

THE CITY OF
BURLESON
TEXAS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

ANNUAL COMPREHENSIVE

FINANCIAL REPORT



THE CITY OF
BURLESON
TEXAS

CITY OF BURLESON, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2024

CITY OFFICIALS

Chris Fletcher
Mayor

Dan McClendon
Victoria Johnson
Phil Anderson
Alexa Boedeker
Larry Scott
Adam Russell

Mayor Pro Tem
Councilmember
Councilmember
Councilmember
Councilmember
Councilmember

Tommy Ludwig
City Manager

Harlan Jefferson
Deputy City Manager

Eric Oscarson
Deputy City Manager

Gloria Platt
Director of Finance

Prepared by: Finance Department



THE CITY OF
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TEXAS

City of Burleson, Texas
Annual Comprehensive Financial Report
For the Year Ended September 30, 2024

Table of Contents

	Page	Exhibit
INTRODUCTORY SECTION		
Letter of Transmittal	v	
Organizational Chart	viii	
List of Principal Officials.....	ix	
FINANCIAL SECTION		
Independent Auditor’s Report.....	3	
Management’s Discussion and Analysis (Unaudited).....	7	
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Position	15	A-1
Statement of Activities	16	A-2
Fund Financial Statements:		
Balance Sheet – Governmental Funds	18	B-1
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	19	B-2
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	20	B-3
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities	21	B-4
Proprietary Funds:		
Statement of Net Position	22	C-1
Statement of Revenues, Expenses, and Changes in Net Position.....	23	C-2
Statement of Cash Flows	24	C-3
Notes to the Financial Statements.....	27	
Required Supplementary Information (Unaudited)		
Budgetary Comparison Schedule – General Fund	61	D-1
Notes to Required Supplementary Information – Budgetary Schedule.....	63	
Schedule of Changes in Net Pension Liability and Related Ratios	64	D-2
Schedule of Pension Contributions.....	66	D-3
Schedule of Changes in Total OPEB Liability and Related Ratios - Texas Municipal Retirement System - Supplemental Death Benefits Fund	68	D-4
Schedule of Changes in Total OPEB Liability and Related Ratios - Texas Municipal Retirement System – Retiree Health Care Benefit Plan	69	D-5
Other Supplementary Information		
Combining and Individual Fund Financial Statements and Schedules		
Description of Nonmajor Governmental Funds	73	
Nonmajor Governmental Funds:		
Combining Balance Sheet	75	E-1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	79	E-2
Budgetary Comparison Schedule – Debt Service Funds.....	82	E-3
Budgetary Comparison Schedule – Hotel/Motel Fund	84	E-4
Budgetary Comparison Schedule – BCSDC Special Revenue Fund	85	E-5
Budgetary Comparison Schedule – 4A Corp Special Revenue Fund	86	E-6

City of Burleson, Texas
Annual Comprehensive Financial Report
For the Year Ended September 30, 2024

Table of Contents

	Page	Exhibit
Budgetary Comparison Schedule – Parks Performance Fund	87	E-7
Budgetary Comparison Schedule – TIF 2 Fund	88	E-8
Budgetary Comparison Schedule – Municipal Court Fund	89	E-9
Description of Nonmajor Enterprise Funds	90	
Nonmajor Enterprise Funds:		
Combining Statement of Net Position	91	F-1
Combining Statement of Revenues, Expenses, and Changes in Net Position	92	F-2
Combining Statement of Cash Flows	93	F-3
Description of Internal Service Funds	95	
Internal Service Funds:		
Combining Statement of Net Position	96	G-1
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	97	G-2
Combining Statement of Cash Flows	98	G-3
STATISTICAL SECTION (Unaudited)		
	Page	Table
Statistical Section Index	99	
Net Position by Component – Last Ten Fiscal Years	100	1
Changes in Net Position – Last Ten Fiscal Years	102	2
Fund Balances – Governmental Funds – Last Ten Fiscal Years	106	3
Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years	108	4
Assessed and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years	110	5
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	111	6
Principal Property Taxpayers – Current Year and Nine Years Ago	112	7
Property Tax Levies and Collections – Last Ten Fiscal Years	113	8
Ratios of Outstanding Debt by Type and General Bonded Debt Outstanding – Last Ten Fiscal Years	114	9
Net General Bonded Debt Outstanding – Last Ten Fiscal Years	116	10
Direct and Overlapping – Governmental Activities Debt	119	11
Pledged – Revenue Bond Water and Sewer Coverage – Last Ten Fiscal Years	120	12
Demographic and Economic Statistics – Last Ten Fiscal Years	122	13
Principal Employers – Current Year and Nine Years Ago	123	14
Full-Time Equivalent City Government Employees by Function/Program Last Ten Fiscal Years	124	15
Schedule of Insurance Policies in Force	127	16
Operating Indicators by Function/Program – Last Ten Fiscal Years	128	17
Miscellaneous Statistics – Last Ten Fiscal Years	130	18

Introductory Section

THE CITY OF
BURLESON
TEXAS

TO: The Honorable Mayor, Members of the City Council, and Citizens of Burleson (the "City")

Submitted herewith is a copy of the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2024. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation of the City, on a Government-wide and Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

These statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). GASB requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

THE REPORTING ENTITY

The City is a political subdivision and municipal corporation of the State, duly organized and existing under the laws of the State and the City's home rule Charter. Burleson was incorporated in 1912. The City operates under a Council-Manager form of government and provides a full range of services that include: police and fire protection, sanitation services, library services, construction and maintenance of streets and infrastructure, parks and recreation, code enforcement, planning and zoning, economic development, water and wastewater services, and general administrative services. The accompanying ACFR includes all governmental organizations and functions for which the City is financially accountable as well as its blended component units. Although legally separate entities, the Burleson 4B Community Services Development Corporation, the Burleson 4A Economic Development Corporation and Tax Increment Finance Reinvestment Zone Number Two are in substance part of the primary government's operations and are included as part of the primary government. Additional information on these component units can be found in the notes to the financial statements.

ECONOMY AND BUSINESS CLIMATE

Burleson is located along the southwestern edge of the Dallas/Fort Worth Metroplex, on Interstate Highway 35W, State Highway 174, and the Chisholm Trail Parkway toll road. Economically, this region is ranked as one of the most robust in Texas, a state that in recent years has trended well ahead of the national economy. Local measures of business activity have recovered and surpassed peak levels. The City is currently experiencing a strong expansion of business with more than \$189 million in new taxable value added in 2024.

Although the City of Fort Worth adjoins much of Burleson's northern boundary, the remaining three directions are surrounded by an extensive extra-territorial jurisdiction (ETJ). The City's corporate limits include more than 28 square miles and its extraterritorial jurisdiction (ETJ) is comprised of approximately 35,000 acres. Combined, Burleson's city limit and ETJ include more than 23,000 undeveloped acres. In 2017, The Texas State Legislature significantly restricted cities' abilities to involuntarily annex within their ETJs. The City of Burleson was proactive prior to 2017 in obtaining development agreements in large, strategic portions of its ETJ. These development agreements allow the City to pursue annexation when these areas develop. This has allowed the City to work with property owners to ensure orderly development of these areas and program our capital improvements to ensure services are provided.

Once largely agricultural, these areas have developed into a form of semi-urban, residential use. With vibrant retail destinations and commercial development, many of the individuals residing in these adjacent areas shop, dine, and send their children to schools located in Burleson. Thus, functionally speaking, Burleson's estimated population of approximately 53,504 as of January 1, 2024, belies the true size of the community's economy. The combination of highway accessibility and more than 400,000 people located within the retail trade area create a community with a strong and growing trade area.

LONG TERM PLANNING

These focus areas create a roadmap for achieving the long-term goals and objectives that have been articulated by the City Council, and play a key role in the budget process, as well as long term financial planning of the City's major funds. The strategic focus areas are:

- Operational Excellence
- Infrastructure
- Community
- Public Safety

Five year projections are prepared for all of the City's major funds with the focus on maintaining year end fund balances that meet or exceed their requirements. In addition, the City continues to prepare five year capital improvement plans (CIP) for streets and drainage, parks, and water and wastewater projects. The five year projections and five year CIPs are presented to Council throughout the budget process and provides a great opportunity for feedback and direction. Incorporating the projections and CIP are crucial in the budget process to ensure the strategic focus areas are met and the City continues to be financially sound.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

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

In addition to the system of internal controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance of legal provisions embodied in the annual appropriation budget adopted by the City Council. Budgetary control is exercised at the fund level. Activities of the Governmental and Proprietary Fund are closely reviewed at mid-year. If necessary, the original budget is modified and incorporated into a proposed mid-year budget, which is then used as the working budget for the remainder of the fiscal year. The City also maintains an encumbrance accounting system as one technique to help prevent the overspending of authorized appropriations.

Information regarding general accounting policies can be found in the notes to the basic financial statements.

INDEPENDENT AUDIT

An annual audit is required to be made of the financial statements of the City of Burleson by an independent auditor. Weaver and Tidwell, LLP was selected by the City Council to perform the audit for fiscal year ended September 30, 2024. The audit opinion is included in this report.

AWARDS

As of the date of this letter, the Government Finance Officers Association of the United States and Canada (GFOA) has not completed their review of the City of Burleson's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2023, for the Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. We are confident that the ACFR for the fiscal year ended September 30, 2023, meets the requirements and will receive this prestigious award in the coming months.

A Certificate of Achievement is valid for one year. The City believes that the current ACFR continues to meet the Certificate of Achievement Program requirements and thus is submitting it to GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for the 35th consecutive year for its annual appropriated budget dated October 1, 2023. To qualify for the Budget Award, the City's budget document was judged proficient in all categories.

ACKNOWLEDGEMENTS

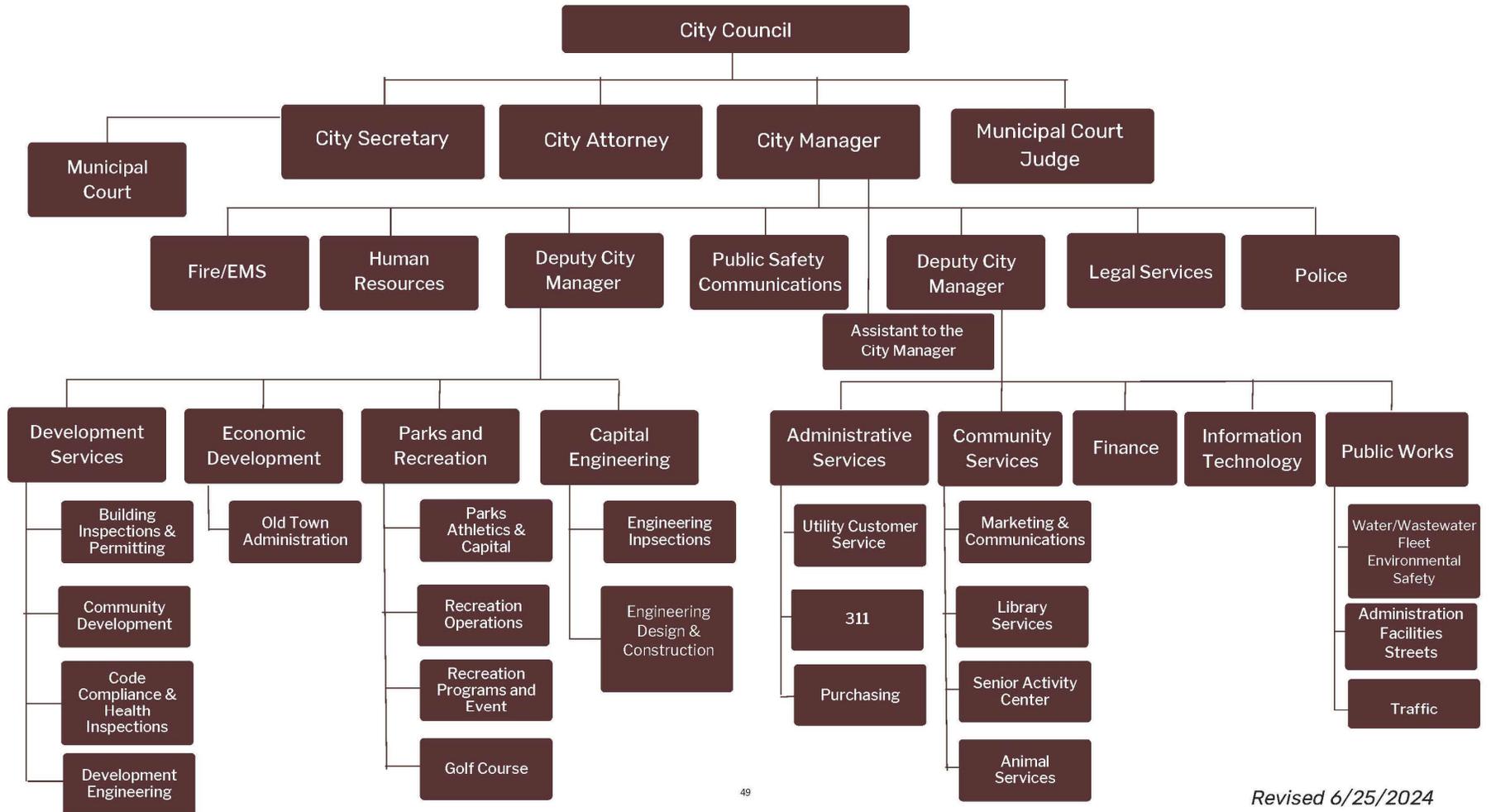
I would like to thank the staff of the Finance Department, City Management, and Department Directors, Managers and Staff for their cooperative effort and help in the leadership and support of the City that made this report possible. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Burleson's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mori Plett". The signature is fluid and cursive, with the first name "Mori" and the last name "Plett" clearly distinguishable.

Finance Department

Organizational Chart



CITY OF BURLESON, TEXAS
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2024

Elected Officials

Mayor	Chris Fletcher
Mayor Pro-Tem	Dan McClendon
Councilmember	Victoria Johnson
Councilmember	Phil Anderson
Councilmember	Alexa Boedeker
Councilmember	Larry Scott
Councilmember	Adam Russell

City Officials

City Manager	Tommy Ludwig
Deputy City Manager	Harlan Jefferson
Deputy City Manager	Eric Oscarson
Deputy City Attorney	Matt Ribitzki
Director of Finance	Gloria Platt
Police Chief	Billy Cordell
City Secretary	Amanda Campos
Fire Chief	Casey Davis
Director of Parks and Recreation	Jen Basham
Director of Human Resources	Cheryl Marthiljohni
Chief Technology Officer	James Grommersch
Director of Development Services	Tony McIlwain
Director of Public Works	Erick Thompson
Director of Economic Development	Alex Philips
Director of Community Services	DeAnna Phillips
Director of Administrative Services	Richard Abernethy
Director of Capital Engineering	Randy Morrison

THE CITY OF
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Financial Section

THE CITY OF
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TEXAS

Independent Auditor's Report

Honorable Mayor, City Council
and City Manager
City of Burleson, Texas
Burleson, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Burleson, Texas (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, each major fund, and the aggregate remaining fund information of the City, 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 of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 the City 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Honorable Mayor, City Council and City Manager
City of Burleson, Texas

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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Texas Municipal Retirement System pension schedules, Texas Municipal Retirement System OPEB schedule, and budgetary comparison information on pages 7 through 14 and 61 through 69 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

Honorable Mayor, City Council and City Manager
City of Burleson, Texas

Supplementary 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 fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are 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. The 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 GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
March 24, 2025

THE CITY OF
BURLESON
TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Burleson's (City) annual financial report presents our discussion of the City's financial performance during the fiscal year ended September 30, 2024. Please read it in conjunction with the transmittal letter, which can be found preceding this narrative, and with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$342,433,646 (net position). Of this amount, \$30,747,780 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$12,671,505 or 3.84% from previous year. The City's total unrestricted net position decreased by \$3,111,809, due to increases in revenues in both governmental and business-type activities which exceeded increases in expenses. \$10,406,039 increase in net investment in capital assets resulted from additions in construction capital cost and land acquisitions netted against the decrease of related debt.
- As of the close of the current fiscal year, unassigned fund balance for the general fund was \$20,316,733 or 35% of total general fund expenditures.
- The City's total debt increased by \$26,690,000 during the current fiscal year. The increase represents the net effect of scheduled debt retirement and issuance of Series 2024 Tax and Limited Surplus Revenue Certificates of Obligation and Series 2024 General Obligation Refunding and Improvement bonds in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements - Government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the government'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 related to cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., earned but unused vacation leave).

Both of the government-wide 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, parks and recreation, and community development. The business-type activities include water and wastewater operations, solid waste collection, the City's Hidden Creek Golf Course, and a cemetery.

Fund Financial Statements - The fund financial statements provide detailed information about the most significant funds – not the City as a whole. A fund is a grouping of related accounts that the City uses to maintain control over resources that have been segregated for specific activities and objectives. Some funds are required by state law or bond covenants. The Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants. The City has two types of funds:

Governmental Funds - These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near term inflows 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 evaluating a government's near-term financing requirements.

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

The City maintains nineteen 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 and the bond supported capital projects fund, which are considered to be major funds. Data from the other seventeen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds – The City of Burleson maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Enterprise funds are used to account for water and wastewater, solid waste, golf, and cemetery operations. Internal Service Funds are accounting devices used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the acquisition and replacement of major components of equipment used throughout the organization, such as the fleet of City vehicles, for the repair and maintenance of significant components of equipment used by the organization, and for the health self-insurance program.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The water & wastewater operations are considered to be a major fund of the City. All internal service funds are combined in a single presentation in the proprietary fund financial statements. Individual data for each of the nonmajor enterprise funds and internal service funds is provided in the form of combining statements elsewhere in this report.

Notes to the Basic Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information - The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$342,433,646 as of September 30, 2024.

The largest portion of the City’s net position (84%) reflects its investments in capital assets (e.g., land, buildings, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these assets to provide service 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 capital assets themselves cannot be used to liquidate these liabilities.

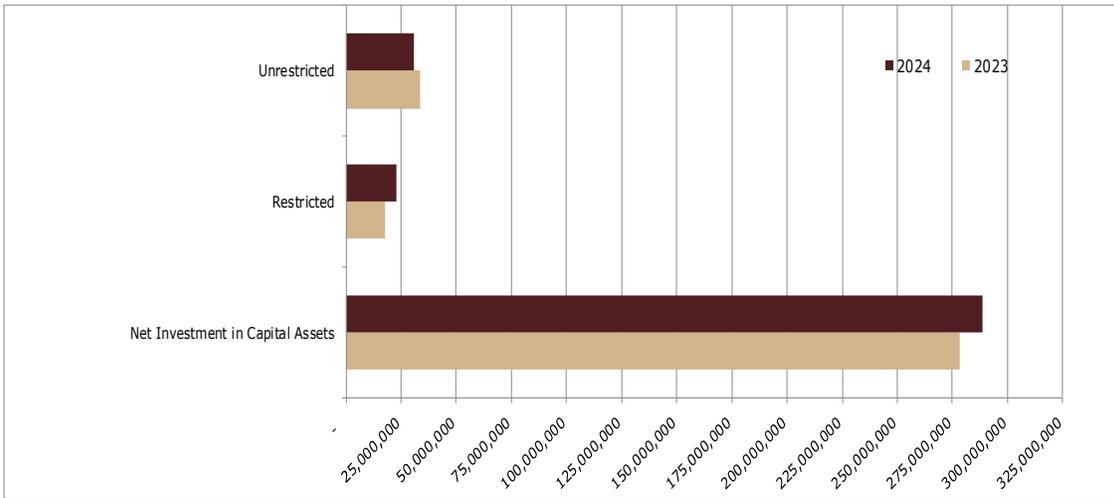
CITY OF BURLESON, TEXAS – NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2023	2024	2023	2024	2023	2024
Other assets	\$ 98,743,047	\$ 133,561,696	\$ 50,875,012	\$ 40,591,894	\$ 149,618,059	\$ 174,153,590
Capital assets	287,657,068	298,275,435	128,149,280	136,083,019	415,806,348	434,358,454
Total assets	386,400,115	431,837,131	179,024,292	176,674,913	565,424,407	608,512,044
Total deferred outflows of resources	16,674,423	11,467,143	1,561,316	1,139,028	18,235,739	12,606,171
Noncurrent liabilities – due in more than one year	149,613,777	179,982,156	60,526,840	55,010,680	210,140,617	234,992,836
Other liabilities	27,874,358	26,236,469	11,617,721	12,395,702	39,492,079	38,632,171
Total liabilities	177,488,135	206,218,625	72,144,561	67,406,382	249,632,696	273,625,007
Total deferred inflows of resources	3,198,189	3,953,688	1,067,120	1,105,874	4,265,309	5,059,562
Net position:						
Net investment in capital asset	202,912,185	196,476,618	75,413,705	92,255,311	278,325,890	288,731,929
Restricted	17,576,662	22,953,937	-	-	17,576,662	22,953,937
Unrestricted	1,899,367	13,701,406	31,960,222	17,046,374	33,859,589	30,747,780
Total net position	\$ 222,388,214	\$ 233,131,961	\$ 107,373,927	\$ 109,301,685	\$ 329,762,141	\$ 342,433,646

An additional portion of the City’s net position (6%) represents resources that are subject to external restriction on how they may have been used. The remaining balance of unrestricted net position (10%) may be used to meet the City’s ongoing obligation to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

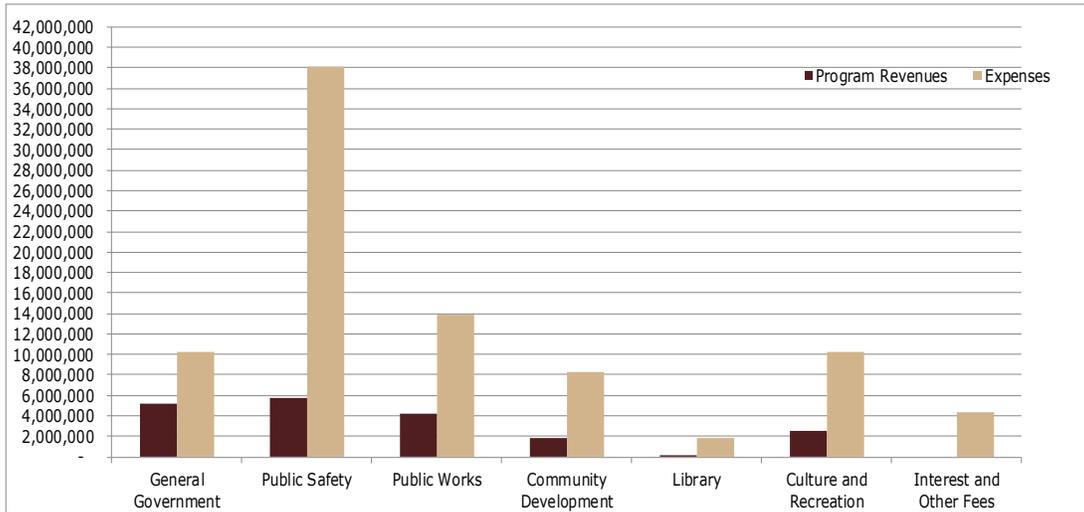
**City of Burleson Net Position
September 30, 2023 and 2024**



The City’s overall net position increased \$12,671,505 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities. During the current fiscal year, net position for governmental activities increased \$10,743,747, a decrease of \$1,348,380 from the prior fiscal year’s increase in net position for governmental activities. Increase is primarily due to a 13.7% or approximately \$4,571,000 increase in property taxes collected for general maintenance and operations due to increased valuations from the prior year, an 11.03% increase or approximately \$414,000 in franchise fee revenues from the prior year, and a 54% increase or approximately \$1,764,000 in investment income over the prior year due to increased investments and an increase in the investment rates from the prior year.

Expenses and Program Revenues - Governmental Activities



Business-Type Activities. During the current fiscal year, net position for business-type activities increased by \$1,927,758, an increase of \$9,246,953 from the prior fiscal year's increase in net position for business-type activities. Increase was the result of an approximately \$2,684,000 increase in water and sewer revenues from increased consumption from the prior year related to growth in the number of accounts, increased usage, and a 3% increase to rates.

CITY OF BURLESON, TEXAS – CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2023	2024	2023	2024	2023	2024
Revenues:						
Program Revenues:						
Charges for services	\$ 10,296,569	\$ 11,541,762	\$ 30,286,310	\$ 32,970,946	\$ 40,582,879	\$ 44,512,708
Operating grants and contributions	6,847,951	4,959,441	21,856	7,181	6,869,807	4,966,622
Capital grants and contributions	6,156,887	3,053,302	3,528,969	2,027,093	9,685,856	5,080,395
General Revenues:						
Taxes:						
Property taxes levied for general purposes	33,341,352	37,912,361	-	-	33,341,352	37,912,361
Tax Increment Financing	1,076,556	1,204,520	-	-	1,076,556	1,204,520
Sales and use taxes	29,598,444	30,091,181	-	-	29,598,444	30,091,181
Hotel / motel taxes	583,802	610,872	-	-	583,802	610,872
Franchise fees	3,754,462	4,168,878	-	-	3,754,462	4,168,878
Investment income	3,260,690	5,025,245	1,804,091	2,260,453	5,064,781	7,285,698
Gain (loss) on sale of assets	439,368	(715,205)	3,414	(497,120)	442,782	(1,212,325)
Total revenues	95,356,081	97,852,357	35,644,640	36,768,553	131,000,721	134,620,910
Expenses						
General government	9,606,894	10,207,283	-	-	9,606,894	10,207,283
Public safety	36,454,820	38,195,557	-	-	36,454,820	38,195,557
Public works	15,162,754	13,891,525	-	-	15,162,754	13,891,525
Community development	7,100,096	8,327,647	-	-	7,100,096	8,327,647
Library	1,753,245.00	1,819,145	-	-	1,753,245	1,819,145
Parks and recreation	9,625,261	10,230,231	-	-	9,625,261	10,230,231
Interest and other fees	3,319,651	4,370,179	-	-	3,319,651	4,370,179
Water & wastewater	-	-	36,231,989	27,370,058	36,231,989	27,370,058
Hidden Creek Golf course	-	-	2,937,323	3,214,012	2,937,323	3,214,012
Solid Waste	-	-	3,966,031	4,260,205	3,966,031	4,260,205
Cemetery	-	-	69,725	63,563	69,725	63,563
Total expenses	83,022,721	87,041,567	43,205,068	34,907,838	126,227,789	121,949,405
Change in net position before transfers	12,333,360	10,810,790	(7,560,428)	1,860,715	4,772,932	12,671,505
Transfers	(241,233)	(67,043)	241,233	67,043	-	-
Change in net position	12,092,127	10,743,747	(7,319,195)	1,927,758	4,772,932	12,671,505
Net position - beginning	210,296,087	222,388,214	114,693,122	107,373,927	324,989,209	329,762,141
Net position - ending	\$ 222,388,214	\$ 233,131,961	\$ 107,373,927	\$ 109,301,685	\$ 329,762,141	\$ 342,433,646

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance serves as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance, which has not yet been limited to use for a particular purpose.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$108,298,785. The 81% or \$87,982,052 of this total has constraints on its spending at because it is classified as either (1) non-spendable for inventory and prepaid items; (2) restricted for debt service, public safety, parks and recreation, library, economic development, tourism, capital projects, and other; and (3) committed for capital projects, debt service and other. Approximately 19% of the combined ending fund balance, or \$21,316,773, constitutes unassigned fund balance and is in the General Fund.

Net change in fund balance was an increase of \$36,745,438 of which 5% is from the General Fund, 16% from Non-major Governmental Funds, and the remaining 79% is from Bond Funded Capital Projects fund.

The increase of \$1,863,133 in the General Fund is primarily due to overall General Fund revenues exceeding overall expenditures reflecting the overall management of the governmental funds to ensure sources of funds are sufficient to meet the uses of funds.

The \$5,897,270 increase in Other Governmental Funds, due to the issuance of bonds in the amount of \$8,900,232 with offsetting related expenditures.

The Bond Funded Capital Projects fund increased by \$28,985,035 finishing the year at \$54,583,773. This is primarily due to the issuance of \$42,370,000 in bonds for capital projects offset with approximately \$17,031,217 in capital expenditures.

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

Year-end net position in the water and wastewater fund amounted to \$103,456,981. Net position in the water and wastewater fund increased \$1,096,787. Difference is primarily due to an approximate 6.7% increase or \$1,656,789 to water and wastewater revenues in charges for services and increase of 27% or \$458,818.

General Fund Budgetary Highlights –

Total actual revenue collections exceeded the revised estimates by about \$870,960 over the revised estimate, primarily due to property tax revenues.

The general fund's final expenditures were approximately \$2,798,114 less than the revised budget due to savings in personnel and benefits cost from vacancies and expenditures that were encumbered but the product or service had not yet been received causing the expense to roll forward to the following year.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business type activities as of September 30, 2024 amounts to \$434,358,454 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment and roads. The total increase in capital assets for the current fiscal year was approximately 5%.

