



City Council
Regular Meeting

Tuesday, August 5, 2025, 5:30 PM
City Hall Council Chambers
298 W Washington
Stephenville, Texas 76401

AGENDA

CALL TO ORDER

PLEDGES OF ALLEGIANCE

INVOCATION

CITIZENS GENERAL DISCUSSION

REGULAR AGENDA

1. Consider Acceptance of Resignation by Mayor Doug Svien
2. Consider Approval of Order of Special Election for November 4, 2025
3. Consider Designation of a Tex-21 Voting Representative
4. Consider Approval of an Ambulance Permit for Concord EMS
5. Consider the City of Stephenville and SISD School Resource Officer (SRO) Annual Memorandum of Understanding 2025-2026.
6. Consider Approval of HOT Funds Request for Cowboy Capital Pro Rodeo Association
7. Set the Maximum Proposed Tax Rate for 2025
8. Set Date, Time, and Location of Public Hearing on Proposed Tax Rate for 2025
9. Consider Acceptance of Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2024
10. Presentation of Citizens Budget Requests

PLANNING AND ZONING COMMISSION

Steve Killen, Director of Development Services

11. Consider Approval of an Ordinance Annexing a Portion of Railway NE of HWY 8 and HWY 281 from the City Limits Line at CR 177 to the Northern City Limits Line Pursuant to the Powers Granted by Section 43.1056 of the Local Government Code
12. **Application No.: PD 8927 and 8928**

Applicant Ryan Hill, Representing Quatro Soto Properties, LLC is Requesting a Rezone of property located at 640 N McCart, Parcel R33266, and 646 N McCart, Parcel R33265, being S5700 SHAPARD & COLLINS; BLOCK 11; LOTS 2B, 3 and 4, to the City of Stephenville, Erath County, Texas from Multifamily (R-3) to Planned Development (PD)

13. **PUBLIC HEARING**

Application No.: PD 8927 and PD 8928

14. Consider Approval of an Ordinance Rezoning Property Located at 640 N McCart, Parcel R33266 being S5700 SHAPARD & COLLINS; BLOCK 11; LOT 4, and 646 N McCart, Parcel R33265 being S5700 SHAPARD & COLLINS; BLOCK 11; LOT 2B and 3, to the City of Stephenville, Erath County, Texas from Multifamily (R-3) to Planned Development (PD)

15. **Application No.: RZ 9012**

Applicant CCS Stephenville Properties, LLC., is Requesting the Assignment of Industrial Zoning for the Recently Annexed Property Located at 0 N US 281, Parcel R76680, being approximately 7.577 acres of the A0804 WILLIAMS M R Survey of the City of Stephenville, Erath County, Texas

16. **PUBLIC HEARING**

Application No.: RZ 9012

17. Consider Approval of an Ordinance Assigning the Zoning of Industrial (I) for the Recently Annexed Property Located at 0 N US 281, Parcel R76680, being approximately 7.577 acres of the A0804 WILLIAMS M R Survey of the City of Stephenville, Erath County, Texas

DEVELOPMENT SERVICES COMMITTEE

Gerald Cook, Chair

18. Development Services Committee Report from July 15, 2025

NOMINATIONS COMMITTEE

Maddie Smith, Chair

19. Nominations Committee Report from July 15, 2015
20. Consider Approval of Ordinance Revising Meeting Requirements for Advisory Boards
21. Consider Approval of Updates to Council Rules and Procedures

FINANCIAL REPORTS

Monica Harris, Director of Finance

22. Monthly Budget Report for the Period Ending June 30, 2025
23. Quarterly Investment Report for the Period Ending June 30, 2025

STEPHENVILLE ECONOMIC DEVELOPMENT AUTHORITY REPORT

Jeff Sandford, Executive Director

CONSENT AGENDA

24. Consider Approval of Minutes from July 1, 2025 - Regular City Council Meeting
25. Consider Approval of Minutes from July 15, 2015 - Special City Council Meeting
26. Consider Acceptance of the Chamberlin Improvements Project
27. Consider Acceptance of the Harbin Drive Improvements Project

COMMENTS BY CITY MANAGER

COMMENTS BY COUNCIL MEMBERS

EXECUTIVE SESSION

In compliance with the provisions of the Texas Open Meetings Law, Subchapter D, Government Code, Vernon's Texas Codes, Annotated, in accordance with

28. **Section 551.074 Personnel Matters** - to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, to wit: **City Manager**
29. **Section 551.074 Personnel Matters** - to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, to wit: **Municipal Judge**
30. **Section 551.087 Deliberation Regarding Economic Development Negotiations - Project PL**

ACTION TAKEN ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF NECESSARY

ADJOURN

EXECUTIVE SESSION NOTICE

Note: The Stephenville City Council may convene into Executive Session on any matter related to any of the above agenda items for a purpose, such closed session allowed under Chapter 551, Texas Government Code.

In accordance with the Americans with Disabilities Act, persons who need accommodation to attend or participate in this meeting should contact City Hall at 254-918-1287 within 48 hours prior to the meeting to request such assistance.

ORDER OF 2025 SPECIAL ELECTION FOR THE CITY OF STEPHENVILLE, TEXAS

An election is hereby ordered to be held on **Tuesday, November 4, 2025**, for the purpose of electing Mayor for an unexpired term in accordance with Chapter 334 of the Texas Local Government Code.

Applications for a place on the ballot shall be filed by **August 18, 2025, at 5:00 PM**.

The following offices will be on the ballot:

MAYOR

Early voting by personal appearance will be conducted each weekday at: *(La votación adelantada en persona se llevará a cabo de lunes a viernes en:)*

Erath County Annex II (Main Voting Location)
222 East College Street
Stephenville, Texas 76401

Monday, October 20th – Friday, October 24th, 8:00 am – 5:00 pm
Monday, October 27th – Wednesday, October 29th, 8:00 am – 5:00 pm

EXTENDED HOURS

Thursday, October 30th and Friday October 31st, 7:00 am – 7:00 pm

ELECTION DAY VOTING LOCATIONS

Tuesday, November 4, 2025, 7:00 am – 7:00 pm

ERATH COUNTY ANNEX
222 East College St.
Stephenville, TX 76401

DUBLIN ANNEX
219 South Grafton
Dublin, TX 76446

**TEXAS A&M AGRILIFE RESEARCH
& EXTENSION CENTER**
1229 N. US HWY 281
Stephenville, TX 76401

TEXAS BANK
988 Wolfe Nursery Road
Stephenville, TX 76401

Applications for ballot by mail shall be mailed to:

Gwinda Jones, County Election Officer
222 E College St.
Stephenville, Texas 76401
(254) 965-1482
vote@co.erath.tx.us
www.co.erath.tx.us/184/Elections

Applications for Ballots by Mail (ABBM)s must be received no later than the close of business on **Friday, October 24, 2025**.

Federal Post Card Applications (FPCAs) must be received no later than the close of business on **Friday, October 24, 2025**.

Ordered this 5th day of August 2025, by the City Council of the City of Stephenville, Texas.

David Baskett, Mayor Pro Tem

ATTEST:

Sarah Lockenour, City Secretary

ITEM REPORT

To: City Council

From: Robert Isbell, Chief

Subject: Consider Approval of an Ambulance Permit for Concord EMS

Department/Office: Fire Department

Summary:

Pursuant to City Charter Chapter 114.04 (CHAPTER 114. - AMBULANCE AND EMERGENCY MEDICAL SERVICE, Sec. 114.04. - Private owned ambulance services), Concord EMS is applying to operate a non-emergency transfer service within the city limits of Stephenville. An application is filed with the fee amount attached.

Recommended Action:

Staff recommends approval.

Budget:

N/A

Attachments:

1. Concord EMS Permit Application



APPLICATION FOR
EMS/AMBULANCE PERMIT

DATE: 04/01/25

APPLICANT: Concord EMS INC.

ADDRESS: 2080 N. Hwy 360 Grand Prairie Tx 75050 ste. 222

MAILING ADDRESS (IF DIFFERENT): VIA

PHONE: 713.785.6300 NO. OF YEARS IN EMS BUSINESS: 16 yrs

LIST LEVEL AND TYPE OF SERVICE TO BE PROVIDED:
BLS, ALS, MICU. Ground only. Transfer

LIST NUMBER OF AMBULANCE UNITS AND NUMBER OF PERSONNEL TO BE PROVIDED:
2 Ambulances.

Two medics Per Unit.

HOURS OF OPERATION AND AVAILABILITY: 24 hrs

LIST ANY EXPERIENCE THE APPLICANT HAS HAD IN RENDERING SUCH SERVICES
Concord EMS has been in business for 16 yrs in Houston Tx
and 7 months in the DFW area.

If a partnership, the names, of all partners, general and limited. If a corporation, its name, date, and place of Incorporation, the address of its principal place of business, the names of all its officers and directors. (Provide this information on a separate page.)

NAME OF COMPANY: Concord EMS Inc.

ADDRESS: 2080 N. Hwy 360 Grand Prairie Tx 75050 ste 222

PHONE: 713.785.6300

CONCORD EMS INC

DFW Location: 2080 N. HWY 360 Grand Prairie Tx. 75050 Ste. 222

Administrator: Anibal Rene Guajardo EMT-B

Director of Operations: Gerald Brown L.P.

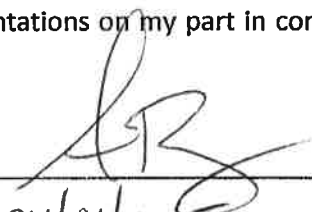
Office Manager: Chase Broussard

Dispatch Supervisor: Kristen Boop

INSURANCE COMPANY: People First Insurance Family
AGENT: Derrick Broussard
POLICY NUMBER: 1MCTX-4961998-C
EFFECTIVE PERIOD: 02/03/2025 - 02/03/2026
AMOUNT OF LIABILITY: 1,000,000.⁰⁰

PLEASE ATTACH COPIES OF **CURRENT INSURANCE POLICY AND TEXAS DEPARTMENT OF HEALTH PROVIDER LICENSE.**

I certify that the statements in this application are true and correct. I realize they will be investigated and thereby authorize the release of any pertinent and appropriate information. I understand that misrepresentations on my part in completing this application will cause my application to become null and void.

SIGNED: 
DATE: 04/01/2025

RECEIVED BY: _____ DATE: _____

REVIEWED BY PUBLIC HEALTH AND SAFETY COMMITTEE: _____

APPROVED BY COUNCIL: _____

FEE PAID: _____



TEXAS
Health and Human
Services

Texas Department of State
Health Services

This certifies that

CONCORD EMS INC

License Number: 1000267

has submitted acceptable evidence of compliance with the Texas Health and Safety Code, Chapter 773, the Texas EMS Act, and is hereby granted a License as a **TEXAS EMERGENCY MEDICAL SERVICES PROVIDER**. This License is not transferable and is valid only for use by the provider named above.

Expiration Date: 6/30/2025

If you have a complaint about the services you have received from this EMS Provider or if you have a reason to believe that a violation of Texas EMS regulations has occurred, please report your concerns to the Texas Department of State Health Services at:

1-800-452-6086 or by email to **EMS_Complaint@dshs.texas.gov**

Document Number: 8573



Office of the Secretary of State

CERTIFICATE OF FILING OF

Concord EMS Inc.
File Number: 801040567

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Professional Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 10/15/2008

Effective: 10/15/2008



A handwritten signature in black ink, appearing to read "Hope Andrade".

Hope Andrade
Secretary of State



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

03/31/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Derrick Broussard		
People First Insurance Family 1901 Gerstner Memorial Dr Lake Charles, LA 70601	PHONE (A/C, No, Ext): (337) 534-2535	FAX (A/C, No): (832) 767-5703	
	E-MAIL ADDRESS: peoplefirstinsurancefamily@gmail.com		
	INSURER(S) AFFORDING COVERAGE		
INSURED Concord EMS INC 5829 Beverly Hill St Houston TX 77057	INSURER A: WESTERN WORLD INSURANCE COMPANY		NAIC # 13196
	INSURER B: INTEGON NATIONAL INSURANCE COMPANY		29742
	INSURER C:		
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES	CERTIFICATE NUMBER:	REVISION NUMBER:
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATION MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.		

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	☒ COMMERCIAL GENERAL LIABILITY			NPP8864717	01/07/2025	01/07/2026	EACH OCCURRENCE	\$ 1,000,000
	☐ CLAIMS-MADE ☒ OCCUR		DAMAGE TO RENTED PREMISES (Ea occurrence)				\$ 100,000	
			MED EXP (Any one person)				\$ 5,000	
			PERSONAL & ADV INJURY				\$ 1,000,000	
	GEN'L AGGREGATE LIMIT APPLIES PER:					GENERAL AGGREGATE	\$ 2,000,000	
	☒ POLICY ☐ PROJECT ☐ LOC					PRODUCTS - COMP/OP AGG	\$	
	OTHER:							\$
B	AUTOMOBILE LIABILITY			IMCTX-4961998- C	02/03/2025	02/03/2026	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
	☐ ANY AUTO		BODILY INJURY (Per person)				\$	
	☐ OWNED AUTOS ONLY ☒ SCHEDULED AUTOS NON-OWNED AUTOS ONLY	Y	BODILY INJURY (Per accident)				\$	
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY		PROPERTY DAMAGE (Per accident)				\$	
								\$
	UMBRELLA LIAB						EACH OCCURRENCE	\$
	EXCESS LIAB						AGGREGATE	\$
	DED	RETENTION \$						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N ☐	N / A				E.L. EACH ACCIDENT	\$
	See ACCORD 101 for additional coverage details.						E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

2023 Ram Pro Master 2500 3C6LRVDG7PE79410 , 2023 Ram Pro Master 2500 3C6LRVDG2PE579413 Both with limits of actual cash value of \$158,018.00 each subject to \$1,000.00 deductible(s). Comprehensive/Collision \$1,000.00 deductible(s) certificate holder is named as additional insured and Loss Payee per policy and endorsements.

CERTIFICATE HOLDER	CANCELLATION
Integrated Vehicle Leasing, Inc. 734 Walter Whitman Rd. Suite 304 Melville NY 11747	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Derrick Broussard</i>

MEMORANDUM OF UNDERSTANDING

City of Stephenville and Stephenville Independent School District for the School Resource Officer

I. Purpose

The purpose of this Memorandum of Understanding is to document the respective roles and responsibilities of the City of Stephenville (the City) and the Stephenville Independent School District (the School District) regarding the hiring, equipping, supervising, housing, and other logistical considerations for School Resource Officers (SROs) assigned to the School District.

The mission of the School Resource Officer program is to place community policing officers in designated schools within the School District to build working relationships with schools, students, and parents; to address on-site security; to combat school violence; to provide drug abuse and crime prevention education; to serve as positive role-models for students; and to provide a direct link with the police department.

II. City of Stephenville Responsibilities

The City, through its police department, will be responsible for the following:

1. Providing up to three (3) sworn police officers for service as School Resource Officers on the school campuses designated by the School District. Providing equipment and supplies including, but not limited to, uniforms and a police radio, and other such equipment as required for performance of their duties.
2. Selection of Personnel. In the event of an SRO vacancy the police department will create and implement a selection process involving members of the department, school district and members of the community as appropriate. The Chief of Police has the final say in personnel selections.
3. School Resource Officer Duties. SROs will perform law enforcement duties for the school district on designated campuses that include protecting the safety and welfare of persons, protection of school property and building positive relationships with students, parents and school district personnel. SROs will not engage in duties associated with routine student discipline and school administrative tasks. The district and department will create and agree on a specific document that outlines SRO duties. See **Appendix 1 SRO JOB DESCRIPTION, RESPONSIBILITIES AND DUTIES**.
4. Keeping the School District informed, as appropriate, of any changes to federal and state laws, as well as case law, which may affect the School Resource Officer Program.
5. Notifying promptly the School District of anticipated changes in funding, personnel assignments, or performance issues related to the School Resource Officer.
6. Allowing School District participation in the development of SRO utilization strategies.

7. Documenting the activities and achievements of the SRO with periodic progress reports.
8. Preparing an annual evaluation of each SRO, with input from school district officials, prior to the start of the school year.
9. Providing one marked patrol vehicle for each SRO.

III. Stephenville Independent School District Responsibilities

The School District will be responsible for the following:

1. Providing office space with appropriate furnishings on the respective campuses for use by SROs.
2. All personnel costs related to the employment of SROs assigned to the school district.
3. Providing routine administrative support (e.g. telephone and in-building paging/answering service) and office supplies to SROs while on campus.
4. Including SROs in school staff meetings relevant to the SRO mission.
5. Permitting SROs adequate time to complete necessary in-service training, professional development and training requirements to maintain SROs' peace officer certifications.
6. Notifying the City of changes in the number of student days in a school year.
7. To establish and follow written procedures for referring police involvement.
8. To train District staff in accordance with the procedures outlined herein as well as existing district policies involving student health and safety; and
9. To cooperate with and support the SRO and the City Police Department in a proactive manner to ensure that the SRO program meets the expectations of the District, City Police, students, parents and community.
10. Saving and holding harmless the City and its employees, from all liability, of any nature, including costs, and expenses for, or on account of, any claims, audit exceptions, demands, suits, or damages of any character whatsoever resulting from injuries or damages sustained by students and their property or School District personnel and property, resulting in whole or part from the performance or omission of any employee, agent, or representative of the City.

IV. The School District and City agree to the following general provisions:

1. The agreement is subject to audit at any time within three years of the termination of this MOU and thereafter as provided by law to determine that services were proper, and the billings were correct.

2. This MOU and any addendums signed by both parties are the entire agreement between the parties. Any changes, deletions, extensions, or amendments to this MOU shall be in writing and signed by both parties. Any other attempted changes, including oral modifications, written notices that have not been signed by both parties, or other modifications of any type, shall be invalid.
3. Providing supervision and employee administrative support to School Resource Officers including work schedules, continuing education, pay administration, and the like.
4. This MOU is subject to the availability of local, state, and/or federal funds. If funds are not available or if available funding is reduced, written notice of termination, payment suspension, or funding reduction will be provided by either affected party.
5. In the event either party fails to perform in accordance with the provisions of this MOU, the other party may, upon 30 days' written notice, terminate the MOU in whole or in part.
6. In the event notice of termination is given, all work by the City shall cease on the effective date of the termination. The City shall be paid for all work performed prior to the notice of termination in accordance with the terms of the MOU. Final invoices shall be submitted to the School District no later than 30 days following the date of termination of this contract.
7. If any provision of this Agreement is held to be invalid, void, or unenforceable, the remaining provisions hereof will not be affected or impaired, and such remaining provisions will remain in full force and effect.
8. Billing Period: To be determined by the City of Stephenville and SISD Finance Directors.
9. Failure to enforce any provision of the MOU does not constitute a waiver of that provision, or any other provision, of the contract.
10. This MOU and any addendums signed by both parties represents the entire agreement between the parties.
11. This agreement will undergo an annual review to adjust, as necessary, any over- or under-payments by the School District. These adjustments will be reflected in the subsequent year's invoice for SRO services.
12. The School District understands and agrees that all SROs assigned to the school district will be employees of the City of Stephenville and subject solely to the control of the City of Stephenville. While the School District and the City will consult with each other as to the most effective use of the SRO, ultimate authority as to the disposition, placement, use, discipline, and all other matters relating to employment of SROs will be with the City.

V. SRO Continuation Plan

The City and School District agree to continue the SRO program. The School District will reimburse the City for the SRO's salary and benefits.

VI. MOU Period

This agreement is for a period of one year from August 15th, 2025, to August 15th, 2026, or upon 90 days' written notification by either party requesting that the agreement should be reviewed. For purposes of the agreement, the contacts are Superintendent, Stephenville ISD, and Chief of Police, Stephenville Police Department.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding as of the 5th day of August 2025.

CITY OF STEPHENVILLE

David Baskett, Mayor Pro Tem

Attest:

Sarah Lockenour, City Secretary

STEPHENVILLE INDEPENDENT SCHOOL DISTRICT

Eric Cederstrom, Superintendent

APPENDIX 1

JOB DESCRIPTION, RESPONSIBILITIES AND DUTIES OF SCHOOL RESOURCE OFFICER (SRO):

GOALS:

The job of a school resource officer is varied, diverse and demanding. It is the goal of both the Stephenville Police Department and the Stephenville Independent School District to develop, create and maintain a professional SRO program that provides top-notch services to our students, our schools and our community.

UNIFORM:

The SRO will wear the regular police patrol uniform and drive a fully equipped patrol vehicle. More casual attire may be worn, with permission from the SRO's supervisor, when the SRO is participating in school activities, training and school athletics that make wearing a uniform impractical.

JOB ACCOUNTABILITY:

The SRO will be primarily accountable to the Department chain of command. He/she is expected to maintain an accurate accounting of cases worked, training received, number and type of presentations made and to whom, overtime worked, specials details, and all other information worthy of reporting. This reported information will be due on a semester basis and is to be forwarded to the Chief via the SRO's chain of command.

SRO time sheets will be signed off on every two weeks by a school administrator assigned to the SRO campus.

ON-DUTY STATUS:

The SRO will normally work 7:30 AM to 4:00 PM, Monday through Friday, with Saturday and Sunday off. He/she may adjust the work schedule, with the approval of their immediate supervisor, in order to accommodate school activities and requests. The SRO shall check on each day with dispatch and/or the field supervisor, unless other arrangements are made in advance with the supervisor.

The SRO is expected to leave information for school officials and his/her supervisor regarding his/her whereabouts when off campus. When school is not in session (i.e. holidays, summer vacation, midyear breaks, etc.), the SRO will create a work schedule with his/her supervisor.

SRO DUTIES AND RESPONSIBILITIES - G E N E R A L :

The SRO will:

- Foster educational programs/activities to increase each student's knowledge of and respect for the law and the function of law enforcement;
- Attend extracurricular activities held at the District's schools within the City, when feasible, and promote a positive relationship between students and law enforcement officials;

- Understand school policies regarding how to distinguish disciplinary infractions to be handled by school officials versus criminal activity that warrants SRO involvement;
- Review enforcement and investigative techniques at local schools and work with District personnel to provide in-service training to staff with regard to crisis management and school security;
- Work with the District's personnel to advise concerning vehicular and traffic safety on and around the school campuses;
- Act swiftly and cooperatively when responding to disruptions and criminal offenses at school or on school grounds, such as: disorderly conduct by trespassers; the possession and/or use of weapons on campus; the possession, sale, distribution or use of alcohol or controlled substances; rioting or dangerous demonstrations; serious acts of vandalism; etc.;
- Make reports of criminal offenses as per Department regulations as warranted, and investigate such acts that may occur at schools;
- Provide assistance to other officers of the Department or other law enforcement agencies in their investigations of criminal offenses which are alleged to occur off campus, but may be related to school activities;
- Familiarize themselves with the many issues confronting students, e.g., alcohol and drug use, gang involvement, weapons, bullying, and teenage suicide;
- Work collaboratively with the District, other SROs, and other law enforcement agencies to create safe and drug free schools and promote healthy youth development. This may include drug searches, home visits and wellness checks as appropriate;
- Provide direct intervention to children who are victims, witnesses, or perpetrators of violent crime;
- Participate in SRO Program evaluation by providing data and assisting with analysis and recommendations through partnership meetings;
- Provide assistance in the development of a Safe School Plan and crisis preparedness guidelines for schools;
- Handle the primary responsibility of responding to calls for service and investigating crimes at assigned Stephenville ISD campuses within the City;
- Conduct follow-up on reports taken by patrol officers when appropriate;
- Establish genuine rapport between students, faculty and parents while being available to students, parents and faculty before, during and after school;
- Provide a safe, healthy and secure environment on campus and in the immediate proximity of the campus;
- Provide routine marked police car patrol and visible foot patrol during the most critical times to discourage unlawful and antisocial behavior;
- Provide security at public meetings held by the district as needed;
- Provide intelligence to law enforcement and school officials relative to gang or drug activities and enforcement;
- Give educational presentations to student body, faculty, administration, PTSA and other school- based groups relative to laws, the role of law enforcement and other applicable subjects;
- Serve as a resource for Stephenville ISD and the Department by providing safety

programs, special drug education classes and juvenile gang awareness and prevention programs in the schools and assisting staff with presentations and instruction in developing age-appropriate curriculum;

- Train school administrators and faculty on gangs, youth subcultures and substance abuse;
- Encourage input from the school and community to inform ongoing policies that promote a safe and inclusive school environment;
- Train Department personnel on the role of the SRO and on school issues important for officers to know;
- Be a liaison for the school, police and probation, and the community to keep all informed of activities of others who may be at risk or inclined to cause problems or commit crimes;
- Assist police investigators with information that will help solve cases;
- Help school staff in lessening campus tension and provide assistance to campus supervisors as needed;
- Consider diversion opportunities for youth, rather than arrest, when appropriate;
- Communicate and coordinate with the patrol and investigations;
- Use discretion in handling confidential material and information;
- Use the resources provided for the prevention, observation, intervention, investigation, and reporting of unlawful acts;
- As needed, attend District activities outside of the regular duty hours.
- Coordinate all activities with the principals and staff members concerned and seek permission, advice and guidance prior to enacting any program within the school.
- Grow professionally through study and participation in professional activities, including recommended SRO trainings, including the Texas TCOLE required/recommended SRO training/certification.

RELATIONSHIPS:

It is most important that the SRO become acquainted with school officials and understand school priorities and procedures, as well as state and local laws relevant to school safety and order. The SRO should also attend faculty meetings, assemblies and classrooms as often as possible and work in cooperation with school officials in building positive relationships. The SRO shall conduct himself/herself in a manner that will reflect favorably on the Department. He/she is a positive role model, serving as a good example of the professional law enforcement officer. The SRO should show respect for students, faculty, staff, administrators and parents and display fairness and consistency in handling issues that occur.

PREVENTATIVE STRATEGIES:

SROs provide classes on drug use, underage drinking, drinking and driving, peer pressure, bullying, cyber bullying, gang awareness, sexual assault awareness, and student privacy, search and seizure and other laws that apply to students, careers in law enforcement, and various other safety issues.

GEOGRAPHY:

The SRO should become thoroughly familiar with the campuses being served and learn of any troublesome locations on and off campus. Complete knowledge of campuses helps develop preventative tactics and techniques that promote a safe school environment.

POLICE REPORTS:

Staff members and site administrators shall only request police assistance when {1) necessary to protect the physical safety of students and staff; (2) required by law; or (3) appropriate to address criminal behavior of persons other than students. Police involvement should not be requested in a situation that can be safely and appropriately handled by the District's internal disciplinary procedures. In the event that staff and or SROs are unclear, the principal or other designated school administrator should be contacted immediately to make a determination. Calls for service at schools requiring or resulting in written crime reports will normally be the responsibility of the SRO, if the reported incident is directly school-related and the SRO is readily available. When the SRO is not available, the Patrol Division may handle the call for service. Crime reports needing additional follow-up may be assigned to the Investigations division if the SRO is unable to complete it.

STUDENT DISCIPLINE:

Stephenville ISO administrators have primary responsibility to ensure consistent enforcement of school rules and policies. If the administrator believes an incident is in violation of the law, he/she may contact the SRO to determine whether law enforcement action is appropriate.

Stephenville ISO administrators shall prioritize alternatives to school removals and police involvement. Absent a real and immediate threat to student, teacher, or public safety, incidents involving public order offenses, including disorderly conduct; disturbance/disruption of schools or public assembly; trespass; loitering; profanity; and fighting that does not involve physical injury or a weapon, shall be considered school discipline issues to be handled by school officials, rather than criminal law issues warranting formal law enforcement intervention (**e.g.**, issuance of a criminal citation, ticket, or summons, filing of a delinquency petition, referral to a probation officer, or actual arrest).

