



ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the

City of Dalworthington Gardens, Texas

For the Year Ended
September 30, 2023

Issued By
Kay Day, Finance Director

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City of Dalworthington Gardens, Texas

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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CITY OF DALWORTHINGTON GARDENS

April 15, 2024

To the Honorable Mayor, Members of the Governing Council and Citizens of the City of Dalworthington Gardens,

We are pleased to submit the Annual Comprehensive Financial Report of the City of Dalworthington Gardens, Texas for the year ended September 30, 2023. The purpose of the report is to provide the Council, staff, our citizens, bondholders and other interested parties with detailed information reflecting the City's financial condition.

The responsibility for the accuracy and reliability of the data, as well as completeness and fairness of this report, including all disclosures, rests with the City. To the best of our knowledge and belief the enclosed data is accurate in all material respects, and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. We also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

State Law requires the City's basic financial statements to be audited by an independent certified public accountant. The goal of the independent audit is to provide reasonable assurances that the financial statements of the City of Dalworthington Gardens for the fiscal year ended September 30, 2023 are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

BrooksWatson & Co., Certified Public Accountants, performed the required audit and have issued an unmodified ("clean") opinion on the City of Dalworthington Garden's financial statements for the year ended September 30, 2023. The independent auditor's report is included in the financial section of this report.



CITY OF DALWORTHINGTON GARDENS

THE REPORT

This Annual Comprehensive Financial Report (ACFR) is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, listing of principal City Officials, an organizational chart of the City, certificate of achievement in financial reporting, and a City map.

The financial section includes the independent auditor's report on the basic financial statements, a Management Discussion and Analysis (MD&A), as well as the basic financial statements and combining individual fund statements and schedules. The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The City's MD&A can be found immediately following the independent auditor's report. The financial section is prepared in accordance with generally accepted accounting principles for governments as prescribed by the Governmental Accounting Standards Board (GASB) and other professional associations, as applicable.

The statistical section consists of a number of tables that contain data primarily compiled from City records and financial statements from the last ten years. The tables in the statistical section include revenues, expenditures, operations, and other information related to the activities of the City.

PROFILE OF THE GOVERNMENT

The community was established in 1934 as a subsistence homestead project during the Great Depression under the authority of the National Industrial Recovery Act as part of the Subsistence Homesteads Division. The purpose of the homestead program was to help families attain a better standard of living through a combination of part-time industrial employment and subsistence agriculture. Dalworthington Gardens was one of five such projects located in Texas. Its inclusion in the group was at the suggestion of Eleanor Roosevelt, who happened upon the area while visiting the Fort Worth family of a friend of President Roosevelt's son Elliot. Of the five sites selected for this program, Dalworthington "colony" as it was originally called, is the only one still in existence today. Since it has been in constant operation from its inception, it maintains its original zoning regulations, which allow subsistence farming and livestock on any lots over one-half acre that remain owned and occupied from the time the zoning was first put into effect. Thus, one can see small, older frame homes with livestock on their lot, near and even adjacent to large modern homes with values in excess of one million dollars.



CITY OF DALWORTHINGTON GARDENS

The community's name is a portmanteau of the names of the three anchor cities of the Metroplex: Dallas Fort Worth, and Arlington.

The City of Dalworthington Gardens was incorporated July 19, 1949 under the general laws of the State of Texas and operates as a Type A general law municipality with the aldermanic form of government. The legislative authority of the City is vested in a six-member council elected at large (a mayor and five aldermen) for staggered two-year terms on the first Saturday in May. All members serve without compensation. The Mayor and City Council also serve as the board of the Crime Control and Prevention District.

The Mayor and City Council appoint the City Administrator, the Director of Public Safety and the Municipal Court Judge. The Mayor is the Chief Executive Officer of the City and is responsible for the day-to-day operations of the City.

The city is predominately a residential community of approximately 1.84 square miles, which is the combined land area of 1.8 square miles and water area of .04 square miles. The City is located in east central Tarrant County, between I-30 and I-20, which are major interstate links between Dallas and Fort Worth. It is part of the "Metroplex" of North Central Texas, which includes the cities of Dallas and Fort Worth. The City of Dalworthington Gardens is bordered to the north by the Town of Pantego, both of which are surrounded by the City of Arlington. The City lies approximately 11.5 miles from downtown Fort Worth, 25.1 miles from downtown Dallas, and 21 miles from Dallas/Fort Worth International Airport.

The City provides a full range of services including public safety (police, fire and emergency medical services), municipal court, construction and maintenance of streets, parks and recreation, planning and zoning, economic development, and general administrative services. In addition to general governmental activities, the City provides water, sewer, and sanitation services. Tarrant Regional Water District (TRWD) provides water to the City of Fort Worth and the City of Arlington who, in turn, provides water to the City of Dalworthington Gardens. Sewage treatment is provided by the City of Arlington, Community Waste Disposal provides sanitation and hazardous household waste collection.

There are no colleges or universities present in the City. However, University of Texas at Arlington (UTA) is very close to the City. The City is also served by the Tarrant County College District which has campuses located in the surrounding cities. The City lies within the Arlington Independent School District (AISD) and is served by Key Elementary School, Gunn Junior High School, and Arlington High School. In addition to the AISD public schools, the city



CITY OF DALWORTHINGTON GARDENS

has two private schools, Arlington Classic Academy and The Montessori Academy. There are numerous private schools in the neighboring towns of Pantego and Arlington.

In Texas, school district boundaries do not always follow city and county boundaries because all aspects of the school district government apparatus, including school district boundaries, are separated from the city and county government. In the cases of Dalworthington Gardens, no Independent School District was ever established. The proximity of the already established Arlington ISD led to the entirety of the Dalworthington Gardens being served by the AISD since the middle of the 20th century.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The City's accounting records for general governmental operation are maintained on a modified accrual basis with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's proprietary activities are maintained on the accrual basis.

In developing and evaluating the City's accounting system, consideration is given to the adequacy of the internal accounting controls as deemed appropriate by the City. The internal control structure is 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 for assets. The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefits likely to be derived and the evaluation of cost and benefits requires estimates and judgments by management. We believe the City's internal control structure is adequate to safeguard assets and provide reasonable assurance of proper recording of financial transactions.

In addition to the system of internal controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance of legal provisions embodied in the annual appropriated budget adopted by the City Council. Budgetary controls are exercised at the departmental level. If necessary, the original adopted budget is amended throughout the year.



CITY OF DALWORTHINGTON GARDENS

LOCAL AND REGIONAL ECONOMIC CONDITION AND OUTLOOK

The City of Dalworthington Gardens is located in the Dallas-Fort Worth-Arlington Metro Area. The primary revenue source for the city is derived from Ad-Valorem (property) taxes. Property assessed values, not including exemptions, have increased 40.1% between fiscal year 2014 to 2023, with assessed values including exemptions increasing 34.9% during the same time period.

Texas Service Sector Outlook Survey

According to the Texas Business Outlook Survey (TBOS) published January 30, 2024, growth activity in the Texas service sector contracted slightly in January. The revenue index, a key measure of state service sector conditions, declined eight points to -3.6.

Labor market indicators indicated continued employment growth but shorter work weeks. The employment index held mostly steady at 2.5 in January. The part-time employment index was primarily constant at -.06, while the hours worked index decreased from -.03 to -4.5.

The views of respondents continued to perceive worsening broader business conditions. The general business activity index was essentially unchanged at -9.3, while the company outlook index declined from -.02 to -4.9. The outlook uncertainty index ticked up two points to 14.7.

Input and selling price pressures improved slightly while wage growth remained the same in January. The input prices index fell two points to 33.6 and the selling prices index fell four points to 8.7, with both indexes just above their respective series averages. The wages and benefits index were largely unchanged at 17.0.

Business respondents' expectations regarding future business activity continued to suggest optimism in January. The future general business activity index sustained positive territory at 4.6. The future revenue index rose further to 36.7. Other future service sector activity indexes such as employment and capital expenditures fell but remained in strong positive territory, reflecting expectations for continued growth in the next six months.

Texas Retail Sector Outlook Survey

Retail sales activity continued to decline in January after showing signs of stabilizing last month, according to business executives responding to the survey. The sales index, a key measure of state retail activity, declined from -2.2 to -28.6, suggesting retail sales decreased at a



CITY OF DALWORTHINGTON GARDENS

much faster pace than in December. Retailers' inventories grew over the month, with the January index at 9.1.

Retail labor market indicators indicated a reduction in employment and shorter workweeks in January. The employment index decreased from 4.2 to -8.4, while the part-time employment index decreased from 12 points to -4.0. The hours worked index dropped from 0.4 to -16.9.

Retailers' visions of broader business conditions continued deteriorate in January as the general business activity index stayed deep in negative territory at -25.4, while the company outlook index decreased from -7.8 to -17.8. The outlook uncertainty index largely remained the same at 15.8.

Retail input price pressures remained stable, while selling and wage growth pressures improved in January. The input prices index remained the same at 33.4 while the selling prices index dropped four points to 8.5. The wages and benefits index decreased from 12.2 to 8.5.

Expectations for future retail growth were diverse in January. The future general business activity index stayed negative and declined from -5.3 to -9.3, while the future sales index declined five points but remained positive at 19.1. Other indexes of future retail activity, such as employment and capital expenditures were positive, indicating expectations for growth in retail activity later in the year.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The City's Unassigned Fund balance in the general fund at year end was 80% of total general fund expenditures, which is an increase of 9% over prior year's 71%. A portion of this increase is due to public safety employment vacancies. The City Council has set policy guidelines for reserve balances, which is 90 days of the annual general fund budgeted expenditures, or 25%. The Council has set a goal to achieve a target reserve balance of 180 days, 50%.

The City of Dalworthington Gardens is pleased to report that we are continuing to maintain a very strong handle on our finances. This is based on the 2018 decision to transfer funds from our gas/oil revenue into our reserves. This strategy will allow us to make large one-time purchases which are not within the annual operating budget. These large purchases include capital and infrastructure improvements. Utility infrastructure is one of the areas the City will be focusing on in order to recruit new business to our community. Many of the original water lines were installed as early as the 1960's and are in need of upgrades. Revisions to the sewer infrastructure are needed as well. The need to update the current infrastructure is a necessity

2600 ROOSEVELT DRIVE • DALWORTHINGTON GARDENS, TEXAS 76016 • 817-274-7368



CITY OF DALWORTHINGTON GARDENS

and it is in the cities best interest to be proactive and replace rather than wait for a problem to arise. We continue to use our quarter cent tax to maintain our streets.

Our current goals are heavily based on the need for sales tax generating businesses. Because of the land value, the rising cost of homes, and the lack of land, our city heavily relies on property taxes. Our desire to pay our employees and fund future projects is dependent on acquiring a significant amount of sales tax revenue. At the moment, the city is dependent upon property taxes to fund 67% of expenditures and this deeply effects our budget.

We are currently working on our comprehensive plan so that we will be able to attain tax generating businesses along the Bowen corridor. There are several projects currently being entertained for this purpose. We are also collectively working to find incentives for businesses that will help us grow our economy.

It is our desire to continue the excellent relationships we currently have with the institutions of learning in Dalworthington Gardens. We work collectively to not only better our city, but to also help others whose needs may not be addressed. Let us be known as the city that gives

RELEVANT FINANCIAL POLICIES

The City of Dalworthington Gardens has adopted a comprehensive set of financial policies. The City of Dalworthington Gardens has a policy that requires the adoption of a balanced annual operating budget (i.e., estimated recurring revenues equal to or in excess of recurring expenditures). In addition, non-recurring or depleting revenue sources, such as a one-time revenue remittance of fund balance in excess of policy can only be budgeted/used to fund non-recurring expenditures, such as capital purchases or capital improvement projects and must be approved by Council. This will ensure that recurring expenditures are not funded by non-recurring sources.

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 Dalworthington Gardens for its annual comprehensive financial report for the fiscal year ended September 30, 2022. This was the 3rd consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report.



CITY OF DALWORTHINGTON GARDENS

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 that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the dedicated services of the City's staff. We wish to thank all City of Dalworthington Gardens departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Mayor and the Council for their unfailing support for maintaining the highest standards in professionalism in the management of the City of Dalworthington Gardens' finances.

Respectfully submitted,

Greg Petty

Greg Petty
City Administrator

Kay Day

Kay Day
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Dalworthington Gardens
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO



**CITY OF DALWORTHINGTON GARDENS, TEXAS
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2023**

GOVERNING BODY

Elected Officials

Mayor

Alderman Place 1

Alderman Place 2

Alderman Place 3

Alderman Place 4/Mayor Pro-Tem

Alderman Place 5

Laurie Bianco

John King

Steve Lafferty

Cathy Stein

Ed Motley

Mark McGuire

ADMINISTRATION

City Officials

City Administrator/Director of Public Safety

Director of Finance

City Secretary/Court Administrator

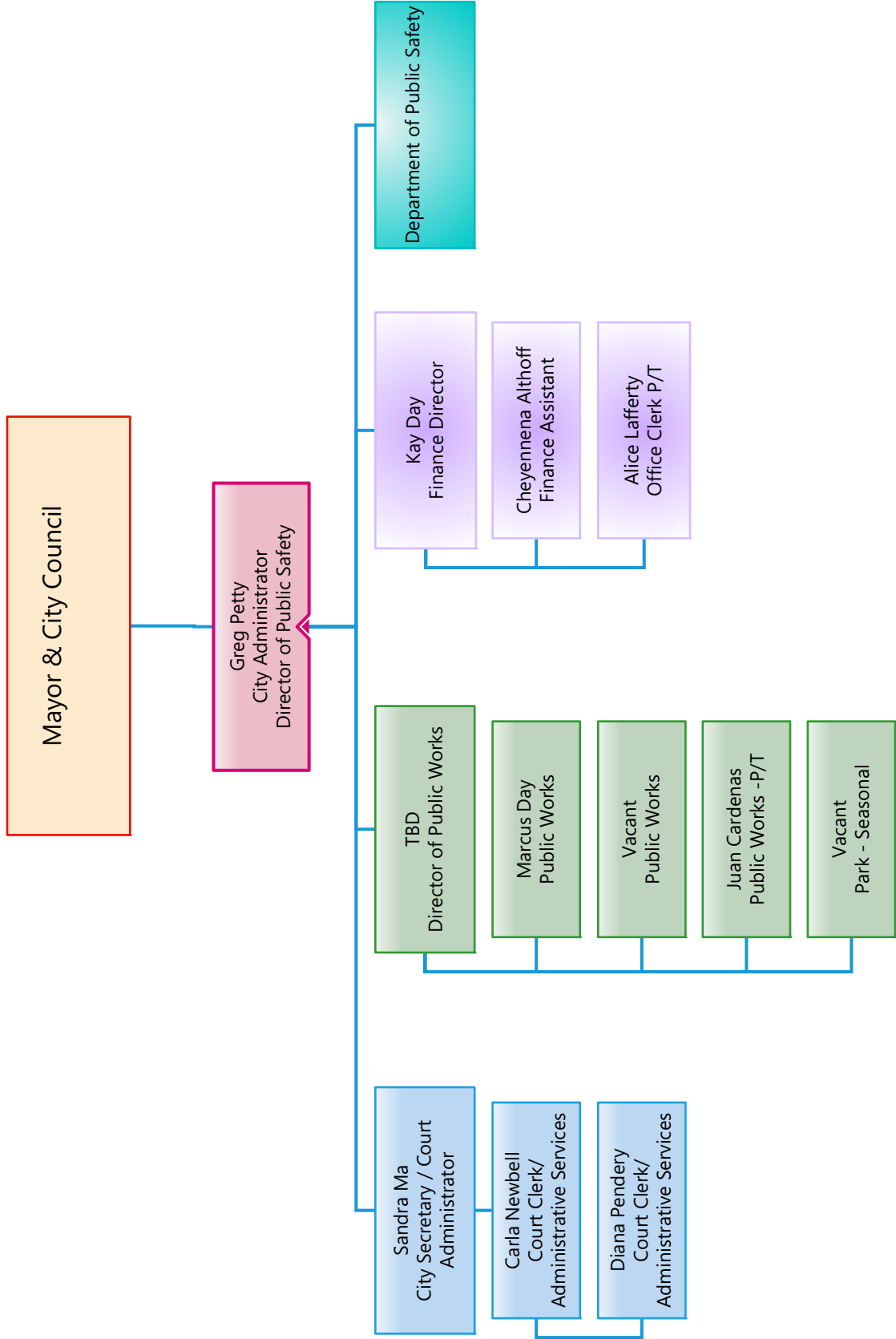
Greg Petty

Kay Day

Sandra Ma

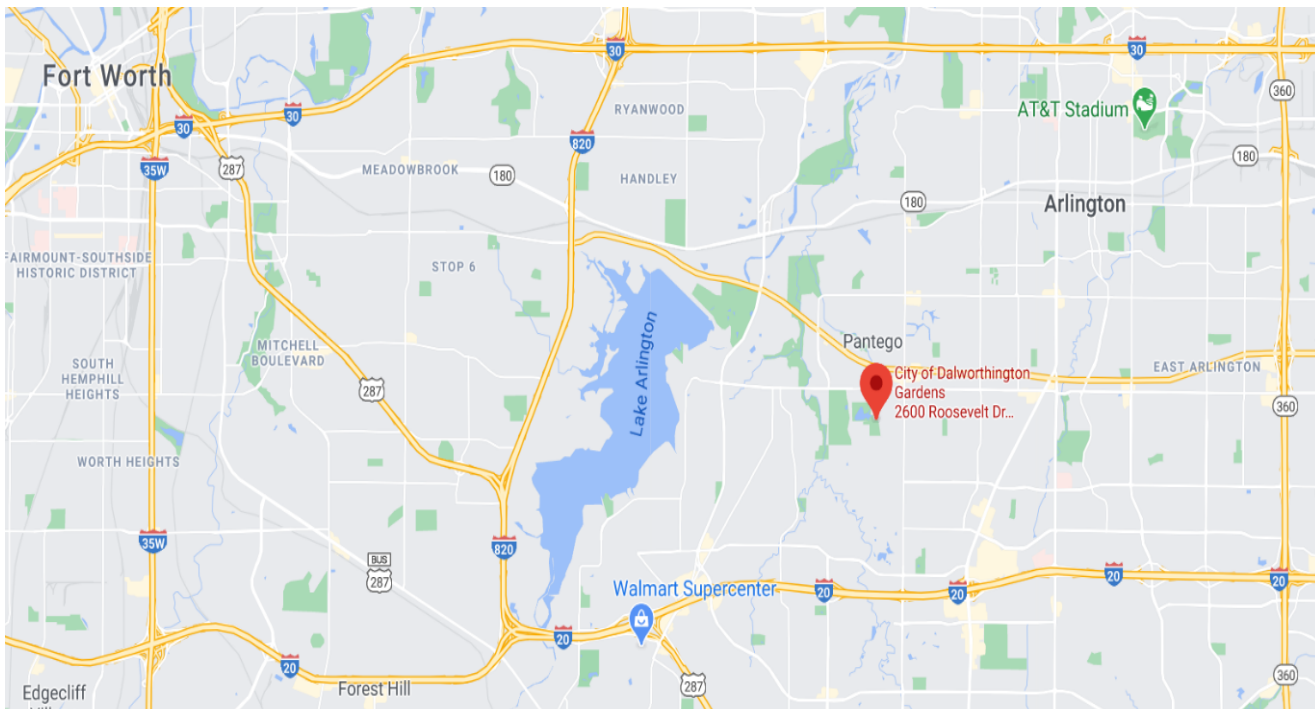
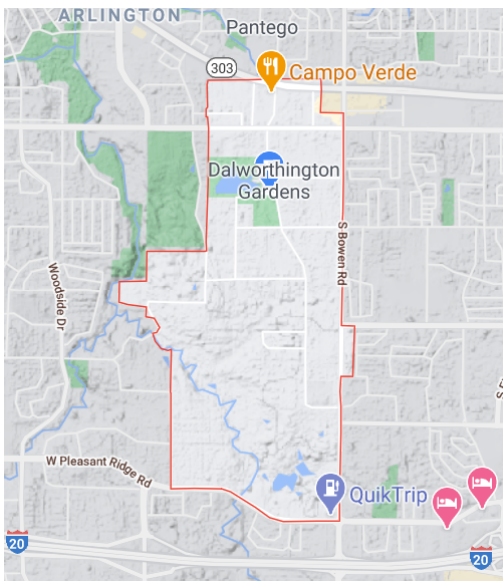


City of Dalworthington Gardens





CITY OF DALWORTHINGTON GARDENS CITY MAPS



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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Dalworthington Gardens, Texas:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Dalworthington Gardens, Texas (the "City") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dalworthington Gardens, Texas, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Dalworthington Gardens, Texas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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, schedule of employer contributions to pension plan, schedule of changes in other postemployment benefits liability and related ratios, and general fund and park and recreation facilities development corporation fund budgetary comparisons information 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's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This accompanying supplementary information is the responsibility of management and was derived from and relates 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 accompanying supplementary information is 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 it.

