

INTERIM DISCUSSION OF THE CITY'S FINANCIAL CONDITION

Statement of Financial Condition

The City of Mansfield, Texas is in solid financial condition as of and through the three months ending March 31, 2021 of the fiscal year ending September 30, 2021.

Significant Financial Activity through the Period

- Capital Improvements –
 - Equipment replaced, \$581,759
 - Streets, \$408,146
 - Fire Station #5 (including land), \$4,427,206 , current year - \$1,792,349
 - Man House renovation, \$916,942, current year - \$256,534
 - Police Station, \$371,123 , current year - \$367,302
- Authorized Refunding Bonds, \$7,425,000
 - Refunding Water & Sewer GO Bonds, Series 2009
 - Refunding Water & Sewer GO Bonds, Series 2011
 - Saving \$1.3 million over 10 years

General Fund Financial Activity

General fund assets are \$500,218,143, deferred outflows of resources are 18,179,360, liabilities are \$265,031,484; deferred inflows of resources are \$6,359,849 and general fund net position is \$247,006,170. Unassigned reserves and general fund balance was \$43,828,198 as of March 31, 2021.

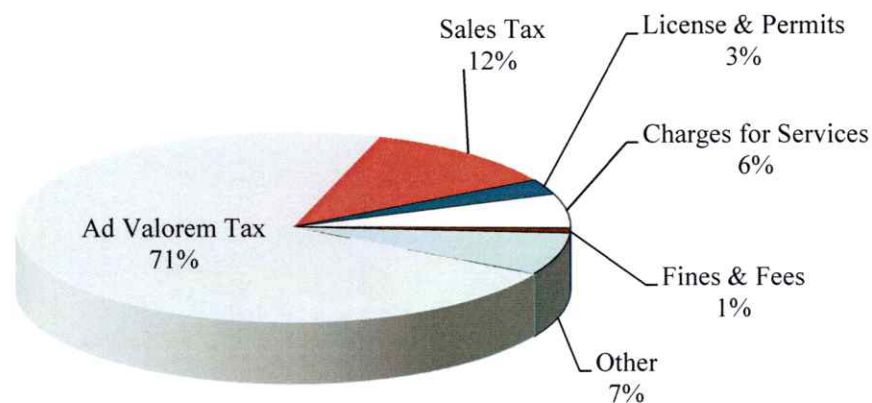
City of Mansfield, Texas interim unaudited financial report for the month and six (6) month period ended March, 2021

2021

Overall general fund revenue collected as of March 31, 2021 is 80.14% of anticipated collections. Expenditures as of March 31, 2021 are in line with budgeted expectations or 46.46% of the expected expenditures have been spent as of March 31, 2021. As of March 31, 2021 the City's current net assets are at estimated results.

General Fund Revenues

Allocation of Receipts as of March 31, 2021

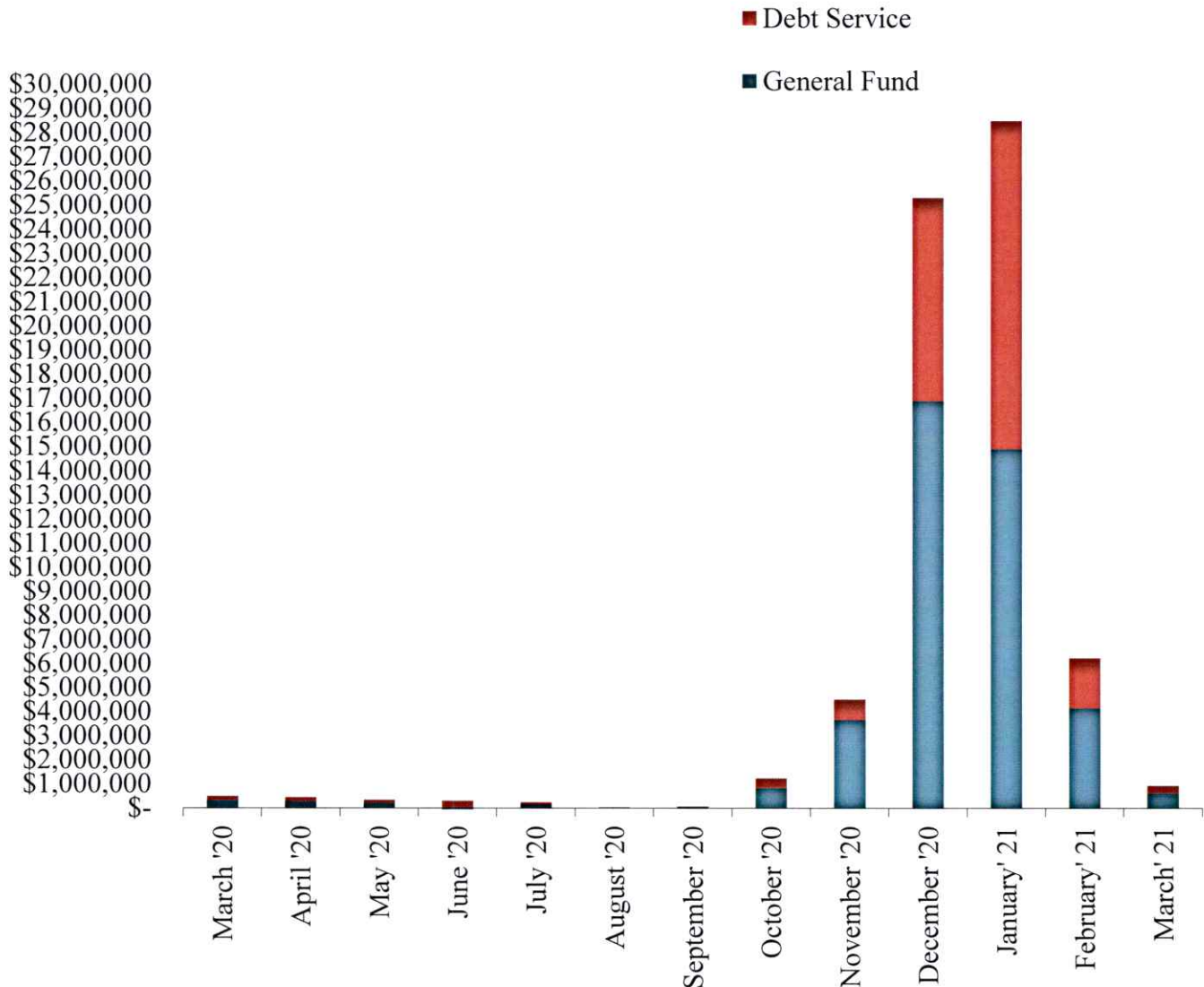


Property Tax Collections

Most of the City's property tax is collected in the first four or six months of the fiscal year as property tax bills are generally due within the first four months of the City's fiscal year. Property tax collections through March 31, 2021 are \$39,231,907. Last year's collections were \$39,047,402 for the same period - a 0.47% increase over prior year.

As of March 31, 2021, actual debt service property tax collections were \$17,322,318. For the same period last year, property tax collections were \$17,291,137 – an increase of 0.18%.

Ad Valorem Tax Collections by Month



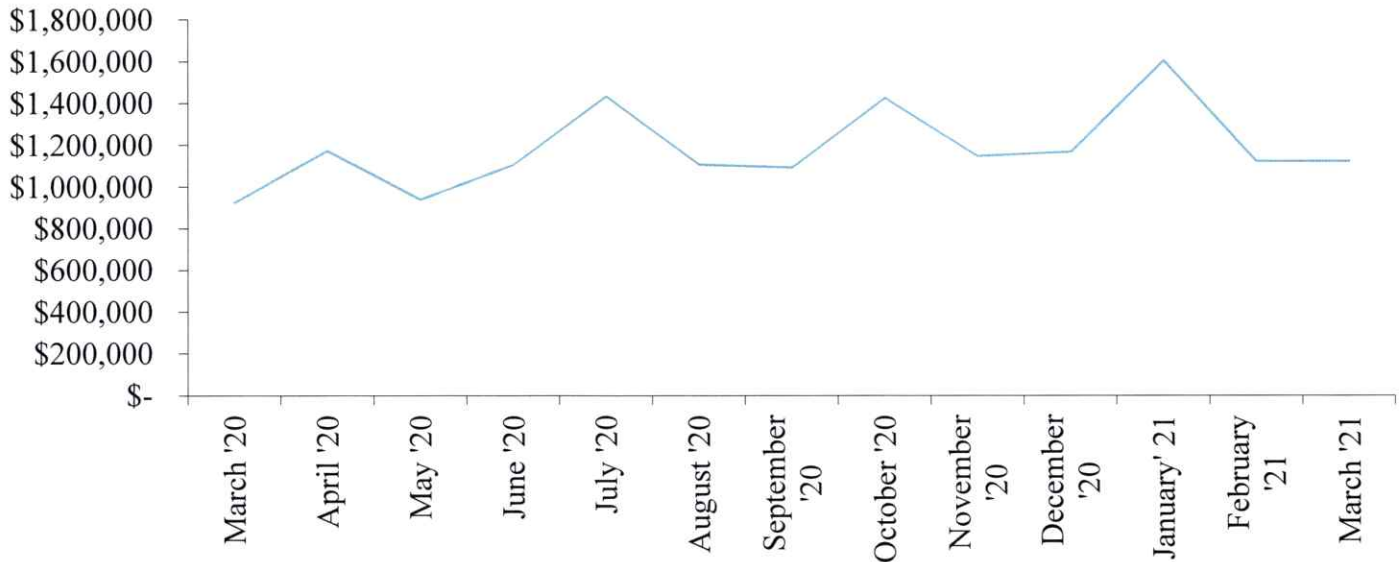
Sales Tax

The City's budgeted sales tax revenue is 19.70% of the total budgeted revenue for the City. Collections for the first six months amount to 9.91% of total budgeted collections for fiscal 2021. Sales tax per capita is \$178 as budgeted. Sales Tax collections for the period March 1, 2021 through March 31, 2021, total \$1,115,839 as compared to \$923,123 for the same period last year. This is an increase of 20.88% over the same period as last year.

City of Mansfield, Texas interim unaudited financial report for the month and six (6) month period ended March, 2021

2021

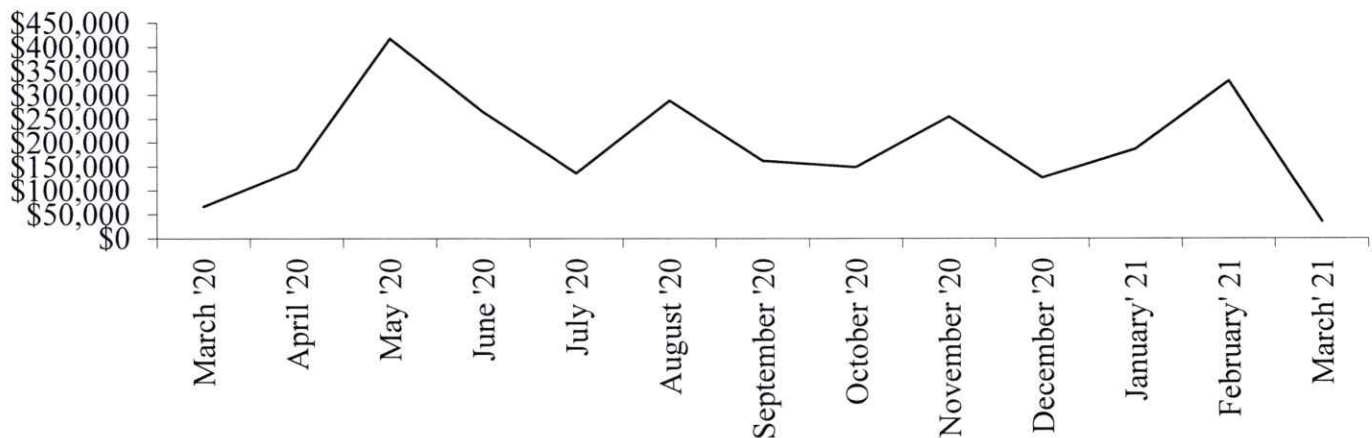
Sales Tax Collections



Building Permits

Building activity has increased in year over year comparisons. Building Permits decreased in March 2021 compared to March 2020. Permit revenues for this period compared to the same period last year are \$34,980 and \$66,503 respectively, representing a decrease of \$34,523 or 47.40% less than the same period last year. Building activity for the year is above budgeted estimates.

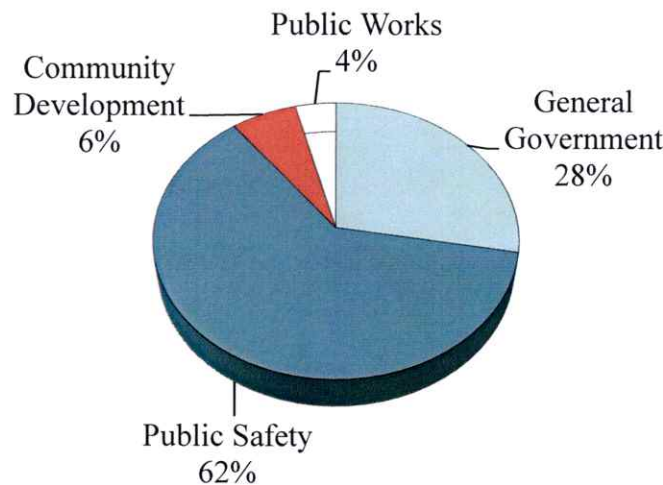
Building Permits Collections by Month



Expenditure/Uses

The City has spent \$31,424,736 of its expected expenditures of \$67,640,387 or 46.46% of the City total operating budget. The majority of the City's General Operating Fund is for the purposes of servicing the needs of the public's safety. Almost \$40,413,201 will be spent on the policing needs and fire needs of the City. Expenditures are at expectations as of March 31, 2021.

Actual Expenses



Water & Sewer Financial Activity

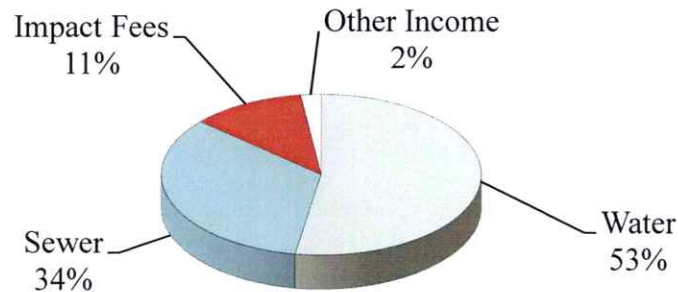
Water & Sewer assets are \$254,605,037, deferred outflows of resources are \$4,292,376 fund liabilities are \$44,701,791; deferred inflows of resources are \$581,712 and fund net position is \$213,613,910. Unassigned reserves are \$22,191,479 as of March 31, 2021.

Operating Revenue is on pace with the budget for this fiscal year. The sale of Water & Sewer alone represents 86.36% of the total revenue collected to date; 11.56% of the Fund's revenue has been collected from impact fees. Currently the Fund has collected 54.61% of its Budgeted Revenue to date or \$19,659,632 of \$36,000,198 in Budgeted Revenue.

City of Mansfield, Texas interim unaudited financial report for the month and six (6) month period ended March, 2021

2021

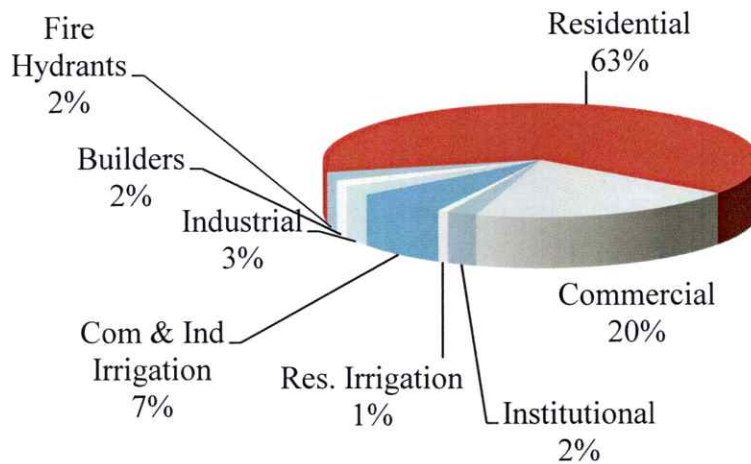
Revenues



Consumption Class	Water Accounts		Consumption (*000)		Avg Consmt Per Acct	
	March '21	March '20	March '21	March '20	March '21	March '20
Residential	20,301	19,590	138,192	103,642	6,807	5,291
Commercial	768	749	43,161	38,509	56,199	51,414
Institutional	158	159	4,857	5,219	30,741	32,827
Residential Irrigation	905	900	1,653	1,165	1,826	1,294
Com & Ind Irrigation	850	792	15,225	11,585	17,911	14,627
Industrial	131	131	5,984	9,342	45,682	71,316
Builders	579	345	3,851	2,592	6,651	7,512
Fire Hydrants	60	55	5,212	1,178	86,865	21,421
Residential Key Branch	6	6	39	42	6,562	7,055
Bulk Untreated Water	4	4	1,426	381	356,500	95,250
Bulk Treated Water	6	6	83,311	67,412	13,885,208	11,235,334
	23,768	22,737	302,911	241,067		

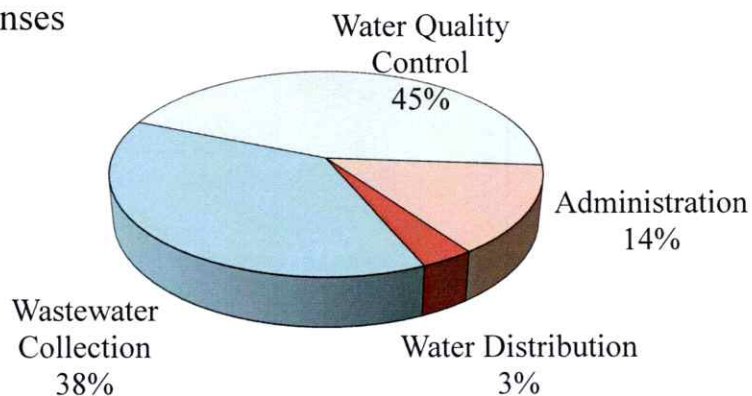
Consumption to date is up over prior year's consumption due to increasing connections. In a year over year comparison, customer accounts have increased by 1,031 new connections.

Average Consumption Per Account



The Department's expenses are under anticipated levels to date. Note that the overall expenditure activity of the fund (excluding depreciation) indicates 38.29% of the funds have been expended to date. The costs of raw water and sewer treatment are within budgeted estimates.

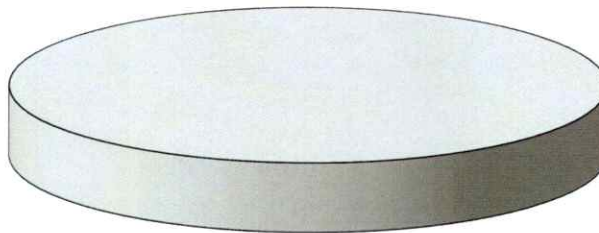
Water & Sewer Expenses



INVESTMENT SCHEDULE:

A schedule of investments is included in your packet for period ended March 31, 2021.

Investment Summary



Money Markets
100%

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GENERAL FUND

The General Fund is used to account for resources traditionally associated with government which are not legally required to be accounted for in another fund.

City of Mansfield, Texas

Comparative Statement of Net Position - General Fund
March 31, 2021 and 2020 (Unaudited)

	Fiscal 2021	Fiscal 2020
<u>ASSETS</u>		
Cash and Investments	\$ 43,787,263	\$ 41,004,453
Receivables:		
Current Year Taxes	1,345,320	435,451
Delinquent Taxes (Net of Allowance of \$670,555)	-	-
Accounts (Net of Allowance of \$240,056)	854,501	1,916,082
Ambulance	1,149,344	1,283,361
Municipal Court	28,122	39,338
Due From Other Funds	-	558,010
Capital Assets (net of accumulated depreciation)	453,053,593 *	434,803,657
Total Assets	\$ 500,218,143	\$ 480,040,352
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
Deferred Pension Contributions	\$ 3,925,423	\$ 3,289,904
Deferred OPEB Contributions	2,145,464	31,975
Deferred Investment Losses	387,125	6,285,867
Deferred Assumption Changes	242,190	48,092
Deferred Actuarial Experience	9,121,809	7,934,328
Deferred Loss on Refunding	2,357,349 *	2,641,100
Total Deferred Outflows of Resources	18,179,360	20,231,266
Total Assets and Deferred Outflows of Resources	518,397,503	500,271,618
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>		
<u>LIABILITIES:</u>		
Accounts Payable	\$ 338,877	\$ 467,867
Accrued Liabilities	474,690	741,889
Deferred Revenue	2,522,785	1,758,149
Noncurrent liabilities:		
Due within one year	15,512,302 *	12,572,026
Due in more than one year	246,182,830 *	214,709,154
Total Liabilities	265,031,484	230,249,085
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Prepaid Rent	1,333,333 *	1,493,333
Deferred Assumption Changes	1,216,897	812,491
Deferred Investment Gains	3,800,551	-
Deferred actuarial experience	-	-
Deferred gain of refunding	9,068 *	-
Total Deferred Inflows of Resources	6,359,849	2,305,824
<u>FUND BALANCES:</u>		
Invested in capital assets, net of related debt	191,358,461 *	207,522,477
Assigned for deferred outflows/inflows	11,819,511	17,925,442
Unassigned	43,828,198	42,268,790
Total Fund Balances	247,006,170	267,716,709
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 518,397,503	\$ 500,271,618

* Current year presentation only, does not include current year depreciation expense.

* Does not conform with Generally Accepted Accounting Principals or Governmental Accounting Standards

*For presentation purposes the capital assets and outstanding debt of the Governmental Funds have been consolidated into the General Operating Fund of the City.