STEPHENVILLE POLICE DEPARTMENT

Dan M. Harris Jr., Chief of Police

STEPHENVILLE INDEPENDENT SCHOOL DISTRICT

Eric Cederstrom, Superintendent

2025 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Stephenville

Taxing Unit Name

298 W. Washington St, Stephenville, TX, 76401

Taxing Unit's Address, City, State, ZIP Code

(254) 918-1218

Phone (area code and number)

www.stephenvilletx.gov

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 2,100,144,223
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 234,102,032
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	\$ 1,866,042,191
4.	Prior year total adopted tax rate.	\$ 0.3829 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value. A. Original prior year ARB values: \$ 14,717,060 B. Prior year values resulting from final court decisions: - \$ 13,900,000 C. Prior year value loss. Subtract B from A. ³	\$ 817,060
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25. A. Prior year ARB certified value: \$ 3,003,860 B. Prior year disputed value: - \$ 300,386 C. Prior year undisputed value. Subtract B from A. ⁴	\$ 2,703,474
7.	Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 3,520,534

¹ Tex. Tax Code §26.012(14)

² Tex. Tax Code §26.012(14)

³ Tex. Tax Code §26.012(13)

⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 1,869,562,725
9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024. Enter the prior year value of property in deannexed territory. ⁵	\$ 0
10.	Prior year taxable value lost because property first qualified for an exemption in the current year. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: \$ 1,959,527 B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ 534,611 C. Value loss. Add A and B. ⁶	\$ 2,494,138
11.	Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. Prior year market value: \$ 0 B. Current year productivity or special appraised value: - \$ 0 C. Value loss. Subtract B from A. ⁷	\$ 0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 2,494,138
13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 35,343,604
14.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.	\$ 1,831,724,983
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 7,013,675
16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹	\$ 18,494
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 7,032,169
18.	Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹ A. Certified values: \$ 2,191,247,243 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ N/A C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ 0 D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below. ¹² - \$ 43,763,058 E. Total current year value. Add A and B, then subtract C and D.	\$ 2,147,484,185

⁵ Tex. Tax Code §26.012(15)⁶ Tex. Tax Code §26.012(15)⁷ Tex. Tax Code §26.012(15)⁸ Tex. Tax Code §26.03(c)⁹ Tex. Tax Code §26.012(13)¹⁰ Tex. Tax Code §26.012(13)¹¹ Tex. Tax Code §26.012, 26.04(c-2)¹² Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹³ A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴ \$ _____ 0 B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵ + \$ _____ 0 C. Total value under protest or not certified. Add A and B.	\$ _____ 0
20.	Current year tax ceilings. Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ _____ 259,110,287
21.	Anticipated contested value. Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. ¹⁷ An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico. ¹⁸ If completing this section, the taxing unit must include supporting documentation in Section 9. ¹⁹ Taxing units that are not affected, enter 0.	\$ N/A
22.	Current year total taxable value. Add Lines 18E and 19C, then subtract Lines 20 and 21. ²⁰	\$ _____ 1,888,373,898
23.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ²¹	\$ _____ 14,330
24.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ²²	\$ _____ 36,864,450
25.	Total adjustments to the current year taxable value. Add Lines 23 and 24.	\$ _____ 36,878,780
26.	Adjusted current year taxable value. Subtract Line 25 from Line 22.	\$ _____ 1,851,495,118
27.	Current year NNR tax rate. Divide Line 17 by Line 26 and multiply by \$100. ²³	\$ _____ 0.3798 /\$100
28.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²⁴	\$ N/A /\$100

SECTION 2: Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

¹³ Tex. Tax Code §26.01(c) and (d)

¹⁴ Tex. Tax Code §26.01(c)

¹⁵ Tex. Tax Code §26.01(d)

¹⁶ Tex. Tax Code §26.012(6)(B)

¹⁷ Tex. Tax Code §§26.012(6)(C) and 26.012(1-b)

¹⁸ Tex. Tax Code §26.012(1-a)

¹⁹ Tex. Tax Code §26.04(d-3)

²⁰ Tex. Tax Code §26.012(6)

²¹ Tex. Tax Code §26.012(17)

²² Tex. Tax Code §26.012(17)

²³ Tex. Tax Code §26.04(c)

²⁴ Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
29.	Prior year M&O tax rate. Enter the prior year M&O tax rate.	\$ 0.3680 /\$100
30.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,869,562,725
31.	Total prior year M&O levy. Multiply Line 29 by Line 30 and divide by \$100.	\$ 6,879,990
32.	Adjusted prior year levy for calculating NNR M&O rate. A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year. + \$ 17,774 B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. - \$ 120,967 C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0 D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. \$ -103,193 E. Add Line 31 to 32D.	\$ 6,776,797
33.	Adjusted current year taxable value. Enter the amount in Line 26 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,851,495,118
34.	Current year NNR M&O rate (unadjusted). Divide Line 32E by Line 33 and multiply by \$100.	\$ 0.3660 /\$100
35.	Rate adjustment for state criminal justice mandate. ²⁶ A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0 B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. - \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ 0.0000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.0000 /\$100
36.	Rate adjustment for indigent health care expenditures. ²⁷ A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. \$ 0 B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose. - \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ 0.0000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.0000 /\$100

²⁵ [Reserved for expansion]²⁶ Tex. Tax Code §26.044²⁷ Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
37.	Rate adjustment for county indigent defense compensation. ²⁸ A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose. \$ _____ 0 B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose. \$ _____ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ _____ 0.0000 /\$100 D. Multiply B by 0.05 and divide by Line 33 and multiply by \$100. \$ _____ 0.0000 /\$100 E. Enter the lesser of C and D. If not applicable, enter 0.	\$ _____ 0.0000 /\$100
38.	Rate adjustment for county hospital expenditures. ²⁹ A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year. \$ _____ 0 B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2023 and ending on June 30, 2024. \$ _____ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ _____ 0.0000 /\$100 D. Multiply B by 0.08 and divide by Line 33 and multiply by \$100. \$ _____ 0.0000 /\$100 E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ _____ 0.0000 /\$100
39.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. A. Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. \$ _____ 0 B. Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year. \$ _____ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ _____ 0.0000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ _____ 0.0000 /\$100
40.	Adjusted current year NNR M&O rate. Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D.	\$ _____ 0.3660 /\$100
41.	Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent. \$ _____ 2,422,856 B. Divide Line 41A by Line 33 and multiply by \$100. \$ _____ 0.1308 /\$100 C. Add Line 41B to Line 40.	\$ _____ 0.4968 /\$100
42.	Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035.	\$ _____ 0.5141 /\$100

²⁸ Tex. Tax Code §26.0442²⁹ Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D42.	Disaster Line 42 (D42): Current year voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of: 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 41C by 1.08.³⁰ If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42).	\$ 0.0000 /\$100
43.	Total current year debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes; (2) are secured by property taxes; (3) are scheduled for payment over a period longer than one year; and (4) are not classified in the taxing unit's budget as M&O expenses. A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here.³¹ Enter debt amount \$ 278,575 B. Subtract unencumbered fund amount used to reduce total debt. - \$ 0 C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$ 0 D. Subtract amount paid from other resources - \$ 0 E. Adjusted debt. Subtract B, C and D from A. \$ 278,575	\$ 278,575
44.	Certified prior year excess debt collections. Enter the amount certified by the collector. ³²	\$ 28,358
45.	Adjusted current year debt. Subtract Line 44 from Line 43E.	\$ 250,217
46.	Current year anticipated collection rate. A. Enter the current year anticipated collection rate certified by the collector.³³ 100 % B. Enter the prior year actual collection rate..... 98 % C. Enter the 2023 actual collection rate. 99 % D. Enter the 2022 actual collection rate. 99 % E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%.³⁴ 100 %	100 %
47.	Current year debt adjusted for collections. Divide Line 45 by Line 46E.	\$ 250,217
48.	Current year total taxable value. Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,888,373,898.00
49.	Current year debt rate. Divide Line 47 by Line 48 and multiply by \$100.	\$ 0.0132 /\$100
50.	Current year voter-approval M&O rate plus current year debt rate. Add Lines 42 and 49.	\$ 0.5273 /\$100
D50.	Disaster Line 50 (D50): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D42. Add Line D42 and 49.	\$ 0.0000 /\$100

³⁰ Tex. Tax Code §26.042(a)³¹ Tex. Tax Code §26.012(7)³² Tex. Tax Code §26.012(10) and 26.04(b)³³ Tex. Tax Code §26.04(b)³⁴ Tex. Tax Code §§26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
51.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	\$ <u>N/A</u> /\$100

SECTION 3: NNR Tax Rate and Voter Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
52.	Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³⁵ Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	\$ <u>0</u>
53.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³⁶ Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁷ - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ <u>2,404,373</u>
54.	Current year total taxable value. Enter the amount from Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>1,888,373,898</u>
55.	Sales tax adjustment rate. Divide Line 53 by Line 54 and multiply by \$100.	\$ <u>0.1273</u> /\$100
56.	Current year NNR tax rate, unadjusted for sales tax. ³⁸ Enter the rate from Line 27 or 28, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>0.3798</u> /\$100
57.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year.	\$ <u>0.0000</u> /\$100
58.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁹ Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ <u>0.5273</u> /\$100
59.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 55 from Line 58.	\$ <u>0.4000</u> /\$100

SECTION 4: Voter Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
60.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ⁴⁰ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ⁴¹	\$ <u>0</u>
61.	Current year total taxable value. Enter the amount from Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>1,888,373,898</u>
62.	Additional rate for pollution control. Divide Line 60 by Line 61 and multiply by \$100.	\$ <u>0.0000</u> /\$100

³⁵ Tex. Tax Code §26.041(d)

³⁶ Tex. Tax Code §26.041(i)

³⁷ Tex. Tax Code §26.041(d)

³⁸ Tex. Tax Code §26.04(c)

³⁹ Tex. Tax Code §26.04(c)

⁴⁰ Tex. Tax Code §26.045(d)

⁴¹ Tex. Tax Code §26.045(i)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
63.	Current year voter-approval tax rate, adjusted for pollution control. Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax).	\$ 0.4000 /\$100

SECTION 5: Voter Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.⁴² The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.⁴³

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;⁴⁴
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴⁵ or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴⁶

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴⁷

Line	Unused Increment Rate Worksheet	Amount/Rate
64.	Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value A. Voter-approval tax rate (Line 68) B. Unused increment rate (Line 67) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2024 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.3829 /\$100 \$ 0.0000 /\$100 \$ 0.3829 /\$100 \$ 0.3829 /\$100 \$ 0.0000 /\$100 \$ 1,840,028,205.00 \$ 0
65.	Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2023 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.3872 /\$100 \$ 0.0000 /\$100 \$ 0.3872 /\$100 \$ 0.3872 /\$100 \$ 0.0000 /\$100 \$ 1,719,773.002 \$ 0
66.	Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2022 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.3958 /\$100 \$ 0.0000 /\$100 \$ 0.3958 /\$100 \$ 0.3958 /\$100 \$ 0.0000 /\$100 \$ 1,829,810,329 \$ 0
67.	Total Foregone Revenue Amount. Add Lines 64G, 65G and 66G	\$ 0.0000 /\$100
68.	2025 Unused Increment Rate. Divide Line 67 by Line 22 of the <i>No-New-Revenue Rate Worksheet</i> . Multiply the result by 100	\$ 0.0000 /\$100
69.	Total 2025 voter-approval tax rate, including the unused increment rate. Add Line 68 to one of the following lines (as applicable): Line 50, Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution)	\$ 0.4000 /\$100

⁴² Tex. Tax Code §26.013(b)

⁴³ Tex. Tax Code §526.013(a)(1-a), (1-b), and (2)

⁴⁴ Tex. Tax Code §526.04(c)(2)(A) and 26.042(a)

⁴⁵ Tex. Tax Code §26.0501(a) and (c)

⁴⁶ Tex. Local Gov't Code §120.007(d)

⁴⁷ Tex. Local Gov't Code §26.04(c)(2)(B)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁸ This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁹

Line	De Minimis Rate Worksheet	Amount/Rate
70.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 40 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.3660 /\$100
71.	Current year total taxable value. Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,888,373,898
72.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 71 and multiply by \$100.	\$ 0.0264 /\$100
73.	Current year debt rate. Enter the rate from Line 49 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.0132 /\$100
74.	De minimis rate. Add Lines 70, 72 and 73.	\$ 0.4056 /\$100

SECTION 7: Voter Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁵⁰

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁵¹

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
75.	2024 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.3829 /\$100
76.	Adjusted 2024 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. ⁵² If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁵³ Enter the final adjusted 2024 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0.3829 /\$100
77.	Increase in 2024 tax rate due to disaster. Subtract Line 76 from Line 75.	\$ 0.0000 /\$100
78.	Adjusted 2024 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,831,724,983
79.	Emergency revenue. Multiply Line 77 by Line 78 and divide by \$100.	\$ 0
80.	Adjusted 2024 taxable value. Enter the amount in Line 26 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,851,495,118
81.	Emergency revenue rate. Divide Line 79 by Line 80 and multiply by \$100. ⁵³	\$ 0.0000 /\$100

⁴⁸ Tex. Tax Code §26.012(8-a)

⁴⁹ Tex. Tax Code §26.063(a)(1)

⁵⁰ Tex. Tax Code §26.042(b)

⁵¹ Tex. Tax Code §26.042(f)

⁵² Tex. Tax Code §26.042(c)

⁵³ Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
82.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate).	\$ 0.4000 /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. \$ 0.3798 /\$100

As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).

Indicate the line number used: 56

Voter-approval tax rate. \$ 0.4000 /\$100

As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax), Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).

Indicate the line number used: 59

De minimis rate. \$ 0.4056 /\$100

If applicable, enter the current year de minimis rate from Line 74.

SECTION 9: Addendum

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in line 21 must include the following as an addendum:

1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

SECTION 10: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.⁵⁴

print
here

Jason M. King

Printed Name of Taxing Unit Representative

sign
here

Jason M. King

Taxing Unit Representative

Digitally signed by Jason M. King
Date: 2025.08.05 17:10:23 -05'00'

08/05/2025

Date

Reset

Print

⁵⁴ Tex. Tax Code §§26.04(c-2) and (d-2)



STAFF REPORT

SUBJECT: Set Date, Time, and Location of Public Hearing on Proposed Tax Rate for 2025

DEPARTMENT: Finance

STAFF CONTACT: Monica Harris

RECOMMENDATION:

Staff recommend setting the public hearing on the 2025 proposed tax rate on September 16, 2025, at 5:30 pm in the Council Chambers at City Hall located at 298 W. Washington in Stephenville.

BACKGROUND:

The City Charter requires the City Manager to provide the proposed budget to the City Council at least 45 days prior to the beginning of the budget year. The proposed budget must also be filed with the City Secretary and posted on the website. If the proposed tax rate will exceed the No-New-Revenue rate, the city must have a public hearing on the proposed tax rate prior to adopting the tax rate. The adoption of the tax rate must be at least 30 days after the City Manager provides the proposed budget to the City Secretary and the proposed budget is posted on the website.

ALTERNATIVES

Choose a later date to have the hearing, but no later than September 29, 2025, the last day to adopt the tax rate.

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2024



THE CITY OF
STEPHENVILLE
TEXAS



CITY OF STEPHENVILLE, TEXAS

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CITY OF STEPHENVILLE, TEXAS

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INTRODUCTORY SECTION



298 W W a s h i n g t o n S t, S t e p h e n v i l l e, T X 7 6 4 0 1

August 1, 2025

TO: The Honorable Mayor, Members of the City Council, and the Citizens of Stephenville (the “City”)

The Finance Department and City Manager's Office are pleased to submit the Annual Comprehensive Financial Report for the City of Stephenville, Texas for the fiscal year ended September 30, 2024.

This report provides the city council, city staff, our citizens, our bondholders, and other interested parties with detailed information concerning the financial condition and activities of the city government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

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

Boucher Morgan & Young, PC has issued an unmodified (“clean”) opinion on the City's financial statements for the year ended September 30, 2024. The independent auditors' report is located at the front of the financial section of this report.

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

CITY PROFILE



Location

The City is a political subdivision and municipal corporation of the State of Texas, duly organized and existing under the laws of the state and the City's home rule charter. The City was incorporated in 1889 and chartered a home-rule city under Texas law in 1961.

The City is located on the intersection of U.S. Highways 67, 281, and 377. The City occupies approximately 11.99 square miles and serves a population of about 21,254. The City is empowered by state statutes to levy a tax on both real and business personal property located within its boundaries.

The city operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and eight (8) council members. The city council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the city manager. The city manager is responsible for carrying out the policies and ordinances of the city council, for overseeing the day-to-day operations of the City, and appointing heads of various departments. The mayor and city council members each serve two-year terms, limited to three terms, and are elected at large.

The basic financial statements of the City include all governmental activities, organizations, and functions for which the City is financially accountable as defined by the Government Accounting Standards Board (GASB). The City of Stephenville is financially accountable for a legally separate economic development corporation, which is reported separately within the City's financial statements. Additional information on the legally separate entity can be found in the notes to the financial statements (see note 1.A).

Services Provided

The City provides a full range of services, including public safety (police, fire, emergency medical, and municipal court), maintenance of streets and infrastructure, sanitation services, maintenance of the treated water distribution system, maintenance of the sanitary sewer collection and treatment systems, maintenance of the storm water drainage collection and transmission systems, recreational activities, cultural events, tourism, landfill operations, airport facility maintenance, as well as general administrative services.

Accounting System and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received, and the liabilities incurred. Accounting records for the City's utilities and other enterprise funds, as well as the discrete component unit, are maintained on an accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

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

The annual budget serves as the foundation of the City's financial planning and control. The city council formally adopts the annual budget and legally appropriates available monies for activities of the General Fund, Special Revenue Funds, Capital Project Funds, and the Debt Service Fund. Budgets are adopted for the proprietary funds and the discrete component unit annually only as a management tool.

No later than August 16th of each year, the city manager submits to the city council a proposed budget, which provides a complete plan for the fiscal year commencing October 1. The budget includes proposed expenditures and the means of financing them. The proposed budget is made available for public inspection, and a public hearing is held to allow for citizen comment. After the public hearing, the council may make changes to any item in the budget, except those fixed by law. No later than September 23, the budget is legally enacted by ordinance, which sets the limit on expenditures during the fiscal year. Additional expenditures may be authorized in the case of public necessity to meet unusual and unforeseen conditions, which could not have reasonably been foreseen at the time the budget was adopted.

The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the departmental level; however, expenditures are monitored monthly at the department level to ensure financial accountability by department directors. Management control of budgets is further maintained at the line-item level within the department. The City also maintains an encumbrance accounting system to further accomplish budgetary control. Appropriations not spent or legally encumbered lapse at year-end. Encumbrances are generally re-appropriated as a part of the following year's budget. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

ECONOMIC CONDITION

Local Economy

The City serves as the center of commerce and recreation to over 44,000 Erath County residents and has a commercial trade area of over 100,000. The City is the county seat and the principal commercial, medical, retail, educational and industrial center of Erath County. The City currently enjoys a stable and diversified economic environment, bolstered by the strength of both the Cross Timbers area and the State of Texas. Our economy is based on agriculture, manufacturing, and Tarleton State University. Agriculture has long been Erath County's leading industry with livestock, especially beef, dairy, and other livestock production. Erath County accounts for almost 8% of the state's total milk production. The City is fortunate to have several manufacturing industries in town. Local manufacturing includes coated abrasives, oilfield related products, cheese products, fiber gratings and fasteners, metal processing of electrical products, trailer customization, forged pipe unions, and cleaning products. Tarleton State University, a member of the Texas A & M System, provides further economic stability as the largest employer. The Stephenville student body includes representatives from 229 Texas counties, 48 states, and 35 foreign countries. Tarleton's Stephenville Campus 2024 fall enrollment was more than 12,500 students with total enrollment across all Tarleton Campuses, including online, exceeding 17,000 students.

Stephenville ranks high in the state for the quality of work environment. As of September 2024, with unemployment at 4.1% statewide, Stephenville's unemployment was 3.5%. The City has adequate, yet below-average, wealth and income due to the high volume of college students in the work force. According to the U. S. Census Bureau's 2023 American Community Survey published in 2024, Stephenville's median household income is \$55,504 compared to \$67,760 for Dallas and \$76,292 for Texas. In addition, according to the survey, the workforce is educated with 33.5% of the population having a bachelor's degree or higher, compared to 37.4% for Dallas and 33.1% for Texas.

The growing property values, sales tax receipts and building activity reflect the area's positive economic climate. The City continues to have new residential, commercial, and educational building construction, adding over twenty-eight million dollars in new taxable value for the 2024 property tax rolls. A new restaurant and bar specializing in pizza, subs, and wings opened in late 2023. A locally owned tap house opened in late 2023, as well, at a temporary location with the permanent location opening in the summer of 2025. A specialty coffee shop serving sandwiches and pastries opened in the downtown area in the summer of 2024. A new medical clinic opened in November 2024, and a 33-room boutique hotel with a fine dining restaurant opened in January 2025. A major western wear retailer is currently under construction and should open later this year. A distribution center for a major online retailer opened in the summer of 2025. The Stephenville Economic Development Authority (SEDA) continues to receive many new economic development inquiries from companies interested in locating their business in Stephenville and has several projects in the works. In addition, over 30 single family homes/townhouses were built in fiscal year 2024, and over 90 have been built or are under construction so far in fiscal year 2025. Several apartment complexes and townhouses are currently under construction totaling over 530 units, many of which are student housing with multiple beds. A planned development containing about 450 units has broken ground. Tarleton State University, an NCAA Division 1 school, continues to experience steady growth in student enrollment and completed the construction of a multi-level parking garage with retail space in early 2025, with the first ever Buffalo Wild Wings on a college campus. The construction of Tarleton's convocation center continues with opening anticipated in September 2025. The Stephenville Independent School District completed the construction of its new stadium in May 2025. The City completed over \$4 million in street improvements in fiscal year 2024 and has appropriated over \$3.3 million in routine street improvements for fiscal year 2025; \$3 million was from funds unspent in fiscal year 2024.

Long-Term Financial Planning

The City's ability to respond to on-going economic challenges requires careful long-range planning, which is addressed during the budget process. The City has responded to the economy by fiscal conservatism and implementing operating budget efficiencies that have resulted in maintaining healthy fund balances in its general fund and water/wastewater funds. A portion of the General Fund's fund balance was utilized in the 2023-2024 budget year to build a new senior center, which opened in early 2025. A portion of the Water/Wastewater fund balance is being utilized to assist in the funding of water and sewer infrastructure projects.

Users of this document are encouraged to read the City's Fiscal Year 2024-2025 Budget. The document details the City's long-term goals and financial policies, describes program accomplishments and initiatives, and outlines the City's capital improvement program. Also available for reference is the City of Stephenville's Comprehensive Plan, which maps out the City's future strategies.

In addition, the City continues to recognize the long-term financial implications of its pension and retiree health benefits. Each year TMRS options are reviewed, and decisions are made accordingly. The City does not provide for retiree health care, as the City provides a sustainable benefit to our employees without shifting costs to future taxpayers.

Relevant Financial Policies

The City Council has adopted a series of financial standards and policies for operating and debt management. The management of the City has made every effort to comply with these standards and policies and believe we are currently in compliance. The City Council Finance Committee meets on an as-needed basis to discuss financial and budgetary information, financial policies, fund balance reserve requirements and tax rate setting information. None of the City's financial policies had a significant impact on the current period's financial statements, as the City was able to maintain reserve levels within the stated policies for the governmental funds. Constant review of revenue and expenditure trends and reserve levels is maintained with specific responsibility assigned to the Finance Director and City Manager. The City's Finance Department publishes a monthly financial report which provides internal and external users with a general awareness of the City's financial position and economic activity.

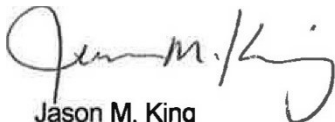
Major Initiatives

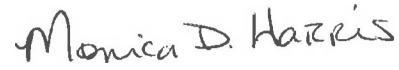
The City currently has several projects underway. The Clark Field Municipal Airport is working on a runway extension project. This is a \$10 million dollar project with a 90/10 match coming from TXDOT Aviation. The environmental study has been completed; surveys and appraisals of surrounding properties have been carried out, and the land needed has been purchased. An airport layout plan is currently underway to move the project forward to design and construction. The complete reconstruction of a major thoroughfare designated as a minor arterial has been completed with a cost of over \$12 million. A major sewer project is substantially complete with a cost of over \$28 million. This project is a three-phase project to alleviate sanitary sewer overflow issues and expand servicing areas, affecting 80% of the City. A new well field with transmission line is substantially complete and was placed in service in the summer of 2025. A new pump station was completed, as was replacing utility mains under a main thoroughfare. New ballfield lighting was installed at the main city park, and design of a new ballfield is underway. In addition, the City has partnered with Erath County and has initially committed a million dollars for a Combined Dispatch Center, which is in the design phase.

ACKNOWLEDGEMENTS

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire city staff. We would like to express our appreciation to all the staff members who assisted and contributed to its preparation. We would also like to thank the Mayor and City Council Members for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

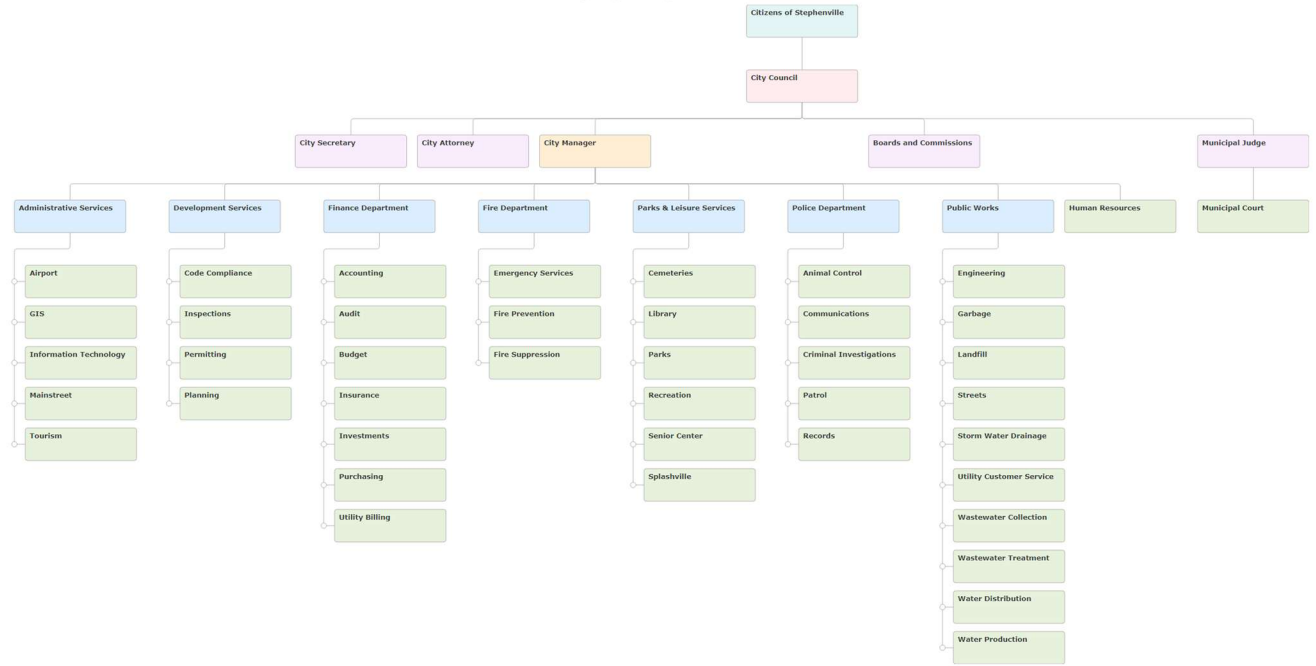
Respectfully Submitted,


Jason M. King
City Manager


Monica D. Harris
Director of Finance



City of Stephenville Organizational Chart





City Council

as of September 30, 2024

Mayor	Doug Svien
Place 1	LeAnn Durfey
Place 2	Gerald Cook
Place 3	Lonn Reisman
Place 4	Dean Parr
Pace 5	Maddie Smith
Place 6	David Baskett
Place 7	Brandon Greenhaw
Place 8	Alan Nix

Staff

as of September 30, 2024

City Manager	Jason M. King
Director of Administrative Services	Darrell Brown
Director of Finance & Administration	Monica D. Harris
Director of Utilities	Nick Williams
Police Chief	Dan M. Harris, Jr.
Fire Chief	Robert Isbell
Director of Development Services	Steve Killen
Director of Parks & Leisure Services	Daron Trussell
City Secretary	Sarah Lockenour

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and members
of the City Council
City of Stephenville, Texas

Opinions

We have audited the accompanying financial statements 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 Stephenville, 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 financial statements referred to above 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 as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Prior Period Adjustment

As discussed in Note 15 to the financial statements, an error resulting in an understatement of the amount previously reported for net position as of September 30, 2023, was discovered by management of the City during the year ended September 30, 2024. Accordingly, an adjustment has been made to net position as of September 30, 2023, to correct this error. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Texas Municipal Retirement System pension schedules, and Texas Municipal Retirement System OPEB schedules 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and budget statements and schedule of expenditures of federal awards, as required by Title 2 U.S. **Code of Federal Regulations** Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedule of expenditures of state awards as required by the Texas Grant Management Standards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and budget statements, and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 1, 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 the 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.



Granbury, Texas
August 1, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF STEPHENVILLE, TEXAS
Management's Discussion and Analysis
September 30, 2024

As management of the City of Stephenville, 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-vi of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City of Stephenville exceeded liabilities and deferred inflows (net position) at September 30, 2024, by \$133,589,826. Of this amount, \$25,318,568 (unrestricted net position) may be used to meet the government's ongoing obligations.
- The City's total net position increased by \$12,333,447. Net position in the government funds increased \$6,418,829, and net position in the business-type activities increased \$5,914,618. The majority of the City's net position is invested in capital assets and restricted for specific purposes.
- The City's governmental funds reported combined ending fund balances of \$24,721,186 at September 30, 2024, an increase of \$488,547 over the prior year; this includes an increase of \$1,094,877 in the general fund, a decrease of \$1,217,409 in the capital projects fund, and an increase of \$611,079 in the nonmajor governmental funds.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$14,577,288 or 67% of total general fund expenditures.
- The City's proprietary funds reported combined ending net position of \$76,315,276 at September 30, 2024, an increase of \$5,914,618 over the prior year; this includes an increase of \$4,392,488 in the water/wastewater fund, an increase of \$260,861 in the storm water drainage funds, and an increase of \$1,261,269 in the nonmajor proprietary funds.
- The City's outstanding bonds and certificates of obligation payable decreased by \$2,780,000 from the prior year. The total bonds and certificates of obligation payable at the close of the fiscal year were \$50,725,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This 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) notes to the financial statements. This report also includes supplementary information intended to furnish additional details to support the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

CITY OF STEPHENVILLE, TEXAS
Management's Discussion and Analysis
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 government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from 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, culture and recreation, community development, public safety, and streets. The business-type activities of the City include water and wastewater, stormwater drainage, airport, and sanitary landfill operations.

The government-wide financial statements can be found on pages 16-18 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 three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

Because the focus of the 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 statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the capital projects fund, which are the two 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 special revenue 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 19-22 of this report.

CITY OF STEPHENVILLE, TEXAS
Management's Discussion and Analysis
September 30, 2024

Proprietary Funds

The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its water and wastewater services, storm water drainage operations, sanitary landfill operations, and airport operations. All activities associated with providing such services are accounted for in these funds, including administration, operation, maintenance, debt service, capital improvements, production and distribution, billing and collection. The City's intent is that the 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 wastewater fund and the storm water drainage fund since they are considered major funds of the City. Data from the airport and sanitary landfill funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in a separate section of the report.