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, flowing script.

BrooksWatson & Co., PLLC
Certified Public Accountants
Houston, Texas
April 15, 2024



*MANAGEMENT'S DISCUSSION
AND ANALYSIS*

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City of Dalworthington Gardens, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

September 30, 2023

As management of the City of Dalworthington Gardens, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information contained in this report.

Financial Highlights

- The City's total combined net position was \$8,778,349 at September 30, 2023. Of this there is an unrestricted net position balance of \$1,981,257.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$5,581,057, an increase of \$197,826.
- As of the end of the year, the unassigned fund balance of the general fund was \$2,610,693 or 80% of total general fund expenditures.
- The City had an overall increase in net position of \$1,444,598.
- The City closed the year with a net pension liability of \$3,129,680.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide 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 liabilities. The difference between the two is 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. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

City of Dalworthington Gardens, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

The *statement of activities* presents information showing how the City's net position changed during the most recent 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 for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, park and recreation, and community development. The business-type activities of the City include water, sewer, and solid waste operations.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, park and recreation facilities development corporation fund, capital projects fund, debt service fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in a separate section of the report.

City of Dalworthington Gardens, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

Proprietary Funds

The City maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its water distribution, wastewater collection, water construction operations and sanitation services. All activities associated with providing such services are accounted for in this fund, including administration, operation, maintenance, debt service, capital improvements, meter maintenance, billing and collection. The City's intent is that costs of providing the services to the general public on a continuing basis is financed through user charges in a manner similar to a private enterprise. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

Notes to Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI) and Other Supplementary Information (OSI). The required RSI includes a budgetary comparison schedule for the general fund, and the park and recreation facilities development corporation fund, schedule of changes in the net pension liability and related ratios and schedule of employer contributions for the Texas Municipal Retirement System, and the OPEB liability schedules. The OSI includes a budgetary comparison schedule for the debt service fund, capital fund, all individual nonmajor governmental funds, proprietary fund and a proprietary schedule of services and rates. The RSI and OSI can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the City's financial position. For the City, assets and deferred outflow of resources exceeded its liabilities and deferred inflows by \$8,778,349 as of September 30, 2023, in the primary government.

The largest portion of the City's net position, \$4,825,505, reflects its investments in capital assets (e.g., land, city hall, police station, streets, and drainage systems, as well as the public works facilities). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

City of Dalworthington Gardens, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

The following table reflects the condensed Statement of Net Position:

	2023			2022		
	Governmental	Business-Type	Total	Governmental	Business-Type	Total
	Activities	Activities		Activities	Activities	
Current and other assets	\$ 6,204,457	\$ 1,265,798	\$ 7,470,255	\$ 5,758,373	\$ 904,055	\$ 6,662,428
Capital assets, net	8,233,332	2,148,763	10,382,095	6,949,218	2,354,148	9,303,366
Total Assets	14,437,789	3,414,561	17,852,350	12,707,591	3,258,203	15,965,794
Deferred Outflows of Resources	985,504	173,914	1,159,418	355,060	62,659	417,719
Other liabilities	916,197	648,447	1,564,644	349,316	238,819	588,135
Long-term liab.	8,071,481	572,758	8,644,239	7,394,224	545,901	7,940,125
Total Liabilities	8,987,678	1,221,205	10,208,883	7,743,540	784,720	8,528,260
Deferred Inflows of Resources	20,856	3,680	24,536	443,277	78,225	521,502
Net Position:						
Net investment in capital assets	2,854,550	1,970,955	4,825,505	2,304,559	2,091,903	4,396,462
Restricted	1,971,587	-	1,971,587	1,950,749	-	1,950,749
Unrestricted	1,588,622	392,635	1,981,257	620,526	366,014	986,540
Total Net Position	\$ 6,414,759	\$ 2,363,590	\$ 8,778,349	\$ 4,875,834	\$ 2,457,917	\$ 7,333,751

Current and other assets of governmental activities increased by \$446,084. The majority of this increase is due to a grant receivable from Tarrant County for the Corzine Drainage project. The City's capital assets increased by \$1,284,114 primarily due to construction completion of a street project, a storm sewer project, and a park improvement project.

City of Dalworthington Gardens, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

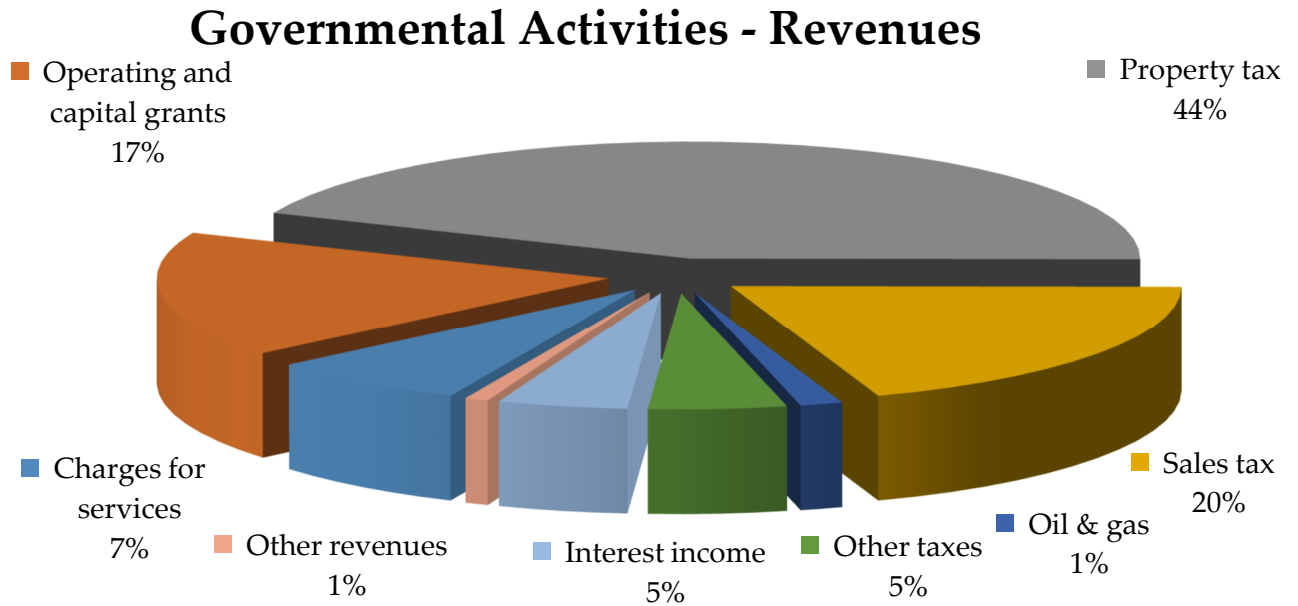
Statement of Activities:

The following table provides a summary of the City's changes in net position:

	For the Year ended September 30, 2023			For the Year ended September 30, 2022		
	Governmental Activities	Business-Type Activities	Primary Government	Governmental Activities	Business-Type Activities	Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 422,432	\$ 2,322,487	\$ 2,744,919	\$ 433,513	\$ 2,330,511	\$ 2,764,024
Grants and capital cont.	1,033,045	-	1,033,045	1,009,828	73,328	1,083,156
General revenues:						
Property tax	2,575,042	-	2,575,042	2,296,774	-	2,296,774
Sales tax	1,155,302	-	1,155,302	1,187,935	-	1,187,935
Other taxes	290,513	-	290,513	287,538	-	287,538
O&G revenue	89,554	-	89,554	218,198	-	218,198
Interest income	273,535	7,701	281,236	40,582	473	41,055
Other revenues	49,992	-	49,992	51,326	5,125	56,451
Total Revenues	5,889,415	2,330,188	8,219,603	5,525,694	2,409,437	7,935,131
Expenses						
General	439,199	-	439,199	398,312	-	398,312
Public safety	2,922,166	-	2,922,166	2,324,745	-	2,324,745
Public works	450,663	-	450,663	358,879	-	358,879
Community development	226,574	-	226,574	178,331	-	178,331
Parks and recreation	157,119	-	157,119	178,124	-	178,124
Interest	185,239	7,301	192,540	185,401	10,161	195,562
Utilities	-	2,356,401	2,356,401	-	2,083,578	2,083,578
Theft	30,343	-	30,343	-	-	-
Total Expenses	4,411,303	2,363,702	6,775,005	3,623,792	2,093,739	5,717,531
Transfers, net	60,813	(60,813)	-	66,000	(66,000)	-
Total	60,813	(60,813)	-	66,000	(66,000)	-
Change in Net Position	1,538,925	(94,327)	1,444,598	1,967,902	249,698	2,217,600
Beginning Net Position	4,875,834	2,457,917	7,333,751	2,907,932	2,208,219	5,116,151
Ending Net Position	\$ 6,414,759	\$ 2,363,590	\$ 8,778,349	\$ 4,875,834	\$ 2,457,917	\$ 7,333,751

City of Dalworthington Gardens, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.



For the year ended September 30, 2023, revenues from governmental activities totaled \$5,889,415. Property tax, sales tax, franchise taxes, and charges for services are the City's largest recurring revenue sources.

Property taxes increased by \$278,268, or 12.1%, which reflects a 11.1% increase in taxable value and a 1.0% increase in tax rates.

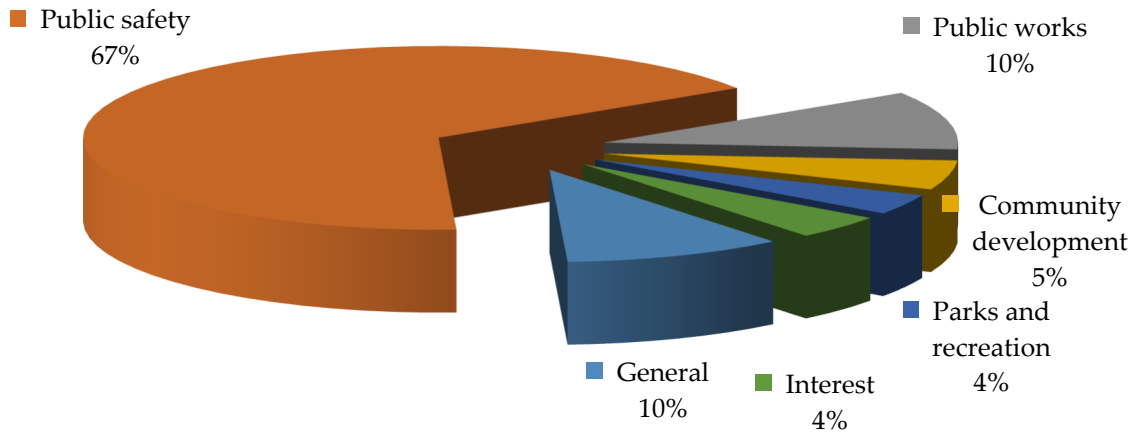
Interest income increased by \$232,953, or 574%, primarily due to the Federal Reserve raising interest rates six times during the current fiscal year for a total of 2.25% in an attempt to curb inflation. Interest rates ranged from 3.25% to 5.50% during the current fiscal year.

Oil & gas revenue decreased by \$128,644, or 59%, of which was primarily due to a decline in oil and gas prices.

City of Dalworthington Gardens, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

This graph shows the governmental function expenses of the City:

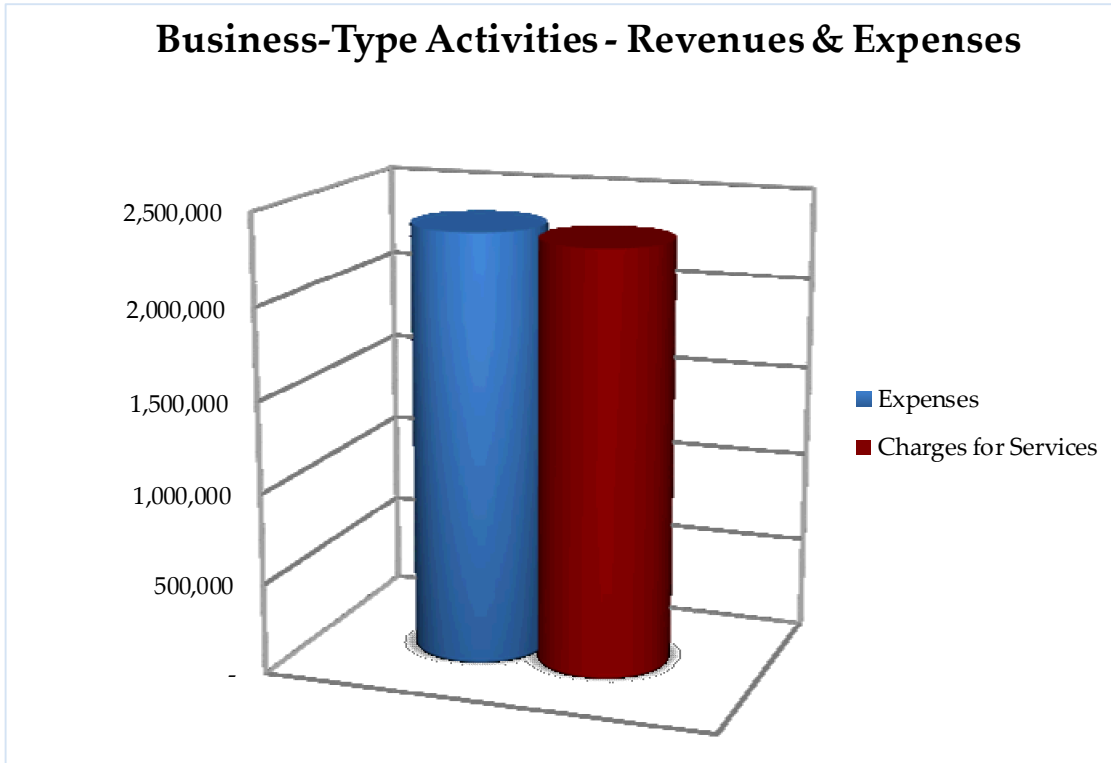
Governmental Activities - Expenses



For the year ended September 30, 2023, expenses for governmental activities totaled \$4,411,303. This represents an increase of \$787,511 or 21.7%, from the prior year. The City's largest functional expense is public safety of \$2,922,166, which increased by 26% over the prior year. The majority of the public safety increase was related to personnel wages and allocation of pension losses.

City of Dalworthington Gardens, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

Business-type activities are shown comparing operating costs to revenues generated by related services.



For the year ended September 30, 2023, charges for services by business-type activities totaled \$2,322,487. This is a decrease of \$8,024, or 0.3%, from the previous year. The City implemented a water \$.21/1k and sewer \$.20/1k per gallon rate increase in October 2022. Water usage decreased 5% over the previous year, which yielded a decrease in water revenue by approximately \$47,000, with the volume rate increase yielding an increase of approximately \$36,000. Sewer usage decreased approximately 6.7% over prior year, which yielded a decrease in sewer revenue by approximately \$25,000, with the volume rate increase yielding an increase of approximately \$19,000.

Expenses increased \$269,963, or 13%, from the previous year. The majority of the expense increases were related to purchase water demand charges of approximately \$173,000 and personnel wage and benefit increases of approximately \$100,000.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

City of Dalworthington Gardens, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

As of the end of the year the general fund reflected a total fund balance of \$2,765,549. Unassigned fund balance totaled \$2,610,693 as of year-end or 80% of total expenditures for the year. There was a decrease in the general fund balance of \$24,548, or 1%, from the prior year. This decrease was primarily related to a \$503,259 increase in transfer outs, of which \$607,272 was for transferring the CLSFRF-ARPA funds to the capital fund, an increase in property tax revenue of \$228,115, and an increase in interest income of \$206,810.

The park and recreation facilities development corporation fund (PRFDC) had an ending fund balance of \$659,648, a decrease of \$18,947 from the prior year. The primary reason for the decrease was due to a playground capital expenditure for \$110,600, which was partially funded by a Texas Parks & Wildlife Department (TPWD) grant of \$50,000.

The debt service fund had an ending fund balance of \$59,884 at yearend, an increase of \$7,551. Total principal and interest payments made during the year were \$180,000 and \$191,494, respectively.

The capital projects fund had an ending fund balance of \$1,498,253, an increase of \$277,008 from the prior year. This increase relates to expenditures to complete (2) street projects and a storm drainage project, offset by a transfer in from the general fund of \$607,272 related to CLSFRF-ARPA funds to be used for the renovation of the DPS Complex.

There was an overall increase in governmental fund balance of \$197,826 from the prior year.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

As of the end of the year, the proprietary fund reflected a total net position of \$2,363,590. This was a decrease of \$94,327, or 3.8% from the prior year. Unrestricted net position increased by \$26,621 from prior year and net investment in capital assets decreased by \$120,948, primarily due to depreciation of assets.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final budget included amendments to the original budget to increase revenue by \$18,315, increase expenditures by \$119,663, and an increase in other financing uses by \$56,672. Revenues were increased primarily due a \$15,000 public safety donation. Departmental expenditures increased \$49,036 primarily due to an increase in public safety training expenditures. Capital outlay expenditures increased \$30,115 due to the purchase of a drone and bunker gear for the public safety department. Theft expense increased by \$30,000 to identification of theft during the year.

