

# CITY OF MESQUITE

## Financial Statement Overview

### Year-to-Date through September 30, 2018

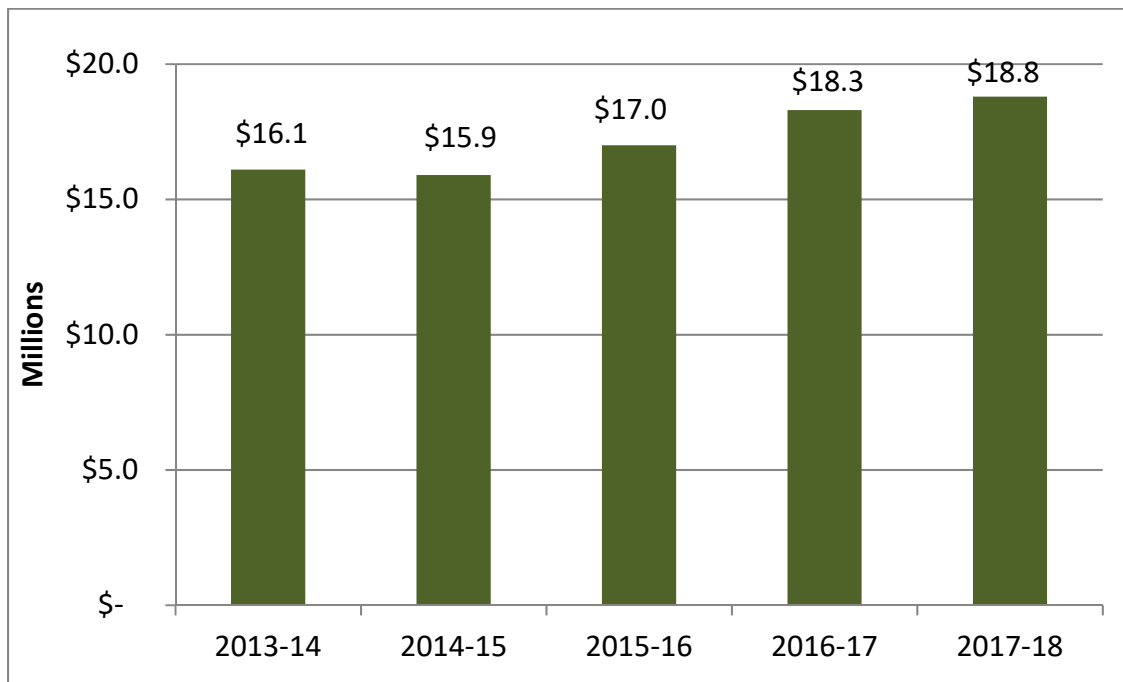


Highlights from each of the funds reported in the Year-to-Date Financial Statements through September 30, 2018 are as follows. Please keep in mind the financial statements are preliminary until the year-end audit is completed. The audit will take place in January and February 2019.

#### GENERAL FUND

- Cash balance up \$3,628,204 compared to prior year
- Variance analysis
  - FY2018 revenues over expenditures \$616,148 (+)
  - Receivable decrease over prior year \$155,271 (+)
  - Year-end loan of cash to funds with negative cash balance decreased \$680,018 (+)
  - Increase in other current assets \$110,288 (-)
  - Current liabilities increase over prior year \$2.3 million (+) due to timing of invoice payments
- Unassigned Fund Balance at year-end \$18,835,249
  - Increase over prior year of \$522,961
  - 16.3% of total expenditures (current policy requires 15%)
  - Days of working capital of 59.4 days

