

CITY OF MESQUITE

Financial Statement Overview

Year-to-Date through June 30, 2019

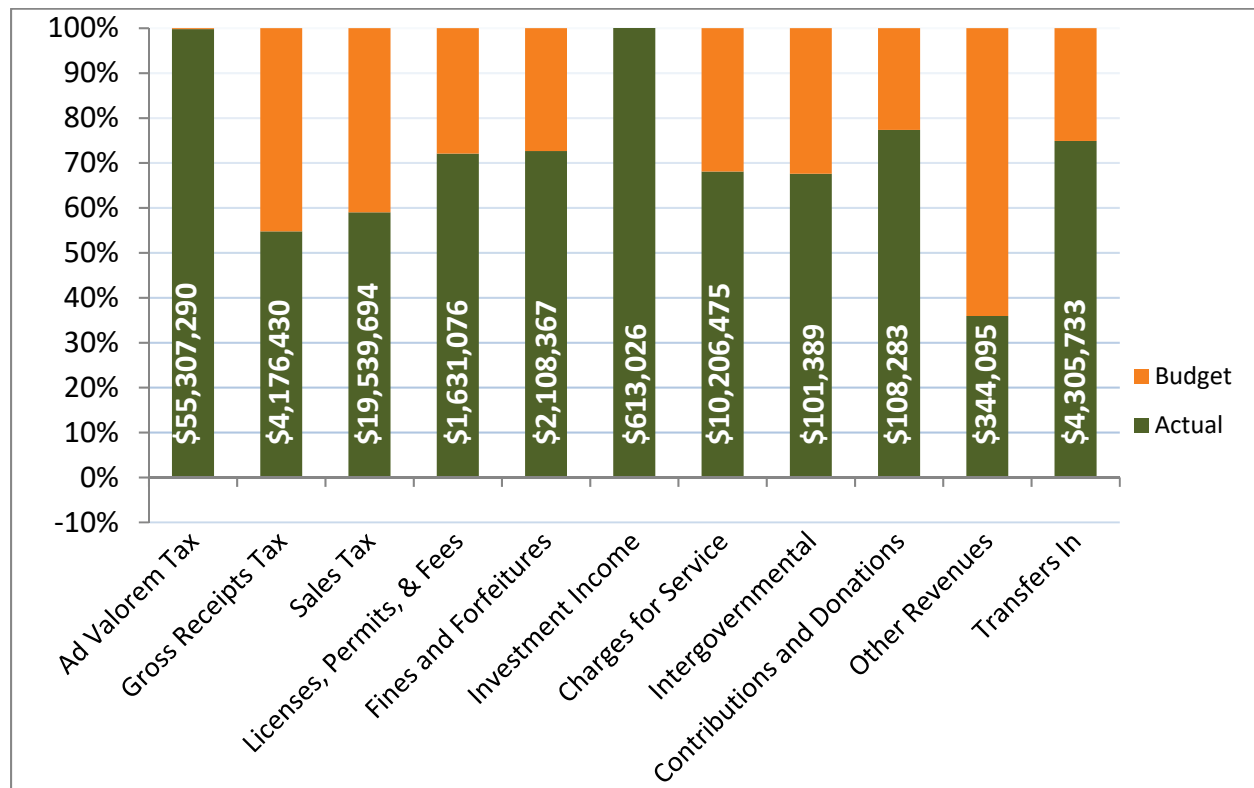


Highlights from each of the funds reported in the Year-to-Date Financial Statements are as follows.

