

**CITY OF BENBROOK, TEXAS**

**ANNUAL  
COMPREHENSIVE  
FINANCIAL  
REPORT**

**FOR FISCAL YEAR ENDED  
SEPTEMBER 30, 2024**

**911 WINSCOTT ROAD  
BENBROOK, TEXAS 76126  
WWW.CI.BENBROOK.TX.US  
(817) 249-3000**



**TEXAS**

*Our Pride. Your Joy.*

*ANNUAL  
COMPREHENSIVE FINANCIAL REPORT*

of the

**City of Benbrook, Texas**

**For the Year Ended  
September 30, 2024**

**Prepared by**

Rick Overgaard  
Director of  
Finance



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# City of Benbrook, Texas

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***INTRODUCTORY SECTION***





March 12, 2025

The Honorable Mayor,  
Members of the City Council and Citizens of the City of Benbrook  
City of Benbrook  
Benbrook, Texas

The Finance Department is pleased to submit the Annual Comprehensive Financial Report for the City of Benbrook, Texas for the fiscal year ended September 30, 2024. This report provides the City Council, City staff, our citizens, our bondholders, and other interested parties with detailed information concerning the financial condition and activities of the City. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position and results of operations of the City. We also believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

## **THE REPORT**

The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Statistical section, using tables, presents comparative economic and financial data to give the users of the report a perspective of the City's performance over several years.

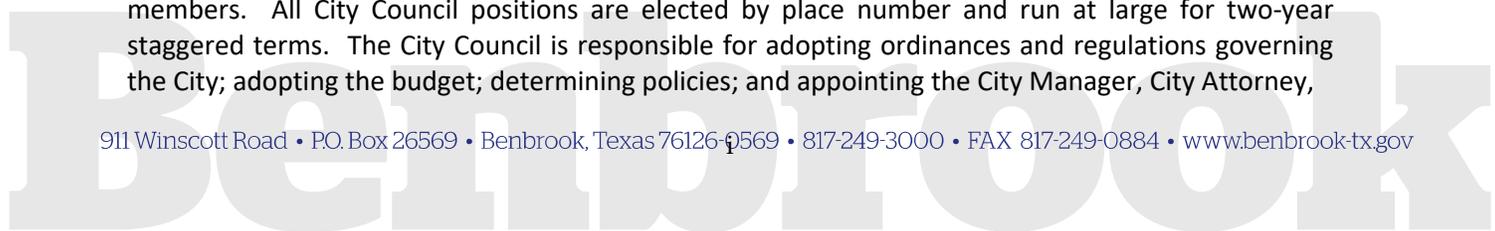
The financial statements included in the report were prepared by the Finance Department in accordance with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB). The basic financial statements and related notes have been audited by an independent firm of Certified Public Accountants, BrooksWatson & Co., PLLC, whose report is included herein.

## **CITY PROFILE**

### **Location**

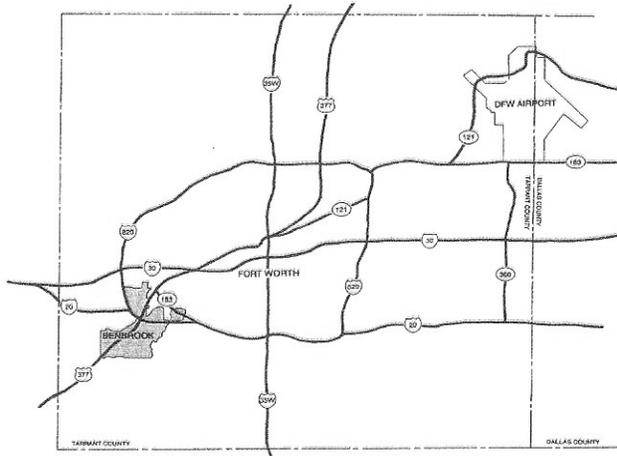
The City of Benbrook is located in Tarrant County, in the north central portion of the State of Texas. The City of Benbrook is located on the southwest side of the City of Fort Worth and is only thirty minutes from Dallas. The City covers approximately thirteen square miles. The 2020 Census set the population at 24,520, and the current estimated population is 25,416.

The City was incorporated in 1947 and is operated under a charter adopted in 1983. The City has a Council-Manager form of government with the City Council comprised of a mayor and six council members. All City Council positions are elected by place number and run at large for two-year staggered terms. The City Council is responsible for adopting ordinances and regulations governing the City; adopting the budget; determining policies; and appointing the City Manager, City Attorney,

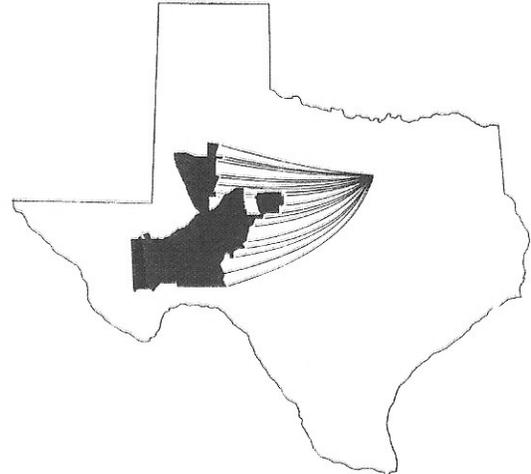


City Secretary, Municipal Court Judge, as well as members of boards and commissions. The City Manager is responsible to the City Council and appoints and supervises the employees that prepare and administer the annual comprehensive financial report (ACFR), the annual budget, and the capital improvements program.

### **Benbrook's location in Tarrant County**



### **Benbrook's location in the State**



### **Services Provided**

The City provides a full-range of municipal services including general government, community development, police and fire protection, street maintenance, building inspection, recreation services, parks operation and maintenance, and maintenance of City-owned buildings. The Benbrook Economic Development Corporation (EDC) is responsible for the promotion and retention of business within the City. Solid waste collection has been contracted out to a private firm.

This report includes the financial statements of the funds required to account for those activities, organizations, and functions which are related to the City and are controlled by or dependent upon the City's governing body. The criteria used by the City for including activities in preparing its financial statements are set forth by the Governmental Accounting Standards Board (GASB). Based on these criteria, all municipal services listed are included in the City's fiscal year 2023-24 financial statements.

### **Accounting System and Budgetary Control**

The City's accounting records for general governmental operations are maintained on a modified accrual basis. Under this method of accounting, expenditures are recognized when the services or goods are received, and the liability is incurred.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of internal controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for

assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City’s internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City Charter provides that the City Council shall adopt the annual budget prepared by the City Management. The annual budget includes the General Fund and Debt Service Fund. This budget is reviewed by the City Council and is formally adopted by the passage of a budget ordinance. The City Manager is authorized to transfer budgeted amounts between line items and divisions within a fund, including personnel. Any revisions that alter the total expenditures of any fund must be approved by the City Council.

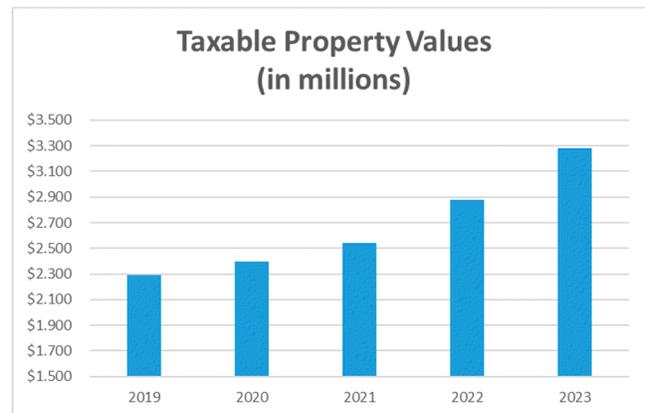
The legal level of budgetary control has been established at the individual fund level. Financial reports are produced showing budget and actual expenditures by line item. These reports are distributed monthly to City department and division managers. A financial summary is prepared for City Council to approve each month.

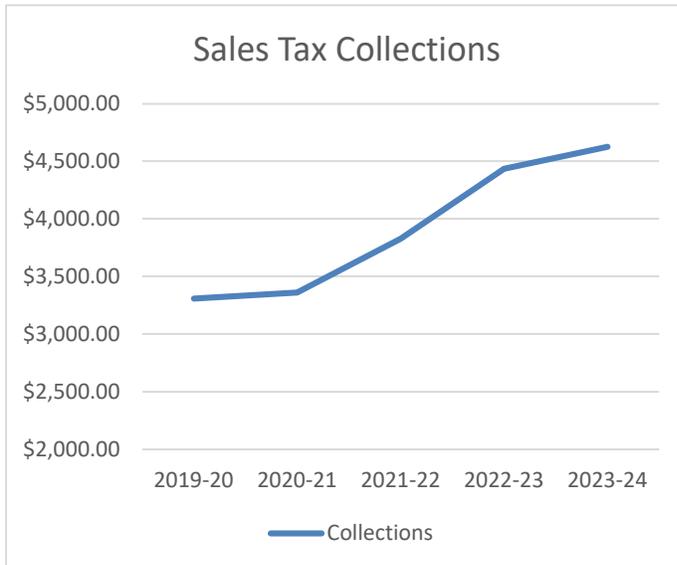
Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level and capital expenditures are monitored and controlled by line item. Revenue budgets are reviewed monthly.

## ECONOMIC OUTLOOK AND FINANCIAL CONDITION

### Summary of Local Economy

The City of Benbrook is located in southwest Tarrant County, an area that has experienced a significant growth in population since 2000. The City’s tax base has grown an average of 9.6% annually over the past five years with annual increases ranging from 4.6% to 14.1%. We expect our growth rate to continue this trend over the next few years. Commercial growth has remained steady and residential construction has escalated in the last several years.





Overall sales tax collections in Benbrook have increased steadily over the past few years with the completion of the Benbrook Boulevard expansion project that was started in 2014. The last five fiscal years averaged an 14.1% increase. In the first 3 months of the new fiscal year 2024-25, however, we are experiencing an 18.1% decrease from the prior year.

**Economic Prospects for the Future**

The enhancement of the primary corridor through Benbrook’s center has stimulated growth of commercial and residential development and has attracted more

upscale businesses and enterprises. Benbrook Boulevard expansion project is now complete; however, with the possibility of a recession and the COVID-19 pandemic, sales tax is projected to remain flat over the next year.

Several commercial projects have recently been completed such as Taco Bueno, Dairy Queen, and Chipotle restaurants, an Audi Dealership, Russell Feed & Supply, Basis charter school, and commercial warehouses. Other projects under construction include various subdivisions.

There are opportunities in Benbrook for commercial expansion, business growth, and residential development in upcoming years. These prospects will have a positive impact on Benbrook’s tax base, sales tax collections, development fees, and other sources of revenue.

**Long-Term Financial Planning**

The City produces a Comprehensive Capital Improvements Plan (CIP). The CIP includes an emphasis on the repair and maintenance of existing facilities and infrastructure. Planned project funding comes from current resources. Storm drainage projects will be funded from the storm water utility fees. Other special projects will be taken on at the discretion of the City Council. These projects will be financed by the Core Value Account (CVA) which receives money related to City-owned mineral interest.

In 2019, as part of the City's updated 2020 Comprehensive Plan, a Citizen Committee recommended a new Municipal Complex to replace several municipal buildings, and to act as an anchor for a proposed downtown development. The existing municipal buildings are aging and have mechanical issues, electrical problems, ADA non-compliance and/or other challenges. In May 2021, voters approved the general obligation bond election to fund the design and construction of a new two-story, approximately 35,000 square-foot Benbrook Municipal Complex to house the Police Station, Senior Citizen's Center, Municipal Court, City Hall Offices, and a Visitor's Center. Construction began in 2022.

## **Cash Management**

The City's cash management policy is adopted by City Council and strictly defines the types and amounts of investments made for the City. Section 5 of the Public Funds Investment Act prescribes that cities are to develop and maintain an investment policy to govern all investments. The City of Benbrook adopted a revised investment policy on October 4, 2018 to meet updates made to the Public Funds Investment Act. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Collateral is held by the City, its agent, or a financial institution's trust department in the City's name. One hundred percent of the deposits and investments held by the City during the year ending September 30, 2024, are classified in the category of the lowest credit risk as defined by the Governmental Accounting Standards Board. All deposits are held in interest-bearing accounts, Texpool and TexStar investment pools, certificates of deposit, and agency notes.

## **OTHER INFORMATION**

### **Independent Audit**

The City Charter requires an annual audit of the financial statements of the City by independent certified public accountants selected by the City Council. This requirement has been complied with, and the audit firm of BrooksWatson & Co., PLLC's report on the basic financial statements and required supplementary information is included in the financial section of this report.

### **Certificate of Achievement**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Benbrook for its annual comprehensive financial report for the fiscal year ended September 30, 2023. This year was the fortieth consecutive year that the City has received 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. The report must satisfy both generally accepted accounting principles as well as all 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 the GFOA to determine its eligibility for another certificate.

In addition, the City of Benbrook has received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget dated October 1, 2023. This award marked the fortieth time the City has received this award. To qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization.

## **Acknowledgements**

The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the finance department. Each member of the department has my sincere appreciation for the contribution made in the preparation of this report.

In closing, without the leadership and support of the City Council and the City Manager, preparation of this report would not have been possible.

Respectfully submitted,

*Rick Overgaard*

Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Benbrook  
Texas**

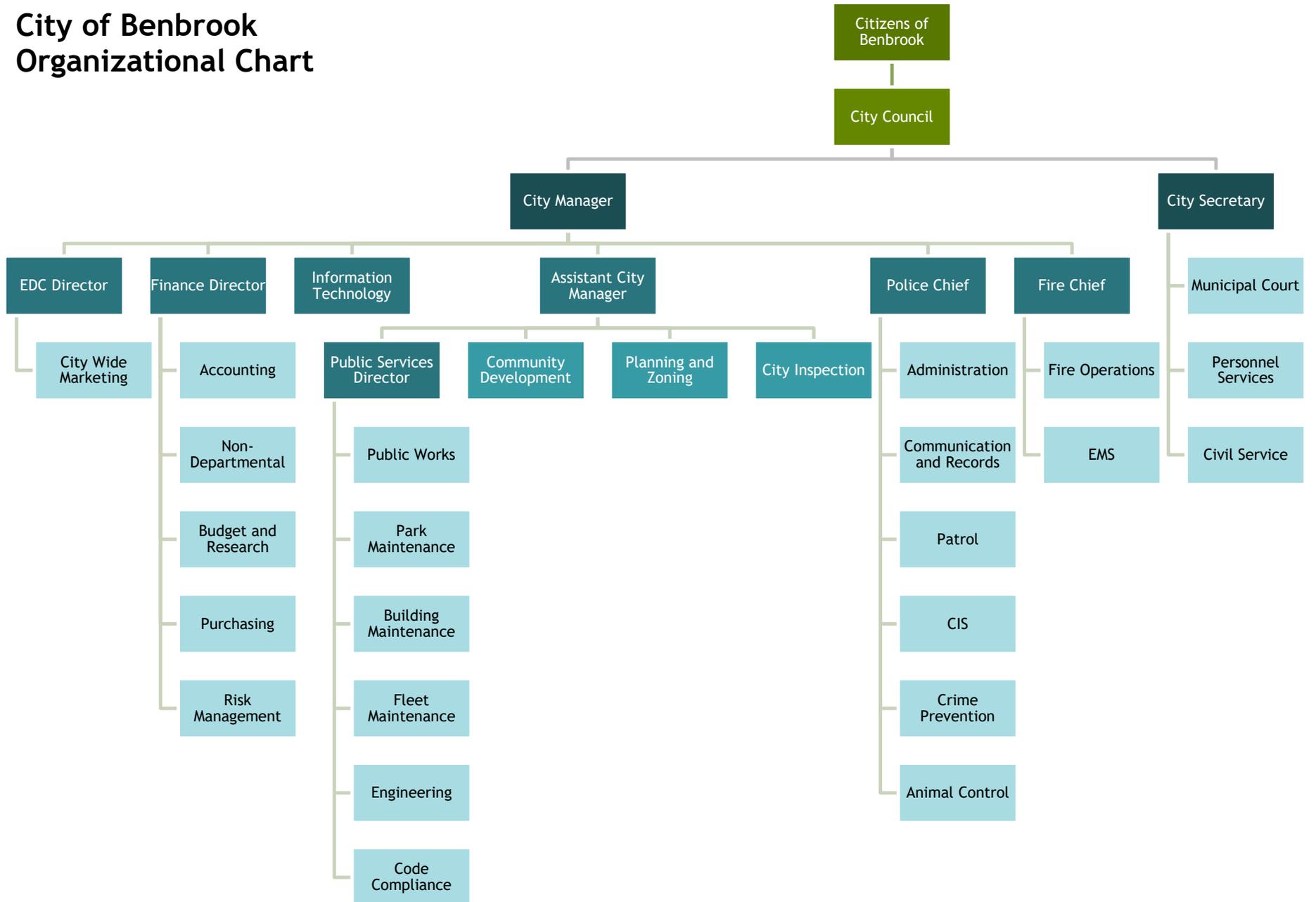
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2023

*Christopher P. Morill*

Executive Director/CEO

# City of Benbrook Organizational Chart



**City of Benbrook, Texas**  
**Principal Officials**  
**September 30, 2024**

**ELECTED OFFICIALS**

<b>Name of Individual</b>	<b>Position</b>	<b>Term Expires</b>	<b>Length of Service (in Years)</b>
Jason Ward	Mayor Place 1	2025	2
Renee Franklin	Councilmember Place 2	2024	10
Dr. Larry Marshall	Mayor Pro Tem Place 3	2025	13
Dustin Phillips	Councilmember Place 4	2024	5
Gary Addison	Councilmember Place 5	2025	2
Laura Mackey	Councilmember Place 6	2024	5
Keith Tiner	Councilmember Place 7	2025	2

**APPOINTED OFFICIALS**

Andy Wayman	City Manager	27
Joanna King	City Secretary	48
Jim Hinderaker	Deputy City Manager	7
Rick Overgaard	Finance Director	5
Doug Howard	Planning Director	6
David Babcock	Police Chief	4
Tommy Davis	Fire Chief	29
Jessica James	EDC Director	3
Wes Cooper	Information Technology Director	3
Bennett C. Howell, III	Public Services Director	9
Heath Haseloff	City Engineer	6



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***INDEPENDENT AUDITOR'S REPORT***

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

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Benbrook, Texas (the "City") as of and for the year ended September 30, 2024, 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, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Benbrook, Texas, as of September 30, 2024, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Benbrook, 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 budgetary comparison 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.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Brooks Watson & Co.*

Brooks Watson & Co.  
Certified Public Accountants  
Houston, Texas

March 12, 2025

*MANAGEMENT'S DISCUSSION  
AND ANALYSIS*



# City of Benbrook, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### September 30, 2024

As management of the City of Benbrook, 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, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

#### **Financial Highlights**

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows (net position) at September 30, 2024 by \$85,582,930. Of this amount, \$18,464,302 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$7,634,478. The majority of the City's net position are invested in capital assets and restricted for specific purposes.
- The City's governmental funds reported combined ending fund balances of \$30,947,073 at September 30, 2024, a decrease of \$1,647,297 from the prior fiscal year; this includes an increase of \$1,900,719 in the general fund, an increase of \$16,442 in the debt service fund, an increase of \$438,484 in the special assessment fund, a decrease of \$4,310,326 in the municipal complex fund, and an increase of \$307,384 in the nonmajor governmental funds.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$23,617,122 or 102% of total general fund expenditures.
- The City's total debt showed a net decrease (including premiums) of \$1,009,274. The total governmental bonds and COO's payable at the close of the fiscal year was \$22,069,030.