There was a total final actual versus budget revenue variance of \$87,010 and an expenditure variance of (\$437,162) for the year. The revenue variance resulted primarily from increases in interest income, offset by decreases in oil & gas revenue. The expenditure variance was primarily due to variances in public safety of (\$398,456). The total final budget variance was \$562,288.

City of Dalworthington Gardens, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$8,233,332 in a variety of capital assets and infrastructure, net of accumulated depreciation. Depreciation is included with the governmental capital assets as required by GASB Statement No. 34. The City's business-type activities funds had invested \$2,148,763 in a variety of capital assets and infrastructure, net of accumulated depreciation.

The City's capital asset events during the current year include the following:

- (5) Bunker Gears for \$10,542.
- DJI Matice 30T Drone for \$15,315, funded by a donation to public safety.
- Tahoe police unit accessories for \$12,384, funded from the CCPD fund.
- Park Shed for \$20,532, funded by the PRFDC fund.
- JD Hydraulic Hammer attachment for the mini-excavator for \$8,309, funded by the enterprise fund.
- (7) Park trash cans for \$6,405, funded by the PRFDC fund.
- Playground for \$110,666, funded by the PRFDC fund and funding of \$50,000 from a TWPD grant.
- Completion of the Roosevelt Drive Project Phase 2 (Sunset to California) for \$468,497, of which \$438,424 was contributed by Tarrant County.
- Completion of the Orchid Ct Storm Sewer Improvement project for \$242,623.
- Completion of the Scada room buildout of \$4,649, funded by the enterprise fund.
- Initial costs for (3) patrol units pending installation of accessories, \$127,990, funded from the CCPD fund.
- Initial costs to begin the 49th CDBG Ambassador Row project for \$15,432.
- Initial costs of \$38,533 for the Broadacres street project.
- Initial costs of \$574,650 for the Corzine Drainage project, with \$543,381 funded through reimbursements from the Tarrant County 2021 Transportation Bond Program.
- Additional costs of \$54,924 for the renovation of the DPS Complex project which began in prior year.
- Initial engineering costs for the Roosevelt Middle Foot Bridge, \$12,986.
- Initial engineering and fabrication costs for the Roosevelt South Foot Bridge, \$27,451.

More detailed information about the City's capital assets is presented in note IV. D to the financial statements.

LONG-TERM DEBT

At the end of the current year, the City had total bonds, notes, and leases outstanding of \$5,464,166. During the year, the City's payments on long-term debt were \$339,250. More detailed information about the City's long-term liabilities is presented in note IV.F to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Mayor and City Council are committed to maintaining and improving the overall wellbeing of the City of Dalworthington Gardens and improving services provided to their public citizens. The City no longer depends

City of Dalworthington Gardens, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2023

on an infinite resource of Oil & Gas well royalties to fund maintenance & operation costs. This resource has been committed to increase operating reserves, one-time large capital purchases and to pay off debt.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City of Dalworthington Gardens' finances for all those with an interest in the City's finances. Questions concerning this report or requests for additional financial information should be directed to the City Finance Director, 2600 Roosevelt Drive, Dalworthington Gardens, Texas 76016.

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FINANCIAL STATEMENTS

City of Dalworthington Gardens, Texas

STATEMENT OF NET POSITION (Page 1 of 2)

September 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 3,550,139	\$ 969,363	\$ 4,519,502
Restricted cash	1,767,305	-	1,767,305
Receivables, net	851,896	281,850	1,133,746
Prepays	35,117	14,585	49,702
Total Current Assets	6,204,457	1,265,798	7,470,255
Capital assets:			
Non-depreciable	1,159,230	109,201	1,268,431
Net depreciable capital assets	7,074,102	2,039,562	9,113,664
Total Noncurrent Assets	8,233,332	2,148,763	10,382,095
Total Assets	14,437,789	3,414,561	17,852,350
<u>Deferred Outflows of Resources</u>			
Pension	984,352	173,711	1,158,063
OPEB	1,152	203	1,355
Total Deferred Outflows of Resources	985,504	173,914	1,159,418

See Notes to Financial Statements.

City of Dalworthington Gardens, Texas

STATEMENT OF NET POSITION (Page 2 of 2)

September 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Liabilities</u>			
Current liabilities:			
Accounts payable and accrued liabilities	490,191	468,487	958,678
Unearned revenue	65,890	-	65,890
Accrued interest payable	39,410	3,846	43,256
Customer deposits	-	79,217	79,217
Long-term debt due within one year	250,625	87,381	338,006
Compensated absences, current	70,081	9,516	79,597
Total Current Liabilities	916,197	648,447	1,564,644
Noncurrent liabilities:			
Long-term debt due in more than a year	5,336,479	90,427	5,426,906
Net pension liability	2,660,228	469,452	3,129,680
OPEB liability	66,987	11,821	78,808
Compensated absences, noncurrent	7,787	1,058	8,845
Total Noncurrent Liabilities	8,071,481	572,758	8,644,239
Total Liabilities	8,987,678	1,221,205	10,208,883
<u>Deferred Inflows of Resources</u>			
OPEB	20,856	3,680	24,536
Total Deferred Inflows of Resources	20,856	3,680	24,536
<u>Net Position</u>			
Net investment in capital assets	2,854,550	1,970,955	4,825,505
Restricted for parks and recreation	643,606	-	643,606
Restricted for opioid abatement	1,934	-	1,934
Restricted for court security	54,262	-	54,262
Restricted for court automation	94,046	-	94,046
Restricted for law enforcement	265,919	-	265,919
Restricted for street repairs	233,885	-	233,885
Restricted for debt service	70,663	-	70,663
Restricted for CLSFRF-ARPA funds	607,272	-	607,272
Unrestricted	1,588,622	392,635	1,981,257
Total Net Position	\$ 6,414,759	\$ 2,363,590	\$ 8,778,349

See Notes to Financial Statements.

City of Dalworthington Gardens, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 439,199	\$ -	\$ -	\$ -
Public safety	2,922,166	348,798	1,240	-
Public works	450,663	-	-	981,805
Parks and recreation	157,119	-	-	50,000
Community development	226,574	73,634	-	-
Interest and fiscal charges	185,239	-	-	-
Theft	30,343	-	-	-
Total Governmental Activities	4,411,303	422,432	1,240	1,031,805
Business-Type Activities				
Water, sewer, & sanitation	2,363,702	2,322,487	-	-
Total Business-Type Activities	2,363,702	2,322,487	-	-
Total Primary Government	\$ 6,775,005	\$ 2,744,919	\$ 1,240	1,031,805

General Revenues:

Taxes

Property tax

Sales tax

Franchise and local taxes

Oil and gas mineral rights

Interest income

Other revenues

Transfers:

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position

Ending Net Position

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (439,199)	\$ -	\$ (439,199)
(2,572,128)	-	(2,572,128)
531,142	-	531,142
(107,119)	-	(107,119)
(152,940)	-	(152,940)
(185,239)	-	(185,239)
(30,343)	-	(30,343)
<u>(2,955,826)</u>	<u>-</u>	<u>(2,955,826)</u>
-	(41,215)	(41,215)
-	(41,215)	(41,215)
<u>(2,955,826)</u>	<u>(41,215)</u>	<u>(2,997,041)</u>
2,575,042	-	2,575,042
1,155,302	-	1,155,302
290,513	-	290,513
89,554	-	89,554
273,535	7,701	281,236
49,992	-	49,992
60,813	(60,813)	-
<u>4,494,751</u>	<u>(53,112)</u>	<u>4,441,639</u>
1,538,925	(94,327)	1,444,598
4,875,834	2,457,917	7,333,751
<u>\$ 6,414,759</u>	<u>\$ 2,363,590</u>	<u>\$ 8,778,349</u>

City of Dalworthington Gardens, Texas

BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2023

	<u>General</u>	<u>Park and Recreation Facilities Development Corp.</u>	<u>Capital Projects</u>	<u>Debt Service</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 2,814,715	\$ 630,495	\$ 104,929	\$ -
Restricted cash	1,934	-	1,099,838	59,884
Receivables, net	206,170	22,953	543,381	10,779
Prepaid items	29,146	2,367	-	-
Due from other funds	-	20,532	-	-
Total Assets	\$ 3,051,965	\$ 676,347	\$ 1,748,148	\$ 70,663
<u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 163,986	\$ 16,699	\$ 229,363	\$ -
Unearned revenue	65,890	-	-	-
Due to other funds	-	-	20,532	-
Total Liabilities	229,876	16,699	249,895	-
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - property taxes	53,071	-	-	10,779
oil and gas	3,469	-	-	-
Total Deferred Inflows	56,540	-	-	10,779
<u>Fund Balances</u>				
Nonspendable:				
Prepaid items	29,146	2,367	-	-
Restricted for:				
Parks and recreation	-	657,281	-	-
Special revenue	-	-	-	-
Capital improvements	-	-	786,052	-
Debt service	-	-	-	59,884
CARES Act Relief Fund	-	-	607,272	-
Opiod abatement trust	1,934	-	-	-
Committed for:				
Fire Truck	78,402	-	-	-
Capital reserve	45,374	-	-	-
DPS complex	-	-	104,929	-
Unassigned reported in:				
General fund	2,610,693	-	-	-
Total Fund Balances	2,765,549	659,648	1,498,253	59,884
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,051,965	\$ 676,347	\$ 1,748,148	\$ 70,663

See Notes to Financial Statements.

<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 3,550,139
605,649	1,767,305
68,613	851,896
3,604	35,117
-	20,532
<u>\$ 677,866</u>	<u>\$ 6,224,989</u>

\$ 80,143	\$ 490,191
-	65,890
-	20,532
<u>80,143</u>	<u>576,613</u>

-	63,850
-	3,469
<u>-</u>	<u>67,319</u>

3,604	35,117
-	657,281
594,119	594,119
-	786,052
-	59,884
-	607,272
-	1,934
-	78,402
-	45,374
-	104,929
-	2,610,693
<u>597,723</u>	<u>5,581,057</u>

<u>\$ 677,866</u>	<u>\$ 6,224,989</u>
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City of Dalworthington Gardens, Texas

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS

September 30, 2023

Fund Balances - Total Governmental Funds \$ 5,581,057

Adjustments for the Statement of Net Position:

Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.

Capital assets - non-depreciable	1,159,230
Capital assets - net depreciable	7,074,102

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.

Property tax receivable	63,850
Oil and gas receivable	3,469

Deferred outflows of resources, represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expenditure) until then.

Pension contributions	280,713
Pension assumptions	1,280
Pension economic experience	202,918
Pension (gains) losses	499,441
OPEB contributions	1,152

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.

OPEB difference between assumptions and actual	(20,244)
OPEB difference in expected and actual experience	(612)

Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.

Accrued interest	(39,410)
Compensated absences	(77,868)
Long term debt due within one year	(250,625)
Long term debt due in more than one year	(5,336,479)
Net pension liability	(2,660,228)
OPEB liability	(66,987)

Net Position of Governmental Activities \$	6,414,759
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See Notes to Financial Statements.

City of Dalworthington Gardens, Texas

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

For the Year Ended September 30, 2023

	<u>General</u>	<u>Park and Recreation Facilities Development Corp.</u>	<u>Capital Projects</u>	<u>Debt Service</u>
<u>Revenues</u>				
Property tax	\$ 2,202,416	\$ -	\$ -	\$ 373,334
Sales tax	581,401	144,026	-	-
Franchise and local taxes	290,513	-	-	-
License and permits	73,634	-	-	-
Fines and forfeitures	328,700	-	-	-
Oil and gas mineral rights	86,085	-	-	-
Interest income	182,640	19,622	47,608	5,711
Intergovernmental	1,240	50,000	543,381	-
Other revenues	46,713	3,279	-	-
Total Revenues	3,793,342	216,927	590,989	379,045
<u>Expenditures</u>				
Current:				
Community development	210,040	-	-	-
Municipal court	181,989	-	-	-
Administrative	363,410	-	-	-
Police	1,867,440	-	-	-
Fire	363,228	-	-	-
Public works	162,676	-	-	-
Parks and recreation	-	118,803	-	-
Theft	30,343	-	-	-
Capital outlay	25,857	137,603	926,162	-
Debt Service:				
Principal	55,565	-	-	180,000
Interest and fiscal charges	10,883	-	-	191,494
Bond costs	-	-	-	-
Total Expenditures	3,271,431	256,406	926,162	371,494
Excess of Revenues				
Over (Under) Expenditures	521,911	(39,479)	(335,173)	7,551
<u>Other Financing Sources (Uses)</u>				
Lease issuance	-	-	-	-
Transfers (out)	(612,459)	-	(20,532)	-
Transfers in	66,000	20,532	607,272	-
Total Other Financing (Sources)	(546,459)	20,532	586,740	-
Net Change in Fund Balances	(24,548)	(18,947)	251,567	7,551
Beginning fund balances	2,790,097	678,595	1,246,686	52,333
Ending Fund Balances	\$ 2,765,549	\$ 659,648	\$ 1,498,253	\$ 59,884

See Notes to Financial Statements.

Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 2,575,750
429,875	1,155,302
-	290,513
-	73,634
20,098	348,798
-	86,085
17,954	273,535
-	594,621
-	49,992
467,927	5,448,230
-	210,040
-	181,989
-	363,410
193,535	2,060,975
-	363,228
52,883	215,559
-	118,803
-	30,343
301,254	1,390,876
19,250	254,815
-	202,377
-	-
566,922	5,392,415
(98,995)	55,815
81,198	81,198
-	(632,991)
-	693,804
81,198	142,011
(17,797)	197,826
615,520	5,383,231
\$ 597,723	\$ 5,581,057

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City of Dalworthington Gardens, Texas
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$	197,826
---------------------------------------------------------	----	---------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay		1,390,876
Depreciation expense		(544,186)
Capital assets contributed from county		438,424
Book value of assets disposed of		(1,000)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes		(708)
Oil and gas revenue		3,469

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences		(10,081)
Accrued interest		(678)
Pension expense		(124,474)
OPEB expense reduction		(1,976)

The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Lease issuance		(81,198)
Principal payments		254,815
Amortization of premium		17,816

Change in Net Position of Governmental Activities	\$	1,538,925
----------------------------------------------------------	-----------	------------------

See Notes to Financial Statements.

City of Dalworthington Gardens, Texas

STATEMENT OF NET POSITION

PROPRIETARY FUND

September 30, 2023

	Water, Sewer & Sanitation
<u>Assets</u>	
Current Assets:	
Cash and cash equivalents	\$ 969,363
Prepaid expenses	14,585
Receivables, net	281,850
Total Current Assets	1,265,798
Noncurrent Assets:	
Capital assets:	
Non-depreciable	109,201
Net depreciable capital assets	2,039,562
Total Noncurrent Assets	2,148,763
Total Assets	3,414,561
<u>Deferred Outflows of Resources</u>	
Pension	173,711
OPEB	203
Total Deferred Outflows of Resources	173,914
<u>Liabilities</u>	
Current Liabilities:	
Accounts payable and accrued liabilities	468,487
Customer deposits	79,217
Accrued interest	3,846
Compensated absences, current	9,516
Long-term debt due within one year	87,381
Total Current Liabilities	648,447
Noncurrent Liabilities:	
Net pension liability	469,452
OPEB liability	11,821
Compensated absences, noncurrent	1,058
Long-term debt, noncurrent	90,427
Total Noncurrent Liabilities	572,758
Total Liabilities	1,221,205
<u>Deferred Inflows of Resources</u>	
OPEB	3,680
Total Deferred Inflows of Resources	3,680
<u>Net Position</u>	
Net investment in capital assets	1,970,955
Unrestricted	392,635
Total Net Position	\$ 2,363,590

See Notes to Financial Statements.

City of Dalworthington Gardens, Texas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUND

For the Year Ended September 30, 2023

	Water, Sewer & Sanitation
<u>Operating Revenues</u>	
Water sales	\$ 1,355,270
Sewer revenue	712,904
Refuse collection	197,437
Other revenue	56,876
Total Operating Revenues	2,322,487
 <u>Operating Expenses</u>	
Cost of water	809,479
Cost of sewer	407,405
Cost of refuse	179,041
Personnel	466,799
Material, utilities & maintenance	179,723
Contracted and other services	95,610
Depreciation	218,344
Total Operating Expenses	2,356,401
Operating Income (Loss)	(33,914)
 <u>Nonoperating Revenues (Expenses)</u>	
Investment income	7,701
Interest expense	(7,301)
Total Nonoperating Revenues (Expenses)	400
Income (Loss) Before Capital Contributions and Transfers	(33,514)
Transfers in	5,187
Transfers (out)	(66,000)
Change in Net Position	(94,327)
Beginning net position	2,457,917
Ending Net Position	\$ 2,363,590

See Notes to Financial Statements.

City of Dalworthington Gardens, Texas

STATEMENT OF CASH FLOWS PROPRIETARY FUND (Page 1 of 2) For the Year Ended September 30, 2023

	<u>Water, Sewer & Sanitation</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from customers	\$ 2,331,979
Payments to suppliers and contractors	(1,361,235)
Payments to employees	(444,408)
Net Cash Provided (Used) by Operating Activities	<u>526,336</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Transfers in	5,187
Transfers (out)	(66,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(60,813)</u>
<u>Cash Flows from Capital and Financing Activities</u>	
Purchase of capital assets	(12,959)
Debt principal payments	(84,437)
Interest paid	(9,127)
Net Cash Provided (Used) by Capital and Financing Activities	<u>(106,523)</u>
<u>Cash Flows from Investing Activities</u>	
Interest on investments	7,701
Net Cash Provided by Investing Activities	<u>7,701</u>
Net Increase (Decrease) in Cash and Cash Equivalents	366,701
Beginning cash, & cash equivalents	602,662
Ending Cash, & Cash Equivalents	<u>\$ 969,363</u>

See Notes to Financial Statements.

City of Dalworthington Gardens, Texas

STATEMENT OF CASH FLOWS PROPRIETARY FUND (Page 2 of 2) For the Year Ended September 30, 2023

	<u>Water, Sewer & Sanitation</u>
<u>Reconciliation of Operating Income (Loss)</u>	
<u>to Net Cash (Used) by Operating Activities</u>	
Operating Income (Loss)	\$ (33,914)
Adjustments to reconcile operating income to net cash used:	
Depreciation	218,344
Changes in Operating Assets and Liabilities:	
(Increase) Decrease in:	
Accounts receivable	6,354
Prepaid expenses	(1,396)
Deferred outflows of resources: OPEB	(20,899)
Deferred outflows of resources: Pension	(90,356)
Increase (Decrease) in:	
Accounts payable and accrued liabilities	311,419
Customer deposits	3,138
Compensated absences	77
Net pension liability	214,207
OPEB liability	(6,093)
Deferred inflows of resources - OPEB	(338)
Deferred inflows of resources - pension	(74,207)
Net Cash Provided (Used) by Operating Activities	\$ 526,336

See Notes to Financial Statements.

