

# 4B ANNUAL REPORT



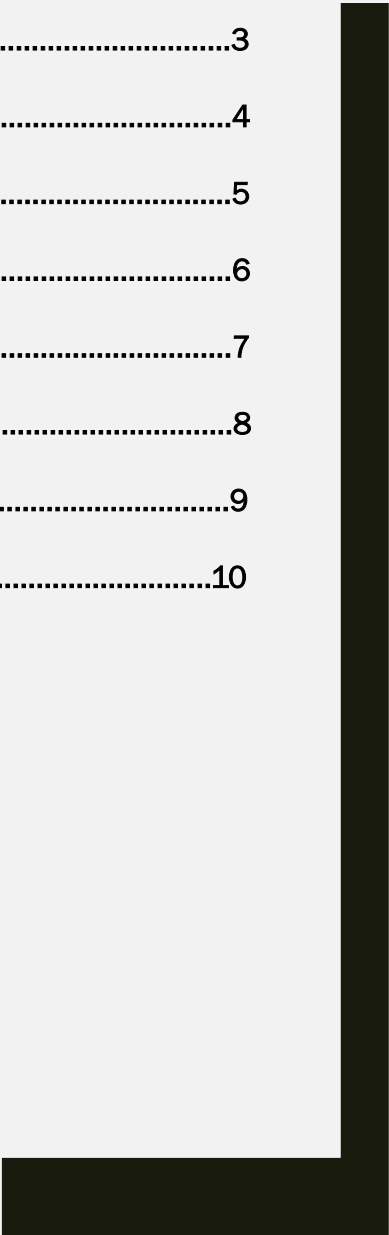
FISCAL YEAR  
OCTOBER 1, 2019 – SEPTEMBER 30, 2020





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# 2020 BOARD OF DIRECTORS

Larry Allen, President

Ron Ward, Vice President

Nadine Ward, Secretary

Bennye Rice, Treasurer

Henry Brown

Kevin Grubbs

Andrew Hubacek

# MISSION STATEMENT

The Board of Directors adopted the Mission Statement on September 28, 1999

*“The Mesquite Quality of Life Corporation identifies and funds public projects within the areas of Transportation, Public Safety, and Parks and Recreation that maintain and/or enhance the quality of life for Mesquite residents and businesses.”*

The Corporation selects projects that:

- Reflect community values and priorities;
- Are visionary;
- Enhance Mesquite as a destination location;
- Balance the needs between the three project areas; and
- Are fiscally responsible for both current and future residents, visitors and businesses in our community.

# TEXAS STATE STATUTE

The State statute that allowed the creation of the Corporation allows expenditures of revenues by the Corporation to be used for land, buildings, equipment and improvements for items that fit under the definition of “project” under Section 2(10) of the Development Corporation Act (V.T.C.S. Article 5190.6), which encompasses the land, buildings, equipment, facilities and improvements that are suitable for any of the following:

- *Promotion of manufacturing and industrial facilities;*
- *Recycling facilities;*
- *Distribution facilities;*
- *Small warehouse and storage facilities;*
- *Air or water pollution control facilities;*
- *Development or redevelopment of closed military bases; and*
- *Facilities related to these projects.*

Additionally, Section 4B of the Act specifically permits expenditures of Section 4B tax proceeds for land, buildings, equipment and improvements suitable for the following nine types of projects:

*Athletic facilities;*

- *Parks and related public space improvements;*
- *Tourism and entertainment facilities;*
- *Commercial facilities;*
- *Certain public facility improvements;*
- *Transportation improvements;*
- *Infrastructure improvements;*
- *Other business related improvements; and*
- *Affordable housing.*

**Specific to Mesquite, Texas:**

House Bill No. 2912 made significant amendments to the Act; however, the Mesquite Quality of Life Corporation held an election on August 14, 1999 which utilizes the statute to expend money for projects within the three areas allowed in the Mesquite election ballot language:

*Transportation; Public Safety; and Parks and Recreation.*

# FORMATION OF THE CORPORATION

The Mesquite Quality of Life Corporation was created by the Mesquite City Council following an election by the citizens of Mesquite on August 14, 1999, which authorized an additional, one-half cent sales tax known as the economic development 4B sales tax. The ballot language stated:

*The adoption of a Section 4B sales and use tax at the rate of one-half of one percent to undertake projects as described in Section 4B of Article 5190.6, Vernon's Texas Civil Statutes, as amended, limited to the following:*

- *Transportation*
- *Public Safety; and*
- *Public Parks and Recreation*

*All revenues received will be used for projects in the three areas described above and funds may be used for the maintenance and operation expenses for any of the above-described projects.*

The initial Board of Directors were appointed by the City Council on August 19, 1999, and Articles of Incorporation were filed with the State of Texas on August 20, 1999, formally creating the Corporation. The Bylaws for the Corporation were adopted by the Board on September 28, 1999, and approved by the City Council on October 4, 1999. An amendment to the Articles of Incorporation and the Bylaws were adopted during fiscal year 2002-03, which allows the Corporation to issue revenue bonds.

