



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED SEPTEMBER 30, 2020



CITY OF HALTOM CITY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2020

**Prepared By:
City of Haltom City, Texas
Finance Department**

CITY OF HALTOM CITY, TEXAS

ANNUAL FINANCIAL REPORT

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INTRODUCTORY SECTION

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CITY OF HALTOM CITY

March 8, 2021

Honorable Mayor and City Council Members:

The comprehensive annual financial report of the City of Haltom City for the fiscal year ended September 30, 2020 is hereby submitted. State Law requires that all governmental units publish within six months of the close of each fiscal year financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited by a licensed public accountant. This report is published to satisfy that requirement and to provide the City Council, City staff, our citizens, our bondholders, and other interested parties with detailed information concerning the financial condition and activities of the City government.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal controls over financial reporting. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from the control. The evaluation of costs and benefits requires estimates and judgments by management. We believe that the City's current system of internal controls over financial reporting adequately safeguards assets and provides reasonable assurance for proper recording of financial transactions.

The City Charter and State Law require the City's basic financial statements to be audited by independent certified public accountants. Pattillo, Brown and Hill, L.L.P., Certified Public Accountants, performed the required audit and have issued an unmodified ("clean") opinion on the City of Haltom City's financial statements for the year ended September 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The City, incorporated in 1950, is located six miles northeast of downtown Fort Worth in Tarrant County. The City has a land area of 12.4 square miles and an estimated population of 46,394. The City of Haltom City is a "home rule" unit of local government under State of Texas law. The City has a council-manager form of government. Policy-making and legislative authority are vested in a governing body (City Council) consisting of the mayor and seven council members, all elected at large through popular vote. Council members serve two-year terms, with four members elected in even numbered years and the mayor and three members elected in odd numbered years. The Council appoints the City Manager, who in turn appoints the heads of the various departments.

The City provides a full range of services. These include public safety (police and fire), municipal court, sanitation, parks, library, public works, and general administrative services. In addition, the City owns and operates a water distribution system, a wastewater collection system, and a drainage utility system.

The basic financial statements of the City include all government activities, organizations, and functions for which the City is financially accountable. The criteria considered in determining governmental activities to be reported within the City's basic financial statements are based upon and consistent with those set forth in the Codification of Governmental Accounting and Financial Reporting Standards. Component units are legally separate organizations that a primary government must include as a part of its financial reporting entity. The government-wide financial statements include not only the City itself (known as the primary government), but also include the Economic Development Corporation and the Crime Control District as discretely presented component units. The discretely presented component units are presented as separate columns in the government-wide financial statements.

The Haltom City Charter specifies that an operating budget be adopted prior to the first day of the fiscal year beginning October 1st. The City's budget process is a seven-month cycle, which begins in mid-February and ends in mid-September. Departments submit budget proposals by early May and during the months of May, June, and July the City Manager develops the recommended budget based on the policy direction received from Council. Prior to August 15th, the City Manager submits to the Council a proposed budget of expenditures and the means to finance them for the next year. The Council holds workshop meetings and public hearings on the proposed budget to receive citizen feedback and make final determinations about the eventual adopted budget. Prior to September 30th, the budget is legally enacted through the passage of an appropriation ordinance. Budgets are prepared by fund (e.g., general), department (e.g., fire), and division (e.g., suppression). Department heads may transfer resources within a department with the approval of the Finance Director. Transfers between departments and transfers involving capital outlays need special approval by the City Manager. Budget changes that increase the total budgeted expenditures of a fund must be approved by the City Council. The City Charter provides that the budget may be amended by the City Council.

LOCAL ECONOMY

The City of Haltom City has always shared the good fortune of Fort Worth and Northeast Tarrant County in general, with expanded job markets and general economic activity. This past year, the Fort Worth Metropolitan Statistical Area (MSA), in which Haltom City is located, has seen significant expansive growth driven by commercial construction, retail sales, services and transportation. Overall, the North Texas region has fared better than the nation as a whole. The Dallas-Fort Worth MSA area's population and labor force are among the more rapidly growing in the nation, having grown more than most other major MSA in Texas between 2010 and 2020. Relatively low taxes, housing and energy costs make the area attractive to business, with the additional enticement that Texas has no state personal income tax.

The City is strategically located less than 12 miles southwest of the Dallas / Fort Worth International Airport (DFW Airport) and less than 8 miles southeast of Fort Worth's Alliance Airport (the world's first industrial airport). Each airport is a major economic development catalyst for all cities in the surrounding area, which includes Haltom City.

Fiscal year 2020 proved to be a positive year for retail activity and growth for the City of Haltom City even amidst the Covid-19 pandemic. Sales Tax remained close to flat even over the previous year since our City is not solely reliant on retail revenue but rather a varied tax base to include industrial-type businesses. Property tax values continue to increase each year and the demand of new homes and new neighborhoods will continue to drive growth within our City. With our first new housing development almost completed, the second neighborhood will begin constructing all phases sooner than planned rather than one phase at a time. The new development along the 820 corridor will be the economic engine that will catapult the city into a favorable economic financial position.

Because of the City's location in a region with a varied economic base, unemployment is relatively stable. Haltom City's labor force is approximately 22,897 and the unemployment rate for September 2020 was 7.3%, which is higher than September 2019 due to the Covid pandemic. The State of Texas unemployment rate is 8.3% and the national rate is 7.8%. As the local and national economies recover from the pandemic, unemployment is expected to decrease in the near term as businesses return to normal operations.

The general obligation bond rating for the City is AA- from Standard & Poor's. The rating is based on the strong financial management and budgetary flexibility.

LONG-TERM FINANCIAL PLANNING

Each year, the City Council meets and sets forth the strategic goals for the City. The Haltom City Council's Long-Term Strategic Goals for the coming three to five years are:

- Continue to cultivate the commercial and retail development plan for a successful economic development environment.
- Focus on competitive employee compensation to retain and attract high quality staff while maintaining a relationships-driven culture.
- Promote Fiscal Responsibility while Utilizing Performance Measures.
- Promote and Support Safety and Security within our Community.
- Build and Maintain Partnerships with Non-Profit Sector to Advance Revitalization.
- Address critical facility and infrastructure needs.

The City continues to focus major efforts on our strategic goals. These goals drive decision-making and help the City Council further the City's mission and vision, and then translate that vision into actions. The City's limited resources are then prioritized to achieve that plan. The City's actions to implement the established strategic goals and address community issues are numerous and varied. However, the City continually addresses community issues through the best and most appropriate methods available.

Since 2004, the City's Finance Staff has worked with Department Heads and the City's financial advisor to develop financial models to be used in long-term financial planning. Models projecting revenues and expenditures/expenses for 5 years beyond the current year have been developed for all of the operational funds of the City and the Debt Service Fund. Assumptions have been developed for future tax rates and charges for service as well as projections for expenditures/expenses. Each possible program addition or change is analyzed in terms of impact over a 5-year window as a part of the decision-making process. The models also enable the City to make assumptions about the future debt capacity of the operational funds. The ability to determine available current resources and future debt proceeds has enabled the City to move forward with a new Capital Improvement Program. The program has identified projects based on their critical nature and the timeliness of available financing for the project.

In FY 2020, the City Council authorized a debt issuance of \$6 million for streets and parks. All authorized debt has been issued.

RELEVANT FINANCIAL POLICIES

Financial Policies guide the development and implementation of the budget and are a framework for fiscal decision making that ensure financial resources are available to meet the current and future needs of the City. The policy statements address areas of reporting and auditing, budgeting, revenues, capital improvements, debt, and grants to name a few. The financial management policies are designed to ensure the financial integrity and assist the City in achieving the following:

- Quality basic City services that meet the needs and desires of the citizens.
- A financial base sufficient to maintain or enhance City assets required to support community service demands.
- Responsiveness to constant changing needs, desires, and service requirements of the City.
- Prudent and professional financial management practices to assure residents of Haltom City and the financial community that City government is well managed and in sound fiscal condition.
- Cost effective services to citizens through cooperation with other government entities.
- An adequate capital improvement program that maintains and enhances the public's assets.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Haltom City for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2019. The Certificate of Achievement is a prestigious national award- recognizing conformance with the highest standards for preparation of state and local government financial reports. This was the thirty-third consecutive year (fiscal years ended 1987-2019) that the government has achieved this prestigious award.

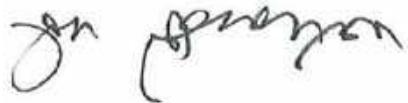
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation award for its annual budget document dated October 1, 2019. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, and operating guide, and a communications device.

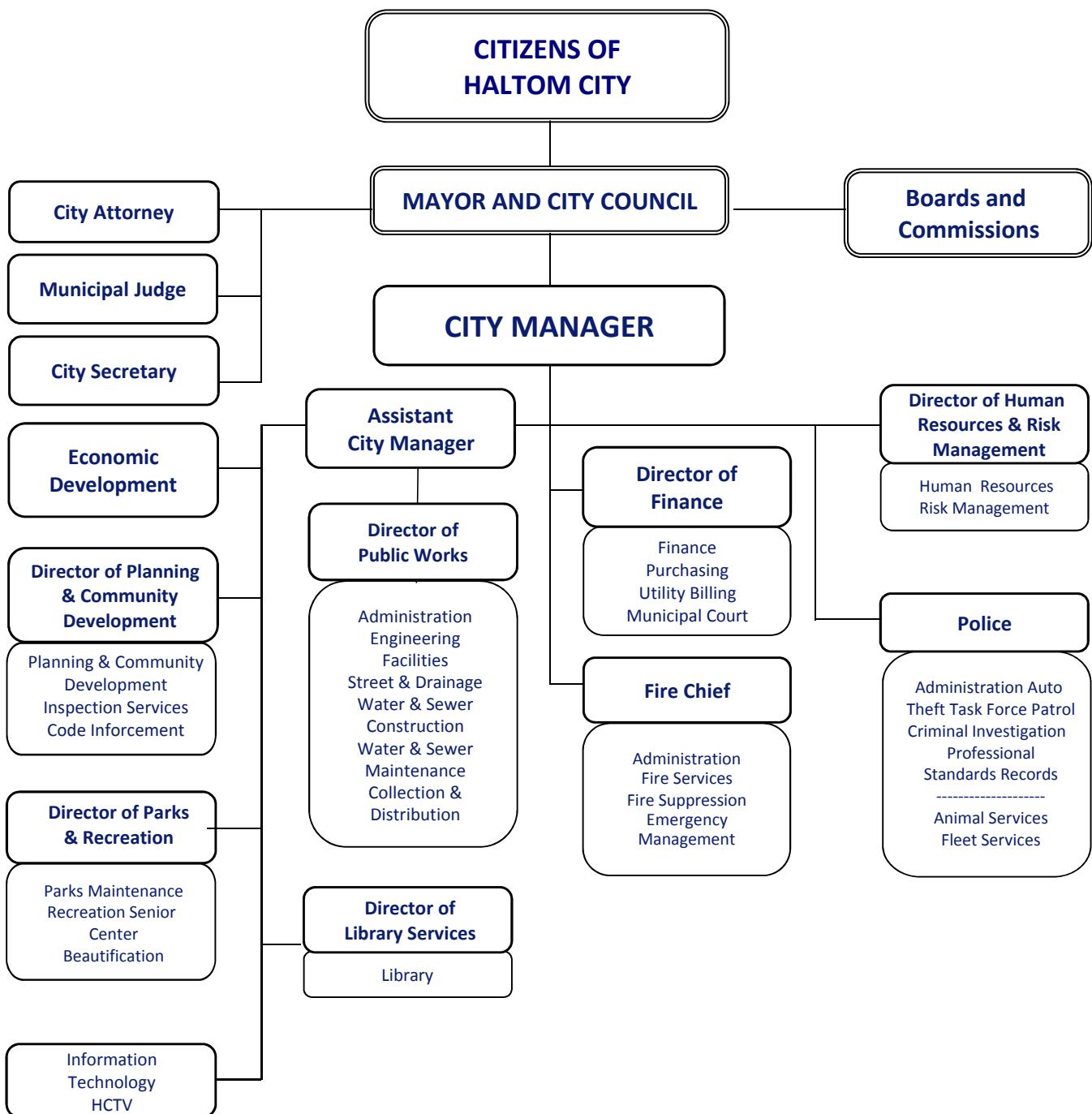
The preparation of this report could not be accomplished without the efficient and dedicated endeavors of the entire staff of the Finance Department, our Audit Committee, and our independent auditors. We would like to express our sincere appreciation to all employees who contributed to the preparation. We would also like to thank the Mayor, City Council, and the City Manager for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Sidonna Foust
Assistant City Manager/Director of Finance

Jon Stevenson
Assistant Director of Finance/Controller



CITY OF HALTOM CITY CITY COUNCIL



An Truong
Mayor



Brent Weast
Place 4



Marian Hilliard
Place 1



Susan Soule
Place 5



Walter Grow
Place 2



Ricky Brown
Place 6



Lin Thompson
Place 3



Gaye Vanzant
Place 7

CITY OF HALTOM CITY

Management Staff

City Manager	Rex Phelps
Assistant City Manager/Director of Finance	Sidonna Foust
City Secretary	Art Camacho
Fire Chief	Brian Jacobs
Director of Human Resources & Risk Management	Toni Beckett
Municipal Judge	Lorraine Irby
Director of Library Services	Lesly Smith
Director of Parks & Recreation	Christi Pruitt
Director of Planning & Community Development	Glenna Batchelor
Police Chief	Cody Phillips
Director of Public Works	Gregory Van Nieuwenhuize



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Haltom City
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2019

Christopher P. Morrell

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the City Council
City of Haltom City, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Haltom City, Texas as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Haltom City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City of Haltom City, Texas' management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Haltom City, Texas as of September 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, the schedule of contributions, and the schedule of changes in total OPEB liabilities and related ratios be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Haltom City, Texas' basic financial statements. The introductory section, combining and individual non-major fund financial statements and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2021, on our considerations of the City of Haltom City, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Haltom City, Texas' internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 8, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The financial management team of the City of Haltom City offers the following narrative overview and analysis of the financial activities of the City of Haltom City for the fiscal year ended September 30, 2020. Please read this in conjunction with the transmittal letter at the beginning of the report and the City's financial statements following this section.

I. FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the fiscal year ended September 30, 2020 by \$142.9 million (net position). Of this amount, about \$24.9 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net position increased by about \$17.7 million for the year ended September 30, 2020. Out of this, \$11.0 million is from governmental activities and \$6.6 million from business activities.
- On a government-wide basis, the City's total assets increased by \$18.9 million or 9% and total liabilities decreased by \$7.6 million or 8%.
- As of September 30, 2020, the City's governmental funds reported combined ending fund balances of \$48.5 million, an increase of \$8.8 million in comparison with prior year. Approximately, \$18 million of the fund balance is available for spending at the government's discretion (unassigned fund balance).

II. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide 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-sector business.

The statement of net position presents information on all of the City's assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- **Governmental activities:** Most of the City's basic services are reported here, including the police, fire, street maintenance, culture and recreation and general administration. Property taxes, sales taxes, franchise fees, charges for services and fines/forfeitures provide the majority of funding for these activities.
- **Business-type activities:** The City charges a fee to customers to cover all or most of the cost of certain services provided. The City's water and sewer system, and drainage utility system are reported here.

The government-wide financial statements include not only the City itself (known as the primary government), but also include the Economic Development Corporation and the Crime Control District, which are legally separate entities. The Economic Development Fund accounts for the local sales tax used to stimulate the local economy, development, and redevelopment. The Crime Control District accounts for the accumulation and use of sales tax proceeds designated for crime reduction programs. Additional information on these two component units can be found in Note 1 in the notes to the financial statements.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by State law. However, the City establishes many other funds to control and manage money for particular purposes or to show the legal responsibilities for using certain revenues.

The City's three kinds of funds, governmental, proprietary, and fiduciary, use different accounting approaches.

Governmental funds: Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the City's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation beside the fund financial statements.

Proprietary funds: When the City charges customers for the full cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Fiduciary funds: These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other Information

In addition to basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits and other post-retirement healthcare benefits to its employees. This report also contains combined financial statements, as well as individual detailed budgetary comparisons for all non-major governmental funds.

III. GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of the City's Financial Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City of Haltom City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$142.9 million as of September 30, 2020.

By far the largest portion of the City's net position, \$99.7 million (or 70%) reflects its net investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

A portion of the City's net position (\$18.4 million, or 13%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$24.9 million, or 17%) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City reported a positive balance in all three categories of net position. However, the governmental activities showed a \$1.2 million negative unrestricted net position (deficit) and the business-type activities showed a positive unrestricted net position of \$26.1 million. The net position for governmental activities and business-type activities are summarized as follows:

	Governmental Activities		Business Type Activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Assets						
Current and other assets	\$ 53,709,325	\$ 43,179,062	\$ 32,305,718	\$ 26,103,954	\$ 86,015,043	\$ 69,283,016
Capital assets	<u>86,567,485</u>	<u>82,939,063</u>	<u>58,608,320</u>	<u>60,029,205</u>	<u>145,175,805</u>	<u>142,968,268</u>
Total assets	<u>140,276,810</u>	<u>126,118,125</u>	<u>90,914,038</u>	<u>86,133,159</u>	<u>231,190,848</u>	<u>212,251,284</u>
Deferred Outflows of Resources	<u>2,817,408</u>	<u>7,438,897</u>	<u>408,405</u>	<u>1,001,100</u>	<u>3,225,813</u>	<u>8,439,997</u>
Liabilities						
Current liabilities	4,010,838	2,576,189	2,950,177	3,286,687	6,961,015	5,862,876
Noncurrent liabilities	<u>60,701,295</u>	<u>66,972,149</u>	<u>18,174,978</u>	<u>20,724,772</u>	<u>78,876,273</u>	<u>87,696,921</u>
Total Liabilities	<u>64,712,133</u>	<u>69,548,338</u>	<u>21,125,155</u>	<u>24,011,459</u>	<u>85,837,288</u>	<u>93,559,797</u>
Deferred Inflows of Resources	<u>5,015,851</u>	<u>1,668,535</u>	<u>646,870</u>	<u>223,555</u>	<u>5,662,721</u>	<u>1,892,090</u>
Net Position						
Net investment in capital assets	56,184,646	53,560,693	43,473,153	43,145,765	99,657,799	96,706,458
Restricted	18,389,983	17,961,901	-	-	18,389,983	17,961,901
Unrestricted	<u>(1,208,395)</u>	<u>(9,182,445)</u>	<u>26,077,265</u>	<u>19,753,480</u>	<u>24,868,870</u>	<u>10,571,035</u>
Total Net Position	<u>\$ 73,366,234</u>	<u>\$ 62,340,149</u>	<u>\$ 69,550,418</u>	<u>\$ 62,899,245</u>	<u>\$ 142,916,652</u>	<u>\$ 125,239,394</u>

Analysis of the City's operations

The City of Haltom City's net position increased by \$17.7 million to \$142.9 million during the current fiscal year. Out of which an increase of \$11.0 million in governmental activities and an increase of \$6.7 million in business-type activities. Details are listed as follows:

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues:						
Charges for services	\$ 4,268,172	\$ 4,344,519	\$ 26,748,035	\$ 24,789,336	\$ 31,016,207	\$ 29,133,855
Operating grants and contributions	1,634,438	258,868	-	-	1,634,438	258,868
Capital grants and contributions	143,769	24,356	-	-	143,769	24,356
General Revenues:						
Taxes:						
Property taxes levied for general purposes	17,273,899	14,458,831	-	-	17,273,899	14,458,831
Other taxes	17,355,074	17,534,316	-	-	17,355,074	17,534,316
Gain on sale of capital assets	32,017	-	-	-	32,017	-
Other revenues	308,672	311,668	-	-	308,672	311,668
Investment income	745,428	901,211	428,817	520,982	1,174,245	1,422,193
Total revenues	<u>41,761,469</u>	<u>37,833,769</u>	<u>27,176,852</u>	<u>25,310,318</u>	<u>68,938,321</u>	<u>63,144,087</u>
Expenses:						
General government	6,582,331	7,170,945	-	-	6,582,331	7,170,945
Public safety	17,919,745	17,907,680	-	-	17,919,745	17,907,680
Streets	1,877,804	3,217,049	-	-	1,877,804	3,217,049
Culture and recreation	3,457,170	3,732,618	-	-	3,457,170	3,732,618
Interest and other fees	1,478,330	1,174,401	-	-	1,478,330	1,174,401
Water & wastewater	-	-	18,182,467	18,761,789	18,182,467	18,761,789
Drainage	-	-	<u>1,763,216</u>	<u>1,567,980</u>	<u>1,763,216</u>	<u>1,567,980</u>
Total expenses	<u>31,315,380</u>	<u>33,202,693</u>	<u>19,945,683</u>	<u>20,329,769</u>	<u>51,261,063</u>	<u>53,532,462</u>
Change in net position before transfers	10,446,089	4,631,076	7,231,169	4,980,549	17,677,258	9,611,625
Transfers	579,996	580,000	(579,996)	(580,000)	-	-
Change in net position	11,026,085	5,211,076	6,651,173	4,400,549	17,677,258	9,611,625
Net position - beginning	<u>62,340,149</u>	<u>57,129,073</u>	<u>62,899,245</u>	<u>58,498,696</u>	<u>125,239,394</u>	<u>115,627,769</u>
Net position - ending	<u>\$ 73,366,234</u>	<u>\$ 62,340,149</u>	<u>\$ 69,550,418</u>	<u>\$ 62,899,245</u>	<u>\$ 142,916,652</u>	<u>\$ 125,239,394</u>

Governmental activities

The net position of governmental activities at end of the fiscal year was at \$73.4 million compared to \$62.3 million for prior year. This was an increase in net position of \$11.0 million. Total revenues increased over the prior year from \$37.8 million to \$41.8 million. Total expenses for the fiscal year decreased to \$31.3 million from \$33.2 million. The decrease was mainly due to lower operating costs implemented by management due to the COVID-19 pandemic.

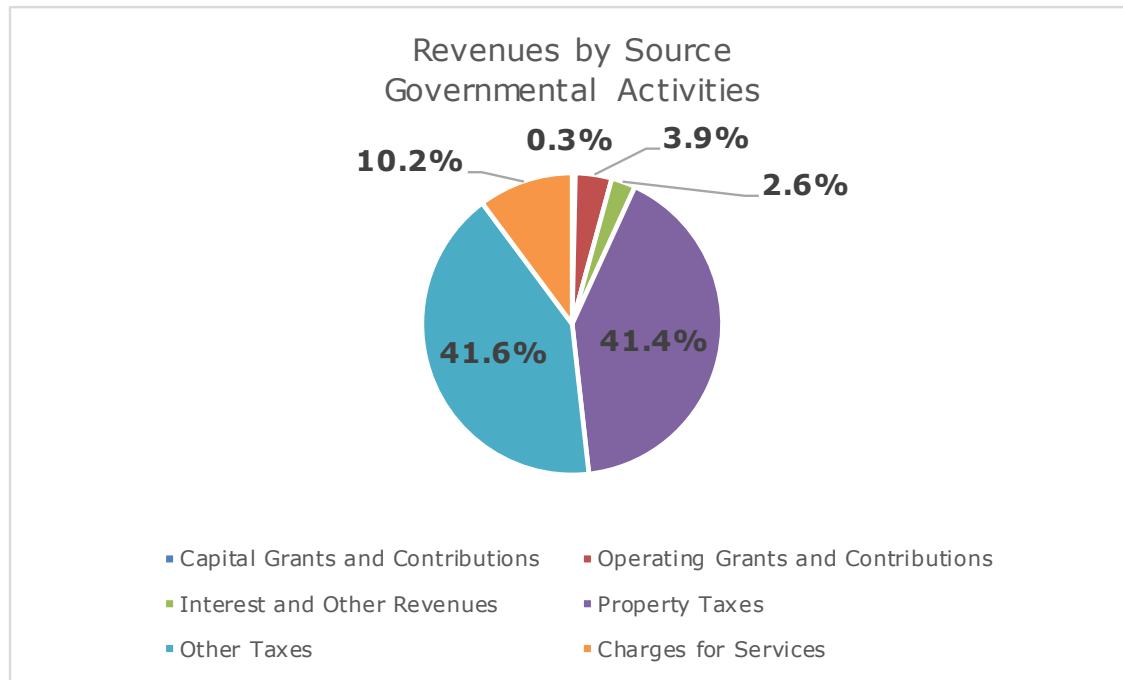
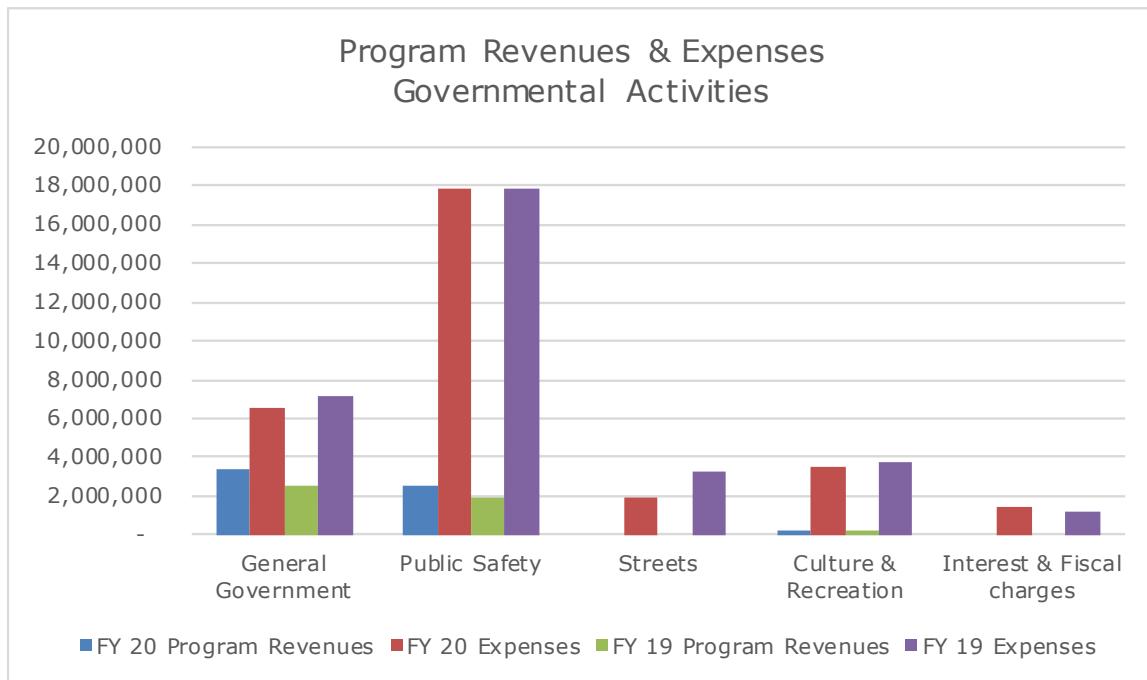
Key changes of revenues and expenses are as follows:

Revenues

- Total revenue increased by \$3.9 million or 10% from previous year.
- Property tax increased by about \$2.8 million (19%) due to higher assessed value.
- Operating grants and contributions increased by \$1.3 million (531%) over the prior year due to grants received for COVID-19.