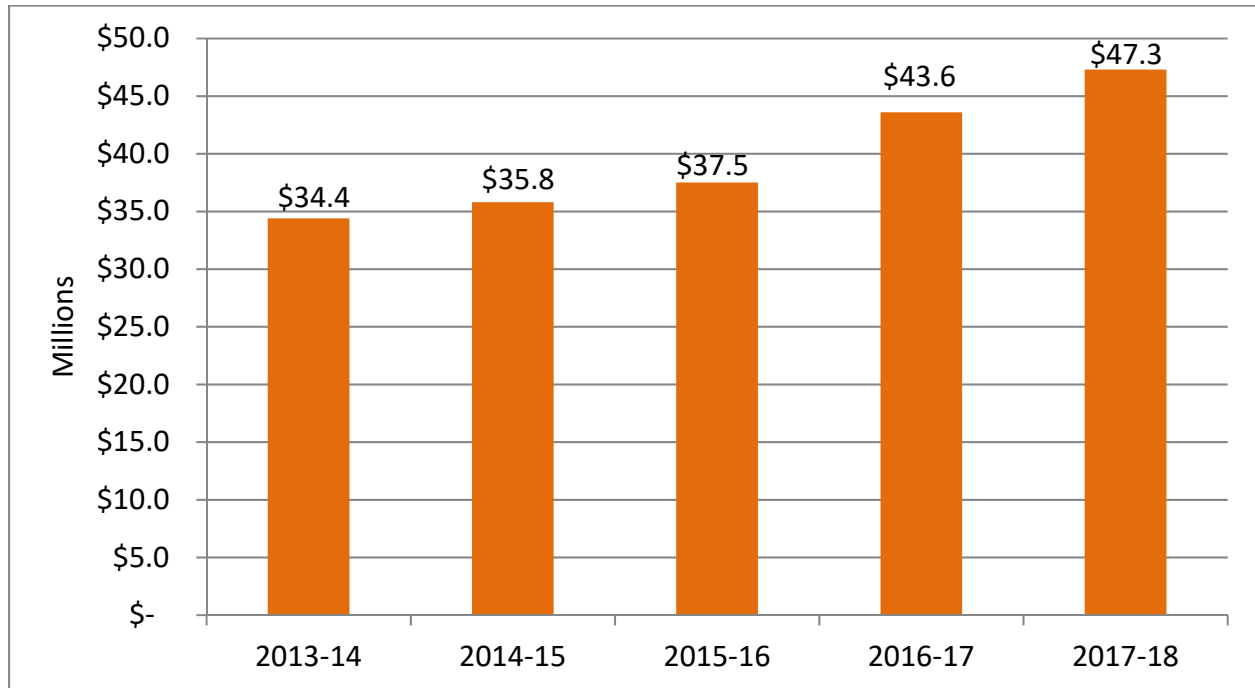
#### GENERAL FUND UNASSIGNED FUND BALANCE: FIVE-YEAR COMPARISON



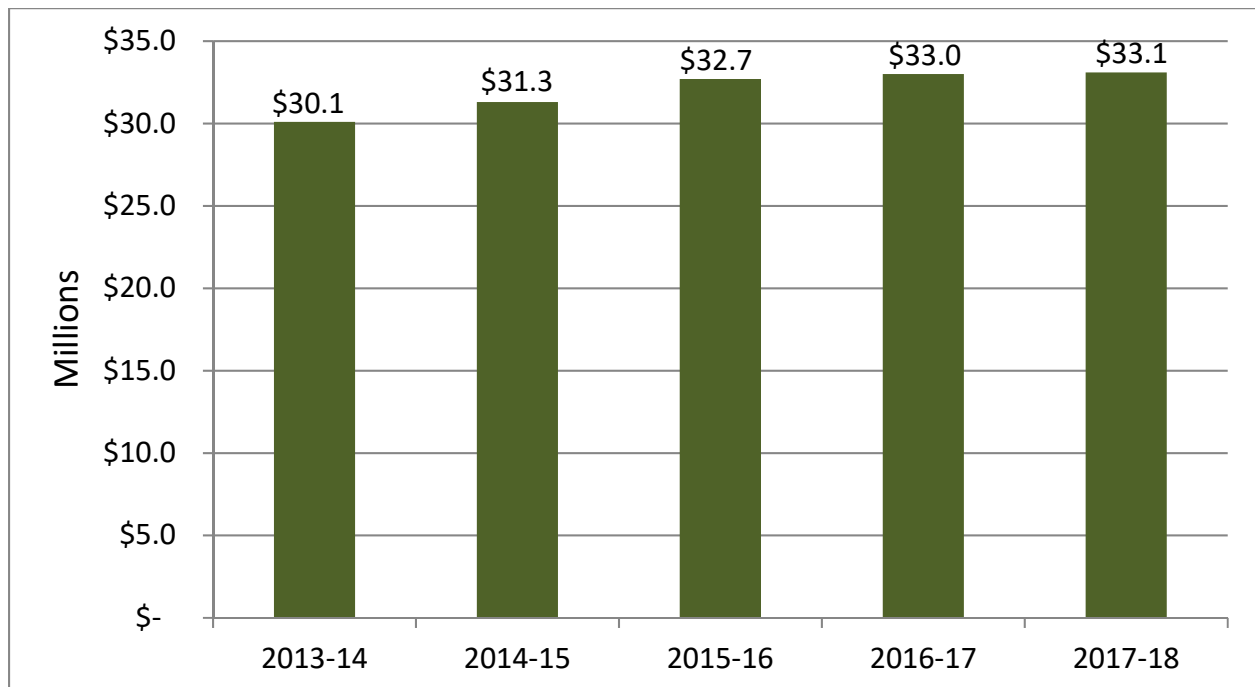
- Revenue highlights
  - Property tax percent collected through September for current taxes is 98.8% as compared to 98.8% in prior year
  - Property tax revenue up \$3.8 million due to increased taxable values
  - Sales tax revenues were very comparable to prior year; \$101,495 higher

- Licenses and Permits under amended budget \$246,239 mainly in building permits; a few more large projects in FY2017 as compared to FY2018; actual number of building permits higher in FY2018
- Investment income over amended budget \$125,876 and \$202,533 more than prior year

