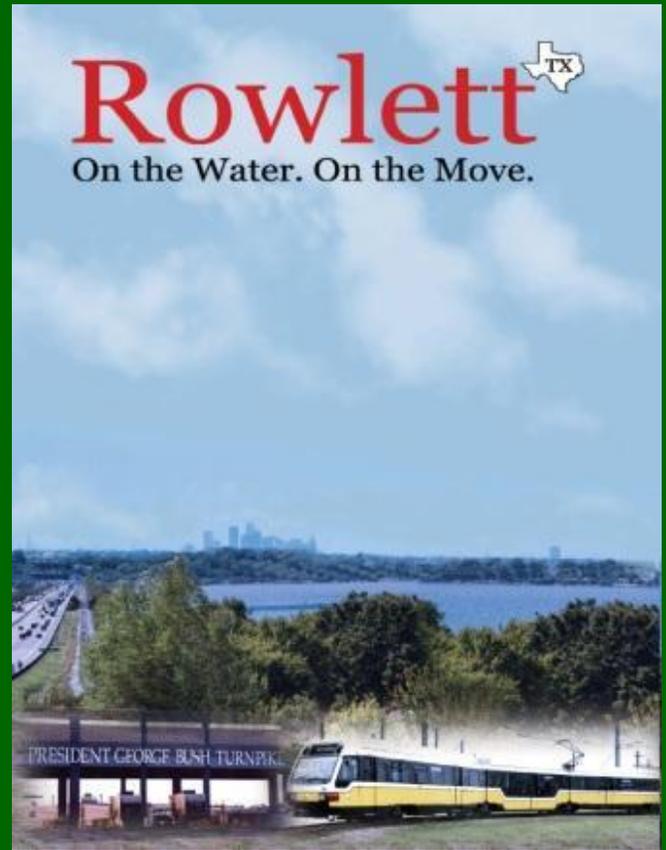




**Comprehensive  
Monthly  
Financial  
Report**

**March 2015**





# MONTHLY FINANCIAL REPORT

## PERFORMANCE AT A GLANCE

**March 2015**

	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**

**March 31, 2015 – 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 2.2% in the 4th quarter of 2014 after increasing 5.0% in the 3rd quarter of 2014 as reported by the Bureau of Economic Analysis. The increase in GDP reflected an increase in consumer spending, business investment in intellectual property and increased exports.

**Texas Retail Sales:**  Texas retail sales totaled \$42.3 billion for the month of Jan., an increase of \$2.3 billion (5.7%) over Jan. 2014.

**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 1.2% between the months of Jan. and Feb.

Attached is the Comprehensive Monthly Financial report for March 2015. Six months of FY2015, or 50.0% of the fiscal year is complete.

**Revenues:** Overall, the City has earned or received \$54.7 million for FY2015. This amount is 64.1% of the approved operating budget of \$85.3 million and is 3.9% more than forecast through the month of March.

- General Fund revenues are \$0.5 million or 2.0% higher than expected.
- Utility Fund revenues are \$0.3 million or 2.1% higher than expected.

**Expenditures:** Expenses totaled \$44.3 million year-to-date for FY2015. This amount is 51.5% of the approved operating budget of \$86.0 million and is 2.8% lower than forecast through the month of March.

- General Fund expenditures are \$0.8 million or 4.8% lower than expected.
- Utility Fund expenditures are \$0.1 million or 0.7% lower than expected.

**Surplus:** The net surplus from operations through March is \$10.4 million which is \$3.3 million better than expected at this point in the year. The adopted operating budget for the fiscal year anticipates a total decrease of \$0.7 million.

**UNEMPLOYMENT**

**National Unemployment:** The national unemployment rate remained flat from Feb. to Mar. at 5.5%.

**State-Wide:**  The Texas unemployment rate decreased from 4.3% in February to 4.2% in March.

**Rowlett:**  The City of Rowlett unemployment rate for March 2015 was 3.9%, a 2.5% decrease over the February unemployment rate of 4.0%. Note – city unemployment rates are not seasonally adjusted.

