

Quarterly Financial Status Report

FY 2019/2020

1st Quarter

Executive Summary:

City of Mesa has closed the first quarter of the 2019/20 fiscal year, July through September. This snapshot shows the financial projections for the year compared to the adopted budget.

The General Governmental Funds year end estimates for both revenues and expenditures are slightly increased from the adopted budget. The increased revenues are largely due to higher sales activity in City and State Shared Sales Tax. Licenses, Permits and Fees revenues are also slightly above budget due to higher than anticipated residential and commercial building permits. Fines and Forfeitures revenue for criminal and civil fines are below budget due to lower than anticipated filings at the Municipal Court. The year end estimate for expenditures is slightly above budget due to a one-time public safety pension refund, additional costs to store body camera footage, and an additional Navigator and Court Specialist at the Community Court.

Overall, the Enterprise Fund net sources and uses is slightly improved from the adopted budget. The year end estimate for debt transfers from the Electric, Wastewater, and Water utilities are below budget due to higher than anticipated savings from a refunding of utility debt. Additionally, the Golf Course summary sources and uses are below the adopted budget due to the transition of management of the golf course to a third party company.

For additional details on the City's budget and expenditure data, please visit the City of Mesa Open Data Portal at data.mesaaz.gov.

Legend	General Government Funds		Enterprise Fund
	Revenues	Expenditures	Net Sources and Uses
Exceeding	Taxes	Community Development and Services	Electric
On Track	Intergovernmental	Parks and Library	Natural Gas
Caution	Sales and Charges for Services	Law Enforcement	Solid Waste
Monitoring	Licenses, Fees, and Permits	Fire and Medical	Wastewater
	Fines and Forfeitures	Other Departments	Water
	Other Revenues	Transfers Out	Other/Non-Utility
	Transfer In		

FY 19/20 1st Quarter: Net Financial Status Summary

The data below represents the net financial status of the General Governmental Funds and the Enterprise Fund.

	General Government Funds		Net
	Revenues	Expenditures	
Adopted Budget	\$ 462,174	\$ 470,843	\$ (8,669)
Year to Date Actuals	\$ 98,964	\$ 97,316	\$ 1,648
Year End Estimate	\$ 465,554	\$ 473,011	\$ (7,457)

(In Thousands)

	Enterprise Fund		Net
	Sources	Uses	
Adopted Budget	\$ 388,001	\$397,948	\$ (9,948)
Year to Date Actuals	\$ 109,541	\$113,870	\$ (4,329)
Year End Estimate	\$ 386,452	\$392,979	\$ (6,526)

(In Thousands)

Exceeding
On Track
Caution
Monitoring

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General Fund and Quality of Life - FY 19/20 1st Quarter Revenues

Revenue Categories	Adopted Budget	Year to Date Actuals	Year End Estimate
Taxes	\$ 152,628	\$ 28,755	\$ 154,112
Intergovernmental	\$ 143,073	\$ 32,642	\$ 145,357
Sales and Charges for Services	\$ 12,357	\$ 3,125	\$ 12,616
Licenses, Fees, and Permits	\$ 20,458	\$ 4,758	\$ 21,508
Fines and Forfeitures	\$ 4,970	\$ 918	\$ 4,125
Other Revenues	\$ 1,464	\$ 1,117	\$ 1,912
Transfers In	\$ 127,223	\$ 27,649	\$ 125,923
Total	\$ 462,174	\$ 98,964	\$ 465,554

(In Thousands)

Exceeding
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FY 19/20 1st Quarter Revenues: Taxes Summary

The data below represents revenue collections from sales and use taxes in the General Fund and Quality of Life Fund.

	Adopted Budget	Year to Date Actuals	Year End Estimate
General Fund	\$ 126,323	\$ 26,610	\$ 127,550
Quality of Life Fund	\$ 26,306	\$ 2,145	\$ 26,562
Total Tax Revenue	\$ 152,628	\$ 28,755	\$ 154,112

(In Thousands)

Taxes - Revenues



The continued growth in sales activity has driven the year end estimate higher than the adopted budget. In particular, tax revenue has increased due to strong growth in the Retail and Restaurants categories.

FY 19/20 1st Quarter Revenues: Intergovernmental Summary

The data below represents revenue collections from federal grants and reimbursements, urban revenue sharing (state income tax), state shared sales tax, vehicle license tax, state grants and reimbursements, and county and other government revenues in the General Fund and Quality of Life Fund.

	Adopted Budget	Year to Date Actuals	Year End Estimate
Urban Revenue Sharing	\$ 65,692	\$ 16,454	\$ 65,805
State Shared Sales Tax	\$ 50,622	\$ 10,164	\$ 52,182
Vehicle License Tax	\$ 21,100	\$ 4,802	\$ 21,712
Other	\$ 5,659	\$ 1,222	\$ 5,658
Total Intergovt Revenue	\$ 143,073	\$ 32,642	\$ 145,357

(In Thousands)

Intergovernmental - Revenues



Overall, intergovernmental revenues are on track, projecting a slight increase in revenue from State Shared Sales Tax, which is received based on the City's share of the State's population. Like City Sales Tax, the State Sales Tax growth has been relatively strong.

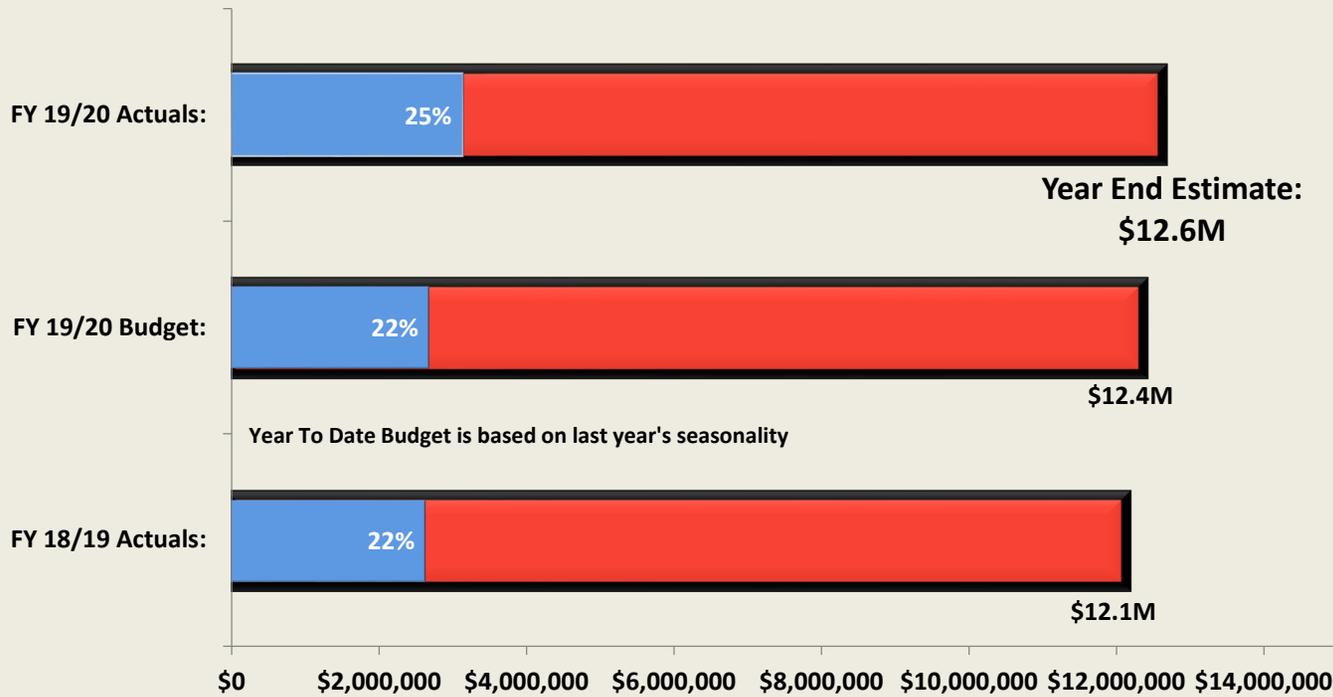
FY 19/20 1st Quarter Revenues: Sales and Charges for Services Summary

The data below represents revenue collections from general services, culture and recreation services, and enterprise services in the General Fund and Quality of Life Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 12,357	\$ 3,125	\$12,616

(In Thousands)

Sales and Charges for Services - Revenues



The year end estimate for Sales and Charges for Services is above budget due to increased fee revenues from the Ambulance Transport Program. Expenses related to the program are recorded in the Fire & Medical summary.

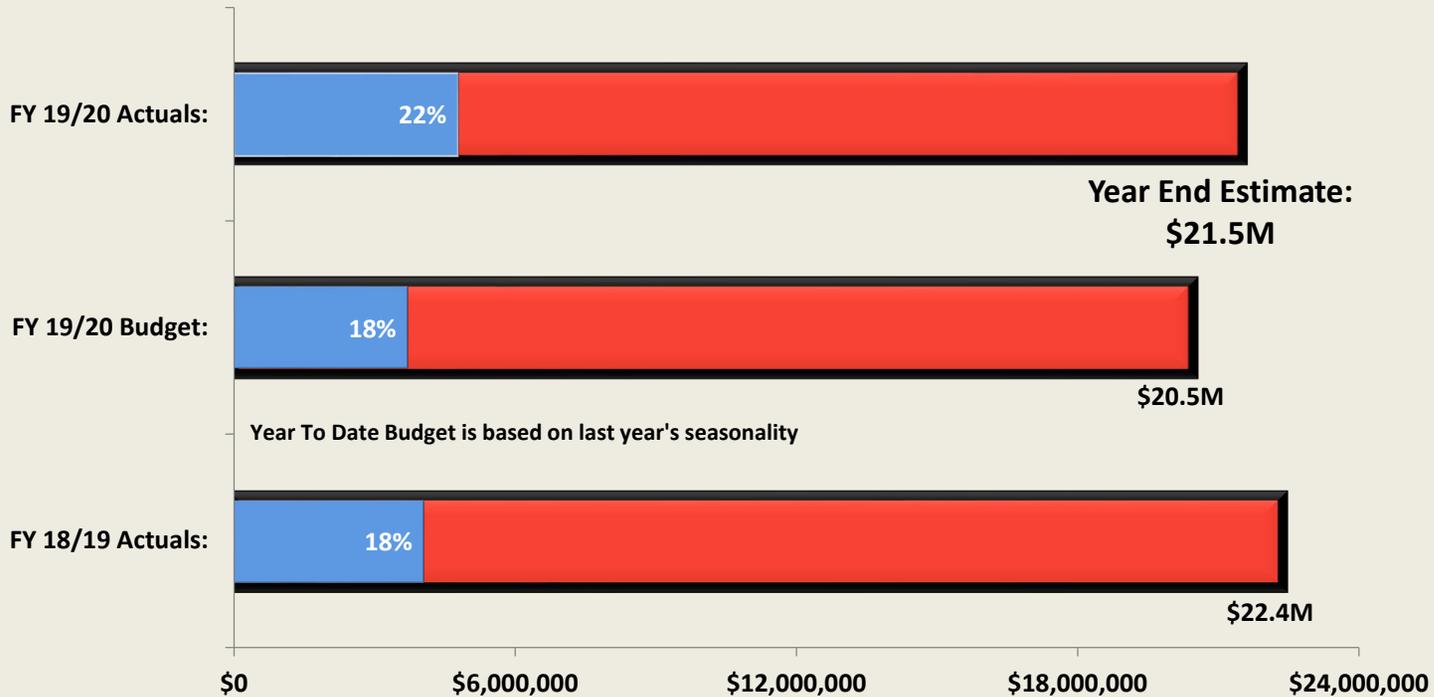
FY 19/20 1st Quarter Revenues: Licenses, Fees, and Permits Summary

The data below represents revenue collections from business licenses, permits, fees, court fees, and culture and recreation fees in the General Fund and Quality of Life Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 20,458	\$ 4,758	\$ 21,508

(In Thousands)

Licenses, Fees, and Permits - Revenues



Licenses, Fees, and Permits revenues are above budget due to increases in both Commercial and Residential Permits year-to-date fee revenues.