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



**SALES TAX COLLECTIONS: FIVE-YEAR COMPARISON**



➤ Expenditure highlights

- Overall expenses equal to amended budget at 99.96%
- Most areas at 100% (some slightly over; some below)

- General Government over amended budget \$162,675 (maintenance and repair of municipal buildings; salary work order credits)
- Fire Services over amended budget \$220,853 (personal services; more fully staffed than projected at amended budget)
- Police Services over amended budget \$292,819 (personal services; more fully staffed than projected at amended budget)
- Public Works under amended budget \$402,063 (staffing changes; offsite landfill charges; temporary labor charges; offset by savings on electricity and increase in work order credits)
- Parks and Recreation over amended budget \$234,713 (water charges; vehicle parts; recreation personal services)
- Neighborhood Services under amended budget \$189,201 (Environmental Code contractual services; work order credits)
- Insurance (non-departmental) under amended budget \$587,291 (employee group insurance)
- Reserve Appropriation over amended budget \$325,272 (380 Agreement payments; legal fees)

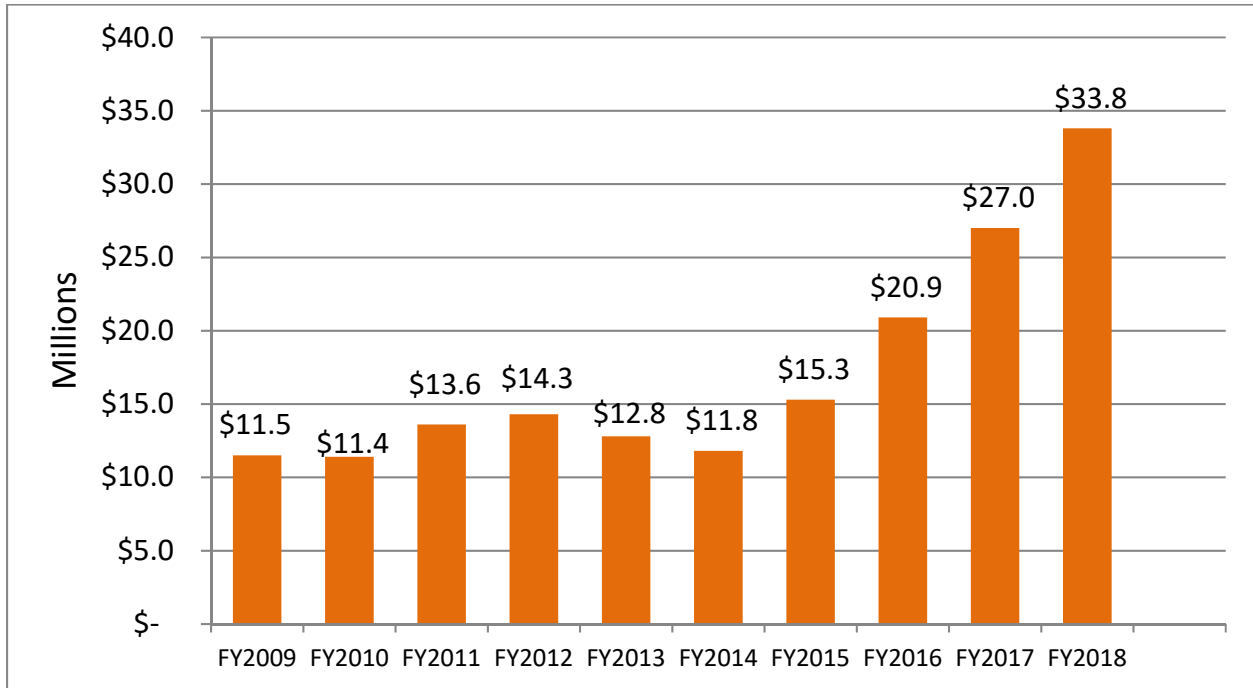
#### **(4B) MESQUITE QUALITY OF LIFE CORPORATION FUND**

- Fund Balance at year-end of \$912,525
- Decrease over prior year of \$5,174,244
- Main projects included
  - Transportation = traffic management system; Military Parkway Trail; traffic signal video detection system; Town East Blvd; Thomasson Square; Scyene Road
  - Parks and Recreation = operations, highway corridor maintenance, Rorie Galloway Day Camp Pavilion, Shannon Road land acquisition; Westlake tennis courts; Vanston Pool plaster project
  - Airport = runway rehab

