

CITY OF MESQUITE

Financial Statement Overview

Year-to-Date through June 30, 2017

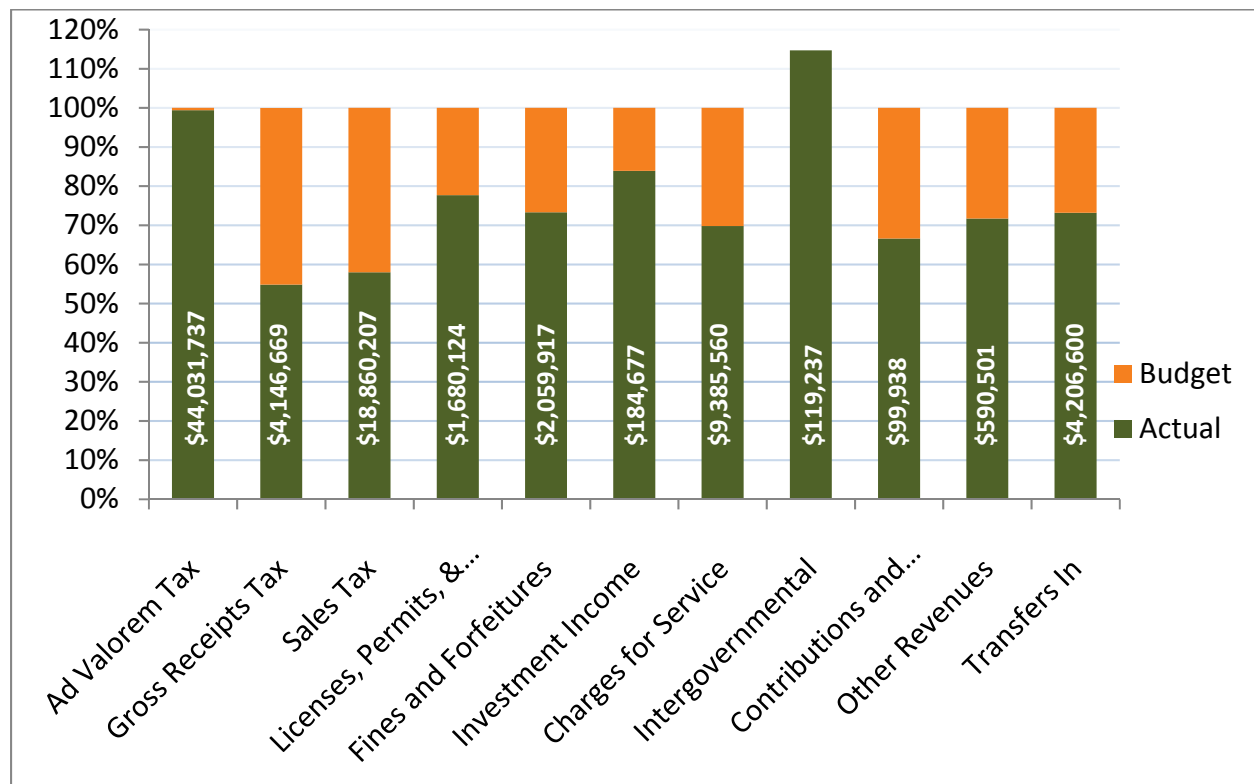


Highlights from each of the funds reported in the Year-to-Date Financial Statements are as follows.