The basic proprietary fund financial statements can be found on pages 23-26 of this report.

Component Unit

The City maintains the accounting and financial statements for two component units. The Stephenville Economic Development Authority is a discretely presented component unit displayed on the government-wide financial statements.

The Tax Increment Financing fund ("TIF") is a special purpose fund that collects property or sales taxes within its boundaries for the purpose of infrastructure development. The fund's board consists of the City Council and two members of the Stephenville Economic Development Authority Board. It is reported as a blended component unit, as it functions similar to a department of the City.

NOTES TO THE 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 27-59 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees, its liability for postemployment benefits, and budgetary comparison for the general fund.

Other supplementary information such as combining fund financial statements for nonmajor governmental and nonmajor proprietary funds are provided, as well as budgetary comparison schedules for the nonmajor governmental funds.

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 Stephenville, Texas, assets and deferred outflows exceeded liabilities and deferred inflows by \$133,589,826 as of September 30, 2024, in the primary government.

CITY OF STEPHENVILLE, TEXAS
Management's Discussion and Analysis
September 30, 2024

The largest portion of the City's net position, \$99,488,372, reflects its investment in capital assets (e.g., land, city hall, recreation facilities, police and fire stations, machinery and equipment, streets, water and wastewater system, airport hangars, storm water drainage system, the sanitary landfill, as well as public works facilities) less any debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$8,782,886, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$25,318,568 may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2024, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

CITY OF STEPHENVILLE						
Net Position						
September 30, 2024						
	2024			2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 28,026,584	\$ 21,712,297	\$ 49,738,881	\$ 26,067,129	\$ 38,061,549	\$ 64,128,678
Capital assets, net	49,152,104	99,893,050	149,045,154	44,160,849	83,603,264	127,764,113
Net pension asset	1,572,936	249,507	1,822,443	-	-	-
Total Assets	78,751,624	121,854,854	200,606,478	70,227,978	121,664,813	191,892,791
Deferred Outflows	4,550,981	722,260	5,273,241	5,683,570	822,582	6,506,152
Other Liabilities	3,186,173	4,747,424	7,933,597	712,131	7,877,795	8,589,926
Long-term Liabilities	19,982,315	39,426,265	59,408,580	21,747,097	42,150,134	63,897,231
Total Liabilities	23,168,488	44,173,689	67,342,177	22,459,228	50,027,929	72,487,157
Deferred Inflows	2,859,567	2,088,149	4,947,716	2,596,599	2,058,808	4,655,407
Net Position:						
Net investment in capital assets	30,953,576	68,534,796	99,488,372	27,436,169	62,394,725	89,830,894
Restricted	6,462,931	2,319,955	8,782,886	5,185,539	2,334,206	7,519,745
Unrestricted	19,858,043	5,460,525	25,318,568	18,234,013	5,671,727	23,905,740
Total Net Position	\$ 57,274,550	\$ 76,315,276	\$ 133,589,826	\$ 50,855,721	\$ 70,400,658	\$ 121,256,379

Note: Fiscal year 2023 was restated for prior period adjustments in the Airport Fund.

Current and other assets of governmental activities were \$28,026,584 and \$26,067,129 as of September 30, 2024, and September 30, 2023, respectively. The increase of \$1,959,455 was primarily attributable to more cash on hand and investments at year end. The majority of this is offset with an increase in accounts payable, reflecting the increase in expenses but not an increase in the outlay of cash. Current assets of business-type activities were \$21,712,297 and \$38,061,549 as of September 30, 2024, and September 30, 2023, respectively. The decrease of \$16,349,252 was primarily attributable to less cash on hand at year end due to capital project outlays, the majority of which is from bond proceeds.

CITY OF STEPHENVILLE, TEXAS
Management's Discussion and Analysis
September 30, 2024

Overall capital assets increased by \$21,281,041 due to ongoing investment in City infrastructure and other capital assets.

The net pension asset of \$1,822,443 for the year ended September 30, 2024, was an increase over the net pension liability of \$278,260 for September 30, 2023.

Deferred outflows decreased \$1,232,911, which is also primarily related to pensions. Other liabilities of the governmental activities were \$3,186,173 and \$712,131 as of September 30, 2024, and September 30, 2023, respectively. The increase of \$2,474,042 was attributable to an increase in accounts payable and a decrease in internal balances.

Other liabilities of the business-type activities were \$4,747,424 and \$7,877,795 as of September 30, 2024, and September 30, 2023, respectively. The decrease of \$3,130,371 was due to decreases in accounts payable, internal balances, and unearned revenue.

The long-term liabilities were \$59,408,580 and \$63,897,231 as of September 30, 2024, and September 30, 2023, respectively. The decrease of \$4,488,651 was primarily attributable to debt service payments.

Deferred inflows increased \$292,309 due to pensions.

Statement of Activities:

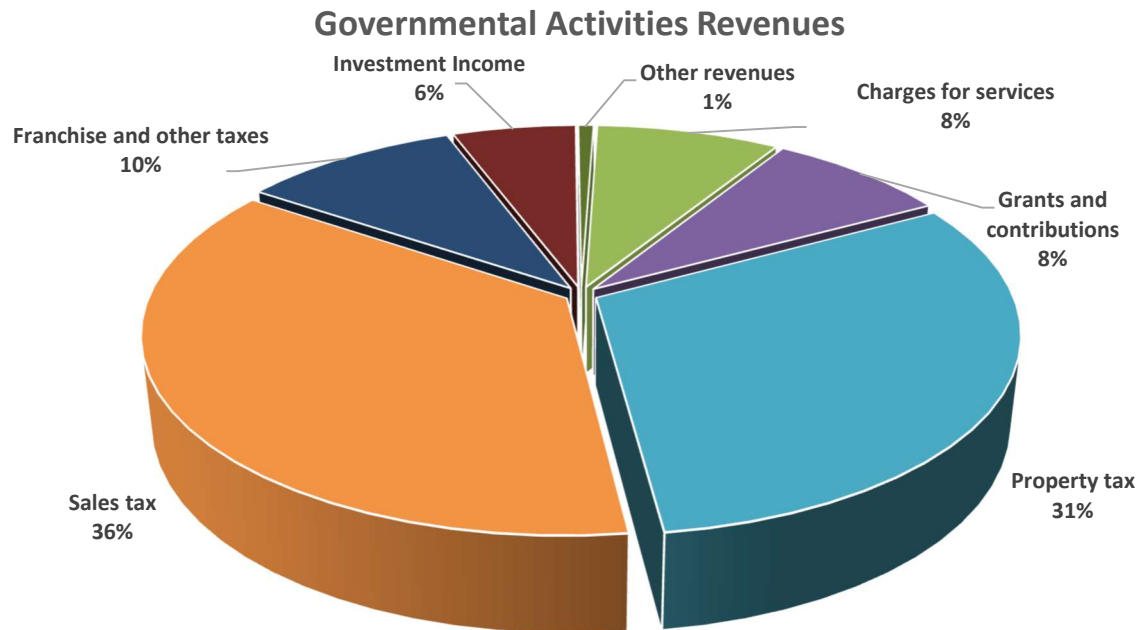
The following table provides a summary of the City's changes in net position:

CITY OF STEPHENVILLE Changes in Net Position Year Ended September 30, 2024						
	2024			2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues						
Program revenues:						
Fines, fees, and charges for services	\$ 2,033,968	\$ 14,003,682	\$ 16,037,650	\$ 1,757,780	\$ 13,720,109	\$ 15,477,889
Grants and contributions	2,005,432	2,261,842	4,267,274	2,967,270	4,085,783	7,053,053
General revenues:						
Property tax	7,511,894	-	7,511,894	7,205,423	-	7,205,423
Sales tax	8,878,221	-	8,878,221	8,725,344	-	8,725,344
Franchise and other taxes	2,404,437	-	2,404,437	2,360,281	-	2,360,281
Investment income	1,366,533	1,331,949	2,698,482	1,124,243	1,847,275	2,971,518
Other revenues	167,474	146,664	314,138	443,936	70,871	514,807
Total Revenues	24,367,959	17,744,137	42,112,096	24,584,277	19,724,038	44,308,315
Expenses						
General government	3,704,676	-	3,704,676	3,227,931	-	3,227,931
Culture and recreation	3,111,473	-	3,111,473	2,877,342	-	2,877,342
Community development	937,394	-	937,394	759,141	-	759,141
Public safety	11,018,052	-	11,018,052	10,774,535	-	10,774,535
Streets	1,554,190	-	1,554,190	1,525,640	-	1,525,640
Interest and fiscal charges	215,641	-	215,641	542,150	-	542,150
Water and wastewater	-	7,269,384	7,269,384	-	7,277,797	7,277,797
Airport	-	297,617	297,617	-	223,073	223,073
Storm water drainage	-	632,900	632,900	-	617,924	617,924
Sanitary landfill	-	1,037,322	1,037,322	-	1,896,021	1,896,021
Total Expenses	20,541,426	9,237,223	29,778,649	19,706,739	10,014,815	29,721,554
Change in Net Position Before Transfers	3,826,533	8,506,914	12,333,447	4,877,538	9,709,223	14,586,761
Transfers	2,592,296	(2,592,296)	-	2,187,917	(2,187,917)	-
Change in Net Position	6,418,829	5,914,618	12,333,447	7,065,455	7,521,306	14,586,761
Beginning Net Position	50,855,721	70,400,658	121,256,379	43,790,266	62,879,352	106,669,618
Ending Net Position	\$ 57,274,550	\$ 76,315,276	\$ 133,589,826	\$ 50,855,721	\$ 70,400,658	\$ 121,256,379

Note: Fiscal year 2023 was restated for prior period adjustments in the Airport Fund.

CITY OF STEPHENVILLE, TEXAS
Management's Discussion and Analysis
September 30, 2024

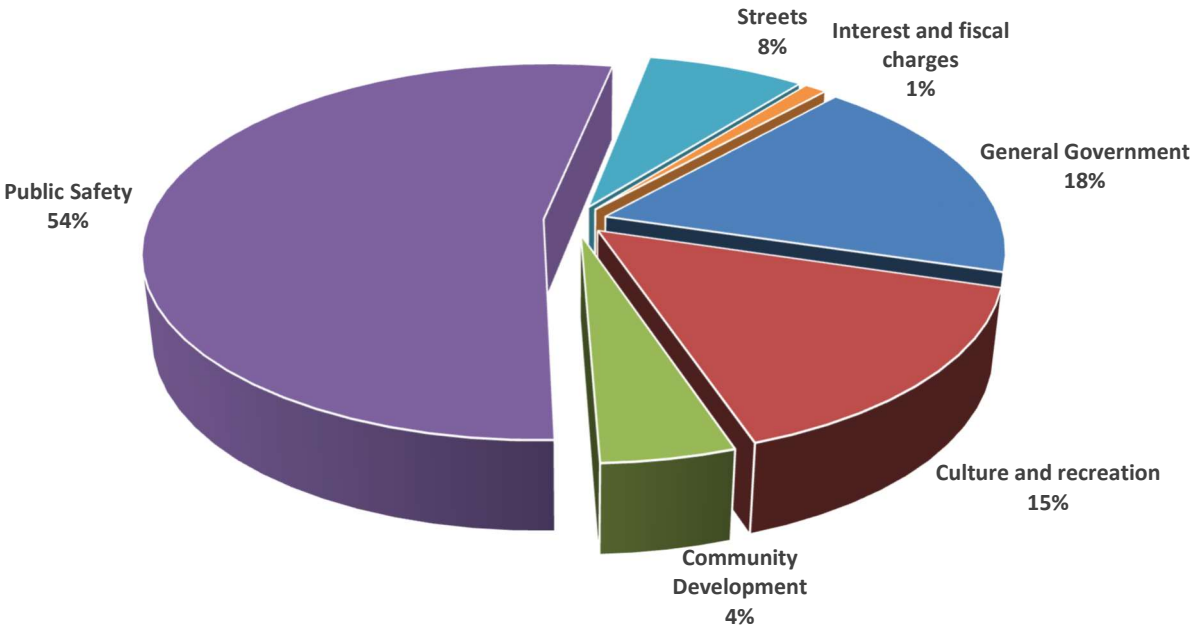
Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.



For the year ended September 30, 2024, revenues from governmental activities total \$24,367,959. Property tax and sales tax are the City's largest general revenue sources. Overall revenue decreased \$216,318 or -1% from the prior year. Property tax increased \$306,471 or 4% due to increased taxable values, new property added to the taxable values, and a 3.5% tax increase. Sales tax and franchise and other tax revenues increased by \$152,877 or 2% and \$44,156 or 2%, respectively, primarily due to steady economic growth fueled by local purchases and tourism. Charges for services increased by \$276,188 or 16% primarily due to emergency services revenue and licenses and permits. Grants and contributions decreased \$961,838 or -32% primarily as a result of nonrecurring capital grants and contributions. Investment income increased by \$242,290 or 22% primarily as a result of the realization of higher interest rates in the current year. Other revenues decreased \$276,462 or -62% due to lower gains on disposal of assets and nonrecurring miscellaneous revenue in the previous year.

CITY OF STEPHENVILLE, TEXAS
Management's Discussion and Analysis
September 30, 2024

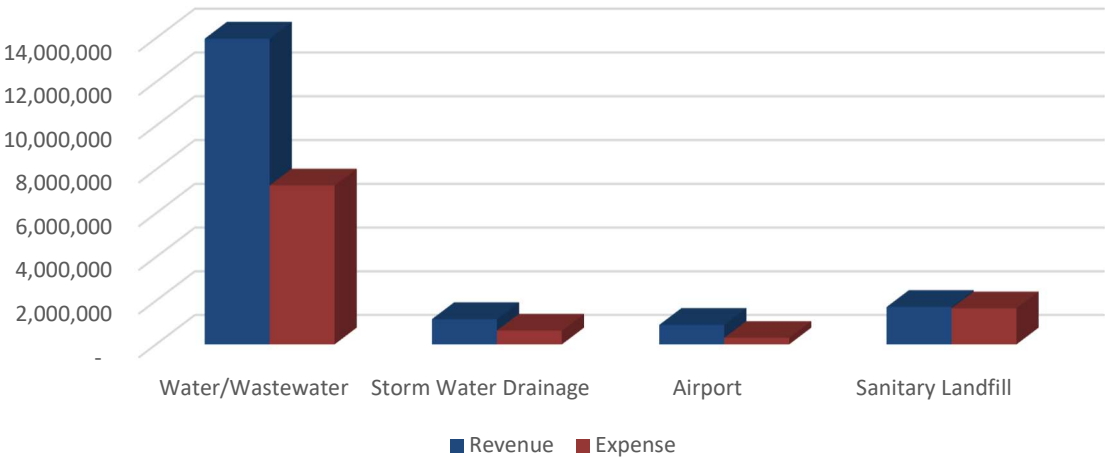
Governmental Activities Expenses



For the year ended September 30, 2024, expenses for governmental activities totaled \$20,541,426. This represents an increase of \$834,687 or 4% from the prior year. The City's largest functional expense is public safety totaling \$11,018,052, an increase of \$243,517 or 2% due to salaries and benefits. General government increased by \$476,745 or 15%; a little less than half of this is due to salaries and benefits. Community development increased \$178,253 or 23% primarily due to economic development expenses. Streets remained relatively stable; only increasing \$28,550 or 2% when compared to the previous year. Interest and fiscal charges decreased \$326,509 or -60% related to debt.

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

Business-type Activities - Revenues and Expenses



CITY OF STEPHENVILLE, TEXAS
Management's Discussion and Analysis
September 30, 2024

For the year ended September 30, 2024, charges for services by business-type activities total \$14,003,682. This is an increase of \$283,573, or 2% from the previous year. This is primarily a result of rate increases for water and wastewater services and increased intake at the Sanitary Landfill.

Total expenses decreased \$777,592 or -8% to a total of \$9,237,223. Water and wastewater department expenses decreased a modest \$8,413. Storm water drainage increased by \$14,976 or 2% primarily due to debt service interest. Sanitary landfill expenses decreased by \$858,699 or -45% primarily due to a decrease in depreciation in the current year. Airport expenses increased \$74,544 or 33% primarily due to greater personnel costs and maintenance in the current year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds - The focus of the City's governmental funds is to provide information about near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. 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 \$24,721,186, an increase of \$488,547 in comparison with the prior year. Approximately 59% of this amount, \$14,577,288, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Nonspendable fund balance totaled \$152,532 for inventories and prepaid items and assigned fund balance totaled \$2,679,149. The remainder of the fund balance is restricted for specific purposes totaling \$7,312,217.

As of the end of the year, the general fund reflected a total fund balance of \$17,380,636. General fund balance increased by \$1,094,877. This increase is a result of an increase in revenues greater than the prior year, which is detailed in the General Fund budgetary highlights section.

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 \$14,577,288 is 67% of total general fund operating expenditures.

As of the end of the year, the capital projects reflected a total fund balance of \$4,877,739, a decrease of \$1,217,409 compared to the prior year. The change was primarily due to the spending of bond proceeds.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position in the City's largest proprietary fund, the water and wastewater fund, totaled \$57,129,341. Net investment in capital assets was \$54,268,699, an increase of \$5,284,987. Unrestricted net position at the close of the fiscal year amounted to \$959,120, and restricted net position was \$1,901,522. Overall net position increased \$4,392,488 from the previous year.

CITY OF STEPHENVILLE, TEXAS
Management's Discussion and Analysis
September 30, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS

Supplemental budget amendments were approved during the fiscal year increasing total budgeted expenditures by \$3,060,476 and increasing total revenues by \$899,656, resulting in a decrease in the final budgeted fund balance of \$2,660,820. Total budgeted revenues of \$20,376,809 were less than actual revenues of \$21,128,041 primarily due to increased property, sales and franchise tax receipts, licenses and permits revenue due to higher building permit values, and investment income due to higher interest rates. This resulted in a positive revenue variance of \$751,232. Total budgeted expenditures of \$25,705,396 were greater than actual expenditures of \$21,707,710 due to personnel vacancies and lower than anticipated maintenance costs, unspent contractual expenditures related to a combined dispatch center and unspent capital outlay that will both be carried over to fiscal year 2025. This resulted in a positive expenditure variance of \$3,997,686. Total budgeted other financing sources/uses of \$947,922 were less than the actual amount of \$1,674,546, resulting in a positive variance of \$726,624, primarily due to SBITA financing, sales of assets, and lower transfers out than anticipated.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$49,152,104 in a variety of capital assets and infrastructure, net of accumulated depreciation/amortization. The City's business-type activities funds had invested \$99,893,050 in a variety of capital assets and infrastructure, net of accumulated depreciation. This investment in capital assets includes land, buildings, vehicles, equipment, improvements, infrastructure, and right to use assets. Major capital asset events during the current year include the following:

- Purchased a crew truck for the Street Department for \$66,199
- Purchased a dump truck for the Street Department for \$108,990
- Purchased a truck for the Athletic Field Maintenance crew for \$43,208
- Purchased two mowers with attachments, a turf topdresser, and a trailer for Parks totaling \$152,217
- Installed waterproof sealing on the outside of the Recreation Hall for \$40,197
- Built phase two of inclusion playground for \$125,632
- Construction of new senior center (Cross Timbers Legacy Center) for \$1,177,827
- Purchased two trucks for the Fire Department totaling \$114,012
- Remodeled the fire training field totaling \$39,757
- Purchased three police vehicles and equipment for \$343,313
- Completed public safety communications improvements for \$214,337
- Replaced servers at the Police Department for \$55,164
- Improvement to Long Street utilities totaling \$1,739,608
- Purchased four trucks for the Water Department totaling \$201,315
- Improvement to 536 well field totaling \$1,329,116
- Improvement to Airport Pump Station totaling \$122,349
- Improvement to water storage tanks totaling \$129,965
- Purchased backhoe for the Water Department for \$142,649
- Purchased backup generator for the 377 pump station for \$63,332
- Purchased one truck for the Sewer Department for \$44,420
- Purchased a vacuum truck for the Sewer Department for \$549,988
- Continuation of East Side Sewer Interceptor project for \$12,753,146
- Purchase of a truck for Landfill for \$46,608
- Purchase of property for Airport Expansion for \$730,466
- Storm water drainage improvements totaling \$90,930
- Lockhart road improvements totaling \$312,980
- West Frey Street resurfacing totaling \$421,695
- Continuation of improvements to Harbin Drive totaling \$3,538,658

CITY OF STEPHENVILLE, TEXAS
Management's Discussion and Analysis
September 30, 2024

More detailed information about the City's capital assets is presented in note 4 of the financial statements.

LONG-TERM DEBT

The City's outstanding bonds and certificates of obligation (excluding premiums and discounts) payable decreased by \$2,780,000 from the prior year. The total bonds and certificates of obligation payable at the close of the fiscal year were \$50,725,000. Outstanding notes payable decreased \$904,722 to \$3,973,300. Leases payable decreased \$65,931, and SBITA payables increased \$14,230. The City made \$3,974,015 in principal payments on outstanding bonds, certificates of obligation, and notes payable.

More detailed information about the City's long-term liabilities is presented in note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The local economy is experiencing continued but more stable growth as evidenced by sales tax revenue, property tax valuations, and construction permits issued. Sales tax collections for fiscal year 2024 were \$152,877 more than fiscal year 2023. However, sales tax estimated for fiscal year 2025 are expected to surpass fiscal year 2024. Taxable assessed property values for 2023 exceeded 2022 by 5% with over \$18 million attributed to new taxable value. The 2024 taxable assessed values exceeded 2023 by 8%, with over \$28 million attributed to new taxable value. This allowed the 2023 total property tax rate of \$0.3872 per \$100 of taxable value to decrease to \$0.3829 per \$100 of taxable value for 2023 and still raise \$401,000 more in property tax revenue, \$110,000 of which was from new property added to the tax roll. Furthermore, the City issued 192 building permits in fiscal year 2024 with a value exceeding \$117 million. One third of that will be added to the assessed taxable value for 2025. Water rates increased by 1% and sewer rates were increased by 12% to continue to fund planned debt service and infrastructure improvements.

The City of Stephenville is committed to maintaining and improving the services provided to its citizens, budgeting over \$15 million in capital improvements for fiscal year 2025 funded with debt proceeds, grant proceeds, and cash reserves. The City budgeted one new full-time position in fiscal year 2025. The General Fund budget for fiscal year 2024-2025 is a balanced budget with the \$2.6 million negative variance funded through cash reserves and funds budgeted but unspent in the 2023-2024 fiscal year. The same is true for the Water and Sewer Fund, the Capital Project Fund, the Non-Major Special Revenue Funds, and the Discrete Component Unit. All other funds have a positive variance.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact Monica D. Harris, Director of Finance, 298 West Washington, Stephenville, Texas 76401-4257 or call (254) 918-1218.

BASIC FINANCIAL STATEMENTS

CITY OF STEPHENVILLE, TEXAS

Statement of Net Position September 30, 2024

	Primary Government			Component Unit
	Governmental	Business-type		Stephenville
	Activities	Activities	Total	EDA
ASSETS:				
Cash and equivalents	\$ 18,301,160	\$ 5,237,012	\$ 23,538,172	\$ 786,305
Investments	2,034,764	-	2,034,764	-
Receivables, net	2,351,853	3,143,465	5,495,318	141,574
Due from component unit	27,828	-	27,828	-
Prepaid items	147,241	25,068	172,309	-
Inventory	5,291	246,554	251,845	-
Restricted cash and equivalents	5,158,447	13,060,198	18,218,645	-
Net pension asset	1,572,936	249,507	1,822,443	42,330
Capital assets not being depreciated/amortized	20,019,951	43,823,514	63,843,465	51,580
Capital assets, net of accumulated depreciation/amortization	29,132,153	56,069,536	85,201,689	628,087
Total Assets	<u>78,751,624</u>	<u>121,854,854</u>	<u>200,606,478</u>	<u>1,649,876</u>
DEFERRED OUTFLOWS:				
Deferred charge on refunding	9,507	1,870	11,377	-
Related to TMRS pension	4,529,134	718,433	5,247,567	121,887
Related to TMRS OPEB	12,340	1,957	14,297	332
Total Deferred Outflows	<u>4,550,981</u>	<u>722,260</u>	<u>5,273,241</u>	<u>122,219</u>
Total Assets and Deferred Outflows	<u>\$ 83,302,605</u>	<u>\$ 122,577,114</u>	<u>\$ 205,879,719</u>	<u>\$ 1,772,095</u>
LIABILITIES:				
Accounts payable	\$ 3,425,729	\$ 3,792,005	\$ 7,217,734	\$ 32,699
Customer deposits	-	454,641	454,641	-
Internal balances	(327,568)	327,568	-	-
Due to primary government	-	-	-	27,828
Accrued interest	88,012	166,170	254,182	-
Unearned revenue	-	7,040	7,040	-
Short-term note payable	-	-	-	275,000
Noncurrent liabilities-				
Due within one year	2,223,586	2,674,171	4,897,757	12,407
Due in more than one year	17,292,749	36,678,177	53,970,926	1,379
OPEB liability	465,980	73,917	539,897	12,540
Total Liabilities	<u>23,168,488</u>	<u>44,173,689</u>	<u>67,342,177</u>	<u>361,853</u>
DEFERRED INFLOWS:				
Deferred gain on refunding	-	71,800	71,800	-
Related to PPP	-	1,562,750	1,562,750	-
Related to TMRS pension	2,776,965	440,496	3,217,461	74,733
Related to TMRS OPEB	82,602	13,103	95,705	2,223
Total Deferred Inflows	<u>2,859,567</u>	<u>2,088,149</u>	<u>4,947,716</u>	<u>76,956</u>
NET POSITION:				
Net investment in capital assets	30,953,576	68,534,796	99,488,372	404,667
Restricted for:				
Capital projects	4,000,188	-	4,000,188	-
Tourism	1,880,344	-	1,880,344	-
Municipal court	47,193	-	47,193	-
Public safety	142,301	-	142,301	-
Community reinvestment	158,583	-	158,583	-
Debt service	234,322	2,294,774	2,529,096	-
Flood protection plan	-	25,181	25,181	-
Economic development	-	-	-	928,619
Unrestricted	19,858,043	5,460,525	25,318,568	-
Total Net Position	<u>\$ 57,274,550</u>	<u>\$ 76,315,276</u>	<u>\$ 133,589,826</u>	<u>\$ 1,333,286</u>

The accompanying notes are an integral part of this statement.

CITY OF STEPHENVILLE, TEXAS

Statement of Activities For the Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Fines, Fees, and Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental Activities:				
General government	\$ 3,704,676	\$ 3,600	\$ -	\$ 49,630
Culture and recreation	3,111,473	421,480	532,368	24,234
Community development	937,394	608,848	-	-
Public safety	11,018,052	972,852	8,508	920,087
Streets	1,554,190	27,188	470,605	-
Interest and fiscal charges	215,641	-	-	-
Total Governmental Activities	<u>20,541,426</u>	<u>2,033,968</u>	<u>1,011,481</u>	<u>993,951</u>
Business-type Activities:				
Water and wastewater	7,269,384	11,340,287	1,413,918	-
Storm water drainage	632,900	1,000,755	81,129	-
Airport	297,617	128,129	621,795	145,000
Sanitary landfill	1,037,322	1,534,511	-	-
Total Business-type Activities	<u>9,237,223</u>	<u>14,003,682</u>	<u>2,116,842</u>	<u>145,000</u>
Total Primary Government	<u>\$ 29,778,649</u>	<u>\$ 16,037,650</u>	<u>\$ 3,128,323</u>	<u>\$ 1,138,951</u>
Component Unit				
Stephenville Economic Development Authority	\$ 692,052	\$ -	\$ -	\$ -
	<u>\$ 692,052</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:

Taxes:

Property

Sales

Franchise and other

Hotel occupancy

Investment income

Other revenues

Gain on disposal of capital assets

Transfers

Total general revenues and transfers

Change in net position

Net Position - Beginning, as previously reported

Prior period adjustments

Net Position - Ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			Component Unit Stephenville EDA
Primary Government			
Governmental Activities	Business-type Activities	Total	
\$ (3,651,446)	\$ -	\$ (3,651,446)	\$ -
(2,133,391)	-	(2,133,391)	-
(328,546)	-	(328,546)	-
(9,116,605)	-	(9,116,605)	-
(1,056,397)	-	(1,056,397)	-
(215,641)	-	(215,641)	-
(16,502,026)	-	(16,502,026)	-
-	5,484,821	5,484,821	
-	448,984	448,984	
-	597,307	597,307	
-	497,189	497,189	
-	7,028,301	7,028,301	
(16,502,026)	7,028,301	(9,473,725)	
			\$ (692,052)
			(692,052)
7,511,894	-	7,511,894	-
8,878,221	-	8,878,221	756,957
1,417,066	-	1,417,066	-
987,371	-	987,371	-
1,366,533	1,331,949	2,698,482	60,303
159,740	94,882	254,622	-
7,734	51,782	59,516	-
2,592,296	(2,592,296)	-	-
22,920,855	(1,113,683)	21,807,172	817,260
6,418,829	5,914,618	12,333,447	125,208
50,855,721	69,982,818	120,838,539	1,208,078
-	417,840	417,840	-
\$ 57,274,550	\$ 76,315,276	\$ 133,589,826	\$ 1,333,286

The accompanying notes are an integral part of this statement.

