



City of Mansfield, Texas
2004 Annual Report



Mansfield continues to perform above expectations

As the Chief Executive Officer of the City of Mansfield, I've had the pleasure to report each year on the city's tremendous growth and strong financial performance.

This year is no exception. As the numbers and statistics presented on the following pages show, Mansfield continues to excel beyond any predictions, forecasts or analyses.

What's more the continued growth and new challenges have not intimidated us, but only served to solidify our commitment to providing our citizens with high-quality services and programs, improved infrastructure and a diverse local economy. We have proven year after year we can sustain our positive financial performance even in the face of explosive growth and increased

demand on services.

In 2004, our attention focused on several major economic development projects that will change the face of our community:

- **Dallas-based Methodist Hospital Systems** announced plans for a \$127 million hospital campus in the city, leading the way for the development of numerous healthcare-related businesses.
- **South Pointe**, an 870-acre, \$750 million master-planned community of residential, retail and commercial, was proposed, marking the first major project in the mostly undeveloped southeastern sector of Mansfield.
- **Big League Dreams**, an athletic complex owned by the city and managed by a private company, was approved, providing much-needed recreational facilities without the burden of maintenance and operation costs and spurring interest in Mansfield from retail and hotel developers.

While these developments captured the headlines, they were by no means the only good news we experienced in 2004. Our population grew as did the average home value and the total property values in the city. A 14 percent increase in net taxable value was among the highest in Tarrant County, bringing the city's total to \$2.7 billion.

For the fourth straight year, the city posted more than 1,000 residential building permits. New architectural standards improved the quality of those residential developments and commercial developments.

Despite the focus on growth and economic development, the city also found time to enhance the quality of life areas of our community. New programs and events at the city's activities center and library drew record numbers of participants. Construction of a new public safety building offered more efficient municipal court operations for citizens and staff. And, work continued on the expansion of our award-winning park system, in particular the Walnut Creek Linear Park, the most ambitious park project in our city's history.

With strong leadership from the City Council and numerous volunteers on our boards and commissions, we have succeeded in our commitment that "growth pays for growth." With a highly regarded model for strategic planning in place, the city has kept infrastructure improvements ahead of the growth and adequately prepared for the future.

The residents of Mansfield can be assured that the efforts of the city's leadership, the City Council and employee organization are clearly focused on maintaining the highest level of service, preparing for future needs of a growing community and improving the quality of life for every citizen. This continues to be a community where its residents are valued, and where they can build value in their home and in their business investments.

Once again, all of us in the employee service organization are greatly honored by the privilege to serve our citizens. We are excited by the results we have accomplished for our citizens. And, we are greatly appreciative to the City Council (our board of directors), our volunteers and our citizens (our stockholders) for their continued support and contributions. Together, we are truly building a better city every day.

Sincerely,

Clayton Chandler
City Manager



VOLUNTEERS

Volunteer hours reflect community's dedication to service

Hundreds of hours of public meetings, thousands of senior meals prepared, truckloads of litter and debris collected and dozens of bottles of Gatorade served to tired firefighters. The

unsung heroes of any city are the volunteers who offer a little piece of themselves to make their community stronger and better.

"Mansfield has historically been filled with people who go out of their way to look

for opportunities to help and to be a part of things happening in the city," said Mayor Mel Neuman, himself a long-time volunteer on city boards and commissions. "The community benefits on many levels because volunteers play such an important role."

Examples of the volunteer dedication are found throughout the community. The city council benefits from the expertise of Mayor Pro Tem Mary Ann Johnston, re-elected in 2004 to her fourth consecutive term. Fran Nifong, named to the Citizens Wall of Honor in 2004, has worked for historic preservation in Mansfield for more than 25 years. Raymond Meeks left the Zoning Board of Adjustment in 2004 after serving 20 years.

In order to inform potential volunteers about the opportunities available in Mansfield, the city hosted its first volunteer fair in 2004. Dozens of residents came to City Hall to learn about openings on city boards and commissions, as well as visit with staff from parks &



▶ **2,495**

Hours of service by volunteers with the seniors program

▶ **8**

Number of city boards and commissions

▶ **940**

Hours of service in 2004 by library volunteers

▶ **70**

Members of the Citizens Police Academy Alumni

▶ **7**

Victims Assistance volunteers working with the police department





the library to sponsor the city's first "One City, One Book" program. Mansfield Reads! drew residents to the library in droves for special events, including an evening with acclaimed western author Elmer Kelton.

"The dynamics of our community are changing each year because we are growing so fast," said Friends volunteer Paula Highfill. "Volunteering is a great chance to connect with people you don't know and invest in the city where you live."

recreation, the library and the police and fire departments.

"It was exciting to see citizens, some of them new to our city, learn more about Mansfield and how they can be a part of making this a wonderful place to live," said Council Member Linda Herndon.