**NOTEWORTHY**

**BOND ELECTION MAY 9<sup>TH</sup>** The City of Rowlett will hold a Community Investment Program (CIP) bond election on May 9, 2015. The \$25.8 million bond package in three propositions will fund street, park and public safety projects. Each of these projects was carefully considered and proposed by the Council-appointed Community Investment Program Task Force, and the City Council voted unanimously to place these propositions on the ballot for the citizens' consideration. If passed, no increase to the tax rate will occur.



**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
March 31, 2015**

**BUDGET SUMMARY OF ALL FUNDS FY2015**

	2015 <u>Budget</u>	2015 <u>Forecast</u>	2015 <u>Year-to-Date</u>	<u>Variance</u>
<b>Beginning Reserves</b>	\$ 17,438,670	\$ 13,022,168	\$ 13,022,168	0.0%
<b>Revenues:</b>				
General	37,097,467	26,463,049	27,001,769	2.0%
Water & sewer	28,605,460	13,056,301	13,329,432	2.1%
Debt service	7,783,232	7,219,544	7,796,796	8.0%
Drainage	1,346,939	673,402	669,032	-0.6%
Refuse	4,699,097	2,349,184	2,452,499	4.4%
Employee health benefits	4,405,117	2,202,559	2,145,269	-2.6%
Impact fees	44,357	22,179	567,473	2458.7%
Police seizure	100,550	50,275	62,224	23.8%
Economic development	316,694	158,347	158,074	-0.2%
Hotel/motel tax	47,752	21,823	22,068	1.1%
P.E.G.	85,042	42,098	67,607	60.6%
Grants	73,792	36,896	116,546	215.9%
Community Development Block Grant	186,209	93,105	63,100	-32.2%
Inspection Fees Fund	169,333	84,667	54,634	-35.5%
Juvenile diversion	33,281	16,641	19,163	15.2%
Court technology	26,936	13,468	15,432	14.6%
Court security	20,035	10,018	11,537	15.2%
Golf course	256,564	128,069	159,507	24.5%
<b>Total Revenues</b>	\$ 85,297,857	\$ 52,641,622	\$ 54,712,162	3.9%
<b>Expenses:</b>				
General	37,021,061	17,208,646	16,380,057	-4.8%
Water & sewer	28,062,142	15,377,595	15,272,171	-0.7%
Debt service	7,783,232	6,491,077	6,484,227	-0.1%
Drainage	1,318,500	735,141	684,402	-6.9%
Refuse	4,657,232	2,328,616	2,331,111	0.1%
Employee health benefits	4,337,523	2,168,762	1,811,040	-16.5%
Impact fees	916,238	198,655	32,243	-83.8%
Police seizure	350,550	175,275	191,890	9.5%
Economic development	436,593	204,409	211,701	3.6%
Hotel/motel tax	42,749	21,375	4,708	-78.0%
P.E.G.	73,142	35,217	37,986	7.9%
Grants	71,434	29,764	116,546	291.6%
Community Development Block Grant	186,209	93,105	63,100	-32.2%
Inspection Fees Fund	115,760	55,736	33,299	-40.3%
Juvenile diversion	34,399	16,562	13,542	-18.2%
Court technology	49,005	43,155	86,582	100.6%
Court security	23,989	11,995	15,944	32.9%
Golf course	559,025	431,746	578,229	33.9%
<b>Total Expenses</b>	\$ 86,038,783	\$ 45,626,829	\$ 44,348,777	-2.8%
<b>Current Year Surplus/(Shortfall)</b>	\$ (740,926)	\$ 7,014,793	\$ 10,363,385	47.7%
<b>Ending Reserves</b>	\$ 16,697,744	\$ 20,036,961	\$ 23,385,553	16.7%

