

Enterprise Fund Review

May 9, 2019
City of Mesa

Candace Cannistraro, Management and Budget Director
Brian A. Ritschel, Management and Budget Deputy Director



Purpose of the Enterprise Fund

- Enterprise Fund sells goods and services to customers rather than the general public
- Supports the core purposes of the City
- Operate like a business with revenues covering most, if not all, the costs associated with providing the service. Portion of income dedicated to general governmental services

Core Purposes of the City

Public Safety

Quality of Life

Economic Development

Public Safety

- Law Enforcement and Community Engagement
- Emergency Fire & Medical Services
- Municipal Court Services

Quality of Life

- Parks
- Libraries
- Arts & Culture
- Neighborhood Assistance
- Safe, Clean Water
- Energy Services
- Sanitation Services
- Transportation

Economic Development

- Business recruitment/retention
- Utility service expansion
- Tourism - Spring Training, Convention Center
- Education opportunities
- Downtown innovation/improvement

History

- In 1945, City Council eliminated a general purpose revenue, the primary property tax
- They authorized to increase the income of the utility department to support general governmental services
- Today, the City continues to provide general governmental services without a primary property tax

Enterprise Fund

- Utility operations and improvements
- Public Safety Contribution
- Economic Development
 - Convention Center/Amphitheater
 - Spring Training Facilities
 - Economic Investment Fund

Economic Investment Fund

- Funding for economic investment opportunities that benefit the City as a whole
- Serves as a financial tool for investment in growth and expansion of industries in the City
- Allows for leveraging development opportunities as they arise
- Increased jobs/investment in the City as well as expansion of utility services/customers

Economic Investment Projects

- Healthcare study
- Mesa Center for Higher Education
- Benedictine University
- Spring Training Multi-use Fields
- ASU @ Mesa City Center
- The Studios @ Mesa City Center
- Able Engineering
- AZ Labs
- Launchpoint/Accelerator
- Purchase of Mervyn's building
- Redevelopment zones
- CO+HOOTS @ Benedictine University

Revenue Investment

- Revenues gained from the lease of facilities offset some of the operating expenses
- One-time revenues are leveraged
 - Ex: Zayo lease – one-time payment for lease of fiber
- Land sale revenues are leveraged
 - Pinal County land
 - Riverview
 - Recker & Thomas
 - Mervyns

General Governmental Sources and Uses



