

# CITY OF MESQUITE

## Financial Statement Overview

### Year-to-Date through September 30, 2017

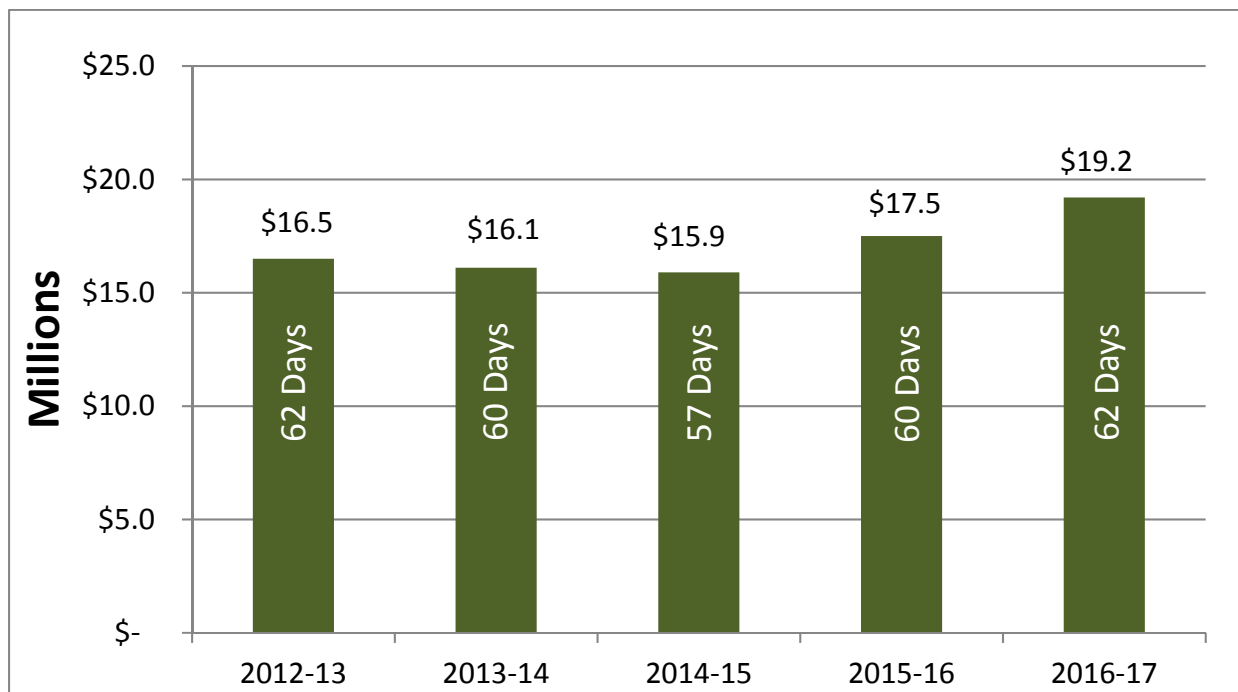


Highlights from each of the funds reported in the Year-to-Date Financial Statements through September 30, 2017 are as follows.

#### GENERAL FUND

- Cash balance down \$479,459 compared to prior year
- Variance analysis
  - FY2017 revenues over expenditures \$1.9 million (+)
  - Receivable increase over prior year \$1.4 million (-)
  - Year-end loan of cash to funds with negative cash balance increased \$367,000 (-)
  - Increase in year-end inventory balance \$201,000 (-)
  - Current liabilities decrease over prior year \$306,000 (-)
- Unassigned Fund Balance at year-end \$19,224,257
  - 17.4% of total expenditures (policy requires 15%)
  - Days of working capital of 61.9 days
  - Increase over prior year of \$1,711,246

