

*ANNUAL COMPREHENSIVE
FINANCIAL REPORT*

of the

City of Seagoville, Texas

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

Prepared by

Gail French
Finance Director

Seagoville ★

City of Seagoville, Texas

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INTRODUCTORY SECTION

Seagoville ★



March 27, 2025

To the Honorable Mayor,
Members of the City Council
And the Citizens of the City of Seagoville, Texas

The annual comprehensive financial report (“ACFR”) of the City of Seagoville, Texas, for the fiscal year ending September 30, 2024, is hereby submitted. The City accepts full responsibility for the accuracy of the data, as well as the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City’s financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City charter requires an annual audit to be conducted of the financial records by an independent public accountant. This requirement has been fulfilled, and the report of the independent auditor is included in this report. BrooksWatson & Co. PLLC, Certified Public Accountants, have issued an unmodified (“clean”) opinion on the City of Seagoville’s financial statements as of and for the year ended September 30, 2024. The independent auditors’ report is located at the front of the financial section of this report.

The Management’s Discussion and Analysis (MD&A) can be found immediately following the independent auditors’ report. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Reporting Entity

The accompanying financial statements present the City (the primary government) and its component unit. Component units are classified as either discretely presented or blended. The City of Seagoville’s component unit, the Economic Development Corporation, is discretely presented, which means that the component unit is an entity that is legally separate from the City, but for which the City is financially accountable, or whose relationship with the City is such that exclusion would be misleading or incomplete.

This report includes the financial statements of the funds required to account for those activities, as well as organizations and functions which are related to the City and are controlled by or dependent upon the City’s governing body, the City Council. The criteria used by the City for including activities in preparing its financial statements are set forth in the Governmental Accounting Standards Board (GASB) Statements. Based on these criteria,

all municipal services listed are included in the City's 2024 financial statements.

The City of Seagoville

Seagoville, Texas, incorporated in 1926, sits at the southeast corner of Dallas County, bordering the Southern Pacific line ten miles from Mesquite, with Kaufman County to the east, and the City of Dallas on the northwest. The City of Seagoville has grown from a small rural town of 8,969 in 1990 to a suburban city with approximately 19,580 citizens.

The City of Seagoville is home to a Federal Correctional Institution, an Army Reserve Center, O' Reilly Distribution Center, the 334-acre Post Oak Preserve, the 500-acre Dallas Independent School District's Environmental Center, and the 200 acre North Texas Municipal Water District Water Reclamation Facility, one of the largest water reclamation projects in the country. This natural water filtration system attracts wildlife and is designed to be a tourist destination for bird watchers.



The City provides a full range of services, general administrative services, public safety services, to include: police and fire protection, communications, ambulance services, an animal shelter and code enforcement; community services: municipal court, library, senior center, health and sanitation; community development: building inspection, planning, streets, parks and recreation; additionally, water and sewer utility services.

The City of Seagoville is a Home rule city which operates under a Council/City Manager form of government. The Council consists of the Mayor and five Council members. Council members serve two- year terms and are responsible for appointing the City Manager, Municipal Judge and City Secretary. The City Manager serves as the administrative head of the government and is responsible for implementing and carrying out the goals and objectives set forth by the City Council; and is responsible for the overall operations of the entire city.

The key to Seagoville's success as a thriving suburb which has managed to retain its own identity and down-home atmosphere is its citizenry. From its churches of every denomination to its active parent-teacher organizations, active senior life, civic groups, and sports teams, to its owner-operated personalized service companies; Seagoville's outstanding feature is

the caring and involvement of the people who call it home.

Economic Outlook and Conditions

The City of Seagoville is expected to reach a build-out in 2040 and has experienced planned and sustainable growth. Prudent financial planning, oversight, and flexibility have enabled the City to weather the economic slowdown in a comparably favorable or better position than many other cities in the Dallas/Fort Worth Metropolitan Statistical Area. The homebuilding market in Seagoville mirrors the resurgent housing market in the Dallas/Fort Worth region.

Seagoville has been able to provide affordable housing and sufficient availability; each new home being built in new and existing subdivisions continues to support City-provided service. Economic development is evidenced in the major retail outlets and small manufacturers that have acquired property and established a presence in the City. Wal-Mart is one of the dominant retail businesses opening in the last few years. Wal-Mart has served as an anchor along the Highway 175 corridor attracting two other retail centers in the same geographical area. The result has been that the City's economic position has improved. The additional revenue stream from sales tax has helped to augment the City's ad valorem tax revenue.

In order to provide for orderly growth and aggressively improve on the City's infrastructure, the City Council approved a multi-year Capital Improvement Program (CIP). CIP funding has resulted in significant infrastructure improvements over the last three years with both tax-supported and self-supported debt. Working in concert with accurate five-year revenue and expense projections has enabled the City to plan for and meet the need for infrastructure improvements. With the City's first CIP in 2006, the City of Seagoville received a rating upgrade from Baa2 to Aa3, reflecting the City's growing tax base, favorable tax position, and solid financial operation. The rating upgrade was maintained through Moody's Investor Service with the subsequent 2023 \$4,695,000 bond issue.

An increase in the industrial development area of the city has experienced a road expansion of nearly one-half mile. Although the character of Highway 175 will undoubtedly change in coming decades, Seagoville is positioned to become a dynamic gateway in the southeastern sector of Dallas County. The proposed future Loop 9 Toll Road through the eastern portion of the city is a significant highway expansion which will allow the city to realize its full economic potential in the coming years.

Major Initiatives

The City of Seagoville, under the directive of the City Council undertook a number of initiatives during the fiscal year to provide for and improve the quality of governmental service the citizens of Seagoville have come to expect. These improvements were identified after a systematic review of all activities of the city in which each program was analyzed to ensure that it was needed and wanted by the community and that it was being provided with maximum efficiency at the lowest cost possible.

Capital asset acquisitions enhanced the quality of life for Seagoville residents. This year, the city added three vehicles for the police department, a 2024 Chevrolet Tahoe upfitted for the fire department, as well as adding an Assistant Fire Chief position. New bleachers were added to the parks as well as soccer goals and dome lighting as well as a new walking bridge. The streets department added a stump grinder and a 15 Yard Dump Truck. Various street projects were completed throughout the City, including Hall Street, Bluff Road, and Hall Road. A new animal shelter is being constructed as well as a new police station.

The City added two police officer positions, a firefighter position, a parks maintenance position, and two new positions in Human Resources. The City also added 3 new positions in the Water and Sewer department.

Long-Term Financial Planning

Unassigned fund balance in the general fund (31% of total general fund expenditure) falls within the policy guidelines set by the Council for budgetary and planning purposes (approximately 15% of total general fund expenditures).

Other Information

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Seagoville for its Annual Comprehensive Financial Report for the Fiscal Year ended September 30, 2023. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

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

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

Respectfully Submitted,

Cindy Brown

Cindy Brown
Interim City Manager

Gail French

Gail French
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Seagoville
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morill

Executive Director/CEO



City Council

Lackey Stepper Sebastian

Mayor

Rick Howard

Place 1

Jose Hernandez

Place 2

Harold Magill

Mayor Pro-Tem

Place 3

Allen Grimes

Place 4

Jon Epps

Place 5

Executive Staff

Pat Stallings

City Manager

Cindy Brown

Assistant City Manager

Sara Egan

City Secretary

Gail French

Director of Finance

Ray Calverley

Police Chief

Todd Gilcrease

Fire Chief

Vivian Rawlings

Director of Library Services

Chris Ryan

Director of Public Works/Streets and Parks

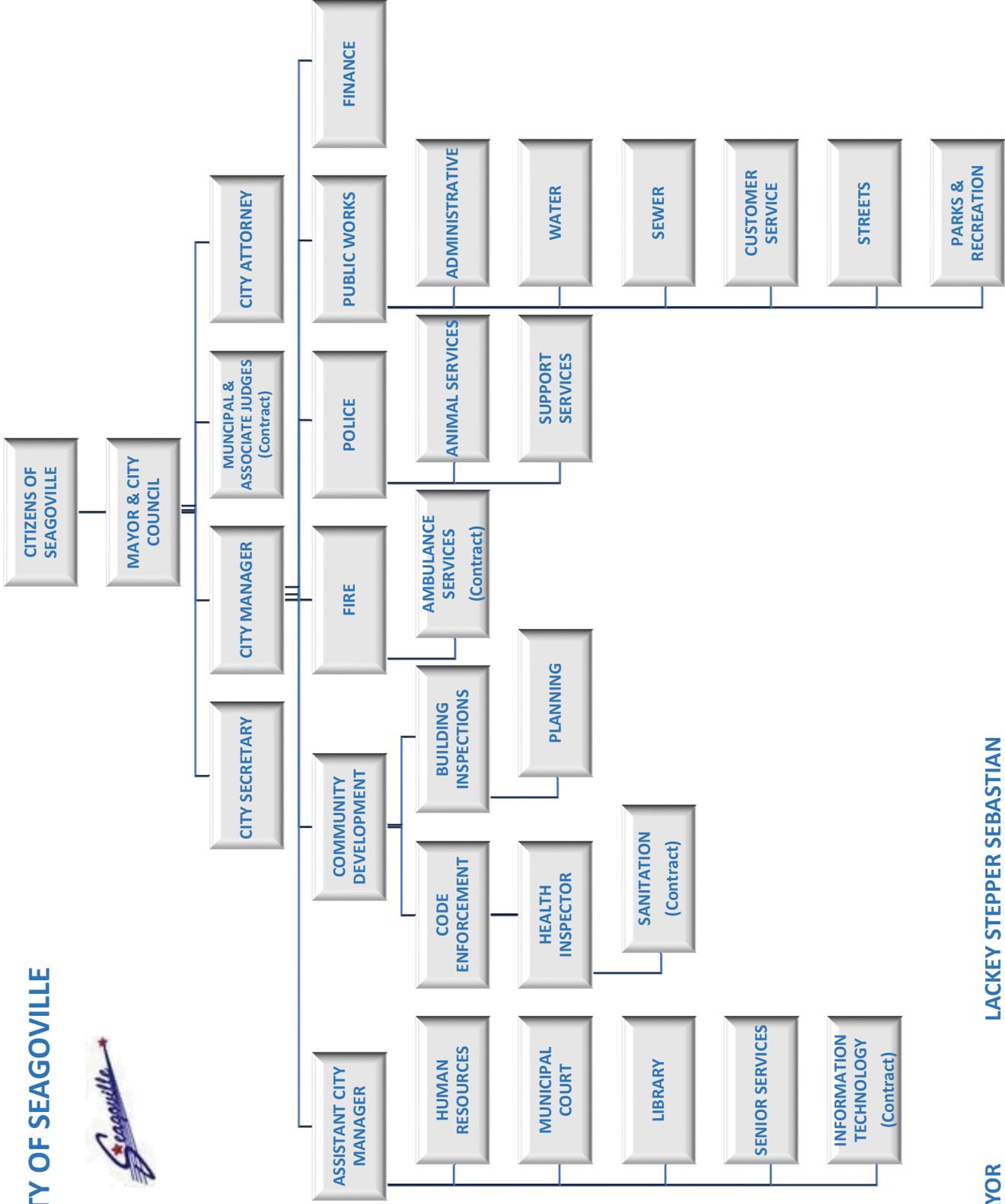
Bill Medina

Community Development Director

Mamata Bhandari

Director of Health & Code Compliance

CITY OF SEAGOVILLE



MAYOR LACKEY STEPPER SEBASTIAN

CITY MANAGER PATRICK STALLINGS

Seagoville ★

FINANCIAL SECTION

Seagoville ★



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Seagoville, Texas (the "City") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Seagoville, Texas, as of September 30, 2024, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair

presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of Matter

As discussed in Note V.F. to the financial statements, due to a change in presentation, the City restated beginning fund balance of the general and PID improvements fund which had previously been consolidated with the general fund. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This accompanying supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Brooks Watson & Co.

Brooks Watson & Co.
Certified Public Accountants
Houston, Texas
March 27, 2025

City of Seagoville, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2024

As management of the City of Seagoville, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iv of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources (net position) at September 30, 2024 by \$77,312,346. Of this amount, \$20,372,162 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$28,251,667. The majority of the City's net position are invested in capital assets and restricted for specific purposes.
- The City's governmental funds reported combined ending fund balances of \$16,828,881 at September 30, 2024, a decrease of \$5,960,344 from the prior fiscal year; this includes a decrease of \$1,319,731 in the general fund, a decrease of \$3,647,734 in the capital projects fund, a decrease of \$147,917 in the COVID recovery fund, an increase of \$30,890 in the Simonds Road project fund, and a decrease of \$854,733 in the nonmajor governmental funds.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$8,876,662 or 45% of total general fund expenditures.

Overview of the Financial Statements

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

Government-Wide Statements

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

The *statement of net position* presents information on all of the City's assets, deferred outflows, liabilities and deferred inflows. The difference between the two is reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

City of Seagoville, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*
September 30, 2024

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

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

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate component unit, the Seagoville Economic Development Corporation, which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 18-23 of this report.

FUND FINANCIAL STATEMENTS

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

Governmental Funds

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

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

City of Seagoville, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*

September 30, 2024

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, capital projects funds, Simonds Road project, and COVID local recovery fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in a separate section of the report.

The City adopts an annual appropriated budget for its general, debt service, capital projects, and various special revenue funds. The City did not adopt a budget for the COVID local recovery, Seagoville toy drive donations, park development, central fire station, Greenwalt Farms, or developer funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with their respective budget.

The basic governmental fund financial statements can be found on pages 24-31 of this report.

Proprietary Funds

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

Proprietary financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer fund, which is considered to be a major fund of the City.

The basic proprietary fund financial statements can be found on pages 32-37 of this report.

Component Units

The City maintains the accounting and financial statements for one component unit. The Seagoville Economic Development Corporation is a discretely presented component unit, which is displayed on the government-wide financial statements.

Fiduciary Funds

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

City of Seagoville, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*
September 30, 2024

Notes to Financial Statements

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

The notes to the financial statements can be found on pages 41-82 of this report.

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The required RSI includes a budgetary comparison schedule for the general fund, schedule of changes in the net pension liability and related ratios and schedule of employer contributions for the Texas Municipal Retirement System and schedule of changes in the OPEB liabilities. RSI can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the City's financial position. For the City of Seagoville, Texas, assets and deferred outflows exceeded liabilities and deferred inflows by \$77,312,346 as of September 30, 2024, in the primary government.

The largest portion of the City's net position, \$54,747,603 reflects its investments in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment, construction in progress), less any debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Seagoville, Texas's net position of \$2,192,581 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$20,372,162 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City of Seagoville, Texas 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 Seagoville, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2024

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2024			2023		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 23,419,241	\$ 9,761,785	\$ 33,181,026	\$ 28,282,453	\$ 9,347,447	\$ 37,629,900
Long-term assets	47,777,073	26,627,419	74,404,492	24,402,616	16,848,744	41,251,360
Total Assets	<u>71,196,314</u>	<u>36,389,204</u>	<u>107,585,518</u>	<u>52,685,069</u>	<u>26,196,191</u>	<u>78,881,260</u>
Deferred Outflows of Resources	<u>1,777,023</u>	<u>243,240</u>	<u>2,020,263</u>	<u>2,408,685</u>	<u>322,560</u>	<u>2,731,245</u>
Current liabilities	7,672,264	1,584,589	9,256,853	6,496,378	1,173,269	7,669,647
Long-term liabilities	19,424,992	3,483,832	22,908,824	20,840,808	3,966,747	24,807,555
Total Liabilities	<u>27,097,256</u>	<u>5,068,421</u>	<u>32,165,677</u>	<u>27,337,186</u>	<u>5,140,016</u>	<u>32,477,202</u>
Deferred Inflows of Resources	<u>112,375</u>	<u>15,383</u>	<u>127,758</u>	<u>65,813</u>	<u>8,811</u>	<u>74,624</u>
Net Position:						
Net investment in capital assets	31,604,707	23,142,896	54,747,603	16,892,551	13,007,183	29,899,734
Restricted	1,987,229	205,352	2,192,581	734,727	205,526	940,253
Unrestricted	12,171,770	8,200,392	20,372,162	10,063,477	8,157,215	18,220,692
Total Net Position	<u>\$ 45,763,706</u>	<u>\$ 31,548,640</u>	<u>\$ 77,312,346</u>	<u>\$ 27,690,755</u>	<u>\$ 21,369,924</u>	<u>\$ 49,060,679</u>

Current and other assets in governmental activities increased by \$4,863,212 or 17% primarily due to greater cash on hand, resulting from unspent bond proceeds and operating surpluses during the year. Government-wide long-term assets increased \$26,627,419 due to continued investment in City infrastructure as well as developer contributions totaling \$19,490,737 during the year. Current liabilities for business-type activities decreased primarily due to the payoff debt obligations during the current year. Long-term liabilities for the governmental activities decreased by \$1,415,816 or 7% primarily debt payments during the year and a decrease in the City's net pension liability for the current year.