CITY OF STEPHENVILLE, TEXAS

Balance Sheet - Governmental Funds September 30, 2024

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS:				
Assets:				
Cash and equivalents	\$ 11,876,489	\$ 4,167,753	\$ 2,256,918	\$ 18,301,160
Investments	2,034,764	-	-	2,034,764
Receivables, net	2,174,769	-	177,084	2,351,853
Due from other funds	455,720	-	-	455,720
Due from component unit	27,828	-	-	27,828
Prepaid items	118,908	27,449	884	147,241
Inventory	5,291	-	-	5,291
Restricted cash and equivalents	1,897,178	3,123,831	137,438	5,158,447
Total Assets	<u>\$ 18,590,947</u>	<u>\$ 7,319,033</u>	<u>\$ 2,572,324</u>	<u>\$ 28,482,304</u>
LIABILITIES:				
Liabilities:				
Accounts payable	\$ 1,004,570	\$ 2,314,875	\$ 106,284	\$ 3,425,729
Due to other funds	-	126,419	1,733	128,152
Total Liabilities	<u>1,004,570</u>	<u>2,441,294</u>	<u>108,017</u>	<u>3,553,881</u>
DEFERRED INFLOWS:				
Unavailable revenue - fines and fees	104,311	-	-	104,311
Unavailable revenue - EMS	56,372	-	-	56,372
Unavailable revenue - property taxes	45,058	-	1,496	46,554
Total Deferred Inflows	<u>205,741</u>	<u>-</u>	<u>1,496</u>	<u>207,237</u>
FUND BALANCES:				
Nonspendable:				
Prepaid items	118,908	27,449	884	147,241
Inventory	5,291	-	-	5,291
Assigned to:				
Debt service	779,149	-	-	779,149
Airport improvement	750,000	-	-	750,000
Grant match	150,000	-	-	150,000
Combined dispatch	1,000,000	-	-	1,000,000
Restricted for:				
Capital projects	-	4,850,290	-	4,850,290
Tourism	-	-	1,880,344	1,880,344
Municipal court	-	-	47,193	47,193
Public safety	-	-	142,301	142,301
Community reinvestment	-	-	158,583	158,583
Debt service	-	-	233,506	233,506
Unassigned	14,577,288	-	-	14,577,288
Total Fund Balances	<u>17,380,636</u>	<u>4,877,739</u>	<u>2,462,811</u>	<u>24,721,186</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 18,590,947</u>	<u>\$ 7,319,033</u>	<u>\$ 2,572,324</u>	<u>\$ 28,482,304</u>

The accompanying notes are an integral part of this statement.

CITY OF STEPHENVILLE, TEXAS

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Position September 30, 2024

Total fund balances - governmental funds balance sheet \$24,721,186

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

Capital, lease, and SBITA assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. 49,152,104

Revenues earned but not available within sixty days of the year end are not recognized as revenue on the fund financial statements. 207,237

The statement of net position includes the City's proportionate share of the TMRS net pension asset as well as certain pension related transactions accounted for as Deferred Inflows and Outflows of resources.

Net pension asset	1,572,936	
Deferred outflows of resources	4,529,134	
Deferred inflows of resources	(2,776,965)	3,325,105

The statement of net position includes the City's proportionate share of the TMRS OPEB liability as well as certain OPEB related transactions accounted for as Deferred Inflows and Outflows of resources.

OPEB liability	(465,980)	
Deferred outflows of resources	12,340	
Deferred inflows of resources	(82,602)	(536,242)

Compensated absences are not due and payable in the current period and therefore are not reported in the fund financial statements. (601,762)

Noncurrent liabilities and related balances are not due and payable in the current period and therefore are not reported in the fund financial statements.

Accrued interest	(88,012)	
Certificates of obligation	(14,435,000)	
Notes payable	(3,125,558)	
Discount on certificates of obligation	992	
Premium on certificates of obligation	(633,488)	
Leases payable	(130,068)	
SBITAs payable	(591,451)	(19,002,585)

Deferred outflows from refunding of debt represents a decrease in net position that applies to future periods and, therefore, will not be recognized as an inflow of resources until then.

The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

9,507

Net position of governmental activities \$57,274,550

The accompanying notes are an integral part of this statement.

CITY OF STEPHENVILLE, TEXAS

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

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUE				
Taxes:				
Property	\$ 7,078,220	\$ -	\$ 417,874	\$ 7,496,094
Sales	8,234,605	-	643,616	8,878,221
Franchise	1,417,066	-	-	1,417,066
Hotel occupancy	-	-	987,371	987,371
Licenses and permits	597,249	4,220	-	601,469
Charges for services	465,069	-	-	465,069
Emergency services	689,652	-	-	689,652
Fines and forfeitures	268,125	-	96,306	364,431
Intergovernmental	846,986	311,564	12,281	1,170,831
Contributions and donations	597,260	1,039,553	-	1,636,813
Investment income	818,853	397,772	149,908	1,366,533
Other revenues	114,956	-	44,784	159,740
Total revenues	<u>21,128,041</u>	<u>1,753,109</u>	<u>2,352,140</u>	<u>25,233,290</u>
EXPENDITURES				
Current:				
General government	3,029,683	-	495,299	3,524,982
Culture and recreation	2,623,125	-	-	2,623,125
Community development	934,158	-	4,525	938,683
Public safety	10,560,699	-	8,587	10,569,286
Streets	758,162	-	-	758,162
Debt service:				
Principal retirement	872,560	-	790,000	1,662,560
Interest and fiscal charges	139,060	-	442,650	581,710
Capital outlay	2,790,263	4,386,810	-	7,177,073
Total Expenditures	<u>21,707,710</u>	<u>4,386,810</u>	<u>1,741,061</u>	<u>27,835,581</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(579,669)</u>	<u>(2,633,701)</u>	<u>611,079</u>	<u>(2,602,291)</u>
Other Financing Sources (Uses):				
Debt issuance	289,293	-	-	289,293
SBITA financing	152,930	-	-	152,930
Proceeds from sale of assets	49,630	-	-	49,630
Transfers in	2,676,076	1,416,292	823,850	4,916,218
Transfers out	(1,493,383)	-	(823,850)	(2,317,233)
Total Other Financing Sources (Uses)	<u>1,674,546</u>	<u>1,416,292</u>	<u>-</u>	<u>3,090,838</u>
Net Change in Fund Balances	<u>1,094,877</u>	<u>(1,217,409)</u>	<u>611,079</u>	<u>488,547</u>
Fund Balances - Beginning	<u>16,285,759</u>	<u>6,095,148</u>	<u>1,851,732</u>	<u>24,232,639</u>
Fund Balances - Ending	<u><u>\$ 17,380,636</u></u>	<u><u>\$ 4,877,739</u></u>	<u><u>\$ 2,462,811</u></u>	<u><u>\$ 24,721,186</u></u>

The accompanying notes are an integral part of this statement.

CITY OF STEPHENVILLE, TEXAS

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

Net change in fund balances - total governmental funds \$ 488,547

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

Depreciation and amortization expense on capital assets is reported in the statement of activities and does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds. (2,270,050)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those capital and right-to-use assets is allocated over their estimated useful lives, and reported as depreciation or amortization expense. 7,170,384

Governmental funds recognize the proceeds from the disposal of capital assets as an other financing source. However, in the statement of activities, a gain on sale of capital assets is reported. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets disposed. (41,896)

Governmental funds do not recognize assets contributed by developers or donated to the City. However, in the statement of activities the fair market value of those assets are recognized as revenue, then allocated over their estimated useful lives as depreciation expense. 132,817

Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds. (1,005,882)

Net pension liabilities as well as the related deferred inflows and outflows of resources generated from those assets are not payable from current resources and therefore, are not reported in the governmental funds. These balances increased (decreased) by this amount. 390,290

OPEB liabilities as well as the related deferred inflows and outflows of resources generated from those assets are not payable from current resources and therefore, are not reported in the governmental funds. These balances increased (decreased) by this amount. (1,399)

Current year changes in compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (30,388)

Current year changes in accrued interest do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 2,748

The issuance of bonds payable and related balances and other long-term liabilities provide current financial resources to governmental funds, while the repayment of the liabilities uses the current financial resources. Neither transaction, however, has any effect on net position. Additionally, the amortization of discounts and premiums and deferred charges and deferred gains associated with debt issuances is reported in the statement of activities but does not require the use of current financial resources. 1,583,658

Change in net position of governmental activities \$ 6,418,829

The accompanying notes are an integral part of this statement.

CITY OF STEPHENVILLE, TEXAS

Statement of Net Position Proprietary Funds September 30, 2024

	Business-Type Activities			
	Water and Wastewater	Storm Water Drainage	Nonmajor Funds	Total
ASSETS:				
Current Assets:				
Cash and equivalents	\$ 1,787,932	\$ 795,386	\$ 2,653,694	\$ 5,237,012
Receivables, net	1,739,330	109,038	1,295,097	3,143,465
Prepaid items	20,696	-	4,372	25,068
Inventory	246,554	-	-	246,554
Restricted cash and equivalents	12,244,815	437,314	378,069	13,060,198
Total Current Assets	<u>16,039,327</u>	<u>1,341,738</u>	<u>4,331,232</u>	<u>21,712,297</u>
Noncurrent Assets:				
Net pension asset	206,430	-	43,077	249,507
Capital Assets:				
Capital assets not being depreciated	38,902,756	260,800	4,659,958	43,823,514
Capital assets, net of accumulated depreciation	<u>41,926,308</u>	<u>9,418,545</u>	<u>4,724,683</u>	<u>56,069,536</u>
Total Noncurrent Assets	<u>81,035,494</u>	<u>9,679,345</u>	<u>9,427,718</u>	<u>100,142,557</u>
Total Assets	<u>97,074,821</u>	<u>11,021,083</u>	<u>13,758,950</u>	<u>121,854,854</u>
DEFERRED OUTFLOWS:				
Deferred charge on refunding	1,870	-	-	1,870
Related to TMRS pension	594,399	-	124,034	718,433
Related to TMRS OPEB	<u>1,619</u>	<u>-</u>	<u>338</u>	<u>1,957</u>
Total Deferred Outflows	<u>597,888</u>	<u>-</u>	<u>124,372</u>	<u>722,260</u>
Total Assets and Deferred Outflows	<u>\$ 97,672,709</u>	<u>\$ 11,021,083</u>	<u>\$ 13,883,322</u>	<u>\$ 122,577,114</u>
LIABILITIES:				
Current Liabilities:				
Accounts payable	\$ 3,725,030	\$ 9,076	\$ 57,899	\$ 3,792,005
Customer deposits	449,441	-	5,200	454,641
Due to other funds	253,724	-	73,844	327,568
Accrued interest	110,787	18,881	36,502	166,170
Unearned revenue	-	-	7,040	7,040
Current portion of long-term liabilities	<u>2,171,290</u>	<u>340,000</u>	<u>162,881</u>	<u>2,674,171</u>
Total Current Liabilities	<u>6,710,272</u>	<u>367,957</u>	<u>343,366</u>	<u>7,421,595</u>
Noncurrent Liabilities:				
OPEB liability	61,155	-	12,762	73,917
Long-term liabilities	<u>31,833,904</u>	<u>3,538,347</u>	<u>1,305,926</u>	<u>36,678,177</u>
Total Noncurrent Liabilities	<u>31,895,059</u>	<u>3,538,347</u>	<u>1,318,688</u>	<u>36,752,094</u>
Total Liabilities	<u>38,605,331</u>	<u>3,906,304</u>	<u>1,662,054</u>	<u>44,173,689</u>
DEFERRED INFLOWS:				
Deferred gain on refunding	-	71,800	-	71,800
Related to PPP	1,562,750	-	-	1,562,750
Related to TMRS pension	364,446	-	76,050	440,496
Related to TMRS OPEB	<u>10,841</u>	<u>-</u>	<u>2,262</u>	<u>13,103</u>
Total Deferred Inflows	<u>1,938,037</u>	<u>71,800</u>	<u>78,312</u>	<u>2,088,149</u>
NET POSITION:				
Net investment in capital assets	54,268,699	5,729,198	8,536,899	68,534,796
Restricted for:				
Debt service	1,901,522	393,252	-	2,294,774
Flood protection plan	-	25,181	-	25,181
Unrestricted	<u>959,120</u>	<u>895,348</u>	<u>3,606,057</u>	<u>5,460,525</u>
Total net position	<u>\$ 57,129,341</u>	<u>\$ 7,042,979</u>	<u>\$ 12,142,956</u>	<u>\$ 76,315,276</u>

The accompanying notes are an integral part of this statement.

CITY OF STEPHENVILLE, TEXAS
Statement of Revenues, Expenses, and Changes
in Fund Net Position - Proprietary Funds
For the Year Ended September 30, 2024

	Business-Type Activities			
	Water and Wastewater	Storm Water Drainage	Nonmajor Funds	Total
OPERATING REVENUES:				
Water revenue	\$ 6,010,685	\$ -	\$ -	\$ 6,010,685
Sewer revenue	5,329,602	-	-	5,329,602
Airport services	-	-	128,129	128,129
Storm water drainage	-	1,000,755	-	1,000,755
Sanitary landfill	-	-	1,534,511	1,534,511
Other income	76,685	17,968	229	94,882
Total Operating Revenues	<u>11,416,972</u>	<u>1,018,723</u>	<u>1,662,869</u>	<u>14,098,564</u>
OPERATING EXPENSES:				
Personnel services	-	-	355,274	355,274
Contractual services	-	-	109,604	109,604
Materials and supplies	-	-	387,450	387,450
Utilities administration and customer service	1,000,866	-	-	1,000,866
Water production and distribution	1,685,776	-	-	1,685,776
Wastewater collection and treatment	1,730,545	-	-	1,730,545
Billing and collection	681,017	-	-	681,017
Stormwater	-	200,273	-	200,273
Airport operations	-	-	114,029	114,029
Depreciation	1,524,850	335,349	323,672	2,183,871
Total Operating Expenses	<u>6,623,054</u>	<u>535,622</u>	<u>1,290,029</u>	<u>8,448,705</u>
Operating Income (loss)	<u>4,793,918</u>	<u>483,101</u>	<u>372,840</u>	<u>5,649,859</u>
NON-OPERATING REVENUES (EXPENSES)				
Intergovernmental	-	-	145,000	145,000
Gain on disposal of capital assets	-	-	51,782	51,782
Investment income	1,146,368	59,636	125,945	1,331,949
Interest expense	(646,330)	(97,278)	(44,910)	(788,518)
Total Non-operating Revenues (Expenses)	<u>500,038</u>	<u>(37,642)</u>	<u>277,817</u>	<u>740,213</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital grants and contributions	1,413,918	81,129	621,795	2,116,842
Transfers in	94,582	-	85,459	180,041
Transfers out	(2,409,968)	(265,727)	(96,642)	(2,772,337)
Total Capital Contributions and Transfers	<u>(901,468)</u>	<u>(184,598)</u>	<u>610,612</u>	<u>(475,454)</u>
Change in Net Position	<u>4,392,488</u>	<u>260,861</u>	<u>1,261,269</u>	<u>5,914,618</u>
Net Position - Beginning, as previously reported	<u>52,736,853</u>	<u>6,782,118</u>	<u>10,463,847</u>	<u>69,982,818</u>
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>417,840</u>	<u>417,840</u>
Net Position - Beginning, as restated	<u>52,736,853</u>	<u>6,782,118</u>	<u>10,881,687</u>	<u>70,400,658</u>
Net Position - Ending	<u>\$ 57,129,341</u>	<u>\$ 7,042,979</u>	<u>\$ 12,142,956</u>	<u>\$ 76,315,276</u>

The accompanying notes are an integral part of this statement.

CITY OF STEPHENVILLE, TEXAS

Statement of Cash Flows

Proprietary Funds

For the Year Ended September 30, 2024

	Business-Type Activities			
	Water and Wastewater	Storm Water Drainage	Nonmajor Funds	Total
Cash Flows from Operating Activities:				
Cash received from customers	\$ 11,508,215	\$ 1,019,456	\$ 1,675,993	\$ 14,203,664
Cash paid to suppliers	(8,409,572)	(234,338)	(448,247)	(9,092,157)
Cash paid to employees	(1,698,979)	-	(366,980)	(2,065,959)
Net Cash Provided By Operating Activities	<u>1,399,664</u>	<u>785,118</u>	<u>860,766</u>	<u>3,045,548</u>
Cash Flows from Non-capital Financing Activities:				
Proceeds from operating grants	-	-	73,394	73,394
Collections on advances to other funds	-	-	292,676	292,676
Transfers to other funds	(2,408,289)	(265,727)	(96,642)	(2,770,658)
Transfers from other funds	94,582	-	83,780	178,362
Net Cash Provided By (Used in) Non-capital Financing Activities	<u>(2,313,707)</u>	<u>(265,727)</u>	<u>353,208</u>	<u>(2,226,226)</u>
Cash Flows from Capital and Related Financing Activities:				
Principal repayment on debt	(2,045,617)	(325,000)	(145,469)	(2,516,086)
Interest, amortization and fees paid on debt issuance	(908,243)	(157,163)	(51,150)	(1,116,556)
Proceeds from sale of capital assets	-	-	131,041	131,041
Purchase of capital assets	(14,504,304)	(90,930)	(910,925)	(15,506,159)
Net Cash Used in Capital & Related Financing Activities	<u>(17,458,164)</u>	<u>(573,093)</u>	<u>(976,503)</u>	<u>(19,007,760)</u>
Cash Flows from Investing Activities:				
Interest on investments	1,146,368	59,636	125,945	1,331,949
Net Cash Provided By Investing Activities	<u>1,146,368</u>	<u>59,636</u>	<u>125,945</u>	<u>1,331,949</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(17,225,839)</u>	<u>5,934</u>	<u>363,416</u>	<u>(16,856,489)</u>
Cash and Cash Equivalents at Beginning of Year	<u>31,258,586</u>	<u>1,226,766</u>	<u>2,668,347</u>	<u>35,153,699</u>
Cash and Cash Equivalents at End of Year	<u>\$ 14,032,747</u>	<u>\$ 1,232,700</u>	<u>\$ 3,031,763</u>	<u>\$ 18,297,210</u>
Reconciliation of Cash and Cash Equivalents Per Statement of Cash Flows to the Statement of Net Position				
Cash and equivalents	\$ 1,787,932	\$ 795,386	\$ 2,653,694	\$ 5,237,012
Restricted cash and cash equivalents	12,244,815	437,314	378,069	13,060,198
	<u>\$ 14,032,747</u>	<u>\$ 1,232,700</u>	<u>\$ 3,031,763</u>	<u>\$ 18,297,210</u>

The accompanying notes are an integral part of this statement.

CITY OF STEPHENVILLE, TEXAS

Statement of Cash Flows (continued)

Proprietary Funds

For the Year Ended September 30, 2024

	Business-Type Activities			Total
	Water and Wastewater	Storm Water Drainage	Nonmajor Funds	
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:				
Operating Income (Loss)	\$ 4,793,918	\$ 483,101	\$ 372,840	\$ 5,649,859
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities				
Depreciation and amortization	1,524,850	335,349	323,672	2,183,871
Change in estimated landfill closure and postclosure cost - noncash	-	-	110,869	110,869
Change in Assets and Liabilities:				
(Increase) Decrease in:				
Receivables	152,709	733	13,364	166,806
Prepaid items	8,294	-	-	8,294
Inventory	11,024	-	-	11,024
Deferred outflows related to TMRS pension	71,115	-	28,217	99,332
Deferred outflows related to TMRS OPEB	(3)	-	32	29
Increase (Decrease) in:				
Accounts payable	(3,485,305)	(34,065)	(21,877)	(3,541,247)
Customer deposits	(20,870)	-	400	(20,470)
Due to other funds	(1,474,456)	-	73,844	(1,400,612)
Compensated absences	13,870	-	103	13,973
Unearned revenue	-	-	(640)	(640)
Net pension liability	(235,022)	-	(49,618)	(284,640)
OPEB liability	10,206	-	1,106	11,312
Deferred inflows related to PPP	(40,596)	-	-	(40,596)
Deferred inflows related to TMRS pension	72,653	-	9,295	81,948
Deferred inflows related to TMRS OPEB	(2,723)	-	(841)	(3,564)
Total Adjustments	<u>(3,394,254)</u>	<u>302,017</u>	<u>487,926</u>	<u>(2,604,311)</u>
Net Cash Provided By Operating Activities	<u>\$ 1,399,664</u>	<u>\$ 785,118</u>	<u>\$ 860,766</u>	<u>\$ 3,045,548</u>
Supplemental Schedule of Noncash Financing, Capital and Investing Activities				
Accounts payable for capital asset acquisitions	\$ 2,885,425	\$ -	\$ -	\$ 2,885,425
Developer contributions of capital assets	119,182	42,110	-	161,292
Capital asset transferred from (to) another fund	(1,679)	-	1,679	-

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

CITY OF STEPHENVILLE, TEXAS

Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Stephenville, Texas (the City) have been prepared in accordance with generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below.

A. The Reporting Entity

The City was incorporated in 1889 and became a home rule City in 1961. The City operates under a Council-Manager form of government. The City provides the following services as authorized by its charter: general government, public safety (police, fire, and EMS), highway and streets, culture and recreation, community development (planning and zoning, licensing, permitting, and inspection), water and wastewater system, storm water drainage, airport, and sanitary landfill.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by GAAP, these financial statements include the primary government and organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's government body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of the fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government.

Discretely Presented Component Unit

Stephenville Economic Development Authority – The Stephenville Economic Development Authority (the SEDA) is a corporation governed by a board of seven members, all of whom are appointed by the City Council and can be removed from office by the City Council at its will. The SEDA has potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. The SEDA was incorporated in the state of Texas in 2015. The nature and significance of the relationship between the primary government and the SEDA is such that exclusion would cause the City's financial statements to be misleading and incomplete. Separate financial statements for the SEDA as of and for the fiscal year ended September 30, 2024, have not been prepared.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (continued)

Blended Component Unit

Tax Increment Financing Fund – The Tax Increment Financing Fund (the TIF Fund) was created to encourage and accelerate planned development within the City limits. The TIF Fund accounts for all tax and expenditure activity associated with its primary purpose. The tax increment is derived from an allocation of (1) sales taxes, based on the difference in sales tax received during the year in which the reinvestment zone is established (base year) and each year the reinvestment zone is in existence, and (2) property taxes, based on the difference in appraised value between the year in which the reinvestment zone is established (base year) and each year the reinvestment zone is in existence. The TIF Fund is governed by a board of eight City Council members, the City Mayor, and two members appointed by the SEDA. The TIF Fund board is substantially the same as City Council, and the TIF Fund functions similar to a department of the City. As such, the TIF Fund is reported as a blended component unit/special revenue fund. Separate financial statements for the TIF Fund as of and for the fiscal year ended September 30, 2024, have not been prepared.

B. Basis of Presentation

Government-wide Statements:

The government-wide financial statements consist of the statement of net position and the statement of activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The City does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

Fund Financial Statements:

The fund financial statements provide information about the City's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All other funds are aggregated and reported as nonmajor funds.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (continued)

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

The City reports the following major Governmental funds:

The **General Fund** is the City's primary operating fund and is used to account for all financial resources not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, emergency services, and charges for services. Expenditures include general government, public safety, streets, culture and recreation, and community development.

The **Capital Projects Fund** is used to account for resources to be used for the acquisition or construction of general major capital facilities. Financing is provided primarily from bond proceeds and transfers from the General Fund.

The City reports the following major Enterprise funds:

The **Water and Wastewater Fund** accounts for the operation of the water distribution system and the wastewater treatment plants, wastewater pumping stations, and collection systems.

The **Storm Water Drainage Fund** accounts for the activities necessary for the provisions of storm water drainage services.

Additionally, the City reports the following funds and fund types:

Special revenue funds account for resources restricted to, or designated for, specific purposes (not including expendable trusts or major capital projects). These funds consist of the hotel/motel tax, child safety, public safety, municipal court technology, and TIF funds.

The City's **Debt Service Fund** accounts for the accumulation of resources to service the City's governmental long-term debt.

The **Airport Fund** accounts for municipal airport services and to support air transportation and charter services. This fund is presented as a nonmajor proprietary fund.

The **Sanitary Landfill Fund** is used to account for solid waste collection and disposal services provided to residents of the City. This fund is presented as a nonmajor proprietary fund.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to 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 are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds 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.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (continued)

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 the 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.

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

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus, 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 City did not have any fiduciary funds during the year ended September 30, 2024.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes, interest revenue, charges for services, franchise taxes and sales tax revenues are susceptible to accrual. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash. 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.

D. Budgetary Control

Annual budgets are adopted on a basis consistent with GAAP for the general fund, special revenue funds, and debt service fund. The budget, as formally adopted by the City Council prior to the beginning of the year, establishes the maximum authorization of operating funds to be expended by any fund. Any subsequent amendment thereto must be approved by the Council. The legal level of budget control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. No funds can be transferred or added which affect the total fund expenditures without City Council approval. Appropriations in all budgeted funds lapse at the end of the fiscal year, unless legally encumbered.

E. Use of Estimates

The preparation of financial statements in conformity with GAAP 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.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have an original maturity of three months or less when purchased.

2. Investments

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments, except for certain investment pools, at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values for investments are determined by closing market values and other observable inputs at year end as reported by the investment custodian. Investment pools are carried at either amortized cost or net asset value, as determined by each pool's individual valuation method and whether there is a readily determinable fair value of the pool as of the City's fiscal year end.

3. Receivables

Receivables are shown net of any allowance for uncollectible amounts.

4. Inventory and Prepaid Items

Inventories consist of fuel, materials, and supplies. The cost is recorded as expenditures at the time inventory items are consumed. Inventories are valued at the lower of average cost or market.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

5. Capital Assets

Capital assets, which include land, buildings and improvements, machinery and equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in proprietary fund financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets that are purchased or constructed are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of the donation. Improvements to capital assets that materially add to the function or capacity of the asset are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Depreciation has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

Buildings and improvements	10 – 40 years
Machinery and equipment	5 – 40 years
Infrastructure	20 – 40 years

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance (continued)

6. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation pay benefits up to specified limits. Employees are not paid for unused sick leave benefits upon termination. Vacation pay is accrued when incurred in the government-wide financial statements and the proprietary fund type statement of net position. Compensated absences are reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General Fund typically liquidates the governmental activities liability for compensated absences.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then.

8. Pensions

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Pension liabilities within governmental activities, when applicable, will be liquidated with resources of the General Fund.

9. Other Post-employment Benefits (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information has been determined based on the City's actuary report. For this purpose, OPEB expense recognized each fiscal year is equal to the employer's yearly contributions for retirees. Information regarding the City's OPEB liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. OPEB liabilities within governmental activities will be liquidated with resources of the General Fund.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance (continued)

10. Leases

GASB defines a lease as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction.

The City is the lessee in certain lease arrangements recorded in the accompanying financial statements. The City recognizes a lease liability and an intangible right-to-use lease asset at the beginning of a lease. In general, the lease liability and the right-to-use lease assets are measured based on the present value of the expected payments during the term of the lease. Remeasurement of a lease liability and right-to-use lease asset occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability.

The key estimates and judgments related to leases include how the City determines the discount rate it uses to discount the expected lease payments to present value, lease term, and lease payments. When available, the City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and any purchase option price that the City is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended. Leases with periodic percentage rent increases or flat rate increases that are specified in the lease terms are included in the measurement of the lease liability.

The City calculates the amortization of the discount on the lease liability and reports that amount as outflows of resources or interest expense for the period. Payments are allocated first to accrued interest liability and then to the lease liability.

The City amortizes the right-to-use lease asset on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. However, if a lease contains a purchase option that the City has determined is reasonably certain of being exercised, the lease asset is amortized over the useful life of the underlying asset. If the underlying asset is nondepreciable, such as land, the lease asset is not amortized. The City reports the amortization of the lease asset as an outflow of resources, amortization expense, which is combined with depreciation expense related to other capital assets for financial reporting purposes. The City recognizes payments for short-term leases and variable payments as outflows of resources or expense in the period in which the City incurs the obligation for those payments.

The present value of the leases is aggregated on a fund basis. Lease right-to-use assets and liabilities are reflected in the government-wide statements and the proprietary fund statements. Governmental funds report amounts incurred under lease arrangements as a lessee as current expenditures in the fund level statements.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance (continued)

11. Subscription-Based Information Technology Arrangements (SBITAs)

The City is a subscriber of certain SBITAs. A SBITA is a contract that conveys control of the right to use a vendor's software, alone or in combination with hardware. The accounting treatment is very similar for leases (where the City is lessee) and SBITAs. In each case, the City recognizes both a liability and an intangible right-to-use asset in the government-wide and proprietary fund financial statements. The right-to-use asset of a SBITA is reported with depreciable capital assets and the liabilities for SBITAs are reported with the long-term liabilities when the SBITA contract term is greater than 12 months. In general, SBITAs with a contract term of 12 months or less are recognized as outflows of resources or expense.

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

The City uses the interest charged by the vendor as the discount rate, when available. If the interest rate charged by the vendor is not available, the City generally uses its estimated incremental borrowing rate. The subscription term includes the noncancellable period of the SBITA. In determining the subscription term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options or periods after termination options are only included in the subscription term if it is reasonably certain that the SBITA will be extended or not terminated.

Liabilities arising from a SBITA are initially measured on a present value basis. SBITA liabilities include the net present value of the following contract payments, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the subscription term: (a) fixed payments; (b) variable payments that depend on an index or a rate (such as the Consumer Price Index or a marked interest rate), measured using the index or rate as of the commencement of the subscription term; (c) variable payments that are fixed in-substance; (d) payments for penalties for terminating the SBITA, if the subscription term reflects the government exercising an option to terminate the SBITA or a fiscal funding or cancellation clause; and (e) any other payments to the SBITA vendor associated with the SBITA contract that are reasonably certain of being required based on an assessment of all relevant factors.