City of Mansfield, Texas

Summary Statement of Activities

For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE	FY21 ORIGINAL BUDGET	FY21 POSITIVE (NEGATIVE) BUDGET	FY21 PERCENT COLLECTED TO BUDGET
REVENUES:							
Taxes	\$ 4,332,949	\$ 3,688,685	\$ 49,267,853	\$ 49,564,555	\$ 58,725,515	\$ (9,457,663)	83.90%
License And Permits	49,090	90,335	1,449,014	774,178	1,780,379	(331,365)	81.39%
Grant Revenue	102,716	78,671	104,312	84,031	200,905	(96,593)	51.92%
Charges For Services	618,777	467,759	3,136,401	3,086,106	5,625,213	(2,488,812)	55.76%
Fines And Fees	104,512	109,902	483,358	605,210	1,247,639	(764,281)	38.74%
Interest Earnings	250	28,592	6,181	215,337	50,000	(43,819)	12.36%
Contributions	-	-	-	-	-	-	0.00%
Miscellaneous	37,884	17,524	442,759	307,568	864,854	(422,095)	51.19%
Total Revenues	5,246,178	4,481,470	54,889,878	54,636,985	68,494,505	(13,604,628)	80.14%
EXPENDITURES:							
General Government	1,466,860	1,178,130	8,746,604	7,226,922	17,392,784	8,646,180	50.29%
Public Safety	3,092,513	2,939,993	19,428,798	18,329,713	40,413,201	20,984,403	48.08%
Public Works	278,489	391,212	1,240,532	1,591,277	4,865,186	3,624,654	25.50%
Community Development	285,295	281,354	2,008,802	1,893,376	4,969,216	2,960,414	40.42%
Total Expenditures	5,123,157	4,790,689	31,424,736	29,041,288	67,640,387	36,215,651	46.46%
EXCESS REVENUES OVER(UNDER) EXPENDITURES	123,021	(309,219)	23,465,142	25,595,697	854,118		
OTHER FINANCING SOURCES (USES)							
Reserve/Contingency	(2,198)	(19,476)	(402,357)	(40,992)	(29,833)	(141,861)	1348.70%
Sale of Capital Assets, net	-	-	-	-	-	-	0.00%
Financing, net	-	-	-	-	-	-	0.00%
Sources	-	-	-	-	2,537,347	(2,537,347)	0.00%
(Uses)	(595,905)	-	(1,421,886)	(695,221)	(3,361,632)	2,550,234	42.30%
Total Other Financing Sources (Uses)	(598,103)	(19,476)	(1,824,243)	(736,213)	(854,118)	(128,974)	213.58%
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(475,082)	(328,695)	21,640,899	24,859,484	0		
FUND BALANCE							
BEGINNING	44,303,280	42,597,485	22,187,299	17,409,306	21,934,063		
ENDING	\$ 43,828,198	\$ 42,268,790	\$ 43,828,198	\$ 42,268,790	\$ 21,934,063		

City of Mansfield, Texas

Statement of Activities - Budget and Actual - General Fund

For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE	FY21 ORIGINAL BUDGET	FY21 POSITIVE (NEGATIVE) BUDGET	FY21 PERCENT COLLECTED TO BUDGET
REVENUES:							
Taxes-Current	\$ 594,233	\$ 319,346	\$ 39,139,940	\$ 38,903,960	\$ 40,720,947	\$ (1,581,007)	96.12%
Taxes-Prior	11,173	5,753	91,967	143,442	174,144	(82,177)	52.81%
Gas Royalty Income	1,139	191	427,692	429,705	479,458	(51,766)	89.20%
Franchise Taxes	2,550,564	2,412,662	2,891,248	3,086,691	3,435,645	(544,397)	84.15%
Sales Taxes	1,115,839	923,123	6,441,768	6,789,474	13,494,430	(7,052,662)	47.74%
Mix Drink Taxes	19,468	-	95,851	55,570	238,831	(142,980)	40.13%
Delinquent P&I	40,533	27,610	179,387	155,713	182,060	(2,673)	98.53%
Total Taxes	4,332,949	3,688,685	49,267,853	49,564,555	58,725,515	(9,457,663)	83.90%
LICENSE & PERMITS							
Building Permits	34,980	66,503	1,080,645	555,579	1,321,583	(240,938)	81.77%
Other Lic/Permits	14,110	23,832	368,369	218,599	458,796	(90,427)	80.29%
Total License & Permits	49,090	90,335	1,449,014	774,178	1,780,379	(331,365)	81.39%
GRANT REVENUE	102,716	78,671	104,312	84,031	200,905	(96,593)	51.92%
CHARGES FOR SERVICES							
Sanitation	346,107	317,842	1,965,901	1,842,980	3,685,500	(1,719,599)	53.34%
Ambulance Services	186,170	149,353	816,333	823,485	1,555,713	(739,380)	52.47%
Fines & Fees-Engineering	86,500	564	354,167	419,641	384,000	(29,833)	92.23%
Total Charges For Services	618,777	467,759	3,136,401	3,086,106	5,625,213	(2,488,812)	34.54%
FINES & FEES							
Fines & Fees-Court	75,153	67,422	313,289	401,842	876,499	(563,210)	35.74%
Fines & Fees-Other	29,359	42,480	170,069	203,368	371,140	(201,071)	45.82%
Total Fines & Fees	104,512	109,902	483,358	605,210	1,247,639	(764,281)	38.74%
INTEREST EARNINGS	250	28,592	6,181	215,337	50,000	(43,819)	12.36%
MISCELLANEOUS							
Jail Contract Housing	0	0	147,072	0	287,937	(140,865)	51.08%
Certificate Of Occupancy	240	1,080	7,140	6,540	15,480	(8,340)	46.12%
Mowing	0	150	2,019	4,285	-	2,019	0.00%
Sale Of Property	0	0	15	5,412	-	15	0.00%
Zoning Fees	0	0	24,300	36,562	78,000	(53,700)	31.15%
Plat Fees	0	0	0	0	57,541	(57,541)	0.00%
Miscellaneous	37,644	16,294	262,213	254,767	425,896	(163,683)	61.57%
Total Miscellaneous	37,884	17,524	442,759	307,568	864,854	(422,095)	51.19%
Total Revenues	\$ 5,246,178	\$ 4,481,470	\$ 54,889,878	\$ 54,636,985	\$ 68,494,505	\$ (13,604,628)	80.14%

City of Mansfield, Texas

Statement of Activities - Budget and Actual - General Fund
For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE	FY21 ORIGINAL BUDGET	FY21 POSITIVE (NEGATIVE) BUDGET	FY21 PERCENT COLLECTED TO BUDGET
EXPENDITURES:							
GENERAL GOVERNMENT							
Non-departmental	\$ 271,068	\$ 45,357	\$ 1,340,459	\$ 706,770	\$ 3,524,863	\$ 2,184,404	38.03%
City Council	15,489	2,518	94,040	56,743	180,485	86,445	52.10%
Administration	103,604	68,881	1,039,630	446,427	1,271,060	231,430	81.79%
Legal	54,876	83,508	491,556	309,866	494,392	2,836	99.43%
Human Resources	135,520	46,630	478,732	354,584	786,415	307,683	60.88%
Finance	22,008	47,212	102,735	285,537	222,749	120,014	46.12%
Accounting	28,146	28,164	194,122	226,709	517,706	323,584	37.50%
Purchasing	25,186	6,868	175,764	49,428	362,973	187,209	48.42%
Tax Collection	15,828	13,330	322,895	333,231	350,008	27,113	92.25%
Information Technology	68,788	41,719	419,611	393,666	1,029,888	610,277	40.74%
Sanitation	277,916	257,133	1,369,016	1,265,498	3,063,499	1,694,483	44.69%
Budget	1	8,006	42	45,732	0	(42)	0.00%
City Secretary	41,627	46,335	248,198	267,419	488,326	240,128	50.83%
Planning Administration	81,163	89,337	606,386	560,032	1,206,684	600,298	50.25%
Construction Codes Boards	-	-	250	50,288	42,674	42,424	0.59%
Planning/Zoning Comm	182	686	2,767	6,280	13,187	10,420	20.98%
Engineering	43,977	37,576	250,055	217,657	406,962	156,907	61.44%
Historic Landmark	-	29	339	601	2,105	1,766	16.12%
Development Services	15,403	142,659	216,577	222,216	333,371	116,794	64.97%
Building Inspection	90,667	93,125	563,653	547,745	1,254,255	690,602	44.94%
Board of Adjustments	-	131	156	767	2,818	2,662	5.54%
Code Compliance	46,830	53,565	295,439	303,432	657,365	361,926	44.94%
Building Maintenance	128,581	65,361	534,182	576,294	1,180,999	646,817	45.23%
Total	1,466,860	1,178,130	8,746,604	7,226,922	17,392,784	8,646,180	50.29%
PUBLIC SAFETY							
Police Administration	117,347	102,576	1,008,975	1,038,185	1,770,723	761,748	56.98%
Communications	217,169	209,706	1,589,968	1,536,937	3,129,212	1,539,244	50.81%
Patrol	688,448	850,604	4,570,108	4,673,229	10,299,262	5,729,154	44.37%
CID And Narcotics	231,015	234,129	1,605,149	1,538,921	3,226,900	1,621,751	49.74%
Jail Operations	94,468	-	601,560	-	1,214,874	613,314	49.52%
Animal Control	64,143	56,916	371,156	345,170	773,204	402,048	48.00%
CVE Traffic Enforcement	22,274	22,836	142,513	145,177	332,552	190,039	42.85%
Traffic Enforcement	210,436	45,020	457,193	271,103	665,082	207,889	68.74%
K-9 Patrol	11,478	29,499	61,432	100,477	140,548	79,116	43.71%
COPS	55,697	33,393	340,294	205,922	772,580	432,286	44.05%
Municipal Court	44,839	51,768	294,451	356,147	603,599	309,148	48.78%
Training	56,294	54,869	300,771	204,234	651,167	350,396	46.19%
Police Grant Expenditures	30,079	31,203	325,083	220,673	392,460	67,377	82.83%
Fire Administration	109,011	92,113	646,693	620,678	1,818,629	1,171,936	35.56%
Fire Prevention	47,493	58,380	364,818	455,007	833,619	468,801	43.76%
Emergency Management	85,932	57,941	448,164	339,598	848,756	400,592	52.80%
Fire Operations	1,006,390	1,009,040	6,300,470	6,278,255	12,940,034	6,639,564	48.69%
Total	3,092,513	2,939,993	19,428,798	18,329,713	40,413,201	20,984,403	48.08%
PUBLIC WORKS							
Street Maintenance	278,489	391,212	1,240,532	1,591,277	4,865,186	3,624,654	25.50%
Traffic Control	-	-	-	-	-	-	0.00%
Total	278,489	391,212	1,240,532	1,591,277	4,865,186	3,624,654	25.50%

City of Mansfield, Texas

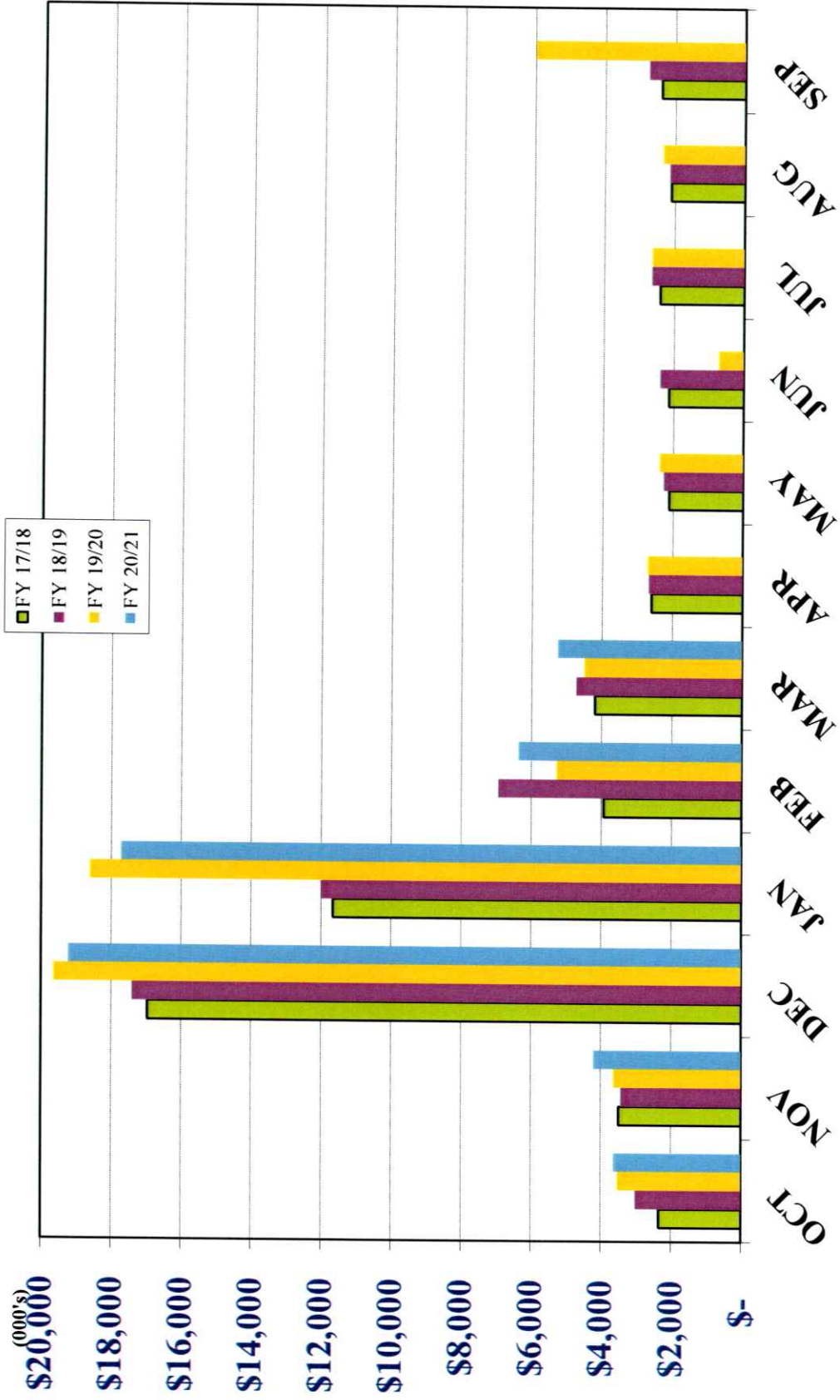
Statement of Activities - Budget and Actual - General Fund

For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE	FY21 ORIGINAL BUDGET	FY21 POSITIVE (NEGATIVE) BUDGET	FY21 PERCENT COLLECTED TO BUDGET
COMMUNITY SERVICES							
Parks & Recreation Operations	111,781	127,644	790,186	831,937	2,287,401	1,497,215	34.55%
Communications & Marketing	35,972	24,278	186,097	141,431	362,181	176,084	51.38%
Downtown Parking	310	309	2,596	3,288	-	(2,596)	0.00%
Senior Citizens	17,957	24,291	114,222	144,591	308,929	194,707	36.97%
Cultural Services	24,713	23,880	214,250	213,266	518,244	303,994	41.34%
Library	94,562	80,952	701,451	558,863	1,492,461	791,010	47.00%
Total	285,295	281,354	2,008,802	1,893,376	4,969,216	2,960,414	40.42%
TOTAL EXPENDITURES	\$ 5,123,157	\$ 4,790,689	\$ 31,424,736	\$ 29,041,288	\$ 67,640,387	\$ 36,215,651	46.46%
EXCESS REVENUES OVER(UNDER) EXPENDITURES							
	123,021	(309,219)	23,465,142	25,595,697	854,118		
OTHER FINANCING SOURCES (USES)							
SOURCES:							
Utility Fund-Transfer	-	-	-	-	2,295,947	(2,295,947)	0.00%
MEDC - Transfer	-	-	-	-	241,400	(241,400)	0.00%
TIF #1 - Transfer	-	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	-	0.00%
Premiums on Bond Issuance	-	-	-	-	-	-	0.00%
Sale of Capital Assets, net	-	-	-	-	-	-	0.00%
Total Other Financing Sources	-	-	-	-	2,537,347	(2,537,347)	0.00%
(USES):							
Land	-	-	-	-	-	-	0.00%
MPFDC	-	-	-	-	(499,592)	499,592	0.00%
Transfers	-	-	-	-	(1,535,772)	1,535,772	0.00%
PFA Insurance	-	-	(805,488)	(677,373)	(719,068)	(71,837)	109.99%
Economic Incentives	(595,905)	-	(616,398)	(17,848)	(607,200)	586,707	3.38%
Discount on Bond Issuance	-	-	-	-	-	-	0.00%
Bond Issuance Costs	-	-	-	-	-	-	0.00%
Reserve/Contingency	(2,198)	(19,476)	(402,357)	(40,992)	(29,833)	(141,861)	575.52%
Total Other Financing Uses	(598,103)	(19,476)	(1,824,243)	(736,213)	(3,391,465)	2,408,373	28.99%
Total Other Financing Sources (Uses)	(598,103)	(19,476)	(1,824,243)	(736,213)	(854,118)	(128,974)	
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES							
	(475,082)	(328,695)	21,640,899	24,859,484	0		
UNRESERVED FUND BALANCE							
BEGINNING	44,303,280	42,597,485	22,187,299	17,409,306	21,934,063		
ENDING	\$ 43,828,198	\$ 42,268,790	\$ 43,828,198	\$ 42,268,790	\$ 21,934,063		

CITY OF MANFIELD

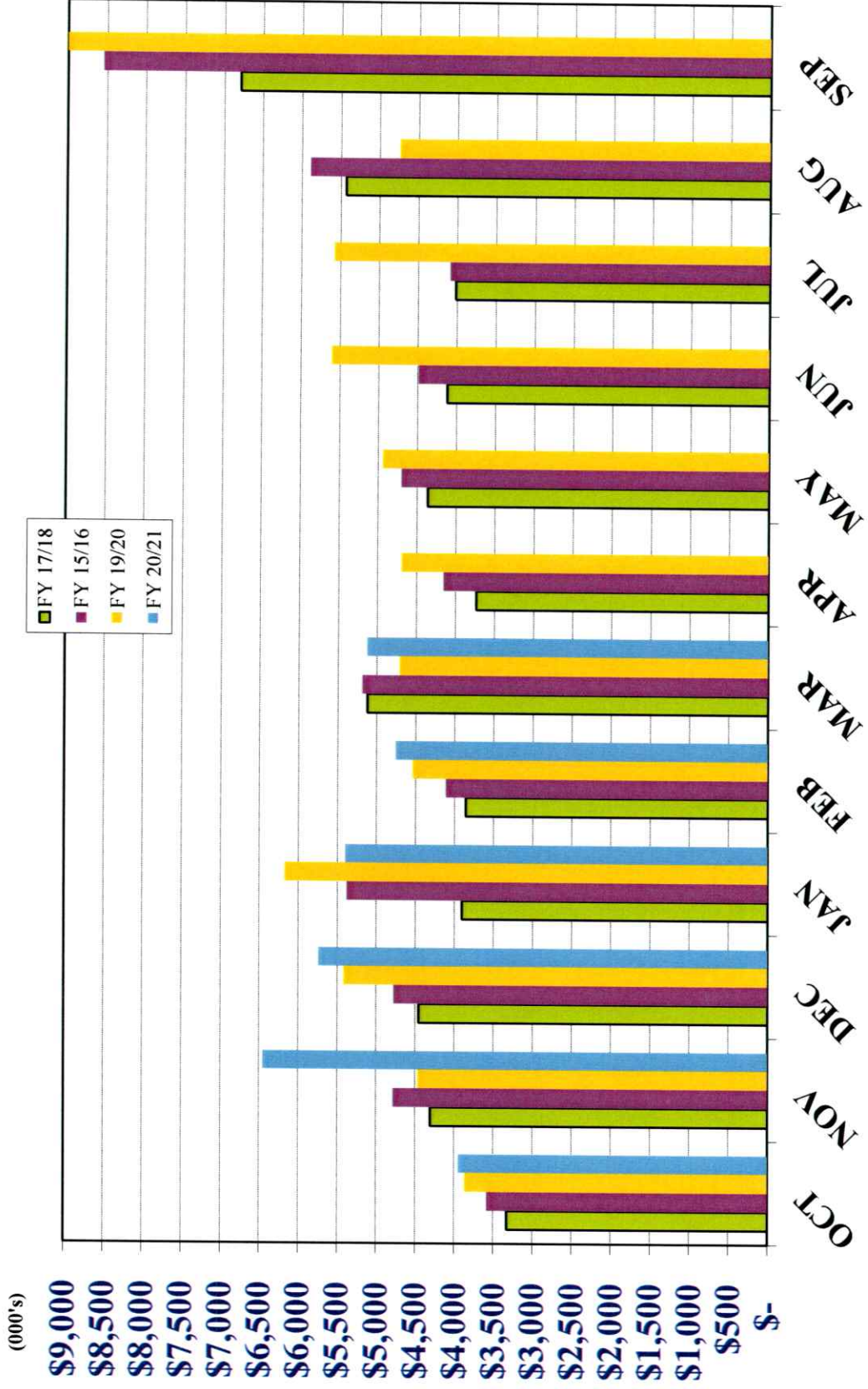
General Fund - Total Revenues





CITY OF MANSFIELD

General Fund - Total Expenditures

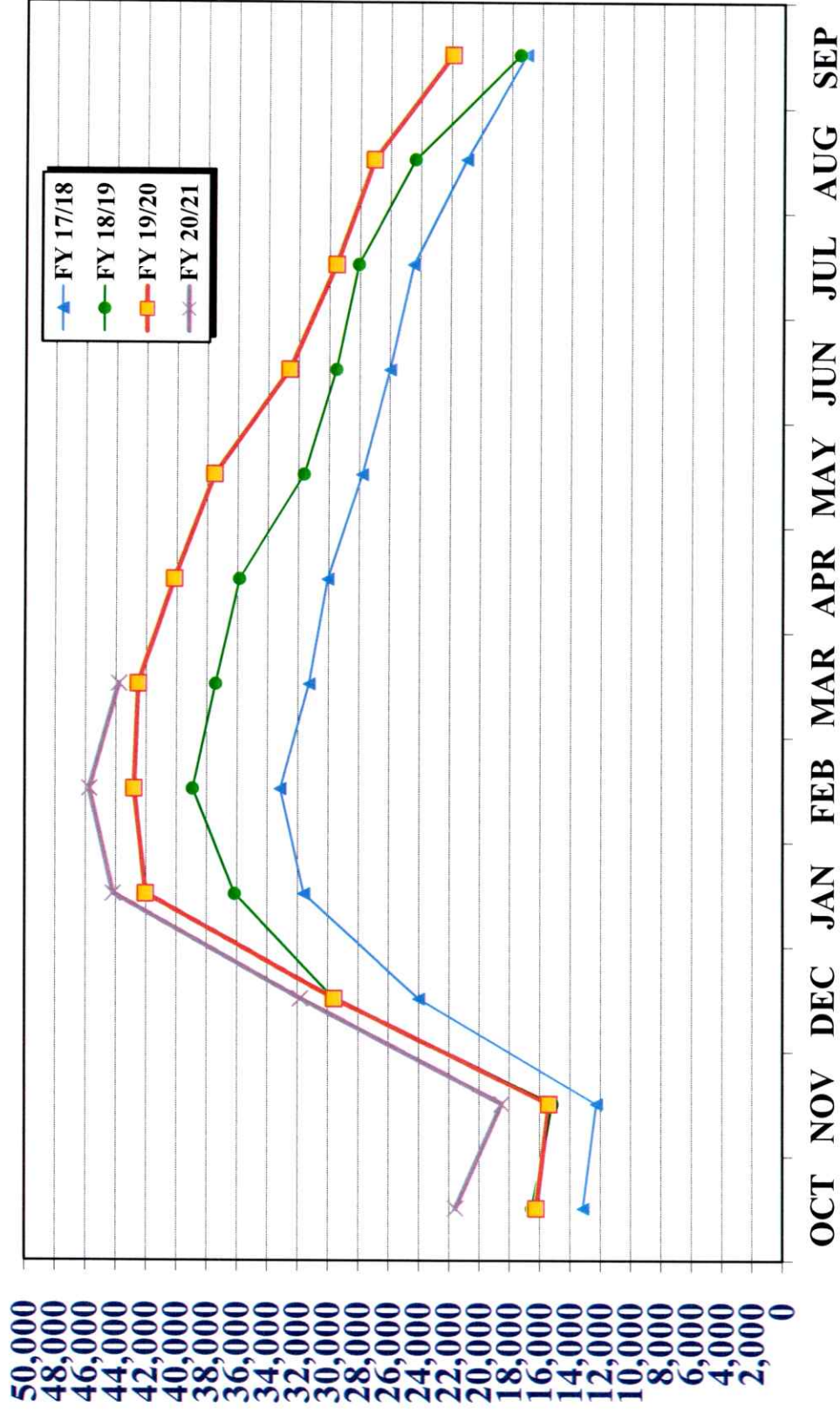




CITY OF MANSFIELD

General Fund - Fund Balance

(000's)



SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes defined by the City.

The TIF Number One Fund or Tax Incremental Financing Fund Number One is used to account for taxes generated in the designated TIF Zone. These taxes will be used to reimburse developers for infrastructure costs.

The TIF Number Two Fund or Tax Incremental Financing Fund Number Two is used to account for taxes generated in the designated TIF Zone. These taxes will be used to revitalize the downtown area of Mansfield. The revitalization will come through the use of public funds for public improvements in the area.

The Tree Mitigation Fund is used to account for the funds paid by developers to restore and maintain trees in the City of Mansfield.

The Hotel/Motel Fund is used to account for the occupancy taxes generated from the local hotels that are used to promote the City of Mansfield and events in the City that further promote hotel stays.

The Mansfield Parks Facility Development Corporation Fund – This fund is used to account for the construction and development of sports and recreation facilities, equipment, and miscellaneous improvements to the City's Park System. These projects will be financed through sales tax supported bonds.

The Mansfield Economic Development Corporation Fund – This fund is used to account for the ½ cent Sales Tax used for the promotion of Economic Development within the City.

The Southpointe Public Improvement District (PID) Fund – This fund is used to account for the improvement or maintenance within a defined area.