Volunteers also took center stage last year by initiating new programs and events designed to foster community spirit. The Friends of the Mansfield Public Library joined



Mansfield City Council

Mayor Mel Neuman (*first row, center*)
 12 years on Planning & Zoning Commission
 Elected in 2004

Mayor Pro Tem Mary Ann Johnston (*first row, far left*)
 Elected in 1992

Council Member Marvin Kahlden (*second row, far left*)
 Elected in 2002

Council Member Jeff Newberry (*second row, second from left*)
 Elected in 2002

Council Member Linda Herndon (*first row, far right*)
 Elected in 1997, 2004

Council Member Tracy Doyle (*second row, third from left*)
 Elected in 2004

Council Member Dick Littell (*second row, far right*)
 Elected in 2004

ECONOMIC *development*

Revenue increases follow Mansfield's commercial growth

It's all about numbers when it comes to economic development: new retail means increases in sales tax dollars; commercial and industrial growth results in additional property and sales taxes for the city and in new jobs.



Mansfield's commitment to growing its business tax base was solidified in 1997 when citizens voted to dedicate a half-cent of the city's sales tax to economic development efforts. Since that time, \$7.1 million has been invested in

existing business improvements and new business recruitment. In turn, private industry has invested \$206.9 million in Mansfield over the last seven years, making the city one of the hottest retail, commercial and industrial markets in the country.

In 2004, the city took great strides in continuing the momentum with several major developments taking center stage. The council approved a contract with California-based Big League Dreams to build a 40-acre baseball/softball complex with two indoor sports pavilions/conference centers. The project addressed the city's



growing recreational needs and was seen as an opportunity to attract tourist dollars.

With Big League Dreams as a draw, national retail developers zeroed in on Mansfield for a mixed-use, town square-style development that is projected to bring the city \$51.1 million in property and sales tax revenue over 10 years. In the city's southeast quadrant, the 850-acre South Pointe

▶ **870**
Acres in the South Pointe development

▶ **300**
Number of jobs created by Methodist Mansfield Medical Center

▶ **12**
Number of screens in the new Cinemark Theater

▶ **750**
Millions of dollars expected to be invested in South Pointe development

▶ **2.7**
Million square feet of retail shopping centers under development in 2004

▶ **8**
Number of major league replica fields proposed for the Big League Dreams Mansfield park



MANSFIELD TOWN CENTER
 GROUND BREAKING CEREMONY
 OCTOBER 5, 2004

Methodist Hospital System announced plans to build an 80-bed hospital campus in the city. The \$127 million Methodist Mansfield Medical Center will also include a four-story medical office building.

Announcement of the hospital spurred other medical-related projects in

development will be the largest master-planned community in the city, with single-family homes, multifamily complexes, corporate campuses and mixed-use retail and office.

More than a dozen retail centers were under development in 2004, with projected annual sales of \$545.8 million. Among the new projects were the Mansfield Town Center West and its anchor, Cinemark Theater, the city's first movie theater in 30 years.

Retail was not the only economic development activity in 2004. Dallas-based



the area. Also, the adjacent McCaslin Business Park, jump started in 2004 with road, water and sewer improvements, is 90 percent sold to private landowners and developers. Current tenants include the corporate

headquarters for Master Meter, facilities for logistics firm Team America and various real estate and professional services offices.



BUILDING *and development*

Planning, development departments concentrate on improving quality, infrastructure

With thousands of new homes built each year and millions of dollars in new commercial projects on the way, departments involved in planning and development play a critical role.

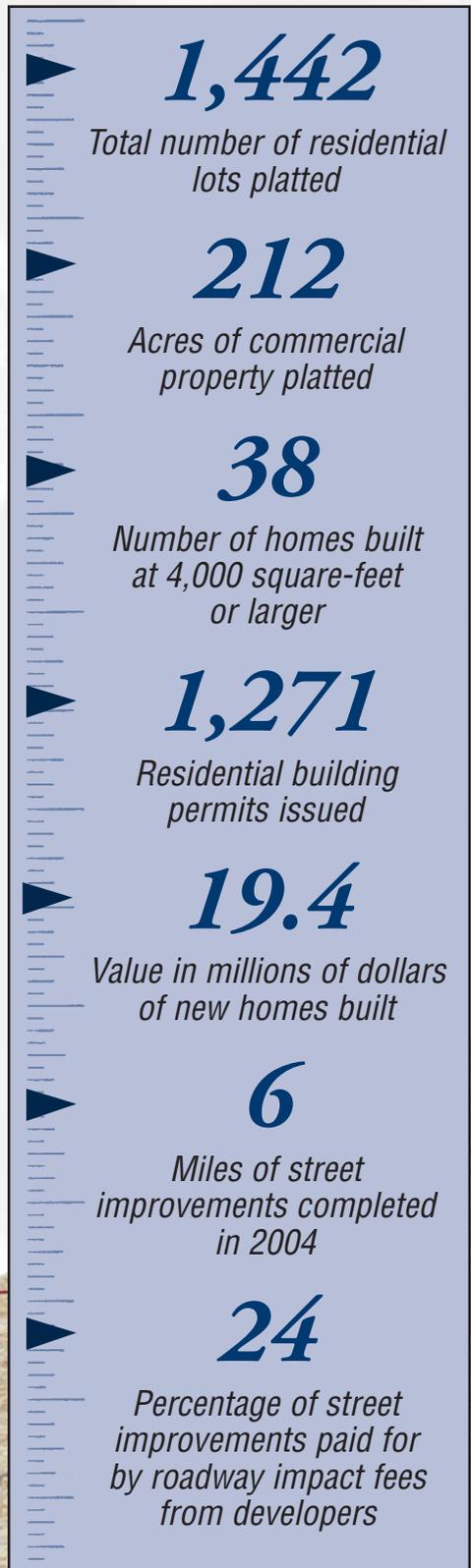


They focus their efforts on planning for growth, improving the quality of future development and expanding the city's infrastructure of roads, water and sewer and public