#### **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.

# City of Benbrook, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2024

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.

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, and culture and recreation. The business-type activities of the City include water and sewer and sanitation operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate the Benbrook Economic Development Corporation and the Tax Increment Financing ("TIF") Reinvestment Zone #1, for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

### 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, uses 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.

# City of Benbrook, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2024

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 twelve 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, debt service fund, special assessment fund, and the municipal complex fund, which are considered to be major funds. The City's other special revenue/capital projects funds are considered nonmajor for reporting purposes.

The City adopts an annual appropriated budget for its general and debt service funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with the budget.

### **Proprietary Funds**

The City maintains one type of 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 one enterprise fund to account for its sanitation operations. All activities associated with providing such services are accounted for in these funds, including personnel, administration, operation, repairs/maintenance, capital improvements, 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.

Proprietary financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sanitation fund, as its considered a major fund of the City.

### **Component Unit**

The City maintains the accounting and financial statements for two component units. The Benbrook Economic Development Corporation and the Tax Increment Financing ("TIF") Reinvestment Zone #1 are reported as discretely presented component units on the government-wide financial statements.

### **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.

# City of Benbrook, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2024

### Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The required RSI includes a budgetary comparison schedule for the general fund, schedule of changes in the net pension liability and related ratios and schedule of employer contributions for the Texas Municipal Retirement System, and OPEB schedules. RSI 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 of Benbrook, assets and deferred outflows exceed liabilities and deferred inflows by \$85,582,930 as of September 30, 2024 in the primary government.

The largest portion of the City's net position, \$64,013,007, reflects its investments in capital assets (e.g., land, buildings, infrastructure, vehicles, machinery and equipment, as well as the public works facilities), less any debt used to acquire those assets that are still outstanding. 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.

Total current and other assets for business-type activities increased by \$105,430 or 66% primarily due to a greater Stormwater and Sanitation receivables in the current year, resulting from City growth and timing of collections subsequent to year end.

Total capital assets for governmental activities increased by \$9,203,398 or 12% due to construction on the Municipal Complex in the current year.

Total deferred outflows for governmental activities decreased by \$2,583,743 or 40%. Total deferred inflows for governmental activities increased by \$295,560 or 82%. Both changes are strictly due to actuarial changes in the City's pension inputs over the course of the year.

Total long-term liabilities for governmental activities decreased by \$4,017,651 or 11% due to debt payments and a significant decrease in the City's net pension liability over the course of the current year.

**City of Benbrook, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2024**

**Statement of Net Position:**

The following table reflects the condensed Statement of Net Position:

	2024			2023		
	Governmental	Business-Type	Total	Governmental	Business-Type	Total
	Activities	Activities		Activities	Activities	
Current and other assets	\$ 35,134,573	\$ 265,901	\$ 35,400,474	\$ 36,999,710	\$ 160,471	\$ 37,160,181
Capital assets, net	86,122,986	-	86,122,986	76,919,588	-	76,919,588
<b>Total Assets</b>	<b>121,257,559</b>	<b>265,901</b>	<b>121,523,460</b>	<b>113,919,298</b>	<b>160,471</b>	<b>114,079,769</b>
<b>Total Deferred Outflows</b>	<b>3,908,577</b>	<b>-</b>	<b>3,908,577</b>	<b>6,492,320</b>	<b>-</b>	<b>6,492,320</b>
Other liabilities	7,497,901	277,933	7,775,834	6,709,483	118,790	6,828,273
Long-term liabilities	31,415,775	-	31,415,775	35,433,426	-	35,433,426
<b>Total Liabilities</b>	<b>38,913,676</b>	<b>277,933</b>	<b>39,191,609</b>	<b>42,142,909</b>	<b>118,790</b>	<b>42,261,699</b>
<b>Total Deferred Inflows</b>	<b>657,498</b>	<b>-</b>	<b>657,498</b>	<b>361,938</b>	<b>-</b>	<b>361,938</b>
Net Position:						
Net investment in capital assets	64,013,007	-	64,013,007	59,559,177	-	59,559,177
Restricted	3,105,621	-	3,105,621	2,378,885	-	2,378,885
Unrestricted	18,476,334	(12,032)	18,464,302	15,968,709	41,681	16,010,390
<b>Total Net Position</b>	<b>\$ 85,594,962</b>	<b>\$ (12,032)</b>	<b>\$ 85,582,930</b>	<b>\$ 77,906,771</b>	<b>\$ 41,681</b>	<b>\$ 77,948,452</b>

**City of Benbrook, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2024**

**Statement of Activities:**

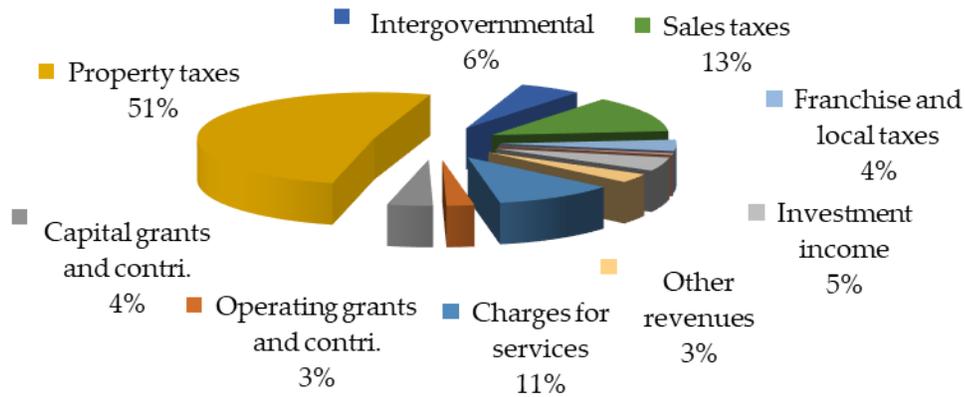
The following table provides a summary of the City's changes in net position:

	For the Year Ended September 30, 2024			For the Year Ended September 30, 2023		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
			Primary Government			Primary Government
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 3,745,499	\$ 1,702,006	\$ 5,447,505	\$ 3,200,393	\$ 1,715,195	\$ 4,915,588
Operating grants	2,797,602	-	2,797,602	-	-	-
Capital grants	1,616,890	-	1,616,890	1,543,757	-	1,543,757
General revenues:						
Property taxes	17,531,765	-	17,531,765	16,129,043	-	16,129,043
Sales taxes	4,379,798	-	4,379,798	4,690,258	-	4,690,258
Hotel occupancy taxes	176,210	-	176,210	195,808	-	195,808
Franchise and local taxes	1,352,970	-	1,352,970	1,314,209	-	1,314,209
Investment income	1,635,148	-	1,635,148	1,407,649	-	1,407,649
Other revenues	895,975	-	895,975	713,154	-	713,154
<b>Total Revenues</b>	<u>34,131,857</u>	<u>1,702,006</u>	<u>35,833,863</u>	<u>29,194,271</u>	<u>1,715,195</u>	<u>30,909,466</u>
<b>Expenses</b>						
General government	1,580,907	-	1,580,907	1,508,440	-	1,508,440
Staff services	1,331,838	-	1,331,838	1,302,379	-	1,302,379
Public safety	13,310,911	-	13,310,911	13,269,395	-	13,269,395
Public services	8,899,343	-	8,899,343	8,290,674	-	8,290,674
Community develop. Payments to discrete component units	1,099,860 - -	- - -	1,099,860 - -	1,037,279 1,498,241 -	- - -	1,037,279 1,498,241 -
Interest and fiscal chgs.	519,568	-	519,568	543,455	-	543,455
Sanitation	-	1,456,958	1,456,958	-	1,400,535	1,400,535
<b>Total Expenses</b>	<u>26,742,427</u>	<u>1,456,958</u>	<u>28,199,385</u>	<u>27,449,863</u>	<u>1,400,535</u>	<u>28,850,398</u>
<b>Change in Net Position</b>						
<b>Before Transfers</b>	7,389,430	245,048	7,634,478	1,744,408	314,660	2,059,068
Transfers	298,761	(298,761)	-	256,078	(256,078)	-
<b>Total</b>	<u>298,761</u>	<u>(298,761)</u>	<u>-</u>	<u>256,078</u>	<u>(256,078)</u>	<u>-</u>
<b>Change in Net Position</b>	7,688,191	(53,713)	7,634,478	2,000,486	58,582	2,059,068
Beginning Net Position	77,906,771	41,681	77,948,452	75,906,285	(16,901)	75,889,384
<b>Ending Net Position</b>	<u>\$ 85,594,962</u>	<u>\$ (12,032)</u>	<u>\$ 85,582,930</u>	<u>\$ 77,906,771</u>	<u>\$ 41,681</u>	<u>\$ 77,948,452</u>

**City of Benbrook, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2024**

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

**Governmental Activities - Revenues**

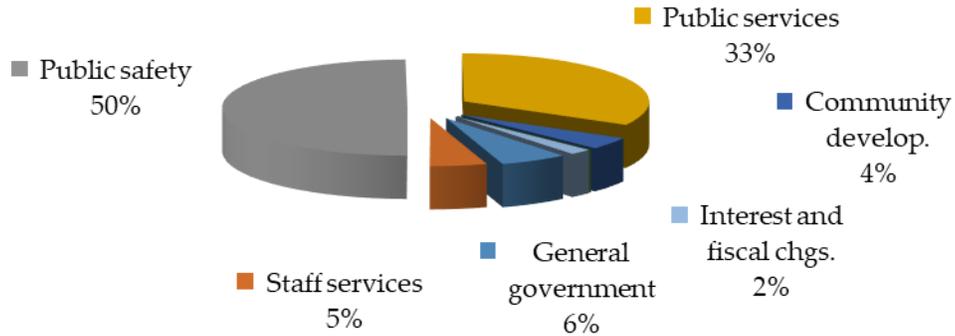


For the year ended September 30, 2024, revenues from governmental activities totaled \$34,131,857. Property taxes, sales taxes, and charges for services are the City's largest general revenue sources. Overall revenue increased \$4,937,586 or 17% compared to the prior year. Grants and contributions increased by \$2,870,735 or 186% primarily due to a reimbursement received from the TIF in the current year. The TIF terminated in the prior year, and in the current year paid off remaining project costs, and reimbursed the contributing governmental entities. Charges for services increased by \$545,106 or 17%, primarily due to an increase ambulance fees and municipal court fines received in the current year. Property taxes increased by \$1,402,722 or 9% due to greater appraised values compared to the prior year. Sales taxes decreased by \$310,460 or 7% primarily due to a decline in local economic activity over the course of the year. Investment income increased by \$182,821 or 26% primarily due to a rise in interest rates in the current year. All other revenues remained relatively stable compared with the prior year.

**City of Benbrook, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2024**

This graph shows the governmental function expenses of the City:

**Governmental Activities - Expenses**

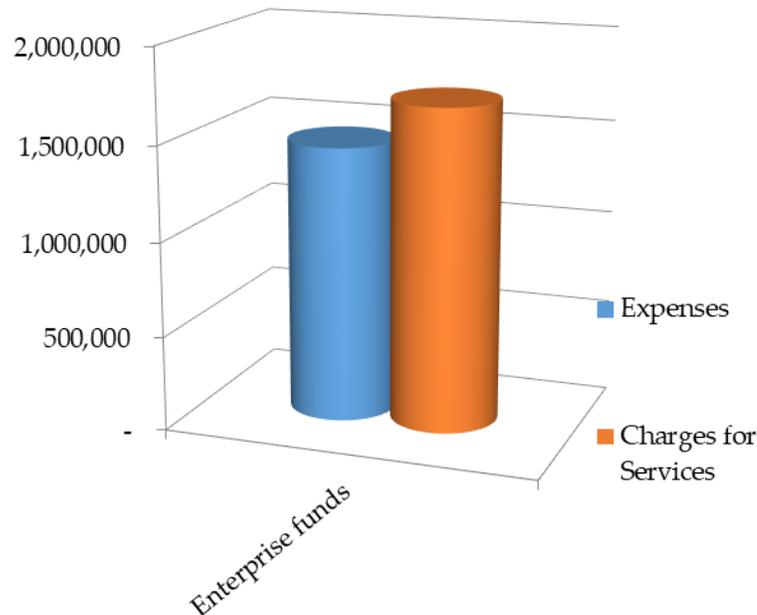


For the year ended September 30, 2024, expenses for governmental activities totaled \$26,742,427. This represents a slight decrease of \$707,436 or 3% from the prior year. The City's largest functional expense is public safety of \$13,310,911, which slightly increased by \$41,516 or less than 1%. Public services increased by \$608,669 or 7% primarily due to greater salaries, utility costs, and nonrecurring street maintenance in the current year. Community development increased by \$62,581 or 6% primarily due to greater personnel and professional costs in the current year. Annual payments to discretely presented component units decreased by \$1,498,241 or 100% due to nonrecurring subsidies paid to the TIF during the prior year. All other expenses remained relatively consistent with the previous year.

**City of Benbrook, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2024**

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

**Business-Type Activities - Revenues and Expenses**



For the year ended September 30, 2024, charges for services by business-type activities totaled \$1,702,006. This is a decrease of \$13,189 or 1% from the previous year, which is considered minimal.

Total expenses increased by \$56,423 or 4%, to a total of \$1,456,958 and is relatively consistent with prior year.

**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, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the year.

At September 30, 2024, the City's governmental funds reported combined fund balances of \$30,947,073, a decrease of \$1,647,297 in comparison with the prior year. Approximately 76% of the fund balance, \$23,617,122, constitutes *unassigned fund balance*, which is available for spending at the government's

**City of Benbrook, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2024**

discretion. The remainder of the fund balance is *restricted* to indicate that it is restricted for particular purposes, \$7,329,951.

As of the end of the year the general fund reflected a total fund balance of \$23,617,122. The entire balance is considered unassigned. The general fund balance increased by \$1,900,719. The fund's increase was primarily due to greater than anticipated revenues and nonrecurring intergovernmental revenues in the current year.

As a measure of the general fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The total fund balance of general fund is 102% of total general fund expenditures. The unassigned (the amount available for spending) fund balance of the general fund of \$23,617,122 is 102% of total general fund expenditures.

The debt service fund had an ending fund balance of \$438,047 at September 30, 2024, an increase of \$16,442. The increase was due to greater than expected transfers to the fund in the current year.

The special assessment fund had an ending fund balance of \$1,640,722, an increase of \$438,484. The increase is due to revenues and transfers from other funds exceeding current year capital outlay expenditures.

The municipal complex fund had an ending fund balance of \$2,090,222, a decrease of \$4,310,326. The decrease is a result of capital outlay expenditures exceeding current year investment income and transfers paid to the fund in the current year.

Nonmajor governmental funds had a total ending fund balance of \$3,160,960, an increase of \$307,384.

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

**GENERAL FUND BUDGETARY HIGHLIGHTS**

There was a positive variance of \$4,356,156 for budgeted general fund revenues. The positive variance was primarily due to intergovernmental revenue, charges for services, sales taxes and investment income revenues exceeding the budgeted amount. There was a positive variance of \$1,136,665 for budgeted general fund expenditures. All expenditures were less than budgeted amounts with the exception of, general government and transfers out totaling, \$81,075 and \$3,731,577, respectively. Other financing sources and uses had a negative budget variance of \$3,592,102.

Expenditures plus transfers out exceeded appropriations at the legal level of control by \$2,594,912.

**City of Benbrook, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2024**

**CAPITAL ASSETS**

As of the end of the year, the City's governmental activities funds had invested \$86,122,986 in a variety of capital assets and infrastructure, net of accumulated depreciation. This investment in capital assets includes land, buildings, vehicles, equipment, park improvements, and drainage/bridge infrastructure. Major capital asset events during the current year include the following:

- Purchased four patrol vehicles totaling \$194,840.
- Purchased two ambulances totaling \$777,143.
- Purchased equipment for the ambulances for \$85,543.
- Began work on the Cedar Creek and Timberline drainage for \$244,790.
- Continued work on the Mercedes Bridge for \$1,140,588.
- Continued construction on the municipal complex for \$8,203,340.

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

**LONG-TERM DEBT**

At the end of the current fiscal year, the City had total bonded and COO debt obligations of \$22,069,030 (including premiums). During the year, the City made \$950,000 of principal payments. The City monitors its debt obligations and callable bonds for refinancing opportunities with market conditions. More detailed information about the City's long-term liabilities is presented in note IV.E. to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

In the fiscal year 2024-25 operating budget, General Fund revenues are budgeted to increase by \$1,994,811 from the 2023-24 budget year. Assessed valuations grew by 6.75% leading to a projected increase in revenue from property taxes and a decrease in the property tax rate. Sales tax revenue is projected to remain the same as the prior year due to the uncertainty of the economy. Additionally, there are no new capital purchases or programs in the fiscal year 2024-25 operating budget due to these uncertainties. Essentially, the operating budget is flat from the prior year.

In September 2021 the City issued \$22 million in General Obligation bonds for the construction of a new Municipal Complex that will house City Hall Administration, Police Department, and Senior Center. This project is budgeted in the City's Capital Improvement Projects budget and is currently under construction. The Municipal Complex is scheduled for completion in November 2024

# City of Benbrook, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

September 30, 2024

### CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the City's Finance Director at P. O. Box 26569, Benbrook, Texas 76126, or call (817) 249-3000.

