

CITY OF MESQUITE

Financial Statement Overview

Year-to-Date through September 30, 2017

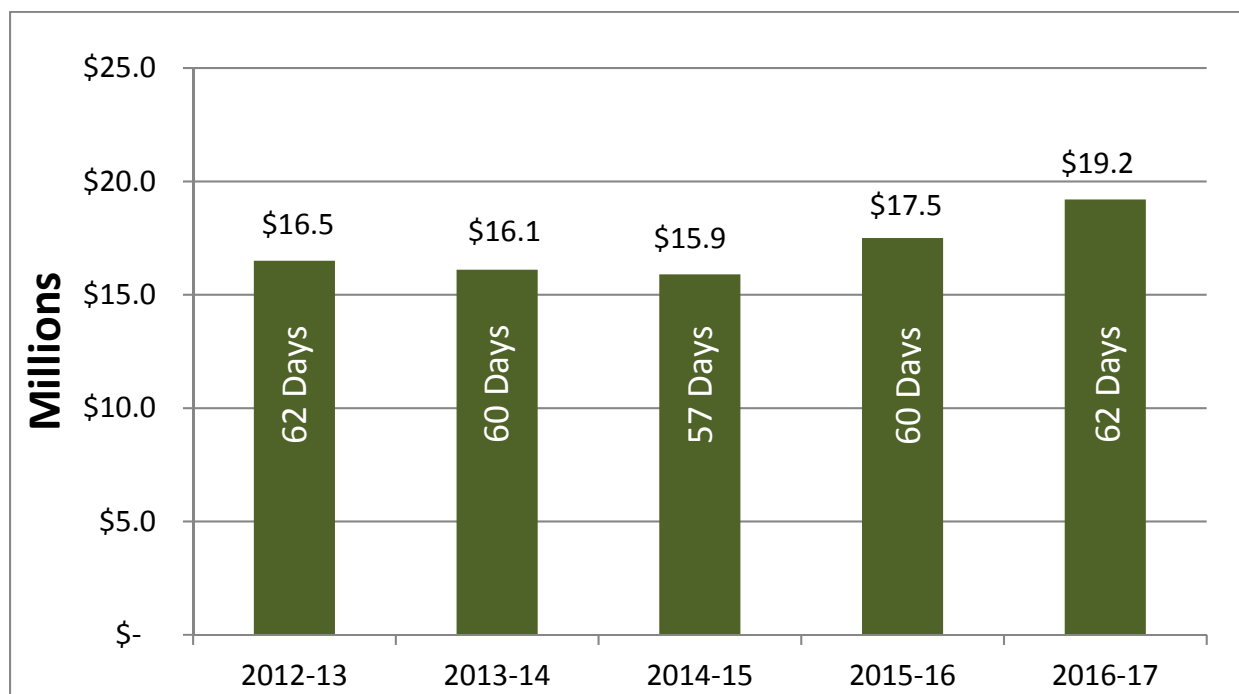


Highlights from each of the funds reported in the Year-to-Date Financial Statements through September 30, 2017 are as follows.

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

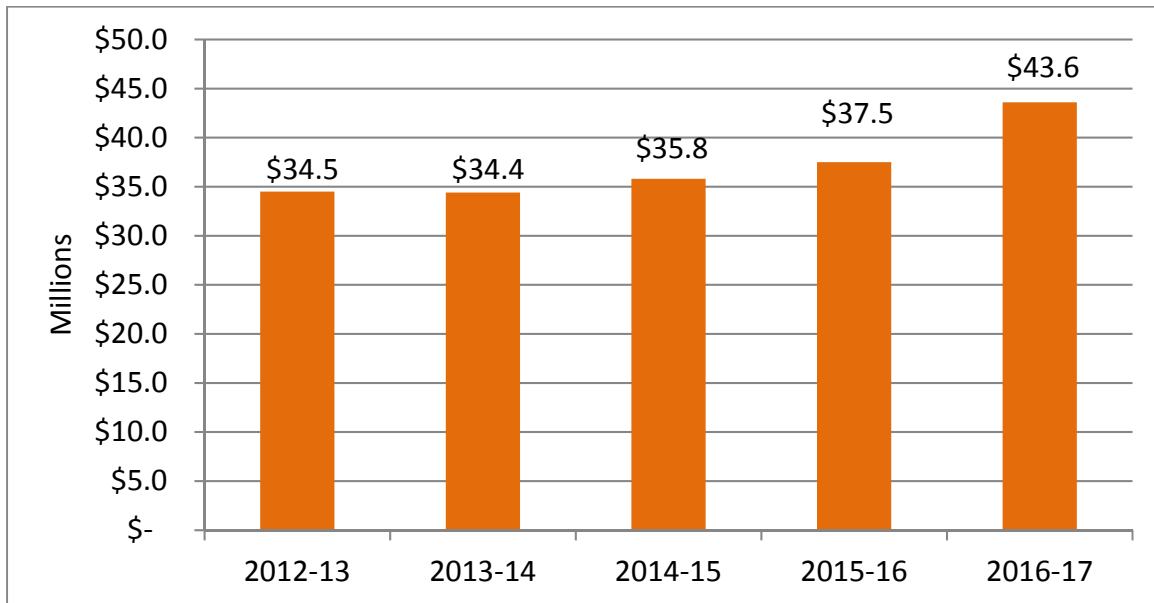
GENERAL FUND UNASSIGNED FUND BALANCE: FIVE-YEAR COMPARISON