City of Seagoville, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2024

Statement of Activities:

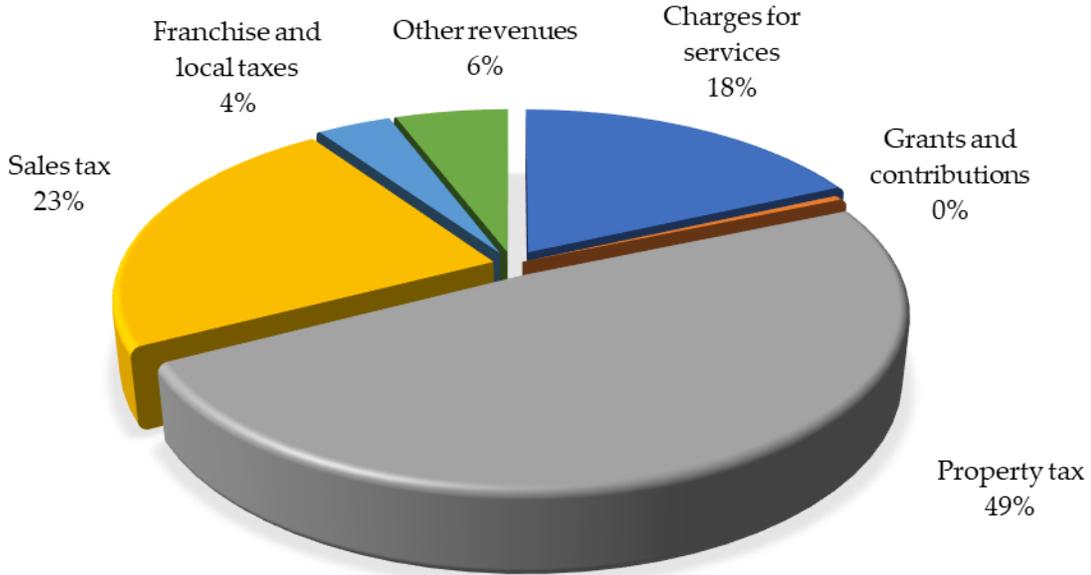
The following table provides a summary of the City's changes in net position:

	For the Year Ended September 30, 2023			For the Year Ended September 30, 2022		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 3,536,930	\$ 9,280,241	\$ 12,817,171	\$ 3,451,650	\$ 8,671,832	\$ 12,123,482
Operating grants	86,065	-	86,065	562,456	-	562,456
Capital grants	20,642,459	4,582,910	25,225,369	-	-	-
General revenues:						
Property tax	9,486,581	-	9,486,581	8,696,375	-	8,696,375
Sales tax	4,492,351	-	4,492,351	4,194,963	-	4,194,963
Franchise & local taxes	737,614	-	737,614	788,842	-	788,842
Investment income	1,037,444	278,555	1,315,999	624,893	116,712	741,605
Other revenues	85,216	73,994	159,210	130,201	89,470	219,671
Total Revenues	40,104,660	14,215,700	54,320,360	18,449,380	8,878,014	27,327,394
Expenses						
General government	2,357,965	-	2,357,965	2,015,377	-	2,015,377
Public safety	8,990,407	-	8,990,407	7,918,388	-	7,918,388
Community services	1,912,434	-	1,912,434	1,686,912	-	1,686,912
Community development	4,294,669	-	4,294,669	3,892,414	-	3,892,414
Interest and fiscal charges	465,095	90,994	556,089	489,377	101,097	590,474
Water and sewer	-	7,957,129	7,957,129	-	7,067,826	7,067,826
Total Expenses	18,020,570	8,048,123	26,068,693	16,002,468	7,168,923	23,171,391
Change in Net Position						
Before Transfers	22,084,090	6,167,577	28,251,667	2,446,912	1,709,091	4,156,003
Transfers	(4,011,139)	4,011,139	-	365,536	(365,536)	-
Total	(4,011,139)	4,011,139	-	365,536	(365,536)	-
Change in Net Position	18,072,951	10,178,716	28,251,667	2,812,448	1,343,555	4,156,003
Beginning Net Position	27,690,755	21,369,924	49,060,679	24,878,307	20,026,369	44,904,676
Ending Net Position	\$ 45,763,706	\$ 31,548,640	\$ 77,312,346	\$ 27,690,755	\$ 21,369,924	\$ 49,060,679

City of Seagoville, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2024

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

Governmental Activities - Revenues

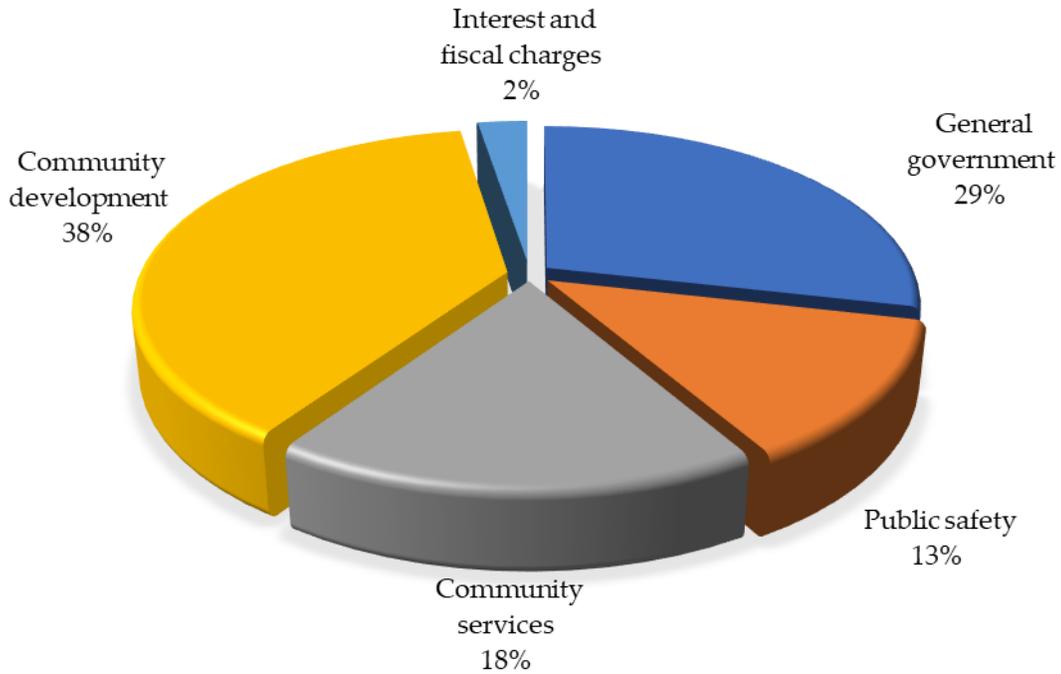


For the year ended September 30, 2024, revenues from governmental activities totaled \$40,104,660. Property tax, charges for services, capital grants and contributions and sales tax are the City's largest general revenue sources. Overall revenue increased \$21,655,280 or 117% from the prior year. Property taxes increased by \$790,206 or 9% primarily due to an increase in property values. Sales tax increased by \$297,388 due to continued growth of the City and surrounding areas. Capital grants increased by \$20,642,459 or 100% due to developer infrastructure contributions from the Santorini and Stonehaven Public Improvement Districts. Investment income increased by \$412,551 or over 66% due to the realization of higher interest rates and greater interest-bearing accounts. All other revenues remained relatively stable when compared to the previous year.

City of Seagoville, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2024

This graph shows the governmental function expenses of the City:

Governmental Activities - Expenses

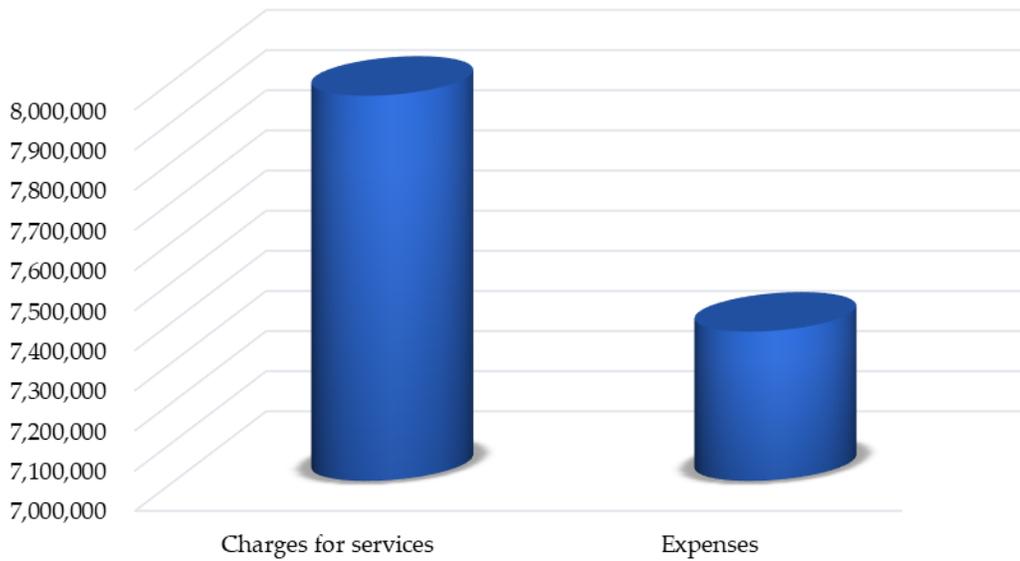


For the year ended September 30, 2024, expenses for governmental activities totaled \$18,020,570. This represents an increase of \$2,018,102 or 13% from the prior year. The City's largest functional expense is public safety totaling \$8,990,407, which increased by \$1,072,019 or 14%. This increase is primarily due to greater personnel costs, resulting from pay raises and the purchase of firefighting equipment. General government expenses increased by \$342,588 or 17% due to greater salaries/benefits and nonrecurring software maintenance expenses in the current year. Community development increased by \$402,255 or 10% primarily due to street repairs in the current year. All other expenses remained relatively consistent with the prior year.

City of Seagoville, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2024

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

Business-Type Activities - Revenues and Expenses



For the year ended September 30, 2024, charges for services by business-type activities totaled \$9,280,241. This represents an increase of \$608,409 or 7% from the previous year, which is primarily due to greater local utility consumption and increased water and sewer service rate during the year.

Total business-type activity expenses increased \$879,200 or 13% a total of \$8,048,123. This increase is due to increases in salary and wage expenses as well as increased water cost.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

At September 30, 2024, the City's governmental funds reported combined fund balances of \$16,828,881, a decrease of \$5,960,344 in comparison with the prior year. Approximately 53% of this amount, \$8,876,662, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable* or *restricted* to indicate that it is 1)

City of Seagoville, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued*
September 30, 2024

not in spendable form \$13,247 or 2) restricted for particular purposes \$7,253,502 or 3) assigned \$101,950 or 4) committed for special revenue \$583,520.

As of the end of the year the general fund reflected a total fund balance of \$9,634,288. Of this, \$13,247 is considered not in spendable form or restricted and \$8,876,662 is unassigned. General fund balance decreased by \$1,319,731 during the current year, as compared to a final budgeted decrease of \$4,653,726. The decrease was a planned budgeted utilization of fund balance. Sales tax revenues and contributions and donations exceeded budgeted amounts by \$1,049,044 & \$1,500,000 respectively.

As a measure of the general fund's liquidity, it may be useful to compare total unassigned fund balance to total fund expenditures. The unassigned (the amount available for spending) fund balance of the general fund of \$8,876,662 is 45% of total general fund expenditures. Overall revenue in the general fund increased by \$2,217,930 when compared to the prior year. Property tax showed the largest increase due to City growth and greater appraised values General fund expenditures increased \$438,918 when compared to the prior year. The largest expenditure increase was in the public safety department for \$815,579, which was primarily due to greater personnel costs in the current year.

The capital projects fund had an ending fund balance of \$1,894,980. There was a decrease of \$3,647,734 from the previous year. The decrease is due to capital outlay expenditures exceeding investment income and transfers in from other funds.

The COVID local recovery fund had an ending fund balance of \$55,788. There was a decrease of \$147,917 from the previous year. Current year grant revenue recognized totaled \$4,006,274. Transfers out were \$4,376,675.

The Simonds Road project fund had an ending fund balance of \$2,989,802. Fiscal year 2023 was the initial year for this fund. The fund had \$121,631 of capital outlay related to the Simonds Road project.

The PID improvements fund accounts for capital outlay related to the Santorini and Stonehaven Public Improvement Districts. Current year capital contributions and contributions from property owners totaled \$13,169,212. Capital outlay attributable to the developments totaled \$13,190,331.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position at the close of the fiscal year for the proprietary fund amounted to \$8,200,392, an increase of \$43,177 from the previous year. Total investment in capital assets, net of related debt was \$23,142,896 and capital assets, net of depreciation totaled \$26,627,419.

GENERAL FUND BUDGETARY HIGHLIGHTS

Total budgeted revenues of \$14,086,788 were less than actual revenues of \$18,415,982, resulting in a total positive revenue variance of \$4,329,194. All actual revenues were greater than the budgeted amounts. Total budgeted expenditures of \$18,989,150 were less than actual expenditures of \$19,831,405, resulting in a total negative expenditure variance of \$842,255. Significant changes between the original

City of Seagoville, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2024

and final budget included expenditure amendments of \$344,340 for the authorized position of CID Lieutenant, \$89,026 for vehicle (2024 Ford Interceptor) \$66,950 to fund additional costs for building maintenance, \$16,500 and \$86,575 for the Fire Department and for a SCBA fill station.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$47,777,073 in a variety of capital assets and infrastructure, net of accumulated depreciation. The City's business-type activities funds had invested \$26,627,419 in a variety of capital assets and infrastructure, net of accumulated depreciation. This investment in capital assets includes land, buildings, vehicles, equipment, park improvements, and infrastructure.

Major capital asset events during the current year include the following:

Santorini PID Developer Infrastructure contributions	\$ 14,907,826
Seagoville police department building construction	\$ 3,927,190
Animal Shelter Construction	\$ 1,570,322
2024 Peterbilt dump truck purchase	\$ 180,681
Two 2024 Ford Interceptors purchase	\$ 136,933
Pierce Customer Enforcer Pumper purchase	\$ 988,776
Park Bleachers construction	\$ 201,776
Park parking lot improvements	\$ 474,427
Northern Basin Interceptor project construction	\$ 4,402,649
Ard Road pump station upgrades	\$ 1,649,668

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

LONG-TERM DEBT

The City's outstanding bonds, notes payable, subscription liabilities, and certificates of obligation payable, net of all premiums/discounts, decreased by \$1,265,286 from the prior year. The total bonds, notes, subscription liabilities, and certificates of obligation payable at the close of the fiscal year were \$20,019,874, net of all premiums and discounts.

More detailed information about the City's long-term liabilities is presented in note IV.E to the financial statements.

City of Seagoville, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued
September 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City of Seagoville has seen a steady growth in tax revenue over the last several years. Sales tax revenue has increased by 65% since 2019 and property tax revenue has increased by 52%. The total sales tax payments received in 2024 fiscal year equaled \$5,984,535. The City anticipates continued increase for 2025.

Property valuations have increased due to new additions and property on the tax roll, along with the appraisal district valuations in 2024. The City is planning on future growth and budgeting accordingly for City services.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Seagoville, Texas, Finance Department, 702 North Highway 175, Seagoville, Texas 75159. This information can also be accessed on the City's website at www.cityofseagoville.org.

BASIC FINANCIAL STATEMENTS

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 21,290,224	\$ 8,286,690	\$ 29,576,914
Receivables, net	1,420,329	1,497,292	2,917,621
Notes receivable, current	-	-	-
Internal balances	22,218	(22,218)	-
Due from primary government	-	-	-
Prepaid and other assets	13,247	21	13,268
Restricted assets - cash	673,223	-	673,223
Total Current Assets	23,419,241	9,761,785	33,181,026
Noncurrent assets:			
Notes receivable, noncurrent	-	-	-
Capital assets:			
Non-depreciable	24,020,709	1,966,849	25,987,558
Net depreciable capital assets	23,756,364	24,660,570	48,416,934
Total Noncurrent Assets	47,777,073	26,627,419	74,404,492
Total Assets	71,196,314	36,389,204	107,585,518
Deferred Outflows of Resources			
Pension outflows-TMRS	1,771,484	242,482	2,013,966
OPEB outflows-TMRS	5,539	758	6,297
Total Deferred Outflows of Resources	1,777,023	243,240	2,020,263

Component
Unit
Seagoville EDC

\$	3,353,054
	243,594
	43,333
	-
	138,439
	-
	-
	3,778,420

	420,000
	89,626
	1,116,632
	1,626,258
	5,404,678

	-
	-
	-
	-

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Liabilities</u>			
Current liabilities:			
Accounts payable	\$ 5,869,953	\$ 567,659	\$ 6,437,612
Accrued liabilities	-	127,278	127,278
Customer deposits	-	424,883	424,883
Compensated absences, current	706,687	38,741	745,428
Accrued interest payable	66,742	8,238	74,980
Long-term debt due in one year	890,443	417,790	1,308,233
Due to component unit	138,439	-	138,439
Total Current Liabilities	7,672,264	1,584,589	9,256,853
Noncurrent liabilities:			
Net pension liability	3,385,304	463,381	3,848,685
OPEB liability	233,678	31,993	265,671
Compensated absences	78,521	4,305	82,826
Long-term debt due in more than one year	15,727,489	2,984,153	18,711,642
Total Noncurrent Liabilities	19,424,992	3,483,832	22,908,824
Total Liabilities	27,097,256	5,068,421	32,165,677
<u>Deferred Inflows of Resources</u>			
Pension inflows-TMRS	60,929	8,339	69,268
OPEB inflows-TMRS	51,446	7,044	58,490
Total Deferred Inflows of Resources	112,375	15,383	127,758
<u>Net Position</u>			
Net investment in capital assets	31,604,707	23,142,896	54,747,603
Restricted for:			
Debt service	63,168	205,352	268,520
Court improvements	56,824	-	56,824
Public safety	658,718	-	658,718
Capital projects	1,159,319	-	1,159,319
Tourism	49,200	-	49,200
Economic development	-	-	-
Unrestricted	12,171,770	8,200,392	20,372,162
Total Net Position	\$ 45,763,706	\$ 31,548,640	\$ 77,312,346

See Notes to Financial Statements.