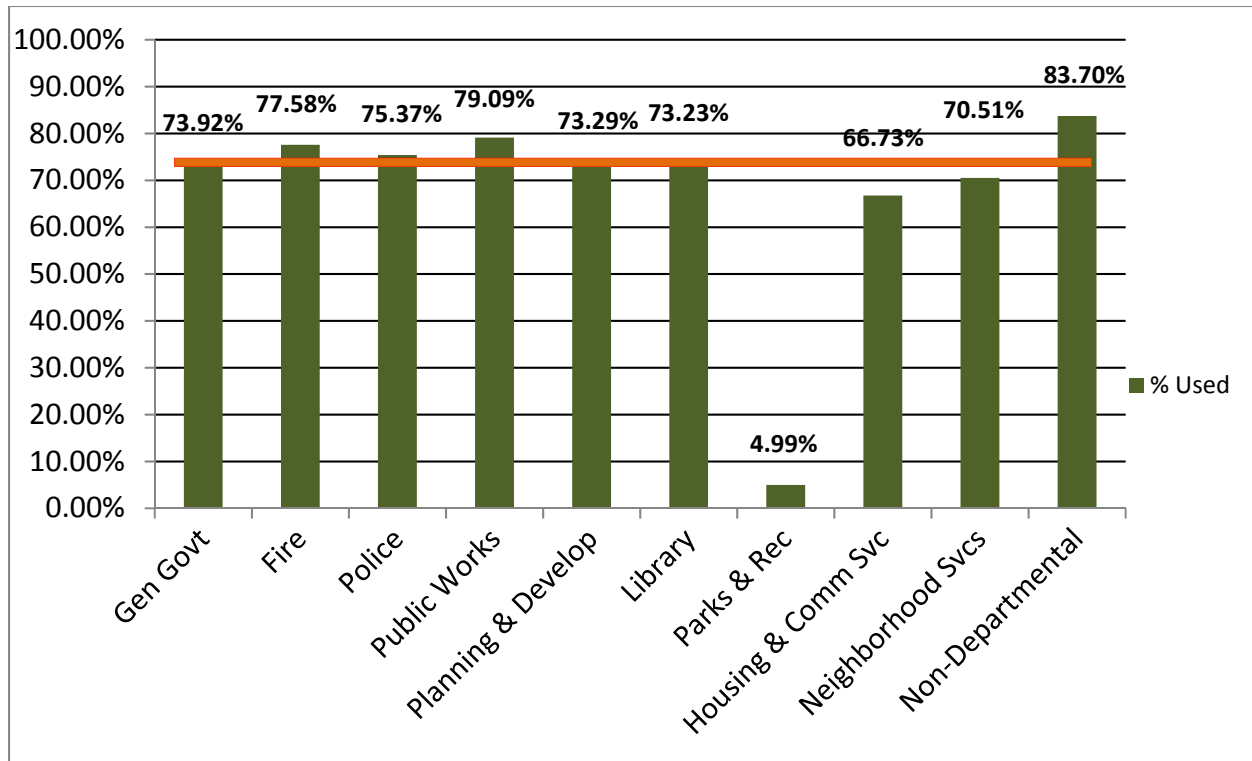
GENERAL FUND

- Cash balance up \$1.8 million compared to prior year
- FY2016 Revenues over expenditures \$1.6 million is part of increase in cash balance
- Variance analysis
 - Decrease in current assets of \$0.5 million (+)
 - Increase in current liabilities of \$3.2 (+)
 - Revenues \$5.7 million more than prior year (+)
 - Expenditures \$9.2 million more than prior year (-)
- Revenue highlights
 - Property tax percent collected through June for current taxes is 98.34% as compared to 98.27% in prior year
 - Property tax revenue up \$6.1 million due to increased taxable values
 - Sales tax revenues are comparable to prior year; expected to level out this year
 - Charges for service down \$576,000 due to year-end accrual for 60 day receipts of Ambulance Services; Golf course is now in a separate fund

GENERAL FUND REVENUES: BUDGET TO ACTUAL



GENERAL FUND EXPENDITURES: PERCENTAGE OF BUDGET USED



➤ Expenditure highlights

- June is 75% of the fiscal year; most areas are at or below 75%
- Fire is slightly ahead of budget due to overtime; five additional fire fighters have been added to help with overtime situation; must go through training first
- Public Works is slightly ahead of budget due to vehicle maintenance costs in the Compost operation and Service Center work order credits below original budget amount
- Parks and Recreation below due to timing of expenses for special events and summer program activity; 4B reimbursement is level throughout the year
- Housing and Community Services had a staff vacancy at the Animal Shelter that was filled in February
- Neighborhood Services had staff vacancies that have been filled in January
- Non-departmental is ahead of year-to-date budget due to the debt service payments that are due in March; this will level out throughout the year