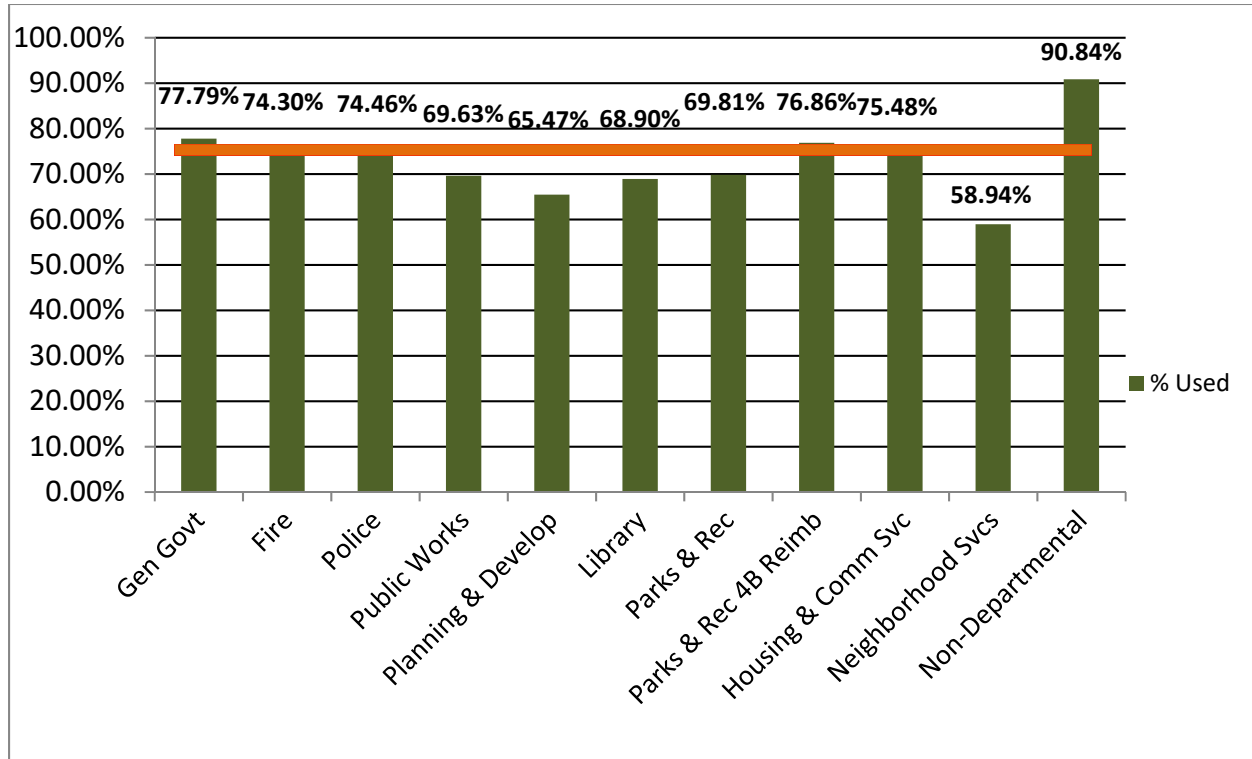
GENERAL FUND

- Cash balance up \$1.5 million compared to prior year
- FY2018 Revenues over expenditures \$0.6 million is part of increase in cash balance
- Variance analysis
 - Normal fluctuations in current assets and current liabilities
 - Revenues \$9.5 million more than prior year (+)
 - Expenditures \$8.3 million more than prior year (-)
- Revenue highlights
 - Property tax percent collected through March for current taxes is 97.5% as compared to 98.1% in prior year
 - Sales tax revenues are slightly higher compared to prior year; \$429,000
 - Charges for services higher than prior year due to increase in residential solid waste fee, ambulance fees, and Public Works inspection fees
 - All other revenues are comparable to prior year through March

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%
 - General Government is slightly over 75% due to changes in where certain employees are being recorded due to new cost allocation plan; changes are reflected in the July amended budget
 - Planning and Development had vacant positions throughout the fiscal year; last position was filled in June
 - Neighborhood Services below due to timing of abatement activity which is later in spring, summer and fall; one vacant position in first part of fiscal year
 - 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; 380 Agreement incentive payments are ahead of budget and have been adjusted in the July amended budget