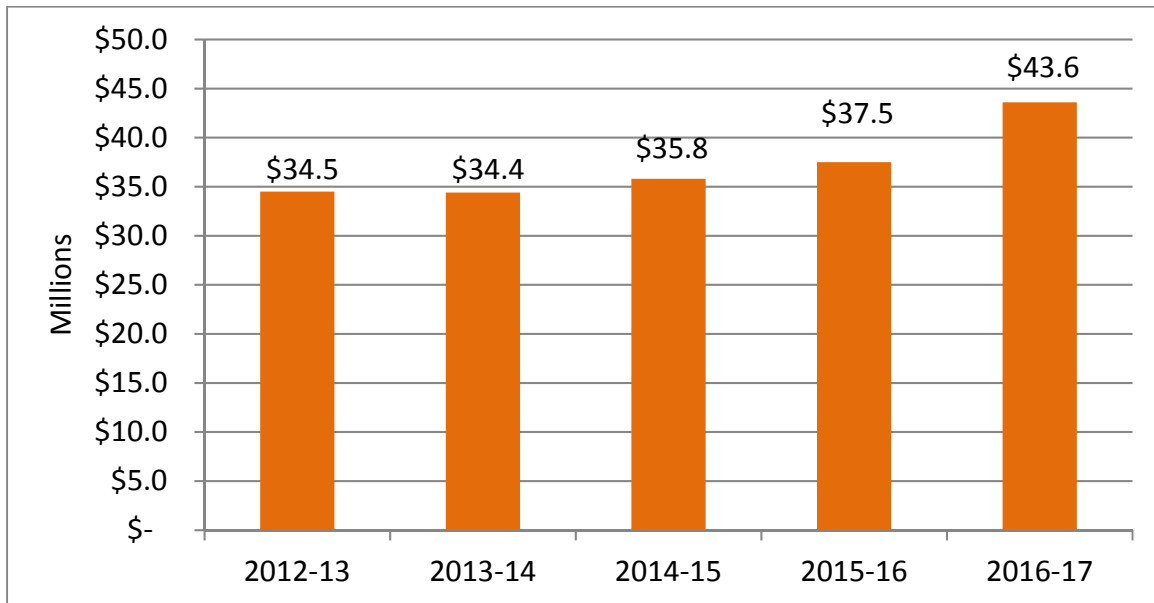
#### GENERAL FUND UNASSIGNED FUND BALANCE: FIVE-YEAR COMPARISON



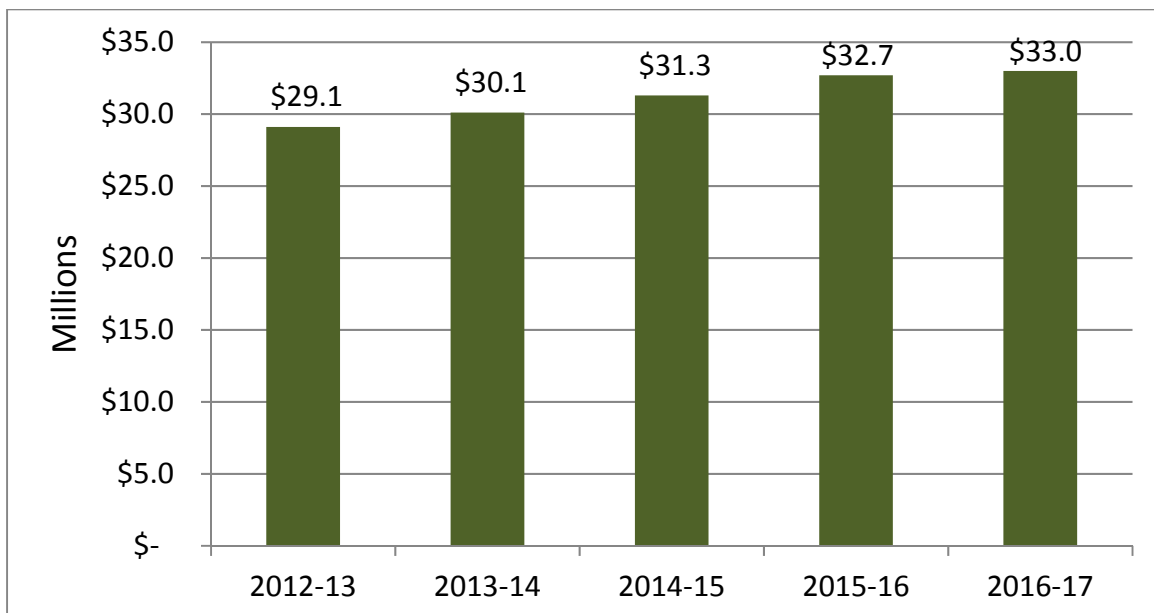
- Revenue highlights
  - Property tax percent collected through September for current taxes is 98.8% as compared to 98.9% in prior year
  - Property tax revenue up \$6.1 million due to increased taxable values
  - Sales tax revenues were very comparable to prior year; \$353,777 higher
  - Fines and forfeitures over amended budget \$228,807 mainly in traffic, criminal fines and city ordinances