City of Mansfield, Texas

Comparative Statement of Net Position - Tax Increment Reinvestment Zone Fund Number One
March 31, 2021 and 2020 (Unaudited)

	2021	2020
<u>ASSETS</u>		
Cash And Investments	\$ 4,759,640	\$ 3,635,286
Due From Other Funds	24,581	24,581
Total Assets	<u>\$ 4,784,221</u>	<u>\$ 3,659,867</u>
<u>LIABILITIES & FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ 604,987	\$ 685,575
Retainage Payable	-	-
Total Liabilities	<u>604,987</u>	<u>685,575</u>
FUND BALANCES:		
Fund Balance	4,178,778	2,963,075
Excess Revenues Over Expenditures	456	11,217
Total Fund Balances	<u>4,179,234</u>	<u>2,974,292</u>
Total Liabilities And Fund Balances	<u>\$ 4,784,221</u>	<u>\$ 3,659,867</u>

City of Mansfield, Texas

Comparative Combined Statement of Activities - TIRZ Number One Fund
For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
<u>REVENUES:</u>				
Taxes, Penalties, And Interest	\$ -	\$ -	-	-
Interest Income	-	1,203	456	11,217
Total Revenues	-	1,203	456	11,217
<u>EXPENDITURES:</u>				
General Government	-	-	-	-
Debt Service -	-	-	-	-
Principal Retirement	-	-	-	-
Interest	-	-	-	-
Lease Payments	-	-	-	-
Bond Issuance Cost	-	-	-	-
Fiscal Charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess Of Revenues Over (Under) Expenditures	-	1,203	456	11,217
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers Out	-	-	-	-
Bonds Issued	-	-	-	-
Premium on Bonds Issued	-	-	-	-
Discounts on Bonds Issued	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	1,203	456	11,217
FUND BALANCE, BEGINNING	4,179,234	2,973,089	4,178,778	2,963,075
FUND BALANCE, ENDING	\$ 4,179,234	\$ 2,974,292	\$ 4,179,234	\$ 2,974,292

City of Mansfield, Texas

Comparative Balance Sheet - Tax Increment Reinvestment Zone Fund Number Two
March 31, 2021 and 2020 (Unaudited)

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Cash And Investments	\$ 389,497	\$ 301,882
Total Assets	<u>\$ 389,497</u>	<u>\$ 301,882</u>
<u>LIABILITIES & FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ -	\$ -
Due To Other Funds	-	558,010
Retainage Payable	-	-
Total Liabilities	<u>-</u>	<u>558,010</u>
FUND BALANCES:		
Fund Balance	389,497	(256,128)
Excess Revenues Over Expenditures	<u>-</u>	<u>-</u>
Total Fund Balances	<u>389,497</u>	<u>(256,128)</u>
Total Liabilities And Fund Balances	<u>\$ 389,497</u>	<u>\$ 301,882</u>

City of Mansfield, TexasComparative Combined Statement of Activities - TIRZ Number Two Fund
For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
<u>REVENUES:</u>				
Taxes, Penalties, And Interest	\$ -	\$ -	\$ -	\$ -
Interest Income	-	-	-	-
Total Revenues	-	-	-	-
<u>EXPENDITURES:</u>				
General Government	-	-	-	-
Debt Service -	-	-	-	-
Principal Retirement	-	-	-	-
Interest	-	-	-	-
Lease Payments	-	-	-	-
Bond Issuance Cost	-	-	-	-
Fiscal Charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess Of Revenues Over (Under) Expenditures	-	-	-	-
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In / (Out)	-	-	-	-
Premium on Bonds Issued	-	-	-	-
Discounts on Bonds Issued	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	-	-
FUND BALANCE, BEGINNING	389,497	(256,128)	389,497	(256,128)
FUND BALANCE, ENDING	\$ 389,497	\$ (256,128)	\$ 389,497	\$ (256,128)

City of Mansfield, Texas

Commitments or Performance Agreements
to be Paid from TIRZ Revenue (if produced):

March 31, 2021 (unaudited)

	TIRZ #1	TIRZ #2	
Southpointe Phase I - \$5,000,000	\$5,000,000		
Southpointe Phase II - \$14,500,000	\$9,331,250		
HEB - \$1,964,800 + 400,000	\$2,364,800		
Stillwater - \$1,934,540	\$1,934,540		
Sowell - \$1,541,115	\$1,149,558		
Kroger - \$1,421,696	\$769,745		
Land		\$962,133	*
Lofts - \$1,229,396		\$1,229,396	
Restaurant Tacos & Avocados		\$558,010	**
	\$20,549,893	\$2,749,539	

* Series of land transactions paid for by General Fund

** Paid for by General Fund – Forgivable loan

City of Mansfield, Texas

Comparative Statement of Net Position - Tree Mitigation Fund
March 31, 2021 and 2020 (Unaudited)

	2021	2020
<u>ASSETS</u>		
Cash And Investments	\$ 27,714	\$ 27,678
Inventory	-	-
Total Assets	<u>\$ 27,714</u>	<u>\$ 27,678</u>
 <u>LIABILITIES & FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ -	\$ -
Accrued Liabilities	-	-
Total Liabilities	<u>-</u>	<u>-</u>
FUND BALANCES:		
Fund Balance	27,711	27,461
Excess Revenues Over Expenditures	3	217
Total Fund Balances	<u>27,714</u>	<u>27,678</u>
Total Liabilities And Fund Balances	<u>\$ 27,714</u>	<u>\$ 27,678</u>

City of Mansfield, Texas

Comparative Combined Statement of Activities -

Tree Mitigation Fund - For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
<u>REVENUES:</u>				
Tree Mitigation Fee	\$ -	\$ -	\$ -	\$ -
Interest Income	-	32	3	217
Total Revenues	-	32	3	217
<u>EXPENDITURES:</u>				
Administrative Services	-	-	-	-
Contractual Services	-	-	-	-
Other Equipment	-	-	-	-
Total Expenditures	-	-	-	-
Excess Of Revenues Over (Under) Expenditures	-	32	3	217
<u>OTHER FINANCING SOURCES (USES)</u>				
Refunding Bonds Issued	-	-	-	-
Premium on Bonds Issued	-	-	-	-
Discounts on Bonds Issued	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	32	3	217
FUND BALANCE, BEGINNING	27,714	27,646	27,711	27,461
FUND BALANCE, ENDING	\$ 27,714	\$ 27,678	\$ 27,714	\$ 27,678

City of Mansfield, Texas

Comparative Statement of Net Position - Hotel/Motel Occupancy Tax Fund
March 31, 2021 and 2020 (Unaudited)

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Cash And Investments	\$ 1,142,807	\$ 943,321
Accounts Receivable	<u>2,577</u>	<u>2,585</u>
Total Assets	<u>\$ 1,145,384</u>	<u>\$ 945,906</u>
 <u>LIABILITIES & FUND BALANCES</u>		
<u>LIABILITIES:</u>		
Accrued Liabilities	\$ 12,352	\$ 10,670
Total Liabilities	<u>12,352</u>	<u>10,670</u>
 <u>FUND BALANCES:</u>		
Fund Balance	1,034,174	992,477
Excess Revenues Over Expenditures	<u>98,858</u>	<u>(57,241)</u>
Total Fund Balances	<u>1,133,032</u>	<u>935,236</u>
 Total Liabilities And Fund Balances	<u>\$ 1,145,384</u>	<u>\$ 945,906</u>

City of Mansfield, Texas

Comparative Combined Statement of Activities - Hotel/Motel Occupancy Tax Fund
For the Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE	FY21 ORIGINAL BUDGET	FY21 OVER (UNDER) BUDGET	FY21 PERCENT COLLECTED BUDGET
REVENUES:							
Hotel Occupancy Tax	\$ 121,884	\$ -	\$ 273,022	\$ 188,880	\$ 593,563	\$ (320,541)	46.00
Miscellaneous Income	1,331	2,905	5,956	13,447	-	5,956	0.00
Total Revenues	123,215	2,905	278,978	202,327	593,563	(314,585)	47.00
EXPENDITURES:							
Mansfield Historical Society	-	-	-	-	-	-	0.00
Mansfield Invitational	-	-	-	40,000	39,000	(39,000)	0.00
The LOT	-	-	-	7,269	32,000	(32,000)	0.00
Mansfield Rotary Club	-	-	-	-	-	-	0.00
Farr Best Theater	72	-	508	242	-	508	0.00
Discover Historic Mansfield	-	-	-	-	-	-	0.00
Mansfield Tourism	24,405	25,860	158,504	163,994	410,000	(251,496)	38.66
Pickled Mansfield Society	-	-	-	-	30,000	(30,000)	0.00
Mansfield Comm Theater - Mainstage	-	-	-	-	-	-	0.00
Mansfield Police Dept. - Electronic Signage	-	-	-	-	-	-	0.00
Mansfield Police Dept. - Explorer Competition	-	-	-	-	5,000	(5,000)	0.00
Mansfield Commission for the Arts	931	2,455	1,273	3,067	36,000	(34,727)	3.54
Historic Landmark Commission	-	-	-	4,395	-	-	0.00
Man House Museum	-	-	-	5,486	-	-	0.00
Tommy King Foundation	-	16,215	-	28,465	-	-	0.00
Sister Cities Celebration	-	-	-	-	5,000	(5,000)	0.00
Friends of the Library	-	-	-	-	4,000	(4,000)	0.00
Championship Basketball	-	-	-	-	6,000	(6,000)	0.00
Wayfinding Program	-	-	19,835	6,650	-	19,835	0.00
Reserve	-	-	-	-	26,563	(26,563)	0.00
Total Expenditures	25,408	44,530	180,120	259,568	593,563	(413,443)	30.35
Excess Of Revenues Over (Under) Expenditures	97,807	(41,625)	98,858	(57,241)			
FUND BALANCE, BEGINNING	1,035,225	976,861	1,034,174	992,477			
FUND BALANCE, ENDING	\$ 1,133,032	\$ 935,236	\$ 1,133,032	\$ 935,236			

City of Mansfield, Texas

Comparative Budget and Cash Analysis - Hotel/Motel Occupancy Tax Fund For the Six Months Ended March 31, 2021 (Unaudited)

	Budgeted Request	FY21 Amount To Date	Available Budget	FY21 PERCENT COLLECTED TO BUDGET
REVENUES:				
Hotel Occupancy Tax	\$ 593,563	\$ 273,022	\$ 320,541	46.00%
Rental of Facilities	-	5,766	(5,766)	0.00%
Interest Income	-	190	(190)	-
Total Revenues	593,563	278,978	314,585	47.00%
EXPENDITURES:				
Mansfield Historical Society	-	-	-	0.00%
Mansfield Invitational	39,000	-	39,000	0.00%
The LOT	32,000	-	32,000	0.00%
Discover Historic Mansfield - Farr Best Concerts	-	508	(508)	0.00%
Mansfield Tourism	410,000	158,504	251,496	38.66%
Pickled Mansfield Society	30,000	-	30,000	0.00%
Mansfield Police Dept.	5,000	-	5,000	0.00%
Mansfield Commission for the Arts	36,000	1,273	34,727	3.54%
Historic Landmark Commission	-	-	-	0.00%
Desert Love Film Festival	-	-	-	0.00%
Man House Museum	-	-	-	0.00%
Tommy King Foundation	-	-	-	0.00%
Sister Cities Celebration	5,000	-	5,000	0.00%
Wayfinding Program	-	19,835	(19,835)	0.00%
Friends of the Library	4,000	-	4,000	0.00%
Championship Basketball	6,000	-	6,000	0.00%
Reserve	26,563	-	26,563	0.00%
Total Expenditures	593,563	180,120	413,443	30.35%
Revenues / (Expenditures)	-	98,858	(98,858)	

SUPPLEMENTAL INFORMATION: CASH ANALYSIS

Beginning Cash Balance for Fiscal Year 2021	1,043,949
Plus: FY2021 Cash Collections	278,978
Less: FY2021 Cash Expenditures	(180,120)
Cash Balance as of March 31, 2021	1,142,807
Remaining Hotel/Motel Occupancy Funds to Collect	320,541
Remaining Hotel/Motel Occupancy Funds to Expend	(413,443)
Projected Cash Balance at September 30, 2021	1,049,905

City of Mansfield, Texas

Comparative Statement of Net Position - Mansfield Parks Facilities Development Corporation
March 31, 2021 and 2020 (Unaudited)

<u>ASSETS:</u>	<u>2021</u>	<u>2020</u>
Cash And Investments	\$ 5,106,133	\$ 3,837,126
Restricted Cash and Investments	4,546,817	3,393,076
Receivables:		
Accounts	305,463	692,471
Prepays	-	-
Total Assets	<u>\$ 9,958,413</u>	<u>\$ 7,922,673</u>
<u>LIABILITIES & FUND BALANCES:</u>		
<u>LIABILITIES:</u>		
Accounts Payable	\$ 161,843	\$ 180,950
Retainage Payable	-	202,536
Other Liabilities	1,000,000	1,000,000
Deferred Revenue	1,694,514	1,730,012
Total Liabilities	<u>2,856,357</u>	<u>3,113,498</u>
<u>FUND BALANCES:</u>		
Fund Balance	5,758,216	4,943,996
Excess Revenues Over (Under)		
Expenditures	1,343,840	(134,821)
Total Fund Balances	<u>7,102,056</u>	<u>4,809,175</u>
Total Liabilities And Fund Balances	<u>\$ 9,958,413</u>	<u>\$ 7,922,673</u>

City of Mansfield, Texas

Comparative Combined Statement of Activities - Mansfield Parks Facilities Development Corporation
- For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE	FY21 ADOPTED BUDGET	FY21 OVER (UNDER) BUDGET	FY21 PERCENT COLLECTED TO BUDGET
REVENUES:							
Sales Tax Revenue	\$ 294,205	\$ 197,443	\$ 1,640,432	\$ 1,808,603	\$ 3,593,857	\$ (1,953,425)	45.65%
Contributions	-	-	9,659	17,734	58,026	(48,367)	16.65%
Interest Earnings	130	6,282	1,477	50,098	24,000	(22,523)	6.15%
Other Income	6,517	-	8,211	13,878	-	8,211	0.00%
MAC Revenue	170,023	30,855	931,512	257,222	1,922,667	(991,155)	48.45%
Lease Royalties	12,075	9,685	48,636	376,364	120,000	(71,364)	40.53%
Park Land Dedication Revenue	13,500	7,500	785,750	191,500	725,000	60,750	108.38%
Total Revenues	496,450	251,765	3,425,677	2,715,399	6,443,550	(3,017,873)	53.16%
EXPENDITURES:							
Administration	152,878	427,027	845,966	1,580,799	2,555,916	(1,709,950)	33.10%
Field Operations	39,308	41,981	287,466	281,441	740,335	(452,869)	38.83%
Community Park Operations	70,603	66,387	439,751	384,019	1,150,765	(711,014)	38.21%
Nature Education Operations	9,007	10,537	56,242	64,127	175,587	(119,345)	32.03%
Recreational Center	50,998	65,796	294,291	391,037	990,796	(696,505)	29.70%
Neighborhood Park Operations	6,684	10,452	48,925	68,341	247,315	(198,390)	19.78%
Athletic Complex	-	-	-	-	-	-	0.00%
Rose Park	-	-	-	-	-	-	0.00%
Oliver Nature Park	-	-	-	-	-	-	0.00%
McClendon Park	-	-	-	-	-	-	0.00%
Chandler Park	-	-	-	-	-	-	0.00%
Linear Park	-	-	-	-	-	-	0.00%
Hardy Allmon Park	-	-	-	-	-	-	0.00%
Neighborhood Parks	-	-	-	-	-	-	0.00%
Projects	-	-	-	-	-	-	0.00%
Quadrants	-	-	-	-	-	-	0.00%
Non-Departmental	24,849	11,024	109,196	80,456	1,082,428	(973,232)	10.09%
Total Expenditures	354,327	633,204	2,081,837	2,850,220	6,943,142	(4,861,305)	29.98%
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	142,123	(381,439)	1,343,840	(134,821)	(499,592)	1,843,432	-268.99%
OTHER FINANCING SOURCES (USES):							
Operating Transfers In	-	-	-	-	499,592	-	0.00%
Operating Transfers (Out)	-	-	-	-	-	-	0.00%
Cash Reserves	-	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	-	0.00%
Premium on Bonds issued	-	-	-	-	-	-	0.00%
Discounts on Bond issued	-	-	-	-	-	-	0.00%
Total Other Financing Sources (Uses)	-	-	-	-	499,592	-	0.00%
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	142,123	(381,439)	1,343,840	(134,821)			
FUND BALANCE, BEGINNING	6,959,933	5,190,614	5,758,216	4,943,996			
FUND BALANCE, ENDING	\$ 7,102,056	\$ 4,809,175	\$ 7,102,056	\$ 4,809,175			

City of Mansfield, Texas

Comparative Statement of Net Position - Mansfield Economic Development Corporation
March 31, 2021 and 2020 (Unaudited)

	2021	2020
<u>ASSETS</u>		
Cash And Investments	\$ 12,974,617	\$ 5,145,569
Accounts Receivable	1,764	460,840
Restricted Assets:		
Cash and Investments, Projects	1,771,933	6,494,146
Fixed Assets (net of accumulated depreciation)	10,360,105	10,361,635
Total Assets	<u>\$ 25,108,419</u>	<u>\$ 22,462,190</u>
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Accounts Payable	\$ 1,284	\$ 1,243
Accrued Liabilities	3,240	77,313
Retainage Payable	235,325	-
Bonds Payable	23,430,000	25,170,000
Unamortized Discounts on Bonds	(152,080)	(165,474)
Unamortized Premiums	1,030,757	1,097,410
Deferred Amount on Refunding	(92,602)	(120,383)
Contract Commitments	24,596,139 *	10,897,663
Total Liabilities	<u>49,052,063</u>	<u>36,957,772</u>
NET ASSETS:		
Restricted	1,771,933	6,494,146
Unassigned	(25,715,577)	(20,989,728)
Total Net Assets	<u>(23,943,644)</u>	<u>(14,495,582)</u>
Total Liabilities & Net Assets	<u>\$ 25,108,419</u>	<u>\$ 22,462,190</u>

*Does not conform with Generally Accepted Accounting Principals or Governmental Accounting Standards
This is the GASB 34 presentation and is different from the fund level presentation per GAAP.

City of Mansfield, Texas

Mansfield Economic Development Corporation Statement of Activities
For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
OPERATING REVENUES:				
Sales Tax Revenue	\$ 557,919	\$ 461,561	\$ 3,777,076	\$ 3,394,738
Gas Royalties	-	-	-	-
Miscellaneous	-	-	-	-
Rental Of Facilities	-	-	-	-
Total Operating Revenues	557,919	461,561	3,777,076	3,394,738
OPERATING EXPENDITURES:				
Administration	63,256	53,295	291,224	288,868
Promotions	4,425	6,774	12,997	30,622
Retention	-	-	32	7,154
Development Plan	-	-	8	-
Projects	1,034,618	318,989	1,135,539	950,237
Non-Departmental	-	1,521	2,806,848	9,312
Depreciation	1,012	259	1,522	1,529
Total Operating Expenditures	1,103,311	380,838	4,248,170	1,287,722
OPERATING INCOME	(545,392)	80,723	(471,094)	2,107,016
NONOPERATING REVENUES (EXPENSES):				
Interest Revenue	90	4,311	1,083	35,073
Gain or (loss) on sale of property	-	-	6,181,329	-
Bonds issued	-	-	-	-
Premiums on bonds issued	-	-	-	-
Discounts on bonds issued	-	-	-	-
Amortization	-	-	-	-
Interest and fiscal charges	(450)	(450)	(436,916)	(458,237)
Total Nonoperating Revenue	(360)	3,861	5,745,496	(423,164)
INCOME BEFORE OPERATING TRANSFERS	(545,752)	84,584	5,274,402	1,683,852
OPERATING TRANSFERS:				
Operating Transfers In (Out)	-	-	-	(25,223)
CHANGE IN NET ASSETS	(545,752)	84,584	5,274,402	1,658,629
NET ASSETS, BEGINNING	(23,397,892)	(14,580,166)	(9,788,636)	(5,256,548)
NET ASSETS, PROJECTS	- **	-	(19,429,410) **	(10,897,663)
NET ASSETS, ENDING	\$ (23,943,644)	\$ (14,495,582)	\$ (23,943,644)	\$ (14,495,582)

**Project Fund Balance represents funds that have been contractually obligated by the City Council and MEDC. These expenses will be recognized upon realization of the expense.

City of Mansfield, Texas

Comparative Statement of Net Position - Southpointe PID
March 31, 2021 and 2020 (Unaudited)

	2021	2020
<u>ASSETS</u>		
Cash And Investments	\$ 243,347	\$ 165,806
Receivables:		
Current Year PID Assessment	-	9,740
Total Assets	<u>\$ 243,347</u>	<u>\$ 175,546</u>
 <u>LIABILITIES & FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ 24,582	\$ -
Deferred Revenue	1,000	9,740
Total Liabilities	<u>25,582</u>	<u>9,740</u>
FUND BALANCES:		
Fund Balance	(12,287)	2,036
Excess Revenues Over Expenditures	230,052	163,770
Total Fund Balances	<u>217,765</u>	<u>165,806</u>
Total Liabilities And Fund Balances	<u>\$ 243,347</u>	<u>\$ 175,546</u>

City of Mansfield, Texas

Comparative Combined Statement of Activities - Southpointe PID
For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
<u>REVENUES:</u>				
PID Assessment	\$ 13,220	\$ 12,471	\$ 303,469	\$ 248,109
Penalties & Interest	-	72	1,923	559
Total Revenues	13,220	12,543	305,392	248,668
<u>EXPENDITURES:</u>				
General government	23,201	34,652	75,340	84,898
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Total Expenditures	23,201	34,652	75,340	84,898
Excess Of Revenues Over (Under) Expenditures	(9,981)	(22,109)	230,052	163,770
Net Change in Fund Balances	(9,981)	(22,109)	230,052	163,770
FUND BALANCE, BEGINNING	227,746	187,915	(12,287)	2,036
FUND BALANCE, ENDING	\$ 217,765	\$ 165,806	\$ 217,765	\$ 165,806

DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation debt principal and interest from governmental resources and special revenue bond principal and interest from a sales tax levy when the City is obligated in some manner for the payment.

The General Debt Service Fund – The purpose of this fund is to account for the accumulation of resources for and the payment of, principal and interest on the City's general obligation debt payable from a property tax levy with the exception of the MPFDC debt.

The Mansfield Parks Facilities Development Corporation Debt Service Fund – The purpose of this fund is to account for the accumulation of resources for and the payment of, principal and interest on the MPFDC long-term debt from a sales tax levy.

City of Mansfield, Texas

Comparative Statement of Net Position - General Obligation Debt Service
March 31, 2021 and 2020 (Unaudited)

	2021	2020
<u>ASSETS</u>		
Cash And Investments	\$ 7,569,322	\$ 6,235,627
Receivables:		
Current Year Taxes	667,165	206,075
Delinquent Taxes (Net of Allowance of \$401,548)	-	-
Total Assets	<u>\$ 8,236,487</u>	<u>\$ 6,441,702</u>
 <u>LIABILITIES & FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ -	\$ -
Deferred Revenue	667,165	206,075
Total Liabilities	<u>667,165</u>	<u>206,075</u>
FUND BALANCES:		
Fund Balance	3,888,921	1,697,691
Excess Revenues Over Expenditures	3,680,401	4,537,936
Total Fund Balances	<u>7,569,322</u>	<u>6,235,627</u>
Total Liabilities And Fund Balances	<u>\$ 8,236,487</u>	<u>\$ 6,441,702</u>

City of Mansfield, Texas

Comparative Combined Statement of Activities - General Obligation Debt Service
- For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE	FY21 ORIGINAL BUDGET	FY21 OVER (UNDER) BUDGET	FY21 PERCENT COLLECTED TO BUDGET
<u>REVENUES:</u>							
Taxes, Penalties, And Interest	\$ 319,913	\$ 170,747	\$ 17,322,318	\$ 17,291,137	\$ 16,482,315	\$ 840,003	105.10%
Miscellaneous	200	-	200	-	-	200	0.00%
Interest Income	-	572	78	4,035	-	78	0.00%
Total Revenues	320,113	171,319	17,322,596	17,295,171	16,482,315	840,281	105.10%
<u>EXPENDITURES:</u>							
Debt Service -							
Principal Retirement	-	-	10,660,000	9,925,000	10,710,000	(50,000)	99.53%
Interest	-	-	2,972,874	2,808,652	5,772,315	(2,799,441)	51.50%
Lease Payments	-	-	-	-	-	-	0.00%
Bond Issuance Cost	-	-	-	97,047	-	-	0.00%
Fiscal Charges	1,450	2,550	9,321	4,624,414	-	9,321	0.00%
Total Expenditures	1,450	2,550	13,642,195	17,455,113	16,482,315	(2,840,120)	82.77%
Excess Of Revenues Over (Under) Expenditures	318,663	168,769	3,680,401	(159,941)			
<u>OTHER FINANCING SOURCES (USES)</u>							
Refunding Bonds Issued	-	4,475,000	-	4,475,000.00			
Premium on Bonds Issued	-	222,877	-	222,877.35			
Discounts on Bonds Issued	-	-	-	-			
Payment to Refunded Bond Escrow Agent	-	-	-	-			
Total Other Financing Sources (Uses)	-	4,697,877	-	4,697,877.35			
Net Change in Fund Balances	318,663	4,866,646	3,680,401	4,537,936			
FUND BALANCE, BEGINNING	7,250,659	1,368,981	3,888,921	1,697,691			
FUND BALANCE, ENDING	\$ 7,569,322	\$ 6,235,627	\$ 7,569,322	\$ 6,235,627			

City of Mansfield, Texas

Comparative Statement of Net Position - Mansfield Parks Facilities Development Corporation Debt Service -
March 31, 2021 and 2020 (Unaudited)

	2021	2020
<u>ASSETS</u>		
Cash And Investments	\$ 1,441,023	\$ 1,426,464
Total Assets	<u>\$ 1,441,023</u>	<u>\$ 1,426,464</u>
<u>LIABILITIES AND FUND BALANCES</u>		
LIABILITIES:		
Accrued Interest Payable	\$ 4,650	\$ 4,650
Total Liabilities	<u>4,650</u>	<u>4,650</u>
FUND BALANCES:		
Fund Balance	510,814	517,136
Excess Revenues Over (Under) Expenditures	<u>925,559</u>	<u>904,678</u>
Total Fund Balances	<u>1,436,373</u>	<u>1,421,814</u>
Total Liabilities And Fund Balances	<u>\$ 1,441,023</u>	<u>\$ 1,426,464</u>

City of Mansfield, Texas

Comparative Combined Statement of Activities - Mansfield Parks Facilities Development Corporation
- For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE	FY21 ADOPTED BUDGET	FY21 OVER (UNDER) BUDGET	FY21 PERCENT COLLECTED TO BUDGET
<u>REVENUES:</u>							
Taxes, Penalties, And Interest	\$ 262,780	\$ 263,322	\$ 1,576,679	\$ 1,579,930	\$ 3,153,358	\$ (1,576,679)	50.00%
Other Income	-	-	-	-	-	-	0.00%
Total Revenues	262,780	263,322	1,576,679	1,579,930	3,153,358	(1,576,679)	50.00%
<u>EXPENDITURES:</u>							
Debt Service							
Principal Retirement	-	-	649,179	673,552	1,855,000	(1,205,821)	35.00%
Interest And Fiscal Charges	900	1,700	1,941	1,700	1,298,358	(1,296,417)	0.15%
Non-departmental	-	-	-	-	-	-	0.00%
Total Expenditures	900	1,700	651,120	675,252	3,153,358	(2,502,238)	20.65%
Excess Of Revenues Over (Under) Expenditures	261,880	261,622	925,559	904,678			
<u>OTHER FINANCING SOURCES (USES):</u>							
Bond Proceeds	-	-	-	-			
Total Other Financing Sources (Uses)	-	-	-	-			
FUND BALANCE, BEGINNING	1,174,493	1,160,192	510,814	517,136			
FUND BALANCE, ENDING	\$ 1,436,373	\$ 1,421,814	\$ 1,436,373	\$ 1,421,814			

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The Street Construction Fund – The purpose of this fund is to account for the construction and improvement of various streets in the City. General Obligation Bonds, Certificates of Obligation, and Street Assessments are used to finance the construction.