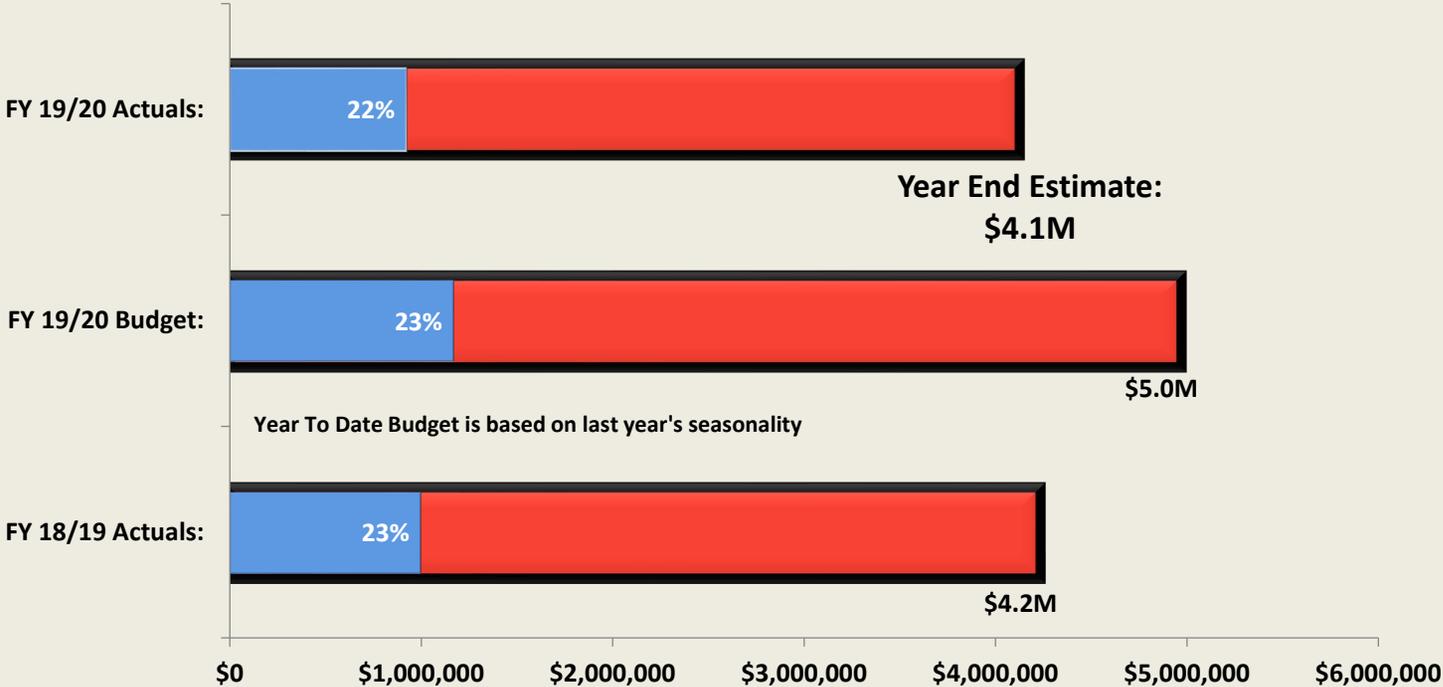
FY 19/20 1st Quarter Revenues: Fines and Forfeitures Summary

The data below represents revenue collections from court and other fines in the General Fund and Quality of Life Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 4,970	\$ 918	\$ 4,125

(In Thousands)

Fines and Forfeitures - Revenues



The year end estimate for Fines and Forfeitures is below budget due largely to decreased year-to-date filings in both Criminal and Civil filings as compared to last fiscal year.

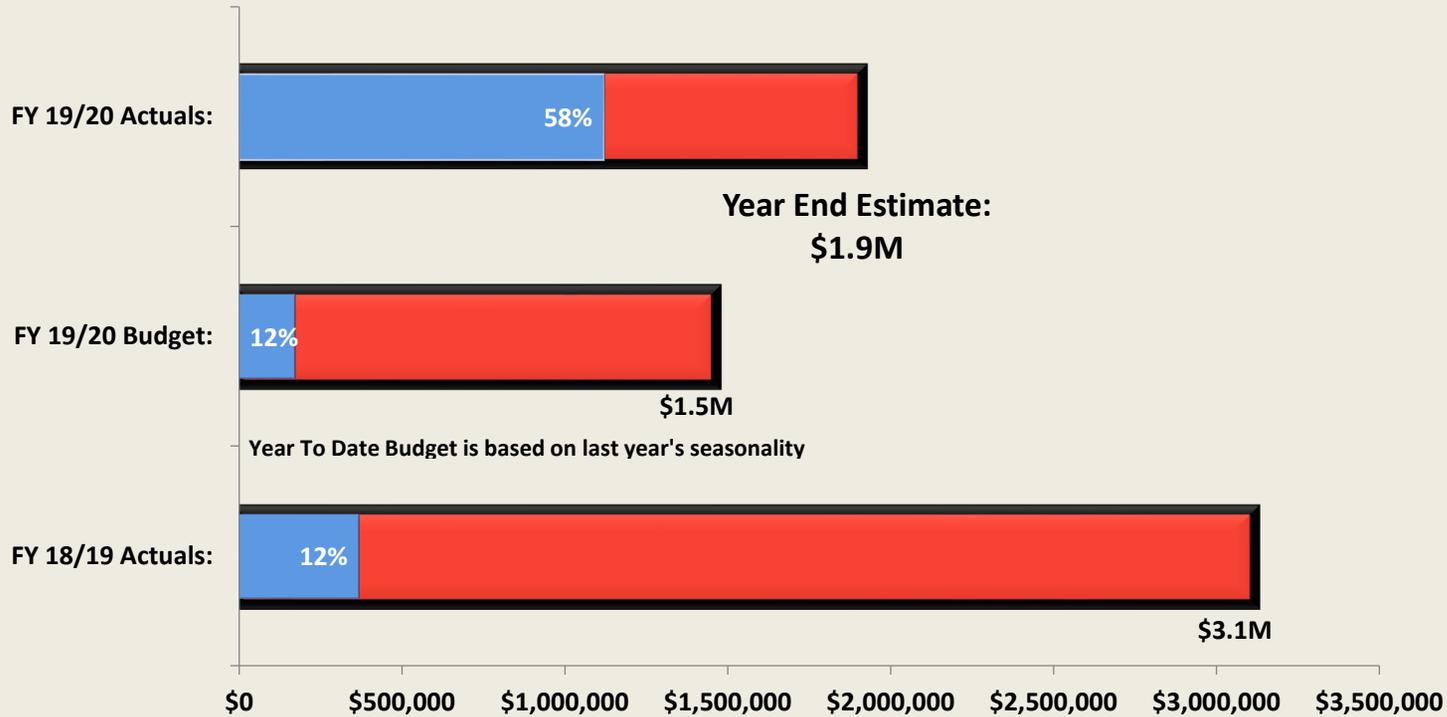
FY 19/20 1st Quarter Revenues: Other Revenues Summary

The data below represents revenue collections from interest, contributions and donations, other financing sources, sale of property, self insurance contributions, and other revenues in the General Fund and Quality of Life Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 1,464	\$ 1,117	\$ 1,912

(In Thousands)

Other Revenues - Revenues



The year end estimate for Other Revenues is above budget due to higher than anticipated Purchasing Rebates.

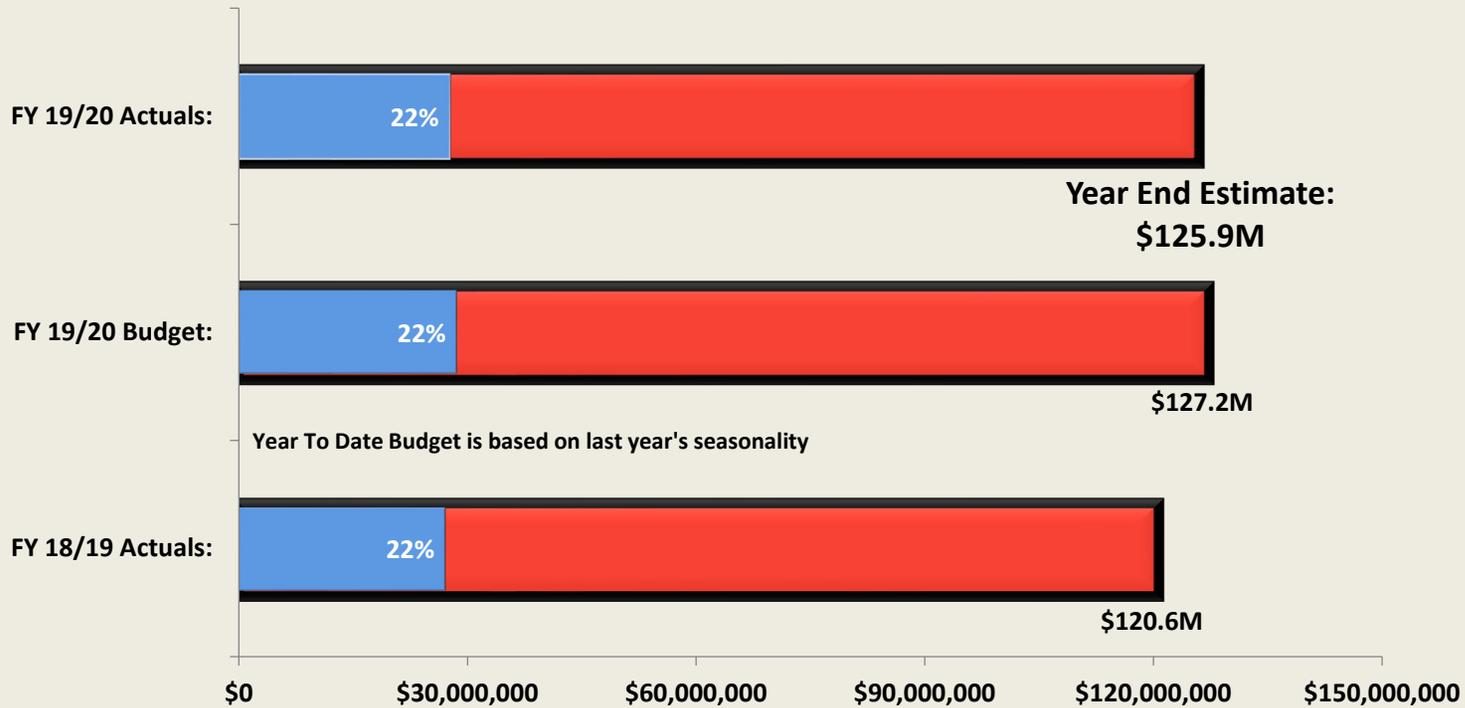
FY 19/20 1st Quarter Revenues: Transfers In Summary

The data below represents transfers into the General Fund and Quality of Life Fund from other funds within the city.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 127,223	\$ 27,649	\$ 125,923

(In Thousands)

Transfers In - Revenues



Transfers into the General Fund are mainly comprised of the quarterly contribution from the Enterprise Fund. The year end estimate is below budget due to shifting prior year savings to fund City infrastructure improvements.

