

CITY OF MESQUITE

Financial Statement Overview

Year-to-Date through September 30, 2019

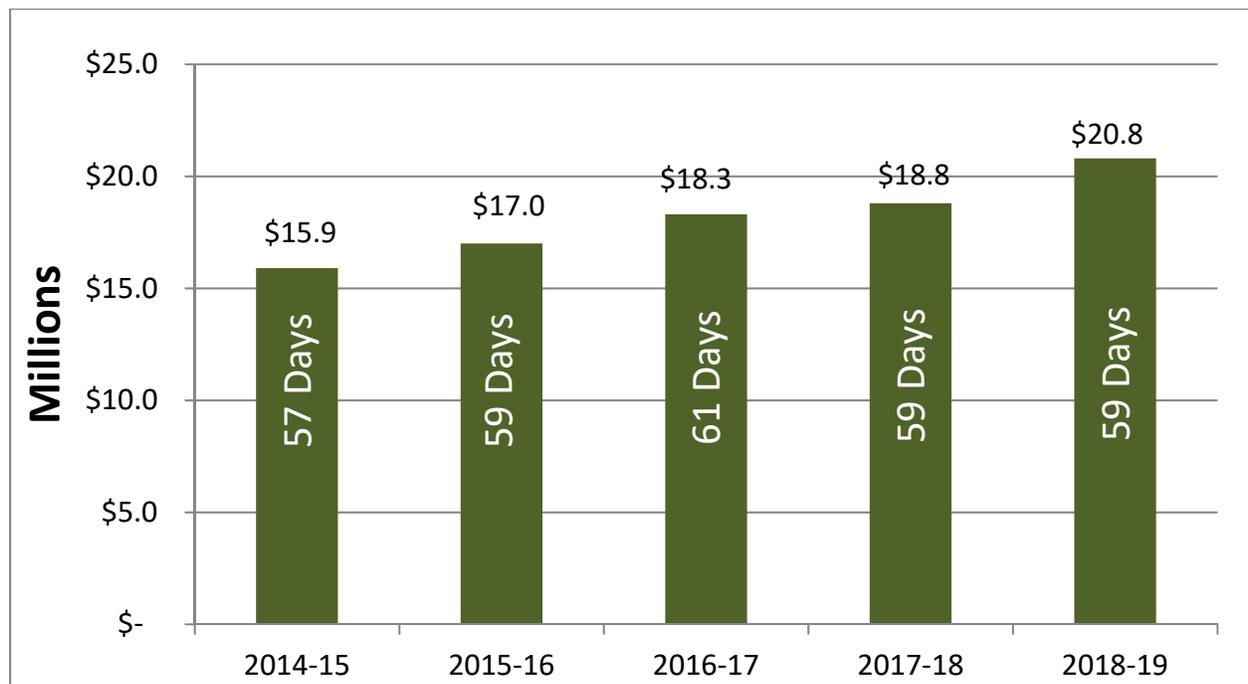


Highlights from each of the funds reported in the Year-to-Date Financial Statements through September 30, 2019 are as follows. Please keep in mind the financial statements are preliminary until the year-end audit is completed. The audit will take place in January and February 2020.