The Building Construction Fund – The purpose of this fund is to account for the construction of City facilities funded by General Obligation Bonds and Certificates of Obligation.

The Equipment Replacement Fund – The purpose of this fund is used to account for the purchase of capital equipment funded from the issuance of notes through the City of Mansfield Property Finance Authority Corporation or other sources.

The Park Construction Fund – The purpose of this fund is to account for the construction of City facilities funded by Mansfield Park Facilities Development Corporation Sales Tax Revenue Bonds.

City of Mansfield, Texas

Comparative Statement of Net Position - Street & Infrastructure Construction Fund
March 31, 2021 and 2020 (Unaudited)

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Cash And Investments	\$ 23,885,188	\$ 32,659,209
Receivables	-	-
Projects In Process		
Current Year	408,146	3,403,299
Prior Year	<u>277,942</u>	<u>9,246,796</u>
Total Assets	<u>\$ 24,571,276</u>	<u>\$ 45,309,304</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES:</u>		
Accounts Payable	\$ 91,563	\$ 146,787
Deposits	318,258	1,349
Retainage Payable	210,772	322,492
Other Liabilities	<u>-</u>	
Total Liabilities	<u>620,593</u>	<u>470,628</u>
 <u>FUND BALANCES:</u>		
Fund Balance	22,520,904	33,469,149
Excess Revenues Over (Under)		
Expenditures	<u>1,429,779</u>	<u>11,369,527</u>
Total Fund Balance	<u>23,950,683</u>	<u>44,838,676</u>
Total Liabilities And Fund Balance	<u>\$ 24,571,276</u>	<u>\$ 45,309,304</u>

City of Mansfield, Texas

Comparative Combined Statement of Activities -

Street Construction Fund - For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
REVENUES:				
Recoveries	\$ -	\$ -	\$ -	\$ 6,529
Contributions	-	-	-	-
Intergovernmental	-	-	-	-
Roadway Impact Fees	39,600	109,652	1,690,549	474,804
Interest Income	260	12,530	3,388	102,831
Total Revenues	39,860	122,182	1,693,937	584,164
EXPENDITURES:				
Administrative	42,098	43,895	264,158	298,612
Street Improvements	-	-	-	-
Total Expenditures	42,098	43,895	264,158	298,612
EXCESS OF REVENUES OVER(UNDER) EXPENDITURES	(2,238)	78,287	1,429,779	285,552
OTHER FINANCING SOURCES (USES):				
Transfers	-	-	-	-
Bond Proceeds	-	-	-	10,579,960
Bond Issuance Costs	-	-	-	(94,716)
Premiums on Bond Issuance	-	-	-	598,731
Discounts on Bond Issuance	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	11,083,975
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(2,238)	78,287	1,429,779	11,369,527
FUND BALANCE, BEGINNING	23,952,921	44,760,389	22,520,904	33,469,149
FUND BALANCE, ENDING	\$ 23,950,683	\$ 44,838,676	\$ 23,950,683	\$ 44,838,676

City of Mansfield, Texas

Comparative Statement of Net Position - Building Construction Fund
March 31, 2021 and 2020 (Unaudited)

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Cash And Investments	\$ 11,465,568	\$ 13,767,642
Construction in Progress	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 11,465,568</u>	<u>\$ 13,767,642</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	\$ 2,916	\$ -
Due to Other Funds	-	-
Retainage Payable	<u>212,060</u>	<u>-</u>
Total Liabilities	<u>214,976</u>	<u>-</u>
 FUND BALANCE:	13,760,605	3,667,344
Excess Revenues Over (Under)		
Expenditures	<u>(2,510,013)</u>	<u>10,100,298</u>
Total Fund Balance	<u>11,250,593</u>	<u>13,767,642</u>
Total Liabilities And Fund Balance	<u>\$ 11,465,568</u>	<u>\$ 13,767,642</u>

City of Mansfield, Texas

Comparative Combined Statement of Activities -

Building Construction Fund - For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
REVENUES:				
Interest Income	\$ -	\$ 1,982	\$ 248	\$ 13,759
Rental Of Facilities	-	-	-	-
Contributions	-	-	-	-
Miscellaneous Income	-	-	25,100	-
Grant Revenue	-	-	-	-
Total Revenues	-	1,982	25,348	13,759
EXPENDITURES:				
Administration	33,887	-	33,887	-
Library	5,745	-	38,570	-
Fire Station #5	274,556	3,152	1,792,349	109,623
Man House	996	24,394	256,534	71,313
Wayfinding	-	-	4,905	-
Police Station	70,005	-	367,302	-
Tactical Training Facility	13,913	-	41,814	-
Total Expenditures	399,102	27,546	2,535,361	180,936
Excess Revenues Over (Under)				
Expenditures	(399,102)	(25,564)	(2,510,013)	(167,177)
OTHER FINANCING SOURCES (USES):				
Bond Proceeds	-	-	-	9,800,588
Bond Issuance Costs	-	-	-	(87,739)
Premiums on Bond Issuance	-	-	-	554,626
Discounts on Bond Issuance	-	-	-	-
Operating Transfer In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	10,267,475
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(399,102)	(25,564)	(2,510,013)	10,100,298
FUND BALANCE, BEGINNING	11,649,695	13,793,206	13,760,605	3,667,344
FUND BALANCE, ENDING	\$ 11,250,593	\$ 13,767,642	\$ 11,250,593	\$ 13,767,642

City of Mansfield, Texas

Comparative Statement of Net Position - Equipment Replacement Fund
March 31, 2021 and 2020 (Unaudited)

	2021	2020
<u>ASSETS</u>		
Cash And Investments	\$ 3,821,348	\$ 4,835,959
Total Assets	<u>\$ 3,821,348</u>	<u>\$ 4,835,959</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ -	\$ -
Retainage Payable	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>
 FUND BALANCE:	4,247,249	1,451,406
Excess Revenues Over Expenditures	<u>(425,901)</u>	<u>3,384,553</u>
Total Fund Balance	<u>3,821,348</u>	<u>4,835,959</u>
 Total Liabilities And Fund Balance	<u>\$ 3,821,348</u>	<u>\$ 4,835,959</u>

City of Mansfield, Texas

Comparative Combined Statement of Activities -

Equipment Replacement Fund - For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
REVENUES:				
Contributions	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-
Other Income	1,633	7,140	30,984	173,371
Interest Income	-	4	2	37
Total Revenues	1,633	7,144	30,986	173,408
EXPENDITURES:				
Administration	-	-	-	-
Information Services	-	-	40,655	1,500
Code Enforcement	-	33,386	-	390,895
Planning	15,070	6,205	43,830	102,664
Streets	-	27,780	66,345	88,128
Animal Control	-	-	-	-
City Hall	-	-	-	-
Parks Department	-	-	178,527	-
Library	-	-	3,395	-
Fire	15,588	-	22,518	-
Police Department	68,049	100,868	226,489	254,218
Total Expenditures	98,707	168,239	581,759	837,405
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(97,074)	(161,095)	(550,773)	(663,997)
OTHER FINANCING SOURCES (USES):				
Bond Proceeds	-	-	-	3,864,453
Bond Issuance Costs	-	-	-	(34,596)
Premium on Bond Issuance	-	-	-	218,693
Discounts on Bond Issuance	-	-	-	-
Sale of city property	-	-	10,222	-
Transfer In (Out)	-	-	114,650	-
Total Other Financing Sources (Uses)	-	-	124,872	4,048,550
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(97,074)	(161,095)	(425,901)	3,384,553
FUND BALANCE, BEGINNING	3,918,422	4,997,054	4,247,249	1,451,406
FUND BALANCE, ENDING	\$ 3,821,348	\$ 4,835,959	\$ 3,821,348	\$ 4,835,959

City of Mansfield, Texas

Comparative Statement of Net Position - Parks Construction Fund
March 31, 2021 and 2020 (Unaudited)

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Cash And Investments	<u>\$ 65,924</u>	<u>\$ -</u>
Total Assets	<u><u>\$ 65,924</u></u>	<u><u>\$ -</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	<u>\$ -</u>	<u>\$ 691,968</u>
Retainage Payable	<u>-</u>	<u>78,046</u>
Total Liabilities	<u>-</u>	<u>770,014</u>
 FUND BALANCE:	 66,306	 (81,574)
Excess Revenues Over Expenditures	<u>(382)</u>	<u>(688,440)</u>
Total Fund Balance	<u>65,924</u>	<u>(770,014)</u>
Total Liabilities And Fund Balance	<u><u>\$ 65,924</u></u>	<u><u>\$ -</u></u>

City of Mansfield, Texas

Comparative Combined Statement of Activities -

Parks Construction Fund - For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
REVENUES:				
Contributions	\$ -	\$ -	\$ -	\$ -
Recoveries	-	-	-	-
Interest Income	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES:				
Parks Administration Building	-	-	-	-
Dog Park	56	231,517	382	688,440
FieldHouse	-	-	-	-
Matlock Community Park	-	-	-	-
Pond Branch	-	-	-	-
Total Expenditures	56	231,517	382	688,440
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(56)	(231,517)	(382)	(688,440)
OTHER FINANCING SOURCES (USES):				
Bond Proceeds	-	-	-	-
Bond Issuance Costs	-	-	-	-
Premiums on Bond Issuance	-	-	-	-
Discounts on Bond Issuance	-	-	-	-
Transfer In (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(56)	(231,517)	(382)	(688,440)
FUND BALANCE, BEGINNING	65,980	(538,497)	66,306	(81,574)
FUND BALANCE, ENDING	\$ 65,924	\$ (770,014)	\$ 65,924	\$ (770,014)

ENTERPRISE FUNDS

The Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises. The intent is that the cost of providing goods or services to the general public be financed or recovered primarily through user charges.

The Utility Fund – The purpose of this fund is to account for the activities of providing water and sewer services to the citizens of Mansfield, Texas.

The Law Enforcement Complex Fund – The purpose of this fund is to account for the user fees and charges in association with the housing of inmates for other agencies.

The Drainage Utility Fund – The purpose of this fund is used to account for the revenues and expenditures for services related to the preparing of a master drainage plan.

City of Mansfield, Texas

Statement of Net Position - Utility Fund
March 31, 2021 and 2020 (Unaudited)

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Cash And Investments	\$ 26,078,362	\$ 30,470,959
Receivables:		
Accounts (net of allowance of \$1,305,852)	4,414,148	5,489,125
Inventory	616,154	1,163,383
Restricted Assets:		
Cash and Investments	12,107,077	11,932,003
Fixed Assets (net of accumulated depreciation)	<u>211,389,296</u>	<u>190,748,497</u>
Total Assets	<u>254,605,037</u>	<u>239,803,967</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred pension contributions	453,665	364,615
Deferred OPEB contributions	240,655	4,297
Deferred investment losses	43,398	689,351
Deferred actuarial experience	1,091,859	1,011,900
Deferred assumption changes	28,656	5,863
Deferred loss on refunding	<u>2,434,143</u>	<u>2,638,327</u>
Total deferred outflows of resources	<u>4,292,376</u>	<u>4,714,353</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 258,897,413</u>	<u>\$ 244,518,320</u>

City of Mansfield, Texas

Statement of Net Position - Utility Fund
March 31, 2021 and 2020 (Unaudited)

	<u>2021</u>	<u>2020</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 14,511	\$ 5,217
Accrued Liabilities	181,621	325,677
Payable From Restricted Assets:		
Deposits	1,638,838	1,569,479
Bonds Payable-Current		-
Accrued Interest	239,312	785,091
Accounts Payable	-	-
Accrued Liabilities	-	-
Retainage Payable	728,750	262,011
From Unrestricted Assets:		
Current	3,461,961	3,461,961
Long-Term, Net	31,046,123	34,508,084
Compensated Absences	619,460	433,582
Net OPEB liability	4,675,403	4,298,243
Total OPEB liability	118,618	106,471
Net pension liability	1,977,194	2,929,016
Total Liabilities	<u>44,701,791</u>	<u>48,684,832</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred assumption changes	108,403	111,429
Deferred investment gains	473,309	-
Total deferred inflows of resources	<u>581,712</u>	<u>111,429</u>
<u>NET POSTION</u>		
Invested In Capital Assets (net of related debt)	179,315,354	155,416,780
Reserved for Debt Service	5,351,283	5,774,174
Reserved for Capital Projects	6,755,794	6,157,829
Unreserved	<u>22,191,479</u>	<u>28,373,276</u>
Total Net Positon	<u>213,613,910</u>	<u>195,722,059</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 258,897,413</u>	<u>\$ 244,518,320</u>

City of Mansfield

Comparative Combined Statement of Activities -
Utility Fund - For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE	FY21 ADOPTED BUDGET	FY21 OVER (UNDER) BUDGET	PERCENT COLLECTED TO BUDGET
OPERATING REVENUES:							
Water Service	\$ 1,560,631	\$ 1,351,405	\$ 10,337,068	\$ 10,665,376	\$ 20,864,579	\$ (10,527,511)	49.54%
Sewer Service	1,059,567	954,457	6,641,188	6,542,408	12,571,745	(5,930,557)	52.83%
Water Penalties	-	24,409	-	282,657	510,000	(510,000)	0.00%
Water Taps	-	1,670	-	6,440	18,811	(18,811)	0.00%
Meter Set Fee	20,800	13,440	130,960	80,490	98,940	32,020	132.36%
Utility Miscellaneous	12,812	14,407	42,151	76,417	60,000	(17,849)	70.25%
Restore Service Fee	405	6,150	2,377	60,148	125,000	(122,623)	1.90%
Sewer Tap	-	-	-	1,270	2,000	(2,000)	0.00%
Water Impact Fees	63,000	133,360	1,599,880	775,650	900,000	699,880	177.76%
Sewer Impact Fees	30,000	73,823	673,457	474,544	600,000	73,457	112.24%
Pretreatment Fees	-	-	72,770	54,646	60,000	12,770	121.28%
Other Income	11,677	16,802	159,781	116,467	189,123	(29,342)	84.49%
Contribution	-	-	-	-	-	-	0.00%
Total Revenues	\$ 2,758,892	\$ 2,589,923	\$ 19,659,632	\$ 19,136,513	\$ 36,000,198	\$ (16,340,566)	54.61%

City of Mansfield

Comparative Combined Statement of Activities -
Utility Fund - For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE	FY21 ADOPTED BUDGET	FY21 OVER (UNDER) BUDGET	PERCENT COLLECTED TO BUDGET
OPERATING EXPENSES:							
Administration	128,688	138,765	634,494	780,728	1,590,717	(956,223)	39.89%
Billing And Collection	66,692	75,841	439,491	476,544	969,006	(529,515)	45.35%
Meter Reading/Repairs	73,346	83,854	511,812	430,132	1,126,045	(614,233)	45.45%
Water Distribution	77,274	48,144	391,239	347,764	917,633	(526,394)	42.64%
Wastewater Collection	769,563	674,089	4,250,914	4,205,586	8,683,160	(4,432,246)	48.96%
Water Treatment	899,070	678,588	4,753,952	4,415,929	10,085,210	(5,331,258)	47.14%
Water Quality	44,330	41,165	266,284	259,700	563,705	(297,421)	47.24%
Water Demand Management	10,082	17,189	58,704	71,900	157,792	(99,088)	37.20%
Depreciation	317,508	415,202	1,890,808	1,891,232	-	1,890,808	0.00%
Total Operating Expenses	2,386,552	2,172,837	13,197,698	12,879,515	24,093,268	(10,895,570)	54.78%
OPERATING INCOME (LOSS)	372,340	417,086	6,461,934	6,256,998	11,906,930	(5,444,996)	
NONOPERATING REVENUES (EXPENSES):							
Non-Departmental	(101,688)	(73,853)	(503,212)	(481,299)	(6,046,983)	5,543,771	8.32%
Interest Revenue	552	26,148	7,597	216,474	24,000	(16,403)	31.65%
Debt Service	(119,656)	(129,569)	(717,936)	(777,417)	(3,300,000)	2,582,064	21.76%
Bad Debt Expense	-	-	-	-	(48,000)	48,000	0.00%
Net Nonoperating Revenues (Expenses)	(220,792)	(177,274)	(1,213,551)	(1,042,242)	(9,370,983)	8,157,432	12.95%
INCOME (LOSS) BEFORE OPERATING TRANSFERS	151,548	239,812	5,248,383	5,214,756	2,535,947	2,712,436	206.96%
OPERATING TRANSFERS:							
Transfers In (Out)	-	-	(331,095)	(259,329)	(2,535,947)	2,204,852	13.06%
Net Operating Transfers	-	-	(331,095)	(259,329)	(2,535,947)	2,204,852	13.06%
CHANGE IN NET POSITION	151,548	239,812	4,917,288	4,955,427	-	4,917,288	
NET POSITION, BEGINNING	213,462,362	195,482,247	208,696,622	190,766,632	208,696,622	-	
NET POSITON, ENDING	\$ 213,613,910	\$ 195,722,059	\$ 213,613,910	\$ 195,722,059	\$ 208,696,622	\$ 4,917,288	

CITY OF MANSFIELD
UTILITY FUND
REVENUE BOND COVERAGE

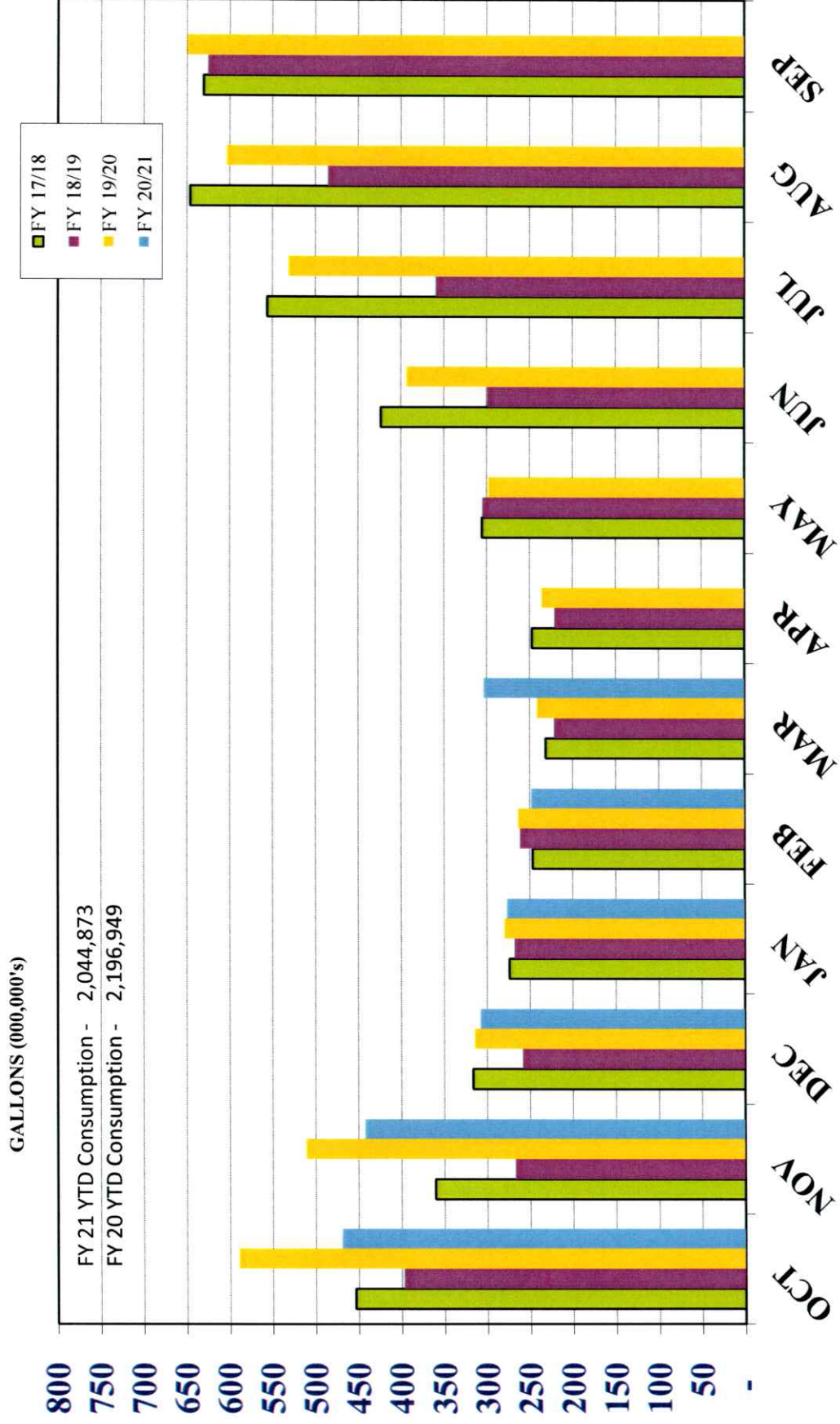
Definition of Bond Coverage:

The ordinance authorizing the issuance of Water and Sewer System revenue bonds requires that the City establish a sinking fund (Revenue Bond Sinking and Reserve Fund) in an amount not less than the average annual requirement for the payment of principal and interest on all the revenue bonds. At September 30, 2020, the sinking fund balance was sufficient to satisfy such bond ordinance requirements. The bond ordinance also contains provisions which, among other items, restricts the issuance of additional revenue bonds unless the special funds noted above contain the required amounts and the pledged revenues are equal to or greater than 1.25 times the average annual debt service requirements after giving effect to the proposed additional bonds and any proposed rate increases. The bond ordinance also requires that the annual gross revenues of the Water and Sewer System, less annual operation and maintenance expenses (excluding depreciation and amortization expense), be at least 1.10 times the annual principal and interest requirements of all then outstanding revenue bonds. The governing body has adopted a resolution stating that they want a coverage factor in excess of 1.30. During 2020, the City achieved a 3.64 bond coverage ratio which exceeded the 1.10 required by the bond ordinance. For fiscal year 2021, the bond coverage ratio is projected at 2.54.