Expenses

- Total expenses for the governmental activities decreased by \$1,887,313 or 6%.
- General government expenses decreased by \$1.9 million (8%) due to cost reductions implemented at the beginning of the COVID-19 pandemic.
- Streets expenses were \$1.3 million (42%) lower due to lower street maintenance and construction.
- Interest and fiscal charges increased by \$0.3 million (26%) due to additional debt service.



Business-type activities

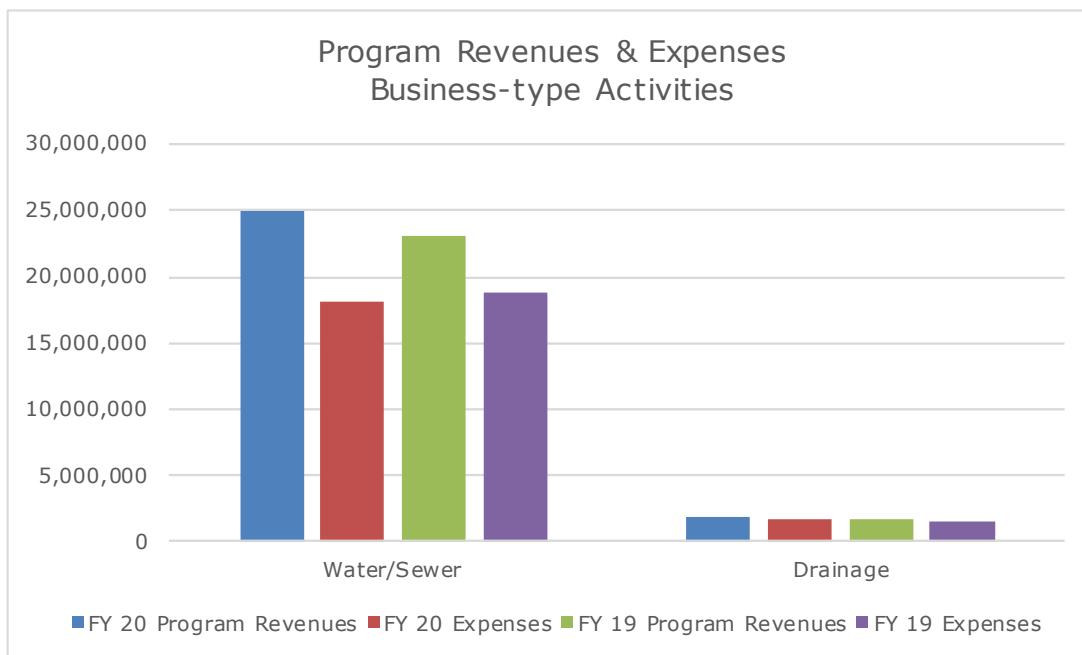
The net position of business-type activities at end of the fiscal year was at \$69.6 million compared to \$62.9 million for prior year. This was an increase in net position of \$6.7 million. The City generally can only use the net position to finance the continuing operations of the business-type activities. Total revenues for business-type activities increased over the prior year from \$25.3 million to \$27.2 million due to higher sales and service fees. Total expenses for the fiscal year decreased to \$19.9 million from \$20.3 million. The decrease was due to lower operating costs for both water/sewer and drainage activities.

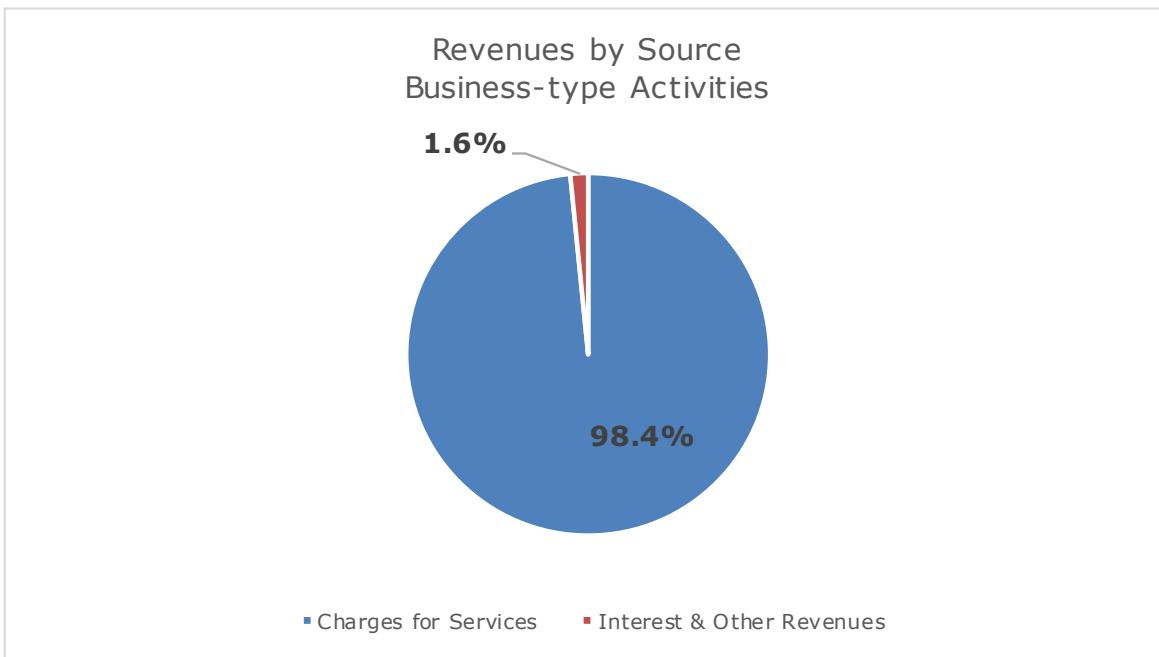
Water and Sewer Fund

- The Water and Sewer Fund program revenues increased from \$23.1 million in the prior year to \$24.9 million in the current year, driven mostly by an increase in water and sewer sales and service fees.
- Expenses for Water and Sewer Fund decreased by about \$0.6 million (3%). The decreased is due to lower water and sewer maintenance expenses in the current year.

Drainage Fund

- Program revenues for the current year were \$1.8 compared to \$1.7 in the prior year. This represents a 6% increase.
- Drainage expenses increased from \$1.5 million in the prior year to \$1.7 in 2020. This represents a 13% increase, primarily caused by an increase in drainage maintenance costs.





Analysis of City's Funds

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds had a combined ending fund balance of about \$48.5 million, an increase of \$8.8 million (22%) in comparing to the prior year. About \$17.9 million (37%) of this fund balance constitutes unassigned fund balance, which is available for spending at the government's discretion. The remaining fund balance of \$30.6 million (63%), is not available for general spending.

The General Fund balance had an increase of \$4.7 million (35%) this fiscal year. For fiscal year 2020, total General Fund revenues increased by \$2.5 million (10%). Two major increases were taxes and licenses and permits revenues. Total tax revenues increased by \$0.9 million (4%) contributed by property tax, sales tax and franchise tax. Licenses and permits increase by \$0.8 million (72%) mainly due to increased development in the area.

General Fund expenditures were \$1.6 million (6%) lower compared to prior year. Most department expenditures decreased due to cost reductions implemented at the beginning of the COVID-19 pandemic.

The Debt Service Fund had a fund balance of \$0.9 million, all of which is restricted for the payment of debt. The City is to limit general obligation annual debt requirements to 25% of general government expenditures. The fiscal year 2020 debt requirement was about 22% of the General Fund expenditures.

The fund balance of Street Reconstruction Capital Project Fund ended the year at about \$18.8 million. The fund balance is restricted for street capital projects. This fund balance increased \$4.2 million over the prior year due to the issuance of \$5.7 million of certificates of obligation. Total expenditures for the current year increased \$2.9 million over the prior year.

The fund balance of the Capital Improvement Fund ended the year at about \$8.2 million. The fund balance is restricted for capital improvement projects. The decrease in the fund was approximately \$0.6 million, primarily caused by current year expenditures outweighing interest income earned in the fund.

Proprietary funds. The City's proprietary fund statements provide the same type of information found in the government-wide financial statements. Factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City of Haltom City's business-type activities.

General Fund Budgetary Highlights

General Fund balance increased by \$4.7 million (35%) for fiscal year 2020.

When comparing to the budget, actual total revenues were \$2.1 million higher than the budget due to increases in property taxes, licenses and permits, and grants from other governments. Grants from other governments include federal funding received to help offset costs incurred to deal with the COVID-19 pandemic.

The total expenditures were lower than budgeted by \$3.6 million. Most departments spent less than their budgeted amounts except for Administrative, Planning, and City Council. When the COVID-19 pandemic began, the City implemented a cost reduction strategy to help offset any potential revenue shortfalls.

IV. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets - At September 30, 2020, the City had \$145.2 million (net of accumulated depreciation) invested in capital assets including police and fire equipment, buildings, park facilities, roads, water, sewer, and storm water facilities. This amount represents a net increase of \$2.2 million (1.5%) from last year. Details of capital assets are listed below.

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 18,831,057	\$ 18,846,739	\$ 6,125,273	\$ 6,125,273	\$ 24,956,330	\$ 24,972,012
Buildings	9,006,842	9,715,247	4,222,276	5,666,838	13,229,118	15,382,085
Improvements	44,181,475	46,077,032	-	-	44,181,475	46,077,032
Machinery & equipment	6,302,895	5,220,006	391,832	575,878	6,694,727	5,795,884
Waterworks & sewer system	-	-	42,430,140	43,255,369	42,430,140	43,255,369
Construction in progress	<u>8,245,216</u>	<u>3,080,039</u>	<u>5,438,799</u>	<u>4,405,847</u>	<u>13,684,015</u>	<u>7,485,886</u>
Total	<u>\$ 86,567,485</u>	<u>\$ 82,939,063</u>	<u>\$ 58,608,320</u>	<u>\$ 60,029,205</u>	<u>\$ 145,175,805</u>	<u>\$ 142,968,268</u>

There were no major changes in most of the capital asset groups except Improvements Other Than Buildings and Construction in Progress. Major construction projects completed or in progress during the current fiscal year were Joy Lee, Swan, Vicki St, McCullar St, Oak Knoll Rd, Thomas Rd and Fire Station 3.

Additional information on the City of Haltom City's capital assets can be found in Note VI of this report.

Long-term Liabilities - At the end of the current fiscal year, the City had total general obligation bonds, refunding bonds, certificates of obligation, tax notes, premium on bonds, and compensated absences, outstanding of \$58.1 million. Of this amount, \$42.6 million was from governmental activities and \$15.5 million were business-type activities.

The City had total bonded debt outstanding of \$53.0 million. Of this amount, \$37.9 million was comprised of debt backed by the full faith and credit of the City and \$15.1 million represents bonds secured by the full faith and credit of the City but serviced by specific revenue sources from the proprietary funds. The City's underlying General Obligation Bond rating is AA- by Standard & Poor's.

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Certificates of obligations	\$ 10,125,000	\$ 5,020,000	\$ 9,715,000	\$ 12,870,000	\$ 19,840,000	\$ 17,890,000
General obligation bonds	26,365,000	30,350,000	-	-	26,365,000	30,350,000
General obligation refunding bonds	-	-	5,040,000	3,570,000	5,040,000	3,570,000
Tax notes	-	225,000	-	-	-	225,000
Premium on bond issuance	<u>1,409,441</u>	<u>1,104,935</u>	<u>393,939</u>	<u>467,499</u>	<u>1,803,380</u>	<u>1,572,434</u>
Total bonded debt	<u>37,899,441</u>	<u>36,699,935</u>	<u>15,148,939</u>	<u>16,907,499</u>	<u>53,048,380</u>	<u>53,607,434</u>
Compensated absences	2,925,450	2,894,147	348,669	300,683	3,274,119	3,194,830
Capital leases	<u>1,777,386</u>	<u>1,131,026</u>	-	-	<u>1,777,386</u>	<u>1,131,026</u>
Total long-term debt	<u>\$ 42,602,277</u>	<u>\$ 40,725,108</u>	<u>\$ 15,497,608</u>	<u>\$ 17,208,182</u>	<u>\$ 58,099,885</u>	<u>\$ 57,933,290</u>

Additional information on the City's long-term debt can be found in note VII of this report.

V. ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's budgetary flexibility remains very strong with solid fund reserves. The City's economy remains consistent despite the negative effect of the Covid-19 pandemic on neighboring cities. The City's elected and appointed officials considered many factors when setting the fiscal year 2020 budget, especially tax rates, and fees that will be charged for the business-type activities.

Highlights of the 2021 budget include:

- Balanced budget
- Maintain property tax rate of \$0.66576
- Mid-year salary increase for full time employees
- Total City budget over \$91.2 million

VI. REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Finance Department at 5024 Broadway Avenue, Haltom City, Texas.

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BASIC FINANCIAL STATEMENTS

CITY OF HALTOM CITY, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Economic Development	Crime Control District
ASSETS					
Cash and investments	\$ 49,186,090	\$ 28,477,122	\$ 77,663,212	\$ 3,990,746	\$ 2,457,260
Receivables, net:					
Taxes	733,304	-	733,304	-	-
Accounts receivable	-	3,454,226	3,454,226	-	-
Intergovernmental	2,508,571	-	2,508,571	-	330,930
Accrued Interest	213,027	125,567	338,594	10,751	9,195
Other	889,138	-	889,138	-	1,716
Inventory	179,195	211,771	390,966	-	-
Prepays	-	37,032	37,032	-	-
Capital assets					
Land	18,831,057	6,125,273	24,956,330	-	-
Building and improvements	19,092,974	10,585,874	29,678,848	-	-
Improvements other than Buildings	91,041,006	-	91,041,006	-	-
Water and sewer system	-	68,778,708	68,778,708	-	-
Machinery and equipment	15,999,660	5,383,717	21,383,377	-	-
Construction-in-progress	8,245,216	5,438,799	13,684,015	-	-
Less: accumulated depreciation	(66,642,428)	(37,704,051)	(104,346,479)	-	-
Total assets	<u>140,276,810</u>	<u>90,914,038</u>	<u>231,190,848</u>	<u>4,001,497</u>	<u>2,799,101</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on bond refunding	119,011	13,772	132,783	-	-
Deferred outflow related to pensions	2,320,846	340,371	2,661,217	-	27,681
Deferred outflow related					
to retiree health plan OPEB	205,456	30,393	235,849	-	2,527
Deferred outflow related to SDBF OPEB	<u>172,095</u>	<u>23,869</u>	<u>195,964</u>	<u>-</u>	<u>1,652</u>
Total deferred					
outflows of resources	<u>2,817,408</u>	<u>408,405</u>	<u>3,225,813</u>	<u>-</u>	<u>31,860</u>

CITY OF HALTOM CITY, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Economic Development	Crime Control District
LIABILITIES					
Accounts payable	\$ 1,672,326	\$ 1,200,163	\$ 2,872,489	\$ 77,476	\$ 341,157
Accrued liabilities	964,046	446,218	1,410,264	213,698	49,566
Accrued interest payable	226,026	98,036	324,062	-	-
Customer deposits	-	1,205,760	1,205,760	-	-
Retainage payable	60,601	-	60,601	-	-
Unearned revenue	1,087,839	-	1,087,839	-	-
Noncurrent liabilities:					
Due within one year					
Long-term debt	6,656,462	1,844,734	8,501,196	-	16,276
Total OPEB liability - SDBF	7,309	979	8,288	-	601
Due in more than one year					
Long-term debt	35,945,815	13,652,874	49,598,689	-	65,104
Net pension liability	15,221,943	2,251,767	17,473,710	-	187,206
Net OPEB liability - retiree health plan	2,005,698	296,701	2,302,399	-	24,667
Total OPEB liability - SDBF	864,068	127,923	991,991	-	10,116
Total liabilities	64,712,133	21,125,155	85,837,288	291,174	694,693
DEFERRED INFLOWS OF RESOURCES					
Deferred inflow related to pensions	3,725,933	464,285	4,190,218	-	20,441
Deferred inflow related to retiree health plan OPEB	1,187,101	168,328	1,355,429	-	12,473
Deferred inflow related to SDBF OPEB	102,817	14,257	117,074	-	986
Total deferred inflows of resources	5,015,851	646,870	5,662,721	-	33,900
NET POSITION					
Net investment in capital assets	56,184,646	43,473,153	99,657,799	-	-
Restricted for:					
Capital projects	15,803,438	-	15,803,438	-	-
Donor restrictions for libraries, parks and law enforcement enforcement	797,882	-	797,882	-	-
Debt service	1,033,177	-	1,033,177	-	-
Promotion of tourism and business	160,433	-	160,433	-	-
Economic development	-	-	-	3,710,323	-
Public safety	595,053	-	595,053	-	-
Unrestricted	(1,208,395)	26,077,265	24,868,870	-	2,102,368
Total net position	\$ 73,366,234	\$ 69,550,418	\$ 142,916,652	\$ 3,710,323	\$ 2,102,368

CITY OF HALTOM CITY, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Functions/Programs	<u>Program Revenues</u>			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 6,582,331	\$ 3,318,494	\$ 8,233	\$ -
Public safety	17,919,745	860,081	1,571,974	143,769
Streets	1,877,804	-	-	-
Culture and recreation	3,457,170	89,597	54,231	-
Interest and fiscal charges	1,478,330	-	-	-
Total governmental activities	<u>31,315,380</u>	<u>4,268,172</u>	<u>1,634,438</u>	<u>143,769</u>
Business-type activities:				
Water and sewer services	18,182,467	24,932,166	-	-
Drainage services	<u>1,763,216</u>	<u>1,815,869</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>19,945,683</u>	<u>26,748,035</u>	<u>-</u>	<u>-</u>
Total primary government	<u>51,261,063</u>	<u>31,016,207</u>	<u>1,634,438</u>	<u>143,769</u>
Component units				
Economic Development	414,078	-	-	-
Crime Control District	<u>1,505,801</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total component units	<u>\$ 1,919,879</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues:				
Property taxes, penalty and interest				
Sales taxes				
Franchise taxes				
Occupancy taxes				
Oil and gas leases				
Mixed beverage and bingo taxes				
Interest				
Miscellaneous				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning of year				
Net position - end of year				

Net (Expense) Revenue and Changes in Net Position

Primary Government					
Governmental Activities	Business-type Activities	Total	Economic Development	Crime Control District	
\$(3,255,604)	\$ -	\$(3,255,604)	\$ -	\$ -	\$ -
(15,343,921)	-	(15,343,921)	-	-	-
(1,877,804)	-	(1,877,804)	-	-	-
(3,313,342)	-	(3,313,342)	-	-	-
(1,478,330)	-	(1,478,330)	-	-	-
<u>(25,269,001)</u>	<u>-</u>	<u>(25,269,001)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	6,749,699	6,749,699	-	-	-
<u>-</u>	<u>52,653</u>	<u>52,653</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>6,802,352</u>	<u>6,802,352</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(25,269,001)</u>	<u>6,802,352</u>	<u>(18,466,649)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	(414,078)	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,505,801)</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (414,078)</u>	<u>\$ (1,505,801)</u>	<u>-</u>
\$ 17,273,899	\$ -	\$ 17,273,899	\$ -	\$ -	\$ -
13,387,329	-	13,387,329	-	-	1,833,806
3,896,316	-	3,896,316	-	-	-
43,679	-	43,679	-	-	-
53,276	-	53,276	-	-	-
27,750	-	27,750	-	-	-
745,428	428,817	1,174,245	40,377	-	32,815
255,396	-	255,396	-	-	-
32,017	-	32,017	2,485,733	-	-
579,996	(579,996)	-	-	-	-
<u>36,295,086</u>	<u>(151,179)</u>	<u>36,143,907</u>	<u>2,526,110</u>	<u>-</u>	<u>1,866,621</u>
<u>11,026,085</u>	<u>6,651,173</u>	<u>17,677,258</u>	<u>2,112,032</u>	<u>-</u>	<u>360,820</u>
<u>62,340,149</u>	<u>62,899,245</u>	<u>125,239,394</u>	<u>1,598,291</u>	<u>-</u>	<u>1,741,548</u>
<u>\$ 73,366,234</u>	<u>\$ 69,550,418</u>	<u>\$ 142,916,652</u>	<u>\$ 3,710,323</u>	<u>\$ -</u>	<u>\$ 2,102,368</u>

CITY OF HALTOM CITY, TEXAS

**BALANCE SHEET
GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2020

	General	Debt Service	Street Reconstruction Capital Projects
ASSETS			
Cash and investments	\$ 18,991,135	\$ 964,026	\$ 18,455,896
Receivables (net of allowance):			
Taxes	454,573	278,731	-
Intergovernmental	1,927,492	-	525,009
Accrued interest	72,929	3,048	77,015
Other	886,274	-	-
Due from other funds	48,000	-	-
Inventory	<u>179,195</u>	-	-
Total assets	<u>22,559,598</u>	<u>1,245,805</u>	<u>19,057,920</u>
LIABILITIES			
Accounts payable	1,212,226	-	211,776
Accrued liabilities	937,948	-	-
Due to other funds	-	-	-
Accrued interest payable	-	34,980	13,398
Unearned revenue	1,087,839	-	-
Retainage payable	-	-	60,601
Total liabilities	<u>3,238,013</u>	<u>34,980</u>	<u>285,775</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	454,573	278,731	-
Unavailable revenue - court fines	643,311	-	-
Unavailable revenue - street assessments	29,846	-	-
Total deferred inflows of resources	<u>1,127,730</u>	<u>278,731</u>	<u>-</u>
FUND BALANCES			
Nonspendable:			
Inventory	179,195	-	-
Restricted for:			
Construction of capital assets	-	-	18,772,145
Promotion of tourism	-	-	-
Grantors, trustees and donors	-	-	-
Public safety	-	-	-
Debt service	-	932,094	-
Unassigned	<u>18,014,660</u>	-	-
Total fund balances	<u>18,193,855</u>	<u>932,094</u>	<u>18,772,145</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 22,559,598</u>	<u>\$ 1,245,805</u>	<u>\$ 19,057,920</u>

Capital Improvement	Other Governmental	Total Governmental Funds
\$ 8,210,597	\$ 2,564,436	\$ 49,186,090
-	-	733,304
-	56,070	2,508,571
46,315	13,720	213,027
-	2,864	889,138
-	-	48,000
-	-	179,195
<u>8,256,912</u>	<u>2,637,090</u>	<u>53,757,325</u>
 1,870	246,454	1,672,326
18,957	7,141	964,046
-	48,000	48,000
-	-	48,378
-	-	1,087,839
-	-	60,601
<u>20,827</u>	<u>301,595</u>	<u>3,881,190</u>
 -	-	733,304
-	-	643,311
-	-	29,846
<u>-</u>	<u>-</u>	<u>1,406,461</u>
 - -	-	179,195
8,236,085	815,252	27,823,482
-	160,433	160,433
-	797,882	797,882
-	595,053	595,053
-	-	932,094
-	(33,125)	<u>17,981,535</u>
<u>8,236,085</u>	<u>2,335,495</u>	<u>48,469,674</u>
 \$ 8,256,912	\$ 2,637,090	\$ 53,757,325

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CITY OF HALTOM CITY, TEXAS

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION**

AS OF SEPTEMBER 30, 2020

Amounts reported for governmental activities in the Statement of Net Position is different because:

Total Governmental Fund Balances	\$ 48,469,674
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	86,567,485
Deferred outflows of resources are not reported in the governmental funds.	
Deferred charges on debt refundings	\$ 119,011
Deferred outflow related to pensions	2,320,846
Deferred outflow related to retiree health plan OPEB	205,456
Deferred outflow related to SDBF OPEB	<u>172,095</u> 2,817,408
Other long-term assets are not available to pay for current-period expenditures and therefore are unearned in the funds.	1,406,461
Long-term liabilities, including bonds payable, compensated absences, OPEB liabilities and capital leases are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(36,490,000)
Premium on bond issuance	(1,409,441)
Accrued interest payable	(177,648)
Net pension obligation	(15,221,943)
Net OPEB liability - retiree health plan	(2,005,698)
Total OPEB liability - SDBF OPEB	(871,377)
Compensated absences	(2,925,450)
Capital leases	<u>(1,777,386)</u> (60,878,943)
Deferred inflows of resources are not reported in the governmental funds.	
Deferred inflows related to pensions	(3,725,933)
Deferred inflows related to retiree health plan OPEB	(1,187,101)
Deferred inflows related to SDBF OPEB	<u>(102,817)</u> (5,015,851)
Net position of government activities	<u>\$ 73,366,234</u>

CITY OF HALTOM CITY, TEXAS

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	General	Debt Service	Street Reconstruction Capital Projects
REVENUES			
Taxes	\$ 25,050,840	\$ 6,427,215	\$ 2,875,661
Licenses and permits	1,935,600	-	-
Intergovernmental	1,577,542	-	-
Fines and fees	745,612	-	-
Charges for services	1,247,461	-	-
Oil and gas lease	53,276	-	-
Contributions	155	-	-
Interest	274,940	19,489	256,572
Miscellaneous	428,233	-	-
Total revenues	<u>31,313,659</u>	<u>6,446,704</u>	<u>3,132,233</u>
EXPENDITURES			
Current:			
General government	6,462,173	-	4,015
Public safety	17,038,562	-	-
Streets	1,128,292	-	1,695,929
Cultural and recreation	2,734,766	-	-
Debt service:			
Principal	-	4,835,000	-
Interest and other	-	1,352,157	-
Bond issuance costs	-	5,744	159,778
Capital outlay	-	-	2,301,545
Total expenditures	<u>27,363,793</u>	<u>6,192,901</u>	<u>4,161,267</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,949,866</u>	<u>253,803</u>	<u>(1,029,034)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	5,730,000
Premium on issuance of debt	-	-	429,778
Sale of capital assets	77,388	-	-
Transfers in	1,550,196	156,240	-
Transfers out	(806,244)	-	(900,000)
Total other financing sources and uses	<u>821,340</u>	<u>156,240</u>	<u>5,259,778</u>
NET CHANGE IN FUND BALANCES	<u>4,771,206</u>	<u>410,043</u>	<u>4,230,744</u>
FUND BALANCES, BEGINNING	<u>13,422,649</u>	<u>522,051</u>	<u>14,541,401</u>
FUND BALANCES, ENDING	<u>\$ 18,193,855</u>	<u>\$ 932,094</u>	<u>\$ 18,772,145</u>