## ***FINANCIAL STATEMENTS***

**City of Benbrook, Texas**  
**STATEMENT OF NET POSITION (Page 1 of 2)**  
**September 30, 2024**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b><u>Assets</u></b>			
Current assets:			
Cash and cash equivalents	\$ 29,656,227	\$ -	\$ 29,656,227
Investments	2,584,817	-	2,584,817
Receivables, net	2,822,750	289,871	3,112,621
Due from component unit	46,809	-	46,809
Internal balances	23,970	(23,970)	-
<b>Total Current Assets</b>	<b>35,134,573</b>	<b>265,901</b>	<b>35,400,474</b>
Investments, noncurrent	1,013,505	-	1,013,505
Capital assets:			
Non-depreciable	39,368,411	-	39,368,411
Net depreciable capital assets	45,741,070	-	45,741,070
<b>Noncurrent Assets</b>	<b>86,122,986</b>	<b>-</b>	<b>86,122,986</b>
<b>Total Assets</b>	<b>121,257,559</b>	<b>265,901</b>	<b>121,523,460</b>
<b><u>Deferred Outflows of Resources</u></b>			
Pension outflows	3,720,063	-	3,720,063
OPEB outflows - TMRS	8,961	-	8,961
OPEB outflows - Healthcare	172,787	-	172,787
Deferred charge on refunding	6,766	-	6,766
<b>Total Deferred Outflows of Resources</b>	<b>\$ 3,908,577</b>	<b>\$ -</b>	<b>\$ 3,908,577</b>

**Component Units**

<b>EDC</b>		<b>TIF</b>	
\$	6,365,024	\$	286,516
	-		-
	357,887		1,423
	-		-
	-		-
	<u>6,722,911</u>		<u>287,939</u>
	-		-
	3,125,946		-
	-		-
	<u>3,125,946</u>		<u>-</u>
	<u>9,848,857</u>		<u>287,939</u>
	-		-
	-		-
	-		-
	-		-
\$	<u>-</u>	\$	<u>-</u>

**City of Benbrook, Texas**  
**STATEMENT OF NET POSITION (Page 2 of 2)**  
**September 30, 2024**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b><u>Liabilities</u></b>			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 4,396,235	\$ 277,933	\$ 4,674,168
Due to primary government	-	-	-
Accrued interest payable	91,455	-	91,455
Customer deposits	288,944	-	288,944
Compensated absences, current	1,736,267	-	1,736,267
Long term debt due within one year	985,000	-	985,000
<b>Total Current Liabilities</b>	<b>7,497,901</b>	<b>277,933</b>	<b>7,775,834</b>
Noncurrent liabilities:			
Compensated absences, noncurrent	192,918	-	192,918
Long-term debt due in more than one year	21,084,030	-	21,084,030
OPEB liability - TMRS	390,897	-	390,897
OPEB liability - Healthcare	2,563,754	-	2,563,754
Net pension liability	7,184,176	-	7,184,176
<b>Noncurrent Liabilities</b>	<b>31,415,775</b>	<b>-</b>	<b>31,415,775</b>
<b>Total Liabilities</b>	<b>38,913,676</b>	<b>277,933</b>	<b>39,191,609</b>
<b><u>Deferred Inflows of Resources</u></b>			
Pension inflows	318,085	-	318,085
OPEB inflows - Healthcare	272,770	-	272,770
OPEB inflows - TMRS	66,643	-	66,643
<b>Total Deferred Inflows of Resources</b>	<b>657,498</b>	<b>-</b>	<b>657,498</b>
<b><u>Net Position</u></b>			
Net investment in capital assets	64,013,007	-	64,013,007
Restricted for:			
Debt service	438,047	-	438,047
Capital improvements	2,011,187	-	2,011,187
City promotions	370,399	-	370,399
Public safety	285,988	-	285,988
Economic development	-	-	-
Capital improvements - TIF	-	-	-
Unrestricted	18,476,334	(12,032)	18,464,302
<b>Total Net Position</b>	<b>\$ 85,594,962</b>	<b>\$ (12,032)</b>	<b>\$ 85,582,930</b>

See Notes to Financial Statements.

**Component Units**

	EDC		TIF
\$	10,563	\$	12,939
	46,809		-
	-		-
	-		-
	-		-
	-		-
	57,372		12,939
	-		-
	-		-
	-		-
	-		-
	57,372		12,939
	-		-
	-		-
	-		-
	-		-
	3,125,946		-
	-		-
	-		-
	-		-
	-		-
	6,665,539		-
	-		275,000
	-		-
\$	9,791,485	\$	275,000

# City of Benbrook, Texas

## STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
<b>Governmental Activities</b>				
General government	\$ 1,580,907	\$ -	\$ 2,797,602	\$ 199,290
Staff services	1,331,838	-	-	-
Public safety	13,310,911	2,228,223	-	-
Public services	8,899,343	1,085,664	-	1,417,600
Community development	1,099,860	431,612	-	-
Interest and fiscal charges	519,568	-	-	-
<b>Total Governmental Activities</b>	<b>26,742,427</b>	<b>3,745,499</b>	<b>2,797,602</b>	<b>1,616,890</b>
<b>Business-Type Activities</b>				
Sanitation	1,456,958	1,702,006	-	-
<b>Total Business-Type Activities</b>	<b>1,456,958</b>	<b>1,702,006</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 28,199,385</b>	<b>\$ 5,447,505</b>	<b>\$ 2,797,602</b>	<b>\$ 1,616,890</b>
<b>Component Units</b>				
Economic				
Development Corporation	\$ 798,243	\$ -	\$ -	\$ -
Tax Increment Finance (TIF)	4,888,370	-	-	-
<b>Total Component Units</b>	<b>\$ 5,686,613</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### General Revenues:

- Taxes
  - Property taxes
  - Sales taxes
  - Franchise and local taxes
  - Hotel occupancy taxes
- Investment 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			Component Units	
Governmental Activities	Business-Type Activities	Total	EDC	TIF
\$ 1,415,985	\$ -	\$ 1,415,985	\$ -	\$ -
(1,331,838)	-	(1,331,838)	-	-
(11,082,688)	-	(11,082,688)	-	-
(6,396,079)	-	(6,396,079)	-	-
(668,248)	-	(668,248)	-	-
(519,568)	-	(519,568)	-	-
<u>(18,582,436)</u>	<u>-</u>	<u>(18,582,436)</u>	<u>-</u>	<u>-</u>
-	245,048	245,048	-	-
-	245,048	245,048	-	-
<u>(18,582,436)</u>	<u>245,048</u>	<u>(18,337,388)</u>	<u>-</u>	<u>-</u>
			(798,243)	-
			-	(4,888,370)
			<u>(798,243)</u>	<u>(4,888,370)</u>
17,531,765	-	17,531,765	-	-
4,379,798	-	4,379,798	2,183,521	-
1,352,970	-	1,352,970	-	-
176,210	-	176,210	-	-
1,635,148	-	1,635,148	-	78,440
895,975	-	895,975	242,007	-
298,761	(298,761)	-	-	-
<u>26,270,627</u>	<u>(298,761)</u>	<u>25,971,866</u>	<u>2,425,528</u>	<u>78,440</u>
7,688,191	(53,713)	7,634,478	1,627,285	(4,809,930)
77,906,771	41,681	77,948,452	8,164,200	5,084,930
<u>\$ 85,594,962</u>	<u>\$ (12,032)</u>	<u>\$ 85,582,930</u>	<u>\$ 9,791,485</u>	<u>\$ 275,000</u>

# City of Benbrook, Texas

## BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2024

	General	Debt Service	Capital Project Funds	
			Special Assessment	Municipal Complex
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 22,971,890	\$ 438,048	\$ 1,797,564	\$ 1,300,571
Investments	3,598,322	-	-	-
Taxes receivable, net	1,252,859	9,687	-	-
Accounts receivable, net	483,952	-	862,686	-
Due from other funds	9,199	-	-	3,781,812
Due from component units	46,809	-	-	-
<b>Total Assets</b>	<b>\$ 28,363,031</b>	<b>\$ 447,735</b>	<b>\$ 2,660,250</b>	<b>\$ 5,082,383</b>
<b><u>Liabilities</u></b>				
Accounts payable and accrued liabilities	\$ 1,124,369	\$ -	\$ 88,144	\$ 2,992,161
Due to other funds	3,115,402	-	642,440	-
Customer deposits	-	-	288,944	-
<b>Total Liabilities</b>	<b>4,239,771</b>	<b>-</b>	<b>1,019,528</b>	<b>2,992,161</b>
<b><u>Deferred Inflows of Resources</u></b>				
Unavailable revenue - Property taxes	506,138	9,688	-	-
<b>Total Deferred Inflows</b>	<b>506,138</b>	<b>9,688</b>	<b>-</b>	<b>-</b>
<b><u>Fund Balances</u></b>				
Restricted for:				
Debt service	\$ -	\$ 438,047	\$ -	\$ -
Capital improvements	-	-	1,640,722	2,090,222
City promotions	-	-	-	-
Public safety	-	-	-	-
Unassigned	23,617,122	-	-	-
<b>Total Fund Balances</b>	<b>23,617,122</b>	<b>438,047</b>	<b>1,640,722</b>	<b>2,090,222</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 28,363,031</b>	<b>\$ 447,735</b>	<b>\$ 2,660,250</b>	<b>\$ 5,082,383</b>

See Notes to Financial Statements.

<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 3,148,154	\$ 29,656,227
-	3,598,322
213,566	1,476,112
-	1,346,638
-	3,791,011
-	46,809
\$ 3,361,720	\$ 39,915,119

\$ 191,561	\$ 4,396,235
9,199	3,767,041
-	288,944
200,760	8,452,220

-	515,826
-	515,826

\$ -	\$ 438,047
2,504,573	6,235,517
370,399	370,399
285,988	285,988
-	23,617,122
3,160,960	30,947,073

\$ 3,361,720	\$ 39,915,119
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# City of Benbrook, Texas

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

September 30, 2024

<b>Fund Balances - Total Governmental Funds</b>		\$ 30,947,073
 <b>Adjustments for the Statement of Net Position:</b>		
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.		
Capital assets - non-depreciable		39,368,411
Capital assets - net depreciable		45,741,070
 Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		
Property tax receivable		515,826
 Deferred outflows (inflows) of resources represent a consumption (acquisition) of net position that applies to a future period(s) and is not recognized as an outflow (inflows) of resources (expense/expenditure)/(revenue) until then.		
Deferred charge on refunding		6,766
Pension outflows		3,720,063
Pension inflows		(318,085)
OPEB outflows - Healthcare		172,787
OPEB inflows - Healthcare		(272,770)
OPEB outflows - TMRS		8,961
OPEB inflows - TMRS		(66,643)
 Some liabilities, including bonds payable, premiums, other long-term liabilities and deferred charges, are not reported as liabilities in the governmental funds.		
Accrued interest		(91,455)
Bond premium		(1,304,030)
Compensated absences		(1,929,185)
Non-current liabilities due in one year		(985,000)
Non-current liabilities due in more than one year		(19,780,000)
Net pension liability - TMRS		(7,184,176)
OPEB liability - TMRS		(390,897)
OPEB liability - Healthcare		(2,563,754)
<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b>85,594,962</b>

See Notes to Financial Statements.

# City of Benbrook, Texas

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

### GOVERNMENTAL FUNDS (Page 1 of 2)

For the Year Ended September 30, 2024

	General	Debt Service	Capital Project Funds	
			Special Assessment	Municipal Complex
<b>Revenues</b>				
Property tax	\$ 16,150,777	\$ 1,195,416	\$ -	\$ -
Sales tax	4,379,798	-	-	-
Franchise and local taxes	1,333,688	-	-	-
Hotel occupancy taxes	-	-	-	-
Charges for services	1,293,641	-	109,621	-
License, permits and fees	431,612	-	-	-
Intergovernmental	2,134,206	-	-	-
Fines and forfeitures	692,637	-	-	-
Investment income	1,287,349	626	78,863	177,328
Grant revenue	-	-	862,686	-
Other revenue	880,091	102	-	-
<b>Total Revenues</b>	28,583,799	1,196,144	1,051,170	177,328
<b>Expenditures</b>				
Current:				
General government	1,574,328	4,650	-	-
Staff services	1,331,296	-	-	-
Community development	874,787	-	-	-
Public safety	12,400,773	-	-	-
Public works	6,919,794	-	-	-
Debt service:				
Principal	-	950,000	-	-
Interest and fiscal charges	-	579,429	-	-
Capital outlay	-	-	862,686	8,203,339
<b>Total Expenditures</b>	23,100,978	1,534,079	862,686	8,203,339

<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 17,346,193
-	4,379,798
19,282	1,352,970
176,210	176,210
1,085,664	2,488,926
-	431,612
-	2,134,206
132,324	824,961
90,982	1,635,148
-	862,686
15,653	895,846
1,520,115	32,528,556
-	1,578,978
-	1,331,296
254,733	1,129,520
73,557	12,474,330
-	6,919,794
-	950,000
-	579,429
445,371	9,511,396
773,661	34,474,743

# City of Benbrook, Texas

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS (Page 2 of 2)**  
**For the Year Ended September 30, 2024**

	General	Debt Service	Capital Project Revenue	
			Special Assessment	Municipal Complex
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ 5,482,821	\$ (337,935)	\$ 188,484	\$ (8,026,011)
<b><u>Other Financing Sources (Uses)</u></b>				
Sale of capital assets	129	-	-	-
Transfers in	449,346	354,377	250,000	3,715,685
Transfers (out)	(4,031,577)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	(3,582,102)	354,377	250,000	3,715,685
<b>Net Change in Fund Balances</b>	1,900,719	16,442	438,484	(4,310,326)
Beginning fund balances	21,716,403	421,605	1,202,238	6,400,548
<b>Ending Fund Balances</b>	\$ 23,617,122	\$ 438,047	\$ 1,640,722	\$ 2,090,222

See Notes to Financial Statements.

<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 746,454	\$ (1,946,187)
-	129
50,000	4,819,408
(489,070)	(4,520,647)
<u>(439,070)</u>	<u>298,890</u>
307,384	(1,647,297)
2,853,576	32,594,370
<u>\$ 3,160,960</u>	<u>\$ 30,947,073</u>



# City of Benbrook, 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, 2024**

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

Net changes in fund balances - total governmental funds	\$	(1,647,297)
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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		9,316,058
Depreciation expense		(2,543,765)
Capital contributions		1,417,600

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		185,572
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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		(165,345)
Accrued interest		5,486
Pension expense - TMRS		278,243
OPEB expense - TMRS		(11,618)
OPEB expense - Healthcare		(151,118)

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.

Amortization of debt premium		59,274
Amortization of deferred charge on refunding		(4,899)
Principal payments on long-term debt		950,000

<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b>7,688,191</b>
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See Notes to Financial Statements.

# City of Benbrook, Texas

## STATEMENT OF NET POSITION

### PROPRIETARY FUND

September 30, 2024

<u>Assets</u>		<u>Sanitation</u>
<u>Current Assets</u>		
Receivables, net		\$ 289,871
	<b>Total Assets</b>	<u>289,871</u>
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Accounts payable and accrued liabilities		277,933
Due to other funds		23,970
	<b>Total Liabilities</b>	<u>301,903</u>
<u>Net Position</u>		
Unrestricted		(12,032)
	<b>Total Net Position</b>	<u>\$ (12,032)</u>

See Notes to Financial Statements.

**City of Benbrook, Texas**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**For the Year Ended September 30, 2024**

	<u>Sanitation</u>
<b><u>Operating Revenues</u></b>	
Sanitation revenue	\$ 1,702,006
<b>Total Operating Revenues</b>	<u>1,702,006</u>
<b><u>Operating Expenses</u></b>	
Contractual services	1,456,958
<b>Total Operating Expenses</b>	<u>1,456,958</u>
<b>Operating Income</b>	<u>245,048</u>
<b>Income Before Transfers</b>	245,048
Transfers (out)	(298,761)
<b>Change in Net Position</b>	<u>(53,713)</u>
Beginning net position	41,681
<b>Ending Net Position</b>	<u><u>\$ (12,032)</u></u>

See Notes to Financial Statements.

# City of Benbrook, Texas

## STATEMENT OF CASH FLOWS

### PROPRIETARY FUND

For the Year Ended September 30, 2024

	<u>Sanitation</u>
<b><u>Cash Flows from Operating Activities</u></b>	
Receipts from customers	\$ 1,554,065
Payments to suppliers and employees	(1,273,845)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>280,220</u>
<b><u>Cash Flows from Noncapital Financing Activities</u></b>	
Transfers (out)	(298,761)
<b>Net Cash (Used for) Noncapital Financing Activities</b>	<u>(298,761)</u>
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	(18,541)
Beginning cash and cash equivalents	<u>18,541</u>
<b>Ending Cash and Cash Equivalents</b>	<u><u>\$ -</u></u>

**Reconciliation of Operating Income (Loss)**  
**to Net Cash Provided (Used) by Operating Activities**

Operating Income	\$ 245,048
<b>Changes in Operating Assets and Liabilities:</b>	
<b>(Increase) Decrease in:</b>	
Accounts receivable	(147,941)
<b>Increase (Decrease) in:</b>	
Accounts payable and accrued liabilities	159,143
Due to other funds	23,970
<b>Net Cash Provided (Used) by Operating Activities</b>	<u><u>\$ 280,220</u></u>

See Notes to Financial Statements.

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2024**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

**B. Reporting Entity**

The City of Benbrook (the "City") was incorporated in 1947. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: general government, police and fire protection, street maintenance, building inspection services, recreation, parks operation and maintenance, and operation and maintenance of City-owned buildings.

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. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The Benbrook Economic Development Corporation (the "EDC") and the Tax Increment Financing ("TIF") Reinvestment Zone #1 (the "TIF") are legally separate and presented as discretely presented component units. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**Discretely Presented Component Units**

Benbrook Economic Development Corporation

The Benbrook Economic Development Corporation (EDC) was created for the purpose of promoting economic development within the City. The Board of Directors is appointed by the City Council. The EDC is authorized to sell bonds or other forms of indebtedness. The EDC provides services to the City and its residents. The Economic Development Corporation is covered under the provisions of the State of Texas, Development Corporation Act of 1979. Under the Act members of the board serve at the pleasure of the governing body and must conduct meetings within the City's boundaries. These provisions meet the criteria for inclusion established by GASB 61. Complete financial statements for the individual component unit may be obtained from the City's Finance Department. The District has a separate board from City council and does not provide services exclusively to the City. Due to these factors the component unit did not meet the criteria for blending and was presented discretely with respect to the City.

Tax Increment Financing Reinvestment Zone #1

The Tax Increment Financing ("TIF") Reinvestment Zone #1 was established by Ordinance No. 1137 in November 2002 for financing and constructing projects within Reinvestment Zone #1. The TIF is legally separate and presented as a discretely presented component unit as none of the criteria for blending are applicable. The District has a separate board from City council and does not provide services exclusively to the City. Due to these factors the component unit did not meet the criteria for blending and was presented discretely with respect to the City.

**C. Basis of Presentation - Government-Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds and the proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and transit functions and various other functions of

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
**September 30, 2024**

the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**D. Basis of Presentation - Fund Financial Statements**

The fund financial statements provide information about the government's funds, including its fiduciary funds and component units. Separate statements for each fund category; governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

**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, hotel occupancy taxes, grants and donations, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, staff services, public safety, public works, and community development.

**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.

**Special Assessment Fund**

The Special Assessment fund is used to account for proceeds from special assessments of the City. The funds are restricted for future major projects of the City and capital asset purchases.

**Municipal Complex Fund**

The municipal complex fund is used to account for bond funds to be used to construct the municipal complex.

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

The government reports the following major enterprise fund:

**Sanitation Fund**

This fund is used to account for the provision of sanitation services to the residents of the City. The City contracts sanitation services to a third party service provider.

Additionally, the City reports for the following fund types:

**Special Revenue Funds**

The City accounts for resources restricted to, or designated for, specific purposes in a special revenue fund.

**Capital Project Funds**

The City accounts for resources restricted for future major construction projects.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

**E. Measurement focus and basis of accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary, pension and other postemployment benefit trust, and private-purpose trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting its assets and liabilities.

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

**F. Budgetary Information**

**1. Budgetary Basis of Accounting**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general and debt service funds. In the current year, annual budgets were not adopted for the special revenue or capital project funds.

Forty-five (45) days prior to the end of the fiscal year the City Manager submits the proposed annual budget and explanatory budget message to the City Council. The budget must be adopted by the twenty-seventh (27th) day of September or the budget, as submitted by the City Manager, will be deemed to have been adopted. The City Charter requires that the budget set out the proposed expenditures by function. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level.

Appropriations in all budgeted funds lapse at the end of the fiscal year.

**G. Assets, Liabilities, and Fund Equity or Net Position**

**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 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 TexPool, 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.

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

In summary, the City is authorized to invest in the following:

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit and money market accounts
- 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.”

Advances between funds are offset by a nonspendable fund balance 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. Uncollectible personal property taxes are periodically reviewed and written off when deemed uncollectible; however, state statutes prohibit writing off real property taxes without specific authority from the Texas Legislature. The property tax receivable allowance is equal to 41.5% of outstanding property taxes as of September 30, 2024.