facilities. Following an innovative, 10-year strategic plan – updated each year and based on population projections – the departments' missions are to help shape the city's future.

In 2004, the Public Works Department began work on \$4.6 million in street improvements, the final phase of a five-year capital improvement program approved by voters. The centerpiece of the final phase is the widening of West Broad Street to a four-lane, divided thoroughfare, which is expected to enhance development on the city's west side.

Preliminary work also began on the realignment of FM 917, a state roadway through the southwest portion of the city. The





project is expected to open up thousands of acres of vacant land for industrial development.

In the face of unprecedented flooding in July 2004, the city began analyzing drainage issues and identifying improvements. At the same time, the Utilities Division funded \$17.5 million in water and sewer improvements throughout the city, including an \$8.5 million water treatment plant expansion.

During 2004, the Planning Department continued its revision of the city's zoning ordinances, focusing on regulations designed to improve design and construction of commercial structures. Among the ordinance changes:

- Prohibiting permanent pole signs in favor of monument signage
- Establishing articulation and other architectural attributes for non-residential development
- Enhancing screening of rooftop and ground mounted equipment on commercial developments

The department also fully implemented a citywide kiosk program that eliminated unsightly homebuilder directional signs in favor of a permanent system providing space advertising new subdivisions, special events and public facilities.

The new program was good news for the Building Services Division, which stepped up enforcement efforts in 2004 in the area of code compliance. With a new sign ordinance in place, code officers took to the streets in an effort to

target illegal signs in the right of ways and city intersections.

Additional building inspectors were hired last year as part of the city's plan to keep up with the demands brought on by new residential and commercial development in Mansfield. More than 3,500 building inspections were completed in the city in 2004.



QUALITY of Life

Community service program participation mirrors city's growth

In measuring the growth of Mansfield, no where do the numbers illustrate more the depth of the community's vitality than in the increasing number of participants in programs offered through the Community Services Division. From library books to recreation programs, these services are at the core of developing a community that values the intangible elements of life.

In 2004, the city responded to those growing needs through additional funding for programs and staff, expanding service hours and initiating long-range plans to acquire land

and facilities for future demands.

The Mansfield Public Library expanded its hours to accommodate the growing number of residents utilizing its services. With a 53 percent increase in program attendance, efforts were made to include varying age groups in activities at

the library. Teen programs were offered for junior high and high school age participants and computer classes targeted older residents.

The library, in partnership with the Friends of the Library group, hosted its first "One City, One Book" program. *Mansfield Reads!* drew residents to the library for book club discussions and a special program by the book's author.

Library officials also began planning for future growth with the passage of a \$1.5 million bond proposal to expand the library in 2007.

Parks & Recreation continued its efforts in 2004 to expand its inventory of park land and recreational



▶ **546**
*Number of rentals at
Mansfield Activities Center*

▶ **2,849**
*Number of participants
in recreation classes*

▶ **18,411**
*Hours of public computer
use at library*

▶ **231,987**
*Number of materials
checked out at library*

▶ **11,554**
*Attendance – both adult
and youth – at library
programs*

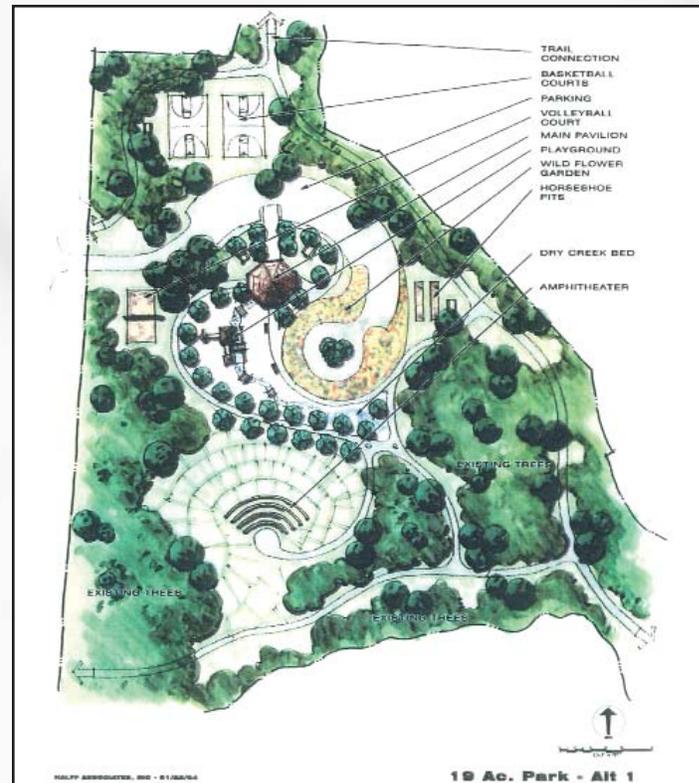
▶ **53**
*Percentage increase in
program attendance over
2003*

▶ **68,629**
*Number of visits to the
MAC by residents*



thousands of dollars a year on maintenance costs.