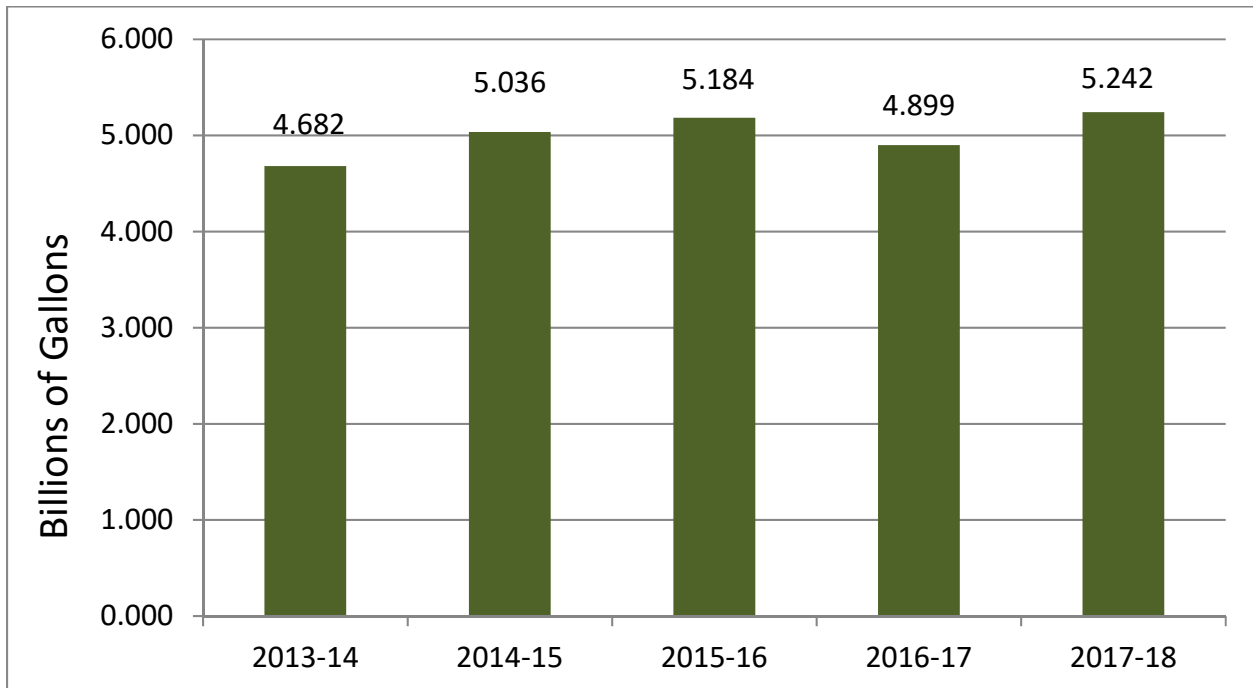
#### **WATER SEWER OPERATING FUND**

- Working capital at year-end of \$33,762,762
- Increase over prior year of \$6,713,537
- Net income of \$7,032,597
- Days of working capital at year end 180 days (based on total revenues)
- Revenue bond coverage ratio (requirement is 1.5)
  - Average Annual Debt = 2.08 (bond covenants)
  - All in Debt = 1.20 (rating agencies)
- Overall consumption 7.0% more than prior year
- Water sales over amended budget \$742,562; \$2,649,719 more than prior year
- Sale of Bulk Water over amended budget \$1,037,885; \$810,490 more than prior year due to increased development
- Sewer service charges lower than amended budget \$356,419; \$505,717 more than prior year
- Overall expenditures under budget \$892,806
- Finance Collections under budget \$192,593 (salaries; professional services/audit costs; credit card fees; other)
- Water Production under budget \$387,035 (year-end credit from NTMWD; savings in electricity)
- Wastewater Treatment under budget \$100,516 (year-end credit from NTMWD)
- Capital purchases under budget \$106,522 (actual purchases will vary from year-to-year)
- Reserves over budget \$156,739 (legal fees for rate case)
- 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