**4. Inventories and Prepaid Items**

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). Inventories of supplies to be used internally are valued at cost using the first-in/first-out method. Inventories to be resold are valued at the lower of cost or market, and removed using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, 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 assets with an initial individual 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. Donated capital assets, donated works of art, and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value on the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

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.

<b>Asset Description</b>	<b>Estimated Useful Life</b>
Buildings and improvements	30 years
Infrastructure	10-50 years
Machinery and equipment	5-20 years

**6. Deferred outflows/inflows of resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows / inflows 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. The government only has three items that qualify for reporting in this category. One example is the 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 financial 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*

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

*revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, fines, grants, and hotel taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumption used within the pension actuarial valuation model.

**7. Net Position Flow Assumptions**

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.

**8. 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, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**9. 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.

# City of Benbrook, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2024

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 (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 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.

### **10. 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 and lease obligations.

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 straight-line method, if material. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed as incurred.

Assets acquired under the terms of leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. 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.

### **11. 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

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**12. Pensions**

For purposes of measuring the net pension liability, 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.

**13. 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 nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of 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.

In addition to the contributions made to TMRS, the City provides certain other post-employment benefits to its retirees and dependents. The retiree health care plan covers both active and retiree benefits with no segregation of assets, therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) as such the plan is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the plan is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. The retired employees can participate in the City's health care plan by paying the full amount of the premiums. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

benefit OPEB (net OPEB liability) to be measured as the portion of the present value of 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.

**H. Revenues and Expenditures/Expenses**

**1. 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 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 a 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.

**2. 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. 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.

**3. Compensated Absences**

City policy allows civil service employees to accumulate 120 hours of sick leave per year and accrue it on an unlimited basis. Civil service employees with one full year of employment are entitled to be paid up to 90 days for unused sick leave upon termination. Non-civil service employees may accrue up to 480 hours of unused sick leave. Non-civil service employees may be paid up to 20 days for unused sick time based on years of service and certain other criteria. Employees with less than 5 years of service earn 10 vacation days whereas employees with more than 5 years of service earn 15 vacations days per year. Non-civil service employees may accumulate two times the current number of vacation days earned per year, up to a maximum of 30 days. All earned vacation leave not taken within one year of its accumulation will be forfeited by civil service employees.

A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

**4. Proprietary Funds Operating and Nonoperating Revenues 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 sanitation fund are charges to customers for sales and services. The sanitation 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 fund includes 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 revenues and expenses.

**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 issuance costs, 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 and debt service funds.

Forty-five (45) days prior to the end of the fiscal year the City Manager submits the proposed annual budget and explanatory budget message to the City Council. The budget must be adopted by the twenty-seventh (27th) day of September or the budget, as submitted by the

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

City Manager, will be deemed to have been adopted. The City Charter requires that the budget set out the proposed expenditures by function. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level.

**A. Expenditures Exceeding Appropriations**

During the year ended September 30, 2024, expenditures exceeded the legal level of control, which is defined by the fund level, in the following funds:

General Fund	\$2,594,912
Debt Service Fund	\$1,450

**B. Deficit Fund Equity**

The sanitation fund had a deficit fund balance of \$12,032 as of September 30, 2024. The deficit will be replenished in the subsequent period.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

As stated in I.G.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. As of September 30, 2024, the City's only investments were external investment pools and certificates of deposits with maturities greater than three months.

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

The City had the following investments at year end:

Investment Type	Value	Weighted Average Maturity (Years)
Certificates of deposits	\$ 3,598,322	1.05
External investment pools	26,463,496	0.07
<b>Total</b>	<b>\$ 30,061,818</b>	
Portfolio weighted average maturity		0.19

The Benbrook EDC had the following investments at year end:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	\$ 4,048,578	0.07
<b>Total</b>	<b>\$ 4,048,578</b>	
Portfolio weighted average maturity		0.07

The Benbrook TIF had the following investments at year end:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	\$ 188,283	0.08
<b>Total</b>	<b>\$ 188,283</b>	
Portfolio weighted average maturity		0.08

*Interest rate risk* In accordance with its investment policy, the City manages its exposure to declines in market values by limiting the weighted average of maturity not to exceed three years; 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 the type of allowable investments to (1) collateralized bank certificates of deposit as per the City's depository contract, (2) direct obligations of the Federal government, (3) direct obligations of Federal agencies and instrumentalities, (4) investments in certificates of deposit at Federally insured banks or savings and loan associations, (5) collateralized savings accounts at the City's depository banks, or (6) Texpool/TexSTAR. As of September 30, 2024, the City's investments consisted solely of bank certificates of deposit and external investment pools.

# City of Benbrook, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2024

*Custodial credit risk – deposits* 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 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 fair value of not less than the principal amount of the deposits. As of September 30, 2024, the fair values of the primary government's and EDC's pledged securities and FDIC insurance 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.

### **TexPool**

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool AAAM. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. There were no limitations or restrictions on withdrawals.

### **TexSTAR**

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR's governing body is a five-member Board consisting of three representatives of participants and one member designated by each of the co-administrators. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract for services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. Board oversight of TexSTAR is maintained through daily, weekly, and monthly reporting requirements. TexSTAR is rated AAAM by Standard &

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

Poor's. The City's market value position is stated at the value of the position upon withdrawal. There were no limitations or restrictions on withdrawals.

**B. Receivables**

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

	<u>General</u>	<u>Debt Service</u>	<u>Speical Assessment</u>	<u>Nonmajor Governmental</u>	<u>Sanitation</u>	<u>Total</u>
Property taxes	\$ 520,890	\$ 9,687	\$ 20,585	\$ -	\$ -	\$ 551,162
Sales taxes	715,774	-	-	-	-	715,774
Franchise taxes	72,352	-	-	4,346	-	76,698
Ambulance	129,569	-	862,686	-	-	992,255
Accounts	276,465	-	-	169,203	289,871	735,539
Other	21,761	-	-	40,017	-	61,778
Allowance	-	-	(20,585)	-	-	(20,585)
	<u>\$ 1,736,811</u>	<u>\$ 9,687</u>	<u>\$ 862,686</u>	<u>\$ 213,566</u>	<u>\$ 289,871</u>	<u>\$ 3,112,621</u>

The following comprise receivables balances of the City's discretely presented component unit at year end:

	<u>EDC</u>	<u>TIF</u>
Sales tax	\$ 357,887	\$ -
Accounts	-	1,423
	<u>\$ 357,887</u>	<u>\$ 1,423</u>

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

**C. Capital Assets**

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

	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases/ Reclassifications</b>	<b>Ending Balances</b>
Capital assets, not being depreciated:				
Land	\$ 4,878,708	\$ -	\$ -	\$ 4,878,708
Right of way ("ROW")	9,821,372	-	-	9,821,372
Construction in progress	18,065,768	9,620,939	(3,018,376)	24,668,331
Total capital assets not being depreciated	<u>32,765,848</u>	<u>9,620,939</u>	<u>(3,018,376)</u>	<u>39,368,411</u>
Capital assets, being depreciated:				
Buildings	12,117,277	-	-	12,117,277
Infrastructure	92,612,298	-	3,018,376	95,630,674
Machinery, equipment, and vehicles	11,244,324	1,112,719	-	12,357,043
Total capital assets being depreciated	<u>115,973,899</u>	<u>1,112,719</u>	<u>3,018,376</u>	<u>120,104,994</u>
Less accumulated depreciation:				
Buildings	(7,608,130)	(327,602)	-	(7,935,732)
Infrastructure	(59,254,267)	(1,425,743)	-	(60,680,010)
Machinery, equipment, and vehicles	(4,957,762)	(790,420)	-	(5,748,182)
Total accumulated depreciation	<u>(71,820,159)</u>	<u>(2,543,765)</u>	<u>-</u>	<u>(74,363,924)</u>
Net capital assets being depreciated	<u>44,153,740</u>	<u>(1,431,046)</u>	<u>3,018,376</u>	<u>45,741,070</u>
<b>Total Capital Assets</b>	<u><u>\$ 76,919,588</u></u>	<u><u>\$ 8,189,893</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 85,109,481</u></u>

Depreciation was charged to governmental functions as follows:

General government	\$ 11,797
Public safety	766,237
Public works	1,764,784
Culture and recreation	947
<b>Total Governmental Activities Depreciation Expense</b>	<u><u>\$ 2,543,765</u></u>

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

A summary of changes in component unit capital assets for the year end was as follows:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, not being depreciated:				
Land	\$ -	\$ 3,125,946	\$ -	\$ 3,125,946
Total capital assets not being depreciated	<u>-</u>	<u>3,125,946</u>	<u>-</u>	<u>3,125,946</u>
Capital assets, being depreciated:				
Machinery and equipment	\$ 20,372	\$ -	\$ -	\$ 20,372
Total capital assets being depreciated	<u>20,372</u>	<u>-</u>	<u>-</u>	<u>20,372</u>
Less accumulated depreciation				
Machinery and equipment	(20,372)	-	-	(20,372)
Total accumulated depreciation	<u>(20,372)</u>	<u>-</u>	<u>-</u>	<u>(20,372)</u>
Net capital assets being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Capital Assets</b>	<u>\$ -</u>	<u>\$ 3,125,946</u>	<u>\$ -</u>	<u>\$ 3,125,946</u>

**D. Compensated Absences**

The following summarizes the changes in the compensated absences balances of the primary government during the year. In general, the City uses the general fund to liquidate compensated absences.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
Compensated Absences	\$ 1,763,840	\$ 1,102,977	\$ (937,632)	\$ 1,929,185	\$ 1,736,267
<b>Total Governmental Activities</b>	<u>\$ 1,763,840</u>	<u>\$ 1,102,977</u>	<u>\$ (937,632)</u>	<u>\$ 1,929,185</u>	<u>\$ 1,736,267</u>
<b>Other Long-term Liabilities Due in More than One Year</b>				<u>\$ 192,918</u>	

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

**E. Long-term Debt**

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

	<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>
<b>Governmental Activities:</b>					
Bonds, notes and other payables:					
General Obligation Bonds	\$ 21,435,000	\$ -	\$ (885,000)	\$ 20,550,000	\$ 915,000
Certificates of Obligation	280,000	-	(65,000)	215,000	70,000
Premiums	1,363,304	-	(59,274)	1,304,030	-
<b>Total Governmental Activities</b>	<u>\$ 23,078,304</u>	<u>\$ -</u>	<u>\$ (1,009,274)</u>	<u>\$ 22,069,030</u>	<u>\$ 985,000</u>
<b>Long-term liabilities due in more than one year</b>				<u>\$ 21,084,030</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. The City intends to retire all of its general long-term liabilities, plus accrued interest, from property taxes and other current revenues from the debt service fund as has been done in prior years. Leases 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 Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

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

Description	Maturity Date	Interest Rates	Original Balance	Current Balance
<b>Governmental Activities:</b>				
2013 General Obligation Refunding Bonds	2/1/2025	2.19%	\$ 2,635,000	\$ 260,000
2021 General Obligation Refunding Bonds	2/1/2046	2.00-4.00%	20,920,000	20,290,000
<b>Total General Obligation Bonds</b>			<u>23,555,000</u>	<u>20,550,000</u>
2007 Combination Tax & Revenue Certificates	2/1/2027	4.04%	\$ 1,455,000	\$ 215,000
<b>Total Certificates of Obligation</b>			<u>1,455,000</u>	<u>215,000</u>
<b>Total Governmental Activities</b>			<u>\$ 25,010,000</u>	<u>\$ 20,765,000</u>

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

<b>Governmental Activities</b>				
Year ending September 30,	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2025	\$ 915,000	\$ 537,491	\$ 70,000	\$ 7,272
2026	675,000	514,794	70,000	4,444
2027	695,000	494,144	75,000	1,515
2028	725,000	465,744	-	-
2029	750,000	436,244	-	-
Thereafter	16,790,000	3,416,740	-	-
<b>Total</b>	<u>\$ 20,550,000</u>	<u>\$ 5,865,157</u>	<u>\$ 215,000</u>	<u>\$ 13,231</u>

**F. Deferred Charge on Refunding**

Deferred charges resulting from the issuance of the 2011 general obligation refunding bonds and 2013 general obligation refunding bonds has been recorded as a deferred outflow of resources and is being amortized to interest expense over the term of the refunded debt. Current year balances for governmental activities totaled \$6,766. Current year amortization expense for governmental activities totaled \$4,899.

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

**G. Interfund Transfers**

Transfers between the primary government funds during the 2024 year were as follows:

<u>Transfers In:</u>	<u>Transfers Out:</u>			<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Governmental</u>	<u>Sanitation</u>	
General	\$ -	\$ 150,585	\$ 298,761	\$ 449,346
Debt service	15,892	338,485	-	354,377
Special assessment	250,000	-	-	250,000
Municipal complex	3,715,685	-	-	3,715,685
Nonmajor govt	50,000	-	-	50,000
<b>Total</b>	<u>\$ 4,031,577</u>	<u>\$ 489,070</u>	<u>\$ 298,761</u>	<u>\$ 4,819,408</u>

Transfers between funds were primarily to support debt service requirements and operation of funds.

The TIF transferred \$1,934,916 to the general fund during the current year. These transfers were presented as “intergovernmental” revenues on the Statement of Activities.

The compositions of interfund balances as of year end were as follows:

<u>Due from:</u>	<u>Due to:</u>				<u>Total</u>
	<u>General Fund</u>	<u>Special Assessment</u>	<u>Nonmajor Govt.</u>	<u>Sanitation</u>	
General Fund	\$ -	\$ -	\$ 9,199	\$ -	\$ 9,199
Municipal complex	3,115,402	642,440	-	23,970	3,781,812
<b>Total</b>	<u>\$ 3,115,402</u>	<u>\$ 642,440</u>	<u>\$ 9,199</u>	<u>\$ 23,970</u>	<u>\$ 3,791,011</u>

The compositions of balances due to/due from the primary government and component units were as follows:

<u>Due from:</u>	<u>Due to:</u>	
	<u>EDC</u>	<u>Total</u>
General Fund	\$ 46,809	\$ 46,809
<b>Total</b>	<u>\$ 46,809</u>	<u>\$ 46,809</u>

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

**H. Restricted Net Position / Fund Balance**

The City records restricted net position / fund balance to indicate that a portion is legally restricted for a specific future use.

The following is a list of restricted, committed, and assigned fund balance of the City:

	<b>Governmental Funds</b>	<b>Governmental Net Position</b>
Restricted for:		
Debt service	\$ 438,047	\$ 438,047
Capital improvements	6,235,517	2,011,187
City promotions	370,399	370,399
* Public safety	285,988	285,988
Total Restricted	\$ 7,329,951	\$ 3,105,621

\* Restricted by enabling legislation

**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 entities 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 three years.

**B. Contingent Liabilities**

The City is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries insurance. The City maintained general liability and property coverage through the Texas Municipal League Intergovernmental Risk Pool (TML). The City pays an annual premium to TML for such coverage. TML purchases reinsurance and the City does not retain risks of loss exceeding deductibles. The City did not have any significant reduction in the amount of insurance coverage for this fiscal year. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. No insurance claims of the City have exceeded insurance coverage for the last three fiscal years.

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

**C. Defined Benefit Pension Plans**

**1. Texas Municipal Retirement Systems**

**Plan Description**

The City of Benbrook participates as one of 934 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.tmr.com](http://www.tmr.com).

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

**Benefits Provided**

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

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven 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.

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

Plan provisions for the City were as follows:

	<u>Plan Year 2023</u>	<u>Plan Year 2024</u>
Employee deposit rate	7.0%	7.0%
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% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI

**Employees covered by benefit terms**

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	95
Inactive employees entitled to but not yet receiving benefits	89
Active employees	122
Total	306

**Contributions**

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

Employees for the City of Benbrook were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Benbrook were 17.07% and 16.05% in calendar years 2024 and 2023, respectively. The City's contributions to TMRS for the year ended September 30, 2024, were \$1,967,640, and were equal to the required contributions.

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

**Net Pension Liability**

The city's Net Pension Liability (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

**Actuarial assumptions:**

The Total Pension Liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.60 to 11.85%, including inflation
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

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

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the period ending 2022. They were adopted in 2023 and first used in the December 31, 2023 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2019 and dated December 31, 2021. 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. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation

# City of Benbrook, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2024

percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Public Equity	35.0%	6.7%
Core Fixed Income	6.0%	4.7%
Non-Core Fixed Income	20.0%	8.0%
Other Public/Private Markets	12.0%	8.0%
Real Estate	12.0%	7.6%
Hedge Funds	5.0%	6.4%
Private Equity	10.0%	11.6%
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.

### 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%
\$ 17,720,404	\$ 7,184,176	\$ (1,480,819)

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

**Changes in the Net Pension Liability:**

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) – (b)</b>
<b>Balance at 12/31/22</b>	\$ 73,834,022	\$ 63,442,595	\$ 10,391,427
Changes for the year:			
Service Cost	2,126,613	-	2,126,613
Interest	4,955,366	-	4,955,366
Difference between expected and actual experience	34,575	-	34,575
Changes of assumptions	(420,296)	-	(420,296)
Contributions – employer	-	1,815,536	(1,815,536)
Contributions – employee	-	791,824	(791,824)
Net investment income	-	7,343,188	(7,343,188)
Benefit payments, including refunds of emp. contributions	(2,968,990)	(2,968,990)	-
Administrative expense	-	(46,713)	46,713
Other changes	-	(326)	326
Net changes	3,727,268	6,934,519	(3,207,251)
<b>Balance at 12/31/23</b>	<b>\$ 77,561,290</b>	<b>\$ 70,377,114</b>	<b>\$ 7,184,176</b>

**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](http://www.tmr.com).

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

For the year ended September 30, 2024, the City recognized pension expense of \$1,689,396.

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred (Inflows) of Resources</b>
Contributions subsequent to the measurement date	\$ 1,514,254	\$ -
Difference in experience	492,608	-
Changes in actuarial assumptions	-	(318,085)
Pension investment earnings	1,713,201	-
<b>Total</b>	<b>\$ 3,720,063</b>	<b>\$ (318,085)</b>

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

The City reported \$1,713,201 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, 2025.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended</b>	
<b>December 31:</b>	
2024	\$ 484,459
2025	703,440
2026	1,352,543
2027	(652,718)
2028	-
Thereafter	-
<b>Total</b>	<b>\$ 1,887,724</b>

**D. Other Postemployment Benefits**

**1. Texas Municipal Retirement Systems**

The City also participates in a defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. 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 period preceding the month of death); retired employees are insured for \$7,500; this coverage is an “other postemployment benefit,” or OPEB. The 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, paragraph 4b, (i.e., no assets are accumulated for OPEB). As such, the SDBF is considered to be a single-employer unfunded OPEB plan (and not a cost sharing plan) with benefit payments treated as being equal to the employer’s yearly contributions for retirees.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance.

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

**Employees covered by benefit terms**

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	72
Inactive employees entitled to but not yet receiving benefits	21
Active employees	122
<b>Total</b>	<b>215</b>

The City's contributions to the TMRS SDBF for the years ended 2024 and 2023 were \$11,695 and \$10,625, respectively, which equaled the required contributions each year.