Voters approved a \$5.1 million bond proposal to build a city-owned aquatic facility in 2009. Residents had identified the need for a family aquatics center



as part of the Mansfield Parks, Open Space and Trails Master Plan.

facilities. Significant strides were made in the development of the Walnut Creek Linear Park with the acquisition of 19 acres near the city's west side. With funding supplemented by a Texas Parks & Wildlife grant and a half-cent sales tax approved by voters in 1992, work began to construct a playground, pavilion, wildflower area, basketball and volleyball courts, amphitheater and connection to the trail system that runs along Walnut Creek.

Recreational facilities and programs received the attention of city leaders as plans were made to add additional athletic fields in Mansfield. The city partnered with California-based Big League Dreams to develop an eight-field complex of baseball/softball fields that resemble major league ballparks. The complex, owned by the city but managed and maintained by Big League Dreams, would accomplish several goals: provide additional space for youth and adult athletic programs; draw tourists and dollars to the community for tournaments; and save the city



New facilities, improved community relations boost public safety efforts

There's safety in numbers, and for Mansfield that has meant more police officers, more firefighters and more equipment and facilities. In order to maintain response times and a high level of service to the city's growing population, almost half of the city's \$18 million budget goes to police and fire operations.



In 2004, much of that focus was on the construction of new facilities. The city's first Public Safety and Municipal Court Building was underway at the site of the old city

hall. The two-story, \$4 million structure would house police and fire administrative offices, the criminal investigation division, emergency operations and municipal court offices.

Also under construction was the city's third fire station. Located in the southeastern quadrant of Mansfield, Station No. 3 would serve one of the fastest growing areas of the city and improve the department's response time to emergency calls.

Construction was also on line for Mansfield Animal Care & Control. Preliminary work began on an expansion to the shelter



27,227
*Calls for service to the
Mansfield Police
Department*

2,034
*Number of patients
seen by Mansfield Fire
EMS personnel*

453
*Total number of cases
filed by police*

61
*Average total time in
minutes spent per call by
fire department*

3,940
*Number of cases on the
Municipal Court docket*

4.4
*Average response time,
in minutes, by Mansfield
Fire Department*

3,100
*Number of service calls
answered by Animal
Care & Control*



approved by voters in 2002. The additions will increase

kennel space and allow the department to expand its efforts to adopt more animals from the shelter.

Staffing levels were increased in 2004 in the police department with new personnel in dispatch, patrol and criminal investigation. A full-time court bailiff was added to Municipal Court to improve security and efficiency.

As the public safety departments improved operations with additions in staff and facilities, both the police and fire departments and the Animal Care & Control department improved their efforts in community relations with programs designed to connect with citizens.

- Under the guidance of the police department, the city sponsored its first National Night Out event. Officers joined with volunteers at block parties across the city.



- City Watch, a crime prevention program designed for businesses, was launched. Meetings between police officers and business owners improved communication and offered tips on reducing crime.

- Klown Kompany No. 1, the fire department's first clown program, visited schools around the city teaching young people about fire prevention.



- The Mansfield Fire Department expanded its annual open house event, encouraging residents to visit fire stations to learn more about the department and its efforts to protect the public.

- Pet Mania, a day-long event hosted by Mansfield Animal Care & Control, invited animal lovers to bring their pets to the city's Rose Park for special events, contests and fun activities designed to promote animal welfare.



MANAGEMENT *and employees*

Expertise, strong performance of employees key to city's success

The experienced management team and the highly skilled employee organization within the City of Mansfield are credited with managing the city's explosive growth while at the same time maintaining its strong financial performance.



From left to right, Assistant City Manager Chris Burkett, City Manager Clayton Chandler, Finance Director Peter Phillis and Assistant City Manager Cathy Anderson.

Even with more than 100 years combined experience from the management team and department heads, city employees received hundreds of hours annually of professional training and continuing education.

In 2004, several department directors participated in state and national associations representing areas such as parks and recreation, planning, municipal finance and utility operations. Mansfield



▶ **20**
Number of years City Manager has served in Mansfield

▶ **68**
Number of phone lines at city facilities

▶ **415**
Number of City employees

▶ **16**
Minimum number of firefighters per shift

▶ **21**
New positions budgeted for FY 04-05

▶ **13**
Number of years since last tax rate increase



staff offered their expertise to other cities in the region through

two important communication elements: the city website and the government access cable channel.