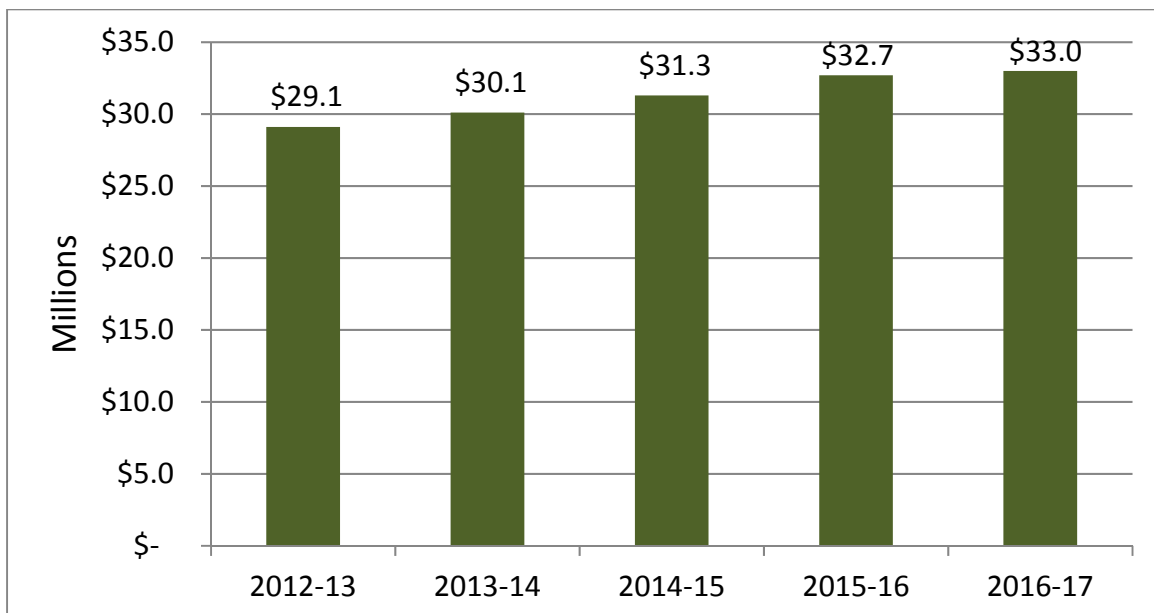
- Revenue highlights
 - Property tax percent collected through September for current taxes is 98.8% as compared to 98.9% in prior year
 - Property tax revenue up \$6.1 million due to increased taxable values
 - Sales tax revenues were very comparable to prior year; \$353,777 higher
 - Fines and forfeitures 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)