(4B) MESQUITE QUALITY OF LIFE CORPORATION FUND

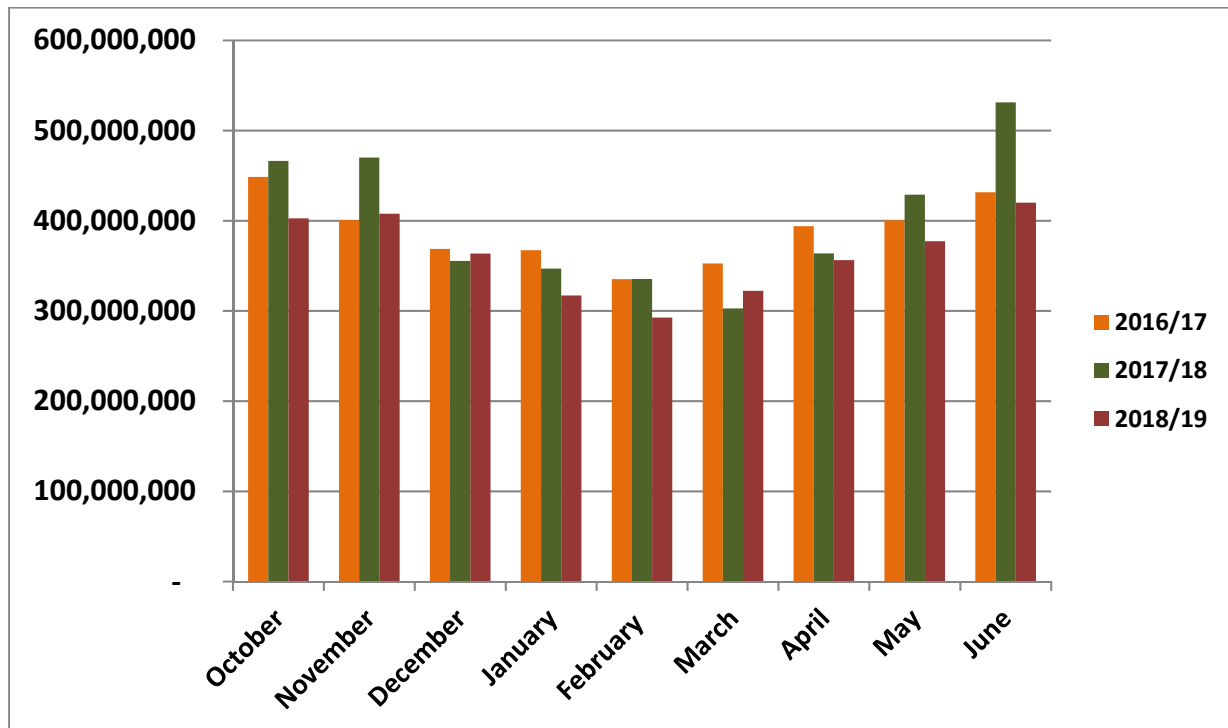
- Cash balance up \$0.5 million compared to prior year; project spending takes place over multiple fiscal years
- Intergovernmental revenue has a negative balance due to timing of drawdown requests
- Other revenue is reimbursement from Dallas County for their share of Scyene Road project; \$2,382,197
- Main projects included
 - Transportation –Military Parkway Trail, debt service on Town East Blvd street project, Thomasson Square, Scyene Road
 - Parks and Rec – park operations, highway corridor maintenance, Westlake Tennis Center

WATER SEWER OPERATING FUND

- Working Capital increase of \$3.8 million mainly from fiscal year 2018 results
- Building for stronger Days of Working Capital and All in Coverage Calculation for rating agencies
- Revenues up \$1.2 million due to rate increase
- 9.5% decrease in consumption y-t-d due to rain activity