The website, www.mansfield-tx.gov, received a complete redesign that made navigation easier for users and provided access to more information.



New equipment installed for the city's government access cable channel improved the coverage of city council meetings and will enable development of a new community calendar on Channel 7, now called Mansfield Community Television (MCTV).

its participation in committees from the North Central Texas Council of Governments. These committees looked at issues ranging from future water and transportation needs to emergency management coordination.

Employees also worked to enhance internal operations in order to better serve customers and improve communications.

The Information Technology Department, while continuing to upgrade the city's computer network,



also teamed with the Public Information Office to revamp



AWARDS

2004

- ▶ “The Mansfield Citizen” newsletter named best newsletter in Texas for cities under 60,000 population by the Texas Association of Municipal Information Officers.
- ▶ Mayor Mel Neuman, former chairman of the Planning & Zoning Commission, received the Planning Commissioner Award from the Texas chapter of the American Planning Association.
- ▶ Finance Department received Distinguished Budget Award from the Government Finance Officers Association.



▶ **159,947**

Average dollar value of home in Mansfield

▶ **590**

Acres of parks, non-maintained green space and athletic fields

▶ **13**

Percentage increase in population

▶ **66,000**

Average household income

▶ **220**

Miles of maintained, paved streets

▶ **2.16**

Billions of gallons of water produced annually





What the bond rating agencies are saying...

"The city (of Mansfield) has maintained healthy financial operations over the past years. Conservative budgeting practices as well as strong ad valorem growth has allowed Mansfield to maintain high general fund balances. Moody's believes that the city's strong management team and continued ad valorem growth will allow the city to maintain healthy financial operations going forward."

Moody's Investor Services

- ▶ Economic Development Department named Merit Recognition Award winner by the Texas Economic Development Council
- ▶ Parks & Recreation Department received \$500,000 matching grant from Texas Parks & Wildlife Commission for Phase I of the Walnut Creek Linear Park project

"This rating reflects the city's access to the diverse Dallas-Fort Worth area, continued strong assessed value growth, above-average income levels and consistently strong general fund balances. The stable outlook reflects the expectation that despite ongoing growth pressures, the city's sound financial practices and continued property tax base growth should support high carrying charges and debt levels."

Standard & Poors



"This rating and stable rating outlook reflect Mansfield's continued strong financial performance during an economic downturn and rapid population growth. ...Among the city's strengths: strong financial management policies and stewardship, growing financial reserves, rapid tax base growth in industrial, commercial and residential sectors, above average property values and household incomes and abundant land available for development."

Fitch Ratings



FINANCIALS

Overview of the City of Mansfield Financial Condition

The City of Mansfield's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the city's finances, in a manner similar to a private business. This brief overview concentrates on the government-wide financial statements only. A more comprehensive analysis and narrative about the fund financial statements and the notes to the financial statements are included in the city's Comprehensive Annual Financial Report (see Page 18 for availability).

The government-wide financial statements distinguish functions of the city supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover their costs through user fees and charges (business-type activities).

The governmental activities include general government, public safety, public works and cultural and recreational activities.

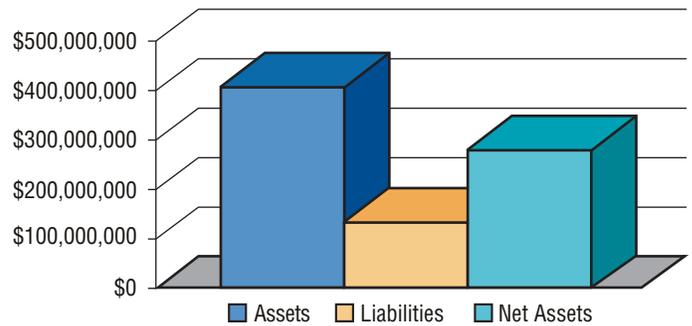
The business-type services include water and sewer, the law enforcement center and drainage services.

The government-wide financial statements include not only the City of Mansfield itself (known as the primary government), but also a legally separate Mansfield Economic Development Corporation (MEDC) for which the city is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government. The Mansfield Property Finance Authority and the Mansfield Park Facilities Development Corporation (MPFDC), although legally separate, function for all practical purposes as departments of the city and have been included as an integral part of the primary government.

City of Mansfield Financial Highlights

Statement of Net Assets

The statement of net assets presents information on all of the city's assets and liabilities, with the difference between

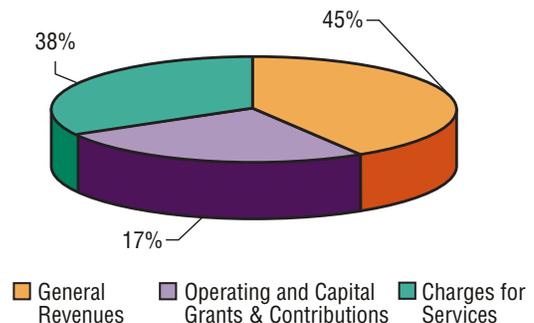


the two as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the city is improving or deteriorating. For fiscal year 2004, the city's assets exceeded its liabilities by \$287,829,127 (net assets). This increased by \$25,559,929 from the fiscal year 2003 net asset position.