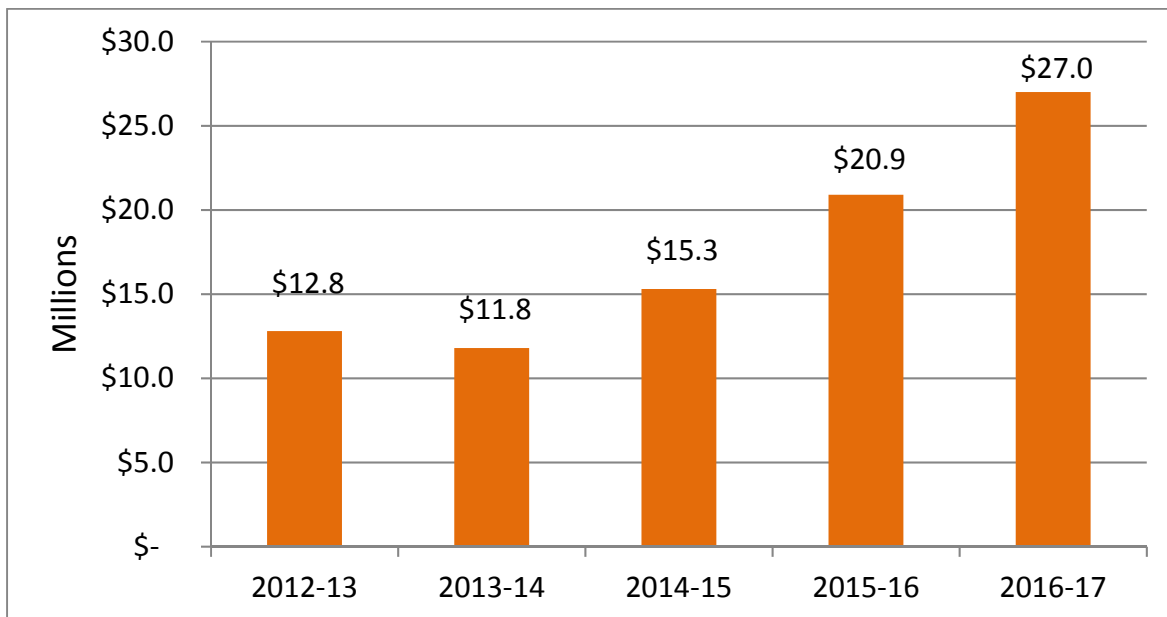
(4B) MESQUITE QUALITY OF LIFE CORPORATION FUND