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

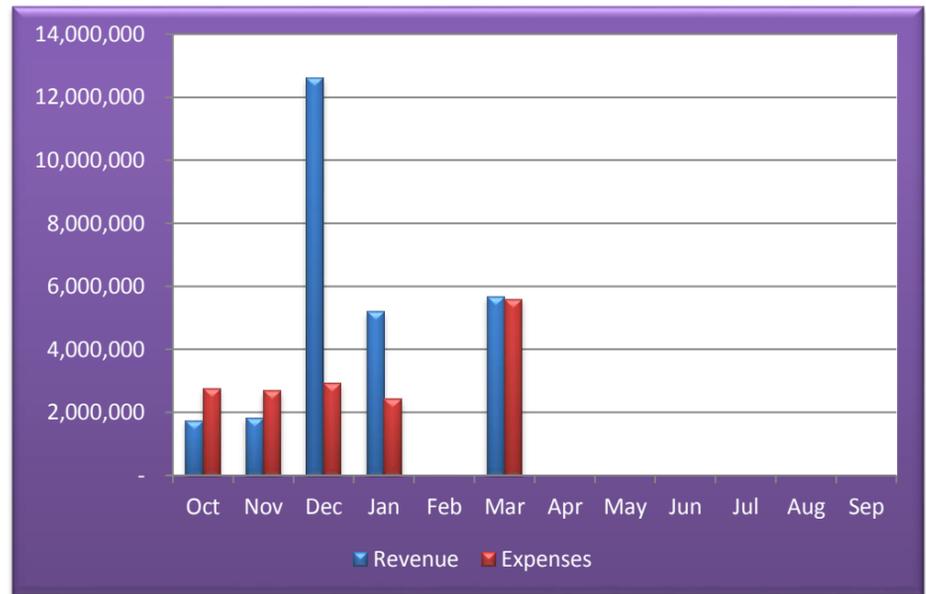


**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
March 31, 2015**

**OVERALL FUND PERFORMANCE**

**GENERAL FUND REVENUES VS EXPENSES FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	1,734,785	2,759,381	\$ (1,024,596)
Nov	1,807,432	2,671,992	(864,560)
Dec	12,610,694	2,938,279	9,672,416
Jan	5,184,121	2,416,012	2,768,108
Feb	-	-	-
Mar	5,664,737	5,594,393	70,344
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 27,001,769</b>	<b>\$ 16,380,057</b>	<b>\$ 10,621,713</b>
<b>Cumulative Forecast</b>	<b>\$ 26,463,049</b>	<b>\$ 17,208,646</b>	<b>\$ 9,254,403</b>
<b>Actual to Forecast \$</b>	<b>\$ 538,720</b>	<b>\$ (828,590)</b>	<b>\$ 1,367,310</b>
<b>Actual to Forecast %</b>	<b>2.0%</b>	<b>-4.8%</b>	