City of Seagoville, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 2,357,965	\$ -	\$ 548	\$ -
Public safety	8,990,407	488,152	500	-
Community services	1,912,434	1,608,495	85,017	-
Community development	4,294,669	1,440,283	-	20,642,459
Interest and fiscal charges	465,095	-	-	-
Total Governmental Activities	18,020,570	3,536,930	86,065	20,642,459
Business-Type Activities				
Water and sewer	8,048,123	9,280,241	-	4,582,910
Total Business-Type Activities	8,048,123	9,280,241	-	4,582,910
Total Primary Government	\$ 26,068,693	\$ 12,817,171	\$ 86,065	\$ 25,225,369
 Component Units				
Seagoville EDC	698,762	-	-	-
Total Component Units	\$ 698,762	\$ -	\$ -	\$ -

General Revenues:

- Taxes
 - Property taxes
 - Sales taxes
 - Franchise and local taxes
 - Investment income
 - Gain on sale of capital assets
 - Other revenues
- Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position

Ending Net Position

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government			
Governmental Activities	Business-Type Activities	Total	Seagoville EDC
\$ (2,357,417)	\$ -	\$ (2,357,417)	\$ -
(8,501,755)	-	(8,501,755)	-
(218,922)	-	(218,922)	-
17,788,073	-	17,788,073	-
(465,095)	-	(465,095)	-
<u>6,244,884</u>	<u>-</u>	<u>6,244,884</u>	<u>-</u>
-	5,815,028	5,815,028	-
-	5,815,028	5,815,028	-
<u>6,244,884</u>	<u>5,815,028</u>	<u>12,059,912</u>	<u>-</u>
			<u>(698,762)</u>
			<u>(698,762)</u>
9,486,581	-	9,486,581	-
4,492,351	-	4,492,351	1,499,255
737,614	-	737,614	-
1,037,444	278,555	1,315,999	21,705
23,200	-	23,200	-
62,016	73,994	136,010	26,900
(4,011,139)	4,011,139	-	-
<u>11,828,067</u>	<u>4,363,688</u>	<u>16,191,755</u>	<u>1,547,860</u>
18,072,951	10,178,716	28,251,667	849,098
27,690,755	21,369,924	49,060,679	4,554,881
<u>\$ 45,763,706</u>	<u>\$ 31,548,640</u>	<u>\$ 77,312,346</u>	<u>\$ 5,403,979</u>

City of Seagoville, Texas

BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2024

	<u>General</u>	<u>Capital Projects</u>	<u>COVID Local Recovery</u>	<u>Simonds Road Project</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 8,900,665	\$ 2,467,484	\$ 4,432,463	\$ 3,002,758
Accounts receivable, net	1,347,289	-	-	-
Due from other funds	22,218	-	-	-
Prepays	13,247	-	-	-
Restricted assets - cash	673,223	-	-	-
Total Assets	\$ 10,956,642	\$ 2,467,484	\$ 4,432,463	\$ 3,002,758
<u>Liabilities</u>				
Accounts payable and accrued	\$ 661,640	\$ 572,504	\$ 4,376,675	\$ 12,956
Due to EDC	138,439	-	-	-
Total Liabilities	800,079	572,504	4,376,675	12,956
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - property taxes	522,275	-	-	-
Total Deferred Inflows of Resources	522,275	-	-	-
<u>Fund Balances</u>				
Nonspendable:				
Prepaid items	13,247	-	-	-
Assigned for:				
Street initiatives	2,027	-	-	-
Vehicle/tech. replacement	69,129	-	-	-
Special revenue funds	-	-	-	-
Restricted for:				
Debt service	-	-	-	-
Court improvements	-	-	-	-
Public safety	-	-	-	-
Capital projects	673,223	1,894,980	55,788	2,989,802
Tourism	-	-	-	-
Animal shelter	-	-	-	-
Committed - special revenue	-	-	-	-
Unassigned	8,876,662	-	-	-
Total Fund Balances	9,634,288	1,894,980	55,788	2,989,802
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 10,956,642	\$ 2,467,484	\$ 4,432,463	\$ 3,002,758

See Notes to Financial Statements.

PID Improvements	Nonmajor Governmental Funds	Total Governmental Funds
\$ 24,110	\$ 2,462,744	\$ 21,290,224
-	73,040	1,420,329
-	-	22,218
-	-	13,247
-	-	673,223
<u>\$ 24,110</u>	<u>\$ 2,535,784</u>	<u>\$ 23,419,241</u>
\$ -	\$ 246,178	\$ 5,869,953
-	-	138,439
<u>-</u>	<u>246,178</u>	<u>6,008,392</u>
-	59,693	581,968
<u>-</u>	<u>59,693</u>	<u>581,968</u>
-	-	13,247
-	-	2,027
-	-	69,129
-	30,794	30,794
-	63,168	63,168
-	56,824	56,824
-	658,718	658,718
24,110	-	5,637,903
-	49,200	49,200
-	787,689	787,689
-	583,520	583,520
-	-	8,876,662
<u>24,110</u>	<u>2,229,913</u>	<u>16,828,881</u>
<u>\$ 24,110</u>	<u>\$ 2,535,784</u>	<u>\$ 23,419,241</u>

City of Seagoville, Texas

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

September 30, 2024

Fund Balances - Total Governmental Funds		\$ 16,828,881
 Adjustments for the Statement of Net Position:		
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.		
Capital assets - non-depreciable		24,020,709
Capital assets - net depreciable		23,756,364
 Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		
Property tax		581,968
 Deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time		
Pension inflows		(60,929)
OPEB inflows		(51,446)
 Deferred outflows of resources, represent a consumption of net assets that applies to a future period(s) and is not recognized as an outflow of resources (expense/ expenditures) until then		
Pension outflows		1,771,484
OPEB outflows		5,539
 Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.		
Accrued interest		(66,742)
Deferred charges:		
Bond premium		(886,645)
Net pension liability		(3,385,304)
OPEB liability - TMRS		(233,678)
Compensated absences		(785,208)
Non-current liabilities due in one year		(890,443)
Non-current liabilities due in more than one year		(14,840,844)
Net Position of Governmental Activities		<u><u>\$ 45,763,706</u></u>

See Notes to Financial Statements.

City of Seagoville, Texas

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

For the Year Ended September 30, 2024

	<u>General</u>	<u>Capital Projects</u>	<u>COVID Local Recovery</u>	<u>Simonds Road Project</u>
<u>Revenues</u>				
Property tax	\$ 8,207,359	\$ -	\$ -	\$ -
Sales tax	4,492,351	-	-	-
Franchise and local taxes	698,161	-	-	-
Fines and forfeitures	455,039	-	-	-
License and permits	1,313,240	-	-	-
Charges for services	1,287,926	-	-	-
Intergovernmental	73,773	-	4,006,274	-
Investment income	326,117	216,663	222,484	152,521
Contributions and donations	1,500,000	-	-	-
Contributions from property owners	-	-	-	-
Other revenue	62,016	-	-	-
Total Revenues	18,415,982	216,663	4,228,758	152,521
<u>Expenditures</u>				
Current:				
General government	1,433,057	-	-	-
Public safety	7,934,881	-	-	-
Community services	1,890,860	-	-	-
Community development	1,998,843	-	-	-
Nondepartmental	591,570	-	-	-
Debt Service:				
Principal	105,965	-	-	-
Interest and fiscal charges	27,825	-	-	-
Capital outlay	5,848,404	3,864,397	-	121,631
Total Expenditures	19,831,405	3,864,397	-	121,631
Revenues Over (Under) Expenditures	(1,415,423)	(3,647,734)	4,228,758	30,890
<u>Other Financing Sources (Uses)</u>				
Sale of capital assets	23,200	-	-	-
Transfers in	393,136	-	-	-
Transfers (out)	(320,644)	-	(4,376,675)	-
Total Other Financing Sources (Uses)	95,692	-	(4,376,675)	-
Net Change in Fund Balances	(1,319,731)	(3,647,734)	(147,917)	30,890
Fund balances-previously reported	10,999,248	5,542,714	203,705	2,958,912
Separation of fund activity	(45,229)	-	-	-
Beginning fund balances, as restated	10,954,019	5,542,714	203,705	2,958,912
Ending Fund Balances	\$ 9,634,288	\$ 1,894,980	\$ 55,788	\$ 2,989,802

See Notes to Financial Statements.

<u>PID Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 1,226,673	\$ 9,434,032
-	-	4,492,351
-	39,453	737,614
-	33,113	488,152
-	121,418	1,434,658
-	326,194	1,614,120
-	-	4,080,047
-	119,659	1,037,444
178,358	62,292	1,740,650
12,990,854	-	12,990,854
-	-	62,016
<u>13,169,212</u>	<u>1,928,802</u>	<u>38,111,938</u>
-	33,885	1,466,942
-	49,619	7,984,500
-	7,974	1,898,834
-	353,603	2,352,446
-	-	591,570
-	690,500	796,465
-	560,822	588,647
13,190,331	1,380,176	24,404,939
<u>13,190,331</u>	<u>3,076,579</u>	<u>40,084,343</u>
(21,119)	(1,147,777)	(1,972,405)
-	-	23,200
-	320,644	713,780
-	(27,600)	(4,724,919)
-	293,044	(3,987,939)
(21,119)	(854,733)	(5,960,344)
45,229	-	19,749,808
45,229	-	-
45,229	3,084,646	22,789,225
<u>\$ 24,110</u>	<u>\$ 2,229,913</u>	<u>\$ 16,828,881</u>

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City of Seagoville, Texas

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2024

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

Net changes in fund balances - total governmental funds	\$ (5,960,344)
<p>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.</p>	
Capital outlay	23,295,214
Capital contributions	1,916,973
Depreciation expense	(1,837,730)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Property tax	52,549
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Compensated absences	(121,685)
Accrued interest	72,161
Pension expense	(190,022)
OPEB expense-TMRS	(2,021)
<p>The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	
Amortization of premium	51,391
Principal payments	796,465
Change in Net Position of Governmental Activities	\$ 18,072,951

See Notes to Financial Statements.

City of Seagoville, Texas

STATEMENT OF NET POSITION PROPRIETARY FUNDS (Page 1 of 2) September 30, 2024

	<u>Water & Sewer</u>
<u>Assets</u>	
<u>Current Assets</u>	
Cash and cash equivalents	\$ 8,286,690
Accounts receivable, net	1,497,292
Prepaid items	21
Total Current Assets	<u>9,784,003</u>
<u>Noncurrent Assets</u>	
Capital assets:	
Non-depreciable	1,966,849
Net depreciable capital assets	24,660,570
Total Noncurrent Assets	<u>26,627,419</u>
Total Assets	<u>36,411,422</u>
<u>Deferred Outflows of Resources</u>	
Pension outflows - TMRS	242,482
OPEB outflows - TMRS	758
Total Deferred Outflows of Resources	<u>243,240</u>

See Notes to Financial Statements.

City of Seagoville, Texas

STATEMENT OF NET POSITION PROPRIETARY FUNDS (Page 2 of 2) September 30, 2024

	Water & Sewer
<u>Liabilities</u>	
<u>Current Liabilities</u>	
Accounts payable	\$ 567,659
Accrued liabilities	127,278
Customer deposits	424,883
Compensated absences, current	38,741
Long-term debt obligations, current	417,790
Due to other funds	22,218
Accrued interest	8,238
Total Current Liabilities	1,606,807
 <u>Noncurrent Liabilities</u>	
Compensated absences, noncurrent	4,305
Long-term debt obligations, noncurrent	2,984,153
Net pension liability	463,381
OPEB liability - TMRS	31,993
Total Noncurrent Liabilities	3,483,832
Total Liabilities	5,090,639
 <u>Deferred Inflows of Resources</u>	
Pension inflows - TMRS	8,339
OPEB inflows - TMRS	7,044
Total Deferred Inflows of Resources	15,383
 <u>Net Position</u>	
Net investment in capital assets	23,142,896
Restricted for:	
Debt service	205,352
Unrestricted	8,200,392
Total Net Position	\$ 31,548,640

See Notes to Financial Statements.

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City of Seagoville, Texas

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

For the Year Ended September 30, 2024

	Business-Type Activities
	Water & Sewer
<u>Operating Revenues</u>	
Water services	\$ 4,401,361
Sewer services	4,594,098
Penalties and interest	212,587
Tap and reconnection fees	72,195
Other revenue	73,994
Total Operating Revenues	9,354,235
<u>Operating Expenses</u>	
Water operations	2,971,994
Sewer operations	3,274,472
Water and sewer administration	324,641
Customer service operations	303,391
Miscellaneous	115,533
Depreciation	930,672
Repairs and maintenance	36,426
Total Operating Expenses	7,957,129
Operating Income (Loss)	1,397,106
<u>Nonoperating Revenues (Expenses)</u>	
Investment earnings	278,555
Interest expense	(90,994)
Total Nonoperating Revenues (Expenses)	187,561
Income (Loss) Before Transfers	1,584,667
<u>Transfers</u>	
Capital contributions	4,582,910
Transfers in	4,376,675
Transfers (out)	(365,536)
Total Transfers	8,594,049
Change in Net Position	10,178,716
Beginning net position	21,369,924
Ending Net Position	\$ 31,548,640

See Notes to Financial Statements.

City of Seagoville, Texas

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 1 of 2) For the Year Ended September 30, 2024

	Water and Sewer
<u>Cash Flows from Operating Activities</u>	
Payments to employees	\$ (1,422,480)
Payments to suppliers and contractors	(5,108,753)
Receipts from customers	9,335,463
Net Cash Provided (Used) by Operating Activities	2,804,230
<u>Cash Flows from Noncapital Financing Activities</u>	
Transfers (out)	(365,536)
Net Cash Provided (Used) by Noncapital Financing Activities	4,011,139
<u>Cash Flows from Capital and Related Financing Activities</u>	
Acquisition and construction of capital assets	(6,126,437)
Principal paid on capital debt	(406,598)
Interest paid on capital debt	(101,825)
Net Cash Provided (Used) by Capital and Related Financing Activities	(6,634,860)
<u>Cash Flows from Investing Activities</u>	
Interest on investments	278,555
Net Cash Provided by Investing Activities	278,555
Net Increase (Decrease) in Cash and Cash Equivalents	459,064
Beginning cash and cash equivalents	7,827,626
Ending Cash and Cash Equivalents	\$ 8,286,690

See Notes to Financial Statements.

City of Seagoville, Texas

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 2 of 2) For the Year Ended September 30, 2024

	Water and Sewer
<u>Reconciliation of Operating Income (Loss)</u>	
<u>to Net Cash Provided (Used) by Operating Activities</u>	
Operating Income (Loss)	\$ 1,397,106
Adjustments to reconcile operating income (loss) to net cash provided (used):	
Depreciation	930,672
Changes in Operating Assets and Liabilities:	
(Increase) Decrease in:	
Accounts receivable	(25,174)
Prepaid items	69,900
Deferred outflows:	
Pension	79,210
OPEB	110
Increase (Decrease) in:	
Accounts payable and accrued liabilities	393,108
Due to other funds	-
Customer deposits	6,402
Compensated absences	687
Deferred inflows:	
Pension	8,339
OPEB	(1,767)
Net pension liability	(57,140)
OPEB Liability	2,777
Net Cash Provided (Used) by Operating Activities	\$ 2,804,230
 <u>Schedule of Non-Cash Capital and Related Financing Activities</u>	
Developer contributions of infrastructure	\$ 4,582,910

See Notes to Financial Statements.

City of Seagoville, Texas
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2024

	Santorini PID	Stonehaven PID
<u>Assets</u>		
Cash and cash equivalents	\$ 16,978,958	\$ 590,876
Special assessment receivable	33,872,000	12,943,229
Total Assets	\$ 50,850,958	\$ 13,534,105
 <u>Liabilities</u>		
Accrued interest	184,639	-
Long-term debt, current	216,000	-
Long-term debt, noncurrent	33,458,381	-
Total Liabilities	\$ 33,859,020	\$ -
 <u>Net Position</u>		
Restricted	16,991,938	13,534,105
Total Net Position	\$ 16,991,938	\$ 13,534,105

See Notes to Financial Statements.

City of Seagoville, Texas
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2024

	Santorini PID	Stonehaven PID
<u>Additions</u>		
Special assessment revenue	\$ 33,872,000	\$ 13,541,100
Investment income	596,429	5,851
Total Additions	\$ 34,468,429	\$ 13,546,951
 <u>Deductions</u>		
Developer draws	12,990,854	12,846
Administrative fees	730,385	-
Interest expense	1,212,469	-
Bond issuance costs	2,542,783	-
Total Deductions	\$ 17,476,491	\$ 12,846
Change in Net Position	16,991,938	13,534,105
Beginning net position	-	-
Ending Net Position	\$ 16,991,938	\$ 13,534,105

See Notes to Financial Statements.

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City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Seagoville, Texas (the “City”) is a municipal corporation operating under a home rule charter as authorized in Article XI, Section 5 of the Constitution of the State of Texas. The City operates under a Council-Manager form of government in which all powers of the City are vested in an elective council. The City Council consists of the mayor and five council members. The mayor and two council members are elected at large with the remaining council members elected by district. The City provides services related to the following: public safety, public works, sanitation, health and welfare, culture and recreation, community development, planning and zoning, and general administrative services.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) applicable to government units. The following is a summary of the more significant accounting policies.

A. Description of Government-Wide Financial Statements

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

B. Reporting Entity

For financial reporting purposes, management has considered all potential component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The criteria used are as follows:

Financial Accountability – The primary government is deemed to be financially accountable if it appoints a voting majority of the organization’s governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government. Additionally, the primary government may be financially accountable if an organization is fiscally dependent on the primary government and there

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government or a jointly appointed board.

Discretely Presented Component Unit

Seagoville Economic Development Corporation ("EDC")

The EDC is a nonprofit corporation that was incorporated under the Development Corporation Act of 1979, Texas Revised Civil Statutes Annotated, Article 5190.6 Section (a), to receive and account for the proceeds of a designated sales tax levied to benefit the economic development of Seagoville. The EDC is authorized to sell bonds or other forms of indebtedness for any purpose authorized by Section 4B of the Development Corporation Act of 1979. Under the Act, the Board of Directors consists of seven members appointed by and who serve at the pleasure of the City Council of the City for two-year terms. The EDC provides financial benefits to the City in the form of an annual cash payment.

EDC may enter into any project authorized by the Act including, but not limited to, such projects as promotion and development of new and expanded business enterprises, job training centers, infrastructure improvements, public safety, municipal buildings, civic centers, recreation facilities, and other related facilities.

The EDC meets the criteria of a discretely presented component unit. Complete financial statements for the Seagoville Economic Development Corporation may be obtained from the EDC's office at 702 N. Highway 175, Seagoville, Texas, 75159. No other organizations met the necessary criteria for inclusion as component units for the year ended September 30, 2022.

This component unit is discretely presented in the financial statements. Complete financial statements of the individual component unit can be obtained.

C. Basis of Presentation - Government-Wide and Fund Financial Statements

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

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

As discussed earlier, the government has one discretely presented component unit which is shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

The government reports the following major governmental funds:

General Fund

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

Capital Projects Fund

The capital projects fund is used to account for resources obtained for the acquisition and/or construction of capital facilities by the City, except those financed by proprietary funds.

COVID Local Recovery Fund

The COVID recovery fund is used to account for resources acquired from other governments to mitigate the impact of the COVID 19 virus.

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

Simonds Road Project Fund

The Simonds Road Project fund is used to account for resources obtained for the design and construction of street and roadway improvements on Simonds Road, including the road, sidewalks, curb, drainage and related improvements and professional services.

PID Improvements Fund

The PID Improvements fund is used to account for resources obtained from property owners and developers utilized to construct street, drainage, and utility infrastructure within the Santorini and Stonehaven Public Improvement Districts.

The government reports the following major enterprise funds:

Water and Sewer Fund

Water and Sewer Fund is used to account for the operation of the water distribution system, wastewater treatment plant, and wastewater pumping and collection systems which are supported primarily by user charges to the public.

Additionally, the government reports the following fund types:

Debt Service Funds

The City accounts for the accumulation of financial resources for the payments of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance is restricted exclusively for debt service expenditures.

Special Revenue Funds

The City accounts for resources restricted to, or designated for, specific purposes in a special revenue fund. As of September 30, 2024, the City is maintaining thirteen special revenue funds.

Fiduciary Funds

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

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

proprietary funds. The Santorini and Stonehaven Public Improvement Districts are private purpose trust funds.