- Charges for Services over amended budget \$352,528 mainly in ambulance services and waste collection/disposal fees
- Other revenues over amended budget \$535,484 due to ambulance supplemental payment program coming in higher than anticipated; helps offset costs in EMS operations

### CURRENT YEAR PROPERTY TAX REVENUE: FIVE-YEAR COMPARISON



### SALES TAX COLLECTIONS: FIVE-YEAR COMPARISON



#### ➤ Expenditure highlights

- General Government under amended budget \$213,324 (most departments at or below budget; cost savings in various accounts)
- Fire Services over amended budget \$174,142 (salaries/wages; overtime)
- Police Services over amended budget \$1,172,316 (salaries/wages; overtime)
- Public Works under amended budget \$479,186 (staffing changes; savings in electricity; increase in Engineering work order credits; offsite landfill charges; savings in fuel)

- Parks and Recreation over amended budget \$224,398 (less reimbursement from 4B due to year-end adjustments)
- Reserve Appropriation/Miscellaneous under amended budget \$438,727 (Hurricane Harvey reimbursement; year-end entries for allowances)

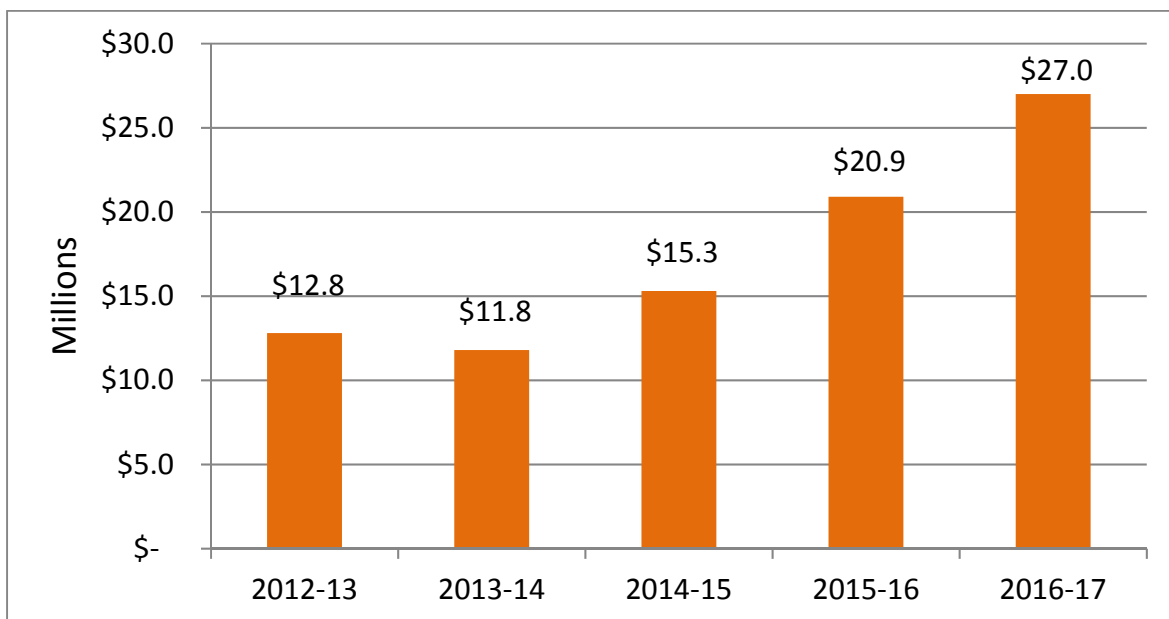
**(4B) MESQUITE QUALITY OF LIFE CORPORATION FUND**

- Fund Balance at year-end of \$5,981,708
- Decrease over prior year of \$2,043,003
- Main projects included
  - Transportation – Military Parkway Trail, Thomasson Square, traffic management system, traffic video detection; Town East Blvd (US 80 to Skyline)
  - Parks and Rec – Park operations, highway corridor maintenance, Vanston Park renovations, Westlake tennis courts, Town East Pool plaster project, City Lake Aquatic Center, Florence Rec Center