GENERAL FUND

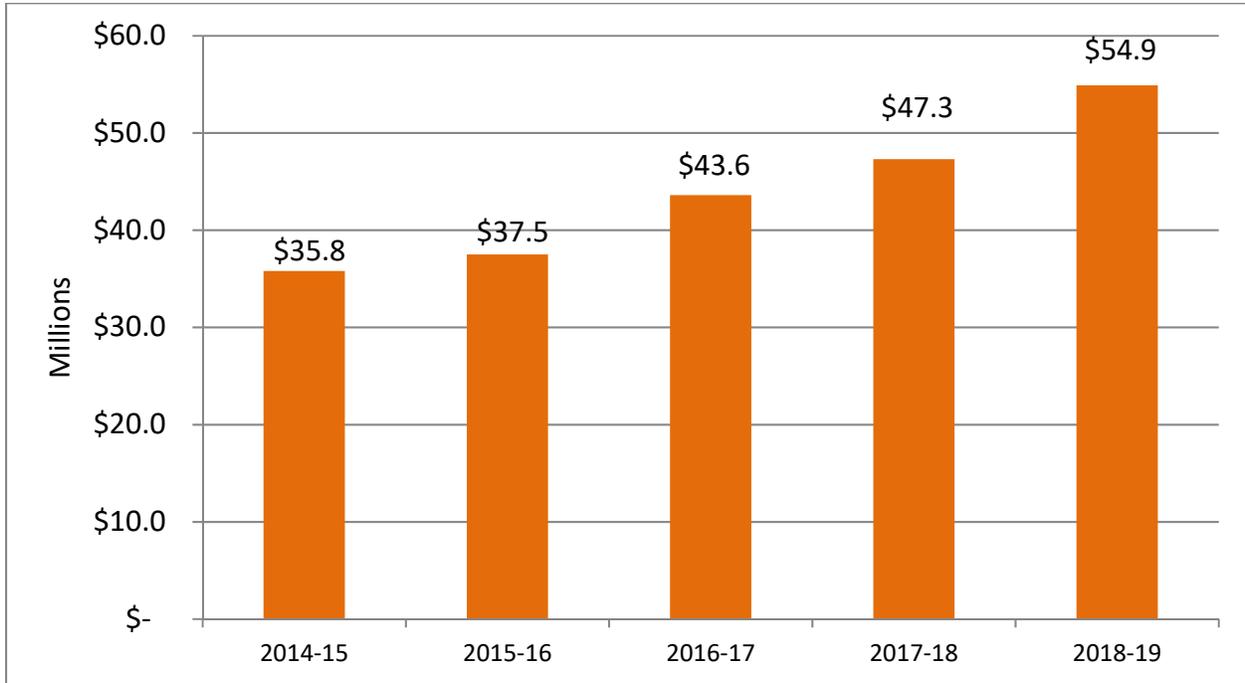
- Cash balance up \$1.8 million compared to prior year
- Variance analysis
 - FY2019 revenues over expenditures \$1.8 million (+)
 - Current assets increase over prior year \$1.5 million (-) due to increase in receivables
 - Current liabilities increase over prior year \$1.5 million (+) due to timing of invoice payments
- Unassigned Fund Balance at year-end \$20,808,486
 - Increase over prior year of \$1.9 million
 - Days of working capital of 59 days