	Capital Assets at Year End (net of depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2023	2024	2023	2024	2023	2024
Land	\$ 50,421,718	\$ 49,706,513	\$ 5,949,176	\$ 5,947,603	\$ 56,370,894	\$ 55,654,116
Buildings & improvements	78,632,224	87,927,530	3,386,087	3,947,398	82,018,311	91,874,928
Infrastructure	116,359,245	115,984,504	-	-	116,359,245	115,984,504
Right-to-use lease assets	347,336	324,220	-	-	347,336	324,220
Right-to-use subscription assets	2,034,616	2,250,962	-	-	2,034,616	2,250,962
Machinery & equipment	10,760,894	11,677,586	910,687	1,832,108	11,671,581	13,509,694
Other	45,000	45,000	-	-	45,000	45,000
Water system	-	-	55,252,314	54,567,012	55,252,314	54,567,012
Wastewater system	-	-	47,087,606	48,413,465	47,087,606	48,413,465
Intangible assets	-	-	1,317,342	1,259,003	1,317,342	1,259,003
Construction in progress	29,056,068	30,359,120	14,246,068	20,116,430	43,302,136	50,475,550
Total	\$ 287,657,101	\$ 298,275,435	\$ 128,149,280	\$ 136,083,019	\$ 415,806,381	\$ 434,358,454

Major capital asset events during the current fiscal year included the following:

- Construction costs related to street and traffic improvements amount to approximately \$10,828,111.
- Construction costs related to water and sewer infrastructure amounted to approximately \$5,194,160.
- Cost of improvements to buildings for City Facilities amounted to \$2,566,707.
- Costs related to construction of City recreational facilities amounted to \$4,197,547.
- Approximately \$143,550 of water lines were donated by developers.
- Approximately \$788,854 of sewer lines were donated by developers.
- Streets and sidewalks worth approximately \$3,062,685 were donated by developers.

Additional information on the City's capital assets can be found in Note 4 in the notes to basic financial statements.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had total bonded debt issues of \$198,280,000. Of this amount, \$59,170,000 comprises of general obligation (GO) outstanding bonds debt backed solely by the full faith and credit of the City, \$137,045,000 represent certificate of obligation (CO) bonds secured by a combination of property taxes and a limited pledge of other revenues, and \$2,065,000 secured by revenues generated from the City's water and wastewater utility. The total GO and CO outstanding debt of \$196,215,000 includes self-supporting debt of \$52,214,768 paid with revenues generated from the City's water and wastewater utility, \$39,103,587 paid with revenue generated from sales tax dedicated to the Burleson 4B Community Service Corporation (Type 4B) and Burleson 4A Economic Development Service Corporation (Type A) and \$7,655,000 to be paid with tax revenues generated from the Reinvestment Zone Number Two reflected in the TIF 2 Fund, with the remaining balance of \$97,241,645 paid directly from the debt rate portion of the property tax rate.

Additional information on the City's outstanding debt can be found in Note 7 in the notes to basic financial statements.

Outstanding Debt at Year End

	Governmental Activities		Business-type Activities		Total	
	2023	2024	2023	2024	2023	2024
General obligation bonds	\$ 46,036,714	\$ 47,900,232	\$ 11,323,286	\$ 11,269,768	\$ 57,360,000	\$ 59,170,000
Certificate of obligation bonds	65,405,000	96,100,000	46,540,000	40,945,000	111,945,000	137,045,000
Utility system revenue bonds	-	-	2,285,000	2,065,000	2,285,000	2,065,000
	<u>\$ 111,441,714</u>	<u>\$ 144,000,232</u>	<u>\$ 60,148,286</u>	<u>\$ 54,279,768</u>	<u>\$ 171,590,000</u>	<u>\$ 198,280,000</u>

The City maintains favorable bond ratings as assigned from the following rating agencies:

	Moody's Investors <u>Service</u>	Standard & Poor's
General obligation bonds	Aa2	AA
Water & wastewater revenue bonds	A1	AA-
4A sales tax revenue bonds	NA	AA-
4B sales tax revenue bonds	NA	AA-

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In the fiscal year 2025 budget, the City adopted a property tax rate of \$0.6627 per \$100 value, which was \$0.0302 more than the previous rate of \$0.6325 per \$100 value. Since 2020, the rate has been reduced by \$0.0573 cents, from \$0.7200 (2020) to \$0.6627 (2025). The 2025 budget also includes a three percent (3%) homestead exemption. The Council adopted an increase to five percent (5%) for tax year 2025 which will apply to the 2026 fiscal year and future years. The 2025 budget will raise more property taxes than the prior year budget by twelve percent (12%). The taxable value of an average residential property in Burleson increased by 6%. The tax revenue to be raised from new property added to the tax roll in fiscal year 2025 is \$1,258,438. Sales tax revenues are budgeted to increase by about 3% from fiscal year 2024 year-end projections and are budgeted at \$15,503,578. General Fund total revenues including transfers are budgeted at \$64,042,836, a ten percent (10%) increase from fiscal year 2024 budget. General Fund total expenditures are budgeted at \$63,267,928, a three percent (3%) increase from the prior year budget. The result is an increase to fund balance in the amount of \$774,908. This projected increase continues to maintain an unassigned fund balance at a level above the City's policy target of twenty percent (20%) of annual operating expenses.

The budget included an increase for both water and sewer utility services ranging from 5.9% to 6.6% depending on the amount of water consumed (i.e., 5.9% for customers above 5,000 gallons, 6.2% for customers above 10,000 gallons, and 6.6% for customers above 30,000 gallons). Water and Sewer Fund has a strong financial position and ability to continue meeting its debt obligations.

Solids waste operations are outsourced to a third-party vendor to handle the refuse and recycling of the community. The budgeted monthly rate is \$24.23, an increase of \$2.39 from the last fiscal year. Revenues and working capital are sufficient to meet the obligations.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Burleson's finances. Questions concerning any of the information provided in this report or requests for additional information may be obtained by contacting the City of Burleson, Attn: Finance Department, 141 West Renfro Street, Burleson, Texas 76028.

City of Burleson, Texas
Statement of Net Position
September 30, 2024

Exhibit A-1

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 122,637,961	\$ 20,728,517	\$ 143,366,478
Receivables			
Taxes, net	742,610	-	742,610
Accounts, net	1,870,067	4,312,191	6,182,258
Leases	2,005,545	1,035,717	3,041,262
Due from other governmental units	5,043,520	-	5,043,520
Accrued interest	246,087	67,974	314,061
Inventories	22,375	553,976	576,351
Prepaid items	46,903	-	46,903
Internal balances	946,628	(946,628)	-
Total current assets	<u>133,561,696</u>	<u>25,751,747</u>	<u>159,313,443</u>
Noncurrent assets:			
Restricted cash and investments	-	14,840,147	14,840,147
Capital assets:			
Nondepreciable	80,110,633	26,087,447	106,198,080
Depreciable, net of depreciation/amortization	218,164,802	109,995,572	328,160,374
Total noncurrent assets	<u>298,275,435</u>	<u>150,923,166</u>	<u>449,198,601</u>
Total assets	<u>431,837,131</u>	<u>176,674,913</u>	<u>608,512,044</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	-	126,848	126,848
Deferred outflows related to pensions	11,046,887	975,084	12,021,971
Deferred outflows related to OPEB (RHP & SDBF)	420,256	37,096	457,352
Total deferred outflows of resources	<u>11,467,143</u>	<u>1,139,028</u>	<u>12,606,171</u>
LIABILITIES			
Accounts payable	5,583,605	6,347,107	11,930,712
Accrued liabilities	2,761,811	219,382	2,981,193
Accrued interest payable	511,172	157,335	668,507
Deposits payable	-	731,293	731,293
Unearned revenue	3,049,498	-	3,049,498
Current portion of:			
Bonds, leases, subscriptions, compensated absences, financed purchases	14,330,383	4,940,585	19,270,968
Total current liabilities	<u>26,236,469</u>	<u>12,395,702</u>	<u>38,632,171</u>
Noncurrent Liabilities			
Bonds, leases, subscriptions compensated absences, financed purchases	148,448,961	52,227,318	200,676,279
Net pension liability	26,506,978	2,339,709	28,846,687
Total OPEB liability (RHP & SDBF)	5,026,217	443,653	5,469,870
Total noncurrent liabilities	<u>179,982,156</u>	<u>55,010,680</u>	<u>234,992,836</u>
Total liabilities	<u>206,218,625</u>	<u>67,406,382</u>	<u>273,625,007</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred charge on refunding	210,596	-	210,596
Deferred inflows related to leased assets	1,945,771	947,228	2,892,999
Deferred inflows related to pensions	556,105	49,086	605,191
Deferred inflows related to OPEB (RHP & SDBF)	1,241,216	109,560	1,350,776
Total deferred inflows of resources	<u>3,953,688</u>	<u>1,105,874</u>	<u>5,059,562</u>
NET POSITION			
Net investment in capital assets	196,476,618	92,255,311	288,731,929
Restricted for			
Debt service	6,477,919	-	6,477,919
Public safety	186,838	-	186,838
Other purposes	566,737	-	566,737
Economic development/tourism	14,911,271	-	14,911,271
Parks and recreation	723,597	-	723,597
Library	87,575	-	87,575
Unrestricted	13,701,406	17,046,374	30,747,780
TOTAL NET POSITION	<u>\$ 233,131,961</u>	<u>\$ 109,301,685</u>	<u>\$ 342,433,646</u>

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas
Statement of Activities
For the Fiscal Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government			
Governmental activities:			
General government	\$ 10,207,283	\$ 4,465,295	\$ 706,306
Public safety	38,195,557	2,270,545	3,437,600
Public works	13,891,525	355,881	815,239
Community development	8,327,647	1,872,050	-
Library	1,819,145	33,950	-
Parks and recreation	10,230,231	2,544,041	296
Interest and other fees	4,370,179	-	-
Total governmental activities	<u>87,041,567</u>	<u>11,541,762</u>	<u>4,959,441</u>
Business type activities:			
Water and wastewater	27,370,058	26,261,130	-
Hidden Creek Golf Course	3,214,012	2,248,182	-
Solid waste	4,260,205	4,358,801	-
Cemetery	63,563	102,833	7,181
Total business-type activities	<u>34,907,838</u>	<u>32,970,946</u>	<u>7,181</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 121,949,405</u>	<u>\$ 44,512,708</u>	<u>\$ 4,966,622</u>

General revenues:
Taxes:
 Property
 Tax increment financing
 Sales and use
 Hotel occupancy taxes
Franchise fees based on gross receipts
Unrestricted investment earnings
Gain (loss) on disposal of capital assets
Transfers between governmental and business-type activities
 Total general revenues and transfers
Change in net position
Net position - beginning
Net position - ending

The Notes to the Financial Statements are an integral part of this statement.

Program Revenues Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
\$ -	\$ (5,035,682)	\$ -	\$ (5,035,682)
-	(32,487,412)	-	(32,487,412)
3,053,302	(9,667,103)	-	(9,667,103)
-	(6,455,597)	-	(6,455,597)
-	(1,785,195)	-	(1,785,195)
-	(7,685,894)	-	(7,685,894)
-	(4,370,179)	-	(4,370,179)
<u>3,053,302</u>	<u>(67,487,062)</u>	<u>-</u>	<u>(67,487,062)</u>
2,027,093	-	918,165	918,165
-	-	(965,830)	(965,830)
-	-	98,596	98,596
-	-	46,451	46,451
<u>2,027,093</u>	<u>-</u>	<u>97,382</u>	<u>97,382</u>
<u>\$ 5,080,395</u>	<u>\$ (67,487,062)</u>	<u>\$ 97,382</u>	<u>\$ (67,389,680)</u>
	37,912,361	-	37,912,361
	1,204,520	-	1,204,520
	30,091,181	-	30,091,181
	610,872	-	610,872
	4,168,878	-	4,168,878
	5,025,245	2,260,453	7,285,698
	(715,205)	(497,120)	(1,212,325)
	<u>(67,043)</u>	<u>67,043</u>	<u>-</u>
	<u>78,230,809</u>	<u>1,830,376</u>	<u>80,061,185</u>
	10,743,747	1,927,758	12,671,505
	<u>222,388,214</u>	<u>107,373,927</u>	<u>329,762,141</u>
	<u>\$ 233,131,961</u>	<u>\$ 109,301,685</u>	<u>\$ 342,433,646</u>

City of Burleson, Texas
Balance Sheet – Governmental Funds
September 30, 2024

Exhibit B-1

	<u>General</u>	<u>Bond Funded Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and investments	\$ 19,783,567	\$ 58,045,981	\$ 34,028,382	\$ 111,857,930
Receivables:				
Taxes, net	413,195	-	329,415	742,610
Accounts, net	1,720,974	-	46,688	1,767,662
Leases	1,814,185	-	191,360	2,005,545
Due from other governmental units	2,534,320	-	2,509,200	5,043,520
Accrued interest	50,858	55,247	111,410	217,515
Due from other funds	-	-	351,037	351,037
Prepaid items	42,000	-	4,903	46,903
Total Assets	<u>\$ 26,359,099</u>	<u>\$ 58,101,228</u>	<u>\$ 37,572,395</u>	<u>\$ 122,032,722</u>
LIABILITIES				
Accounts payable	\$ 805,889	\$ 3,517,455	\$ 545,470	\$ 4,868,814
Accrued liabilities	2,429,503	-	232,787	2,662,290
Unearned revenue	-	-	3,049,498	3,049,498
Total Liabilities	<u>3,235,392</u>	<u>3,517,455</u>	<u>3,827,755</u>	<u>10,580,602</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - mowing liens	56,135	-	-	56,135
Unavailable revenue - hotel occupancy taxes	-	-	40,042	40,042
Unavailable revenue - leased assets	1,766,086	-	179,685	1,945,771
Unavailable revenue - property taxes	405,730	-	168,634	574,364
Unavailable revenue - franchise fees	537,023	-	-	537,023
Total Deferred Inflows of Resources	<u>2,764,974</u>	<u>-</u>	<u>388,361</u>	<u>3,153,335</u>
FUND BALANCES				
Nonspendable:				
Prepaid items	42,000	-	4,903	46,903
Restricted:				
Debt service	-	-	6,989,091	6,989,091
Public safety	-	-	186,838	186,838
Parks and recreation	-	-	723,597	723,597
Library	-	-	87,575	87,575
Economic development	-	-	14,367,405	14,367,405
Tourism	-	-	543,866	543,866
Capital projects	-	54,583,773	-	54,583,773
Other purposes	-	-	566,737	566,737
Committed:				
Capital projects	-	-	9,886,267	9,886,267
Unassigned	20,316,733	-	-	20,316,733
Total Fund Balances	<u>20,358,733</u>	<u>54,583,773</u>	<u>33,356,279</u>	<u>108,298,785</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 26,359,099</u>	<u>\$ 58,101,228</u>	<u>\$ 37,572,395</u>	<u>\$ 122,032,722</u>

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas
Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position
September 30, 2024

Exhibit B-2

Total fund balances - governmental funds	\$ 108,298,785
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	290,511,536
Internal service funds are used by the City's management for equipment maintenance and vehicle replacement. The assets and liabilities of certain internal service funds are included with governmental activities in the Statement of Net Position but are not included at the fund level.	15,370,366
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	1,207,564
Long-term liabilities and related balance sheet items are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Bonds payable	\$ (152,089,632)
Deferred charge on refunding	(210,596)
Leases payable	(279,435)
Accrued interest payable	(511,172)
Compensated absences (net of ISF of \$124,962)	(8,309,652)
Net pension liability (net of ISF of \$1,221,570)	(25,285,408)
Deferred outflows related to pensions (net of ISF of \$311,248)	10,537,793
Deferred inflows related to pensions (net of ISF of \$25,628)	(530,477)
Total SDBF & RHP OPEB liability (net of ISF of \$231,632)	(4,794,585)
Deferred outflows related to SDBF & RHP OPEB (net of ISF of \$19,367)	400,889
Deferred inflows related to SDBF & RHP OPEB (net of ISF of \$57,201)	\$ (1,184,015)
Combined adjustment	<u>(182,256,290)</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	<u>\$ 233,131,961</u>

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas
Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended September 30, 2024

Exhibit B-3

	General	Bond Funded Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 28,439,065	\$ -	\$ 10,103,452	\$ 38,542,517
Sales and use taxes	15,166,365	-	14,924,816	30,091,181
Hotel occupancy taxes	-	-	570,830	570,830
Franchise fees	4,109,919	-	37,816	4,147,735
Charges for services	5,194,210	-	2,532,417	7,726,627
Licenses and permits	1,562,939	-	-	1,562,939
Intergovernmental	1,120,077	-	2,315,892	3,435,969
Fines	736,244	-	53,121	789,365
Contributions and donations	-	-	915,508	915,508
Investment income	1,275,617	1,402,846	1,869,907	4,548,370
Mineral lease	-	-	178,153	178,153
Street assessments	-	-	112,303	112,303
Miscellaneous	1,409,661	-	375,448	1,785,109
Total Revenues	59,014,097	1,402,846	33,989,663	94,406,606
EXPENDITURES				
Current:				
General government	8,419,521	-	296,237	8,715,758
Public safety	32,901,457	-	2,208,394	35,109,851
Public works	7,323,533	24,998	61,273	7,409,804
Community development	4,492,895	-	3,663,804	8,156,699
Library	1,666,006	-	15,191	1,681,197
Parks and recreation	2,350,205	280,023	6,062,641	8,692,869
Capital outlay	484,303	16,362,589	2,002,273	18,849,165
Debt service:				
Principal retirement	64,118	-	9,126,429	9,190,547
Interest and fiscal agent charges	11,887	-	4,535,972	4,547,859
Debt issuance costs	-	363,607	113,658	477,265
Total Expenditures	57,713,925	17,031,217	28,085,872	102,831,014
Excess (deficiency) of revenues over (under) expenditures	1,300,172	(15,628,371)	5,903,791	(8,424,408)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	42,370,000	8,900,232	51,270,232
Premium on debt issuance	-	2,692,780	845,644	3,538,424
Payment to escrow agent	-	-	(9,571,767)	(9,571,767)
Transfers in	1,162,961	-	10,173,003	11,335,964
Transfers out	(600,000)	(449,374)	(10,353,633)	(11,403,007)
Total other financing sources (uses)	562,961	44,613,406	(6,521)	45,169,846
Net change in fund balance	1,863,133	28,985,035	5,897,270	36,745,438
Fund balance, beginning	18,495,600	25,598,738	27,459,009	71,553,347
FUND BALANCE, ENDING	\$ 20,358,733	\$ 54,583,773	\$ 33,356,279	\$ 108,298,785

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas

Exhibit B-4

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities For the Fiscal Year Ended September 30, 2024

Net change in fund balances - total governmental funds		\$	36,745,438
Amounts reported for governmental activities in the statement of activities are different because:			
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. This is the amount by which capital outlay exceeded depreciation in the current period.			
Capital outlay	\$	18,849,165	
Depreciation (net of internal service funds)		<u>(11,013,866)</u>	7,835,299
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is reported with governmental activities.			2,338,097
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			630,779
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 the governmental funds.			(2,000,503)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.			(45,236,889)
Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			9,982,899
Internal service funds are used by management to charge the costs of certain activities, such as equipment maintenance and vehicle replacement, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.			<u>448,627</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		\$	<u>10,743,747</u>

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas
Statement of Net Position – Proprietary Funds
September 30, 2024

Exhibit C-1

	Business-Type Activities Enterprise Funds			Internal Service Funds
	Water & Wastewater	Nonmajor Enterprise Funds	Total	
ASSETS				
Current assets:				
Deposits and investments	\$ 18,834,621	\$ 1,400,463	\$ 20,235,084	\$ 11,273,464
Receivables:				
Accounts, net	3,654,914	657,277	4,312,191	102,405
Leases	1,035,717	-	1,035,717	-
Accrued interest	58,287	8,376	66,663	29,883
Inventories	553,976	-	553,976	22,375
Total current assets	24,137,515	2,066,116	26,203,631	11,428,127
Noncurrent assets:				
Restricted deposits and investments	14,840,147	-	14,840,147	-
Capital assets, net	129,992,143	4,412,540	134,404,683	9,442,235
Total noncurrent assets	144,832,290	4,412,540	149,244,830	9,442,235
Total assets	168,969,805	6,478,656	175,448,461	20,870,362
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	125,975	873	126,848	-
Deferred outflows related to pensions	713,204	261,880	975,084	509,094
Deferred outflows related to OPEB (RHP & SDBF)	27,134	9,962	37,096	19,367
Total deferred outflows of resources	866,313	272,715	1,139,028	528,461
LIABILITIES				
Current liabilities:				
Accounts payable	5,556,072	791,035	6,347,107	714,791
Accrued liabilities	132,296	87,086	219,382	99,521
Accrued interest payable	156,128	1,207	157,335	-
Financed purchases	-	-	-	336,655
Subscription liabilities	-	-	-	389,526
Customer deposits	731,293	-	731,293	-
Due to other funds	-	351,037	351,037	-
Bonds, compensated absences	4,545,327	395,258	4,940,585	88,903
Total current liabilities	11,121,116	1,625,623	12,746,739	1,629,396
Noncurrent liabilities:				
Bonds, compensated absences	52,158,924	68,394	52,227,318	36,059
Financed purchases	-	-	-	886,808
Subscription liabilities	-	-	-	362,674
Net pension liability	1,711,331	628,378	2,339,709	1,221,570
Total OPEB liability (RHP & SDBF)	324,500	119,153	443,653	231,632
Total noncurrent liabilities	54,194,755	815,925	55,010,680	2,738,743
Total liabilities	65,315,871	2,441,548	67,757,419	4,368,139
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to leased assets	947,228	-	947,228	-
Deferred inflows related to pensions	35,903	13,183	49,086	25,628
Deferred inflows related to OPEB (RHP & SDBF)	80,135	29,425	109,560	57,201
Total deferred inflows of resources	1,063,266	42,608	1,105,874	82,829
NET POSITION				
Net investment in capital assets	86,551,417	4,025,558	90,576,975	9,442,235
Unrestricted	16,905,564	241,657	17,147,221	7,505,620
TOTAL NET POSITION	\$ 103,456,981	\$ 4,267,215	\$ 107,724,196	\$ 16,947,855
Net position of business-type activity internal service funds			2,173,080	
Adjustment to reflect activity between governmental and business-type activities			(595,591)	
Net position of business-type activities			<u>\$ 1,577,489</u>	

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas
Statement of Revenues, Expenses,
and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended September 30, 2024

Exhibit C-2

	Business-Type Activities Enterprise Funds			Internal Service Funds
	Water & Wastewater	Nonmajor Enterprise Funds	Total	
OPERATING REVENUES				
Charges for goods and services	\$ 25,849,822	\$ 6,709,816	\$ 32,559,638	\$ 17,157,219
Penalties and interest	253,024	-	253,024	-
Miscellaneous	157,011	1,273	158,284	44,998
Mineral lease	-	7,181	7,181	-
Total operating revenues	<u>26,259,857</u>	<u>6,718,270</u>	<u>32,978,127</u>	<u>17,202,217</u>
OPERATING EXPENSES				
Water and wastewater services	17,044,165	-	17,044,165	-
Cost of golf operations	-	3,179,415	3,179,415	-
Cost of collecting revenues and other administrative expenses	5,603,404	-	5,603,404	10,623,539
Cost of cemetery operations	-	4,467	4,467	-
Cost of solid waste operations	-	4,268,271	4,268,271	-
Cost of equipment services	-	-	-	4,044,460
Materials, supplies, and cemetery lots	-	19,834	19,834	-
Depreciation	3,220,808	98,287	3,319,095	2,305,032
Total operating expenses	<u>25,868,377</u>	<u>7,570,274</u>	<u>33,438,651</u>	<u>16,973,031</u>
OPERATING INCOME (LOSS)	<u>391,480</u>	<u>(852,004)</u>	<u>(460,524)</u>	<u>229,186</u>
NON-OPERATING REVENUES (EXPENSES)				
Gain (loss) on disposition of capital assets	(642,746)	-	(642,746)	145,626
Investment income	2,143,882	70,778	2,214,660	560,995
Interest and fiscal agent charges	(1,705,999)	(20,622)	(1,726,621)	(38,327)
Total non-operating revenues (expenses)	<u>(204,863)</u>	<u>50,156</u>	<u>(154,707)</u>	<u>668,294</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>186,617</u>	<u>(801,848)</u>	<u>(615,231)</u>	<u>897,480</u>
Transfers in	46,038	1,230,004	1,276,042	-
Transfers out	(1,162,961)	(46,038)	(1,208,999)	-
Impact fees	1,094,689	-	1,094,689	-
Capital contributions	932,404	-	932,404	-
CHANGE IN NET POSITION	<u>1,096,787</u>	<u>382,118</u>	<u>1,478,905</u>	<u>897,480</u>
NET POSITION AT BEGINNING OF YEAR	<u>102,360,194</u>	<u>3,885,097</u>	<u>106,245,291</u>	<u>16,050,375</u>
NET POSITION AT END OF YEAR	<u>\$ 103,456,981</u>	<u>\$ 4,267,215</u>	<u>\$ 107,724,196</u>	<u>\$ 16,947,855</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>448,853</u>	
Change in net position of business-type activities			<u>\$ 1,927,758</u>	

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas
Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended September 30, 2024

Exhibit C-3

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Water & Wastewater	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 25,410,204	\$ 6,444,783	\$ 31,854,987	\$ -
Refunds of customer deposits	(9,455)	-	(9,455)	-
Receipts from interfund services provided	-	-	-	17,065,977
Payments to suppliers and service providers	(13,704,895)	(5,884,624)	(19,589,519)	(11,427,065)
Payments to employees for salaries and benefits	(3,157,770)	(1,415,834)	(4,573,604)	(2,673,581)
Payments to other funds for services provided	(4,100,708)	176,065	(3,924,643)	(5,019)
Other receipts	-	7,181	7,181	44,998
Net cash provided by (used in) by operating activities	4,437,376	(672,429)	3,764,947	3,005,310
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments from other funds	46,038	1,230,004	1,276,042	-
Payments to other funds	(1,162,961)	(46,038)	(1,208,999)	-
Net cash provided by (used in) noncapital financing activities	(1,116,923)	1,183,966	67,043	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Receipts from sale of capital assets	-	-	-	145,626
Principal paid on bonds/subsription liabilities/financed purchases	(8,340,000)	(723,286)	(9,063,286)	(706,210)
Interest payments on bonds/ subsription liabilities	(2,187,925)	(31,269)	(2,219,194)	(38,327)
Proceeds of bond issuance	3,053,461	361,714	3,415,175	-
Impact fees	1,094,689	-	1,094,689	-
Loss on disposition of capital assets	(642,746)	-	(642,746)	-
Acquisition of capital assets	(9,196,106)	(223,330)	(9,419,436)	(2,027,756)
Net cash provided by (used in) capital and related financial activities	(16,218,627)	(616,171)	(16,834,798)	(2,626,667)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	2,113,894	64,500	2,178,394	542,469
Net cash used in investing activities	2,113,894	64,500	2,178,394	542,469
Net increase (decrease) in cash and cash equivalents	(10,784,280)	(40,134)	(10,824,414)	921,112
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR (including restricted deposits and investments of \$22,956,802 in the water and wastewater fund)	44,459,048	1,440,597	45,899,645	10,352,450
CASH AND CASH EQUIVALENTS - END OF YEAR (including restricted deposits and investments of \$14,840,147 in the water and wastewater fund)	\$ 33,674,768	\$ 1,400,463	\$ 35,075,231	\$ 11,273,562

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas
Statement of Cash Flows - Proprietary Funds - Continued
For the Fiscal Year Ended September 30, 2024

Exhibit C-3

	Business-Type Activities Enterprise Funds			Governmental Activities
	Water & Wastewater	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 391,480	\$ (852,004)	\$(460,524)	\$ 229,186
Depreciation	3,220,808	98,287	3,319,095	2,305,032
Change in operating assets and liabilities:				
(Increase) decrease in accounts receivable	(819,391)	(266,306)	(1,085,697)	(91,242)
(Increase) decrease in leases receivable	12,475	-	12,475	-
(Increase) decrease in inventories	(60,014)	-	(60,014)	3,253
(Increase) decrease in deferred outflows related to pension	270,039	69,183	339,222	140,168
(Increase) decrease in deferred outflows related to OPEB	10,893	2,866	13,759	5,764
Increase (decrease) in accounts payable	1,572,374	56,598	1,628,972	361,983
Increase (decrease) in accrued liabilities	13,776	29,781	43,557	31,002
Increase (decrease) in unearned revenue	-	-	-	-
Increase (decrease) in deposits payable	(9,455)	-	(9,455)	-
Increase (decrease) in due to other funds	-	176,065	176,065	(5,019)
Increase (decrease) in compensated absences	32,295	-	32,295	12,785
Increase (decrease) in net pension liability and total OPEB liability	(213,513)	(10,044)	(223,557)	(32,301)
Increase (decrease) in deferred inflows related to leased assets	(42,737)	-	(42,737)	-
Increase (decrease) in deferred inflows related to pension	35,903	13,183	49,086	25,628
Increase (decrease) in deferred inflows related to OPEB	22,443	9,962	32,405	19,071
Net cash provided by (used in) operating activities	4,437,376	(672,429)	3,764,947	3,005,310
Noncash capital and related financing activities:				
Contributions from developers	932,404	-	932,404	-
Total noncash capital and related financing activities	\$ 932,404	\$ -	\$ 932,404	\$ -

The Notes to the Financial Statements are an integral part of this statement.

THE CITY OF
BURLESON
TEXAS

City of Burleson, Texas

Notes to the Financial Statements

Note 1. Summary of Significant Accounting Policies

The City's major operations include public safety, public works, culture, recreation, and community development. In addition, the City owns and operates a water and wastewater system, solid waste system, a golf course, and a cemetery.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of more significant policies.

A. Reporting Entity

The City of Burleson, Texas (the "City") Home Rule Charter was adopted by the voters at an election held on April 5, 1969. The City operates under a Council-Manager form of government. As required by the accounting principles generally accepted in the United States of America, the basic financial statements present the City (primary government) and its component units.