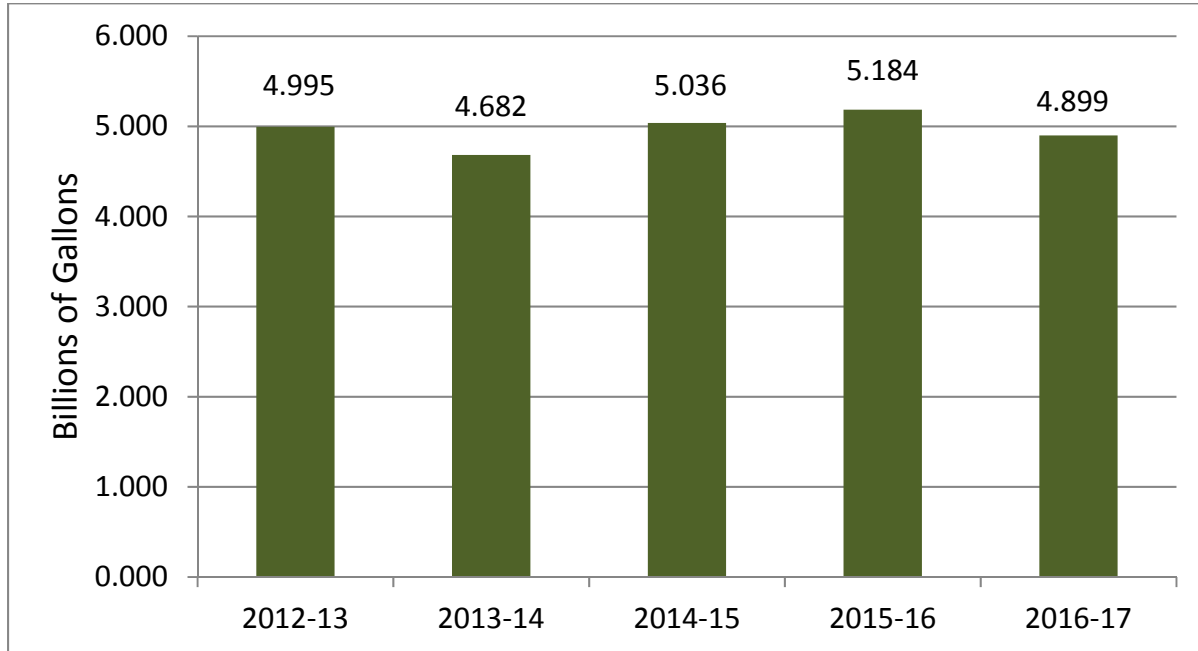
**WATER SEWER OPERATING FUND**

- Working Capital at year-end of \$27,049,225
- Increase over prior year of \$6,169,041
- Net income of \$6,153,723
- Days of working capital of 171 days
- Revenue bond coverage ratio (required ratio is 1.5)
  - Average Annual Debt calculation = 1.88 (bond covenant method)
  - All in Debt calculation = 1.17 (rating agency method) (improvement from 1.10)
- Year-to-date consumption down slightly compared to prior year 5.49%
- Revenues higher due to additional days in year-end billing cycle accrual
- Expenditures under budget \$962,964
- We are now positioned to stabilize the rates and increase the amount to fund necessary capital improvements to the aging infrastructure of the water and sewer systems

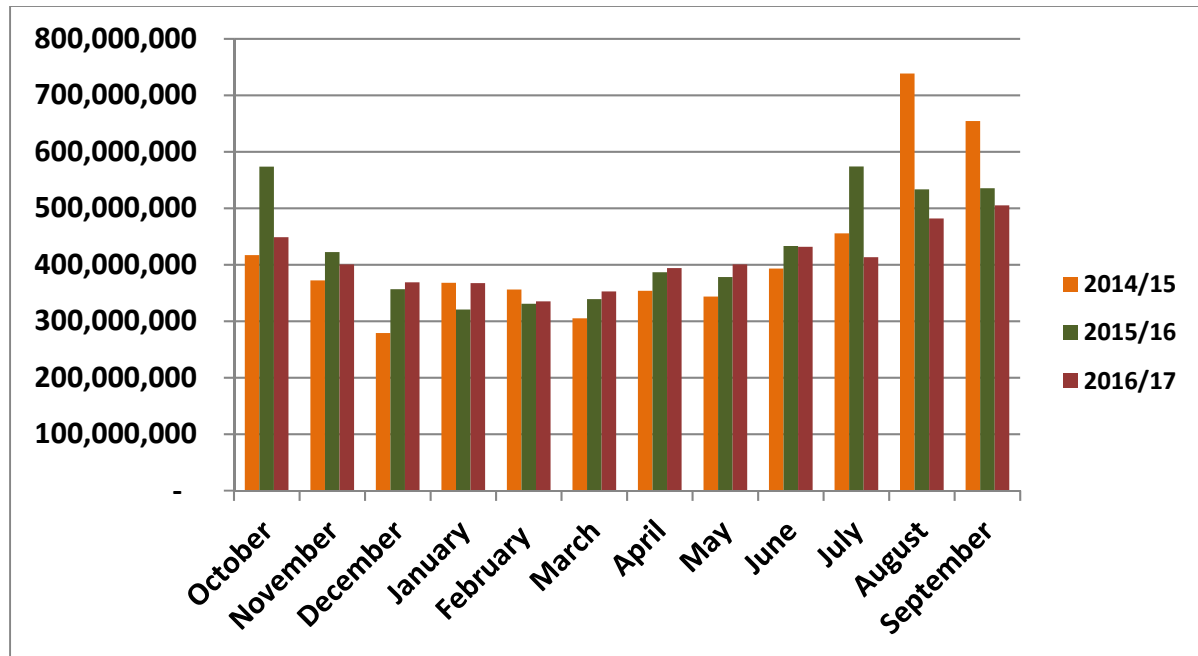
**WATER SEWER FUND WORKING CAPITAL BALANCE: FIVE-YEAR COMPARISON**