- Investment income up \$387,000
- Expenditures up \$4.2 million overall due to increases from NTMWD for purchased water (5%) and wastewater treatment charges (14%) and increase in scheduled debt service for FY2019

MONTHLY GALLONS OF WATER BILLED: THREE-YEAR COMPARISON



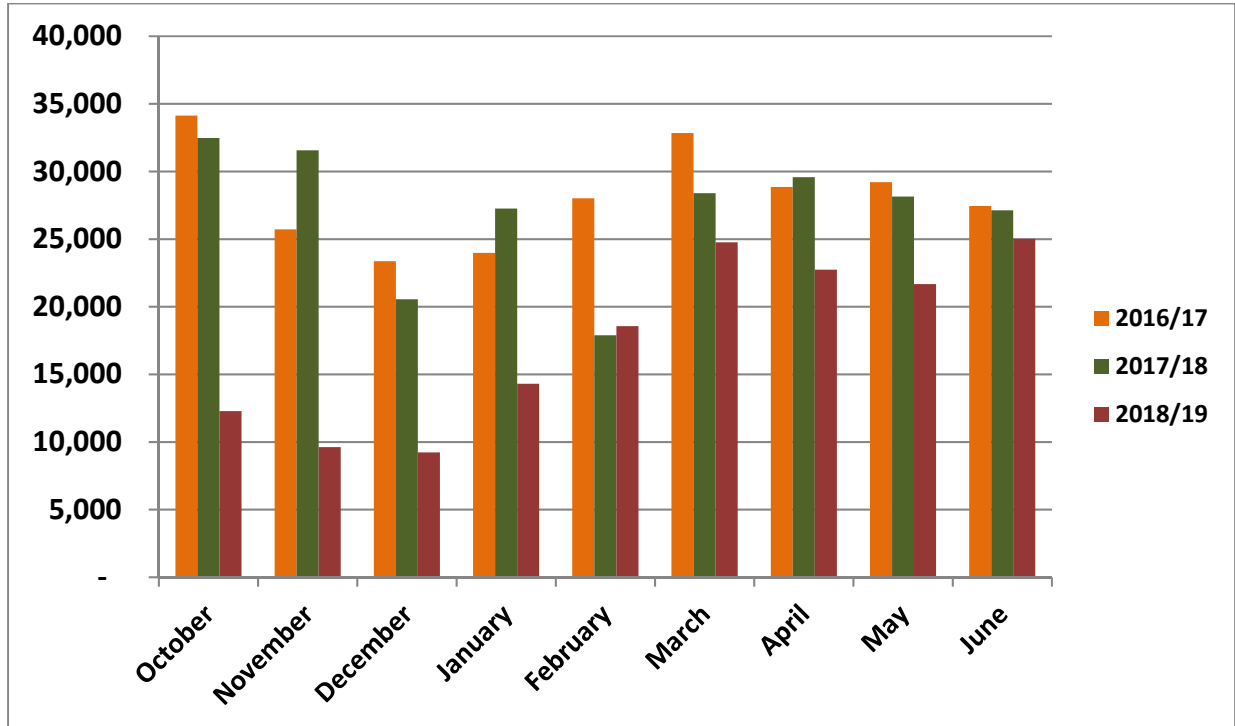
DRAINAGE UTILITY DISTRICT FUND

- Working Capital increase of \$356,066
- Revenue increase compared to prior year; \$86,719 (3.1%)
- Overall expenses less \$76,315
- \$2,500,000 planned for drainage improvement projects (Town East Blvd drainage, Palos Verde erosion control, South Mesquite Creek drainage, other smaller drainage projects)

MUNICIPAL AIRPORT FUND

- Airport runway rehab project took place during the 1st quarter
- Runway closed to larger planes during runway rehab project
- Net loss year-to-date of \$37,547
- Hangar rentals up \$39,904 (9.2%) compared to prior year; additional City owned hangars available
- Lease receipts up \$10,623 (147.3%) due to new lease agreements
- Fuel sales less than prior year \$225,180 due to runway rehab project closures
- Fuel cost down in relation to decrease in sales
- Maintained profit margin of > 30%
- Overall expenses down 7.5%