The Burleson Community Service Development Corporation ("BCSDC") was incorporated June 25, 1993 as a nonprofit industrial development corporation under the Development Corporation Act of 1979 ("Act"). The Corporation is organized exclusively for the purposes of benefiting and accomplishing public purposes of, and to act on behalf of, the City, and the specific purposes for which the Corporation is organized. This includes the construction and renovation of municipal buildings and other facilities. Although it is legally separate from the City, the BCSDC is reported as if it were part of the primary government (blended) because its Board of Directors is substantively the same as the City Council. Separate financial statements for the BCSDC are not available.

The Burleson 4A Economic Development Corporation (the "4A Corporation") was incorporated September 28, 2000. The Corporation as organized is to promote and provide for economic development within the City and the State of Texas in order to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the City by developing, implementing, providing, and financing projects under the Act and as defined in Section 4A of the Act. Although it is legally separate from the City, the 4A Corporation is reported as a blended component unit because its Board of Directors is substantively the same as the City Council and the primary government has operational responsibility for the component unit. Separate financial statements for the 4A Corporation are not available.

Tax Increment Finance Reinvestment Zone Number Two (TIF 2) was formed to finance and make public improvements serving only the City, under the authority of the Tax Increment Financing Act. The TIF is governed by a five-member board of directors, of which four members are appointed by the City Council. Although it is legally separate from the City, the TIF is reported as a blended component unit because its Board of Directors is substantively the same as the City Council and the primary government has operational responsibility for the component unit. Separate financial statements for TIF 2 are not available.

B. Basic Financial Statements

The basic financial statements include both government-wide financial statements (based on the City as a whole) and fund financial statements. The focus is on either the City as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements categorize activities as either governmental or business-type activities.

The government-wide Statement of Net Position is, (a) presented for the primary government distinguishing between the governmental and business-type activities columns, and (b) reflected on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. 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 that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

City of Burleson, Texas

Notes to the Financial Statements

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the respective fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is being measured and basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time 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.

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. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures and expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, sales taxes, hotel occupancy taxes and investment income (including unrealized gains and losses) are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred, 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 City.

The City reports the following major governmental funds:

The ***General Fund*** is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The ***Bond-Funded Capital Projects Fund*** is used to account for the acquisition and construction of various capital facilities and is funded by various sales tax revenue and general obligation bonds.

The City reports the following major enterprise fund:

The ***Water/Wastewater Fund*** is used to account for the provision of water and sewer services to residents of the City and certain nonresidents. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Internal Service Funds are used to account for goods and services provided to City departments such as equipment and information technology services, the purchase of vehicles and equipment, and health self-insurance program.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and wastewater fund and various other funds of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various funds concerned.

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

1. Deposits and Investments

Substantially all operating deposits and investments are maintained in pooled deposit and investment accounts. Investment income relating to pooled deposits and investments is allocated to the individual funds primarily based on each fund's pro rata share of the total deposits and investments. For purposes of cash flows, the City considers cash on hand, demand deposits, and investments with original maturities of three months or less to be cash equivalents.

City of Burleson, Texas

Notes to the Financial Statements

Legal provisions generally permit the City to invest in direct obligations of the Federal government, municipal investment pools and interest-bearing deposit accounts. During the year ended September 30, 2024, the City did not own any types of securities other than those permitted by state law.

2. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the noncurrent portion of inter-fund loans). All other outstanding balances between funds are reported as due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

3. Receivables – Property Taxes

All trade and property tax receivables are shown net of an allowance for uncollectible receivables. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectible receivables. The net property tax receivable is comprised of the property tax revenues collected within 60 days after year end. The City believes amounts remaining uncollected at sixty days after year-end are generally uncollectible.

The City's property taxes are levied on October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Assessed values are established at 100% of estimated market value. The assessed value, net of exemptions, upon which the fiscal year 2024 levy was based, was approximately \$6,336,193,311. Property taxes attach as an enforceable lien on property as of January 1. Taxes are due by January 31 following the October 1 levy date and are considered delinquent after January 31 of each year.

General property taxes are limited by the Texas Constitution to \$2.50 per \$100 assessed valuation. The City's Home Rule Charter authorizes assessment, levy, and collection of property taxes: a) at a rate not exceeding \$1.00 per \$100 of assessed valuation for the purpose of paying the general governmental operating costs of the City and b) at a rate sufficient to pay the principal and interest on bonds of the City. The City's combined tax rate for the year ended September 30, 2024 was \$0.6325 per \$100 of assessed valuation.

4. Lease Receivable – Lessor

The City is a lessor for noncancelable leases of property and equipment. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease.

Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

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

5. Inventories

All inventories are valued using the average cost method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

City of Burleson, Texas

Notes to the Financial Statements

6. Prepaid Items

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

7. Restricted Assets

Certain bond proceeds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

8. Capital Assets

Capital assets, which include land, buildings, improvements, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), purchased or acquired, are carried at historical cost, or estimated historical cost if historical cost is not available. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed. A capitalization threshold of \$5,000 is used for all capital assets. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives. Right-to-use assets are amortized over the shorter of the useful life or duration of the lease using the straight-line method.

Buildings	30 - 50 Years
Machinery and equipment	5 - 30 Years
Vehicles	5 - 30 Years
Water and sewer system	50 Years
Improvements other than building	20 Years
Infrastructure	15 - 40 Years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest accrued during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

9. Compensated Absences

Vacation and sick leave are granted to City employees in varying amounts. The City accrues vacation benefits as they are earned. In the event of termination, an employee is reimbursed for accumulated unused vacation days if the employee has at least six months service. The City's policy regarding unused sick leave allows terminated employees with at least five years of service to receive reimbursement of accumulated unused sick leave.

10. Leases Payable - Lessee

The City is a lessee for noncancelable leases of equipment. The City recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset, reported with other capital assets, in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

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

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease.
- Lease payments included in the measurement of the liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

City of Burleson, Texas

Notes to the Financial Statements

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

11. Subscription-Based Information Technology Arrangements (SBITAs)

The City has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide and proprietary fund financial statements. The City recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

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

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

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

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

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 Post-Employment Benefits

TMRS Supplemental Death Benefits Fund. The City participates in the Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF), which is an optional single employer defined benefit life insurance plan that is administered by TMRS. It provides death benefits to active and, if elected, retired employees of participating employers. For purposes of measuring the total TMRS SDBF OPEB liability, related deferred outflows and inflows of resources, and expense, City specific information about its total TMRS SDBF liability and additions to/deductions from the City's total TMRS SDBF liability have been determined on the same basis as they are reported by TMRS. The TMRS SDBF expense and deferred (inflows)/outflows of resources related to TMRS SDBF, primarily result from changes in the components of the total TMRS SDBF liability. Most changes in the total TMRS SDBF liability will be included in TMRS SDBF expense in the period of the change. For example, changes in the total TMRS SDBF liability resulting from current-period service cost, interest on the TOL, and changes of benefit terms are required to be included in TMRS SDBF expense immediately. Changes in the total TMRS SDBF liability that have not been included in TMRS SDBF expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to TMRS SDBF.

City of Burleson, Texas

Notes to the Financial Statements

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

14. Deferred Outflows/Inflows of Resources

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

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

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 represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following types of items that qualify for reporting in this category.

- Pension and OPEB changes in actuarial assumptions and other inputs – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- OPEB difference in expected and actual economic experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available

15. Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. 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 applied.

It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

16. Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). 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 applied. It is the City'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.

City of Burleson, Texas

Notes to the Financial Statements

17. 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 City 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 City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the City Manager to assign fund balance. The City 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.

It is the goal of the City that unassigned fund balance of the General Fund should be at least 20% of General Fund annual expenditures. This percentage is the equivalent of 73 days of expenditures. To adhere to the principles of matching current revenues with current expenditures and minimizing property taxes, the City will take action to reduce the fund balance if the unassigned fund balance grows beyond 90 days of expenditures. At September 30, 2024, the General Fund unassigned fund balance equated to 128 days of expenditures.

E. 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. Proprietary Funds Operating And Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary fund's principal ongoing operations. The principal operating revenues of enterprise funds and internal service funds are charges to customers for sales and services.

Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

F. Budgetary Information

Budget Policy – Prior to September 1, the City Manager submits to the City council a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them. The proposed budget and all supporting schedules are filed with the City Secretary when submitted to the City Council. Public hearings are conducted to obtain taxpayer comments. Prior to September 30, the budget is adopted by affirmative vote of a majority of the members of the City Council.

Annual operating budgets are prepared on a budgetary basis for the General Fund, Debt Service funds and all special revenue funds except for the Grants Fund, COVID Relief Grants Fund, and Other Special Revenue Funds. Budgetary data for capital projects funds is budgeted over the life of the respective project and not on an annual basis.

Budgetary Data – Budget amounts presented in the required supplementary information reflect the original budget and the amended budget, which has been adjusted for legally authorized revisions to the annual budget during the year. Appropriations, except remaining project appropriations and encumbrances, lapse at the end of each fiscal year.

City of Burleson, Texas

Notes to the Financial Statements

G. Accounting Pronouncements

The Government Accounting Standards Board (GASB) pronouncements effective in fiscal years 2024 and beyond are listed below:

GASB Statement No. 99, Omnibus 2022 (GASB 99), enhances comparability in accounting and financial reporting and improves consistency of authoritative literature by addressing 1) practice issues that have been identified during implementation and application of certain GASB statements and 2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases were implemented in the City's fiscal year 2022 financial statements in conjunction with GASB 87. The requirements related to PPPs and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. These requirements for GASB 99 were implemented in the City's fiscal year 2023 financial statements in conjunction with GASB 94 and GASB 96. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. These requirements for GASB 99 were implemented in the City's fiscal year 2024 financial statements with no impact to amounts previously reported.

GASB Statement No. 100, Accounting Changes and Error Corrections (GASB 100), enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement 1) defines accounting changes and corrections of errors; 2) prescribes the accounting and financial reporting for each type of accounting change and error corrections; and 3) clarifies required note disclosures. The requirements of this statement are effective for reporting periods beginning after June 15, 2023, with earlier application encouraged. GASB 100 was implemented in the City's fiscal year 2024 financial statements with no impact to amounts previously reported.

GASB Statement No. 101, Compensated Absences (GASB 101), improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged. GASB 101 will be implemented in the City's fiscal year 2025 financial statements and the impact has not yet been determined.

GASB Statement No. 102, Certain Risk Disclosures (GASB 102), improves financial reporting by providing users of financial statements with essential information regarding certain concentrations of constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The requirements of this statement are effective for reporting periods beginning after June 15, 2024, with earlier application encouraged. GASB 102 will be implemented in the City's fiscal year 2025 financial statements and the impact has not yet been determined.

GASB Statement No. 103, Financial Reporting Model Improvements (GASB 103), improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 103 will be implemented in the City's fiscal year 2026 financial statements and the impact has not yet been determined.

GASB Statement No. 104, Disclosure of Certain Capital Assets (GASB 104), establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 104 will be implemented in the City's fiscal year 2026 financial statements and the impact has not yet been determined.

City of Burleson, Texas

Notes to the Financial Statements

H. Oil and Gas Royalties

The City receives royalties related to various oil and gas leases for which the City acts as lessor. The royalties are generally payable to the City when production begins at the lease site, and revenue is recognized at the time the royalty is earned and considered measurable and available if received within 60 days of year-end.

Note 2. Cash and Investments

A. Cash Deposits with Financial Institutions

State statutes authorize the City's cash to be deposited in demand deposits, time deposits, or certificates of deposit, and require that all deposits be fully collateralized or insured.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The City's policy requires that all deposits with financial institutions must be collateralized to the extent not protected by FDIC insurance.

At September 30, 2024, the carrying amount of the City's deposits was \$88,228,639. The bank balances were entirely covered either by Federal Depository Insurance or by collateral held by the City's agent in the City's name.

B. Investments

In accordance with the Texas Public Funds Investment Act (PFIA) and the City's investment policy, the City invests in:

- a. Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks.
- b. Direct obligations of the State of Texas or its agencies and instrumentalities.
- c. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States.
- d. Obligations of states, agencies, counties, cities, and other political subdivisions of the State of Texas rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.
- e. Financial institution deposits that, are issued by a state or national bank that a) has its main office or a branch office in Texas and is guaranteed or insured by the FDIC or its successor, b) is secured by obligations in a manner and amount provided by law and this Investment Policy for deposits of the City, or c) is placed in a manner that meets the requirements of the PFIA.
- f. Fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies and instrumentalities. These shall be pledged to the City, held in the City's account, and deposited at the time the investment is made with the City or with a third party selected and approved by the City. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. A Repurchase Agreement must be signed by the counter-party prior to investment in a repurchase agreement. All repurchase agreement transactions must have a market value of purchased securities greater than or equal to 102 percent of the total balance of the agreement.
- g. Money Market Mutual funds that: (1) are registered and regulated by the Securities and Exchange Commission, (2) seek to maintain a net asset value of \$1.0000 per share, and (3) are rated AAA by at least one nationally recognized rating service.

City of Burleson, Texas
Notes to the Financial Statements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles, which provides a framework for measuring fair value by establishing a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

As of September 30, 2024, the City had the following cash and investments:

	September 30, 2024	(Level 1)	(Level 2)	(Level 3)	Percent of Total Investment Portfolio	Weighted Average Maturity (Days)*
Cash	\$ 18,560,879	\$ -	\$ -	\$ -	N/A	N/A
Investments measured at net asset value/amortized cost per share:						
Investment pools:						
TexPool	4,861,555	-	-	-	3.5%	31
LOGIC	49,875,382	-	-	-	35.7%	73
Investments by fair value level:						
Certificates of Deposit	69,682,564	69,682,564	-	-	49.9%	243
U.S. Agency Securities	10,171,167	10,171,167	-	-	7.3%	591
U.S. Treasury Bonds	5,055,078	5,055,078	-	-	3.6%	396
Total investments	139,645,746	84,908,809	-	-		
Total cash and investments	\$ 158,206,625	\$ 84,908,809	\$ -	\$ -		

* Portfolio weighted average maturity (days) = 206

Investment Pools

Investment pools are not categorized as to investment risk since specific securities relating to the City cannot be identified. Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accountants. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool. TexPool investment pools are measured at amortized cost.

Under the LOGIC Participation Agreement, administrative and investment services to LOGIC are provided by Hilltop Securities, Inc. and JP Morgan Asset Management, Inc. as co-administrators. The administrators settle all trades for LOGIC and secure and value its assets every day. The fair value of the City’s position in these pools is the same as the value of the pool shares. LOGIC investment pool is measured at net asset value.

The City’s investment pools each have a redemption notice period of one day and may redeem daily. The investment pools’ authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool’s liquidity.

City of Burleson, Texas

Notes to the Financial Statements

Investment income includes realized and unrealized gains and losses on investments during the fiscal year. The calculation of realized gains and losses is independent of the calculation of the change in fair value of investments. Realized gains and losses of the current year include the cumulative effects of unrealized gains and losses incurred in prior years as a result of changes in fair value. For the fiscal year ended September 30, 2024, net investment income includes \$6,321,256 in realized gains resulting from the City's sale and/or redemption of its investments and \$613,732 in unrealized losses resulting from non-cash, temporary changes in fair value that are expected to smooth out over the long term life of the investments.

Credit Risk and Concentration of Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized rating agency.

The City will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, and concentration risk, the risk of loss attributed to the magnitude of investment in a single issuer, by limiting investments to the safest types of issuers, pre-qualifying the financial institutions and brokers/dealers with which the City will do business, and diversifying the investment portfolio so that potential losses on individual issuers will be minimized, as appropriate.

Local government investment pools in Texas are required to be rated AAA or equivalent by at least one nationally recognized securities rating organization. As of September 30, 2024, the City's investments in investment pools were all rated AAAM by Standard & Poor's.

Interest Rate Risk

The City will manage the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates. The City will structure the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity; invest funds primarily in certificates of deposit, shorter term securities, financial institution deposits, or money market mutual funds and local government investment pools whose investment objectives include maintaining a stable \$1.00 net share value; and diversify maturities and stagger purchase dates to minimize the impact of market movements over time.

Safekeeping and Custodial Agreements

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as part of its investment portfolio or held as collateral to secure demand or time deposits. Securities owned by the City shall be held in the City's account as evidenced by safekeeping receipts of the institution holding the securities. The City shall approve all third party custodians for the holding of securities pledged to the City as collateral to secure financial institution deposits.

Collateral Policy

The City has established a collateral policy in compliance with Government Code Chapter 2257, Public Funds Collateral Act. Deposits secured with irrevocable letters of credit shall have 100% of principal plus anticipated interest of the deposit, less any amount insured by the FDIC. Deposits secured with pledged marketable securities shall have a market value 13 equal to or greater than 102% of the principal plus accrued interest of the deposit, less any amount insured by the FDIC. All deposits shall be insured or collateralized in compliance with applicable State law. The City reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards financial institution deposits. Financial institutions serving as City Depositories will be required to sign a depository agreement with the City. The collateralized deposit portion of the agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing, and shall establish a perfected security interest in compliance with Federal and State regulations, including: the agreement must be in writing, the agreement has to be executed by the Depository and City contemporaneously with the acquisition of the asset, the agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to the City, and the agreement must be part of the Depository's "official record" continuously since its execution.

City of Burleson, Texas
Notes to the Financial Statements

Note 3. Receivables and Deferred Inflows of Resources

Receivables as of September 30, 2024 for the City’s individual major funds, and nonmajor funds in the aggregate, including the applicable allowances for uncollectible amounts, are as follows:

	Governmental Funds			
	General	Bond Funded Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
Receivables:				
Taxes	\$ 541,094	\$ -	\$ 377,250	\$ 918,344
Accounts	1,720,974	-	63,906	1,784,880
Leases	1,814,185	-	191,360	2,005,545
Intergovernmental	2,534,320	-	2,509,200	5,043,520
Interest	50,858	55,247	111,410	217,515
Gross receivables	<u>6,661,431</u>	<u>55,247</u>	<u>3,253,126</u>	<u>9,969,804</u>
Less: allowance for uncollectibles	<u>(127,899)</u>	<u>-</u>	<u>(65,053)</u>	<u>(192,952)</u>
Net total receivables	<u>\$ 6,533,532</u>	<u>\$ 55,247</u>	<u>\$ 3,188,073</u>	<u>\$ 9,776,852</u>
Deferred inflows of resources:				
Mowing liens	\$ 56,135	\$ -	\$ -	\$ 56,135
Hotel occupancy taxes	-	-	40,042	40,042
Leases	1,766,086	-	179,685	1,945,771
Property taxes	405,730	-	168,634	574,364
Franchise fees	537,023	-	-	537,023
Total deferred inflows	<u>\$ 2,764,974</u>	<u>\$ -</u>	<u>\$ 388,361</u>	<u>\$ 3,153,335</u>
	Enterprise Funds			
	Water and Wastewater	Other Non-major	Enterprise Funds Total	Internal Service Funds
Receivables:				
Accounts	\$ 2,375,720	\$ 457,838	\$ 2,833,558	\$ 102,405
Unbilled	1,360,479	210,780	1,571,259	-
Leases	1,035,717	-	1,035,717	-
Interest	58,287	8,376	66,663	29,883
Gross receivables	<u>4,830,203</u>	<u>676,994</u>	<u>5,507,197</u>	<u>132,288</u>
Less: allowance for uncollectibles	<u>(81,285)</u>	<u>(11,341)</u>	<u>(92,626)</u>	<u>-</u>
Net total receivables	<u>\$ 4,748,918</u>	<u>\$ 665,653</u>	<u>\$ 5,414,571</u>	<u>\$ 132,288</u>

City of Burleson, Texas
Notes to the Financial Statements

Leases Receivable

The City has entered into multiple lease agreements as lessor. The leases allow the right-to-use of land, buildings, and infrastructure to other organizations over the term of the lease. The City receives annual and monthly payments at the interest rate stated or implied within the leases. The interest rates for these leases is 3.5%. As of September 30, 2024, the City has \$1,814,185 remaining in lease receivables and \$1,766,086 remaining in deferred inflows recorded in the General Fund, \$191,360 remaining in lease receivables and \$179,685 remaining in deferred inflows recorded in the Nonmajor Governmental Funds, and \$1,035,717 remaining in lease receivables and \$947,228 remaining in deferred inflows recorded in the Water and Wastewater Fund.

As of September 30, 2024, expectation of lease receipts through the expiration of all leases is as follows:

<u>Fiscal Year Ending</u>	<u>Lease Principal</u>	<u>Lease Interest</u>	<u>Totals</u>
2025	\$ 49,068	\$ 67,176	\$ 116,244
2026	56,915	66,155	123,070
2027	63,255	64,157	127,412
2028	70,004	61,936	131,940
2029	78,397	59,464	137,861
2030-2034	506,113	250,342	756,455
2035-2039	682,374	152,367	834,741
2040-2042	<u>499,419</u>	<u>27,733</u>	<u>527,152</u>
Total governmental activities	<u>\$ 2,005,545</u>	<u>\$ 749,330</u>	<u>\$ 2,754,875</u>

<u>Fiscal Year Ending</u>	<u>Lease Principal</u>	<u>Lease Interest</u>	<u>Totals</u>
2025	\$ 14,412	\$ 36,025	\$ 50,437
2026	16,462	35,488	51,950
2027	18,631	34,878	53,509
2028	20,924	34,189	55,113
2029	23,349	33,418	56,767
2030-2034	158,118	152,307	310,425
2035-2039	242,140	117,728	359,868
2040-2044	262,196	68,944	331,140
2045-2049	177,661	34,534	212,195
2050-2052	<u>101,824</u>	<u>4,253</u>	<u>106,077</u>
Total business-type activities	<u>\$ 1,035,717</u>	<u>\$ 551,764</u>	<u>\$ 1,587,481</u>

City of Burleson, Texas
Notes to the Financial Statements

Note 4. Capital Assets

Capital asset activity for the year ended September 30, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated or amortized:					
Land	\$ 50,421,718	\$ -	\$ (715,205)	\$ -	\$ 49,706,513
Construction in progress	29,056,035	14,533,793	-	(13,230,708)	30,359,120
Historical/Artwork collections	45,000	-	-	-	45,000
Total capital assets not being depreciated or amortized	79,522,753	14,533,793	(715,205)	(13,230,708)	80,110,633
Capital assets being depreciated or amortized:					
Buildings and improvements	112,837,441	2,083,409	-	10,738,830	125,659,680
Infrastructure	203,000,426	3,133,480	-	2,491,878	208,625,784
Right-to-use lease assets	631,520	-	-	-	631,520
Right-to-use subscription assets	2,279,880	518,490	-	-	2,798,370
Machinery and equipment	34,431,013	4,057,564	-	-	38,488,577
Total capital assets being depreciated or amortized	353,180,280	9,792,943	-	13,230,708	376,203,931
Less accumulated depreciation/amortization for:					
Buildings	(34,205,217)	(3,526,933)	-	-	(37,732,150)
Infrastructure	(86,641,181)	(6,000,099)	-	-	(92,641,280)
Right-to-use lease assets	(284,184)	(23,116)	-	-	(307,300)
Right-to-use subscription assets	(245,264)	(302,144)	-	-	(547,408)
Machinery and equipment	(23,670,119)	(3,140,872)	-	-	(26,810,991)
Total accumulated depreciation/amortization	(145,045,965)	(12,993,164)	-	-	(158,039,129)
Total capital assets being depreciated or amortized, net	208,134,315	(3,200,221)	-	13,230,708	218,164,802
Governmental activities capital assets, net	\$ 287,657,068	\$ 11,333,572	\$ (715,205)	\$ -	\$ 298,275,435
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 5,949,176	\$ -	\$ (1,573)	\$ -	\$ 5,947,603
Construction in progress	14,246,068	9,792,596	-	(3,922,234)	20,116,430
Total capital assets not being depreciated	20,195,244	9,792,596	(1,573)	(3,922,234)	26,064,033
Capital assets being depreciated:					
Water systems	79,291,693	143,550	-	875,554	80,310,797
Wastewater systems	65,365,855	788,854	-	1,901,197	68,055,906
Infrastructure	30,524	-	-	-	30,524
Buildings and improvements	7,949,999	155,219	(832,692)	1,145,483	8,418,009
Machinery and equipment	4,210,554	1,341,095	(244,291)	-	5,307,358
Intangible assets	3,047,865	-	-	-	3,047,865
Total capital assets being depreciated	159,896,490	2,428,718	(1,076,983)	3,922,234	165,170,459
Less accumulated depreciation for:					
Water systems	(24,039,379)	(1,704,406)	-	-	(25,743,785)
Wastewater systems	(18,278,249)	(1,364,192)	-	-	(19,642,441)
Infrastructure	(30,524)	-	-	-	(30,524)
Buildings and improvements	(4,563,912)	(98,218)	191,519	-	(4,470,611)
Machinery and equipment	(3,299,867)	(419,674)	244,291	-	(3,475,250)
Intangible assets	(1,730,523)	(58,339)	-	-	(1,788,862)
Total accumulated depreciation	(51,942,454)	(3,644,829)	435,810	-	(55,151,473)
Total capital assets being depreciated, net	107,954,036	(1,216,111)	(641,173)	3,922,234	110,018,986
Business-type activities capital assets, net	\$ 128,149,280	\$ 8,576,485	\$ (642,746)	\$ -	\$ 136,083,019

Because the City maintains an internal service fund solely for the purpose of servicing business-type activities of the City, capital assets in this schedule are not equal to those reported in the statement of net position for proprietary funds. The net value of capital assets in the Proprietary Vehicle Replacement fund is \$1,678,336 and is included in the above schedule.

City of Burleson, Texas
Notes to the Financial Statements

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental activities:		
General government	\$	2,143,695
Public safety		1,978,189
Public works, which includes the depreciation of general infrastructure assets		6,906,925
Parks and recreation		<u>1,964,355</u>
Total governmental activities depreciation and amortization		<u><u>12,993,164</u></u>
Business-type activities:		
Water and wastewater		3,220,808
Golf course		58,818
Solid waste disposal and collection		207
Cemetery		39,262
Vehicle replacement fund		<u>325,734</u>
Total business-type activities depreciation	\$	<u><u>3,644,829</u></u>

Note 5. Lease Liabilities

The City has entered into a lease agreement as a lessee. The leases allow the right-to-use assets over the term of the lease. The City is required to make payments at its incremental borrowing rate or the interest rate stated or implied within the leases. The lease rate, term and ending lease liability are as follows:

	<u>Interest Rate</u>	<u>Liability at Commencement</u>	<u>Lease Term in Years</u>	<u>Ending Balance September 30, 2024</u>
Machinery and equipment	3.46%	\$ 465,427	2023-2028	<u>\$ 279,435</u>
Total governmental activities				<u><u>\$ 279,435</u></u>

The future principal and interest lease payments as of fiscal year end are as follows:

<u>Fiscal Year Ending</u>	<u>Lease Principal</u>	<u>Lease Interest</u>	<u>Totals</u>
2025	\$ 66,336	\$ 9,668	\$ 76,004
2026	68,631	7,373	76,004
2027	71,006	4,999	76,005
2028	<u>73,462</u>	<u>2,542</u>	<u>76,004</u>
Total governmental activities	<u>\$ 279,435</u>	<u>\$ 24,582</u>	<u>\$ 304,017</u>

The value of the right-to-use leased assets as of the end of the current fiscal year was \$631,520 and had accumulated amortization of \$307,300.

City of Burleson, Texas
Notes to the Financial Statements

Note 6. Interfund Balances and Transactions

A. Interfund Receivables/Payables

The composition of interfund balances as of September 30, 2024, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Total</u>
Nonmajor Governmental	Nonmajor Enterprise	<u>\$ 351,037</u>
Total		<u>\$ 351,037</u>

The outstanding balances between funds result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund receivables/payables are recorded between the governmental activities and business type activities in the government wide statement of net position resulting from allocation of interfund charges.

B. Interfund Transfers

Interfund transfers during the year ended September 30, 2024, were as follows:

<u>Transfers Out:</u>	<u>Transfers in:</u>	<u>Amount</u>
General Fund	Nonmajor Governmental	\$ 600,000
Water & Wastewater	General Fund	1,162,961
Nonmajor Governmental	Nonmajor Enterprise	1,230,004
Nonmajor Governmental	Nonmajor Governmental	9,123,629
Nonmajor Enterprise	Water & Wastewater	46,038
Bond Funded Capital Projects	Nonmajor Governmental	<u>449,374</u>
Total		<u>\$ 12,162,632</u>

Transfers are used to (1) move revenues collected in the special revenue funds to finance various programs in accordance with budgetary authorizations, (2) move receipts restricted for debt service from the funds collecting the receipts to a debt service fund as debt service payments become due, (3) transfer additional funds to the golf course, (4) pay the water and solid waste utilities' payments in lieu of taxes, (5) transfer excess fund balance from internal service funds to the general fund, (6) and transfer fund balance from special revenue funds to capital projects funds for land purchase. In the government-wide financial statements, interfund transfers are eliminated within the governmental activities column and business-type column, as appropriate.

C. Cost Reimbursements

The cost of the City's central general and administrative services is allocated to the designated special revenue and enterprise funds. These costs are reported as interfund services provided and used rather than interfund transactions and are treated as revenues in the General fund and expenses (expenditures) in the other funds. Interfund services provided and used are "arms-length" transactions between departments or funds that would be treated as revenues, expenditures, or expenses if they were with an external organization. The distinguishing aspects of interfund services provided and used are that each department or fund both gives and receives consideration.