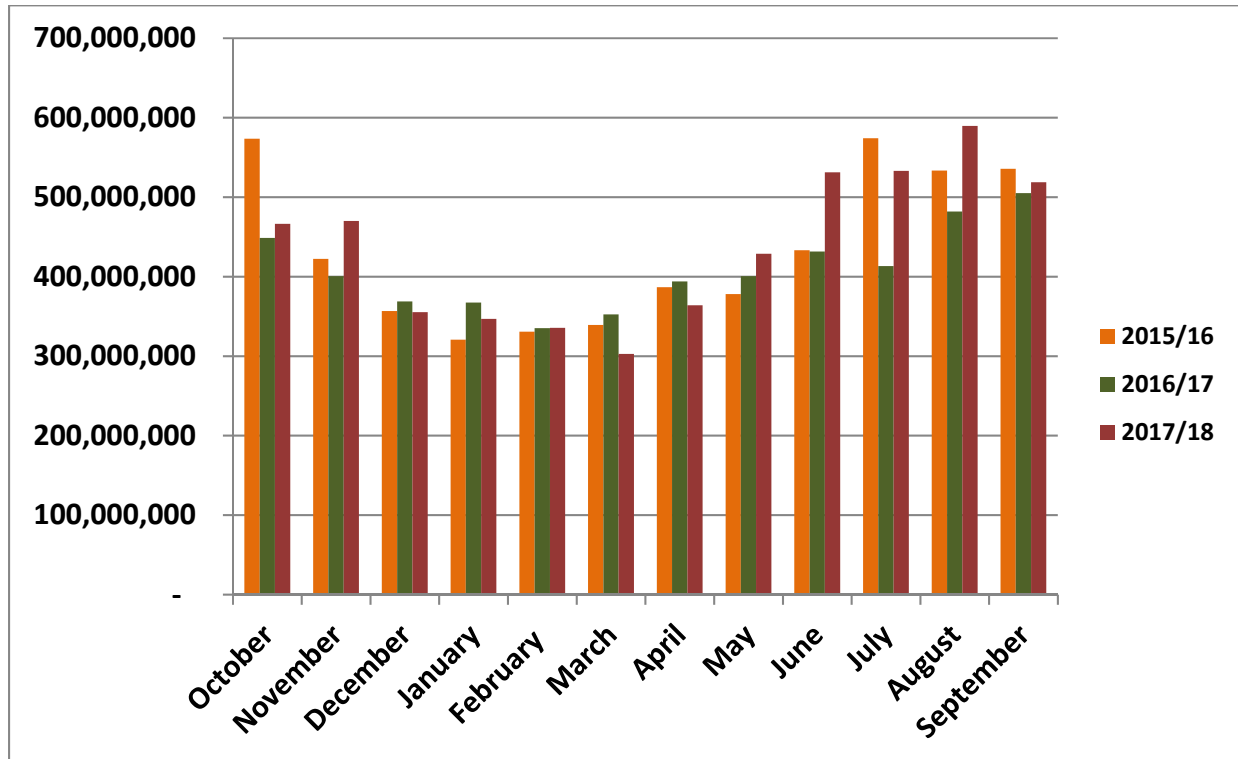
### WATER SEWER FUND WORKING CAPITAL BALANCE: FIVE-YEAR COMPARISON



### ANNUAL WATER CONSUMPTION: FIVE-YEAR COMPARISON



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



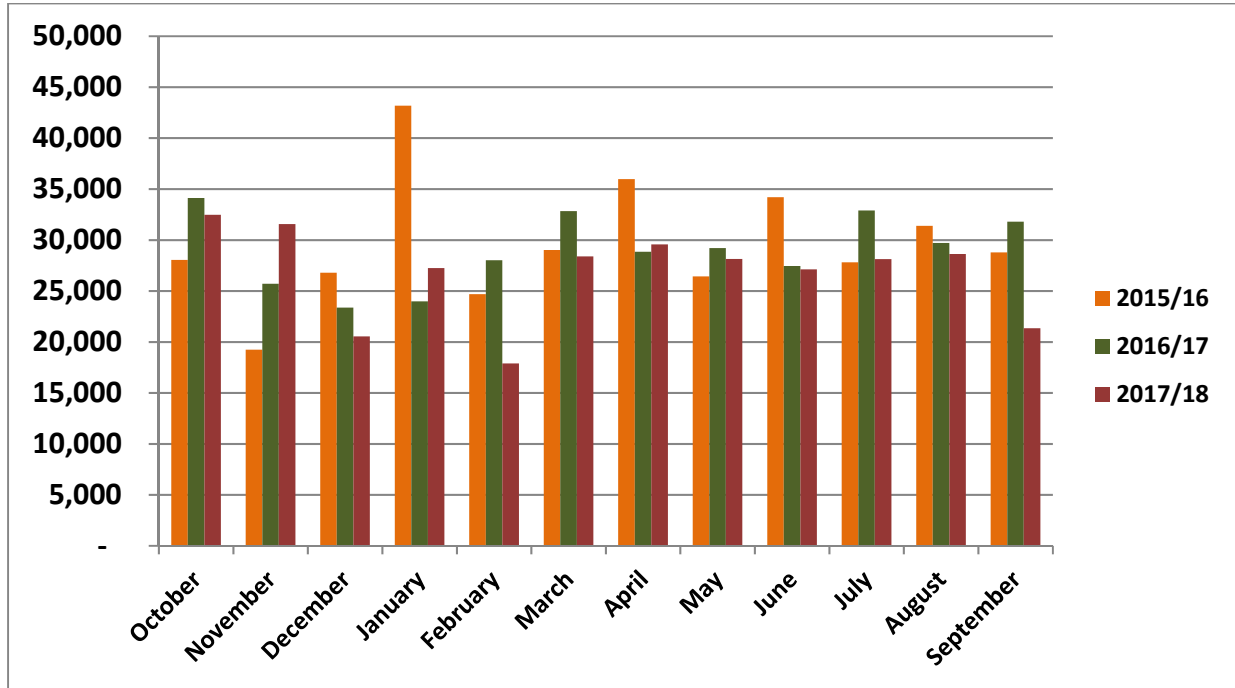
### **DRAINAGE UTILITY DISTRICT FUND**

- Working capital at year end \$771,204
- Decrease over prior year of \$200,752
- Days of Working Capital of 69 days
- Net Loss of \$14,989 (budgeted loss of \$174,870)
- Revenues more than amended budget \$231,489; commercial drainage charges
- Expenditures slightly over budget \$71,642 (101.8%)
- Transferred \$2,500,000 to drainage projects as planned