Capital Improvement	Other Governmental	Total Governmental Funds
\$ -	\$ 56,958	\$ 34,410,674
-	-	1,935,600
-	111,073	1,688,615
-	19,184	764,796
-	79,069	1,326,530
-	-	53,276
-	72,164	72,319
149,428	44,959	745,388
-	37,286	465,519
<u>149,428</u>	<u>420,693</u>	<u>41,462,717</u>
-	24,616	6,490,804
-	255,161	17,293,723
-	-	2,824,221
10,650	79,163	2,824,579
-	309,934	5,144,934
-	70,617	1,422,774
-	-	165,522
689,180	<u>1,264,379</u>	<u>4,255,104</u>
<u>699,830</u>	<u>2,003,870</u>	<u>40,421,661</u>
(550,402)	(1,583,177)	<u>1,041,056</u>
-	956,294	6,686,294
-	-	429,778
-	-	77,388
-	650,004	2,356,440
-	(70,200)	(1,776,444)
<u>-</u>	<u>1,536,098</u>	<u>7,773,456</u>
(550,402)	(47,079)	8,814,512
<u>8,786,487</u>	<u>2,382,574</u>	<u>39,655,162</u>
\$ <u>8,236,085</u>	\$ <u>2,335,495</u>	\$ <u>48,469,674</u>

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CITY OF HALTOM CITY, TEXAS

**RECONCILIATION OF THE CHANGES IN GOVERNMENTAL FUND BALANCES
TO THE CHANGE IN NET POSITION OF GOVERNMENT ACTIVITIES**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Net change in fund balances - total governmental funds:	\$ 8,814,512
Amounts reported for governmental activities in the Statement of Activities are	
Capital assets used in governmental activities are not reported in the funds.	
Capital outlay	7,179,063
Deletion of capital assets	(45,371)
Depreciation on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds.	(3,505,270)
Changes in revenues in the statement of activities that does not provide current financial resources.	268,902
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Bonds, tax notes and capital leases payable	(1,971,138)
Premium on bond issuance	125,272
Accrued interest payable	12,200
Net pension obligation	96,823
Net OPEB liability - retiree health plan	161,719
Total OPEB liability - SDBF OPEB	(51,818)
Compensated absences	(31,303)
Loss on bond refundings are recorded as expenditures in the fund financial statements but are capitalized and amortized in the government-wide financial statements.	(27,506)
Change in net position of governmental activities	\$ 11,026,085

CITY OF HALTOM CITY, TEXAS

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes:				
Property taxes	\$ 10,074,387	\$ 10,074,387	\$ 10,565,146	\$ 490,759
City sales taxes	10,536,600	10,536,600	10,511,668	(24,932)
Bingo tax	-	-	10,994	10,994
Mixed beverage tax	12,000	12,000	16,756	4,756
Franchise taxes	<u>4,212,000</u>	<u>4,212,000</u>	<u>3,946,276</u>	<u>(265,724)</u>
	<u>24,834,987</u>	<u>24,834,987</u>	<u>25,050,840</u>	<u>215,853</u>
Licenses and permits:				
Electric	26,500	26,500	63,557	37,057
Plumbing A/C	56,200	56,200	101,653	45,453
Building/mobile home	570,400	570,400	1,487,815	917,415
Street/general contractor	52,200	52,200	74,696	22,496
Certificates of occupancy	15,000	15,000	19,800	4,800
Oil and gas	200,000	200,000	148,000	(52,000)
Garage sales permits	14,000	14,000	6,358	(7,642)
Special events permits	6,000	6,000	5,601	(399)
Alarm permits	<u>30,000</u>	<u>30,000</u>	<u>28,120</u>	<u>(1,880)</u>
	<u>970,300</u>	<u>970,300</u>	<u>1,935,600</u>	<u>965,300</u>
Intergovernmental:				
State surtax on fines	37,000	37,000	20,080	(16,920)
Grants from other governments	<u>156,959</u>	<u>156,959</u>	<u>1,557,462</u>	<u>1,400,503</u>
	<u>193,959</u>	<u>193,959</u>	<u>1,577,542</u>	<u>1,383,583</u>
Fines and fees:				
Municipal court	795,625	795,625	636,958	(158,667)
Library	5,000	5,000	1,345	(3,655)
Warrants	130,000	130,000	78,248	(51,752)
Public hearing	18,000	18,000	18,550	550
False alarms	<u>12,000</u>	<u>12,000</u>	<u>10,511</u>	<u>(1,489)</u>
	<u>960,625</u>	<u>960,625</u>	<u>745,612</u>	<u>(215,013)</u>
Charges for services:				
Record duplication	6,500	6,500	5,032	(1,468)
Grass cutting	30,000	30,000	14,903	(15,097)
Recreational activities/concessions	140,000	140,000	59,134	(80,866)
Kennel fees/vaccination	12,000	12,000	9,619	(2,381)
Admin/building/fleet services fees	1,437,900	1,437,900	1,151,604	(286,296)
Developer test/fire inspection	38,000	38,000	4,950	(33,050)
Nuisance abatement fees	<u>3,000</u>	<u>3,000</u>	<u>2,219</u>	<u>(781)</u>
	<u>1,667,400</u>	<u>1,667,400</u>	<u>1,247,461</u>	<u>(419,939)</u>
Oil and gas lease	80,000	80,000	53,276	(26,724)
Contributions	75	155	155	80
Interest	241,000	241,000	274,940	33,940
Miscellaneous	<u>283,700</u>	<u>283,700</u>	<u>428,233</u>	<u>144,533</u>
Total revenues	<u>\$ 29,232,046</u>	<u>\$ 29,232,126</u>	<u>\$ 31,313,659</u>	<u>\$ 2,081,613</u>

The accompanying notes are an integral part of these financial statements.

CITY OF HALTOM CITY, TEXAS

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
EXPENDITURES:				
General government:				
Administrative	\$ 683,415	\$ 683,415	\$ 689,234	\$(5,819)
City secretary	229,005	229,005	225,349	3,656
Human resources	642,619	642,619	441,956	200,663
Planning	656,752	656,752	677,995	(21,243)
City council	19,680	19,680	20,964	(1,284)
Finance	647,894	647,894	449,395	198,499
Fleet services	1,083,853	1,083,853	542,609	541,244
Building maintenance	1,228,572	1,228,572	578,943	649,629
Nondepartmental	<u>3,188,929</u>	<u>3,188,929</u>	<u>2,835,728</u>	<u>353,201</u>
Total general government	<u>8,380,719</u>	<u>8,380,719</u>	<u>6,462,173</u>	<u>1,918,546</u>
Public safety:				
Police	10,342,599	10,342,599	9,577,756	764,843
Fire	7,446,905	7,446,905	6,954,471	492,434
Municipal court	<u>623,464</u>	<u>623,464</u>	<u>506,335</u>	<u>117,129</u>
Total public safety	<u>18,412,968</u>	<u>18,412,968</u>	<u>17,038,562</u>	<u>1,374,406</u>
Streets	<u>1,375,722</u>	<u>1,375,722</u>	<u>1,128,292</u>	<u>247,430</u>
Culture and Recreation:				
Library	1,246,718	1,246,718	1,062,511	184,207
Parks and recreation	<u>2,163,857</u>	<u>2,163,857</u>	<u>1,672,255</u>	<u>491,602</u>
Total culture and recreation	<u>3,410,575</u>	<u>3,410,575</u>	<u>2,734,766</u>	<u>675,809</u>
Total expenditures	<u>31,579,984</u>	<u>31,579,984</u>	<u>27,363,793</u>	<u>4,216,191</u>
Revenues under expenditures	<u>(2,347,938)</u>	<u>(2,347,858)</u>	<u>3,949,866</u>	<u>6,297,724</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	2,550,200	2,550,200	1,550,196	1,000,004
Transfers out	(806,239)	(806,239)	(806,244)	(5)
Sale of capital assets	<u>10,000</u>	<u>10,000</u>	<u>77,388</u>	<u>67,388</u>
Total other financial sources (uses)	<u>1,753,961</u>	<u>1,753,961</u>	<u>821,340</u>	<u>(932,621)</u>
Net change in fund balance	<u>(593,977)</u>	<u>(593,897)</u>	<u>4,771,206</u>	<u>5,365,103</u>
Fund balance - beginning of year	<u>13,422,649</u>	<u>13,422,649</u>	<u>13,422,649</u>	<u>-</u>
Fund balance - end of year	<u>\$ 12,828,672</u>	<u>\$ 12,828,752</u>	<u>\$ 18,193,855</u>	<u>\$ 5,365,103</u>

CITY OF HALTOM CITY, TEXAS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

SEPTEMBER 30, 2020

	Water and Sewer Fund	Drainage Fund	Total
ASSETS			
Current assets:			
Cash and investments	\$ 25,813,858	\$ 2,663,264	\$ 28,477,122
Receivables:			
Accounts receivable, net	3,221,044	233,182	3,454,226
Accrued interest	111,187	14,380	125,567
Prepays	37,032	-	37,032
Inventory	211,771	-	211,771
Total current assets	<u>29,394,892</u>	<u>2,910,826</u>	<u>32,305,718</u>
Noncurrent assets:			
Land	522,999	5,602,274	6,125,273
Buildings and improvements	5,023,351	5,562,523	10,585,874
Water and sewer system	62,696,644	6,082,064	68,778,708
Machinery and equipment	4,472,367	911,350	5,383,717
Construction-in-progress	4,236,189	1,202,610	5,438,799
Accumulated depreciation	(33,837,277)	(3,866,774)	(37,704,051)
Total noncurrent assets	<u>43,114,273</u>	<u>15,494,047</u>	<u>58,608,320</u>
Total assets	<u>72,509,165</u>	<u>18,404,873</u>	<u>90,914,038</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on bond refunding	13,772	-	13,772
Deferred outflow related to pensions	299,735	40,636	340,371
Deferred outflow related to retiree health plan	26,722	3,671	30,393
Deferred outflow related to SDBF OPEB	21,242	2,627	23,869
Total deferred outflows of resources	<u>361,471</u>	<u>46,934</u>	<u>408,405</u>

CITY OF HALTOM CITY, TEXAS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

SEPTEMBER 30, 2020

	Water and Sewer Fund	Drainage Fund	Total
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 1,170,395	\$ 29,768	\$ 1,200,163
Accrued liabilities	298,582	147,636	446,218
Accrued interest payable	91,997	6,039	98,036
Customer deposits	1,205,760	-	1,205,760
Due within one year			
Compensated absences	66,189	3,545	69,734
Total OPEB liability - SDBF	877	102	979
Revenue bonds payable	1,530,000	245,000	1,775,000
Total current liabilities	<u>4,363,800</u>	<u>432,090</u>	<u>4,795,890</u>
Noncurrent liabilities:			
Compensated absences	264,755	14,180	278,935
Net pension liability	1,979,789	271,978	2,251,767
Net OPEB liability - retiree health plan	260,864	35,837	296,701
Total OPEB liability - SDBF	112,456	15,467	127,923
Revenue bonds payable	12,278,939	1,095,000	13,373,939
Total noncurrent liabilities	<u>14,896,803</u>	<u>1,432,462</u>	<u>16,329,265</u>
Total liabilities	<u>19,260,603</u>	<u>1,864,552</u>	<u>21,125,155</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow related to pensions	422,209	42,076	464,285
Deferred inflow related to retiree health plan OPEB	149,170	19,158	168,328
Deferred inflow related to SDBF OPEB	12,688	1,569	14,257
Total deferred inflows of resources	<u>584,067</u>	<u>62,803</u>	<u>646,870</u>
NET POSITION			
Net investment in capital assets	29,319,106	14,154,047	43,473,153
Unrestricted	<u>23,706,860</u>	<u>2,370,405</u>	<u>26,077,265</u>
Total net position	<u>\$ 53,025,966</u>	<u>\$ 16,524,452</u>	<u>\$ 69,550,418</u>

CITY OF HALTOM CITY, TEXAS

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Water and Sewer Fund	Drainage Fund	Total
OPERATING REVENUES			
Water and sewer sales	\$ 23,657,866	\$ -	\$ 23,657,866
Drainage fee revenue	- -	1,787,718	1,787,718
Service fees	1,189,199	28,151	1,217,350
Administrative fees	39,880	- -	39,880
Other	45,221	- -	45,221
 Total operating revenues	 24,932,166	 1,815,869	 26,748,035
OPERATING EXPENSES			
General and administrative	2,231,050	211,503	2,442,553
Construction	1,688,352	15,525	1,703,877
Water and sewer maintenance	155,706	- -	155,706
Collection and distribution	7,787,674	- -	7,787,674
Drainage maintenance	- -	1,042,188	1,042,188
Depreciation	2,200,096	245,341	2,445,437
Nondepartmental	2,279,038	78,679	2,357,717
Franchise fees	1,400,004	132,000	1,532,004
 Total operating expenses	 17,741,920	 1,725,236	 19,467,156
 Operating income	 7,190,246	 90,633	 7,280,879
NON-OPERATING REVENUES (EXPENSES)			
Interest	383,484	45,333	428,817
Interest expense and bond issuance costs	(440,547)	(37,980)	(478,527)
 Total non-operating expenses	 (57,063)	 7,353	 (49,710)
 Income before transfers	 7,133,183	 97,986	 7,231,169
TRANSFERS IN (OUT)			
Transfers out	(459,996)	(120,000)	(579,996)
CHANGE IN NET POSITION	 6,673,187	 (22,014)	 6,651,173
NET POSITION, BEGINNING	 46,352,779	 16,546,466	 62,899,245
NET POSITION, ENDING	 \$ 53,025,966	 \$ 16,524,452	 \$ 69,550,418

CITY OF HALTOM CITY, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Water and Sewer Fund	Drainage Fund	Total
Cash flows from operating activities			
Receipts from customers and users	\$ 24,135,822	\$ 1,761,842	\$ 25,897,664
Payments to suppliers	(13,199,810)	(1,178,956)	(14,378,766)
Payments to employees	(2,337,255)	(285,316)	(2,622,571)
Net cash provided by operating activities	<u>8,598,757</u>	<u>297,570</u>	<u>8,896,327</u>
Cash flows from noncapital financing activities			
Transfer to governmental funds	(459,996)	(120,000)	(579,996)
Net cash provided (used) by noncapital financing activities	<u>(459,996)</u>	<u>(120,000)</u>	<u>(579,996)</u>
Cash flow from capital and related financing activities			
Debt principal payments	(1,425,000)	(245,000)	(1,670,000)
Interest payments	(516,669)	(39,023)	(555,692)
Purchases of property and equipment	(1,023,337)	(1,215)	(1,024,552)
Net cash used by capital and related financing activities	<u>(2,965,006)</u>	<u>(285,238)</u>	<u>(3,250,244)</u>
Cash flows from investing activities			
Interest on investments	<u>367,751</u>	<u>43,710</u>	<u>411,461</u>
Net cash provided (used) by investing activities	<u>367,751</u>	<u>43,710</u>	<u>411,461</u>
Net increase (decrease) in cash and cash equivalents	5,541,506	(63,958)	5,477,548
Cash and investments - beginning of year	<u>20,272,352</u>	<u>2,727,222</u>	<u>22,999,574</u>
Cash and investment - end of year	<u>25,813,858</u>	<u>2,663,264</u>	<u>28,477,122</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	7,190,246	90,633	7,280,879
Adjustment to reconcile operating income to net cash provided by operating activities:			
Depreciation	2,200,096	245,341	2,445,437
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(490,176)	(54,027)	(544,203)
Decrease in inventory and prepaid	(162,657)	-	(162,657)
Increase in other postemployment assets	(3,932)	(1,186)	(5,118)
(Increase) decrease in deferred outflows of resources	541,942	55,871	597,813
Increase (decrease) in accounts payable and accrued expenses	(6,770)	(34,967)	(41,737)
Increase (decrease) in compensated absences	49,268	(1,282)	47,986
Increase (decrease) in deferred inflows of resources	383,764	32,378	416,142
Increase (decrease) in customer deposits	(306,168)	-	(306,168)
Increase in pension obligation	(775,674)	(47,876)	(823,550)
Increase in other postemployment obligation	(21,182)	12,685	(8,497)
Net cash provided by operating activities	<u>8,598,757</u>	<u>297,570</u>	<u>8,896,327</u>
Schedule of non-cash capital and financing activities:			
Decrease in fair value of investments	43,469	4,452	47,921

The accompanying notes are an integral
part of these financial statements.

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CITY OF HALTOM CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City adopted a Home Rule Charter on October 10, 1955 and operates under a Council/Manager form of government. The City Council consists of eight members: a mayor, and seven council members elected by the City's residents. All powers of the City are vested in an elected council that enacts local legislation, adopts budgets, determines policies, and appoints the City Manager. The City Manager is responsible for executing the laws and administering the government of the City.

The financial statements of the City of Haltom City, Texas (the "City") are presented in accordance with accounting principles generally accepted in the United States of America applicable to state and local governmental units as set forth by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant accounting policies.

Financial Reporting Entity

The City's basis financial statements include the separate governmental entities that are controlled by or are dependent on the City. The determination to include separate governmental entities is based on the criteria of GASB Statement No. 61 and defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. To be financially accountable, a voting majority of the component unit's board must be appointed by the primary government, and either (a) the primary government must be able to impose its will, or (b) the primary government may potentially benefit financially or be financially responsible for the component unit.

Blended component units are part of the City's operations and therefore data from these units are combined with data of the primary government. Discretely presented component units are reported in a separate column in the financial statements to emphasize it is legally separate from the City.

Based on these criteria, the financial information of the following entities is discretely presented as single columns in the government-wide financial statements. Separate financial statements for the Economic Development Corporation and the Crime Control District are not prepared.

Haltom City Economic Development Corporation (the "Corporation") was incorporated on September 11, 1995 under the Development Corporation Act of 1979. The Corporation is used to account for the accumulation and use a half-cent sales tax proceeds and is legally separate from the City. The Corporation operates under a seven-member Board of Directors appointed by the City Council. The majority of the Board consists of non-council members. The Corporation was created to stimulate economic development activities within the City. The City is able to impose its will on the Corporation. The Corporation does not provide services entirely, or almost entirely, to the primary government or exclusively benefits the primary government. Separate financial statements are not available for this component unit.

Haltom City Crime Control and Prevention District (the "District") was officially created on November 13, 1995 with the provision of Chapter 323, as amended, Texas Tax Code and the Act. The District is used to account for the accumulation and use of half-cent sales tax proceeds designed for crime reduction and is legally separate from the City. The District operates under a seven-member Board of Directors appointed by the City Council. The Board consists of non-council members. The City is able to impose its will on the District. The District does not provide services entirely, or almost entirely, to the primary government or exclusively benefit the primary government. Separate financial statements are not available for this component unit.

Resource flows (except those that affect the statement of net position only, such as loans and repayments) between the primary government and the discretely presented component units are reported as external transactions – that is, as revenues and expenses.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the primary government. Governmental activities which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which primarily rely on fees and charges for support. Fiduciary activities are not reported in the government-wide financial statements.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statement for governmental funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Elimination of these shares would distort the direct costs and program revenues reported for the various functions concerned.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are represented as general revenues.

Fund Financial Statements

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major fund rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

All governmental funds are accounted for using modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue such as property taxes, sale tax, franchise tax, and charges for service to be available if they are collected within 60 days of the end of the current fiscal period. Permits and municipal court fines and fees are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The following is a brief description of the major funds used by the City:

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses, and balance of financial resources. The City reported the following major governmental funds:

The **General Fund** is the primary operating fund of the City. It is used to account for all financial resources except those required to be account for in another fund.

The **Debt Service Fund** is used to account for the accumulation of resources for the payment of general long-term debt principal, interest, and related costs from taxes levied by the City.

The **Street Reconstruction Fund** is a capital project fund used to account for projects financed with resources from governmental funds and tax-supported debt. Proceeds are used for construction, renovation, and major improvement to various City facilities, and other large non-recurring projects.

The **Capital Improvement Fund** is a capital project fund used to account for projects financed with resources from governmental funds and tax-supported debt. Proceeds are used for construction, renovation, and major improvement to various City facilities, and other large non-recurring projects.

Proprietary Funds

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The City has presented the following proprietary funds.

The **Water and Sewer Fund** is used to account for the City's water and sewer operations that are financed and operated in a manner similar to private business enterprise – where the intent is that costs (expenses including depreciation) of providing services are financed or recovered through user charges.

The **Drainage Fund** is used to account for the City's storm water management program.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

There were no non-major proprietary funds for the fiscal year ended September 30, 2020.

Cash, Cash Equivalents, and Investments

The City pools idle cash from all funds for the purpose of increasing income through investment activities. Interest income relating to consolidated investments is allocated to the individual funds monthly based on the funds' prorated share of the investment principal, which was allocated to the funds based on the funds' prorated cash balance at the date the investment was purchased.

For purposes of reporting cash flows, Enterprise Funds consider cash and all highly liquid investments with maturity of three months or less to be cash equivalents.

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Investments for the City are reported at fair value, except for the position in investment pools.

Excess cash may be invested in certificates of deposit, United States treasury bills, notes, and bonds, government agencies, repurchase agreements, Texas local government investment pools, and local government general obligation or revenue bonds. Maturities on all investments are consistent with the City's cash flow requirements.

Inventories and Prepaid Items

Inventories consist of expendable supplies and automotive parts held for consumption. Inventories are valued at cost, which approximates market, using the first-in/first-out method. Inventories are recognized as expenditures as they are consumed.

Payments made to vendors for services that will benefit periods subsequent to September 30, 2018 are recorded as prepaid items.

Interfund Receivables/Payables and Transactions

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from funds" (i.e., the non-current portion of interfund loans). All other outstanding balances are reported as either "due to/from other funds" or "advances to/from other funds."

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financials statements and in the fund financial statements for proprietary funds. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. All purchased capital assets are valued at historical records are available and at an estimated historical cost where not historical records exist. Donated capital assets are recorded at acquisition value, which is the price to acquire an asset with equivalent service potential at the acquisition date. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Intangible assets with definite lives are recorded at cost and amortized over the useful lives. Intangible assets with indefinite lives are recorded at cost and no amortization is taken. Intangible assets of the City consist of right of ways and easements.

Depreciation is recorded for each major class of depreciable property utilizing the straight-line method over the following estimated useful lives of the assets:

Buildings	50 years
Waterworks and sewer system	10-50 years
Improvements other than building	10-30 years
Machinery and equipment	3-10 years

Capitalization of Interest

The City capitalizes interest costs for business-type activities only from the date of the borrowing until projects acquired with those funds are ready for their intended use. The total interest incurred for the year ended September 30, 2020, in the enterprise funds was \$522,168. Of these amounts, \$14,254, in interest costs were capitalized as capital assets as part of the cost of constructing various projects.

Accrued Vacation/Compensated Absences

Accrual of Vacation Leave: The following table outlines the accrual rates, maximum accrual rates and maximum payout rates for various years of service. Appointed employees are not restricted by the maximum hour accumulation of vacation provision, but the maximum hours paid at termination after the effective date of this policy will be governed as set forth below.

Non-sworn Employee Months of Service	Monthly Accrual of Hours	Annual Equivalent Hours	Maximum Hour Accumulation	Maximum Hours Paid at Termination
Initial employment through completion of year four	6.67	80	160	120
Year five through completion of year nine	10	120	240	180
Beginning of year ten	13.33	160	320	240
Sworn Civil Service Working Regular Shifts Months of Service	Monthly Accrual of Hours	Annual Equivalent Hours	Maximum Hour Accumulation	Maximum Hours Paid at Termination
Initial employment through completion of year nine	10	120	240	180
Beginning of year ten	13.33	160	320	240
Sworn Civil Service Working 24-Hour Shifts Months of Service	Monthly Accrual of Hours	Annual Equivalent Hours	Maximum Hour Accumulation	Maximum Hours Paid at Termination
Initial employment through completion of year nine	14	168	336	252
Beginning of year ten	20	240	480	360

Termination: Upon termination, an employee who has completed the probationary period will be paid his/her unused accrued vacation leave up to 1.5 times the annual accrual. Appointed employees with accruals above 1.5 times the annual accrual as of April 1, 2011, will have the excess hours (those hours above 1.5 the employee's annual accrual) transferred to a separate account (for accounting purposes). The excess hours transferred will not be allowed to increase at any time. The excess hours transferred may be used by an employee if all other accrued vacation leave is exhausted. Upon termination, appointed employees will be paid in accordance with the non-sworn employees chart, above, based upon length of service. Upon termination, the appointed employee will also be paid for any remaining excess vacation hours that were transferred to the separate account for accounting purposes.

Maximum Accumulation: Vacation leave hours will not accrue beyond the maximum limits outlined in this policy. Once at the maximum, an employee will not accrue vacation leave until the leave balance is reduced below the maximum accrual. After the employee's leave balance is below the maximum, the employee will resume accruals, but there will be no retroactive accruals.

Sick Leave Accumulation: A regular full-time employee accrues eight (8) hours of sick leave each month for an annual accrual of 96 hours. An employee who enters employment before the 16th or terminates employment after the 15th of any month shall accrue eight (8) hours of sick leave for that month.

Annual Sick Leave Payout: In November of each year, an eligible employee will be paid for all accrued sick leave in excess of 240 hours. In order to be eligible for the payout, an employee must be employed by the City on the day the payout is distributed. The payout will be made at the hourly rate in effect on the last day of the pay period prior to the checks being issued. Firefighters working 24-hour shifts will be paid the pay plan step rate associated with an employee working 2080 hours per year.

Vested compensated absences (unpaid to employees terminated before year-end) that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated benefits within proprietary funds, and for governmental activities at the government-wide level, are recorded as an expense and liability of those funds as the benefits accrue to employees.

Pensions

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources, and pension expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits

TMRS Supplemental Death Benefits Fund. The City participates in the Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF), which is an optional single-employer defined benefit life insurance plan that is administered by TMRS. It provides death benefits to active and, if elected, retired employees of participating employers. Contribution rates are determined annually for each participating municipality as a percentage of that City's covered payroll. The death benefit for retirees is considered an other postemployment benefit (OPEB). The OPEB program is an unfunded trust because the SDBF trust covers both actives and retirees and is not segregated. The Total OPEB Liability of the plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the Total OPEB Liability, deferred inflows and outflows of resources, and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Retiree Health Care Plan. For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the City for benefits due and payable that are not reimbursed by plan assets. Information regarding the City's total OPEB liability is obtained from a report prepared by a consulting actuary, Gabriel Roeder Smith & Company.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension and OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- The difference in expected and actual pension and OPEB experience is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions – These changes are deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category.