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City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Dalworthington Gardens, Texas, Texas (the "City") was incorporated on July 19, 1949 under Title 28, Revised Civil Statutes of Texas, 1928, Chapters 1-10, as amended, relating to cities and towns. The City operates under an aldermanic form of government and provides the following services as authorized by the general laws of the State of Texas as a duly incorporated general law City and subsequent City ordinances; public safety (police and fire), highway and streets, sanitation, water and sewer, public improvements, planning and zoning, and general administrative services.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

Blended component units. The City's Park and Recreation Facilities Development Corporation is governed by a board consisting of 4 City Council members and 3 non-Council member citizens. The City can appoint a voting majority of their governing board, and they approve their budget, which allows the City to impose its will over the Corporation, and requires it be treated as a component unit of the City. The component unit is blended because their governing board is substantively the same as City Council, and they have operational responsibility for the component unit. As a blended component unit, the Parks and Recreation Facility Development Corporation is reported as a special revenue fund of the City.

The Dalworthington Gardens Crime Control and Prevention District is a special purpose district that collects sales tax within its boundaries for the purpose of controlling and preventing crime. The City's Crime Control and Prevention District is governed by a board consisting of the 6 City Council members. The City can appoint a voting majority of their governing board, and they approve their budget, which allows the City to impose its will over the District, and requires it be treated as a component unit of the City. The component unit is blended because their governing board is substantively the same as City Council, and they have operational responsibility for the component unit. As a blended component unit, the Crime Control and Prevention District is reported as a special revenue fund of the City.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

B. Financial Statement Presentation

These financial statements include implementation of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Requirements of the statement include the following:

- A Management’s Discussion and Analysis (MD&A) section providing an analysis of the City’s overall financial position and results of operations;
- Financial statements prepared using full accrual accounting for all of the City’s activities;
- A change in the fund financial statements to focus on the major funds.

GASB Statement No. 34 established standards for external financial reporting for all state and local governmental entities, which includes a statement of net position and a statement of activities. It requires the classification of net position into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets**—This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted**—This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted**—This component of net position consists of net position that do not meet the definition of “restricted” or “net investment in capital assets.”

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information about the City as a whole. These statements include all activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include charges paid by the recipients for goods or services offered by the programs and grants that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, such as taxes and investment earnings, are presented as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. In the fund financial statements, the accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The government reports the following major governmental funds:

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed.

General Fund

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, court, community development, police, fire, and public works.

Debt Service Fund

The debt service fund is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of governmental funds. The primary source of revenue for debt service is local property taxes.

Capital Projects Fund

The capital projects fund accounts for the acquisition and construction of the government's major capital projects, other than those financed by proprietary funds.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

Park and Recreation Facilities Development Corporation

This Corporation was created to implement the General Park Facilities Development Plan. This shall be done in coordination with the necessary contracting parties to research, develop, prepare, finance, and implement this plan. The primary source of revenues for this fund is sales taxes.

Proprietary Fund Types

Proprietary funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government's business activities are accounted for through proprietary funds. The measurement focus is on determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues include charges for services. Operating expenses include costs of materials, contracts, personnel, and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary fund types follow GAAP prescribed by the Governmental Accounting Standards Board (GASB) and all financial Accounting Standards Board's standards issued prior to November 30, 1989. Subsequent to this date, the City accounts for its enterprise funds as presented by GASB. The proprietary fund types used by the City include enterprise funds.

The government reports the following major enterprise fund:

Water, Sewer, & Sanitation Fund

This fund is used to account for the provision of water, sewer & garbage services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and sewer distribution systems, water collection systems, and contract garbage services. The fund also accounts for the accumulation of resources for and the payment of long-term debt. All costs are financed through charges to utility customers.

D. Measurement Focus and Basis of Accounting

The government-wide statements of net position and statements of activities and all proprietary funds are accounted for on a flow of economic resources measurement focus, accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the operations of these activities are included on the balance sheet. Proprietary fund equity consists of net position. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and component units are accounted for using a

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing resources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The City utilizes the modified accrual basis of accounting in the governmental fund type and component units. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they are susceptible to accrual (i.e., when they are measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues available if they are collected within 60 days of the end of the current period. Revenues susceptible to accrual include charges for services and interest on temporary investments.

Property taxes, sales taxes, franchise taxes, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Other receipts and other taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Under modified accrual accounting, expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for interest on general long-term debt, which is recognized when due.

The accrual basis of accounting is used for the proprietary fund types. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable, and expenses in the accounting period in which they are incurred and become measurable.

The statements of net position, statements of activities, and financial statements of proprietary fund types are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized in the accounting period in which they are earned, and expenses in the accounting period in which they are incurred.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Deposits and Investments

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

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for “money market investments” and “2a7-like pools.” Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940, such as LOGIC or TexSTAR, are reported using the pools’ share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code. In summary, the City is authorized to invest in the following:

- Obligations of the U.S. Government
- Direct obligations of the State of Texas or its agencies
- Obligations of states, agencies, counties, cities, and other political subdivisions
- Fully collateralized certificates of deposit
- No-load money market mutual funds
- Statewide investment pools

2. Fair Value Measurement

The City has applied Governmental Accounting Standards Board (“GASB”) Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either “interfund receivables/payables” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds” in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as “due to/from component unit/primary government.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

Advances between funds are offset by a fund balance reserve account in the applicable governmental fund to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of any allowance for uncollectible amounts.

4. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Penalties are calculated after February 1 up to the date collected by the City. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

5. Program Revenues

Amounts reported as *program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

6. Proprietary funds operating and nonoperating revenue and expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are water, sewer, and refuse charges to customers for sales and services. The enterprise fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenue and expenses.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

7. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

8. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, water & sewer distribution lines, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as individual assets, or a group of similar items, with a cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Capital assets that are donated or received in a service concession arrangement are reported at acquisition value. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful years.

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Vehicles	3 to 5 years
Furniture and office equipment	3 to 5 years
Machinery & equipment	3 to 25 years
Infrastructure	10 to 50 years
Water and sewer system	10 to 75 years
Buildings and improvements	15 to 50 years

9. Leases

The City is a lessee for (3) three noncancellable leases of equipment and recognizes a lease liability and intangible right-to-use lease assets in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and, if applicable, the purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. An example is a deferred charge on refunding reported in the government-wide statement of net position. 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.

In addition to liabilities, the statement of net position 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

11. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

12. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, typically the committed fund balance is depleted first, followed by assigned fund balance, and unassigned fund balance is applied last. Council reserves the right to selectively spend from any of the categories, including unassigned based upon the individual circumstances.

13. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (City Council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

14. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation balances and banked compensation time gained through working overtime. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Vested or accumulated vacation leave and compensated leave of government-wide and proprietary funds are recognized as an expense and liability of those funds as the benefits accrue to employees.

It is the City's policy to liquidate compensated absences with future revenues rather than with currently available expendable resources. Accordingly, the City's governmental funds recognize accrued compensated absences when it is paid.

15. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable, notes payable, intangible leases, and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums, discounts and issuance costs are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed as incurred.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

Assets acquired under the terms of notes payable and intangible leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum note and lease payments at inception of the note or lease. In the year of acquisition, notes payable transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. Note and lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

16. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of 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.

17. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

18. Other Postemployment Benefits ("OPEB")

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. 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 on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and non-employer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

19. Subscription Based Information Technology Arrangements ("SBITA")

The City has adopted the provision of Governmental Accounting Standard Board (GASB) Statement No. 96, entitled Subscription-Based Information Technology Arrangements ("SBITA"). The City has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide financial statements. The City recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

At the commencement of an SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the City is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, “the issuance of long-term debt (e.g., bonds) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, debt service, park and recreation facility development corporation, capital projects, crime control and prevention. special revenue, and utility funds. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the City Charter is the department level. No funds can be transferred or added between departments without Council approval. The budgeted revenues and expenditures for the general fund, park & recreation development corporation fund, debt service fund, capital projects fund, crime control prevention fund, street sales tax fund, and enterprise fund were amended during the current fiscal year. The final budgeted revenues were increased compared to the original budget. The final budgeted expenditures were increased compared to the original budget. Appropriations lapse at the end of the year.

The City has implemented procedures to ensure budgetary compliance. No expenditure can be made unless there is a budget available or an approved budget amendment has been

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

submitted. Department head and management will review the budget variances on a regular basis and the budget will be amended if necessary.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As stated in I.E.1., 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. The City's investments in 2a7-like pools such as TexStar are included in this category. Although the City's investments in TexStar and LOGIC are available for immediate withdrawal, disclosure of the pool's weighted average maturity and bond rating are required. The City had the following deposits considered to be cash and cash equivalents at year end:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Weighted Average Maturity Days</u>
TexStar investment pool	1,206,089	30
LOGIC investment pool	3,048,381	42
Total fair value	<u>\$ 4,254,470</u>	

Interest rate risk In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average of maturity not to exceed one year; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations; monitoring credit ratings of portfolio position to assure compliance with rating requirements imposed by the Public Funds Investment Act; and invest operating funds primarily in short-term securities or similar government investment pools.

Credit risk The City's investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than "A" or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency, No-load money market mutual funds registered and regulated by the SEC and must maintain a stable net asset value of \$1.00 per share, Certificates of deposits which are fully FDIC insured or collateralized from a depository institution doing business in the State of Texas, not to exceed 5 years to stated maturity, and investment pools with an investment quality not less than AAA or AAA-m, or equivalent, by at least one nationally recognized rating service. As of September 30, 2023, the City's investment in TexSTAR and LOGIC was rated AAAM by Standard & Poor's.

Custodial credit risk – In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require that all deposits in financial

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. As of September 30, 2023, the market values of pledged securities and FDIC exceeded bank balances.

Custodial credit risk – investments For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

TexSTAR

The Texas Short Term Asset Reserve Fund ("TexSTAR") is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code ("ICA"), and the Public Funds Investment Act, Chapter 2256, Texas Government Code ("PFIA"). TexSTAR was created in April 2002 by contract among its participating governmental units and is governed by a board of directors. J.P. Morgan Investment Management Inc. ("JPMIM"), Hilltop Securities Inc. ("HTS") and Hilltop Securities Asset Management, LLC ("HSAM") serve as Administrators for TexSTAR. JPMIM provides investment management services, HTS provides marketing and distribution services and HSAM provides administrative services. Custodial, fund accounting and depository services are provided by JPMorgan Chase Bank, N.A. ("JPMCB") and/or its subsidiary J.P. Morgan Investor Services Co. At September 30, 2023, the fair value of the position in TexSTAR approximates fair value of the shares. There were no limitations or restrictions on withdrawals.

TexSTAR operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR uses amortized cost rather than fair value to report net position to compute share prices. Accordingly, the fair value of the position in TexSTAR are the same as the value of TexSTAR shares.

LOGIC

Local Government Investment Cooperative ("LOGIC") was organized in May 1994 to conform with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code ("ICA"), and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code ("PFIA"). The ICA and the PFIA provide for the creation of public funds investment pools and authorize eligible governmental entities ("Participants") to invest their public funds and funds under their control through the investment pools. Only eligible local governments and agencies of the State of Texas may become Participants.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

LOGIC’s governing body is a five-member board of trustees (“Board”) comprised of individuals who are employees, officers or elected officials of Participants in the fund or who do not have a business relationship with the Fund and are qualified to advise. A maximum of two Advisory Directors will serve in a non-voting advisory capacity to the Board. JPMIM provides investment management services to the Board and HTS provides Participant administrative, marketing and distribution services to the Board. JPMCB and/or its subcontractors or delegates provide custodial, fund accounting, and depository services. At September 30, 2023, the fair value of the position in LOGIC approximates fair value of the shares. There were no limitations or restrictions on withdrawals.

B. Receivables

The following comprise receivable balances of the primary government at year end:

	General	Park & Rec. Facilities Dev. Corp.	Capital Projects	Debt Service	Nonmajor Gov.	Water Sewer Sanitation	Total
Taxes							
Property	\$ 54,779	\$ -	\$ -	\$ 10,779	\$ -	\$ -	\$ 65,558
Sales	92,355	22,953	-	-	68,613	-	183,921
Franchise	5,203	-	-	-	-	-	5,203
Oil and gas	8,872	-	-	-	-	-	8,872
Accounts	45,886	-	543,381	-	-	390,032	979,299
Allowance	(925)	-	-	-	-	(108,182)	(109,107)
Total	\$ 206,170	\$ 22,953	\$ 543,381	\$ 10,779	\$ 68,613	\$ 281,850	\$ 1,133,746

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

C. Interfund Transactions

Transfers between the primary government funds during the current fiscal year were as follows:

Transfer In	Transfer Out	Amount
General Fund	Enterprise Fund	\$ 66,000 ¹
Capital Projects Fund	General Fund	607,272 ²
Enterprise Fund	General Fund	5,187 ³
Park & Recreation Facility		
Development Corp. Fund (PRFDC)	Capital Projects Fund	20,532 ⁴

¹ Enterprise fund records a nonreciprocal interfund transfer to the general fund for water/sewer ROW cost recovery.

² General fund transferred to capital fund for the DPS Complex.

³ General fund transferred to the Enterprise fund for discretionary personnel costs.

⁴ Capital projects fund transferred funds to the PRFDC to build a park shed building.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

D. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 291,438	\$ -	\$ -	\$ 291,438
Construction in progress	40,139	1,205,257	(377,604)	867,792
Total capital assets not being depreciated	331,577	1,205,257	(377,604)	1,159,230
Capital assets, being depreciated:				
Buildings and improvements	2,417,906	20,530	-	2,438,436
Vehicles and equipment	2,908,320	38,241	-	2,946,561
Right-to-use leased equipment	36,698	90,370	-	127,068
Infrastructure	6,622,144	474,902	376,604	7,473,650
Total capital assets being depreciated	11,985,068	624,043	376,604	12,985,715
Less accumulated depreciation				
Buildings and improvements	564,865	61,552	-	626,417
Vehicles and equipment	1,773,676	212,711	-	1,986,387
Right-to-use leased equipment	15,107	16,647	-	31,754
Infrastructure	3,013,779	253,276	-	3,267,055
Total accumulated depreciation	5,367,427	544,186	-	5,911,613
Net capital assets being depreciated	6,617,641	79,857	376,604	7,074,102
Total capital assets	\$ 6,949,218	\$ 1,285,114	\$ (1,000)	\$ 8,233,332

Depreciation was charged to governmental functions as follows:

Community development	\$ 8,543
General government	64,967
Public safety	204,779
Public works	230,211
Parks and recreation	35,686
Total Governmental Activities Depreciation Expense	\$ 544,186

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

A summary of changes in business-type activities capital assets for the year end was as follows:

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 109,201	\$ -	\$ -	\$ 109,201
Construction in progress	21,003	4,650	(25,653)	-
Total capital assets not being depreciated	130,204	4,650	(25,653)	109,201
Capital assets, being depreciated:				
Buildings and improvements	1,118	-	25,653	26,771
Water and sewer system improvements	6,288,596	-	-	6,288,596
Vehicles and equipment	277,127	8,309	-	285,436
Total capital assets being depreciated	6,566,841	8,309	25,653	6,600,803
Less accumulated depreciation				
Buildings and improvements	1,118	1,561	-	2,679
Water and sewer system improvements	4,164,984	192,185	-	4,357,169
Vehicles and equipment	176,795	24,598	-	201,393
Total accumulated depreciation	4,342,897	218,344	-	4,561,241
Net capital assets being depreciated	2,223,944	(210,035)	25,653	2,039,562
Total capital assets	\$ 2,354,148	\$ (205,385)	\$ -	\$ 2,148,763

The City had the following construction commitments outstanding at the end of the year:

	Commitments Outstanding
<u>TC Corzine Drainage Project</u>	
Capko Concrete Structures	\$ 23,150
TOTAL	\$ 23,150

E. Leases

On December 2, 2019, the City entered into a non-cancellable lease for copier equipment rental in the DPS building. An initial lease liability was recorded in the amount of \$29,473. As of September 30, 2023, the value of the lease liability was \$7,486. The City is required to make monthly principal and interest payments of \$550. The lease has an interest rate of 4.54%. The equipment has a five-year estimated useful life. The net book value of the right-to-use asset as of the end of the current fiscal year was \$4,519.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

On July 1, 2021, the City entered into a non-cancellable lease for copier equipment rental in the new city hall building, with deferred payments to begin on November 1, 2021. An initial lease liability was recorded in the amount of \$17,321. As of September 30, 2023, the value of the lease liability was \$10,818. The City is required to make monthly principal and interest payments of \$326. The lease has an interest rate of 4.89%. The equipment has a five-year estimated useful life. The net book value of the right-to-use asset as of the end of the current fiscal year was \$9,896.

On July 1, 2023, the City entered into a non-cancellable lease for in-car and body camera systems. An initial lease liability was recorded in the amount of \$81,198. As of September 30, 2023, the value of the lease liability was \$61,950. The City is required to make annual principal and interest payments of \$19,248. The lease has an annual interest rate of 9.30%. The equipment has a five-year estimated useful life. The net book value of the right-to-use asset as of the end of the current fiscal year was \$80,899.