- 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

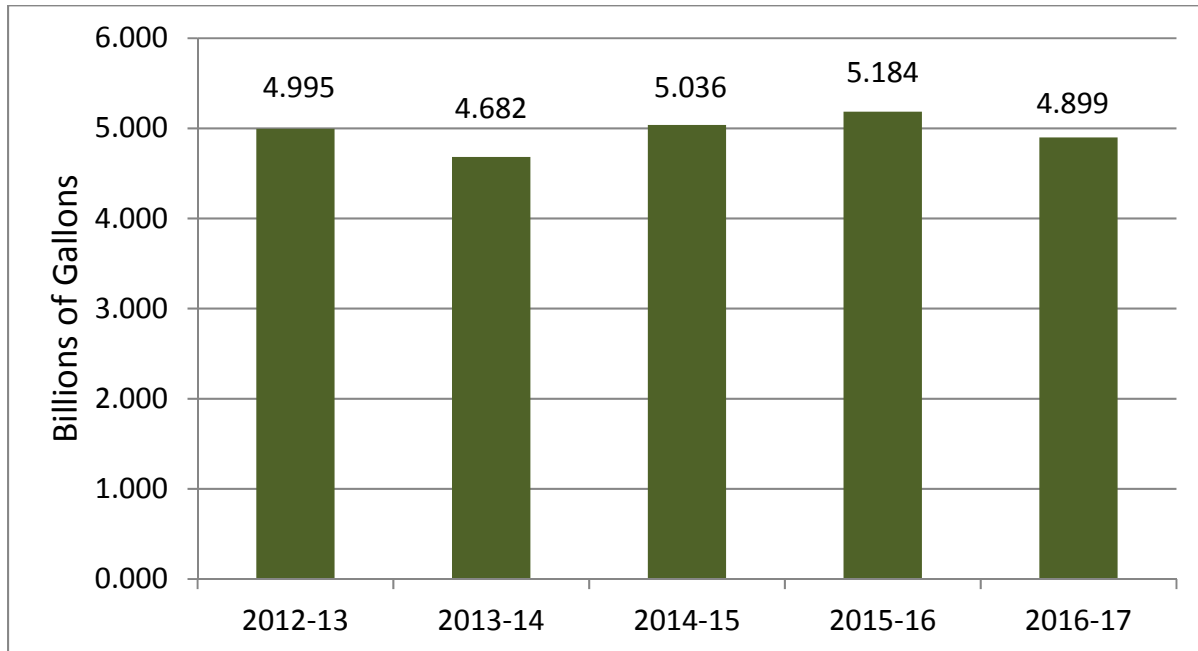
WATER SEWER OPERATING FUND

- 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

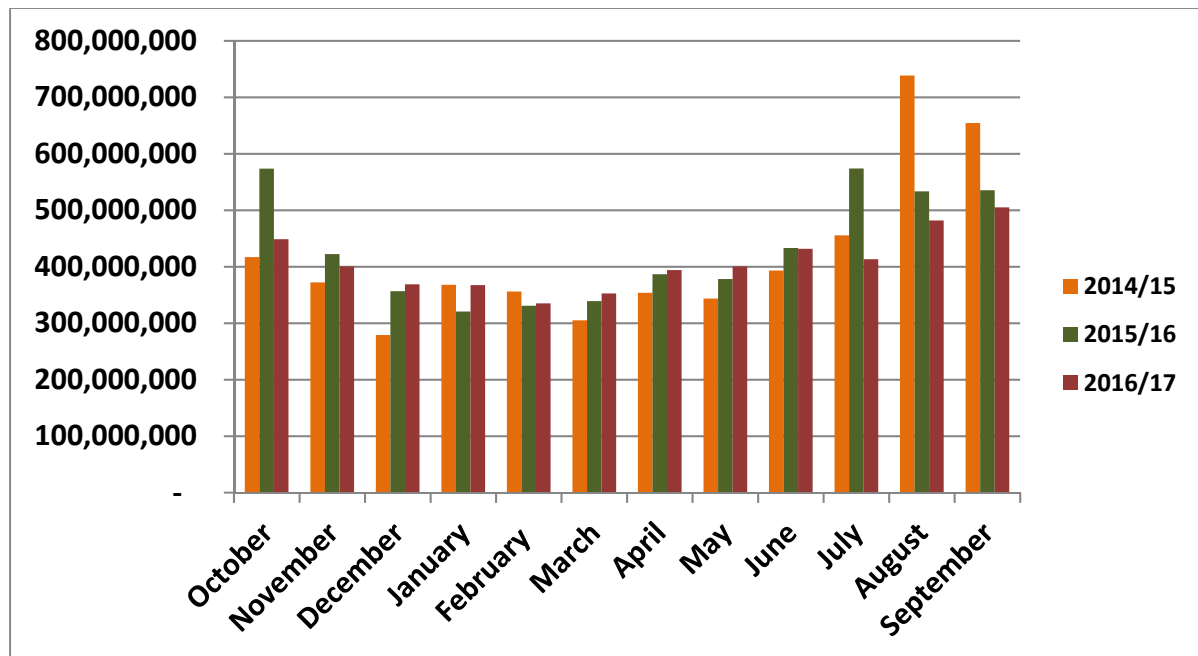
WATER SEWER FUND WORKING CAPITAL BALANCE: FIVE-YEAR COMPARISON