- Unavailable revenues related to property taxes, court fines, and street assessments.
- The difference in expected and actual pension and OPEB experience is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.

Fund Equity

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in the spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision, or by enabling legislation;
- Committed fund balances – amounts constrained to specific purposes by a government itself, using its highest level of decision – making authority (ordinance); to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance – this classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. The City Charter gives the City Council the authority to constrain amounts to be used for a specific purpose or to delegate this responsibility to the City Manager.
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentive). Assigned fund balance is established by City Council through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt services, or for other purposes).

The City maintains an unallocated fund balance to be used for unanticipated emergencies of at least 20% of the expenditure budgets of the major operation fund (General, Water & Sewer, and Drainage Utility Funds).

When fund balance resources are available for a specific purpose more than one classification, it is the City's policy to use the most restrictive funds first in the following order; restricted, committed, assigned, and unassigned as they are needed.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitation imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, Debt Service, and Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual appropriated budgets are adopted for all funds.

The City Manager submits to the City Council, not less than 45 days prior to the beginning of each fiscal year, a proposed budget for most City funds. At the meeting of the City Council at which the budget is submitted, the City Council establishes the time and place of the public hearing on the budget and publishes a notice of the budget hearing. Upon adoption, the budget is filed with the City Secretary for public inspection.

During the fiscal year, the City Manager authorized to transfers budgeted amount between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Unused appropriations lapse at year-end.

For the year ended September 30, 2020, bond issuance costs exceeded appropriations by \$744 in the debt service fund. These overages were funded with existing fund balance. In the general fund, general government expenditures in the administrative, planning, and City Council departments exceeded appropriations by \$5,819, \$21,243, and \$1,284, respectively. These overages were funded by greater than anticipated revenues. In the street reconstruction fund, general government expenditures and bond issuance costs exceeded appropriations by \$4,015 and \$159,778, respectively. These overages were funded by existing fund balance. In the capital improvement fund, parks and recreation expenditures exceeded appropriations by \$10,650. These overages were funded by existing fund balance. In the grants fund, library expenditures exceeded appropriations by \$2,012. These overages were funded by existing fund balance. In the court technology fund, municipal court expenditures exceeded appropriations by \$2,494. These overages were funded by existing fund balance. In the capital replacement fund, principal, interest, and capital outlay expenditures exceeded appropriations by \$57,934, \$70,617, and \$756,069, respectively. These overages were funded by other financing sources.

III. BANK DEPOSITS AND INVESTMENTS

Bank Deposits

The City's funds (exclusive of the Postemployment Benefits Trust) are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with its agent bank, approved pledged securities in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository banks' dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance. The City's deposits were fully insured or collateralized as required by States statutes as of September 30, 2020. The collateral is held in the City's name by the Federal Reserve Bank of Dallas, an agent of the City's financial institution.

Investments

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires the City to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes and the City's investment policy authorized the City to invest in the following investments as summarized in the following table as of September 30, 2020:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury obligations	3 years	100%	None
U.S. Agency obligations	3 years	75%	None
Certificates of deposit	3 years	50%	None
Repurchase agreements	3 years	50%	None
No-load money market mutual funds	3 years	50%	None
Public funds investment pool	N/A	70%	None

The Act also requires the City to have independent auditors perform test procedures related to investment practices as provided by the Act. The City is in substantial compliance with the requirements of the Act and with local policies.

Cash and investments as of September 30, 2020 are classified in the accompanying financial statement as follows:

Governmental activities	\$ 49,186,090
Business-type activities	<u>28,477,122</u>
Total primary government	<u>77,663,212</u>
Economic development	3,990,746
Crime Control District	<u>2,457,260</u>
Total component units	<u>6,448,006</u>
Total	\$ <u>84,111,218</u>

Cash and investments as of September 30, 2020 consist of the following:

Cash deposits	\$ 20,230,803
Investments	<u>63,880,415</u>
Total	\$ <u>84,111,218</u>

Disclosures relating to interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to change in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by investing mainly in investment pools which purchase a combination of shorter term investments with an average maturity of less than 30 days thus reducing the interest rate risk. The City monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. City policy limits the weighted average maturity of its portfolio to a period less than 720 days. Presented below is the weighted average maturity in days of the types of investment the City held at September 30, 2020.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assigned of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

As of September 30, 2020, the City had the following investments:

Investment Type	Amount	Weighted Average Maturity (Days)	Minimum Legal Rating	Rating
TexPool	\$ 129,635	38	AAA	AAAm
Texas CLASS	49,261,605	84	AAA	AAAm
Texas Term	450,693	57	AAA	AAAm
Certificate of deposits	5,567,981	345	N/A	N/A
FFCB	2,000,246	988	AA	AA+
Municipal bonds	<u>6,470,255</u>	492	AA	AA-/AA3 or higher
Total	<u>\$ 63,880,415</u>			

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of September 30, 2020:

- \$2,856,100 valued using a documented trade history in exact security (Level 2 inputs).
- \$5,099,426 are valued using an option-adjusted discounted cash flow model (Level 2 inputs).
- \$6,082,956 are valued using a present value of expected future cash flow model (Level 2 inputs).

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. As of September 30, 2020, other than external investment pools and securities guaranteed by the U.S. Government, the City did not have 5% or more of its investment with one issuer. The City's investment policy allows up to 100% to be invested in U.S. Treasury Bills/Notes/Bonds, and U.S. Agencies and Instrumentalities.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to receive its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counter party to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The Public Funds Investment Act and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

As of September 30, 2020, the City deposits with financial institutions in excess of federal depository insurance limits are fully collateralized.

Investment in State Investment Pools

The City is a voluntary participant in various investment pools. These pools included the following: TexPool, Texas Term, and Texas CLASS.

The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool uses amortized cost rather than fair value to report net position to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares. TexPool has a redemption period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets general banking moratorium or national state of emergency that affects the pool's liquidity.

Texas Term is organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. A seven-member advisory board governs the Pool. As required by the Public Funds Investment Act, the Advisory Board is composed of participants in the Pool and other persons who do not have a business relationship with the Pool. Under agreement with the Texas Term Advisory Board, PFM Asset Management LLC provides administrative and investment services to the pool. The Pool purchases only investments of the type in which Texas local governments are permitted to invest their own funds. The fair value of the position in Texas Term is the same as the value of Texas Term shares. Texas Term has a redemption period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets general banking moratorium or national state of emergency that affects the pool's liquidity.

The Texas CLASS investment pool was organized in March 1996 in accordance with the Texas Public Funds Investment Act and Texas Government Code. MBIA Municipal Investors Service Corp. serves as investment adviser and administrator to the Pool. All investments are made in securities that are allowed by the Texas Public Funds Investment Act and are overseen by a Texas CLASS participant board of directors. The board is made up of seven trustees and seven advisory positions, which meet twice a year with one participant meeting, held annually. The board has the power to administer the affairs of the Pool and to enter into controls and agreements on behalf of the Pool. Texas CLASS also has a fair value position that is the same as the value of its shares. Texas CLASS has a redemption period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets general banking moratorium or national state of emergency that affects the pool's liquidity.

IV. RECEIVABLES

Accounts receivable and the related allowance for doubtful accounts for the governmental funds and the enterprise funds at September 30, 2020 are as follows:

Fund	Accounts Receivable	Allowance for		Accounts Receivable, Net
		Doubtful Accounts		
Governmental	\$ 7,142,347	\$(2,750,307)	\$ 4,392,040	
Enterprise	3,746,949	(167,156)	3,579,793	
Total	\$ 10,889,296	\$(2,917,463)	\$ 7,971,833	

V. PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1 and are levied for appropriation for the fiscal year beginning on October 1. Property taxes are accrued based on the period for which they are levied and available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay current liabilities. Taxes not expected to be collected within sixty days of the fiscal year-end are recorded as deferred revenues and are recognized when they become available. Taxes collected prior to the levy date to which they apply are recorded as deferred revenues and recognized as revenue in the period to which they apply. Current taxes are due on October 1 and become delinquent if unpaid on February 1. Taxes unpaid as of February 1 are subject to penalty and interest as provided by City ordinance and the Texas Property Tax Code. The City's charter provide that general property taxes are limited to \$1.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation bonds. Article XI, Section 5 of the State of Texas Constitution limits property taxes for cities, including those applicable to debt service, to \$2.50 per \$100 of assessed valuation. The City's 2020 tax rate was \$0.66570 per \$100 of assessed valuation.

VI. CAPITAL ASSETS

The following is a summary of changes in the governmental activities capital assets during the fiscal year ended September 30, 2020:

	9/30/2019	Additions	Deletions	9/30/2020
Capital assets, not being depreciated:				
Land	\$ 18,846,739	\$ -	\$(15,682)	\$ 18,831,057
Construction in progress	3,080,039	5,165,177	-	8,245,216
Total capital assets not being depreciated	21,926,778	5,165,177	(15,682)	27,076,273
Capital assets, being depreciated:				
Buildings	19,092,974	-	-	19,092,974
Improvements other than building	90,676,289	364,717	-	91,041,006
Machinery and equipment	14,939,410	1,649,169	(588,919)	15,999,660
Total capital assets being depreciated	124,708,673	2,013,886	(588,919)	126,133,640
Less accumulated depreciation for:				
Buildings	(9,377,727)	(708,405)	-	(10,086,132)
Improvements other than building	(44,599,257)	(2,260,274)	-	(46,859,531)
Machinery and equipment	(9,719,404)	(536,591)	559,230	(9,696,765)
Total accumulated depreciation	(63,696,388)	(3,505,270)	559,230	(66,642,428)
Total capital assets being depreciated, net	61,012,285	(1,491,384)	(29,689)	59,491,212
Governmental capital assets, net	\$ 82,939,063	\$ 3,673,793	\$(45,371)	\$ 86,567,485

Depreciation was charged to functions as follows:

Governmental activities:	
General government	\$ 116,603
Public safety	756,522
Highway and streets	1,983,250
Culture and recreation	<u>648,895</u>
Total	\$ <u>3,505,270</u>

The following is a summary of the changes in business-type activities capital assets during the fiscal year ended September 30, 2020:

	9/30/2019	Additions	Transfers/ Deletions	9/30/2020
Capital assets, not being depreciated:				
Land	\$ 6,125,273	\$ -	\$ -	\$ 6,125,273
Construction in progress	<u>4,405,847</u>	<u>1,032,952</u>	<u>-</u>	<u>5,438,799</u>
Total capital assets not being depreciated	<u>10,531,120</u>	<u>1,032,952</u>	<u>-</u>	<u>11,564,072</u>
Capital assets, being depreciated:				
Building and improvements	10,610,165		(24,291)	10,585,874
Machinery and equipment	5,811,234	15,682	(443,199)	5,383,717
Water works and sewer system	<u>68,754,418</u>	<u>-</u>	<u>24,290</u>	<u>68,778,708</u>
Total capital assets being depreciated	<u>85,175,817</u>	<u>15,682</u>	<u>(443,200)</u>	<u>84,748,299</u>
Less accumulated depreciation for:				
Buildings and improvements	(4,943,327)	(1,420,271)	-	(6,363,598)
Machinery and equipment	(5,235,356)	(175,916)	419,387	(4,991,885)
Water works and sewer system	<u>(25,499,049)</u>	<u>(849,519)</u>	<u>-</u>	<u>(26,348,568)</u>
Total accumulated depreciation	<u>(35,677,732)</u>	<u>(2,445,706)</u>	<u>419,387</u>	<u>(37,704,051)</u>
Total capital assets being depreciated, net	<u>49,498,085</u>	<u>(2,430,024)</u>	<u>(23,813)</u>	<u>47,044,248</u>
Total business-type capital assets, net	\$ <u>60,029,205</u>	\$ <u>(1,397,072)</u>	\$ <u>(23,813)</u>	\$ <u>58,608,320</u>

Interest incurred in 2020 during the construction phase of proprietary fund assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Capitalized interest of \$13,039 and \$1,215 has been recorded for the water sewer and drainage funds, respectively.

VII. INTERFUND TRANSACTIONS

In 2020, the General Fund charged the Water and Sewer Proprietary Fund and the Drainage Utility Proprietary Fund a franchise fee equal to 8.5% of gross revenues based upon budgeted amounts. The franchise fee is recorded as tax revenue by the General Fund and an operating expense by both the Water and Sewer Fund and Drainage Utility Fund. The amount of the franchise fees charged in 2020 are as follows:

Fund	Franchise Fees
Water and Sewer Proprietary Fund	\$ 1,400,004
Drainage Utility Proprietary Fund	<u>132,000</u>
Total	\$ <u>1,532,004</u>

The General Fund charges various funds an administrative fee for certain general and administrative services. Administrative charges are recorded as service revenue by the General Fund and operating expenses by the paying funds. The 2020 administrative fees were as follows:

Fund	Administrative Charges
Water and Sewer Fund	\$ 780,000
Drainage Utility Fund	<u>200,004</u>
Total	<u>\$ 980,004</u>
<u>Discretely Presented Component Units</u>	
Crime Control Prevention District	<u>\$ 39,600</u>
Total	<u>\$ 39,600</u>

Interfund transfers during the year ended September 30, 2020 were as follows:

Transfer from:	Transfer to:	Amount
General Fund	Debt Service	\$ 156,240
General Fund	Nonmajor Governmental Funds	650,004
Nonmajor Governmental Funds	General Fund	70,200
Streets Reconstruction	General Fund	900,000
Water and Sewer	General Fund	459,996
Drainage	General Fund	<u>120,000</u>
Total		<u>\$ 2,356,440</u>

Transfers are primarily used to move funds from:

- The Water and Sewer and Drainage Utility Fund to the General Fund for a payment in lieu of taxes.
- The General Fund to the Capital Replacement Fund for future purchase of vehicles and equipment.

Interfund receivables, payables, and transfers are reported in the governmental activities and business-type activities fund financial statements. In the entity-wide statements, interfund receivables, payables, and transfers are eliminated within the governmental and business-type activities columns, as appropriate.

The composition of interfund balances as of September 30, 2020 consisted of \$48,000 owed to the General Fund from the nonmajor governmental funds. The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

VIII. LONG-TERM LIABILITIES

Changes in Outstanding Debt

During the year ending September 30, 2020, the following changes in liabilities occurred:

	9/30/2019	Increases	Reductions	9/30/2020	Due Within One Year
Governmental Activities:					
Certificates of obligation	\$ 5,020,000	\$ 5,730,000	\$ 625,000	\$ 10,125,000	\$ 965,000
Tax notes	225,000	-	225,000	-	-
General obligation bonds	30,350,000	-	3,985,000	26,365,000	4,615,000
Premium on bond issuances	1,104,935	429,778	125,272	1,409,441	-
Capital leases	1,131,026	956,294	309,934	1,777,386	491,372
Compensated absence obligations	<u>2,894,147</u>	<u>1,696,480</u>	<u>1,665,177</u>	<u>2,925,450</u>	<u>585,090</u>
	<u>\$ 40,725,108</u>	<u>\$ 8,812,552</u>	<u>\$ 6,935,383</u>	<u>\$ 42,602,277</u>	<u>\$ 6,656,462</u>
Business-Type Activities:					
General obligation refunding bonds	\$ 3,570,000	\$ 2,230,000	\$ 760,000	\$ 5,040,000	\$ 960,000
Certificates of obligation	12,870,000	-	3,155,000	9,715,000	815,000
Premium on bond issuances	467,499	-	73,560	393,939	-
Compensated absences	<u>300,683</u>	<u>240,248</u>	<u>192,262</u>	<u>348,669</u>	<u>69,734</u>
	<u>\$ 17,208,182</u>	<u>\$ 2,470,248</u>	<u>\$ 4,180,822</u>	<u>\$ 15,497,608</u>	<u>\$ 1,844,734</u>
Crime Control District:					
Compensated absences	\$ 21,261	\$ 113,345	\$ 53,226	\$ 81,380	\$ 16,276
Total crime control district	<u>\$ 21,261</u>	<u>\$ 113,345</u>	<u>\$ 53,226</u>	<u>\$ 81,380</u>	<u>\$ 16,276</u>

The ordinances authorizing the issuance of the Combination Tax and Limited Pledge Revenue Certificates of Obligation, and the General Obligation Refunding Bonds require that the City's ad valorem tax revenues be enough to generate net revenues sufficient to provide for the payment of the debt service requirements of the bonds issued. The City is in compliance with all requirements of the ordinances for the year ended September 30, 2020.

The liability for compensated absences is fully liquidated by the fund in which the employee was employed upon retirement.

The City's direct borrowings (capital leases) related to governmental activities are secured with equipment as collateral. The City's revenue bonds are collateralized by the revenue of the combined utility system and the various special funds established by the bond ordinances. The ordinances provide that the revenue of the system is to be used, first, to pay operating and maintenance expenses of the system and, second, to establish and maintain the revenue bond funds.

Should the City default on its outstanding bonds, any registered owner of the bonds is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring specific performance from the City.

Long-term debt of the City consists of refunding bonds, certificates of obligation, contractual obligations, tax notes, and obligations under compensated absence agreements. At September 30, 2020, total outstanding bonds and tax notes consisted of the following:

	Governmental Activities	Due Within One Year	Business-Type Activities	Due Within One Year
\$2,000,000 Series 2006 General Obligation Bonds, dated September 25, 2006; due in annual installments of \$50,000 to \$140,000; through February 1, 2025; interest at 4.00%	\$ 625,000	\$ 100,000	\$ -	\$ -
\$5,450,000 Series 2006 Certificates of Obligation, dated September 25, 2006; due in annual installments of \$180,000 to \$490,000; through February 1, 2026; interest at 4.00%	395,000	60,000	1,420,000	210,000
\$6,500,000 Series 2007 Certificates of Obligation, dated October 18, 2007; due in annual installments of \$250,000 to \$635,000; through February 1, 2027; interest at 3.90%	1,860,000	235,000	380,000	50,000

	<u>Governmental Activities</u>	<u>Due Within One Year</u>	<u>Business-Type Activities</u>	<u>Due Within One Year</u>
\$5,385,000 Series 2010 General Obligation Refunding Bonds, dated October 7, 2010; due in annual installments of \$30,000 to \$280,000; through February 1, 2022, interest at 2.00% to 4.00% issued at a premium of \$96,607	\$ 465,000	\$ 280,000	\$ 185,000	\$ 185,000
\$2,345,000, Series 2011 Combination Tax and Limited Pledge Revenue Certificates of Obligation, dated August 22, 2011; due in annual installments of \$125,000 to \$235,000; through February 1, 2026; interest at 2.00% to 3.50%, issued at a premium of \$29,831	750,000	125,000	-	-
\$7,655,000, Series 2011 General Obligation Bonds, dated April 11, 2011; due in annual installments of \$75,000 to \$685,000; through February 1, 2032; interest at 3.75% at 4.35%, issued at a premium of \$32,247	6,375,000	195,000	-	-
\$4,380,000, Series 2012 Combination Tax and Limited Pledge Revenue Certificates of Obligation, dated August 15, 2012; due in annual installments of \$150,000 to \$340,000; through February 1, 2032; interest at 2.00% to 3.00%, issued at a premium of \$113,275	90,000	45,000	1,980,000	145,000
\$3,615,000 Series 2012 General Obligation Refunding Bonds, dated February 1, 2012; due in annual installments of \$40,000 to \$285,000; through February 1, 2028, interest at 2.00% to 3.00%, issued at a premium of \$264,753	1,475,000	165,000	235,000	120,000
\$2,995,000 Series 2013 General Obligation Bonds, dated April 11, 2013; due in annual installments of \$100,000 to \$220,000; through February 1, 2033, interest at 3.00% to 3.50%, issued at a premium of \$79,715	2,290,000	110,000	-	-
\$2,300,000 Series 2013 Combination Tax and Limited Pledge Revenue Certificates of Obligation, dated April 1, 2013; due in annual installments of \$100,000 to \$175,000; through February 1, 2033, interest at 3.00% to 3.50%, issued at a premium of \$108,245	1,300,000	100,000	-	-

	Governmental Activities	Due Within One Year	Business-Type Activities	Due Within One Year
\$4,955,000 Series 2013 General Obligation Refunding Bonds, dated December 19, 2013; due in annual installments of \$420,000 to \$495,000; through February 1, 2025, interest at 2.29%, issued at par value	\$ 2,370,000	\$ 495,000	\$ -	\$ -
\$3,900,000 Series 2014 General Obligation Refunding Bonds, dated May 14, 2014; due in annual installments of \$50,000 to \$455,000; through February 1, 2029, interest at 2.16%, issued at par value	470,000	55,000	1,685,000	380,000
\$1,575,000 Series 2014 General Obligation Bonds, dated September 25, 2014; due in annual installments of \$105,000; through September 30, 2029, interest at 2.39%, issued at par value	945,000	105,000	-	-
\$7,970,000 Series 2017 General Obligation and Refunding Bonds, dated January 9, 2017; due in annual installments of \$530,000 to \$965,000; through August 1, 2028; interest at 3.00% to 4.00%	4,685,000	890,000	705,000	75,000
\$2,860,000 Series 2018 General Obligation due 2/1/2023	755,000	245,000	-	-
\$6,720,000 Series 2018 Non BQ, Water Meter CO's due 2/1/2032	-	-	5,935,000	410,000
\$7,460,000 Series 2019 General Obligation Bond, due 2/1/2034	5,910,000	1,975,000	-	-
\$5,730,000 Series 2020 Combination Tax and Limited Pledge Revenue Certificates of Obligation, dated July 15, 2020; due in annual installments of \$240,000 to \$400,000; through September 30, 2040, interest at 2.0%, issued at a premium of \$429,778	5,730,000	400,000	-	-
\$2,230,000 Series 2020 General Obligation Refunding Bonds, dated December 15, 2019; due in annual installments of \$200,000 to \$240,000; through February 1, 2030; interest at 1.98%	-	-	2,230,000	200,000
Premium on issuance of debt	1,409,441	-	393,939	-
Total bonds and notes outstanding	\$ 37,899,441	\$ 5,580,000	\$ 15,148,939	\$ 1,775,000

Repayment of Long-Term Obligations

Retirement of the notes, bonds, certificates of obligation, and contractual obligations used in governmental activities is provided from taxes allocated for debt service together with interest earned within the debt service fund. Revenue bonds are retired from net revenues of the enterprise fund and certain certificates of obligation and tax notes are retired through sales taxes. The retirement of compensated absences are provided by financial resources of the general and proprietary funds.

Annual debt service requirements to amortize all obligations outstanding, except employee benefits, as of September 30, 2020, follow:

Governmental Activities						
Due Fiscal Year Ending	General Obligation Refunding Bonds	General Obligation Bonds	Certificate of Obligation	Interest	Total	
2021	\$ 1,885,000	\$ 2,730,000	\$ 965,000	\$ 1,154,676	\$ 6,734,676	
2022	1,440,000	1,280,000	790,000	977,883	4,487,883	
2023	1,255,000	1,325,000	770,000	864,516	4,214,516	
2024	1,265,000	1,150,000	785,000	840,559	4,040,559	
2025	1,275,000	1,195,000	805,000	651,163	3,926,163	
2026-2030	2,345,000	5,810,000	2,585,000	1,843,639	12,583,639	
2031-2035	-	3,410,000	1,785,000	527,760	5,722,760	
2036-2040	-	-	1,640,000	86,700	1,726,700	
Total	\$ 9,465,000	\$ 16,900,000	\$ 10,125,000	\$ 6,946,896	\$ 43,436,896	

Business-Type Activities						
Due Fiscal Year Ending	General Obligation Refunding Bonds	Certificate of Obligation	Interest	Total		
2021	\$ 960,000	\$ 815,000	\$ 359,186	\$ 2,134,186		
2022	790,000	840,000	276,304	1,906,304		
2023	680,000	865,000	240,096	1,785,096		
2024	670,000	900,000	204,724	1,774,724		
2025	485,000	935,000	420,988	1,840,988		
2026-2030	1,455,000	3,830,000	414,356	5,699,356		
2031-2032	-	1,530,000	34,875	1,564,875		
Total	\$ 5,040,000	\$ 9,715,000	\$ 1,950,529	\$ 16,705,529		

Component Units

There are no debt service requirements for debt obligations for the Economic Development and Crime Control District funds.

Reserve Requirement

Water and Sewer System Revenues bond ordinances establish a Reserve Fund that must be maintained by the City. The total amount to be accumulated in the Reserve Fund is the average principal and interest on said bonds or equal parity bonds. The City issued surety bond insurance policies for the substitution of the reserve requirement as set forth in the bond ordinances. These bonds were paid off during 2014.

As of September 30, 2020, the City had no general obligation bonds which were authorized and unissued.

Advance refunding

In the current fiscal year, the City issued \$2,230,000 in general obligation refunding bonds with an interest rate at 1.98%. The proceeds were used to refund \$2,195,000 of outstanding Series 2010 Certificates of Obligation which had interest rates ranging from 2.00% to 4.00%. The net proceeds of \$2,292,902 (including bond issuance costs of \$54,002) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, a portion of the Series 2010 Certificates of Obligation are considered defeased and the liability has been removed from the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$19,002. The advance refunding reduced its total debt service payments by \$267,504 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$182,515.

Obligations Under Capital Leases

In the current year, the City entered into lease agreements as lessee for financing the acquisition of various vehicles valued at \$1,057,257. The vehicles have lease terms from 4 to 5 years each with an interest rate of 2.33%. The future minimum lease obligations and the net present value of the minimum lease payments as of September 30, 2020 are as follows:

	Governmental Activities
Equipment	\$ 2,436,358
Less: accumulated depreciation	(505,729)

	\$ 1,930,629
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Future minimum lease payments for capital leases obligations are as follows:

Fiscal Year Ending	Governmental Activities
2020	\$ 596,055
2021	567,576
2022	438,653
2023	302,678
2024	133,143
Amount representing interest	(260,719)

Present value of future minimum capital lease payments	\$ 1,777,386
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IX. DEFINED BENEFIT PENSION PLAN

Plan Descriptions. The City participates as one of 888 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas.

TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

All eligible employees of the city are required to participate in TMRS.

Benefits Provided. TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits, with interest, were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years to any age, 5 years at age 60 and above
Updated service credit	100% Repeating transfers
Annuity increases (to retirees)	70% of CPI Repeating

Employees covered by benefit terms

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	224
Inactive employees entitled to but not yet receiving benefits	163
Active employees	<u>266</u>
Total	<u>653</u>

Contributions. The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year, respectively. The contribution rates for the City were 19.02% and 19.16% in calendar years 2019 and 2018, respectively. The City's total contributions to TMRS for the year ended September 30, 2020, were \$3,379,471.