The annual requirements to amortize governmental activities leases payable outstanding at year end were as follows:

Year ending September 30,	Leases	
	Principal	Interest
2024	\$ 23,343	\$ 6,417
2025	19,464	4,796
2026	19,837	3,233
2027	17,610	1,638
	<u>\$ 80,254</u>	<u>\$ 16,084</u>

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

F. Long-term Debt

The following is a summary of changes in the City's total governmental and business-type activities long-term liabilities for the year ended. In general, the City uses the debt service fund to liquidate governmental long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental Activities:					
Bonds, notes and other payables:					
Combination Tax and Revenue Certificate of Obligation					
	\$ 1,305,000	\$ -	\$ (60,000)	\$ 1,245,000	\$ 60,000
General Obligation Refunding & Improvement Bonds					
	2,805,000	-	(85,000)	2,720,000	85,000
General Obligation Bonds					
	920,000	-	(35,000)	885,000	35,000
Deferred amounts:					
For issuance premiums					
	318,562	-	(17,816)	300,746	-
	<u>5,348,562</u>	<u>-</u>	<u>(197,816)</u>	<u>5,150,746</u>	<u>180,000</u>
Other liabilities:					
Note payable					
	402,267	-	(46,163)	356,104	47,282
Leases					
	27,708	81,198	(28,652)	80,254	23,343
Total Governmental Activities	<u>\$ 5,778,537</u>	<u>\$ 81,198</u>	<u>\$ (272,631)</u>	<u>\$ 5,587,104</u>	<u>\$ 250,625</u>
Long-term liabilities due in more than one year				<u>\$ 5,336,479</u>	
Business-Type Activities:					
Other liabilities:					
Note payable					
	\$ 262,245	\$ -	\$ (84,437)	\$ 177,808	\$ 87,381
Total Governmental Activities	<u>\$ 262,245</u>	<u>\$ -</u>	<u>\$ (84,437)</u>	<u>\$ 177,808</u>	<u>\$ 87,381</u>
Long-term liabilities due in more than one year				<u>\$ 90,427</u>	

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

Long-term debt at year end was comprised of the following debt issues:

	Governmental Activities	Business- Type Activities	Total
Certificates of obligation:			
\$1,755,000 Certificates of obligation, Series 2014, due in annual installments through 2034, interest at 2-4%	\$ 1,245,000	\$ -	\$ 1,245,000
Total certificates of obligation	1,245,000	-	1,245,000
General obligation bonds:			
\$3,190,000 Refunding & improvement bond, Series 2017, due in annual installments through 2042, interest at 2-4.25%	2,720,000	-	2,720,000
\$955,000 General obligation bond, Series 2021, due in annual installments through 2041, interest at 2-4%	885,000	-	885,000
Total general obligation bonds	3,605,000	-	3,605,000
Less deferred amounts:			
Issuance premiums	300,746	-	300,746
Total deferred amounts	300,746	-	300,746
Notes payable	356,104	177,808	533,912
Leases	80,254	-	80,254
Total Debt	\$ 5,587,104	\$ 177,808	\$ 5,764,912

Total governmental capital assets acquired through notes payable had balances as of September 30, 2023 for cost, accumulated depreciation, and carrying value of \$754,023, \$225,266 and \$528,758, respectively. Depreciation expense recognized on these assets during the year ended September 30, 2023 was \$47,939.

Total business-type capital assets acquired through notes payable had balances as of September 30, 2023 for cost, accumulated depreciation, and carrying value of \$414,713, \$127,870, and \$286,843 respectively. Depreciation expense recognized on these assets during the year ended September 30, 2023 was \$41,471.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

The annual requirements to amortize governmental activities debt issues outstanding at year end were as follows:

Year ending September 30,	General Obligation					
	Bonds		2014 C.O. Bond		Notes payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 120,000	\$ 135,694	\$ 60,000	\$ 46,225	\$ 47,282	\$ 8,653
2025	85,000	132,271	100,000	44,125	48,431	7,504
2026	90,000	129,269	105,000	40,625	49,608	6,328
2027	95,000	125,819	105,000	36,950	50,814	5,122
2028	95,000	122,019	110,000	33,275	52,048	3,887
2029	105,000	118,019	115,000	29,425	53,313	2,623
2030	105,000	113,819	120,000	25,400	54,608	1,327
2031	110,000	109,519	125,000	21,200	-	-
2032	115,000	105,113	130,000	16,200	-	-
2033	115,000	100,701	135,000	11,000	-	-
2034	125,000	96,097	140,000	5,600	-	-
2035	275,000	88,304	-	-	-	-
2036	285,000	77,310	-	-	-	-
2037	295,000	66,363	-	-	-	-
2038	310,000	55,413	-	-	-	-
2039	320,000	44,013	-	-	-	-
2040	330,000	31,875	-	-	-	-
2041	335,000	19,038	-	-	-	-
2042	295,000	6,269	-	-	-	-
Total	\$ 3,605,000	\$ 1,676,925	\$ 1,245,000	\$ 310,025	\$ 356,104	\$ 35,444

Certificate of Obligation Bond, Series 2014; due in annual installments through August 1, 2034, bearing interest ranging from 2% to 4% payable February 1 and August 1.

General Obligation Refunding & Revenue Bond, Series 2017; due in semi-annual installments through February 1, 2042, bearing interest ranging from 2.0% to 4.25% payable February 1 and August 1.

General Obligation Bond, Series 2021; due in semi-annual installments through February 1, 2041, bearing interest ranging from 2.0% to 4.00% payable February 1 and August 1.

Notes payable are secured by the underlying asset. In the event of default, the lender may demand immediate payment or take possession of the asset.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

The annual requirements to amortize business-type activities debt issues outstanding at year end were as follows:

<u>Year ending</u> <u>September 30,</u>	<u>Notes payable</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 87,381	\$ 6,184
2025	90,427	3,138
	<u>\$ 177,808</u>	<u>\$ 9,322</u>

G. Other Long-term Liabilities

The following is a summary of changes in the City's other long-term liabilities for the year ended. In general, the City uses the general and enterprise funds to liquidate compensated absences.

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Compensated Absences	\$ 67,787	\$ 74,341	\$ (64,260)	\$ 77,868	\$ 70,081
Total Governmental Activities	<u>\$ 67,787</u>	<u>\$ 74,341</u>	<u>\$ (64,260)</u>	<u>\$ 77,868</u>	<u>\$ 70,081</u>
Business-Type Activities:					
Compensated Absences	\$ 10,497	\$ 13,887	\$ (13,810)	\$ 10,574	\$ 9,516
Total Business-Type Activities	<u>\$ 10,497</u>	<u>\$ 13,887</u>	<u>\$ (13,810)</u>	<u>\$ 10,574</u>	<u>\$ 9,516</u>

H. Fund Equity

The City records fund balance/net position restrictions on the fund level to indicate that a portion of the fund balance is legally restricted for a specific future use or to indicate that a portion of the fund balance is not available for expenditures.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

The following is a list of fund balances/net position restricted by law or the City and commitments made by City Council:

	Fund Balance		Net Position
	Restricted	Committed	Restricted
Parks and recreation	\$ 657,281 ¹	\$ -	\$ 643,606
Municipal court security	54,262 * ¹	-	54,262
Municipal court automation	90,442 * ¹	-	94,046
Law enforcement	256,747 * ¹	-	265,919
Street repairs	192,668 ¹	-	233,885
Debt service	59,884	-	70,663
Opiod abatement trust	1,934 *	-	1,934
CLSFRF-ARPA funds	607,272 *	-	607,272
Capital improvements	786,052	-	-
DPS complex	-	104,929	-
Fire truck	-	78,402	-
Capital reserve	-	45,374	-
TOTAL	\$ 2,706,542	\$ 228,705	\$ 1,971,587

* Restricted by enabling legislation

¹ Special revenue funds

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the City participates along with over 2,800 other Texas governments & political subdivisions in the Texas Municipal League's Intergovernmental Risk Pools. The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past four years.

B. Contingent Liabilities

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

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 claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

C. Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed correctly, a substantial liability to the City could result. The City does not anticipate that it will have an arbitrage liability.

D. Pension Plans

Texas Municipal Retirement System

1. Plan Description

The City of Dalworthington Gardens, Texas participates as one of 920 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 annual comprehensive financial report (ACFR) that can be obtained at www.tMrs.com.

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

2. 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

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

may choose to receive their retirement benefit in one of seven payments 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:

	<u>Plan Year 2022</u>	<u>Plan Year 2021</u>
Employee deposit rate	7%	7%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100%	100%
Annuity increase (to retirees)	70% of CPI	70% of CPI
Supplemental death benefit to active employees	Yes	Yes
Supplemental death benefit to retirees	Yes	Yes

Employees covered by benefit terms

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

	<u>2022</u>	<u>2021</u>
Inactive employees or beneficiaries currently receiving benefits	17	16
Inactive employees entitled to but not yet receiving benefits	40	33
Active employees	26	26
Total	83	75

3. 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.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

Employees for the City of Dalworthington Gardens, Texas were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Dalworthington Gardens, Texas were 21.22% and 21.93% in calendar years 2022 and 2023, respectively. The City's contributions to TMRS for the year ended September 30, 2023, were \$432,903 and were equal to the required contributions.

4. Net Pension Liability (Asset)

The City's Net Pension Liability (Asset) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of that date.

Actuarial assumptions

The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.15% per year
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

Salary increases were 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 are 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 1, 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.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

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, Gabriel Roeder Smith & Company (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 in fiscal year 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.0%	7.55%
Core Fixed Income	6.0%	2.00%
Non-Core Fixed Income	20.0%	5.68%
Other Public and Private Markets	12.0%	7.22%
Real Estate	12.0%	6.85%
Hedge Funds	5.0%	5.35%
Private Equity	10.0%	10.00%
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 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.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2023

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 5,083,362	\$ 3,129,680	\$ 1,572,407

Changes in the Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at 12/31/21	\$ 10,692,889	\$ 8,991,255	\$ 1,701,634
Changes for the year:			
Service Cost	331,430	-	331,430
Interest (on the Total Pension Liab.)	720,105	-	720,105
Change in benefit terms	-	-	-
Difference between expected and actual experience	230,763	-	230,763
Changes of assumptions	-	-	-
Contributions – employer	-	383,894	(383,894)
Contributions – employee	-	126,638	(126,638)
Net investment income (loss)	-	(657,377)	657,377
Benefit payments, including refunds of emp. contributions	(380,756)	(380,756)	-
Administrative expense	-	(5,679)	5,679
Other changes	-	6,776	(6,776)
Net changes	901,542	(526,504)	1,428,046
Balance at 12/31/22	\$ 11,594,431	\$ 8,464,751	\$ 3,129,680

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.tmr.com.

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

For the year ended September 30, 2023, the City recognized pension expense of \$579,343.

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

The general fund and water, sewer, and sanitation fund have typically been used to liquidate pension liabilities.

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 238,728
Changes in assumptions	1,506
Investment gains (inflows) or losses outflows	587,578
Contributions subsequent to the measurement date	330,251
Total	\$ 1,158,063

The City reported \$330,251 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Plan year ended December 31:			
2023	\$	188,331	
2024		231,800	
2025		154,827	
2026		252,854	
2027		-	
Thereafter		-	
Total	\$	827,812	

Supplemental Death Benefits Fund

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.

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

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is based on the mortality and service experience of all employees covered by the SDBF and the demographics specific to the workforce of the city. 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. As such, contributions fund the covered active member and retiree deaths on a pay-as-you-go basis.

Employees covered by benefit terms

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	15
Inactive employees entitled to but not yet receiving benefits	10
Active employees	26
Total	51

The City's contributions to the TMRS SDBF for the years ended 2023, 2022, and 2021 were \$1,742, \$1,424, and \$1,803, respectively, which equaled the required contributions each year. The required contribution rates for the retiree for 2023, 2022 and 2021 was 0.09%, 0.08%, and 0.07%, respectively.

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2022, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.50%, including inflation per year
Discount rate	4.05%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with Scale UMP. For disabled annuitants, the 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 4.05%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.05%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.05%) or 1-percentage-point higher (5.05%) than the current rate.

1% Decrease 3.05%	Current Single Rate Assumption 4.05%	1% Increase 5.05%
\$ 97,300	\$ 78,808	\$ 64,949

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/21	\$ 119,425
Changes for the year:	
Service Cost	7,236
Interest	2,251
Difference between expected and actual experience	1,068
Changes of assumptions	(49,725)
Benefit payments	(1,447)
Net changes	(40,617)
Balance at 12/31/22	\$ 78,808

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the City recognized OPEB expense of \$4,066.

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 720
Changes in assumptions	-	23,816
Contributions after the measurement date	1,355	-
Total	\$ 1,355	\$ 24,536

The City reported \$1,355 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending September 30, 2024.

Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	
2022	\$ (6,267)
2023	(4,554)
2024	(7,366)
2025	(6,349)
2026	-
Thereafter	-
	\$ (24,536)

The OPEB plan is not administered through a trust, or equivalent arrangement, and there are no assets accumulated in a GASB-compliant trust.

E. New Accounting Pronouncements

The City has adopted the provision of Governmental Accounting Standard Board (GASB) Statement No. 96, entitled subscription-based information technology arrangements (“SBITA”). Due to the implementation of GASB 96, the City will record subscription assets and subscription liabilities based on the present value of the payments for the related arrangements. The assets are included within capital assets, and depreciated straight-line over the term of the arrangement. The

City of Dalworthington Gardens, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2023

liabilities accrue interest at the implied rate estimated by the City, and are relieved with payments over the term of the arrangements. There were no such arrangements meeting this criteria as of September 30, 2023.

F. Theft of City assets

During the year ended September 30, 2023, City management identified City credit card transactions that were inconsistent with City business. After further investigation it was determined the transactions to be personal in nature by an employee of the City. The employee was terminated, and the City is pressing charges related to the apparent theft. The total amount of identified theft was \$65,312, and occurred between October 2022 and April 2023. The City's bank refunded a portion of the charges totaling \$34,969. This amount offset the net theft loss reported of \$30,343.

G. Subsequent Events

January 13, 2023, the City signed an Interlocal Agreement with Tarrant County to provide funding through the Tarrant County 2021 Transportation Bond Program for \$580,170. The funding will be used for the Corzine Drive Reconstruction project.

There were no additional material subsequent events through April 15, 2024, the date the financial statements were available to be issued.



REQUIRED SUPPLEMENTARY INFORMATION

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City of Dalworthington Gardens, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Property tax	\$ 2,150,567	\$ 2,150,567	\$ 2,202,416	\$ 51,849
Sales tax	612,808	612,808	581,401	(31,407)
Franchise and local taxes	284,197	284,197	290,513	6,316
License and permits	37,345	40,345	73,634	33,289
Municipal court	350,000	350,000	328,700	(21,300)
Oil and gas mineral rights	144,000	144,000	86,085	(57,915)
Interest income	27,500	27,500	182,640	155,140
Intergovernmental	1,200	1,200	1,240	40
Other revenues	80,400	95,715	46,713	(49,002)
Total Revenues	<u>3,688,017</u>	<u>3,706,332</u>	<u>3,793,342</u>	<u>87,010</u>
<u>Expenditures</u>				
Current:				
Community development	197,811	211,611	210,040	(1,571)
Municipal court	206,233	183,833	181,989	(1,844)
Administrative	365,649	367,057	363,410	(3,647)
Police	2,101,329	2,129,710	1,867,440	(262,270)
Fire	467,813	499,414	363,228	(136,186)
Public works	179,159	175,405	162,676	(12,729)
Theft	-	30,000	30,343	343
Capital outlay	15,000	45,115	25,857	(19,258)
Debt service				
Principal	46,161	55,565	55,565	-
Interest and fiscal charges	9,775	10,883	10,883	-
Total Expenditures	<u>3,588,930</u>	<u>3,708,593</u>	<u>3,271,431</u>	<u>(437,162)</u>
<u>Other Financing Sources (Uses)</u>				
Sale of capital assets	10,000	10,000	-	(10,000)
Transfers in	66,000	66,000	66,000	-
Transfers (out)	(603,903)	(660,575)	(612,459)	48,116
Total Other Financing Sources (Uses)	<u>(527,903)</u>	<u>(584,575)</u>	<u>(546,459)</u>	<u>38,116</u>
Net Change in Fund Balance	<u>\$ (428,816)</u>	<u>\$ (586,836)</u>	<u>(24,548)</u>	<u>\$ 562,288</u>
Beginning fund balance			2,790,097	
Ending Fund Balance			<u>\$ 2,765,549</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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City of Dalworthington Gardens, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PARKS AND RECREATION FACILITY DEVELOPMENT FUND
For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Parks and Recreation Facility Development</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Sales tax	\$ 151,913	\$ 151,913	\$ 144,026	\$ (7,887)
Intergovernmental	-	50,000	50,000	-
Other revenues	100	1,600	3,279	1,679
Interest income	4,200	4,200	19,622	15,422
Total Revenues	<u>156,213</u>	<u>207,713</u>	<u>216,927</u>	<u>9,214</u>
<u>Expenditures</u>				
Current:				
Parks and recreation	154,063	144,406	118,803	(25,603)
Capital outlay	50,000	117,055	137,603	20,548
Total Expenditures	<u>204,063</u>	<u>261,461</u>	<u>256,406</u>	<u>(5,055)</u>
Revenues Over (Under)	<u>(47,850)</u>	<u>(53,748)</u>	<u>(39,479)</u>	<u>14,269</u>
<u>Other Financing Sources</u>				
<u>(Uses)</u>				
Transfers in	-	-	20,532	20,532
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>20,532</u>	<u>20,532</u>
Net Change in Fund Balance	<u>\$ (47,850)</u>	<u>\$ (53,748)</u>	<u>(18,947)</u>	<u>\$ 34,801</u>
Beginning fund balance			678,595	
Ending Fund Balance			<u>\$ 659,648</u>	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Dalworthington Gardens, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Years Ended December 31,

	¹ 12/31/2022	12/31/2021	12/31/2020
Total pension liability			
Service cost	\$ 331,430	\$ 333,405	\$ 336,573
Interest	720,105	660,632	622,439
Differences between expected and actual experience	230,763	255,653	(45,950)
Changes in assumptions	-	-	-
Benefit payments, including refunds of participant contributions	(380,756)	(354,474)	(336,841)
Net change in total pension liability	901,542	895,216	576,221
Total pension liability - beginning	10,692,889	9,797,673	9,221,452
Total pension liability - ending (a)	\$ 11,594,431	\$ 10,692,889	\$ 9,797,673
Plan fiduciary net position			
Contributions - employer	\$ 383,894	\$ 428,899	\$ 365,287
Contributions - members	126,638	129,298	121,821
Net investment income (loss)	(657,377)	1,015,120	538,835
Benefit payments, including refunds of participant contributions	(380,756)	(354,474)	(336,841)
Administrative expenses	(5,679)	(4,691)	(3,483)
Other	6,776	32	(136)
Net change in plan fiduciary net position	(526,504)	1,214,184	685,483
Plan fiduciary net position - beginning	8,991,255	7,777,071	7,091,588
Plan fiduciary net position - ending (b)	\$ 8,464,751	\$ 8,991,255	\$ 7,777,071
Fund's net pension liability (asset) - ending (a) - (b)	\$ 3,129,680	\$ 1,701,634	\$ 2,020,602
 Plan fiduciary net position as a percentage of the total pension liability	 73.01%	 84.09%	 79.38%
 Covered payroll	 \$ 1,809,116	 \$ 1,847,113	 \$ 1,740,294
 Fund's net position as a percentage of covered payroll	 172.99%	 92.12%	 116.11%

Notes to schedule:

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
\$	296,220	\$ 266,612	\$ 265,078	\$ 282,630	\$ 277,028	\$ 265,704
	578,828	586,613	553,489	525,093	513,667	481,756
	42,318	(608,873)	25,994	(60,072)	(94,934)	(136,520)
	51,678	-	-	-	18,672	-
	(349,415)	(399,577)	(309,626)	(326,752)	(225,598)	(95,888)
	619,629	(155,225)	534,935	420,899	488,835	515,052
	8,601,823	8,757,048	8,222,113	7,801,214	7,312,379	6,797,327
\$	<u>9,221,452</u>	<u>\$ 8,601,823</u>	<u>\$ 8,757,048</u>	<u>\$ 8,222,113</u>	<u>\$ 7,801,214</u>	<u>\$ 7,312,379</u>
\$	340,726	\$ 327,290	\$ 345,843	\$ 355,310	\$ 354,059	\$ 325,816
	111,661	108,631	109,991	113,311	110,496	107,327
	937,288	(186,186)	739,082	328,786	6,820	232,020
	(349,415)	(399,577)	(309,626)	(326,752)	(225,598)	(95,888)
	(5,291)	(3,595)	(3,828)	(3,711)	(4,153)	(2,421)
	(159)	(188)	(194)	(200)	(205)	(199)
	1,034,810	(153,625)	881,268	466,744	241,419	566,655
	6,056,778	6,210,403	5,329,135	4,862,391	4,620,972	4,054,317
\$	<u>7,091,588</u>	<u>\$ 6,056,778</u>	<u>\$ 6,210,403</u>	<u>\$ 5,329,135</u>	<u>\$ 4,862,391</u>	<u>\$ 4,620,972</u>
\$	<u>2,129,864</u>	<u>\$ 2,545,045</u>	<u>\$ 2,546,645</u>	<u>\$ 2,892,978</u>	<u>\$ 2,938,823</u>	<u>\$ 2,691,407</u>
	76.90%	70.41%	70.92%	64.81%	62.33%	63.19%
\$	1,595,158	\$ 1,551,874	\$ 1,571,297	\$ 1,618,726	\$ 1,578,510	\$ 1,516,714
	133.52%	164.00%	162.07%	178.72%	186.18%	177.45%

City of Dalworthington Gardens, Texas
SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN
For the Years Ended:

	¹ 9/30/2023	9/30/2022	9/30/2021
Actuarially determined employer contributions	\$ 432,903	\$ 401,849	\$ 416,081
Contributions in relation to the actuarially determined contribution	432,903	401,849	416,081
Contribution deficiency (excess)	-	-	-
Annual covered payroll	\$ 1,989,691	\$ 1,844,773	\$ 1,841,226
Employer contributions as a percentage of covered payroll	21.76%	21.78%	22.60%

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Valuation Date:

Notes 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	24 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% 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:

Notes There were no benefit changes during the year.