City of Burleson, Texas
Notes to the Financial Statements

Significant cost reimbursements made to the General Fund during the year were as follows:

Fund	Amount
Water and Wastewater	\$ 1,275,127
Nonmajor Governmental	1,082,311
Nonmajor Enterprise	332,250
Internal Service Fund	984,835
<hr/>	
Total	<u>\$ 3,674,523</u>

D. Franchise Fees

The City’s enterprise funds, which use the public rights-of-way, pay franchise fees to the General Fund as if they were organizations separate from the City. These fees are not taxes but are compensation to the City for the use of the City’s streets and public rights-of-way. These payments are reported as interfund services provided and used rather than interfund transactions and are treated as revenue (reported as franchise fees) in the General Fund and expenses in the enterprise funds. Such fees paid during the year were:

Fund	Amount
Water and Wastewater	\$ 1,016,215
Solid Waste	332,658
<hr/>	
Total	<u>\$ 1,348,873</u>

E. Payments in Lieu of Property Taxes

For fiscal year 2024, the Water and Wastewater fund made a \$1,162,961 payment in lieu of property taxes to the General Fund.

Note 7. Long Term Debt and Obligations

The City issues general obligation bonds and certificates of obligation for the purpose of providing funds for the acquisition and construction of major capital facilities. General obligation bonds and certificates of obligation are issued for both governmental activities and business-type activities and are direct obligations issued on a pledge of the general taxing power for payment of the debt obligations of the City.

In the current year, the City issued Series 2024 Combination Tax and Limited Surplus Revenue Certificates of Obligation in the amount of \$36,535,000. The bonds carry interest rates ranging from 4% to 5% and the proceeds will be used for (i) constructing, improving, and equipping streets, including related sidewalks, landscaping, streetscaping, utility line relocations, drainage, public mobility infrastructure improvements, including traffic lighting and signalization, parking, median improvements, and the acquisition of land, interests in land, and rights-of-way therefore; (ii) constructing, renovating and equipping improvements for the City’s drainage system and the City’s water and sewer system, and the acquisition of land, interests in land, and rights-of-way therefore; (iii) constructing, improving, and equipping public safety facilities in the City, consisting of fire stations and police stations, and the acquisition of land, interests in land, and rights-of-way therefore; (iv) acquiring, constructing, renovating, improving, installing and equipping park and recreational improvements, and the acquisition of land, interests in land, and rights-of-way therefore; and (v) paying the legal, fiscal, design and engineering fees in connection with such projects and the Certificates.

City of Burleson, Texas
Notes to the Financial Statements

In the current year, the City issued Series 2024 General Obligation Refunding and Improvement Bonds in the amount of \$18,150,004. The bonds carry interest rates ranging from 4% to 5%. The proceeds were used to advance refund \$7,130,000 of Series 2014 General Obligation Refunding and Improvement Bonds and \$6,135,000 of Series 2014 Combination Tax and Limited Surplus Revenue Certificates of Obligation. \$13,267,278 was deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, a portion of the refunded debt is considered defeased and the liability has been removed from the statement of net position. The advance refunding reduced the City's total debt service payments by \$1,071,502 and resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$903,226.

Water and sewer revenue bonds are issued for the purpose of financing the acquisition and construction of major capital improvements for the water and sewer system and related facilities secured by a pledge of the net revenues of the water and sewer system.

Long-term debt transactions, including current portion, for the year ended September 30, 2024, are summarized as follows:

	Beginning Balance	Increased	Refunded/ Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation bonds	\$ 46,036,714	\$ 14,735,232	\$ 12,871,714	\$ 47,900,232	\$ 6,865,523
Certificates of obligation	65,405,000	36,535,000	5,840,000	96,100,000	2,860,000
Compensated absences	7,855,283	4,283,728	3,704,397	8,434,614	3,812,343
Lease liabilities	343,553	-	64,118	279,435	66,336
Financed purchases	-	1,560,004	336,541	1,223,463	336,655
Subscription liabilities	1,058,729	63,140	369,669	752,200	389,526
Premium on debt	6,005,511	3,538,424	1,454,535	8,089,400	-
Governmental activities long-term debt	\$ 126,704,790	\$ 60,715,528	\$ 24,640,974	\$ 162,779,344	\$ 14,330,383
Business-type activities:					
General Obligation bonds	\$ 11,323,286	\$ 3,414,768	\$ 3,468,286	\$ 11,269,768	\$ 2,385,000
Certificates of obligation	46,540,000	-	5,595,000	40,945,000	2,090,000
Water & sewer revenue bonds	2,285,000	-	220,000	2,065,000	225,000
Compensated absences	312,096	346,868	333,367	325,597	240,585
Premium on debt	2,860,670	259,450	557,582	2,562,538	-
Business-type activities long-term debt	\$ 63,321,052	\$ 4,021,086	\$ 10,174,235	\$ 57,167,903	\$ 4,940,585

Premium on debt is amortized over the life of the debt using the effective interest method.

The City's direct borrowings (lease liabilities and subscription liabilities) related to governmental activities are secured with equipment as collateral.

The City's outstanding certificates of obligations related to governmental and business-type activities are secured with property tax revenue.

The revenue bonds are collateralized by the revenue of the combined utility system and the various special funds established by the bond ordinances. The ordinances provide that the revenue of the system is to be used, first, to pay operating and maintenance expenses of the system and, second, to establish and maintain the revenue bond funds. Should the City default on these bonds, any registered owner of the certificates is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring specific performance from the City.

City of Burleson, Texas
Notes to the Financial Statements

Bonds payable at September 30, 2024, is comprised of the following individual issues:

	Interest Rate %	Issue Date	Maturity Date	Original Issue	Amount Outstanding
Governmental Activities:					
General obligation bonds:					
2012 Series	2.00 - 4.00	5/16/2012	5/16/2032	\$ 5,040,000	\$ 1,840,000
2015 Series	1.00 - 5.00	4/20/2015	3/1/2035	12,150,000	4,390,000
2016 Series	2.00 - 5.00	6/6/2016	3/1/2036	25,135,000	12,655,000
2017 Series	2.50 - 4.00	7/17/2017	3/1/2037	2,155,000	1,575,000
2020 Series	5.00	8/19/2020	3/1/2030	4,445,000	2,690,000
2022 Series	4.00 - 5.00	9/15/2022	3/1/2042	1,365,000	1,275,000
2023 Series	4.00 - 5.00	9/20/2023	3/1/2043	9,030,000	8,740,000
2024 Series	4.00 - 5.00	8/19/2024	3/1/2044	14,735,232	14,735,232
Total general obligation bonds				<u>74,055,232</u>	<u>47,900,232</u>
Certificates of obligation:					
2013 Tax and Revenue	2.00 - 3.00	5/1/2013	3/1/2033	4,620,000	2,360,000
2015 Tax and Revenue	1.00 - 5.00	4/20/2015	3/1/2035	6,565,000	4,305,000
2016 Tax and Revenue	2.00 - 5.00	6/6/2016	3/1/2036	3,855,000	2,665,000
2017 Tax and Revenue	2.50 - 4.00	7/17/2017	3/1/2037	2,810,000	2,030,000
2018 Tax and Revenue	3.50 - 4.00	5/16/2018	3/1/2038	13,745,000	10,725,000
2019 Tax and Revenue	3.00 - 5.00	5/6/2019	3/1/2039	7,415,000	6,200,000
2020 Tax and Revenue	2.00 - 5.00	8/19/2020	3/1/2040	3,560,000	2,975,000
2022 Tax and Revenue	4.00 - 5.00	9/15/2022	3/1/2042	6,730,000	6,300,000
2023 Tax and Revenue	4.00 - 5.00	9/20/2023	3/1/2043	22,740,000	22,005,000
2024 Tax and Revenue	4.00 - 5.00	8/19/2024	3/1/2044	36,535,000	36,535,000
Total certificates of obligation				<u>108,575,000</u>	<u>96,100,000</u>
Total governmental activities				<u>182,630,232</u>	<u>144,000,232</u>
Business-type Activities					
General obligation bonds:					
2015 Water & Sewer Refunding	1.00 - 5.00	4/20/2015	3/1/2035	10,730,000	2,400,000
2016 Water & Sewer Refunding	2.00 - 5.00	6/6/2016	3/1/2036	4,435,000	1,140,000
2021 Water & Sewer Refunding	0.96	7/21/2021	3/1/2031	8,345,000	4,315,000
2024 General Obligation Refunding	4.00 - 5.00	8/19/2024	3/1/2044	3,414,768	3,414,768
Total general obligation bonds				<u>26,924,768</u>	<u>11,269,768</u>
Certificates of obligation:					
2013 Tax and Revenue	2.00 - 3.00	5/1/2013	3/1/2033	2,160,000	1,100,000
2015 Tax and Revenue	1.00 - 5.00	4/20/2015	3/1/2035	4,855,000	3,175,000
2016 Tax and Revenue	2.00 - 5.00	6/6/2016	3/1/2036	5,750,000	3,975,000
2017 Tax and Revenue	2.50 - 4.00	7/17/2017	3/1/2037	7,400,000	5,360,000
2018 Tax and Revenue	3.50 - 4.00	5/16/2018	3/1/2038	8,135,000	6,345,000
2019 Tax and Revenue	3.00 - 5.00	5/6/2019	3/1/2038	4,470,000	3,735,000
2020 Tax and Revenue	2.00 - 5.00	8/19/2020	3/1/2040	4,090,000	3,555,000
2022 Tax and Revenue	4.00 - 5.00	9/15/2022	3/1/2042	5,610,000	5,250,000
2022 Tax and Revenue	4.00 - 5.00	9/20/2023	3/1/2043	8,735,000	8,450,000
Total certificates of obligation				<u>51,205,000</u>	<u>40,945,000</u>
Water and sewer revenue bonds					
2012 Improvement	2.00 - 4.00	4/15/2012	3/1/2032	4,300,000	2,065,000
Total water and sewer revenue bonds				<u>4,300,000</u>	<u>2,065,000</u>
Total business-type activities				<u>\$ 82,429,768</u>	<u>\$ 54,279,768</u>

City of Burleson, Texas
Notes to the Financial Statements

The annual requirements to amortize all debt outstanding as of September 20, 2024, are as follows:

Governmental Activities							
Year Ending September 30,	General Obligation	GO Interest	Certificate of Obligation	CO Interest			
2025	\$ 6,865,523	\$ 2,024,222	\$ 7,850,000	\$ 4,036,524			
2026	5,509,606	1,773,065	4,030,000	3,861,744			
2027	5,167,486	1,508,087	4,200,000	3,665,353			
2028	4,829,523	1,261,811	4,405,000	3,456,506			
2029	2,549,285	1,084,828	4,600,000	3,249,025			
2030-2034	12,228,809	3,707,476	25,640,000	12,784,378			
2035-2039	5,950,000	1,594,181	26,025,000	6,814,109			
2040-2044	4,800,000	442,306	19,350,000	1,803,425			
Total	\$ 47,900,232	\$ 13,395,976	\$ 96,100,000	\$ 39,671,064			

Business-Type Activities							
Year Ending September 30,	General Obligation	GO Interest	Certificate of Obligation	CO Interest	Water and Wastewater Revenue Bonds	Water and Wastewater Interest	
2025	\$ 2,994,477	\$ 322,846	\$ 2,090,000	\$ 1,594,694	\$ 225,000	\$ 76,975	
2026	2,190,394	239,622	2,190,000	1,500,144	235,000	68,900	
2027	1,717,514	174,346	2,285,000	1,403,372	240,000	59,400	
2028	1,020,477	129,935	2,385,000	1,302,263	250,000	49,600	
2029	730,715	103,830	2,475,000	1,201,988	260,000	39,400	
2030-2034	2,616,191	231,771	13,860,000	4,414,853	855,000	52,100	
2035-2039	-	-	11,705,000	1,756,997	-	-	
2040-2044	-	-	3,955,000	282,200	-	-	
Total	\$ 11,269,768	\$ 1,202,350	\$ 40,945,000	\$ 13,456,511	\$ 2,065,000	\$ 346,375	

The ordinances authorizing the issuance of Water and Sewer serial bonds created the revenue bond debt service and retirement funds. The gross revenues of the waterworks system, after deduction of reasonable expenses of operation and maintenance, are pledged to such funds in amounts equal to the total annual principal and interest requirements of the bonds and amounts required to maintain the revenue bond and emergency funds. At September 30, 2024, the minimum amount required by the ordinances for the revenue bond debt service and retirement funds had been accumulated.

The revenue bond ordinances also require that the City charge for services sufficient to produce net revenues, as defined, in an amount not less than 1.25 times the average annual principal and interest requirement. At September 30, 2024, this requirement had been met.

The ordinance authorizing the issuance of General Obligation Bonds created the Debt Service Fund. All taxes levied and collected for an on account of said bonds are pledged to the Debt Service Fund in amounts authorized by the City Council, but never less than annual maturing interest and principal requirements with the provision that the principal portion will never be less than 2% of the outstanding principal amount. At September 30, 2024, this requirement had been met.

Compensated absences are typically liquidated by the fund to which they relate.

Subscription Based Information Technology Arrangements (SBITA)

The City has entered into multiple SBITAs that allow the right-to-use the SBITA vendor’s information technology software over the subscription term. The City is required to make annual payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term and ending subscription liability are as follows:

	Interest Rate	Liability at Commencement	Lease Term in Years	Ending Balance September 30, 2024
Software	3.4-5.1%	\$ 1,503,332	2023-2027	\$ 752,200
Total governmental activities				\$ 752,200

City of Burleson, Texas
Notes to the Financial Statements

The future principal and interest SBITA payments as of fiscal year end are as follows:

Fiscal Year Ending	Principal	Interest	Totals
2025	\$ 389,526	\$ 27,619	\$ 417,145
2026	319,235	13,304	332,539
2027	43,439	1,734	45,173
Total governmental activities	\$ 752,200	\$ 42,657	\$ 794,857

The value of the subscription assets as of the end of the current fiscal year was \$2,798,370 and had accumulated amortization of \$547,408.

Financed Purchases

The City has entered into an agreement for the financed purchase of equipment, with the agreement having a maximum allowable amount equal to the principal due as scheduled. The future debt service principal and interest payment requirements for the agreement are as follows:

Fiscal Year Ending	Financed Purchase Principal	Financed Purchase Interest	Totals
2025	\$ 288,328	\$ 48,327	\$ 336,655
2026	299,717	36,938	336,655
2027	311,556	25,099	336,655
2028	323,862	12,793	336,655
Total governmental activities	\$ 1,223,463	\$ 123,157	\$ 1,346,620

Note 8. Water and Sewer Contract

On July 19, 2010, the City entered into a contract with the City of Fort Worth, Texas, for the purchase of treated water to be effective January 1, 2011, and to expire on September 30, 2031. This contract requires the City to pay varying amounts based on annual consumption rates established under the terms of the contract. During fiscal year 2024, the City purchased \$5,335,524 of treated water under the terms of this contract.

In 1987, the City entered a contract with the City of Fort Worth, Texas, for the transportation, treatment, and disposal of sanitary sewage. Under the terms of the contract, the City is required to make payments for sewage actually discharged based on rates and charges determined on an annual basis under the terms of the contract. During fiscal year 2024, the City paid \$5,866,004 for the treatment and disposal of sanitary sewage under the terms of this contract.

Note 9. Employees' Retirement System

Texas Municipal Retirement System

Plan Description. The City participates as one of 936 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan 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 employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at tmrs.com.

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

City of Burleson, Texas
Notes to the Financial Statements

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 Member’s benefit is calculated based on the sum of the Member’s contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

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

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

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	217
Inactive employees entitled to but not yet receiving benefits	231
Active employees	<u>417</u>
Total	<u><u>865</u></u>

Contributions. Member contribution rates in TMRS are either 5%, 6% or 7% of the Member’s total compensation, 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 City’s contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual compensation during the fiscal year. The contribution rates for the City were 17.70% and 17.67% in calendar years 2023 and 2024, respectively. The City’s contributions to TMRS for the year ended September 30, 2024, were \$6,389,324, and were equal to the required contributions.

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.

Within the governmental activities, the General Fund generally liquidates the net pension liability. In the business-type activities, the net pension liability is liquidated by the Utility Fund.

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	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

City of Burleson, Texas
Notes to the Financial Statements

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of 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. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP- 2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions 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 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income 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 by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate if Return (Arithmetic)</u>
Global Public Equity	35.00%	7.55%
Core Fixed Income	6.00%	2.00%
Non-Core Fixed Income	20.00%	5.68%
Other Public and Private Markets	12.00%	7.22%
Real Estate	12.00%	6.85%
Hedge Funds	5.00%	5.35%
Private Equity	<u>10.00%</u>	10.00%
Total	<u>100.00%</u>	

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 Member 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 Members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

City of Burleson, Texas
Notes to the Financial Statements

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2022	\$ 145,448,316	\$ 112,328,502	\$ 33,119,814
Changes for the year:			
Service cost	6,517,109	-	6,517,109
Interest	9,852,041	-	9,852,041
Difference between expected and actual experience	1,786,872	-	1,786,872
Changes of assumptions	(767,877)	-	(767,877)
Contributions - employer	-	6,224,928	(6,224,928)
Contributions - employee	-	2,494,246	(2,494,246)
Net investment income	-	13,025,384	(13,025,384)
Benefit payments, including refunds of employee contributions	(5,501,408)	(5,501,408)	-
Administrative expense	-	(82,708)	82,708
Other changes	-	(578)	578
Net changes	<u>11,886,737</u>	<u>16,159,864</u>	<u>(4,273,127)</u>
Balance at 12/31/2023	<u>\$ 157,335,053</u>	<u>\$ 128,488,366</u>	<u>\$ 28,846,687</u>

Sensitivity of the Net Pension Liability 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 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 in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 52,986,230	\$ 28,846,687	\$ 9,235,253

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at trms.com.

Pension Expense and Deferred Outflows and Inflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2024, the City recognized pension expense of \$7,619,412. At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 4,469,849	\$ -
Changes in actuarial assumptions	-	605,191
Difference between projected and actual Investment earnings	2,889,543	-
Contributions subsequent to the measurement date	<u>4,662,579</u>	<u>-</u>
Total	<u>\$ 12,021,971</u>	<u>\$ 605,191</u>

City of Burleson, Texas
Notes to the Financial Statements

\$4,662,579 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	Amount
2025	\$ 2,458,713
2026	2,241,782
2027	2,986,909
2028	(933,203)

Note 10. Other Post-Employment Benefit Plans

A. TMRS Supplemental Death Benefits Fund

Plan Description. The City participates in a single employer, defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF) administered by the Texas Municipal Retirement System (TMRS). 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 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan.

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 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. 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.

Benefits Provided. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of \$7,500.

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	162
Inactive employees entitled to but not yet receiving benefits	57
Active employees	<u>417</u>
Total	<u><u>636</u></u>

Total OPEB Liability. The City's total OPEB liability of \$927,889 was measured as of December 31, 2023, and was determined by an actuarial valuation as of that date.

City of Burleson, Texas
Notes to the Financial Statements

Actuarial Assumptions. The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.50% per annum
Discount rate	3.77%
Actuarial cost method	Entry Age Normal Method
Projected salary increase	3.60% to 11.85% including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables and due to the size of the City, rates are multiplied by an additional factor of 100%. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the 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% minimum mortality rate is applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor. Mortality rates for pre-retirement were based on the PUB(10) mortality tables, with the Public Safety table used for males and General Employee table used for females. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements.

Discount Rate. The discount rate used to measure the total OPEB liability was 3.77%. The discount rate was based on Fidelity Index's "20-Year Municipal GO AA Index" rate as of the measurement date.

Discount Rate Sensitivity Analysis. 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 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:

	<u>1% Decrease in Discount Rate (2.77%)</u>	<u>Discount Rate (3.77%)</u>	<u>1% Increase in Discount Rate (4.77%)</u>
Total OPEB Liability	\$ 1,129,489	\$ 927,889	\$ 772,835

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 \$54,910. There were no changes of benefit terms that affected measurement of the Total OPEB Liability during the measurement period.

Within the governmental activities, the General Fund generally liquidates the total OPEB liability. In the business-type activities, the total OPEB liability is liquidated by the Utility Fund.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at 12/31/2022	\$ 824,987
Changes for the year:	
Service cost	42,759
Interest	33,845
Difference between expected and actual experience	(1,518)
Changes of assumptions	49,195
Benefit payments	<u>(21,379)</u>
Net changes	<u>102,902</u>
Balance at 12/31/2023	<u>\$ 927,889</u>

City of Burleson, Texas
Notes to the Financial Statements

At September 30, 2024, the City reported deferred outflows and inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 22,286
Changes in actuarial assumptions	167,411	339,413
Contributions subsequent to the measurement date	16,041	-
Total	\$ 183,452	\$ 361,699

\$16,041 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB Liability for the measurement year ending December 31, 2024 (i.e. recognized in the City’s financial statements for the year ended September 30, 2025). Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30,	Amount
2025	\$ (24,774)
2026	(28,456)
2027	(47,958)
2028	(65,225)
2029	(30,432)
Thereafter	2,557

B. Post-Retirement Healthcare Benefits

Plan Description. The City offers its retired employees health insurance benefits through a single-employer defined benefit OPEB plan, under City policy. This plan is administered by the City and it has the authority to establish and amend the benefit terms and financing arrangements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided. To be eligible for this employer-provided subsidy, a participant must be at least age fifty-eight (58) and have at least twenty (20) or more years of service with the City. Eligible retirees may elect coverage that will include the same healthcare options offered to regular full-time employees at the same cost that the City pays for active employees. Retirees pay the same rate for coverage as employees pay if they are electing dependent coverage. Benefits commence at the first of the month following the day of retirement if the employee elects retiree or dependent coverage (at retiree’s cost).

If an active employee passes away, the spouse and dependents will become eligible for retiree coverage if (1) the employee was eligible for retirement as defined by TMRS; and (2) the employee had dependent coverage at the time of death. The surviving spouse will continue to receive the benefits of the retiree health insurance program, at the rate charged for retiree only. If dependent children are already on the plan at the time of the retiree’s death, the spouse may continue to cover the children (at retiree’s spouse’s cost).

Retirees are eligible for medical and prescription insurance until they become Medicare eligible. Since retirees pay the full premium for all other OPEB benefits (dental and vision), no liability is included in this valuation as no implicit subsidy exists for these benefits.

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

Inactive employees or beneficiaries currently receiving benefits	9
Active employees	399
Total	408

City of Burleson, Texas
Notes to the Financial Statements

Actuarial Assumptions. The Total OPEB Liability in the October 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.50% per annum
Salary increases	2.50% per annum
Discount rate	4.06%
Actuarial cost method	Entry Age Normal Method
Healthcare cost trend rates	6.21% initial medical trend rate for pre-65 retirees decreasing to an ultimate rate of 4.14% in the year 2041

Mortality rates were updated and are based upon the sex distinct PUB 2010 general employee mortality table with mortality improvement scale MP-2021. Per capita costs for Pre-65 retirees were derived based upon the fully insured rates on a retiree-only experience basis. Medicare eligible retirees are assumed to rescind the City’s plan and take Medicare coverage. Any Medicare Part D subsidy was not reflected in the estimate. The participation rate for future retirees is based upon years of service at retirement. Any participant that retires prior to age 50 is assumed to waive the City’s healthcare plan. For any future retiree assumed to elect retiree healthcare, their spouse is assumed to waive coverage. 40% of retirees are assumed to drop coverage at the time the employer subsidy ends. The per capita claims costs include a 7% load for administrative expenses and a 10% load for stop loss premiums where both are assumed to escalate with the healthcare trend rates each year.

Discount Rate. The discount rate of 4.06% is based upon the yield of 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The other financial assumptions for long-term inflation, payroll growth, and salary scale were taken from the TMRS actuary study. The per capita claims costs and how these costs are expected to escalate in the future were set by IPS Advisors who develop the funding rates.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Total OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.06%) in measuring the Total OPEB Liability.

	<u>1% Decrease in Discount Rate (3.06%)</u>	<u>Discount Rate (4.06%)</u>	<u>1% Increase in Discount Rate (5.06%)</u>
Total OPEB Liability	\$ 4,942,834	\$ 4,541,981	\$ 4,177,646

Healthcare Cost Trend Rate Sensitivity Analysis. The following schedule shows the impact of the Total OPEB Liability if the healthcare cost trend rate used was 1% less than and 1% greater than the rate that was used (6.21%) in measuring the Total OPEB Liability.

	<u>1% Decrease in Rate</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase in Rate</u>
Total OPEB Liability	\$ 4,036,419	\$ 4,541,981	\$ 5,141,993

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources Related to OPEBs. At September 30, 2024, the City reported a liability of \$4,541,981 for its Total OPEB Liability for this plan. The Total OPEB Liability was determined by an actuarial valuation as of October 1, 2023. For the year ended September 30, 2024, the City recognized OPEB expense of \$393,408. There were no changes of benefit terms that affected measurement of the Total OPEB Liability during the measurement period.

Within the governmental activities, the General Fund generally liquidates the total OPEB liability. In the business-type activities, the total OPEB liability is liquidated by the Utility Fund.

City of Burleson, Texas
Notes to the Financial Statements

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at 9/30/2023	\$ 4,763,830
Changes for the year:	
Service cost	189,335
Interest	214,438
Difference between expected and actual experience	(554,732)
Changes of assumptions	(80,532)
Benefit payments	<u>9,642</u>
Net changes	<u>(221,849)</u>
Balance at 9/30/2024	<u>\$ 4,541,981</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 111,682	\$ 820,851
Changes in actuarial assumptions	<u>162,218</u>	<u>168,226</u>
Total	<u>\$ 273,900</u>	<u>\$ 989,077</u>

Amounts reported as deferred outflows and inflows of resources related to this OPEB plan will be recognized in OPEB expense as follows:

<u>For the Year Ended September 30,</u>	<u>Amount</u>
2025	\$ (47,005)
2026	(95,282)
2027	(172,669)
2028	(158,022)
2029	(151,447)
Thereafter	(90,752)

Note 11. Deferred Compensation Plan

The City participates in a deferred compensation plan which falls under Internal Revenue Code Section 457. Virtually all employees are eligible to participate in the plan. The deferred compensation plan allows the deferral of individual federal income taxes until funds are withdrawn. Funds may be withdrawn at termination, retirement, death or unforeseeable emergency. During the fiscal year 2024, employers or employees through salary reductions may contribute up to the limit of \$23,000 compensation on behalf of the participant under this plan. Employees age 50 or older may contribute up to an additional \$7,500, for a total of \$30,500. Employees may take advantage of the special 457(b) catch-up deferrals by selecting a special "last 3-year catch-up," which allows the participant to defer in the three years before they reach the plan's normal retirement age as follows: twice the annual 457(b) limit (in 2021, \$19,500 x 2 = \$39,000), or the annual 457(b) limit, plus amounts allowed in prior years that they did not contribute (\$23,000 in fiscal year 2024, \$22,500 in fiscal year 2023, \$20,500 in 2022, and \$19,500 in 2021). If a governmental 457(b) allows both the age-50 catch-up and the 3-year catch-up, the participant can use the one that allows a larger deferral but not both. In accordance with GASB 97, the plan is not recorded in the City's financial statements.

City of Burleson, Texas
Notes to the Financial Statements

Note 12. Commitments and Contingencies

A. Contingencies

The City is a defendant in certain pending litigation. In the opinion of management, the potential claims against the City not covered by insurance would not materially affect the financial statements of the City.

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

B. Construction Commitments

The City has active construction projects as of September 30, 2024. At year-end the City has \$5,384,486 of outstanding construction commitments.

C. Encumbrances

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end, the encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 1,153,641
Bond-Funded capital projects	27,170,647
Nonmajor governmental	4,420,763
Water & wastewater	561,010
Nonmajor enterprise	311,905
Internal service funds	<u>1,259,405</u>
Total	<u>\$ 34,877,371</u>

Note 13. 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; injuries to employees and natural disasters. The City has purchased commercial insurance to cover these general liabilities from the Texas Municipal League, a non-public entity risk pool. As an insured, the City is not obligated to reimburse the pool for losses. The TML risk pool is self-sustaining through annual member premiums and stop loss reinsurance coverage through various commercial insurers for excess claims. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage in each of the past three fiscal years. Any losses reported, but unsettled or incurred and not reported, are believed to be insignificant to the City's financial statements.

The City offers health coverage to its employees and retirees in a managed care plan administered by United Health Care and funded by the City with both employee and City contributions. The City retains risk for up to \$125,000 per covered enrollee per year and up to 120% of the total expected medical and Rx claims per period benefit, and transfers risk in excess of these amounts to a reinsurer. The City's operating funds are charged with premiums for coverage provided by the City's benefit consultant, HUB International. The City's benefit consultant determines the premium structures by working closely with the City of Burleson Human Resources department and the City Manager's Office on approved annual budgets with adjustments based on estimates of the amounts needed to pay prior and current year claims. These interfund premiums are used to reduce the amount of actual expenditures.

City of Burleson, Texas
Notes to the Financial Statements

Note 14. Tax Abatements

The City enters into economic development agreements subject to the Burleson Economic Development Incentives Program adopted in 1993. Abatement incentives are provided in accordance with Chapter 312 of the Texas Tax Code.

- For the fiscal year ended September 30, 2024, the property tax abatement agreement with Jam Real Property provides a 75% tax abatement for 7 years, beginning in 2018 for development of a restaurant distribution facility. In fiscal year 2024, this agreement resulted in abated property taxes of \$8,629.
- For the fiscal year ended September 30, 2024, there was one property tax abatement agreement in place. The agreement with McLane Burleson Properties provides a 80% tax abatement for 10 years, beginning in 2020 for development of a restaurant distribution facility. In fiscal year 2024, this agreement resulted in abated property taxes of \$277,753.
- For the fiscal year ended September 30, 2024, there was one property tax abatement agreement in place. The agreement with Golden State Foods provides a 75% tax abatement for 7 years, beginning in 2020 for development of a restaurant distribution facility. In fiscal year 2024, this agreement resulted in abated property taxes of \$416,438.