Schedule of Contribution Rates  
*(RETIREE-only portion of the rate)*

<b>Plan/ Calendar Year</b>	<b>Annual Required Contribution (Rate)</b>	<b>Actual Contribution Made (Rate)</b>	<b>Percentage of ARC Contributed</b>
2022	0.08%	0.08%	100.0%
2023	0.10%	0.10%	100.0%
2024	0.10%	0.10%	100.0%

**Total OPEB Liability**

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2023, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

**Actuarial assumptions:**

The Total OPEB Liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.6% to 11.85%, including inflation per year
Discount rate	3.77%
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

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

**Discount Rate:**

The discount rate used to measure the Total OPEB Liability was 3.77%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

**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 3.77%, as well as what the City's total OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77%) or 1-percentage-point higher (4.77%) than the current rate:

1% Decrease (2.77%)	Current Single Rate Assumption 3.77%	1% Increase (4.77%)
\$ 471,716	\$ 390,897	\$ 328,650

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

**Changes in the Total OPEB Liability:**

	<b>Total OPEB Liability</b>
<b>Balance at 12/31/22</b>	\$ 359,312
Changes for the year:	
Service Cost	12,443
Interest	14,575
Difference between expected and actual experience	(3,764)
Changes of assumptions	19,643
Benefit payments	(11,312)
Net changes	31,585
<b>Balance at 12/31/23</b>	<b>\$ 390,897</b>

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

For the year ended September 30, 2024, the City recognized OPEB expense of \$20,269.

At September 30, 2024, the City reported deferred outflows and inflows of resources related to the OPEB liability from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred (Inflows) of Resources</b>
Difference between expected and actual experience	\$ 90	\$ -
Change in assumptions	-	(66,643)
Contributions subsequent to measurement date	8,871	-
<b>Total</b>	<b>\$ 8,961</b>	<b>\$ (66,643)</b>

The City reported \$8,871 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, 2025.

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
**September 30, 2024**

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

<b>Year ended December 31:</b>	
2024	\$ (7,780)
2025	(9,306)
2026	(14,946)
2027	(21,454)
2028	(13,761)
Thereafter	694
	<u>\$ (66,553)</u>

**2. City of Benbrook Retiree Health Care Plan**

Plan Description

Employees who retire from the City are eligible to continue health insurance (a single-employer) coverage through the City’s group plan, the City of Benbrook Retiree Health Care Plan, after their federal COBRA benefits expire. The retiree must continue with no break in coverage. If a retiree declines coverage, then the retiree is not eligible for coverage at some future date. If the retiree drops coverage, then the retiree may not re-enroll at a later date.

The City elected, by ordinance, to provide coverage to both current and retired employees. The City may terminate coverage under and discontinue participation by adopting an ordinance.

Benefits

Retirees are treated the same as active employees with one major exception, the retiree must prepay the monthly insurance premium. If a retiree includes a dependent coverage, the dependent must have been covered prior to the retiree’s retirement. The retirees pay the same amount for dependent coverage as an active employee; the City’s subsidy applies toward dependent coverage for the retiree only. The other postretirement employment benefits for eligible retirees are funded on a pay-as-you-go basis.

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

**Employees covered by benefit terms**

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	19
Inactive employees entitled to but not yet receiving benefits	0
Active employees & family members	117
<b>Total</b>	<b>136</b>

**Total OPEB Liability**

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2023, 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	2.50% per year
Overall payroll growth	3.60% to 11.85, including inflation
Discount rate	3.77%

*Mortality*

For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables published through 2019 to account for future mortality improvements.

*Health Care Trend Rates*

Initial rate of 7.00% declining to an ultimate rate of 4.25% after 15 years.

*Participation Rates*

It was assumed that 30% of eligible employees retiring before the age of 65 would choose to receive retiree health care benefits through the City. Of those assumed to elect coverage, 40% of retirees were assumed to elect two-person coverage. Additionally, it was assumed that 35% of eligible retirees would choose to receive retiree life insurance coverage through the City.

**City of Benbrook, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2024**

**Discount Rate:**

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 3.77% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”). The discount rate was 4.05% as of the prior measurement date.

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Trends**

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan’s total OPEB liability, calculated using a discount rate of 3.77%, as well as what the plan’s total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
<b>(2.77%)</b>	<b>Assumption 3.77%</b>	<b>(4.77%)</b>
\$ 2,843,507	\$ 2,563,754	\$ 2,319,829

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the plan’s total OPEB liability, calculated using the assumed trend rates as well as what the plan’s total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

<b>Current Healthcare Cost</b>		
<b>1% Decrease</b>	<b>Trend Rate Assump.</b>	<b>1% Increase</b>
\$ 2,314,933	\$ 2,563,754	\$ 2,858,990

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2024

**Changes in the Total OPEB Liability:**

	<b>Total OPEB Liability</b>
<b>Balance at 12/31/2022</b>	\$ 2,377,999
Changes for the year:	
Service Cost	87,078
Interest	96,958
Difference between expected and actual experience	(27,260)
Changes of assumptions	83,996
Benefit payments	(55,017)
Net changes	185,755
<b>Balance at 12/31/2023</b>	<b>\$ 2,563,754</b>

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

For the year ended September 30, 2024, the City recognized OPEB expense of \$209,179.

At September 30, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred (Inflows) of Resources</b>
Difference in experience	\$ -	\$ (272,770)
Changes in actuarial assumptions	172,787	-
<b>Total</b>	<b>\$ 172,787</b>	<b>\$ (272,770)</b>

**City of Benbrook, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
**September 30, 2024**

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

<b>Year ended</b>	
<b>September 30:</b>	
2025	\$ 25,143
2026	25,143
2027	22,808
2028	8,585
2029	(2,489)
Thereafter	<u>(179,173)</u>
<b>Total</b>	<u><u>\$ (99,983)</u></u>

**E. Subsequent Events**

There were no material subsequent events through March 12, 2025, the date the financial statements were available to be issued.



***REQUIRED SUPPLEMENTARY INFORMATION***



# City of Benbrook, Texas

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND

For the Year Ended September 30, 2024

	<u>Original &amp; Final Budget</u>	<u>2024 Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b><u>Revenues</u></b>			
Property tax	\$ 16,229,743	\$ 16,150,777	\$ (78,966)
Sales tax	4,010,000	4,379,798	369,798
Franchise and local taxes	1,270,000	1,333,688	63,688
Charges for services	888,000	1,293,641	405,641
License, permits and fees	370,400	431,612	61,212
Intergovernmental	-	2,134,206	2,134,206
Fines and forfeitures	545,000	692,637	147,637
Investment income	300,000	1,287,349	987,349
Other revenue	614,500	880,091	265,591
<b>Total Revenues</b>	<u>24,227,643</u>	<u>28,583,799</u>	<u>4,356,156</u>
<b><u>Expenditures</u></b>			
Current:			
General government	1,493,253	1,574,328	(81,075)
Staff services	1,394,928	1,331,296	63,632
Community development	923,528	874,787	48,741
Public safety	13,207,105	12,400,773	806,332
Public services	7,218,829	6,919,794	299,035
<b>Total Expenditures</b>	<u>24,237,643</u>	<u>23,100,978</u>	<u>1,136,665</u> *
<b>Revenues Over (Under) Expenditures</b>	<u>(10,000)</u>	<u>5,482,821</u>	<u>5,492,821</u>
<b><u>Other Financing Sources (Uses)</u></b>			
Transfers in	300,000	449,346	149,346
Transfers (out)	(300,000)	(4,031,577)	(3,731,577) *
Sale of capital assets	10,000	129	(9,871)
<b>Total Other Financing Sources (Uses)</b>	<u>10,000</u>	<u>(3,582,102)</u>	<u>(3,592,102)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>1,900,719</u>	<u>\$ 1,900,719</u>
Beginning fund balance		21,716,403	
<b>Ending Fund Balance</b>		<u>\$ 23,617,122</u>	

Notes to Required Supplementary Information

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

\* Total expenditures (including transfers) exceeded the legal level of control. The transfer out variance relates to the building project. On 10/6/22 council approved an overage of \$1,760,523 estimated on this project.

# City of Benbrook, Texas

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended:

	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>
Total pension liability				
Service cost	\$ 2,126,613	\$ 2,004,909	\$ 1,939,692	\$ 1,874,941
Interest	4,955,366	4,646,443	4,362,807	4,194,045
Differences between expected and actual experience	34,575	719,171	603,724	(884,044)
Changes of assumptions	(420,296)	-	-	-
Benefit payments, including refunds of participant contributions	(2,968,990)	(2,740,486)	(2,733,125)	(2,701,158)
<b>Net change in total pension liability</b>	<u>3,727,268</u>	<u>4,630,037</u>	<u>4,173,098</u>	<u>2,483,784</u>
<b>Total pension liability - beginning</b>	<u>\$ 73,834,022</u>	<u>\$ 69,203,985</u>	<u>\$ 65,030,887</u>	<u>\$ 62,547,103</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 77,561,290</u>	<u>\$ 73,834,022</u>	<u>\$ 69,203,985</u>	<u>\$ 65,030,887</u>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 1,815,536	\$ 1,704,117	\$ 1,727,180	\$ 1,654,539
Contributions - members	791,824	749,298	729,207	704,487
Net investment income	7,343,188	(5,017,933)	7,965,133	4,336,513
Benefit payments, including refunds of participant contributions	(2,968,990)	(2,740,486)	(2,733,125)	(2,701,158)
Administrative expenses	(46,713)	(43,420)	(36,847)	(28,057)
Other	(326)	51,815	252	(1,095)
<b>Net change in plan fiduciary net position</b>	<u>6,934,519</u>	<u>(5,296,609)</u>	<u>7,651,800</u>	<u>3,965,229</u>
<b>Plan fiduciary net position - beginning</b>	<u>63,442,595</u>	<u>68,739,204</u>	<u>61,087,404</u>	<u>57,122,175</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 70,377,114</u>	<u>\$ 63,442,595</u>	<u>\$ 68,739,204</u>	<u>\$ 61,087,404</u>
<b>Fund's net pension liability - ending (a) - (b)</b>	<u>\$ 7,184,176</u>	<u>\$ 10,391,427</u>	<u>\$ 464,781</u>	<u>\$ 3,943,483</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	90.74%	85.93%	99.33%	93.94%
<b>Covered payroll</b>	\$ 11,311,772	\$ 10,704,264	\$ 10,417,248	\$ 10,064,098
<b>Fund's net pension position as a percentage of covered payroll</b>	63.51%	97.08%	4.46%	39.18%

	<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>
\$	1,858,555	\$ 1,706,379	\$ 1,657,777	\$ 1,575,386	\$ 1,520,604	\$ 1,320,055
	3,951,004	3,750,563	3,549,305	3,389,690	3,323,230	3,124,814
	172,697	(283,128)	(100,498)	(643,705)	(408,073)	(114,606)
	203,079	-	-	-	(33,726)	-
	(2,484,708)	(2,076,098)	(2,222,466)	(1,773,318)	(1,599,725)	(1,592,327)
	<u>3,700,627</u>	<u>3,097,716</u>	<u>2,884,118</u>	<u>2,548,053</u>	<u>2,802,310</u>	<u>2,737,936</u>
\$	<u>58,846,476</u>	<u>\$ 55,748,760</u>	<u>\$ 52,864,642</u>	<u>\$ 50,316,589</u>	<u>\$ 47,514,279</u>	<u>\$ 44,776,343</u>
\$	<u>62,547,103</u>	<u>\$ 58,846,476</u>	<u>\$ 55,748,760</u>	<u>\$ 52,864,642</u>	<u>\$ 50,316,589</u>	<u>\$ 47,514,279</u>
\$	1,616,740	\$ 1,516,476	\$ 1,534,575	\$ 1,492,510	\$ 1,484,633	\$ 1,414,524
	699,456	648,461	634,122	601,949	585,491	548,570
	7,678,388	(1,531,759)	6,236,147	2,829,895	61,051	2,219,956
	(2,484,708)	(2,076,098)	(2,222,466)	(1,773,318)	(1,599,725)	(1,592,327)
	(43,378)	(29,601)	(32,310)	(31,954)	(37,184)	(23,178)
	(1,303)	(1,547)	(1,636)	(1,722)	(1,836)	(1,906)
	<u>7,465,195</u>	<u>(1,474,068)</u>	<u>6,148,432</u>	<u>3,117,360</u>	<u>492,430</u>	<u>2,565,639</u>
	49,656,980	51,131,048	44,982,616	41,865,256	41,372,826	38,807,187
\$	<u>57,122,175</u>	<u>\$ 49,656,980</u>	<u>\$ 51,131,048</u>	<u>\$ 44,982,616</u>	<u>\$ 41,865,256</u>	<u>\$ 41,372,826</u>
\$	<u>5,424,928</u>	<u>\$ 9,189,496</u>	<u>\$ 4,617,712</u>	<u>\$ 7,882,026</u>	<u>\$ 8,451,333</u>	<u>\$ 6,141,453</u>
	91.33%	84.38%	91.72%	85.09%	83.20%	87.07%
\$	9,992,229	\$ 9,263,727	\$ 9,058,892	\$ 8,599,269	\$ 8,364,159	\$ 7,836,719
	54.29%	99.20%	50.97%	91.66%	101.04%	78.37%

# City of Benbrook, Texas

## SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended:

	9/30/2024	9/30/2023	9/30/2022	9/30/2021
Actuarially determined employer contributions	\$ 1,967,640	\$ 1,787,642	\$ 1,767,735	\$ 1,700,411
Contributions in relation to the actuarially determined contribution	\$ 1,967,640	\$ 1,787,642	\$ 1,767,735	\$ 1,700,411
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Annual covered payroll	\$ 11,695,687	\$ 11,159,566	\$ 10,981,563	\$ 10,279,543
Employer contributions as a percentage of covered payroll	16.82%	16.02%	16.10%	16.54%

### 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	21 years
Asset Valuation Method	10 Year smoothed fair value; 12% soft corridor
Inflation	2.5%
Salary Increases	3.60% to 11.85% 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 2023 valuation pursuant to an experience study of the period ending 2022.

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.

<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>
\$ 1,654,042	\$ 1,516,476	\$ 1,534,575	\$ 1,492,510	\$ 1,484,633	\$ 1,414,524
<u>\$ 1,654,042</u>	<u>\$ 1,591,704</u>	<u>\$ 1,542,010</u>	<u>\$ 1,501,312</u>	<u>\$ 1,505,210</u>	<u>\$ 1,428,090</u>
\$ -	\$ (75,228)	\$ (7,435)	\$ (8,802)	\$ (20,577)	\$ (13,566)
\$ 10,106,225	\$ 9,767,066	\$ 9,319,802	\$ 9,300,894	\$ 8,663,764	\$ 8,017,563
16.37%	16.30%	16.55%	16.14%	17.37%	17.81%

# City of Benbrook, Texas

## SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended September 30,

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability				
Service cost	\$ 12,443	\$ 24,620	\$ 21,876	\$ 16,103
Interest	14,575	9,753	9,598	11,154
Differences between expected and actual experience	(3,764)	10,673	8,347	(16,949)
Changes of assumptions	19,643	(199,198)	17,405	66,792
Benefit payments, including refunds of participant contributions	(11,312)	(8,563)	(8,334)	(3,019)
<b>Net change in total OPEB liability</b>	<u>31,585</u>	<u>(162,715)</u>	<u>48,892</u>	<u>74,081</u>
<b>Total OPEB liability - beginning</b>	<u>\$ 359,312</u>	<u>\$ 522,027</u>	<u>\$ 473,135</u>	<u>\$ 399,054</u>
<b>Total OPEB liability - ending</b>	<u><u>\$ 390,897</u></u>	<u><u>\$ 359,312</u></u>	<u><u>\$ 522,027</u></u>	<u><u>\$ 473,135</u></u>
 <b>Covered payroll</b>	 \$ 11,311,772	 \$ 10,704,264	 \$ 10,417,248	 \$ 10,064,098
<b>Total OPEB liability as a percentage of covered payroll</b>	3.46%	3.36%	5.01%	4.70%

**Notes to schedule:**

<sup>1</sup> 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.

<sup>2</sup> 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>	<sup>1</sup>
\$ 11,991	\$ 12,043	\$ 9,965	
12,023	10,799	10,586	
(6,556)	2,000	-	
65,028	(24,573)	26,425	
(2,998)	(1,853)	(1,812)	
<u>79,488</u>	<u>(1,584)</u>	<u>45,164</u>	
\$ 319,566	\$ 321,150	\$ 275,986	
<u>\$ 399,054</u>	<u>\$ 319,566</u>	<u>\$ 321,150</u>	<sup>2</sup>
\$ 9,992,229	\$ 9,263,727	\$ 9,058,892	
3.99%	3.45%	3.55%	

# City of Benbrook, Texas

## SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) LIABILITY AND RELATED RATIOS

### CITY OF BENBROOK

### RETIREE HEALTH CARE PLAN

Years Ended September 30,

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability				
Service cost	\$ 87,078	\$ 144,346	\$ 137,266	\$ 93,600
Interest	96,958	60,328	61,841	61,121
Differences between expected and actual experience	(27,260)	(502,546)	(9,269)	183,729
Changes of assumptions	83,996	(496,267)	58,866	573,187
Benefit payments, including refunds of participant contributions	(55,017)	(68,774)	(62,381)	(65,657)
<b>Net change in total OPEB liability</b>	<u>185,755</u>	<u>(862,913)</u>	<u>186,323</u>	<u>845,980</u>
<b>Total OPEB liability - beginning</b>	<u>\$ 2,377,999</u>	<u>\$ 3,240,912</u>	<u>\$ 3,054,589</u>	<u>\$ 2,208,609</u>
<b>Total OPEB liability - ending</b>	<u><u>\$ 2,563,754</u></u>	<u><u>\$ 2,377,999</u></u>	<u><u>\$ 3,240,912</u></u>	<u><u>\$ 3,054,589</u></u>
<b>Covered payroll</b>	\$ 11,251,964	\$ 10,647,845	\$ 10,422,812	\$ 10,096,402
<b>Total OPEB liability as a percentage of covered payroll</b>	22.78%	22.33%	31.09%	30.25%

**Notes to schedule:**

<sup>1</sup> 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.

<sup>2</sup> 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>	<sup>1</sup>
\$ 76,675	\$ 80,841	\$ 70,552	
73,019	60,332	62,575	
(12,208)	106,101	40,261	
179,682	(13,183)	103,164	
(76,751)	(96,414)	(106,309)	
240,417	137,677	170,243	
\$ 1,968,192	\$ 1,830,515	\$ 1,660,272	
\$ 2,208,609	\$ 1,968,192	\$ 1,830,515	<sup>2</sup>
\$ 10,094,927	\$ 9,401,496	\$ 9,319,802	
21.88%	20.93%	19.64%	



***OTHER SUPPLEMENTARY INFORMATION***



# ***NONMAJOR GOVERNMENTAL FUNDS***

## ***HOTEL FUND***

The hotel fund collects hotel and motel taxes and spends those funds.

## ***PUBLIC SAFETY FUND***

The public safety fund is used for municipal court revenues restricted for public safety and the related expenditures.

## ***PEG FUND***

The grant fund is used for tracking PEG revenues and related expenditures.

## ***GRANT FUND***

The grant fund is used for tracking grant revenues and related expenditures.

## ***CORE VALUE FUND***

This fund is used to account for proceeds from natural gas leases and mineral interest revenue. These funds will be used for special major improvement projects to be determined by City Council, and therefore, the fund balance is committed.

## ***STORM WATER FUND***

This fund is used to account for amounts received and expended for the construction and renovation of major drainage improvements. Initial funding came from the issuance of bonds with additional funding from stormwater fees. The fund balance is restricted for future major stormwater projects.

## ***OTHER CAPITAL PROJECTS FUND***

The other capital projects fund is used to track capital projects activities not covered within other funds.