# 4B SALES TAX FUND HISTORY SINCE INCEPTION OCTOBER 1, 1999

## BEGINNING FUND BALANCE (OCTOBER 1, 1999)

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<b>REVENUES:</b>		
General Sales Tax		\$195,000,263
Investment Income		2,770,061
Contributions and Reimbursements		8,075,488
Grant Revenue		5,199,761
Other Revenue		4,453,381
Transfer-In Towne Centre TIRZ Funds		1,964,025
<b>TOTAL REVENUES</b>		<b>\$217,462,979</b>
<b>EXPENDITURES:</b>		
Transportation		\$74,304,423
Public Safety		12,375,898
Parks and Recreation		125,309,261
Administration		1,821,967
<b>TOTAL EXPENDITURES</b>		<b>\$213,811,549</b>
<b>ENDING FUND BALANCE (SEPTEMBER 30, 2020)</b>		
		<b>\$3,651,430</b>

# ACTIONS OF THE CORPORATION

The Mesquite Quality of Life Corporation shall make an annual report no later than the first Monday of March each year to the Mesquite City Council. The annual report shall include, but not be limited to, the following:

- A review of the accomplishments of the Board; and
- The activities of the Board for the budget year addressed in the annual report, together with any change in the activity as it relates to projects.

This Annual Report covers the period of fiscal year 2019-20, October 1, 2019 to September 30, 2020. The Corporation held seven Board meetings during the fiscal year and all Board meetings were held within the City of Mesquite. Dates and locations are shown below.

February 26, 2020	City Hall, 757 N. Galloway Ave.
March 25, 2020 *	City Hall, 757 N. Galloway Ave.
April 22, 2020 *	City Hall, 757 N. Galloway Ave.
June 24, 2020	City Hall, 757 N. Galloway Ave.
September 23, 2020	City Hall, 757 N. Galloway Ave.

*\*Did not meet due to COVID*

## **FY 2019-20 Corporation Expenditures:**

• 22 projects	<b>\$13,321,314</b>
• Administrative expenses	<b><u>\$300,000</u></b>
• Total expenditures	<b>\$13,621,314</b>

## **FY 2019-20 Corporation Revenue:**

Sales tax revenue	<b>\$11,322,979</b>
Investment income	<b>\$11,023</b>
Grants and reimbursements	<b><u>\$3,036,234</u></b>
Total revenue	<b>\$14,370,236</b>

*\*Beginning fund balance of \$2,902,508; the ending fund balance was \$3,651,430*



# REVENUES, EXPENDITURES AND FUND BALANCE

<b>BEGINNING FUND BALANCE (OCTOBER 1, 2019)</b>		<b>\$2,902,508</b>
<b>REVENUES:</b>		
General Sales Tax		\$11,322,979
Investment Income		11,023
Contributions and Reimbursements		289,828
Grant Revenue		1,459,311
Other Revenue		1,287,095
<b>TOTAL REVENUES</b>		<b>\$14,370,236</b>
<b>EXPENDITURES:</b>		
Transportation		\$3,169,509
Public Safety		1,118,891
Parks and Recreation		9,032,914
Administration		300,000
<b>TOTAL EXPENDITURES</b>		<b>\$13,621,314</b>
<b>ENDING FUND BALANCE (SEPTEMBER 30, 2020)</b>		<b>\$3,651,430</b>

# APPROVED PROJECTS

<b>TRANSPORTATION</b>		
Debt Service (Town East Blvd., Soyene Road, Thomasson Square)		\$1,352,100
Traffic Signal Upgrades(ongoing)		100,000
Traffic Signal Construction (ongoing)		135,000
Airport Maintenance		50,000
Compass Bus Service (ongoing)		284,000
Military Parkway Trail (Rodeo Center to Downtown)		570,000
Mesquite-Garland Trail Connector at Duck Creek		415,000
<b>TOTAL TRANSPORTATION PROJECTS</b>		<b>\$2,906,100</b>
<b>PUBLIC SAFETY</b>		
Thermal Imaging Camera Replacement		\$19,659
<b>TOTAL PUBLIC SAFETY PROJECTS</b>		<b>\$19,659</b>
<b>PARKS AND RECREATION</b>		
Park Operations and Public Safety Equipment		\$6,412,150
PARD System Maintenance (ongoing)		542,150
Eastfield Soccer Lease (ongoing)		40,000
Highway Corridor Maintenance (ongoing)		450,000
Median Landscaping (ongoing)		15,000
Trail System Maintenance (ongoing)		5,000
Playground Maintenance (ongoing)		30,000
Golf Course Maintenance (ongoing)		50,000
Park Master Plan		200,000
City Lake Aquatic Center Slide Resurface & Rails		100,000
Phase One Capeland Property Development		260,000
Kids Quest Playground Replacement		275,000
Town East Playground Surface Replacement		100,000
Veterans Memorial		232,653
<b>TOTAL PARKS AND RECREATION PROJECTS</b>		<b>\$8,711,953</b>
<b>TOTAL ADMINISTRATION</b>		<b>\$300,000</b>
<b>FY 2019-20 PROJECTS TOTAL</b>		<b>\$11,937,712</b>