Other incentives are provided according to Chapter 380 of the Texas Local Government Code. These consist of incentives tied to a percentage of property taxes paid, a percentage of sales taxes generated, or some other metric such as employment. The agreements are presented here in aggregate.

- Property tax rebate incentives – \$632,964.
- Sales tax rebate incentives – \$420,118.
- Grant payments for meeting other performance targets – \$1,370,310.

THE CITY OF
BURLESON
TEXAS

Required Supplementary Information

THE CITY OF
BURLESON
TEXAS

City of Burleson, Texas
General Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2024

Exhibit D-1
(Page 1 of 2)

	Budgeted Amounts		Actual Amounts	Variance -
	Original	Final	GAAP Basis	Positive (Negative)
REVENUES				
Property taxes	\$ 26,745,080	\$ 26,745,080	\$ 28,439,065	\$ 1,693,985
Sales taxes	15,394,411	15,394,411	15,166,365	(228,046)
Franchise fees	4,178,570	4,178,570	4,109,919	(68,651)
Licenses and permits	1,549,500	1,549,500	1,562,939	13,439
Intergovernmental	2,065,435	2,065,435	1,120,077	(945,358)
Charges for services	5,479,641	5,479,641	5,194,210	(285,431)
Fines and forfeitures	950,000	950,000	736,244	(213,756)
Investment income	750,000	750,000	1,275,617	525,617
Miscellaneous	1,030,500	1,030,500	1,409,661	379,161
Total revenues	58,143,137	58,143,137	59,014,097	870,960
EXPENDITURES				
General government:				
City Council	112,750	107,354	83,687	23,667
City Manager's office	829,374	1,316,654	1,336,365	(19,711)
Legal	604,940	823,844	761,248	62,596
Communications	579,154	566,226	516,923	49,303
City Secretary's office	936,016	851,189	866,709	(15,520)
Records management	125,286	120,576	115,383	5,193
Judicial	115,283	134,622	135,838	(1,216)
Human resources	1,164,109	1,143,233	1,090,479	52,754
Finance	2,289,796	2,285,326	2,053,541	231,785
Purchasing	505,059	336,081	302,481	33,600
Non-Departmental	149,527	729,170	1,156,867	(427,697)
Total general government	7,411,294	8,414,275	8,419,521	(5,246)
Public safety:				
Police	18,028,984	18,161,342	17,928,387	232,955
Fire	11,951,393	11,790,562	11,679,636	110,926
Public Safety Communications	2,674,952	2,593,516	2,406,365	187,151
Medical transport	179,902	296,885	255,805	41,080
Municipal court	501,104	472,517	417,161	55,356
Marshals service	230,034	220,306	214,103	6,203
Total public safety	33,566,369	33,535,128	32,901,457	633,671
Public works:				
Public works administration	1,081,034	1,148,530	1,048,680	99,850
Street drainage maintenance	597,156	741,487	579,576	161,911
Streets pavement maintenance	3,608,582	3,788,624	3,153,013	635,611
Traffic control maintenance	1,153,427	1,044,080	709,797	334,283
Engineering/capital	28,419	128,929	-	128,929
Engineering/development	956,024	818,835	574,251	244,584
Engineering/inspections	297,638	363,169	318,817	44,352
Facilities maintenance	1,190,840	1,185,749	939,399	246,350
Total public works	8,913,120	9,219,403	7,323,533	1,895,870

City of Burleson, Texas
General Fund
Budgetary Comparison Schedule - Continued
For the Year Ended September 30, 2024

Exhibit D-1
(Page 2 of 2)

	Budgeted Amounts		Actual Amounts	Variance -
	Original	Final	GAAP Basis	Positive (Negative)
Community development:				
Neighborhood services	\$ 227,398	\$ 233,164	\$ 237,090	\$ (3,926)
Environmental services	335,478	311,928	374,884	(62,956)
Animal services	715,059	754,381	739,012	15,369
Code enforcement	398,296	405,306	404,213	1,093
Building inspections	990,035	1,019,254	964,969	54,285
Economic development	1,250,842	999,762	1,000,800	(1,038)
Community development	511,966	486,701	402,066	84,635
Development services	370,331	371,991	369,861	2,130
Total community development	<u>4,799,405</u>	<u>4,582,487</u>	<u>4,492,895</u>	<u>89,592</u>
Parks and recreation:				
Parks	1,670,977	1,626,820	1,631,332	(4,512)
Parks and recreation administration	33,864	34,064	51	34,013
ROW Maintenance	658,915	805,559	718,822	86,737
Total parks and recreation	<u>2,363,756</u>	<u>2,466,443</u>	<u>2,350,205</u>	<u>116,238</u>
Library:				
Senior citizens center	202,197	216,134	224,353	(8,219)
Library	1,404,238	1,416,087	1,441,653	(25,566)
Total Library	<u>1,606,435</u>	<u>1,632,221</u>	<u>1,666,006</u>	<u>(33,785)</u>
Capital Outlay	<u>402,220</u>	<u>586,077</u>	<u>484,303</u>	<u>101,774</u>
Debt service:				
Principal retirement	64,118	64,118	64,118	-
Interest and fiscal agent charges	11,887	11,887	11,887	-
Total debt service	<u>76,005</u>	<u>76,005</u>	<u>76,005</u>	<u>-</u>
Total expenditures	<u>59,138,604</u>	<u>60,512,039</u>	<u>57,713,925</u>	<u>2,798,114</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(995,467)</u>	<u>(2,368,902)</u>	<u>1,300,172</u>	<u>3,669,074</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,507,961	1,507,961	1,162,961	345,000
Transfers out	(2,565,496)	(600,000)	(600,000)	-
Total other financing sources (uses)	<u>(1,057,535)</u>	<u>907,961</u>	<u>562,961</u>	<u>345,000</u>
NET CHANGE IN FUND BALANCE	<u>(2,053,002)</u>	<u>(1,460,941)</u>	<u>1,863,133</u>	<u>4,014,074</u>
FUND BALANCES - BEGINNING	<u>18,495,600</u>	<u>18,495,600</u>	<u>18,495,600</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 16,442,598</u>	<u>\$ 17,034,659</u>	<u>\$ 20,358,733</u>	<u>\$ 4,014,074</u>

City of Burleson, Texas

Notes to Required Supplementary Information

Budgetary Schedule

For the Year Ended September 30, 2024

BUDGETARY INFORMATION - The City follows these procedures annually in establishing the budgetary data reflected in the budgetary comparison schedules:

1. The City Manager submits to the City Council a proposed budget for the fiscal year commencing the following October 1st. The budget includes proposed expenditures and the means of financing them.
2. The City Council reviews the proposed budget at specially scheduled sessions, which are open to the public. The Council also conducts a public hearing on the proposed budget to obtain comments from interested persons.
3. Prior to October 1st, the budget is legally adopted through passage of an ordinance. This budget is reported as the Original Budget in the budgetary comparison schedules.
4. During the fiscal year, changes to the adopted budget may be authorized as follows:
 - a. Items requiring City Council action – appropriation of fund balance commitments; transfers of appropriations between funds; transfers between departments within funds; new interfund loans or advances; and creation of new capital projects or increases to existing capital projects.
 - b. Items delegated to the City Manager – transfers within departments.
5. Annual budget is legally adopted and amended as required for the General Fund, the following special revenue funds: the BCSDC Special Revenue Fund, the 4A Corp Special Revenue Fund, the Parks Performance Fund, the Hotel/Motel Fund, the TIF 2 Fund, and the Municipal Court Fund. Project-length budgets are adopted for the capital project funds. All budgets are prepared on a budgetary basis, and budgetary comparisons for the general and major special revenue funds are presented on this basis in the required supplementary information. A debt service payment schedule for the debt service funds is also approved as part of the budget process. The budget is based on the modified accrual basis of accounting with the exception of certain non-cash expenditure accruals, which are not budgeted.
6. Budget amounts are reflected after all authorized amendments and revisions. This budget is reported as the Final Budget in the budgetary comparison schedules.
7. For each legally adopted operating budget, expenditures should not exceed budgeted appropriations at the fund level. Encumbrance accounting, under which purchase orders, contracts, and the other commitments are recorded to reserve the applicable appropriations, is employed in governmental funds. The City does, however, honor the contracts represented by year-end encumbrances and the subsequent year's appropriations provide authority to complete these transactions.

City of Burleson, Texas
Schedule of Changes in Net Pension Liability and
Related Ratios - Texas Municipal Retirement System
For the Year Ended September 30, 2024

Plan Year	2014	2015	2016	2017
A. Total Pension Liability				
Service Cost	\$ 2,909,890	\$ 3,299,052	\$ 3,628,862	\$ 3,745,062
Interest (on the Total Pension Liability)	4,907,692	5,311,694	5,536,081	5,991,443
Difference between expected and actual experience	(42,330)	96,222	324,293	34,315
Change of assumptions	-	(200,754)	-	-
Benefit payments, including refunds of employee contributions	<u>(2,232,107)</u>	<u>(2,164,637)</u>	<u>(2,908,249)</u>	<u>(2,694,216)</u>
Net change in total pension liability	5,543,145	6,341,577	6,580,987	7,076,604
Total pension liability - beginning	<u>69,770,993</u>	<u>75,314,138</u>	<u>81,655,715</u>	<u>88,236,702</u>
Total pension liability - ending (a)	<u>75,314,138</u>	<u>81,655,715</u>	<u>88,236,702</u>	<u>95,313,306</u>
B. Plan Fiduciary Net Position				
Contributions - employer	\$ 2,850,708	\$ 2,973,435	\$ 3,195,301	\$ 3,326,528
Contributions - employee	1,288,039	1,364,856	1,459,887	1,510,106
Net investment income	3,172,873	89,281	4,240,199	9,518,399
Benefit payments, including refunds of employee contributions	(2,232,107)	(2,164,637)	(2,908,249)	(2,694,216)
Administrative expenses	(33,119)	(54,372)	(47,857)	(49,301)
Other	<u>(2,723)</u>	<u>(2,684)</u>	<u>(2,578)</u>	<u>(2,499)</u>
Net change in plan fiduciary net position	5,043,671	2,205,879	5,936,703	11,609,017
Plan fiduciary net position - beginning	<u>55,452,334</u>	<u>60,496,005</u>	<u>62,701,884</u>	<u>68,638,587</u>
Plan fiduciary net position - ending (b)	<u>60,496,005</u>	<u>62,701,884</u>	<u>68,638,587</u>	<u>80,247,604</u>
C. Net Pension Liability - Ending (a) - (b)	<u>\$ 14,818,133</u>	<u>\$ 18,953,831</u>	<u>\$ 19,598,115</u>	<u>\$ 15,065,702</u>
D. Plan Fiduciary Net Position as a Percentage of Total Pension Liability	80.32%	76.79%	77.79%	84.19%
E. Covered Payroll	\$ 18,400,559	\$ 19,497,945	\$ 20,855,530	\$ 21,572,943
F. Net Pension Liability as a Percentage of Covered Payroll	80.53%	97.21%	93.97%	69.84%

Exhibit D-2

	2018	2019	2020	2021	2022	2023
	\$ 3,887,921	\$ 4,309,779	\$ 4,785,763	\$ 5,012,736	\$ 5,695,227	\$ 6,517,109
	6,464,469	6,966,885	7,567,698	8,224,864	9,002,871	9,852,041
	37,485	658,640	1,555,110	2,834,678	2,790,245	1,786,872
	-	364,920	-	-	-	(767,877)
	<u>(2,974,711)</u>	<u>(3,340,504)</u>	<u>(3,934,066)</u>	<u>(4,638,440)</u>	<u>(5,136,560)</u>	<u>(5,501,408)</u>
	7,415,164	8,959,720	9,974,505	11,433,838	12,351,783	11,886,737
	<u>95,313,306</u>	<u>102,728,470</u>	<u>111,688,190</u>	<u>121,662,695</u>	<u>133,096,533</u>	<u>145,448,316</u>
	<u>102,728,470</u>	<u>111,688,190</u>	<u>121,662,695</u>	<u>133,096,533</u>	<u>145,448,316</u>	<u>157,335,053</u>
	\$ 3,446,107	\$ 3,812,900	\$ 4,144,156	\$ 4,434,554	\$ 5,225,616	\$ 6,224,928
	1,565,006	1,732,309	1,875,187	1,936,487	2,197,717	2,494,246
	(2,405,770)	12,355,867	7,166,812	13,511,620	(8,677,016)	13,025,384
	(2,974,711)	(3,340,504)	(3,934,066)	(4,638,440)	(5,136,560)	(5,501,408)
	(46,457)	(69,735)	(46,326)	(62,444)	(74,981)	(82,709)
	<u>(2,430)</u>	<u>(2,096)</u>	<u>(1,807)</u>	<u>428</u>	<u>89,476</u>	<u>(578)</u>
	(418,255)	14,488,741	9,203,956	15,182,205	(6,375,748)	16,159,863
	<u>80,247,604</u>	<u>79,829,349</u>	<u>94,318,090</u>	<u>103,522,046</u>	<u>118,704,251</u>	<u>112,328,503</u>
	<u>79,829,349</u>	<u>94,318,090</u>	<u>103,522,046</u>	<u>118,704,251</u>	<u>112,328,503</u>	<u>128,488,366</u>
	<u>\$ 22,899,121</u>	<u>\$ 17,370,100</u>	<u>\$ 18,140,649</u>	<u>\$ 14,392,282</u>	<u>\$ 33,119,813</u>	<u>\$ 28,846,687</u>
	77.71%	84.45%	85.09%	89.19%	77.23%	81.67%
	\$ 22,357,225	\$ 24,697,874	\$ 26,780,992	\$ 27,664,104	\$ 31,395,959	\$ 35,632,091
	102.42%	70.33%	67.74%	52.03%	105.49%	80.96%

City of Burleson, Texas
Schedule of Pension Contributions
Texas Municipal Retirement System
For The Year Ended September 30, 2024

Fiscal Year	2015	2016	2017
Actuarial determined contribution	\$ 2,929,061	\$ 3,290,623	\$ 3,270,142
Contributions in relation to the actuarially determined contribution	<u>2,929,061</u>	<u>3,290,623</u>	<u>3,270,142</u>
Contribution deficiency (excess)	-	-	-
Covered payroll	\$ 19,127,256	\$ 21,503,209	\$ 21,235,212
Contributions as a percentage of covered payroll	15.31%	15.30%	15.40%

Notes to Schedule:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
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 There were no benefit changes during the year.

Exhibit D-3

	2018	2019	2020	2021	2022	2023	2024
\$	3,413,058	\$ 3,710,515	\$ 4,023,849	\$ 4,144,156	\$ 4,434,554	\$ 5,225,616	\$ 6,224,926
	<u>3,413,058</u>	<u>3,710,515</u>	<u>4,023,849</u>	<u>4,144,156</u>	<u>4,434,554</u>	<u>5,225,616</u>	<u>6,224,926</u>
	-	-	-	-	-	-	-
\$	21,235,212	\$ 24,033,514	\$ 26,033,943	\$ 26,780,992	\$ 27,664,104	\$ 34,804,970	\$ 36,619,030
	16.07%	15.44%	15.46%	15.47%	16.03%	15.01%	17.00%

City of Burleson, Texas
Schedule of Changes In Total OPEB Liability and
Related Ratios - Texas Municipal Retirement System –
Supplemental Death Benefits Fund
For the Year Ended September 30, 2024

Exhibit D-4

Plan Year Ended December 31,	2017	2018	2019	2020	2021	2022	2023
A. Total OPEB Liability							
Service Cost	\$ 32,359	\$ 40,243	\$ 37,047	\$ 53,562	\$ 71,927	\$ 78,490	\$ 42,759
Interest (on the Total OPEB Liability)	22,672	23,726	26,040	24,950	23,003	23,092	33,845
Difference between expected and actual experience	-	(15,410)	(17,286)	(4,333)	(21,562)	(3,076)	(1,518)
Change of assumptions	62,411	(57,141)	156,463	169,132	42,939	(481,420)	49,195
Benefit payments, including refunds of employee contributions	(4,315)	(4,471)	(4,940)	(5,356)	(13,832)	(15,698)	(21,379)
Net change in total OPEB liability	113,127	(13,053)	197,324	237,955	102,475	(398,612)	102,902
Total OPEB liability - beginning	585,771	698,898	685,845	883,169	1,121,124	1,223,599	824,987
Total OPEB liability - ending	698,898	685,845	883,169	1,121,124	1,223,599	824,987	927,889
B. Covered Payroll	\$ 21,572,943	\$ 22,357,225	\$ 24,697,874	\$ 26,780,992	\$ 27,664,104	\$ 31,395,959	\$ 35,632,091
C. Total OPEB Liability as a Percentage of Covered Payroll	3.24%	3.07%	3.58%	4.19%	4.42%	2.63%	2.60%

Notes to Schedule:

This schedule is required to have 10 years of information, but information prior to 2017 is not available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

City of Burleson, Texas
Schedule of Changes In Total OPEB Liability and
Related Ratios - Retiree Health Care Benefit Plan
For the Year Ended September 30, 2024

Exhibit D-5

Measurement Date September 30,	2018	2019	2020	2021	2022	2023	2024
A. Total OPEB Liability							
Service Cost	\$ 148,455	\$ 152,883	\$ 152,373	\$ 214,854	\$ 221,335	\$ 182,225	\$ 189,337
Interest (on the Total OPEB Liability)	118,786	128,811	139,215	101,983	107,463	220,783	214,438
Difference between expected and actual experience	326,732	-	141,692	-	(552,588)	-	(554,732)
Change of assumptions	256,399	52,121	541,708	(102,528)	(45,996)	(40,566)	(80,532)
Benefit payments	(83,018)	(42,529)	-	(37,819)	14,999	(89,925)	9,642
Net change in total OPEB liability	767,354	291,286	974,988	176,490	(254,787)	272,517	(221,847)
Total OPEB liability - beginning	2,535,980	3,303,334	3,594,620	4,569,608	4,746,098	4,491,311	4,763,828
Total OPEB liability - ending	3,303,334	3,594,620	4,569,608	4,746,098	4,491,311	4,763,828	4,541,981
B. Covered-Employee Payroll							
	\$ 18,416,233	\$ 22,342,123	\$ 22,779,945	\$ 26,486,753	\$ 27,030,000	\$ 30,328,507	\$ 36,619,030
C. Total OPEB Liability as a Percentage of Covered-Employee Payroll							
	17.94%	16.09%	20.06%	17.92%	16.62%	15.71%	12.40%

Notes to Schedule:

No assets are accumulated in a trust for the retiree health care plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

This schedule is required to have 10 years of information, but information prior to 2018 is not available.

THE CITY OF
BURLESON
TEXAS

Other Supplementary Information

THE CITY OF
BURLESON
TEXAS

City of Burleson, Texas

Combining Financial Statements

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used by the City to account for revenues derived from specific taxes, fees, donations, and grants which are designated to finance particular functions or activities of the City. The City has eight nonmajor special revenue funds which include:

The **BCSDC Special Revenue Fund** is used to account for the half cent sales tax collected to fund the activities of Burleson Community Services Development Corporation.

The **4A Corp Special Revenue Fund** is used to account for the half cent sales tax collected to fund the activities of Burleson 4A Economic Development Corporation.

The **Parks Performance Special Revenue Fund** is used to account for the operation of the City's recreational facilities that derive a large portion of their support from user fees. These include the Burleson Recreation Center, Chisenhall Fields and Hidden Creek Softball Complex.

The **Hotel/Motel Tax Fund** – This fund is used to account for the receipts and allocation of the City's 7% room occupancy tax imposed on the rental of hotel/motel rooms located within the corporate city limits and extraterritorial jurisdiction of the City. These funds are used to promote tourism, conventions, and related activities within the City.

The **Grants Fund** – This fund accounts for various miscellaneous grants from federal, state or local governments.

The **COVID Relief Grants Fund** - This fund accounts for the resources received from federal and state agencies to be used to react to the COVID-19 pandemic.

The **Tax Increment Financing District (TIF) 2 Fund** – This fund accounts for the activity of the City's TIF. Revenues collected are primarily interlocal property tax increment funding. A TIF is a public financial method used as a subsidy for development and community improvement projects.

The **Municipal Court Fund** – This fund accounts for the Municipal Court fees assessed that are legally restricted to the purchase/maintenance of the Court's technology enhancements, Court security, improving the collections of court fees, and funding a portion of the juvenile case manager position.

The **Other Special Revenue Fund** – This fund accounts for the proceeds of other specific revenue sources that are legally restricted or committed to expenditures for specified purposes. Traffic safety, public safety, public works, culture and recreation, economic incentive funds, PEG fund, and PID funds are included under this heading.

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account for capital improvements that are financed by designated resources other than City obligation bonds.

The **Mineral Lease-Funded Capital Projects Fund** is used to account for the acquisition and construction of various capital facilities and is funded by various sales tax revenue and general obligation bonds.

The **4A Economic Development Corporation (EDC) Non-Bond Funded Fund** is a blended component unit of the City. The 4A Corporation administers a ½ cent sales tax. The proceeds of this tax are used to pay debt service on bonds issued for various capital improvements. This special revenue fund accounts for the receipts of the sales tax revenue, and subsequent transfers to the debt service fund. Funds in excess of debt service requirements are utilized on authorized capital projects.

The **BCSDC (4B) Non-Bond Funded Fund** is another component unit of the City. The BCSDC administers ½ cents sales tax. The proceeds of this tax are used to pay debt service on bonds issued for various capital improvements. The special revenue accounts for the receipt of the sales tax revenue, and subsequent transfer of the debt service fund. Funds in excess of debt service requirements are utilized on authorized capital projects and to subsidize the Parks Performance Special Revenue Fund and the Golf Course Fund operations.

City of Burleson, Texas
Combining Financial Statements - Continued
Nonmajor Governmental Funds

The **Street Paving Fund** is used to account for funds deposited by developers in lieu of constructing public facilities such as streets and drainage.

The **Miscellaneous Non-Bond Funded Fund** includes the Park Dedication subfund and the miscellaneous non-bond funded capital project subfunds. These subfunds account for the proceeds of other sources of revenue and expenditures for authorized projects.

Debt Service Funds

The City's Debt Service Funds account for the accumulation of financial resources for the payment of principal and interest on the City's general obligation (property and sales tax supported) debt:

The **General Debt Service Fund** is used to account for the payment of debt supported by ad valorem taxes.

The **4A EDC Debt Service Fund** accounts for receipts of sales tax revenue and payment of debt service.

The **BCSDC (4B) Debt Service Fund** accounts for the receipt of sales tax revenue and payment of debt service.

City of Burleson, Texas
Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2024

Exhibit E-1
(Page 1 of 2)

	Special Revenue Funds					
	BCSDC Special Revenue	4A Corp Special Revenue	Parks Performance	Hotel/Motel	Grants	COVID Relief Grants
ASSETS						
Cash and investments	\$ 3,500,055	\$ 7,097,110	\$ 1,108,169	\$ 435,242	\$ 8,882	\$ 3,271,192
Receivables:						
Taxes, net	-	-	-	159,045	-	-
Accounts	-	-	24,429	-	7,656	-
Leases	-	191,360	-	-	-	-
Accrued interest	9,239	18,839	2,877	1,165	-	9,825
Due from other governments	1,254,600	1,254,600	-	-	-	-
Due from other funds	351,037	-	-	-	-	-
Prepaid items	4,903	-	-	-	-	-
Total assets	<u>5,119,834</u>	<u>8,561,909</u>	<u>1,135,475</u>	<u>595,452</u>	<u>16,538</u>	<u>3,281,017</u>
LIABILITIES						
Current liabilities:						
Accounts payable	18,799	321,086	105,497	11,544	-	9,906
Accrued liabilities	16,050	24,984	105,130	-	-	-
Unearned revenue	-	-	201,251	-	-	2,848,247
Total liabilities	<u>34,849</u>	<u>346,070</u>	<u>411,878</u>	<u>11,544</u>	<u>-</u>	<u>2,858,153</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - hotel occupancy taxes	-	-	-	40,042	-	-
Unavailable revenue - leased assets	-	179,685	-	-	-	-
Unavailable revenue - taxes	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>179,685</u>	<u>-</u>	<u>40,042</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable:						
Prepaid items	4,903	-	-	-	-	-
Restricted for:						
Debt service	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Parks and recreation	-	-	723,597	-	-	-
Library	-	-	-	-	-	-
Economic development	5,080,082	8,036,154	-	-	-	-
Tourism	-	-	-	543,866	-	-
Other purposes	-	-	-	-	16,538	422,864
Committed for:						
Capital projects	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>5,084,985</u>	<u>8,036,154</u>	<u>723,597</u>	<u>543,866</u>	<u>16,538</u>	<u>422,864</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,119,834</u>	<u>\$ 8,561,909</u>	<u>\$ 1,135,475</u>	<u>\$ 595,452</u>	<u>\$ 16,538</u>	<u>\$ 3,281,017</u>

City of Burleson, Texas
Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2024

	Special Revenue Funds			Capital Projects Funds	
	TIF 2	Municipal Court	Other Special Revenue	Mineral Lease Funded Capital Projects	4A EDC Non-bond Funded
ASSETS					
Cash and investments	\$ 933,988	\$ 188,808	\$ 608,915	\$ 908,444	\$ 340,233
Receivables:					
Taxes, net	-	-	-	-	-
Accounts	5,909	-	8,694	-	-
Leases	-	-	-	-	-
Accrued interest	2,481	501	1,160	23,100	904
Due from other governments	-	-	-	-	-
Inventories	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	942,378	189,309	618,769	931,544	341,137
LIABILITIES					
Current liabilities:					
Accounts payable	288	2,471	8,157	2,115	4,904
Accrued liabilities	954	-	85,669	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	1,242	2,471	93,826	2,115	4,904
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - hotel occupancy taxes	-	-	-	-	-
Unavailable revenue - leased assets	-	-	-	-	-
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Prepaid items	-	-	-	-	-
Restricted for:					
Debt service	-	-	-	-	-
Public safety	-	186,838	-	-	-
Parks and recreation	-	-	-	-	-
Library	-	-	87,575	-	-
Economic development	941,136	-	310,033	-	-
Tourism	-	-	-	-	-
Other purposes	-	-	127,335	-	-
Committed for:					
Capital projects	-	-	-	929,429	336,233
Unassigned	-	-	-	-	-
Total fund balances	941,136	186,838	524,943	929,429	336,233
Total liabilities, deferred inflows of resources and fund balances	\$ 942,378	\$ 189,309	\$ 618,769	\$ 931,544	\$ 341,137

Exhibit E-1
(Page 2 of 2)

Capital Projects Funds			Debt Service Funds			Total
BCSDC 4B Non-bond Funded	Street Paving Trust	Miscellaneous Non-bond Funded	General Debt Service	4A EDC Debt Service	BCSDC 4B Debt Service	Other Governmental Funds
\$ 223,922	\$ 2,846,415	\$ 5,585,752	\$ 6,833,173	\$ 12,936	\$ 125,146	\$ 34,028,382
-	-	-	170,370	-	-	329,415
-	-	-	-	-	-	46,688
-	-	-	-	-	-	191,360
604	7,564	14,786	17,998	34	333	111,410
-	-	-	-	-	-	2,509,200
-	-	-	-	-	-	351,037
-	-	-	-	-	-	4,903
<u>224,526</u>	<u>2,853,979</u>	<u>5,600,538</u>	<u>7,021,541</u>	<u>12,970</u>	<u>125,479</u>	<u>37,572,395</u>
-	-	58,438	1,765	325	175	545,470
-	-	-	-	-	-	232,787
-	-	-	-	-	-	3,049,498
<u>-</u>	<u>-</u>	<u>58,438</u>	<u>1,765</u>	<u>325</u>	<u>175</u>	<u>3,827,755</u>
-	-	-	-	-	-	40,042
-	-	-	-	-	-	179,685
-	-	-	168,634	-	-	168,634
<u>-</u>	<u>-</u>	<u>-</u>	<u>168,634</u>	<u>-</u>	<u>-</u>	<u>388,361</u>
-	-	-	-	-	-	4,903
-	-	-	6,851,142	12,645	125,304	6,989,091
-	-	-	-	-	-	186,838
-	-	-	-	-	-	723,597
-	-	-	-	-	-	87,575
-	-	-	-	-	-	14,367,405
-	-	-	-	-	-	543,866
-	-	-	-	-	-	566,737
224,526	2,853,979	5,542,100	-	-	-	9,886,267
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>224,526</u>	<u>2,853,979</u>	<u>5,542,100</u>	<u>6,851,142</u>	<u>12,645</u>	<u>125,304</u>	<u>33,356,279</u>
<u>\$ 224,526</u>	<u>\$ 2,853,979</u>	<u>\$ 5,600,538</u>	<u>\$ 7,021,541</u>	<u>\$ 12,970</u>	<u>\$ 125,479</u>	<u>\$ 37,572,395</u>

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City of Burleson, Texas
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2024

Exhibit E-2
(Page 1 of 2)