ANNUAL WATER CONSUMPTION: FIVE-YEAR COMPARISON



MONTHLY GALLONS OF WATER BILLED: THREE-YEAR COMPARISON



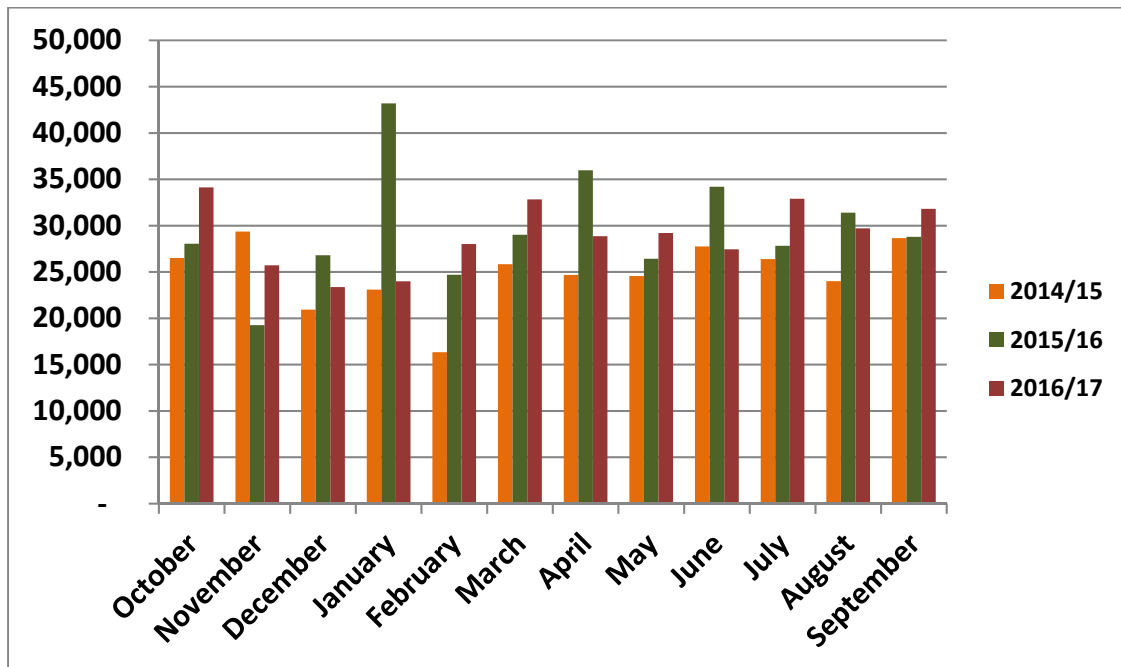
DRAINAGE UTILITY DISTRICT FUND

- 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