CITY OF MANSFIELD

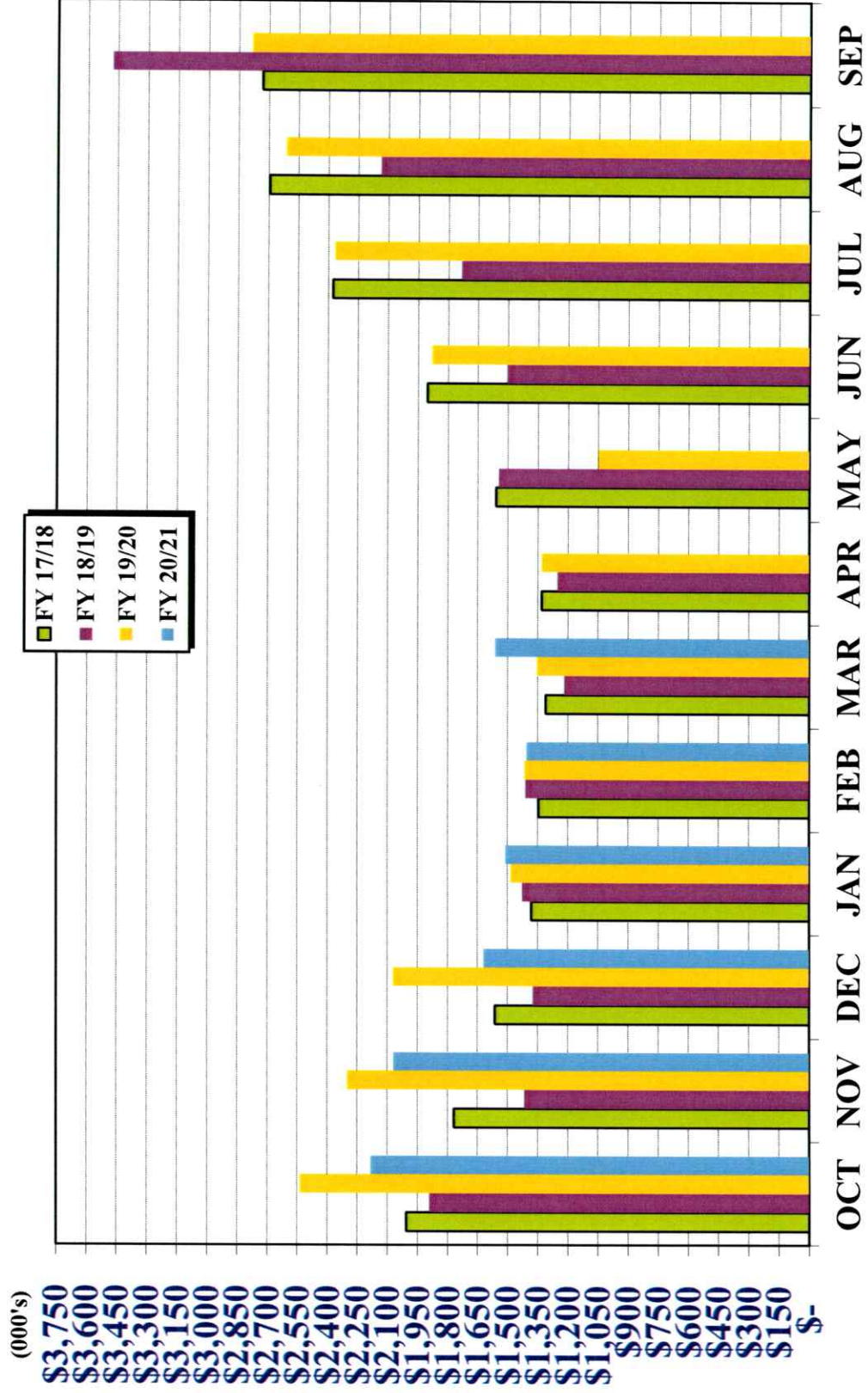
WATER CONSUMPTION





CITY OF MANSFIELD

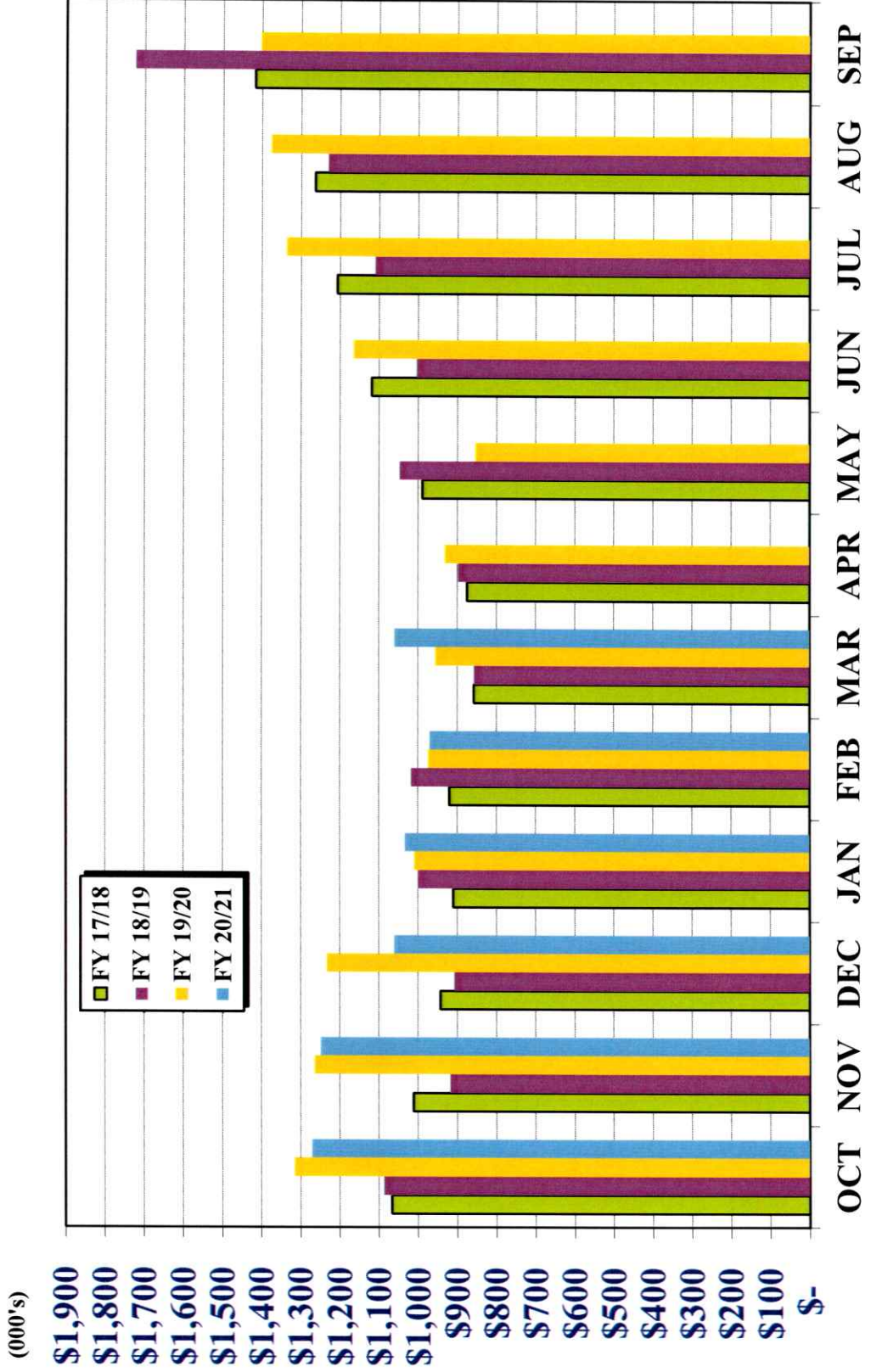
UTILITY FUND - WATER SALES





CITY OF MANSFIELD

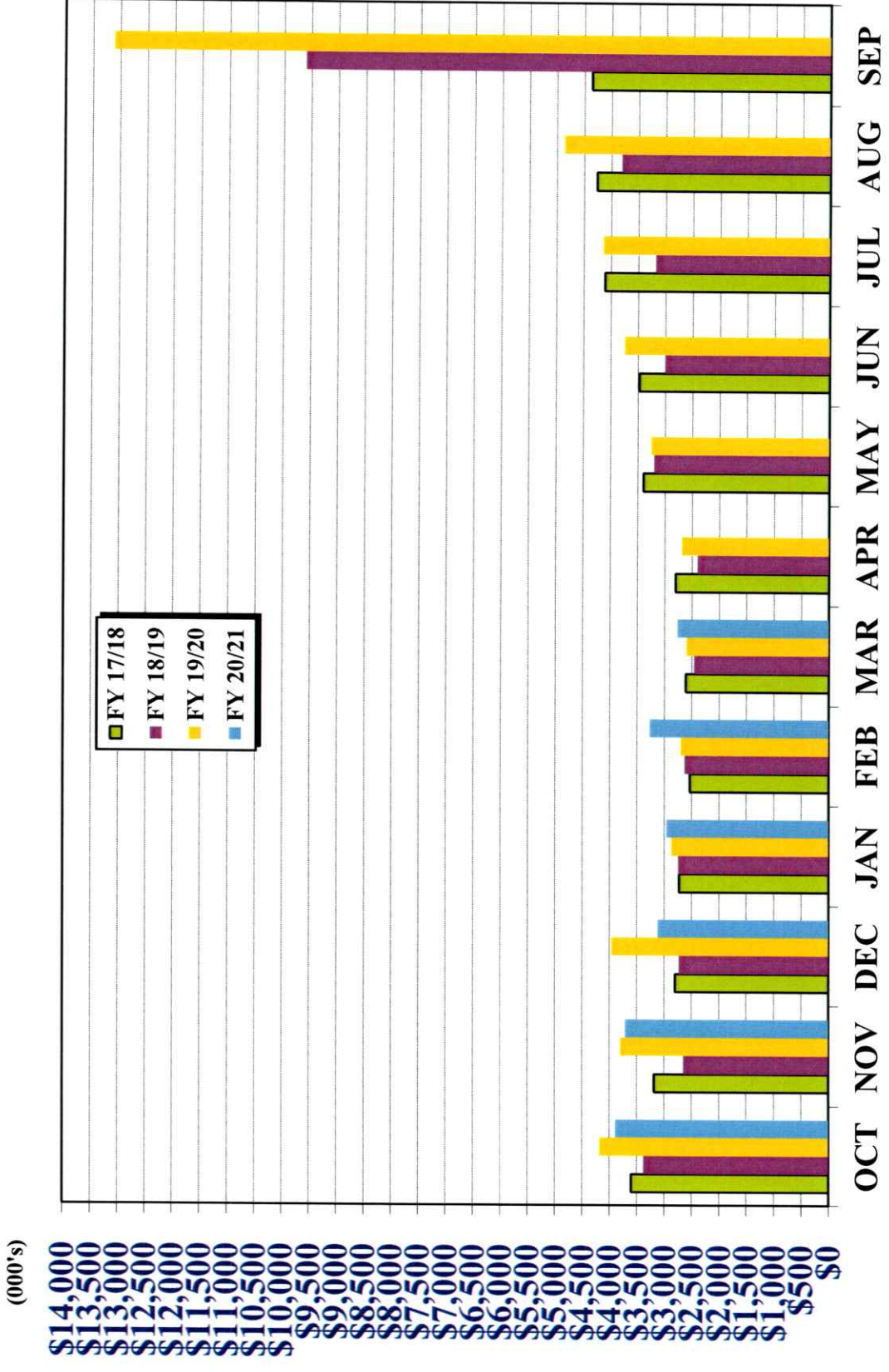
UTILITY FUND - SEWER SERVICE





CITY OF MANSFIELD

UTILITY FUND - TOTAL REVENUES

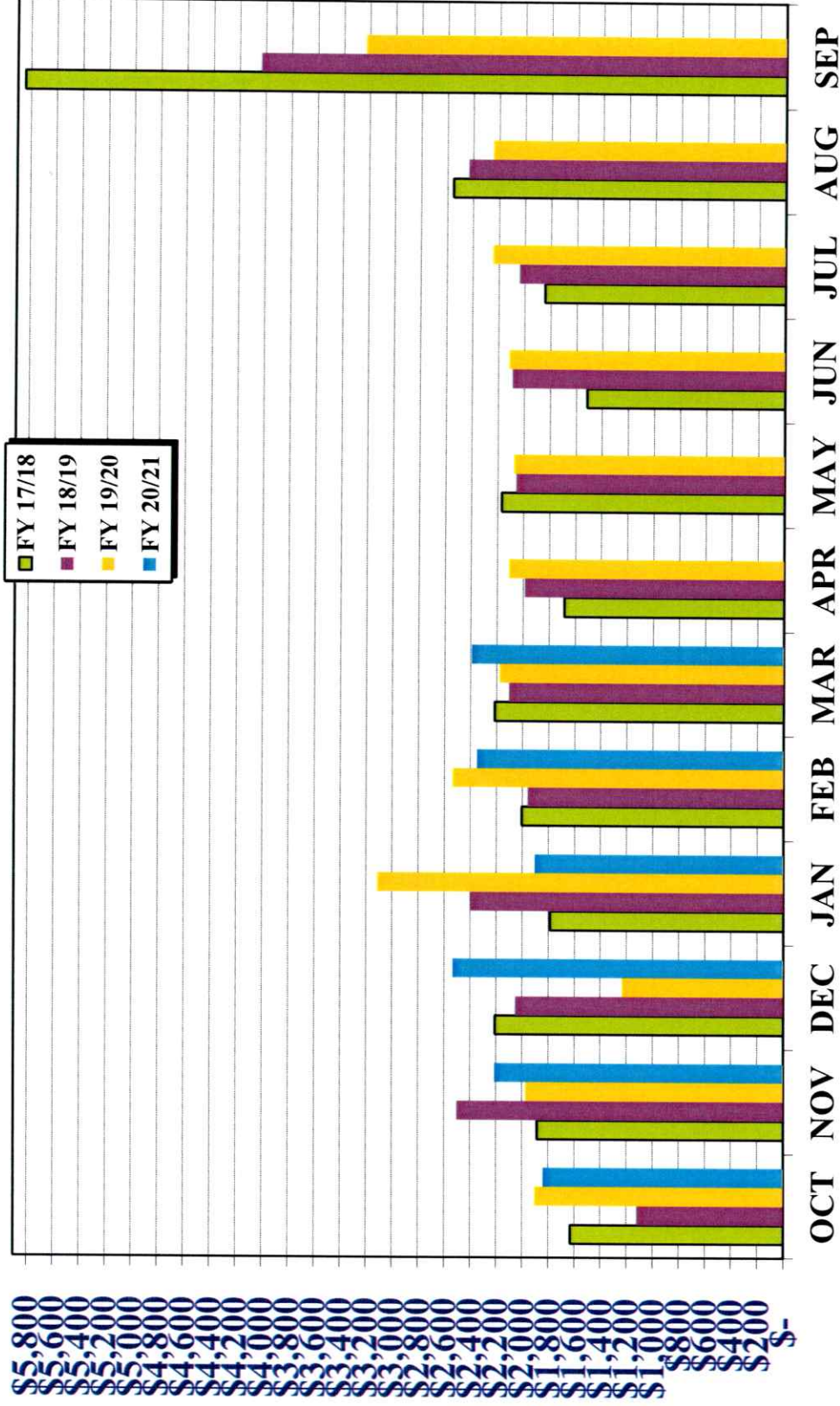




CITY OF MANFIELD

UTILITY OPERATING EXPENDITURES

(000's)



City of Mansfield, Texas

Statement of Net Position - Law Enforcement Complex
March 31, 2021 and 2020 (Unaudited)

	2021	2020
<u>ASSETS</u>		
Cash And Investments	\$ (0)	\$ -
Receivables:		
Accounts	704	590,242
Inventory	2,863	22,575
Restricted Assets:		
Cash And Investments	118,819	166,182
Fixed Assets (net of accumulated depreciation)	5,475,655	5,711,762
Total Assets	5,598,041	6,490,761
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred pension contributions	416,591	465,082
Deferred OPEB contributions	167,729	5,091
Deferred investment losses	(404,575)	414,144
Deferred assumption changes	26,314	11,705
Deferred actuarial experience	819,196	1,349,279
Total Deferred Outflows of Resources	1,025,255	2,245,301
<u>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	\$ 6,623,296	\$ 8,736,062

City of Mansfield, Texas

Statement of Net Position - Law Enforcement Complex
March 31, 2021 and 2020 (Unaudited)

	2021	2020
<u>LIABILITIES</u>		
Accounts Payable	\$ 30,750	\$ 850,954
Accrued Liabilities	-	-
Payable From Restricted Assets:		
Inmate Trust	29,601	47,100
General Obligation Debt Payable:		
Bonds Payable-Current	392,720	442,409
Accrued Interest	1,940	2,190
Long-Term		
Compensated Absences	0	1,078,555
Total OPEB liability	108,925	134,769
Net OPEB liability	3,237,919	5,092,347
Net pension liability	1,815,617	3,563,664
Total Liabilities	5,617,472	11,211,988
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred assumption changes	79,972	186,253
Deferred investment gains	0	-
Deferred loss on refunding	12,388	14,078
Total Deferred Inflows of Resources	92,360	200,331
<u>NET POSITION</u>		
Invested in Capital Assets (net of related debt)	5,137,422	5,374,265
Unreserved	(4,223,958)	(8,050,522)
Total Net Position	913,464	(2,676,257)
<u>TOTAL LIABILITIES, DEFERRED INFLOWS OF OF RESOURCES, AND NET POSITION</u>	\$ 6,623,296	\$ 8,736,062

City of Mansfield, Texas

Comparative Combined Statement of Activities - Law Enforcement Complex
For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
OPERATING REVENUES:				
Charges For Services	\$ -	\$ 536,482	\$ -	\$ 3,388,318
Salary Reimbursement	-	9,245	-	73,913
Miscellaneous	-	4,619	-	26,291
Transportation	-	314	-	2,317
Commissary Sales	-	29,208	-	186,453
Telephone Commission	-	24,673	-	140,979
Total Operating Revenues	-	604,541	-	3,818,271
OPERATING EXPENSES:				
Administration	-	22,803	84	167,231
Operations	(35)	479,008	-	2,893,287
Support	(4,333)	53,419	(0)	305,233
Food Service	-	37,766	-	191,020
Medical Service	-	47,930	-	262,794
Commissary	-	41,500	-	186,321
Depreciation	20,024	25,984	117,557	118,876
Total Operating Expenses	15,656	708,410	117,641	4,124,762
OPERATING INCOME (LOSS)	(15,656)	(103,869)	(117,641)	(306,491)
NON OPERATING REVENUES (EXPENSES)				
Interest Revenue	-	-	-	-
Other Income	-	-	-	-
Other Expenses	-	(26,762)	-	(160,575)
Gain/(loss) on sale of assets	-	-	-	-
Amortization	-	-	-	-
Interest And Fiscal Charges	(6,769)	(1,224)	(6,769)	(7,343)
Net Nonoperating Revenues (Expenses)	(6,769)	(27,986)	(6,769)	(167,918)
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(22,425)	(131,855)	(124,410)	(474,409)
OPERATING TRANSFERS:				
Transfer In (Out)	-	-	-	-
Net Operating Transfers	-	-	-	-
CHANGE IN NET POSITION	(22,425)	(131,855)	(124,410)	(474,409)
NET POSITION, BEGINNING	935,889	(2,544,402)	1,037,874	(2,201,848)
NET POSITION, ENDING	\$ 913,464	\$ (2,676,257)	\$ 913,464	\$ (2,676,257)

City of Mansfield, Texas

Statement of Net Position - Drainage Utility Fund
March 31, 2021 and 2020 (Unaudited)

	2021	2020
<u>ASSETS</u>		
Cash And Investments	\$ 4,994,379	\$ 4,296,480
Accounts Receivable	308,108	353,003
Restricted Assets:		
Cash and Investments	293,960	295,371
Fixed Assets (Net of accumulated depreciation)	8,441,021	8,423,642
Total Assets	14,037,468	13,368,496
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred pension contributions	47,806	36,001
Deferred OPEB contributions	23,151	399
Deferred investment losses	4,167	74,161
Deferred assumption changes	3,020	428
Deferred actuarial experience	113,466	92,602
Deferred loss on refunding	95,307	119,133
Total deferred outflows of resources	286,917	322,724
Total Assets and Deferred Outflows of Resources	\$ 14,324,385	\$ 13,691,220
<u>LIABILITIES</u>		
Accounts Payable	\$ 654	\$ 2,742
Accrued Liabilities	57,335	44,411
Retainage Payable	5,126	5,126
Bond Payable	2,315,000	2,745,000
Accrued Interest Payable	13,292	16,178
Unamortized Discounts on Bonds	(18,334)	(22,305)
Unamortized Premiums on Bonds	23,134	29,607
Total OPEB liability	12,500	11,673
Net OPEB liability	448,915	399,153
Net pension liability	208,350	231,629
Total Liabilities	3,065,972	3,463,214
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred assumption changes	16,628	7,928
Deferred investment gains	49,875	-
Total deferred inflows of resources	66,503	7,928
<u>NET POSITION</u>		
Invested in Capital Assets (net of related debt)	5,923,194	5,083,806
Reserved for Debt Service	307,252	16,178
Unrestricted	4,961,464	5,120,094
Total Net Position	11,191,910	10,220,078
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 14,324,385	\$ 13,691,220

City of Mansfield, Texas

Comparative Combined Statement of Activities - Drainage Utility Fund
For the Month and Six Months Ended March 31, 2021 and 2020 (Unaudited)

	FY21 MONTH TO DATE	FY20 MONTH TO DATE	FY21 YEAR TO DATE	FY20 YEAR TO DATE
OPERATING REVENUES:				
Contributions	\$ -	\$ -	\$ -	\$ -
Licenses Fee-Gaswells/Pipelines	-	-	-	-
Drainage Fee	222,881	221,967	1,345,228	1,324,826
Total Operating Revenues	222,881	221,967	1,345,228	1,324,826
OPERATING EXPENSES:				
Administration	47,604	51,974	444,950	356,761
General Maintenance	27,488	14,537	199,986	108,951
Depreciation	15,228	19,694	89,095	90,101
Total Operating Expenses	90,320	86,205	734,031	555,813
OPERATING INCOME (LOSS)	132,561	135,762	611,197	769,013
NONOPERATING REVENUES (EXPENSES):				
Interest Revenue	18	808	325	7,535
Other Income	(2,151)	500	313	653
Amortization	-	-	-	-
Interest and fiscal charges	(6,646)	(8,089)	(41,566)	(50,226)
Net Nonoperating Revenue	(8,779)	(6,781)	(40,928)	(42,038)
INCOME (LOSS) BEFORE OPERATING TRANSFERS	123,782	128,981	570,269	726,975
OPERATING TRANSFERS				
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
Net Operating Transfers	-	-	-	-
CHANGE IN NET POSITION	123,782	128,981	570,269	726,975
NET POSITION, BEGINNING	11,068,128	10,091,096	10,621,641	9,493,103
NET POSITION, ENDING	\$ 11,191,910	\$ 10,220,078	\$ 11,191,910	\$ 10,220,078

CITY OF MANSFIELD, TEXAS
SALES TAX COMPARISON
INFORMATION

GENERAL FUND
YEAR TO DATE SALES TAX COMPARISON
OCTOBER 2020 TO SEPTEMBER 2021

MONTH	FY20	FY21	DOLLAR VALUE INCREASE (DECREASE) FY 2020/2021	PERCENTAGE INCREASE (DECREASE) FY 2020/2021
OCTOBER	973,126.76	1,088,496.91	115,370.15	11.86%
NOVEMBER	1,227,674.02	1,419,747.37	192,073.35	15.65%
DECEMBER	1,062,055.58	1,137,620.48	75,564.90	7.11%
JANUARY	1,037,023.19	1,158,578.39	121,555.20	11.72%
FEBRUARY	1,538,992.70	1,595,982.42	56,989.72	3.70%
MARCH	987,055.68	1,112,384.55	125,328.87	12.70%
Subtotal	6,825,927.93	7,512,810.12	686,882.19	10.06%
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
YTD TOTAL	6,825,927.93	7,512,810.12	686,882.19	10.06%
BUDGET		13,462,618.00	517,792.52	
OVER/(UNDER) BUDGET		(5,949,807.88)	0.04	

MANSFIELD PARKS FACILITIES DEVELOPMENT CORP.
YEAR TO DATE SALES TAX COMPARISON
OCTOBER 2020
TO SEPTEMBER 2021

MONTH	FY20	FY21	DOLLAR VALUE INCREASE (DECREASE) FY 2020/2021	PERCENTAGE INCREASE (DECREASE) FY 2020/2021
OCTOBER	486,563.38	544,248.46	57,685.08	11.86%
NOVEMBER	613,837.01	709,873.69	96,036.68	15.65%
DECEMBER	531,027.79	568,810.24	37,782.45	7.11%
JANUARY	518,511.59	579,289.19	60,777.60	11.72%
FEBRUARY	769,496.35	797,991.21	28,494.86	3.70%
MARCH	493,527.84	556,192.28	62,664.44	12.70%
Subtotal	3,412,963.96	3,756,405.07	343,441.11	10.06%
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
YTD TOTAL	3,412,963.96	3,756,405.07	343,441.11	10.06%

MANSFIELD ECONOMIC DEVELOPMENT CORP.
YEAR TO DATE SALES TAX COMPARISON
OCTOBER 2020 TO SEPTEMBER 2021

MONTH	FY20	FY21	DOLLAR VALUE INCREASE (DECREASE) 2020/2021	PERCENTAGE INCREASE (DECREASE) 2020/2021
OCTOBER	486,563.38	544,248.46	57,685.08	11.86%
NOVEMBER	613,837.01	709,873.69	96,036.68	15.65%
DECEMBER	531,027.78	568,810.24	37,782.46	7.11%
JANUARY	518,511.59	579,289.19	60,777.60	11.72%
FEBRUARY	769,496.35	797,991.21	28,494.86	3.70%
MARCH	493,527.83	556,192.28	62,664.45	12.70%
Subtotal	3,412,963.94	3,756,405.07	343,441.13	10.06%
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
YTD TOTAL	3,412,963.94	3,756,405.07	343,441.13	10.06%

GENERAL FUND
MANSFIELD PARKS DEVELOPMENT CORP.
AND
MANSFIELD ECONOMIC DEVELOPMENT CORP.
COMBINED TOTAL YEAR TO DATE SALES TAX COMPARISON
OCTOBER 2020 TO SEPTEMBER 2021

MONTH	FY20	FY21	DOLLAR VALUE INCREASE (DECREASE) FY 2020/2021	PERCENTAGE INCREASE (DECREASE) FY 2020/2021
OCTOBER	1,946,253.52	2,176,993.83	230,740.31	11.86%
NOVEMBER	2,455,348.04	2,839,494.75	384,146.71	15.65%
DECEMBER	2,124,111.15	2,275,240.96	151,129.81	7.11%
JANUARY	2,074,046.37	2,317,156.77	243,110.40	11.72%
FEBRUARY	3,077,985.40	3,191,964.84	113,979.44	3.70%
MARCH	1,974,111.35	2,224,769.10	250,657.75	12.70%
Subtotal	13,651,855.83	15,025,620.25	1,373,764.42	10.06%
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
YTD TOTAL	13,651,855.83	15,025,620.25	1,373,764.42	10.06%
BUDGET		26,925,236.00		
OVER/(UNDER) BUDGET		(11,899,615.75)		

SCHEDULE OF INVESTMENTS



INVESTMENT OFFICERS' REPORT

This report is prepared in accordance with the Public funds Investment Act ("Act"), Chapter 2256 of Title 10 of the Government Code. This Act prescribes the investment of funds in the custody of a district or authority created under Article XVI, Section 59, of the Texas Constitution. Section 2256.023(a) of the Act states that "not less than quarterly the investment officers shall prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by this chapter for the preceding reporting period." This report covers the month of March for Fiscal Year 2021.