Net Pension Liability. The City's Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.50% to 11.50%, including inflation
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	<u>10.0%</u>	7.75%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in the statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
	\$ 123,167,810	\$ 96,950,279	\$ 26,217,531
Balance at 12/31/2018			
Changes for the year:			
Service cost	3,071,536	-	3,071,536
Interest	8,236,772	-	8,236,772
Difference between expected and actual experience	(481,136)	-	(481,136)
Contributions - employer	-	3,584,207	(3,584,207)
Contributions - employee	-	1,220,247	(1,220,247)
Net investment income	-	14,992,491	(14,992,491)
Benefit payments, including refunds of employee contributions	(5,354,650)	(5,354,650)	-
Administrative expense	-	(84,691)	84,691
Other changes	325,920	(2,547)	328,467
Net changes	5,798,442	14,355,057	(8,556,615)
Balance at 12/31/2019	\$ 128,966,252	\$ 111,305,336	\$ 17,660,916

The net pension liability for governmental activities is primarily liquidated by the General Fund.

The following presents the net pension liability of the City and the discretely presented component unit, calculated using the discount rate of 6.75%, as well as what the City's and discretely presented component unit's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 36,145,068	\$ 17,473,710	\$ 2,184,714
Component unit's net pension liability	387,242	187,206	23,406
Total	\$ 36,532,310	\$ 17,660,916	\$ 2,208,120

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmrss.com.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2020, the City recognized pension expense of \$3,426,024. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 23,362	\$ 810,873
Changes in actuarial assumptions	238,925	-
Difference between projected and actual investment earnings	-	3,379,345
Contributions subsequent to the measurement date	<u>2,398,930</u>	-
Total	<u>\$ 2,661,217</u>	<u>\$ 4,190,218</u>

For the year ended September 30, 2020, the discretely presented component unit recognized pension expense of \$36,705. At September 30, 2020, the discretely presented component unit reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 250	\$ 8,687
Changes in actuarial assumptions	2,560	-
Difference between projected and actual investment earnings	-	11,754
Contributions subsequent to the measurement date	<u>24,871</u>	-
Total	<u>\$ 27,681</u>	<u>\$ 20,441</u>

For the City and component unit, \$2,398,930 and \$24,871, respectively, are reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

Year Ended September 30,		City	Component Unit
2021	\$(1,239,988)	\$(7,172)	
2022	(1,215,466)	(6,909)	
2023	205,329	8,313	
2024	(1,677,806)	(11,863)	

X. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

TMRS Supplemental Death Benefits Fund

Plan Description. The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

Benefits Provided. Payments from this fund are similar to group-term life insurance benefits and are paid to the designated beneficiaries upon the receipt of an approved application for payment. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death). The death benefit for retirees is considered an other post-employment benefit and is a fixed amount of \$7,500.

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	145
Inactive employees entitled to but not yet receiving benefits	28
Active employees	266
Total	439

Contributions. The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation, which was 0.19% for 2020 and 0.18% for 2019, of which 0.05% and 0.05%, respectively, represented the retiree-only portion for each year, as a percentage of annual covered payroll. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. The City's retiree-only portion of contributions to the SDBF for the years ended September 30, 2020 and 2019 were \$8,878 and \$8,616, respectively, representing contributions for both active and retiree coverage, which equaled the required contributions each year.

Total OPEB Liability. The City's total OPEB liability was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

The Total OPEB Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Measurement year ended December 31,	2019
Inflation rate	2.50% per annum
Actuarial cost method	Entry Age Normal Method
Discount rate	2.75%
Projected salary increases	3.50% to 11.5% including inflation

Administrative expenses for the SDBF are paid through the TMRS pension trust fund and are wholly accounted for under provisions of GASB Statement No. 68.

Salary increases were based on a service-related table.

Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3.5% and 3% minimum mortality rate is applied to reflect the impairment for younger members who became disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Changes in assumptions reflect the annual change in the municipal bond rate. The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

The SDBF program is treated as an unfunded OPEB plan because the SDBF trust covers both actives and retirees and the assets are not segregated for these groups. As such, a single discount rate of 3.31% was used to measure the Total OPEB Liability. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2019.

Discount Rate Sensitivity Analysis. The following presents the Total OPEB Liability of the City and discretely presented component unit, calculated using the discount rate of 2.75%, as well as what the City's and discretely presented component unit's total OPEB Liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease in Discount Rate (1.75%)	Discount Rate (2.75%)	1% Increase in Discount Rate (3.75%)
City's total OPEB liability	\$ 1,205,552	\$ 1,000,279	\$ 838,870
Component unit's total OPEB liability	12,916	10,717	8,987
Total	\$ 1,218,468	\$ 1,010,996	\$ 847,857

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 12/31/2018	\$ 891,866
Changes for the year:	
Service cost	31,378
Interest	33,509
Differences between expected and actual experience	(94,183)
Changes of assumptions	157,142
Benefit payments	(8,716)
Net changes	119,130
Balance at 12/31/2019	\$ 1,010,996

The total OPEB liability for governmental activities is primarily liquidated by the General Fund.

Changes in actuarial assumptions and other inputs reflect a change in the discount rate from 3.71% to 2.75%.

OPEB Expense and Deferred Outflows of Resources Related to OPEB. For the year ended September 30, 2020, the city recognized OPEB expense of \$82,466. At September 30, 2020, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 26,245	\$ 77,439
Changes in actuarial assumptions	163,444	39,635
Contributions subsequent to the measurement date	6,275	-
Totals	\$ 195,964	\$ 117,074

For the year ended September 30, 2020, the component unit recognized OPEB expense of \$883. At September 30, 2020, the component unit reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 281	\$ 561
Changes in actuarial assumptions	1,304	425
Contributions subsequent to the measurement date	67	-
Totals	\$ 1,652	\$ 986

For the City and component unit, \$6,275 and \$67, respectively, were reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2021. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30	City	Component Unit
2021	\$ 18,303	160
2022	18,303	160
2023	18,303	160
2024	9,474	65
2025	8,232	54

XI. OTHER POSTEMPLOYMENT BENEFITS

Post-retirement Health Care Benefits

Plan Description.

Full-time employees of the City who retire from the Texas Municipal Retirement System (TMRS) are eligible to participate in the retiree health care plan. The requirement as defined by TMRS is any age with 20 years of service or 5 years of service for age 60 and above. Under State law, the City must offer health insurance to full-time employees that retire through our pension system, the Texas Municipal Retirement System. This affords the option to continue insurance, but the retiree must pay the full premiums for coverage unless eligible for additional coverage as outlined below.

The City established by ordinance the healthcare plan that covers retired employees of the City. The City established an irrevocable trust and contracted with an administrator, Public Agencies Retirement Services (PARS), as well as a custodial bank, to manage the plan's assets. Because plan assets are pooled by PARS with those of other plans for investment, the City's plan assets meet the criteria of an agent multiple-employer plan under GASB Statement No. 75.

Benefits Provided.

A retiree who worked as a full-time employee for a minimum of twenty (20) years may receive up to \$350 per month as reimbursement for retiree health care. The retiree can remain on the City's health plan and receive up to \$350 per month or purchase insurance elsewhere and provide proof of coverage and cost in order to receive up to \$350 per month for the cost of health care coverage.

If the actual monthly cost is less than \$350 per month, then the payment is capped at the total monthly cost. The maximum contribution by the City with twenty years of full-time service is \$350 per month.

For the fiscal year ended September 30, 2020, the City's contributions to the plan were \$192,401, which consist of a trust contribution of \$0 for the year and benefit payments of \$192,401, which were paid by the City using its own assets.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	49
Inactive employees entitled to but not yet receiving benefits	-
Active employees	253
Total	<u>302</u>

Actuarial Methods and Assumptions

Significant methods and assumptions were as follows:

Actuarial Valuation Date	12/31/2018
Actuarial Cost Method	Individual Entry Age Normal Cost Method
Discount Rate	6.50% as of December 31, 2019
Inflation Rate	2.50%
Salary Increases	3.50% to 10.50%, including inflation
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2018 as conducted for the Texas Municipal Retirement System (TMRS)
Mortality	For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables to account for future mortality improvements.
Participation Rates	85% for retirees with over 20 years of City service at retirement; 5% for retirees with less than 20 years of City service at retirement; and 60% of non-Medicare retirees are assumed to remain on the City's health plan.
Health care cost trend rates	Initial rates of 7.20%, declining to ultimate rate of 4.25% after 15 years. The City's \$200/month explicit subsidy is not expected to increase in future years.
Note:	The Single Discount Rate changed from 6.49% as of December 31, 2018 to 6.50% as of December 31, 2019. Additionally, the demographic assumptions were updated to reflect the 2019 TMRS Experience study and the health care trend rates were updated to reflect the repeal of the excise tax on high-cost employer health plans.

Projections of health benefits are based on the plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

There is no separately issued audited benefit plan report available for the City's OPEB plan.

Discount Rate

A Single Discount Rate of 2.75% was used to measure the total OPEB liability. This Single Discount Rate was based on the municipal bond rates as of the measurement date as well as the long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits). The source of the municipal bond rate was Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2019.

The asset portfolio of the OPEB trust can support a 6.50% long term rate of return. The City's funding policy is to contribute \$200,000 every other fiscal year.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
	\$	\$	\$
Balance at 12/31/2018	\$ 5,419,467	\$ 2,549,381	\$ 2,870,086
Changes for the year:			
Service cost	174,629	-	174,629
Interest	351,147	-	351,147
Difference between expected and actual experience	(14,085)	-	(14,085)
Changes of assumptions	(163,826)	-	(163,826)
Contributions - employer	-	192,401	(192,401)
Net investment income	-	715,285	(715,285)
Benefit payments	(192,401)	(192,401)	-
Administrative expense	-	(16,801)	16,801
Net changes	<u>155,464</u>	<u>698,484</u>	<u>(543,020)</u>
Balance at 12/31/2019	<u>\$ 5,574,931</u>	<u>\$ 3,247,865</u>	<u>\$ 2,327,066</u>

The total OPEB liability for governmental activities is primarily liquidated by the General Fund.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (6.50%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (5.50%)	Discount Rate (6.50%)	1% Increase in Discount Rate (7.50%)
City's total OPEB Liability	\$ 2,951,925	\$ 2,302,399	\$ 1,739,266
Component unit's total OPEB Liability	<u>31,626</u>	<u>24,667</u>	<u>18,634</u>
Total	<u>\$ 2,983,551</u>	<u>\$ 2,327,066</u>	<u>\$ 1,757,900</u>

Healthcare Cost Trend Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the net OPEB liability.

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
City's total OPEB Liability	\$ 1,907,502	\$ 2,302,399	\$ 2,772,276
Component unit's total OPEB Liability	20,436	24,667	29,701
Total	\$ 1,927,938	\$ 2,327,066	\$ 2,801,977

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources Related to OPEBs

At September 30, 2020, the City reported a liability of \$2,327,066 for its net OPEB Liability. The net OPEB Liability was determined by an actuarial valuation as of December 31, 2018. Update procedures were used to roll forward the total OPEB liability to December 31, 2019. For the year ended September 30, 2020, the City recognized OPEB expense of \$139,179. There were no changes of benefit terms that affected measurement of the net OPEB liability during the measurement period.

Changes in assumptions and other inputs reflect a change in the blended discount rate from 6.49% to 6.50%.

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience, liability	\$ 26,441	\$ 721,712
Changes in assumptions		333,955
Difference between expected and actual experience, assets	-	299,762
Contributions subsequent to the measurement date	209,408	-
Totals	\$ 235,849	\$ 1,355,429

At September 30, 2020, the Component Unit reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience, liability	\$ 283	\$ 7,732
Changes in assumptions	-	3,578
Difference between expected and actual experience, assets	-	1,163
Contributions subsequent to the measurement date	2,244	-
Totals	\$ 2,527	\$ 12,473

The City and discretely presented component unit reported \$209,408 and \$2,244 respectively, as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date are due to benefit payments the City paid with own assets and will be recognized as a reduction of the net OPEB liability for the year ending September 30, 2021. Other amounts of the reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30,	City	Component Unit
2021	\$(235,707)	\$(2,525)
2022	(235,707)	(2,525)
2023	(213,543)	(2,288)
2024	(274,218)	(2,938)
2025	(165,360)	(1,772)
Thereafter	(204,453)	(142)

XII. RISK MANAGEMENT

The Texas Municipal League Intergovernmental Risk Pool (TMLIRP) is a self-insurance program offering and providing other units of local governments with a stable and economic source of risk financing and loss prevention services. The Pool is governed by a Board of Trustees elected by the members who understand these needs. This appointed board serves as the regulatory authority and is not subject to state regulation by the Texas Department of Insurance. The trustees have created programs that are tailored to the risks faced by Texas political subdivisions.

TMLIRP provides statutory workers compensation coverage in accordance with the terms of Chapter 504 Texas Labor Code. Haltom City has a self-insured retention (SIR) or large deductible program in the amount of \$100,000 per accident claim. There is no aggregate limit. TMLIRP serves as the 3rd party administrator for these claims. The Pool pays for any claims up to the SIR and the City gets invoiced. TMLIRP provides statutory excess coverage for each claim over the SIR. Limits for workers compensation employee benefits are set in the law. The pooling mechanism assists with stabilizing these rates for the members. The SIR or deductible credit is calculated and used in the total annual standard contribution cost.

TMLIRP Liability Fund Coverages will pay on behalf of Haltom City or covered party for damages or sums the City is legally obligated or responsible to pay for 3rd party occurrences due to bodily injury or property damage (General Liability, deductible of \$5,000), bodily injury or property damage arising from law enforcement activities (Law Enforcement Liability, deductible of \$5,000), civil claims or wrongful acts (Errors and Omissions, deductible of \$5,000), ownership or use of an automobile (Auto Liability, deductible of \$5,000), comprehensive and collision (Auto Physical Damage, deductible of \$1,000) and Crime coverage (deductible of \$2,000) are also provided to respond to 3rd party damages and loss.

Auto Catastrophe Coverage applies to non-collision losses, including hail, involving two or more vehicles. The each occurrence deductible for Auto Physical Damage does not apply to hail loss. The auto catastrophe deductible is \$10,000 per occurrence.

Property coverage is the broadest form of coverage available. Special Form is the most inclusive property coverage option which includes full Replacement Cost (RC). RC is limited to no more than 150% of the reported value on the property schedule. The per occurrence deductible (\$1,000 dollars) includes wind and hail. All perils are covered for physical loss of or damage to the City's scheduled or insured properties except those that are specifically excluded. Common exclusions are wear and tear, faulty design or workmanship, neglect, war, and intentional acts. Flood and Earthquake deductible is \$25,000 or 1% of building value, whichever is greater, with a \$5 million limit. Property coverage also includes Boiler and Machinery which has a deductible of \$5,000 and Mobile Equipment (loaders, backhoes, etc.) which has a deductible of \$5,000.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claims settlement trends, including frequency and amount of payouts and other economic and social factors. The liabilities are due within one year of the date of the statement of net position. Changes in the claims liability for fiscal year 2020 and 2019 are listed as follows:

	2020	2019
Claims payable, beginning of year	\$ 727,185	\$ 578,717
Current year claims and changes in estimates	577,415	285,064
Payments on claims	499,234	136,596
Claims payable, end of year	<u>\$ 805,366</u>	<u>\$ 727,185</u>

XIII. COMMITMENTS AND CONTINGENT LIABILITIES

In 2010, the City entered into a twenty-year contract with the City of Fort Worth for the purchase of water. Under the terms of the contract, the City is obligated to make a minimum annual payment, subject to adjustment under certain conditions as provided in the contract, of approximately \$50,000. Payments under this contract were approximately \$4,169,950 in 2020 and are included as operating expenses of the Water and Sewer Fund.

In 2018, the City entered into a twenty-year contract with the City of Fort Worth for the treatment and transportation of sanitary sewage. Payments under this contract are on a per connection basis and were approximately \$3,465,472 in 2020 and are also included as operating expenses of the Water and Sewer Fund.

At September 30, 2020, the City was committed to several long-term construction contracts. The governmental funds were contractually committed to approximately \$7,495,961; the business-type funds were committed to \$8,528,042.

The City is a defendant in several legal actions involving various claims incident to the conduct of the City's operations. Management does not expect the City to suffer any material liability by reason of such actions.

The City has participated in a number of state and federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

XIV. PROPERTY TAX ABATEMENTS

Tax abatements under Chapter 312 of the Texas Tax Code allow the City to designate tax reinvestment zones and negotiate tax abatement agreements with applicants. In 1990, the City Council adopted a resolution setting guidelines and criteria for granting abatements in the reinvestment zones which specifically notes incentives are limited to companies which create new wealth and do not adversely affect existing businesses operating within the City. The abatement agreements authorize the appraisal district to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer will pay taxes on the lower assessed value during the term of the agreement.

XV. 380 AGREEMENTS

At times when alternate incentives may be preferable to a tax abatement, the City Council has the authority under Chapter 380 of the Texas Local Government Code to create a custom incentive in order to accomplish specific economic development goals. These incentives are considered on a case-by-case basis and may be considered based on: a certain number of net new jobs with wages above the City's median household; the relocation of a company promoting growth of targeted industry clusters such as high-tech companies; aviation/aerospace industry, or supply chain clusters supporting the City's existing primary employers; incentives for businesses causing infill redevelopment or other desirable development objectives; and/or any other activity which the City Council determines meets a specific public purpose for economic development.

- Lasiter and Lasiter Plumbing – The Company can purchase plumbing supplies through a Texas Direct Payment Permit which generates local sales tax revenue for the City that would otherwise no be available to the City. The original agreement was dated March 2007. The agreement was extended in 2017 for another ten-year period. This agreement will expire on March 31, 2027. The tax rebate amount for the current fiscal year was \$19,307.

XVI. SUBSEQUENT EVENTS

In January 2021, the City issued General Obligation Refunding Bonds, Series 2020 in the amount of \$6,340,000, for the purpose of refunding a portion of existing bonds at a present value savings. The bonds carry an interest rate of 1-4% and mature on February 1, 2032.

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**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

SEPTEMBER 30, 2020

Measurement Period Ended December 31,	2014	2015
A. Total pension liability		
Service Cost	\$ 2,504,359	\$ 2,783,635
Interest (on the Total Pension Liability)	6,753,452	7,077,941
Difference between expected and actual experience	(692,358)	(374,424)
Change of assumptions	- -	(364,224)
Benefit payments, including refunds of employee contributions	(3,761,568)	(4,377,490)
Net change in total pension liability	4,803,885	4,745,438
Total pension liability - beginning	<u>97,106,486</u>	<u>101,910,371</u>
Total pension liability - ending (a)	<u>\$ 101,910,371</u>	<u>\$ 106,655,809</u>
B. Plan fiduciary net position		
Contributions - employer	\$ 3,163,767	\$ 3,141,239
Contributions - employee	1,103,456	1,141,181
Net investment income	4,490,233	123,113
Benefit payments, including refunds of employee contributions	(3,761,568)	(4,377,490)
Administrative expenses	(46,878)	(74,987)
Other	(3,854)	(3,703)
Net change in plan fiduciary net position	4,945,156	(50,647)
Plan fiduciary net position - beginning	<u>78,488,480</u>	<u>83,433,636</u>
Plan fiduciary net position - ending (b)	<u>\$ 83,433,636</u>	<u>\$ 83,382,989</u>
C. Net pension liability - ending (a) - (b)	<u>\$ 18,476,735</u>	<u>\$ 23,272,820</u>
D. Plan fiduciary net position as a percentage of total pension liability	81.87%	78.18%
E. Covered payroll	\$ 15,763,659	\$ 16,250,057
F. Net pension liability as a percentage of covered payroll	117.21%	143.22%

Note: This schedule is required to have 10 years of information, but the information prior to 2014 is not available.

	2016		2017		2018		2019
\$	2,898,328	\$	2,939,312	\$	2,931,913	\$	3,071,536
	7,140,222		7,529,054		7,899,680		8,236,772
	216,371	(	283,623)	(	730,857)	(	481,136)
	-	-	-	-	-	-	325,920
(	4,647,814)	(	4,382,052)	(	4,998,533)	(	5,354,650)
	5,607,107		5,802,691		5,102,203		5,798,442
	<u>106,655,809</u>		<u>112,262,916</u>		<u>118,065,607</u>		<u>123,167,810</u>
\$	<u>112,262,916</u>	\$	<u>118,065,607</u>	\$	<u>123,167,810</u>	\$	<u>128,966,252</u>
\$	3,089,790	\$	3,141,962	\$	3,169,004	\$	3,584,207
	1,155,370		1,172,915		1,168,758		1,220,247
	5,635,642		12,274,019	(	3,016,539)		14,992,491
(	4,647,814)	(	4,382,052)	(	4,998,533)	(	5,354,650)
(	63,642)	(	63,602)	(	58,291)	(	84,691)
(	<u>3,429</u>	(	<u>3,222</u>)	(	<u>3,044</u>)	(	<u>2,547</u>)
	5,165,917		12,140,020	(	3,738,645)		14,355,057
	<u>83,382,989</u>		<u>88,548,906</u>		<u>100,688,924</u>		<u>96,950,279</u>
\$	<u>88,548,906</u>	\$	<u>100,688,926</u>	\$	<u>96,950,279</u>	\$	<u>111,305,336</u>
\$	<u>23,714,010</u>	\$	<u>17,376,681</u>	\$	<u>26,217,531</u>	\$	<u>17,660,916</u>
	78.88%		85.28%		78.71%		86.31%
\$	16,505,286	\$	16,748,218	\$	16,696,543	\$	17,432,098
	143.68%		103.75%		157.02%		101.31%

CITY OF HALTOM CITY, TEXAS
CONTRIBUTIONS - TMRS PENSION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Fiscal Year Ended September 30,	2014	2015
Actuarial determined contribution	\$ 3,021,224	\$ 3,112,202
Contributions in relation to the actuarially determined contribution	<u>3,021,224</u>	<u>3,112,202</u>
Contribution deficiency (excess)	-	-
Covered employee payroll	15,763,659	15,955,040
Contributions as a percentage of covered payroll	19.17%	19.51%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information There were no benefit changes during the year.

Note: This schedule is required to have 10 years of information, but the information prior to 2014 is not available.

2016	2017	2018	2019	2020
\$ 3,164,882	\$ 3,094,631	\$ 3,135,576	\$ 3,250,765	\$ 3,379,471
<u>3,164,882</u>	<u>3,094,631</u>	<u>3,135,576</u>	<u>3,550,765</u>	<u>3,379,471</u>
-	-	-	(300,000)	-
16,754,656	16,562,414	16,593,082	17,232,434	17,756,830
18.89%	18.68%	18.90%	18.86%	19.03%

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM - SUPPLEMENTAL DEATH BENEFIT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Measurement Period Ended December 31,	2017	2018	2019
A. Total OPEB liability			
Service Cost	\$ 28,472	\$ 31,723	\$ 31,378
Interest (on the Total OPEB Liability)	28,465	28,842	33,509
Differences between expected and actual experience	-	39,218	(94,183)
Changes of assumptions	67,252	(59,226)	157,142
Benefit payments, including refunds of employee contributions	(6,700)	(8,347)	(8,716)
Net change in Total OPEB liability	117,489	32,210	119,130
Total OPEB liability - beginning	<u>742,167</u>	<u>859,656</u>	<u>891,866</u>
Total OPEB liability - ending (a)	<u>859,656</u>	<u>891,866</u>	<u>1,010,996</u>
B. Covered employee payroll			
	\$ 16,748,218	\$ 16,696,543	\$ 17,432,098
C. Total OPEB liability as a percentage of covered - employee payroll			
	5.13%	5.34%	5.80%

Notes to Schedule:

- No assets are accumulated in a trust for the SDBF plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.
- This schedule is required to have 10 years of information, but the information prior to 2017 is not available.

CITY OF HALTOM CITY, TEXAS

**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
RETIREE HEALTH CARE BENEFIT PLAN**

FOR THE YEAR ENDED SEPTEMBER 30, 2020

Measurement Period Ended December 31,	2017	2018	2019
A. Total OPEB liability			
Service Cost	\$ 193,035	\$ 187,980	\$ 174,629
Interest (on the Total OPEB Liability)	394,886	421,954	351,147
Difference between expected and actual experience	41,617	(952,921)	(14,085)
Change of assumptions	(20,299)	(240,446)	(163,826)
Benefit payments, including refunds of employee contributions	(290,575)	(180,229)	(192,401)
Net change in total OPEB liability	318,664	(763,662)	155,464
Total OPEB liability - beginning	<u>5,864,465</u>	<u>6,183,129</u>	<u>5,419,467</u>
Total OPEB liability - ending (a)	<u>\$ 6,183,129</u>	<u>\$ 5,419,467</u>	<u>\$ 5,574,931</u>
B. Plan fiduciary net position			
Contributions - employer	\$ 490,575	\$ 380,229	\$ 192,401
Net investment income	265,412	(125,895)	715,285
Benefit payments	(290,575)	(180,229)	(192,401)
Administrative expenses	(6,545)	(7,893)	(16,801)
Other	-	(118,409)	-
Net change in plan fiduciary net position	458,867	(52,197)	698,484
Plan fiduciary net position - beginning	<u>2,142,711</u>	<u>2,601,578</u>	<u>2,549,381</u>
Plan fiduciary net position - ending (b)	<u>\$ 2,601,578</u>	<u>\$ 2,549,381</u>	<u>\$ 3,247,865</u>
C. Net OPEB liability - ending (a) - (b)	<u>\$ 3,581,551</u>	<u>\$ 2,870,086</u>	<u>\$ 2,327,066</u>
D. Plan fiduciary net position as a percentage of total OPEB liability	42.08%	47.04%	58.26%
E. Covered payroll	\$ 17,256,507	\$ 17,399,981	\$ 18,191,694
F. Net OPEB liability as a percentage of covered payroll	20.75%	16.49%	12.79%

- This schedule is required to have 10 years of information, but the information prior to 2017 is not available.
- The City has assets set aside that meet the criteria of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The balance of these assets as of the plan measurement date were \$3,247,865.
- 2019: The demographic assumptions were updated to reflect the 2019 TMRS Experience Study.
- 2018: The participation rate for future non-Medicare retirees on the City's health plan and the health care trend assumptions were modified. In addition, the assumed long-term rate of return for the assets in the OPEB trust was changed from 6.85% to 6.50%.
- Changes of assumptions reflect the effects of changes in the Single Discount Rate each period.