Statement of Activities

The Statement of Activities reflects the total revenues generated and entire costs of operating the services of the city. The Statement of Activities for the fiscal year ending

City Revenue by Source

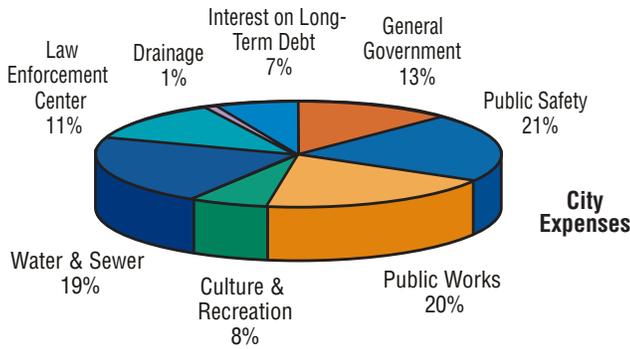


September 30, 2004 reports total revenues of \$76,288,595 and total operating expenses of \$50,728,666.

City revenues consist of program revenues and general revenues. Program revenues are charges for services, as well as operating and capital contributions and grants for a specific operating activity (i.e. water and sewer, public works). General revenues are property taxes, other taxes (i.e. sales tax and franchise tax), investment earnings, and the gain on the sale of capital assets. Operating expenses include the day-to-day expense of operating the city.

Governmental and Business-type activities

Individually within the City of Mansfield Financial Statements, governmental activities and business-type activities are reported separately and independently. The

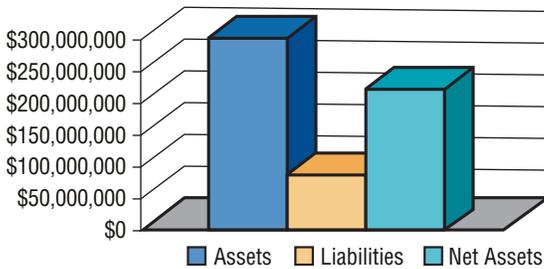


two activities are separated because of the nature of their operating activities and the funding of their activities.

Governmental Activities

The general fund is the chief operating fund of the governmental activities of the city. Most of the operating revenue & expenses in the governmental activities occur within the general fund.

Statement of Net Assets-governmental activities



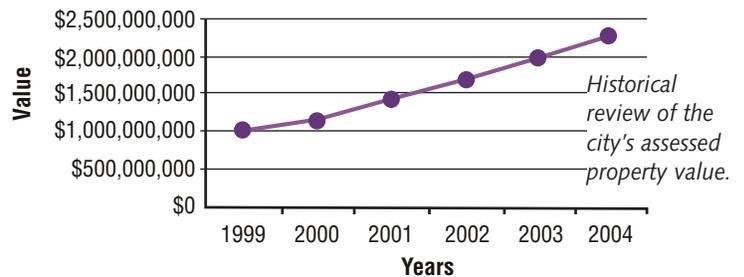
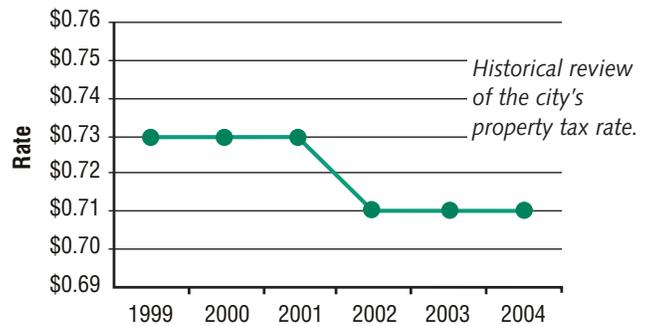
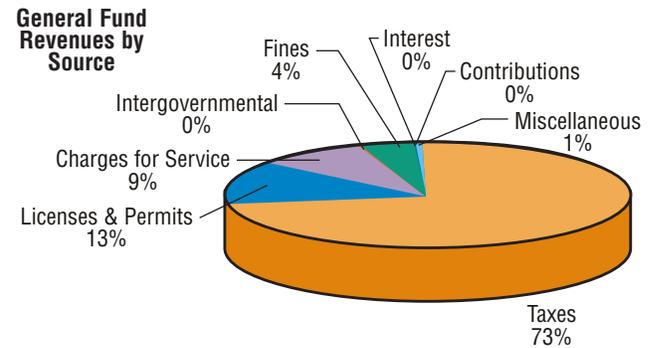
Statement of Net Assets

The net assets for the governmental activities increased \$14,930,513 in fiscal year 2004. The primary reasons for the increase are the efficient management of operating expenses and an increase in property valuations.

Statement of Activities

General Fund Operating Revenues

The city's general fund revenues increased when compared to the prior year by 15 percent or \$2.77 million. The main reason for this increase was the value of new construction and real property within the City of Mansfield. The overall



assessed value of the property in the city increased by \$341 million or 17 percent as compared to the prior year.