Bryan Rebel
Investment Officer

City of Mansfield
 Portfolio Holdings
 Tracker Portfolio Set Up - by Portfolio (Fund)
 Report Format: By Transaction
 Group By: Portfolio Name
 Average By: Face Amount / Shares
 Portfolio / Report Group: All Portfolios
 As of 3/31/2021

Description	CUSIP/Ticker	Security Type	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
01 - General Fund												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.035	4,168,481.38	4,168,481.38	4,168,481.38	4,168,481.38	N/A	1		5.95
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	8,500,423.33	8,500,423.33	8,500,423.33	8,500,423.33	N/A	1		12.13
Sub Total / Average 01 - General Fund				0.026	12,668,904.71	12,668,904.71	12,668,904.71	12,668,904.71		1	0.00	18.08
06 - Tree Mitigation												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.035	26,598.62	26,598.62	26,598.62	26,598.62	N/A	1		0.04
Sub Total / Average 06 - Tree Mitigation				0.035	26,598.62	26,598.62	26,598.62	26,598.62		1	0.00	0.04
08 - Hotel												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/30/2014	0.022	583,203.06	583,203.06	583,203.06	583,203.06	N/A	1		0.83
Sub Total / Average 08 - Hotel				0.022	583,203.06	583,203.06	583,203.06	583,203.06		1	0.00	0.83
10 - Debt Services												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.035	445,544.87	445,544.87	445,544.87	445,544.87	N/A	1		0.64
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	53,845.53	53,845.53	53,845.53	53,845.53	N/A	1		0.08
Sub Total / Average 10 - Debt Services				0.034	499,390.40	499,390.40	499,390.40	499,390.40		1	0.00	0.71
15 - Street Construction												
AIM Invesco MM	AIM	Money Market	9/30/1999	0.240	468,065.91	468,065.91	468,065.91	468,065.91	N/A	1		0.67
Nations Funds MM	MF0008	Money Market	10/25/1999	0.035	3,361,709.79	3,361,709.79	3,361,709.79	3,361,709.79	N/A	1		4.80
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	1,956,209.09	1,956,209.09	1,956,209.09	1,956,209.09	N/A	1		2.79
Sub Total / Average 15 - Street Construction				0.047	5,785,984.79	5,785,984.79	5,785,984.79	5,785,984.79		1	0.00	8.26
16 - Building Construction												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	79,593.28	79,593.28	79,593.28	79,593.28	N/A	1		0.11
Sub Total / Average 16 - Building Construction				0.022	79,593.28	79,593.28	79,593.28	79,593.28		1	0.00	0.11

Description	CUSIP/Ticker	Security Type	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
19 - Drainage Utility Fund												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	996,998.95	996,998.95	996,998.95	996,998.95	N/A	1		1.42
Sub Total / Average 19 - Drainage Utility Fund				0.022	996,998.95	996,998.95	996,998.95	996,998.95		1	0.00	1.42
22 - Equipment Replacement												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	1/8/2014	0.022	4,837.37	4,837.37	4,837.37	4,837.37	N/A	1		0.01
Sub Total / Average 22 - Equipment Replacement				0.022	4,837.37	4,837.37	4,837.37	4,837.37		1	0.00	0.01
23 - Mansfield Parks 1/2 Sales Tax												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.035	2,292,122.61	2,292,122.61	2,292,122.61	2,292,122.61	N/A	1		3.27
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	2,441,939.80	2,441,939.80	2,441,939.80	2,441,939.80	N/A	1		3.49
Sub Total / Average 23 - Mansfield Parks 1/2 Sales Tax				0.028	4,734,062.41	4,734,062.41	4,734,062.41	4,734,062.41		1	0.00	6.76
24 - Mansfield Parks Land Dedication												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.035	606,758.26	606,758.26	606,758.26	606,758.26	N/A	1		0.87
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	1,063,444.90	1,063,444.90	1,063,444.90	1,063,444.90	N/A	1		1.52
Sub Total / Average 24 - Mansfield Parks Land Dedication				0.027	1,670,203.16	1,670,203.16	1,670,203.16	1,670,203.16		1	0.00	2.38
25 - Water & Sewer												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.035	4,873,423.85	4,873,423.85	4,873,423.85	4,873,423.85	N/A	1		6.96
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	11,277,447.63	11,277,447.63	11,277,447.63	11,277,447.63	N/A	1		16.10
Sub Total / Average 25 - Water & Sewer				0.026	16,150,871.48	16,150,871.48	16,150,871.48	16,150,871.48		1	0.00	23.05
27 - Revenue Bond Reserve												
Nations Funds MM	MF0008	Money Market	4/11/2012	0.035	3,009,037.99	3,009,037.99	3,009,037.99	3,009,037.99	N/A	1		4.29
Sub Total / Average 27 - Revenue Bond Reserve				0.035	3,009,037.99	3,009,037.99	3,009,037.99	3,009,037.99		1	0.00	4.29
28 - Utility Construction Fund 28												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.035	1,457,375.28	1,457,375.28	1,457,375.28	1,457,375.28	N/A	1		2.08
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	7,300,592.22	7,300,592.22	7,300,592.22	7,300,592.22	N/A	1		10.42

Description	CUSIP/Ticker	Security Type	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
Sub Total / Average 28 - Utility Construction Fund 28												
				0.024	8,757,967.50	8,757,967.50	8,757,967.50	8,757,967.50		1	0.00	12.50
309 - Library Expansion												
Nations Funds MM	MF0008	Money Market	8/1/2016	0.035	1,615,899.51	1,615,899.51	1,615,899.51	1,615,899.51	N/A	1		2.31
Sub Total / Average 309 - Library Expansion												
				0.035	1,615,899.51	1,615,899.51	1,615,899.51	1,615,899.51		1	0.00	2.31
38 - MEDC I&S Fund												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	231,549.98	231,549.98	231,549.98	231,549.98	N/A	1		0.33
Sub Total / Average 38 - MEDC I&S Fund												
				0.022	231,549.98	231,549.98	231,549.98	231,549.98		1	0.00	0.33
39 - Economic Development												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.035	152,188.29	152,188.29	152,188.29	152,188.29	N/A	1		0.22
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	832,925.03	832,925.03	832,925.03	832,925.03	N/A	1		1.19
Sub Total / Average 39 - Economic Development												
				0.024	985,113.32	985,113.32	985,113.32	985,113.32		1	0.00	1.41
50 - TIF												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	1,484,062.24	1,484,062.24	1,484,062.24	1,484,062.24	N/A	1		2.12
Sub Total / Average 50 - TIF												
				0.022	1,484,062.24	1,484,062.24	1,484,062.24	1,484,062.24		1	0.00	2.12
81 - Street Construction 2012 Issue												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.022	1,516,126.35	1,516,126.35	1,516,126.35	1,516,126.35	N/A	1		2.16
Sub Total / Average 81 - Street Construction 2012 Issue												
				0.022	1,516,126.35	1,516,126.35	1,516,126.35	1,516,126.35		1	0.00	2.16
86 - 2016 Streets Construction												
Nations Funds MM	MF0008	Money Market	8/1/2016	0.035	1,542,210.31	1,542,210.31	1,542,210.31	1,542,210.31	N/A	1		2.20
TexStar LGIP	TEXSTAR	Local Government Investment Pool	8/31/2016	0.022	972,135.90	972,135.90	972,135.90	972,135.90	N/A	1		1.39
Sub Total / Average 86 - 2016 Streets Construction												
				0.030	2,514,346.21	2,514,346.21	2,514,346.21	2,514,346.21		1	0.00	3.59
87 - 2017 Streets Construction												
Nations Funds MM	MF0008	Money Market	12/1/2017	0.035	25,960.91	25,960.91	25,960.91	25,960.91	N/A	1		0.04
TexStar LGIP	TEXSTAR	Local Government Investment Pool	12/31/2017	0.022	3,436,000.94	3,436,000.94	3,436,000.94	3,436,000.94	N/A	1		4.90

Description	CUSIP/Ticker	Security Type	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
Sub Total / Average 87 - 2017 Streets Construction												
				0.022	3,461,961.85	3,461,961.85	3,461,961.85	3,461,961.85		1	0.00	4.94
873 - MEDC Construction												
Nations Funds MM	MF0008	Money Market	7/2/2018	0.035	1,600,050.75	1,600,050.75	1,600,050.75	1,600,050.75	N/A	1		2.28
TexStar LGIP	TEXSTAR	Local Government Investment Pool	7/31/2018	0.022	1,688,310.08	1,688,310.08	1,688,310.08	1,688,310.08	N/A	1		2.41
Sub Total / Average 873 - MEDC Construction												
				0.028	3,288,360.83	3,288,360.83	3,288,360.83	3,288,360.83		1	0.00	4.69
Total / Average												
				0.028	70,065,074.01	70,065,074.01	70,065,074.01	70,065,074.01		1	0.00	100

City of Mansfield
 Portfolio Holdings
 Tracker Portfolio Set Up - by Issuer
 Report Format: By Transaction
 Group By: Issuer
 Average By: Face Amount / Shares
 Portfolio / Report Group: All Portfolios
 As of 3/31/2021

Description	CUSIP/Ticker	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio	Portfolio Name
AIM Invesco												
AIM Invesco MM	AIM	9/30/1999	0.240	468,065.91	468,065.91	468,065.91	468,065.91	N/A	1		0.67	15 - Street Construction
Sub Total / Average AIM Invesco			0.240	468,065.91	468,065.91	468,065.91	468,065.91		1	0.00	0.67	
Nations Funds												
Nations Funds MM	MF0008	10/25/1999	0.035	4,873,423.85	4,873,423.85	4,873,423.85	4,873,423.85	N/A	1		6.96	25 - Water & Sewer
Nations Funds MM	MF0008	10/25/1999	0.035	3,361,709.79	3,361,709.79	3,361,709.79	3,361,709.79	N/A	1		4.80	15 - Street Construction
Nations Funds MM	MF0008	10/25/1999	0.035	4,168,481.38	4,168,481.38	4,168,481.38	4,168,481.38	N/A	1		5.95	01 - General Fund
Nations Funds MM	MF0008	10/25/1999	0.035	152,188.29	152,188.29	152,188.29	152,188.29	N/A	1		0.22	39 - Economic Development
Nations Funds MM	MF0008	10/25/1999	0.035	1,457,375.28	1,457,375.28	1,457,375.28	1,457,375.28	N/A	1		2.08	28 - Utility Construction Fund 28
Nations Funds MM	MF0008	10/25/1999	0.035	26,598.62	26,598.62	26,598.62	26,598.62	N/A	1		0.04	06 - Tree Mitigation
Nations Funds MM	MF0008	10/25/1999	0.035	2,292,122.61	2,292,122.61	2,292,122.61	2,292,122.61	N/A	1		3.27	23 - Mansfield Parks 1/2 Sales Tax
Nations Funds MM	MF0008	10/25/1999	0.035	445,544.87	445,544.87	445,544.87	445,544.87	N/A	1		0.64	10 - Debt Services
Nations Funds MM	MF0008	10/25/1999	0.035	606,758.26	606,758.26	606,758.26	606,758.26	N/A	1		0.87	24 - Mansfield Parks Land Dedication
Nations Funds MM	MF0008	4/11/2012	0.035	3,009,037.99	3,009,037.99	3,009,037.99	3,009,037.99	N/A	1		4.29	27 - Revenue Bond Reserve
Nations Funds MM	MF0008	8/1/2016	0.035	1,615,899.51	1,615,899.51	1,615,899.51	1,615,899.51	N/A	1		2.31	309 - Library Expansion
Nations Funds MM	MF0008	8/1/2016	0.035	1,542,210.31	1,542,210.31	1,542,210.31	1,542,210.31	N/A	1		2.20	86 - 2016 Streets Construction
Nations Funds MM	MF0008	12/1/2017	0.035	25,960.91	25,960.91	25,960.91	25,960.91	N/A	1		0.04	87 - 2017 Streets Construction
Nations Funds MM	MF0008	7/2/2018	0.035	1,600,050.75	1,600,050.75	1,600,050.75	1,600,050.75	N/A	1		2.28	873 - MEDC Construction
Sub Total / Average Nations Funds			0.035	25,177,362.42	25,177,362.42	25,177,362.42	25,177,362.42		1	0.00	35.93	
TexStar												
TexStar LGIP	TEXSTAR	11/2/2012	0.022	231,549.98	231,549.98	231,549.98	231,549.98	N/A	1		0.33	38 - MEDC I&S Fund
TexStar LGIP	TEXSTAR	11/2/2012	0.022	11,277,447.63	11,277,447.63	11,277,447.63	11,277,447.63	N/A	1		16.10	25 - Water & Sewer
TexStar LGIP	TEXSTAR	11/2/2012	0.022	79,593.28	79,593.28	79,593.28	79,593.28	N/A	1		0.11	16 - Building Construction
TexStar LGIP	TEXSTAR	11/2/2012	0.022	1,956,209.09	1,956,209.09	1,956,209.09	1,956,209.09	N/A	1		2.79	15 - Street Construction
TexStar LGIP	TEXSTAR	11/2/2012	0.022	8,500,423.33	8,500,423.33	8,500,423.33	8,500,423.33	N/A	1		12.13	01 - General Fund

Description	CUSIP/Ticker	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio	Portfolio Name
TexStar LGIP	TEXSTAR	11/2/2012	0.022	832,925.03	832,925.03	832,925.03	832,925.03	N/A	1		1.19	39 - Economic Development
TexStar LGIP	TEXSTAR	11/2/2012	0.022	7,300,592.22	7,300,592.22	7,300,592.22	7,300,592.22	N/A	1		10.42	28 - Utility Construction Fund 28
TexStar LGIP	TEXSTAR	11/2/2012	0.022	1,484,062.24	1,484,062.24	1,484,062.24	1,484,062.24	N/A	1		2.12	50 - TIF
TexStar LGIP	TEXSTAR	11/2/2012	0.022	2,441,939.80	2,441,939.80	2,441,939.80	2,441,939.80	N/A	1		3.49	23 - Mansfield Parks 1/2 Sales Tax
TexStar LGIP	TEXSTAR	11/2/2012	0.022	1,516,126.35	1,516,126.35	1,516,126.35	1,516,126.35	N/A	1		2.16	81 - Street Construction 2012 Issue
TexStar LGIP	TEXSTAR	11/2/2012	0.022	1,063,444.90	1,063,444.90	1,063,444.90	1,063,444.90	N/A	1		1.52	24 - Mansfield Parks Land Dedication
TexStar LGIP	TEXSTAR	11/2/2012	0.022	53,845.53	53,845.53	53,845.53	53,845.53	N/A	1		0.08	10 - Debt Services
TexStar LGIP	TEXSTAR	11/2/2012	0.022	996,998.95	996,998.95	996,998.95	996,998.95	N/A	1		1.42	19 - Drainage Utility Fund
TexStar LGIP	TEXSTAR	1/8/2014	0.022	4,837.37	4,837.37	4,837.37	4,837.37	N/A	1		0.01	22 - Equipment Replacement
TexStar LGIP	TEXSTAR	11/30/2014	0.022	583,203.06	583,203.06	583,203.06	583,203.06	N/A	1		0.83	08 - Hotel
TexStar LGIP	TEXSTAR	8/31/2016	0.022	972,135.90	972,135.90	972,135.90	972,135.90	N/A	1		1.39	86 - 2016 Streets Construction
TexStar LGIP	TEXSTAR	12/31/2017	0.022	3,436,000.94	3,436,000.94	3,436,000.94	3,436,000.94	N/A	1		4.90	87 - 2017 Streets Construction
TexStar LGIP	TEXSTAR	7/31/2018	0.022	1,688,310.08	1,688,310.08	1,688,310.08	1,688,310.08	N/A	1		2.41	873 - MEDC Construction
Sub Total / Average TexStar			0.022	44,419,645.68	44,419,645.68	44,419,645.68	44,419,645.68		1	0.00	63.40	
Total / Average			0.028	70,065,074.01	70,065,074.01	70,065,074.01	70,065,074.01		1	0.00	100	



Federal Reserve
Bank of Dallas

FIRST QUARTER 2021

Southwest Economy



▶ COVID-19 Slammed into Texas, Leaving Long-Lasting Impacts

PLUS

- ▶ COVID-19 Poses Stubborn Challenge to Economic Growth in Mexico
- ▶ On the Record: Value-Added Tax Could Restrain Long-Term Federal Debt
- ▶ Spotlight: Pandemic Pushes Texas Minority Unemployment Beyond Highs Reached During Great Recession
- ▶ Go Figure: Collapsing Fuel Demand Tanks Texas Exports During Pandemic's Peak



President's Perspective

Rob Kaplan, president and CEO of the Dallas Fed, regularly speaks and writes on the factors that affect economic growth in the nation and Eleventh District. Here are some of his recent thoughts on key issues:

On the Stance of Monetary Policy

"My forecast has improved meaningfully. ... Having said that, we are still in the middle of a pandemic, and I want to see more than a forecast, and I want to see actual evidence that that forecast is going to unfold. As we do, and as we make substantial further progress on meeting our dual-mandate goals [stable prices and maximum sustainable employment], I for one am going to be an advocate of beginning the process of removing some of these extraordinary monetary measures, and doing it sooner rather than later. But I need to see outcomes, not just a strong forecast."

CNBC Interview with Steve Liesman—March 23, 2021

On the Importance of the Vaccine Rollout

"The most important thing is how we manage the virus, and these variants, and getting people vaccinated and speeding the vaccinations so we head off the potential impact of these variants. That's still the No. 1 thing I'm watching."

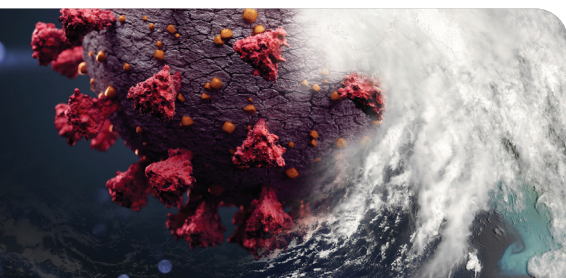
Interview with Reuters—Feb. 17, 2021

On the Outlook for Inflation

"It wouldn't be surprising to see the cyclical elements of inflation build, and I think that you will see some supply outages. We are already seeing evidence of it [in] semiconductors, metals, wood products, maybe even in oil markets. But I don't think those are going to be persistent, I don't think those are going to be long term."

"I think there is no question that the cyclical forces will build, and over time, the question for me is how strong are the accelerating forces of technology and technology-enabled disruption which have been muting inflationary pressures for some time. How do those cyclical and structural forces play out over time? That's what I am going to be watching for. The temporary jump up or rise in inflation won't surprise me. The question for me will be how persistent is it, and I think the jury is still out on that right now."

Bloomberg TV Interview with Mike McKee—Feb. 9, 2021



COVID-19 Slammed into Texas, Leaving Long-Lasting Impacts

By Emily Kerr, Judy Teng and Keith Phillips

ABSTRACT: The economic road from the COVID-19 recession in Texas will likely feature a steeper, more rapid climb than the usual gradual rise associated with most recoveries. Some structural changes that the pandemic wrought will take longer to resolve, including those that will make work from home a longer-term occupational reality for some.

The economic downturn that began with the arrival of COVID-19 in March 2020 has greater resemblance to a natural disaster than a typical recession.

Most recessions begin with slowing growth that transitions into declining jobs and output. At the time, the process may appear so gradual that analysts often miss it until many months later.

By comparison, when a hurricane occurs—for example, Hurricane Katrina striking Louisiana in 2005—the economy suddenly halts, and jobs and output fall sharply. A quick return to growth follows just a couple months later, although a full recovery can take a year or more.

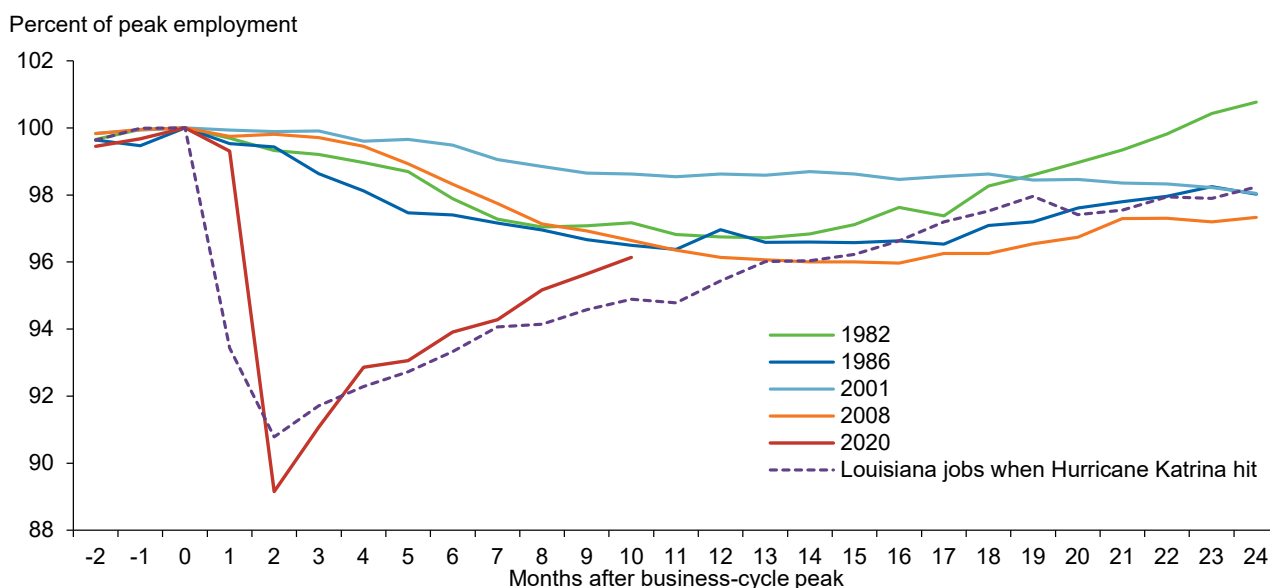
The pattern of job growth in Texas at the beginning of the pandemic resembles that of Louisiana following Katrina rather than past Texas recessions (*Chart 1*). The speed with which the state achieves prepandemic levels of output and jobs will depend on how quickly COVID-19 cases and hospitalizations decline and the long-lasting structural changes left behind.

Expecting a Slow Return

The pandemic fundamentally disrupted Texas business. Despite the economic recovery that began in May 2020, roughly 60 percent of firms in the Dallas Fed Texas Business Outlook Surveys (TBOS) reported that their January 2021 revenues remained below

CHART 1

2020 Texas Downturn Looks Much Like Impact from Large Natural Disaster

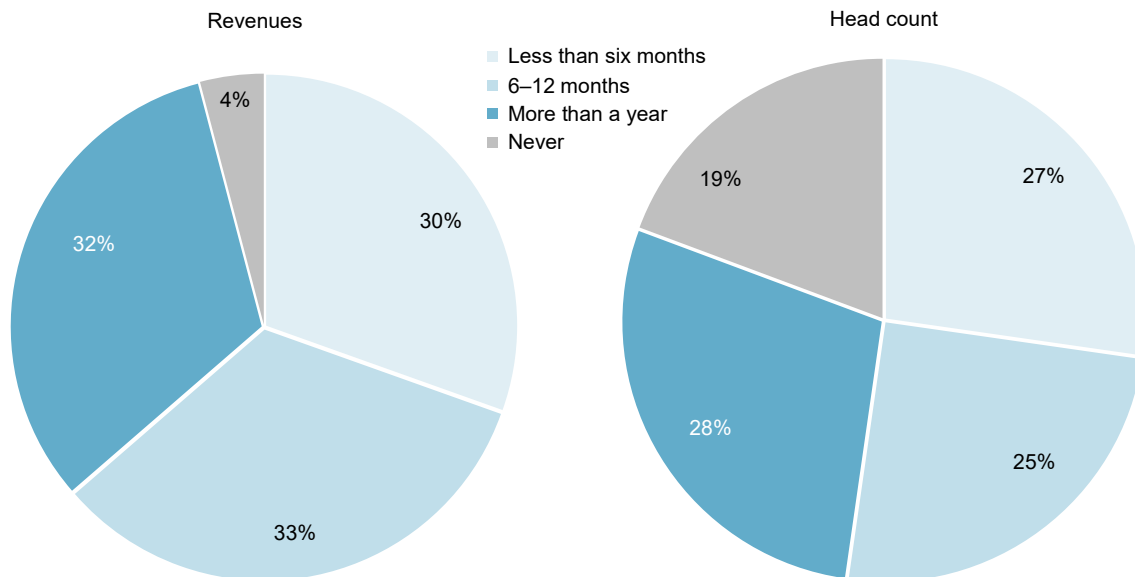


NOTES: Solid lines refer to Texas nonfarm payroll employment. Recessions are indexed to peak employment: March 1982, January 1986, March 2001, August 2008 and February 2020. Dotted line refers to Louisiana nonfarm payroll employment indexed to peak employment in August 2005.