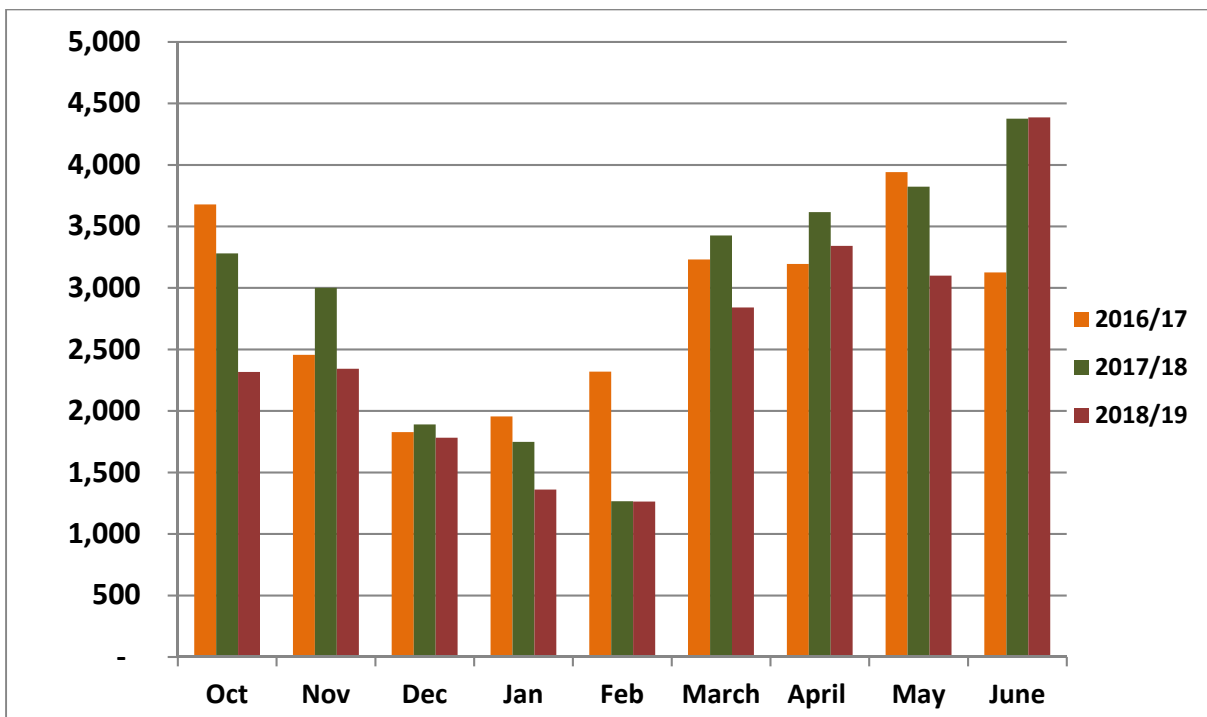
MONTHLY GALLONS OF FUEL SOLD: THREE-YEAR COMPARISON



MUNICIPAL GOLF COURSE

- Net loss year-to-date of \$39,684 (prior year net loss through 3rd quarter was \$21,855)
- Overall revenues down 10% compared to prior year
- Year-to-date rounds of golf down 14%
- 44 rain days through June; last year there were 26 rain days for the entire fiscal year
- Overall expenditures down 8% compared to prior year