	<u>Special Revenue Funds</u>					
	<u>BCSDC</u>	<u>4A Corp</u>	<u>Parks</u>	<u>Hotel/Motel</u>	<u>Grants</u>	<u>COVID Relief</u>
	<u>Special Revenue</u>	<u>Special Revenue</u>	<u>Performance</u>	<u>Hotel/Motel</u>	<u>Grants</u>	<u>Grants</u>
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	7,462,408	7,462,408	-	-	-	-
Hotel occupancy taxes	-	-	-	570,830	-	-
Franchise fees	-	-	-	-	-	-
Charges for services	-	-	2,532,417	-	-	-
Intergovernmental	-	-	-	-	63,811	2,252,081
Fines	-	-	-	-	-	-
Contributions and donations	-	-	-	-	200	-
Investment income	211,004	324,136	36,439	20,034	67	232,625
Mineral lease	-	-	-	-	-	-
Street assessments	-	-	-	-	-	-
Miscellaneous	28,490	333,549	842	750	-	-
	<u>7,701,902</u>	<u>8,120,093</u>	<u>2,569,698</u>	<u>591,614</u>	<u>64,078</u>	<u>2,484,706</u>
Total revenues						
EXPENDITURES						
Current:						
General government	-	162,870	-	-	-	-
Community development	802,709	2,136,392	-	451,842	-	-
Public safety	-	-	-	-	60,249	1,840,246
Public works	-	-	-	-	-	-
Library	-	-	-	-	1,015	-
Parks and recreation	673,393	-	5,258,055	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal agent charges	-	-	-	-	-	-
Debt Issuance Costs	-	-	-	-	-	-
Capital outlay	-	-	41,280	-	-	423,481
	<u>1,476,102</u>	<u>2,299,262</u>	<u>5,299,335</u>	<u>451,842</u>	<u>61,264</u>	<u>2,263,727</u>
Total expenditures						
EXCESS (DEFICIENCY) OF REVENUES	<u>6,225,800</u>	<u>5,820,831</u>	<u>(2,729,637)</u>	<u>139,772</u>	<u>2,814</u>	<u>220,979</u>
OVER (UNDER) EXPENDITURES						
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	-	-	-	-
Premium on debt issuance	-	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-
Transfers in	-	-	3,453,234	-	-	-
Transfers out	(6,480,870)	(3,218,074)	-	-	-	-
	<u>(6,480,870)</u>	<u>(3,218,074)</u>	<u>3,453,234</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)						
NET CHANGE IN FUND BALANCE	(255,070)	2,602,757	723,597	139,772	2,814	220,979
FUND BALANCE, BEGINNING	5,340,055	5,433,397	-	404,094	13,724	201,885
FUND BALANCE, ENDING	<u>\$ 5,084,985</u>	<u>\$ 8,036,154</u>	<u>\$ 723,597</u>	<u>\$ 543,866</u>	<u>\$ 16,538</u>	<u>\$ 422,864</u>

City of Burleson, Texas
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2024

	Special Revenue Funds			Capital Projects Funds	
	TIF 2	Municipal Court	Other Special Revenue	Mineral Lease Funded Capital Projects	4A EDC Non-bond Funded
REVENUES					
Property taxes	\$ 1,204,520	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	-	-
Hotel occupancy taxes	-	-	-	-	-
Franchise fees	-	-	37,816	-	-
Charges for services	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Fines	-	53,121	-	-	-
Contributions and donations	-	-	100,069	-	-
Investment income	52,461	10,808	22,912	46,530	26,176
Mineral lease	-	-	-	177,853	300
Street assessments	-	-	112,303	-	-
Miscellaneous	11,817	-	-	-	-
Total revenues	1,268,798	63,929	273,100	224,383	26,476
EXPENDITURES					
Current:					
General government	-	-	133,367	-	-
Community development	216,392	-	-	-	-
Public safety	220,019	87,880	-	-	-
Public works	-	-	31,941	-	22
Library	-	-	14,176	-	-
Parks and recreation	25,748	-	-	97,780	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal agent charges	-	-	-	-	-
Debt Issuance Costs	-	-	-	-	-
Capital outlay	-	-	-	4,033	722,167
Total expenditures	462,159	87,880	179,484	101,813	722,189
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	806,639	(23,951)	93,616	122,570	(695,713)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	-	-	-	-	-
Premium on debt issuance	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-
Transfers in	449,374	-	-	-	-
Transfers out	(654,689)	-	-	-	-
Total other financing sources (uses)	(205,315)	-	-	-	-
NET CHANGE IN FUND BALANCE	601,324	(23,951)	93,616	122,570	(695,713)
FUND BALANCE, BEGINNING	339,812	210,789	431,327	806,859	1,031,946
FUND BALANCE, ENDING	\$ 941,136	\$ 186,838	\$ 524,943	\$ 929,429	\$ 336,233

Exhibit E-2
(Page 2 of 2)

Capital Projects Funds			Debt Service Funds			Total
BCSDC 4B Non-bond Funded	Street Paving Trust	Miscellaneous Non-bond Funded	General Debt Service	4A EDC Debt Service	BCSDC 4B Debt Service	Other Governmental Funds
\$ -	\$ -	\$ -	\$ 8,898,932	\$ -	\$ -	\$ 10,103,452
-	-	-	-	-	-	14,924,816
-	-	-	-	-	-	570,830
-	-	-	-	-	-	37,816
-	-	-	-	-	-	2,532,417
-	-	-	-	-	-	2,315,892
-	-	-	-	-	-	53,121
-	810,619	4,620	-	-	-	915,508
23,133	134,688	332,537	389,037	732	6,588	1,869,907
-	-	-	-	-	-	178,153
-	-	-	-	-	-	112,303
-	-	-	-	-	-	375,448
<u>23,133</u>	<u>945,307</u>	<u>337,157</u>	<u>9,287,969</u>	<u>732</u>	<u>6,588</u>	<u>33,989,663</u>
-	-	-	-	-	-	296,237
-	-	56,469	-	-	-	3,663,804
-	-	-	-	-	-	2,208,394
-	-	29,310	-	-	-	61,273
-	-	-	-	-	-	15,191
6,790	-	875	-	-	-	6,062,641
-	-	-	5,897,391	2,004,038	1,225,000	9,126,429
-	-	-	2,746,953	1,215,832	573,187	4,535,972
-	-	-	113,658	-	-	113,658
360,003	20,155	431,154	-	-	-	2,002,273
<u>366,793</u>	<u>20,155</u>	<u>517,808</u>	<u>8,758,002</u>	<u>3,219,870</u>	<u>1,798,187</u>	<u>28,085,872</u>
<u>(343,660)</u>	<u>925,152</u>	<u>(180,651)</u>	<u>529,967</u>	<u>(3,219,138)</u>	<u>(1,791,599)</u>	<u>5,903,791</u>
-	-	-	8,900,232	-	-	8,900,232
-	-	-	845,644	-	-	845,644
-	-	-	(9,571,767)	-	-	(9,571,767)
-	-	600,000	654,689	3,218,074	1,797,632	10,173,003
-	-	-	-	-	-	(10,353,633)
-	-	600,000	828,798	3,218,074	1,797,632	(6,521)
<u>(343,660)</u>	<u>925,152</u>	<u>419,349</u>	<u>1,358,765</u>	<u>(1,064)</u>	<u>6,033</u>	<u>5,897,270</u>
<u>568,186</u>	<u>1,928,827</u>	<u>5,122,751</u>	<u>5,492,377</u>	<u>13,709</u>	<u>119,271</u>	<u>27,459,009</u>
<u>\$ 224,526</u>	<u>\$ 2,853,979</u>	<u>\$ 5,542,100</u>	<u>\$ 6,851,142</u>	<u>\$ 12,645</u>	<u>\$ 125,304</u>	<u>\$ 33,356,279</u>

City of Burleson, Texas
Debt Service Funds
Budgetary Comparison Schedule
For the Year Ended September 30, 2024

	General Debt Service			Variance
	Original	Final		Positive
	Budget	Budget	Actual	(Negative)
REVENUES				
Property taxes and assessments	\$ 9,843,000	\$ 9,843,000	\$ 8,898,932	\$ (944,068)
Investment income	150,000	150,000	389,037	239,037
Total revenues	9,993,000	9,993,000	9,287,969	(705,031)
EXPENDITURES				
Debt service:				
Principal retirement	5,887,270	5,887,270	5,897,391	(10,121)
Interest and fiscal agent charges	2,742,470	2,742,470	2,746,953	(4,483)
Bond issuance costs	-	-	113,658	(113,658)
Total expenditures	8,629,740	8,629,740	8,758,002	(128,262)
Excess (deficiency) of revenues over (under) expenditures	1,363,260	1,363,260	529,967	(833,293)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	8,900,232	8,900,232
Premium on debt issuance	-	-	845,644	845,644
Payment to escrow agent	-	-	(9,571,767)	(9,571,767)
Transfers in	653,013	653,013	654,689	1,676
Total other financing sources (uses)	653,013	653,013	828,798	175,785
NET CHANGE IN FUND BALANCE	2,016,273	2,016,273	1,358,765	(657,508)
FUND BALANCE, BEGINNING	5,492,377	5,492,377	5,492,377	-
FUND BALANCE, ENDING	\$ 7,508,650	\$ 7,508,650	\$ 6,851,142	\$ (657,508)

Exhibit E-3

BCSDC Debt Service				4A EDC Debt Service			
Original Budget	Final Budget	Actual	Variance Positive (Negative)	Original Budget	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7,500	7,500	6,588	(912)	750	750	732	(18)
7,500	7,500	6,588	(912)	750	750	732	(18)
1,401,072	1,401,072	1,225,000	176,072	1,800,932	1,800,932	2,004,038	(203,106)
824,136	824,136	573,187	250,949	958,474	958,474	1,215,832	(257,358)
-	-	-	-	-	-	-	-
2,225,208	2,225,208	1,798,187	427,021	2,759,406	2,759,406	3,219,870	(460,464)
(2,217,708)	(2,217,708)	(1,791,599)	426,109	(2,758,656)	(2,758,656)	(3,219,138)	(460,482)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,224,218	2,224,218	1,797,632	(426,586)	2,757,636	2,757,636	3,218,074	460,438
2,224,218	2,224,218	1,797,632	(426,586)	2,757,636	2,757,636	3,218,074	460,438
6,510	6,510	6,033	(477)	(1,020)	(1,020)	(1,064)	(44)
119,271	119,271	119,271	-	13,709	13,709	13,709	-
\$ 125,781	\$ 125,781	\$ 125,304	\$ (477)	\$ 12,689	\$ 12,689	\$ 12,645	\$ (44)

City of Burleson, Texas
Hotel/Motel Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2024

Exhibit E-4

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Hotel occupancy taxes	\$ 481,809	\$ 481,809	\$ 570,830	\$ 89,021
Investment income	15,000	15,000	20,034	5,034
Miscellaneous	20,000	20,000	750	(19,250)
Total revenues	516,809	516,809	591,614	74,805
EXPENDITURES				
Current:				
Community development	544,540	544,540	451,842	92,698
Total expenditures	544,540	544,540	451,842	92,698
NET CHANGE IN FUND BALANCE	(27,731)	(27,731)	139,772	167,503
FUND BALANCE, BEGINNING	404,094	404,094	404,094	-
FUND BALANCE, ENDING	\$ 376,363	\$ 376,363	\$ 543,866	\$ 167,503

City of Burleson, Texas
BCSDC Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2024

Exhibit E-5

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Sales tax	\$ 7,594,138	\$ 7,594,138	\$ 7,462,408	\$ (131,730)
Investment income	90,000	90,000	211,004	121,004
Miscellaneous	40,259	40,259	28,490	(11,769)
Total revenues	<u>7,724,397</u>	<u>7,724,397</u>	<u>7,701,902</u>	<u>(22,495)</u>
EXPENDITURES				
Current:				
Community development	535,892	895,292	802,709	92,583
Parks and recreation	587,595	655,595	673,393	(17,798)
Capital outlay	50,000	50,000	-	50,000
Total expenditures	<u>1,173,487</u>	<u>1,600,887</u>	<u>1,476,102</u>	<u>124,785</u>
EXCESS OF REVENUES OVER EXPENDITURES	6,550,910	6,123,510	6,225,800	102,290
OTHER FINANCING USES				
Transfers out	(6,907,456)	(6,480,870)	(6,480,870)	-
Total other financing uses	<u>(6,907,456)</u>	<u>(6,480,870)</u>	<u>(6,480,870)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(356,546)	(357,360)	(255,070)	102,290
FUND BALANCE, BEGINNING	<u>5,340,055</u>	<u>5,340,055</u>	<u>5,340,055</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 4,983,509</u>	<u>\$ 4,982,695</u>	<u>\$ 5,084,985</u>	<u>\$ 102,290</u>

City of Burleson, Texas
4A Corp Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2024

Exhibit E-6

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Sales tax	\$ 7,594,138	\$ 7,594,138	\$ 7,462,408	\$ (131,730)
Investment income	100,000	100,000	324,136	224,136
Miscellaneous	290,000	290,000	333,549	43,549
Total revenues	7,984,138	7,984,138	8,120,093	135,955
EXPENDITURES				
Current:				
General Government	161,734	161,734	162,870	(1,136)
Community development	6,194,448	6,235,331	2,136,392	4,098,939
Total expenditures	6,356,182	6,397,065	2,299,262	4,097,803
EXCESS OF REVENUES OVER EXPENDITURES	1,627,956	1,587,073	5,820,831	4,233,758
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	2,375,000	2,375,000	-	2,375,000
Transfers out	(2,757,636)	(3,218,075)	(3,218,074)	(1)
Total other financing sources (uses)	(382,636)	(843,075)	(3,218,074)	2,374,999
NET CHANGE IN FUND BALANCE	1,245,320	743,998	2,602,757	1,858,759
FUND BALANCE, BEGINNING	5,433,397	5,433,397	5,433,397	-
FUND BALANCE, ENDING	\$ 6,678,717	\$ 6,177,395	\$ 8,036,154	\$ 1,858,759

City of Burleson, Texas
Parks Performance Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2024

Exhibit E-7

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Charges for services	\$ 2,197,050	\$ 2,197,050	\$ 2,532,417	\$ 335,367
Investment income	10,000	10,000	36,439	26,439
Miscellaneous	-	-	842	842
	<u>2,207,050</u>	<u>2,207,050</u>	<u>2,569,698</u>	<u>362,648</u>
EXPENDITURES				
Current:				
Parks and recreation	5,487,456	5,487,456	5,258,055	229,401
Capital outlay	172,828	172,828	41,280	131,548
	<u>5,660,284</u>	<u>5,660,284</u>	<u>5,299,335</u>	<u>360,949</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,453,234)	(3,453,234)	(2,729,637)	723,597
OTHER FINANCING SOURCES				
Transfers in	3,453,234	3,453,234	3,453,234	-
	<u>3,453,234</u>	<u>3,453,234</u>	<u>3,453,234</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	723,597	723,597
FUND BALANCE, BEGINNING	-	-	-	-
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 723,597</u>	<u>\$ 723,597</u>

City of Burleson, Texas
TIF 2 Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2024

Exhibit E-8

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Property taxes	\$ 1,192,589	\$ 1,192,589	\$ 1,204,520	\$ 11,931
Investment income	30,000	30,000	52,461	22,461
Miscellaneous	14,000	14,000	11,817	(2,183)
Total revenues	1,236,589	1,236,589	1,268,798	32,209
EXPENDITURES				
Current:				
Community development	395,491	394,688	216,392	178,296
Public safety	238,719	238,719	220,019	18,700
Parks and recreation	40,729	40,729	25,748	14,981
Total expenditures	674,939	674,136	462,159	211,977
EXCESS OF REVENUES OVER EXPENDITURES	561,650	562,453	806,639	244,186
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	449,374	(449,374)
Transfers out	(653,013)	(653,013)	(654,689)	1,676
Total other financing sources (uses)	(653,013)	(653,013)	(205,315)	(447,698)
NET CHANGE IN FUND BALANCE	(91,363)	(90,560)	601,324	691,884
FUND BALANCE, BEGINNING	339,812	339,812	339,812	-
FUND BALANCE, ENDING	\$ 248,449	\$ 249,252	\$ 941,136	\$ 691,884

City of Burleson, Texas
Municipal Court Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2024

Exhibit E-9

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Fines	\$ 80,000	\$ 80,000	\$ 53,121	\$ (26,879)
Investment income	6,200	6,200	10,808	4,608
Total revenues	<u>86,200</u>	<u>86,200</u>	<u>63,929</u>	<u>(22,271)</u>
EXPENDITURES				
Current:				
Public safety	<u>132,942</u>	<u>132,942</u>	<u>87,880</u>	<u>45,062</u>
Total expenditures	<u>132,942</u>	<u>132,942</u>	<u>87,880</u>	<u>45,062</u>
NET CHANGE IN FUND BALANCE	(46,742)	(46,742)	(23,951)	22,791
FUND BALANCE, BEGINNING	<u>210,789</u>	<u>210,789</u>	<u>210,789</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 164,047</u>	<u>\$ 164,047</u>	<u>\$ 186,838</u>	<u>\$ 22,791</u>

City of Burleson, Texas
Combining Financial Statements
Nonmajor Enterprise Funds

Nonmajor Enterprise Funds

The **Hidden Creek Golf Course Fund** accounts for the operations of the City's golf course, Hidden Creek Golf Course.

The **Solid Waste Fund** accounts for the operations of the City's solid waste collection utility.

The **Cemetery Enterprise Fund** accounts for the operations of the City's cemetery.

City of Burleson, Texas
Nonmajor Enterprise Funds
Combining Statement of Net Position
September 30, 2024

Exhibit F-1

	Hidden Creek Golf Course	Solid Waste	Cemetery	Total
ASSETS				
Current assets:				
Deposits and investments	\$ 41,702	\$ 659,496	\$ 699,265	\$ 1,400,463
Receivables:				
Accounts	25,654	605,542	26,081	657,277
Accrued interest	143	1,782	6,451	8,376
Total current assets	<u>67,499</u>	<u>1,266,820</u>	<u>731,797</u>	<u>2,066,116</u>
Noncurrent assets:				
Capital assets, net	<u>3,079,943</u>	<u>5,124</u>	<u>1,327,473</u>	<u>4,412,540</u>
Total noncurrent assets	<u>3,079,943</u>	<u>5,124</u>	<u>1,327,473</u>	<u>4,412,540</u>
Total assets	<u>3,147,442</u>	<u>1,271,944</u>	<u>2,059,270</u>	<u>6,478,656</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	873	-	-	873
Deferred outflows related to pensions	261,880	-	-	261,880
Deferred outflows related to OPEB (RHP & SDBF)	9,962	-	-	9,962
Total deferred outflows of resources	<u>272,715</u>	<u>-</u>	<u>-</u>	<u>272,715</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 112,856	\$ 678,145	\$ 34	\$ 791,035
Accrued liabilities	87,086	-	-	87,086
Accrued interest payable	1,207	-	-	1,207
Due to other funds	351,037	-	-	351,037
Bonds and compensated absences	395,258	-	-	395,258
Total current liabilities	<u>947,444</u>	<u>678,145</u>	<u>34</u>	<u>1,625,623</u>
Noncurrent liabilities:				
Bonds and compensated absences	68,394	-	-	68,394
Net pension liability	628,378	-	-	628,378
Total OPEB liability (RHP & SDBF)	119,153	-	-	119,153
Total noncurrent liabilities	<u>815,925</u>	<u>-</u>	<u>-</u>	<u>815,925</u>
Total liabilities	<u>1,763,369</u>	<u>678,145</u>	<u>34</u>	<u>2,441,548</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	13,183	-	-	13,183
Deferred inflows related to OPEB (RHP & SDBF)	29,425	-	-	29,425
Total deferred inflows of resources	<u>42,608</u>	<u>-</u>	<u>-</u>	<u>42,608</u>
NET POSITION				
Net investment in capital assets	2,692,961	5,124	1,327,473	4,025,558
Unrestricted	<u>(1,078,781)</u>	<u>588,675</u>	<u>731,763</u>	<u>241,657</u>
TOTAL NET POSITION	<u>\$ 1,614,180</u>	<u>\$ 593,799</u>	<u>\$ 2,059,236</u>	<u>\$ 4,267,215</u>

City of Burleson, Texas
Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses,
and Changes in Net Position
For the Year Ended September 30, 2024

Exhibit F-2

	Hidden Creek Golf Course	Solid Waste	Cemetery	Total
OPERATING REVENUES				
Charges for goods and services	\$ 2,248,182	\$ 4,358,801	\$ 102,833	\$ 6,709,816
Miscellaneous	1,273	-	-	1,273
Mineral lease	-	-	7,181	7,181
Total operating revenues	<u>2,249,455</u>	<u>4,358,801</u>	<u>110,014</u>	<u>6,718,270</u>
OPERATING EXPENSES				
Cost of golf operations	3,179,415	-	-	3,179,415
Cost of cemetery operations	-	-	4,467	4,467
Cost of solid waste operations	-	4,268,271	-	4,268,271
Materials, supplies, and cemetery lots	-	-	19,834	19,834
Depreciation	58,818	207	39,262	98,287
Total operating expenses	<u>3,238,233</u>	<u>4,268,478</u>	<u>63,563</u>	<u>7,570,274</u>
OPERATING INCOME (LOSS)	<u>(988,778)</u>	<u>90,323</u>	<u>46,451</u>	<u>(852,004)</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income	3,965	30,094	36,719	70,778
Interest and fiscal agent charges	(20,622)	-	-	(20,622)
Total non-operating revenues (expenses)	<u>(16,657)</u>	<u>30,094</u>	<u>36,719</u>	<u>50,156</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS				
	(1,005,435)	120,417	83,170	(801,848)
Transfers in	1,230,004	-	-	1,230,004
Transfers out	-	(46,038)	-	(46,038)
CHANGE IN NET POSITION	224,569	74,379	83,170	382,118
NET POSITION AT BEGINNING OF YEAR	<u>1,389,611</u>	<u>519,420</u>	<u>1,976,066</u>	<u>3,885,097</u>
NET POSITION AT END OF YEAR	<u>\$ 1,614,180</u>	<u>\$ 593,799</u>	<u>\$ 2,059,236</u>	<u>\$ 4,267,215</u>

City of Burleson, Texas
Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended September 30, 2024

Exhibit F-3

	<u>Hidden Creek Golf Course</u>	<u>Solid Waste</u>	<u>Cemetery</u>	<u>Total Nonmajor Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 2,232,277	\$ 4,098,417	\$ 114,089	\$ 6,444,783
Payments to suppliers and service providers	(1,652,855)	(4,207,502)	(24,267)	(5,884,624)
Payments to employees for salaries and benefits	(1,415,834)	-	-	(1,415,834)
Payments from other funds for services provided	176,065	-	-	176,065
Other receipts	-	-	7,181	7,181
Net cash provided by (used in) operating activities	<u>(660,347)</u>	<u>(109,085)</u>	<u>97,003</u>	<u>(672,429)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments from other funds	1,230,004	-	-	1,230,004
Payments to other funds	-	(46,038)	-	(46,038)
Net cash provided by (used in) noncapital financing activities	<u>1,230,004</u>	<u>(46,038)</u>	<u>-</u>	<u>1,183,966</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal paid on bonds	(723,286)	-	-	(723,286)
Interest payments on bonds	(31,269)	-	-	(31,269)
Proceeds of bond issuance	361,714	-	-	361,714
Acquisition of capital assets	(151,784)	-	(71,546)	(223,330)
Net cash (used in) capital and related financial activities	<u>(544,625)</u>	<u>-</u>	<u>(71,546)</u>	<u>(616,171)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	4,151	29,327	31,022	64,500
Net cash provided by investing activities	<u>4,151</u>	<u>29,327</u>	<u>31,022</u>	<u>64,500</u>
Net increase (decrease) in cash and cash equivalents	29,183	(125,796)	56,479	(40,134)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>12,519</u>	<u>785,292</u>	<u>642,786</u>	<u>1,440,597</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 41,702</u>	<u>\$ 659,496</u>	<u>\$ 699,265</u>	<u>\$ 1,400,463</u>

City of Burleson, Texas
Combining Financial Statements
Nonmajor Enterprise Funds
Combining Statement of Cash Flows – Continued
For the Year Ended September 30, 2024

Exhibit F-3

	<u>Hidden Creek Golf Course</u>	<u>Solid Waste</u>	<u>Cemetery</u>	<u>Total Nonmajor Enterprise Funds</u>
Reconciliation of operating loss				
to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (988,778)	\$ 90,323	\$ 46,451	\$ (852,004)
Depreciation	58,818	207	39,262	98,287
Change in operating assets and liabilities:				
(Increase) decrease in accounts receivable	(17,178)	(260,384)	11,256	(266,306)
(Increase) decrease in inventories	-	-	-	-
(Increase) decrease in deferred outflows related to pension	69,183	-	-	69,183
(Increase) decrease in deferred outflows related to OPEB	2,866	-	-	2,866
Increase (decrease) in accounts payable	(4,205)	60,769	34	56,598
Increase (decrease) in accrued liabilities	29,781	-	-	29,781
Increase (decrease) in customer deposits	-	-	-	-
Increase (decrease) in unearned revenue	-	-	-	-
Increase (decrease) in due to other funds	176,065	-	-	176,065
Increase (decrease) in compensated absences	-	-	-	-
Increase (decrease) in net pension liability and total OPEB liability	(10,044)	-	-	(10,044)
Increase (decrease) in deferred inflows related to pension	13,183	-	-	13,183
Increase (decrease) in deferred inflows related to OPEB	9,962	-	-	9,962
Net cash provided by (used in) operating activities	<u>\$ (660,347)</u>	<u>\$ (109,085)</u>	<u>\$ 97,003</u>	<u>\$ (672,429)</u>

City of Burleson, Texas

Combining Financial Statements

Internal Service Funds

Internal Service Funds are used to account for the financing of goods and/or services provided by one department to another department within the City:

The **Equipment Services Fund** accounts for a full range of services in managing and maintaining the City's fleet of vehicles and equipment. All costs associated with these operations are charged to the using department to offset the adopted budget to this fund.

The **Governmental Vehicle Replacement Fund** provides for the replacement of vehicles and equipment utilized by all governmental City departments. The two equipment replacement funds enable the City to fund major equipment purchases without substantially affecting the stability of the ad valorem tax rate.

The **Business-Type Vehicle Replacement Fund** is used as a funding, management and planning tool that provides a systematic approach to the replacement of City-owned vehicles and equipment used by the Water-Wastewater, Golf and Solid Waste funds.

The **Support Services Fund** is designed to record the activities of support services function (currently only Information Technology) and allow for the costs of these services to be reflected as expenditures of the "customer" departments.

The **Health Insurance Fund** accounts for the City's self-health insurance program.