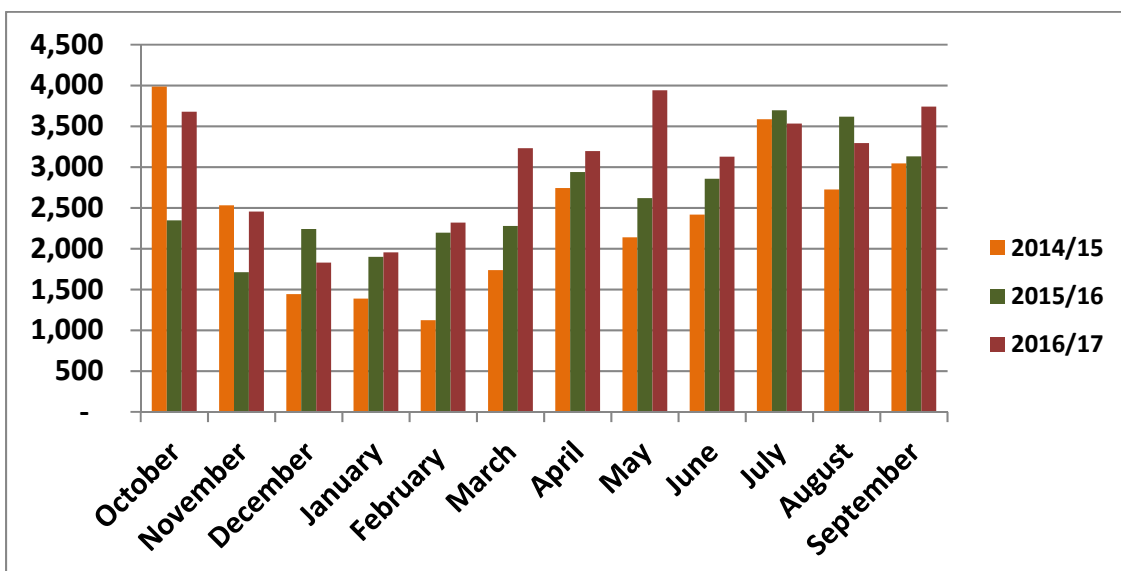


MUNICIPAL GOLF COURSE

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

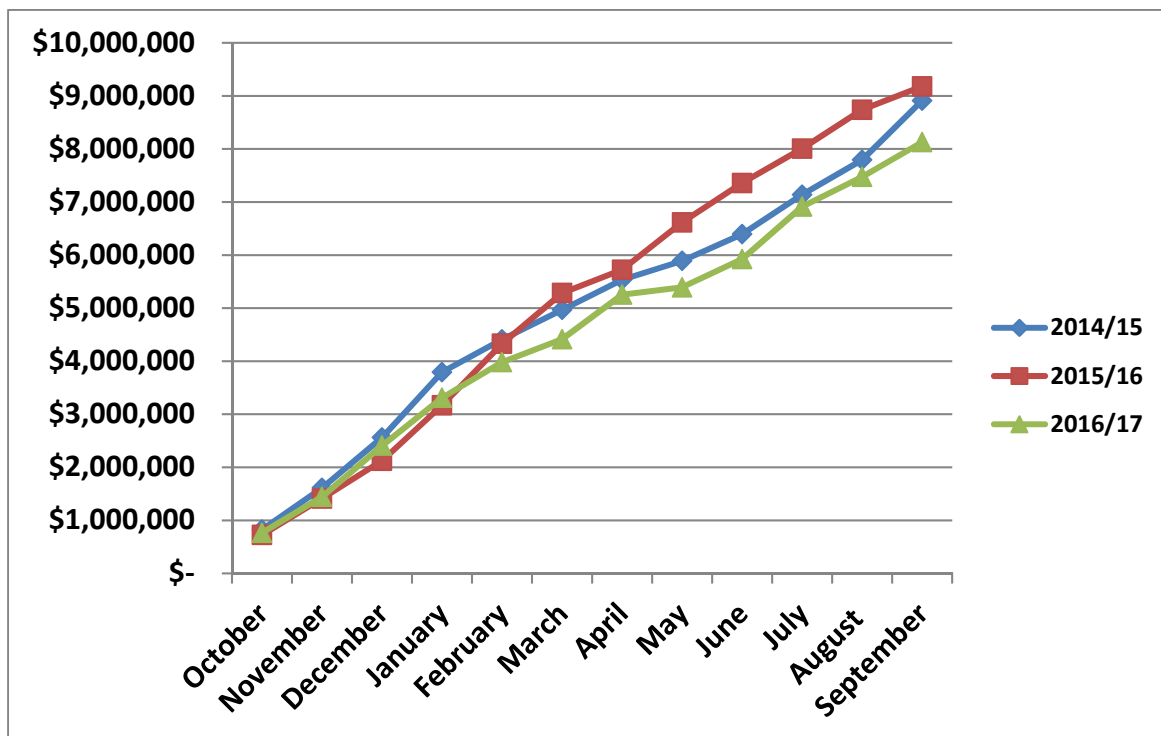
MONTHLY ROUNDS OF GOLF: THREE-YEAR COMPARISON