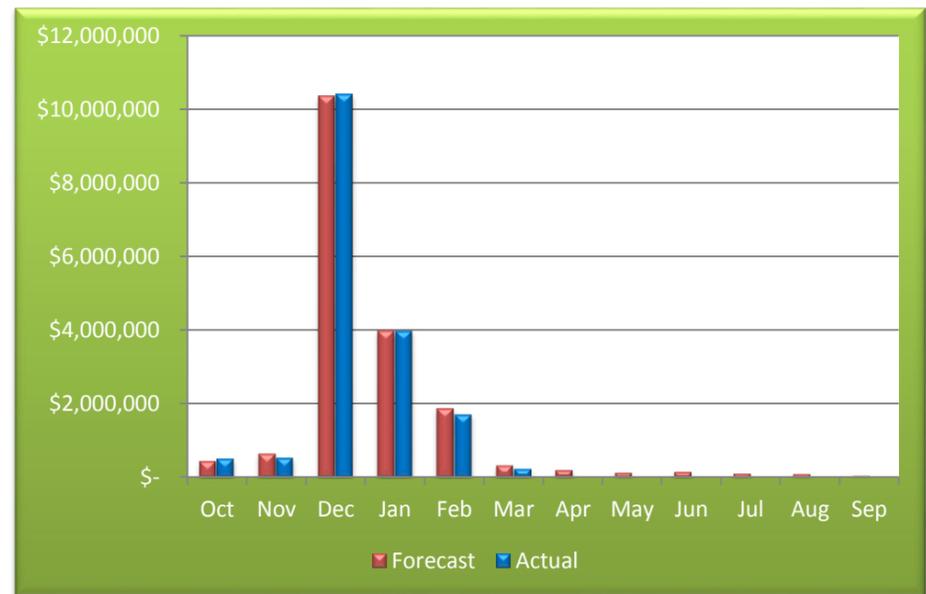
**Positive**

Cumulatively overall, the General Fund is better than forecasted for this time of the year, with revenues exceeding the forecast by 2.0% and expenses 4.8% lower than forecasted. These differences are primarily due to higher than expected franchise fees and building permit revenues, and the timing of supply and capital equipment purchases.

**REVENUE ANALYSIS**

**PROPERTY TAXES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 454,997	\$ 526,146	\$ 71,149
Nov	658,035	556,508	(101,527)
Dec	10,362,155	10,407,110	44,955
Jan	3,986,347	3,994,425	8,078
Feb	1,884,055	1,729,174	(154,881)
Mar	340,621	243,070	(97,551)
Apr	216,375		
May	138,080		
Jun	164,504		
Jul	119,972		
Aug	104,988		
Sep	58,993		
<b>Total</b>	<b>\$ 18,489,122</b>	<b>\$ 17,456,433</b>	<b>\$ (229,777)</b>
<b>Actual to Forecast</b>			<b>-1.3%</b>



**Warning**

Property taxes represents nearly 50% of the total General Fund revenue budget and serves as the primary funding source for the general government. They are generally collected in December and January of each year. Cumulatively overall, property tax revenues are 1.3% lower than forecasted for this time of the year.

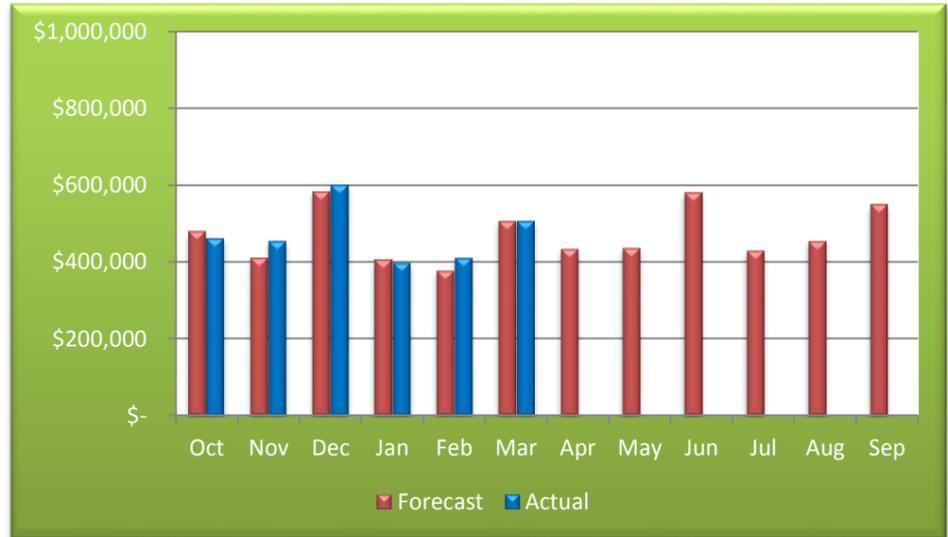


**CITY OF ROWLETT, TEXAS  
FINANCIAL STATUS DASHBOARD  
March 31, 2015**

**REVENUE ANALYSIS**

**SALES TAXES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 478,504	\$ 460,063	\$ (18,441)
Nov	410,264	452,581	42,317
Dec	581,282	598,257	16,975
Jan	405,356	396,499	(8,857)
Feb	376,136	408,413	32,277
Mar	504,779	<b>504,779</b>	-
Apr	432,807		
May	434,829		
Jun	579,529		
Jul	427,562		
Aug	452,415		
Sep	548,190		
<b>Total</b>	<b>\$ 5,631,653</b>	<b>\$ 2,820,591</b>	<b>\$ 64,270</b>
<i>Actual to Forecast</i>			2.3%



**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 represent an estimate. Overall, sales tax revenues are 2.3% higher than forecasted for this time of the year.