City of Burleson, Texas
Combining Statement of Net Position
Internal Service Funds
September 30, 2024

Exhibit G-1

	Equipment Services	Governmental Vehicle Replacement	Business-type Vehicle Replacement	Support Services	Health Insurance	Total Internal Service Funds
ASSETS						
Current assets:						
Cash and investments	\$ 404,805	\$ 5,326,848	\$ 493,433	\$ 1,726,897	\$ 3,321,481	\$ 11,273,464
Receivables:						
Accounts	-	-	-	91,120	11,285	102,405
Accrued interest	1,059	14,156	1,311	4,549	8,808	29,883
Inventories	22,375	-	-	-	-	22,375
Total current assets	428,239	5,341,004	494,744	1,822,566	3,341,574	11,428,127
Noncurrent assets:						
Capital assets, net	39,539	3,183,137	1,678,336	4,541,223	-	9,442,235
Total noncurrent assets	39,539	3,183,137	1,678,336	4,541,223	-	9,442,235
Total assets	467,778	8,524,141	2,173,080	6,363,789	3,341,574	20,870,362
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	118,719	-	-	390,375	-	509,094
Deferred outflows related to OPEB (RHP & SDBF)	4,518	-	-	14,849	-	19,367
Total deferred outflows	123,237	-	-	405,224	-	528,461
LIABILITIES						
Current liabilities:						
Accounts payable	38,887	-	-	674,886	1,018	714,791
Compensated absences	18,359	-	-	70,544	-	88,903
Financed purchases	-	-	-	336,655	-	336,655
Subscription liabilities	-	-	-	389,526	-	389,526
Accrued liabilities	26,175	-	-	73,346	-	99,521
Total current liabilities	83,421	-	-	1,544,957	1,018	1,629,396
Noncurrent liabilities:						
Net pension liability	284,866	-	-	936,704	-	1,221,570
Total OPEB liability (RHP & SDBF)	54,016	-	-	177,616	-	231,632
Financed purchases	-	-	-	886,808	-	886,808
Subscription liabilities	-	-	-	362,674	-	362,674
Compensated absences	-	-	-	36,059	-	36,059
Total noncurrent liabilities	338,882	-	-	2,399,861	-	2,738,743
Total liabilities	422,303	-	-	3,944,818	1,018	4,368,139
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	5,976	-	-	19,652	-	25,628
Deferred inflows related to OPEB (RHP & SDBF)	13,339	-	-	43,862	-	57,201
Total deferred inflows	19,315	-	-	63,514	-	82,829
NET POSITION						
Net investment in capital assets	39,539	3,183,137	1,678,336	4,541,223	-	9,442,235
Unrestricted	109,858	5,341,004	494,744	(1,780,542)	3,340,556	7,505,620
Total net position	\$ 149,397	\$ 8,524,141	\$ 2,173,080	\$ 2,760,681	\$ 3,340,556	\$ 16,947,855

City of Burleson, Texas
Combining Statement of Revenues, Expenses and
Changes in Fund Net Position - Internal Service Funds
September 30, 2024

Exhibit G-2

	Equipment Services	Governmental Vehicle Replacement	Business-type Vehicle Replacement	Support Services	Health Insurance	Total Internal Service Funds
OPERATING REVENUES						
Charges for goods and services	\$ 2,325,024	\$ 1,553,588	\$ 475,000	\$ 5,660,607	\$ 7,143,000	\$ 17,157,219
Miscellaneous	-	-	-	44,998	-	44,998
Total operating revenues	<u>2,325,024</u>	<u>1,553,588</u>	<u>475,000</u>	<u>5,705,605</u>	<u>7,143,000</u>	<u>17,202,217</u>
OPERATING EXPENSES						
Personnel services	583,600	-	-	1,843,874	448,224	2,875,698
Professional and contracted services	-	-	-	156,594	94,821	251,415
Administrative and IT	169,143	3,664	2,023	255,342	-	430,172
Insurance	-	-	-	-	6,898,611	6,898,611
Repairs and maintenance	542,086	-	-	2,276,006	-	2,818,092
Materials and supplies	686,034	-	-	540,334	-	1,226,368
Other costs	36	50,019	3,924	113,664	-	167,643
Depreciation/amortization	11,883	1,128,500	325,734	838,915	-	2,305,032
Total operating expenses	<u>1,992,782</u>	<u>1,182,183</u>	<u>331,681</u>	<u>6,024,729</u>	<u>7,441,656</u>	<u>16,973,031</u>
Operating income (loss)	<u>332,242</u>	<u>371,405</u>	<u>143,319</u>	<u>(319,124)</u>	<u>(298,656)</u>	<u>229,186</u>
NONOPERATING REVENUES						
Gain on sale of capital assets	-	-	145,626	-	-	145,626
Investment income	13,806	255,690	45,793	69,070	176,636	560,995
Interest and fiscal agent charges	-	-	-	(38,327)	-	(38,327)
Total nonoperating revenues	<u>13,806</u>	<u>255,690</u>	<u>191,419</u>	<u>30,743</u>	<u>176,636</u>	<u>668,294</u>
Change in net position	<u>346,048</u>	<u>627,095</u>	<u>334,738</u>	<u>(288,381)</u>	<u>(122,020)</u>	<u>897,480</u>
NET POSITION - BEGINNING OF YEAR	<u>(196,651)</u>	<u>7,897,046</u>	<u>1,838,342</u>	<u>3,049,062</u>	<u>3,462,576</u>	<u>16,050,375</u>
NET POSITION - ENDING OF YEAR	<u>\$ 149,397</u>	<u>\$ 8,524,141</u>	<u>\$ 2,173,080</u>	<u>\$ 2,760,681</u>	<u>\$ 3,340,556</u>	<u>\$ 16,947,855</u>

City of Burleson, Texas
Combining Statement of Cash Flows
Internal Service Funds
September 30, 2024

Exhibit G-3

	Equipment Services	Vehicle Replacement Governmental	Vehicle Replacement Business-Type	Support Services	Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts for interfund charges	\$ 2,325,024	\$ 1,555,088	\$ 475,000	\$ 5,569,487	\$ 7,141,378	\$ 17,065,977
Other receipts	-	-	-	44,998	-	44,998
Payments to suppliers and service providers	(1,400,387)	(53,683)	(5,947)	(2,950,334)	(7,016,714)	(11,427,065)
Payments to other funds for services provided	(5,019)	-	-	-	-	(5,019)
Payments to employees for salaries and benefits	(533,912)	-	-	(1,691,445)	(448,224)	(2,673,581)
Net cash provided by (used in) operating activities	<u>385,706</u>	<u>1,501,405</u>	<u>469,053</u>	<u>972,706</u>	<u>(323,560)</u>	<u>3,005,310</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Receipts for sale of capital assets	-	-	145,626	-	-	145,626
Principal payments on subscription liabilities/financed purchases	-	-	-	(706,210)	-	(706,210)
Interest payments on subscription liabilities	-	-	-	(38,327)	-	(38,327)
Acquisition and construction of capital assets	-	(345,679)	(1,226,728)	(455,349)	-	(2,027,756)
Net cash used by capital and related financing activities	<u>-</u>	<u>(345,679)</u>	<u>(1,081,102)</u>	<u>(1,199,886)</u>	<u>-</u>	<u>(2,626,667)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	<u>12,747</u>	<u>246,092</u>	<u>45,713</u>	<u>66,319</u>	<u>171,598</u>	<u>542,469</u>
Net cash provided by investing activities	<u>12,747</u>	<u>246,092</u>	<u>45,713</u>	<u>66,319</u>	<u>171,598</u>	<u>542,469</u>
Net increase (decrease) in cash and cash equivalents	398,453	1,401,818	(566,336)	(160,861)	(151,962)	921,112
CASH AND CASH EQUIVALENTS, beginning of year	<u>6,352</u>	<u>3,925,030</u>	<u>1,059,769</u>	<u>1,887,856</u>	<u>3,473,443</u>	<u>10,352,450</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 404,805</u>	<u>\$ 5,326,848</u>	<u>\$ 493,433</u>	<u>\$ 1,726,995</u>	<u>\$ 3,321,481</u>	<u>\$ 11,273,562</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating income (loss)	\$ 332,242	\$ 371,405	\$ 143,319	\$ (319,124)	\$ (298,656)	\$ 229,186
Depreciation	11,883	1,128,500	325,734	838,915	-	2,305,032
Change in operating assets and liabilities:						
Decrease (increase) in accounts receivable	-	1,500	-	(91,120)	(1,622)	(91,242)
Decrease (increase) in inventories	3,253	-	-	-	-	3,253
Decrease (increase) in deferred outflows related to pension	31,240	-	-	108,928	-	140,168
Decrease (increase) in deferred outflows related to OPEB	1,308	-	-	4,456	-	5,764
Increase (decrease) in accounts payable	(6,341)	-	-	391,606	(23,282)	361,983
Increase (decrease) in accrued liabilities	7,850	-	-	23,152	-	31,002
Increase (decrease) in due to other funds	(5,019)	-	-	-	-	(5,019)
Increase (decrease) in compensated absences	3,208	-	-	9,577	-	12,785
Increase (decrease) in net pension and OPEB liability	(4,396)	-	-	(27,905)	-	(32,301)
Increase (decrease) in deferred inflows related to pension	5,976	-	-	19,652	-	25,628
Increase in deferred inflows related to OPEB	4,502	-	-	14,569	-	19,071
Net cash provided by (used in) operating activities	<u>\$ 385,706</u>	<u>\$ 1,501,405</u>	<u>\$ 469,053</u>	<u>\$ 972,706</u>	<u>\$ (323,560)</u>	<u>\$ 3,005,310</u>

City of Burleson, Texas
 Statistical Section (Unaudited)

This part of the City of Burleson'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 government's overall financial health.

Contents:	Table
Financial Trends	1
<p>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</p>	
Revenue Capacity.....	5
<p>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</p>	
Debt Capacity	9
<p>These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.</p>	
Demographic and Economic Information	13
<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</p>	
Operating Information.....	15
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</p>	

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

City of Burleson, Texas
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities:				
Net investment in capital assets	\$ 105,900,578	\$ 111,368,435	\$ 127,316,098	\$ 136,812,328
Restricted	13,626,779	11,548,400	12,262,240	13,166,573
Unrestricted	<u>10,915,868</u>	<u>10,908,958</u>	<u>8,167,997</u>	<u>4,245,368</u>
Total governmental activities net position	<u>\$ 130,443,225</u>	<u>\$ 133,825,793</u>	<u>\$ 147,746,335</u>	<u>\$ 154,224,269</u>
Business-type activities:				
Net investment in capital assets	\$ 59,041,199	\$ 56,061,308	\$ 68,346,297	\$ 69,333,764
Restricted	3,667,415	4,592,463	1,049,746	1,049,746
Unrestricted	<u>7,251,796</u>	<u>12,448,245</u>	<u>10,499,641</u>	<u>15,642,520</u>
Total business-type activities net position	<u>\$ 69,960,410</u>	<u>\$ 73,102,016</u>	<u>\$ 79,895,684</u>	<u>\$ 86,026,030</u>
Primary government:				
Net investment in capital assets	\$ 164,941,777	\$ 167,429,743	\$ 195,662,395	\$ 206,146,122
Restricted	17,294,194	16,140,863	13,311,986	14,216,319
Unrestricted	<u>18,167,664</u>	<u>23,357,203</u>	<u>18,667,638</u>	<u>19,887,888</u>
Total primary government activities net position	<u>\$ 200,403,635</u>	<u>\$ 206,927,809</u>	<u>\$ 227,642,019</u>	<u>\$ 240,250,329</u>

Table 1

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 148,085,539	\$ 153,051,846	\$ 163,721,859	\$ 174,521,592	\$ 202,912,185	\$ 196,476,618
13,232,818	17,468,108	12,460,606	12,617,978	17,576,662	22,953,937
4,248,170	6,714,141	14,525,540	23,156,517	1,899,367	13,701,406
<u>\$ 165,566,527</u>	<u>\$ 177,234,095</u>	<u>\$ 190,708,005</u>	<u>\$ 210,296,087</u>	<u>\$ 222,388,214</u>	<u>\$ 233,131,961</u>
\$ 75,777,424	\$ 79,752,890	\$ 88,788,759	\$ 86,021,027	\$ 75,413,705	\$ 92,255,311
5,225,080	7,415,521	7,608,773	305,147	-	-
11,580,796	13,778,201	10,389,928	28,366,948	31,960,222	17,046,374
<u>\$ 92,583,300</u>	<u>\$ 100,946,612</u>	<u>\$ 106,787,460</u>	<u>\$ 114,693,122</u>	<u>\$ 107,373,927</u>	<u>\$ 109,301,685</u>
\$ 223,862,963	\$ 232,804,736	\$ 252,510,618	\$ 260,542,619	\$ 278,325,890	\$ 288,731,929
18,457,898	24,883,629	20,069,379	12,923,125	17,576,662	22,953,937
15,828,966	20,492,342	24,915,468	51,523,465	33,859,589	30,747,780
<u>\$ 258,149,827</u>	<u>\$ 278,180,707</u>	<u>\$ 297,495,465</u>	<u>\$ 324,989,209</u>	<u>\$ 329,762,141</u>	<u>\$ 342,433,646</u>

City of Burleson, Texas
Changes in Net Position
Last Ten Fiscal Years (Unaudited)
(Accrual Basis of Accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses				
Governmental activities:				
General government	\$ 5,567,804	\$ 3,406,957	\$ 7,611,844	\$ 7,801,767
Public safety	15,587,330	18,135,674	18,619,648	19,356,978
Public works	10,344,069	11,100,276	11,263,930	12,173,830
Community development	2,467,564	4,701,517	2,740,816	4,902,487
Culture and recreation	7,062,534	7,801,924	8,091,904	8,134,817
Parks and recreation	-	-	-	-
Library	-	-	-	-
Interest and other fees	3,218,658	3,237,341	3,118,052	2,954,294
Total governmental activities expenses	<u>44,247,959</u>	<u>48,383,689</u>	<u>51,446,194</u>	<u>55,324,173</u>
Business-type activities:				
Water and wastewater	15,692,100	16,333,488	16,349,125	17,605,194
Hidden Creek Golf Course	1,983,682	2,049,089	2,141,509	2,046,511
Solid Waste	2,779,193	2,846,497	2,957,738	3,047,978
Cemetery	11,891	11,152	11,910	12,528
Total business-type activities expenses	<u>20,466,866</u>	<u>21,240,226</u>	<u>21,460,282</u>	<u>22,712,211</u>
Total primary government expenses	<u>\$ 64,714,825</u>	<u>\$ 69,623,915</u>	<u>\$ 72,906,476</u>	<u>\$ 78,036,384</u>
Program Revenues:				
Governmental activities:				
Charges for services	\$ 7,773,637	\$ 7,566,246	\$ 8,782,144	\$ 8,784,594
Operating grants and contributions	829,724	971,500	1,592,388	1,426,293
Capital grants and contributions	2,983,243	2,144,534	11,440,915	6,353,066
Total governmental activities program revenues	<u>11,586,604</u>	<u>10,682,280</u>	<u>21,815,447</u>	<u>16,563,953</u>
Business-type activities				
Charges for services	21,331,913	22,263,652	23,108,557	25,809,983
Operating grants and contributions	846,581	827,614	1,108,892	-
Capital grants and contributions	1,766,788	1,067,383	4,020,669	2,272,247
Total business-type activities program revenues	<u>23,945,282</u>	<u>24,158,649</u>	<u>28,238,118</u>	<u>28,082,230</u>
Total primary government program revenues	<u>\$ 35,531,886</u>	<u>\$ 34,840,929</u>	<u>\$ 50,053,565</u>	<u>\$ 44,646,183</u>
Net (expense)/revenue				
Governmental activities	\$(32,661,355)	\$(37,701,409)	\$(29,630,747)	\$(38,760,220)
Business-type activities	<u>3,478,416</u>	<u>2,918,423</u>	<u>6,777,836</u>	<u>5,370,019</u>
Total primary government net expense	<u>\$(29,182,939)</u>	<u>\$(34,782,986)</u>	<u>\$(22,852,911)</u>	<u>\$(33,390,201)</u>

Table 2

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 8,762,392	\$ 9,901,828	\$ 7,678,903	\$ 8,293,081	\$ 9,606,894	\$ 10,207,283
20,396,702	21,647,212	26,227,399	29,220,408	36,454,820	38,195,557
12,650,861	14,839,605	13,597,575	14,743,553	15,162,754	13,891,525
5,138,466	4,216,584	4,587,759	4,178,055	7,100,096	8,327,647
8,053,419	7,940,337	7,697,763	-	-	-
-	-	-	6,377,399	9,625,261	10,230,231
-	-	-	1,411,839	1,753,245	1,819,145
<u>3,242,540</u>	<u>3,122,881</u>	<u>2,886,794</u>	<u>2,805,915</u>	<u>3,319,651</u>	<u>4,370,179</u>
<u>58,244,380</u>	<u>61,668,447</u>	<u>62,676,193</u>	<u>67,030,250</u>	<u>83,022,721</u>	<u>87,041,567</u>
18,910,941	18,543,022	18,640,527	20,536,810	36,231,989	27,370,058
2,194,026	2,321,398	1,895,172	2,546,070	2,937,323	3,214,012
3,179,444	3,464,393	3,563,473	3,780,319	3,966,031	4,260,205
<u>28,894</u>	<u>33,770</u>	<u>80,828</u>	<u>15,493</u>	<u>69,725</u>	<u>63,563</u>
<u>24,313,305</u>	<u>24,362,583</u>	<u>24,180,000</u>	<u>26,878,692</u>	<u>43,205,068</u>	<u>34,907,838</u>
<u>\$ 82,557,685</u>	<u>\$ 86,031,030</u>	<u>\$ 86,856,193</u>	<u>\$ 93,908,942</u>	<u>\$ 126,227,789</u>	<u>\$121,949,405</u>
\$ 8,480,206	\$ 7,845,040	\$ 8,780,004	\$ 9,394,259	\$ 10,296,569	\$ 11,541,762
738,026	2,998,564	5,981,907	4,270,180	6,847,951	4,959,441
<u>7,595,136</u>	<u>5,699,075</u>	<u>2,253,873</u>	<u>8,786,321</u>	<u>6,156,887</u>	<u>3,053,302</u>
<u>16,813,368</u>	<u>16,542,679</u>	<u>17,015,784</u>	<u>22,450,760</u>	<u>23,301,407</u>	<u>19,554,505</u>
25,405,060	26,532,808	26,713,025	29,937,355	30,286,310	32,970,946
16,442	8,549	14,260	34,699	21,856	7,181
<u>3,512,382</u>	<u>3,818,739</u>	<u>2,980,216</u>	<u>5,036,972</u>	<u>3,528,969</u>	<u>2,027,093</u>
<u>28,933,884</u>	<u>30,360,096</u>	<u>29,707,501</u>	<u>35,009,026</u>	<u>33,837,135</u>	<u>35,005,220</u>
<u>\$ 45,747,252</u>	<u>\$ 46,902,775</u>	<u>\$ 46,723,285</u>	<u>\$ 57,459,786</u>	<u>\$ 57,138,542</u>	<u>\$ 54,559,725</u>
\$(41,431,012)	\$(45,125,768)	\$ (45,660,409)	\$ (44,579,490)	\$ (59,721,314)	\$ (67,487,062)
<u>4,620,579</u>	<u>5,997,513</u>	<u>5,527,501</u>	<u>8,130,334</u>	<u>(9,367,933)</u>	<u>97,382</u>
<u>\$(36,810,433)</u>	<u>\$(39,128,255)</u>	<u>\$ (40,132,908)</u>	<u>\$ (36,449,156)</u>	<u>\$ (69,089,247)</u>	<u>\$ (67,389,680)</u>

City of Burleson, Texas
Changes in Net Position
Last Ten Fiscal Years (Unaudited)
(Accrual Basis of Accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	\$ 19,171,938	\$ 20,510,482	\$ 21,776,804	\$ 21,776,804
Tax Increment Financing	423,586	457,438	536,812	536,812
Sales and use taxes	16,689,391	16,595,528	17,099,917	17,099,917
Hotel/motel taxes	192,639	219,250	222,652	222,652
Franchise fees	3,242,051	3,166,620	3,113,999	3,113,999
Investment income	95,192	243,568	471,436	471,436
Gain (loss) on disposal of assets	-	-	-	-
Transfers	(244,589)	(108,909)	329,669	329,669
Total governmental activities	<u>39,570,208</u>	<u>41,083,977</u>	<u>43,551,289</u>	<u>43,551,289</u>
Business-type activities:				
Investment income	29,790	114,274	311,582	311,582
Gain on disposal of assets	-	-	33,919	33,919
Transfers	244,589	108,909	(329,669)	(329,669)
Total business-type revenues	<u>274,379</u>	<u>223,183</u>	<u>15,832</u>	<u>15,832</u>
Total primary government	<u>\$ 39,844,587</u>	<u>\$ 41,307,160</u>	<u>\$ 43,567,121</u>	<u>\$ 43,567,121</u>
Change in Net Position				
Governmental activities	\$ 6,908,853	\$ 3,382,568	\$ 13,920,542	\$ 4,791,069
Business-type activities	<u>3,752,795</u>	<u>3,141,606</u>	<u>6,793,668</u>	<u>5,385,851</u>
Total primary government	<u>\$ 10,661,648</u>	<u>\$ 6,524,174</u>	<u>\$ 20,714,210</u>	<u>\$ 10,176,920</u>

Table 2
(Continued)

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 26,785,864	\$ 28,894,199	\$ 29,343,869	\$ 30,311,580	\$ 33,341,352	\$ 37,912,361
683,559	777,021	905,662	1,175,995	1,076,556	1,204,520
19,660,908	21,468,069	24,801,831	28,011,255	29,598,444	30,091,181
237,665	190,187	455,115	466,584	583,802	610,872
3,383,906	3,404,113	3,732,406	3,931,439	3,754,462	4,168,878
1,772,832	1,950,288	78,034	(484,929)	3,260,690	5,025,245
105,767	1,877,727	70,477	13,402	439,368	(715,205)
<u>(780,753)</u>	<u>(1,768,268)</u>	<u>(253,075)</u>	<u>742,246</u>	<u>(241,233)</u>	<u>(67,043)</u>
<u>51,849,748</u>	<u>56,793,336</u>	<u>59,134,319</u>	<u>64,167,572</u>	<u>71,813,441</u>	<u>78,230,809</u>
1,114,808	581,231	44,697	(116,987)	1,804,091	2,260,453
41,100	16,300	15,575	634,561	3,414	(497,120)
<u>780,753</u>	<u>1,768,268</u>	<u>253,075</u>	<u>(742,246)</u>	<u>241,233</u>	<u>67,043</u>
<u>1,936,661</u>	<u>2,365,799</u>	<u>313,347</u>	<u>(224,672)</u>	<u>2,048,738</u>	<u>1,830,376</u>
<u>\$ 53,786,409</u>	<u>\$ 59,159,135</u>	<u>\$ 59,447,666</u>	<u>\$ 63,942,900</u>	<u>\$ 73,862,179</u>	<u>\$ 80,061,185</u>
\$ 10,418,736	\$ 11,667,568	\$ 13,473,910	\$ 19,588,082	\$ 12,092,127	\$ 10,743,747
<u>6,557,240</u>	<u>8,363,312</u>	<u>5,840,848</u>	<u>7,905,662</u>	<u>(7,319,195)</u>	<u>1,927,758</u>
<u>\$ 16,975,976</u>	<u>\$ 20,030,880</u>	<u>\$ 19,314,758</u>	<u>\$ 27,493,744</u>	<u>\$ 4,772,932</u>	<u>\$ 12,671,505</u>

City of Burleson, Texas
Fund Balances
Governmental Funds
Last Ten Fiscal Years (Unaudited)
(Modified Accrual Basis of Accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund:				
Nonspendable	\$ 32,024	\$ 28,174	\$ 26,769	\$ 40,389
Committed to:				
Debt service	510,802	404,607	291,558	802,860
Other Purposes	809,956	251,257	299,254	586,007
Assigned to:				
Risk management	1,047,047	1,047,047	1,047,047	1,047,047
Unassigned	<u>9,023,255</u>	<u>9,273,423</u>	<u>8,334,083</u>	<u>7,534,128</u>
 Total general fund	 <u>\$ 11,423,084</u>	 <u>\$ 11,004,508</u>	 <u>\$ 9,998,711</u>	 <u>\$ 10,010,431</u>
 All Other Governmental Funds:				
Nonspendable	\$ 1,389	\$ 2,617	\$ 5,190	\$ 1,412
Restricted for:				
Debt service	2,580,870	2,530,494	2,545,853	2,682,681
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Library	10,000	1,096	408	409
Economic development	10,473,189	8,406,131	9,597,492	10,428,389
Tourism	572,720	623,803	647,895	721,237
Capital projects	18,992,927	16,233,204	15,166,607	27,103,803
Other purposes	-	-	-	-
Committed to:				
Culture and recreation	585,144	683,099	889,250	875,940
Economic development	409,834	484,485	395,759	73,618
Capital projects	8,843,780	8,325,229	8,127,991	6,416,935
Debt service	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total all other governmental funds	 <u>\$ 42,469,853</u>	 <u>\$ 37,290,158</u>	 <u>\$ 37,376,445</u>	 <u>\$ 48,304,424</u>

Table 3

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 14,997	\$ 4,080	\$ 49,800	\$ 27,424	\$ 28,000	\$ 42,000
622,908	523,325	465,429	405,527	-	-
320,191	220,044	234,175	1,025,116	-	-
1,369,818	1,260,078	-	-	-	-
<u>9,391,334</u>	<u>14,120,506</u>	<u>17,589,905</u>	<u>20,466,098</u>	<u>18,467,600</u>	<u>20,316,733</u>
<u>\$ 11,719,248</u>	<u>\$ 16,128,033</u>	<u>\$ 18,339,309</u>	<u>\$ 21,924,165</u>	<u>\$ 18,495,600</u>	<u>\$ 20,358,733</u>
\$ 1,620	\$ -	\$ -	\$ 100,000	\$ 11,646	\$ 4,903
2,315,108	3,150,018	2,992,775	2,809,765	5,625,357	6,989,091
-	1,123	414,059	289,721	271,657	186,838
1,402	618	563	23,405	36,682	723,597
522	243	815	12,991	1,685	87,575
10,147,192	13,620,267	8,428,929	8,739,711	11,360,769	14,367,405
770,518	697,823	902,281	1,019,959	404,094	543,866
28,908,327	21,852,694	15,298,057	16,238,510	25,598,738	54,583,773
-	-	5,203	46,781	288,550	566,737
981,885	-	-	-	-	-
73,618	73,618	-	-	-	-
8,263,131	8,517,847	11,614,396	16,548,521	9,458,569	9,886,267
-	-	-	-	-	-
-	(1,424,708)	(191,511)	(153,545)	-	-
<u>\$ 51,463,323</u>	<u>\$ 46,489,543</u>	<u>\$ 39,465,567</u>	<u>\$ 45,675,819</u>	<u>\$ 53,057,747</u>	<u>\$ 87,940,052</u>

City of Burleson, Texas
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years (Unaudited)
(Modified Accrual Basis of Accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues:				
Property taxes	\$ 19,856,938	\$ 21,228,368	\$ 22,662,335	\$ 25,189,670
Sales and use taxes	16,880,929	16,798,919	17,305,748	18,729,392
Franchise fees	3,193,511	3,150,851	3,089,998	3,249,704
Licenses and permits	1,415,034	1,335,198	1,356,969	1,351,498
Intergovernmental	287,832	599,310	1,345,592	1,022,835
Fines and forfeitures	1,422,084	1,402,152	1,543,257	1,445,053
Donations	533,822	251,840	133,652	227,283
Charges for services	3,727,378	3,840,360	4,127,562	4,046,803
Investment income	88,026	223,806	428,422	920,364
Mineral lease	521,976	268,183	311,715	308,858
Street assessments	166,226	143,429	47,481	27,947
Miscellaneous	1,874,647	1,578,783	1,831,166	1,787,707
Total revenues	<u>49,968,403</u>	<u>50,821,199</u>	<u>54,183,897</u>	<u>58,307,114</u>
Expenditures:				
Current:				
General government	5,178,035	5,356,449	6,958,826	7,467,748
Public safety	17,829,372	18,320,238	17,536,369	19,465,973
Public works	5,869,224	6,416,556	6,020,703	6,807,958
Community development	2,834,550	5,057,885	3,159,634	5,449,827
Culture and recreation	6,275,252	6,867,778	7,076,266	7,186,446
Library	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	10,414,349	14,986,952	9,629,088	5,084,668
Debt service:				
Principal	5,230,643	5,741,552	6,295,335	663,791
Interest and fiscal agent charges	3,815,653	3,558,020	3,901,892	3,536,470
Debt issuance costs	-	-	-	173,355
Total expenditures	<u>57,447,078</u>	<u>66,305,430</u>	<u>60,578,113</u>	<u>55,836,236</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,478,675)</u>	<u>(15,484,231)</u>	<u>(6,394,216)</u>	<u>2,470,878</u>
Other financing sources (uses):				
Transfers in	8,009,497	12,017,189	10,673,496	6,990,660
Transfers out	(8,288,086)	(12,160,098)	(10,377,827)	(7,289,423)
Issuance of leases payable	-	-	-	631,520
Issuance of bonds	18,715,000	30,051,092	4,965,000	13,745,000
Payment to refunded bonds escrow agent	(11,047,964)	(23,304,563)	-	-
Premium	2,131,755	3,282,340	214,037	278,976
Sale of capital assets	-	-	-	212,088
Total other financing sources (uses)	<u>9,520,202</u>	<u>9,885,960</u>	<u>5,474,706</u>	<u>14,568,821</u>
Net change in fund balances	<u>\$ 2,041,527</u>	<u>\$ (5,598,271)</u>	<u>\$ (919,510)</u>	<u>\$ 17,039,699</u>
Debt service as a percentage of non-capital expenditures (1)	19.75%	19.22%	19.84%	18.71%

(1) There are some capital expenditures reported in various functional expenditure line items and are included in this calculation.

Table 4

2019	2020	2021	2022	2023	2024
\$ 27,469,423	\$ 29,671,220	\$ 30,249,531	\$ 31,487,575	\$ 34,417,908	\$ 38,542,517
19,878,538	21,650,326	25,256,946	28,377,992	30,182,246	30,662,011
3,353,554	3,386,680	3,571,813	3,793,789	3,995,654	4,147,735
1,408,566	1,855,309	1,600,238	1,421,318	1,432,439	1,562,939
535,884	1,421,536	4,324,083	3,331,989	6,127,900	3,435,969
1,116,297	600,142	1,557,088	948,701	884,397	789,365
859,829	1,104,396	1,224,829	995,633	895,153	915,508
4,191,285	4,631,276	3,921,001	5,057,344	6,382,068	7,726,627
1,535,153	731,941	62,310	(405,313)	2,889,432	4,548,370
274,053	164,269	275,019	618,527	459,240	178,153
686,010	48,425	59,962	69,999	121,551	112,303
1,635,999	937,024	1,809,495	1,842,139	1,118,505	1,785,109
62,944,591	66,202,544	73,912,315	77,539,693	88,906,493	94,406,606
8,133,737	9,344,073	7,245,026	7,945,627	8,364,483	8,715,758
18,304,389	20,336,457	24,097,823	28,777,056	33,535,061	35,109,851
6,711,307	6,196,124	6,212,409	7,358,473	8,738,881	7,409,804
5,189,610	4,010,870	5,000,187	5,855,292	7,336,498	8,156,699
7,200,075	6,707,818	7,257,408	-	-	-
-	-	-	1,425,891	1,701,953	1,681,197
-	-	-	6,841,115	8,238,979	8,692,869
9,574,077	12,831,619	14,252,846	11,661,005	37,814,845	18,849,165
7,270,453	7,727,653	8,182,255	7,302,472	7,857,118	9,190,547
3,946,604	3,816,809	3,709,678	3,392,116	3,447,403	4,547,859
123,526	152,729	-	160,505	523,259	477,265
66,453,778	71,124,152	75,957,632	80,719,552	117,558,480	102,831,014
(3,509,187)	(4,921,608)	(2,045,317)	(3,179,859)	(28,651,987)	(8,424,408)
8,750,700	9,658,184	16,309,887	19,039,100	14,505,226	11,335,964
(9,439,453)	(11,460,452)	(19,077,270)	(15,296,854)	(15,333,559)	(11,403,007)
-	-	-	-	-	-
7,415,000	8,005,000	-	8,095,000	31,770,000	51,270,232
-	(5,304,194)	-	-	-	(9,571,767)
727,114	1,585,693	-	675,003	1,555,215	3,538,424
-	1,872,402	-	462,718	108,468	-
7,453,361	4,356,633	(2,767,383)	12,974,967	32,605,350	45,169,846
\$ 3,944,174	\$ (564,975)	\$ (4,812,700)	\$ 9,795,108	\$ 3,953,363	\$ 36,745,438
20.20%	19.54%	19.22%	15.40%	14.18%	16.36%

City of Burleson, Texas
 Assessed and Estimated Actual
 Value of Taxable Property (Unaudited)
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

Table 5

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Industrial/Commercial Property</u>	<u>Mineral Reserves</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Taxable Assessed Value as a Percentage of Actual Taxable Value</u>
2015	\$ 2,237,761,861	\$ 730,854,710	\$ 184,302,872	\$ 369,333,494	\$ 2,783,585,949	0.7400	\$ 2,783,585,949	100.0%
2016	2,423,710,740	809,276,528	160,436,595	381,084,153	3,012,339,710	0.7400	3,012,339,710	100.0%
2017	2,770,858,176	865,977,924	42,719,357	435,249,706	3,244,305,751	0.7350	3,244,305,751	100.0%
2018	3,151,831,317	889,341,356	43,348,115	452,988,413	3,631,532,375	0.7350	3,631,532,375	100.0%
2019	3,561,153,075	939,220,256	50,736,216	543,091,182	4,008,018,365	0.7350	4,008,018,365	100.0%
2020	3,818,515,400	1,045,167,320	84,822,524	555,160,175	4,393,345,069	0.7200	4,393,345,069	100.0%
2021	4,106,205,404	1,180,701,936	52,344,989	631,482,062	4,707,770,267	0.7111	4,707,770,267	100.0%
2022	4,480,842,613	1,175,303,208	44,893,534	637,057,424	5,063,981,931	0.6859	5,063,981,931	100.0%
2023	5,350,824,672	1,280,170,658	75,817,913	665,146,032	6,041,667,211	0.6572	6,041,667,211	100.0%
2024	5,674,249,392	1,578,118,928	107,772,429	1,006,405,362	6,353,735,387	0.6325	6,353,735,387	100.0%

Source: Johnson County Appraisal District

Note: Property in the city is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value.