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



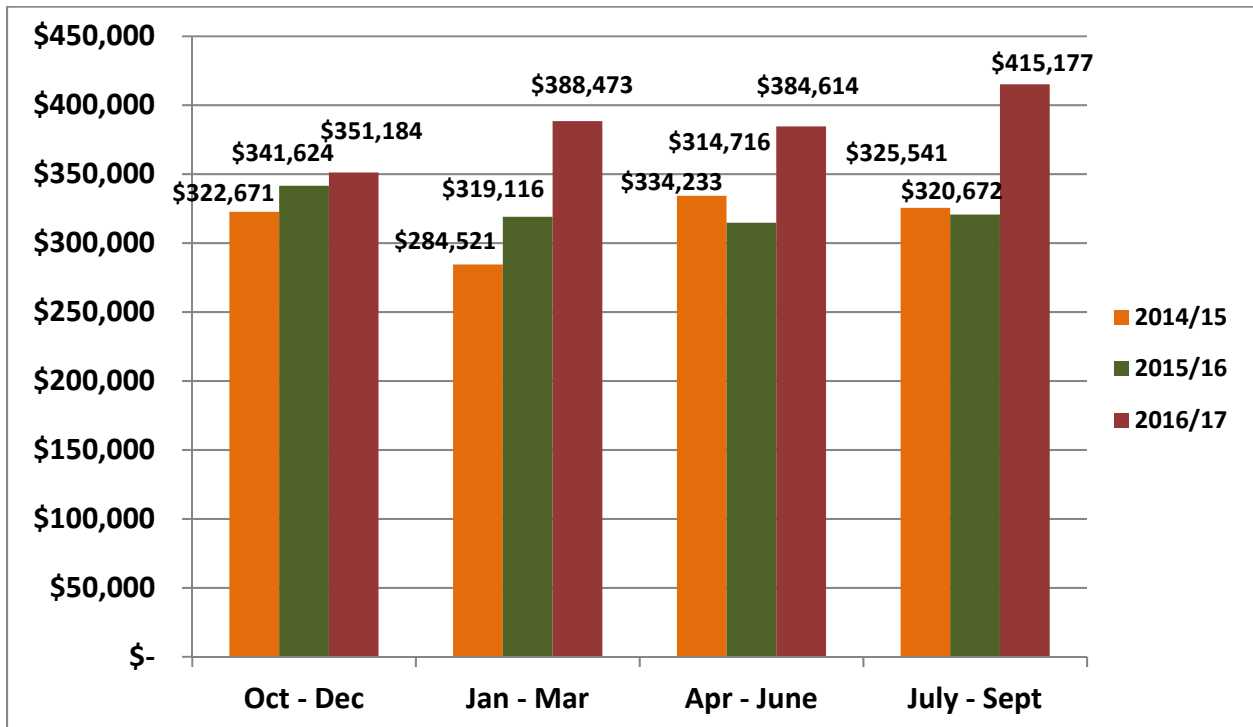
GENERAL LIABILITY FUND

- 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

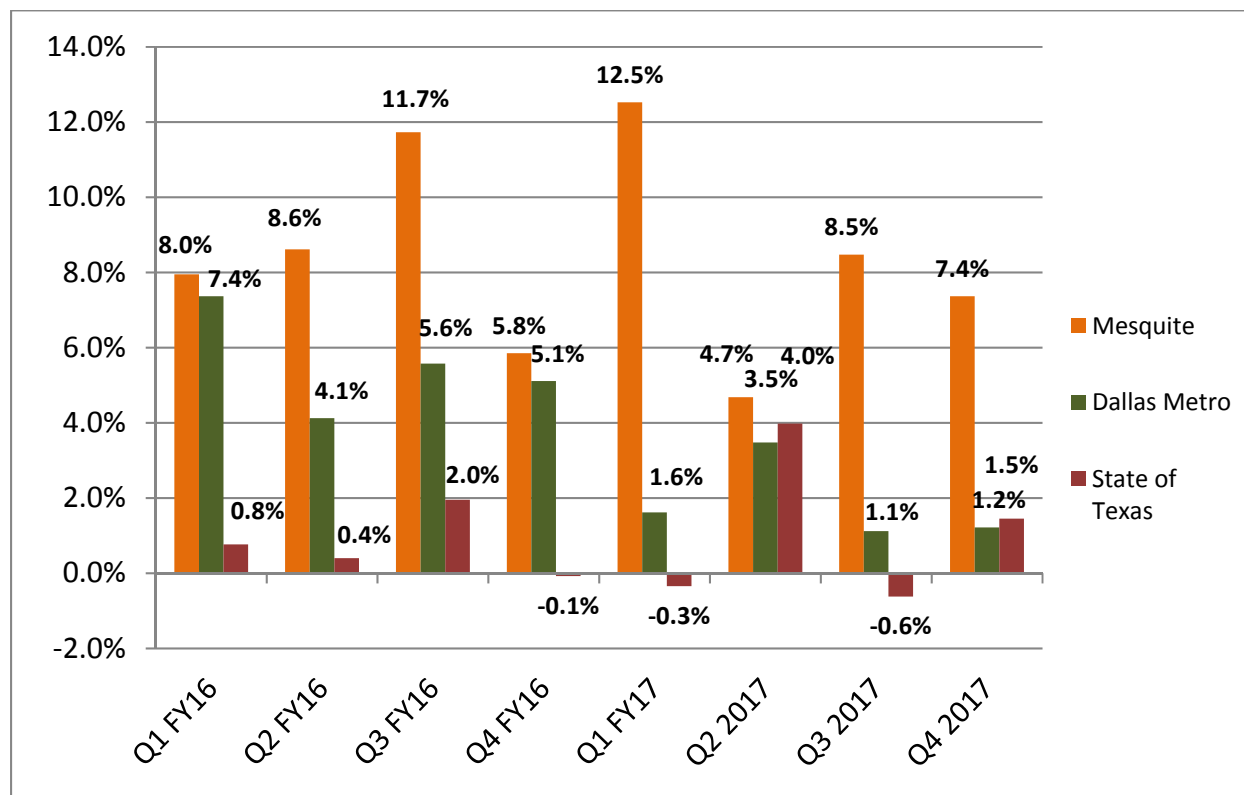
HOTEL OCCUPANCY TAX FUND

- 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)**