**REVENUE ANALYSIS**

**FRANCHISE FEES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ -	\$ -	\$ -
Nov	-	215	215
Dec	667,417	-	(667,417)
Jan	-	683,614	683,614
Feb	343,788	519,339	175,551
Mar	656,587	660,956	4,369
Apr	-		
May	-		
Jun	543,057		
Jul	-		
Aug	-		
Sep	867,119		
<b>Total</b>	<b>\$ 3,077,966</b>	<b>\$ 1,864,124</b>	<b>\$ 196,333</b>
<i>Actual to Forecast</i>			11.8%



**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. Overall, franchise fees 11.8% higher than expected.

**OVERALL FUND PERFORMANCE**

**UTILITY FUND REVENUES VS EXPENSES FY2015**

Month	2015 Revenue	2015 Expenses	Monthly Variance
Oct	2,523,628	1,923,448	\$ 600,179
Nov	2,371,585	1,871,254	500,331
Dec	2,199,908	2,022,527	177,381
Jan	2,071,743	1,921,446	150,298
Feb	-	-	-
Mar	4,162,568	7,533,495	(3,370,927)
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 13,329,432</b>	<b>\$ 15,272,171</b>	<b>\$ (1,942,738)</b>
<b>Cumulative Forecast</b>	<b>\$ 13,056,301</b>	<b>\$ 15,377,595</b>	<b>\$ (2,321,294)</b>
<b>Actual to Forecast \$</b>	<b>\$ 273,131</b>	<b>\$ (105,424)</b>	<b>\$ 378,556</b>
<b>Actual to Forecast</b>	<b>2.1%</b>	<b>-0.7%</b>	



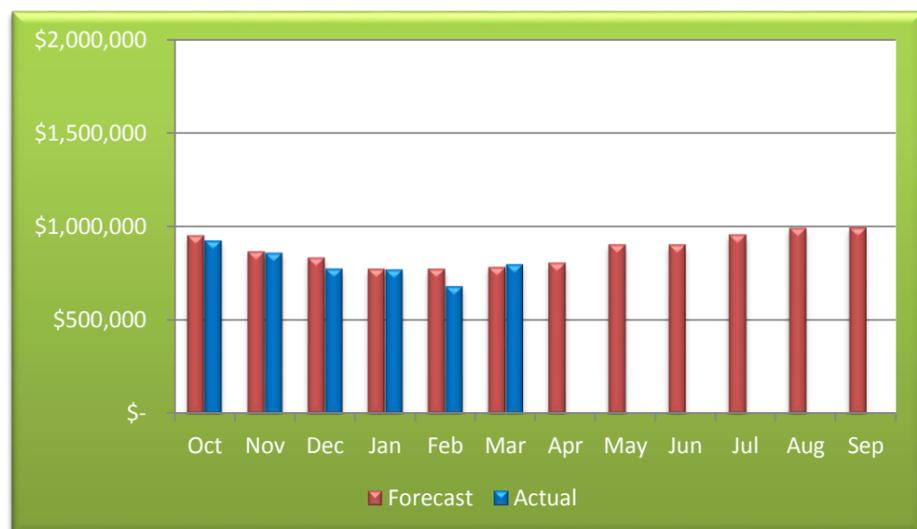
**Positive**

Utility fund revenues are 2.1% higher than forecast as a result of higher than expected impact fees and penalty charges. Expenses are virtually as projected at 0.7% less than forecasted. The fund makes semi-annual debt payments in March and September.