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>
\$ 357,853	\$ 329,285	\$ 331,898	\$ 350,145	\$ 346,656	\$ 334,267
<u>357,853</u>	<u>329,285</u>	<u>331,898</u>	<u>350,145</u>	<u>346,656</u>	<u>334,267</u>
-	-	-	-	-	-
\$ 1,696,592	\$ 1,546,926	\$ 1,555,187	\$ 1,592,059	\$ 1,569,560	\$ 1,514,074
21.09%	21.29%	21.34%	21.99%	22.09%	22.08%

City of Dalworthington Gardens, Texas
SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN
PENSION (OPEB) LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
Year Ended December 31,

	¹ 2022	2021
Total OPEB liability		
Service cost	\$ 7,236	\$ 6,650
Interest	2,251	2,239
Changes of assumptions	(49,725)	4,430
Differences in expected and actual experience	1,068	(1,853)
Benefit payments, including refunds of participant contributions	(1,447)	(1,293)
Net changes	(40,617)	10,173
Total OPEB liability - beginning	119,425	109,252
Total OPEB liability - ending (a)	\$ 78,808	\$ 119,425
Covered-employee payroll	\$ 1,809,116	\$ 1,847,113
Total OPEB Liability as a percentage of covered-employee payroll	4.36%	6.47%

Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
\$ 5,395	\$ 3,350	\$ 2,638	\$ 2,200
2,311	2,338	2,424	2,349
17,667	14,500	(5,439)	6,623
2,812	300	(9,789)	-
(522)	(479)	(310)	(314)
<u>27,663</u>	<u>20,009</u>	<u>(10,476)</u>	<u>10,858</u>
<u>81,589</u>	<u>61,580</u>	<u>72,056</u>	<u>61,198</u>
<u>\$ 109,252</u>	<u>\$ 81,589</u>	<u>\$ 61,580</u>	<u>\$ 72,056</u>
\$ 1,740,294	\$ 1,595,158	\$ 1,551,874	\$ 1,571,297
6.28%	5.11%	3.97%	4.59%

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OTHER SUPPLEMENTARY INFORMATION

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City of Dalworthington Gardens, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Debt Service</u>	<u>Variance with Final Budget</u>
Revenues				
Property tax	\$ 367,810	\$ 370,810	\$ 373,334	\$ 2,524
Interest income	2,783	4,033	5,711	1,678
Total Revenues	<u>370,593</u>	<u>374,843</u>	<u>379,045</u>	<u>4,202</u>
Expenditures				
Current:				
Debt service				
Principal	180,000	180,000	180,000	-
Interest and fiscal charges	187,244	191,494	191,494	-
Total Expenditures	<u>367,244</u>	<u>371,494</u>	<u>371,494</u>	<u>-</u>
Revenues Over (Under)				
Expenditures	<u>3,349</u>	<u>3,349</u>	<u>7,551</u>	<u>4,202</u>
Net Change in Fund Balance	<u>\$ 3,349</u>	<u>\$ 3,349</u>	7,551	<u>\$ 4,202</u>
Beginning fund balance			<u>52,333</u>	
Ending Fund Balance			<u>\$ 59,884</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Dalworthington Gardens, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Capital Projects</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Interest income	\$ 18,685	\$ 37,685	\$ 47,608	\$ 9,923
Intergovernmental	-	543,000	543,381	381
Total Revenues	<u>18,685</u>	<u>580,685</u>	<u>590,989</u>	<u>10,304</u>
<u>Expenditures</u>				
Current:				
Capital outlay	1,096,136	1,764,446	926,162	(838,284)
Total Expenditures	<u>1,096,136</u>	<u>1,764,446</u>	<u>926,162</u>	<u>(838,284)</u>
Revenues Over (Under)	<u>(1,077,451)</u>	<u>(1,183,761)</u>	<u>(335,173)</u>	<u>848,588</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	588,716	588,148	586,740	(1,408)
Total Other Financing Sources	<u>588,716</u>	<u>588,148</u>	<u>586,740</u>	<u>(1,408)</u>
Net Change in Fund Balance	<u>\$ (488,735)</u>	<u>\$ (595,613)</u>	251,567	<u>\$ 847,180</u>
Beginning fund balance			<u>1,246,686</u>	
Ending Fund Balance			<u>\$ 1,498,253</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Dalworthington Gardens, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CRIME CONTROL AND PREVENTION DISTRICT
For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Crime Control and Prevention</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Sales tax	\$ 301,813	\$ 301,813	\$ 285,849	\$ (15,964)
Interest income	750	750	7,719	6,969
Total Revenues	<u>302,563</u>	<u>302,563</u>	<u>293,568</u>	<u>(8,995)</u>
<u>Expenditures</u>				
Current:				
Public safety	171,864	195,448	179,488	(15,960)
Capital outlay	120,000	438,514	230,744	(207,770)
Debt Service:				
Principal	-	-	19,250	19,250
Total Expenditures	<u>291,864</u>	<u>633,962</u>	<u>429,482</u>	<u>(204,480)</u>
Revenues Over (Under)	<u>10,699</u>	<u>(331,399)</u>	<u>(135,914)</u>	<u>195,485</u>
<u>Other Financing Sources (Uses)</u>				
Loan issuance	-	-	81,198	81,198
Transfers in	10,000	66,672	-	(66,672)
Total Other Financing (Sources)	<u>10,000</u>	<u>66,672</u>	<u>81,198</u>	<u>14,526</u>
Net Change in Fund Balance	<u>\$ 20,699</u>	<u>\$ (264,727)</u>	<u>(54,716)</u>	<u>\$ 210,011</u>
Beginning fund balance			307,294	
Ending Fund Balance			<u>\$ 252,578</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Dalworthington Gardens, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
MUNICIPAL COURT SECURITY FUND
For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Muni. Court Security</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 10,727	\$ 727
Interest income	51	551	548	(3)
Total Revenues	<u>10,051</u>	<u>10,551</u>	<u>11,275</u>	<u>724</u>
<u>Expenditures</u>				
Current:				
Public safety	613	1,113	946	(167)
Total Expenditures	<u>613</u>	<u>1,113</u>	<u>946</u>	<u>(167)</u>
Reve	<u>9,438</u>	<u>9,438</u>	<u>10,329</u>	<u>891</u>
Net Change in Fund Balance	<u>\$ 9,438</u>	<u>\$ 9,438</u>	10,329	<u>\$ 891</u>
Beginning fund balance			<u>43,933</u>	
		Ending Fund Balance	<u>\$ 54,262</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Dalworthington Gardens, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
MUNICIPAL COURT AUTOMATION FUND
For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Muni. Court Automation</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 9,371	\$ (629)
Interest income	120	120	961	841
Total Revenues	<u>10,120</u>	<u>10,120</u>	<u>10,332</u>	<u>212</u>
<u>Expenditures</u>				
Current:				
Public safety	14,592	14,592	13,101	(1,491)
Total Expenditures	<u>14,592</u>	<u>14,592</u>	<u>13,101</u>	<u>(1,491)</u>
Revenues Over (Under)	<u>(4,472)</u>	<u>(4,472)</u>	<u>(2,769)</u>	<u>1,703</u>
Net Change in Fund Balance	<u>\$ (4,472)</u>	<u>\$ (4,472)</u>	<u>(2,769)</u>	<u>\$ 1,703</u>
Beginning fund balance			96,815	
Ending Fund Balance			<u>\$ 94,046</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Dalworthington Gardens, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PUBLIC SAFETY SEIZURES FUND
For the Year Ended September 30, 2023

	Original & Final Budget	Public Safety Seizures	Variance with Final Budget
<u>Revenues</u>			
Fines and forfeitures	\$ -	\$ -	\$ -
Total Revenues	-	-	-
<u>Expenditures</u>			
Current:			
Public safety	-	-	-
Total Expenditures	-	-	-
Revenues Over (Under) Expenditures	-	-	-
Net Change in Fund Balance	\$ -	-	\$ -
Beginning fund balance		4,169	
Ending Fund Balance		\$ 4,169	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Dalworthington Gardens, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
STREET SALES TAX FUND
For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Sales Tax</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Sales tax	\$ 151,913	\$ 151,913	\$ 144,026	\$ (7,887)
Interest income	3,263	3,263	8,726	5,463
Total Revenues	<u>155,176</u>	<u>155,176</u>	<u>152,752</u>	<u>(2,424)</u>
<u>Expenditures</u>				
Current:				
Public works	80,000	55,788	52,883	(2,905)
Capital Outlay	7,958	70,458	70,510	52
Total Expenditures	<u>87,958</u>	<u>126,246</u>	<u>123,393</u>	<u>(2,853)</u>
Revenues Over (Under)	<u>67,218</u>	<u>28,930</u>	<u>29,359</u>	<u>429</u>
Net Change in Fund Balance	<u>\$ 67,218</u>	<u>\$ 28,930</u>	29,359	<u>\$ 429</u>
Beginning fund balance			163,309	
Ending Fund Balance			<u>\$ 192,668</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Dalworthington Gardens, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PROPRIETARY FUND

For the Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Proprietary Fund</u>	<u>Variance with Final Budget</u>
<u>Revenues</u>				
Water sales	\$ 1,269,695	\$ 1,326,695	\$ 1,355,270	\$ 28,575
Sewer revenue	692,579	692,579	712,904	20,325
Refuse collection	199,827	199,827	197,437	(2,390)
Other revenue	18,596	35,065	56,876	21,811
Total Operating Revenues	<u>2,180,697</u>	<u>2,254,166</u>	<u>2,322,487</u>	<u>68,321</u>
<u>Expenditures</u>				
Current:				
Cost of water	609,624	809,624	809,479	(145)
Cost of sewer	363,932	407,932	407,405	(527)
Cost of refuse	181,135	181,135	179,041	(2,094)
Personnel	483,176	446,867	466,799	19,932
Material, utilities & maintenance	201,009	185,363	179,723	(5,640)
Contracted & other services	127,517	100,266	95,610	(4,656)
Notes payable principal	84,444	84,444	84,437	(7)
Capital outlay	62,540	13,759	12,959	(800)
Total Operating Expenses	<u>2,113,377</u>	<u>2,229,390</u>	<u>2,235,453</u>	<u>6,063</u>
Operating Income (Loss)	67,320	24,776	87,034	62,258
<u>Nonoperating Revenues (Expenses)</u>				
Investment income	840	840	7,701	6,861
Interest expense	(7,348)	(7,348)	(7,301)	47
Total Nonoperating Revenues (Expenses)	<u>(6,508)</u>	<u>(6,508)</u>	<u>400</u>	<u>6,908</u>
Income (Loss) Before Transfers	60,812	18,268	87,434	69,166
Transfers (out)	(66,000)	(66,000)	(66,000)	-
Transfers in	5,187	5,187	5,187	-
Net Change in Net Position	<u>\$ (1)</u>	<u>\$ (42,545)</u>	26,621	<u>\$ 69,166</u>
Beginning fund balance			2,457,917	
Ending Net Position-modified			<u>2,484,538</u> ¹	
Lease principal payments			84,437	
Capital expenses			12,959	
Depreciation			(218,344)	
Ending Net Position			<u>\$ 2,363,590</u>	

¹ Comparison schedule presented on modified accrual basis

City of Dalworthington Gardens, Texas

SCHEDULE OF SERVICES AND RATES

For the Year Ended September 30, 2023

(Unaudited)

1. Services provided by the City: Retail Water & Sewer
Garbage and Household Hazardous Waste (HHW) provided by 3rd party and billed by the City.
2. Retail water rates based on 5/8 x 3/4" meter
Most prevalent type of meter: 5/8 x 3/4"

<u>Water:</u>	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Maximum Gallons</u>	<u>Flat Rate (Y/N)</u>	<u>Rate per 1k gallons > min</u>
Residential	\$30	2,000	N/A	Y	\$4.46
Commercial	\$55	2,000	N/A	Y	\$4.46
 <u>Sewer:</u>					
Residential	\$25	2,000	15,000	Y	\$4.20
Commercial	\$55	2,000	N/A	Y	\$4.20

City employs winter averging for sewer usage? No

Total charges per 10,000 gallons of residential usage:	Water	Sewer
	\$66	\$59

<u>Monthly Rate</u>	<u>Garbage</u>	<u>HHW</u>
Residential	\$18.52	\$0.92
Commercial hand-collect	\$24.59	N/A

3. Total water consumption (in thousands) during the fiscal year:
 Gallons pumped into system: 261,330
 Billed gallons to customers and flushing gallons: 250,670
 Water accountability ratio: 95.9%

4. Retail water connections within the City as of the fiscal year end.

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>
5/8" x 3/4"	626	614
1"	387	383
1 1/2"	28	28
2"	34	33
Total Water Connections	1,075	1,058

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***COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES***

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NONMAJOR GOVERNMENTAL FUNDS

MUNICIPAL COURT SECURITY FUND

The Municipal Court Security Fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for municipal court security.

MUNICIPAL COURT AUTOMATION FUND

The Municipal Court Automation Fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for municipal court automation.

PUBLIC SAFETY SEIZURES FUND

The Public Safety Seizures Fund accounts for police seizures that are still involved in the court system.

CRIME CONTROL AND PREVENTION DISTRICT FUND

This is a special purpose district that collects sales tax within its boundaries for the purpose of controlling and preventing crime.

STREET SALES TAX FUND

The Street Sales Tax Fund accounts for the proceeds of 1/4% sales tax to be used for street repair projects.

City of Dalworthington Gardens, Texas

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

September 30, 2023

	Municipal Court Security	Municipal Court Automation	Public Safety Seizures	Crime Control & Prevention
<u>Assets</u>				
Cash and cash equivalents	\$ 54,262	\$ 90,522	\$ 4,169	\$ 237,826
Restricted cash	-	-	-	-
Receivables, net	-	-	-	45,660
Prepaid items	-	3,604	-	-
Total Assets	\$ 54,262	\$ 94,126	\$ 4,169	\$ 283,486
 <u>Liabilities</u>				
Accounts payable and accrued liabilities	-	80	-	30,908
Total Liabilities	-	80	-	30,908
<u>Fund Balances</u>				
Nonspendable	-	3,604	-	-
Restricted	54,262	90,442	4,169	252,578
Total Fund Balances	54,262	94,046	4,169	252,578
Total Liabilities and Fund Balances	\$ 54,262	\$ 94,126	\$ 4,169	\$ 283,486

Street Sales	
Tax	Total
\$ 218,870	\$ 605,649
-	-
22,953	68,613
-	3,604
<u>\$ 241,823</u>	<u>\$ 677,866</u>
49,155	80,143
<u>49,155</u>	<u>80,143</u>
-	3,604
192,668	594,119
<u>192,668</u>	<u>597,723</u>
<u>\$ 241,823</u>	<u>\$ 677,866</u>

City of Dalworthington Gardens, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	<u>Municipal Court Security</u>	<u>Municipal Court Automation</u>	<u>Public Safety Seizures</u>	<u>Crime Control & Prevention</u>
<u>Revenues</u>				
Sales tax	\$ -	\$ -	\$ -	\$ 285,849
Fines and forfeitures	10,727	9,371	-	-
Interest income	548	961	-	7,719
Total Revenues	<u>11,275</u>	<u>10,332</u>	<u>-</u>	<u>293,568</u>
<u>Expenditures</u>				
Current:				
Public safety	946	13,101	-	179,488
Public works	-	-	-	-
Capital outlay	-	-	-	230,744
Debt service:				
Principal	-	-	-	19,250
Total Expenditures	<u>946</u>	<u>13,101</u>	<u>-</u>	<u>429,482</u>
<u>Other Financing Sources (Uses)</u>				
Lease issuance	-	-	-	81,198
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,198</u>
Net Change in Fund Balances	10,329	(2,769)	-	(54,716)
Beginning fund balances	43,933	96,815	4,169	307,294
Ending Fund Balances	<u>\$ 54,262</u>	<u>\$ 94,046</u>	<u>\$ 4,169</u>	<u>\$ 252,578</u>

Street Sales	
Tax	Total
\$ 144,026	\$ 429,875
-	20,098
8,726	17,954
<u>152,752</u>	<u>467,927</u>
-	193,535
52,883	52,883
70,510	301,254
-	19,250
<u>123,393</u>	<u>566,922</u>
-	81,198
-	81,198
29,359	(17,797)
163,309	615,520
<u>\$ 192,668</u>	<u>\$ 597,723</u>

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STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	Pages
<i>Financial Trends</i>	120-128
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	130-136
These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.	
<i>Debt Capacity</i>	138-143
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.	
<i>Demographic and Economic Information</i>	144-150
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
<i>Operating Information</i>	146-150
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.	