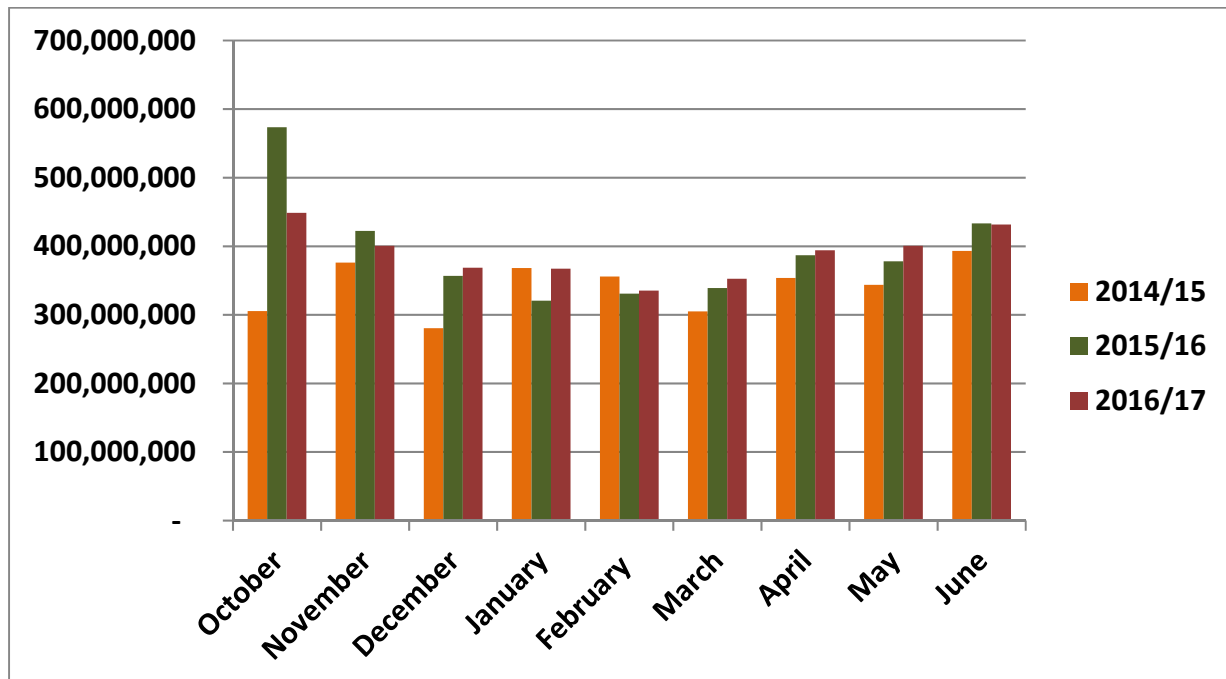
(4B) MESQUITE QUALITY OF LIFE CORPORATION FUND

- Cash balance down \$1.4 million compared to prior year; project spending takes place over multiple fiscal years
- Main projects included
 - Transportation – traffic management system, Military Parkway Trail, traffic signal video detection system, Town East Blvd (US 80 to Skyline)
 - Parks and Rec – park operations, highway corridor maintenance, Vanston Park, Westlake Tennis Center court renovation, Town East Pool plaster project; City Lake Aquatic Center improvements

WATER SEWER OPERATING FUND

- Working Capital increase of \$7.7 million mainly from fiscal year 2016 results
- Building for stronger Days of Working Capital and All in Coverage Calculation for rating agencies
- Normal fluctuations in receivables and payables
- Revenues up \$3.7 million due to 8% rate increase; increase needed to cover cost increases from NTMWD
- Expenditures up \$3.5 million overall due to increases from NTMWD for purchased water and wastewater treatment charges and schedule debt service payment increases
- Consumption is down year-to-date 1.18%