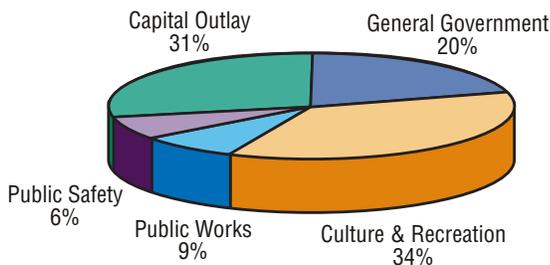
Additionally, sales tax revenue increased by 14 percent or \$474,530 compared to the prior fiscal year. Per Capita Sales Tax has increased approximately \$30 over the past several years. This is the approximate equivalent of 25 percent of

FINANCIALS

the annual average tax rate over the past several years. The increase in sales tax is attributed to the addition of new retail businesses within the city.

General Fund Operating Expenses

Historically over the past seven years personnel costs have averaged approximately 70 percent of the general funds operating budget while the remaining 30 percent have been



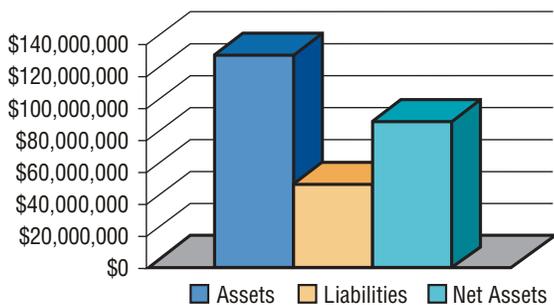
expensed for other operating costs (i.e. utilities). Per Capita, on average over the past seven years, for every 1,000 citizens the city has employed approximately 00.6 full-time employees.

Business-type activities

The city has three primary business-type activities: Water & Sewer Fund, Law Enforcement Center and a Drainage Fund.

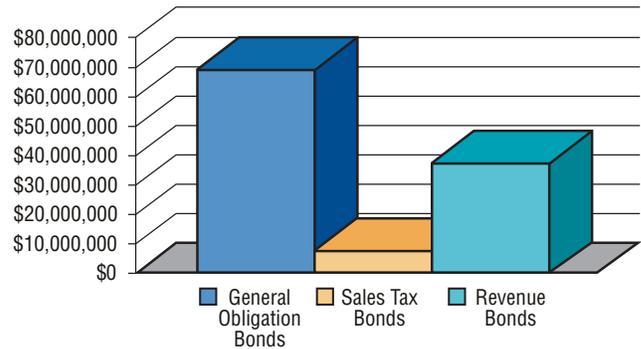
Overall revenues of the city's business-type activities were \$26.6 million for the fiscal year ending September 30, 2004. Expenses for the city's business-type activities were \$16.1 million for the year, resulting in an increase in nets assets of \$10.5 million.

Statement of Net Assets-business-type activities



Government-wide Debt Administration

At the end of the current fiscal year, the City of Mansfield had total bonded debt outstanding of \$116,695,000. Of



this amount, \$70,130,000 comprises debt backed by the full faith and credit of the city and \$8,535,000 is revenue debt supported by a sales or transit tax. The remainder of the city's debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

Underlying Ratings

Company	Insured Ratings	General Fund Bonds	Water & Sewer Revenue Bonds	Sales Tax Revenue Bonds	Drainage Revenue Bonds
Moody's	"Aaa"	"A1"	"A2"	"A3"	"A3"
Standard & Poor's	"AAA"	"A+"	"A-"	"A-"	"A-"
Fitch	"AAA"	"AA-"	"AA-"	"A"	"A-"

The City of Mansfield's total debt increased by \$14.6 million or 14.29 percent during the current fiscal year. The key factors in this increase were the \$7.42 million general obligation bond issuance for the city's Capital Improvement Plan for streets, expansion of existing animal control facilities and constructing and equipping a fire station. An \$18.025 million general obligation refunding bonds issuance to refund a portion of the city's outstanding debt. Also, the city issued \$5.0 million to design, construct, improve and equip recreational and park facilities including the acquisition of land. Water and Sewer revenue refunding bonds, in the amount of \$11.975 million, were issued to refund a portion of the city's outstanding debt. There was a \$3.4 million issuance for continued expansion and improvement of the water and sewer system. The city also issued \$5.1 million in drainage utility revenue bonds to finance various drainage and erosion projects throughout the city.