City of Dalworthington Gardens, Texas

NET POSITION BY COMPONENT

Last Ten Fiscal Years

(accrual basis of accounting)

	2014	2015	2016	2017
Governmental Activities				
Net investment in				
capital assets	\$ 1,566,193	\$ 1,550,369	\$ 1,397,164	\$ 158,570
Restricted	726,479	677,142	747,893	857,671
Unrestricted	1,055,031	(1,176,014)	(1,949,562)	(1,951,528)
Total Governmental				
Net Position	\$ 3,347,703	\$ 1,051,497	\$ 195,495	\$ (935,287)
 Business-type Activities				
Net investment in				
capital assets	\$ 1,632,261	\$ 1,500,419	\$ 1,371,368	\$ 2,213,593
Restricted				
Unrestricted	282,863	(176,613)	(623,207)	(285,441)
Total Business-type Activities Net Position	\$ 1,915,124	\$ 1,323,806	\$ 748,161	\$ 1,928,152
 Primary Government				
Net investment in				
capital assets	\$ 3,198,454	\$ 3,050,788	\$ 2,768,532	\$ 2,372,163
Restricted	726,479	677,142	747,893	857,671
Unrestricted	1,337,894	(1,352,627)	(2,572,769)	(2,236,969)
Total Primary Government Net Position	\$ 5,262,827	\$ 2,375,303	\$ 943,656	\$ 992,865

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 670,317	\$ 842,275	\$ 1,283,471	\$ 1,623,597	\$ 2,304,559	\$ 2,854,550
729,051	916,781	1,144,354	1,570,039	1,950,749	1,971,587
<u>(1,743,036)</u>	<u>(1,242,945)</u>	<u>(958,244)</u>	<u>(285,704)</u>	<u>620,526</u>	<u>1,588,622</u>
<u>\$ (343,668)</u>	<u>\$ 516,111</u>	<u>\$ 1,469,581</u>	<u>\$ 2,907,932</u>	<u>\$ 4,875,834</u>	<u>\$ 6,414,759</u>
\$ 2,266,376	\$ 2,128,576	\$ 2,107,200	\$ 2,026,045	\$ 2,091,903	\$ 1,970,955
(361,590)	(348,826)	187,881	182,174	366,014	392,635
<u>(216,070)</u>					
<u>\$ 1,904,786</u>	<u>\$ 1,779,750</u>	<u>\$ 2,079,011</u>	<u>\$ 2,208,219</u>	<u>\$ 2,457,917</u>	<u>\$ 2,363,590</u>
\$ 2,936,693	\$ 2,970,851	\$ 3,390,671	\$ 3,649,642	\$ 4,396,462	\$ 4,825,505
729,051	916,781	1,332,235	1,570,039	1,950,749	1,971,587
<u>(2,104,626)</u>	<u>(1,591,771)</u>	<u>(1,174,314)</u>	<u>(103,530)</u>	<u>986,540</u>	<u>1,981,257</u>
<u>\$ 1,561,118</u>	<u>\$ 2,295,861</u>	<u>\$ 3,548,592</u>	<u>\$ 5,116,151</u>	<u>\$ 7,333,751</u>	<u>\$ 8,778,349</u>

City of Dalworthington Gardens, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years

(accrual basis of accounting)

	2014	2015	2016	2017
Expenses				
Governmental activities:				
Community Development	\$	\$	\$	\$
General government	822,839	1,060,768	863,364	779,597
Public Safety	1,820,837	2,109,499	2,184,652	2,123,033
Public works	482,299	450,297	1,000,728	416,975
Parks and recreation			114,229	105,100
Interest and fiscal charges	164,227	66,443	79,751	244,947
Total governmental activities	3,290,202	3,687,007	4,242,724	3,669,652
Business-type activities:				
Water, Sewer, & Sanitation	1,505,826	1,628,878	1,906,406	1,669,094
Total business-type activities	1,505,826	1,628,878	1,906,406	1,669,094
Total primary government	\$ 4,796,028	\$ 5,315,885	\$ 6,149,130	\$ 5,338,746
Program Revenues				
Governmental activities:				
Charges for services:				
Community Development	\$	\$	\$	\$
General government	69,747	64,832	165,018	198,685
Public Safety	775,168	744,341	561,564	533,399
Operating grants & contributions				
Capital grants & contributions			120,000	
Total governmental activities	844,915	809,173	846,582	732,084
Business-type activities:				
Charges for services:				
Water, Sewer, & Sanitation	1,381,330	1,236,177	1,330,579	1,669,699
Operating grants & contributions				
Capital grants & contributions				
Total business-type activities	1,381,330	1,236,177	1,330,579	1,669,699
Total primary government	\$ 2,226,245	\$ 2,045,350	\$ 2,177,161	\$ 2,401,783
Net (Expense)/Revenue				
Governmental activities	\$ (2,445,287)	\$ (2,877,834)	\$ (3,396,142)	\$ (2,937,568)
Business-type activities	(124,496)	(392,701)	(575,827)	605
Total primary government	\$ (2,569,783)	\$ (3,270,535)	\$ (3,971,969)	\$ (2,936,963)

	2018	2019	2020	2021	2022	2023
\$		\$ 213,510	\$ 195,897	\$ 171,754	\$ 178,331	\$ 226,574
	640,615	324,896	348,346	339,178	398,312	469,542
	2,029,993	2,178,548	2,218,488	2,460,294	2,324,745	2,922,166
	360,568	294,305	259,123	375,022	358,879	450,663
	189,202	116,303	120,630	107,909	178,124	157,119
	165,508	160,193	156,835	217,254	185,401	185,239
	<u>3,385,886</u>	<u>3,287,755</u>	<u>3,299,319</u>	<u>3,671,411</u>	<u>3,623,792</u>	<u>4,411,303</u>
	1,755,314	1,788,601	1,809,397	1,851,820	2,093,739	2,363,702
	<u>1,755,314</u>	<u>1,788,601</u>	<u>1,809,397</u>	<u>1,851,820</u>	<u>2,093,739</u>	<u>2,363,702</u>
\$	<u><u>5,141,200</u></u>	<u><u>5,076,356</u></u>	<u><u>5,108,716</u></u>	<u><u>5,523,231</u></u>	<u><u>5,717,531</u></u>	<u><u>6,775,005</u></u>
\$		\$ 85,294	\$ 74,458	\$ 63,449	\$ 80,294	\$ 73,634
	97,791					
	532,338	521,455	404,773	405,390	353,219	348,798
			39,703	326,631	12,714	1,240
	477,253		85,784	382,985	997,114	1,031,805
	<u>1,107,382</u>	<u>606,749</u>	<u>604,718</u>	<u>1,178,455</u>	<u>1,443,341</u>	<u>1,455,477</u>
	1,752,416	1,658,820	1,940,032	1,970,580	2,330,511	2,322,487
			46,619	8,824	5,760	-
			80,046		67,568	-
	<u>1,752,416</u>	<u>1,658,820</u>	<u>2,066,697</u>	<u>1,979,404</u>	<u>2,403,839</u>	<u>2,322,487</u>
\$	<u><u>2,859,798</u></u>	<u><u>2,265,569</u></u>	<u><u>2,671,415</u></u>	<u><u>3,157,859</u></u>	<u><u>3,847,180</u></u>	<u><u>3,777,964</u></u>
\$	(2,278,504)	(2,681,006)	(2,694,601)	(2,492,956)	(2,180,451)	(2,955,826)
	(2,898)	(129,781)	257,300	127,584	310,100	(41,215)
\$	<u><u>(2,281,402)</u></u>	<u><u>(2,810,787)</u></u>	<u><u>(2,437,301)</u></u>	<u><u>(2,365,372)</u></u>	<u><u>(1,870,351)</u></u>	<u><u>(2,997,041)</u></u>

City of Dalworthington Gardens, Texas

CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years

(accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Revenues				
Governmental activities:				
Taxes:				
Property taxes	\$ 842,617	\$ 848,431	\$ 857,678	\$ 927,715
Sales taxes	726,602	784,902	768,334	772,811
Franchise taxes	401,536	378,440	371,677	365,243
Oil and gas mineral rights	227,154	650,113	497,937	397,197
Interest Income	135	102	1,313	6,747
Other revenue	73,332	47,051	43,201	109,080
Gain (loss) on sale of assets	13,660	7,000		
Transfers, net	41,324	37,200		(838,644)
Total governmental activities	<u>2,326,360</u>	<u>2,753,239</u>	<u>2,540,140</u>	<u>1,740,149</u>
Business-type activities:				
Interest Income	132	100	182	174
Other Income				226,939
Gain (loss) on sale of assets				
Transfers, net	(41,324)	(37,200)		838,644
Total business-type activities	<u>(41,192)</u>	<u>(37,100)</u>	<u>182</u>	<u>1,065,757</u>
Total primary government	<u>\$ 2,285,168</u>	<u>\$ 2,716,139</u>	<u>\$ 2,540,322</u>	<u>\$ 2,805,906</u>
Change in Net Position				
Governmental activities	\$ (118,927)	\$ (124,595)	\$ (856,002)	\$ (1,197,419)
Business-type activities	(165,688)	(429,801)	(575,645)	1,066,362
Total primary government	<u>\$ (284,615)</u>	<u>\$ (554,396)</u>	<u>\$ (1,431,647)</u>	<u>\$ (131,057)</u>

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	1,252,733	\$ 1,900,957	\$ 1,993,889	\$ 2,178,050	\$ 2,296,774	\$ 2,575,042
	790,310	841,944	1,008,013	1,115,667	1,187,935	1,155,302
	345,480	376,434	355,690	312,868	287,538	290,513
	306,034	202,527	123,088	149,714	218,198	89,554
	55,662	99,595	50,268	9,828	40,582	273,535
	115,035	114,374	117,123	146,180	35,226	49,992
				19,000	16,100	-
	56,691	(4,151)			66,000	60,813
	<u>2,921,945</u>	<u>3,531,680</u>	<u>3,648,071</u>	<u>3,931,307</u>	<u>4,148,353</u>	<u>4,494,751</u>
	2,401	4,248	1,651	1,624	473	7,701
	42,967	36,656	40,310		-	-
					5,125	-
	(56,691)	4,151			(66,000)	(60,813)
	<u>(11,323)</u>	<u>45,055</u>	<u>41,961</u>	<u>1,624</u>	<u>(60,402)</u>	<u>(53,112)</u>
\$	<u>2,910,622</u>	<u>\$ 3,576,735</u>	<u>\$ 3,690,032</u>	<u>\$ 3,932,931</u>	<u>\$ 4,087,951</u>	<u>\$ 4,441,639</u>
\$	643,441	\$ 850,674	\$ 953,470	\$ 1,438,351	\$ 1,967,902	\$ 1,538,925
	(14,221)	(84,726)	299,261	129,208	249,698	(94,327)
\$	<u>629,220</u>	<u>\$ 765,948</u>	<u>\$ 1,252,731</u>	<u>\$ 1,567,559</u>	<u>\$ 2,217,600</u>	<u>\$ 1,444,598</u>

City of Dalworthington Gardens, Texas

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Years

(modified accrual basis of accounting)

	2014	2015	2016	2017
General fund:				
Reserved	\$ -	\$ -	\$ -	\$ -
Nonspendable	500	500	500	6,453
Restricted	-	-	-	-
Committed	209,017	-	-	-
Unassigned	964,207	925,874	651,537	564,248
Total general fund	\$ 1,173,724	\$ 926,374	\$ 652,037	\$ 570,701
All other governmental funds:				
Reserved	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	-	-
Restricted	2,557,844	2,655,226	1,373,090	3,863,864
Committed	-	-	-	-
Unassigned	-	-	(105,820)	-
Total all other governmental funds	\$ 2,557,844	\$ 2,655,226	\$ 1,267,270	\$ 3,863,864

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12,872	20,707	25,171	25,851	29,298	29,146
-	-	38,024	293,678	591,611	1,934
-	100,091	-	25,000	72,366	123,776
502,075	807,170	1,041,670	1,556,438	2,096,822	2,610,693
<u>\$ 514,947</u>	<u>\$ 927,968</u>	<u>\$ 1,104,865</u>	<u>\$ 1,900,967</u>	<u>\$ 2,790,097</u>	<u>\$ 2,765,549</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	11,197	6,222	5,971
3,356,447	2,813,620	2,622,709	2,561,663	2,486,802	2,704,608
-	-	-	-	100,110	104,929
-	-	-	-	-	-
<u>\$ 3,356,447</u>	<u>\$ 2,813,620</u>	<u>\$ 2,622,709</u>	<u>\$ 2,572,860</u>	<u>\$ 2,593,134</u>	<u>\$ 2,815,508</u>

City of Dalworthington Gardens, Texas

CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS

Last Ten Years

(modified accrual basis of accounting)

	2014	2015	2016	2017
Revenues				
Property Tax	\$ 838,889	\$ 848,431	\$ 852,341	\$ 919,865
Sales Tax	726,602	784,902	768,334	772,811
Franchise Tax	401,536	378,440	371,677	365,243
Licenses and permits	69,747	64,832	165,018	198,685
Fines and forfeitures	775,168	744,341	561,564	533,399
Oil and gas mineral rights	227,154	650,113	497,937	397,197
Interest Income	135	102	1,313	6,747
Intergovernmental	-	-	-	-
Other revenue	73,332	47,051	43,201	109,080
Total Revenues	3,112,563	3,518,212	3,261,385	3,303,027
Expenditures				
Community development	-	-	-	-
Court	-	-	-	-
General government	749,043	886,252	850,674	760,351
Police	-	-	-	-
Fire	-	-	-	-
Public safety	1,706,867	1,954,582	2,035,209	1,962,901
Public works	359,286	351,090	429,314	279,127
Parks and recreation	-	-	84,407	84,988
Debt service				
Principal	870,000	163,922	164,016	146,377
Interest	53,969	82,852	83,786	71,118
Bond issuance costs	85,692	-	-	145,434
Capital outlay	35,834	273,682	1,276,272	584,604
Total Expenditures	3,860,691	3,712,380	4,923,678	4,034,900
Revenues over (under) expenditures	(748,128)	(194,168)	(1,662,293)	(731,873)
Other Financing Sources (Uses)				
Transfers in	41,324	199,752	-	39,631
Transfers (out)	-	(162,552)	-	(53,525)
Proceeds from sale of capital	13,600	7,000	-	-
Capital lease issuance	-	-	-	-
Bond issuance	1,755,000	-	-	3,190,000
Premium on bonds issued	80,692	-	-	221,790
Payment to refunded bond escrow agent	-	-	-	(291,698)
Total other financing sources	1,890,616	44,200	-	3,106,198
Special items				
Net Change in Fund Balances	\$ 1,142,488	\$ (149,968)	\$ (1,662,293)	\$ 2,374,325
Ratio of total debt service expenditures to noncapital expenditures	24.16%	7.18%	6.79%	6.30%

	2018	2019	2020	2021	2022	2023
\$	1,253,459	\$ 1,914,963	\$ 1,975,746	\$ 2,184,215	\$ 2,291,768	\$ 2,575,750
	790,310	841,944	1,008,013	1,115,667	1,187,935	1,155,302
	345,480	376,474	355,690	312,868	287,538	290,513
	97,791	85,294	74,458	63,449	80,294	73,634
	532,338	521,455	404,773	405,390	353,219	348,798
	306,034	202,527	123,088	149,714	218,198	86,085
	55,662	99,595	50,268	9,828	40,582	273,535
	-	-	39,703	326,631	307,501	594,621
	95,706	104,674	99,863	153,237	35,226	49,992
	<u>3,476,780</u>	<u>4,146,926</u>	<u>4,131,602</u>	<u>4,720,999</u>	<u>4,802,261</u>	<u>5,448,230</u>
	-	216,976	196,481	177,133	185,241	210,040
	-	201,756	185,770	191,989	189,983	181,989
	637,000	318,894	343,818	341,215	349,151	393,753
	-	1,598,338	1,642,708	1,857,738	1,797,961	2,060,975
	-	301,962	320,314	318,454	304,245	363,228
	1,929,493	-	-	-	-	-
	246,052	174,153	109,190	214,181	183,994	215,559
	158,226	89,958	90,719	78,527	150,352	118,803
	226,117	234,363	158,790	216,396	229,112	254,815
	185,223	175,740	169,631	169,704	203,034	202,377
	-	-	-	51,100	-	-
	696,934	991,435	1,444,612	1,430,543	381,884	1,390,876
	<u>4,079,045</u>	<u>4,303,575</u>	<u>4,662,033</u>	<u>5,046,980</u>	<u>3,974,957</u>	<u>5,392,415</u>
	(602,265)	(156,649)	(530,431)	(325,981)	827,304	55,815
	344	18,200	13,450	290,221	186,851	693,804
	(344)	(18,200)	(13,450)	(290,221)	(120,851)	(632,991)
	21,729	15,700	17,260	19,000	16,100	-
	93,699	-	499,157	-	-	81,198
	-	-	-	955,000	-	-
	-	-	-	98,234	-	-
	-	-	-	-	-	-
	<u>115,428</u>	<u>15,700</u>	<u>516,417</u>	<u>1,072,234</u>	<u>82,100</u>	<u>142,011</u>
\$	<u>(486,837)</u>	<u>(140,949)</u>	<u>(14,014)</u>	<u>746,253</u>	<u>909,404</u>	<u>197,826</u>
	12.16%	12.38%	10.21%	10.68%	12.03%	11.43%

City of Dalworthington Gardens, Texas

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Tax Year	Fiscal Year	Less: Tax			Total Taxable Assessed Value	Total Direct Tax Rate
		Real Property	Personal Property	Exempt Property		
2013	2014	\$ 323,390,167	\$ 34,280,285	\$ 28,409,169	\$ 329,261,283	\$ 0.262739
2014	2015	328,808,531	31,625,059	29,218,745	331,214,845	0.262739
2015	2016	328,842,354	42,424,789	29,842,333	341,424,810	0.253670
2016	2017	352,186,109	33,871,005	34,961,026	351,096,088	0.273979
2017	2018	369,269,881	31,173,880	38,700,845	361,742,916	0.374379
2018	2019	382,181,474	32,193,757	44,515,540	369,859,691	0.580000
2019	2020	409,861,360	31,093,796	52,036,145	388,919,011	0.580000
2020	2021	418,025,343	27,309,308	53,768,245	391,566,406	0.636593
2021	2022	429,446,035	26,979,701	55,302,699	401,123,037	0.658553
2022	2023	470,933,824	30,252,285	57,072,059	444,114,050	0.665133

Note: Tax rates per \$100 of assessed valuation.