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General Fund and Quality of Life - FY 19/20 1st Quarter Expenditures

Expenditures	Adopted Budget	Year to Date Actuals	Year End Estimate
Community Development and Services	\$ 11,963	\$ 2,689	\$ 12,007
Parks and Library	\$ 27,161	\$ 6,414	\$ 27,229
Law Enforcement	\$ 192,727	\$ 44,662	\$ 194,243
Fire and Medical	\$ 82,538	\$ 19,009	\$ 83,141
Other Departments	\$ 103,385	\$ 21,324	\$ 104,146
Transfers Out	\$ 53,068	\$ 3,218	\$ 52,245
Total	\$ 470,843	\$ 97,316	\$ 473,011

(In Thousands)

Exceeding
On Track
Caution
Monitoring

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[Return to Expenditure Summary](#)

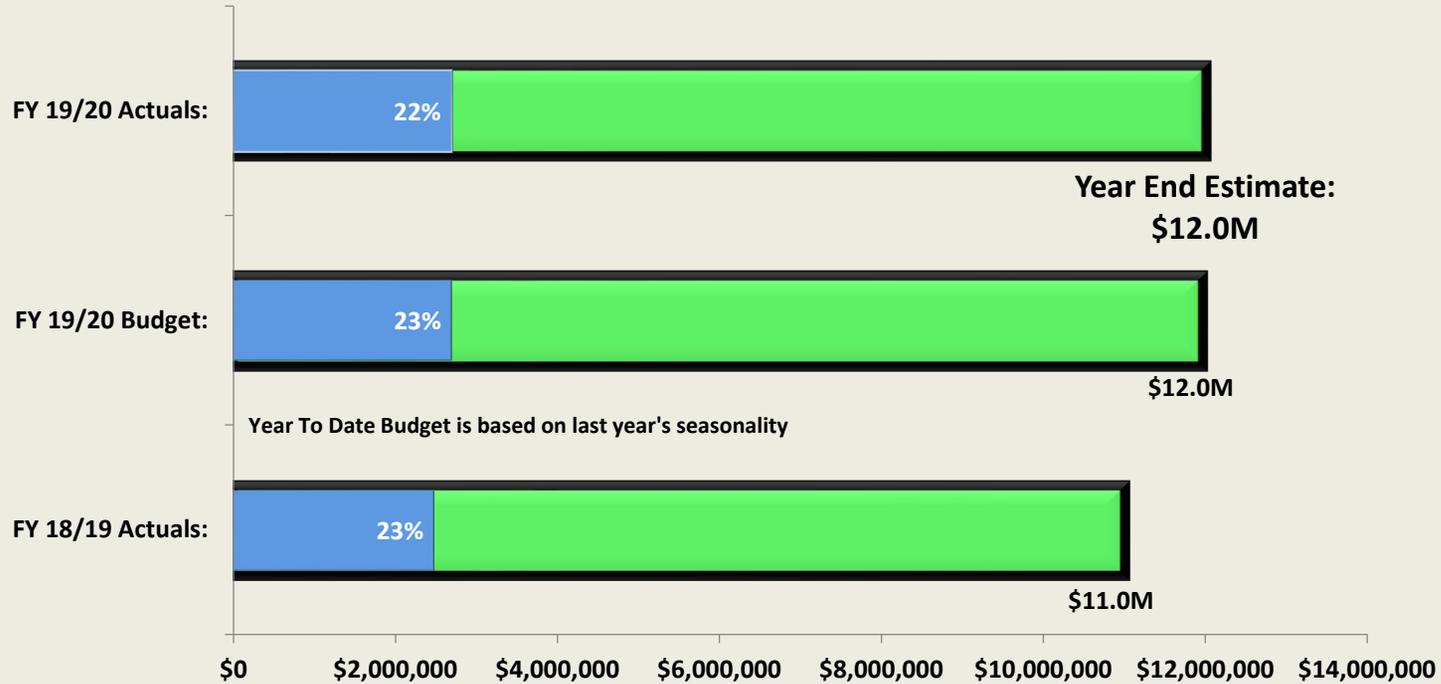
FY 19/20 1st Quarter Expenditures: Community Development and Services Summary

The data below represents posted expenditures in the General Fund and Quality of Life Fund from the Development Services Department and the Community Services Department.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 11,963	\$ 2,689	\$ 12,007

(In Thousands)

Community Development and Services - Expenditures



The Community Development and Services expenditures year end estimates are on track with budget.

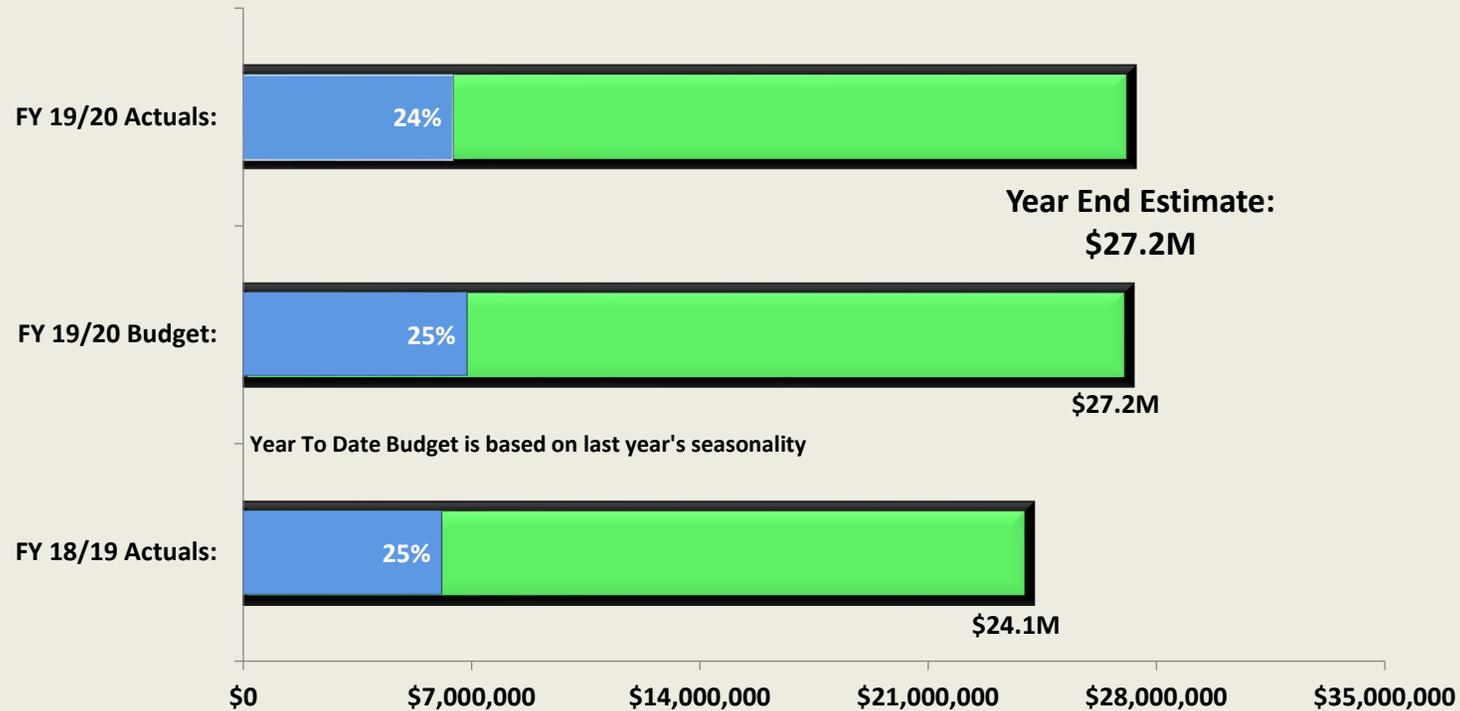
FY 19/20 1st Quarter Expenditures: Parks and Library Summary

The data below represents posted expenditures in the General Fund and Quality of Life Fund from the Library Department and the Parks, Recreation and Community Facilities Department.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 27,161	\$ 6,414	\$ 27,229

(In Thousands)

Parks and Culture - Expenditures



Library and Parks' expenditures are on track with budget.