**REVENUE ANALYSIS**

**SEWER REVENUES FY2015**

Month	2015 Forecast	2015 Actual	Monthly Variance
Oct	\$ 950,041	\$ 919,190	\$ (30,851)
Nov	864,394	855,352	(9,042)
Dec	831,962	772,784	(59,178)
Jan	771,702	766,420	(5,282)
Feb	772,893	679,354	(93,539)
Mar	781,451	796,213	14,762
Apr	804,109	-	-
May	902,274	-	-
Jun	901,889	-	-
Jul	953,917	-	-
Aug	989,855	-	-
Sep	991,635	-	-
<b>Total</b>	<b>\$ 10,516,122</b>	<b>\$ 4,789,312</b>	<b>\$ (183,130)</b>
<b>Actual to Forecast</b>			<b>-3.7%</b>



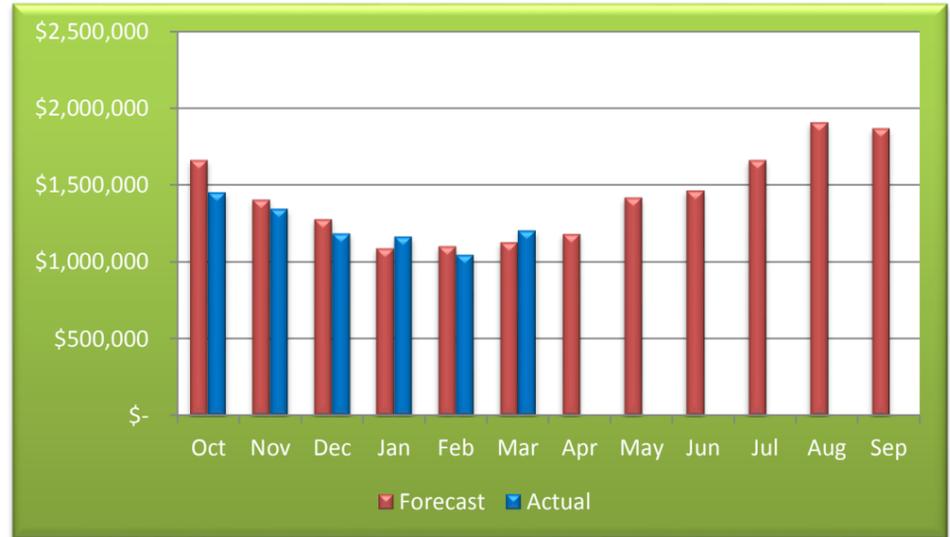
**Warning**

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 3.7% lower than forecasted for this time of year.

**REVENUE ANALYSIS**

**WATER REVENUES FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	\$ 1,660,832	\$ 1,451,221	\$ (209,611)
Nov	1,404,552	1,343,838	(60,714)
Dec	1,278,675	1,182,809	(95,866)
Jan	1,089,930	1,162,524	72,594
Feb	1,103,674	1,045,383	(58,291)
Mar	1,128,991	1,203,771	74,779
Apr	1,182,373		
May	1,420,637		
Jun	1,463,637		
Jul	1,662,155		
Aug	1,906,674		
Sep	1,868,487		
<b>Total</b>	<b>\$ 17,170,618</b>	<b>\$ 7,389,546</b>	<b>\$ (277,109)</b>
<i>Actual to Forecast</i>			<i>-3.6%</i>