Assets arising from a SBITA are initially measured using the sum of the following, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the subscription term: (a) the amount of the initial measurement of the subscription liability; (b) payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, if applicable; and (c) capitalizable initial implementation costs. The City monitors changes in circumstances that may require a remeasurement of its SBITAs and will remeasure the SBITA asset and liability balances if certain changes occur that are expected to significantly affect those balances.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance (continued)

The present value of the SBITAs is aggregated on a fund basis. SBITA right-to-use assets and liabilities are reflected in the government-wide statements and the proprietary fund statements. Governmental funds report amounts incurred under SBITAs as current expenditures in the fund level statements. The City had no SBITAs within business-type activities during the year ended September 30, 2024.

12. Long-Term Obligations

Long-term debt and other long-term obligations for general governmental purposes are reported as liabilities in the government-wide statement of net position. 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.

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

13. Net Position and Fund Balance

In the financial statements, assets and deferred outflows of resources in excess of liabilities and deferred inflows of resources are presented in one of two ways, depending on the measurement focus of the fund.

On the statement of net position for government-wide reporting and the proprietary funds, net position is segregated into three categories as follows:

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets, and adding back unspent proceeds.
- *Restricted net position* is the portion of the City's net position which is subject to external legal restrictions on how it may be used, and therefore is not available for general spending at the discretion of the City.
- *Unrestricted net position* represents amounts not included in other categories.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as needed.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position or Fund Balance (continued)

On governmental fund balance sheets, assets and deferred outflows in excess of liabilities and deferred inflows are reported as fund balances and are segregated into separate classifications indicating the extent to which the City is bound to honor constraints on specific purposes for which those funds can be spent, as follows:

- *Non-spendable*: This classification includes amounts that cannot be spent because they are either not in the spendable form or are legally or contractually required to be maintained intact.
- *Restricted*: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed*: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by board resolution of the City Council, the City's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.
- *Assigned*: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. The City Council has, by resolution, authorized the finance director to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, additional action does not need to be taken to remove the assignment.
- *Unassigned*: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The City has adopted a policy to maintain a minimum reserve of unassigned fund balance in the General Fund at an amount equal to or greater than 25% of budgeted expenditures of that fund.

In circumstances where expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be extended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly unassigned fund balance.

G. New Accounting Pronouncements

The City adopted the following new accounting pronouncements during the year ended September 30, 2024:

GASB Statement No. 99, *Omnibus 2022*. The portion of this Statement that was not previously implemented during prior years was implemented as required during the year ended September 30, 2024. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements, and (2) accounting and financial reporting for financial guarantees. The implementation of the applicable provisions of this Statement did not result in any changes to the financial statements.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. New Accounting Pronouncements (continued)

GASB Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. The Statement also addresses corrections of errors in previously issued financial statements. The City is reporting an error correction during the current fiscal year, and the disclosure in Note 15 includes additional information as a result of implementation of this Statement.

The GASB has issued the following statements which will be effective in future years:

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The City is currently evaluating the potential impact that implementation of these provisions will have on its financial statements.

GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources and a constraint as a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The City is currently evaluating the potential impact that implementation of these provisions will have on its financial statements.

GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The City is currently evaluating the potential impact that implementation of these provisions will have on its financial statements.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The City is currently evaluating the potential impact that implementation of these provisions will have on its financial statements.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 2. DEPOSITS AND INVESTMENTS

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

<u>Investment Type</u>	<u>Value</u>	<u>Weighted Average Maturity (Years)</u>
Governmental activities:		
Certificates of deposit	\$ 2,034,764	0.38
Total	<u>\$ 2,034,764</u>	

A. Authorized Investments

The City's investment policy limits investments to: obligations of the United States, state of Texas, or their agencies and instrumentalities with a stated maturity not exceeding five years; obligations of states, agencies, counties, cities, and other political subdivisions of any state with any investment quality rating of not less than A or its equivalent; interest-bearing banking deposits of any bank doing business in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, the National Credit Union Share Insurance Fund or its successor, or are collateralized by the United States or one of its instrumentalities; certificates of deposits that are fully insured or collateralized from a bank doing business in the state of Texas, with a stated maturity not exceeding two years; certificates of deposit with a maturity not to exceed five years that are brokered by an entity selected from the list of approved brokers/dealers having a main office or branch in the state of Texas and participating in the FDIC insurance programs; repurchase agreements and reverse repurchase agreements with a stated maturity not exceeding 90 days; commercial paper with a stated maturity not to exceed one year and rated A-1, P-1, or equivalent by two nationally recognized rating agencies or one nationally recognized credit rating agency if the commercial paper is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state; no-load money market mutual funds that are SEC registered and regulated striving to maintain a \$1 net asset value; no-load mutual funds that are SEC registered, having an average weighted maturity of less than two years, subject to limitations as defined in the policy; Texas local government investment pools which have previously been authorized by the governing body and for which a \$1 net asset value is maintained; and other investment types of asset classes as approved by the governing authority.

B. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with its investment policy, the City manages its exposure to interest rate risk by limiting the portion of the portfolio that may be invested beyond 12 months to 20%; limiting the weighted average maturity of the total portfolio to one year; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations; and investing operating funds primarily in short-term securities, money market mutual funds, or similar investment pools.

C. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the holder of the investment. In order to manage credit risk, the City's investment policy includes certain credit rating provisions as outlined above. As of September 30, 2024, the entire balance of the City's investments in certificates of deposit was FDIC insured.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. 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 in an amount not less than the deposit of public funds. As of September 30, 2024, the bank balances of the City's deposits totaled \$2,689,506; of that amount, \$343,776 was covered by federal depository insurance and \$2,345,730 was covered by collateral held in the pledging bank's trust department in the City's name. The City's investment policy requires all trades of marketable securities to be executed by delivery versus payment to ensure that securities are deposited in an eligible custody account prior to the release of funds.

E. Concentration Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's Investment policy requires that the portfolio be structured to diversify investments to reduce the risk of loss by over-concentration of assets in a specific maturity, a specific issuer, or a specific type of security. No more than 50% of the City's total investment portfolio may be invested in the securities of a single issuer, except for the securities of the U.S. Treasury. Further diversification standards provided by the policy include the following:

	Maximum Percentage of Portfolio
U.S. Treasury securities	100%
Securities with the U.S. government's guarantee	100%
U.S. government agencies and instrumentalities	80%
Fully insured or collateralized certificates of deposit	40%
Fully insured brokered certificate of deposit securities	40%
State and municipal debt	40%
Commercial paper	20%
Repurchase agreement	100%
Local government investment pools	
Liquidity pools	100%
Maximum percent ownership of pool	20%
Money market funds	30%

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

F. Investment in State Investment Pools

The City is a voluntary participant in the TexPool external investment pool. 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. Investments in TexPool are measured at amortized cost. As of September 30, 2024, TexPool had a Standard & Poor's rating of AAAM and a weighted average maturity of 31 days.

The City is also a voluntary participant in the TexStar external investment pool. TexStar is managed by a five-member board consisting of three representatives of participants, one member employed by J.P. Morgan Investment Management Inc., and one member employed by Hilltop Securities Inc., Hilltop Securities Asset Management, LLC or an affiliate. Investments in TexStar are measured at net asset value. As of September 30, 2024, TexStar had a Standard & Poor's rating of AAAM and a weighted average maturity of 24 days.

G. Investments Measured at Fair Value

The City measures and reports investments at fair value using the valuation input hierarchy established by GAAP, as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: These are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable;
- Level 3: Unobservable inputs for an asset or liability.

As of September 30, 2024, the City had recurring fair value measurements as detailed below.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	\$ -	\$ 2,034,764	\$ -	\$ 2,034,764
	<u>\$ -</u>	<u>\$ 2,034,764</u>	<u>\$ -</u>	<u>\$ 2,034,764</u>

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 3. RECEIVABLES

The following comprise receivable balances of the City at year end:

	Governmental Activities			
	General	Capital Projects	Nonmajor	Total
Property taxes	\$ 96,689	\$ -	\$ 4,926	\$ 101,615
Sales and mixed beverage tax	1,571,683	-	85,111	1,656,794
Franchise tax	21,321	-	-	21,321
Hotel/motel taxes	-	-	88,985	88,985
Court	487,519	-	-	487,519
Ambulance billing	1,599,570	-	-	1,599,570
Other	248,153	-	616	248,769
Allowance	(1,850,166)	-	(2,554)	(1,852,720)
	<u>\$ 2,174,769</u>	<u>\$ -</u>	<u>\$ 177,084</u>	<u>\$ 2,351,853</u>
Business-Type Activities				
	Water and Wastewater	Storm Water Drainage	Nonmajor	Total
Accounts	\$ 2,043,890	\$ 124,740	\$ 80,574	\$ 2,249,204
Grants	-	-	1,226,697	1,226,697
Other	41,715	-	79	41,794
Allowance	(346,275)	(15,702)	(12,253)	(374,230)
	<u>\$ 1,739,330</u>	<u>\$ 109,038</u>	<u>\$ 1,295,097</u>	<u>\$ 3,143,465</u>

As of September 30, 2024, the SEDA, a discretely presented component unit, had receivables of \$141,574, all of which related to sales tax; no allowance was determined to be necessary.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 4. CAPITAL ASSETS

Capital assets activity within governmental activities for the year ended September 30, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
Capital assets, not being depreciated/amortized:				
Land	\$ 6,214,096	\$ -	\$ -	\$ 6,214,096
Construction in progress	10,590,620	5,706,017	(2,490,782)	13,805,855
Total capital assets not being depreciated/amortized:	<u>16,804,716</u>	<u>5,706,017</u>	<u>(2,490,782)</u>	<u>20,019,951</u>
Capital assets, being depreciated/amortized:				
Buildings and improvements	8,357,386	88,118	281,917	8,727,421
Machinery and equipment	13,780,965	1,141,174	1,401,970	16,324,109
Infrastructure	32,571,718	214,962	399,787	33,186,467
Right-to-use assets - premises	323,784	-	-	323,784
Right-to-use assets - equipment	54,473	-	-	54,473
Right-to-use assets - SBITAs	734,355	152,930	-	887,285
Total capital assets being depreciated/amortized	<u>55,822,681</u>	<u>1,597,184</u>	<u>2,083,674</u>	<u>59,503,539</u>
Accumulated depreciation/amortization:				
Buildings and improvements	3,051,663	235,637	-	3,287,300
Machinery and equipment	8,479,174	727,762	(360,197)	8,846,739
Infrastructure	16,589,609	1,096,898	(5,015)	17,681,492
Right-to-use assets - premises	174,417	54,785	-	229,202
Right-to-use assets - equipment	15,434	10,895	-	26,329
Right-to-use assets - SBITAs	156,251	144,073	-	300,324
Total accumulated depreciation/amortization	<u>28,466,548</u>	<u>2,270,050</u>	<u>(365,212)</u>	<u>30,371,386</u>
Total capital assets being depreciated/amortized, net	<u>27,356,133</u>	<u>(672,866)</u>	<u>2,448,886</u>	<u>29,132,153</u>
Governmental activities capital assets, net	<u>\$ 44,160,849</u>	<u>\$ 5,033,151</u>	<u>\$ (41,896)</u>	<u>\$ 49,152,104</u>

Depreciation and amortization were charged to governmental functions as follows:

Governmental Activities:	
General government	\$ 227,719
Public safety	698,510
Streets	791,575
Culture and recreation	536,917
Community development	15,329
Total depreciation and amortization expense - governmental activities	<u>\$ 2,270,050</u>

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 4. CAPITAL ASSETS (CONTINUED)

Capital assets activity within business-type activities for the year ended September 30, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 5,030,177	\$ 732,966	\$ -	\$ 5,763,143
Construction in process	22,030,185	16,030,186	-	38,060,371
Total capital assets not being depreciated	<u>27,060,362</u>	<u>16,763,152</u>	<u>-</u>	<u>43,823,514</u>
Capital assets, being depreciated:				
Buildings and improvements	22,777,367	128,085	-	22,905,452
Machinery and equipment	8,120,456	1,087,102	(532,179)	8,675,379
Infrastructure	73,342,847	574,537	-	73,917,384
Total capital assets being depreciated	<u>104,240,670</u>	<u>1,789,724</u>	<u>(532,179)</u>	<u>105,498,215</u>
Accumulated depreciation:				
Buildings and improvements	8,109,576	553,004	-	8,662,580
Machinery and equipment	4,799,582	333,943	(452,960)	4,680,565
Infrastructure	34,788,610	1,296,924	-	36,085,534
Total accumulated depreciation	<u>47,697,768</u>	<u>2,183,871</u>	<u>(452,960)</u>	<u>49,428,679</u>
Total capital assets being depreciated, net	<u>56,542,902</u>	<u>(394,147)</u>	<u>(79,219)</u>	<u>56,069,536</u>
Business-type activities capital assets, net	<u>\$ 83,603,264</u>	<u>\$ 16,369,005</u>	<u>\$ (79,219)</u>	<u>\$ 99,893,050</u>

Depreciation was charged to business-type activities as follows:

Water	\$ 803,844
Sewer	472,458
Wastewater treatment plant	248,548
Storm water drainage	335,349
Airport	119,258
Sanitary landfill	204,414
Total depreciation expense - business-type activities	<u>\$ 2,183,871</u>

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 4. CAPITAL ASSETS (CONTINUED)

Capital assets activity for the City's discretely presented component unit for the year ended September 30, 2024, was as follows:

	Beginning Balance	Additions/ Completions	Retirements/ Adjustments	Ending Balance
Capital assets, not being depreciated:				
Land	\$ -	\$ 51,580	\$ -	\$ 51,580
Total capital assets not being depreciated	<u>-</u>	<u>51,580</u>	<u>-</u>	<u>51,580</u>
Capital assets, being depreciated:				
Buildings and improvements	-	619,667	-	619,667
Machinery and equipment	60,438	-	-	60,438
Total capital assets being depreciated	<u>60,438</u>	<u>619,667</u>	<u>-</u>	<u>680,105</u>
Accumulated depreciation:				
Buildings and improvements	-	13,942	-	13,942
Machinery and equipment	27,197	10,879	-	38,076
Total accumulated depreciation	<u>27,197</u>	<u>24,821</u>	<u>-</u>	<u>52,018</u>
Total capital assets being depreciated, net	<u>33,241</u>	<u>594,846</u>	<u>-</u>	<u>628,087</u>
Component unit capital assets, net	<u>\$ 33,241</u>	<u>\$ 646,426</u>	<u>\$ -</u>	<u>\$ 679,667</u>

NOTE 5. LONG-TERM LIABILITIES

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

Description	Beginning balance	Increases	Decreases	Ending balance	Due within one year
Governmental-type activities					
Certificates of obligation	\$ 15,225,000	\$ -	\$ (790,000)	\$ 14,435,000	\$ 820,000
Notes payable	3,504,194	289,293	(667,929)	3,125,558	650,580
Less deferred amounts:					
Discounts	(1,125)	-	133	(992)	-
Premiums	998,061	-	(364,573)	633,488	-
Leases payable	195,999	-	(65,931)	130,068	62,134
SBITAs payable	577,221	152,930	(138,700)	591,451	149,286
Compensated absences	571,374	594,130	(563,742)	601,762	541,586
Net pension liability (asset)	243,127	-	(1,816,063)	(1,572,936)	-
OPEB liability	433,246	32,734	-	465,980	-
Governmental-type activities long-term liabilities	<u>\$ 21,747,097</u>	<u>\$ 1,069,087</u>	<u>\$ (4,406,805)</u>	<u>\$ 18,409,379</u>	<u>\$ 2,223,586</u>
Business-type activities					
Certificates of obligation	\$ 35,510,000	\$ -	\$ (1,935,000)	\$ 33,575,000	\$ 2,365,000
General obligation bonds	2,770,000	-	(55,000)	2,715,000	60,000
Notes payable	1,373,828	-	(526,086)	847,742	152,961
Less deferred amounts:					
Discounts	(1,957)	-	206	(1,751)	-
Premiums	1,808,424	-	(309,010)	1,499,414	-
Estimated landfill closure and postclosure costs	499,173	110,869	-	610,042	-
Compensated absences	92,928	97,821	(83,848)	106,901	96,210
Net pension liability (asset)	35,133	-	(284,640)	(249,507)	-
OPEB liability	62,605	11,312	-	73,917	-
Business-type activities long-term liabilities	<u>\$ 42,150,134</u>	<u>\$ 220,002</u>	<u>\$ (3,193,378)</u>	<u>\$ 39,176,758</u>	<u>\$ 2,674,171</u>
Component Unit Activities					
Compensated absences	\$ 15,442	\$ 9,958	\$ (11,614)	\$ 13,786	\$ 12,407
OPEB liability	13,132	-	(592)	12,540	-
Component unit activities long-term liabilities	<u>\$ 28,574</u>	<u>\$ 9,958</u>	<u>\$ (12,206)</u>	<u>\$ 26,326</u>	<u>\$ 12,407</u>

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 5. LONG-TERM LIABILITIES (CONTINUED)

As of September 30, 2024, the City's long-term debt consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Certificates of Obligation			
\$4,000,000 Certificates of Obligation, Series 2011, due in annual installments through 2031, interest at 1.75-4.25%	\$ 1,795,000	\$ -	\$ 1,795,000
\$11,860,000 Certificates of Obligation, Series 2020, due in annual installments through 2040, interest at 2-4%	10,860,000	-	10,860,000
\$20,740,000 Certificates of Obligation, Series 2022, due in annual installments through 2042, interest at 3-5%	1,780,000	17,795,000	19,575,000
\$4,300,000 Certificates of Obligation, Series 2006A, due in annual installments through 2027, interest at 3.92%	-	880,000	880,000
\$2,040,000 Certificates of Obligation, Series 2016, due in annual installments through 2027, interest at 1.84%	-	1,855,000	1,855,000
\$17,030,000 Certificates of Obligation, Series 2018, due in annual installments through 2039, interest at 0.18-1.34%	-	13,045,000	13,045,000
	<u>\$ 14,435,000</u>	<u>\$ 33,575,000</u>	<u>\$ 48,010,000</u>
Notes Payable			
\$1,189,831 note payable, due in annual installments through 2029, interest at 5.15%, secured by property tax revenue	\$ -	\$ 847,742	\$ 847,742
\$1,200,000 note payable, due in annual installments through 2028, interest at 3.24%, secured by equipment	509,792	-	509,792
\$267,000 note payable, due in annual installments through 2031, interest at 3.192%, secured by property tax revenue	193,440	-	193,440
\$1,990,403 note payable, due in annual installments through 2031, interest at 2.684%, secured by property tax revenue	1,427,309	-	1,427,309
\$484,507 note payable, due in annual installments through 2031, interest at 2.998%, secured by property tax revenue	334,727	-	334,727
\$327,834 note payable, due in annual installments through 2027, interest at 4.962%, secured by property tax revenue	201,248	-	201,248
\$173,830 note payable, due in annual installments through 2026, interest at 5.70%, secured by property tax revenue	89,049	-	89,049
\$133,638 note payable, due in annual installments through 2028, interest at 5.732%, secured by property tax revenue	106,967	-	106,967
\$155,655 note payable, due in annual installments through 2027, interest at 5.732%, secured by property tax revenue	113,430	-	113,430
Various notes payable with an aggregate original amount of \$437,951, due in annual installments through 2026, interest at 2.941-2.997%, secured by equipment and property tax revenue	149,596	-	149,596
	<u>\$ 3,125,558</u>	<u>\$ 847,742</u>	<u>\$ 3,973,300</u>
General Obligation Bonds			
\$2,825,000 General Obligation Refunding, Series 2022, due in annual installments through 2033, interest at 3-5%	\$ -	\$ 2,715,000	\$ 2,715,000
	<u>\$ 17,560,558</u>	<u>\$ 37,137,742</u>	<u>\$ 54,698,300</u>

CITY OF STEPHENVILLE, TEXAS

Notes to Financial Statements

NOTE 5. LONG-TERM LIABILITIES (CONTINUED)

Debt service requirements for long-term debt outstanding as of September 30, 2024 are as follows:

Certificates of Obligation	Governmental-Type Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 820,000	\$ 413,300	\$ 2,365,000	\$ 896,849
2026	855,000	382,075	2,430,000	840,623
2027	895,000	348,750	2,490,000	774,539
2028	930,000	314,000	1,600,000	717,548
2029	965,000	277,925	1,650,000	669,905
2030-2034	4,440,000	951,250	9,010,000	2,583,166
2035-2039	4,330,000	477,500	10,160,000	1,436,106
2040-2042	1,200,000	35,950	3,870,000	236,200
Total	<u>\$ 14,435,000</u>	<u>\$ 3,200,750</u>	<u>\$ 33,575,000</u>	<u>\$ 8,154,936</u>

Notes Payable	Governmental-Type Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 650,580	\$ 101,428	\$ 152,961	\$ 43,659
2026	623,119	79,991	160,838	35,781
2027	545,459	57,200	169,122	27,498
2028	448,683	37,887	177,831	18,788
2029	277,401	23,853	186,990	9,630
2030-2031	580,316	24,824	-	-
Total	<u>\$ 3,125,558</u>	<u>\$ 325,183</u>	<u>\$ 847,742</u>	<u>\$ 135,356</u>

General Obligation Bonds	Business-Type Activities		SBITAs	Governmental-Type Activities	
	Principal	Interest		Principal	Interest
2025	\$ 60,000	\$ 115,650	2025	\$ 149,286	\$ 24,025
2026	60,000	113,850	2026	111,469	18,371
2027	65,000	111,650	2027	110,785	13,530
2028	380,000	102,750	2028	103,590	8,466
2029	395,000	87,250	2029	44,947	3,845
2030-2033	1,755,000	171,675	2030-2031	71,374	3,270
Total	<u>\$ 2,715,000</u>	<u>\$ 702,825</u>	Total	<u>\$ 591,451</u>	<u>\$ 71,507</u>

Leases	Governmental-Type Activities	
	Principal	Interest
2025	\$ 62,134	\$ 2,887
2026	44,112	1,404
2027	23,822	200
Total	<u>\$ 130,068</u>	<u>\$ 4,491</u>

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 6. 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. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period and when they are expected to be collected during a 60-day period after the close of the fiscal year. Property taxes that are deemed uncollectible are presented as a reserve against property tax receivables and revenue.

The appraisal of property within the City is the responsibility of Erath County Tax Appraisal District. The value of real property within the Appraisal District must be reviewed at least every three years. The City, at its own expense, may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action. The City establishes tax rates on property within its jurisdiction. If the adopted tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements and revaluation, exceeds the rate of the previous year by more than 3.5% (voter-approval tax rate), an automatic property tax election is required. However, cities with a population under 30,000 have the option to calculate a de minimis tax rate that would generate \$500,000 in more property tax revenue than that of the previous year. If the approved tax rate is above the voter-approval rate but less than the de minimis tax rate, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 3.5% above the rate of the previous year.

NOTE 7. INTERFUND ACTIVITY

Amounts due to and due from other funds as of September 30, 2024 were as follows:

<u>Due to These Funds</u>	<u>Due from These Funds</u>				<u>Total</u>
	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Water and Wastewater</u>	<u>Airport</u>	
General Fund	\$ 126,419	\$ 1,733	\$ 253,724	\$ 73,844	\$ 455,720
	<u>\$ 126,419</u>	<u>\$ 1,733</u>	<u>\$ 253,724</u>	<u>\$ 73,844</u>	<u>\$ 455,720</u>

Amounts due to the General Fund from the Water and Wastewater Fund and the Airport Fund related to negative cash positions in pooled cash equity and various amounts used to cover operational and capital expenditures. The amount due to the General Fund from the Debt Service Fund and the TIF Fund related to debt service payments.

Additionally, as of September 30, 2024, the General Fund had \$27,828 due from the SEDA, which related to outstanding payables at that date.

All of the amounts due from other funds and the component unit are expected to be collected within one year.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 7. INTERFUND ACTIVITY (CONTINUED)

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

Transfers Into These Funds	Transfers Out of These Funds						Total
	General Fund	Water and Wastewater	TIF	Storm Water Drainage	Sanitary Landfill	Governmental Capital Assets	
General Fund	\$ -	\$ 2,408,289	\$ -	\$ 171,145	\$ 96,642	\$ -	\$ 2,676,076
Capital Projects	1,416,292	-	-	-	-	-	1,416,292
Debt Service	-	-	823,850	-	-	-	823,850
Water and Wastewater	-	-	-	94,582	-	-	94,582
Airport	77,091	-	-	-	-	6,689	83,780
Sanitary Landfill	-	1,679	-	-	-	-	1,679
	<u>\$ 1,493,383</u>	<u>\$ 2,409,968</u>	<u>\$ 823,850</u>	<u>\$ 265,727</u>	<u>\$ 96,642</u>	<u>\$ 6,689</u>	<u>\$ 5,096,259</u>

Transfers from the General Fund to the Capital Projects Fund are to provide for annual street improvements. Transfers from the General Fund to the Airport Fund were to subsidize salary and benefits. Water and Wastewater, Storm Water Drainage, and Sanitary Landfill transfers to the General Fund were to support the cost of administrative services, such as management, accounting, legal, and IT provided by the General Fund; transfers from the Water and Wastewater Fund to the General Fund also include franchise fees. Storm Water Drainage transfers to Water and Wastewater were to support the cost of billing and collections provided by Water and Wastewater staff. The TIF Fund transfers to the Debt Service Fund were for debt service payments. The transfer from the Water and Wastewater Fund to the Sanitary Landfill Fund, as well as the transfer from governmental capital assets to the Airport Fund, were to transfer capital assets.

NOTE 8. PENSION PLAN

A. Plan Description

The City of Stephenville participates as one of 934 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at tmrs.com.

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

B. Benefits Provided

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

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

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 8. PENSION PLAN (CONTINUED)

B. Benefits Provided (continued)

Plan provisions for the City were as follows:

Employee deposit rate	6.0%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Updated service credit	100% repeating transfers
Annuity increase (to retirees)	0% of CPI
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20

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	131
Inactive employees entitled to but not yet receiving benefits	177
Active employees	<u>176</u>
	<u>484</u>

C. Contributions

Member contribution rates in TMRS are either 5%, 6%, or 7% of the member's total compensation, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The city's contribution rate is based on the liabilities created from benefit plan options selected by the city and any changes in benefits or actual experience over time.

Employees for the City of Stephenville were required to contribute 6% of the annual gross earnings during the fiscal year. The contribution rates for the City of Stephenville were 7.55% and 7.53% in calendar years 2024 and 2023, respectively. The City's contributions to TMRS for the year ended September 30, 2024 were \$896,776, and were in excess of the required contributions.

D. Net Pension Liability (Asset)

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

Actuarial Assumptions

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

Inflation	2.5% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 8. PENSION PLAN (CONTINUED)

D. Net Pension Liability (Asset) (continued)

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied for males and females respectively, to reflect the impairment for younger members who may become disabled. The rates are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.0%	6.7%
Core Fixed Income	6.0%	4.7%
Non-Core Fixed Income	20.0%	8.0%
Other Public and Private Markets	12.0%	8.0%
Real Estate	12.0%	7.6%
Hedge Funds	5.0%	6.4%
Private Equity	10.0%	11.6%
Total	100.0%	

Discount Rate

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

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 8. PENSION PLAN (CONTINUED)

D. Net Pension Liability (Asset) (continued)

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)				
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Total Net Pension Liability (Asset) (a) - (b)	Primary Government	Component Unit
Balance at 12/31/2022	\$ 46,575,550	\$ 46,289,921	\$ 285,629	\$ 278,260	\$ 7,369
Changes for the year:					
Service cost	1,523,177	-	1,523,177	1,487,974	35,203
Interest	3,105,894	-	3,105,894	3,034,112	71,782
Difference between expected and actual experience	210,561	-	210,561	205,695	4,866
Changes in assumptions	(156,348)	-	(156,348)	(152,735)	(3,613)
Contributions - employer	-	846,460	(846,460)	(826,897)	(19,563)
Contributions - employee	-	674,470	(674,470)	(658,882)	(15,588)
Net investment income	-	5,347,078	(5,347,078)	(5,223,499)	(123,579)
Benefit payments, including refunds of employee contributions	(2,647,778)	(2,647,778)	-	-	-
Administrative expense	-	(34,083)	34,083	33,295	788
Other changes	-	(239)	239	234	5
Net changes	\$ 2,035,506	\$ 4,185,908	\$ (2,150,402)	\$ (2,100,703)	\$ (49,699)
Balance at 12/31/2023	\$ 48,611,056	\$ 50,475,829	\$ (1,864,773)	\$ (1,822,443)	\$ (42,330)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Beginning			
Primary government	\$ 45,373,901	\$ 45,095,641	\$ 278,260
Component unit	1,201,649	1,194,280	7,369
Balance at 12/31/22	\$ 46,575,550	\$ 46,289,921	\$ 285,629
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Ending			
Primary government	\$ 47,507,585	\$ 49,330,028	\$ (1,822,443)
Component unit	1,103,471	1,145,801	(42,330)
Balance at 12/31/23	\$ 48,611,056	\$ 50,475,829	\$ (1,864,773)

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

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Primary government	\$ 4,145,280	\$ (1,822,443)	\$ (6,777,457)
Component unit	96,283	(42,330)	(157,420)
Total	\$ 4,241,563	\$ (1,864,773)	\$ (6,934,877)

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 8. PENSION PLAN (CONTINUED)

D. Net Pension Liability (Asset) (continued)

Pension Plan Fiduciary Net Position

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

E. 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 \$441,905. Of this amount, \$431,874 related to the primary government and \$10,031 related to the discretely presented component unit.