City of Mansfield Statement of Activities
For the Year Ended September 30, 2004

Functions/Programs Primary government:	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-type Activities		Total
Governmental activities:								
General government	\$ 6,411,600	\$ 4,438,006	\$ -	\$ -	\$ (1,973,594)	\$ -	\$ (1,973,594)	
Public safety	10,382,680	1,373,445	61,093	48,180	(8,899,963)	-	(8,899,963)	
Public Works	10,215,362	1,236,607	-	9,552,985	574,230	-	574,230	
Culture and recreation	4,245,002	369,016	99,061	-	(3,776,925)	-	(3,776,925)	
Interest on long-term debt	3,480,769	-	-	-	(3,480,769)	-	(3,480,769)	
Total governmental activities	34,735,413	7,417,074	160,154	9,601,165	(17,557,020)	-	(17,557,020)	
Business-type activities:								
Water	7,721,509	12,321,105	-	3,224,167	-	7,823,763	7,823,763	
Sewer	1,912,880	3,723,698	-	-	-	1,810,818	1,810,818	
Law enforcement center	5,726,500	4,756,718	-	-	-	(969,782)	(969,782)	
Drainage	632,364	865,492	-	6,650	-	239,778	239,778	
Total business-type activities	15,993,253	21,667,013	-	3,230,817	-	8,904,577	8,904,577	
Total primary government	\$ 50,728,666	\$ 29,084,087	\$ 160,154	\$ 12,831,982	\$ (17,557,020)	\$ 8,904,577	\$ (8,652,443)	
Component units:								
MEDC	2,273,246	1,563	-	-	-	-	(2,271,683)	
Total component units	\$ 2,273,246	\$ 1,563	\$ -	\$ -	\$ -	\$ -	\$ (2,271,683)	
General revenues:								
Property taxes					16,853,937	513,714	17,367,651	
Sales taxes					5,866,392	-	5,866,392	
Franchise taxes					2,058,062	-	2,058,062	
Mixed drink taxes					32,475	-	32,475	
Hotel/Motel taxes					60,958	-	60,958	
Unrestricted investment earnings					307,040	184,724	491,764	
Gain on sale of capital assets					7,730,477	-	7,730,477	
Special item - debt forgiveness					-	604,603	604,603	
Transfers					(421,798)	421,798	-	
Total general revenues, special item and transfers					32,487,533	1,724,839	34,212,372	
Change in net assets					14,930,513	10,629,416	25,559,929	
Net assets - beginning					190,441,459	71,827,739	262,269,198	
Net assets - ending					\$ 205,371,972	\$ 82,457,155	\$ 287,829,127	

The notes to the financial statements are an integral part of this statement.

City of Mansfield Statement of Net Assets
9/30/04

	Primary Government		Total	Component Unit
	Governmental Activities	Business-type Activities		MEDC
ASSETS				
Cash, cash equivalents, and investments (includes \$13,963,720 of restricted cash, cash equivalents, and investments)	\$ 25,614,706	\$ 18,337,544	\$ 43,952,250	\$ 2,971,919
Receivables (net of allowance for uncollectibles)	2,152,723	1,844,596	3,997,319	198,104
Lease receivable	360,000	-	360,000	-
Inventories	-	164,283	164,283	-
Prepays	11,908	134,074	145,982	924
Deferred issuance costs	901,489	663,053	1,564,542	340,042
Restricted assets:				
Cash, cash equivalents, and investments	-	7,483,440	7,483,440	4,488,750
Capital assets (net of accumulated depreciation):				
Land	86,547,425	372,719	86,920,144	7,967,750
Buildings and systems	11,676,095	86,822,624	98,498,719	-
Improvements other than buildings	4,666,617	1,813,283	6,479,900	145,158
Machinery and equipment	4,198,332	528,885	4,727,217	10,749
Infrastructure	132,815,384	-	132,815,384	-
Construction in progress	16,127,592	8,823,983	24,951,575	-
Total assets	<u>285,072,271</u>	<u>126,988,484</u>	<u>412,060,755</u>	<u>16,123,396</u>
LIABILITIES				
Accounts payable and other current liabilities	3,883,175	469,774	4,352,949	111,964
Liabilities payable from restricted assets	-	2,797,063	2,797,063	-
Noncurrent liabilities:				
Due within one year	5,265,267	3,086,056	8,351,323	276,527
Due in more than one year	70,551,857	38,178,436	108,730,293	12,624,542
Total liabilities	<u>79,700,299</u>	<u>44,531,329</u>	<u>124,231,628</u>	<u>13,013,033</u>
NET ASSETS				
Invested in capital assets, net of related debt	197,666,254	76,316,488	273,982,742	52,907
Restricted for:				
Debt Service	635,294	3,185,581	3,820,875	-
Unrestricted	7,070,424	2,955,086	10,025,510	3,057,456
Total net assets	<u>\$ 205,371,972</u>	<u>\$ 82,457,155</u>	<u>\$ 287,829,127</u>	<u>\$ 3,110,363</u>

The notes to the financial statements are an integral part of this statement.

Requests for Information

As management of the City of Mansfield, Texas we offer readers of the City of Mansfield's financial statements this narrative overview and analysis of the financial activities of the City of Mansfield for the fiscal year ended September 30, 2003. This information is not intended to be a complete statement of the City's Financial Condition. We recommend and encourage readers to consider this information as excerpts from the City of Mansfield, Texas Comprehensive Annual Financial Report. A copy of the City of Mansfield, Texas Comprehensive Annual Financial Report may be obtained at 1200 E. Broad Street, Mansfield, Texas 76063.