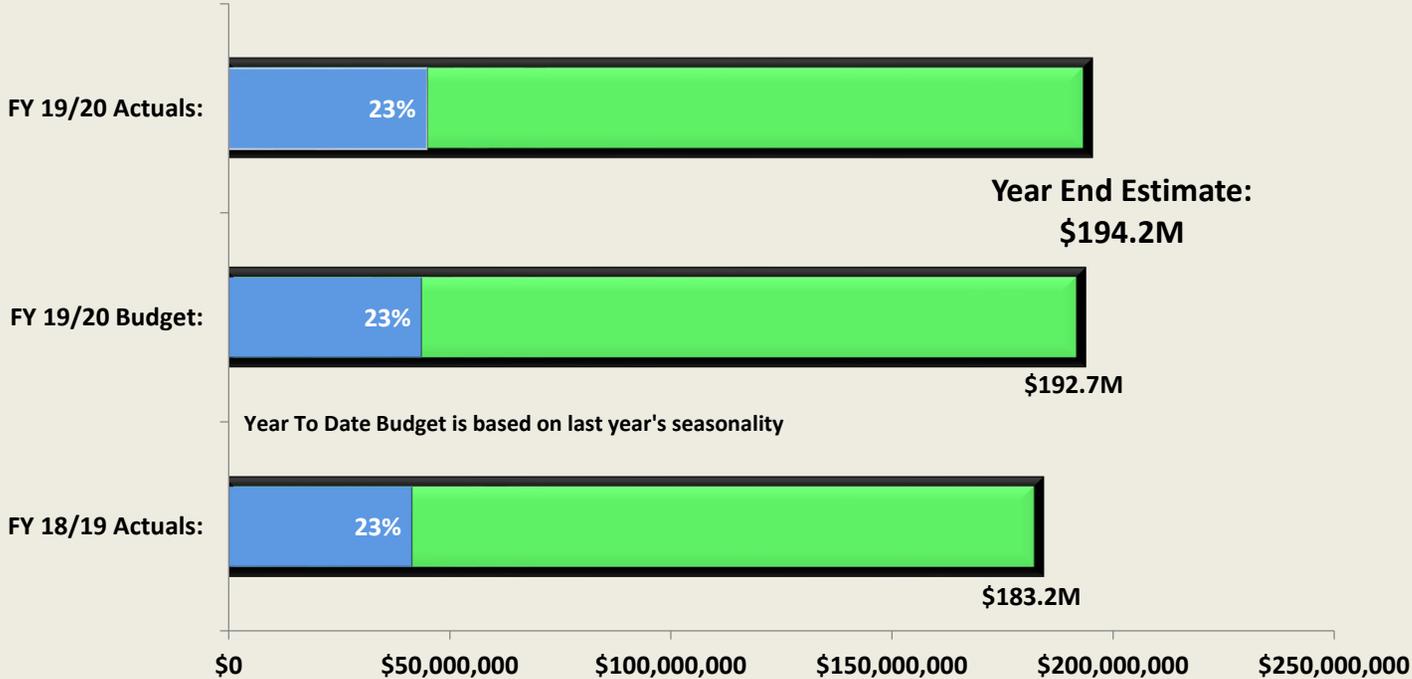
FY 19/20 1st Quarter Expenditures: Law Enforcement Summary

The data below represents posted expenditures in the General Fund and Quality of Life Fund from the Police Department and the Municipal Court Department.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 192,727	\$ 44,662	\$ 194,243

(In Thousands)

Law Enforcement - Expenditures



The year end estimate for Law Enforcement is above budget largely due to increased costs of police body camera footage storage as well as an additional Navigator and Court Specialist for the Community Court.

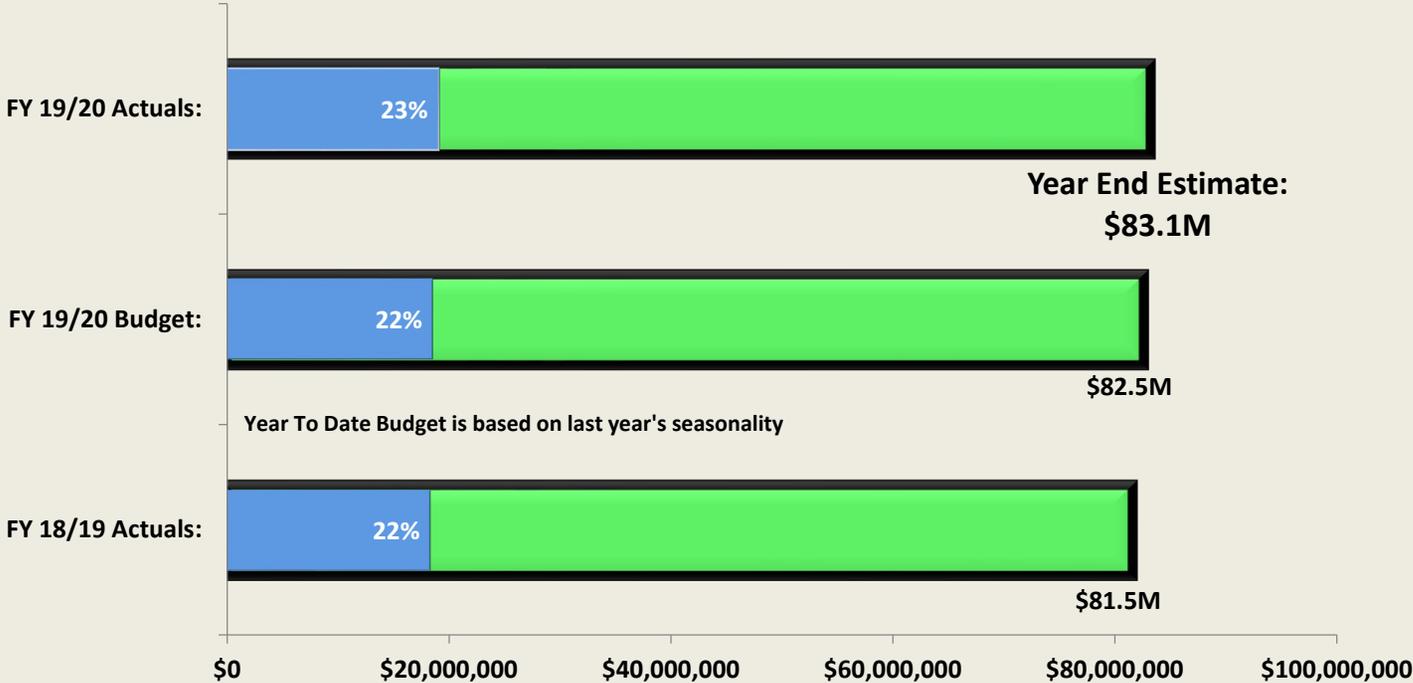
FY 19/20 1st Quarter Expenditures: Fire and Medical Summary

The data below represents posted expenditures in the General Fund and Quality of Life Fund from the Fire and Medical Department.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 82,538	\$ 19,009	\$ 83,141

(In Thousands)

Fire and Medical - Expenditures



The year end estimate for Fire and Medical is above budget largely due to funding related to remodeling the Training and Volunteer Center, and the addition of two mid-year positions (one Deputy Chief of Operations and one Behavioral Health Specialist). The budget capacity for these items was transferred from Other Departments Summary.

FY 19/20 1st Quarter Expenditures: Other Departments Summary

The data below represents posted expenditures in the General Fund and Quality of Life Fund from the departments of:

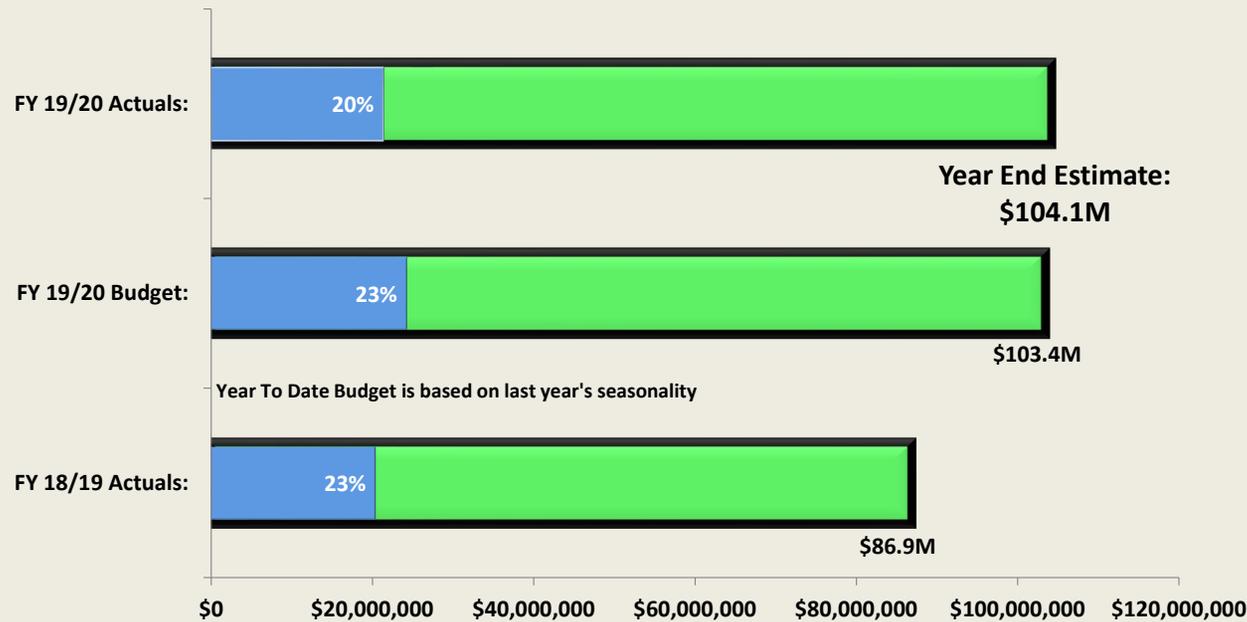
- | | | | |
|----------------------------|------------------------|--------------------------|---------------------------------------|
| Business Services | Communications | Financial Services | Office of Management and Budget |
| Centralized Appropriations | Economic Development | Fleet Services | Public Information and Communications |
| City Attorney | Energy Resources | Human Resources | Environmental Mgmt and Sustainability |
| City Auditor | Engineering | Information Technology | Transit Services |
| City Clerk | Facilities Maintenance | Mayor and Council | Transportation |
| City Manager | Falcon Field Airport | Office of ERP Management | Water Resources |

Includes all departments not identified elsewhere. Some departments may not have expenditures in these funds.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 103,385	\$ 21,324	\$ 104,146

(In Thousands)

Other Departments - Expenditures



Other Departments' expenditures are above budget largely due to a one-time refund of Public Safety Pension costs. Additionally, funds were transferred to Fire and Medical Department for remodeling and staffing costs, which can be seen on the Fire and Medical Summary.

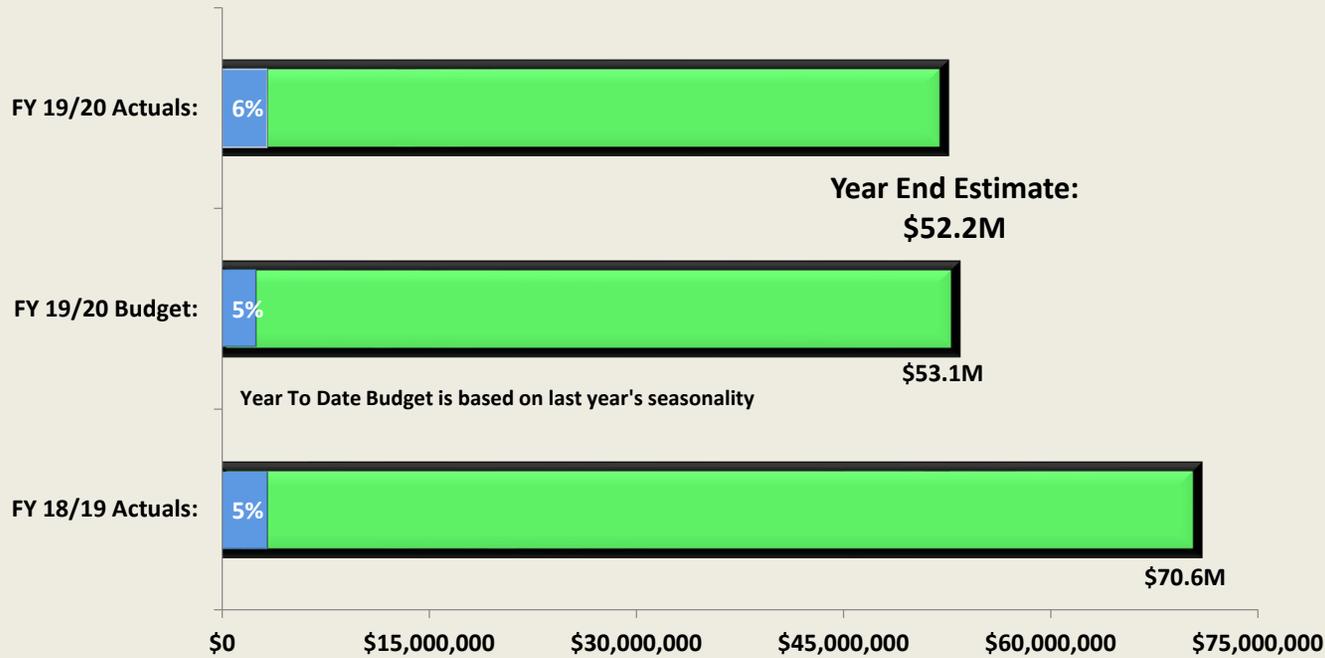
FY 19/20 1st Quarter Expenditures: Transfers Out Summary