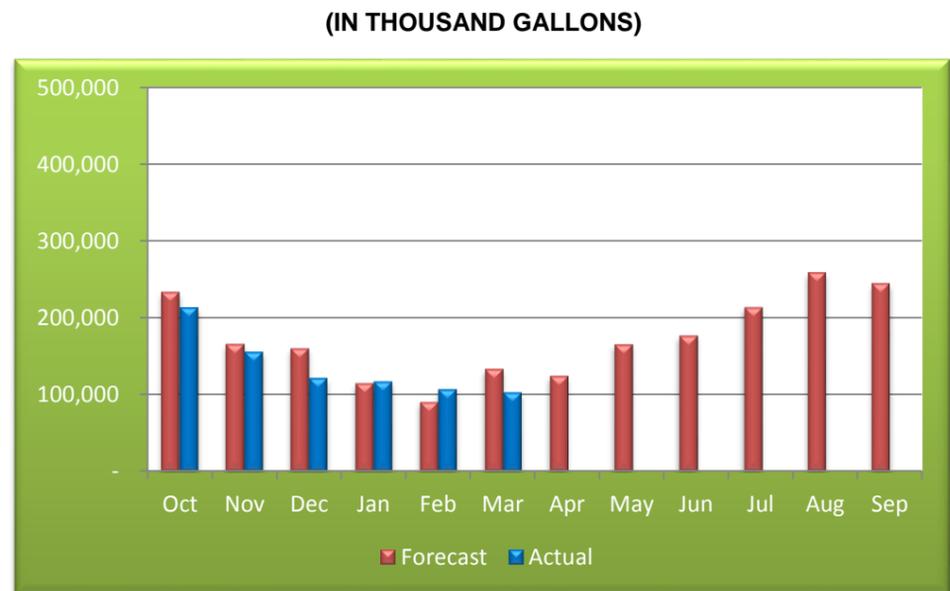
**Warning**

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 3.6% less than forecasted for this time of year.

**REVENUE ANALYSIS**

**WATER USAGE FY2015**

<u>Month</u>	<u>2015 Forecast</u>	<u>2015 Actual</u>	<u>Monthly Variance</u>
Oct	232,649	212,743	(19,906)
Nov	165,375	155,467	(9,908)
Dec	159,987	121,571	(38,416)
Jan	114,863	117,372	2,509
Feb	90,864	106,758	15,894
Mar	133,224	103,031	(30,193)
Apr	124,484		
May	165,201		
Jun	176,555		
Jul	212,941		
Aug	257,899		
Sep	244,023		
<b>Total</b>	<b>2,078,067</b>	<b>816,942</b>	<b>(80,021)</b>
<i>Actual to Forecast</i>			<i>-8.9%</i>



**Negative**

The City purchases its water from the North Texas Municipal Water District. Customer usage is 8.9% 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 FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	402,012	389,513	\$ 12,499
Nov	402,813	408,017	(5,205)
Dec	414,147	393,290	20,858
Jan	410,278	396,377	13,901
Feb	-	-	-
Mar	823,249	743,914	79,335
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 2,452,499</b>	<b>\$ 2,331,111</b>	<b>\$ 121,387</b>
<b>Cumulative Forecast</b>	<b>\$ 2,349,184</b>	<b>\$ 2,328,616</b>	<b>\$ 20,568</b>
<b>Actual to Forecast \$</b>	<b>\$ 103,315</b>	<b>\$ 2,495</b>	<b>\$ 100,819</b>
<b>Actual to Forecast</b>	<b>4.4%</b>	<b>0.1%</b>	