CITY OF HALTOM CITY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUND**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes:				
Property taxes	\$ 5,941,136	\$ 5,941,136	\$ 6,358,353	\$ 417,217
Penalty and interest	40,000	40,000	68,862	28,862
Miscellaneous	44,879	44,879	-	(44,879)
Interest	<u>10,000</u>	<u>10,000</u>	<u>19,489</u>	<u>9,489</u>
Total revenues	<u>6,036,015</u>	<u>6,036,015</u>	<u>6,446,704</u>	<u>410,689</u>
EXPENDITURES:				
Principal retirement	4,835,000	4,835,000	4,835,000	-
Interest and other	1,352,254	1,352,254	1,352,157	97
Bond issuance costs	5,000	5,000	5,744	(744)
Total expenditures	<u>6,192,254</u>	<u>6,192,254</u>	<u>6,192,901</u>	<u>(647)</u>
Revenues under expenditures	(156,239)	(156,239)	253,803	410,042
OTHER FINANCING SOURCES:				
Transfers in	<u>156,239</u>	<u>156,239</u>	<u>156,240</u>	<u>(1)</u>
Total other financing sources	<u>156,239</u>	<u>156,239</u>	<u>156,240</u>	<u>(1)</u>
Revenues and other financial sources over (under) expenditures	-	-	410,043	410,043
Fund balance - beginning of year	<u>522,051</u>	<u>522,051</u>	<u>522,051</u>	<u>-</u>
Fund balance - end of year	<u>\$ 522,051</u>	<u>\$ 522,051</u>	<u>\$ 932,094</u>	<u>\$ 410,043</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
STREET RECONSTRUCTION - CAPITAL PROJECTS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes	\$ 3,000,000	\$ 3,000,000	\$ 2,875,661	\$ (124,339)
Interest	250,000	250,000	256,572	6,572
Total revenues	<u>3,250,000</u>	<u>3,250,000</u>	<u>3,132,233</u>	<u>(117,767)</u>
EXPENDITURES:				
General government	-	-	4,015	(4,015)
Streets	4,430,000	4,430,000	1,695,929	2,734,071
Bond issuance costs	-	-	159,778	(159,778)
Capital outlay	<u>3,185,961</u>	<u>3,185,961</u>	<u>2,301,545</u>	<u>884,416</u>
Total expenditures	<u>7,615,961</u>	<u>7,615,961</u>	<u>4,161,267</u>	<u>3,454,694</u>
Revenue under expenditures	<u>(4,365,961)</u>	<u>(4,365,961)</u>	<u>(1,029,034)</u>	<u>3,336,927</u>
OTHER FINANCING SOURCES (USES):				
Bond proceeds	-	-	5,730,000	5,730,000
Premium on issuance	-	-	429,778	429,778
Transfers out	<u>(900,000)</u>	<u>(900,000)</u>	<u>(900,000)</u>	<u>-</u>
Total other financing sources	<u>(900,000)</u>	<u>(900,000)</u>	<u>5,259,778</u>	<u>6,159,778</u>
Revenues over (under) expenditures and other financing sources	<u>(5,265,961)</u>	<u>(5,265,961)</u>	<u>4,230,744</u>	<u>9,496,705</u>
Fund balance - beginning of year	<u>14,541,401</u>	<u>14,541,401</u>	<u>14,541,401</u>	<u>-</u>
Fund balance - end of year	<u>\$ 9,275,440</u>	<u>\$ 9,275,440</u>	<u>\$ 18,772,145</u>	<u>\$ 9,496,705</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT - CAPITAL PROJECTS FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest	\$ 70,000	\$ 70,000	\$ 149,428	\$ 79,428
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>149,428</u>	<u>79,428</u>
EXPENDITURES:				
Parks & Recreation	-	-	10,650	(10,650)
Bond issuance costs	75,000	75,000	-	75,000
Capital outlay	<u>910,000</u>	<u>910,000</u>	<u>689,180</u>	<u>220,820</u>
Total expenditures	<u>985,000</u>	<u>985,000</u>	<u>699,830</u>	<u>285,170</u>
Revenues over (under) expenditures	(915,000)	(915,000)	(550,402)	364,598
Fund balance - beginning of year	<u>8,786,487</u>	<u>8,786,487</u>	<u>8,786,487</u>	-
Fund balance - end of year	<u>\$ 7,871,487</u>	<u>\$ 7,871,487</u>	<u>\$ 8,236,085</u>	<u>\$ 364,598</u>

NONMAJOR FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

Police Forfeiture Fund - To account for proceeds from sales of assets seized in drug arrests. Revenues are used solely for Police Department expenditures.

Police Donations Fund – To account for contributions designated for Police Department.

Red Light Camera Fund – To account for fines resulting from the red-light camera program and related expenditures for traffic safety.

Police CART Fund – To account for funds used for a multi-jurisdictional effort to properly allocate resources to missing/endangered children cases.

Park Donation Fund - To account for contributions used to improve and beautify park facilities.

Park Dedication Fund - To account for developer contributions for acquiring and developing parkland.

Library Donation Fund - To account for contributions used to improve library services.

Hotel / Motel Tax Fund - To account for the receipt and allocation of the City's hotel-motel occupancy tax. Revenues are used primarily for advertising and promotion of the City.

Grants Fund – To account for federal, state, and local grants received and related expenditures.

Fire Department Donations Fund - To account for contributions designated for Fire Department.

Court Technology Fund - To account for technology fees and expenditures for Municipal Court.

Court Security Fund - To account for security fees and related expenditures for Municipal Court.

Juvenile Case Management Fund – To account for court fees and expenditures for juvenile case management program.

Animal Shelter Fund - To account for contributions received and expenditures for animal shelter.

Safe Pathways Program Fund - To account developer contributions for the construction of new sidewalks.

TIF No. 1 Fund - To account for Tax Incremental District No. 1 revenues and expenditures.

CAPITAL PROJECT FUNDS

Street Assessments - To account for various street improvements financed by adjacent land owners.

Capital Replacement Fund – To account for purchases of vehicles, machinery and equipment.

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**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

CITY OF HALTOM CITY, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2020

	Special Revenue Funds			
	Police Forfeiture	Police Donations	Red Light Camera	Police CART
ASSETS				
Cash and investments	\$ 70,184	\$ 37,093	\$ 340,953	\$ 6,612
Intergovernmental receivables	-	-	-	-
Accrued interest	382	306	3,040	36
Other receivables	-	311	-	-
Total assets	<u>\$ 70,566</u>	<u>\$ 37,710</u>	<u>\$ 343,993</u>	<u>\$ 6,648</u>
LIABILITIES				
Accounts payable	2,282	-	4,055	-
Accrued liabilities	4,002	-	648	-
Due to other funds	-	-	-	-
Total liabilities	<u>6,284</u>	<u>-</u>	<u>4,703</u>	<u>-</u>
FUND BALANCES				
Restricted:				
Public safety	64,282	-	339,290	-
Purpose of grantors, donators and trustees	-	37,710	-	6,648
Promotion of tourism and business	-	-	-	-
Purchase of capital assets	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>64,282</u>	<u>37,710</u>	<u>339,290</u>	<u>6,648</u>
Total liabilities and fund balances	<u>\$ 70,566</u>	<u>\$ 37,710</u>	<u>\$ 343,993</u>	<u>\$ 6,648</u>

Special Revenue Funds

Park Donation	Park Dedication	Library Donation	Hotel/Motel Tax	Grants Fund	Fire Department Donations
\$ 63,580	\$ 194,832	\$ 238,349	\$ 160,616	\$ 115,695	\$ 5,655
-	-	-	-	56,070	-
391	875	1,289	712	536	10
225	-	733	-	-	342
<u>\$ 64,196</u>	<u>\$ 195,707</u>	<u>\$ 240,371</u>	<u>\$ 161,328</u>	<u>\$ 172,301</u>	<u>\$ 6,007</u>
 411	 -	 2,458	 162	 1,715	 -
-	-	-	733	1,758	-
-	-	-	-	-	-
<u>411</u>	<u>-</u>	<u>2,458</u>	<u>895</u>	<u>3,473</u>	<u>-</u>
 63,785	 195,707	 237,913	 -	 168,828	 6,007
-	-	-	160,433	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>63,785</u>	<u>195,707</u>	<u>237,913</u>	<u>160,433</u>	<u>168,828</u>	<u>6,007</u>
 <u>\$ 64,196</u>	 <u>\$ 195,707</u>	 <u>\$ 240,371</u>	 <u>\$ 161,328</u>	 <u>\$ 172,301</u>	 <u>\$ 6,007</u>

CITY OF HALTOM CITY, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2020

Special Revenue Funds					
	Court Technology	Court Security	Juvenile Case	Animal Shelter	
ASSETS					
Cash and investments	\$ 15,509	\$ 82,245	\$ 92,664	\$ 79,632	
Intergovernmental receivables	-	-	-	-	
Accrued interest	187	423	603	399	
Other receivables	-	-	-	1,253	
Total assets	<u>\$ 15,696</u>	<u>\$ 82,668</u>	<u>\$ 93,267</u>	<u>\$ 81,284</u>	
LIABILITIES					
Accounts payable	150	-	-	-	
Accrued liabilities	-	-	-	-	
Due to other funds	-	-	-	-	
Total liabilities	<u>150</u>	<u>-</u>	<u>-</u>	<u>-</u>	
FUND BALANCES					
Restricted:					
Public safety	15,546	82,668	93,267	-	
Purpose of grantors, donators and trustees	-	-	-	81,284	
Promotion of tourism and business	-	-	-	-	
Purchase of capital assets	-	-	-	-	
Unassigned	-	-	-	-	
Total fund balances	<u>15,546</u>	<u>82,668</u>	<u>93,267</u>	<u>81,284</u>	
Total liabilities and fund balances	<u>\$ 15,696</u>	<u>\$ 82,668</u>	<u>\$ 93,267</u>	<u>\$ 81,284</u>	

Special Revenue Funds		Capital Projects Funds			Total Nonmajor Governmental Funds
Safe Pathways Shelter	TIF Fund No.1	Street Assessments	Capital Replacement		
\$ 66,312	\$ 14,859	\$ 24,350	\$ 955,296	\$ 2,564,436	
-	-	-	-	56,070	
347	16	128	4,040	13,720	
-	-	-	-	2,864	
<u>\$ 66,659</u>	<u>\$ 14,875</u>	<u>\$ 24,478</u>	<u>\$ 959,336</u>	<u>\$ 2,637,090</u>	
			235,221	246,454	
			-	7,141	
	48,000	-	-	48,000	
	48,000	-	235,221	301,595	
					595,053
					797,882
					160,433
66,659	-	24,478	724,115	815,252	
-	(33,125)	-	-	(33,125)	
<u>66,659</u>	<u>(33,125)</u>	<u>24,478</u>	<u>724,115</u>	<u>2,335,495</u>	
<u>\$ 66,659</u>	<u>\$ 14,875</u>	<u>\$ 24,478</u>	<u>\$ 959,336</u>	<u>\$ 2,637,090</u>	

CITY OF HALTOM CITY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Special Revenue Funds			
	Police Forfeiture	Police Donations	Red Light Camera	Police CART
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and fees	-	-	4,363	-
Charges for services	13,329	-	-	-
Donations	-	6,907	-	-
Interest	1,179	964	7,977	116
Miscellaneous	-	14,304	-	-
Total revenues	14,508	22,175	12,340	116
EXPENDITURES				
General government	-	-	-	-
Public safety				
Police	17,677	44,796	53,118	-
Fire	-	-	-	-
Municipal court	-	-	-	-
Library	-	-	-	-
Animal control	-	-	-	-
Parks & recreation	-	-	-	-
Capital outlay	-	-	41,310	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	17,677	44,796	94,428	-
EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	(3,169)	(22,621)	(82,088)	116
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	(3,169)	(22,621)	(82,088)	116
FUND BALANCES, BEGINNING	67,451	60,331	421,378	6,532
FUND BALANCES, ENDING	\$ 64,282	\$ 37,710	\$ 339,290	\$ 6,648

Special Revenue Funds

Park Donation	Park Dedication	Library Donation	Hotel/Motel Tax	Grants Fund	Fire Department Donations
\$ -	\$ -	\$ -	\$ 43,679	\$ -	\$ -
-	-	-	-	111,073	-
-	-	-	-	-	-
17,067	-	12,051	-	-	-
5,013	43,150	6,116	-	-	4,769
1,218	3,306	4,203	2,407	1,676	45
-	-	40	-	2,500	-
<u>23,298</u>	<u>46,456</u>	<u>22,410</u>	<u>46,086</u>	<u>115,249</u>	<u>4,814</u>
-	-	-	12,616	-	-
-	-	-	-	28,697	-
-	-	-	-	76,734	495
-	-	-	-	-	-
-	-	28,845	-	2,012	-
-	-	-	-	-	-
34,126	12,270	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>34,126</u>	<u>12,270</u>	<u>28,845</u>	<u>12,616</u>	<u>107,443</u>	<u>495</u>
(10,828)	34,186	(6,435)	33,470	7,806	4,319
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(10,828)	34,186	(6,435)	33,470	7,806	4,319
<u>74,613</u>	<u>161,521</u>	<u>244,348</u>	<u>126,963</u>	<u>161,022</u>	<u>1,688</u>
<u>\$ 63,785</u>	<u>\$ 195,707</u>	<u>\$ 237,913</u>	<u>\$ 160,433</u>	<u>\$ 168,828</u>	<u>\$ 6,007</u>

CITY OF HALTOM CITY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Special Revenue Funds</u>			
	<u>Court Technology</u>	<u>Court Security</u>	<u>Juvenile Case</u>	<u>Animal Shelter</u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	- -	- -	- -	- -
Fines and fees	6,661	8,160	- -	- -
Charges for services	- -	- -	22,846	- -
Donations	- -	- -	- -	6,209
Interest	381	1,402	1,898	1,321
Miscellaneous	<u>11,681</u>	<u>8,761</u>	<u>- -</u>	<u>- -</u>
Total revenues	<u>18,723</u>	<u>18,323</u>	<u>24,744</u>	<u>7,530</u>
EXPENDITURES				
General government	- -	- -	- -	- -
Public safety				
Police	- -	- -	- -	- -
Fire	- -	- -	- -	- -
Municipal court	33,644	- -	- -	- -
Library	- -	- -	- -	- -
Animal Control	- -	- -	- -	1,910
Parks & recreation	- -	- -	- -	- -
Capital outlay	- -	- -	- -	- -
Debt Service:				
Principal	- -	- -	- -	- -
Interest	- -	- -	- -	- -
Total expenditures	<u>33,644</u>	<u>- -</u>	<u>- -</u>	<u>1,910</u>
EXCESS (DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES	<u>(14,921)</u>	<u>18,323</u>	<u>24,744</u>	<u>5,620</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	- -	- -	- -	- -
Transfers out	(7,200)	(15,000)	(48,000)	- -
Issuance of debt	- -	- -	- -	- -
Total other financing sources (uses)	<u>(7,200)</u>	<u>(15,000)</u>	<u>(48,000)</u>	<u>- -</u>
NET CHANGE IN FUND BALANCES	<u>(22,121)</u>	<u>3,323</u>	<u>(23,256)</u>	<u>5,620</u>
FUND BALANCES, BEGINNING	<u>37,667</u>	<u>79,345</u>	<u>116,523</u>	<u>75,664</u>
FUND BALANCES, ENDING	<u>\$ 15,546</u>	<u>\$ 82,668</u>	<u>\$ 93,267</u>	<u>\$ 81,284</u>

Special Revenue Funds		Capital Projects Funds		Total Nonmajor Governmental Funds
Safe Pathways Shelter	TIF Fund No.1	Street Assessments	Capital Replacement	
\$ -	\$ 13,279	\$ -	\$ -	\$ 56,958
-	-	-	-	111,073
-	-	-	-	19,184
-	-	-	13,776	79,069
-	-	-	-	72,164
1,142	65	420	15,239	44,959
-	-	-	-	37,286
<u>1,142</u>	<u>13,344</u>	<u>420</u>	<u>29,015</u>	<u>420,693</u>
-	12,000	-	-	24,616
-	-	-	-	144,288
-	-	-	-	77,229
-	-	-	-	33,644
-	-	-	-	30,857
-	-	-	-	1,910
-	-	-	-	46,396
-	-	-	1,223,069	1,264,379
-	-	-	309,934	309,934
-	-	-	70,617	70,617
<u>-</u>	<u>12,000</u>	<u>-</u>	<u>1,603,620</u>	<u>2,003,870</u>
<u>1,142</u>	<u>1,344</u>	<u>420</u>	<u>(1,574,605)</u>	<u>(1,583,177)</u>
-	-	-	650,004	650,004
-	-	-	-	(70,200)
-	-	-	956,294	956,294
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,606,298</u>	<u>1,536,098</u>
1,142	1,344	420	31,693	(47,079)
<u>65,517</u>	<u>(34,469)</u>	<u>24,058</u>	<u>692,422</u>	<u>2,382,574</u>
<u>\$ 66,659</u>	<u>\$ (33,125)</u>	<u>\$ 24,478</u>	<u>\$ 724,115</u>	<u>\$ 2,335,495</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUGET AND ACTUAL
POLICE FORFEITURE - SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest	\$ 1,500	\$ 1,500	\$ 1,179	\$(321)
Charges for services	<u>18,000</u>	<u>18,000</u>	<u>13,329</u>	(4,671)
Total revenue	<u>19,500</u>	<u>19,500</u>	<u>14,508</u>	(4,992)
EXPENDITURES:				
Police	18,000	18,000	17,677	323
Total expenditures	<u>18,000</u>	<u>18,000</u>	<u>17,677</u>	<u>323</u>
Revenues over (under) expenditures	1,500	1,500	(3,169)	(4,669)
Fund balance - beginning of year	<u>67,451</u>	<u>67,451</u>	<u>67,451</u>	-
Fund balance - end of year	<u>\$ 68,951</u>	<u>\$ 68,951</u>	<u>\$ 64,282</u>	<u>\$(4,669)</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
POLICE DONATIONS - SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Donations	\$ 20,000	\$ 20,000	\$ 6,907	\$(13,093)
Interest	1,200	1,200	964	(236)
Miscellaneous	19,500	14,304	14,304	-
Total revenues	<u>40,700</u>	<u>35,504</u>	<u>22,175</u>	<u>(13,329)</u>
EXPENDITURES:				
Police	47,500	47,500	44,796	2,704
Total expenditures	<u>47,500</u>	<u>47,500</u>	<u>44,796</u>	<u>2,704</u>
Revenues over (under) expenditures	(6,800)	(11,996)	(22,621)	(10,625)
Fund balance - beginning of year	60,331	60,331	60,331	-
Fund balance - end of year	<u>\$ 53,531</u>	<u>\$ 48,335</u>	<u>\$ 37,710</u>	<u>\$(10,625)</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
RED LIGHT CAMERA - SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest	\$ 3,000	\$ 3,000	\$ 7,977	\$ 4,977
Fines and fees	- -	- -	4,363	4,363
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>12,340</u>	<u>9,340</u>
EXPENDITURES:				
Police	179,870	179,870	53,118	126,752
Capital outlay	60,000	60,000	41,310	18,690
Total expenditures	<u>239,870</u>	<u>239,870</u>	<u>94,428</u>	<u>145,442</u>
Revenues over (under) expenditures	(236,870)	(236,870)	(82,088)	154,782
Fund balance - beginning of year	<u>421,378</u>	<u>421,378</u>	<u>421,378</u>	<u>-</u>
Fund balance - end of year	<u>\$ 184,508</u>	<u>\$ 184,508</u>	<u>\$ 339,290</u>	<u>\$ 154,782</u>

CITY OF HALTOM CITY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
POLICE CART - SPECIAL REVENUE FUNDS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest	\$ 120	\$ 120	\$ 116	\$(4)
Total revenues	<u>120</u>	<u>120</u>	<u>116</u>	<u>(4)</u>
EXPENDITURES:				
Police	5,000	5,000	-	5,000
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Revenues under (over) expenditures	(4,880)	(4,880)	116	4,996
Fund balance - beginning of year	<u>6,361</u>	<u>6,532</u>	<u>6,532</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,481</u>	<u>\$ 1,652</u>	<u>\$ 6,648</u>	<u>\$ 4,996</u>

CITY OF HALTOM CITY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARK DONATIONS - SPECIAL REVENUE FUNDS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Donations	\$ 9,150	\$ 9,150	\$ 5,013	\$(4,137)
Charges for services	38,500	38,500	17,067	(21,433)
Interest	1,000	1,000	1,218	218
Total revenues	<u>48,650</u>	<u>48,650</u>	<u>23,298</u>	<u>(25,352)</u>
EXPENDITURES:				
Parks and recreation	52,650	52,650	34,126	18,524
Total expenditures	<u>52,650</u>	<u>52,650</u>	<u>34,126</u>	<u>18,524</u>
Revenues over (under) expenditures	(4,000)	(4,000)	(10,828)	(6,828)
Fund balance - beginning of year	<u>74,613</u>	<u>74,613</u>	<u>74,613</u>	-
Fund balance - end of year	<u>\$ 70,613</u>	<u>\$ 70,613</u>	<u>\$ 63,785</u>	<u>\$(6,828)</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARK DEDICATION - SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest	\$ 3,500	\$ 3,500	\$ 3,306	\$(194)
Donations	- -	- -	43,150	43,150
Total revenues	<u>3,500</u>	<u>3,500</u>	<u>46,456</u>	<u>42,956</u>
EXPENDITURES:				
Parks and recreation	121,750	121,750	12,270	109,480
Total expenditures	<u>121,750</u>	<u>121,750</u>	<u>12,270</u>	<u>109,480</u>
Revenues over (under) expenditures	(118,250)	(118,250)	34,186	152,436
Fund balance - beginning of year	<u>161,521</u>	<u>161,521</u>	<u>161,521</u>	-
Fund balance - end of year	<u>\$ 43,271</u>	<u>\$ 43,271</u>	<u>\$ 195,707</u>	<u>\$ 152,436</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LIBRARY DONATIONS - SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Charges for Services	\$ 20,000	\$ 20,000	\$ 12,051	\$(7,949)
Donations	11,300	11,300	6,116	(5,184)
Interest	2,000	2,000	4,203	2,203
Miscellaneous	-	-	40	40
Total revenues	<u>33,300</u>	<u>33,300</u>	<u>22,410</u>	<u>(10,890)</u>
EXPENDITURES:				
Library	57,138	57,138	28,845	28,293
Total expenditures	<u>57,138</u>	<u>57,138</u>	<u>28,845</u>	<u>28,293</u>
Revenues over (under) expenditures	(23,838)	(23,838)	(6,435)	17,403
Fund balance - beginning of year	<u>244,348</u>	<u>244,348</u>	<u>244,348</u>	<u>-</u>
Fund balance - end of year	<u>\$ 220,510</u>	<u>\$ 220,510</u>	<u>\$ 237,913</u>	<u>\$ 17,403</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HOTEL/MOTEL TAX - SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes	\$ 45,000	\$ 45,000	\$ 43,679	\$(1,321)
Interest	3,000	3,000	2,407	(593)
Total revenues	<u>48,000</u>	<u>48,000</u>	<u>46,086</u>	<u>(1,914)</u>
EXPENDITURES:				
General Government	56,167	56,167	12,616	43,551
Total expenditures	<u>56,167</u>	<u>56,167</u>	<u>12,616</u>	<u>43,551</u>
Revenues over (under) expenditures	(8,167)	(8,167)	33,470	41,637
Fund balance - beginning of year	<u>126,963</u>	<u>126,963</u>	<u>126,963</u>	-
Fund balance - end of year	<u>\$ 118,796</u>	<u>\$ 118,796</u>	<u>\$ 160,433</u>	<u>\$ 41,637</u>

CITY OF HALTOM CITY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GRANTS - SPECIAL REVENUE FUNDS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental	\$ 92,000	\$ 92,000	\$ 111,073	\$ 19,073
Interest	2,500	2,500	1,676	(824)
Miscellaneous	-	-	2,500	2,500
Total revenues	<u>94,500</u>	<u>94,500</u>	<u>115,249</u>	<u>20,749</u>
EXPENDITURES:				
Police	36,125	36,125	28,697	7,428
Fire	80,000	80,000	76,734	3,266
Library	-	-	2,012	(2,012)
Total expenditures	<u>116,125</u>	<u>116,125</u>	<u>107,443</u>	<u>8,682</u>
Revenues under (over) expenditures	(21,625)	(21,625)	7,806	29,431
Fund balance - beginning of year	<u>161,022</u>	<u>161,022</u>	<u>161,022</u>	<u>-</u>
Fund balance - end of year	<u>\$ 139,397</u>	<u>\$ 139,397</u>	<u>\$ 168,828</u>	<u>\$ 29,431</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FIRE DEPARTMENT DONATIONS - SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Donations	\$ 6,500	\$ 6,500	\$ 4,769	\$(1,731)
Interest	50	50	45	(5)
Total revenues	<u>6,550</u>	<u>6,550</u>	<u>4,814</u>	<u>(1,736)</u>
EXPENDITURES:				
Fire	5,500	5,500	495	5,005
Total expenditures	<u>5,500</u>	<u>5,500</u>	<u>495</u>	<u>5,005</u>
Revenues over (under) expenditures	1,050	1,050	4,319	3,269
Fund balance - beginning of year	<u>1,688</u>	<u>1,688</u>	<u>1,688</u>	-
Fund balance - end of year	<u>\$ 2,738</u>	<u>\$ 2,738</u>	<u>\$ 6,007</u>	<u>\$ 3,269</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COURT TECHNOLOGY - SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Fines and fees	\$ -	\$ -	\$ 6,661	\$ 6,661
Interest	1,000	1,000	381	(619)
Miscellaneous	20,000	20,000	11,681	(8,319)
Total revenues	<u>21,000</u>	<u>21,000</u>	<u>18,723</u>	<u>(2,277)</u>
EXPENDITURES:				
Municipal court	31,150	31,150	33,644	(2,494)
Total expenditures	<u>31,150</u>	<u>31,150</u>	<u>33,644</u>	<u>(2,494)</u>
Revenues over (under) expenditures	(10,150)	(10,150)	(14,921)	(4,771)
OTHER FINANCING SOURCES (USES):				
Transfer out	(7,200)	(7,200)	(7,200)	- -
Total other financing sources	<u>(7,200)</u>	<u>(7,200)</u>	<u>(7,200)</u>	<u>- -</u>
Revenues and other financing sources over (under) expenditures	(17,350)	(17,350)	(22,121)	(4,771)
Fund balance - beginning of year	37,667	37,667	37,667	- -
Fund balance - end of year	<u>\$ 20,317</u>	<u>\$ 20,317</u>	<u>\$ 15,546</u>	<u>\$ (4,771)</u>