The data below represents transfers out of the General Fund and Quality of Life Fund to the Vehicle Replacement Fund, Capital - General Fund, Impact Fees Funds, General Obligation Debt and Transit Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 53,068	\$ 3,218	\$ 52,245

(In Thousands)

Transfers Out - Expenditures



Almost all transfers from the General Fund occur at the end of the fiscal year, except for the quarterly transfer for vehicle replacements and the transfer to the Arts & Culture Fund. The year end estimate for the General Capital Fund transfer is below budget due to the timing of project expenditures between FY 18/19 and FY 19/20.

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FY 19/20 1st Quarter Net Sources and Uses - Enterprise Fund

Utility Net Sources and Uses	Adopted Budget	Year to Date Actuals	Year End Estimate
Electric	\$ 985	\$ 2,390	\$ 1,186
Natural Gas	\$ 1,884	\$ (1,606)	\$ 1,897
Solid Waste	\$ (1,380)	\$ (2,280)	\$ (2,251)
Wastewater	\$ 145	\$ (1,608)	\$ 2,923
Water	\$ (5,889)	\$ (236)	\$ (4,536)
Total	\$ (4,255)	\$ (3,341)	\$ (781)

Other/Non-Utility Net Sources and Uses	Adopted Budget	Year to Date Actuals	Year End Estimate
Convention Center	\$ (2,504)	\$ (287)	\$ (2,516)
Cubs/Sloan Park	\$ (1,173)	\$ (364)	\$ (1,181)
District Cooling	\$ 321	\$ 186	\$ 319
Golf Course	\$ (1,171)	\$ (299)	\$ (1,198)
Hohokam	\$ (1,167)	\$ (217)	\$ (1,169)
Total	\$ (5,693)	\$ (980)	\$ (5,745)

Total Enterprise Fund	\$ (9,948)	\$ (4,321)	\$ (6,526)
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(In Thousands)

Exceeding
On Track
Caution
Monitoring

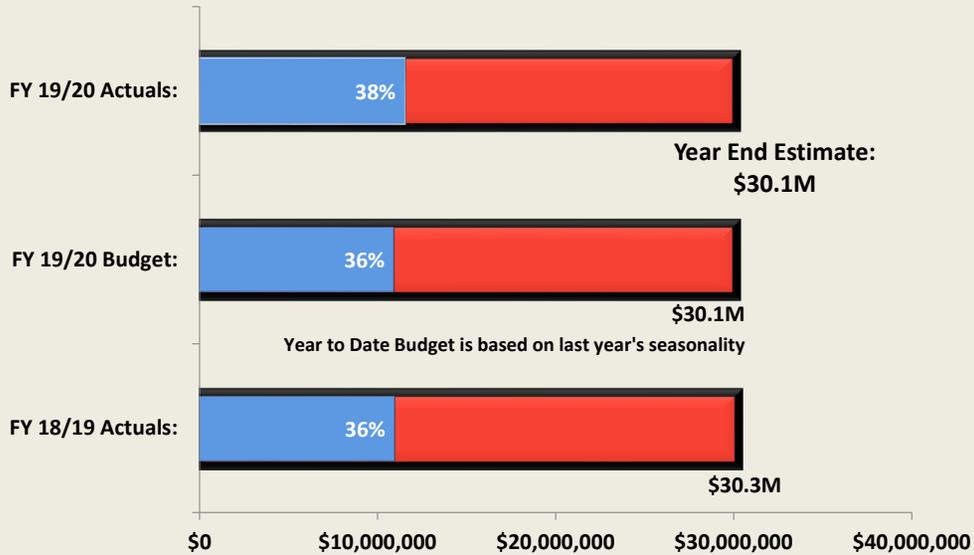
FY 19/20 1st Quarter Electric Summary

The data below represents financial information for the Enterprise Fund for the Electric sub-fund. Both direct (Energy Resources Department) and indirect (citywide) expenses are included.

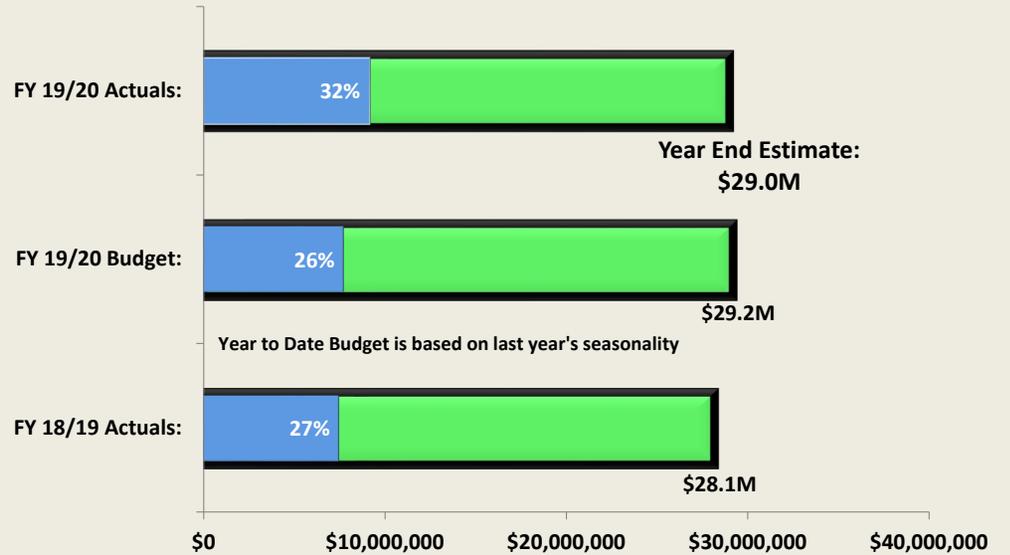
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 30,147	\$ 11,522	\$ 30,147
Uses	\$ 19,038	\$ 4,981	\$ 19,063
Debt/Capital Transfers Out	\$ 3,209	\$ 2,423	\$ 2,984
General Fund Transfers Out	\$ 6,914	\$ 1,728	\$ 6,914
Net Sources and Uses	\$ 985	\$ 2,390	\$ 1,186

(In Thousands)

Electric - Sources



Electric - Uses and Transfers



The year end estimate for sources is on track with budget. The year end estimate for the debt transfers out is below budget due to higher than anticipated savings from a refunding of electric utility system debt.

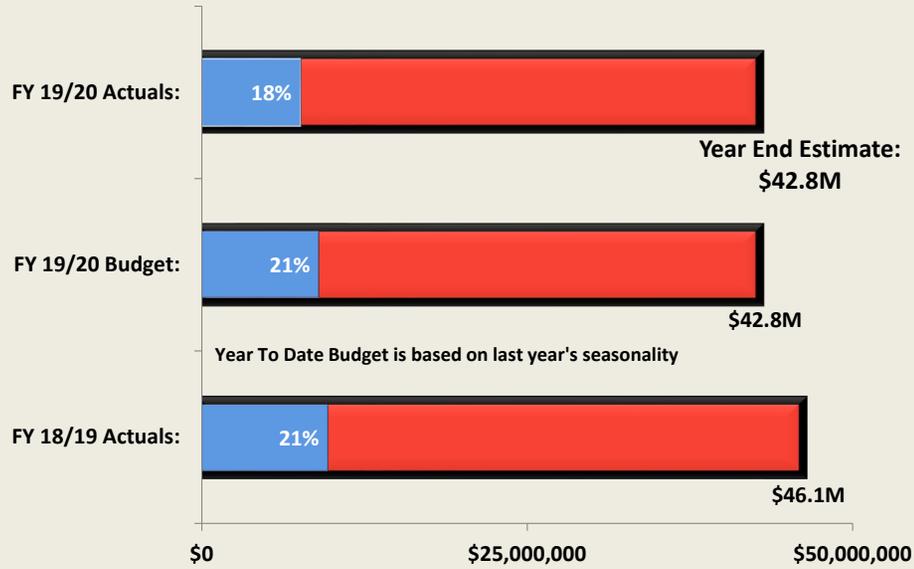
FY 19/20 1st Quarter Natural Gas Summary

The data below represents financial information for the Enterprise Fund for the Natural Gas sub-fund.
Both direct (Energy Resources Department) and indirect (citywide) expenses are included.

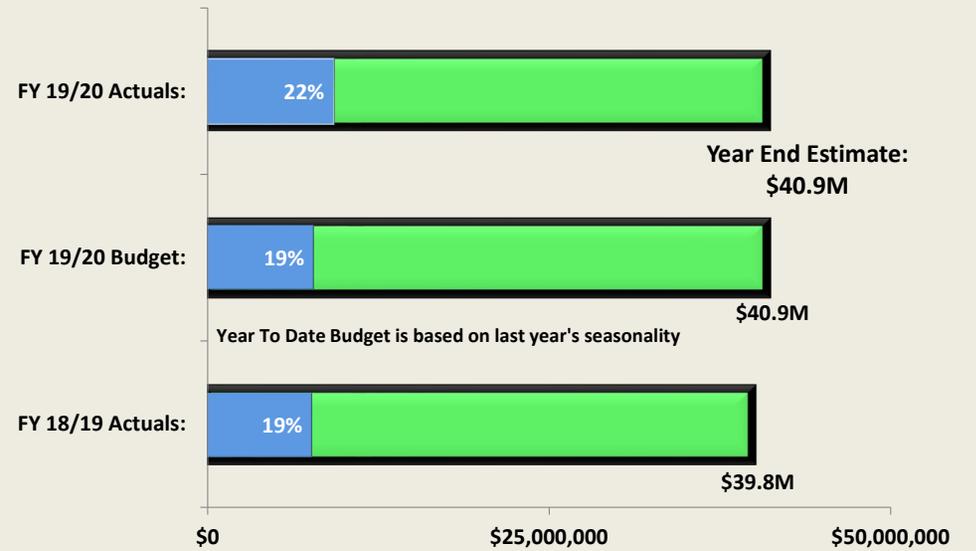
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 42,798	\$ 7,586	\$ 42,804
Uses	\$ 25,257	\$ 3,500	\$ 25,327
Debt/Capital Transfers Out	\$ 7,394	\$ 3,627	\$ 7,317
General Fund Transfers Out	\$ 8,263	\$ 2,066	\$ 8,263
Net Sources and Uses	\$ 1,884	\$ (1,606)	\$ 1,897

(In Thousands)

Natural Gas - Sources



Natural Gas - Uses and Transfers



The year end estimate for sources and uses are on track with budget.