### ANNUAL WATER CONSUMPTION: FIVE-YEAR COMPARISON



### MONTHLY GALLONS OF WATER BILLED: THREE-YEAR COMPARISON



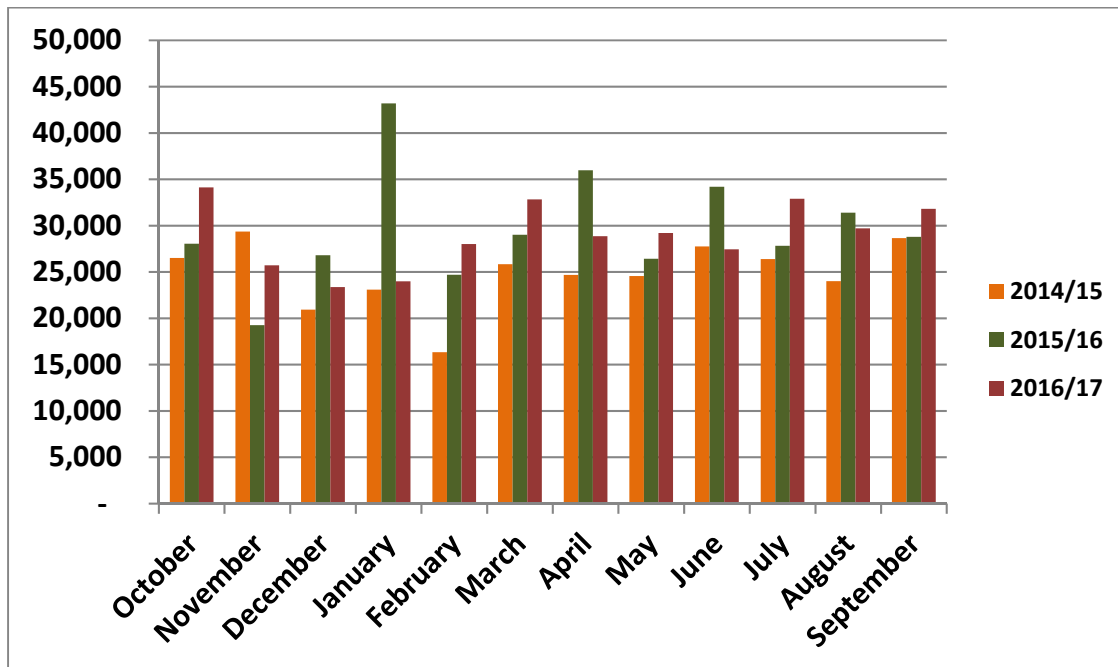
### DRAINAGE UTILITY DISTRICT FUND

- Working Capital at year-end of \$971,956
- Increase over prior year of \$252,502
- Days of working capital 95 days
- Revenues over budget \$279,539 due to new construction and billing of inactive water accounts
- Expenditures under budget \$71,003
- \$2,500,000 transferred to drainage improvement projects as planned

### MUNICIPAL AIRPORT FUND

- Net income of \$35,248
- Hangar rentals higher compared to prior year \$41,783
- Fuel gallons sold very comparable to prior year
- Fuel sales \$\$ higher \$76,917; fuel sales profit margin for the year was 33%
- Fuel cost higher in relation to fuel sales