### **MUNICIPAL AIRPORT FUND**

- Working capital at year-end of \$109,078
- Increase over last year of \$169,294
- Net income \$164,064
- Hangar rentals higher than prior year \$54,350
- Fuel sales \$\$ higher than prior year \$107,442
- Fuel gallons sold 7.7% lower than prior year
- Fuel cost higher than prior year in relation to fuel sales
- Fuel profit margin 30% for the year
- Overall expenditures less than budget \$175,648

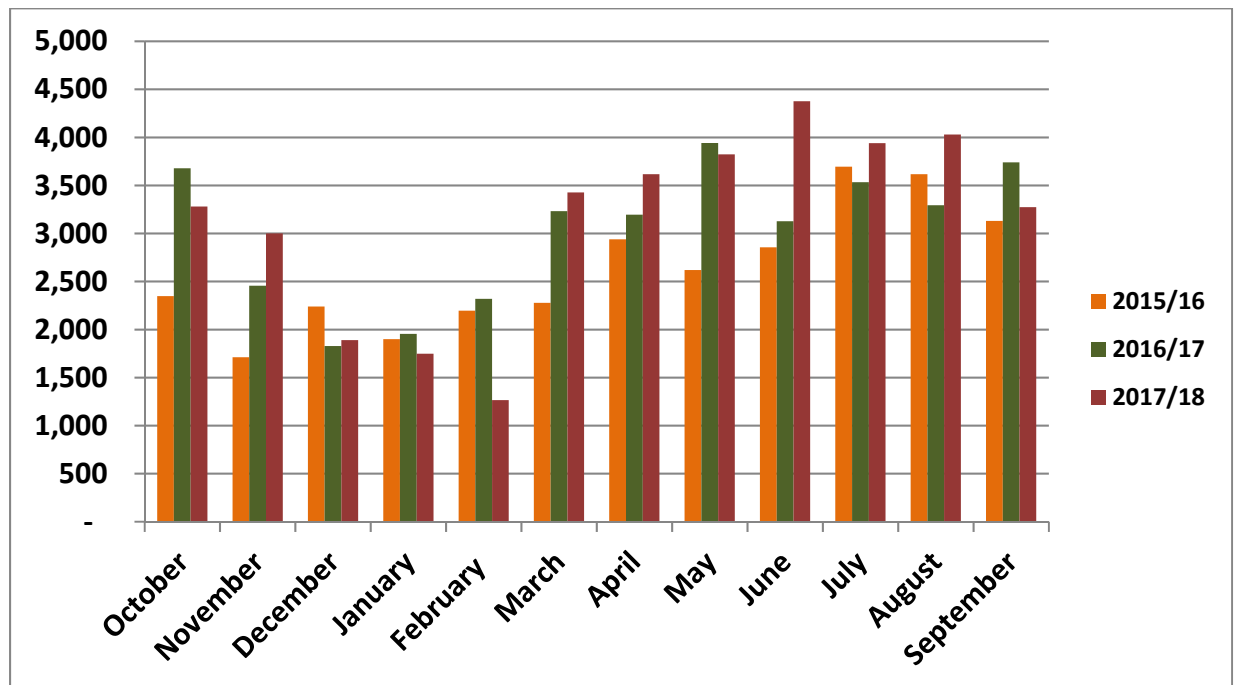
### MONTHLY GALLONS OF FUEL SOLD: THREE-YEAR COMPARISON



### MUNICIPAL GOLF COURSE

- Working capital at year-end of \$184,349
- Increase over last year of \$1,039
- Net loss \$26,048 (prior year net loss \$66,004)
- Overall revenues up 5% compared to prior year
- Year-to-date rounds of golf up 3.78%
- Overall expenditures 1.1% less than prior year