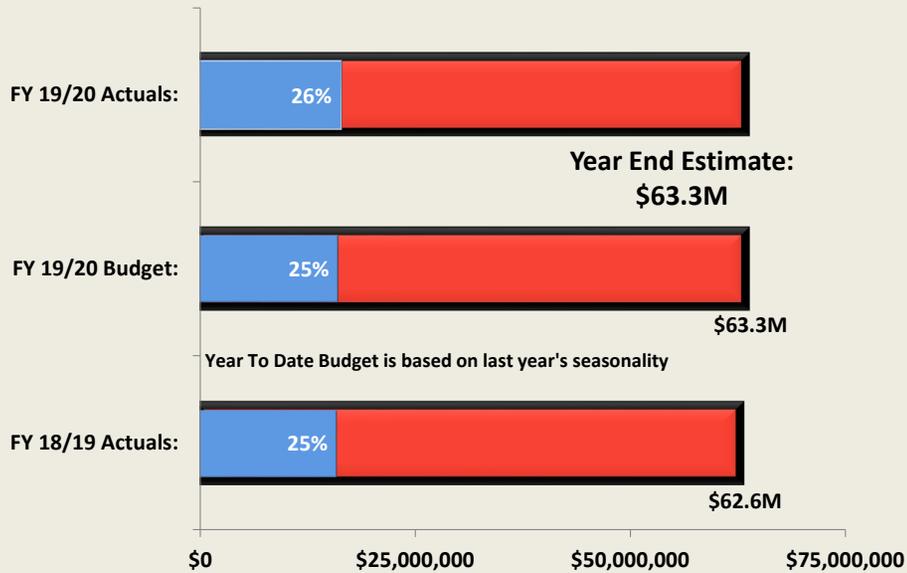
FY 19/20 1st Quarter Solid Waste Summary

The data below represents financial information from the Enterprise Fund for the Solid Waste sub fund. Both direct (Environmental Management and Sustainability Department) and indirect (citywide) expenses are included.

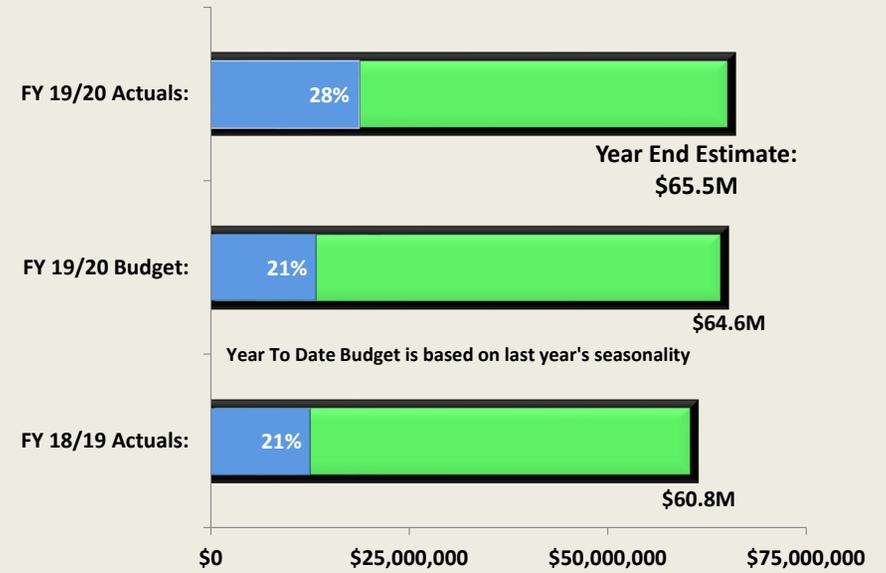
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 63,256	\$ 16,315	\$ 63,256
Uses	\$ 38,844	\$ 6,990	\$ 39,757
Debt/Capital Transfers Out	\$ 3,532	\$ 6,041	\$ 3,491
General Fund Transfers Out	\$ 22,260	\$ 5,565	\$ 22,260
Net Sources and Uses	\$ (1,380)	\$ (2,280)	\$ (2,251)

(In Thousands)

Solid Waste - Sources



Solid Waste - Uses and Transfers



The sources year end estimate for the Solid Waste commodity is on track with budget. The uses year end estimate is above budget due to increased costs for recycling contracts.

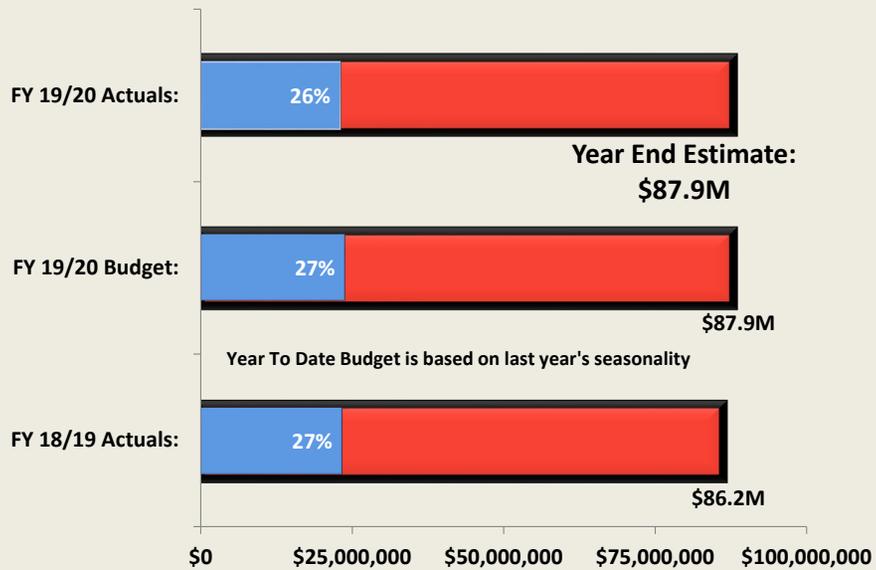
FY 19/20 1st Quarter Wastewater Summary

The data below represents financial information from the Enterprise Fund for the Wastewater Sub-fund. Both direct (Water Resources Department) and indirect (citywide) expenses are included.

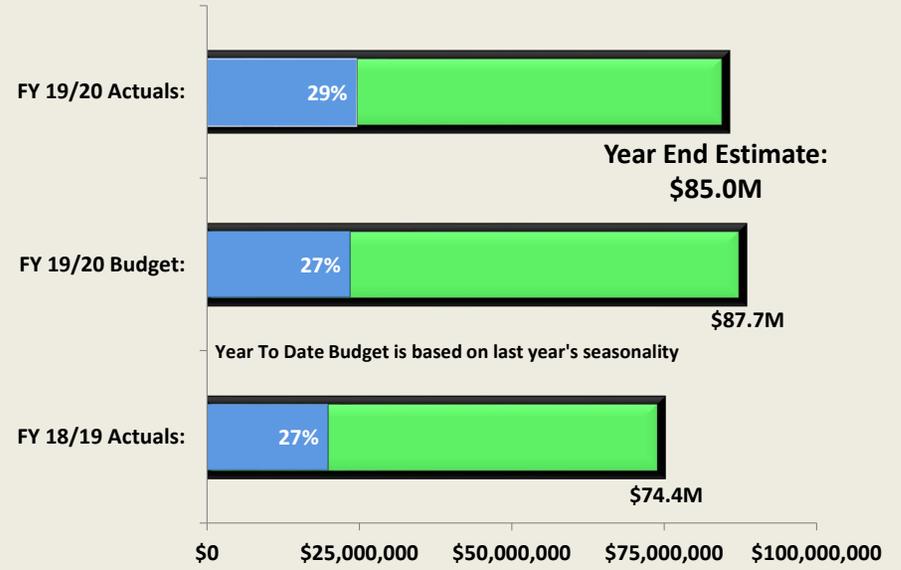
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 87,891	\$ 22,906	\$ 87,891
Uses	\$ 28,557	\$ 6,146	\$ 28,581
Debt/Capital Transfers Out	\$ 43,122	\$ 14,351	\$ 40,320
General Fund Transfers Out	\$ 16,068	\$ 4,017	\$ 16,068
Net Sources and Uses	\$ 145	\$ (1,608)	\$ 2,923

(In Thousands)

Wastewater - Sources



Wastewater - Uses and Transfers



The year end estimate for sources is on track with budget. The year end estimate for the debt transfers out is below budget due to higher than anticipated savings from a refunding of wastewater utility system debt.

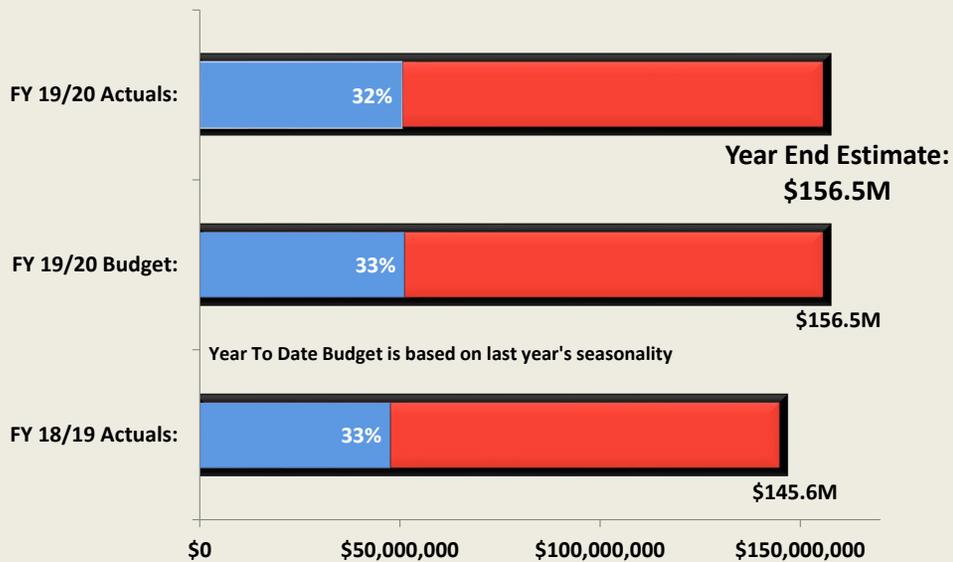
FY 19/20 1st Quarter Water Summary

The data below represents financial information from the Enterprise Fund for the Water Sub-fund.
Both direct (Water Resources Department) and indirect (citywide) expenses are included.