## ***FEDERAL NARCOTICS FUND***

This fund is used to account for the local share of net proceeds of federal forfeitures resulting from local law enforcement's participation in an investigation or prosecution.

**City of Benbrook, Texas**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**September 30, 2024**

Special Revenue Funds				
	Hotel	Public Safety	PEG	CARES Act
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 190,204	\$ 171,765	\$ 162,739	\$ -
Receivables, net	40,017	-	4,346	-
<b>Total Assets</b>	<b>\$ 230,221</b>	<b>\$ 171,765</b>	<b>\$ 167,085</b>	<b>\$ -</b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ 5,111	\$ 1,601	\$ 12,597	\$ -
Due to other funds	9,199	-	-	-
<b>Total Liabilities</b>	<b>14,310</b>	<b>1,601</b>	<b>12,597</b>	<b>-</b>
<b><u>Fund Balances</u></b>				
Restricted:				
City promotions	215,911	-	154,488	-
Public safety	-	170,164	-	-
Capital improvements	-	-	-	-
<b>Total Fund Balances</b>	<b>215,911</b>	<b>170,164</b>	<b>154,488</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$ 230,221</b>	<b>\$ 171,765</b>	<b>\$ 167,085</b>	<b>\$ -</b>

<b>Special Revenue</b>	<b>Capital Project Funds</b>			<b>Total Nonmajor Governmental</b>
<b>Federal Narcotics</b>	<b>Core Value</b>	<b>Capital Project Storm Water</b>	<b>Other Capital Projects</b>	
\$ 115,824	\$ 566,265	\$ 1,639,686	\$ 301,671	\$ 3,148,154
-	-	169,203	-	213,566
<u>\$ 115,824</u>	<u>\$ 566,265</u>	<u>\$ 1,808,889</u>	<u>\$ 301,671</u>	<u>\$ 3,361,720</u>
\$ -	\$ -	\$ 172,252	\$ -	\$ 191,561
-	-	-	-	9,199
<u>-</u>	<u>-</u>	<u>172,252</u>	<u>-</u>	<u>200,760</u>
-	-	-	-	370,399
115,824	-	-	-	285,988
-	566,265	1,636,637	301,671	2,504,573
<u>115,824</u>	<u>566,265</u>	<u>1,636,637</u>	<u>301,671</u>	<u>3,160,960</u>
<u>\$ 115,824</u>	<u>\$ 566,265</u>	<u>\$ 1,808,889</u>	<u>\$ 301,671</u>	<u>\$ 3,361,720</u>

**City of Benbrook, Texas**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2024**

	<b>Special Revenue Funds</b>			
	<b>Hotel</b>	<b>Public Safety</b>	<b>PEG</b>	<b>CARES Act</b>
<b><u>Revenues</u></b>				
Hotel occupancy taxes	\$ 176,210	\$ -	\$ -	\$ -
Franchise fees	-	-	19,282	-
Charges for services	-	-	-	-
Fines and forfeitures	-	333	-	-
Investment income	194	185	206	-
Other revenue	250	-	-	-
<b>Total Revenues</b>	<b>176,654</b>	<b>518</b>	<b>19,488</b>	<b>-</b>
<b><u>Expenditures</u></b>				
Community development	178,429	-	76,304	-
Public safety	-	41,283	-	-
Capital outlay	-	-	-	-
<b>Total Expenditures</b>	<b>178,429</b>	<b>41,283</b>	<b>76,304</b>	<b>-</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(1,775)</b>	<b>(40,765)</b>	<b>(56,816)</b>	<b>-</b>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	(150,585)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(150,585)</b>
<b>Net Change in Fund Balances</b>	<b>(1,775)</b>	<b>(40,765)</b>	<b>(56,816)</b>	<b>(150,585)</b>
Beginning fund balances	217,686	210,929	211,304	150,585
<b>Ending Fund Balances</b>	<b>\$ 215,911</b>	<b>\$ 170,164</b>	<b>\$ 154,488</b>	<b>\$ -</b>

<b>Special Revenue</b>	<b>Capital Project Funds</b>			<b>Total Nonmajor Governmental</b>
<b>Federal Narcotics</b>	<b>Core Value</b>	<b>Capital Project Storm Water</b>	<b>Other Capital Projects</b>	
\$ -	\$ -	\$ -	\$ -	\$ 176,210
-	-	-	-	19,282
-	-	1,085,664	-	1,085,664
131,991	-	-	-	132,324
38	23,287	56,432	10,640	90,982
-	15,403	-	-	15,653
<u>132,029</u>	<u>38,690</u>	<u>1,142,096</u>	<u>10,640</u>	<u>1,520,115</u>
-	-	-	-	254,733
32,274	-	-	-	73,557
-	-	445,371	-	445,371
<u>32,274</u>	<u>-</u>	<u>445,371</u>	<u>-</u>	<u>773,661</u>
<u>99,755</u>	<u>38,690</u>	<u>696,725</u>	<u>10,640</u>	<u>746,454</u>
-	-	-	50,000	50,000
-	-	(338,485)	-	(489,070)
<u>-</u>	<u>-</u>	<u>(338,485)</u>	<u>50,000</u>	<u>(439,070)</u>
99,755	38,690	358,240	60,640	307,384
16,069	527,575	1,278,397	241,031	2,853,576
<u>\$ 115,824</u>	<u>\$ 566,265</u>	<u>\$ 1,636,637</u>	<u>\$ 301,671</u>	<u>\$ 3,160,960</u>



# City of Benbrook, Texas

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL DEBT SERVICE FUND

For the Year Ended September 30, 2024

	<u>Original &amp; Final Budget</u>	<u>2024 Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b><u>Revenues</u></b>			
Property tax	\$ 1,199,364	\$ 1,195,416	\$ (3,948)
Investment income	500	626	126
Other income	50	102	52
<b>Total Revenues</b>	<u>1,199,914</u>	<u>1,196,144</u>	<u>(3,770)</u>
<b><u>Expenditures</u></b>			
General	-	4,650	(4,650)
Debt service:			
Principal	950,000	950,000	-
Interest	582,629	579,429	3,200
<b>Total Expenditures</b>	<u>1,532,629</u>	<u>1,534,079</u>	<u>(1,450) *</u>
<b>Revenues Over (Under) Expenditures</b>	<u>(332,715)</u>	<u>(337,935)</u>	<u>(2,320)</u>
<b><u>Other Financing Sources (Uses)</u></b>			
Transfers in	338,485	354,377	15,892
<b>Total Other Financing Sources (Uses)</b>	<u>338,485</u>	<u>354,377</u>	<u>15,892</u>
<b>Net Change in Fund Balance</b>	<u>\$ 5,770</u>	<u>16,442</u>	<u>\$ 10,672</u>
Beginning fund balance		<u>421,605</u>	
<b>Ending Fund Balance</b>		<u>\$ 438,047</u>	

Notes to Other Supplementary Information

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

**City of Benbrook, Texas**  
**BALANCE SHEET**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**September 30, 2024**

	EDC	TIF	Total
<b><u>Assets</u></b>			
Cash and cash equivalents	\$ 6,365,024	\$ 286,516	\$ 6,651,540
Receivables, net	357,887	1,423	359,310
<b>Total Current Assets</b>	6,722,911	287,939	7,010,850
 <b><u>Liabilities</u></b>			
<b><u>Current Liabilities</u></b>			
Accounts payable and accrued liabilities	10,563	12,939	23,502
Due to primary government	46,809	-	46,809
<b>Total Liabilities</b>	57,372	12,939	70,311
 <b><u>Fund Balances</u></b>			
Restricted for:			
Economic development	6,665,539	-	6,665,539
Capital improvements	-	275,000	275,000
<b>Total Fund Balance</b>	6,665,539	275,000	6,940,539
<b>Total Liabilities and Fund Balance</b>	\$ 6,722,911	\$ 287,939	\$ 7,010,850

See Notes to Financial Statements.

# City of Benbrook, Texas

## RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION DISCRETELY PRESENTED COMPONENT UNITS

September 30, 2024

<b>Fund Balance</b>	\$ 6,940,539
<b>Adjustments for the Statement of Net Position:</b>	
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.	
Capital assets - non-depreciable	<u>3,125,946</u>
<b>Net Position of the Discretely Presented Component Unit</b>	<u><u>\$ 10,066,485</u></u>

# City of Benbrook, Texas

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES DISCRETELY PRESENTED COMPONENT UNITS

For the Year Ended September 30, 2024

	EDC	TIF	Total
<b><u>Revenues</u></b>			
Sales taxes	\$ 2,183,521	\$ -	\$ 2,183,521
Investment income	-	78,440	78,440
Other revenues	242,007	-	242,007
<b>Total Revenues</b>	2,425,528	78,440	2,503,968
 <b><u>Expenditures</u></b>			
Current:			
General government	127,302	-	127,302
Staff services	286,927	-	286,927
Economic development	3,509,960	-	3,509,960
Capital outlay	-	2,953,454	2,953,454
<b>Total Expenditures</b>	3,924,189	2,953,454	6,877,643
<b>Excess of Revenues Over (Under) Expenditures</b>	(1,498,661)	(2,875,014)	(4,373,675)
<b>Net Change in Fund Balances</b>	(1,498,661)	(4,809,930)	(6,308,591)
Beginning fund balances	8,164,200	5,084,930	13,249,130
<b>Ending Fund Balances</b>	\$ 6,665,539	\$ 275,000	\$ 6,940,539

See Notes to Financial Statements.

# City of Benbrook, Texas

## *RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE DISCRETELY PRESENTED COMPONENT UNITS 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	\$ (6,308,591)
------------------------------	----------------

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	<u>3,125,946</u>
----------------	------------------

<b>Change in Net Position of the Discretely Presented Component Unit</b>	<b><u><u>\$ (3,182,645)</u></u></b>
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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.

<b>Contents</b>	<b>Page</b>
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Financial Trends	104
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*These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.*

Revenue Capacity	115
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*These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.*

Debt Capacity	122
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*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.*

Demographic and Economic Information	127
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*These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.*

Operating Information	132
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*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 Benbrook, Texas

## NET POSITION BY COMPONENT

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>Governmental activities</b>				
Net investment in capital assets	\$ 45,305,129	\$ 47,197,644	\$ 48,942,935	\$ 55,684,372
Restricted	6,106,372	6,641,953	7,216,854	5,633,268
Unrestricted	9,644,719	9,162,784	6,483,104	798,459
<b>Total governmental activities net position</b>	<u><u>\$ 61,056,220</u></u>	<u><u>\$ 63,002,381</u></u>	<u><u>\$ 62,642,893</u></u>	<u><u>\$ 62,116,099</u></u>
<b>Business-type activities</b>				
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Unrestricted	-	-	-	-
<b>Total business-type activities net position</b>	<b>(a)</b> <u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Primary government</b>				
Net investment in capital assets	\$ 45,305,129	\$ 47,197,644	\$ 48,942,935	\$ 55,684,372
Restricted	6,106,372	6,641,953	7,216,854	5,633,268
Unrestricted	9,644,719	9,162,784	6,483,104	798,459
<b>Total primary government net position</b>	<u><u>\$ 61,056,220</u></u>	<u><u>\$ 63,002,381</u></u>	<u><u>\$ 62,642,893</u></u>	<u><u>\$ 62,116,099</u></u>

Source: City's audited financial statements

(a) Business-type activities commenced during FY2021.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 52,647,584	\$ 58,380,830	\$ 55,708,607	\$ 58,727,273	\$ 59,559,177	\$ 64,013,007
11,010,038	2,795,311	5,302,213	6,127,230	2,378,885	3,105,621
<u>1,116,251</u>	<u>1,101,578</u>	<u>5,056,527</u>	<u>10,755,421</u>	<u>15,968,709</u>	<u>18,476,331</u>
<u>\$ 64,773,873</u>	<u>\$ 62,277,719</u>	<u>\$ 66,067,347</u>	<u>\$ 75,609,924</u>	<u>\$ 77,906,771</u>	<u>\$ 85,594,959</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	4,173	(16,901)	41,681	(12,032)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,173</u>	<u>\$ (16,901)</u>	<u>\$ 41,681</u>	<u>\$ (12,032)</u>
\$ 52,647,584	\$ 58,380,830	\$ 55,708,607	\$ 58,727,273	\$ 59,559,177	\$ 64,013,007
11,010,038	2,795,311	5,302,213	6,127,230	2,378,885	3,105,621
<u>1,116,251</u>	<u>1,101,578</u>	<u>5,060,700</u>	<u>10,738,520</u>	<u>16,010,390</u>	<u>18,464,299</u>
<u>\$ 64,773,873</u>	<u>\$ 62,277,719</u>	<u>\$ 66,071,520</u>	<u>\$ 75,593,023</u>	<u>\$ 77,948,452</u>	<u>\$ 85,582,927</u>

# City of Benbrook, Texas

## CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2015	2016	2017	2018
<b>Expenses</b>				
Governmental activities:				
General government	\$ 1,267,277	\$ 1,261,520	\$ 1,341,046	\$ 225,122
Staff services	931,314	941,237	1,038,337	1,009,345
Public safety	8,540,152	9,699,627	10,369,701	7,775,892
Public services	4,333,979	4,393,555	4,930,420	4,588,623
Community development	1,977,768	2,185,174	3,649,961	3,578,257
Intergovernmental	-	-	-	-
Interest on long-term debt	313,493	239,440	227,764	188,808
<b>Total governmental activities expenses</b>	<b>17,363,983</b>	<b>18,720,553</b>	<b>21,557,229</b>	<b>17,366,047</b>
Business-type activities: (a)				
Sanitation	-	-	-	-
<b>Total business-type activities expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total primary government expenses</b>	<b>\$ 17,363,983</b>	<b>\$ 18,720,553</b>	<b>\$ 21,557,229</b>	<b>\$ 17,366,047</b>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 1,671,727	\$ 1,574,048	\$ 1,546,117	\$ 1,511,567
Public safety	227,469	184,773	135,860	2,917,549
Public services	-	-	-	-
Community development	1,588,438	1,572,477	1,617,691	1,431,485
Operating grants and contributions				
Public safety	466,660	641,443	449,344	422,003
General government				
Capital grants and contributions				
Public service	-	-	-	-
General government	1,310,000	-	-	-
Community development	-	-	-	-
<b>Total governmental activities program revenues</b>	<b>5,264,294</b>	<b>3,972,741</b>	<b>3,749,012</b>	<b>6,282,604</b>
Business-type activities:				
Charges for services:				
Sanitation	\$ -	\$ -	\$ -	\$ -
<b>Total business-type activities program revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total primary government program revenues</b>	<b>\$ 5,264,294</b>	<b>\$ 3,972,741</b>	<b>\$ 3,749,012</b>	<b>\$ 6,282,604</b>

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 1,316,153	\$ 1,297,980	\$ 1,296,361	\$ 1,027,575	\$ 1,508,440	\$ 1,580,907
1,228,554	1,180,268	1,221,062	1,094,150	1,302,379	1,331,838
11,075,635	11,385,581	10,667,513	10,719,623	13,269,395	13,310,911
5,165,065	5,709,626	5,725,116	6,031,046	8,290,674	8,899,343
2,225,782	851,005	901,385	1,039,334	1,037,279	1,099,860
-	-	1,086,189	1,269,306	1,498,241	-
160,953	178,055	479,671	567,982	543,455	519,568
<u>21,172,142</u>	<u>20,602,515</u>	<u>21,377,297</u>	<u>21,749,016</u>	<u>27,449,863</u>	<u>26,742,427</u>
-	-	1,202,676	1,307,651	1,400,535	1,456,958
-	-	1,202,676	1,307,651	1,400,535	1,456,958
<u>\$ 21,172,142</u>	<u>\$ 20,602,515</u>	<u>\$ 22,579,973</u>	<u>\$ 23,056,667</u>	<u>\$ 28,850,398</u>	<u>\$ 28,199,385</u>
\$ 1,336,174	\$ 164,607	\$ 1,069,337	\$ -	\$ -	\$ -
154,438	2,172,110	1,693,397	1,921,656	1,647,457	2,228,223
-	-	-	1,057,096	1,070,144	1,085,664
1,766,006	56,934	504,049	1,010,760	482,792	431,612
556,795	1,800,856	-	-	-	-
-	-	2,911,733	3,240,927	-	862,686
-	-	-	2,844,902	1,543,757	1,417,600
-	-	85,760	-	-	-
-	-	-	-	-	-
<u>3,813,413</u>	<u>4,194,507</u>	<u>6,264,276</u>	<u>10,075,341</u>	<u>4,744,150</u>	<u>6,025,785</u>
\$ -	\$ -	\$ 1,441,773	\$ 1,544,641	\$ 1,715,195	\$ 1,702,006
-	-	1,441,773	1,544,641	1,715,195	1,702,006
<u>\$ 3,813,413</u>	<u>\$ 4,194,507</u>	<u>\$ 7,706,049</u>	<u>\$ 11,619,982</u>	<u>\$ 6,459,345</u>	<u>\$ 7,727,791</u>

**City of Benbrook, Texas**  
**CHANGES IN NET POSITION (Continued)**  
**Last Ten Fiscal Years (Unaudited)**  
**(accrual basis of accounting)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>Net (Expenses) Revenue</b>				
Governmental activities	\$ (12,099,689)	\$ (14,747,812)	\$ (17,808,217)	\$ (11,083,443)
Business-type activities	-	-	-	-
<b>Total primary government net expense</b>	<u>\$ (12,099,689)</u>	<u>\$ (14,747,812)</u>	<u>\$ (17,808,217)</u>	<u>\$ (11,083,443)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes				
Ad valorem	10,610,039	10,786,456	11,116,712	11,780,850
Franchise taxes	1,675,780	1,683,199	1,569,122	1,436,791
Sales and other	3,556,317	3,409,983	3,617,894	3,848,345
Hotel motel taxes	-	-	-	-
Use of money and property	296,477	202,169	324,791	353,573
Miscellaneous	1,710,815	612,166	820,210	820,203
Interest income	-	-	-	-
Intergovernmental	-	-	-	-
Transfers	-	-	-	-
Gain (loss) on sale of property	148,154	-	-	-
<b>Total governmental activities</b>	<u>17,997,582</u>	<u>16,693,973</u>	<u>17,448,729</u>	<u>18,239,762</u>
Business-type activities:				
Transfers	-	-	-	-
<b>Total business-type activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total primary government</b>	<u>\$ 17,997,582</u>	<u>\$ 16,693,973</u>	<u>\$ 17,448,729</u>	<u>\$ 18,239,762</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 5,897,893	\$ 1,946,161	\$ (359,488)	\$ 7,156,319
Business-type activities	-	-	-	-
<b>Total primary government</b>	<u>\$ 5,897,893</u>	<u>\$ 1,946,161</u>	<u>\$ (359,488)</u>	<u>\$ 7,156,319</u>

Source: City's audited financial statements.  
(a) Business-type activities commenced during FY2021.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ (17,358,729)	\$ (16,408,008)	\$ (15,113,021)	\$ (11,673,675)	\$ (22,705,713)	\$ (20,716,642)
-	-	239,097	236,990	314,660	245,048
<u>\$ (17,358,729)</u>	<u>\$ (16,408,008)</u>	<u>\$ (14,873,924)</u>	<u>\$ (11,436,685)</u>	<u>\$ (22,391,053)</u>	<u>\$ (20,471,594)</u>
12,751,779	13,654,436	14,011,982	14,731,226	16,129,043	17,531,765
1,580,981	1,494,185	1,239,339	1,260,483	1,314,209	1,352,970
4,522,624	3,438,596	3,563,941	3,907,011	4,690,258	4,379,798
-	-	-	163,397	195,808	176,210
677,668	-	-	-	-	-
721,009	582,468	1,133,817	800,607	713,154	1,095,265
31,559	24,324	21,346	94,238	1,407,649	1,635,148
-	-	-	297,587	-	1,934,916
-	-	234,924	258,064	256,078	298,761
(269,117)	-	(1,302,700)	-	-	-
<u>20,016,503</u>	<u>19,194,009</u>	<u>18,902,649</u>	<u>21,512,613</u>	<u>24,706,199</u>	<u>28,404,833</u>
-	-	(234,924)	(258,064)	(256,078)	(298,761)
-	-	(234,924)	(258,064)	(256,078)	(298,761)
<u>\$ 20,016,503</u>	<u>\$ 19,194,009</u>	<u>\$ 18,667,725</u>	<u>\$ 21,254,549</u>	<u>\$ 24,450,121</u>	<u>\$ 28,106,072</u>
\$ 2,657,774	\$ 2,786,001	\$ 3,789,628	\$ 9,838,938	\$ 2,000,486	\$ 7,688,191
-	-	4,173	(21,074)	58,582	(53,713)
<u>\$ 2,657,774</u>	<u>\$ 2,786,001</u>	<u>\$ 3,793,801</u>	<u>\$ 9,817,864</u>	<u>\$ 2,059,068</u>	<u>\$ 7,634,478</u>

# City of Benbrook, Texas

## FUND BALANCES OF GOVERNMENTAL FUNDS

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

	2015	2016	2017	2018
<b>General Fund</b>				
Committed	\$ 225,122	\$ 225,122	\$ 225,122	\$ 225,122
Assigned	829,921	1,295,285	1,464,917	770,414
Nonspendable:				
Prepaid items	-	-	-	-
Unassigned	9,464,362	9,399,726	8,315,151	7,634,054
<b>Total general fund</b>	<b>\$ 10,519,405</b>	<b>\$ 10,920,133</b>	<b>\$ 10,005,190</b>	<b>\$ 8,629,590</b>
 <b>All Other Governmental Funds</b>				
Restricted for:				
Debt service	100,157	75,180	100,915	160,158
Economic development	6,031,778	6,579,479	6,301,901	4,685,009
Grant activities	-	-	-	-
City promotions	422,190	432,933	422,666	428,083
Capital improvements	9,366,394	6,747,821	7,146,121	6,650,900
Public safety	579,417	400,029	407,222	368,543
Committed				
Capital projects	-	2,961,472	3,814,998	2,619,709
Grants	-	-	-	-
Unassigned	-	-	-	(72,431)
<b>Total all other governmental funds</b>	<b>\$ 16,499,936</b>	<b>\$ 17,196,914</b>	<b>\$ 18,193,823</b>	<b>\$ 14,839,971</b>

Source: City's audited financial statements.