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

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

D. Measurement focus and basis of accounting

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

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

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

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

Proprietary, pension and other postemployment benefit trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Fiduciary funds use the economic resources measurement focus and utilize the *accrual basis of accounting* for reporting its assets and liabilities.

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

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S.

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexPool, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code.

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

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit and money market accounts
- Statewide investment pools
- SEC registered, no load money market mutual funds

2. Fair Value

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

3. Receivables and Interfund Transactions

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

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

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

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

4. Inventories and Prepaid Items

Inventory of the general fund and the electric fund consists of supplies held for the City's use and are carried at cost. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

5. Restricted Assets

Certain proceeds of reclassified as restricted assets on the statement of net position because their use is limited by applicable bond covenants or other restrictions.

6. Capital Assets

Capital assets are tangible and intangible assets which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and rights to water access are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government, as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, and capital items received in a service concession arrangement are reported at acquisition value. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

Asset Description	Estimated Useful Life
Building and improvements	50 years
Improvements other than buildings	20 years
Infrastructure	75 years
Machinery and equipment	5 to 10 years

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows / inflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government only has three items that qualify for reporting in this category. One example is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, fines and forfeitures and ambulance fees. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumption used within the pension actuarial valuation model.

8. Long-Term Obligations

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

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

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

financial statements only for the portion expected to be financed from expendable available financial resources.

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

The net pension liability is included within long term debt. This liability is valued using an actuarial model and represents the difference between the plan fiduciary net position and the net pension liability consistent with GASB statement no. 68. The portion of this liability presented as a current liability is based on actuarial calculations for estimated future payments of benefits and refunds over the twelve months following yearend.

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

9. 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.

10. Other Postemployment Benefits ("OPEB")

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No.

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

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75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary, calculated based on the employee's actual earnings on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

11. Leases

Lessor: The EDC is a lessor for noncancellable leases for use of office space. The EDC 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 EDC 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 judgments include how the EDC determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The EDC uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

12. Subscription Based Information Technology Arrangements

The City implemented the provision of Governmental Accounting Standard Board (GASB) Statement No. 96, entitled *Subscription-Based Information Technology Arrangements* ("SBITA"). Upon implementation, the City recorded right to use assets and subscription liabilities based on the present value of the payments for the related arrangements. The assets are included within capital assets, and amortized straight-line over the term of the arrangement. The liabilities accrue interest at the implied rate estimated by the City, and are relieved with payments over the term of the arrangements.

13. Net Position Flow Assumption

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

14. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

15. Fund Balance Policies

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

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

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (Council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

16. Estimates

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

F. 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)

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

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that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

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

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

3. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for this amount is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the utility fund, golf course fund, and storm water utility funds are charges to customers for sales and services. The utility fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, debt service, capital projects, and various special revenue funds. The City did not adopt a budget for the Seagoville toy drive donations, park development, or developer funds. Each year the City Manager is required to submit to the City Council, between sixty and ninety days prior to the beginning of the year, a proposed budget for each fund aforementioned. The legal level of control as defined by the City Charter is the fund level. No funds can be transferred or added which affect the total fund expenditures without City Council approval. Appropriations lapse at the end of the year. Several supplemental budget amendments were made during the year. All governmental funds with a legally adopted budget have been presented. The following funds exceeded appropriations at the level of control as follows:

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

General Fund	\$	1,162,899
COVID Local Recovery Fund		376,675
Debt Service Fund		1,500
Special Police Fund		1,500
Miscellaneous Grants Fund		3,864
Court Technology Fund		22,774
Storm Water Revenue Fund		29,547
Total	\$	<u>1,598,759</u>

A. Restricted Fund Balance

The City records restricted net position on amounts with externally imposed restrictions (e.g., through debt covenants or by grantors) or restrictions imposed by law through constitutional provisions or enabling legislation. Total restricted fund balance for governmental funds was \$7,253,502, of which, \$106,024 is restricted by enabling legislation.

B. Public Funds Investment & Collateral Acts

State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. As of September 30, 2024, the market values of pledged securities and FDIC exceeded bank balances. In addition, the City is required to adopt certain standards as it relates to the investment and maintenance of public funds. The City was in compliance with the requirement Public Funds Investment Act and the Public Funds Collateral Act.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits - The City's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas Public Funds Investment Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the City's and the depository bank's agent bank. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of FDIC insurance. The City's deposits, as well as those of the City's component unit were fully insured or collateralized as required by the state statutes at September 30, 2024.

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

As of September 30, 2024, the primary government and component unit had the following investments:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	\$ 18,714,136	0.07
Total value	\$ 18,714,136	
Portfolio weighted average maturity		0.07

Following the criteria for GASB Statement No. 79, Certain External Investment Pools and Pool Participants, TexPool and TexStar use amortized cost and Texas CLASS uses the fair value method to value portfolio assets. The pools operate in a manner consistent with the Securities and Exchange Commission's (SEC) Rule 2(a)(7) of the Investment Company Act of 1940 but is not registered with the SEC as an investment company. Instead, the regulatory oversight for the pool is the State of Texas. Investments in the pools are classified as cash and cash equivalents for reporting purposes.

Interest rate risk: The City monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The City has no specific limitations with respect to this metric. The weighted average maturities of the investment pools did not exceed 60 days. As of yearend, the City did not invest in any securities which are highly sensitive to interest rate fluctuations.

Credit risk: The City's investment policy contains no limitation on the amount that can be invested in any one issuer. At year-end, the City was not exposed to concentration of credit risk. It is SEDC policy to limit its investment to those that are authorized under the Texas Public Funds Investment Act. As of September 30, 2024, the investment pools were rated AAAM by Standard and Poor's.

Custodial credit risk – deposits: In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's and SEDC's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the stated requirements of the Public Funds Investment Act. During the fiscal year and at year-end, all deposits held in the depository bank were fully collateralized. The City's deposits are therefore not subject to custodial credit risk at September 30, 2024.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool AAAM. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. At September 30, 2024, the fair value of the portion in TexPool approximates fair value of the shares. There were no limitations or restrictions on withdrawals.

TexSTAR

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR's governing body is a five-member Board consisting of three representatives of participants and one member designated by each of the co-administrators. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract for services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. Board oversight of TexSTAR is maintained through daily, weekly, and monthly reporting requirements. TexSTAR is rated AAAM by Standard & Poor's. The City's fair value position is stated at the value of the position upon withdrawal. There were no limitations or restrictions on withdrawals.

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

B. Receivables

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

	Governmental Activities		
	Nonmajor		Total
	General	Governmental	
Property taxes	\$ 522,275	\$ 59,693	\$ 581,968
Sales tax	721,419	-	721,419
Accounts	81,313	52,968	134,281
Other	22,283	1,569	23,852
Allowance	-	(41,190)	(41,190)
Total	\$ 1,347,289	\$ 73,040	\$ 1,420,329

	Business- Type
	Water & Sewer
Accounts	\$ 1,827,166
Allowance	(329,874)
Total	\$ 1,497,292

2. The component unit receivable balances consisted of the following:

	EDC
Sales tax	\$ 243,594
Notes receivable	463,333
	\$ 706,927

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

3. Notes Receivable – EDC

On March 15, 2021, the EDC entered into a note receivable with Starwood Café, a local restaurant, for \$600,000. The stated interest rate is 0%. Principal payments are due monthly for \$3,333 through March 15, 2036.

The future payment amortization schedule is as follows:

Note Receivable

Year ending September 30,	Component Unit Activities		
	Principal	Interest	Total
2025	\$ 43,333	\$ -	\$ 43,333
2026	40,000	-	40,000
2027	40,000	-	40,000
2028	40,000	-	40,000
2029-2033	200,000	-	200,000
2034-2036	100,000	-	100,000
Total	\$ 463,333	\$ -	\$ 463,333

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

C. Capital Assets

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

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 2,617,405	\$ 138,511	\$ -	\$ 2,755,916
Construction in progress	758,272	20,686,486	(179,965)	21,264,793
Total capital assets not being depreciated	<u>3,375,677</u>	<u>20,824,997</u>	<u>(179,965)</u>	<u>24,020,709</u>
Capital assets, being depreciated:				
Machinery and equipment	7,263,754	1,746,760	-	9,010,514
Buildings	4,078,405	-	-	4,078,405
Improvements other than buildings	2,180,515	691,605	179,965	3,052,085
Infrastructure	31,668,183	1,948,825	-	33,617,008
Right to use assets	139,621	-	-	139,621
Total capital assets being depreciated	<u>45,330,478</u>	<u>4,387,190</u>	<u>179,965</u>	<u>49,897,633</u>
Less accumulated depreciation/amortization				
Machinery and equipment	4,053,019	594,771	-	4,647,790
Buildings	1,721,511	101,651	-	1,823,162
Improvements other than buildings	1,147,571	86,950	-	1,234,521
Infrastructure	17,353,514	1,026,434	-	18,379,948
Right to use assets	27,924	27,924	-	55,848
Total accumulated depreciation/amortization	<u>24,303,539</u>	<u>1,837,730</u>	<u>-</u>	<u>26,141,269</u>
Net capital assets being depreciated	<u>21,026,939</u>	<u>2,549,460</u>	<u>179,965</u>	<u>23,756,364</u>
Total Capital Assets	<u><u>\$ 24,402,616</u></u>	<u><u>\$ 23,374,457</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 47,777,073</u></u>

Depreciation was charged to governmental functions as follows:

General government	\$ 71,785
Public safety	455,902
Community development	1,282,119
Right to use amortization	27,924
Total Governmental Activities Depreciation/Amortization Expense	<u><u>\$ 1,837,730</u></u>

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

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

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, not being depreciated:				
Land	\$ 97,912	\$ -	\$ -	\$ 97,912
Construction in progress	827,493	6,052,317	(5,010,873)	1,868,937
Total capital assets not being depreciated	<u>925,405</u>	<u>6,052,317</u>	<u>(5,010,873)</u>	<u>1,966,849</u>
Capital assets, being depreciated:				
Furniture and equipment	3,728,736	74,120	-	3,802,856
Buildings	147,763	-	-	147,763
Improvements other than buildings	220,590	-	-	220,590
Infrastructure	27,826,300	4,582,910	5,010,873	37,420,083
Right to use assets	40,221	-	-	40,221
Total capital assets being depreciated	<u>31,963,610</u>	<u>4,657,030</u>	<u>5,010,873</u>	<u>41,631,513</u>
Less accumulated depreciation				
Furniture and equipment	1,461,536	384,379	-	1,845,915
Buildings	75,111	3,470	-	78,581
Improvements other than buildings	220,588	-	-	220,588
Infrastructure	14,274,993	534,779	-	14,809,772
Right to use assets	8,043	8,044	-	16,087
Total accumulated depreciation	<u>16,040,271</u>	<u>930,672</u>	<u>-</u>	<u>16,970,943</u>
Net capital assets being depreciated	<u>15,923,339</u>	<u>3,726,358</u>	<u>5,010,873</u>	<u>24,660,570</u>
Total Capital Assets	<u>\$ 16,848,744</u>	<u>\$ 9,778,675</u>	<u>\$ -</u>	<u>\$ 26,627,419</u>

Depreciation was charged to business-type activities as follows:

Water and sewer	\$ 930,672
Total Business-type Activities Depreciation Expense	<u>\$ 930,672</u>

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

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

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, not being depreciated:				
Land	\$ 89,627	\$ -	\$ -	\$ 89,627
Construction in progress	21,200	31,800	(53,000)	-
Total capital assets not being depreciated	<u>110,827</u>	<u>31,800</u>	<u>(53,000)</u>	<u>89,627</u>
Capital assets, being depreciated:				
Buildings	633,816	565,247	53,000	1,252,063
Total capital assets being depreciated	<u>633,816</u>	<u>565,247</u>	<u>53,000</u>	<u>1,252,063</u>
Less accumulated depreciation				
Buildings	107,104	28,328	-	135,432
Total accumulated depreciation	<u>107,104</u>	<u>28,328</u>	<u>-</u>	<u>135,432</u>
Net capital assets being depreciated	526,712	536,919	53,000	1,116,631
Total Capital Assets	<u><u>\$ 637,539</u></u>	<u><u>\$ 568,719</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,206,258</u></u>

Depreciation was charged to the following activities as follows:

Seagoville EDC	\$ 28,328
Total Depreciation Expense	<u><u>\$ 28,328</u></u>

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

D. Long-term Debt

The following is a summary of changes in the City's total long-term liabilities for the year ended September 30, 2024. In general, the City uses the debt service fund and water and sewer to liquidate long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Bonds, notes and other payables:					
Certificates of Obligation	\$ 15,487,500	\$ -	\$ (690,500)	\$ 14,797,000	\$ 780,000
Less deferred amounts:					
For premiums	938,036	-	(51,391)	886,645	-
Total Bonds Payable	<u>16,425,536</u>	<u>-</u>	<u>(741,891)</u>	<u>15,683,645</u>	<u>780,000</u>
Notes payable	927,125	-	(81,068)	846,057	83,379
Subscription liabilities	113,127	-	(24,897)	88,230	27,064
Total Governmental Activities	<u>\$ 17,465,788</u>	<u>\$ -</u>	<u>\$ (847,856)</u>	<u>\$ 16,617,932</u>	<u>\$ 890,443</u>
				<u>\$ 15,727,489</u>	
Business-Type Activities:					
Combination Tax & Revenue Bonds	\$ 3,667,500	\$ -	\$ (399,500)	\$ 3,268,000	\$ 410,000
Less deferred amounts:					
For premiums	119,146	-	(10,832)	108,314	-
Total Bonds Payable	<u>3,786,646</u>	<u>-</u>	<u>(410,332)</u>	<u>3,376,314</u>	<u>410,000</u>
Subscription liabilities	32,726	-	(7,098)	25,628	7,790
Total Business-Type Activities	<u>\$ 3,819,372</u>	<u>\$ -</u>	<u>\$ (417,430)</u>	<u>\$ 3,401,942</u>	<u>\$ 417,790</u>
				<u>\$ 2,984,152</u>	

Long-term debt applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. The City intends to retire all of its general long-term liabilities, plus accrued interest, from property taxes and other current revenues from the debt service fund as has been done in prior years. The proprietary fund type long-term debt will be repaid, plus accrued interest, from operating revenues of the respective fund. Leases are secured by the underlying asset. In the event of default, the lender may demand immediate payment or take possession of the asset.

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

Primary government long-term debt at year end was comprised of the following debt issues:

	Governmental Activities	Business - Type Activities	Total
Combination Tax and Revenue Refunding Bonds:			
\$3,915,000 Comb. Tax and Revenue Refunding Bonds, Series 2018, due in installments through 2028, interest at 1.93%	\$ -	\$ 2,465,000	\$ 2,465,000
\$2,128,500 Comb. Tax and Revenue Refunding Bonds, Series 2015, due in annual installments through 2035, interest at 2.0% to 4.0%	-	803,000	803,000
Total Combination Tax & Revenue Refunding Bonds	\$ -	\$ 3,268,000	\$ 3,268,000
Certificates of Obligation:			
\$1,741,500 Certificates of Obligation, Series 2018, due in annual installments through 2028, interest at 1.93%	\$ 657,000	\$ -	\$ 657,000
\$5,885,000 Certificates of Obligation, Series 2019, due in annual installments through 2039, interest at 3.0% to 4.0%	5,080,000	-	5,080,000
\$5,101,500 Certificates of Obligation, Series 2021, due in annual installments through 2041, interest at 1.50% to 4.0%	4,455,000	-	4,455,000
\$4,695,000 Certificates of Obligation, Series 2023, due in annual installments through 2043, interest at 4.00% to 5.00%	4,605,000	-	4,605,000
Total Certificates of Obligation	\$ 14,797,000	\$ -	\$ 14,797,000
Notes Payable:			
\$460,020 Note Payable for Quint Fire Engine in 2017, due in installments through 2031, interest at 2.67%	\$ 357,146	\$ -	\$ 357,146
\$891,933 Note Payable for 2020 Fire Engine, due in installments through 2035, interest at 3.10%	488,911	-	488,911
Total Notes Payable	\$ 846,057	\$ -	\$ 846,057
Subscription Liabilities:			
\$80,442 subscription liability to OpenGov, due in annual installments through 2026, interest at 2.68%	\$ 25,630	\$ 25,628	\$ 51,258
\$99,399 subscription liability to OpenGov, due in annual installments through 2026, interest at 2.68%	62,600	-	62,600
Total Subscription Liabilities	\$ 88,230	\$ 25,628	\$ 113,858
Premiums	886,645	108,314	994,959
Total Debt	\$ 16,617,932	\$ 3,401,942	\$ 20,019,874

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

The annual requirements to amortize the City's long-term activities debt issues outstanding at year end were as follows:

Governmental Activities:

Year ending September 30,	Certificates of Obligation		Notes Payable	
	Principal	Interest	Principal	Interest
2025	\$ 780,000	\$ 474,843	\$ 83,379	\$ 22,488
2026	805,000	453,056	85,725	20,143
2027	826,250	431,338	88,137	17,731
2028	855,750	404,978	90,617	15,251
2029	730,000	374,894	93,167	12,701
2030	760,000	346,594	95,789	10,078
2031	790,000	317,094	98,486	7,382
2032	815,000	289,744	101,260	4,609
2033	840,000	264,541	35,417	3,397
2034	870,000	238,219	36,515	2,299
2035	895,000	210,425	37,566	1,167
2036	925,000	181,225	-	-
2037	955,000	150,875	-	-
2038	990,000	119,250	-	-
2039	1,020,000	86,600	-	-
2040	615,000	62,250	-	-
2041	635,000	43,700	-	-
2042	340,000	27,600	-	-
2043	350,000	14,000	-	-
	<u>\$ 14,797,000</u>	<u>\$ 4,491,225</u>	<u>\$ 846,057</u>	<u>\$ 117,245</u>

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

Business-Type Activities:

Year ending September 30,	Comb. Tax & Rev. Refunding Bonds	
	Principal	Interest
2025	\$ 410,000	\$ 87,310
2026	420,000	75,464
2027	383,750	66,218
2028	394,250	57,644
2029	220,000	48,838
2030	225,000	43,338
2031	230,000	37,150
2032	235,000	30,825
2033	245,000	23,775
2034	250,000	16,425
2035	255,000	8,925
	<u>\$ 3,268,000</u>	<u>\$ 495,912</u>

Subscription Liabilities

The annual requirements to amortize the primary government's subscription liabilities outstanding at year end were as follows:

Year ending September 30,	Governmental Activities	
	Subscription Liabilities	
	Principal	Interest
2025	\$ 27,064	\$ 2,360
2026	29,363	1,636
2027	31,803	851
Total	<u>\$ 88,230</u>	<u>\$ 851</u>

Year ending September 30,	Business-Type Activities	
	Subscription Liabilities	
	Principal	Interest
2025	\$ 7,790	\$ 685
2026	8,528	477
2027	9,310	249
Total	<u>\$ 25,628</u>	<u>\$ 249</u>

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

The carrying value of right to use asset for governmental activities and business-type activities was \$83,771 and \$24,134, respectively as of September 30, 2024.