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

	Primary Government		Component Unit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 317,271	\$ (144,013)	\$ 7,369	\$ (3,345)
Changes in actuarial assumptions	-	(115,163)	-	(2,675)
Difference between projected and actual investment earnings	4,231,777	(2,958,285)	98,294	(68,713)
Contributions subsequent to the measurement date	698,519	-	16,224	-
Total	\$ 5,247,567	\$ (3,217,461)	\$ 121,887	\$ (74,733)

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$714,743 (\$698,519 related to the primary government and \$16,224 related to the component unit) will be recognized as a reduction of the Net Pension Liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:	Primary Government	Component Unit	Total
2024	\$ 299,590	\$ 6,958	\$ 306,548
2025	470,164	10,920	481,084
2026	995,463	23,121	1,018,584
2027	(433,630)	(10,069)	(443,699)
2028	-	-	-
Thereafter	-	-	-

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

A. Plan Description

The City participates in a single employer, defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF) administered by the Texas Municipal Retirement System (TMRS). The SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan.

The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

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

B. Benefits

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

C. 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	92
Inactive employees entitled to but not yet receiving benefits	34
Active employees	176
	<u>302</u>

D. OPEB Liability

The City's OPEB liability of \$552,437, of which \$539,897 related to the primary government and \$12,540 related to the component unit, was measured as of December 31, 2023 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions

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

Inflation	2.5% per year
Overall payroll growth	3.6% to 11.85% including inflation
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 the reporting requirements of GASB Statement No. 68

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

D. OPEB Liability (continued)

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied for males and females respectively, to reflect the impairment for younger members who may become disabled. The rates are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements subject to the 3% floor.

Discount Rate

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

Changes in the OPEB Liability

	Primary Government	Component Unit	Total Liability
Balance at 12/31/2022	\$ 495,851	\$ 13,132	\$ 508,983
Changes for the year:			
Service cost	18,231	(245)	17,986
Interest	20,826	(280)	20,546
Changes in current period benefits	-	-	-
Difference between expected and actual experience	(1,496)	20	(1,476)
Changes in assumptions or other inputs	28,134	(378)	27,756
Benefit payments	(21,649)	291	(21,358)
Net changes	\$ 44,046	\$ (592)	43,454
Balance at 12/31/2023	\$ 539,897	\$ 12,540	\$ 552,437

Sensitivity of the OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (2.77%)	Current Discount Rate (3.77%)	1% Increase (4.77%)
Primary government	\$ 643,103	\$ 539,897	\$ 459,791
Component unit	14,937	12,540	10,679
Total	\$ 658,040	\$ 552,437	\$ 470,470

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

E. 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 \$27,235. Of this amount, \$26,617 related to the primary government and \$618 related to the discretely presented component unit.

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

	Primary Government		Component Unit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ (9,104)	\$ -	\$ (211)
Changes in actuarial assumptions	-	(86,601)	-	(2,012)
Difference between projected and actual investment earnings	-	-	-	-
Contributions subsequent to the measurement date	14,297	-	332	-
Total	\$ 14,297	\$ (95,705)	\$ 332	\$ (2,223)

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$14,629 (\$14,297 related to the primary government and \$332 related to the component unit) will be recognized as a reduction of the Net OPEB Liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in pension expense as follows:

Year ending December 31:	Primary Government	Component Unit	Total
2024	\$ (13,092)	\$ (304)	\$ (13,396)
2025	(16,941)	(394)	(17,335)
2026	(31,787)	(738)	(32,525)
2027	(36,978)	(859)	(37,837)
2028	2,507	58	2,565
Thereafter	586	14	600

NOTE 10. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City insures its buildings and contents, law enforcement liability, public officials' liability, general liability, auto liability, and its workers' compensation risk by participating in the Texas Municipal League Intergovernmental Risk Pool (TMLIRP), which is a self-insurance policy mechanism for political subdivisions in Texas. Premiums are adjusted annually using experience modifiers based on individual members' loss experience. The City is responsible only to the extent of premiums paid and contributions made to the TMLIRP. There have been no significant changes in insurance coverage as compared to last year and settlements have not exceeded coverage in each of the past three fiscal years.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 11. COMMITMENTS AND CONTINGENCIES

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.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's management that the resolution of these matters will not have a material adverse effect on the financial condition of the City.

As of September 30, 2024, the City had outstanding construction and other commitments as follows:

General Fund	\$ 830,145
Capital Projects Fund	619,203
Waste and Wastewater Fund	3,548,215
Storm Water Drainage Fund	57,717
Airport Fund	54,271
	\$ 5,109,551

The City has constructed a Type IV sanitary landfill, which began operations on December 1, 1995. This facility is permitted to accept only brush and/or construction demolition wastes and rubbish free of household wastes.

State and federal laws and regulations require the City to place a final cover on the landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for a period of five years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City will report a portion of these closure and post closure costs as an operating expense in each period based on landfill capacity used to date. Total estimated closure and 5-year post closure costs are approximately \$623,077. The landfill site has an estimated net capacity of 1,216,156 cubic yards and is expected to be closed within the next year; approximately 98% of the landfill was used at year end, resulting in an accrued liability of \$610,042. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

State and federal regulations require landfill owners to provide, on an annual basis, assurance that they will have sufficient financial resources to satisfy closure and post-closure care expenditures as these become payable. The City submits an annual report demonstrating financial assurance in accordance with Texas Administrative Code Section 330, Chapter 37 in order to satisfy this requirement.

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 12. PUBLIC-PRIVATE PARTNERSHIP

Effective March 27, 2023, the City entered into a public-private partnership (PPP) arrangement with the Cowboy Capital Pro Rodeo Association (CCPRA). Under this arrangement, the City is leasing a parcel of land to CCPRA for an initial term of thirty-five years. Upon mutual agreement of both parties, the term may be renewed for a single five-year renewal term. The agreement requires CCPRA to construct a rodeo arena and complimentary improvements on the leased property, the cost of which would be borne by CCPRA. This construction was completed in August 2023. The arena and all improvements constructed on the leased property are the property of the City. The CCPRA is responsible for operating and maintaining the arena and improvements for the term of the arrangement. CCPRA is required to obtain the City's approval of all events and performances to be held on the leased premises. The arrangement permits CCPRA, subject to consent of the City, to use its interest in the leasehold improvements as collateral for a loan or other financial obligation.

The City has recorded a receivable for the total lease payments due from CCPRA of \$61,920 over the term of the agreement. The receivable was discounted using a rate of 3.104%. As of September 30, 2024, the City reported the following amounts related to this arrangement:

Receivables	\$ 34,487
Land	\$ 175,000
Buildings and improvements	207,112
Machinery and equipment	1,188,957
Less: Accumulated depreciation	<u>(87,020)</u>
Net capital assets	1,484,049
Deferred inflows of resources	\$ 1,562,750

The City has recognized lease income of \$40,596 related to this arrangement during the year ended September 30, 2024.

NOTE 13. RELATED PARTY TRANSACTIONS

During the year ended September 30, 2024, the City expended \$1,049,409 in capital outlay with a construction contractor that is owned by a family member of a member of the City Council.

NOTE 14. SHORT-TERM DEBT

On September 12, 2024, the SEDA entered into a short-term note payable agreement with two individuals for the purpose of financing its new facility. The terms of the agreement provide for a loan in the amount of \$275,000 at 0% interest, secured by real property, with a maturity date of November 14, 2024.

Short-term debt activity for the year ended September 30, 2024, was as follows:

Beginning balance	\$ -
Additions	275,000
Reductions	<u>-</u>
Ending balance	<u>\$ 275,000</u>

CITY OF STEPHENVILLE, TEXAS
Notes to Financial Statements

NOTE 15. ACCOUNTING CHANGES

A. Correction of Error

During a prior fiscal year, the City expended \$417,840 in capital outlay that was eligible for reimbursement under a grant agreement in effect at the time of the expenditure. The City, however, did not request reimbursement for this expenditure, nor did it record a receivable and revenue related to the anticipated reimbursement. Because the underlying arrangement is an expenditure-driven grant, revenue should be recognized as qualifying expenditures are incurred and all other eligibility requirements have been met. As such, a grant receivable and grant revenue should have been reported in the period of the qualifying expenditures. Accordingly, the City has increased net position in the Airport Fund at September 30, 2023, by \$417,840. This adjustment had no impact on change in net position for the year ended September 30, 2023.

B. Change in Estimate

For the year ended September 30, 2024, the City changed the useful life estimates for certain capital assets in the Sanitary Landfill Fund based on a reassessment of the remaining life of the City's Type IV sanitary landfill. The effect of this change in estimate was a decrease in depreciation expense of \$613,785.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF STEPHENVILLE, TEXAS

General Fund Budgetary Comparison Schedule For the Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUE				
Taxes:				
Property	\$ 6,959,495	\$ 6,977,192	\$ 7,078,220	\$ 101,028
Sales	7,977,122	7,977,122	8,234,605	257,483
Franchise	1,363,892	1,363,892	1,417,066	53,174
Licenses and permits	476,890	476,890	597,249	120,359
Charges for services	634,120	699,458	465,069	(234,389)
Emergency services	676,000	676,000	689,652	13,652
Fines and forfeitures	237,640	237,640	268,125	30,485
Intergovernmental	859,074	859,074	846,986	(12,088)
Contributions and donations	41,920	411,658	597,260	185,602
Investment income	215,000	661,883	818,853	156,970
Other revenue	36,000	36,000	114,956	78,956
Total revenues	<u>19,477,153</u>	<u>20,376,809</u>	<u>21,128,041</u>	<u>751,232</u>
EXPENDITURES				
Current:				
General government	3,348,478	3,431,009	3,029,683	401,326
Culture and recreation	2,781,157	2,891,269	2,623,125	268,144
Community development	688,299	835,156	934,158	(99,002)
Public safety	10,797,707	12,406,009	10,560,699	1,845,310
Streets	895,117	942,029	758,162	183,867
Debt service:				
Principal retirement	674,572	670,552	872,560	(202,008)
Interest and fiscal charges	110,850	114,870	139,060	(24,190)
Capital outlay	<u>3,348,740</u>	<u>4,414,502</u>	<u>2,790,263</u>	<u>1,624,239</u>
Total Expenditures	<u>22,644,920</u>	<u>25,705,396</u>	<u>21,707,710</u>	<u>3,997,686</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,167,767)</u>	<u>(5,328,587)</u>	<u>(579,669)</u>	<u>4,748,918</u>
Other Financing Sources (Uses):				
Debt issuance	288,711	288,711	289,293	582
SBITA financing	-	-	152,930	152,930
Proceeds from sale of assets	-	-	49,630	49,630
Transfers in	2,652,594	2,652,594	2,676,076	23,482
Transfers out	<u>(1,493,383)</u>	<u>(1,993,383)</u>	<u>(1,493,383)</u>	<u>500,000</u>
Total Other Financing Sources (Uses)	<u>1,447,922</u>	<u>947,922</u>	<u>1,674,546</u>	<u>726,624</u>
Net Change in Fund Balances	<u>(1,719,845)</u>	<u>(4,380,665)</u>	<u>1,094,877</u>	<u>5,475,542</u>
Fund Balances - Beginning	<u>16,285,759</u>	<u>16,285,759</u>	<u>16,285,759</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 14,565,914</u>	<u>\$ 11,905,094</u>	<u>\$ 17,380,636</u>	<u>\$ 5,475,542</u>

CITY OF STEPHENVILLE, TEXAS
Schedule of Changes in Net Pension Liability
And Related Ratios
Last 10 Measurement Years

Total Pension Liability	2014	2015	2016	2017
Service cost	\$ 992,735	\$ 1,076,600	\$ 1,240,408	\$ 1,250,973
Interest (on the Total Pension Liability)	2,494,034	2,637,868	2,673,757	2,424,723
Changes of benefit terms	-	-	-	(6,087,924)
Difference between expected and actual experience	(36,585)	(270,060)	341,014	(149,716)
Change of assumptions	-	86,443	-	-
Benefit payments, including refunds of employee contributions	(1,370,731)	(1,503,966)	(1,866,778)	(1,857,064)
Net Change in Total Pension Liability	2,079,453	2,026,885	2,388,401	(4,419,008)
Total Pension Liability - Beginning	35,818,058	37,897,511	39,924,396	42,312,797
Total Pension Liability - Ending (a)	\$ 37,897,511	\$ 39,924,396	\$ 42,312,797	\$ 37,893,789
Plan Fiduciary Net Position				
Contributions - employer	\$ 1,060,235	\$ 1,056,595	\$ 1,152,678	\$ 1,163,749
Contributions - employee	436,423	439,450	487,390	488,628
Net investment income	1,840,969	50,357	2,307,288	5,016,931
Benefit payments, including refunds of employee contributions	(1,370,731)	(1,503,966)	(1,866,778)	(1,857,064)
Administrative expense	(19,219)	(30,670)	(26,054)	(25,993)
Other	(1,580)	(1,514)	(1,403)	(1,321)
Net Change in Plan Fiduciary Net Position	1,946,097	10,252	2,053,121	4,784,930
Plan Fiduciary Net Position - Beginning	32,178,872	34,124,969	34,135,221	36,188,342
Plan Fiduciary Net Position - Ending (b)	\$ 34,124,969	\$ 34,135,221	\$ 36,188,342	\$ 40,973,272
Net Pension Liability (Asset) - Ending (a) - (b)	\$ 3,772,542	\$ 5,789,175	\$ 6,124,455	\$ (3,079,483)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	90.05%	85.50%	85.53%	108.13%
Covered Employee Payroll	\$ 6,901,589	\$ 7,215,815	\$ 8,123,168	\$ 8,133,762
Net Pension Liability as a Percentage of Covered Employee Payroll	54.66%	80.23%	75.39%	-37.86%

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 1,168,137	\$ 1,185,079	\$ 1,239,233	\$ 1,275,150	\$ 1,441,696	\$ 1,523,177
2,540,193	2,679,331	2,803,005	2,895,233	2,967,599	3,105,894
-	-	-	-	-	-
97,553	(105,017)	(264,202)	(433,666)	325,507	210,561
-	38,003	-	-	-	(156,348)
<u>(1,690,739)</u>	<u>(1,815,354)</u>	<u>(2,169,177)</u>	<u>(2,690,132)</u>	<u>(2,805,671)</u>	<u>(2,647,778)</u>
2,115,144	1,982,042	1,608,859	1,046,585	1,929,131	2,035,506
<u>37,893,789</u>	<u>40,008,933</u>	<u>41,990,975</u>	<u>43,599,834</u>	<u>44,646,419</u>	<u>46,575,550</u>
<u>\$ 40,008,933</u>	<u>\$ 41,990,975</u>	<u>\$ 43,599,834</u>	<u>\$ 44,646,419</u>	<u>\$ 46,575,550</u>	<u>\$ 48,611,056</u>
\$ 591,042	\$ 571,828	\$ 609,114	\$ 665,418	\$ 794,897	\$ 846,460
523,047	537,993	547,929	566,314	639,333	674,470
(1,227,648)	6,052,577	3,372,435	6,095,203	(3,747,136)	5,347,078
(1,690,739)	(1,815,354)	(2,169,177)	(2,690,132)	(2,805,671)	(2,647,778)
(23,720)	(34,194)	(21,835)	(28,225)	(32,469)	(34,083)
<u>(1,238)</u>	<u>(1,028)</u>	<u>(852)</u>	<u>193</u>	<u>38,744</u>	<u>(239)</u>
(1,829,256)	5,311,822	2,337,614	4,608,771	(5,112,302)	4,185,908
<u>40,973,272</u>	<u>39,144,016</u>	<u>44,455,838</u>	<u>46,793,452</u>	<u>51,402,223</u>	<u>46,289,921</u>
<u>\$ 39,144,016</u>	<u>\$ 44,455,838</u>	<u>\$ 46,793,452</u>	<u>\$ 51,402,223</u>	<u>\$ 46,289,921</u>	<u>\$ 50,475,829</u>
\$ 864,917	\$ (2,464,863)	\$ (3,193,618)	\$ (6,755,804)	\$ 285,629	\$ (1,864,773)
97.84%	105.87%	107.32%	115.13%	99.39%	103.84%
\$ 8,717,442	\$ 8,843,876	\$ 9,132,155	\$ 9,438,565	\$ 10,655,552	\$ 11,241,158
9.92%	-27.87%	-34.97%	-71.58%	2.68%	-16.59%

CITY OF STEPHENVILLE, TEXAS**Schedule of Contributions
Last 10 Fiscal Years**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,050,537	\$ 1,105,140	\$ 1,147,185	\$ 746,654
Contributions in relation to the actuarially determined contribution	\$ 1,050,537	\$ 1,105,140	\$ 1,147,185	\$ 746,654
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 7,179,688	\$ 7,752,867	\$ 8,042,962	\$ 8,525,408
Contributions as a percentage of covered employee payroll	14.63%	14.25%	14.26%	8.76%

2019	2020	2021	2022	2023	2024
\$ 565,648	\$ 601,275	\$ 642,735	\$ 743,582	\$ 726,692	\$ 799,137
\$ 565,648	\$ 601,275	\$ 642,735	\$ 793,175	\$ 834,385	\$ 896,776
\$ -	\$ -	\$ -	\$ (49,593)	\$ (107,693)	\$ (97,639)
\$ 8,732,879	\$ 9,133,053	\$ 9,254,121	\$ 10,799,000	\$ 11,087,687	\$ 11,885,083
6.48%	6.58%	6.95%	7.34%	7.53%	7.55%

CITY OF STEPHENVILLE, TEXAS
Notes to Required Supplementary Information

Valuation Date

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

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	N/A
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that 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 110% of the Public Safety table used for males and 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.
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CITY OF STEPHENVILLE, TEXAS

Schedule of Changes in OPEB Liability And Related Ratios

Last 10 Measurement Years (will ultimately be displayed)

OPEB Liability	2017	2018	2019
Service cost	\$ 16,268	\$ 20,050	\$ 16,803
Interest (on OPEB Liability)	15,405	15,629	17,124
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	(8,185)	3,706
Change of assumptions	35,257	(32,062)	91,264
Benefit payments, including refunds of employee contributions	<u>(4,068)</u>	<u>(4,359)</u>	<u>(4,422)</u>
Net Change in OPEB Liability	62,862	(8,927)	124,475
Total OPEB Liability - Beginning	<u>401,442</u>	<u>464,304</u>	<u>455,377</u>
Total OPEB Liability - Ending (a)	<u><u>\$ 464,304</u></u>	<u><u>\$ 455,377</u></u>	<u><u>\$ 579,852</u></u>
Covered Payroll	\$ 8,133,762	\$ 8,717,442	\$ 8,843,876
OPEB Liability as a Percentage of Covered Payroll	5.71%	5.22%	6.56%

Notes:

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

Only seven years of data is presented in accordance with GASB 75, Paragraph 245. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

2020	2021	2022	2023
\$ 22,830	\$ 28,316	\$ 36,229	\$ 17,986
16,197	13,899	13,730	20,546
-	-	-	-
(16,587)	(1,976)	(1,517)	(1,476)
90,141	22,650	(259,008)	27,756
<u>(4,566)</u>	<u>(14,158)</u>	<u>(17,049)</u>	<u>(21,358)</u>
108,015	48,731	(227,615)	43,454
<u>579,852</u>	<u>687,867</u>	<u>736,598</u>	<u>508,983</u>
<u>\$ 687,867</u>	<u>\$ 736,598</u>	<u>\$ 508,983</u>	<u>\$ 552,437</u>
\$ 9,132,155	\$ 9,438,565	\$ 10,655,552	\$ 11,885,083
7.53%	7.80%	4.78%	4.65%

SUPPLEMENTARY INFORMATION

CITY OF STEPHENVILLE, TEXAS

**Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2024**

	Special Revenue Funds				
	Hotel/Motel Tax Fund	Child Safety Fund	Public Safety Fund	Municipal Court Technology Fund	TIF Fund
ASSETS:					
Assets:					
Cash and equivalents	\$ 1,826,314	\$ 13,949	\$ 136,947	\$ 47,193	\$ -
Receivables, net	88,985	-	-	-	85,111
Prepaid items	-	-	-	884	-
Restricted cash and equivalents	62,734	-	-	-	74,704
Total Assets	<u>\$ 1,978,033</u>	<u>\$ 13,949</u>	<u>\$ 136,947</u>	<u>\$ 48,077</u>	<u>\$ 159,815</u>
LIABILITIES:					
Liabilities:					
Accounts payable	\$ 97,689	\$ -	\$ 8,595	\$ -	\$ -
Due to other funds	-	-	-	-	1,232
Total Liabilities	<u>97,689</u>	<u>-</u>	<u>8,595</u>	<u>-</u>	<u>1,232</u>
DEFERRED INFLOWS:					
Unavailable revenue - property taxes	-	-	-	-	-
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:					
Nonspendable:					
Prepaid items	-	-	-	884	-
Restricted for:					
Tourism	1,880,344	-	-	-	-
Municipal court	-	-	-	47,193	-
Public safety	-	13,949	128,352	-	-
Community reinvestment	-	-	-	-	158,583
Debt service	-	-	-	-	-
Total Fund Balances	<u>1,880,344</u>	<u>13,949</u>	<u>128,352</u>	<u>48,077</u>	<u>158,583</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 1,978,033</u>	<u>\$ 13,949</u>	<u>\$ 136,947</u>	<u>\$ 48,077</u>	<u>\$ 159,815</u>

<u>Total Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total Other Governmental Funds</u>
\$ 2,024,403	\$ 232,515	\$ 2,256,918
174,096	2,988	177,084
884	-	884
137,438	-	137,438
<u>\$ 2,336,821</u>	<u>\$ 235,503</u>	<u>\$ 2,572,324</u>
\$ 106,284	\$ -	\$ 106,284
1,232	501	1,733
<u>107,516</u>	<u>501</u>	<u>108,017</u>
-	1,496	1,496
<u>-</u>	<u>1,496</u>	<u>1,496</u>
884	-	884
1,880,344	-	1,880,344
47,193	-	47,193
142,301	-	142,301
158,583	-	158,583
-	233,506	233,506
<u>2,229,305</u>	<u>233,506</u>	<u>2,462,811</u>
<u>\$ 2,336,821</u>	<u>\$ 235,503</u>	<u>\$ 2,572,324</u>

CITY OF STEPHENVILLE, TEXAS

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

	Special Revenue Funds				
	Hotel/Motel Tax Fund	Child Safety Fund	Public Safety Fund	Municipal Court Technology Fund	TIF Fund
REVENUE					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ 112,570
Sales	-	-	-	-	643,616
Hotel occupancy	987,371	-	-	-	-
Fines and forfeitures	-	2,935	78,300	15,071	-
Intergovernmental	5,000	-	7,281	-	-
Investment income	81,471	638	3,147	2,058	61,068
Other revenue	44,784	-	-	-	-
Total revenues	<u>1,118,626</u>	<u>3,573</u>	<u>88,728</u>	<u>17,129</u>	<u>817,254</u>
EXPENDITURES					
Current:					
General government	494,999	-	-	-	-
Community development	-	-	-	-	4,525
Public safety	-	-	7,408	1,179	-
Debt service:					
Principal retirement	65,000	-	-	-	-
Interest and fiscal charges	71,725	-	-	-	-
Total Expenditures	<u>631,724</u>	<u>-</u>	<u>7,408</u>	<u>1,179</u>	<u>4,525</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>486,902</u>	<u>3,573</u>	<u>81,320</u>	<u>15,950</u>	<u>812,729</u>
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(823,850)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(823,850)</u>
Net Change in Fund Balances	<u>486,902</u>	<u>3,573</u>	<u>81,320</u>	<u>15,950</u>	<u>(11,121)</u>
Fund Balances - Beginning	<u>1,393,442</u>	<u>10,376</u>	<u>47,032</u>	<u>32,127</u>	<u>169,704</u>
Fund Balances - Ending	<u>\$1,880,344</u>	<u>\$ 13,949</u>	<u>\$ 128,352</u>	<u>\$ 48,077</u>	<u>\$ 158,583</u>

Total Special Revenue Funds	Debt Service Fund	Total Other Governmental Funds
\$ 112,570	\$ 305,304	\$ 417,874
643,616	-	643,616
987,371	-	987,371
96,306	-	96,306
12,281	-	12,281
148,382	1,526	149,908
44,784	-	44,784
<u>2,045,310</u>	<u>306,830</u>	<u>2,352,140</u>
494,999	300	495,299
4,525	-	4,525
8,587	-	8,587
65,000	725,000	790,000
71,725	370,925	442,650
<u>644,836</u>	<u>1,096,225</u>	<u>1,741,061</u>
<u>1,400,474</u>	<u>(789,395)</u>	<u>611,079</u>
-	823,850	823,850
<u>(823,850)</u>	<u>-</u>	<u>(823,850)</u>
<u>(823,850)</u>	<u>823,850</u>	<u>-</u>
<u>576,624</u>	<u>34,455</u>	<u>611,079</u>
1,652,681	199,051	1,851,732
<u>\$ 2,229,305</u>	<u>\$ 233,506</u>	<u>\$ 2,462,811</u>

CITY OF STEPHENVILLE, TEXAS

Combining Balance Sheet Nonmajor Proprietary Funds September 30, 2024

	Business-Type Activities Nonmajor Proprietary Funds		
	Airport	Sanitary Landfill	Total
ASSETS:			
Current Assets:			
Cash and equivalents	\$ -	\$ 2,653,694	\$ 2,653,694
Receivables, net	1,227,626	67,471	1,295,097
Prepaid items	4,372	-	4,372
Restricted cash and equivalents	-	378,069	378,069
Total Current Assets	<u>1,231,998</u>	<u>3,099,234</u>	<u>4,331,232</u>
Noncurrent Assets:			
Net pension asset	8,951	34,126	43,077
Capital assets not being depreciated	4,619,958	40,000	4,659,958
Capital assets, net of accumulated depreciation	3,219,393	1,505,290	4,724,683
Total Noncurrent Assets	<u>7,848,302</u>	<u>1,579,416</u>	<u>9,427,718</u>
Total Assets	<u>9,080,300</u>	<u>4,678,650</u>	<u>13,758,950</u>
DEFERRED OUTFLOWS:			
Related to TMRS pension	25,773	98,261	124,034
Related to TMRS OPEB	70	268	338
Total Deferred Outflows	<u>25,843</u>	<u>98,529</u>	<u>124,372</u>
Total Assets and Deferred Outflows	<u>\$ 9,106,143</u>	<u>\$ 4,777,179</u>	<u>\$ 13,883,322</u>
LIABILITIES:			
Current Liabilities:			
Accounts payable	\$ 4,496	\$ 53,403	\$ 57,899
Customer deposits	-	5,200	5,200
Due to other funds	73,844	-	73,844
Accrued interest	-	36,502	36,502
Unearned revenue	7,040	-	7,040
Current portion of long-term liabilities	1,013	161,868	162,881
Total Current Liabilities	<u>86,393</u>	<u>256,973</u>	<u>343,366</u>
Noncurrent Liabilities:			
OPEB liability	2,652	10,110	12,762
Long-term liabilities	113	1,305,813	1,305,926
Total Noncurrent Liabilities	<u>2,765</u>	<u>1,315,923</u>	<u>1,318,688</u>
Total Liabilities	<u>89,158</u>	<u>1,572,896</u>	<u>1,662,054</u>
DEFERRED INFLOWS:			
Related to TMRS pension	15,803	60,247	76,050
Related to TMRS OPEB	470	1,792	2,262
Total Deferred Inflows	<u>16,273</u>	<u>62,039</u>	<u>78,312</u>
NET POSITION:			
Net investment in capital assets	7,839,351	697,548	8,536,899
Unrestricted	1,161,361	2,444,696	3,606,057
Total Net Position	<u>9,000,712</u>	<u>3,142,244</u>	<u>12,142,956</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 9,106,143</u>	<u>\$ 4,777,179</u>	<u>\$ 13,883,322</u>

CITY OF STEPHENVILLE, TEXAS

Combining Statement of Revenues, Expenses, and Changes in Net Position - Nonmajor Proprietary Funds For the Year Ended September 30, 2024

	Business-Type Activities Nonmajor Proprietary Funds		
	Airport	Sanitary Landfill	Total
OPERATING REVENUES:			
Airport services	\$ 128,129	\$ -	\$ 128,129
Sanitary landfill	-	1,534,511	1,534,511
Other income	229	-	229
Total revenues	<u>128,358</u>	<u>1,534,511</u>	<u>1,662,869</u>
OPERATING EXPENSES:			
Personnel services	64,330	290,944	355,274
Contractual services	-	109,604	109,604
Materials and supplies	-	387,450	387,450
Airport operations	114,029	-	114,029
Depreciation	119,258	204,414	323,672
Total Operating Expenses	<u>297,617</u>	<u>992,412</u>	<u>1,290,029</u>
Operating Loss	<u>(169,259)</u>	<u>542,099</u>	<u>372,840</u>
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental	145,000	-	145,000
Gain (loss) on disposal of capital assets	(39)	51,821	51,782
Investment income	-	125,945	125,945
Interest expense	-	(44,910)	(44,910)
Total Non-operating Revenues (Expenses)	<u>144,961</u>	<u>132,856</u>	<u>277,817</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital grants and contributions	621,795	-	621,795
Transfers in	83,780	1,679	85,459
Transfers out	-	(96,642)	(96,642)
Total Capital Contributions and Transfers	<u>705,575</u>	<u>(94,963)</u>	<u>610,612</u>
Change in Net Position	<u>681,277</u>	<u>579,992</u>	<u>1,261,269</u>
Net Position - Beginning, as previously reported	<u>7,901,595</u>	<u>2,562,252</u>	<u>10,463,847</u>
Prior Period Adjustment	<u>417,840</u>	<u>-</u>	<u>417,840</u>
Net Position - Beginning, as restated	<u>8,319,435</u>	<u>2,562,252</u>	<u>10,881,687</u>
Net Position - Ending	<u><u>\$9,000,712</u></u>	<u><u>\$ 3,142,244</u></u>	<u><u>\$12,142,956</u></u>