CITY OF HALTOM CITY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COURT SECURITY - SPECIAL REVENUE FUNDS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Fines and fees	\$ -	\$ -	\$ 8,160	\$ 8,160
Interest	2,500	2,500	1,402	(1,098)
Miscellaneous	<u>15,000</u>	<u>15,000</u>	<u>8,761</u>	<u>(6,239)</u>
Total revenues	<u>17,500</u>	<u>17,500</u>	<u>18,323</u>	<u>823</u>
EXPENDITURES:	-	-	-	-
Revenues over (under) expenditures	17,500	17,500	18,323	823
OTHER FINANCING SOURCES (USES):				
Transfers out	(15,000)	(15,000)	(15,000)	- -
Total other financing sources (uses)	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>- -</u>
Revenues over (under) expenditures and other financing sources (uses)	2,500	2,500	3,323	823
Fund balance - beginning of year	79,345	79,345	79,345	- -
Fund balance - end of year	<u>\$ 81,845</u>	<u>\$ 81,845</u>	<u>\$ 82,668</u>	<u>\$ 823</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
JUVENILE CASE MANAGER - SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Charges for Services	\$ 27,000	\$ 27,000	\$ 22,846	\$(4,154)
Interest	2,500	2,500	1,898	(602)
Total revenues	<u>29,500</u>	<u>29,500</u>	<u>24,744</u>	<u>(4,756)</u>
EXPENDITURES:				
Municipal court	1,000	1,000	-	1,000
Total expenditures	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Revenues over (under) expenditures	28,500	28,500	24,744	(3,756)
OTHER FINANCING SOURCES (USES):				
Transfers out	(48,000)	(48,000)	(48,000)	- -
Total other financing sources (uses)	<u>(48,000)</u>	<u>(48,000)</u>	<u>(48,000)</u>	<u>- -</u>
Revenues and other financing sources (uses) over (under) expenditures	(19,500)	(19,500)	(23,256)	(3,756)
Fund balance - beginning of year	<u>116,523</u>	<u>129,570</u>	<u>116,523</u>	<u>- -</u>
Fund balance - end of year	<u>\$ 97,023</u>	<u>\$ 110,070</u>	<u>\$ 93,267</u>	<u>\$(3,756)</u>

CITY OF HALTOM CITY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ANIMAL SHELTER - SPECIAL REVENUE FUNDS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest	\$ 1,000	\$ 1,000	\$ 1,321	\$ 321
Donations	<u>6,000</u>	<u>6,000</u>	<u>6,209</u>	<u>209</u>
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>7,530</u>	<u>530</u>
EXPENDITURES:				
Animal Control	<u>5,000</u>	<u>5,000</u>	<u>1,910</u>	<u>3,090</u>
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>1,910</u>	<u>3,090</u>
Revenues over (under) expenditures	2,000	2,000	5,620	3,620
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>
Revenues and other financing sources (uses) over (under) expenditures	<u>(48,000)</u>	<u>(48,000)</u>	<u>5,620</u>	<u>3,620</u>
Fund balance - beginning of year	<u>75,664</u>	<u>75,664</u>	<u>75,664</u>	<u>-</u>
Fund balance - end of year	<u>\$ 27,664</u>	<u>\$ 27,664</u>	<u>\$ 81,284</u>	<u>\$ 3,620</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SAFE PATHWAYS PROGRAM - SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Charges for Services	\$ 1,250	\$ 1,250	\$ -	\$(1,250)
Interest	<u>1,000</u>	<u>1,000</u>	<u>1,142</u>	<u>142</u>
Total revenues	<u>2,250</u>	<u>2,250</u>	<u>1,142</u>	<u>(1,108)</u>
EXPENDITURES:				
Revenues over (under) expenditures	2,250	2,250	1,142	(1,108)
Fund balance - beginning of year	<u>65,517</u>	<u>65,517</u>	<u>65,517</u>	<u>-</u>
Fund balance - end of year	<u>\$ 67,767</u>	<u>\$ 67,767</u>	<u>\$ 66,659</u>	<u>\$(1,108)</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STREET ASSESSMENTS - CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Interest	\$ 400	\$ 400	\$ 420	\$ 20
Total revenues	<u>400</u>	<u>400</u>	<u>420</u>	<u>20</u>
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	400	400	420	-
Fund balance - beginning year	<u>24,058</u>	<u>24,058</u>	<u>24,058</u>	<u>-</u>
Fund balance - end of year	\$ <u>24,458</u>	\$ <u>24,458</u>	\$ <u>24,478</u>	\$ <u>20</u>

CITY OF HALTOM CITY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL REPLACEMENT - CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Charges for services	\$ 30,000	\$ 30,000	\$ 13,776	\$(16,224)
Interest	<u>20,000</u>	<u>20,000</u>	<u>15,239</u>	(4,761)
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>29,015</u>	(20,985)
EXPENDITURES:				
Debt Service:				
Principal	252,000	252,000	309,934	(57,934)
Interest	-	-	70,617	(70,617)
Capital Outlay	<u>467,000</u>	<u>467,000</u>	<u>1,223,069</u>	(756,069)
Total expenditures	<u>719,000</u>	<u>719,000</u>	<u>1,603,620</u>	(884,620)
OTHER FINANCING SOURCES (USES):				
Transfers In	700,000	700,000	650,004	(49,996)
Issuance of debt	-	-	956,294	956,294
Total other financing sources (uses)	<u>700,000</u>	<u>700,000</u>	<u>1,606,298</u>	<u>906,298</u>
Revenues over (under) expenditures and other financing sources (uses)	31,000	31,000	31,693	693
Fund balance - beginning of year	<u>692,422</u>	<u>692,422</u>	<u>692,422</u>	-
Fund balance - end of year	<u>\$ 723,422</u>	<u>\$ 723,422</u>	<u>\$ 724,115</u>	<u>\$ 693</u>

STATISTICAL SECTION

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STATISTICAL SECTION

The City of Haltom City's statistical section presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information, which details the City's overall financial health and well-being.

Contents

	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changes over time.	93 – 100
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes and sales taxes.	101 – 110
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	111 – 118
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	119 – 120
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	121 – 126
Other Information TMRS – Analysis of Funding	127 – 128

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF HALTOM CITY, TEXAS

NET POSITION BY COMPONENT

**LAST TEN FISCAL YEARS
(UNAUDITED)**

	2011	2012	2013	2014
Governmental activities				
Net investment in capital assets	\$ 24,273,677	\$ 30,247,459	\$ 35,212,219	\$ 44,018,316
Restricted	12,215,455	7,310,385	5,680,532	7,522,651
Unrestricted	<u>9,646,886</u>	<u>9,330,151</u>	<u>9,147,395</u>	<u>3,155,882</u>
Total governmental activities net position	<u>46,136,018</u>	<u>46,887,995</u>	<u>50,040,146</u>	<u>54,696,849</u>
Business-type activities				
Net investment in capital assets	30,271,696	32,063,719	32,974,632	39,419,139
Unrestricted	<u>5,655,023</u>	<u>6,851,622</u>	<u>6,560,595</u>	<u>5,530,649</u>
Total business-type activities net position	<u>35,926,719</u>	<u>38,915,341</u>	<u>39,535,227</u>	<u>44,949,788</u>
Primary government				
Net investment in capital assets	54,545,373	62,311,178	68,186,851	83,437,455
Restricted	12,215,455	7,310,385	5,680,532	7,522,651
Unrestricted	<u>15,301,909</u>	<u>16,181,773</u>	<u>15,707,990</u>	<u>8,686,531</u>
Total primary government net position	<u>\$ 82,062,737</u>	<u>\$ 85,803,336</u>	<u>\$ 89,575,373</u>	<u>\$ 99,646,637</u>

NOTE: The Fiscal Year 2010 governmental activities have been restated excluding the Economic Development Corporation and the Crime Control District which are reported as discretely presented component units from FY 2010 forward in compliance with GASB 14.

TABLE 1

2015	2016	2017	2018	2019	2020
\$ 44,644,061	\$ 49,669,147	\$ 48,573,824	\$ 51,907,911	\$ 53,560,693	\$ 56,184,646
11,087,769	8,566,493	14,332,634	14,398,393	17,961,901	18,389,983
(3,213,591)	(6,118,269)	(7,282,612)	(9,177,231)	(9,182,445)	(1,208,395)
<u>52,518,239</u>	<u>52,117,371</u>	<u>55,623,846</u>	<u>57,129,073</u>	<u>62,340,149</u>	<u>73,366,234</u>
40,345,975	40,860,841	41,019,999	42,648,361	43,145,765	43,473,153
5,383,611	6,487,495	10,344,876	15,850,355	19,753,480	26,077,265
<u>45,729,586</u>	<u>47,348,336</u>	<u>51,364,875</u>	<u>58,498,716</u>	<u>62,899,245</u>	<u>69,550,418</u>
84,990,036	90,529,988	89,593,823	94,566,272	96,706,458	99,657,799
11,087,769	8,566,493	14,332,634	14,398,393	17,961,901	18,389,983
2,170,020	369,226	3,062,264	6,673,104	10,571,035	24,868,870
<u>\$ 98,247,825</u>	<u>\$ 99,465,707</u>	<u>\$ 106,988,721</u>	<u>\$ 115,637,769</u>	<u>\$ 125,239,394</u>	<u>\$ 142,916,652</u>

CITY OF HALTOM CITY, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2011	2012	2013	2014
Governmental activities				
General government	\$ 6,687,785	\$ 5,652,640	\$ 5,490,063	\$ 5,972,582
Public safety	13,683,083	15,586,244	15,223,623	15,929,472
Streets	3,340,203	3,411,917	4,259,384	4,237,146
Culture and recreation	2,683,018	2,891,808	2,867,987	3,140,140
Interest on long-term debt	1,514,512	1,497,506	1,431,521	1,570,866
Total governmental activities expenses	<u>27,908,601</u>	<u>29,040,115</u>	<u>29,272,578</u>	<u>30,850,206</u>
Business-type activities:				
Water and sewer services	14,183,655	14,658,304	14,862,348	15,679,502
Drainage services	1,345,575	1,167,946	1,352,182	1,361,742
Total business-type activities expenses	<u>15,529,230</u>	<u>15,826,250</u>	<u>16,214,530</u>	<u>17,041,244</u>
Total primary government expenses	<u>43,437,831</u>	<u>44,866,365</u>	<u>45,487,108</u>	<u>47,891,450</u>
Program revenues				
Governmental activities:				
Charges for services:				
General government	2,389,655	2,497,069	1,928,004	2,451,322
Public safety	1,829,713	2,112,240	2,357,634	2,053,885
Streets	-	17,449	5,240	22,138
Culture and recreation	184,669	234,796	253,282	262,606
Operating grants and contributions	755,027	729,869	572,559	1,140,514
Capital grants and contributions	1,492,611	2,657,688	4,765,451	7,279,679
Total governmental activities program revenues	<u>6,651,675</u>	<u>8,249,111</u>	<u>9,882,170</u>	<u>13,210,144</u>
Business-type activities:				
Charges for services:				
Water and sewer services	17,200,589	16,662,680	16,702,485	16,742,577
Drainage services	1,274,414	1,424,824	1,566,018	1,699,940
Capital grants and contributions	712,983	475,811	51,581	3,835,132
Total business-type activities program revenues	<u>19,187,986</u>	<u>18,563,315</u>	<u>18,320,084</u>	<u>22,277,649</u>
Total primary Government program revenues	<u>\$ 25,839,661</u>	<u>\$ 26,812,426</u>	<u>\$ 28,202,254</u>	<u>\$ 35,487,793</u>

NOTE: The Fiscal Year 2010 governmental activities have been restated excluding the Economic Development Corporation and the Crime Control District which are reported as discretely presented component units from FY 2010 forward in compliance with GASB 14.

TABLE 2

2015	2016	2017	2018	2019	2020
\$ 4,992,708	\$ 6,991,532	\$ 6,583,493	\$ 6,320,374	\$ 7,170,945	\$ 6,582,331
15,702,918	18,140,988	18,763,690	18,389,178	17,907,680	17,919,745
3,180,893	2,661,889	3,062,161	3,801,982	3,217,049	1,877,804
2,894,363	3,101,708	3,209,288	3,819,112	3,732,618	3,457,170
<u>1,297,086</u>	<u>1,228,911</u>	<u>1,250,237</u>	<u>1,049,253</u>	<u>1,174,401</u>	<u>1,478,330</u>
<u>28,067,968</u>	<u>32,125,028</u>	<u>32,868,869</u>	<u>33,379,899</u>	<u>33,202,693</u>	<u>31,315,380</u>
15,990,278	17,611,699	16,670,152	16,372,945	18,761,789	18,182,467
1,047,947	1,372,063	1,309,625	1,218,164	1,567,980	1,763,216
<u>17,038,225</u>	<u>18,983,762</u>	<u>17,979,777</u>	<u>17,591,109</u>	<u>20,329,769</u>	<u>19,945,683</u>
<u>45,106,193</u>	<u>51,108,790</u>	<u>50,848,646</u>	<u>50,971,008</u>	<u>53,532,462</u>	<u>51,261,063</u>
2,482,422	2,699,926	2,728,039	2,631,068	2,469,464	3,318,494
1,827,337	1,840,804	2,272,328	1,075,387	1,694,051	860,081
1,305	41,140	3,992	43,304	-	-
251,285	249,830	217,862	231,442	181,004	89,597
717,407	272,414	359,563	442,109	258,868	1,634,438
<u>7,025,184</u>	<u>40,443</u>	<u>17,186</u>	<u>459,410</u>	<u>24,356</u>	<u>143,769</u>
<u>12,304,940</u>	<u>5,144,557</u>	<u>5,598,970</u>	<u>4,882,720</u>	<u>4,627,743</u>	<u>6,046,379</u>
17,433,066	19,279,830	20,591,084	23,373,412	23,080,974	24,932,166
1,644,089	1,627,657	1,861,389	1,830,479	1,708,362	1,815,869
1,224,660	305,962	-	-	-	-
<u>20,301,815</u>	<u>21,213,449</u>	<u>22,452,473</u>	<u>25,203,891</u>	<u>24,789,336</u>	<u>26,748,035</u>
<u>\$ 32,606,755</u>	<u>\$ 26,358,006</u>	<u>\$ 28,051,443</u>	<u>\$ 30,086,611</u>	<u>\$ 29,417,079</u>	<u>\$ 32,794,414</u>

CITY OF HALTOM CITY, TEXAS

CHANGES IN NET POSITION

**LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2011	2012	2013	2014
Net (Expense)/Revenue				
Governmental activities	\$(21,256,926)	\$(20,791,004)	\$(19,390,408)	\$(17,640,062)
Business-type activities	<u>3,658,756</u>	<u>2,737,065</u>	<u>2,105,554</u>	<u>5,236,405</u>
Total primary government net expense	<u>(17,598,170)</u>	<u>(18,053,939)</u>	<u>(17,284,854)</u>	<u>(12,403,657)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	10,409,369	9,968,735	10,327,708	11,136,939
Sales taxes	6,155,614	6,578,414	6,902,685	7,103,791
Franchise taxes	4,015,766	4,057,555	3,977,397	4,105,002
Occupancy taxes	35,679	38,540	46,979	44,484
Interest	129,694	154,370	106,114	(122,596)
Unrestricted grants and contributions	-	-	-	-
Oil and gas leases	2,404,331	269,966	336,439	394,326
Mixed beverage taxes	11,127	10,491	11,908	12,582
Miscellaneous	924,962	661,350	676,880	721,957
Gain on sale of capital assets	13,590	5,545	4,100	122,503
Transfers	<u>(2,135,151)</u>	<u>(191,494)</u>	<u>(132,101)</u>	<u>(471,558)</u>
Total governmental activities	<u>21,964,981</u>	<u>21,553,472</u>	<u>22,258,109</u>	<u>23,047,430</u>
Business-type activities:				
Interest	35,498	37,463	46,587	(37,657)
Gain on sale of capital assets	8,055	22,600	-	20,118
Transfers	<u>2,135,151</u>	<u>191,494</u>	<u>132,101</u>	<u>471,558</u>
Total business-type activities	<u>2,178,704</u>	<u>251,557</u>	<u>178,688</u>	<u>454,019</u>
Total primary government	<u>24,143,685</u>	<u>21,805,029</u>	<u>22,436,797</u>	<u>23,501,449</u>
Change in Net Position				
Governmental activities	696,928	751,977	2,855,793	5,394,786
Business-type activities	<u>5,837,460</u>	<u>2,988,622</u>	<u>2,284,242</u>	<u>5,690,424</u>
Total primary government	<u>\$ 6,534,388</u>	<u>\$ 3,740,599</u>	<u>\$ 5,140,035</u>	<u>\$ 11,085,210</u>

NOTE: The Fiscal Year 2010 governmental activities have been restated excluding the Economic Development Corporation and the Crime Control District which are reported as discretely presented component units from FY 2010 forward in compliance with GASB 14.

TABLE 2

2015	2016	2017	2018	2019	2020
<u>\$(15,763,028)</u>	<u>\$(26,980,471)</u>	<u>\$(27,269,899)</u>	<u>\$(28,497,179)</u>	<u>\$(28,574,950)</u>	<u>\$(25,269,001)</u>
<u>3,263,590</u>	<u>2,229,687</u>	<u>4,472,696</u>	<u>7,612,782</u>	<u>4,459,567</u>	<u>6,802,352</u>
<u>(12,499,438)</u>	<u>(24,750,784)</u>	<u>(22,797,203)</u>	<u>(20,884,397)</u>	<u>(24,115,383)</u>	<u>(18,466,649)</u>
11,950,005	12,035,695	12,706,964	13,688,707	14,458,831	17,273,899
7,622,096	8,437,024	12,025,312	13,254,357	13,527,349	13,387,329
4,055,193	4,044,133	4,078,235	4,034,509	3,934,104	3,896,316
44,681	47,561	44,308	46,865	45,781	43,679
86,035	157,851	244,718	239,572	901,211	745,428
500,020	989,140	615,685	-	-	-
127,709	30,131	57,466	123,212	122,757	53,276
14,554	13,887	11,174	12,959	27,082	27,750
407,255	124,181	384,156	270,597	80,533	255,396
-	-	18,356	62,913	108,378	32,017
684,658	700,000	580,000	580,000	580,000	579,996
<u>25,492,206</u>	<u>26,579,603</u>	<u>30,766,374</u>	<u>32,313,691</u>	<u>33,786,026</u>	<u>36,295,086</u>
20,466	89,063	123,843	147,322	520,982	428,817
-	-	-	-	-	-
<u>(684,658)</u>	<u>(700,000)</u>	<u>(580,000)</u>	<u>(580,000)</u>	<u>(580,000)</u>	<u>(579,996)</u>
<u>(664,192)</u>	<u>(610,937)</u>	<u>(456,157)</u>	<u>(432,678)</u>	<u>(59,018)</u>	<u>(151,179)</u>
<u>24,828,014</u>	<u>(25,968,666)</u>	<u>30,320,217</u>	<u>31,881,031</u>	<u>33,727,008</u>	<u>36,143,907</u>
9,729,178	(400,868)	3,506,475	3,816,512	5,211,076	11,026,085
2,599,398	<u>1,618,750</u>	<u>4,016,539</u>	<u>7,180,104</u>	<u>4,400,549</u>	<u>6,651,173</u>
\$ 12,328,576	\$ 1,217,882	\$ 7,523,014	\$ 10,996,616	\$ 9,611,625	\$ 17,677,258

CITY OF HALTOM CITY, TEXAS

FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund				
Nonspendable	\$ 184,273	\$ 194,579	\$ 189,295	\$ 205,828
Assigned	4,431,454	4,725	-	-
Unassigned	<u>3,730,907</u>	<u>10,571,395</u>	<u>11,195,537</u>	<u>11,323,984</u>
Total general fund	<u>8,346,634</u>	<u>10,770,699</u>	<u>11,384,832</u>	<u>11,529,812</u>
All Other Governmental Funds				
Nonspendable	-	-	-	-
Restricted	18,190,269	16,277,980	17,272,217	12,308,467
Assigned	254,932	-	-	-
Unassigned	(78,693)	(40,665)	(43,799)	(79,746)
Total all other governmental funds	<u>\$ 18,366,508</u>	<u>\$ 16,237,315</u>	<u>\$ 17,228,418</u>	<u>\$ 12,228,721</u>

TABLE 3

2015	2016	2017	2018	2019	2020
\$ 180,936	\$ 170,743	\$ 200,738	\$ 201,427	\$ 168,876	\$ 179,195
-	-	-	-	833,338	-
<u>11,381,345</u>	<u>9,402,292</u>	<u>10,043,761</u>	<u>13,200,606</u>	<u>12,420,435</u>	<u>18,014,660</u>
<u>11,562,281</u>	<u>9,573,035</u>	<u>10,244,499</u>	<u>13,402,033</u>	<u>13,422,649</u>	<u>18,193,855</u>
-	-	15,534	61,500	-	-
11,055,819	8,486,785	14,254,552	17,872,985	26,266,982	30,308,944
-	-	-	-	-	-
<u>35,828</u>	<u>517,510</u>	<u>(11,520)</u>	<u>(23,103)</u>	<u>(34,469)</u>	<u>(33,125)</u>
<u>\$ 11,091,647</u>	<u>\$ 9,004,295</u>	<u>\$ 14,258,566</u>	<u>\$ 17,911,382</u>	<u>\$ 26,232,513</u>	<u>\$ 30,275,819</u>

CITY OF HALTOM CITY, TEXAS

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

**LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2011	2012	2013	2014
Revenues				
Taxes [See Table 5]	\$ 20,210,842	\$ 20,769,714	\$ 21,590,984	\$ 22,547,214
Licenses and permits	818,916	715,066	332,908	484,736
Intergovernmental	1,435,785	912,126	591,897	8,285,812
Fines and fees	2,004,327	1,740,065	2,147,032	1,916,686
Charges for services	1,755,673	1,853,771	1,647,888	1,758,412
Oil and gas leases	-	269,966	336,439	394,326
Interest income	122,762	111,281	88,029	(84,217)
Contributions	119,244	783,942	646,002	653,585
Special assessments	3,015	5,283	4,681	2,613
Miscellaneous	<u>3,404,073</u>	<u>307,373</u>	<u>438,684</u>	<u>471,393</u>
Total revenues	<u>29,874,637</u>	<u>27,468,587</u>	<u>27,824,544</u>	<u>36,430,560</u>
Expenditures				
General government	6,426,523	5,224,896	5,440,470	11,486,467
Economic development	-	-	-	-
Public safety	12,394,087	13,981,585	14,182,784	14,464,255
Streets	1,175,358	1,323,160	2,004,095	1,710,489
Culture and recreation	2,066,427	2,312,719	2,289,178	3,302,937
Capital outlay	2,249,497	4,342,467	5,971,871	7,419,305
Debt service:				
Principal	2,615,000	2,650,000	2,865,000	3,315,000
Interest	1,175,876	1,493,869	1,358,658	1,416,333
Bond issuance costs	<u>189,642</u>	<u>98,804</u>	<u>198,369</u>	<u>106,727</u>
Total expenditures	<u>28,292,410</u>	<u>31,427,500</u>	<u>34,310,425</u>	<u>43,221,513</u>
Excess of revenues over (under) expenditures	1,582,227	(3,958,913)	(6,485,881)	(6,790,953)
Other financial sources (uses)				
Bonds issued	13,320,000	3,880,000	7,330,000	7,330,000
Premium on issuance of debt	157,045	244,131	257,454	-
Payment to refunded bond escrow agent	(3,295,045)	(2,658,367)	-	(5,044,709)
Proceeds from capital lease	-	-	-	-
Sale of capital assets	13,590	5,545	4,100	122,503
Transfers in	623,467	3,006,932	1,008,777	1,348,725
Transfers out	<u>(2,758,618)</u>	<u>(3,198,426)</u>	<u>(1,140,878)</u>	<u>(1,820,283)</u>
Total other financing sources (uses)	<u>8,060,439</u>	<u>1,279,815</u>	<u>7,459,453</u>	<u>1,936,236</u>
Net change in fund balance	<u>\$ 9,642,666</u>	<u>\$ (2,679,098)</u>	<u>\$ 973,572</u>	<u>\$ (4,854,717)</u>
Debt service as a percentage of noncapital expenditures	14.6%	15.3%	14.9%	13.2%

NOTE: The fiscal year 2010 changes in fund balance have been restated excluding the Economic Development Corporation and the Crime Control District which are reported as discretely presented component units from FY 2012 forward in compliance with GASB 14.

TABLE 4

2015	2016	2017	2018	2019	2020
\$ 23,345,404	\$ 24,497,264	\$ 29,076,841	\$ 31,059,455	\$ 32,191,601	\$ 34,410,674
851,870	814,128	638,032	987,167	1,095,526	1,935,600
660,422	205,337	254,000	758,074	215,319	1,688,615
1,776,959	1,371,940	1,551,999	1,313,937	1,292,692	764,796
1,782,682	2,054,448	2,121,287	1,759,252	1,386,044	1,326,530
127,709	30,131	67,466	123,212	122,757	53,276
86,098	157,850	244,678	239,539	901,178	745,388
858,043	1,405,165	748,839	144,310	68,187	72,319
11,592	-	3,183	6,059	2,033	-
818,530	465,094	667,635	547,405	350,375	465,519
<u>30,319,309</u>	<u>31,001,357</u>	<u>35,373,960</u>	<u>36,938,410</u>	<u>37,625,712</u>	<u>41,462,717</u>
5,132,507	6,181,093	5,804,710	6,274,768	7,250,795	6,490,804
-	-	-	-	-	-
15,612,260	16,487,431	16,604,490	17,197,194	17,900,823	17,293,723
1,076,012	683,434	1,284,857	1,556,644	2,099,806	2,824,221
2,414,793	2,429,286	2,447,648	3,046,391	3,126,754	2,824,579
3,433,813	5,187,830	1,595,455	2,098,253	1,903,015	4,255,104
3,545,000	3,545,000	4,105,000	4,218,128	5,055,743	5,144,934
1,335,855	1,259,241	1,200,021	1,073,999	1,054,336	1,422,774
26,640	4,640	147,289	54,598	168,065	165,522
<u>32,576,880</u>	<u>35,777,955</u>	<u>33,189,470</u>	<u>35,519,975</u>	<u>38,559,337</u>	<u>40,421,661</u>
(2,257,571)	(4,776,598)	2,184,490	1,418,435	(933,625)	1,041,056
365,000	-	7,115,000	2,860,000	7,460,000	5,730,000
-	-	430,923	-	526,665	429,778
-	-	(4,403,034)	-	-	-
-	-	-	809,444	600,329	956,294
27,554	-	18,356	62,913	108,378	77,388
1,567,949	1,778,250	2,284,913	2,797,863	2,898,688	2,356,440
(883,291)	(1,078,250)	(1,704,913)	(2,217,863)	(2,318,688)	(1,776,444)
<u>1,077,212</u>	<u>700,000</u>	<u>3,741,245</u>	<u>4,312,357</u>	<u>9,275,372</u>	<u>7,773,456</u>
<u>\$ (1,180,359)</u>	<u>\$ (4,076,598)</u>	<u>\$ 5,925,735</u>	<u>\$ 5,730,792</u>	<u>\$ 8,341,747</u>	<u>\$ 8,814,512</u>
16.7%	15.7%	16.8%	16.0%	17.5%	19.8%

CITY OF HALTOM CITY, TEXAS

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE

TABLE 5

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Occupancy Tax	Bingo Tax	Mixed Beverage Tax	Total
2011	\$ 9,978,510	\$ 6,155,614	\$ 4,015,766	\$ 35,679	\$ 14,146	\$ 11,127	\$ 20,210,842
2012	10,075,552	6,578,414	4,057,555	38,540	9,161	10,491	20,769,713
2013	10,650,864	6,902,684	3,977,397	46,979	1,151	11,908	21,590,983
2014	11,136,939	7,103,791	4,105,002	44,484	2,716	12,582	22,405,514
2015	11,522,289	7,622,096	4,141,784	44,681	-	14,554	23,345,404
2016	11,898,232	8,437,022	4,100,319	47,804	-	13,887	24,497,264
2017	12,867,349	12,025,312	4,128,461	44,545	-	11,174	29,076,841
2018	13,688,514	13,254,357	4,056,346	47,279	-	12,959	31,059,455
2019	14,605,834	13,527,349	3,984,935	46,401	6,255	20,827	32,191,601
2020	16,992,361	13,387,329	3,946,276	56,958	10,994	16,756	34,410,674

Note: The fiscal year 2010 sales tax revenues have been restated excluding the Economic Development and the Crime Control District which are reported as discretely resented component units from FY 2010 forward in compliance with GASB 14.