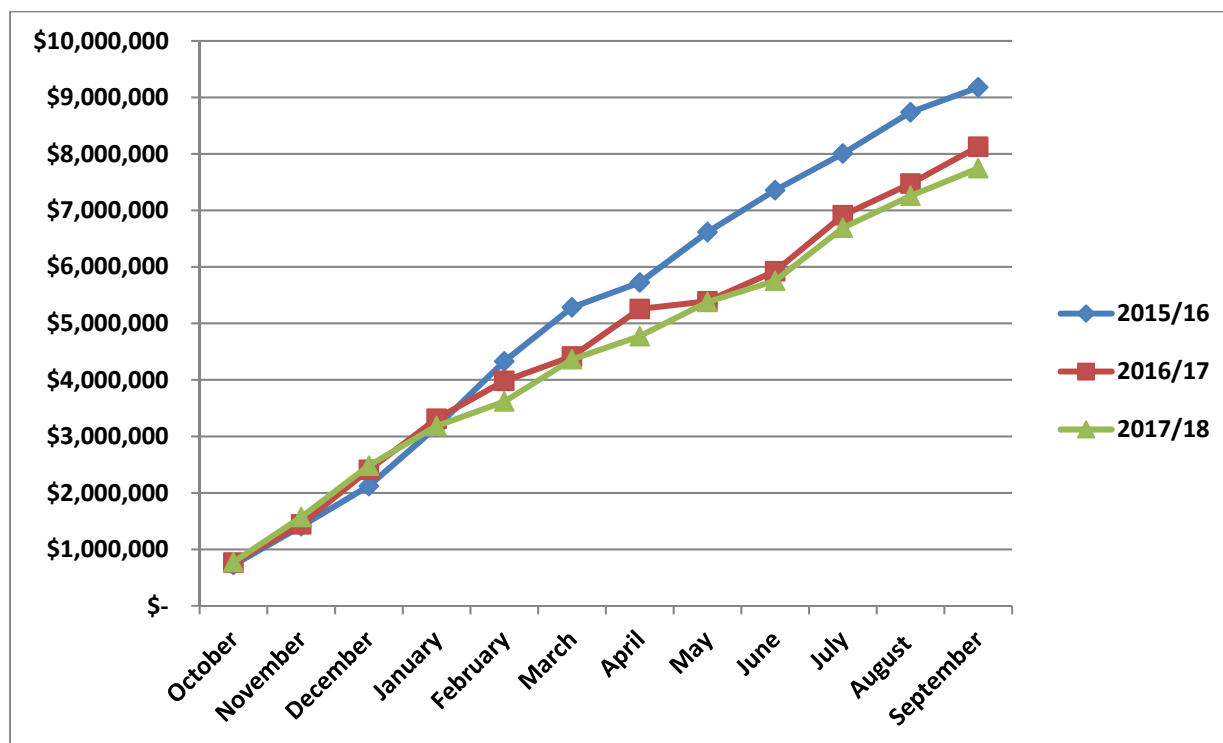
### MONTHLY ROUNDS OF GOLF: THREE-YEAR COMPARISON



## GROUP MEDICAL INSURANCE FUND

- Fund balance at end of year (\$4,770,262)
- Revenues exceeded expenditures \$380,167; decreasing negative fund balance
- Employer Contribution for Medical Insurance lower than amended budget
- Employee contributions less than budget based on more employees selecting HSA plan
- Copay Health Clinic less than budget due to less clinic activity
- Overall expenditures \$1,628,474 under amended budget
- Claims \$654,450 under amended budget; \$622,520 less than prior year
- Pharmaceutical \$543,050 under amended budget; \$138,038 less than prior year
- HSA Contributions \$235,175 under amended budget due to change in timing of deposits to participants accounts