Notes: The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2010.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 225,122	\$ 225,122	\$ 236,306	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	224,156	725	-
7,775,892	9,794,809	13,195,410	16,820,350	21,715,678	23,617,122
<u>\$ 8,001,014</u>	<u>\$ 10,019,931</u>	<u>\$ 13,431,716</u>	<u>\$ 17,044,506</u>	<u>\$ 21,716,403</u>	<u>\$ 23,617,122</u>
345,129	347,745	454,353	427,015	421,605	438,047
4,739,269	4,931,712	-	-	-	-
-	-	1,597,764	2,917,487	150,585	-
402,562	359,299	408,727	386,759	428,990	370,399
5,204,500	4,792,792	24,570,588	22,840,114	9,122,214	6,235,517
317,106	300,895	270,781	264,233	226,998	285,988
2,917,549	1,355,483	532,524	537,595	527,575	-
-	11,337	-	-	-	-
(8,363)	-	-	-	-	-
<u>\$ 13,917,752</u>	<u>\$ 12,099,263</u>	<u>\$ 27,834,737</u>	<u>\$ 27,373,203</u>	<u>\$ 10,877,967</u>	<u>\$ 7,329,951</u>

# City of Benbrook, Texas

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

**Last Ten Fiscal Years (Unaudited)**

**(modified accrual basis of accounting)**

	2015	2016	2017	2018
<b>Revenues</b>				
Taxes				
Property	\$ 10,577,267	\$ 10,775,137	\$ 11,141,571	\$ 11,820,512
Franchise	1,675,780	1,683,199	1,569,122	1,436,791
Sales & other	3,556,317	3,398,140	3,606,051	3,848,345
Licenses and permits	480,192	613,949	636,484	445,618
Fines and fees	850,128	849,464	868,006	754,339
Use of money and property	296,477	202,169	324,791	353,575
Investment income	-	-	-	-
Intergovernmental	-	-	-	-
Charges for service	3,335,900	3,170,890	3,180,229	3,353,286
Grant revenues	-	-	-	-
Other revenues	977,336	649,724	615,544	522,750
<b>Total Revenues</b>	21,749,397	21,342,672	21,941,798	22,535,216
<b>Expenditures</b>				
General government	1,800,992	1,814,956	1,935,773	1,985,015
Staff services	937,917	918,376	1,016,834	1,016,521
Public safety	8,306,038	9,025,481	9,710,428	10,148,264
Public services	2,663,028	2,900,514	3,049,832	3,109,217
Community development	1,372,125	1,442,277	1,989,999	1,642,185
Economic development	610,675	578,215	577,687	446,985
Intergovernmental	-	-	-	-
Debt Service:				
Principal	1,225,000	1,260,000	1,310,000	1,340,000
Interest	307,001	235,108	207,725	179,300
Debt issuance cost	-	-	-	-
Capital outlay	1,860,475	2,070,039	2,061,554	7,397,181
<b>Total Expenditures</b>	19,083,251	20,244,966	21,859,832	27,264,668
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	2,666,146	1,097,706	81,966	(4,729,452)
<b>Other Financing Sources (Uses)</b>				
Issuance of debt	-	-	-	-
Proceeds from sale of assets	999,472	-	-	-
Premium on bonds issued	-	-	-	-
Transfers in	1,385,106	1,860,504	2,442,754	3,170,467
Transfers (out)	(1,385,106)	(1,860,504)	(2,442,754)	(3,170,467)
<b>Total Other Financing Sources (Uses)</b>	999,472	-	-	-
<b>Net change in fund balances</b>	\$ 3,665,618	\$ 1,097,706	\$ 81,966	\$ (4,729,452)
<b>Debt service as percentage of noncapital expenditures</b>	8.9%	8.2%	7.7%	7.6%

Source: City's audited financial statements.

2019	2020	2021	2022	2023	2024
\$ 12,722,537	\$ 13,635,241	\$ 14,098,749	\$ 14,758,875	\$ 16,068,225	\$ 17,346,193
1,580,981	1,477,050	1,239,339	1,260,483	1,314,209	1,352,970
4,522,624	5,092,120	4,065,144	4,070,408	4,886,066	4,556,008
703,353	654,119	504,049	1,010,760	482,792	431,612
699,366	675,901	630,341	568,814	453,079	824,961
677,668	317,265	-	-	-	-
36,757	24,324	21,346	94,238	1,407,649	1,635,148
-	-	-	297,587	-	1,934,916
3,389,850	3,811,462	2,129,196	2,409,938	2,289,272	2,488,926
-	-	2,911,733	3,240,927	-	862,686
645,084	2,209,360	632,614	777,010	715,524	1,095,136
<u>24,978,220</u>	<u>27,896,842</u>	<u>26,232,511</u>	<u>28,489,040</u>	<u>27,616,816</u>	<u>32,528,556</u>
2,181,124	2,160,935	1,392,059	1,399,987	1,453,191	1,578,978
1,200,744	1,069,757	1,260,761	1,439,618	1,253,391	1,331,296
10,328,881	10,691,451	10,441,559	10,899,275	11,913,654	12,474,330
3,521,576	4,211,105	4,285,835	4,609,760	6,306,428	6,919,794
1,897,270	1,013,280	919,394	1,032,214	1,026,980	1,129,520
591,355	1,221,738	-	-	-	-
-	-	1,086,189	1,269,306	1,498,241	-
1,390,000	1,430,000	1,520,000	1,370,000	305,000	950,000
150,100	119,905	85,259	564,391	600,029	579,429
-	-	401,852	-	-	-
6,169,180	5,815,624	1,232,983	3,077,620	15,660,896	9,511,396
<u>27,430,230</u>	<u>27,733,795</u>	<u>22,625,891</u>	<u>25,662,171</u>	<u>40,017,810</u>	<u>34,474,743</u>
<u>(2,452,010)</u>	<u>163,047</u>	<u>3,606,620</u>	<u>2,826,869</u>	<u>(12,400,994)</u>	<u>(1,946,187)</u>
-	-	20,920,000	-	-	-
901,215	-	801,069	66,323	321,577	129
-	-	1,481,852	-	-	-
3,159,776	3,181,679	1,561,068	1,365,437	3,715,091	4,819,408
<u>(3,159,776)</u>	<u>(3,181,679)</u>	<u>(1,326,144)</u>	<u>(1,107,373)</u>	<u>(3,459,013)</u>	<u>(4,520,647)</u>
901,215	-	23,437,845	324,387	577,655	298,890
<u>\$ (1,550,795)</u>	<u>\$ 163,047</u>	<u>\$ 27,044,465</u>	<u>\$ 3,151,256</u>	<u>\$ (11,823,339)</u>	<u>\$ (1,647,297)</u>
7.2%	7.1%	9.4%	8.6%	3.7%	6.1%



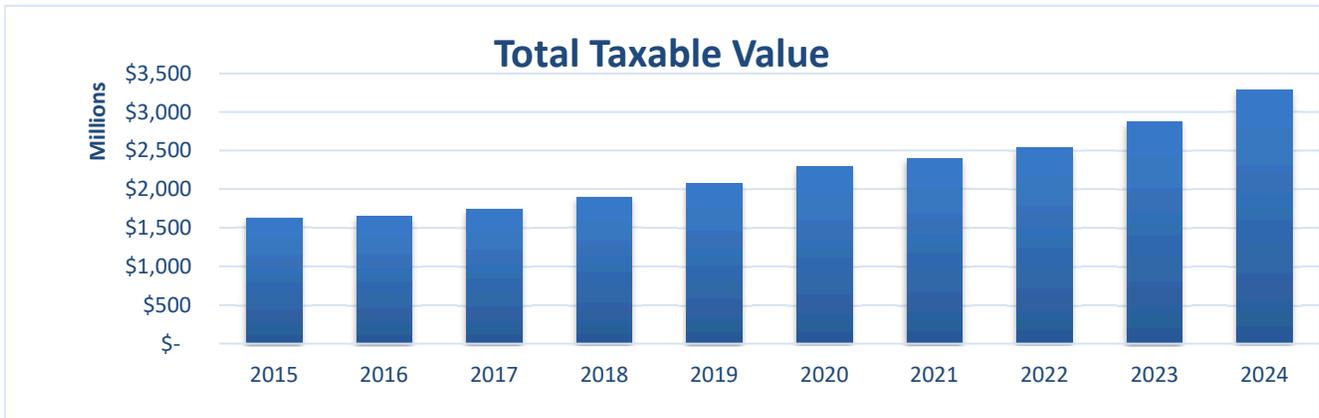
# City of Benbrook, Texas

## ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended	Estimated Market Value		Less	Total Taxable Value	Total Direct Tax Rate
	Real Property	Personal Property	Tax-Exempt Property		
2015	\$ 1,535,449,044	\$ 272,897,194	\$ 184,775,845	\$ 1,623,570,393	0.6575
2016	1,583,630,760	253,047,573	183,611,094	1,653,067,239	0.6575
2017	1,816,545,757	173,863,277	256,534,440	1,733,874,594	0.6500
2018	2,029,862,710	148,380,724	283,258,247	1,894,985,187	0.6400
2019	2,219,370,953	147,582,688	287,334,504	2,079,619,137	0.6400
2020	2,373,781,556	156,015,235	236,702,655	2,293,094,136	0.6278
2021	2,489,475,460	165,845,547	257,774,969	2,397,546,038	0.6225
2022	2,641,341,523	157,057,564	260,155,174	2,538,243,913	0.6175
2023	2,967,748,557	181,837,601	274,289,224	2,875,296,934	0.5950
2024	3,368,597,882	223,573,698	311,475,262	3,280,696,318	0.5650

(1) Values taken from the adjusted tax roll at 9/30 prepared by the Tarrant Appraisal District.

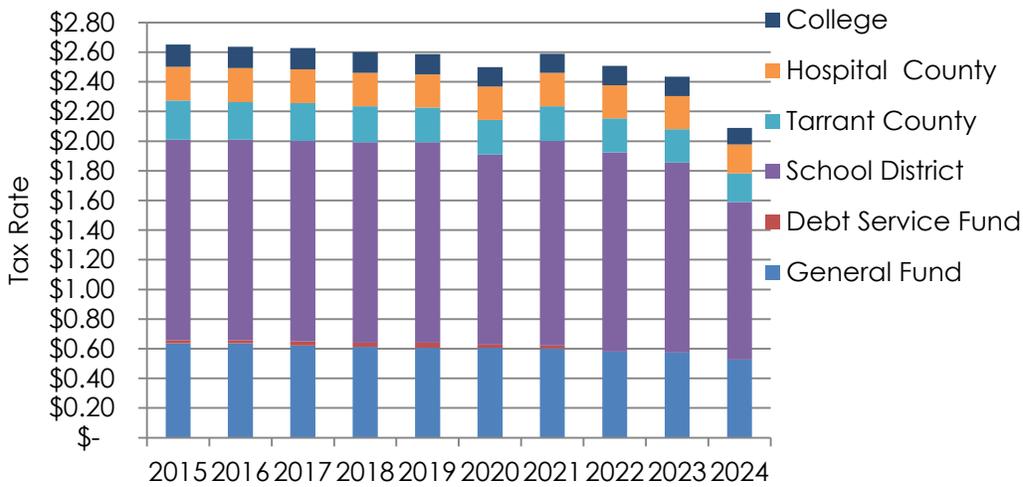


# City of Benbrook, Texas

## DIRECT & OVERLAPPING PROPERTY TAX RATES

(per \$100 of assessed value)  
(Unaudited)

Fiscal Year Ended	City of Benbrook		
	General Fund	Debt Service Fund	City Total
2015	\$ 0.637500	\$ 0.020000	\$ 0.657500
2016	0.637500	0.020000	0.657500
2017	0.622500	0.027500	0.650000
2018	0.612500	0.027500	0.640000
2019	0.607500	0.032500	0.640000
2020	0.606470	0.021300	0.627770
2021	0.601500	0.021000	0.622500
2022	0.581000	0.036500	0.617500
2023	0.574000	0.021000	0.595000
2024	0.526000	0.039000	0.565000



**Overlapping Rates**

<b>Fort Worth</b>				
<b>School District</b>	<b>Tarrant County</b>	<b>Hospital County</b>	<b>College</b>	<b>Totals</b>
\$ 1.352000	\$ 0.264000	\$ 0.227897	\$ 0.149500	\$ 2.650897
1.352000	0.254000	0.227897	0.144730	2.636127
1.352000	0.254000	0.227897	0.144730	2.628627
1.352000	0.244000	0.224429	0.140060	2.600489
1.352000	0.234000	0.224429	0.136070	2.586499
1.282000	0.234000	0.224429	0.130170	2.498369
1.378400	0.234000	0.224429	0.130170	2.589499
1.343200	0.229000	0.224429	0.130170	2.544299
1.281600	0.224000	0.224429	0.130170	2.455199
1.062400	0.194500	0.194500	0.112170	2.128570

**City of Benbrook, Texas**  
**PRINCIPAL PROPERTY TAX PAYERS**  
**Current Year and Nine Years Ago**  
**(Unaudited)**

2024

Taxpayer	Taxable Assessed Value	Percent of Total Taxable Amount
Jackson-Shaw/Benbrook North LP	\$ 69,197,272	2.11%
5644 Riverwalk LLC	66,000,000	2.01%
Benbrook Apartments LLC	63,000,000	1.92%
SW Highland LLC	62,600,000	1.91%
Westpark Drive TX Partners LLC	55,472,079	1.69%
Mac REI Benbrook LLC	48,000,000	1.46%
GD Energy Products LLC	40,881,608	1.25%
Oncor Electric Delivery Co LLC	28,674,123	0.87%
CRP-GREP Overture Benbrook Owner LP	27,500,000	0.84%
Obsidian Greenwood Creek LLC	21,890,880	0.67%
	\$ 483,215,962	14.73%

(1) All information provided by the Tarrant Appraisal District

2015

Taxpayer	Taxable Assessed Value	Percent of Total Taxable Amount
Precision Energy Services	\$ 94,378,646	5.81%
Garner Denver Inc	41,372,826	2.55%
SW Highland LLC	31,663,899	1.95%
Weatherford US LP	29,088,163	1.79%
XTO Energy Inc	26,865,260	1.65%
Cordiel Victorian Quarters	23,840,000	1.47%
MB Copper Crossing LP	19,847,672	1.22%
Walmart Real Estate Bus Trust/St	19,614,170	1.21%
Oncor Electric Delivery Co LLC	15,368,721	0.95%
Computalog USA Inc	11,206,039	0.69%
	\$ 313,245,396	19.29%

# City of Benbrook, Texas

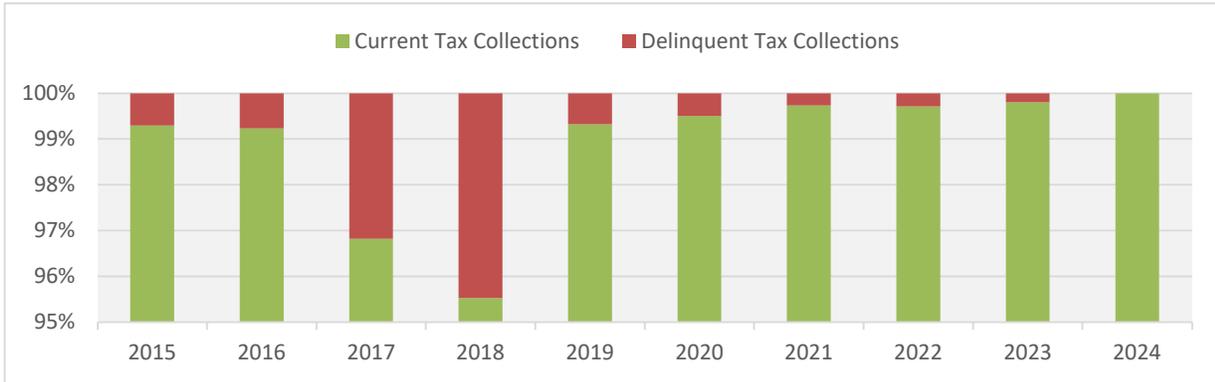
## PROPERTY TAX LEVIES AND COLLECTIONS

### Last Ten Fiscal Years

(Unaudited)