SOURCE: Bureau of Labor Statistics.

CHART 2

When Do You Expect Your Firm's Revenues and Head Counts to Return to Pre-COVID Levels?



NOTES: This question was only posed to those indicating January revenues or head counts that were below normal (60 and 48 percent of all firms, respectively). Data were collected Jan. 12-20. There were 220 responses for revenues and 176 for head count.

SOURCE: Federal Reserve Bank of Dallas Texas Business Outlook Surveys, January 2021.

normal. When these responding executives were asked when they expected a return to pre-COVID-19 levels, 30 percent said within six months, and 63 percent said within a year (*Chart 2*). The vast majority—96 percent—anticipate full recovery, though nearly one-third said it will take more than 12 months.

Restoring normal employment may take longer than reviving revenues. Among the 48 percent of firms reporting January 2021 head counts below prepandemic levels, nearly 20 percent said they do not expect them to ever return to pre-COVID-19 numbers. These businesses point to increased efficiency and productivity or streamlining due to technology adoption. Several companies said that they were overstaffed leading up to the pandemic.

These pandemic-spurred productivity improvements allow firms to generate more revenue per employee going forward. This wouldn't be uncommon, as aggregate productivity tends to rise during economic downturns. A National Bureau of Economic Research

study found that output per worker rose by more than 5 percent during the Great Recession.¹

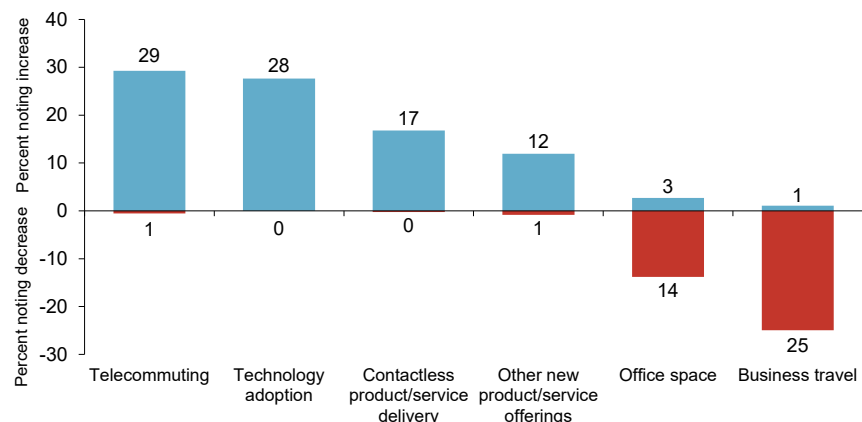
In the long run, productivity gains are a main source in a country's standard of living. They spur both strong output growth and full employment.

However, in the short run, they can lead to slower job growth, particularly if there is a mismatch between the skills demanded by the new jobs and the skills of unemployed workers.

For example, the large number of workers displaced from the leisure and

CHART 3

Texas Businesses Report on COVID-19 Structural Changes



NOTES: There were 369 respondents. Firms were asked, "Are there structural changes your firm has made or plans to make as a result of the COVID-19 pandemic that you expect to be permanent? If yes, please specify any changes and whether it is an increase or decrease." Those not responding to a specific category are not shown, thus the percentages do not total 100.

SOURCE: Federal Reserve Bank of Dallas Texas Business Outlook Surveys, December 2020.

hospitality sector likely won't readily transition to growing sectors such as information technology and financial services. They may more easily find employment related to e-commerce, such as in warehousing and parcel delivery services.

Long-Term Pandemic Impacts

TBOS respondents reported at year-end 2020 whether they expected the structural changes instituted because of the pandemic to be permanent. Nearly 30 percent anticipated a permanent increase in telecommuting and technology adoption relative to pre-COVID-19 levels (*Chart 3*).

A quarter of firms expected a permanent reduction in business travel, and 14 percent said they likely won't need as much office space.

These structural shifts portend changes in where people desire to live and work and also affect commuting. The impacts will affect business travel and the oil and gas sector.

More Remote Work Likely

During the pandemic, the dynamics of high-density mostly urban living changed—the potential of virus

TABLE 1 Share of Work-from-Home Employees to Remain Elevated

Average (percent)	
Pre-COVID-19	8.3
Current	35.0
Post-COVID-19	20.6

NOTES: Respondents were asked, "What share of your employees were working remotely in February 2020 (pre-COVID-19), and what share are currently (August 2020) working remotely? What share do you expect to work remotely after the pandemic ends?" There were 390 responses. Data were collected Aug. 18–26, 2020.
SOURCE: Federal Reserve Bank of Dallas Texas Business Outlook Surveys, August 2020.

spread increased costs, while the benefits of leisure opportunities such as restaurants and entertainment fell. This, along with historically low interest rates, likely prompted a significant shift in Texas from city centers to suburban regions and larger homes.²

Moreover, the desire to work from home increased sharply due to early government "stay at home" orders and a fear of viral spread. During the initial outbreak, the average share of employees working remotely increased by 26.7 percentage points to more than a third of all workers (*Table 1*).

With numerous telecommuting platforms available to facilitate remote job activity, collaboration and even

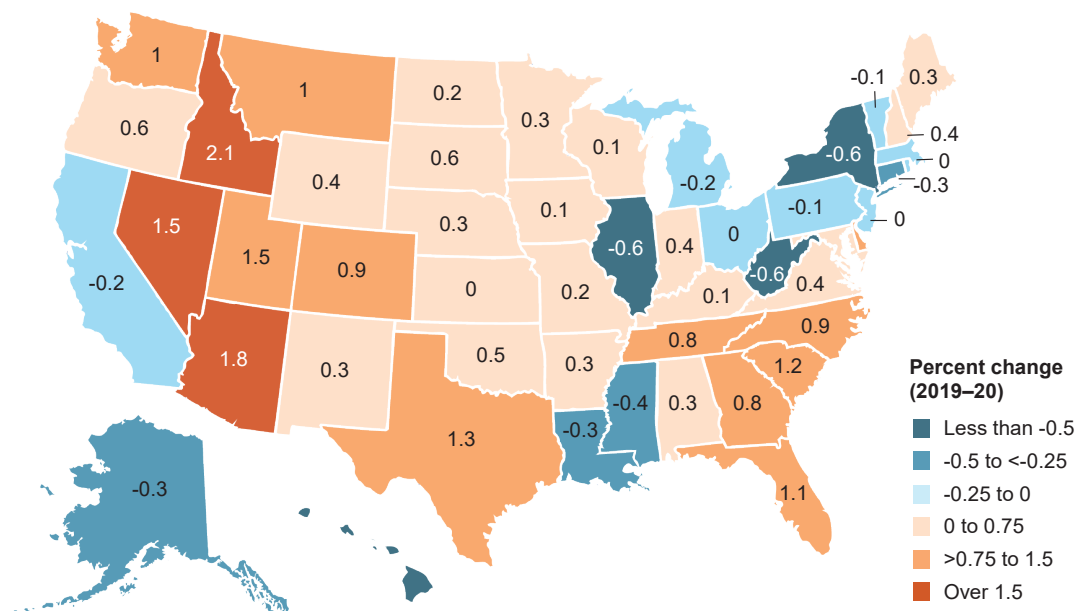
large-scale business transactions, work-from-home efficiency surprised many in a variety of industries.

The success of remote work likely will reduce demand for office space over the next few years from what it would have been absent COVID-19. TBOS contacts indicated that on average, they expect about 21 percent of their employees to continue working from home after the pandemic.

Office vacancy rates have increased across the state's major metro areas. The fourth quarter 2020 office vacancy rate reached 23.4 percent in Dallas-Fort Worth and 22.3 percent in Houston, surpassing Great Recession peaks.³

CHART 4

Texas 2020 Population Growth Suggests Strong Migration from Other States

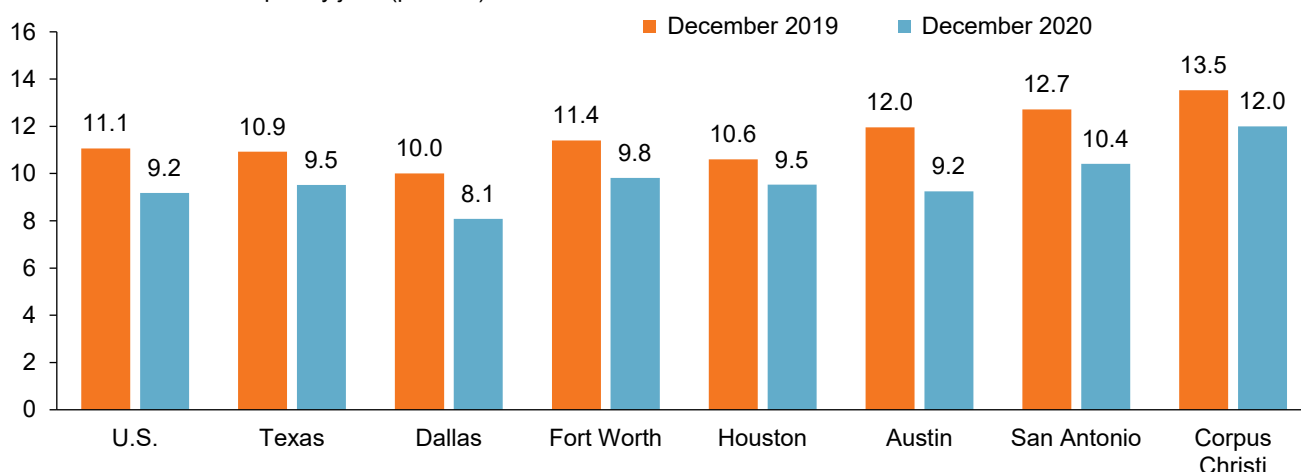


SOURCE: Census Bureau.

CHART 5

Texas Exposure to Leisure and Hospitality Similar to U.S.; Varies Across Metros

Share of leisure and hospitality jobs (percent)



SOURCE: Texas Workforce Commission, adjustments by the Federal Reserve Bank of Dallas.

With fewer workers commuting to urban centers, restaurants and retail in those areas may experience a slower recovery, and demand for gasoline (and thus, oil) will increase more slowly than would otherwise be the case following a downturn.

Still Moving to Texas

Some recent studies have found the pandemic not only resulted in some movement to the suburbs but may also have increased the desire of people to live in less-dense and more-inexpensive cities nationally, which would benefit states such as Texas.⁴

Data on population growth, U-Haul rental truck movements and a national builders survey all suggest that net immigration into Texas from other states remained high last year.

Texas' population increased 1.3 percent in 2020—about the same pace as in 2019 and the fastest rate of growth of the 10 largest states (*Chart 4*). While a breakdown of the sources of the increase is not yet available, average growth rates of births, deaths and international migration to the state over the past five years provide an indicator. These estimates along with census data imply that Texas net domestic migra-

tion increased by about 20 percent last year—to around 151,700.

The strength in net domestic migration to Texas is supported by data from U-Haul, which measures movements of one-way moving truck rentals. Last year, Texas ranked second in net trucks coming into the state—behind only Tennessee and ahead of Florida.

Interestingly, the top three states for net positive moves were three of only nine states that do not have a state income tax.⁵ California was at the bottom of the list as the state with the greatest net outflow of moving trucks.

Also supporting strong net domestic migration, a Zonda research survey of builders in November 2020 found that 60 percent of 45 builders with operations in Texas said that out-of-market/out-of-state home purchases had increased in Texas, while 4.4 percent said they had decreased.⁶

Six out of the 10 builders that posted comments mentioned people moving from California or the West Coast, with one citing a “huge influx from California still continuing.”

Firms recently announcing relocation of major operations or headquarters to the state included Tesla, Hewlett Packard Enterprise, Oracle and CBRE.

Business Travel Impacts

Telecommunications technology, and in particular web conferencing, has gained new prominence—digital platforms such as Skype, Lifesize, Zoom, GoToMeeting and Cisco WebEx. While their development generally began in the mid-1990s, their use accelerated during the pandemic.

As employees shifted to working from home, they were forced to learn about these platforms and began appreciating their ease of use. Many internal and external conferences were converted from in-person events to digital, and business travel declined dramatically in 2020. How fast and how far business travel rebounds remains subject to debate, though experts in the field predict a slow recovery to pre-pandemic levels.

In a survey of meeting planners in January 2021, only 22 percent anticipated resuming face-to-face meetings in the first half of the year, with 25 percent seeing a third-quarter resumption, 27 percent anticipating a return at year-end and 18 percent suggesting a resumption in 2022.⁷ When asked about what percentage of 2019 events activity they foresee coming back, just 7 percent reported returning to 2019

levels this year, 32 percent by 2022 and 71 percent by 2023.

If meetings and conferences are slow to return, then industries relying on business travel, such as airlines, hotels, restaurants, retail and convention centers will feel the effects. Nationally, hotel occupancy averaged just 44 percent last year, and revenue per available room was down 48 percent from 2019, according to hospitality analytics firm STR, a unit of CoStar Group Inc.⁸

Luxury hotels performed far worse, with 21 percent occupancy in December 2020 versus 68 percent in 2019, while economy hotel occupancy was 45 percent in December compared with 48 percent in December 2019. STR forecasts that overall room demand will rebound to 2019 levels by 2023, and it won't be until 2024 before revenue per available room fully recovers.

How will reduced business travel affect the jobs recovery in Texas? While detailed data on business travel are difficult to obtain, broader measures of the sector's size provide insight regarding the potential outline of a rebound.

About 11 percent of jobs in Texas and the U.S. were in leisure and hospitality in 2019, though the figure was much higher in metros such as San Antonio and Corpus Christi (*Chart 5*). Given the sector's size, especially in certain areas, its slow return may depress job growth this year, even as other sectors and certain portions of the industry—such as leisure travel and local spending on restaurants—grow strongly.

Oil and Gas Sector Impact

Texas accounted for 41 percent of U.S. oil production and 25 percent of U.S. natural gas production in 2019. With the rise in working remotely and the declines in air travel and leisure and hospitality activity, worldwide fuel demand plummeted in the first half of 2020.

Gasoline consumption fell by nearly half and jet fuel by 70 percent nationally.⁹ The reduced demand for oil products played a major role in a large decline in the monthly average price of West Texas Intermediate Crude (WTI)—from \$59.88 per barrel in

December 2019 to \$16.55 in April 2020. Prices subsequently recovered to an average of \$59.05 per barrel by February 2021.

Although contacts in the first-quarter Dallas Fed Energy Survey reported increased activity and an improved outlook, commuter and business travel won't likely return to pre-COVID-19 levels over the next several years.

Survey respondents expected the price of WTI to be \$61 in fourth quarter 2021, slightly above the average breakeven price the survey reported in first quarter 2021. Despite higher oil prices, slightly over half—53 percent—of executives expect their head count to remain unchanged from December 2020 to December 2021.

Vaccinations Remain Key

Assuming there is COVID-19 vaccine efficacy and a high percentage of the population is vaccinated or immune by the third quarter, the Texas economy should grow strongly in the second half of 2021.

Structural changes and frictions in the labor market might impact the pace of job gains and a return to pre-COVID-19 employment levels in Texas. Shifting demand toward less dense, lower cost of living areas, such as those in Texas, should support economic growth.

Overall, the changes suggest that Texas will continue to see stronger job growth than the national average and employment will return to pre-COVID-19 levels before the end of the year. However, jobs will still be below the trend level suggested before COVID-19. Jobs in Texas will likely grow a strong 6.0 percent this year, according to the Dallas Fed Texas Employment Forecast.¹⁰

Households that have pent up demand and built up savings should return to restaurants and vacation destinations and even some high-contact events such as concerts and sporting events. At a growth rate of 6.0 percent, however, jobs in December 2021 would still be about 0.9 percent (116,000 jobs) above the peak level reached in February 2020, but below the previous trend by 2.7 percent (359,000 jobs).

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¹ "Making Do with Less: Working Harder During Recessions," by Edward P. Lazear, Kathryn L. Shaw and Christopher Stanton, National Bureau of Economic Research, Working Paper no. 19328, August 2013, www.nber.org/system/files/working_papers/w19328/w19328.pdf.

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³ From CBRE Research.

⁴ "The Impact of the COVID-19 Pandemic on the Demand for Density: Evidence from the U.S. Housing Market," by Sitian Liu and Yichen Su, Federal Reserve Bank of Dallas Working Paper no. 2024, revised October 2020; "Emerging Trends in Real Estate 2021," Urban Land Institute and PwC, accessed Feb. 22, 2021.

⁵ Tennessee and New Hampshire are among the nine states, although they collect taxes on interest and dividend income.

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¹⁰ "Texas Employment Forecast," Federal Reserve Bank of Dallas, March 26, 2021, www.dallasfed.org/research/forecast/2021/emp210326.aspx.

A Conversation with Alan D. Viard

Value-Added Tax Could Restrain Long-Term Federal Debt

Alan D. Viard, a resident scholar at the American Enterprise Institute, studies tax and budget policy. A former senior economist at the Federal Reserve Bank of Dallas, Viard discusses how to address the U.S. budget deficit in the aftermath of the COVID-19 pandemic.

Q. How large is the long-run fiscal imbalance and what is driving it? How much has the COVID-19 pandemic added to the imbalance?

In June 2019, the Congressional Budget Office (CBO) projected that the federal government's debt under current law would rise from 78 percent of annual gross domestic product (GDP) in 2019 to 144 percent in 2049.

The fiscal imbalance further widened during the recession accompanying the pandemic in 2020, as tax revenue fell and Congress adopted large spending increases and tax cuts to provide income support and economic stimulus. On March 5, 2021, the CBO projected that the debt would grow to 202 percent of annual GDP in 2051.

That estimate does not include the costs of the \$1.9 trillion stimulus and relief plan that became law in March 2021. Congressional action to respond to the pandemic was likely necessary but has added to the government's debt.

The underlying cause of the long-run fiscal imbalance is that spending on Social Security and the major health care programs (Medicare, Medicaid and Affordable Care Act health insurance premium subsidies) is growing much more rapidly than revenue, due to population aging and rising medical costs.

The CBO projects that, under current law, noninterest spending will rise from 19.2 percent of GDP in 2019 to 23.1

percent in 2051, while revenue will only grow from 16.3 percent of GDP to 18.5 percent. The projected spending increase is highly uneven; spending on Social Security and the major health care programs will surge from 10.2 percent of GDP to 15.7 percent, while all other noninterest spending will shrink from 9.0 percent of GDP to 7.4 percent.

Addressing the fiscal imbalance will require reductions in Social Security and health care spending, revenue increases or both.

Q. Why is the growth of the national debt concerning?

The CBO has explained that higher debt will slow long-run economic growth by crowding out private investment and pushing up interest payments to foreigners who hold Treasuries. It may also increase the risk of a crisis in which investors demand higher interest rates for federal debt. Higher debt may also lead to higher inflation expectations and may reduce flexibility to respond to unforeseen events.

When addressing the fiscal imbalance, time is not on our side. Delay will only make the necessary responses more painful. The CBO estimated in September 2020 that holding the 2050 debt to its 2019 share of GDP would require permanent tax increases or spending cuts equal to 3.6 percent of GDP, if those measures took effect in 2025. The required mag-

nitude of the tax increases or spending cuts would rise to 4.4 percent of GDP if action were delayed to 2030 and to 5.9 percent if action were put off to 2035.

Although it would be unwise to implement major tax increases or spending cuts while the economy is still weakened by the pandemic, action should be taken as soon as possible after the economy regains its strength.

Q. You have proposed implementing a national value-added tax (VAT) to boost revenue. What is a VAT and how does it differ from a retail sales tax?

The VAT is a consumption tax that is used in 160 countries, including all Organization for Economic Cooperation and Development (OECD) countries other than the United States. A VAT is economically similar to a retail sales tax but is collected in a different manner.

While the retail sales tax is collected entirely from the retailer, part of the VAT is collected at each stage of production. The multistage collection ensures that the entire revenue cannot be lost through tax evasion at a single stage of production.

Suppose that a manufacturer sells its output for \$500 to a wholesaler, which sells its output for \$800 to a retailer, which sells a final product to consumers for \$1,000. Of the \$1,000 value of the final product, \$500 is added at the manufacturing stage, \$300 at the wholesale stage and \$200 at the retail stage.

Under a retail sales tax, the retailer remits tax on the \$1,000 of sales to consumers. Under a VAT, the manufacturer remits tax on its \$500 of value added, the wholesaler remits tax on its \$300 of value added, and the retailer remits tax on its \$200 of value added, yielding the same combined tax payment as the retail sales tax.

Q. A VAT would raise taxes on the middle class. Could this be avoided by relying instead on tax increases that target corporations and high-income households? What about benefit cuts?

Although tax increases on corporations and high-income households as well as benefit cuts could be part of a debt-reduction package, they cannot



▶ *Although it would be unwise to implement major tax increases or spending cuts while the economy is still weakened by the pandemic, action should be taken as soon as possible after the economy regains its strength.*

provide a full solution to the long-term fiscal imbalance.

High-income tax increases would reduce inequality and place fiscal burdens on those with the greatest ability to pay, but they would also induce economic distortions, thus threatening long-run growth. The individual income tax and the estate and gift tax penalize saving. The corporate income tax distorts decisions about business organization and financing and penalizes investment in the United States. None of those penalties arise under a VAT.

Also, such tax increases would have limited revenue potential. Even commentators who support these kind of measures recognize that they would not raise enough revenue to fully address the fiscal imbalance and would have to be accompanied by other measures.

Restraining the rapid projected growth of Social Security and the major health care programs could significantly narrow the fiscal imbalance and could even promote long-run economic growth by encouraging additional saving.

However, benefit cuts would be severely regressive, placing far larger burdens relative to income on lower-income households than higher-income households. For example, the burden imposed by across-the-board Social Security benefit cuts would be approximately 100 times larger as a share of income for the bottom 20 percent of the income distribution than for the top 1 percent.

Significant benefit cuts would also face formidable political challenge. Most Democrats oppose benefit cuts, and many of them support benefit increases. Although Republicans often support benefit cuts in the abstract, they generally refrain from proposing

specific cuts. Benefit reductions may be even harder to achieve in the wake of the pandemic, which may have permanently increased public support for a generous safety net.

Q. Aren't consumption taxes regressive? Wouldn't a VAT hurt low-income families who save less and spend more of their income?

In isolation, the VAT is regressive. The Urban-Brookings Tax Policy Center has estimated that a 5 percent broad-based VAT would reduce after-tax income by 3.9 percent for households in the bottom 20 percent of the income distribution, 3.6 percent for households in the middle 20 percent and 2.5 percent for households in the top 1 percent.

Nevertheless, the VAT is far less regressive than benefit cuts. Under a VAT, the burden on the bottom 20 percent as a share of income would be less than double the burden on the top 1 percent, not 100 times greater as under across-the-board Social Security benefit cuts. Rejecting a VAT based on its regressivity would be a pyrrhic victory if it caused the fiscal imbalance to instead be addressed through benefit cuts that were vastly more regressive.

Moreover, a VAT should—and undoubtedly would—be accompanied by rebates to offset the tax burden on low-income households. The Tax Policy Center estimated that a 7.7 percent VAT with rebates, which would raise the same net revenue as a 5 percent VAT without rebates, would generally be progressive. It would reduce after-tax income by 0.6 percent for the bottom 20 percent, 2.9 percent for the middle 20 percent and 3.6 percent for the top 1 percent.

Finally, it is important to remember that the VAT would be only one component of the federal tax system. Individual and corporate income taxes would continue to add progressivity to the overall federal tax system.

Q. What do you tell voters who are concerned that additional revenue will prompt the government to spend more rather than shrink the national debt?

Some have argued that a VAT would fuel the growth of government spending because it would be a relatively invisible tax. That concern could be addressed by requiring that the tax be listed as a separate item on customer receipts, as is normally done for state and local retail sales taxes.

The VAT would then likely be at least as visible as employee payroll taxes and individual income tax withholding, which are displayed as line items on paycheck stubs and would be much more visible than corporate income taxes and employer payroll taxes, which are largely hidden from public view.