CITY OF STEPHENVILLE, TEXAS

Combining Statement of Cash Flows Nonmajor Proprietary Funds For the Year Ended September 30, 2024

	Business-Type Activities Nonmajor Proprietary Funds		
	Airport	Sanitary Landfill	Total
Cash Flows from Operating Activities:			
Cash received from customers	\$ 130,199	\$ 1,545,794	\$ 1,675,993
Cash paid to suppliers	(66,659)	(381,588)	(448,247)
Cash paid to employees	(74,240)	(292,740)	(366,980)
Net Cash Provided By (Used in) Operating Activities	(10,700)	871,466	860,766
Cash Flows from Non-capital Financing Activities:			
Proceeds from operating grants	73,394	-	73,394
Collections on advances to other funds	292,676	-	292,676
Transfers to other funds	-	(96,642)	(96,642)
Transfers from other funds	83,780	-	83,780
Net Cash Provided By (Used in) Non-capital Financing Activities	449,850	(96,642)	353,208
Cash Flows from Capital and Related Financing Activities:			
Principal repayment on debt	-	(145,469)	(145,469)
Interest, amortization and fees paid on debt issuance	-	(51,150)	(51,150)
Proceeds from sale of capital assets	-	131,041	131,041
Purchase of capital assets	(835,427)	(75,498)	(910,925)
Net Cash Used in Capital & Related Financing Activities	(835,427)	(141,076)	(976,503)
Cash Flows from Investing Activities:			
Interest on investments	-	125,945	125,945
Net Cash Provided By Investing Activities	-	125,945	125,945
Net Increase (Decrease) in Cash and Cash Equivalents	(396,277)	759,693	363,416
Cash and Cash Equivalents at Beginning of Year	396,277	2,272,070	2,668,347
Cash and Cash Equivalents at End of Year	\$ -	\$ 3,031,763	\$ 3,031,763
Reconciliation of Cash and Cash Equivalents Per Statement of Cash Flows to the Statement of Net Position			
Cash and equivalents	\$ -	\$ 2,653,694	\$ 2,653,694
Restricted cash and cash equivalents	-	378,069	378,069
	\$ -	\$ 3,031,763	\$ 3,031,763

CITY OF STEPHENVILLE, TEXAS
Combining Statement of Cash Flows (continued)
Nonmajor Proprietary Funds
For the Year Ended September 30, 2024

	Business-Type Activities Nonmajor Proprietary Funds		
	Airport	Sanitary Landfill	Total
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:			
Operating Loss	\$ (169,259)	\$ 542,099	\$ 372,840
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities			
Depreciation and amortization	119,258	204,414	323,672
Change in estimated landfill closure and postclosure cost - noncash	-	110,869	110,869
Change in Assets and Liabilities:			
(Increase) Decrease in:			
Receivables	2,481	10,883	13,364
Prepaid items	-	-	-
Deferred outflows related to TMRS pension	(13,805)	42,022	28,217
Deferred outflows related to TMRS OPEB	(41)	73	32
Increase (Decrease) in:			
Accounts payable	(26,474)	4,597	(21,877)
Customer deposits	-	400	400
Due to other funds	73,844	-	73,844
Compensated absences	884	(781)	103
Unearned revenue	(640)	-	(640)
Net pension liability	(9,465)	(40,153)	(49,618)
OPEB asset/liability	1,736	(630)	1,106
Deferred inflows related to TMRS pension	10,555	(1,260)	9,295
Deferred inflows related to TMRS OPEB	226	(1,067)	(841)
Total Adjustments	158,559	329,367	487,926
Net Cash Provided By (Used in) Operating Activities	<u>\$ (10,700)</u>	<u>\$ 871,466</u>	<u>\$ 860,766</u>
Supplemental Schedule of Noncash Financing, Capital and Investing Activities			
Capital asset transferred from another fund	\$ -	\$ 1,679	\$ 1,679

CITY OF STEPHENVILLE, TEXAS

Hotel/Motel Tax Fund Budgetary Comparison Schedule For the Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUE				
Taxes:				
Hotel occupancy	\$ 771,420	\$ 771,420	\$ 987,371	\$ 215,951
Intergovernmental	-	-	5,000	5,000
Investment income	4,500	4,500	81,471	76,971
Other revenue	24,754	24,754	44,784	20,030
Total revenues	<u>800,674</u>	<u>800,674</u>	<u>1,118,626</u>	<u>317,952</u>
EXPENDITURES				
Current:				
General government	688,100	689,989	494,999	194,990
Debt service:				
Principal retirement	65,000	65,000	65,000	-
Interest and fiscal charges	71,725	71,725	71,725	-
Total Expenditures	<u>824,825</u>	<u>826,714</u>	<u>631,724</u>	<u>194,990</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(24,151)</u>	<u>(26,040)</u>	<u>486,902</u>	<u>512,942</u>
Net Change in Fund Balances	<u>(24,151)</u>	<u>(26,040)</u>	<u>486,902</u>	<u>512,942</u>
Fund Balances - Beginning	<u>1,393,442</u>	<u>1,393,442</u>	<u>1,393,442</u>	<u>-</u>
Fund Balances - Ending	<u><u>\$ 1,369,291</u></u>	<u><u>\$ 1,367,402</u></u>	<u><u>\$ 1,880,344</u></u>	<u><u>\$ 512,942</u></u>

CITY OF STEPHENVILLE, TEXAS

Child Safety Fund Budgetary Comparison Schedule For the Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUE				
Fines and forfeitures	\$ 2,000	\$ 2,000	\$ 2,935	\$ 935
Investment income	75	75	638	563
Total revenues	2,075	2,075	3,573	1,498
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,075	2,075	3,573	1,498
Net Change in Fund Balances	2,075	2,075	3,573	1,498
Fund Balances - Beginning	10,376	10,376	10,376	-
Fund Balances - Ending	\$ 12,451	\$ 12,451	\$ 13,949	\$ 1,498

CITY OF STEPHENVILLE, TEXAS

Public Safety Fund Budgetary Comparison Schedule For the Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUE				
Fines and forfeitures	\$ -	\$ -	\$ 78,300	\$ 78,300
Intergovernmental	3,200	3,200	7,281	4,081
Investment income	750	750	3,147	2,397
Total revenues	<u>3,950</u>	<u>3,950</u>	<u>88,728</u>	<u>84,778</u>
EXPENDITURES				
Current:				
Public safety	<u>20,000</u>	<u>20,000</u>	<u>7,408</u>	<u>12,592</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>7,408</u>	<u>12,592</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(16,050)</u>	<u>(16,050)</u>	<u>81,320</u>	<u>97,370</u>
Net Change in Fund Balances	<u>(16,050)</u>	<u>(16,050)</u>	<u>81,320</u>	<u>97,370</u>
Fund Balances - Beginning	<u>47,032</u>	<u>47,032</u>	<u>47,032</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 30,982</u>	<u>\$ 30,982</u>	<u>\$ 128,352</u>	<u>\$ 97,370</u>

CITY OF STEPHENVILLE, TEXAS

Municipal Court Technology Fund Budgetary Comparison Schedule For the Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUE				
Fines and forfeitures	\$ 11,915	\$ 11,915	\$ 15,071	\$ 3,156
Investment income	150	150	2,058	1,908
Total revenues	12,065	12,065	17,129	5,064
EXPENDITURES				
Current:				
Public safety	15,125	15,125	1,179	13,946
Total Expenditures	15,125	15,125	1,179	13,946
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,060)	(3,060)	15,950	19,010
Net Change in Fund Balances	(3,060)	(3,060)	15,950	19,010
Fund Balances - Beginning	32,127	32,127	32,127	-
Fund Balances - Ending	\$ 29,067	\$ 29,067	\$ 48,077	\$ 19,010

CITY OF STEPHENVILLE, TEXAS

TIF Fund

Budgetary Comparison Schedule For the Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUE				
Taxes:				
Property	\$ 103,270	\$ 103,270	\$ 112,570	\$ 9,300
Sales	698,000	698,000	643,616	(54,384)
Investment income	12,000	16,525	61,068	44,543
Total revenues	<u>813,270</u>	<u>817,795</u>	<u>817,254</u>	<u>(541)</u>
EXPENDITURES				
Current:				
Community development	-	4,525	4,525	-
Total Expenditures	<u>-</u>	<u>4,525</u>	<u>4,525</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>813,270</u>	<u>813,270</u>	<u>812,729</u>	<u>(541)</u>
Other Financing Sources (Uses):				
Transfers out	(823,850)	(823,850)	(823,850)	-
Total Other Financing Sources (Uses)	<u>(823,850)</u>	<u>(823,850)</u>	<u>(823,850)</u>	<u>-</u>
Net Change in Fund Balances	<u>(10,580)</u>	<u>(10,580)</u>	<u>(11,121)</u>	<u>(541)</u>
Fund Balances - Beginning	<u>169,704</u>	<u>169,704</u>	<u>169,704</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 159,124</u>	<u>\$ 159,124</u>	<u>\$ 158,583</u>	<u>\$ (541)</u>

CITY OF STEPHENVILLE, TEXAS

Debt Service Fund Budgetary Comparison Schedule For the Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUE				
Taxes:				
Property	\$ 273,240	\$ 273,240	\$ 305,304	\$ 32,064
Investment income	2,000	2,000	1,526	(474)
Total revenues	<u>275,240</u>	<u>275,240</u>	<u>306,830</u>	<u>31,590</u>
EXPENDITURES				
Current:				
General government	700	700	300	400
Debt service:				
Principal retirement	725,000	725,000	725,000	-
Interest and fiscal charges	<u>370,925</u>	<u>370,925</u>	<u>370,925</u>	<u>-</u>
Total Expenditures	<u>1,096,625</u>	<u>1,096,625</u>	<u>1,096,225</u>	<u>400</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(821,385)</u>	<u>(821,385)</u>	<u>(789,395)</u>	<u>31,990</u>
Other Financing Sources (Uses):				
Transfers in	<u>823,850</u>	<u>823,850</u>	<u>823,850</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>823,850</u>	<u>823,850</u>	<u>823,850</u>	<u>-</u>
Net Change in Fund Balances	<u>2,465</u>	<u>2,465</u>	<u>34,455</u>	<u>31,990</u>
Fund Balances - Beginning	<u>199,051</u>	<u>199,051</u>	<u>199,051</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 201,516</u>	<u>\$ 201,516</u>	<u>\$ 233,506</u>	<u>\$ 31,990</u>

STATISTICAL SECTION

CITY OF STEPHENVILLE, TEXAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years (Unaudited)
(accrual basis of accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities:				
Net investment in capital assets	\$ 18,038,284	\$ 19,789,241	\$ 19,963,873	\$ 20,176,273
Restricted	427,493	593,600	581,054	2,621,264
Unrestricted	<u>8,142,434</u>	<u>5,976,217</u>	<u>5,115,547</u>	<u>7,993,562</u>
Total governmental activities net assets	<u>\$ 26,608,211</u>	<u>\$ 26,359,058</u>	<u>\$ 25,660,474</u>	<u>\$ 30,791,099</u>
Business-type activities:				
Net investment in capital assets	\$ 33,151,854	\$ 34,339,443	\$ 36,926,841	\$ 38,174,605
Restricted	1,019,719	1,054,111	1,456,900	2,477,403
Unrestricted	<u>4,382,362</u>	<u>4,795,330</u>	<u>4,810,634</u>	<u>5,312,381</u>
Total business-type activities net assets	<u>\$ 38,553,935</u>	<u>\$ 40,188,884</u>	<u>\$ 43,194,375</u>	<u>\$ 45,964,389</u>
Primary government:				
Net investment in capital assets	\$ 51,190,138	\$ 54,128,684	\$ 56,890,714	\$ 58,350,878
Restricted	1,447,212	1,647,711	2,037,954	5,098,667
Unrestricted	<u>12,524,796</u>	<u>10,771,547</u>	<u>9,926,181</u>	<u>13,305,943</u>
Total primary government net assets	<u>\$ 65,162,146</u>	<u>\$ 66,547,942</u>	<u>\$ 68,854,849</u>	<u>\$ 76,755,488</u>

Note:

Fiscal year ended 2021 restated for the error correction related to ARPA funds.

Fiscal year ended 2022 restated for the error correction related to ARPA funds, the error correction related reimbursement for capital project, and the effects of GASB 96.

Fiscal years ended 2019 through 2023 restated for the error correction related to a capital grant in the Airport Fund.

Source: City Audited Financials

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 20,416,468	\$ 21,847,814	\$ 23,272,989	\$ 21,971,416	\$ 27,442,882	\$ 30,953,576
2,008,149	1,976,474	3,266,475	5,580,333	5,185,539	6,462,931
<u>9,080,813</u>	<u>11,139,622</u>	<u>11,542,774</u>	<u>16,243,370</u>	<u>18,227,299</u>	<u>19,858,043</u>
<u>\$ 31,505,430</u>	<u>\$ 34,963,910</u>	<u>\$ 38,082,238</u>	<u>\$ 43,795,119</u>	<u>\$ 50,855,720</u>	<u>\$ 57,274,550</u>
\$ 43,079,879	\$ 45,293,731	\$ 49,052,872	\$ 50,478,546	\$ 62,394,725	\$ 68,534,796
1,045,392	1,089,229	956,437	1,543,514	2,334,206	2,319,955
<u>5,449,645</u>	<u>5,972,401</u>	<u>8,391,453</u>	<u>10,857,292</u>	<u>5,671,727</u>	<u>5,460,525</u>
<u>\$ 49,574,916</u>	<u>\$ 52,355,361</u>	<u>\$ 58,400,762</u>	<u>\$ 62,879,352</u>	<u>\$ 70,400,658</u>	<u>\$ 76,315,276</u>
\$ 63,496,347	\$ 67,141,545	\$ 72,325,861	\$ 72,449,962	\$ 89,837,607	\$ 99,488,372
3,053,541	3,065,703	4,222,912	7,123,847	7,519,745	8,782,886
<u>14,530,458</u>	<u>17,112,023</u>	<u>19,934,227</u>	<u>27,100,662</u>	<u>23,899,026</u>	<u>25,318,568</u>
<u>\$ 81,080,346</u>	<u>\$ 87,319,271</u>	<u>\$ 96,483,000</u>	<u>\$ 106,674,471</u>	<u>\$ 121,256,378</u>	<u>\$ 133,589,826</u>

CITY OF STEPHENVILLE, TEXAS
CHANGES IN NET POSITION
Last Ten Fiscal Years (Unaudited)
(accrual basis of accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
EXPENSES				
Governmental activities:				
General government	\$ 1,922,897	\$ 2,004,366	\$ 1,999,694	\$ 2,271,044
Culture and recreation	1,705,654	2,254,963	2,457,781	2,467,345
Community development	471,855	980,992	1,031,830	486,602
Public Safety	7,879,067	7,929,307	8,617,164	8,561,797
Streets	1,462,172	1,604,054	1,566,786	1,507,920
Interest and fiscal charges	77,063	68,008	100,245	107,588
Total governmental activities expenses	<u>13,518,708</u>	<u>14,841,690</u>	<u>15,773,500</u>	<u>15,402,296</u>
Business-type activities:				
Water & Wastewater	5,326,721	5,690,857	5,688,473	5,032,780
Storm water drainage	558,501	505,829	546,509	415,779
Airport	395,474	442,822	465,063	542,252
Sanitary landfill	207,538	224,233	256,121	194,000
Total business-type activities expenses	<u>6,488,234</u>	<u>6,863,741</u>	<u>6,956,166</u>	<u>6,184,811</u>
Total primary government expenses	<u>\$ 20,006,942</u>	<u>\$ 21,705,431</u>	<u>\$ 22,729,666</u>	<u>\$ 21,587,107</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General Government	\$ 22,648	\$ 8,274	\$ 5,704	\$ 11,141
Culture and recreation	321,565	377,192	347,603	289,065
Community development	217,805	320,353	215,731	245,391
Public Safety	989,630	817,156	721,112	664,449
Streets	42,749	15,567	15,352	20,836
Capital grants and contributions	3,654	3,596	49,905	170,239
Operating grants and contributions	147,200	160,504	514,199	219,853
Total governmental activities program revenues	<u>1,745,251</u>	<u>1,702,642</u>	<u>1,869,606</u>	<u>1,620,974</u>
Business-type activities:				
Charges for services:				
Water and Wastewater	\$ 6,485,177	\$ 7,014,095	\$ 7,264,479	\$ 7,596,037
Storm water drainage	611,827	632,583	629,673	657,356
Airport	107,544	111,088	107,484	108,097
Sanitary landfill	955,391	856,649	665,681	628,731
Capital grants and contributions	175,651	48,054	1,672,182	175,274
Operating grants and contributions	-	17,857	7,086	-
Total business-type activities program revenues	<u>8,335,590</u>	<u>8,680,326</u>	<u>10,346,585</u>	<u>9,165,495</u>
Total primary government program revenues	<u>\$ 10,080,841</u>	<u>\$ 10,382,968</u>	<u>\$ 12,216,191</u>	<u>\$ 10,786,469</u>
NET (EXPENSE) REVENUES				
Governmental activities	<u>\$ (11,773,457)</u>	<u>\$ (13,139,048)</u>	<u>\$ (13,903,894)</u>	<u>\$ (13,781,322)</u>
Business-type activities	<u>1,847,356</u>	<u>1,816,585</u>	<u>3,390,419</u>	<u>2,980,684</u>
Total primary government net expense	<u><u>\$ (9,926,101)</u></u>	<u><u>\$ (11,322,463)</u></u>	<u><u>\$ (10,513,475)</u></u>	<u><u>\$ (10,800,638)</u></u>

Note:

Fiscal year ended 2021 restated for the error correction related to ARPA funds.

Fiscal year ended 2022 restated for the error correction related to ARPA funds, the error correction related reimbursement for capital project, and the effects of GASB 96.

Fiscal year ended 2019 restated for the error correction related to a capital grant in the Airport Fund.

Source: City Audited Financials

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 2,555,641	\$ 2,512,975	\$ 2,831,782	\$ 2,930,375	\$ 3,227,931	\$ 3,704,676
2,402,357	2,254,992	2,511,374	2,756,348	2,877,342	3,111,473
588,612	493,019	488,792	427,452	759,141	937,394
8,885,222	9,637,871	8,953,779	8,964,516	10,774,535	11,018,052
1,644,724	1,501,306	1,495,367	1,496,839	1,525,640	1,554,190
124,539	530,646	402,914	521,390	542,150	215,641
<u>16,201,095</u>	<u>16,930,809</u>	<u>16,684,008</u>	<u>17,096,920</u>	<u>19,706,739</u>	<u>20,541,426</u>
5,508,559	5,234,741	5,323,323	6,698,399	7,277,797	7,269,384
593,199	550,783	471,717	858,992	617,924	632,900
178,613	178,661	205,951	198,800	223,073	297,617
579,206	599,166	643,520	957,065	1,896,021	1,037,322
<u>6,859,577</u>	<u>6,563,351</u>	<u>6,644,511</u>	<u>8,713,256</u>	<u>10,014,815</u>	<u>9,237,223</u>
<u>\$ 23,060,672</u>	<u>\$ 23,494,160</u>	<u>\$ 23,328,519</u>	<u>\$ 25,810,176</u>	<u>\$ 29,721,554</u>	<u>\$ 29,778,649</u>
\$ 12,722	\$ 3,600	\$ 3,300	\$ 3,600	\$ 3,300	\$ 3,600
313,847	245,570	325,601	411,487	450,294	421,480
474,426	321,774	415,772	505,088	542,893	608,848
1,056,364	875,103	1,107,249	1,058,541	738,923	972,852
30,442	614	25,779	22,212	22,370	27,188
49,672	1,478,520	362,063	1,278,523	2,190,756	1,011,481
238,763	935,242	1,139,101	505,260	776,514	993,951
<u>2,176,236</u>	<u>3,860,423</u>	<u>3,378,865</u>	<u>3,784,711</u>	<u>4,725,050</u>	<u>4,039,400</u>
\$ 7,762,515	\$ 8,152,610	\$ 8,991,212	\$ 10,686,333	\$ 11,267,611	\$ 11,340,287
646,904	638,126	757,477	981,550	999,800	1,000,755
111,927	110,919	113,231	131,120	129,295	128,129
863,829	1,113,634	1,024,361	1,274,189	1,323,403	1,534,511
734,094	287,600	2,292,279	1,502,229	4,085,783	2,116,842
-	-	-	-	-	145,000
<u>10,119,269</u>	<u>10,302,889</u>	<u>13,178,560</u>	<u>14,575,421</u>	<u>17,805,892</u>	<u>16,265,524</u>
<u>\$ 12,295,505</u>	<u>\$ 14,163,312</u>	<u>\$ 16,557,425</u>	<u>\$ 18,360,132</u>	<u>\$ 22,530,942</u>	<u>\$ 20,304,924</u>
\$(14,024,859)	\$(13,070,386)	\$(13,305,143)	\$(13,312,209)	\$(14,981,689)	\$(16,502,026)
3,259,692	3,739,538	6,534,049	5,862,165	7,791,077	7,028,301
<u>\$(10,765,167)</u>	<u>\$(9,330,848)</u>	<u>\$(6,771,094)</u>	<u>\$(7,450,044)</u>	<u>\$(7,190,612)</u>	<u>\$(9,473,725)</u>

CITY OF STEPHENVILLE, TEXAS
CHANGES IN NET POSITION Continued
Last Ten Fiscal Years (Unaudited)
(accrual basis of accounting)

	2015	2016	2017	2018
NET (EXPENSE) REVENUES				
Governmental activities	\$(11,773,457)	\$(13,139,048)	\$(13,903,894)	\$(13,781,322)
Business-type activities	1,847,356	1,816,585	3,390,419	2,980,684
Total primary government net expense	<u>(9,926,101)</u>	<u>(11,322,463)</u>	<u>(10,513,475)</u>	<u>(10,800,638)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS				
Governmental activities:				
Taxes				
Property -general purposes	4,386,134	4,715,959	4,806,351	5,286,326
Property -debt services	576,847	484,490	481,603	492,536
Sales	5,718,579	5,285,142	5,264,443	5,644,834
Franchise and other	1,525,602	1,501,457	1,381,186	1,199,890
Hotel Occupancy	502,017	480,036	515,043	474,199
Investment earnings	5,990	52,123	68,163	139,025
Insurance Proceeds	63,740	58,576	18,537	-
Other revenue	164,842	37,080	135,230	153,598
Gain/ (loss) on disposal of capital assets	-	16,162	30,274	-
Special item - change in employee benefits	-	-	-	5,110,168
Transfers	208,824	258,870	504,479	750,852
Total governmental activities	<u>13,152,575</u>	<u>12,889,895</u>	<u>13,205,309</u>	<u>19,251,428</u>
Business-type activities:				
Investment earnings	4,891	23,477	49,082	118,108
Other revenue	33,292	45,127	72,069	106,639
Gain/ (loss) on disposal of capital assets	17,106	8,630	(1,600)	-
Transfers	(208,824)	(258,870)	(504,479)	(750,852)
Total business-type activities	<u>(153,535)</u>	<u>(181,636)</u>	<u>(384,928)</u>	<u>(526,105)</u>
Total primary government	<u>12,999,040</u>	<u>12,708,259</u>	<u>12,820,381</u>	<u>18,725,323</u>
CHANGE IN NET ASSETS				
Governmental activities	1,379,118	(249,153)	(698,585)	5,470,106
Business-type activities	1,693,821	1,634,949	3,005,491	2,454,579
Total primary government	<u>\$ 3,072,939</u>	<u>\$ 1,385,796</u>	<u>\$ 2,306,906</u>	<u>\$ 7,924,685</u>

Note:

Fiscal year ended 2021 restated for the error correction related to ARPA funds.

Fiscal year ended 2022 restated for the error correction related to ARPA funds, the error correction related reimbursement for capital project, and the effects of GASB 96.

Fiscal year ended 2019 restated for the error correction related to a capital grant in the Airport Fund.

Source: City Audited Financials

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$(14,024,859)	\$(13,070,386)	\$(13,305,143)	\$(13,312,209)	\$(14,981,689)	\$(16,502,026)
3,259,692	3,739,538	6,534,049	5,862,165	7,791,077	7,028,301
<u>(10,765,167)</u>	<u>(9,330,848)</u>	<u>(6,771,094)</u>	<u>(7,450,044)</u>	<u>(7,190,612)</u>	<u>(9,473,725)</u>
5,577,304	6,067,879	6,446,356	6,441,458	6,940,512	7,206,769
465,640	256,240	265,579	268,132	264,911	305,125
5,943,343	5,940,857	7,075,224	8,081,130	8,725,344	8,878,221
1,317,544	1,276,928	1,204,400	1,274,715	1,449,693	1,417,066
510,185	398,706	590,006	722,328	910,588	987,371
264,034	115,763	11,277	187,589	1,124,243	1,366,533
-	-	-	-	-	-
260,645	1,030,088	251,087	286,455	352,148	159,740
-	-	18,109	35,260	91,788	7,734
-	-	-	-	-	-
400,495	1,442,405	561,433	1,723,170	2,187,917	2,592,296
<u>14,739,190</u>	<u>16,528,866</u>	<u>16,423,471</u>	<u>19,020,237</u>	<u>22,047,144</u>	<u>22,920,855</u>
501,577	195,341	8,039	284,266	1,847,275	1,331,949
249,753	287,971	64,745	55,329	70,871	94,882
-	-	-	-	-	51,782
<u>(400,495)</u>	<u>(1,442,405)</u>	<u>(561,433)</u>	<u>(1,723,170)</u>	<u>(2,187,917)</u>	<u>(2,592,296)</u>
350,836	(959,093)	(488,649)	(1,383,575)	(269,771)	(1,113,683)
<u>15,090,026</u>	<u>15,569,773</u>	<u>15,934,822</u>	<u>17,636,662</u>	<u>21,777,373</u>	<u>21,807,172</u>
714,331	3,458,480	3,118,328	5,708,028	7,065,455	6,418,829
3,610,528	2,780,445	6,045,400	4,478,590	7,521,306	5,914,618
<u>\$ 4,324,858</u>	<u>\$ 6,238,925</u>	<u>\$ 9,163,728</u>	<u>\$ 10,186,618</u>	<u>\$ 14,586,761</u>	<u>\$ 12,333,447</u>

CITY OF STEPHENVILLE, 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	\$ 7,016	\$ 20,955	\$ 8,760	\$ 11,609
Assigned/committed	3,000,000	1,150,000	950,609	950,609
Unassigned	6,786,574	7,154,643	7,132,272	7,288,833
Total general fund	<u>\$9,793,590</u>	<u>\$8,325,598</u>	<u>\$8,091,641</u>	<u>\$8,251,051</u>
All other governmental funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Unassigned, reported in:				
Special revenue funds	-	-	-	-
Restricted	702,559	434,914	365,349	488,158
Assigned/committed	416,727	417,929	415,743	442,063
Total all other governmental fund:	<u>\$1,119,286</u>	<u>\$ 852,843</u>	<u>\$ 781,092</u>	<u>\$ 930,221</u>

Source: City Audited Financials

2019	2020	2021	2022	2023	2024
\$ 5,563	\$ 3,962	\$ 6,760	\$ 19,543	\$ 86,057	\$ 124,199
579,402	534,754	764,287	1,086,068	2,442,741	2,679,149
8,755,397	9,576,401	11,282,011	14,095,016	13,756,961	14,577,288
<u>\$ 9,340,362</u>	<u>\$10,115,117</u>	<u>\$12,053,058</u>	<u>\$15,200,627</u>	<u>\$16,285,759</u>	<u>\$17,380,636</u>
\$ -	\$ -	\$ 27,721	\$ 27,721	\$ 27,721	\$ 28,333
-	-	(10,032)	-	-	-
512,308	634,666	10,493,471	9,880,697	7,919,159	7,312,217
544,571	13,654,954	-	-	-	-
<u>\$ 1,056,879</u>	<u>\$14,289,620</u>	<u>\$10,511,160</u>	<u>\$ 9,908,418</u>	<u>\$ 7,946,880</u>	<u>\$ 7,340,550</u>

CITY OF STEPHENVILLE, 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>	<u>2019</u>
REVENUES					
Taxes	\$ 12,733,241	\$ 12,455,045	\$ 12,460,952	\$ 13,089,387	\$ 13,824,745
Licenses and permits	258,384	186,925	143,903	246,891	434,132
Charges for services	1,111,193	1,022,624	958,249	978,973	1,219,100
Fines and forfeitures	227,979	316,343	210,015	147,598	97,480
Intergovernmental	200,634	218,054	613,744	344,358	367,463
Contributions and donations	-	-	-	-	-
Investment income	5,990	52,123	68,163	139,025	264,034
Other revenues	167,941	40,054	135,230	150,649	269,704
Total revenues	<u>14,705,362</u>	<u>14,291,168</u>	<u>14,590,256</u>	<u>15,096,881</u>	<u>16,476,658</u>
EXPENDITURES					
General government	1,922,184	1,904,340	1,870,697	2,145,014	2,407,281
Culture and recreation	1,853,439	1,936,112	2,104,892	2,163,873	2,081,327
Community development	456,196	968,197	1,003,655	485,280	558,878
Public Safety	7,668,000	7,428,899	7,820,377	8,066,721	7,926,014
Streets	968,092	997,520	818,913	768,153	852,360
Debt service					
Principal	505,000	415,000	469,243	560,879	746,898
Interest	77,845	66,375	85,322	107,099	104,230
Bond Issuance Costs	-	-	-	-	-
Capital outlay	859,897	3,053,778	1,532,290	1,480,185	2,338,141
Total expenditures	<u>14,310,653</u>	<u>16,770,221</u>	<u>15,705,389</u>	<u>15,777,204</u>	<u>17,015,129</u>
EXCESS OF REVENUES OVER(UNDER) EXPENDITURES	<u>\$ 394,709</u>	<u>\$ (2,479,053)</u>	<u>\$ (1,115,133)</u>	<u>\$ (680,323)</u>	<u>\$ (538,471)</u>
OTHER FINANCEING SOURCES (USES)					
Debt issued	-	-	-	215,371	1,333,310
Premium on Bonds	-	-	-	-	-
Discount on Bonds	113,938	349,833	168,051	-	-
SBITA financing	-	-	-	-	-
Proceeds from sales of asse	11,165	77,340	118,358	22,639	20,635
Proceeds from insurance	63,740	58,576	18,537	-	-
Transfers in	208,824	633,870	729,968	1,666,068	2,036,185
Transfers out	-	(375,000)	(225,489)	(915,216)	(1,635,690)
Total other financing sources (uses)	<u>397,667</u>	<u>744,619</u>	<u>809,425</u>	<u>988,862</u>	<u>1,754,440</u>
NET CHANGE IN FUND BALANCES	<u>\$ 792,376</u>	<u>\$ (1,734,434)</u>	<u>\$ (305,708)</u>	<u>\$ 308,539</u>	<u>\$ 1,215,969</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	<u>4.3%</u>	<u>3.5%</u>	<u>3.9%</u>	<u>4.7%</u>	<u>5.8%</u>