Source: City of Dalworthington Gardens Budget Document.
Tarrant Appraisal District Tax Roll Summary Reports

City of Dalworthington Gardens, Texas

WATER UTILITY REVENUE AND CONSUMPTION

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Billed Revenue</u>	<u>Bill Consumption Gallons '000</u>	<u>Rate per Gallon</u>	<u>Average Monthly Customers</u>
2014	\$ 876,487	206,987	\$ 4.23	1,035
2015	729,098	186,962	3.90	1,039
2016	761,456	179,592	4.24	1,045
2017	927,123	181,183	5.12	1,052
2018	1,051,017	209,225	5.02	1,058
2019	896,685	160,311	5.59	1,058
2020	1,119,895	197,380	5.67	1,064
2021	1,084,248	187,529	5.78	1,069
2022	1,347,223	240,164	5.61	1,073
2023	1,441,752	247,488	5.83	1,073

Note: Data based on monthly billings, excluding yearend accruals
Volume rate provides 1-2000 gallons included in minimum charge

Source: City Billing System

City of Dalworthington Gardens, Texas

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Years

Fiscal Year	City Direct Rates			Overlapping Rates				Total Direct and Overlapping Rates
	Operating & Maintenance	Interest & Sinking	Total Direct Rate	Arlington Independent School District	Tarrant County	Tarrant County College District	Tarrant County Hospital District	
2014	0.212133	0.050606	0.262739	1.292170	0.264000	0.149500	0.227897	2.196306
2015	0.205490	0.057249	0.262739	1.292170	0.264000	0.149500	0.227897	2.196306
2016	0.200492	0.053178	0.253670	1.412952	0.264000	0.149500	0.227897	2.308019
2017	0.237827	0.036152	0.273979	1.390080	0.254000	0.144730	0.227897	2.290686
2018	0.287827	0.086552	0.374379	1.368670	0.244000	0.140060	0.224429	2.351538
2019	0.487983	0.092017	0.580000	1.368670	0.234000	0.136070	0.224429	2.543169
2020	0.487983	0.092017	0.580000	1.298670	0.234000	0.130170	0.224429	2.467269
2021	0.544576	0.092017	0.636593	1.387100	0.234000	0.130170	0.224429	2.612292
2022	0.566536	0.092017	0.658553	1.360800	0.229000	0.130170	0.224429	2.602952
2023	0.567716	0.097417	0.665133	1.308700	0.224000	0.130170	0.224429	2.552432

Notes: Tax rates per \$100 of assessed valuation.

Rate are presented by Fiscal Year, which is (1) year ahead of the Tax Year

Source: Tarrant Appraisal District

City of Dalworthington Gardens, Texas

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Property Tax Payer	2023 (2022 TAX YEAR)			2014 (2013 TAX YEAR)		
	Taxable Assessed Value	Rank	% of Taxable Assessed Value	Taxable Assessed Value	Rank	% of Taxable Assessed Value
BKV North Texas, formerly XTO	\$ 6,125,480	1	1.4%	\$ 3,812,380	2	1.2%
Bianco, Sabatino	4,840,000	2	1.1%			
McAndrew, James F	4,820,146	3	1.1%			
HRE Garden Town Center LLC	4,723,714	4	1.1%			
DFW Midstream Services LLC	4,407,606	5	1.0%	9,509,667	1	2.9%
Quiktrip Corporation	2,917,040	6	0.7%	2,389,544	6	0.7%
Atmos Energy/Mid Tex Division	2,775,230	7	0.6%			
Kanani, Michael B	2,760,000	8	0.6%			
Eidson, Leanora	2,177,712	9	0.5%			
Durand, Willa Sue	2,045,000	10	0.5%			
Martin, Kenyon	-	n/a		3,025,000	3	0.9%
J jn W Bowen I Pleasant Rdg LP	-	n/a		2,700,000	4	0.8%
McAndrew, James F ETUX Kelly D	-	n/a		2,660,566	5	0.8%
Prosperity Bank		n/a		2,188,379	7	0.7%
Frazier, Dick ETUX Debbie	-	n/a		1,688,600	8	0.5%
Singh, Sandeep ETUX Jasdeep W	-	n/a		1,600,000	9	0.5%
Mr. Bill Motor Inc		n/a		1,326,395	10	0.4%
Sub-Total	\$ 37,591,928		8.5%	\$ 30,900,531		9.4%
Remaining Roll	406,522,122		91.5%	298,360,752		90.6%
Total Assessed Valuation	\$ 444,114,050		100.0%	\$ 329,261,283		100.0%

Source: Tax Office.

Note: Property is assessed as of January 1 and certified to the City by July 25 for taxable values.

Information is based on City fiscal year, which is one year ahead of tax year.

City of Dalworthington Gardens, Texas

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year	Collected within the		Collections in Subsequent Years	Total Collections to Date Amount Collected	Outstanding As of 9/30/23
		Fiscal Year of the Levy Amount Collected	Percentage of Levy			
1986-2013	\$	\$		\$	\$	\$
2014	847,102	833,325	98.4%	8,183	841,508	11,522
2015	850,853	841,492	98.9%	7,532	849,024	5,593
2016	848,493	842,969	99.3%	3,371	846,340	1,829
2017	925,241	913,546	98.7%	9,485	923,031	2,152
2018	1,244,972	1,237,049	99.4%	5,522	1,242,571	2,210
2019	1,892,980	1,877,086	99.2%	10,773	1,887,859	2,401
2020	1,984,724	1,961,271	98.8%	19,138	1,980,409	5,121
2021	2,166,586	2,149,488	99.2%	10,544	2,160,032	4,315
2022	2,280,825	2,267,137	99.4%	10,403	2,277,540	6,554
2023	2,550,125	2,531,040	99.3%	-	2,531,040	3,285
						19,085
						\$ 64,068

Source: Tarrant Appraisal District
City's Finance Department

City of Dalworthington Gardens, Texas

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS

Last Ten Years

Fiscal Year	Property Tax	Sales & Use Tax	Franchise Tax	Total
2014	\$ 838,890	\$ 730,403	\$ 397,735	\$ 1,967,027
2015	848,431	789,249	374,093	2,011,772
2016	852,341	772,919	367,094	1,992,354
2017	919,864	778,409	359,645	2,057,917
2018	1,253,458	795,177	340,612	2,389,247
2019	1,914,962	847,533	370,884	3,133,379
2020	1,975,746	1,008,013	355,690	3,339,448
2021	2,184,215	1,115,667	312,868	3,612,750
2022	2,291,768	1,187,935	287,538	3,767,241
2023	2,575,750	1,155,302	290,513	4,021,565
Percent Change				
2014-2023	205.4%	66.9%	-29.0%	111.1%

Source: City's Finance Department

City of Dalworthington Gardens, Texas

SALES TAX COLLECTIONS BY FUND

Last Ten Years

(Modified Accrual Basis of Accounting)

	2014	2015	2016	2017
General	\$ 371,390	\$ 400,574	\$ 392,561	\$ 396,127
Street Improvement	-	-	-	-
Total Primary Government	371,390	400,574	392,561	396,127
Component Units:				
Park and Recreation Facility Development Corporation	183,778	198,094	193,953	194,895
Crime Control and Prevention District	175,235	190,581	186,405	187,387
Total Sales Tax Collections	\$ 730,403	\$ 789,249	\$ 772,919	\$ 778,409

Note: Beginning FY 2019, half cent sales tax was reduced from the Park & Recreation Facility Development Corporation and was used to setup a new Street Improvement Fund.

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 404,027	\$ 429,916	\$ 506,785	\$ 560,931	\$ 597,111	\$ 581,401
	105,706	125,517	139,041	148,169	144,026
<u>404,027</u>	<u>535,622</u>	<u>632,301</u>	<u>699,972</u>	<u>745,280</u>	<u>725,427</u>
199,320	105,706	125,517	139,042	148,169	144,026
191,830	206,185	250,195	276,653	294,486	285,849
<u>\$ 795,177</u>	<u>\$ 847,513</u>	<u>\$ 1,008,013</u>	<u>\$ 1,115,667</u>	<u>\$ 1,187,935</u>	<u>\$ 1,155,302</u>

City of Dalworthington Gardens, Texas

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities:					
General Obligation Bonds	\$ 360,000	\$ 325,000	\$ 285,000	\$ 3,190,000	\$ 3,120,000
Certificates of Obligation	1,755,000	1,710,000	1,660,000	1,590,000	1,535,000
Premiums	80,692	76,657	72,622	290,377	277,471
Discounts	-	-	-	-	-
Notes Payable	-	310,536	236,520	160,143	152,725
Leases	-	-	-	-	-
Business-type activities:					
Notes Payable	-	-	-	-	-
Total primary government	<u>\$ 2,195,692</u>	<u>\$ 2,422,193</u>	<u>\$ 2,254,142</u>	<u>\$ 5,230,520</u>	<u>\$ 5,085,196</u>
Percentage of personal income (1)	1.67%	1.85%	1.65%	3.96%	3.62%
Per capita (1)	\$ 951	\$ 1,044	\$ 972	\$ 2,245	\$ 2,182

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

(1) Personal income and population data is disclosed on page 144.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	3,045,000	\$ 2,965,000	\$ 3,840,000	\$ 3,725,000	\$ 3,605,000
	1,480,000	1,425,000	1,365,000	1,305,000	1,245,000
	264,565	251,660	336,381	318,562	300,746
	-	-	-	-	-
	48,362	523,728	447,333	402,267	356,104
	-	-	36,754	27,708	80,254
	-	422,714	343,851	262,245	177,808
	<u>\$ 4,837,927</u>	<u>\$ 5,588,102</u>	<u>\$ 6,369,319</u>	<u>\$ 6,040,782</u>	<u>\$ 5,764,912</u>
	3.24%	3.60%	4.26%	4.05%	3.59%
\$	2,076	\$ 2,437	\$ 2,770	\$ 2,632	\$ 2,512

City of Dalworthington Gardens, Texas

RATIO OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Years

	2014	2015	2016	2017
NET TAXABLE ASSESSED VALUE				
All property	\$ 329,261,283	\$ 331,214,845	\$ 341,424,810	\$ 351,096,088
NET BONDED DEBT				
Gross bonded debt ⁽¹⁾	2,195,692	2,111,657	2,017,622	5,070,377
Less debt service funds	(74,119)	(94,381)	(108,424)	(85,711)
Net Bonded Debt	\$ 2,121,573	\$ 2,017,276	\$ 1,909,198	\$ 4,984,666
RATIO OF NET BONDED DEBT TO ASSESSED VALUE	0.64%	0.61%	0.56%	1.42%
POPULATION	2,310	2,320	2,320	2,330
NET BONDED DEBT PER CAPITA	\$ 918	\$ 870	\$ 823	\$ 2,139

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

⁽¹⁾ This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums.

* Population estimates updated per NTCOG census data.

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 361,742,916	\$ 369,859,691	\$ 388,919,011	\$ 391,566,406	\$ 401,123,037	\$ 444,114,050
4,932,471	4,789,565	4,641,660	5,541,381	5,348,562	5,150,746
(72,352)	(75,475)	(86,046)	(97,914)	(52,333)	(59,884)
<u>\$ 4,860,119</u>	<u>\$ 4,714,090</u>	<u>\$ 4,555,614</u>	<u>\$ 5,443,467</u>	<u>\$ 5,296,229</u>	<u>\$ 5,090,862</u>
1.34%	1.27%	1.17%	1.39%	1.32%	1.15%
2,330	2,330	2,293 *	2,299 *	2,295 *	2,295
\$ 2,086	\$ 2,023	\$ 1,987	\$ 2,368	\$ 2,308	\$ 2,218

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City of Dalworthington Gardens, Texas
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2023

<u>Governmental Unit</u>	<u>Net Bonded Debt Outstanding</u>	<u>Estimated Percentage Applicable</u> *	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Arlington Independent School District	\$ 1,225,554,956	0.97%	\$ 11,887,883
Tarrant County	376,120,000	0.16%	601,792
Tarrant County College District	591,230,000	0.16%	945,968
Tarrant County Hospital District	448,410,000	0.16%	717,456
Subtotal, overlapping debt			<u>14,153,099</u>
City direct debt			<u>5,587,104</u>
Total direct and overlapping debt			<u><u>\$ 19,740,203</u></u>

Sources: Municipal Advisory Council of Texas

Notes: Overlapping governments are those below the state level that coincide, at least in part, with geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Dalworthington Gardens. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

* **Methodology for Deriving Overlapping Percentages :**

- 1) Determine the estimated shared assessed valuation of taxable property within both the Overlapping Taxing Body(s) and the City
- 2) Divide that shared value by the total assessed value of taxable property within the overlapping taxing body.

City of Dalworthington Gardens, Texas

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Year	Estimated Population	Personal Income	Per Capita Income	Unemployment Rate
				Tarrant County
2014	2,310	131,106,360	56,756	4.6%
2015	2,320	130,622,960	56,303	4.1%
2016	2,320	137,028,480	59,064	3.9%
2017	2,330	132,080,710	56,687	3.3%
2018	2,330	140,580,550	60,335	3.3%
2019	2,330	149,213,200	64,040	3.2%
2020	2,293 *	155,132,915	67,655	6.2%
2021	2,299 *	149,575,239	65,061	4.4%
2022	2,295 *	149,314,995	65,061	3.5%
2023	2,295	160,395,255	69,889	3.6%

Note: City of Dalworthington Gardens is served by the Arlington ISD

* Population estimates updated per NTCOG census data.

Sources: Population provided by the North Texas Council of Governments (NTCOG)

Per Capita Income provided by the US Census Bureau

Unemployment information provided by FRED Economic Data Research

City of Dalworthington Gardens, Texas

PRINCIPAL EMPLOYERS

Current Fiscal Year and Third Fiscal Year

Employer	2023			2020		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Horizon Plumbing	125	1	6.00%	120	1	7.46%
Arlington Classic Academy						
Primary Campus	60	2	2.88%	60	3	3.73%
Campo Verde	49	3	2.35%	49	4	3.05%
Beez Construction	48	4	2.31%	75	2	4.66%
Arlington Classic Academy						
Intermediate Campus	47	5	2.26%	47	5	2.92%
The Montessori Academy	41	6	1.97%	36	8	2.24%
GBM Maintenance Co.	40	7	1.92%	40	6	2.49%
Metro Mobile Electronics	38	8	1.83%	38	7	2.36%
Green's Produce & Plant	35	9	1.68%	35	7 9	2.18%
McAndrew Motors	35	10	1.68%	n/a	n/a	n/a
Infection Control/Germ Blast	n/a	n/a	n/a	30	10	1.87%
Total	<u>518</u>		<u>24.88%</u>	<u>530</u>		<u>32.96%</u>

Note: The information for the current year is not available. This table requires the previous ninth year; However, this is the third year of the ACFR and this information was not kept historically. The City will provide previous years in future ACFR's until we obtain the ninth year.

Source: Top ten employers and employee count provided by City surveying individual businesses.

City of Dalworthington Gardens, Texas
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM
Last 10 Years

<u>Function/Program</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General government	4.90	3.80	2.00	1.50
Community Development			2.00	2.00
Public safety	22.60	23.80	24.00	19.50
Public works	1.80	1.65	0.50	1.00
Park and recreation	-	0.50	0.50	0.40
Water and sewer	3.70	4.25	3.50	4.10
Total	<u>33.00</u>	<u>34.00</u>	<u>32.50</u>	<u>28.50</u>

Sources: Various City departments.

Years will continue to be added until 10 years of comparison is listed, information prior to 2017 not available

<u>2021</u>	<u>2022</u>	<u>2023</u>
1.50	1.50	1.45
1.99	1.91	1.35
20.00	17.49	19.55
0.80	0.71	0.83
1.10	0.62	0.62
<u>4.11</u>	<u>3.98</u>	<u>4.00</u>
<u>29.50</u>	<u>26.20</u>	<u>27.80</u>

City of Dalworthington Gardens, Texas

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last 10 Years

Function/Program	2020	2021	2022	2023
Community Development				
Alarm System Permits	14	3	9	12
Building Permits Issued	44	48	77	68
Certificates of Occupancy Issued	39	50	54	53
Electrical Permits Issued	8	15	14	24
Fire Alarm/Suppression Permits Issued	14	2	7	2
Heating/AC Permits Issued	19	15	20	18
Plumbing Permits Issued	45	48	48	53
Roof Permits Issued	12	12	7	6
Other various Permits Issued	38	66	52	63
Public safety				
Police				
Police Calls for Service	6,264	6,637	5,264	6,768
EMS Calls for Service	125	105	147	139
Arrests	155	109	70	137
Community Policing Calls	5,412	5,353	6,147	5,003
Traffic Enforcement	6,305	6,882	4,162	6,374
Fire				
Fire Calls for Service	130	98	82	103
Inspections	78	132	79	21
Public works				
# of employees	3	3.5	3	3
Hours worked per function:				
Administrative	1260	*	817.5	*
Animal Control	126	*	75.25	*
Building Maintenance	550	*	581.5	*
Park Maintenance	256.5	*	549.75	*
Sewer/Water Maintenance	1195	*	1707	*
Street Maintenance (outside of full reconstruction)	289.5	*	246.25	*
Construction and Permit Oversight	842	*	455	*
Water and Sewer				
Number of residential water customers as of FYE	926	923	924	925
Annual billed residential water usage (thousands of gallons)	178,322	168,345	214,623	222,529
Number of commercial water customers as of FYE	146	146	149	148
Annual billed commercial water usage (thousands of gallons)	19,058	19,184	25,541	24,959
Number of sewer connections	990	989	987	985
Annual billed residential sewer usage (15,000 gal cap) (thousands of gallons)	85,583	88,791	94,754	98,202
Annual billed commercial sewer usage (thousands of gallons)	15,398	16,517	21,012	20,202
Number of solid waste customers	885	889	896	893

* data is unavailable

Sources: Various City departments.

Ten years of data is unavailable

City of Dalworthington Gardens, Texas

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Function/Program	2020	2021	2022	2023
Administration				
City hall building	0	1	1	1
Public safety				
Police stations	1	1	1	1
Police patrol units	6	6	6	6
Police admin units	5	5	5	4
Fire engine units	2	2	2	2
Fire admin units	1	1	1	1
Fire stations	1	1	1	1
Public works				
Streets (miles)	19	19	19	19
Streetlights	170	170	170	160
Manholes	289	289	289	289
Drainage Ditches (miles)	11	11	11	11
Park and recreational				
Parks	1	1	1	1
Parks (acres)	39	39	39	39
Playground	1	1	1	1
Baseball/Softball field	1	1	1	1
Soccer field	1	1	1	1
Water and sewer				
Water mains (miles)	23	23	23	23
Sanitary sewers (miles)	22	22	22	22
Water storage facilities	2	2	2	2
Fire hydrants	192	192	192	192
Water meters	1,083	1,083	1,105	1,104

Sources: Various City departments.

Ten years of data is unavailable

City of Dalworthington Gardens, Texas

WATER LOSS RATIO

Last Ten Years

	2014	2015	2016	2017	2018
Production Gallons '000	272,337	277,738	277,283	235,779	231,796
Billed and unbilled consumption '000	207,820	188,189	184,955	187,415	212,858
Water loss ratio	23.7%	32.2%	33.3%	20.5%	8.2%

Source: City Operational Reports

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
181,637	214,234	196,348	253,087	261,330
<u>163,391</u>	<u>199,695</u>	<u>188,312</u>	<u>244,426</u>	<u>250,670</u>
<u>10.0%</u>	<u>6.8%</u>	<u>4.1%</u>	<u>3.4%</u>	<u>4.1%</u>

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