**MONTHLY GALLONS OF FUEL SOLD: THREE-YEAR COMPARISON**

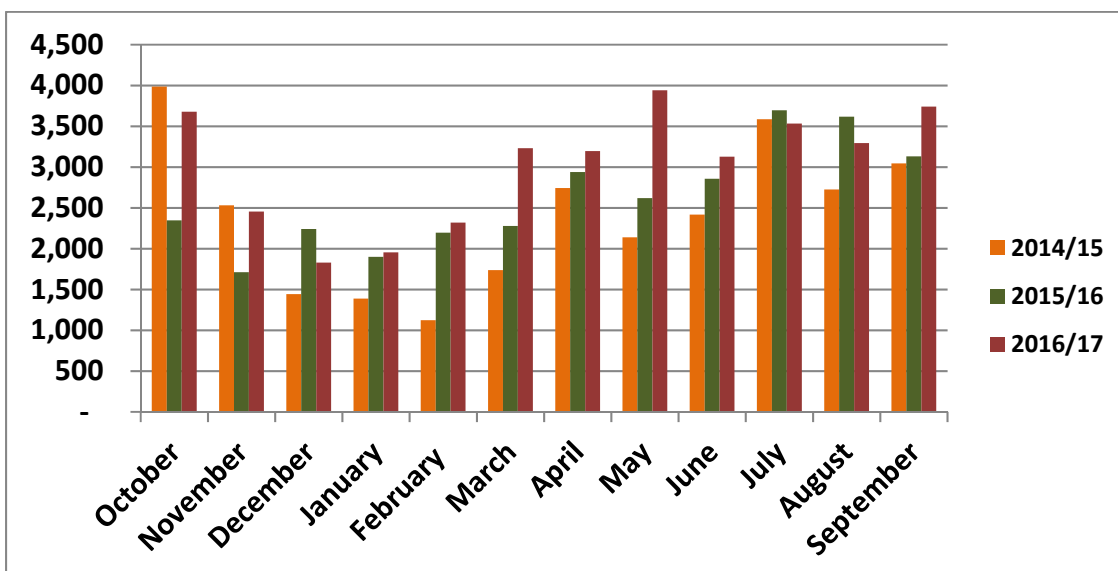


### MUNICIPAL GOLF COURSE

Golf course operations are note reported in a separate enterprise fund

- Net loss year-to-date of \$66,004 (prior year net loss \$320,090)
- Overall revenues up 16.3% compared to prior year
- Year-to-date rounds of golf up 15.1%
- Overall expenditures 8.9% less than the prior year

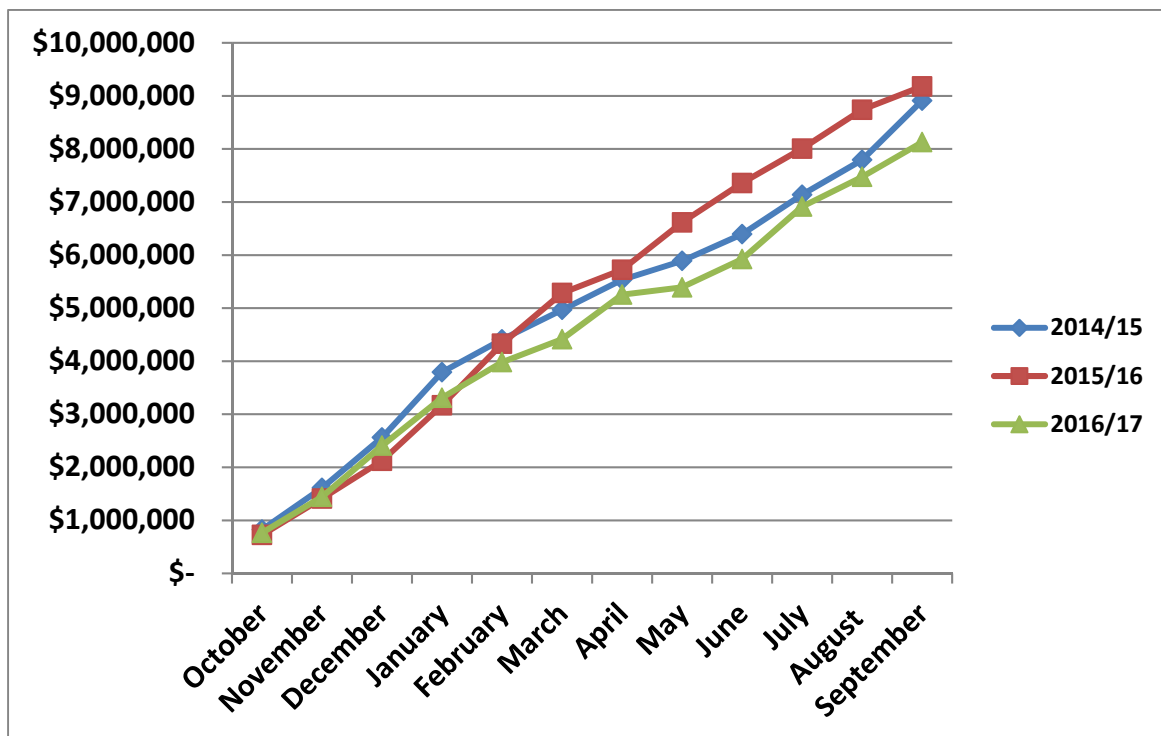
**MONTHLY ROUNDS OF GOLF: THREE-YEAR COMPARISON**