Fiscal Year Ended	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections
2015	\$ 10,687,525	\$ 10,598,100	99.16%	\$ 75,280	\$ 10,673,380
2016	10,751,674	10,650,522	99.06%	82,733	10,733,255
2017	11,286,321	10,909,418	96.66%	358,791	11,268,209
2018	12,207,960	11,642,272	95.37%	545,529	12,187,801
2019	12,706,094	12,594,291	99.12%	86,532	12,680,823
2020	13,615,577	13,514,430	99.26%	67,977	13,582,407
2021	14,073,249	13,978,747	99.33%	38,035	14,016,782
2022	14,713,025	14,650,661	99.58%	42,710	14,693,371
2023	15,995,580	15,885,537	99.31%	31,831	15,917,368
2024	17,300,865	17,200,470	99.42%	-	17,200,470

Source: Tarrant County Tax Assessor-Collector

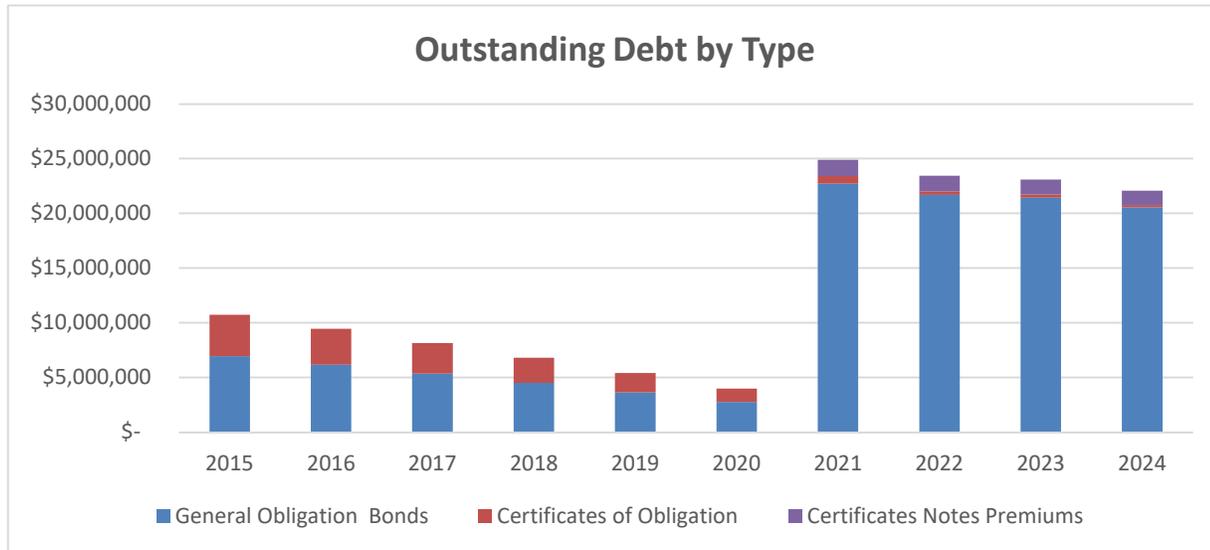


<b>Percent of Total Tax Collections To Tax Levy</b>	<b>Delinquent Tax Outstanding</b>	<b>Percent of Delinquent Tax To Tax Levy</b>
99.87%	\$ 14,145	0.13%
99.64%	18,419	0.17%
97.77%	18,112	0.16%
99.83%	20,159	0.17%
99.80%	25,271	0.20%
99.76%	33,170	0.24%
99.60%	56,467	0.40%
99.87%	19,654	0.13%
99.51%	78,212	0.49%
99.42%	100,395	0.58%

**City of Benbrook, Texas**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Fiscal Year Ended	Primary Government			Percentage of Actual Taxable Value of Property
	General Obligation Bonds	Certificates of Obligation	Premiums	
2015	\$ 6,945,000	\$ 3,775,000	\$ -	0.66%
2016	6,165,000	3,295,000	-	0.57%
2017	5,350,000	2,795,000	-	0.47%
2018	4,515,000	2,295,000	-	0.36%
2019	3,645,000	1,770,000	-	0.26%
2020	2,750,000	1,235,000	-	0.17%
2021	22,695,000	695,000	1,481,852	1.04%
2022	21,680,000	340,000	1,422,578	0.92%
2023	21,435,000	280,000	1,363,304	0.80%
2024	20,550,000	215,000	1,304,030	0.67%

- (1) Details on the City's outstanding debt can be found in the notes to the financial statements
- (2) Taxable property and population data is available on Table 5 and Table 12, respectively.
- (3) Personal Income provided by Benbrook Economic Development Corporation from ESRI.



**Percentage  
of Personal  
Income**

---

0.89%  
0.79%  
0.68%  
0.57%  
0.32%  
0.23%  
1.33%  
1.25%  
1.23%  
1.18%



# City of Benbrook, Texas

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES - DEBT

September 30, 2024

(Unaudited)

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Applicable to the City of Benbrook (b)</u>	<u>Estimated Share of Overlapping Debt</u>
Fort Worth Independent School District (a)	\$ 1,663,595,000	4.68%	\$ 77,856,246
Tarrant County	345,130,000	1.00%	3,451,300
Tarrant County Hospital District	440,020,000	1.00%	4,400,200
Tarrant County College District (b)	569,915,000	1.00%	5,699,150
Overlapping Debt	<u>3,018,660,000</u>		<u>91,406,896</u>
City Direct Debt	<u>22,069,030</u>	100.00%	<u>22,069,030</u>
Direct & Overlapping Bonded Debt	<u><u>\$ 3,040,729,030</u></u>		<u><u>\$ 113,475,926</u></u>
Ratio of Overlapping Bonded Debt to Taxable Assessed Valuation		<u>3.34%</u>	
Per Capita Overlapping Bonded Debt		<u><u>\$ 4,609</u></u>	

(a) Outstanding debt information found via <https://comptroller.texas.gov/transparency/local/debt/>.

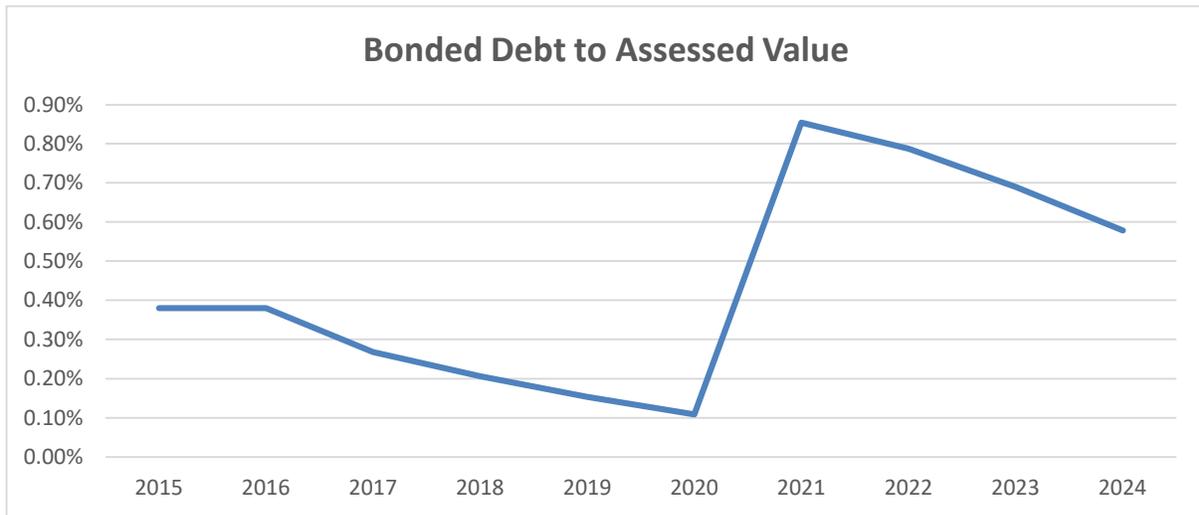
(b) Benbrook population as reported by <http://www.texassitesearch.com/demographics.html>.

# City of Benbrook, Texas

## RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA

Last Ten Fiscal Years  
(Unaudited)

Fiscal Year Ended	Estimated Population	Assessed Value	General Bonded Debt	Bonded Debt to Assessed Value	Bonded Debt per Capita
2015	22,419	\$ 1,810,093,964	\$ 6,165,000	0.38%	\$ 275
2016	22,500	1,859,799,611	6,165,000	0.38%	274
2017	22,260	1,998,945,298	5,350,000	0.27%	240
2018	22,629	2,188,261,077	4,515,000	0.21%	200
2019	22,760	2,377,391,093	3,645,000	0.15%	160
2020	23,335	2,527,560,856	2,750,000	0.11%	118
2021	24,520	2,656,003,882	22,695,000	0.85%	926
2022	24,932	2,798,399,087	22,020,000	0.79%	883
2023	25,319	3,149,586,158	21,715,000	0.69%	858
2024	25,416	3,592,171,580	20,765,000	0.58%	817



# City of Benbrook, Texas

## DEMOGRAPHIC STATISTICS

### Last Ten Fiscal Years

(Unaudited)

<b>Fiscal Year Ended</b>	<b>Estimated Population</b>	<b>Per Capita Income (1)</b>	<b>School Enrollment (2)</b>	<b>Unemployment Rate (3)</b>
2015	22,500	\$ 49,506	4,857	3.90%
2016	22,500	51,099	4,857	3.70%
2017	22,260	65,568	4,857	3.20%
2018	22,629	69,803	4,485	3.40%
2019	22,760	75,527	4,683	3.10%
2020	23,335	75,527	4,683	6.30%
2021	24,520	76,501	4,785	4.80%
2022	24,932	76,623	5,347	3.50%
2023	25,319	81,074	4,683	3.40%
2024	25,416	83,862	4,234	3.35%

(1) Per Capita Income provided by Benbrook Economic Development Corporation from ESRI.

(2) School enrollment provided by Benbrook Economic Development Corporation from ESRI.

(3) Unemployment rate as of September 2024 as reported by the US Bureau of Labor Statistics for the DFW area data extracted on 11/30/2024.

# City of Benbrook, Texas

## PRINCIPAL EMPLOYERS

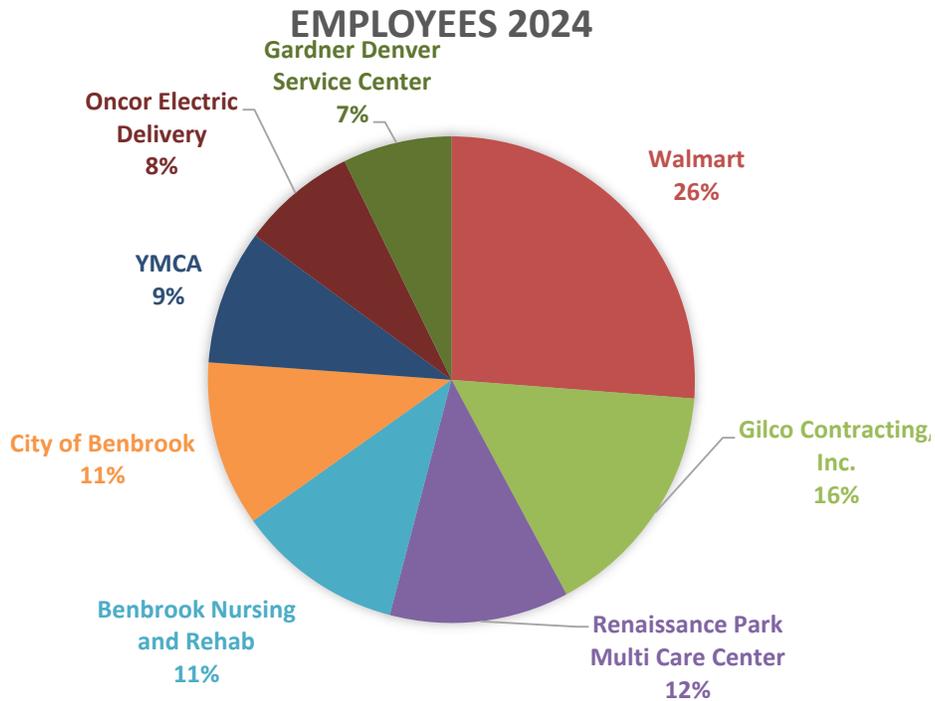
Current Year and Nine Years Ago

2024

Employer	Employees	Percent of Total City Employment
Walmart	308	4.90%
Gilco Contracting, Inc.	187	2.97%
Renaissance Park Multi Care Center	140	2.23%
Benbrook Nursing and Rehab	130	2.07%
City of Benbrook	129	2.05%
YMCA	105	1.67%
Oncor Electric Delivery	90	1.43%
Gardner Denver Service Center	85	1.35%
<b>Total</b>	<b>1,174</b>	<b>18.68%</b>

(1) Top 8 employers from "Benbrook in Brief 2015" provided by EDC.

(2) Total city employment provided by <http://www.texassitesearch.com/demographics.html>.



2015

<b>Employer</b>	<b>Employees</b>	<b>Percent of Total City Employment</b>
Walmart	311	6.75%
Weatherford International Oil and Gas	298	6.46%
Western Hills High School	155	3.36%
Weatherford International Drilling	150	3.25%
Benbrook Community Center/YMCA	120	2.60%
City of Benbrook	110	2.39%
Renaissance Park	110	2.39%
Cracker Barrel Old Country Store	110	2.39%
	<u>1,364</u>	<u>29.59%</u>

**City of Benbrook, Texas**  
**LOCAL EMPLOYMENT INFORMATION**  
**September 30, 2024**  
**(Unaudited)**

Fiscal Year Ended	Ag	Construction	Manufacturing	Transportation &		
				Storage	Wholesale	Retail
Number of Establishments						
2015	1	35	16	8	19	96
2016	2	63	14	16	22	97
2017	2	63	14	16	22	97
2018	2	65	14	12	18	117
2019	6	68	14	14	17	121
2020	8	66	19	15	29	89
2021	8	62	19	15	30	89
2022	8	66	15	12	29	95
2023	9	67	14	14	25	96
2024	10	68	19	16	25	94

Employment Levels						
2015	3	341	475	42	154	782
2016	5	340	213	201	257	1,367
2017	5	340	213	201	257	1,367
2018	2	463	191	204	287	1,188
2019	11	439	127	104	263	849
2020	18	616	156	209	303	556
2021	18	621	197	143	340	600
2022	20	468	115	161	280	627
2023	265	427	373	720	230	1,390
2024	25	618	207	175	269	823

(1) Information provided by <http://www.texassitesearch.com/demographics.html>.

	Finance,				
Services & Information	Insurance, Real Estate	Oil/Gas & Utilities	Public Admin	Totals	
349	72	11	5	612	
321	128	8	7	678	
321	128	8	7	678	
346	129	5	5	713	
453	112	6	12	823	
522	121	4	8	881	
527	123	4	8	885	
488	109	4	8	834	
547	115	5	23	915	
544	117	5	9	907	

3,427	373	341	195	6,133	
2,794	384	221	214	5,996	
2,794	384	221	214	5,996	
2,849	402	204	239	6,029	
3,203	437	285	568	6,286	
3,982	431	57	216	6,544	
3,850	491	56	226	6,542	
3,385	544	57	229	5,886	
2,959	737	92	266	7,459	
3,408	592	62	283	6,462	

# City of Benbrook, Texas

## FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM Last Ten Fiscal Years (Unaudited)

	2015	2016	2017	2018	2019	2020
<b>Function/Program</b>						
<b>General Government</b>						
City Manager	2	2	2	2	2	2
City Secretary	3	3	3	3	3	3
<b>Staff Services</b>						
Finance	3	3	3	3	3	3
Information Services	1	1	1	2	2	2
Budget & Research	-	-	-	-	-	-
<b>Public Safety</b>						
Police	52	53	54	57	55	56
Fire	19	24	27	28	31	31
Municipal Court	2	2	2	2	2	2
Code Compliance	1	1	1	1	1	1
<b>Public Services</b>						
Public Services	1	1	1	1	1	1
Public Works	8	8	8	8	8	8
Parks & Recreation	8	8	8	8	8	8
Support Services	4	4	4	4	4	4
City Engineering	2	2	2	2	2	2
<b>Community Development</b>						
Administration	1	1	1	1	1	1
Planning Services	2	2	2	2	2	2
City Inspection	3	3	3	3	3	3
<b>Total</b>	<b>112</b>	<b>118</b>	<b>122</b>	<b>127</b>	<b>128</b>	<b>129</b>

Source: City of Benbrook Budget

2021	2022	2023	2024
2	2	2	2
3	3	3	3
3	3	3	3
2	2	2	2
-	-	-	-
56	56	56	56
31	31	31	31
2	2	2	2
1	1	1	1
1	1	1	1
8	8	8	8
8	8	8	8
4	4	4	4
2	2	2	2
1	1	1	1
2	2	2	2
3	3	3	3
129	129	129	129

**City of Benbrook, Texas**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Function/Program	2015	2016	2017	2018	2019	2020
<b>Police</b>						
Stations	1	1	1	1	1	1
Licensed Officers	42	42	45	42	40	41
Police Reservist	2	2	2	2	2	2
Emergency Warning Sirens	7	7	7	7	7	7
<b>Fire (1)</b>						
Stations	1	1	1	1	1	1
Firefighters	38	24	27	27	30	30
Paramedics/EMT's	38	24	27	27	30	30
City Fire Support Unit Staff	13	6	6	3	3	3
Emergency Vehicles	16	16	16	18	18	18
<b>Public Works</b>						
Miles of Street	107	107	107	107	108	132
Number of Street Lights	1,286	1,286	1,286	1,286	1,299	1,308
<b>Parks &amp; Recreation</b>						
Parks	6	6	7	7	7	7
Acreage	272	272	272	272	272	272
Playgrounds	5	5	5	5	5	5
Recreation Centers	1	1	1	1	1	1
Senior Centers	1	1	1	1	1	1
Tennis Courts	6	6	6	6	6	6
Golf Courses	2	2	2	2	2	2
Lakes	1	1	1	1	1	1

Source: City Budget

2021	2022	2023	2024
1	1	1	1
41	41	41	41
2	2	2	2
7	7	7	7
1	1	1	1
30	30	30	30
30	30	30	30
3	3	3	3
18	18	18	18
132	132	132	132
1,308	1,308	1,308	1,308
7	7	7	7
272	272	272	272
5	5	5	5
1	1	1	1
1	1	1	1
6	6	6	6
2	2	2	2
1	1	1	1



**TEXAS**

*Our Pride. Your Joy.*

**CITY OF BENBROOK, TEXAS**  
**OVERALL COMPLIANCE AND INTERNAL CONTROL SECTION FOR THE YEAR**  
**ENDED SEPTEMBER 30, 2024**



**TEXAS**

*Our Pride. Your Joy.*



**BROOKSWATSON & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

*Independent Auditor's Report*

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Benbrook, Texas as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise City of Benbrook, Texas' basic financial statements, and have issued our report thereon dated March 12, 2025.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City of Benbrook, Texas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Benbrook, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Benbrook, Texas' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City of Benbrook, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully,

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

BrooksWatson & Co., PLLC  
14950 Heathrow Forest Pkwy | Ste 530  
Houston, TX 77032  
March 12, 2025

**City of Benbrook, Texas**  
*SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS*  
For the Year Ended September 30, 2024

**I. SUMMARY OF PRIOR YEAR AUDIT FINDINGS:**

**None.**

**City of Benbrook, Texas**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended September 30, 2024**

**I. SUMMARY OF AUDITOR'S RESULTS:**

*Financial Statements*

Type of auditor's report issued:

The auditor's report on the basic financial statements of the City expresses an unmodified opinion.

Internal control over financial reporting:

Are any material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are any significant deficiencies identified not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported
Is any noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**II. FINANCIAL STATEMENT FINDINGS:**

**None.**