

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MESQUITE, TEXAS, ADOPTING A REVENUE
MANAGEMENT AND EXPENDITURE CONTROL POLICY;
AND DECLARING AN EFFECTIVE DATE THEREOF.

WHEREAS, the City Council of the City of Mesquite, Texas ("City Council"), recognizes that effective cash management is essential to good fiscal management; and

WHEREAS, the City Council realizes the need to adopt a Revenue Management and Expenditure Control Policy for the City of Mesquite, Texas, to strengthen its financial operations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the City Council has reviewed the Revenue Management and Expenditure Control Policy, attached hereto as Exhibit "A" and made a part hereof for all purposes, and hereby approves and adopts said policy as the official Revenue Management and Expenditure Control Policy of the City of Mesquite, Texas.

SECTION 2. That this resolution and the aforementioned Revenue Management and Expenditure Control Policy shall take effect immediately from and after the passage of this resolution.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 4th day of February 2019.

Stan Pickett
Mayor

ATTEST:

Sonja Land
City Secretary

APPROVED:



David L. Paschall
City Attorney



Financial Policy
Revenue Management and
Expenditure Control

City of Mesquite
Finance Department

Effective Date: _____

OVERVIEW

This policy is intended to establish guidelines to manage and direct the City's management of revenues and control over expenditures. Specifically, under this policy, the City shall comply with prevailing federal, state, and local statutes and regulations, as well as current professional principles and practices.

POLICY

Revenue Management

The City will strive to maintain a diversified and stable revenue system to shelter it from unforeseeable short-run fluctuations in any one-revenue source.

One-time revenues in in any operating fund will not be used for funding on-going appropriations. One-time revenues should be used to fund capital improvements, capital equipment or other one-time appropriations.

Property Taxes

The City will try to reduce reliance on the residential property tax by seeking and developing additional revenue sources and attempting to expand and diversify the City tax base with commercial and industrial development

A. Abatements and Refunds

The City will give consideration to providing tax abatements and/or refunds as a stimulation for economic development. Nothing herein shall imply or suggest that the City is under any obligation to provide tax abatements or refunds to any applicant. All applicants shall be considered on a case-to-case basis.

B. Collection Rate Projection

The City shall try to maintain as high a collection rate as possible. All delinquent taxes will be aggressively pursued.

C. Tax Assessment

The City shall monitor the appraisal procedures of the Dallas County and Kaufmann County Tax Appraisal Districts and provide necessary input to assure the sound appraisal procedures are maintained.

User Fees and Charges

A. Fee Increases/Reviews

Fees and charges should be reviewed periodically, to identify the impact of inflation, other cost increases, whether the fees recovered are providing adequate coverage for costs of services delivered, and current competitive market rates. The City shall revise user fees and charges when necessary.

B. Indirect/Direct Cost (Fees)

For services associated with a user fee or charge, the direct and, if possible, indirect cost of that service should be offset by a fee.

C. Fee Setting

Fees and charges shall be set where possible so that those who directly benefit from a service pay for it.

Utility Rates

The City shall periodically review and adopt utility rates that will generate sufficient revenues to cover operating expenses, and other statutory or mandatory expenses.

Intergovernmental Revenue Use of Grant Funds

The City shall aggressively seek a fair share of available State and Federal financial support unless conditions attached to that assistance are contrary to the City's interest. Prior to applying for and accepting intergovernmental aid, the City will examine the matching requirements so that the source and availability of these funds may be determined before grant application is made. The City shall also assess the merits of a particular program as if it were funded with local tax dollars. Local tax dollars will not be used to make up for losses of intergovernmental aid without first reviewing the program and its merits.

Expenditure Control

Appropriations

The budget shall state the proposed expenditures and they shall be appropriated at type-of-expenditure level (personal services, supplies, contractual services, and capital outlay) within each department when the budget is adopted. The City budget may be amended and appropriations adjusted in accordance with public necessity, as declared by the City Council.

Purchasing

All purchases and contracted services will be made in accordance with the City's purchasing procedures and applicable State laws. Unless specifically exempted or authorized by the Competitive Bid Statute, individual expenditures exceeding the competitive bid dollar limit may only be made on the basis of competitive sealed bids, competitive sealed proposals, and request for proposals or by utilizing existing interlocal agreements for cooperative purchasing. Awarding or rejecting such is the sole right of the City Council. Regardless of the contract amount, it is the intent of the City to diversify the selection of professional and consultant services through a fair and open process.

Prompt Payment

Invoices shall be paid within thirty (30) days of receipt in accordance with the prompt payment requirements of State law. Payments may be delayed in order to maximize the City's investable

cash, if such a delay does not violate any payment terms. The City shall maximize any discounts offered by creditors, where considered cost effective.

Spending Control

Significant vacancy (salary) or capital budgetary savings in any department may not be spent unless proper authorization has been obtained by the Manager of Budget and Financial Analysis.