MONTHLY GALLONS OF WATER BILLED: THREE-YEAR COMPARISON



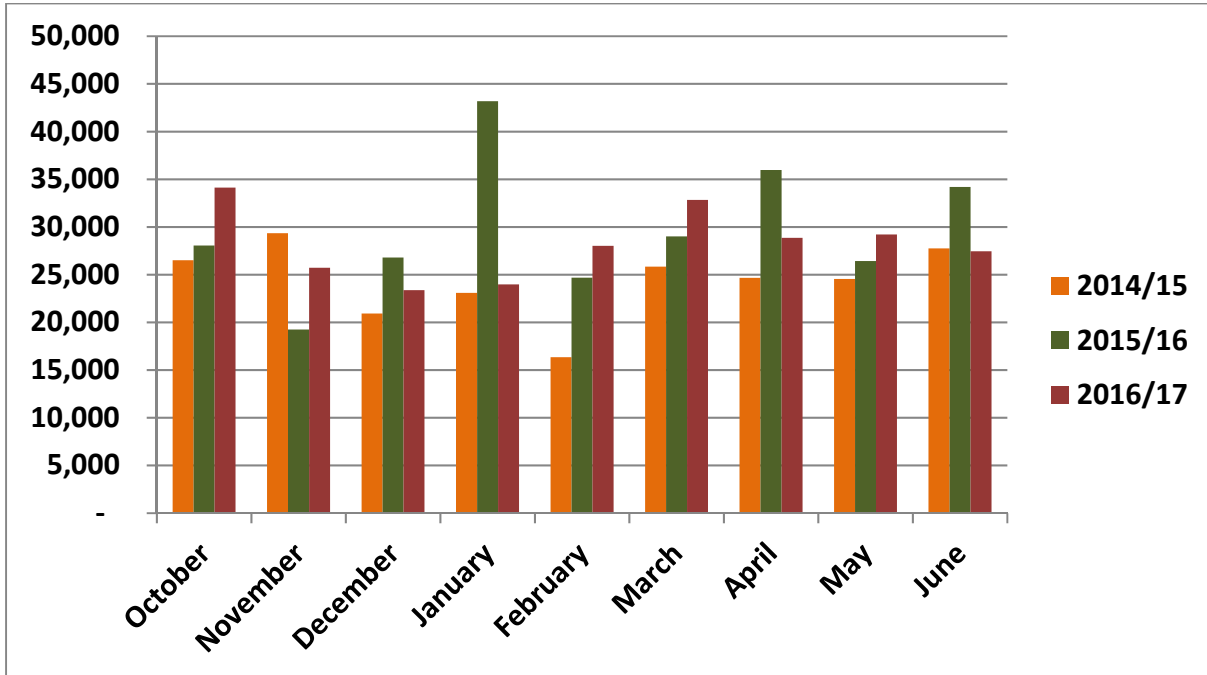
DRAINAGE UTILITY DISTRICT FUND

- Working Capital decrease of \$1.1 million as planned for project spending
- Revenues are up slightly by \$142,386
- \$2,500,000 planned for drainage improvement projects (Palo Verde erosion control; Motley Drive and Town East Blvd drainage)

MUNICIPAL AIRPORT FUND

- Net loss year-to-date of \$18,145
- Hangar rentals up 8.5% compared to prior year
- Fuel sales 0.8% less than prior year; fuel sales price is set at a percentage of cost; gallons sold are 5.2% less year-to-date compared to prior year
- Fuel cost up approximately 10.2%
- Profit margin of 28.8% y-t-d

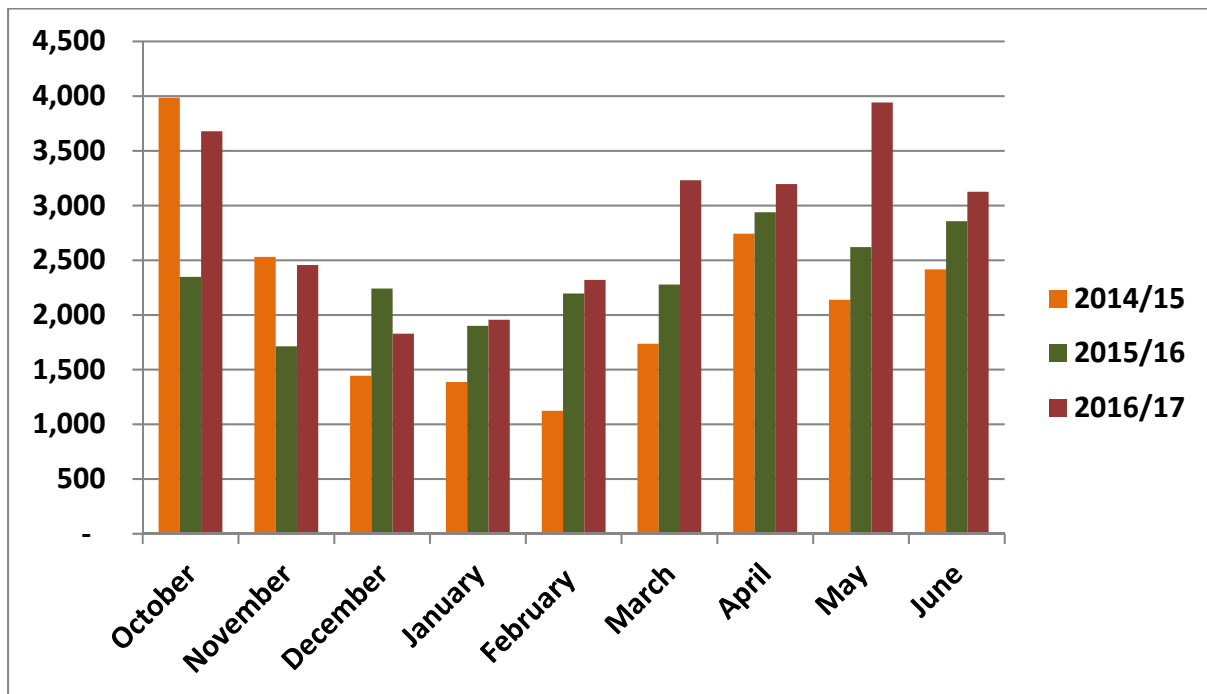
MONTHLY GALLONS OF FUEL SOLD: THREE-YEAR COMPARISON