### GROUP MEDICAL INSURANCE FUND

- Fund Balance at year-end of (\$5,153,585)
- Net loss of \$674,906; increase in negative fund balance
- Overall revenues on target with amended budget
- \$401,451 in reimbursements from Stop Loss insurance
- Health claims \$811,101 less than prior year; most participants in HSA plan
- Pharmaceutical costs \$574,077 less than prior year; BCBS savings realized for full year
- Overall expenditures \$171,415 under amended budget

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



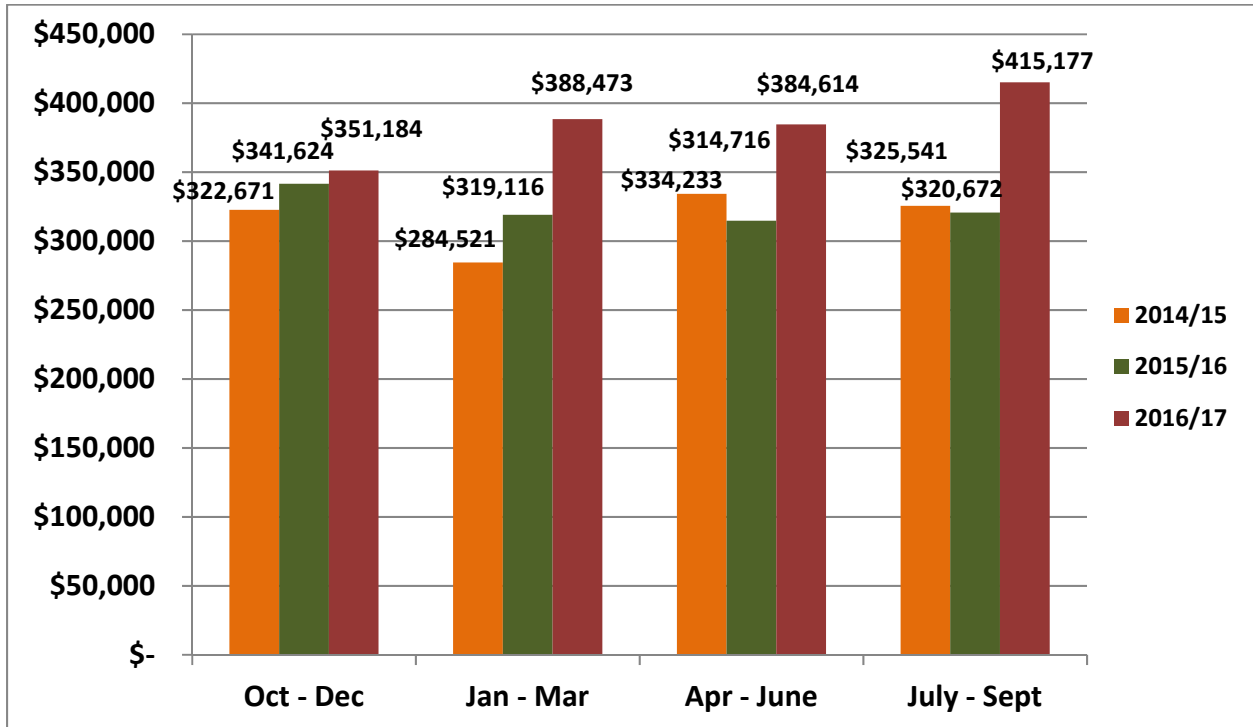
### GENERAL LIABILITY FUND

- Fund Balance at year-end of (\$1,010,705)
- Net income of \$200,266; decrease in negative fund balance
- Rates were adjusted in all city departments to cover increased expenses in the General Liability Fund
- Overall expenses 5.3% less than prior year
- Workers Comp and General Liability \$318,629 less than prior year
- Other expenses of \$125,218 is for police cars replaced due to accidents