GENERAL FUND UNASSIGNED FUND BALANCE: FIVE-YEAR COMPARISON

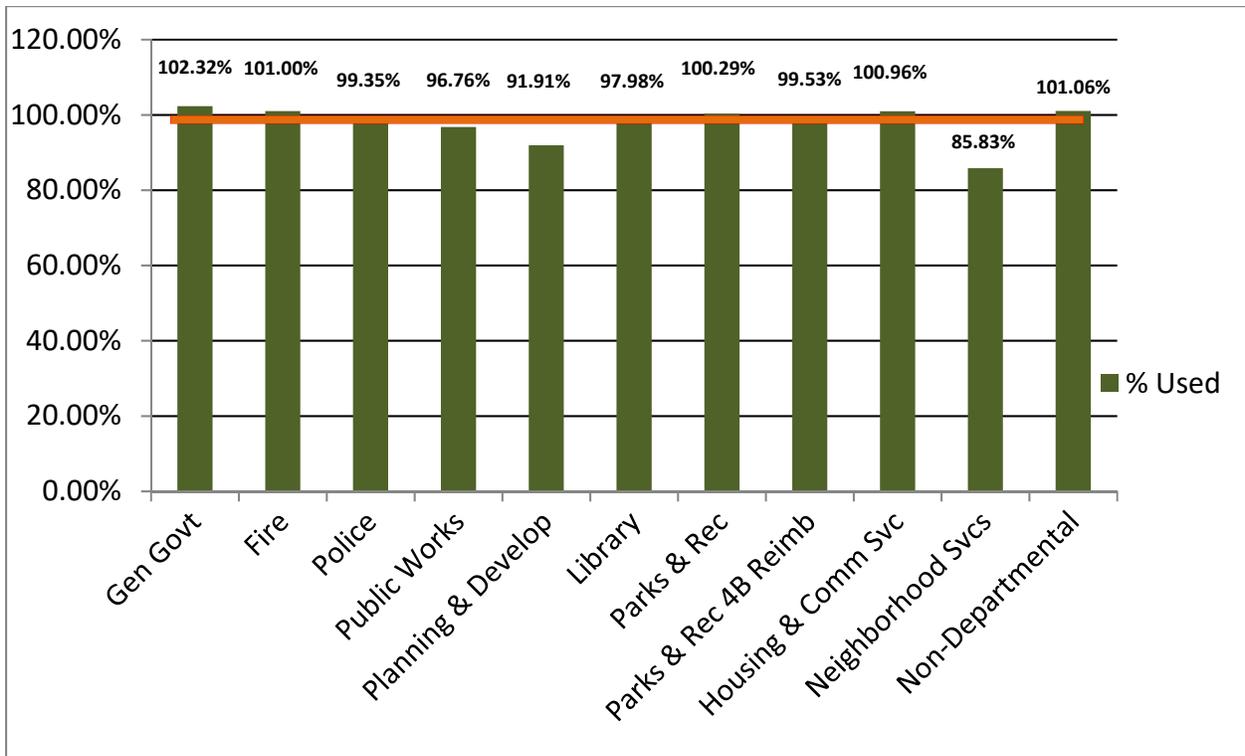


- Revenue highlights
 - Most revenues are at or above amended budget amounts
 - Property tax revenue up \$7.6 million due to increased taxable values, tax rate increase for Real.Texas.Roads bond program and new development
 - Sales tax revenues more than amended budget by \$411,000
 - Fines and forfeitures more than amended budget \$427,000 due to increase in traffic fines and City ordinance violations
 - Investment income more than amended budget \$77,500
 - Charges for services more than amended budget \$874,000 due to ambulance fee increase in January and more Public Works inspection fees due to increased development

CURRENT YEAR PROPERTY TAX REVENUE: FIVE-YEAR COMPARISON



GENERAL FUND EXPENDITURES PERCENTAGE OF BUDGET USED



➤ Expenditure highlights

- Overall expenses equal to amended budget at 99.78%
- Most areas at 100% (some slightly over; some below)
- General Government slightly over amended budget at 102.3% (maintenance and repair of municipal buildings)

- Planning and Development had vacant positions that created savings; one not filled until June 2019
- Neighborhood Services had one vacant position for first part of the year