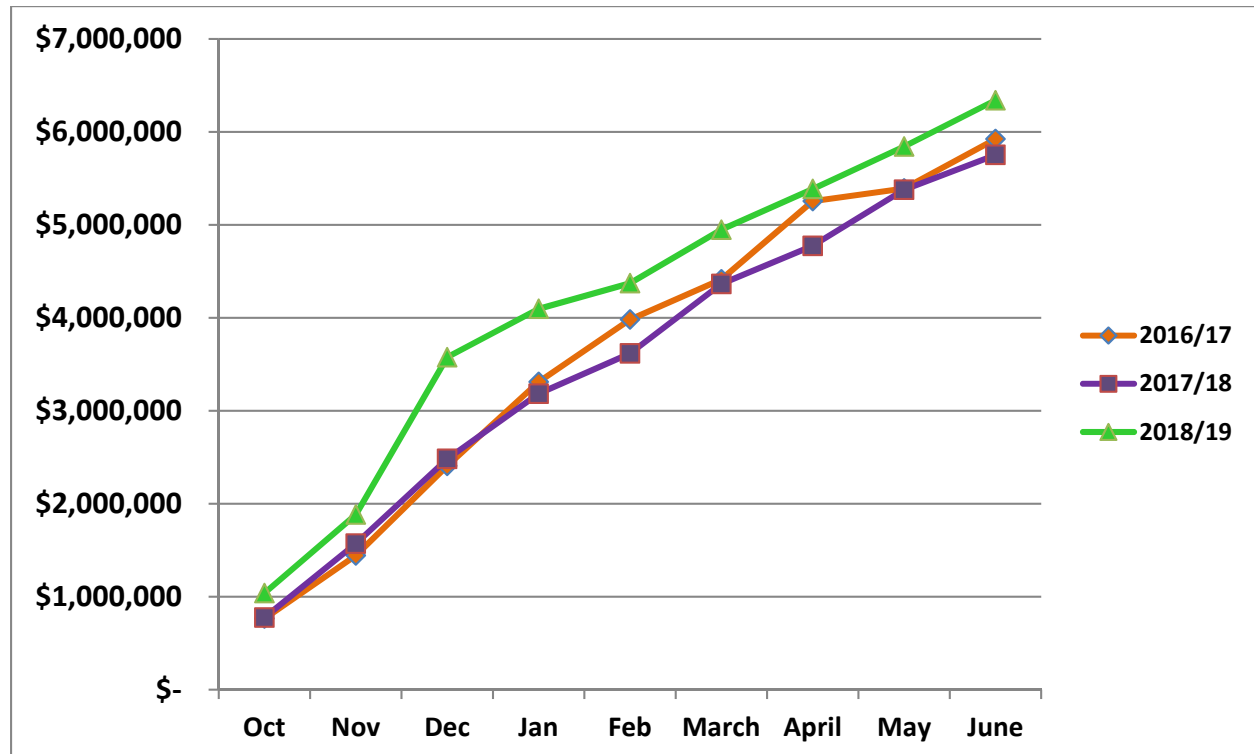
MONTHLY ROUNDS OF GOLF: THREE-YEAR COMPARISON



GROUP MEDICAL INSURANCE FUND

- City medical contributions increased \$590,742 as planned in FY19 budget
- Life/Dental/Vision contributions up in relation to expense
- Received \$766,871 in Stop Loss reimbursement due to large claims in the 1st quarter
- Net income y-t-d of \$670,758 (prior year net loss \$185,859 through June)
- Health claims \$587,682 more y-t-d than last year; offset by Stop Loss reimbursement
- Pharmaceutical costs slightly less than last year, \$128,634

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



GENERAL LIABILITY FUND

- Net loss year-to-date of \$110,714
- Revenues comparable to prior year
- Overall expenditures are 83.9% of budget through June (75%) due to claims activity

HOTEL OCCUPANCY TAX FUND

- Net income year-to-date of \$447,688
- Year-to-date revenues \$329,058 more than prior year
- Collection of delinquent hotel occupancy tax from one hotel in amount of \$339,631
- Expenditures on track with budget and revenues received
- Convention and Visitors Bureau expenses up due to increased advertising and promotional activity

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