The following is a summary of changes in the City's total fiduciary long-term liabilities for the year ended September 30, 2024.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Fiduciary Activities:					
Bonds, notes and other payables:					
Special assessment revenue					
Bonds	\$ -	\$ 33,872,000	\$ -	\$ 33,872,000	\$ 216,000
Less deferred amounts:					
For discounts	-	(197,619)	-	(197,619)	-
Total	\$ -	\$ 33,674,381	\$ -	\$ 33,674,381	\$ 216,000
Long-term liabilities due in more than one year				\$ 33,458,381	

	Fiduciary Activities
Special Assessment Revenue Bonds	
2024 Revenue Bonds, original principal due of \$17,999,000 with an interest rate rate of 6.2%	\$ 17,999,000
2024 Revenue Bonds, original principal due of \$18,873,000 with an interest rate rate of 7%	15,783,000
Total Revenue Bonds	\$ 33,782,000

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

The annual requirements to amortize the City's fiduciary long-term activities debt issues outstanding at year end were as follows:

Special Assessment Revenue Bonds

		Fiduciary Activities	
		Principal	Interest
2025	\$	216,000	\$ 2,215,680
2026		405,000	2,202,720
2027		432,000	2,176,670
2028		460,000	2,148,870
2029		490,000	2,119,260
2030		523,000	2,087,710
2031		557,000	2,054,020
2032		594,000	2,018,130
2033		633,000	1,979,840
2034		675,000	1,939,030
2035		721,000	1,895,490
2036		768,000	1,848,970
2037		820,000	1,799,400
2038		875,000	1,746,460
2039		933,000	1,689,950
2040		997,000	1,629,670
2041		1,064,000	1,565,230
2042		1,135,000	1,496,440
2043		1,213,000	1,423,030
2044		1,295,000	1,344,550
2045		1,383,000	1,260,730
2046		1,478,000	1,169,373
2047		1,581,000	1,071,718
2048		1,691,000	967,235
2049		1,809,000	855,465
2050		1,935,000	735,870
2051		2,070,000	607,920
2052		2,215,000	471,015
2053		2,369,000	324,493
2054		2,535,000	167,753
Total	\$	33,872,000	\$ 45,012,690

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

E. Other Long-term Liabilities

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Governmental Activities:					
Compensated absences	\$ 663,523	\$ 121,685	\$ -	\$ 785,208	\$ 706,687
Total Governmental Activities	<u>\$ 663,523</u>	<u>\$ 121,685</u>	<u>\$ -</u>	<u>\$ 785,208</u>	<u>\$ 706,687</u>
Other long-term liabilities due in more than one year				<u>\$ 78,521</u>	
Business-Type Activities:					
Compensated absences	\$ 42,359	\$ 687	\$ -	\$ 43,046	\$ 38,741
Total Business-Type Activities	<u>\$ 42,359</u>	<u>\$ 687</u>	<u>\$ -</u>	<u>\$ 43,046</u>	<u>\$ 38,741</u>
Other long-term liabilities due in more than one year				<u>\$ 4,305</u>	

F. Interfund Transactions

The compositions of interfund advances to/from balances as of the year ended September 30, 2024 were as follows:

<u>Due from: (receivable fund)</u>	<u>Due to: (payable fund)</u>	
	<u>Water & Sewer</u>	<u>Total</u>
General	\$ 22,218	\$ 22,218
Total	<u>\$ 22,218</u>	<u>\$ 22,218</u>

Interfund receivables and payables relate to various amounts used to cover operational and capital expenditures. All balances are expected to be resolved in the subsequent year.

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

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

Transfers In:	Transfers Out:				Total
	General	Water & Sewer	COVID Local Recovery	Nonmajor Govt.	
General	\$ -	\$ 365,536	\$ -	\$ 27,600	\$ 393,136
Water and sewer	-	-	4,376,675	-	4,376,675
Nonmajor govt.	320,644	-	-	-	320,644
Total	\$ 320,644	\$ 365,536	\$ 4,376,675	\$ 27,600	\$ 5,090,455

Transfers between funds were primarily to support debt service requirements, capital improvements and general operation of funds.

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The City participates in the Texas Municipal League Intergovernmental Risk Pool (Pool) which provides protection for risks of loss. Premiums are paid to the Pool that retains the risk of loss beyond the City's policy deductibles. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the City's basic financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess of insurance coverage.

B. Contingent Liabilities

The City is involved in lawsuits with other parties from time to time. While the ultimate result of these matters cannot be predicted with certainty, the City does not expect them to have a materially adverse effect on the basic financial statements.

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

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

C. Commitments

North Texas Municipal Water District

In 2005, the City entered into a contract with the North Texas Municipal Water District (the "District") for the transportation, treatment and disposal of sanitary sewage and other waste. The contract will continue in force at least until all bonds issued by the District pursuant to the contract have been paid in full and will remain in force thereafter throughout the useful life of the District's sanitary sewer system. The contract requires the City to pay varying amounts based on the costs associated with sewage transported and/or treated and disposed of. The cost includes the City's proportionate share of the District's operating and maintenance expenses and related debt service costs. During 2024, the City's share of these costs was \$2,307,334.

D. Pension Plans

Texas Municipal Retirement Systems

Plan Description

The City of Seagoville, Texas participates as one of 919 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

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

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.

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

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

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

Plan provisions for the City were as follows:

	<u>Plan Year 2023</u>	<u>Plan Year 2022</u>
Employee deposit rate	7%	7%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	0% of CPI repeating	0% 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	72
Inactive employees entitled to but not yet receiving benefits	74
Active employees	115
Total	261

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Seagoville, Texas were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the City of Seagoville, Texas were 11.01% and 11.59% in calendar years 2023 and 2024, respectively. The City's contributions to TMRS for the year ended September 30, 2024, were \$936,265, 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.

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
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum 16 mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Public Equity	35.0%	7.70%
Core Fixed Income	6.0%	4.90%
Non-Core Fixed Income	20.0%	8.70%
Other Public/Private Markets	12.0%	8.10%
Real Estate	12.0%	5.80%
Hedge Funds	5.0%	6.90%
Private Equity	10.0%	11.80%
Total	100.0%	

Discount Rate:

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

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

Changes in the Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Total Net Pension Liability (Asset) (a) – (b)
Balance at 12/31/22	\$ 26,680,686	\$ 22,273,235	\$ 4,407,451
Changes for the year:			
Service cost	1,127,700	-	1,127,700
Interest	1,800,213	-	1,800,213
Change in benefit terms	-	-	-
Difference between expected and actual experience	527,748	-	527,748
Changes of assumptions	(92,749)	-	(92,749)
Contributions – employer	-	828,836	(828,836)
Contributions – employee	-	526,962	(526,962)
Net investment income	-	2,582,395	(2,582,395)
Benefit payments, including refunds of emp. contributions	(1,149,415)	(1,149,415)	-
Administrative expense	-	(16,400)	16,400
Other changes	-	(115)	115
Net changes	2,213,497	2,772,263	(558,766)
Balance at 12/31/23	\$ 28,894,183	\$ 25,045,498	\$ 3,848,685

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 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 7,919,026	\$ 3,848,685	\$ 480,809

Pension Plan Fiduciary Net Position:

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

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

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

For the year ended September 30, 2024, the City recognized pension expense of \$1,156,697.

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

	Deferred Outflows of Resources		Deferred (Inflows) of Resources
Difference between projected and actual investment earnings	\$ 577,466	\$	-
Change in assumptions	-		(69,268)
Differences between expected and actual economic experience	706,663		-
Contributions subsequent to the measurement date	729,837		-
Total	\$ 2,013,966	\$	(69,268)

The City reported \$729,837 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. In general, the City uses the general fund and water and sewer fund to liquidate pension and OPEB liabilities.

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

	Net Deferred Outflows/(Inflows)
Year ended December 31:	
2024	\$ 464,300
2025	415,027
2026	551,323
2027	(215,789)
2028	-
Thereafter	-
	\$ 1,214,861

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

E. Other Postemployment Benefits

Supplemental Death Benefits Fund

The City also participates in a defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee’s annual salary (calculated based on the employee’s actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an “other postemployment benefit,” or OPEB. The SDBF covers both active and retiree benefits with no segregation of assets and, therefore, doesn’t meet the definition of a trust under GASB No. 75, paragraph 4b, (i.e., no assets are accumulated for OPEB). As such, the SDBF is considered to be a single-employer unfunded OPEB plan (and not a cost sharing plan) with benefit payments treated as being equal to the employer’s yearly contributions for retirees.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees’ entire careers.

Employees covered by benefit terms

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

Inactive employees or beneficiaries currently receiving benefits	41
Inactive employees entitled to but not yet receiving benefits	8
Active employees	115
Total	164

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

The City’s contributions to the TMRS SDBF for the years ended 2024, 2023 and 2022 were \$8,735, \$9,270 and \$7,742, respectively, which equaled the required contributions each year.

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

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2022	0.10%	0.11%	100.0%
2023	0.11%	0.11%	100.0%
2024	0.10%	0.10%	100.0%

Total OPEB Liability

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

Actuarial assumptions:

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

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5%
Discount rate	3.77%
Retirees’ share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality

City of Seagoville, Texas

NOTES TO THE FINANCIAL STATEMENTS, *Continued*

September 30, 2024

Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 4.05%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

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

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

1% Decrease (3.05%)	Current Single Rate Assumption 4.05%	1% Increase (5.05%)
\$ 315,334	\$ 265,671	\$ 226,093

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/22	\$ 247,449
Changes for the year:	
Service Cost	12,049
Interest	10,068
Difference between expected and actual experience	(6,103)
Changes of assumptions	11,994
Benefit payments	(9,786)
Net changes	18,222
Balance at 12/31/23	\$ 265,671

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

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 \$21,068.

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

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Difference between expected and actual experience	\$ -	\$ (12,586)
Changes in assumptions and other inputs	-	(45,904)
Contributions subsequent to measurement date	6,297	-
Total	\$ 6,297	\$ (58,490)

The City reported \$6,297 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending September 30, 2025.

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

Year ended December 31:	
2024	\$ (9,427)
2025	(10,179)
2026	(15,120)
2027	(19,759)
2028	(4,359)
Thereafter	354
	\$ (58,490)

City of Seagoville, Texas
NOTES TO THE FINANCIAL STATEMENTS, Continued
September 30, 2024

F. Restatement

Due to the relevance of the current year activity, the City separated the PID improvements fund which had previously been consolidated with the general fund.

The restatement of beginning fund balance is as follows:

	General Fund	PID Improvements
Prior year ending fund balance, as reported	\$ 10,999,248	\$ -
Reclassification of funds	(45,229)	45,229
Restated beginning fund balance	\$ 10,954,019	\$ 45,229

G. Subsequent Events

There were no subsequent events through March 27, 2025, the date the financial statements were issued.

REQUIRED SUPPLEMENTARY INFORMATION

City of Seagoville, Texas

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

For the Year Ended September 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>				
Property tax	\$ 8,091,509	\$ 8,091,509	\$ 8,207,359	\$ 115,850
Sales tax	3,443,307	3,443,307	4,492,351	1,049,044
Franchise and local taxes	654,317	654,317	698,161	43,844
License and permits	405,760	405,760	1,313,240	907,480
Charges for services	1,104,000	1,104,000	1,287,926	183,926
Intergovernmental	46,000	46,000	73,773	27,773
Fines and forfeitures	303,900	303,900	455,039	151,139
Investment income	1,000	1,000	326,117	325,117
Contributions and donations	-	-	1,500,000	1,500,000
Other revenue	36,995	36,995	62,016	25,021
Total Revenues	<u>14,086,788</u>	<u>14,086,788</u>	<u>18,415,982</u>	<u>4,329,194</u>
<u>Expenditures</u>				
Current:				
General government	1,504,988	1,504,988	1,433,057	71,931
Public safety	7,963,768	8,052,794	7,934,881	117,913
Community services	2,342,986	2,342,986	1,890,860	452,126
Community development	1,976,793	2,078,583	1,998,843	79,740
Nondepartmental	541,600	541,600	591,570	(49,970)
Debt Service:				
Principal	93,599	93,599	105,965	(12,366)
Interest and fiscal charges	12,715	12,715	27,825	(15,110)
Capital outlay	4,208,360	4,361,885	5,848,404	(1,486,519)
Total Expenditures	<u>18,644,809</u>	<u>18,989,150</u>	<u>19,831,405</u>	<u>(842,255) *</u>
Revenues Over (Under) Expenditures	<u>(4,558,021)</u>	<u>(4,902,362)</u>	<u>(1,415,423)</u>	<u>3,486,939</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from sale of assets	-	-	23,200	23,200
Transfers in	248,636	248,636	393,136	144,500
Transfers (out)	-	-	(320,644)	(320,644) *
Total Other Financing Sources (Uses)	<u>248,636</u>	<u>248,636</u>	<u>95,692</u>	<u>(152,944)</u>
Net Change in Fund Balance	<u>\$ (4,309,385)</u>	<u>\$ (4,653,726)</u>	<u>(1,319,731)</u>	<u>\$ 3,333,995</u>
Beginning fund balance			10,954,019	
Ending Fund Balance			<u>\$ 9,634,288</u>	

Notes to Required Supplementary Information

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

* Expenditures exceeded appropriations at the legal level of control.

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COVID LOCAL RECOVERY FUND
For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Intergovernmental	\$ -	\$ 4,006,274	\$ 4,006,274
Investment income	50,000	222,484	172,484
Total Revenues	50,000	4,228,758	4,178,758
 <u>Other Financing Sources (Uses)</u>			
Transfers (out)	(4,000,000)	(4,376,675)	(376,675) *
Total Other Financing Sources (Uses)	(4,000,000)	(4,376,675)	(376,675)
Net Change in Fund Balances	\$ (3,950,000)	(147,917)	\$ 3,802,083
Beginning fund balances		203,705	
Ending Fund Balances		\$ 55,788	

Notes to Required Supplementary Information

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

* Expenditures exceeded appropriations at the legal level of control.

City of Seagoville, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Years Ended:

	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>
Total pension liability			
Service cost	\$ 1,127,700	\$ 1,050,960	\$ 947,052
Interest	1,800,213	1,648,224	1,514,304
Differences between expected and actual experience	527,748	520,591	241,115
Changes of assumptions	(92,749)	-	-
Benefit payments, including refunds of participant contributions	(1,149,415)	(863,471)	(677,404)
Net change in total pension liability	<u>2,213,497</u>	<u>2,356,304</u>	<u>2,025,067</u>
Total pension liability - beginning	<u>26,680,686</u>	<u>24,324,382</u>	<u>22,299,315</u>
Total pension liability - ending (a)	<u>28,894,183</u>	<u>26,680,686</u>	<u>24,324,382</u>
Plan fiduciary net position			
Contributions - employer	\$ 828,836	\$ 796,373	\$ 693,422
Contributions - members	526,962	496,405	437,293
Net investment income	2,582,395	(1,721,975)	2,668,598
Benefit payments, including refunds of participant contributions	(1,149,415)	(863,471)	(677,404)
Administrative expenses	(16,400)	(14,884)	(12,337)
Other	(115)	17,761	85
Net change in plan fiduciary net position	<u>2,772,263</u>	<u>(1,289,791)</u>	<u>3,109,657</u>
Plan fiduciary net position - beginning	<u>22,273,235</u>	<u>23,563,026</u>	<u>20,453,369</u>
Plan fiduciary net position - ending (b)	<u>\$ 25,045,498</u>	<u>\$ 22,273,235</u>	<u>\$ 23,563,026</u>
Fund's net pension liability - ending (a) - (b)	<u>\$ 3,848,685</u>	<u>\$ 4,407,451</u>	<u>\$ 761,356</u>
Plan fiduciary net position as a percentage of the total pension liability	86.68%	83.48%	96.87%
Covered payroll	\$ 7,525,034	\$ 7,091,501	\$ 6,247,045
Fund's pension liability as a percentage of covered payroll	51.15%	62.15%	12.19%

Notes to schedule:

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

<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	¹
\$ 910,252	\$ 792,997	\$ 717,159	\$ 691,900	
1,389,855	1,298,790	1,225,262	1,127,119	
255,107	(18,720)	(121,194)	159,603	
-	105,329	-	-	
(782,436)	(993,391)	(546,303)	(528,256)	
<u>1,772,778</u>	<u>1,185,005</u>	<u>1,274,924</u>	<u>1,450,366</u>	
<u>20,526,537</u>	<u>19,341,532</u>	<u>18,066,608</u>	<u>16,616,242</u>	
<u>22,299,315</u>	<u>20,526,537</u>	<u>19,341,532</u>	<u>18,066,608</u>	
\$ 662,747	\$ 579,541	\$ 532,212	\$ 492,954	
424,061	373,552	341,272	324,618	
1,422,967	2,517,507	(492,910)	1,968,593	
(782,436)	(993,391)	(546,303)	(528,256)	
(9,202)	(14,215)	(9,523)	(10,201)	
(360)	(426)	(498)	(516)	
<u>1,717,777</u>	<u>2,462,568</u>	<u>(175,750)</u>	<u>2,247,192</u>	
<u>18,735,592</u>	<u>16,273,024</u>	<u>16,448,774</u>	<u>14,201,582</u>	
<u>\$ 20,453,369</u>	<u>\$ 18,735,592</u>	<u>\$ 16,273,024</u>	<u>\$ 16,448,774</u>	
<u>\$ 1,845,946</u>	<u>\$ 1,790,945</u>	<u>\$ 3,068,508</u>	<u>\$ 1,617,834</u>	
91.72%	91.27%	84.14%	91.05%	
\$ 6,044,170	\$ 5,336,455	\$ 4,875,313	\$ 4,637,399	
30.54%	33.56%	62.94%	34.89%	

City of Seagoville, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Years Ended:

	9/30/2024	9/30/2023	9/30/2022
Actuarially determined employer contributions	\$ 936,265	\$ 818,480	\$ 807,022
Contributions in relation to the actuarially determined contribution	\$ 936,265	\$ 818,480	\$ 807,022
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Annual covered payroll	\$ 8,172,042	\$ 7,399,083	\$ 7,207,868
Employer contributions as a percentage of covered payroll	11.46%	11.06%	11.20%

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Valuation Date:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	21 years
Asset Valuation Method	10 Year smoothed fair value; 12% soft corridor
Inflation	2.5%
Salary Increases	3.60% to 11.5%, including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. 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. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

Other Information:

Notes There were no benefit changes during the year.