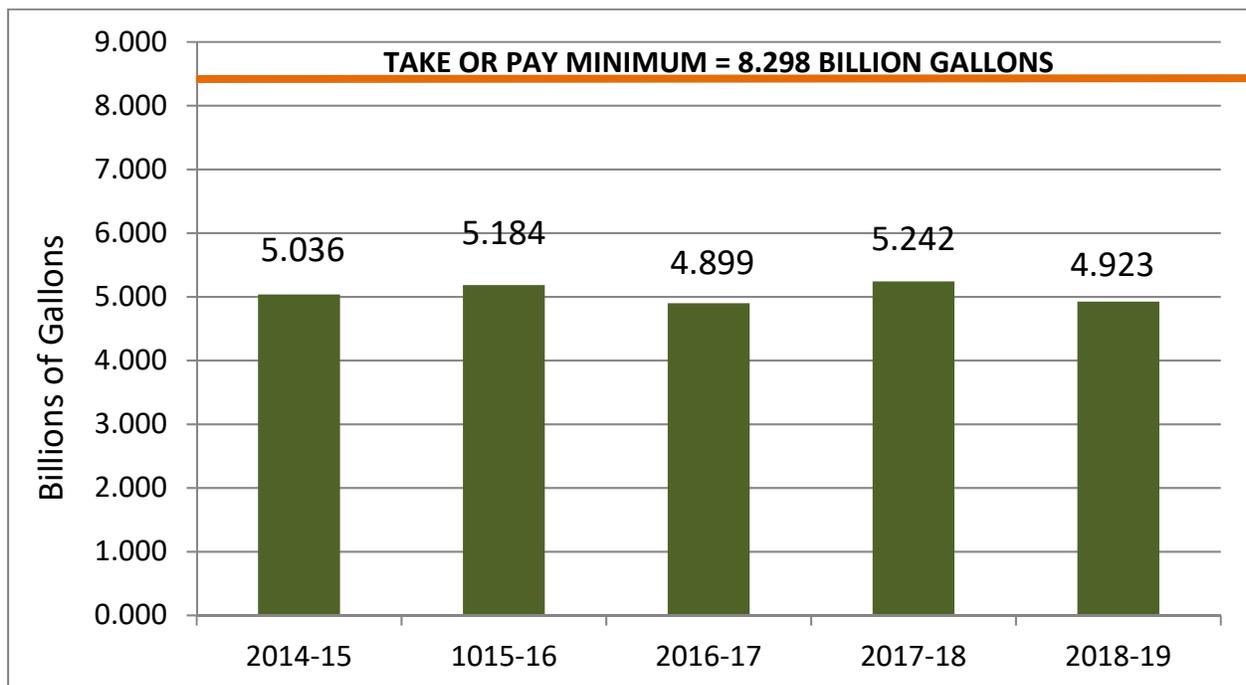
(4B) MESQUITE QUALITY OF LIFE CORPORATION FUND

- Fund Balance at year-end of \$5,498,271
- Increase over prior year of \$2,992,501
- Main projects included
 - Transportation = traffic management system; Military Parkway Trail; Town East Blvd; Thomasson Square; Scyene Road
 - Parks and Recreation = operations, highway corridor maintenance, Westlake Sports Center; Kid’s Quest, Hanby Park improvements