CITY OF HALTOM CITY, TEXAS**TABLE 6****ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**

Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Fiscal Year	Taxable Value		Less: Tax-Exempt Property	Net Taxable Value	Total Direct Tax Rate
	Real Property	Personal Property			
2011	\$ 1,595,023,909	\$ 300,353,616	\$ 408,873,952	\$ 1,486,503,573	0.64637
2012	1,557,087,625	302,106,814	399,443,255	1,459,751,184	0.65174
2013	1,612,456,483	295,394,543	411,254,238	1,496,596,788	0.67174
2014	1,641,000,800	302,497,948	407,876,393	1,535,622,355	0.69999
2015	1,748,908,695	310,614,488	417,359,896	1,642,163,287	0.69999
2016	1,659,993,768	314,318,393	406,461,354	1,567,850,807	0.69999
2017	1,778,726,503	326,663,818	430,621,079	1,674,769,242	0.69999
2018	2,126,037,240	349,464,064	509,893,316	1,965,607,988	0.66818
2019	2,296,595,267	357,883,712	509,227,200	2,145,251,779	0.65300
2020	2,540,379,473	496,278,229	602,651,495	2,434,006,207	0.66576

Source: Tarrant County Appraisal District

CITY OF HALTOM CITY, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(PER \$100 OF ASSESSED VALUE)

LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	City Direct Rates			Overlapping Rates		
	Operating/ General Fund	Debt Service Fund	Total (A) Direct	Birdville School District	Tarrant College District	
2011	\$ 0.445871	\$ 0.200500	\$ 0.646371	\$ 1.425000	\$ 0.148970	
2012	0.441740	0.210000	0.651740	1.435000	0.148970	
2013	0.461740	0.210000	0.671740	1.435000	0.149500	
2014	0.479990	0.220000	0.699990	1.435000	0.149500	
2015	0.479990	0.220000	0.699990	1.435000	0.149500	
2016	0.462320	0.237670	0.699990	1.453900	0.149500	
2017	0.462320	0.237670	0.699990	1.453900	0.144730	
2018	0.455180	0.213000	0.668180	1.453900	0.140060	
2019	0.423000	0.230000	0.653000	1.453900	0.136070	
2020	0.413730	0.252030	0.665760	1.383900	0.130170	

Sources: City Records and Tarrant County Appraisal District

TABLE 7

Overlapping Rates		
Tarrant County Hospital	Tarrant County	Total Direct & Overlapping
\$ 0.227897	\$ 0.264000	\$ 2.670908
0.227897	0.264000	2.727607
0.227897	0.264000	2.748137
0.227897	0.264000	2.776387
0.227897	0.264000	2.776387
0.227897	0.264000	2.776387
0.227897	0.254000	2.780517
0.224429	0.244000	2.730569
0.224429	0.234000	2.701399
0.224429	0.234000	2.638259

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CITY OF HALTOM CITY, TEXAS

TABLE 8

PRINCIPAL PROPERTY TAX PAYERS

CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

<u>Taxpayer</u>	2020			2011		
	Taxable Assessed Value (in thousands)	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value (in thousands)	Rank	Percentage of Total City Taxable Assessed Value
The Hillshire Brands Co.	\$ 71,816	1	2.95%	-		-
CAF TNREF II HL LLC	70,000	2	2.88%	-		-
Northern Cross Borrower LLC	44,100	3	1.81%	-		-
KV Belmond Apartments LP	43,165	4	1.77%	-		-
CC 820 Beach Grand LLC	39,600	5	1.63%	-		-
AV Haltom Lakeview	34,060	6	1.40%	-		-
CMLH Holdings #2 LLC	29,750	7	1.22%	-		-
Fossil Ridge Apartments LLC	26,190	8	1.08%	-		-
Spring Lake City LP	26,050	9	1.07%	-		-
Ararat Hills Master LLC	26,160	10	1.07%	-		-
M & A Crvi	-		-	\$ 28,899	1	1.94%
Sara Lee Corp	-		-	22,386	2	1.50%
Somp-Beach LP	-		-	19,230	3	1.29%
State Fair Foods Inc	-		-	18,002	4	1.21%
Protea Amesbury Court	-		-	16,150	5	1.09%
Oncor Electric Delivery	-		-	12,468	6	0.84%
A T S Drilling Inc	-		-	12,336	7	0.83%
Fossil Hill Ltd	-		-	9,068	8	0.61%
Ahern Rentals Inc	-		-	8,699	9	0.58%
Hall Fossil Ridge Assoc Ltd	-		-	8,688	10	0.58%
Total	\$ 410,891		16.88%	\$ 155,926		10.47%

Source: Tarrant County Appraisal District

CITY OF HALTOM CITY, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

**LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Taxes Levied for the Fiscal Year	Adjustments to Levy	Adjusted Taxes Levied for Fiscal Year	Collected within the Fiscal Year of the Levy	
				Amount	Percentage of Levy
2011	\$ 9,566,056	\$ 324,662	\$ 9,890,718	\$ 9,668,350	97.75%
2012	10,023,471	(26,514)	9,996,957	9,806,044	98.09%
2013	10,379,878	110,523	10,490,400	10,276,942	97.97%
2014	11,002,623	60,540	11,063,163	10,856,887	98.14%
2015	11,615,861	(76,711)	11,539,150	11,416,197	98.93%
2016	10,864,156	793,917	11,658,073	11,332,941	99.03%
2017	12,287,526	415,787	12,703,313	12,514,668	98.51%
2018	13,110,290	392,415	13,502,705	13,127,625	97.22%
2019	14,415,250	158,809	14,574,059	14,375,036	98.63%
2020	16,709,584	224,381	16,933,965	16,749,840	98.91%

Source: Tarrant County Tax Office

See schedule C

TABLE 9

Collections For Previous Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 183,952	\$ 9,852,302	99.61%
141,156	9,947,200	99.50%
159,518	10,436,459	99.49%
161,250	11,018,137	99.59%
114,360	11,530,557	99.93%
211,678	11,544,619	99.03%
142,888	12,657,556	99.64%
189,001	13,316,626	98.62%
74,294	14,449,330	99.14%
133,265	16,883,105	99.70%

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CITY OF HALTOM CITY, TEXAS**TABLE 10****SALES TAX COLLECTIONS BY FUND****LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	General	Street Reconstruction	Total Primary Government	Component Units		Total Sales Tax Collections
				Economic Development	Crime Control District	
2011	\$ 4,927,300	\$ 1,228,313	\$ 6,155,613	\$ 2,456,626	\$ 1,162,617	\$ 9,774,856
2012	5,265,627	1,312,787	6,578,414	2,625,573	1,251,127	10,455,114
2013	5,524,775	1,377,910	6,902,684	2,755,820	1,327,971	10,986,476
2014	5,681,874	1,421,917	7,103,791	2,843,834	1,355,192	11,302,817
2015	6,095,550	1,526,546	7,622,096	3,053,111	1,465,227	12,140,434
2016	6,747,264	1,689,760	8,437,024	3,379,538	1,643,414	13,459,977
2017	9,448,656	2,577,863	12,026,519	-	1,662,631	13,689,150
2018	10,402,719	2,851,638	13,254,357	-	1,838,595	15,092,952
2019	10,632,058	2,895,291	13,527,349	-	1,865,818	15,393,167
2020	10,511,668	2,875,661	13,387,329	-	1,833,806	15,221,135

Note:

The Economic Development Corporation and the Crime District are presented separately which are discretely presented component units, but part of the City's Sales Tax Rate and Collections. Starting FY2017, there will be no allocation of sales tax to Economic Development Corporation.

Source: City of Haltom City Records

CITY OF HALTOM CITY, TEXAS

RATIO OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Governmental Activities							
	General		Refunding Bonds	Certificates			Tax Notes	Capital Leases
	General Obligation Bonds	Refunding Bonds		of Obligation				
2011	\$ 15,520,000	\$ 7,490,000	\$ 16,495,000	\$ 475,000	\$ -			
2012	14,725,000	9,395,000	14,250,000	300,000				
2013	17,115,000	8,946,950	15,360,000	2,185,000				
2014	11,445,000	15,308,204	14,290,000	1,715,000				
2015	12,580,000	11,645,000	13,150,000	1,655,000				
2016	12,135,000	10,105,000	12,015,000	1,230,000				
2017	11,680,000	15,901,648	6,605,000	845,000				
2018	14,626,909	12,750,809	5,787,751	474,816		756,316		
2019	20,166,672	11,169,858	5,128,497	234,908		1,131,026		
2020	17,492,488	9,761,189	10,645,764	-		1,777,386		

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^a See Table 16 for personal income and population data.

TABLE 11

Business-Type Activities						Debt	Total
General	Obligation	Water and	Certificates	Total	Percentage	Total	
Refunding	Refunding	Sewer Revenue	of	Primary	of Personal	Debt	
Bonds	Bonds	Bonds	Obligation	Government	Income ^a	Per	Capita
\$ 7,905,000	\$ 1,380,000	\$ 11,155,000	\$ 60,420,000	7.14%	\$ 1,528		
8,070,000	125,000	13,540,000	60,405,000	7.26%	1,435		
7,210,875	-	12,940,000	63,757,825	7.29%	1,472		
9,305,350	-	9,385,000	61,448,554	7.03%	1,419		
7,890,000	-	9,000,000	55,920,000	6.45%	1,311		
6,630,000	-	8,605,000	50,720,000	5.78%	1,187		
6,200,000	-	7,330,000	48,561,648	5.62%	1,140		
5,026,999	-	14,041,555	53,465,155	6.01%	1,221		
3,682,796	-	13,224,703	54,738,460	5.93%	1,218		
5,138,858	-	10,010,081	54,825,766	5.93%	1,156		

CITY OF HALTOM CITY, TEXAS

RATIO OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS
(Unaudited)

Governmental Activities

Fiscal Year	General Obligation Bonds	Certificates of Obligation	Tax Notes	Less: Amount Available for Debt Service		Total
2011	\$ 23,010,000	\$ 16,495,000	\$ 475,000	\$ 248,901	\$ 39,731,099	
2012	24,120,000	14,250,000	300,000	443,695	38,226,305	
2013	26,061,950	15,360,000	2,185,000	399,529	43,207,421	
2014	26,753,204	14,290,000	1,715,000	222,030	42,536,174	
2015	24,225,000	13,150,000	1,655,000	217,584	38,812,416	
2016	22,240,000	12,015,000	1,230,000	493,055	34,991,945	
2017	27,581,648	6,605,000	845,000	385,467	34,646,181	
2018	27,525,285	5,787,751	474,816	374,761	33,265,524	
2019	31,454,935	5,128,497	234,908	523,044	36,295,296	
2020	27,253,677	10,645,764	-	1,033,177	36,866,264	

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

^a See Table 6 for property value data.

^b See Table 16 for population data.

TABLE 12

Business-Type Activities				General		
Obligation	Certificates		Total	General Debt to	Debt	
Refunding	of	Obligation	Debt	Taxable Value	Per	
Bonds				of Property ^a	Capita ^b	
\$ 7,905,000	\$ 11,155,000		\$ 58,791,099	2.53%	\$ 1,005	
8,070,000	13,540,000		59,836,305	2.43%	908	
7,210,875	12,940,000		63,358,296	2.73%	998	
9,305,350	9,385,000		61,226,524	2.58%	970	
7,890,000	9,000,000		55,702,416	3.39%	1,270	
6,630,000	8,605,000		50,226,945	3.20%	1,175	
6,200,000	7,330,000		48,176,181	2.89%	1,134	
5,026,999	14,041,555		52,334,078	2.66%	1,224	
3,682,796	13,224,703		53,202,795	2.48%	1,245	
5,138,858	10,010,081		52,015,203	2.14%	1,173	

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CITY OF HALTOM CITY, TEXAS

TABLE 13

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2020
(Unaudited)

<u>Governmental Unit</u>	Debt Outstanding	Estimated Percentage Applicable^a	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Birdville Independent School District	\$ 431,768,605	21.88%	\$ 94,470,971
Fort Worth Independent School District	973,044,675	0.24%	2,335,307
Keller Independent School District	-	0.60%	-
Tarrant County	240,445,000	1.33%	3,197,919
Tarrant County Hospital District	16,135	1.33%	214,596
Subtotal, overlapping debt			100,218,793
City of Haltom City (direct debt)			
Total direct and overlapping debt			\$ 139,895,620

Sources: Texas Municipal Reports published by Municipal Advisory Council of Texas

^a The percentage of overlapping debt applicable is estimated using the area of each taxing unit located within Haltom City.

CITY OF HALTOM CITY, TEXAS

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(Unaudited)

	2011	2012	2013	2014
Debt limit	\$ 37,207,622	\$ 38,637,244	\$ 38,861,957	\$ 39,584,432
Total net debt applicable to limit	<u>22,761,099</u>	<u>23,676,305</u>	<u>25,662,421</u>	<u>26,531,174</u>
Legal debt margin	\$ <u>14,446,523</u>	\$ <u>14,960,939</u>	\$ <u>13,199,536</u>	\$ <u>13,053,258</u>
Total net debt applicable to the limit as a percentage of debt limit	38.26%	61.17%	61.28%	66.03%

Note: Under state finance law, the city's outstanding general obligation debt should not exceed 2.5 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$ 2,434,006,207
Debt limit (2.5% of assessed value)	60,850,155
Debt applicable to limit:	
General obligation bonds	27,253,677
Less: Amount set aside for repayment of general obligation debt	<u>(1,033,177)</u>
Total net debt applicable to limit	<u>26,220,500</u>
Legal debt margin	\$ <u>34,629,655</u>

2015	2016	2017	2018	2019	2020
\$ 41,912,022	\$ 39,196,270	\$ 41,869,231	\$ 49,140,200	\$ 53,631,294	\$ 60,850,155
<u>24,007,416</u>	<u>21,746,945</u>	<u>27,196,181</u>	<u>27,150,524</u>	<u>30,931,891</u>	<u>26,220,500</u>
\$ <u>17,904,606</u>	\$ <u>17,449,325</u>	\$ <u>14,673,050</u>	\$ <u>21,989,676</u>	\$ <u>22,699,403</u>	\$ <u>34,629,655</u>
67.02%	62.79%	64.96%	55.25%	57.68%	43.09%

CITY OF HALTOM CITY, TEXAS**TABLE 15****PLEDGED-REVENUE COVERAGE****LAST TEN FISCAL YEARS
(Unaudited)****Water & Sewer Revenue Bonds**

Fiscal Year	Total Revenues ^a	Less: Operating Expenses ^b	Net Available Revenue	Debt Service			Coverage
				Principal	Interest		
2011	\$ 17,906,949	\$ 12,300,554	\$ 5,606,395	\$ 325,000	\$ 148,756		11.83
2012	14,343,637	12,820,672	1,522,965	130,000	27,988		9.64
2013	16,505,018	12,987,017	3,518,001	125,000	2,094		27.68
2014	16,845,772	13,782,236	3,063,536	-	-		-
2015	16,871,764	14,052,528	2,819,236	-	-		-
2016	18,773,943	15,828,200	2,945,743	-	-		-
2017	20,235,926	14,994,043	5,241,883	-	-		-
2018	23,042,346	14,187,868	8,854,478	-	-		-
2019	23,537,076	16,452,441	7,084,635	-	-		-
2020	26,548,509	15,761,697	10,786,812	-	-		-

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

^a Includes operating revenues, investment interest, gain on sale of assets, and operating transfers.

^b Includes operating expenses minus depreciation and amortization.

CITY OF HALTOM CITY, TEXAS**TABLE 16****DEMOGRAPHIC AND ECONOMIC STATISTICS****LAST TEN FISCAL YEARS
(Unaudited)**

Year	Estimated Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2011	42,260	\$ 889,869	\$ 21,057	33.4	23,400	8.1%
2012	42,090	831,951	19,766	33.4	23,644	6.1%
2013	43,310	874,645	20,195	33.6	24,085	5.7%
2014	43,851	891,140	20,322	33.5	24,317	5.0%
2015	42,640	866,530	20,322	33.5	24,321	4.2%
2016	42,730	878,144	20,551	32.0	24,300	3.9%
2017	42,740	867,750	20,303	32.5	23,627	3.2%
2018	42,740	856,253	20,034	31.8	23,570	3.0%
2019	42,730	877,973	20,547	31.8	23,477	2.9%
2020	44,339	958,963	21,628	31.5	23,503	6.2%

Sources: Estimated population before 2015 provided by Oncor Economic Development. Estimated population for 2015 to 2018 were provided by the North Central Texas Council of Governments. Median age from Census-factfinder.census.gov. School enrollment provided by Birdville ISD. Unemployment rates from US Bureau of Labor Statistic.

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CITY OF HALTOM CITY, TEXAS

TABLE 17

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

<u>Employer</u>	2020			2011		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Birdville ISD	3,103	1	13.68%	2,869		13.43%
Tyson Foods <i>(formerly Hillshire & State Fair)</i>	800	2	3.53%	-		-
Medtronic Midas Rex	350	3	1.54%	270		1.26%
City of Haltom City	280	4	1.23%	302		1.41%
GST Manufacturing	220	5	0.97%	-		-
MICA Corporation	200	6	0.88%	100		0.47%
Liberty Carton Company	154	7	0.68%	115		0.54%
Unifirst	137	8	0.60%	-		-
Falcon Steel Company	125	9	0.55%	121		0.57%
Blackmon Mooring	120	10	0.53%	-		-
Progressive Concepts Inc	-		-	225		1.05%
Revcor/Molded Products	-		-	110		0.51%
Sara Lee Corp	-		-	653		3.06%
Lewis & Lambert Metal	-		-	100		0.47%
Total	<u>5,489</u>		<u>24.20%</u>	<u>4,865</u>		<u>22.77%</u>

Source: City of Haltom City Records

CITY OF HALTOM CITY, TEXAS

FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

**LAST TEN FISCAL YEARS
(Unaudited)**

<u>Function/Program</u>	2011	2012	2013	2014
General government				
Administration	3	3	3	3
City Secretary	2	2	2	2
Finance	7	7	7	7
Human Resources	3	3	3	3
Planning	5	5	5	6
Information Tech./HCTV	6	5	5	5
Code Enforcement	3	3	3	3
Fleet services	5	5	6	6
Building maintenance	1	1	1	1
Economic development	2	5	7	7
Public safety				
Police	95	95	79	79
Animal control	5	5	5	5
Fire	51	51	55	55
Municipal court	8	8	8	8
Streets	14.5	14.5	14.5	11.5
Culture and recreation				
Library	13	13	13	13
Parks and recreation	13	13	13	13
Water & Sewer	46.5	46.5	46.5	46.5
Drainage	8	8	8	8
Total	293	293	285	282

Source: City of Haltom City Records

TABLE 18

2015	2016	2017	2018	2019	2020
3	3	3	3	3	3
2	2	2	2	2	2
7	6	6	6	6	5
3	4	4	4	2	4
7	6	7	7	7	7
5	6	6	6	6	6
3	5	5	5	5	6
6	6	5	4	4	4
1	2	2	2	2	2
7	1	-	-	1	-
79	82	82	82	83	85
5	5	5	5	4	4
55	54	54	55	56	59
8	8	8	7	5	6
11.5	11.5	11.5	11.5	10.0	12.5
13	13	13	13	13	13
13	18	19	19	24	24
46.5	41.5	41.5	42.5	38.0	41.5
8	7	7	7	6	7
283	281	281	281	277	291

CITY OF HALTOM CITY, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	2011	2012	2013	2014
General government				
Planning				
Residential permits issued	262	274	245	279
Commercial permits issued	155	255	199	208
New residential homes	17	9	6	5
New commercial buildings	3	11	11	12
Public safety				
Police				
Number of police officers	72	67	71	72
Number of physical arrests	2,790	2,100	2,316	2,182
Number of offenses*	5,765	4,208	5,001	1,377
Fire				
Number of firefighters	1	49	49	49
Number of fire runs	1,347	1,275	1,526	1,602
Number of EMS runs	2,517	2,661	3,066	2,917
Streets				
Street resurfacing (sq. yards)	3,040	3,701	-	56,822
Asphalt used for repairs (tons)	1,986	1,370	1,444	1,155
Culture and recreation				
Library				
Number of volumes	386,098	120,688	122,555	137,772
Average monthly circulation	32,175	33,162	29,857	30,000
Parks and recreation				
Average daily attendance	320	395	357	321
Water & sewer				
Number of water connections	13,436	13,456	13,473	12,898
Average daily consumption (millions of gallons)	5.72	5.18	4.96	4.69
Number of sewer connections	14,049	14,069	14,086	14,086
Residential accounts billed	11,101	10,665	10,850	10,832
Commercial accounts billed	1,209	1,538	1,497	1,490

*Part I offenses only.

Source: City of Haltom City Records

TABLE 19

2015	2016	2017	2018	2019	2020
313	405	409	437	667	1043
298	260	190	123	146	142
4	11	16	10	19	116
17	16	10	18	13	17
76	76	76	83	78	78
2,034	1,863	1,798	1,950	1,739	1,422
1,503	1,693	1,712	1,945	1,909	1,909
49	51	52	59	59	51
1,545	1,845	1,307	1,745	1,865	1,688
2,846	2,906	3,166	2,902	2,814	2,728
9,455	14,070	6,725	5,859	1,192	1,085
3,160	3,358	2,837	3,775	1,611	2,801
137,772	134,770	134,942	125,494	134,308	71,442
17,925	25,791	24,020	22,409	22,667	12,859
332	301	361	320	295	196
13,456	13,456	12,272	13,101	13,147	13,173
5.18	4.28	4.32	4.01	3.95	3.74
14,069	14,069	12,186	12,716	12,739	12,717
10,909	10,872	11,023	11,544	11,128	11,544
1,399	1,350	1,379	1,565	1,502	1,565

CITY OF HALTOM CITY, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

**LAST TEN FISCAL YEARS
(Unaudited)**

<u>Function/Program</u>	2011	2012	2013	2014	2015
Public safety					
Police stations	1	1	1	1	1
Police patrol units	25	25	31	35	37
Fire stations	3	3	3	3	3
Streets					
Streets (miles)	171	171	171	171	174
Traffic signals	9	9	10	10	14
Streetlights	1,707	1,707	1,707	1,707	1,767
Culture and recreation					
Parks	10	10	10	12	10
Park (acres)	209	218	218	220	220
Picnic areas	7	9	8	9	1
Playgrounds	11	13	15	15	15
Recreation center	1	1	1	1	1
Senior center	1	1	1	1	1
Libraries	1	1	1	1	1
Water & sewer					
Water mains (miles)	305	305	305	305	306
Fire hydrants	1,662	1,662	1,662	1,662	1,700
Sanitary sewers (miles)	141	141	141	141	142
Drainage					
Storm sewers (miles)	306	306	306	306	307

Source: City of Haltom City Records

TABLE 20

2016	2017	2018	2019	2020
1 37 3	1 37 3	1 37 3	1 37 3	1 37 3
174 14 1,767	184 15 1,777	184 15 1,777	186 15 1,809	186 15 1,809
11 220 9 15 1 1 1	11 220 9 15 1 1 1	11 230 9 16 1 1 1	11 230 9 17 1 1 1	11 230 9 17 1 1 1
307 1,700 142	310 1,724 161	310 1,724 161	132 1,747 163	309 1,747 163
307	310	310	311	308

CITY OF HALTOM CITY, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
ANALYSIS OF FUNDING PROGRESS AND CONTRIBUTION RATES
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year		Actuarial Value of Assets		Actuarial Accrued Liability		Funded Ratio		Unfunded Actuarial Accrued Liability
2011	\$	58,206,864	\$	79,451,564		73.3%	\$	21,244,700
2012		62,844,569		83,326,013		75.4%		20,481,444
2013		68,068,168		87,107,340		78.1%		19,309,172
2014		73,988,890		97,106,486		76.2%		23,117,596
2015		79,995,155		101,910,371		78.5%		21,915,216
2016		85,182,923		106,655,809		79.9%		21,472,886
2017		90,258,853		112,262,916		80.4%		22,004,063
2018		96,605,503		118,065,607		81.8%		21,460,104
2019		101,793,473		123,167,810		82.6%		21,374,337
2020		108,310,699		128,966,252		84.0%		20,655,583

Source: Texas Municipal Retirement System

TABLE 21

Annual Covered Payroll	UAAL as a Percentage of Covered Payroll	Total TMRS Required Contribution Rate	Prior Service Portion of the TMRS Rate
\$ 14,875,874	142.8%	20.9%	9.9%
14,691,775	139.4%	19.5%	8.2%
14,340,944	134.6%	19.9%	8.2%
15,003,126	154.1%	20.1%	8.0%
16,063,517	136.4%	18.9%	8.6%
16,503,242	130.1%	18.9%	8.2%
16,874,427	130.4%	19.2%	8.4%
17,256,507	124.4%	19.0%	8.3%
17,399,981	122.8%	19.1%	8.4%
18,191,694	113.5%	19.1%	8.5%

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