To be sure, even if the VAT is listed on customer receipts, its enactment could reduce pressure for benefit cuts. Those who believe that benefit cuts are the best debt-reduction strategy may thus be tempted to delay or avert the adoption of a VAT. However, they should consider the political and economic limitations of benefit cuts and weigh any possible gains against the costs of delaying action on the fiscal imbalance.

COVID-19 Poses Stubborn Challenge to Economic Growth in Mexico

By Jesus Cañas and Chloe Smith



ABSTRACT: Mexico, confronting a high rate of COVID-19 infection and an ineffectual medical response, recorded the largest decline in gross domestic product in a quarter century last year. While manufacturing trade with the U.S. provided economic support, the large and hard to reach off-the-books informal sector proved more troublesome and will play an important role in the nation's performance in 2021.

With COVID-19 sweeping across the world, Mexico's gross domestic product (GDP) contracted the most in a quarter century in 2020.

The Mexican economy has since proceeded along two tracks—external trade-related sectors performing well, and the service sector struggling. Workers have been especially hard hit in the informal sector—where activity is not reported to the government and whose participants do not pay employment taxes or receive government-mandated benefits and pensions. They have suffered the largest job losses.

Insufficient fiscal stimulus from the government has likely contributed to shrinking GDP.

While COVID-19 cases have dropped sharply since hitting a postholiday peak in January, strict social-distancing measures will be needed to minimize the likelihood of another infection wave given that a national vaccine program is proceeding very slowly.

Testing for the virus remains an ongoing challenge. Mexico has not followed the World Health Organization's testing recommendation, arguing that the country lacks proper infrastructure. Mexico tests only the sickest patients who seek medical attention. There are few prevention measures and little contact tracing.

Recent Economic Developments

The Mexican economy shrank 4.5 percent in 2020 as the pandemic ravaged factories, businesses and households. It was the greatest contraction since the 1994 Tequila Crisis that followed a peso devaluation.¹ The latest decline compared with the downturn in Chile (-5.0 percent) and was more severe than the ones in the U.S. (-2.4 percent)

and in Brazil (-1.2 percent), the largest economy in Latin America.

Output in service-related activities (including trade and transportation) dropped 5.2 percent in Mexico, while goods-producing industries (including manufacturing, construction and utilities) fell 0.5 percent. Agricultural output increased 4.4 percent.

As in other countries, COVID-19 disproportionately affected the service industry, particularly leisure and hospitality—businesses such as hotels and restaurants. While e-commerce thrives, brick-and-mortar retail has suffered. Because e-commerce is tiny in Mexico by developed-country standards, it has provided little offset for the decline in the traditional service sector.

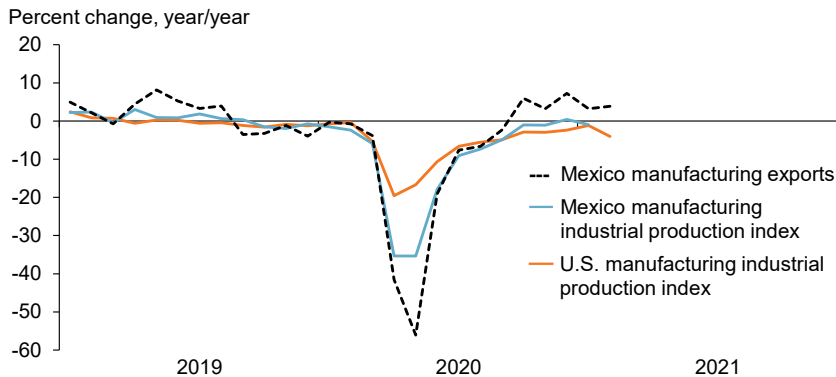
Additionally, the government has provided scant fiscal support for the economy. Mexico's stimulus plan—which includes a mix of loans and tax credits, tax payment deferrals and job training—amounts to 1.1 percent of GDP compared with plans in Brazil (8.4 percent) and Chile (4.7 percent).

Mexico's real retail sales index remains 5.5 percent below levels seen in February 2020, while Chile's retail sales are 4.3 percent above its pre-COVID-19 performance as the country regained prepandemic levels in August. Brazil's sales began rebounding in June 2020 and expanded during third quarter 2020, recovering to levels seen before the pandemic despite a resurgence of the virus.

Although Mexico's lack of fiscal stimulus has hurt households and businesses, it has helped the government avoid large deficits and accompanying inflation that could depress the currency. The peso regained much of its strength relative to the dollar in the second half of 2020 after sliding with

CHART 1

Mexico's Manufacturing Production, Export Growth Return to Prepandemic Levels



SOURCES: Mexico's National Institute of Statistics and Geography (INEGI); Banco de México; Federal Reserve Board.

the onset of the pandemic. The peso averaged 19.9 per dollar in December, a net depreciation of 1.1 pesos for the year.

Inflation finished 2020 at 3.1 percent in December (12-month change), firmly within the central bank's target range.² Mexico's refusal to boost public spending to mitigate COVID-19's economic impact will likely result in the lowest budget deficit among Latin America's major economies in 2020, though its recovery is likely to lag behind the region.

Strong Manufacturing Output

Mexico's manufacturing production and manufacturing exports are above pre-COVID-19 levels, reflecting

a strong correlation with what has been a resilient U.S. manufacturing sector (*Chart 1*).³ These ties between the two countries, largely involving intra-industry trade, took root and grew with the 1994 North American Free Trade Agreement, which was recently supplanted by the United States–Mexico–Canada Agreement (USMCA).

Manufacturing exports represent 90 percent of total exports, and Mexico sends 81 percent of its total exports to the U.S. Thus, U.S. economic stimulus bolsters Mexico's manufacturing export sector. Higher global oil prices are a tailwind for Mexico's recovery, with the price of Mexican mix at around \$50 per barrel, up from \$17 per barrel in

April. Crude oil production in Mexico is down 50 percent in the past 10 years, however.

Normalization of trade flows between the United States and Mexico has helped speed a sectoral manufacturing recovery.

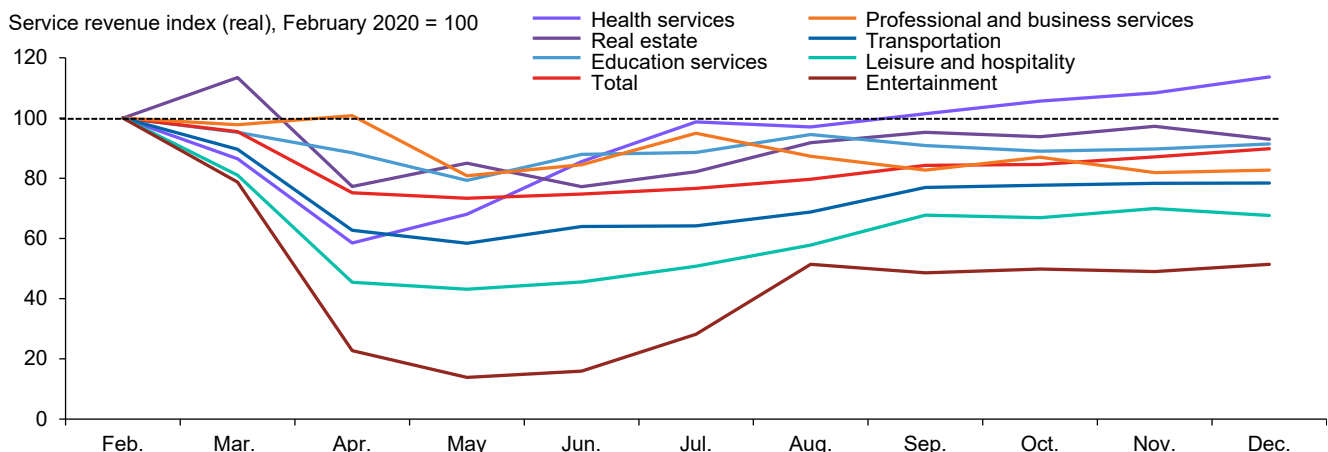
Meanwhile, the performance of Mexico's service sector has not recovered, although the extent of progress varies by industry (*Chart 2*). Revenue in health care services, real estate, education, and professional and business services has been the most resilient. However, output in entertainment (down 49 percent from prepandemic levels), leisure and hospitality (off 32 percent) and transportation services (down 22 percent) have proven the most vulnerable.

Mexico's large informal sector challenges economic recovery as well as efforts to contain the virus' spread. Mexico's national employment survey pegged total employment at 53.3 million in December 2020, with formal employment representing 44 percent of the total and informal employment 56 percent.

The majority of informal work is in high-contact industries such as retail trade, miscellaneous services (temporary workers and gig labor) and construction. Informal work produces 23 percent of GDP, according to Mexico's National Statistics Institute (INEGI).

CHART 2

Recovery in Mexico's Service Sector Stalls Under Weight of COVID-19 Infection



NOTE: Seasonally adjusted by authors.

SOURCE: Mexico's National Institute of Statistics and Geography (INEGI).

Unlike workers in the formal economy, who benefit from legal and social protections, informal workers lack such a safety net. They are mostly self-employed, working in street vending, domestic work and transportation. Some also work as off-the-books day laborers in factories, farms and other formal businesses that don't extend full rights or protections to all employees.

Pandemic control measures, such as sheltering in place and social distancing, achieved more inconsistent adoption in the informal sector relative to the formal sector. The informal sector's behavior and its likely ties to recurring waves of COVID-19 infections could be key to the introduction of any future national government-mandated restrictions—ones that might well slow an economic recovery.

Disproportionate COVID-19 Impact

Total Mexico employment fell 3.7 percent from March 2020 to December 2020. Formal employment dropped 2.6

percent (626,000 jobs) and informal employment fell 4.5 percent (1.4 million jobs) (*Table 1*). The most-affected sector was leisure and hospitality, followed by miscellaneous services.

The largest employment base within the informal sector is in trade, agriculture and miscellaneous services (55 percent), while the highest concentration of formal jobs is in manufacturing, trade and social services (56 percent).

More women—particularly in the informal sector—have lost their jobs during the pandemic in developing economies such as Mexico, according to the World Bank. While men represent 61 percent of informal jobs, their employment only fell 2.4 percent. Among women—who account for 39 percent of informal jobs—employment dropped 7.6 percent.

Continued COVID-19 Outbreak

Mexico's first confirmed COVID-19 case was reported on Feb. 28, 2020, ultimately prompting public health

measures that included travel restrictions, social distancing, school closures and the shutdown of nonessential activities.

The government announced plans to begin normalization of economic activities in mid-May, including a green-yellow-orange-red color system to represent the extent of activities allowed in individual states. For example, states with the most active cases were designated as red and would remain in forced quarantine. Officials also added construction, mining and transport equipment manufacturing to the list of essential activities.

Mexico's COVID-19 cases spiked first in early August before reaching a second peak in December and an all-time high in late January. Recently, cases per 100,000 people have fallen in Mexico, while a new surge has begun in Chile and Brazil (*Chart 3*).

Mexico isn't performing widespread COVID-19 tests of its population—just 12 tests per 100,000 people. Mexico's

TABLE 1

Mexico's Total Employment Shows Strains of Recurring Pandemic Surges

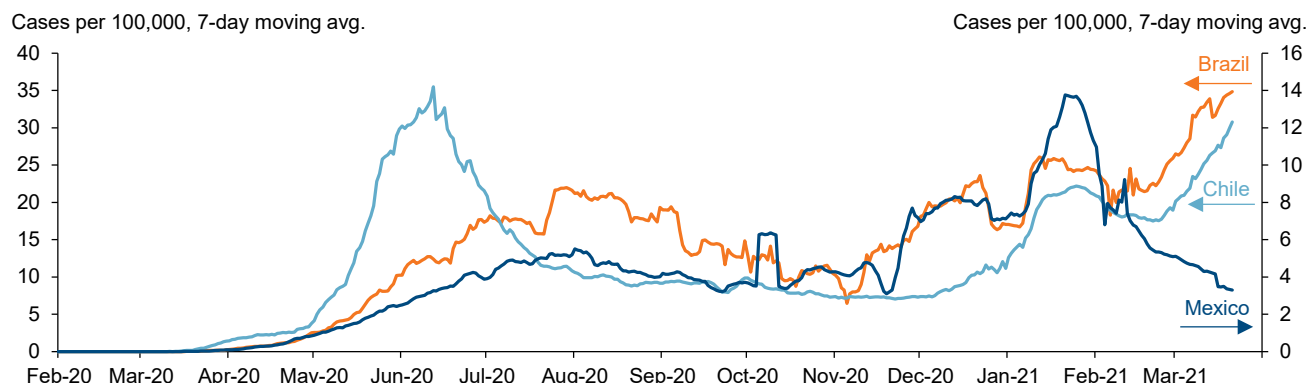
Economic sector	Total employment (millions of workers)	Dec/Mar chg (%)	Share (%)	Formal employment (millions of workers)	Dec/Mar chg (%)	Share (%)	Informal employment (millions of workers)	Dec/Mar chg (%)	Share (%)
Total	53.3	-3.7	100.0	23.7	-2.6	100.0	29.6	-4.5	100.0
Leisure and hospitality	3.7	-17.5	6.9	1.0	-23.5	4.3	2.6	-15.0	8.9
Miscellaneous services	5.2	-8.6	9.8	1.0	-8.0	4.1	4.3	-8.8	14.4
Oil, mining and electricity generation	0.4	-4.8	0.7	0.3	-8.1	1.3	0.1	17.3	0.2
Transportation, communications and warehousing	2.7	-4.4	5.1	1.4	2.6	6.1	1.3	-11.1	4.4
Manufacturing	8.7	-4.3	16.3	5.4	-4.8	23.0	3.3	-3.5	11.0
Professional and financial services	3.8	-3.9	7.1	2.7	-1.1	11.4	1.1	-10.3	3.6
Trade	10.6	-1.4	19.9	4.3	0.7	18.2	6.3	-2.8	21.3
Construction	4.3	-1.0	8.0	0.9	-9.3	3.7	3.4	1.3	11.5
Social services	4.4	-0.3	8.3	3.6	2.0	15.3	0.8	-9.5	2.7
Agriculture	6.7	1.6	12.5	0.9	-2.0	3.6	5.8	2.2	19.6
Government	2.5	2.8	4.8	2.1	2.7	8.9	0.4	3.2	1.5
Other	0.3	-9.0	0.6	0.0	38.4	0.2	0.3	-14.5	0.8

NOTE: Rank is in terms of total employment losses.

SOURCE: National employment survey, December 2020, Mexico's National Institute of Statistics and Geography (INEGI).

CHART 3

COVID-19 Cases Falling in Mexico After Spiking in January



NOTE: Data are through March 21, 2021.

SOURCES: Johns Hopkins University; United Nations.

46 percent positivity rate—second only to Paraguay worldwide—is an indication that only the sickest patients seeking medical attention are tested. Absent contact tracing or widely administered medical treatment, detecting a new wave of infections is difficult.

Governments should see positivity rates below 5 percent for at least 14 days before relaxing social-distancing measures, according to the World Health Organization. Nevertheless, restrictions in Mexico were lessened as the holiday wave waned.

In the March 1-14, 2021, monitoring report, none of the Mexican states were in red for the first time since late September/early October 2020. Ten states were in orange, the second-most restrictive tier; 20 states were in yellow; and two states were in green, the point at which activities are allowed without restriction.

Vaccinations began in late December, when Mexico became the first Latin American country to receive a vaccine shipment. The inoculation effort has since stalled due to mismanagement and a global vaccine shortage. Just 0.5 percent of the population was fully vaccinated as of mid-March, according to the Johns Hopkins Coronavirus Resource Center.

Challenging Economic Outlook

Mexico's economic recovery is largely confined to its manufacturing sector, which is filling production orders from its northern neighbor. Manufactur-

ing has dealt with comparatively few restrictions and largely avoided disruption in North American supply chains, a situation unlikely to change.

By comparison, a service sector recovery is hindered by suppressed domestic demand, social-distancing measures and little government assistance. The lack of fiscal stimulus has left many households and businesses with significant income loss that will remain a headwind to the recovery.

The consensus forecast compiled by Banco de México for 2021 GDP growth is 3.9 percent, with a projected exchange rate of 20.3 pesos per dollar and year-end inflation of 3.9 percent.⁴ However, the pandemic remains far from controlled, and supply and logistical issues have slowed vaccination progress. Additionally, the dearth of testing will complicate the timely detection of future COVID-19 incidents, impeding an economic recovery.

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Notes

¹ GDP growth is calculated comparing fourth quarter 2020 with fourth quarter 2019. If the estimation is computed as Mexico's National Institute of Statistics and Geography (INEGI) officially calculates growth—the averaging of year-over-year quarterly growth throughout

the year—GDP fell 8.7 percent.

² For a more complete Mexico economic update, see www.dallasfed.org/research/update/mex.

³ "Intra-Industry Trade with Mexico May Aid U.S. Global Competitiveness," by Jesus Cañas, Aldo Heffner and Jorge Herrera Hernández, Federal Reserve Bank of Dallas *Southwest Economy*, Second Quarter, 2017.

⁴ Communiqué on Economic Expectations, Banco de México, February 2021. The survey period was Feb. 24–26, 2021.

Pandemic Pushes Texas Minority Unemployment Beyond Highs Reached During Great Recession

By Carlee Crocker and Pia Orrenius

Recessions are hardest on minorities; the COVID-19 downturn is no different in that regard. Texas is a majority minority state—more than half of Texas’ population is Hispanic or Black—and the consequences are far-reaching if those groups lag behind economically.

Once the pandemic hit, the state lost 1.4 million jobs from February to April 2020, and the unemployment rate shot up to 12.9 percent. The recovery that began in May has been slow, hampered by the repeated resurgence of the virus. Texas’ unemployment rate of 6.9 percent at year-end was well above what it was before COVID-19 hit (3.7 percent), and more than 625,000 jobs were lost.

One year into the pandemic, Texas’ labor market disparities are glaring (*Chart 1*). About 9.3 percent of Hispanic workers were unemployed in February, 4.6 percentage points above prior-year levels. Roughly 12.4 percent of non-Hispanic Black workers were unemployed, 7.6 percentage points higher.

Unemployment among Black workers in Texas was more than twice that for non-Hispanic white workers, whose jobless rate was 5.1 percent in February, 2.6 percentage points above February 2020.

Early in the pandemic, as the government imposed lockdowns and only essential businesses remained open, the disparate impact on workers became clear. White-collar workers operating from home largely escaped job cuts, while blue-collar workers in essential businesses such as grocery stores remained on payrolls but were exposed to the risk of COVID-19 infection.

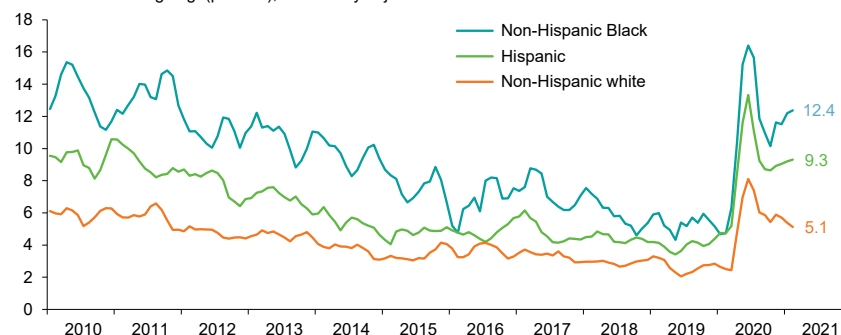
Jobs vanished for restaurant, bar and hotel workers and for businesses linked to arts and recreation, transportation and personal care.

Minorities are disproportionately employed in many of these generally lower-paying, face-to-face service industries,

CHART 1

Unemployment Rates Diverge, Minorities Fall Behind

Three-month moving avg. (percent), seasonally adjusted



NOTE: Texas data are through February 2021.

SOURCE: Current Population Survey.

partly because they have less education on average than non-Hispanic white workers. These workers also tend to be younger. And within all groups, women have been especially affected because they are disproportionately employed in the service sector and frequently must deal with parental duties.

Great Recession Comparison

At the height of the pandemic recession last spring, all groups’ unemployment rates surpassed their Great Recession peaks. Black unemployment reached 16.4 percent; Hispanic joblessness hit 13.3 percent. However, most layoffs were temporary, and minority unemployment fell through the summer and fall as workers were called back. That trend reversed course in the fourth quarter when a second COVID-19 wave took hold, even as white unemployment continued to decline.

Workers dropping out of the labor force poses another pandemic-era concern. Black labor force participation fell dramatically in first quarter 2020 with the onset of COVID-19; non-Hispanic white worker declines occurred largely in the second quarter, a period that

included stay-at-home orders. By comparison, Hispanic labor force participation was little changed during the year.

Through February 2021, overall labor force participation rates remained below prepandemic levels.

In addition to direct stimulus payments, unemployed workers in the pandemic have received supplemental unemployment benefits and extended unemployment benefits. The benefits have also gone to the self-employed and other groups typically ineligible for unemployment insurance.

The initial provision of \$600 per week in supplemental benefits boosted earnings to such a degree that many beneficiaries earned more while unemployed than while working. The payments expired in the fall and were last renewed in March to run into early September at \$300 per week.

Thus, despite record-high unemployment rates, many who lost jobs during the pandemic could make ends meet because of governmental support. After federal assistance ends, a large number of Texans—many of them minorities—will need job opportunities if they are to get back to work.

Collapsing Fuel Demand Tanks Texas Exports During Pandemic's Peak

Design: Justin Chavira; Content: Emma Marshall, Pia Orrenius

The COVID-19 pandemic wreaked havoc on Texas energy exports.

U.S. energy exports excluding Texas were dramatically less affected.

Texas Energy Exports Fell

53%

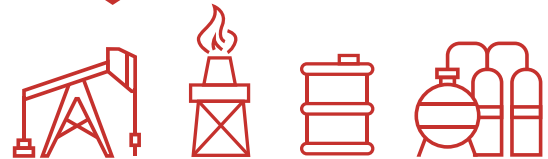
February to May 2020

16%

U.S. (minus Texas) Energy Exports Fell

Texas energy exports make up **half** of total Texas exports.

Texas energy exports include: crude oil, natural gas, petroleum products and petrochemicals.



U.S. (minus Texas) Total Exports Fell

29%

Texas Total Exports Fell

45%

February to May 2020

The decrease in Texas energy exports was a big factor in the drastic drop in total exports for the state.

In comparison, the drop in U.S. total exports excluding Texas was less severe.

As of December 2020, Texas energy exports and total exports are recovering to prepandemic levels.

Texas Energy Exports Recovered to

78%

of prepandemic levels
as of December 2020

Texas Total Exports
Recovered to **85%**

NOTES: Natural gas prices refers to the Henry Hub spot price for natural gas. Leaderboard rankings are based on country refining capacity for Jan. 1, 2015, and Jan. 1, 2018.
SOURCES: Energy Information Administration; *Oil and Gas Journal*, Worldwide Refining Survey.

SNAPSHOT

Dining Out Picks Up in Texas, Houston

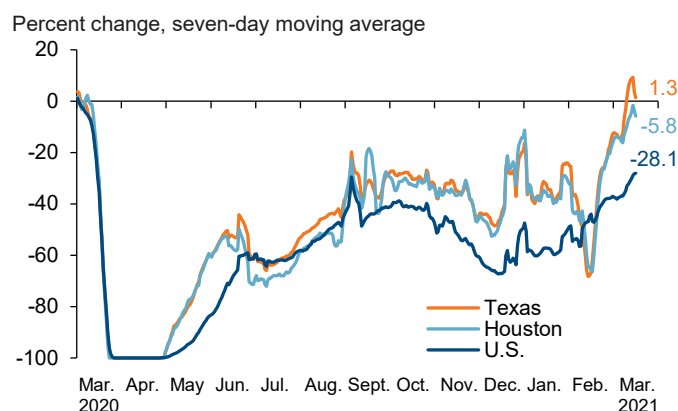
The number of patrons dining at restaurants surged in Texas and Houston after the state thawed from a deep freeze in February and COVID-19 constraints on restaurants and bars were lifted March 10. The uptick also reflected improving COVID-19 statistics and the arrival of spring break.

The number of reservations relative to the same time in 2019 suggests restaurant dining is approaching more normal levels. In Houston, restaurant demand climbed to 6 percent below the base level during the seven days ended March 23, according to OpenTable data (*Chart 1*). Texas was up 1 percent, while the nation overall was off 28 percent.

During the first spring break weekend, March 13–14, restaurant reservations statewide rose 12 percent compared with the same weekend in 2019. The following weekend, March 20–21, reservations were up 16 percent.

—Adapted from *Houston Economic Indicators*,
March 22, 2021

CHART 1 Restaurants Seating More Diners as State Eases Restrictions



NOTES: Data refer to the percent change in seated diners at restaurants from the corresponding day in 2019 on the OpenTable network across all channels: online reservations, phone reservations and walk-ins. Numbers at right are the values on March 23, 2021.
SOURCE: OpenTable.



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Southwest Economy

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