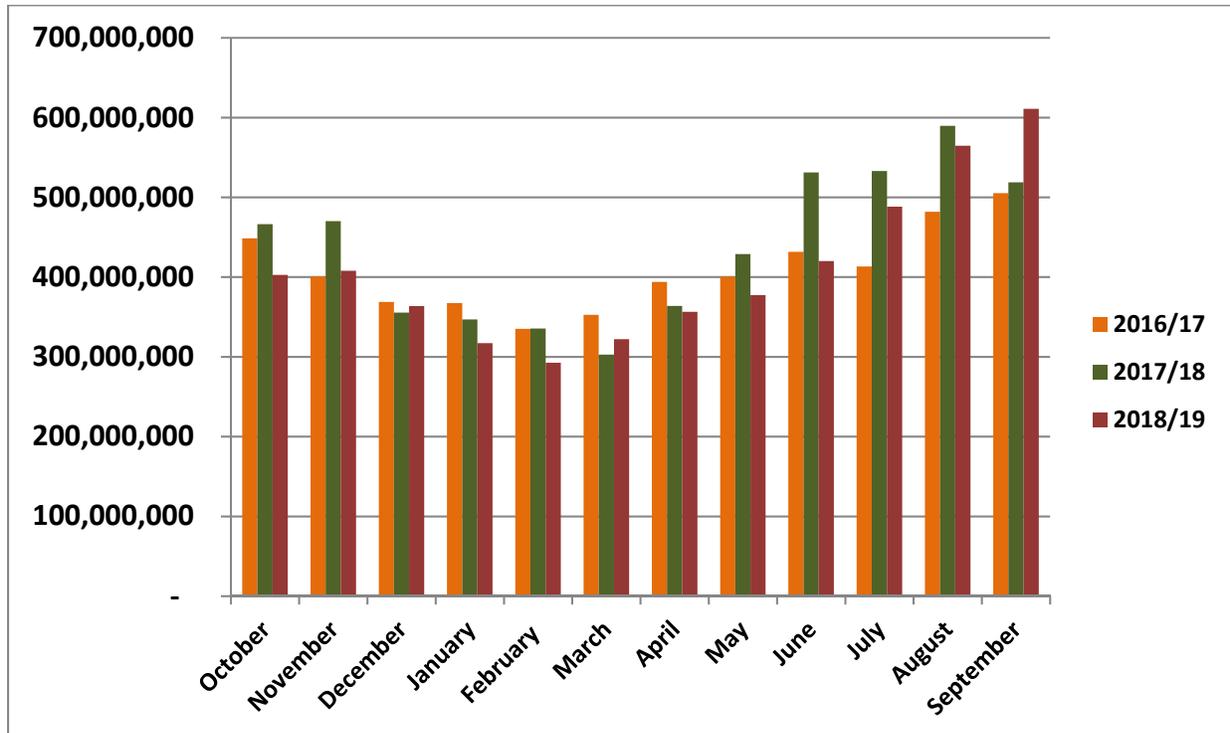
WATER SEWER OPERATING FUND

- Working capital at year-end of \$40,197,747
- Increase over prior year of \$6,873,324
- Net income of \$6,511,272
- Days of working capital at year-end 206 days (based on total revenues)
- Revenue bond coverage ratio (requirement is 1.5)
 - Average Annual Debt = 2.00 (bond covenants)
 - All in Debt = 1.18 (rating agencies)
- Revenues up due to rate increase; offset by 6.1% decrease in consumption
- Overall expenditures under budget \$713,612
- Expenses increased over prior year due to increased water production cost and wastewater treatment cost from NTMWD