City of Burleson, Texas
Direct and Overlapping Property Tax Rates (Unaudited)
Last Ten Fiscal Years

Table 6

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
OVERLAPPING RATES										
Tarrant County	0.2640	0.2640	0.2540	0.2440	0.2340	0.2340	0.2340	0.2290	0.2240	0.1945
Tarrant County Hospital District	0.2279	0.2279	0.2279	0.2244	0.2244	0.2244	0.2244	0.2244	0.2244	0.1945
Tarrant County College	0.1495	0.1495	0.1447	0.1401	0.1361	0.1302	0.1302	0.1302	0.1302	0.1122
Tarrant County Regional Water District	0.0200	0.0200	0.0194	0.0194	0.0194	0.0287	0.0287	0.0287	0.0269	0.0267
Johnson County	0.4054	0.4077	0.4227	0.4417	0.4417	0.3847	0.3847	0.3797	0.3350	0.3293
Burleson Independent School District	1.5400	1.5400	1.5400	1.6700	1.6700	1.5684	1.5383	1.4946	1.2575	1.2575
Joshua Independent School District	1.4200	1.6000	1.6100	1.6000	1.5200	1.4400	1.3960	1.2900	1.0872	1.0872
Crowley Independent School District	1.6500	1.6500	1.6500	1.6700	1.6700	1.5684	1.5398	1.4841	1.2575	1.2575
CITY DIRECT RATES										
Operating & Maintenance	0.5278	0.5278	0.5228	0.5228	0.5228	0.5106	0.5187	0.4974	0.4649	0.4402
Interest & Sinking	0.2122	0.2122	0.2122	0.2122	0.2122	0.2094	0.1924	0.1885	0.1923	0.1923
Total Direct Rate	0.7400	0.7400	0.7350	0.7350	0.7350	0.7200	0.7111	0.6859	0.6572	0.6325

Sources: Tarrant Appraisal District, Johnson County Tax Office, City records

Note: All rates per \$100 assessed value

Totals are not provided for columns since they would be meaningless.

Some of the jurisdictions are mutually exclusive

City of Burleson, Texas
Principal Property Taxpayers (Unaudited)
Current Year and Nine Years Ago

Table 7

Taxpayer	2024			2015		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assesed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assesed Valuation
Shannon Creek Apartments II LLC	\$ 68,692,258	1	1.08 %			
Burleson Gateway Station LP	39,398,255	2	0.62			
Wagner Smith Equipment Co.	37,855,479	3	0.60	\$ 19,090,613	5	0.69 %
Tep Barnett USA LLC	34,994,109	4	0.55			
Burleson Cold Storage II LP	33,157,933	5	0.52			
Abby Burleson LLC	29,886,492	6	0.47			
Burleson Cold Storage LP	25,163,877	7	0.40			
TJC DFW Vercanta LLC	24,871,335	8	0.39			
Burleson Commons	22,745,933	9	0.36			
Abby Burleson MF LLC	22,328,637	10	0.35			
Chesapeake Operating LP	-		-	53,426,963	1	1.92
Devon Energy Production Co. LP	-		-	24,791,094	2	0.89
Baker Hughes Oilfield Operations	-		-	24,199,420	3	0.87
HEB Grocery Company LP	-		-	19,503,963	4	0.70
RAVC Apartments LP	-		-	15,808,651	6	0.57
Dolce Living at Burleson	-		-	13,341,715	7	0.48
Encore MF Burleson LP	-		-	13,313,376	8	0.48
Oncor Electric	-		-	10,778,775	9	0.39
Dragon Products	-		-	10,633,801	10	0.38
Total	\$ 339,094,308		5.34 %	\$ 204,888,371		7.37 %

Source: Johnson County Appraisal District/Tarrant County Appraisal District

City of Burleson, Texas
Property Tax Levies and Collections (Unaudited)
Last Ten Fiscal Years

Table 8

Fiscal Year Ended 9/30	Actual Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2015	2014	\$ 19,537,616	\$ 19,313,610	98.85%	\$ 119,028	\$ 19,432,638	99.46%
2016	2015	20,896,042	20,713,371	99.13%	74,875	20,788,246	99.48%
2017	2016	22,079,157	21,915,940	99.26%	35,962	21,951,902	99.42%
2018	2017	24,363,253	24,227,984	99.44%	48,184	24,276,168	99.64%
2019	2018	26,776,792	26,583,649	99.28%	86,510	26,670,159	99.60%
2020	2019	28,878,855	28,571,233	98.93%	22,239	28,593,472	99.01%
2021	2020	29,922,991	29,874,354	99.84%	32,536	29,906,890	99.95%
2022	2021	31,353,198	31,152,307	99.36%	25,571	31,177,878	99.44%
2023	2022	34,224,910	34,074,994	99.56%	27,398	34,102,392	99.64%
2024	2023	38,449,694	38,270,937	99.54%	-	38,270,937	99.54%

Sources: Johnson County Tax Office reports

City of Burleson, Texas
Ratios of Outstanding Debt by Type
and General Bonded Debt Outstanding (Unaudited)
Last Ten Fiscal Years

Fiscal Year	GOVERNMENTAL ACTIVITIES						BUSINESS-TYPE ACTIVITIES		
	General Obligation Bonds	Certificates of Obligation (1)	Sales Tax Revenue Bonds	Leases	Financed Purchases	Subscription Liabilities	Unamortized Premium	General Obligation Bonds	Certificates of Obligation
2015	\$ 55,518,570	\$ 31,685,000	\$ 4,490,000	\$ 520,372	\$ -	\$ -	\$ 4,790,377	\$ 21,561,430	\$ 22,520,000
2016	68,653,213	20,895,000	3,815,000	419,067	-	-	8,325,210	24,816,787	24,050,000
2017	73,129,176	23,256,570	3,179,150	297,396	-	-	7,418,969	24,159,171	31,672,038
2018	63,172,356	33,695,000	2,380,000	806,613	-	-	6,599,717	20,087,644	36,690,000
2019	58,076,855	39,880,000	1,615,000	624,426	-	-	6,294,038	17,638,144	39,665,000
2020	52,038,785	41,875,000	825,000	523,326	-	-	6,846,544	15,266,215	42,015,000
2021	46,569,428	40,045,000	-	465,429	-	-	5,704,181	17,250,572	35,795,000
2022	42,596,857	44,870,000	-	405,528	-	-	5,388,903	14,333,143	39,730,000
2023	46,036,714	65,405,000	-	343,553	-	1,058,729	6,005,511	11,323,286	46,540,000
2024	47,900,232	96,100,000	-	279,435	1,223,463	752,102	8,089,400	11,269,768	40,945,000

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

- (1) Includes certificate of obligation secured by a combination of property and sales tax revenue.
- (2) Includes governmental activities and business-type activities debt.
- (3) See Table 13 for population and personal income data.

Table 9

BUSINESS-TYPE ACTIVITIES						
	Leases	Water Revenue Bonds	Unamortized Premium	Total Primary Government (2)	Percentage of Personal Income (3)	Per Capita (3)
\$	14,653	\$ 6,520,000	\$ 2,860,630	\$150,481,032	12.80%	3,651
	12,108	3,655,000	3,548,319	158,189,704	13.02%	3,717
	8,937	3,582,475	3,349,611	170,053,493	13.17%	3,868
	5,748	3,285,000	3,028,819	169,750,897	12.30%	3,784
	2,326	2,708,028	3,002,559	169,506,376	11.44%	3,716
	-	2,900,000	3,267,486	165,557,356	10.63%	3,557
	-	2,700,000	2,771,511	151,301,121	8.94%	2,993
	-	2,495,000	2,842,740	152,662,171	9.51%	3,040
	-	2,285,000	2,860,670	181,858,463	9.58%	3,517
	-	2,065,000	2,562,538	211,186,938	9.99%	3,947

City of Burleson, Texas

Net General Bonded Debt Outstanding (Unaudited)

Last Ten Fiscal Years

Fiscal Year	GOVERNMENTAL ACTIVITIES				BUSINESS-TYPE ACTIVITIES	
	General Obligation Bonds	Certificates of Obligation (3)	Unamortized Premium	Less: Amounts Available in Debt Service Fund	General Obligation Bonds (3)	Certificates of Obligation (3)
2015	\$ 55,518,570	\$ 31,685,000	\$ 4,790,377	\$ 873,316	\$ 21,561,430	\$ 22,520,000
2016	68,653,213	20,895,000	8,325,210	815,726	24,816,787	24,050,000
2017	73,129,176	23,256,570	7,418,969	821,623	22,564,073	30,030,000
2018	63,172,356	33,695,000	6,599,717	935,135	20,087,644	36,690,000
2019	58,076,856	39,880,000	6,294,038	526,482	17,638,144	39,665,000
2020	52,038,785	41,875,000	6,846,544	2,398,153	15,266,215	42,015,000
2021	46,569,428	40,045,000	5,704,181	2,241,124	17,250,572	35,795,000
2022	42,596,857	44,870,000	5,388,903	2,521,806	14,333,143	39,730,000
2023	46,036,714	65,405,000	6,005,511	5,251,592	11,323,286	46,540,000
2024	47,900,232	96,100,000	8,089,400	6,477,919	11,269,768	40,945,000

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

(1) See Table 5 for taxable value of property data.

(2) See Table 13 for population and personal income data.

(3) Includes debt secured by a combination tax and revenue pledge.

(4) These bonds are serviced completely by revenue streams other than general property taxes.

Table 10

BUSINESS-TYPE ACTIVITIES			Net General Bonded Debt Outstanding	Percentage of Actual Property Value (1)	Per Capita (2)
Unamortized Premium	Total General Bonded Debt	Less: Self-supported Debt (4)			
\$ 2,860,630	\$138,062,691	\$ 73,906,740	\$ 64,155,951	2.30%	1,557
3,548,319	149,472,803	70,561,740	78,911,063	2.62%	1,854
3,349,611	158,926,776	72,145,034	86,781,742	2.67%	1,974
3,028,819	162,338,401	83,101,740	79,236,661	2.44%	1,766
3,002,559	164,030,115	90,211,289	73,818,826	1.84%	1,618
3,267,486	158,910,877	73,562,446	85,348,431	1.94%	1,834
2,771,511	145,894,568	68,218,869	77,675,699	1.59%	1,450
2,842,740	147,239,837	85,172,633	62,067,204	1.53%	1,236
2,860,670	172,919,589	108,414,374	56,509,361	1.32%	1,093
2,562,538	200,389,019	126,368,357	63,055,952	1.23%	1,179

THE CITY OF
BURLESON
TEXAS

City of Burleson, Texas
 Direct and Overlapping
 Governmental Activities Debt (Unaudited)
 September 30, 2024

Table 11

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percent Applicable (1)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
City of Burleson	\$ 144,000,232	100%	\$ 144,000,232
Johnson County	16,210,000	21.61%	3,502,981
Tarrant County	345,130,000	0.35%	1,207,955
Tarrant County Hospital District	440,020,000	0.35%	1,540,070
Tarrant County Junior College District	569,915,000	0.35%	1,994,703
Burleson ISD	260,735,000	61.61%	160,638,834
Joshua ISD	184,335,000	25.22%	<u>46,489,287</u>
Total overlapping debt			<u>\$ 215,373,829</u>
Total direct and overlapping debt			<u>\$ 359,374,062</u>
Per capita direct and overlapping debt			<u>\$ 6,717</u>

(1) Overlapping percentage calculated as follows:

$$\frac{\text{Overlapping portion of the government's tax base}}{\text{Total tax base of the overlapping government}}$$

Population: 53,504

Source: Hilltop Securities

City of Burleson, Texas

Pledged – Revenue Bond Water and Sewer Coverage (Unaudited)

Last Ten Fiscal Years

WATER AND SEWER DEBT					
Fiscal Year	Gross Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Revenue Bonds	
				Debt Service	
				Principal	Interest
2015	\$ 17,792,538	\$ 11,053,011	\$ 6,739,527	\$ 1,070,000	\$ 492,014
2016	18,593,177	10,989,736	7,603,441	890,000	365,595
2017	19,789,388	10,568,950	9,220,438	185,000	118,625
2018	22,369,878	11,552,023	10,817,855	185,000	114,925
2019	23,030,483	12,765,375	10,265,108	190,000	111,175
2020	22,316,565	12,719,362	9,597,203	195,000	106,838
2021	21,935,286	12,878,090	9,057,196	200,000	101,900
2022	24,505,013	13,749,990	10,755,023	205,000	96,325
2023	26,288,132	24,353,880	1,934,252	210,000	90,100
2024	28,403,739	20,881,191	7,522,548	220,000	83,650

Notes:

- (1) Includes operating revenues and investment income from Table C-2
- (2) Direct operating expenses are total operating expenses excluding depreciation expense and net pension obligation expense.

Table 12

WATER AND SEWER DEBT

<u>Revenue Bonds</u>		<u>Combination Tax & Revenue Bonds</u>				<u>Total Water & Sewer Bond Coverage</u>
<u>Debt Service</u>		<u>Debt Service</u>				
<u>Total</u>	<u>Coverage</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage</u>	
\$ 1,562,014	4.31	\$ 1,250,000	\$ 871,317	\$ 2,121,317	3.18	1.83
1,255,595	6.06	1,450,000	924,667	2,374,667	3.20	2.09
303,625	30.37	1,420,000	941,453	2,361,453	3.90	3.46
299,925	36.07	1,475,000	1,115,842	2,590,842	4.18	3.74
301,175	34.08	1,495,000	1,429,433	2,924,433	3.51	3.18
301,838	31.80	1,740,000	1,517,402	3,257,402	2.95	2.70
301,900	30.00	1,950,000	1,489,023	3,439,023	2.63	2.42
301,325	35.69	1,675,000	1,324,769	2,999,769	3.59	3.26
300,100	6.45	1,925,000	1,503,142	3,428,142	0.56	0.52
303,650	24.77	2,290,000	1,716,725	4,006,725	1.88	1.75

City of Burleson, Texas
Demographic and Economic Statistics (Unaudited)
Last Ten Fiscal Years

Table 13

Fiscal Year	Population (1)	Personal Income (thousands of dollars) (2)	Per Capita Income (6)	Median Age (3)	Public School Enrollment (4)	Unemployment Rate (5)
2015	41,213	1,175,807	28,530	33.0	11,363	3.2%
2016	42,560	1,214,833	28,544	32.9	11,376	3.1%
2017	43,960	1,291,589	29,381	32.8	11,748	3.2%
2018	44,860	1,380,162	30,766	33.0	12,054	3.2%
2019	45,620	1,481,783	32,481	33.0	12,440	2.9%
2020	46,540	1,557,461	33,465	33.0	12,775	6.9%
2021	47,730	1,597,284	33,465	35.3	12,474	4.0%
2022	50,210	1,606,017	31,986	35.3	12,532	2.9%
2023	51,715	1,897,941	36,700	35.4	12,631	3.3%
2024	53,504	2,114,916	39,528	36.6	12,492	3.4%

- Sources:
- (1) North Central Texas Council of Governments(Census 2000 information average)
 - (2) Personal Income is derived by multiplying per capita income by the estimated population
 - (3) City of Burleson Economic Development
 - (4) Burleson Independent School District
 - (5) Texas Workforce Commission
 - (6) U.S. Census Bureau

City of Burleson, Texas
Principal Employers (Unaudited)
Current Year and Nine Years Ago

Table 14

<u>Employer</u>	<u>2024</u>			<u>2015</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percent</u>	<u>Employees</u>	<u>Rank</u>	<u>Percent</u>
Burleson Independent School District	1,800	1	8.73 %	1,491	1	10.90 %
City of Burleson	675	2	3.27	405	2	2.96
Wal-Mart	500	3	2.43	380	3	2.78
H.E.B. Grocery	400	4	1.94	353	4	2.58
Jellystone RV Ranch/Pirates Cove	400	5	1.94			
Air Center Helicopter	350	6	1.70			
Golden State Foods	320	7	1.55			
Champion Buildings Mfg	300	8	1.46	340	5	2.48
Basden Steel	150	9	0.73	150	7	1.10
Hayes & Stolz	140	10	0.68			
Target				175	6	1.28
Lowe's				150	8	1.10
KWS Manufacturing				150	9	1.10
Thomas Conveyor Mfg				126	10	0.92
Total	5,035		24.43 %	3,720		27.20 %

Source: City of Burleson Economic Development Department (JobsEQ Report)

City of Burleson, Texas
Full-Time Equivalent City Government Employees
By Function/Program (Unaudited)
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General government and Administration				
City manager's office	4.00	5.00	4.00	4.00
City secretary's office	4.50	5.00	4.00	4.00
Support Services	1.00	1.00	1.00	1.00
Records management	1.00	1.00	1.00	1.00
Information technology	8.00	8.00	8.00	9.00
Economic development	2.00	2.50	2.50	2.50
Human resources	4.00	4.00	4.00	4.00
Communications	1.00	1.00	2.00	2.00
Library	12.50	11.00	11.00	11.00
Judicial	0.50	1.50	1.00	-
Legal	1.00	1.00	1.00	1.00
Finance	9.00	8.00	8.00	8.00
Purchasing	1.00	1.00	1.00	1.00
Public Safety				
Police	78.50	84.00	84.50	85.50
Dispatch**	-	-	-	-
Fire	38.00	40.00	48.00	48.00
Fire prevention	3.00	3.00	3.00	3.00
Emergency Services	-	-	-	-
Municipal court	8.00	3.00	4.00	4.00
Marshals Service	-	3.00	3.00	3.00
Public Works				
Public works administration	5.00	6.00	6.00	6.00
Street maintenance	17.00	17.00	18.00	17.00
Neighborhood services	2.00	2.00	2.00	2.00
Animal services	5.00	5.00	5.50	5.50
Environmental services	1.00	1.50	2.00	2.00
Facility maintenance	2.00	3.00	5.00	5.00
Planning	4.00	5.00	5.00	5.00
Building code enforcement	9.00	9.00	9.00	10.00
Community development	2.00	2.50	2.50	2.50
Engineering	9.00	12.00	12.00	12.00
Parks & Recreation				
Parks & recreation administration	3.00	2.00	2.00	2.00
Recreation	42.20	41.90	38.10	38.60
Park maintenance	11.50	12.00	12.00	12.00
Senior citizens center	2.00	2.00	2.00	3.00
Atheltic Fields	9.20	8.80	8.10	7.10
Russell Farm	1.00	1.00	1.00	1.40
Enterprise Operations and Administration				
Water/Wastewater				
Water & sewer services	19.00	21.00	21.00	21.00
Utility billing	8.00	8.00	8.00	8.00
Hidden Creek Golf Course				
Golf course administration	1.00	2.00	2.00	2.00
Golf course club house & pro shop	6.25	6.50	6.50	6.50
Golf course maintenance	6.00	8.50	9.00	9.00
Golf course food & beverage	4.50	4.30	4.20	4.20
Solid Waste				
Solid Waste	2.00	1.00	1.00	1.00
Internal Service Operations				
Equipment services	4.00	3.00	3.00	3.00
Total	352.65	368	375.9	377.8

*Source: City of Burleson Adopted Annual Operating Budget (beginning in FY 2019)

**Dispatch separated from Police into separate department beginning in FY2021

Table 15

<u>2019*</u>	<u>2020*</u>	<u>2021*</u>	<u>2022*</u>	<u>2023*</u>	<u>2024*</u>
4.00	3.00	3.00	3.00	2.00	4.00
4.00	4.00	3.00	3.00	3.00	3.00
1.00	-	-	-	-	-
1.00	1.00	1.00	1.00	1.00	1.00
10.00	10.00	10.00	11.00	12.00	14.00
2.00	2.00	3.00	3.00	3.00	3.00
4.00	4.00	5.00	6.00	6.00	7.00
2.50	4.00	4.00	4.50	4.50	4.50
12.00	12.00	11.00	11.00	12.00	12.00
-	-	-	0.50	0.50	0.50
1.00	1.00	1.00	1.00	1.00	2.00
9.00	9.00	10.00	10.00	10.00	10.00
1.00	1.00	1.00	1.00	2.00	2.00
90.76	95.76	86.50	92.50	100.50	104.50
-	-	19.26	19.26	22.26	22.00
49.00	49.00	49.00	56.00	67.00	61.00
3.00	4.00	4.00	4.00	-	-
1.00	1.00	1.00	1.00	-	18.00
4.00	4.00	4.00	4.00	4.00	5.00
3.00	3.00	3.00	3.00	2.00	-
6.00	6.00	6.00	6.00	7.00	6.00
17.00	20.00	22.00	22.00	23.00	22.00
2.00	2.00	2.00	1.00	1.00	-
5.00	5.50	5.50	5.50	6.00	6.00
2.00	3.00	3.00	2.00	2.00	1.00
5.00	5.00	5.00	5.00	5.00	5.00
4.00	4.00	3.00	3.00	3.00	5.00
10.00	10.00	10.00	12.00	12.00	14.00
5.00	4.00	2.00	2.00	2.00	-
11.50	10.00	10.00	12.00	14.00	15.00
2.00	2.00	1.00	1.00	2.00	2.00
42.26	42.26	43.76	45.76	44.76	44.76
11.91	11.91	11.91	14.91	15.41	16.91
2.84	2.84	2.84	2.84	2.84	2.84
8.83	8.83	7.83	8.83	8.83	8.83
2.28	2.28	2.28	2.28	2.28	2.28
21.00	21.00	21.00	21.00	24.00	25.00
8.00	8.00	8.00	9.00	11.00	9.00
2.00	2.00	1.00	-	-	-
6.80	6.80	6.80	6.80	6.80	7.80
8.68	8.68	7.68	7.68	7.68	7.68
4.19	4.19	4.19	4.19	4.19	4.19
1.00	-	-	-	-	-
3.00	3.00	4.00	4.00	5.00	7.00
<u>394.55</u>	<u>401.05</u>	<u>409.55</u>	<u>433.55</u>	<u>462.55</u>	<u>485.79</u>

THE CITY OF
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City of Burleson, Texas
Schedule of Insurance Policies in Force (Unaudited)
As of September 30, 2024

Table 16

	<u>AM Best Rating</u>	<u>Policy Number</u>	<u>Policy Period</u>	<u>Coverage</u>	<u>Deductibles</u>	<u>Liability Limits</u>
Texas Municipal League Intergovernmental Risk Pool	A++	3511	10/1/2022 10/1/2023	General Liability	-	\$ 1,000,000
				Real & Personal Property	\$ 2,500	173,678,342
				Flood	25,000	5,000,000
				Earthquake	25,000	10,000,000
				Boiler and Machinery	2,500	100,000
				Mobile Equipment	500	3,545,121
				Auto Liability	-	1,000,000
				Auto Physical Damage	1,000	Per schedule
				Law Enforcement Liability	1,000	4,000,000
				Errors & Omissions	5,000	4,000,000
				Public Employee Dishonesty	250	500,000
				Theft Disappearance and Destruction	100	20,000
				Computer Fraud	50,000	100,000
				Workers' Compensation	N/A	N/A

Source: Claims administrators - TML Claims, 18601 LBJ Freeway, Suite 210, Tower East Tower, Mesquite, TX 75150

City of Burleson, Texas

Operating Indicators by Function/Program (Unaudited)

Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Public safety				
Police				
Total calls	82,340	72,900	63,460	59,062
Arrests	1,077	1,089	1,045	1,107
Traffic enforcement	6,470	6,312	11,374	8,733
Fire				
Number of calls for service	4,121	4,338	4,491	4,274
Inspections	3,957	4,012	2,895	1,427
Animal Control				
Animals Adopted	478	457	564	719
Animals Impounded	1,942	2,041	2,352	1,777
Environmental Health				
Permits ¹	-	-	265	294
Inspections	162	182	521	507
Community Development				
Permits Issued ³	4,826	7,088	4,829	4,844
Inspections Made	15,071	15,186	14,225	13,104
Parks and Recreation				
Recreation				
Special Event Participants	38,181	41,300	44,225	44,500
Senior Citizen Participants ⁴	33,535	37,688	36,450	35,247
Library				
Books in Collection	70,545	70,828	70,210	68,980
Materials borrowed ²	413,732	436,033	333,290	338,654
Water and Sewer				
Number of water customers	13,877	14,224	14,432	14,588
Number of sewer connections	14,087	14,457	14,513	14,849
Gas Well				
Number of Permits	-	-	-	-
Number of Pad Site Inspections ⁵	3,033	2,964	3,380	3,276

Notes:

(1) All permits collected by Tarrant County Health Department prior to June 2020.

(2) Beginning 2017, Library discontinued counting in-house circulations.

(3) Permits issued include building, fire prevention, and garage sales.

(4) People counters installed in 2019 to track attendance.

(5) Frequency of Gas Well Pad Site Inspections changed beginning in 2019.

Source: Various City Departments

Table 17

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
45,349	44,477	56,916	54,364	57,780	49,916
1,210	1,276	1,221	1,314	1,458	1,626
6,672	5,162	7,754	6,864	6,749	5,409
4,505	4,473	5,174	6,387	7,105	9,150
3,281	2,139	2,170	2,132	2,129	2,853
799	674	660	678	699	663
1,860	1,585	1,697	1,704	1,775	1,312
336	334	388	468	525	633
447	529	670	690	663	607
4,560	4,610	3,864	4,279	3,970	4,243
12,276	15,207	13,495	14,090	13,626	16,440
45,200	17,585	19,295	37,161	65,534	69,478
55,032	Closed - Covid	14,749	38,195	50,870	55,899
65,951	65,107	63,559	53,849	50,207	47,918
348,100	287,183	278,508	267,053	296,857	317,594
15,185	15,437	15,641	15,908	16,110	16,474
15,666	16,050	16,304	16,635	16,972	17,105
-	-	-	-	-	-
1,000	1,000	126	126	126	70

City of Burleson, Texas
Miscellaneous Statistics (Unaudited)
Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Date of incorporation	May 12, 1912			
Date of charter	April 5, 1989			
Area incorporated	26.33	28.06	28.21	28.28
Form of government	Council/Manager			
Education:				
Attendance centers	15	16	16	16
Number of teachers	685	706	759	773
Number of students	10,807	11,376	11,748	12,054
Miles of streets	185.17	192.76	196.86	201.10
Miles of sewers:				
Sanitary sewers	202.39	203.38	209.15	213.42
Storm sewers	49.47	50.68	55.74	60.17
Culture and recreation:				
Parks - number of acres	463.44	486.19	477.66	542.8
Number of municipal pools	2	2	2	2
Number of lighted ball diamonds	16	16	16	16
Number of community centers	2	2	2	2
Municipal water system:				
Number of water customers	13,877	14,224	14,432	14,588
Daily average consumption (gallons)	4,129,146	4,196,295	4,582,278	4,928,277
System capacity (gallons per day)	17,500,000	17,500,000	17,500,000	17,500,000
Miles of water mains	205.24	204.72	208.61	211.44
Number of fire hydrants	1,463	1,497	1,553	1,568
Municipal sewer system:				
Number of sewer connections	14,087	14,457	14,513	14,849
System capacity (gallons per day)	11,890,000	11,890,000	11,890,000	11,890,000
Number of street lights	1,457	1,539	1,576	1,588

Source: Various City Departments

Table 18

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
28.33	28.37	28.39	28.46	29.26	29.41
17	17	18	18	18	18
780	800	813	828	818	956
12,340	12,775	12,474	12,532	12,631	12,718
209.05	212.96	215.45	222.03	223.16	225.46
214.99	215.49	217.59	225.08	227.63	231.46
59.97	60.70	62.48	62.76	66.73	69.63
554.49	565.05	562.1	554.65	555.8	560.25
2	2	2	2	2	2
18	18	18	18	18	18
2	2	2	2	2	2
15,185	15,437	15,641	15,908	16,110	16,474
4,354,776	4,544,416	4,502,115	5,256,882	5,587,416	5,150,025
17,500,000	17,500,000	17,500,000	17,500,000	17,500,000	17,500,000
212.49	216.14	220.73	223.32	227.34	228.22
1,587	1,628	1,661	1,692	1,739	1,780
15,666	16,050	16,304	16,635	16,972	16,797
11,890,000	11,890,000	11,890,000	11,890,000	11,890,000	11,890,000
1,638	1,640	1,638	1,628	1,690	2,029

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