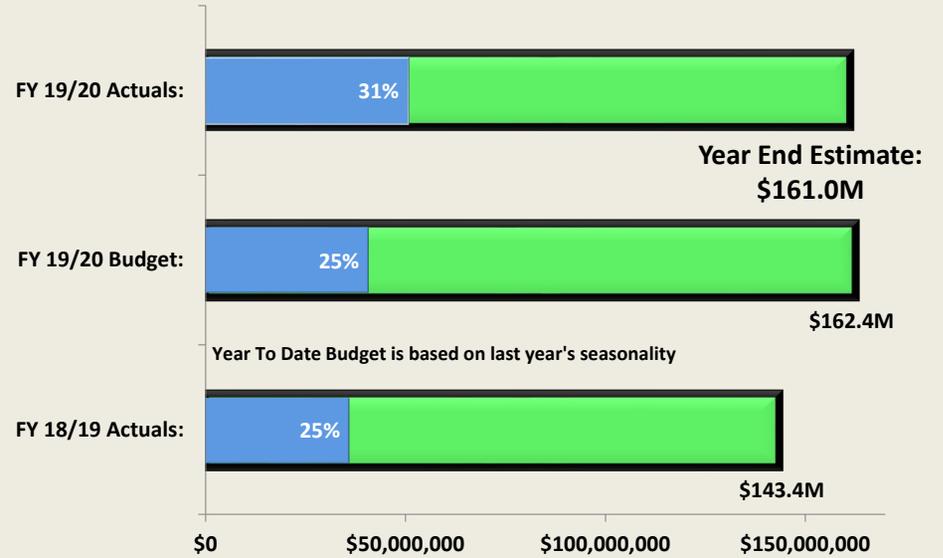
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 156,507	\$ 50,349	\$ 156,507
Uses	\$ 56,047	\$ 11,165	\$ 56,060
Debt/Capital Transfers Out	\$ 49,259	\$ 25,147	\$ 47,893
General Fund Transfers Out	\$ 57,090	\$ 14,273	\$ 57,090
Net Sources and Uses	\$ (5,889)	\$ (236)	\$ (4,536)

(In Thousands)

Water - Sources



Water - Uses and Transfers



The year end estimate for sources is on track with budget. The year end estimate for the debt transfers out is below budget due to higher than anticipated savings from a refunding of water utility system debt.

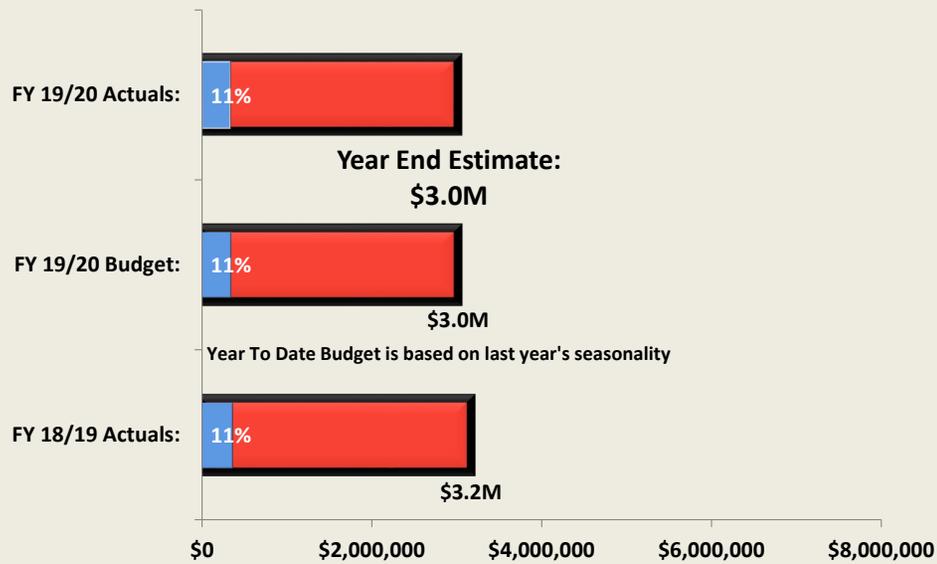
FY 19/20 1st Quarter Convention Center Summary

The data below represents financial information from the Enterprise Fund for the Convention Center sub-fund. Both direct (Parks, Recreation and Community Facilities Department) and indirect (citywide) expenses are included.

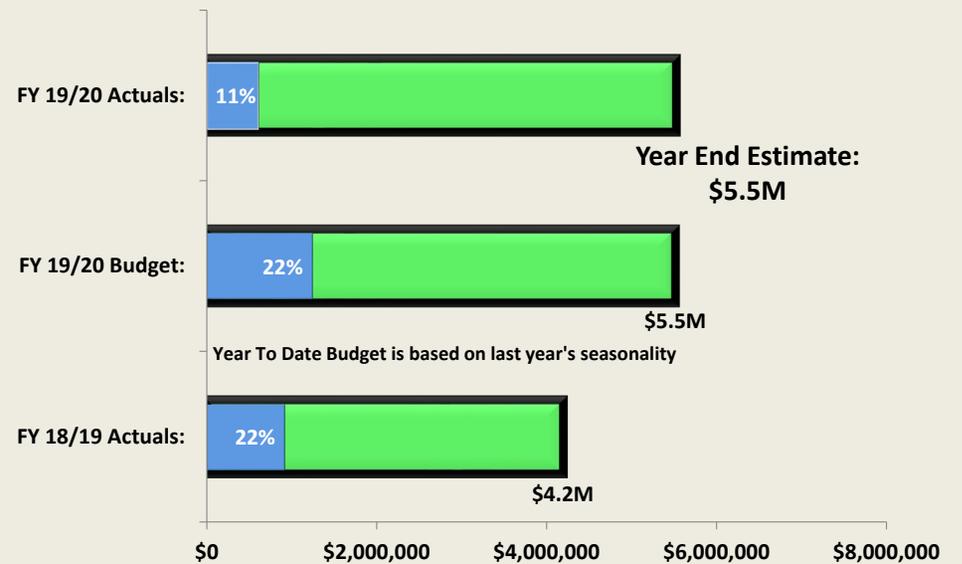
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 3,010	\$ 320	\$ 3,008
Uses	\$ 5,483	\$ 606	\$ 5,495
Debt/Capital Transfers Out	\$ 31	\$ -	\$ 30
General Fund Transfers Out	\$ -	\$ -	\$ -
Net Sources and Uses	\$ (2,504)	\$ (287)	\$ (2,516)

(In Thousands)

Convention Center - Sources



Convention Center - Uses and Transfers



The year end estimate for both sources and uses is on track with budget.

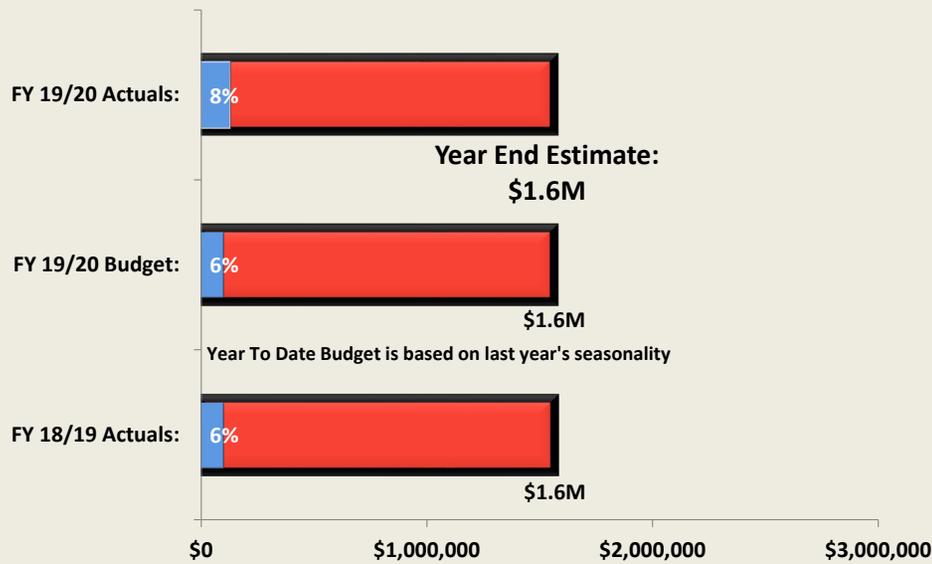
FY 19/20 1st Quarter Cubs/Sloan Park Summary

The data below represents financial information from the Enterprise Fund for the Cubs/Sloan Park sub-fund. Both direct (Parks, Recreation and Community Facilities Department) and indirect (citywide) expenses are included.

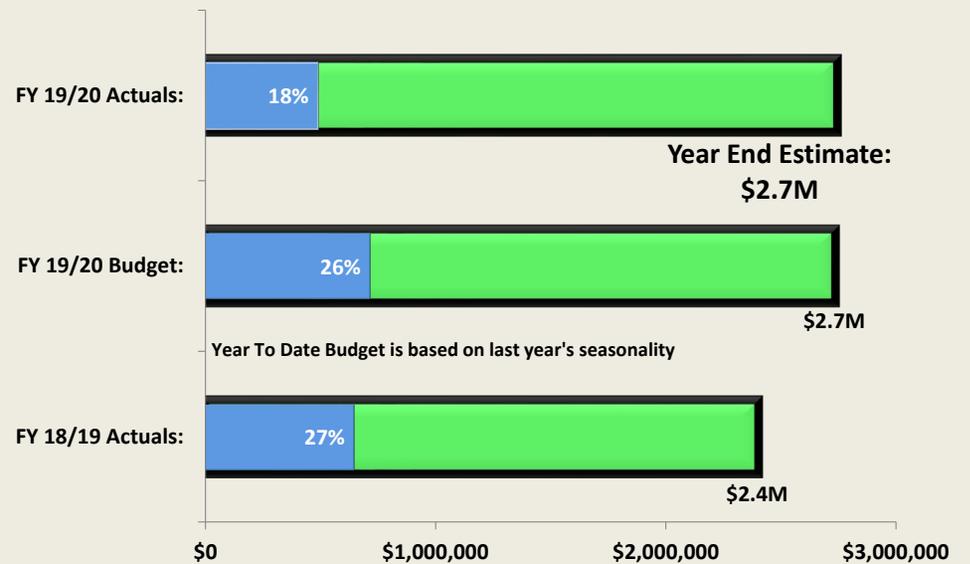
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 1,562	\$ 124	\$ 1,562
Uses	\$ 2,386	\$ 488	\$ 2,395
Debt/Capital Transfers Out	\$ 350	\$ -	\$ 348
General Fund Transfers Out	\$ -	\$ -	\$ -
Net Sources and Uses	\$ (1,173)	\$ (364)	\$ (1,181)

(In Thousands)

Cubs/Sloan Park - Sources



Cubs/Sloan Park - Uses and Transfers



The year end estimate for both sources and uses are on track to budget.