ANNUAL WATER CONSUMPTION: FIVE-YEAR COMPARISON



MONTHLY GALLONS OF WATER BILLED: THREE-YEAR COMPARISON



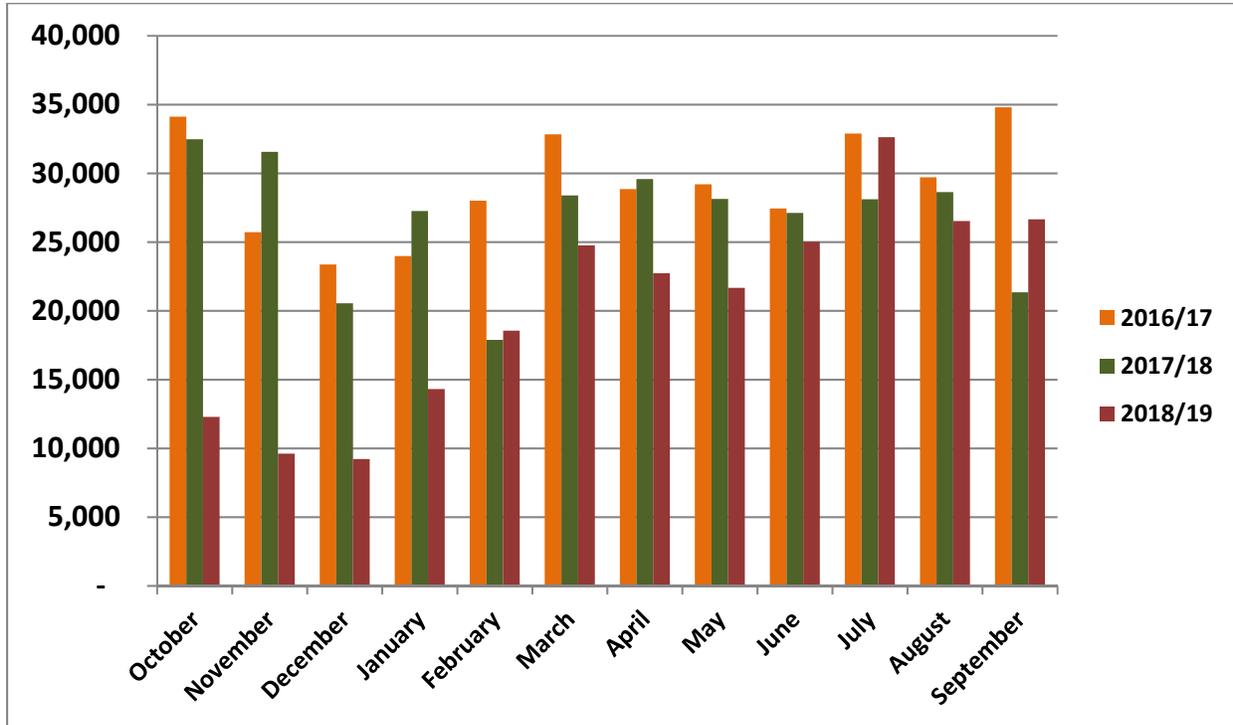
DRAINAGE UTILITY DISTRICT FUND

- Working capital at year-end \$1,338,019
- Increase over prior year of \$390,032
- Days of Working Capital of 118 days
- Net Income of \$395,816
- Revenues more than prior year \$107,938
- Expenditures less than prior year \$343,084
- Transferred \$2,000,000 to drainage projects as planned

MUNICIPAL AIRPORT FUND

- Working capital at year-end of \$96,595
- Decrease over prior year of \$5,163
- Days of Working Capital of 21 days
- Net loss of \$12,145 due to runway rehab project in 1st quarter
- Hangar rentals higher than prior year \$45,863
- Fuel sales decreased due to runway rehab project in 1st quarter
- Fuel cost down in relation to decreased sales
- Fuel profit margin > 30% for the year

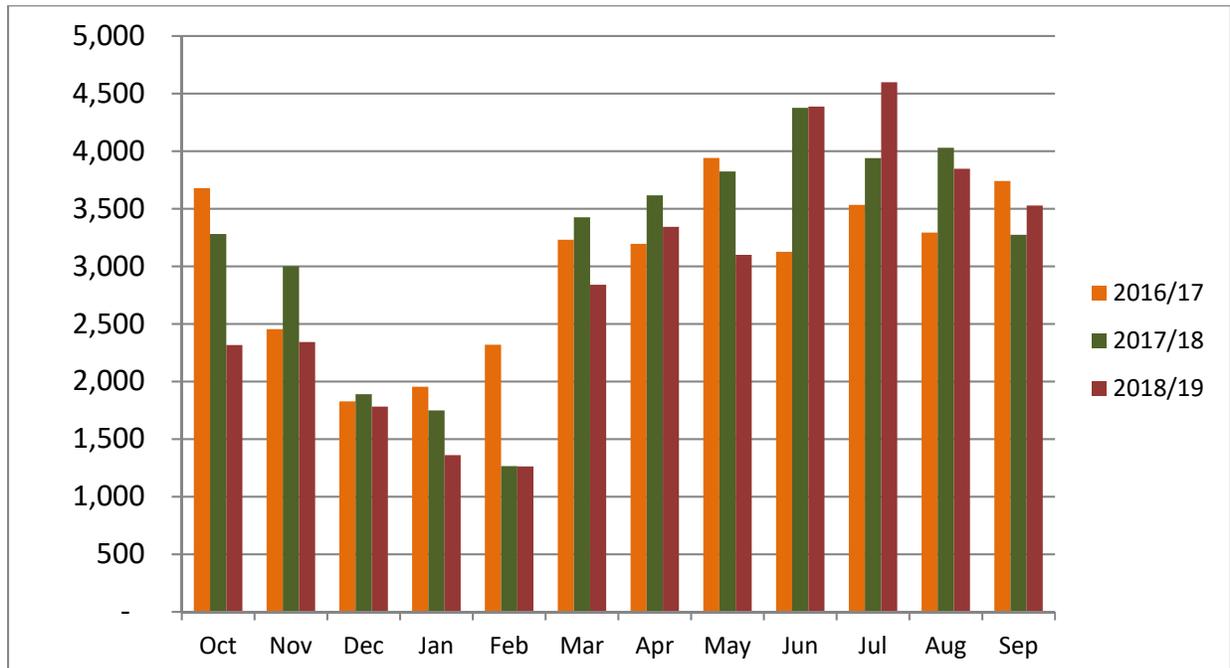
MONTHLY GALLONS OF FUEL SOLD: THREE-YEAR COMPARISON