<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>
\$ 662,747	\$ 579,541	\$ 546,056	\$ 532,212	\$ 492,954	\$ 421,866	\$ 429,211
\$ 662,747	\$ 579,541	\$ 546,056	\$ 532,212	\$ 492,954	\$ 421,866	\$ 429,211
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 5,986,388	\$ 5,432,024	\$ 5,028,140	\$ 4,828,808	\$ 4,637,288	\$ 4,426,729	\$ 4,420,284
11.07%	10.67%	10.86%	11.02%	10.63%	9.53%	9.71%

City of Seagoville, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM SUPPLEMENTAL DEATH BENEFITS PLAN

Years Ended:

	¹ 12/31/2023	12/31/2022	12/31/2021
Total OPEB liability			
Service cost	\$ 12,049	\$ 24,111	\$ 23,739
Interest	10,068	6,807	6,543
Differences between expected and actual experience	(6,103)	(10,924)	8,440
Changes of assumptions	11,994	(126,527)	10,893
Benefit payments	(9,786)	(7,801)	(6,247)
Net changes	<u>18,222</u>	<u>(114,334)</u>	<u>43,368</u>
Total OPEB liability - beginning	<u>247,449</u>	<u>361,783</u>	<u>318,415</u>
Total OPEB liability - ending	² <u><u>\$ 265,671</u></u>	<u><u>\$ 247,449</u></u>	<u><u>\$ 361,783</u></u>
 Covered-employee payroll	 \$ 7,091,501	 \$ 7,091,501	 \$ 6,247,045
Fund's net position as a percentage of covered-employee payroll	3.75%	3.49%	5.79%

Notes to schedule:

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

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

<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>
\$ 21,759	\$ 13,341	\$ 14,626	\$ 12,057
7,118	7,824	7,178	6,877
990	(19,687)	(10,448)	-
41,806	44,523	(14,880)	16,385
(2,418)	(2,139)	(1,463)	(1,855)
<u>69,255</u>	<u>43,862</u>	<u>(4,987)</u>	<u>33,464</u>
<u>249,160</u>	<u>205,298</u>	<u>210,285</u>	<u>176,821</u>
<u>\$ 318,415</u>	<u>\$ 249,160</u>	<u>\$ 205,298</u>	<u>\$ 210,285</u>
\$ 6,044,170	\$ 5,336,455	\$ 4,875,313	\$ 4,637,399
5.27%	4.67%	4.21%	4.53%

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

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NONMAJOR GOVERNMENTAL FUNDS

HOTEL/MOTEL TAX FUND

This fund is used to account for revenues and expenditures of the hotel/motel tax receipts as specified

SPECIAL POLICE FUND

This fund is used to account for forfeitures and grants for use in the Police Department.

MISCELLANEOUS GRANTS FUND

This fund is used to account for grant funds received for various activities.

COURT TECHNOLOGY FUND

This fund is used to account for funds collected in association with the portion of the court fees which are restricted for use on court technology and security.

PARK MAINTENANCE FUND

This fund is used to account for fees collected for maintenance in the City's parks and recreation

REVENUE RECYCLING

This fund is used to account for funds assigned for recycling activities.

ANIMAL SHELTER DONATION FUND

This fund is used to account for donations received for the use of the City's Animal Shelter.

STORMWATER REVENUE FUND

This fund is used to account for fees collected to account stormwater runoff to the City's drainage

SEAGOVILLE TOY DRIVE DONATION FUND

This fund is used to account for donations received for toy drive activities.

PARKS DEVELOPMENT FUND

This fund is used to account for contributions received for use in the City's parks and recreation

DEVELOPER FUNDS

To account for contributions received from developers for various specified activities.

CENTRAL FIRE STATION FUND

To account for funding and expenditures related to the Central Fire Station.

GREENWALT FARMS FUND

To account for contributions received from the developer of Greenwalt Farms for various specified

DEBT SERVICE FUND

This fund is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of governmental funds.

City of Seagoville, Texas
COMBINING BALANCE SHEET (Page 1 of 2)
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2024

	Special Revenue Funds			
	Hotel/Motel Occupancy Tax	Special Police	Miscellaneous Grants	Court Technology
<u>Assets</u>				
Cash and cash equivalents	\$ 49,200	\$ 24,417	\$ 14,754	\$ 80,608
Accounts receivable, net	-	-	-	-
Total Assets	\$ 49,200	\$ 24,417	\$ 14,754	\$ 80,608
<u>Liabilities</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ 23,784
Total Liabilities	-	-	-	23,784
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - prop. tax	-	-	-	-
Total Deferred Inflows	-	-	-	-
<u>Fund Balances</u>				
Restricted for:				
Debt service	-	-	-	-
Court improvements	-	-	-	56,824
Tourism	49,200	-	-	-
Public safety	-	24,417	-	-
Animal shelter	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	14,754	-
Total Fund Balances	49,200	24,417	14,754	56,824
Total Liabilities, Deferred Inflows and Fund Balances	\$ 49,200	\$ 24,417	\$ 14,754	\$ 80,608

Special Revenue Funds

Park Maintenance	Revenue Recycling	Animal Shelter	Storm Water Revenue	Seagoville Toy Drive Donations
\$ 93,852	\$ 3,050	\$ 975,900	\$ 343,295	\$ 333
-	-	-	11,778	-
<u>\$ 93,852</u>	<u>\$ 3,050</u>	<u>\$ 975,900</u>	<u>\$ 355,073</u>	<u>\$ 333</u>
\$ -	\$ -	\$ 175,221	\$ 5,129	\$ -
-	-	175,221	5,129	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	787,689	-	-
93,852	-	-	349,944	333
-	3,050	12,990	-	-
<u>93,852</u>	<u>3,050</u>	<u>800,679</u>	<u>349,944</u>	<u>333</u>
<u>\$ 93,852</u>	<u>\$ 3,050</u>	<u>\$ 975,900</u>	<u>\$ 355,073</u>	<u>\$ 333</u>

City of Seagoville, Texas
COMBINING BALANCE SHEET (Page 2 of 2)
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2024

	Special Revenue Funds			
	Park Development	Developer Funds	Central Fire Station	Greenwalt Farms
<u>Assets</u>				
Cash and cash equivalents	\$ 86,825	\$ 72,745	\$ 634,301	\$ 21,865
Accounts receivable, net	-	-	-	-
Total Assets	\$ 86,825	\$ 72,745	\$ 634,301	\$ 21,865
<u>Liabilities</u>				
Accounts payable	\$ 5,622	\$ 36,422	\$ -	\$ -
Total Liabilities	5,622	36,422	-	-
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - prop. tax	-	-	-	-
Total Deferred Inflows	-	-	-	-
<u>Fund Balances</u>				
Restricted for:				
Debt service	-	-	-	-
Court improvements	-	-	-	-
Tourism	-	-	-	-
Public safety	-	-	634,301	-
Animal shelter	-	-	-	-
Committed	81,203	36,323	-	21,865
Assigned	-	-	-	-
Total Fund Balances	81,203	36,323	634,301	21,865
Total Liabilities, Deferred Inflows and Fund Balances	\$ 86,825	\$ 72,745	\$ 634,301	\$ 21,865

Special Revenue Funds	Debt Service	Total Nonmajor Govt Funds
\$ 2,401,145	\$ 61,599	\$ 2,462,744
11,778	61,262	73,040
<u>\$ 2,412,923</u>	<u>\$ 122,861</u>	<u>\$ 2,535,784</u>
\$ 246,178	\$ -	\$ 246,178
<u>246,178</u>	<u>-</u>	<u>246,178</u>
-	59,693	59,693
<u>-</u>	<u>59,693</u>	<u>59,693</u>
-	63,168	63,168
56,824	-	56,824
49,200	-	49,200
658,718	-	658,718
787,689	-	787,689
583,520	-	583,520
30,794	-	30,794
<u>2,166,745</u>	<u>63,168</u>	<u>2,229,913</u>
<u>\$ 2,412,923</u>	<u>\$ 63,168</u>	<u>\$ 2,535,784</u>

City of Seagoville, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Page 1 of 2)

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2024

	Special Revenue Funds			
	Hotel/Motel Occupancy Tax	Special Police	Miscellaneous Grants	Court Technology
Revenues				
Property tax	\$ -	\$ -	\$ -	\$ -
Hotel occupancy tax	39,453	-	-	-
Fines and forfeitures	-	9,361	-	23,752
License and permits	-	-	-	-
Charges for services	-	-	-	-
Contributions/donations	-	-	7,786	-
Investment income	-	-	-	-
Total Revenues	39,453	9,361	7,786	23,752
Expenditures				
General government	31,000	-	-	-
Public safety	-	2,700	-	46,919
Community development	-	-	-	-
Community services	-	-	6,014	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	31,000	2,700	6,014	46,919
Revenues Over (Under)				
Expenditures	8,453	6,661	1,772	(23,167)
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources	-	-	-	-
(Uses)	-	-	-	-
Net Change in Fund Balances	8,453	6,661	1,772	(23,167)
Beginning fund balances	40,747	17,756	12,982	79,991
Ending Fund Balances	\$ 49,200	\$ 24,417	\$ 14,754	\$ 56,824

Special Revenue Funds

Park Maintenance	Revenue Recycling	Animal Shelter	Storm Water Revenue	Seagoville Toy Drive Donations
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
5,625	-	-	320,569	-
-	-	3,958	-	548
-	-	101,682	-	-
<u>5,625</u>	<u>-</u>	<u>105,640</u>	<u>320,569</u>	<u>548</u>
-	-	-	-	-
-	-	-	-	-
8,920	-	-	182,292	-
-	-	-	-	1,960
-	-	-	-	-
-	-	-	-	-
-	-	1,380,176	-	-
<u>8,920</u>	<u>-</u>	<u>1,380,176</u>	<u>182,292</u>	<u>1,960</u>
<u>(3,295)</u>	<u>-</u>	<u>(1,274,536)</u>	<u>138,277</u>	<u>(1,412)</u>
-	-	644	-	-
-	-	-	(27,600)	-
<u>-</u>	<u>-</u>	<u>644</u>	<u>(27,600)</u>	<u>-</u>
(3,295)	-	(1,273,892)	110,677	(1,412)
97,147	3,050	2,074,571	239,267	1,745
<u>\$ 93,852</u>	<u>\$ 3,050</u>	<u>\$ 800,679</u>	<u>\$ 349,944</u>	<u>\$ 333</u>

City of Seagoville, Texas

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Page 2 of 2)

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2024

	Special Revenue Funds			
	Park Development	Developer Funds	Central Fire Station	Greenwalt Farms
Revenues				
Property tax	\$ -	\$ -	\$ -	\$ -
Hotel occupancy tax	-	-	-	-
Fines and forfeitures	-	-	-	-
License and permits	121,418	-	-	-
Charges for services	-	-	-	-
Contributions/donations	-	50,000	-	-
Investment income	-	-	17,301	-
Total Revenues	121,418	50,000	17,301	-
Expenditures				
General government	-	-	-	2,885
Public safety	-	-	-	-
Community development	92,241	70,150	-	-
Community services	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	92,241	70,150	-	2,885
Revenues Over (Under)				
Expenditures	29,177	(20,150)	17,301	(2,885)
Other Financing Sources (Uses)				
Transfers in	-	-	320,000	-
Transfers (out)	-	-	-	-
Total Other Financing Sources				
(Uses)	-	-	320,000	-
Net Change in Fund Balances	29,177	(20,150)	337,301	(2,885)
Beginning fund balances	52,026	56,473	297,000	24,750
Ending Fund Balances	\$ 81,203	\$ 36,323	\$ 634,301	\$ 21,865

Special Revenue Funds	Debt Service	Total Nonmajor Govt Funds
\$ -	\$ 1,226,673	\$ 1,226,673
39,453	-	39,453
33,113	-	33,113
121,418	-	121,418
326,194	-	326,194
62,292	-	62,292
118,983	676	119,659
<u>701,453</u>	<u>1,227,349</u>	<u>1,928,802</u>
33,885	-	33,885
49,619	-	49,619
353,603	-	353,603
7,974	-	7,974
-	690,500	690,500
-	560,822	560,822
1,380,176	-	1,380,176
<u>1,825,257</u>	<u>1,251,322</u>	<u>3,076,579</u>
<u>(1,123,804)</u>	<u>(23,973)</u>	<u>(1,147,777)</u>
320,644	-	320,644
<u>(27,600)</u>	<u>-</u>	<u>(27,600)</u>
<u>293,044</u>	<u>-</u>	<u>293,044</u>
(830,760)	(23,973)	(854,733)
2,997,505	87,141	3,084,646
<u>\$ 2,166,745</u>	<u>\$ 63,168</u>	<u>\$ 2,229,913</u>

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City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS
For the Year Ended September 30, 2024

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>			
Investment income	\$ 50,000	\$ 216,663	\$ 166,663
Total Revenues	<u>50,000</u>	<u>216,663</u>	<u>166,663</u>
<u>Expenditures</u>			
Capital outlay	5,352,433	3,864,397	1,488,036
Total Expenditures	<u>5,352,433</u>	<u>3,864,397</u>	<u>1,488,036</u>
Net Change in Fund Balances	<u>\$ (5,302,433)</u>	<u>(3,647,734)</u>	<u>\$ 1,654,699</u>
Beginning fund balances		5,542,714	
Ending Fund Balances		<u>\$ 1,894,980</u>	

Notes to Other Supplementary Information

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

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SIMONDS ROAD PROJECT FUND
For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Investment income	\$ 20,000	\$ 152,521	\$ 132,521
Total Revenues	20,000	152,521	132,521
<u>Expenditures</u>			
Capital outlay	3,000,000	121,631	2,878,369
Total Expenditures	3,000,000	121,631	2,878,369
Net Change in Fund Balances	\$ (2,980,000)	30,890	\$ 3,010,890
Beginning fund balances		2,958,912	
Ending Fund Balances		\$ 2,989,802	

Notes to Other Supplementary Information

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

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Property taxes	\$ 1,218,910	\$ 1,226,673	\$ 7,763
Investment income	10	676	666
Total Revenues	1,218,920	1,227,349	8,429
<u>Expenditures</u>			
Debt service:			
Principal	690,500	690,500	-
Interest and fiscal charges	559,322	560,822	(1,500)
Total Expenditures	1,249,822	1,251,322	(1,500) *
Revenues Over (Under) Expenditures	(30,902)	(23,973)	6,929
Net Change in Fund Balances	\$ (30,902)	(23,973)	\$ 6,929
Beginning fund balances		87,141	
Ending Fund Balances		\$ 63,168	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.
- * Expenditures exceeded appropriations at the legal level of control.

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL POLICE
For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 1,500	\$ 9,361	\$ 7,861
Total Revenues	1,500	9,361	7,861
<u>Expenditures</u>			
Public safety	1,200	2,700	(1,500)
Total Expenditures	1,200	2,700	(1,500) *
Revenues Over (Under) Expenditures	300	6,661	6,361
Net Change in Fund Balances	\$ 300	6,661	\$ 6,361
Beginning fund balances		17,756	
Ending Fund Balances		\$ 24,417	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.
- * Expenditures exceeded appropriations at the legal level of control.

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL TAX
For the Year Ended September 30, 2024

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>			
Hotel occupancy tax	\$ 35,000	\$ 39,453	\$ 4,453
Total Revenues	<u>35,000</u>	<u>39,453</u>	<u>4,453</u>
<u>Expenditures</u>			
General government	31,000	31,000	-
Total Expenditures	<u>31,000</u>	<u>31,000</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>4,000</u>	<u>8,453</u>	<u>4,453</u>
Net Change in Fund Balances	<u>\$ 4,000</u>	8,453	<u>\$ 4,453</u>
Beginning fund balances		<u>40,747</u>	
Ending Fund Balances		<u>\$ 49,200</u>	

Notes to Other Supplementary Information

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

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
MISCELLANEOUS GRANTS
For the Year Ended September 30, 2024

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>			
Donations	\$ 550	\$ 7,786	\$ 7,236
Total Revenues	<u>550</u>	<u>7,786</u>	<u>7,236</u>
<u>Expenditures</u>			
Community services	2,150	6,014	(3,864)
Total Expenditures	<u>2,150</u>	<u>6,014</u>	<u>(3,864) *</u>
Revenues Over (Under) Expenditures	<u>(1,600)</u>	<u>1,772</u>	<u>3,372</u>
Net Change in Fund Balances	<u>\$ (1,600)</u>	<u>1,772</u>	<u>\$ 3,372</u>
Beginning fund balances		<u>12,982</u>	
Ending Fund Balances		<u>\$ 14,754</u>	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.
- * Expenditures exceeded appropriations at the legal level of control.

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COURT TECHNOLOGY
For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines and forfeitures	\$ 18,900	\$ 23,752	\$ 4,852
Total Revenues	18,900	23,752	4,852
 <u>Expenditures</u>			
Public safety	24,145	46,919	(22,774)
Total Expenditures	24,145	46,919	(22,774) *
Revenues Over (Under) Expenditures	(5,245)	(23,167)	(17,922)
Net Change in Fund Balances	\$ (5,245)	(23,167)	\$ (17,922)
Beginning fund balances		79,991	
Ending Fund Balances		\$ 56,824	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles.
- * Expenditures exceeded appropriations at the legal level of control.