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



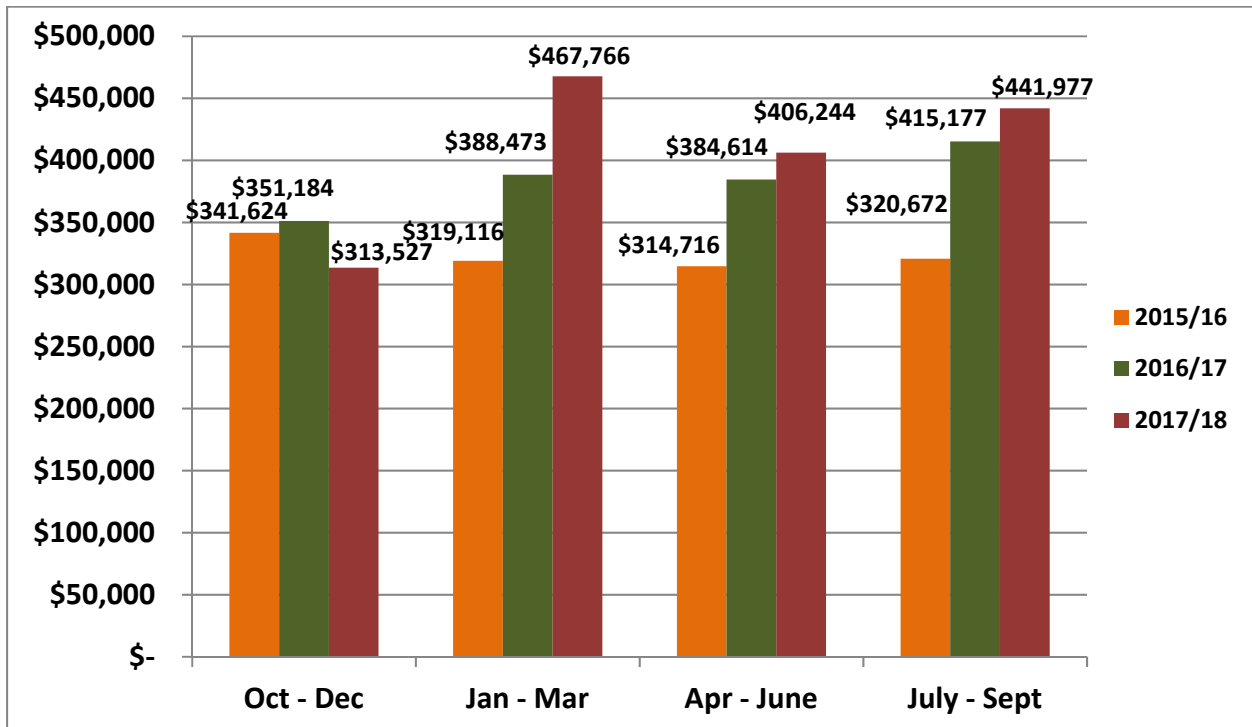
## GENERAL LIABILITY FUND

- Fund balance at year end (\$478,560)
- Revenues exceeded expenditures \$523,368; decreasing negative fund balance
- Total revenues slightly more than budget \$87,487
- Overall expenses 4.8% less than prior year; \$177,551
- Self-Insurance Premiums \$92,943 more than prior year
- Workers compensation + General liability + Reserve Adjustment \$212,076 less than prior year
- Other expense of \$67,837 is for police cars replaced due to accidents

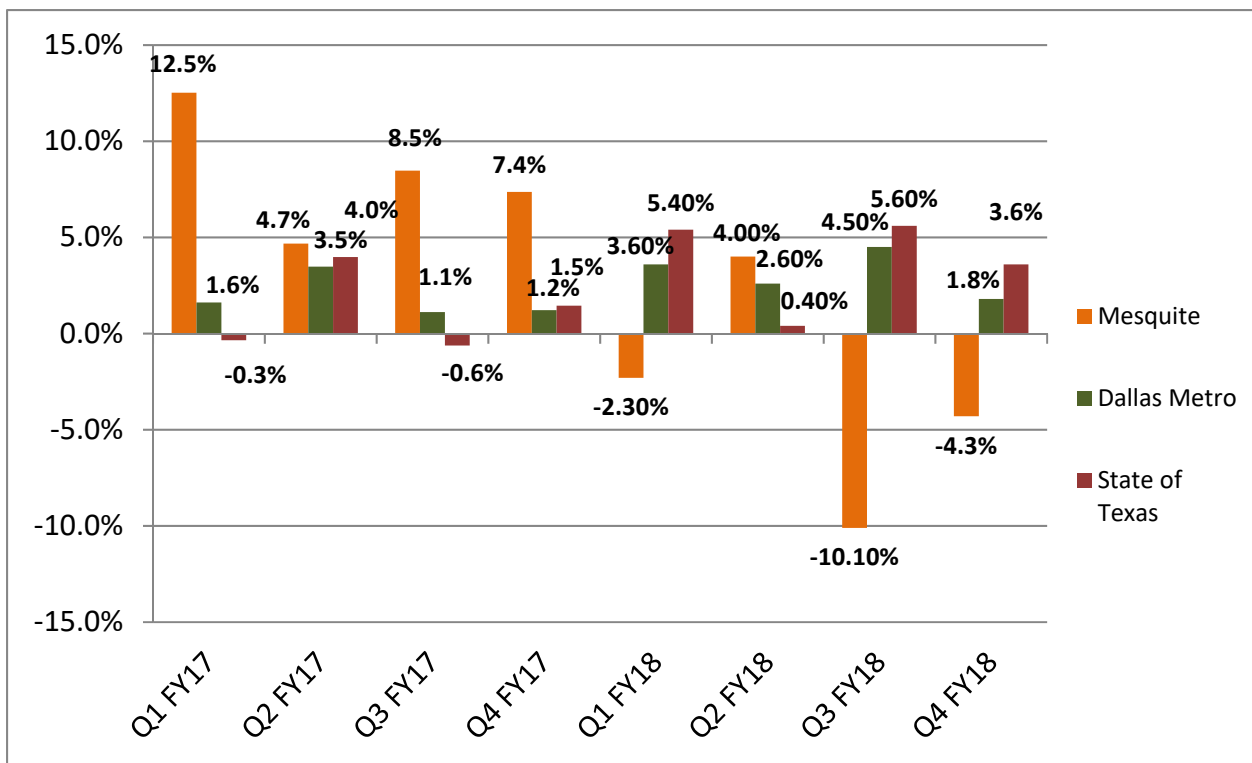
## HOTEL OCCUPANCY TAX FUND

- Fund balance at year-end of \$1,753,344
- Increase over last year of \$515,236
- Revenues \$108,320 more than prior year; 7.0%
- Expenses under budget \$255,839
- Money is available in fund balance for future year spending

**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)**