MUNICIPAL GOLF COURSE

- Working capital at year-end of (\$72,545)
- Decrease over prior year of \$17,579
- Net loss of \$26,235 due to excessive rain days
- 46 rain days as compared to 26 rain days in previous year
- Overall revenues down 6% compared to prior year
- Year-to-date rounds of golf down 8%
- Overall expenditures 6% less than prior year

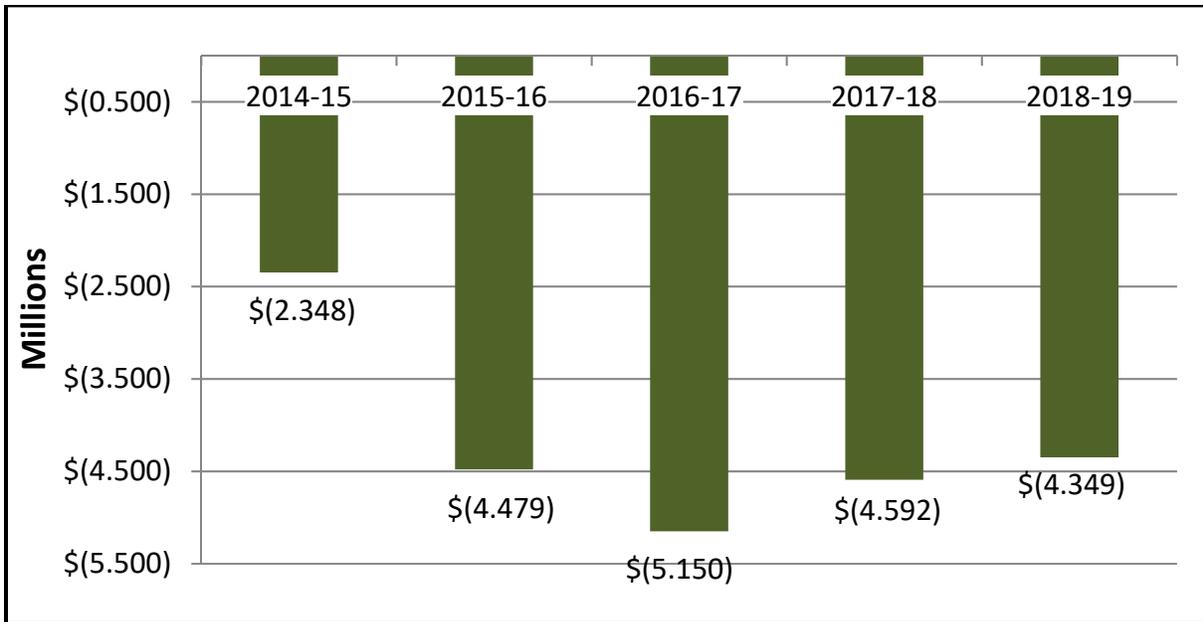
MONTHLY ROUNDS OF GOLF: THREE-YEAR COMPARISON