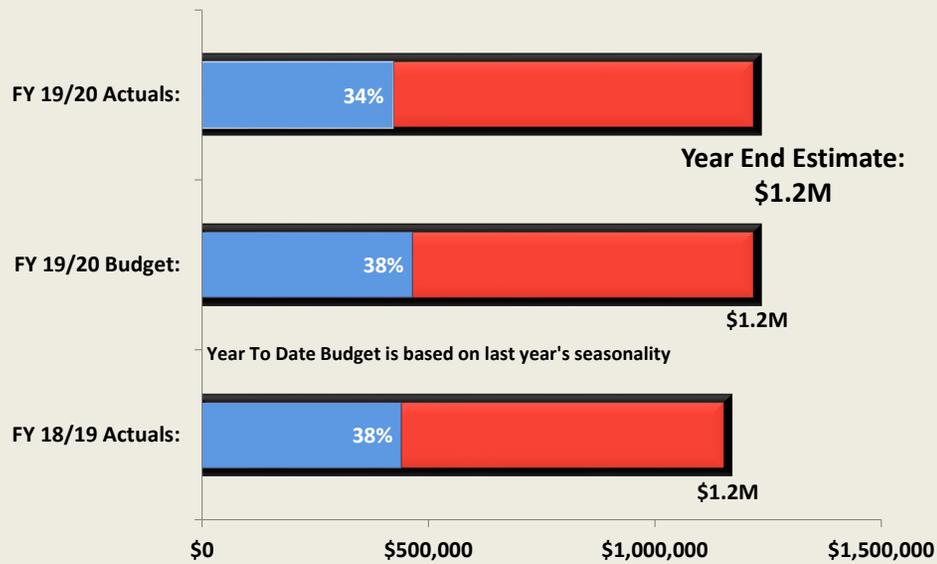
FY 19/20 1st Quarter District Cooling Summary

The data below represents financial information from the Enterprise Fund for District Cooling sub-fund. Both direct (Facilities Maintenance Department) and indirect (citywide) expenses are included.

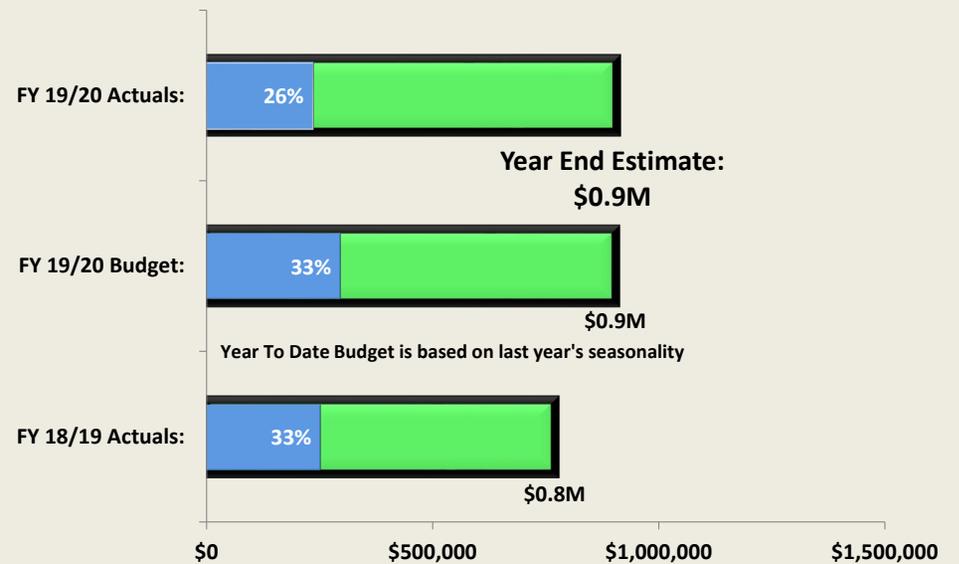
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 1,225	\$ 421	\$ 1,225
Uses	\$ 903	\$ 235	\$ 905
Debt/Capital Transfers Out	\$ 1	\$ -	\$ 1
General Fund Transfers Out	\$ -	\$ -	\$ -
Net Sources and Uses	\$ 321	\$ 186	\$ 319

(In Thousands)

District Cooling - Sources



District Cooling - Uses and Transfers



The year end estimate for sources and uses are on track with budget.

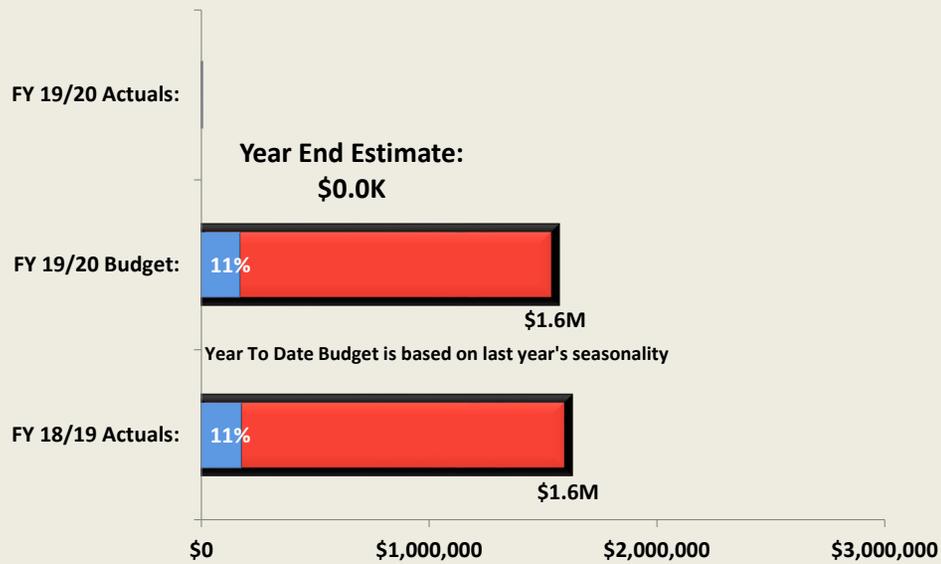
FY 19/20 1st Quarter Golf Course Summary

The data below represents financial information from the Enterprise Fund for the Golf Course sub-fund. Both direct (Parks, Recreation and Community Facilities Department) and indirect (citywide) expenses are included.

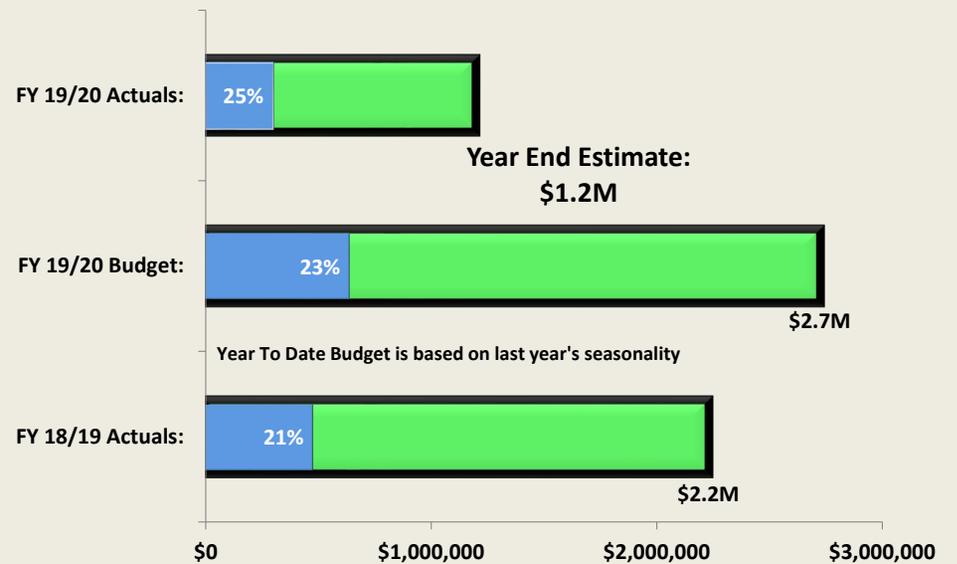
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 1,552	\$ (2)	\$
Uses	\$ 2,476	\$ 292	\$ 953
Debt/Capital Transfers Out	\$ 247	\$ 5	\$ 246
General Fund Transfers Out	\$ -	\$ -	\$ -
Net Sources and Uses	\$ (1,171)	\$ (299)	\$ (1,198)

(In Thousands)

Golf Course - Sources



Golf Course - Uses and Transfers



The year end estimate for sources and uses are below budget due to the transition of the Dobson Ranch Golf Course to a third party manager. The uses year end estimate includes expenses related to the transition of the course to the new management company as well as city overhead charges.

FY 19/20 1st Quarter Hohokam Summary

The data below represents financial information from the Enterprise Fund for the Hohokam Stadium sub-fund. Both direct (Parks, Recreation and Community Facilities Department) and indirect (citywide) expenses are included.

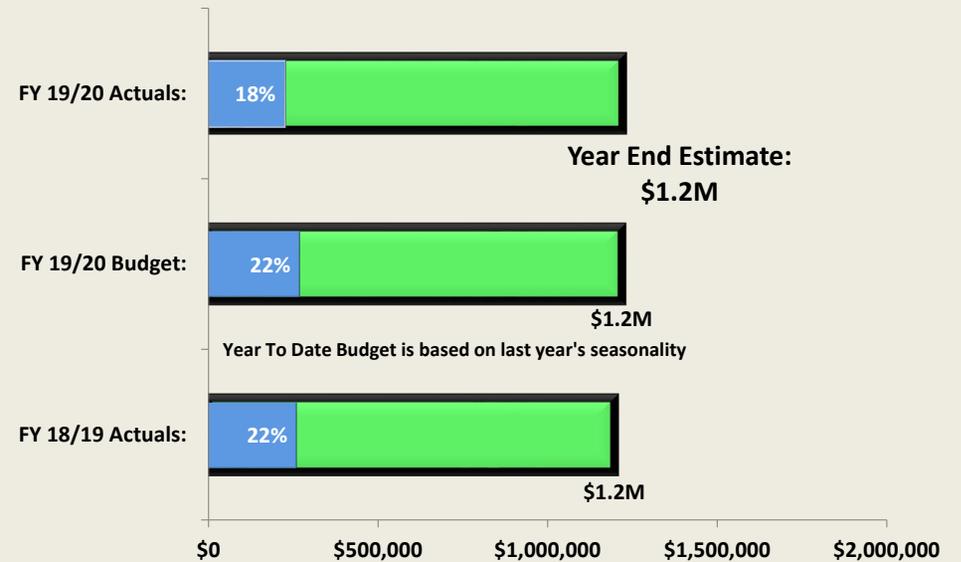
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 52	\$ 8	\$ 52
Uses	\$ 1,093	\$ 224	\$ 1,095
Debt/Capital Transfers Out	\$ 125	\$ -	\$ 125
General Fund Transfers Out	\$ -	\$ -	\$ -
Net Sources and Uses	\$ (1,167)	\$ (217)	\$ (1,169)

(In Thousands)

Hohokam - Sources



Hohokam - Uses and Transfers



The year end estimate for sources and uses is on track on budget.