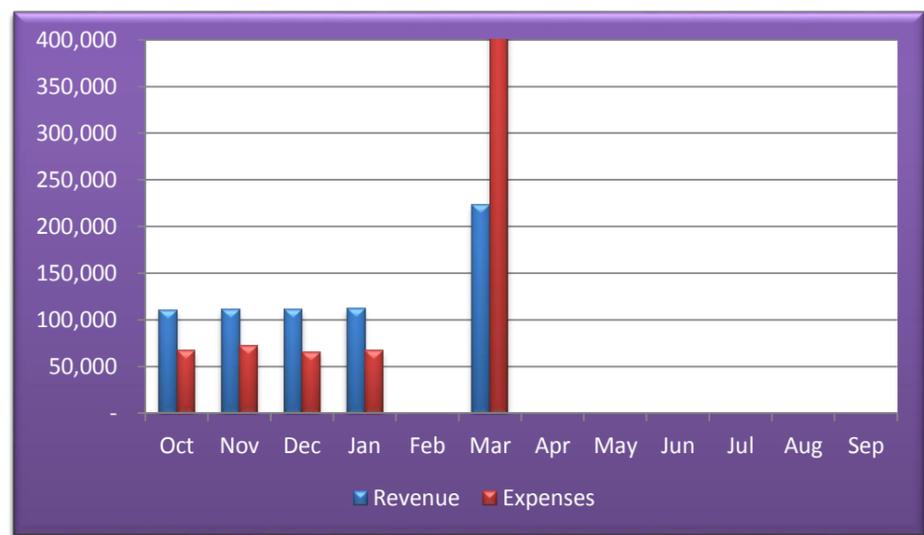
Positive

The Refuse Fund accounts for monies collected from customers on their utility bills and remitted to our solid waste provider. Revenues are currently 4.4% higher than forecasted, and expenses are 0.1% higher than forecasted.

**OVERALL FUND PERFORMANCE**

**DRAINAGE FUND REVENUES VS EXPENSES FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	110,599	67,145	\$ 43,454
Nov	111,354	72,873	38,481
Dec	111,572	66,014	45,558
Jan	112,079	67,593	44,486
Feb	-	-	-
Mar	223,429	410,777	(187,348)
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 669,032</b>	<b>\$ 684,402</b>	<b>\$ (15,370)</b>
<b>Cumulative Forecast</b>	<b>\$ 673,402</b>	<b>\$ 735,141</b>	<b>\$ (61,739)</b>
<b>Actual to Forecast \$</b>	<b>\$ (4,370)</b>	<b>\$ (50,739)</b>	<b>\$ 46,369</b>
<b>Actual to Forecast</b>	<b>-0.6%</b>	<b>-6.9%</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 0.6% lower than forecasted but expenses 6.9% lower than forecasted.

**OVERALL FUND PERFORMANCE**

**DEBT SERVICE FUND REVENUES VS EXPENSES FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	249,127	10,468	\$ 238,659
Nov	261,982	129,846	132,136
Dec	4,512,111	7,928	4,504,183
Jan	1,753,062	11,311	1,741,752
Feb	-	-	-
Mar	1,020,513	6,324,674	(5,304,161)
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 7,796,796</b>	<b>\$ 6,484,227</b>	<b>\$ 1,312,570</b>
<b>Cumulative Forecast</b>	<b>\$ 7,219,544</b>	<b>\$ 6,491,077</b>	<b>\$ 728,467</b>
<b>Actual to Forecast \$</b>	<b>\$ 577,253</b>	<b>\$ (6,850)</b>	<b>\$ 584,103</b>
<b>Actual to Forecast</b>	<b>8.0%</b>	<b>-0.1%</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 8.0% higher than projected and expenses 0.1% lower than expected. The fund pays conduit debt in November and makes other semi-annual debt payments in February and August.

**OVERALL FUND PERFORMANCE**

**EMPLOYEE HEALTH BENEFITS FUND REVENUES VS EXPENSES FY2015**

<u>Month</u>	<u>2015 Revenue</u>	<u>2015 Expenses</u>	<u>Monthly Variance</u>
Oct	419,181	447,218	\$ (28,037)
Nov	291,239	249,946	41,293
Dec	354,624	332,130	22,494
Jan	358,108	202,278	155,830
Feb	-	-	-
Mar	722,118	579,468	142,649
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
<b>Total</b>	<b>\$ 2,145,269</b>	<b>\$ 1,811,040</b>	<b>\$ 334,229</b>
<b>Cumulative Forecast</b>	<b>\$ 2,202,559</b>	<b>\$ 2,168,762</b>	<b>\$ 33,797</b>
<b>Actual to Forecast \$</b>	<b>\$ (57,290)</b>	<b>\$ (357,721)</b>	<b>\$ 300,432</b>
<b>Actual to Forecast</b>	<b>-2.6%</b>	<b>-16.5%</b>	



**Positive**

Employee Health Benefits Fund accounts for all health related claims paid from the City's partial self-insured fund. Overall, revenues are 2.6% lower than forecasted and expenses are 16.5% lower than forecasted. Revenues reflect lower than expected premium payments due to vacancies and plan choices, and expenses are lower than forecasted due to lower than expected claims.