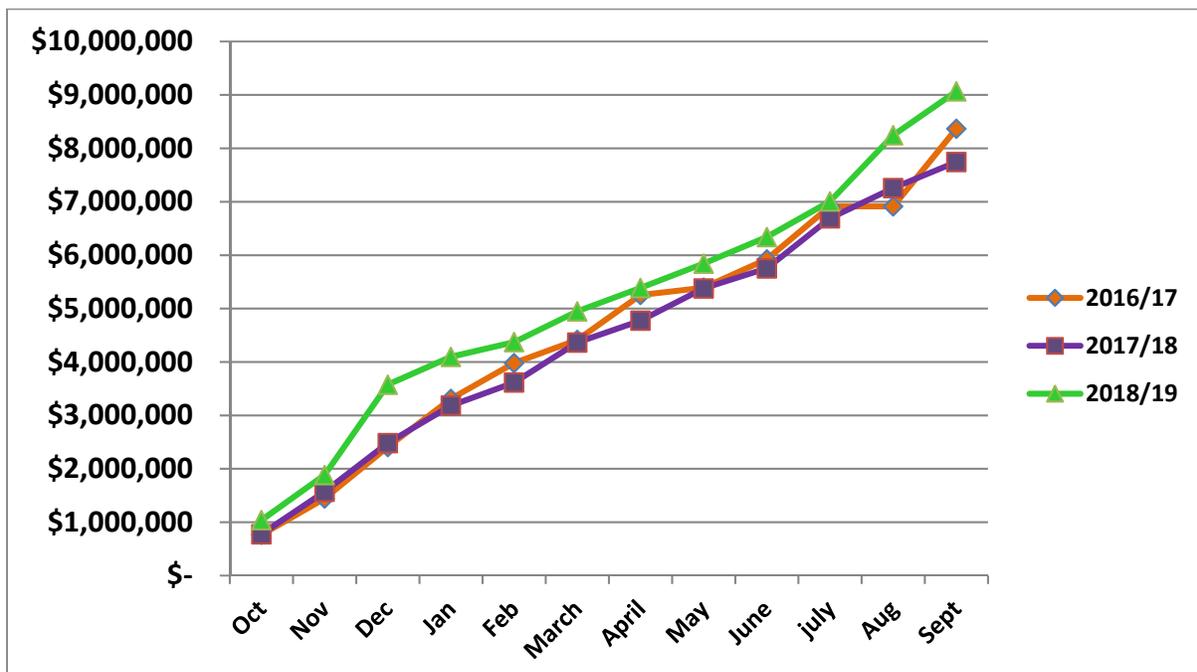
GROUP MEDICAL INSURANCE FUND

- Fund balance at end of year (\$4,348,914)
- Revenues exceeded expenditures \$242,808; decreasing negative fund balance
- Employer Contribution for Medical Insurance \$306,050 more than prior year, as planned
- Stop Loss reimbursements received of \$932,480 (six large claims)
- Health Claims \$1,517,142 more than prior year; offset by Stop Loss reimbursement
- Pharmaceutical \$226,038 less than prior year

GROUP MEDICAL INSURANCE FUND BALANCE FIVE YEAR HISTORY



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



GENERAL LIABILITY FUND

- Fund balance at year end (\$488,481)
- Revenues exceeded expenditures \$697; decreasing negative fund balance slightly
- Total revenues more than prior year \$548,025
- Additional transfer from General Fund of \$655,000
- Overall expenses more than amended budget \$336,925
- Workers' Compensation claims less than amended budget \$415,021
- General Liability claims more than amended budget \$352,625; increased auto liability claims
- Other expense of \$274,395 is related to repairs to damaged City property

HOTEL OCCUPANCY TAX FUND

- Fund balance at year-end of \$2,381,474
- Increase over last year of \$654,658
- Revenues \$406,745 more than prior year
- Collection of delinquent taxes \$429,256 from HOTA audit
- Expenses on track with amended budget and revenues received

QUARTERLY HOTEL OCCUPANCY TAX COLLECTED THREE-YEAR COMPARISON