MUNICIPAL GOLF COURSE

- Net loss year-to-date of \$93,455 (prior year net loss through 3rd quarter was \$257,787)
- Overall revenues are up 16.5% compared to prior year
- Year-to-date rounds of golf are up 22%
- Overall expenditures are \$64,252 less than the prior year or 7.4%

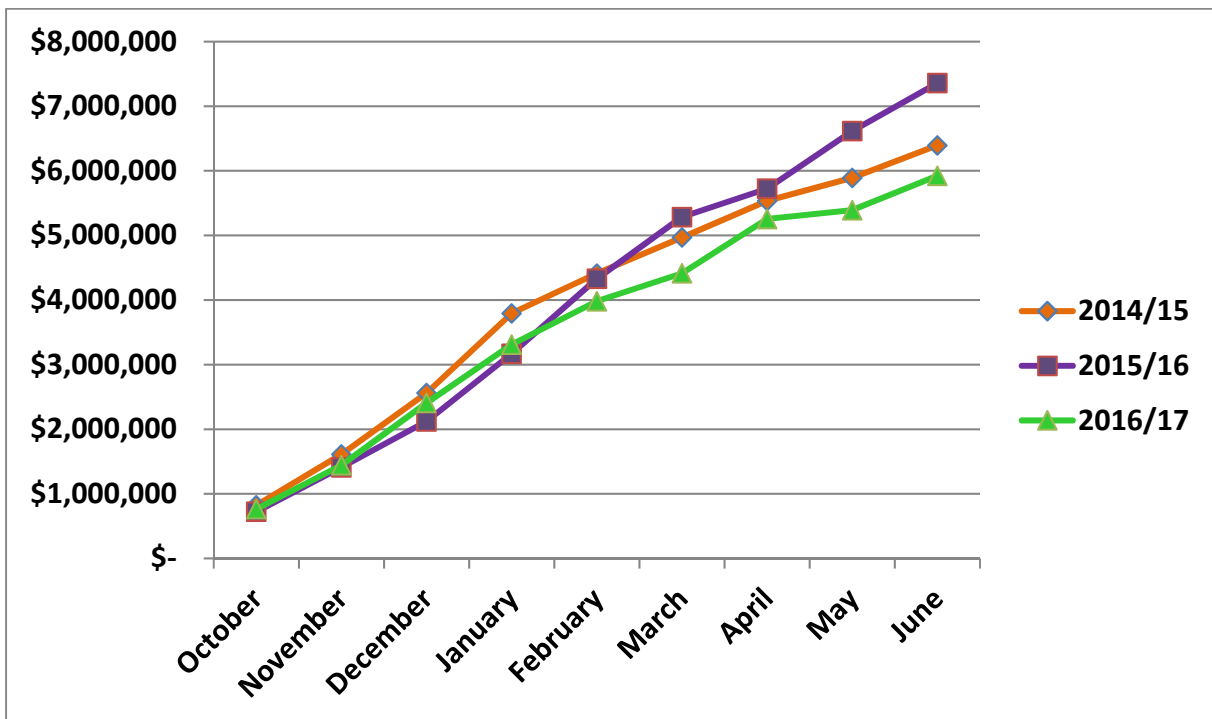
MONTHLY ROUNDS OF GOLF: THREE-YEAR COMPARISON



HEALTH CLAIMS FUND

- Revenues on track with budget
- No rate increase in FY2017
- Net loss y-t-d of \$401,774 (prior year net loss through 3rd quarter was \$2,174,611)
- Stop Loss insurance check received in February to offset high claims in the fall \$288,121
- Health claims are \$1.4 million less y-t-d than last year
- Pharmaceutical costs are \$383,756 less y-t-d than last year due to BCBS discounts
- HSA Employer Contributions are \$136,500 less than last year
- Significant plan changes in plan year 2016 and 2017 in order to turn negative fund balance around

HEALTH CLAIMS EXPENDITURES CUMULATIVE YEAR-TO-DATE THREE-YEAR COMPARISON



GENERAL LIABILITY FUND

- Net income year-to-date of \$386,129
- Departmental rates were adjusted to increase funding
- Revenues are \$709,043 more than prior year
- Expenditures are \$385,814 less than prior year
- Other expense amount is for police cars replaced due to accidents

HOTEL OCCUPANCY TAX FUND

- Net income year-to-date of \$375,833
- Year-to-date revenues up \$151,583 or 15.5% compared to prior year
- Historical data for hotel occupancy was not available prior to this report; we will update with year-end reporting

**QUARTERLY HOTEL OCCUPANCY TAX COLLECTED
THREE-YEAR COMPARISON**