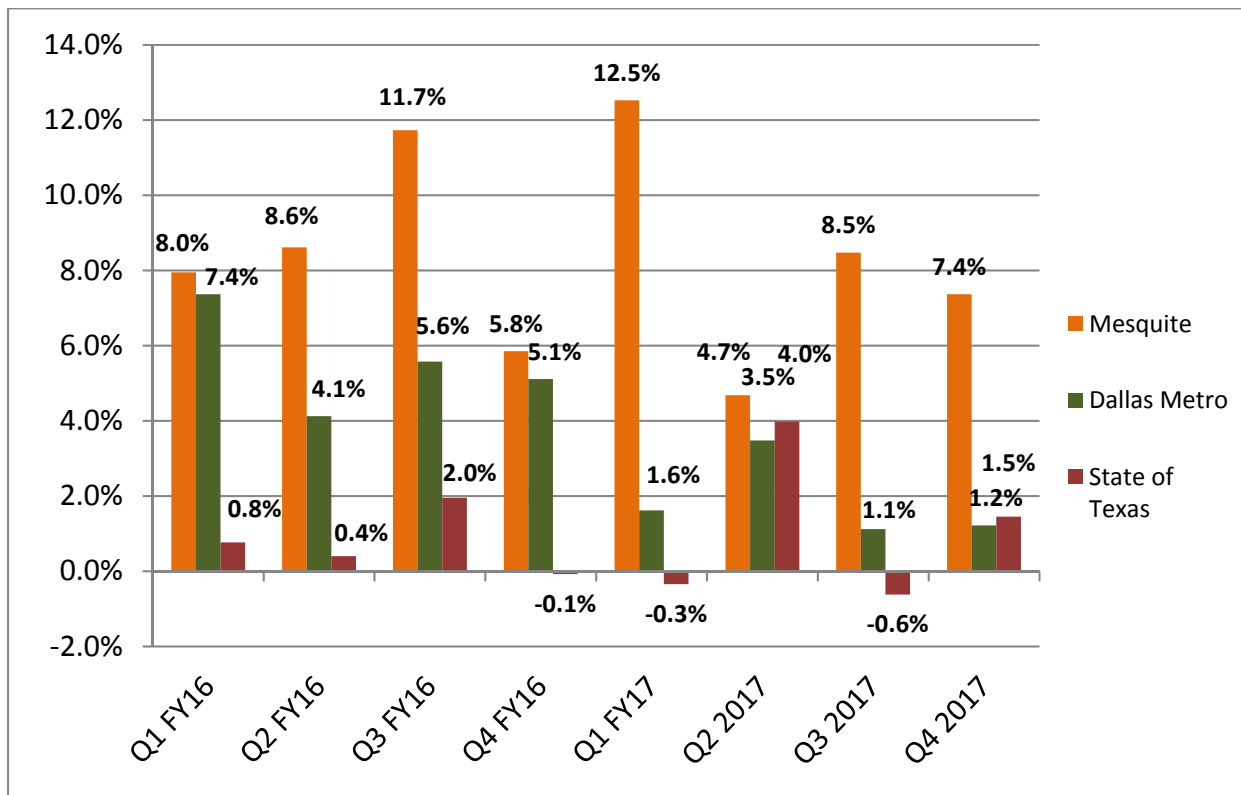
### HOTEL OCCUPANCY TAX FUND

- Fund Balance at year-end of \$752,945
- Net income of \$485,162
- Revenues \$248,105 more than prior year; 19.1 %
- Expenses under budget \$167,353

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



**QUARTERLY AVERAGE DAILY ROOM RATE  
PERCENTAGE CHANGE (YEAR OVER YEAR)**



**QUARTERLY OCCUPANCY RATE  
PERCENTAGE CHANGE (YEAR OVER YEAR)**