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PARK DEDICATION
For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Charges for services	\$ 1,400	\$ 5,625	\$ 4,225
Total Revenues	1,400	5,625	4,225
 <u>Expenditures</u>			
Community development	37,000	8,920	28,080
Total Expenditures	37,000	8,920	28,080
Revenues Over (Under) Expenditures	(35,600)	(3,295)	32,305
Net Change in Fund Balances	\$ (35,600)	(3,295)	\$ 32,305
Beginning fund balances		97,147	
Ending Fund Balances		\$ 93,852	

Notes to Other Supplementary Information

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

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
REVENUE RECYCLING
For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Charges for services	\$ 500	\$ -	\$ (500)
Total Revenues	500	-	(500)
 <u>Expenditures</u>			
Community development	500	-	500
Total Expenditures	500	-	500
Revenues Over (Under) Expenditures	-	-	-
Net Change in Fund Balances	\$ -	-	\$ -
Beginning fund balances		3,050	
Ending Fund Balances		\$ 3,050	

Notes to Other Supplementary Information

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

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ANIMAL SHELTER
For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Donations	\$ -	\$ 3,958	\$ 3,958
Investment income	10,001	101,682	91,681
Total Revenues	10,001	105,640	95,639
 <u>Expenditures</u>			
Capital outlay	2,000,000	1,380,176	619,824
Total Expenditures	2,000,000	1,380,176	619,824
Revenues Over (Under) Expenditures	(1,989,999)	(1,274,536)	715,463
 <u>Other Financing Sources (Uses)</u>			
Transfers in	-	644	644
Total Other Financing Sources (Uses)	-	644	644
Net Change in Fund Balances	\$ (1,989,999)	(1,273,892)	\$ 716,107
Beginning fund balances		2,074,571	
Ending Fund Balances		\$ 800,679	

Notes to Other Supplementary Information

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

City of Seagoville, Texas
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
STORM WATER REVENUE
For the Year Ended September 30, 2024

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Charges for services	\$ 238,665	\$ 320,569	\$ 81,904
Total Revenues	238,665	320,569	81,904
 <u>Expenditures</u>			
General government	100	-	100
Community development	152,645	182,292	(29,647)
Total Expenditures	152,745	182,292	(29,547) *
Revenues Over (Under) Expenditures	85,920	138,277	52,357
 <u>Other Financing Sources (Uses)</u>			
Transfers (out)	(27,600)	(27,600)	-
Total Other Financing Sources (Uses)	(27,600)	(27,600)	-
Net Change in Fund Balances	\$ 58,320	110,677	\$ 52,357
Beginning fund balances		239,267	
Ending Fund Balances		\$ 349,944	

Notes to Other Supplementary Information

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

* Expenditures exceeded appropriations at the legal level of control.

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STATISTICAL SECTION

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

Contents	Page
Financial Trends	118
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	129
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.</i>	
Debt Capacity	134
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	139
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	142
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

City of Seagoville, Texas

NET POSITION BY COMPONENT

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2015	2016	2017	2018
Governmental activities				
Net investment in capital assets	\$ 14,812,747	\$ 15,422,815	\$ 15,662,438	\$ 17,007,443
Restricted for debt service	8,671	125,548	13,581	46,491
Unrestricted	2,496,008	2,932,761	3,156,302	2,210,368
Restricted for other	186,933	6,974	1,507,631	1,120,351
Total governmental activities net position	\$ 17,504,359	\$ 18,488,098	\$ 20,339,952	\$ 20,384,653
 Business-type activities				
Net investment in capital assets	\$ 10,929,761	\$ 9,840,057	\$ 9,991,422	\$ 9,312,409
Restricted for debt service	30,262	31,263	32,501	39,468
Unrestricted	755,535	2,301,078	3,925,047	6,233,537
Restricted for other	2,587,737	1,718,468	-	-
Total business-type activities net position	\$ 14,303,295	\$ 13,890,866	\$ 13,948,970	\$ 15,585,414
 Primary government				
Net investment in capital assets	\$ 25,742,508	\$ 25,262,872	\$ 25,653,860	\$ 26,319,852
Restricted for debt service	38,933	156,811	46,082	85,959
Unrestricted	3,251,543	5,233,839	7,081,349	8,443,905
Restricted for other	2,774,670	1,725,442	1,507,631	1,120,351
	\$ 31,807,654	\$ 32,378,964	\$ 34,288,922	\$ 35,970,067

(1) Accrual basis of accounting

NOTES:

The City implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard.

The City implemented GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018.

The amounts for all prior fiscal years have not been restated for the

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 10,257,309	\$ 17,371,025	\$ 16,632,512	\$ 16,357,948	\$ 16,892,551	\$ 31,604,707
96,367	89,419	145,170	111,004	87,141	63,168
2,645,982	(317,583)	4,630,797	7,352,120	10,063,477	12,171,771
6,238,474	3,505,327	623,935	1,057,235	647,586	1,924,060
<u>\$ 19,238,132</u>	<u>\$ 20,648,188</u>	<u>\$ 22,032,414</u>	<u>\$ 24,878,307</u>	<u>\$ 27,690,755</u>	<u>\$ 45,763,706</u>
\$ 10,445,729	\$ 11,791,104	\$ 11,566,788	\$ 12,226,997	\$ 13,007,183	\$ 23,142,896
41,512	42,850	42,850	203,979	205,526	205,352
7,328,456	7,441,837	7,973,944	7,595,393	8,157,215	8,200,392
-	-	-	-	-	-
<u>\$ 17,815,697</u>	<u>\$ 19,275,791</u>	<u>\$ 19,583,582</u>	<u>\$ 20,026,369</u>	<u>\$ 21,369,924</u>	<u>\$ 31,548,640</u>
\$ 20,703,038	\$ 29,162,129	\$ 28,199,300	\$ 28,584,945	\$ 29,899,734	\$ 54,747,603
137,879	132,269	188,020	314,983	292,667	268,520
9,974,438	7,124,254	12,604,741	14,947,513	18,220,692	20,372,162
6,238,474	3,505,327	623,935	1,057,235	647,586	1,924,060
<u>\$ 37,053,829</u>	<u>\$ 39,923,979</u>	<u>\$ 41,615,996</u>	<u>\$ 44,904,676</u>	<u>\$ 49,060,679</u>	<u>\$ 77,312,346</u>

City of Seagoville, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years

(accrual basis of accounting)

	2015	2016	2017	2018
Expenses				
Governmental activities:				
General government	\$ 1,158,100	\$ 1,407,576	\$ 1,385,837	\$ 1,366,745
Public safety	4,246,256	4,448,824	4,678,197	5,115,392
Community services	1,235,828	1,256,382	1,299,031	1,357,762
Community development	1,375,088	1,449,306	1,712,626	2,161,485
Interest on long-term debt	90,101	88,089	101,608	300,624
Total governmental activities expenses	<u>8,105,373</u>	<u>8,650,177</u>	<u>9,177,299</u>	<u>10,302,008</u>
Business-type activities:				
Water and sewer	4,329,104	4,697,193	4,820,377	5,526,975
Total business-type activities expenses	<u>4,329,104</u>	<u>4,697,193</u>	<u>4,820,377</u>	<u>5,526,975</u>
Total primary government expenses	<u>\$ 12,434,477</u>	<u>\$ 13,347,370</u>	<u>\$ 13,997,676</u>	<u>\$ 15,828,983</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 19,199	\$ 62,795	\$ 5,331	\$ 7,152
Public safety	239,417	262,729	303,857	320,195
Community services	865,990	919,912	986,948	1,054,863
Community development	414,202	495,741	597,205	618,052
Operat. & capital grants & donations	686,441	75,127	56,383	128,605
Total gov. activities program revenues	<u>2,225,249</u>	<u>1,816,304</u>	<u>1,949,724</u>	<u>2,128,867</u>
Business-type activities:				
Charges for services:				
Water and sewer	5,385,478	5,546,058	6,971,145	7,511,258
Operat. & capital grants & donations	809,663	-	-	-
Total bus.-type activities program rev.	<u>6,195,141</u>	<u>5,546,058</u>	<u>6,971,145</u>	<u>7,511,258</u>
Total primary gov. program revenues	<u>\$ 8,420,390</u>	<u>\$ 7,362,362</u>	<u>\$ 8,920,869</u>	<u>\$ 9,640,125</u>
Net (Expense)/Revenue				
Governmental activities	\$ (5,880,124)	\$ (6,833,873)	\$ (7,227,575)	\$ (8,173,141)
Business-type activities	1,866,037	848,865	2,150,768	1,984,283
Total primary government net expense	<u>\$ (4,014,087)</u>	<u>\$ (5,985,008)</u>	<u>\$ (5,076,807)</u>	<u>\$ (6,188,858)</u>

2019	2020	2021	2022	2023	2024
\$ 1,504,144	\$ 1,714,327	\$ 1,474,249	\$ 1,765,363	\$ 1,920,906	\$ 2,357,965
5,619,528	6,008,960	6,436,005	7,070,451	7,920,766	8,990,407
1,512,315	1,625,838	1,682,464	1,977,435	1,809,612	1,912,434
4,083,023	2,441,669	814,622	2,617,439	3,560,467	4,294,669
211,932	274,699	240,887	401,922	489,377	-
<u>12,930,942</u>	<u>12,065,493</u>	<u>10,648,227</u>	<u>13,832,610</u>	<u>15,701,128</u>	<u>18,020,570</u>
5,625,456	5,662,116	7,105,870	7,392,008	7,168,923	8,048,123
<u>5,625,456</u>	<u>5,662,116</u>	<u>7,105,870</u>	<u>7,392,008</u>	<u>7,168,923</u>	<u>8,048,123</u>
<u>\$ 18,556,398</u>	<u>\$ 17,727,609</u>	<u>\$ 17,754,097</u>	<u>\$ 21,224,618</u>	<u>\$ 22,870,051</u>	<u>\$ 26,068,693</u>
\$ 21,993	\$ 41,284	\$ -	\$ -	\$ -	\$ -
358,185	343,947	419,319	429,774	563,678	488,152
1,088,370	1,134,966	1,169,039	1,485,450	1,561,010	1,608,495
1,276,570	1,223,846	1,160,604	1,613,737	1,326,962	1,440,283
290,536	623,031	255,662	640,760	261,116	20,728,524
<u>3,035,654</u>	<u>3,367,074</u>	<u>3,004,624</u>	<u>4,169,721</u>	<u>3,712,766</u>	<u>24,265,454</u>
7,435,465	7,442,498	7,759,609	7,959,675	8,671,832	9,280,241
733,382	-	-	-	-	4,582,910
<u>8,168,847</u>	<u>7,442,498</u>	<u>7,759,609</u>	<u>7,959,675</u>	<u>8,671,832</u>	<u>13,863,151</u>
<u>\$ 11,204,501</u>	<u>\$ 10,809,572</u>	<u>\$ 10,764,233</u>	<u>\$ 12,129,396</u>	<u>\$ 12,384,598</u>	<u>\$ 38,128,605</u>
\$ (9,895,288)	\$ (8,698,419)	\$ (7,643,603)	\$ (9,662,889)	\$ (11,988,362)	\$ 6,244,884
2,543,391	1,780,382	653,739	567,667	1,502,909	5,815,028
<u>\$ (7,351,897)</u>	<u>\$ (6,918,037)</u>	<u>\$ (6,989,864)</u>	<u>\$ (9,095,222)</u>	<u>\$ (10,485,453)</u>	<u>\$ 12,059,912</u>

City of Seagoville, Texas
CHANGES IN NET POSITION (Continued)
Last Ten Fiscal Years
(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	\$ 3,350,955	\$ 3,572,962	\$ 3,899,725	\$ 4,742,501
Sales taxes	2,098,855	2,222,971	2,385,475	2,544,156
Franchise and local taxes	711,433	736,978	665,720	684,983
Investment earnings	2,128	5,305	15,418	48,329
Gain on sale of capital assets	-	-	-	-
Miscellaneous	1,859,470	-	-	-
Transfers, net	-	1,272,701	2,113,094	352,304
Total governmental activities	<u>8,022,841</u>	<u>7,810,917</u>	<u>9,079,432</u>	<u>8,372,273</u>
Business-type activities:				
Investment earnings	-	-	-	-
Miscellaneous	2,372	11,407	20,430	25,523
Transfers, net	(1,857,098)	(1,272,701)	(2,113,094)	(352,304)
Total business-type activities	<u>(1,854,726)</u>	<u>(1,261,294)</u>	<u>(2,092,664)</u>	<u>(326,781)</u>
Total primary government	<u>\$ 6,168,115</u>	<u>\$ 6,549,623</u>	<u>\$ 6,986,768</u>	<u>\$ 8,045,492</u>
Change in Net Position				
Governmental activities	\$ 2,142,717	\$ 977,044	\$ 1,851,857	\$ 199,132
Business-type activities	11,311	(412,429)	58,104	1,657,502
Total primary government	<u>\$ 2,154,028</u>	<u>\$ 564,615</u>	<u>\$ 1,909,961</u>	<u>\$ 1,856,634</u>

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$	4,660,501	\$ 6,043,377	\$ 6,547,068	\$ 7,408,831	\$ 8,696,375	\$ 9,486,581
	2,909,241	2,960,190	3,388,394	4,050,595	4,194,963	4,492,351
	709,834	685,034	641,184	728,738	788,842	737,614
	116,887	67,570	8,686	63,050	624,893	1,037,444
	-	-	-	-	-	23,200
	-	-	85,283	51,558	130,201	62,016
	352,304	352,304	357,214	206,010	365,536	(4,011,139)
	<u>8,748,767</u>	<u>10,108,475</u>	<u>11,027,829</u>	<u>12,508,782</u>	<u>14,800,810</u>	<u>11,828,067</u>
	-	-	11,266	16,604	116,712	278,555
	39,196	32,016	-	64,526	89,470	73,994
	(352,304)	(352,304)	(357,214)	(206,010)	(365,536)	4,011,139
	<u>(313,108)</u>	<u>(320,288)</u>	<u>(345,948)</u>	<u>(124,880)</u>	<u>(159,354)</u>	<u>4,363,688</u>
\$	<u>8,435,659</u>	<u>\$ 9,788,187</u>	<u>\$ 10,681,881</u>	<u>\$ 12,383,902</u>	<u>\$ 14,641,456</u>	<u>\$ 16,191,755</u>
\$	(1,146,521)	\$ 1,410,056	\$ 3,384,226	\$ 2,845,893	\$ 2,812,448	\$ 18,072,951
	2,230,283	1,460,094	307,791	442,787	1,343,555	10,178,716
\$	<u>1,083,762</u>	<u>\$ 2,870,150</u>	<u>\$ 3,692,017</u>	<u>\$ 3,288,680</u>	<u>\$ 4,156,003</u>	<u>\$ 28,251,667</u>

City of Seagoville, Texas
FUND BALANCES OF 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				
Prepaid items	\$ 5,082	\$ -	\$ -	\$ 37,870
Restricted	63,204	80,341	1,455,465	-
Committed	2,312	-	-	553,877
Assigned	2,702,694	82,755	124,755	-
Unassigned	3,196,967	3,172,548	3,654,589	4,451,131
Total general fund	<u>\$ 5,970,259</u>	<u>\$ 3,335,644</u>	<u>\$ 5,234,809</u>	<u>\$ 5,042,878</u>
All Other Governmental Funds				
Restricted				
Debt service	\$ 15,518	\$ 18,775	\$ 19,376	\$ 49,154
Other	4,489	-	-	-
Court improvments	28,092	31,370	32,980	36,302
Public Safety	4,283	3,774	7,854	5,633
Animal Shelter	-	-	4,491	4,492
Capital projects	-	-	-	-
Tourism	-	-	-	-
Committed	133,764	165,386	207,395	255,047
Assigned				
Workforce development	971	2,231	1,716	1,941
Police operations	10,860	8,782	6,841	7,290
Community services	10,439	11,093	10,141	10,186
Special revenue funds	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 208,416</u>	<u>\$ 241,411</u>	<u>\$ 290,794</u>	<u>\$ 370,045</u>

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 30,627	\$ 27,327	\$ 610,955	\$ 67,054	\$ 12,365	\$ 13,247
-	-	234,613	117,489	124,081	673,223
574,446	308,539	309,050	-	-	-
-	-	-	54,454	498,964	71,156
5,103,853	6,673,086	5,147,093	8,254,744	10,363,838	8,876,662
<u>\$ 5,708,926</u>	<u>\$ 7,008,952</u>	<u>\$ 6,301,711</u>	<u>\$ 8,493,741</u>	<u>\$ 10,999,248</u>	<u>\$ 9,634,288</u>
\$ 98,204	\$ 100,398	\$ 145,170	\$ 111,004	\$ 87,141	\$ 63,168
-	-	-	-	-	-
40,943	45,838	57,006	70,418	79,991	56,824
11,438	27,764	10,620	28,616	518,461	658,718
4,494	-	4,499	4,796	8,387	787,689
6,060,707	3,298,246	6,487,707	5,605,848	8,501,626	4,964,680
-	-	-	32,914	40,747	49,200
203,787	363,129	422,830	430,677	471,408	583,520
					-
2,311	2,824	2,824	-	-	-
9,972	13,974	17,331	-	-	-
10,293	11,998	12,173	-	-	-
-	-	-	36,573	2,082,216	30,794
(5,006)	463	5,833	-	-	-
<u>\$ 6,437,143</u>	<u>\$ 3,864,634</u>	<u>\$ 7,165,993</u>	<u>\$ 6,320,846</u>	<u>\$ 11,789,977</u>	<u>\$ 7,194,593</u>

City of Seagoville, Texas

CHANGES IN FUND BALANCES OF 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	\$ 3,367,504	\$ 3,612,803	\$ 3,965,362	\$ 4,514,818
Sales and other taxes	2,073,505	2,189,064	2,344,995	2,521,508
Franchise and local taxes	736,783	770,885	706,200	707,631
Fines and forfeitures	188,778	206,922	243,402	254,021
Licenses, permits & fees	459,242	549,315	659,196	658,335
Sanitation collection charges	857,513	912,035	975,394	1,044,430
Intergovernmental	62,179	63,792	56,383	128,605
Investment income	2,128	5,305	15,418	48,329
Contributions from property owners	-	-	-	-
Contributions and donations	-	-	-	-
Miscellaneous revenue	33,274	72,905	15,349	43,476
Total revenues	<u>7,780,906</u>	<u>8,383,026</u>	<u>8,981,699</u>	<u>9,921,153</u>
Expenditures				
Current				
General government	1,146,467	1,331,435	1,322,120	1,298,398
Public safety	4,034,038	4,090,511	4,236,031	4,753,697
Community services	1,237,813	1,239,476	1,276,136	1,345,164
Community development	1,016,667	1,009,669	1,175,822	1,504,129
Nondepartmental	-	-	-	-
Debt service				
Principal retirement	185,556	191,043	210,656	236,267
Interest and fiscal charges	93,214	91,044	104,376	95,033
Bond issuance costs	-	-	-	-
Capital outlay	1,653,652	1,288,897	1,713,037	1,297,153
Total expenditures	<u>9,367,407</u>	<u>9,242,075</u>	<u>10,038,178</u>	<u>10,529,841</u>
Excess (deficiency) of revenues over expenditures	<u>(1,586,501)</u>	<u>(859,049)</u>	<u>(1,056,479)</u>	<u>(608,688)</u>
Other financing sources (uses)				
Lease issuances	-	-	-	-
Bond issuances	-	-	-	-
Proceeds from refunding bonds	-	-	-	1,741,500
Payment to escrow agent	-	-	-	(1,718,303)
Premium on bonds issued	-	-	-	-
Other debt issuances	-	-	891,933	-
Sale of capital assets	-	-	-	-
Transfers in	1,929,014	1,345,301	2,142,035	379,904
Transfers (out)	(69,544)	(72,600)	(28,941)	(27,600)
Total other financing sources (uses)	<u>1,859,470</u>	<u>1,272,701</u>	<u>3,005,027</u>	<u>375,501</u>
Change in fund balances	<u>\$ 272,969</u>	<u>\$ 413,652</u>	<u>\$ 1,948,548</u>	<u>\$ (233,187)</u>
Debt service as a percentage of noncapital expenditures				
	3.61%	3.55%	3.78%	3.59%

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 4,868,479	\$ 5,723,915	\$ 6,547,068	\$ 7,345,370	\$ 8,619,941	\$ 9,434,032
2,857,273	2,939,337	3,362,024	4,050,595	4,194,963	4,492,351
761,802	705,887	667,554	728,738	788,842	737,614
282,441	284,254	419,319	429,774	563,678	488,152
1,362,474	1,300,035	1,160,604	1,610,957	1,324,302	1,434,658
1,062,684	1,109,135	1,172,952	1,488,230	1,561,010	1,614,120
148,111	623,031	3,393,747	351,318	151,575	4,080,047
116,890	67,570	8,686	63,050	624,893	1,037,444
-	-	-	-	-	12,990,854
-	-	-	-	-	1,740,650
37,520	50,616	85,283	341,000	242,402	62,016
<u>11,497,674</u>	<u>12,803,780</u>	<u>16,817,237</u>	<u>16,409,032</u>	<u>18,071,606</u>	<u>38,111,938</u>
1,413,640	1,657,283	1,823,780	1,551,888	1,717,253	1,466,942
5,107,457	5,567,663	6,640,865	6,745,644	7,140,241	7,984,500
1,423,949	1,613,152	1,681,154	2,005,919	1,969,787	1,898,834
1,245,643	1,496,516	1,371,462	1,403,560	2,038,851	2,352,446
-	-	62,669	131,832	79,715	591,570
251,395	274,654	386,125	578,252	676,374	796,465
208,541	289,242	240,887	386,799	331,899	588,647
-	-	-	-	90,276	-
<u>3,249,785</u>	<u>5,249,789</u>	<u>2,655,679</u>	<u>2,455,282</u>	<u>1,714,777</u>	<u>24,404,939</u>
<u>12,900,410</u>	<u>16,148,299</u>	<u>14,862,621</u>	<u>15,259,176</u>	<u>15,759,173</u>	<u>40,084,343</u>
<u>(1,402,736)</u>	<u>(3,344,519)</u>	<u>1,954,616</u>	<u>1,149,856</u>	<u>2,312,433</u>	<u>(1,972,405)</u>
-	460,020	-	-	-	-
-	-	4,860,471	-	4,695,000	-
5,885,000	-	-	-	-	-
-	-	-	-	-	-
274,865	-	290,913	-	462,048	-
-	-	-	-	139,621	-
-	-	-	-	-	23,200
1,879,571	379,904	4,385,558	290,945	1,018,136	713,780
<u>(1,384,842)</u>	<u>(27,600)</u>	<u>(4,028,344)</u>	<u>(84,935)</u>	<u>(652,600)</u>	<u>(4,724,919)</u>
<u>6,654,594</u>	<u>812,324</u>	<u>5,508,598</u>	<u>206,010</u>	<u>5,662,205</u>	<u>(3,987,939)</u>
<u>\$ 5,251,858</u>	<u>\$ (2,532,195)</u>	<u>\$ 7,463,214</u>	<u>\$ 1,355,866</u>	<u>\$ 7,974,638</u>	<u>\$ (5,960,344)</u>
4.77%	5.17%	5.14%	7.54%	7.18%	8.25%

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City of Seagoville, Texas
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal years

Fiscal Year	Estimated Market Value		Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property	Personal Property			
2015	\$ 492,104,240	\$ 88,189,240	\$ 111,974,100	\$ 468,319,380	0.71381
2016	516,995,730	96,780,990	119,154,800	\$ 494,621,920	0.71300
2017	566,207,930	93,112,010	130,470,292	\$ 528,849,648	0.74380
2018	604,146,080	129,726,330	129,123,650	\$ 604,748,760	0.74380
2019	804,383,720	111,267,290	201,806,263	\$ 713,844,747	0.78880
2020	884,254,428	116,407,530	217,721,191	\$ 782,940,767	0.78880
2021	891,047,380	116,775,690	223,925,895	\$ 783,897,175	0.78880
2022	1,026,733,283	126,596,072	232,545,727	\$ 920,783,628	0.78880
2023	1,316,110,944	123,186,443	319,638,804	\$ 1,119,658,583	0.75269
2024	1,508,026,424	125,551,649	354,357,046	\$ 1,279,221,027	0.72800

Source: City of Seagoville Budget Document
Dallas County Central Appraisal District Certified Roll (excludes protested values)

City of Seagoville, Texas
DIRECT AND OVERLAPPING PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUE
Last Ten Fiscal years

Fiscal Year	City Direct Rates			Overlapping Rates			
	General Fund	Debt Service	Total	Dallas County School Equalization	Dallas County Community College	Dallas County	
2015	\$ 0.693095	\$ 0.02071	\$ 0.7138	\$ 1.282085	\$ 0.01000	\$ 0.124775	\$ 0.243100
2016	0.675800	0.038000	0.7138	1.282085	0.01000	0.123650	0.243100
2017	0.707498	0.036302	0.7438	1.282085	0.01000	0.122933	0.243100
2018	0.707498	0.036302	0.7438	1.282085	0.01000	0.124238	0.243100
2019	0.707498	0.036302	0.7438	1.412035	0.01000	0.012400	0.243100
2020	0.720500	0.068300	0.7888	1.310385	0.01000	0.124000	0.243100
2021	0.720500	0.068300	0.7888	1.296735	0.01000	0.124000	0.239740
2022	0.700050	0.088750	0.7888	1.248235	0.01000	0.123510	0.227946
2023	0.678272	0.074415	0.7527	1.184935	0.01000	0.115899	0.217946
2024	0.632875	0.095129	0.7280	1.013835	-	0.110028	0.215718

Source: Dallas County Appraisal District Ad Valorem Rates

Overlapping Rates

Dallas County		
Hospital		
District		
		Total
\$	0.286000	\$ 1.945960
	0.286000	1.9448
	0.279400	1.9375
	0.279400	1.9388
	0.279400	1.9569
	0.269500	1.9570
	0.266100	1.9366
	0.255000	1.8647
	0.235800	1.7646
	0.219500	1.5591

City of Seagoville, Texas
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Ten Years Ago (Unaudited)

2024

Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
OREILLY AUTO ENTERPRISES LLC	\$ 48,153,640	4.30%
YES COMMUNITIES	33,691,240	3.01%
ONCOR ELECTRIC DELIVERY CO	20,186,833	1.80%
WALMART STORES INC	17,078,560	1.53%
SEAGOVILLE CP LLC	10,500,000	0.94%
GG TEXAS LLC	9,251,330	0.83%
EQUITY DEVELOPMENT CORP	6,100,000	0.54%
SEAGOVILLE LAGUNA AZURE LLC	5,244,430	0.47%
VILLAS OF SEAGOVILLE LP	6,900,000	0.62%
MERITAGE HOMES OF TEXAS LLC	5,838,370	0.52%
	\$ 162,944,403	14.55%

2015

Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
OREILLY AUTOMOTIVE INC	\$ 42,749,080	9.30%
WALMART STORES INC	17,391,040	3.78%
ONCOR ELECTRIC DELIVERY CO	11,430,210	2.49%
YES COMPANIES EXP2 LLC	10,224,300	2.22%
EQUITY DEVELOPMENT CORP	5,524,160	1.20%
TSCA 202 LTD PARTNERSHIP	4,976,100	1.08%
ROUND HILL LTDS PS	3,920,000	0.85%
POLAR CORP	8,273,470	1.80%
VILLAS OF SEAGOVILLE LP	3,294,110	0.72%
BEACON INDUSTRIES INC	2,555,100	0.56%
	\$ 110,337,570	24.00%

SOURCE: Tax Office

City of Seagoville, Texas
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten fiscal years

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)		Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy	Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 3,346,296		\$ 3,265,886	97.60%	\$ 69,918	\$ 3,335,805	99.69%
2016	3,534,651		3,423,069	96.84%	99,702	3,522,771	99.66%
2017	3,938,165		3,845,764	97.65%	77,853	3,923,618	99.63%
2018	4,522,247		4,272,029	94.47%	234,598	4,506,627	99.65%
2019	5,093,161		5,035,626	98.87%	39,547	5,075,173	99.65%
2020	5,601,837		5,435,243	97.03%	140,373	5,575,616	99.53%
2021	6,183,092		6,076,610	98.28%	63,339	6,139,949	99.30%
2022	7,340,753		7,202,143	98.11%	79,708	7,281,851	99.20%
2023	8,666,169		8,471,195	97.75%	77,790	8,548,985	98.65%
2024	9,457,512		9,247,038	97.77%	-	9,247,038	97.77%

Source: Tax Office

City of Seagoville, Texas
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities	
	Certificates of Obligation	Notes Payable	Subscription Payables	Water and Sewer Tax and Revenue Bonds	Notes Payable
2015	\$ 1,843,696	\$ -	\$ -	\$ 6,836,040	\$ -
2016	1,825,319	-	-	6,519,807	-
2017	2,504,262	-	-	6,196,350	-
2018	1,656,000	843,913	-	5,672,302	-
2019	7,652,640	750,018	-	5,313,969	-
2020	7,416,896	1,157,382	-	4,945,138	1,822,500
2021	12,397,566	1,082,757	-	4,565,808	1,228,466
2022	11,867,777	1,006,005	-	4,181,477	620,583
2023	16,425,536	927,125	113,127	3,786,646	-
2024	15,683,645	846,057	88,230	3,376,314	-

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

Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
Subscription Payables				
\$ -	\$	8,679,736	3.9%	564
-		8,345,126	3.4%	536
-		8,700,612	4.1%	547
-		8,172,215	3.5%	505
-		13,716,627	5.8%	807
-		15,341,916	6.2%	898
-		19,274,597	7.3%	1,119
-		17,675,842	5.9%	903
32,726		21,252,434	5.7%	1,064
25,628		19,994,246	5.4%	992

City of Seagoville, Texas
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	Certificates of Obligation	Less: Amounts Available in Debt Service Fund	Total	a Percentage of Actual Taxable Value of Property	b Per Capita
2015	\$ 1,843,696	\$ 14,935	\$ 1,828,761	0.39%	\$ 120
2016	1,825,319	18,444	1,806,875	0.37%	117
2017	2,504,262	19,482	2,484,780	0.47%	158
2018	1,656,000	48,618	1,607,382	0.27%	102
2019	7,652,640	97,475	7,555,165	1.07%	450
2020	7,416,896	99,249	7,317,647	0.95%	434
2021	12,397,566	144,433	12,253,133	1.58%	719
2022	11,867,777	110,044	11,757,733	1.29%	606
2023	16,425,536	86,214	16,339,322	1.47%	822
2024	15,683,645	61,599	15,622,046	1.23%	778

Note: ^a Property values are from table 5. ^a Property values are from table 5. ^a Property values are from table 5.
^b Populations are from table 13. ^b Populations are from table 13. ^b Populations are from table 13.

City of Seagoville, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2024 (Unaudited)

	Governmental Debt	Percentage Applicable to City	Amount Applicable to City
Direct Debt:			
City of Seagoville	\$ 16,529,702	100.00%	\$ 16,529,702
Overlapping Debt:			
Crandall ISD	\$ 238,300,000	0.37%	\$ 881,710
Dallas County	198,645,000	0.32%	635,664
Dallas County Community College Distric	318,675,000	0.32%	1,019,760
Dallas County Hospital District	527,660,000	0.32%	1,688,512
Dallas ISD	4,064,130,000	0.57%	23,165,541
Kaufman County	175,490,000	0.05%	87,745
Mesquite ISD	655,349,280	1.38%	9,043,820
Total Overlapping Debt	6,178,249,280		36,522,752
Total	\$ 6,194,778,982		\$ 53,052,454

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

SOURCE: Municipal Advisory Council of Texas

City of Seagoville, Texas

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Gross Revenue</u>	<u>Less: Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Annual Debt Service Requirements</u>	<u>Times Debt Coverage</u>
2015	\$ 5,385,478	\$ 3,972,890	\$ 1,412,588	\$ 451,667	3.13
2016	5,546,058	4,465,109	\$ 1,080,949	450,891	2.40
2017	6,971,145	4,628,369	\$ 2,342,776	450,269	5.20
2018	7,511,258	5,505,685	\$ 2,005,573	406,563	4.93
2019	7,435,465	5,487,978	\$ 1,947,487	387,402	5.03
2020	7,442,498	5,507,839	\$ 1,934,659	368,150	5.26
2021	7,740,442	6,919,404	\$ 821,038	368,500	2.23
2022	8,040,805	6,441,588	\$ 1,599,217	373,500	4.28
2023	8,878,014	6,218,845	\$ 2,659,169	384,000	6.92
2024	9,632,790	7,026,457	\$ 2,606,333	399,500	6.52

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

"Gross Revenue" as used herein refers to all operating revenues and all interest income of the Water and Wastewater Funds. "Direct Operating Expenses" is defined as all operating expenses of the Water and Wastewater Funds (which does not include capital outlay or interest expense) less depreciation.

City of Seagoville, Texas
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years (Unaudited)

Fiscal Year	(1) Population	(1) Total Households	(2) Per Household Personal Income	Total Personal Income
2015	15,390	4,192	52,909	221,794,528
2016	15,580	4,445	55,751	247,813,195
2017	15,900	4,918	43,641	214,626,438
2018	16,180	5,020	46,064	231,241,280
2019	17,001	4,735	49,796	235,784,060
2020	17,084	4,770	52,266	249,308,820
2021	17,232	4,766	55,409	264,079,294
2022	19,580	4,967	59,950	297,771,650
2023	19,980	5,933	63,386	376,069,138
2024	20,156	5,401	68,020	367,376,020

SOURCES: (1) Total Households provided by Census

(2) U.S. Per Household Income provided by Census

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City of Seagoville, Texas

PRINCIPAL EMPLOYERS

Current Year and Ten Years Ago

2024

Employer	Employees	Percentage of Total City Employment
O'REILLY AUTO PARTS	562	7.28%
WALMART	440	5.70%
FEDERAL CORRECTIONAL INSTITUTE	98	1.27%
HEARTLAND EXPRESS	101	1.31%
CITY OF SEAGOVILLE	133	1.72%
PRECISION HAYES INTERNATIONAL	110	1.43%
BEACON INDUSTRIES	56	0.73%
SUPER ONE	61	0.79%
SEAGOVILLE NORTH ELEM.	75	0.97%
SEAGOVILLE ELEM.	60	0.78%
	<u>1,696</u>	<u>21.99%</u>

2015

Employer	Employees	Percentage of Total City Employment
O'REILLY AUTO PARTS	450	8.05%
WALMART	450	8.05%
FEDERAL CORRECTIONAL INSTITUTE	350	6.26%
GREEN FOREST	80	1.43%
BROOKSHIRES FOOD STORES	75	1.34%
CITY OF SEAGOVILLE	70	1.25%
SEAGO MANOR NURSING CENTER	60	1.07%
SHAR TRUCKING	60	1.07%
ROCKWELL AMERICAN MFG. CO.	55	0.98%
BEACON INDUSTRIES	48	0.86%
	<u>1,698</u>	<u>30.36%</u>

SOURCE: Top ten employers and employee count provided by Seagoville Economic Development Corporation.

City of Seagoville, Texas
FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY
Last Ten Fiscal Years

Function/Program	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General government	6.00	6.00	6.00	6.00
Public safety	56.00	56.75	53.00	59.55
Community services	8.00	7.58	5.00	7.58
Community Development	5.00	9.00	11.00	12.00
Water and Sewer	16.00	14.00	14.00	14.00
Total	<u>91.00</u>	<u>93.33</u>	<u>89.00</u>	<u>99.13</u>

Source: City records.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
6.00	6.00	6.00	7.00	7.00	9.00
66.25	66.65	71.65	75.90	76.65	76.65
7.58	7.89	7.89	7.39	7.89	7.39
14.00	14.00	16.00	16.50	16.50	17.50
14.00	14.00	14.00	17.50	17.50	20.50
<u>107.83</u>	<u>108.54</u>	<u>115.54</u>	<u>124.29</u>	<u>125.54</u>	<u>131.04</u>

City of Seagoville, Texas
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018
Public safety				
Police				
Stations	1	1	1	1
Police personnel	24	24	23	25
Arrests	725	529	443	452
Traffice violations	1,700	1,536	2,047	1,863
Fire				
Stations	1	1	1	1
Fire personnel	20	20	19	21
Calls answered	2,600	2,698	1,356	1,491
Developmental				
Streets (miles)	85	85	85	85
Culture and recreation				
Park acres maintained	106	106	106	106
Sneior center meals served	11,200	11,050	9,724	10,008
Water				
Water connections	3,998	4,620	4,223	4371
Average daily consumption (gallons)	1,359,690	2,074,537	1,522,276	1,466,064
Sewer				
Sewer connections	3,707	4,299	4,033	4,076

Source: City records.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
1	1	1	1	1	1
28	28	30	28	28	32
550	324	400	320	360	500
2,200	70	1,840	1,500	1,248	1,500
1	1	2	2	2	2
26	25	25	25	25	27
2,700	2,557	3,000	3,000	3,500	2,543
85	85	85	85	85	85
106	106	106	106	106	106
10,100	28,341	11,000	11,000	15,550	6,500
4537	4,822	5,354	5,532	5,617	5,870
1,422,032	1,730,000	1,609,750	1,799,703	1,782,447	1,778,237
4237	4,509	4,996	5,165	5,244	5,564

City of Seagoville, Texas
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Function/Program				
Public safety				
Police				
Stations	1	1	1	1
Patrol units	11	11	11	10
Fire stations	1	1	1	1
Development services				
Streets (miles)	116	116	116	116
Culture and recreation				
Parks	7	7	7	7
Acreage	93	93	93	106
Baseball/softball diamonds	1	1	1	1
Tennis courts	2	2	2	2
Basketball courts	1	1	1	1
Senior center	1	1	1	1
Library	1	1	1	1
Items circulated	31,912	30,090	27,476	32,595

Source: City records.

2019	2020	2021	2022	2023	2024
1	1	2	2	2	1
10	11	14	12	5	7
1	1	2	2	2	2
116	116	116	116	116	116
7	7	8	8	8	8
106	106	106	106	106	106
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
33,365	22,589	14,018	13,752	15,550	20,000