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 13,956,935	\$ 15,538,510	\$ 16,836,864	\$ 18,279,681	\$ 18,778,752
321,774	373,582	472,689	538,149	601,469
955,616	1,223,443	1,253,895	1,354,178	1,154,721
82,567	119,653	190,327	283,254	364,431
1,012,110	245,224	233,558	264,618	1,170,831
-	1,249,640	372,386	1,831,001	1,636,813
115,763	11,277	187,589	1,124,243	1,366,533
1,066,400	251,087	321,481	352,148	159,740
<u>17,511,165</u>	<u>19,012,416</u>	<u>19,868,789</u>	<u>24,027,272</u>	<u>25,233,290</u>
2,409,994	2,815,335	3,040,581	3,021,767	3,524,982
1,939,211	2,236,700	2,525,341	2,403,204	2,623,125
482,507	508,857	476,848	746,842	938,683
8,966,480	8,837,094	9,266,757	9,907,824	10,569,286
773,640	764,084	747,057	746,883	758,162
483,490	497,316	772,649	1,486,354	1,662,560
258,261	459,181	488,637	630,141	581,710
262,595	-	41,814	-	-
2,181,502	5,512,163	6,868,498	8,953,478	7,177,073
<u>17,757,680</u>	<u>21,630,730</u>	<u>24,228,182</u>	<u>27,896,493</u>	<u>27,835,581</u>
<u>\$ (246,515)</u>	<u>\$ (2,618,314)</u>	<u>\$ (4,359,393)</u>	<u>\$ (3,869,221)</u>	<u>\$ (2,602,291)</u>
11,860,000	197,001	4,973,857	501,664	289,293
1,021,005	-	157,834	-	-
-	-	-	-	-
-	-	-	195,996	152,930
21,498	19,451	49,269	107,238	49,630
-	-	-	-	-
2,513,977	2,773,666	3,543,286	4,783,089	4,916,218
<u>(1,071,572)</u>	<u>(2,212,233)</u>	<u>(1,820,116)</u>	<u>(2,595,172)</u>	<u>(2,317,233)</u>
<u>14,344,908</u>	<u>777,885</u>	<u>6,904,130</u>	<u>2,992,815</u>	<u>3,090,838</u>
<u>\$ 14,098,393</u>	<u>\$ (1,840,429)</u>	<u>\$ 2,544,737</u>	<u>\$ (876,406)</u>	<u>\$ 488,547</u>
<u>6.4%</u>	<u>5.9%</u>	<u>7.5%</u>	<u>11.2%</u>	<u>10.9%</u>

CITY OF STEPHENVILLE, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

<u>Tax Year</u>	<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>
2014	2014-2015	601,105,080	750,961,010	245,239,590
2015	2015-2016	636,597,500	768,186,520	268,319,490
2016	2016-2017	657,717,227	785,853,463	259,118,010
2017	2017-2018	753,358,500	824,711,040	245,604,310
2018	2018-2019	776,693,310	841,695,300	304,695,430
2019	2019-2020	826,226,780	883,238,110	346,709,950
2020	2020-2021	887,954,420	952,950,260	293,836,870
2021	2021-2022	958,911,760	981,246,130	301,952,860
2022	2022-2023	1,238,798,090	1,052,746,880	287,219,140
2023	2023-2024	1,383,780,600	1,121,774,700	250,011,300

Source: Erath County Appraisal District.

<u>Less: Tax-exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Taxable Assessed Value as a Percentage of Actual Taxable Value</u>
590,694,529	1,006,611,151	0.4900	1,006,611,151	100%
609,847,714	1,063,255,796	0.4900	1,063,255,796	100%
627,870,983	1,074,817,717	0.4900	1,074,817,717	100%
617,069,492	1,206,604,358	0.4800	1,206,604,358	100%
651,711,851	1,271,372,189	0.4750	1,271,372,189	100%
675,346,485	1,380,828,355	0.4700	1,380,828,355	100%
679,895,887	1,454,845,663	0.4550	1,454,845,663	100%
707,326,188	1,534,784,562	0.4420	1,534,784,562	100%
726,231,949	1,852,532,161	0.3958	1,852,532,161	100%
806,456,923	1,949,109,677	0.3872	1,949,109,677	100%

CITY OF STEPHENVILLE, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Tax Year	Fiscal Year	City Direct Rates			Overlapping Rates			Total Direct and Overlapping Rates
		Basic Rate	General Obligation Debt Service	Total Direct Rate	Stephenville School District	Middle Trinity Water District	Erath County	
2014	2014-2015	0.4330	0.0570	0.4900	1.2349	0.0120	0.4700	2.2069
2015	2015-2016	0.4450	0.0450	0.4900	1.2349	0.0115	0.4700	2.2064
2016	2016-2017	0.4454	0.0446	0.4900	1.2349	0.0112	0.4700	2.2061
2017	2017-2018	0.4391	0.0409	0.4800	1.2349	0.0103	0.4700	2.1952
2018	2018-2019	0.4384	0.0366	0.4750	1.3429	0.0097	0.4458	2.2734
2019	2019-2020	0.4512	0.0188	0.4700	1.2729	0.0094	0.4560	2.2083
2020	2020-2021	0.4368	0.0182	0.4550	1.2221	0.0092	0.4444	2.1307
2021	2021-2022	0.4245	0.0175	0.4420	1.1922	0.0085	0.4355	2.0782
2022	2022-2023	0.3812	0.0146	0.3958	1.1474	0.0073	0.4119	1.9624
2023	2023-2024	0.3714	0.0158	0.3872	0.9857	0.0065	0.3927	1.7721

Source: Erath County Tax Office

Notes: The City's basic property tax rate may be increased only by a majority vote of the City's residents. Rates for debt service are set based on each year's requirements.

Overlapping rates are those of local and county governments that apply to property owners within the City of Stephenville, Texas.

**CITY OF STEPHENVILLE, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Tax Year 2023				Tax Year 2014			
	Taxable Assessed Value		Percentage of Total City Taxable Assessed Value		Taxable Assessed Value		Percentage of Total City Taxable Assessed Value	
FMC Technologies Inc.	\$ 158,463,280	1	8.13%		\$ 60,362,879	1	6.00%	
Saint Gobain Abrasives	42,207,070	2	2.17%		8,213,027	7	0.82%	
Creekside Townhomes	33,291,230	3	1.71%					
Windmass Villiage III Portfolio Owner LLC	28,596,130	4	1.47%					
GPI Mustang LLC	22,548,790	5	1.16%					
CTAP LLC	20,281,810	6	1.04%					
Stephenville Chr Campus Crest LLC	18,686,670	7	0.96%		9,460,960	4	0.94%	
Tarleton Development Partners LLC	18,485,240	8	0.95%					
Fibergrate Composite Structures Inc.	17,197,540	9	0.88%					
STX Washington Partners	15,938,000	10	0.82%					
Tejas Tubular Inc.					15,477,872	2	1.54%	
DB Bosque LLC					11,057,310	3	1.10%	
Wal-Mart Stores Texas					8,354,950	5	0.83%	
Bosque River Center Real Estate					8,221,950	6	0.82%	
Oncor Electric Delivery					7,913,100	8	0.79%	
MIMG LXI Oak Tree Sub LLC					6,435,890	9	0.64%	
TSU Partners LTD					6,412,150	10	0.64%	
Subtotal	\$ 375,695,760		19.28%		\$ 141,910,088		14.10%	
Remaining Roll	<u>1,573,413,917</u>		<u>80.72%</u>		<u>864,701,063</u>		<u>85.90%</u>	
Total	\$ <u>1,949,109,677</u>		<u>100.00%</u>		\$ <u>1,006,611,151</u>		<u>100.00%</u>	

Source: Erath County Appraisal District State Property Tax Board Report.

**CITY OF STEPHENVILLE, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Tax Year	Fiscal Year	Taxes Levied for the Fiscal Year	Subsequent Adjustments To Levy	Final Adjusted Levy	Collected With the Fiscal Year of the Levy	
					Amount	Percentage of Levy
2014	2014-2015	4,927,485	(17,755)	4,909,730	4,887,492	99.19%
2015	2015-2016	5,195,573	(9,867)	5,185,706	5,141,402	98.96%
2016	2016-2017	5,351,990	(99,594)	5,252,396	5,204,383	97.24%
2017	2017-2018	5,774,003	(74,086)	5,699,917	5,710,836	98.91%
2018	2018-2019	6,039,033	(28,140)	6,010,893	5,994,513	99.26%
2019	2019-2020	6,489,897	(134,449)	6,355,448	6,234,838	96.07%
2020	2020-2021	6,619,550	(39,662)	6,579,888	6,507,012	98.30%
2021	2021-2022	6,783,557	(153,058)	6,630,499	6,609,695	97.44%
2022	2022-2023	7,384,954	(225,662)	7,159,292	7,120,615	96.42%
2023	2023-2024	7,480,394	(11,007)	7,469,387	7,412,843	99.10%

Sources: Erath County Appraisal District and Erath County Tax Assessor-Collector.

Collections in Subsequent Years	Total Collections to Date		Outstanding as of 9/30/24
	Amount	Percentage of Levy	
21,519	4,909,011	99.63%	719
38,076	5,179,478	99.69%	6,228
46,345	5,250,728	98.11%	1,668
(13,942)	5,696,894	98.66%	3,023
13,872	6,008,385	99.49%	2,508
117,334	6,352,172	97.88%	3,276
69,499	6,576,511	99.35%	3,377
14,231.00	6,623,926	97.65%	6,573
23,077.00	7,143,692	96.73%	15,600
-	7,412,843	99.10%	56,544

CITY OF STEPHENVILLE, TEXAS
GROSS AND TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS

Calendar Year
(Unaudited)

Category	2014	2015	2016	2017
Agriculture/Forestry/Fishing/Hunting	\$ 157,377	\$ 131,950	\$ 87,089	\$ 153,536
Construction	29,565,835	39,881,127	36,567,165	32,516,125
Admin/Support/Waste Mgmt/Remediation Service	3,631,354	2,219,030	8,298,359	8,857,223
Manufacturing	51,074,808	44,597,904	37,443,956	41,376,240
Transportation/Warehousing	-	315,510	397,349	290,487
Other Services (except Public Administration)	29,747,338	42,422,359	32,946,059	37,955,138
Arts/Entertainment/Recreation	5,021,972	2,723,168	1,834,258	2,469,255
Retail Trade	454,569,683	449,734,022	439,009,587	477,496,588
Educational Services	56,699	4,920,150	4,896,741	13,259,858
Accommodation/Food Services	59,386,674	63,590,052	68,774,025	70,136,917
Information	23,976,270	24,513,446	23,896,855	22,212,287
Health Care/Social Assistance	26,365,171	23,359,956	22,924,772	21,777,157
Finance/Insurance	508,484	604,047	573,992	2,705,723
Wholesale Trade	45,943,403	48,009,817	47,000,406	51,525,032
Real Estate/Rental/Leasing	2,699,978	2,640,004	2,331,487	2,310,030
Mining/Quarrying/Oil and Gas Extraction	244,962,256	126,835,036	51,634,730	158,274,264
Professional/Scientific/Technical Services	20,631,960	18,353,588	17,353,379	19,929,309
Unclassified	574,189	3,256,157	8,227,940	115,792
Gross Sales	998,873,451	898,107,323	804,198,149	963,360,961
Less: Sales not subject to tax	662,227,000	560,846,787	479,729,489	636,304,337
Taxable Sales	336,646,451	337,260,536	324,468,660	327,056,624
Direct Sales Tax Rate	1.50%	1.50%	1.50%	1.50%

Source: Office of the Comptroller of the State of Texas

2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ -	\$ 121,379	\$ 41,700	\$ 168,035
42,601,728	32,014,392	23,392,344	29,004,497	41,528,544	39,672,071
12,539,339	13,181,474	18,201,472	18,749,845	20,813,371	21,823,959
45,379,899	54,955,486	30,528,469	32,806,051	185,024,621	113,748,680
118,403	117,765	220,966	-	351,277	622,727
38,531,657	31,426,342	41,212,028	215,254,337	36,815,611	41,131,296
2,474,510	3,552,671	2,721,134	4,420,515	3,060,018	3,415,530
462,157,087	466,375,220	486,610,559	606,470,347	685,468,221	726,765,039
9,242,722	14,504,752	6,509,132	17,416,581	20,846,575	22,565,381
75,769,971	79,629,059	73,948,236	92,511,577	99,641,115	113,751,793
20,749,399	12,745,599	8,399,900	7,913,557	8,880,889	9,713,429
22,138,897	16,388,858	12,333,983	13,459,217	15,498,421	15,240,833
709,747	938,961	1,167,549	1,560,277	1,340,502	1,688,558
57,421,775	62,100,066	65,089,473	77,228,448	84,848,120	89,704,753
3,050,684	3,233,114	3,717,946	4,604,040	5,610,410	5,872,976
205,645,499	147,983,777	47,065,000	63,805,788	726,319,913	856,487,166
20,754,842	16,539,730	16,204,866	15,496,333	13,963,795	11,254,245
4,215,376	450,194	8,049,745	2,436,659	2,677,026	2,419,925
<u>1,023,501,535</u>	<u>956,137,460</u>	<u>845,372,802</u>	<u>1,203,259,448</u>	<u>1,952,730,129</u>	<u>2,076,046,396</u>
678,355,051	609,419,518	508,916,373	790,602,662	1,468,840,413	1,580,068,261
<u>345,146,484</u>	<u>346,717,942</u>	<u>336,456,429</u>	<u>412,656,786</u>	<u>483,889,716</u>	<u>495,978,135</u>
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

CITY OF STEPHENVILLE, TEXAS
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS

<u>Fiscal Year Ending 9/30</u>	<u>General Municipal Sales Tax</u>	<u>Sales Tax for Property Tax Relief</u>	<u>Sales Tax for Economic/ Industrial Dev Sec 4B</u>
2015	1.000%	0.500%	
2016	1.000%	0.375%	0.125%
2017	1.000%	0.375%	0.125%
2018	1.000%	0.375%	0.125%
2019	1.000%	0.375%	0.125%
2020	1.000%	0.375%	0.125%
2021	1.000%	0.375%	0.125%
2022	1.000%	0.375%	0.125%
2023	1.000%	0.375%	0.125%
2024	1.000%	0.375%	0.125%

Source: Texas Comptroller

CITY OF STEPHENVILLE, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			
	General Obligation Bonds	Certificates of Obligation	Unamortized Premiums (Discounts)	Leases/ SBITAS/ Notes Payable
2015	1,155,000	3,180,000	17,721	113,938
2016	905,000	3,015,000	16,709	436,510
2017	610,000	2,920,000	14,683	525,318
2018	310,000	2,855,000	13,671	544,810
2019	-	2,785,000	12,659	1,511,222
2020	-	14,465,000	1,007,127	1,207,732
2021	-	14,275,000	955,065	1,091,117
2022	-	15,960,000	1,056,890	3,601,025
2023	-	15,225,000	996,936	4,277,414
2024	-	14,435,000	632,496	3,847,077

Note: See Demographic and Economic Statistics Table for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Note: Personal income is not available for 2024.

Business-type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
Enterprise Revenue Bonds	Certificates of Obligation	Unamortized Premiums (Discounts)	Leases/ SBITAS/ Notes Payable			
8,895,000	5,350,850	210,978	3,161,834	22,085,321	3.27%	1,129
8,390,000	3,774,827	198,922	2,833,134	19,570,101	2.56%	904
6,720,000	5,568,827	186,866	3,131,370	19,677,064	2.39%	896
5,040,000	22,340,000	174,811	2,028,635	33,306,927	3.77%	1,495
3,325,000	22,100,000	162,757	1,730,829	31,627,467	3.33%	1,396
3,250,000	20,860,000	150,700	1,415,018	42,355,577	4.50%	2,027
3,175,000	19,610,000	138,645	1,080,409	40,325,236	4.07%	1,935
2,825,000	37,185,000	1,921,948	751,680	63,301,543	5.95%	2,996
2,770,000	35,510,000	1,806,467	1,373,828	61,959,645	5.48%	2,940
2,715,000	33,575,000	1,497,663	847,742	57,549,978	N/A	2,708

CITY OF STEPHENVILLE, TEXAS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation	Total		
2015	1,172,721	8,530,850	9,703,571	0.96%	496
2016	921,709	6,789,827	7,711,536	0.73%	356
2017	624,683	8,488,827	9,113,510	0.85%	415
2018	323,671	25,195,000	25,518,671	2.11%	1145
2019	12,659	24,885,000	24,897,659	1.96%	1099
2020	11,645	36,320,482	36,332,127	2.63%	1739
2021	10,633	34,829,432	34,840,065	2.39%	1672
2022	9,620	56,097,691	56,107,311	3.66%	2656
2023	8,607	53,514,846	53,523,453	2.89%	2539
2024	7,595	50,119,188	50,126,783	2.57%	2358

Notes:

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

See Assessed Value and Estimated Actual Value of Taxable Property table for property value.

Population data can be found in Demographic and Economic Statistics Table.

CITY OF STEPHENVILLE, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2024

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes:			
Overlapping			
Stephenville Independent School District	\$ 109,588,747	79.60%	\$ 87,232,643
Erath County	\$ 455,000	44.60%	<u>202,930</u>
Subtotal, overlapping debt			87,435,573
Direct			
City of Stephenville	\$ 18,914,573	100.00%	<u>18,914,573</u>
Total Direct and Overlapping Debt			<u>\$ 106,350,146</u>

Sources:

Assessed value data used to estimate applicable percentages provided by the Erath County Appraisal District and Assessment Debt outstanding data provided by each governmental unit.

Notes:

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

CITY OF STEPHENVILLE, TEXAS
MUNICIPAL UTILITY
REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

Water and Wastewater Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	6,485,177	3,631,614	2,853,563	1,986,000	459,292	1.17
2016	7,014,095	4,115,398	2,898,697	2,076,000	351,427	1.19
2017	7,264,479	4,095,335	3,169,144	1,911,000	319,806	1.42
2018	7,694,695	3,022,451	4,672,244	1,938,827	331,249	2.06
2019	7,962,268	3,917,609	4,044,659	1,955,000	424,112	1.70
2020	8,322,481	3,741,298	4,581,183	1,315,000	411,005	2.65
2021	9,044,632	3,753,322	5,291,310	1,325,000	375,420	3.11
2022	10,724,825	4,383,743	6,341,082	4,455,000	* 634,099	1.25
2023	11,319,092	4,996,812	6,322,280	1,730,000	* 1,321,324	2.07
2024	11,416,972	5,098,204	6,318,768	1,990,000	1,058,089	2.07

Notes: Operating expenses do not include interest, depreciation, or amortization expenses.
Utility Surplus Revenue is also pledged for other Enterprise bonds.

* General Obligation Refund Bonds Series 2013 were refunded with General Obligation Refund Bonds Series 2022

CITY OF STEPHENVILLE, TEXAS
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years (Unaudited)
(amounts expressed in thousands)

Tax Year	2023	2022	2021	2020	2019	2018
Fiscal year	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Debt limit	\$ 217,909	\$ 202,537	\$ 169,296	\$ 160,740	\$ 157,749	\$ 145,165
Total net debt applicable to limit	49,894	53,326	55,909	15,029	15,257	2,591
Legal debt margin	<u>\$ 168,015</u>	<u>\$ 149,211</u>	<u>\$ 113,387</u>	<u>\$ 145,711</u>	<u>\$ 142,492</u>	<u>\$ 142,574</u>
Total net debt applicable to limit as a percentage of debt limit	22.90%	26.33%	33.02%	9.35%	9.67%	1.78%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed value	\$ 1,949,110
Add back: exempt real property	229,984
Total assessed value	<u>2,179,094</u>
Debt limit (10% of total assessed value)	217,909
Debt applicable to limit:	
General obligation bonds	50,127
Less: Amount set aside for repayment of general obligation debt	<u>(233)</u>
Total net debt applicable to limit	<u>49,894</u>
Legal debt margin	<u>\$ 168,015</u>

Note: There is no direct debt limitation in the City Charter or under state law. The City operates under a Home Rule Charter (Article XI, Section 5, Texas Constitution), that limits the maximum tax rate, for all city purposes, to \$2.50 per \$100 assessed valuation. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for general obligation debt service.

Source: City of Stephenville, TX and Erath County Appraisal District

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>2017-2018</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2014-2015</u>
\$ 135,754	\$ 124,250	\$ 122,554	\$ 116,345
2,981	3,389	3,793	4,213
<u>\$ 132,773</u>	<u>\$ 120,861</u>	<u>\$ 118,762</u>	<u>\$ 112,132</u>
2.20%	2.73%	3.09%	3.62%

**CITY OF STEPHENVILLE, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>School Enrollment</u>	<u>College Enrollment</u>	<u>Unemployment Rate</u>
2015	19,560	675,582,840	34,539	3,702	12,396	3.8%
2016	21,640	763,545,760	35,284	3,614	12,333	4.7%
2017	21,950	823,168,900	37,502	3,671	13,052	3.9%
2018	22,280	883,156,920	39,639	3,711	13,019	3.2%
2019	22,660	948,774,200	41,870	3,842	13,226	3.1%
2020	20,897	940,699,352	45,016	3,659	14,022	5.8%
2021	20,840	990,921,160	47,549	3,622	13,995	4.1%
2022	21,127	1,063,828,958	50,354	3,695	14,092	3.3%
2023	21,078	1,129,991,580	53,610	3,730	14,513	3.5%
2024	21,254	N/A	N/A	3,678	17,258	3.5%

Sources: Population estimate provided by the North Central Texas Council of Governments. Personal income data provided by the U.S. Census Bureau of Economic Analysis. Unemployment rate data provided by the Texas Workforce Commission. School enrollment data provided by the Stephenville Independent School District and Tarleton State University.

Note: Per capita personal income was computed using Census Bureau midyear population estimates. Personal income is not available for 2024.

**CITY OF STEPHENVILLE, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Tarleton State University	1,700	1	7.87%	1,340	1	7.05%
FMC Company	735	2	3.40%	580	2	3.05%
Stephenville Independent School District	526	3	2.44%	277	9	1.46%
Saint Gobain Abrasives	470	4	2.18%	452	3	2.38%
Scheiber Foods	435	5	2.01%	400	5	2.11%
Wal-Mart Stores, Inc.	300	6	1.39%	432	4	2.27%
Western Dairy Transport	210	7	0.97%			
Pecan Valley Centers	210	8	0.97%			
Erath County	247	9	1.14%			
Texas Health Harris Methodist Stephenville	200	10	0.93%	280	6	1.47%
Tejas Tubular (Caporal Forging)				187	7	0.98%
HEB				180	10	0.95%
Fibergrate Composite Structures				116	8	0.61%
Subtotal	5,033		23.31%	4,244		22.34%
Remaining Employers (County)	16,561		76.69%	14,753		77.66%
Total	21,594		100.00%	18,997		100.00%

Source: Tarleton State University, Stephenville Independent School District, Erath County, and Stephenville Chamber of Commerce. Total employee data is provided by the Texas Workforce Commission.

Notes:

Total employee information is based on entire Erath County. Principal employers are only those that operate from within the corporate city limits of Stephenville.

CITY OF STEPHENVILLE, TEXAS
FULL-TIME CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government										
Management services	4	5	5	5	8	9	8	9	9	10
Finance	7	7	7	7	9	9	8	9	10	10
Planning	2	2	3	3	3	3	4	4	4	4
Building	2	2	2	2	2	2	2	2	3	3
Other	2	2	2	3	2	2	3	3	3	3
Police										
Officers	39	39	39	39	39	39	39	40	40	43
Civilians	16	15	17	17	19	19	19	19	19	19
Fire										
Firefighters and officers	31	31	31	31	31	31	34	34	35	36
Civilians		1	1	1	1	1	1	1	1	1
Parks and recreation	13	12	14	14	14	14	14	16	17	18
Library	3	3	3	4	4	4	4	4	4	4
Streets	7	7	7	7	7	7	7	7	7	7
Water	13	16	15	15	15	15	15	16	20	21
Wastewater	5	5	6	6	6	6	6	6	6	6
Landfill	3	3	3	3	3	3	4	5	5	5
Airport	-	-	-	-	-	-	-	-	1	1
Total	147	150	155	157	163	164	168	175	184	191

Source: Current Year Approved Budget

Notes: A full time employee is scheduled to work 2080 hours per year (including vacation and sick leave).

CITY OF STEPHENVILLE, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018
General government				
Building permits issued	93	146	127	197
Building permits value	\$10,829,426	\$41,143,042	\$22,331,535	\$24,569,365
Police				
Calls for service	14,631	12,378	12,044	13,785
Physical arrests	806	643	696	742
Parking violations (1)	467	858	830	177
Traffic violations	5,665	3,816	3,470	3,767
Fire				
Ambulance responses	1,733	1,897	1,767	1,842
Fires responses	294	303	313	385
Inspections	444	400	393	392
Refuse collection				
Refuse collected (tons)	22,494	21,676	19,229	19,689
Other public works				
Street resurfacing (miles)	-	17.90	8.77	10.62
Library				
Volumes in collection	36,759	37,416	38,685	40,041
Total volumes borrowed	12	37	199	138
Water				
Active connections	6,442	6,495	6,625	6,813
Water main breaks	57	39	30	23
Average daily consumption (gallons)	1,945,000	1,997,000	1,932,000	2,117,000
Peak daily consumption (gallons)	3,505,000	3,872,000	2,985,000	3,703,000
Wastewater				
Average daily sewage treatment (gallons)	1,444,000	1,720,000	1,380,000	1,310,000
WW Peak (gallons)	7,106,000	9,350,000	6,597,000	6,800,000
Airport				
Landings	3,233	3,008	2,862	2,765
Take-offs	3,239	3,010	2,862	2,765
Municipal Court				
New Cases (2)				
Disposed Cases				

(1) 2011 through 2017 represents the calls for parking violations, which could be significantly higher than actual citations issued. Due to new software, 2018 represents the actual citations issued for parking violations.
(2) The City of Stephenville contracted with Erath County Justice of the Peace precinct 1, 3, 4 for Municipal Court services until 9/30/19. The new cases for 2020 include cases transferred from the Justice of the Peace.
Source: Various City departments

2019	2020	2021	2022	2023	2024
205	220	241	291	223	192
\$71,952,765	\$21,765,542	\$36,545,036	\$63,214,568	\$38,369,566	\$117,539,675
15,369	15,135	14,775	25,050	22,765	24,481
687	487	455	364	783	915
130	407	75	150	149	276
3,207	2,571	2,221	945	2,550	2,525
1,876	1,787	1,869	1,769	1,927	1,754
479	421	605	968	1,163	1,124
293	455	376	574	540	656
21,092	20,873	16,768	21,053	23,381	23,247
10.38	-	15.40	5.23	5.34	1.46
40,167	39,636	38,219	34,589	36,169	34,178
111	113	862	3,395	4,008	3,778
6,435	6,519	6,630	6,808	6,799	6,831
45	38	45	37	26	30
1,893,000	2,000,000	2,101,000	2,131,000	2,218,000	1,989,750
3,352,000	3,493,000	3,742,000	3,600,000	3,881,000	3,322,000
1,667,000	1,368,000	1,320,000	1,306,000	1,770,000	2,040,833
7,220,000	3,560,000	1,910,000	5,730,000	3,840,000	5,240,000
2,879	2,825	2,859	2,664	7,483	9,769
2,878	2,826	2,859	2,665	7,483	9,769
	1,226	963	1,829	2,636	2,499
	741	654	1,225	2,151	1,010

CITY OF STEPHENVILLE, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018
Police				
Stations	1	1	1	1
Patrol units	10	10	11	11
Fire				
Stations	2	2	2	2
Other public works				
Streets (miles)	92	93	93	93
Highways (miles)	23	23	23	23
Streetlights	1,145	1,149	1,156	1,164
Parks and recreation				
Acreage	130	142	142	142
Playgrounds	4	4	4	4
Baseball/softball diamonds	11	11	11	11
Soccer/football fields	1	1	1	1
Skate park	1	1	1	1
Outdoor Aquatic Center	1	1	1	1
Community centers	2	2	2	2
Water				
Water mains (miles)	126	126	128	131
Fire hydrants	798	801	816	816
Storage capacity (gallons)	5,750,000	5,750,000	5,750,000	5,750,000
Wastewater				
Sanitary sewers (miles)	116	116	116	117
Storm sewers (miles)	3.2	3.2	3.2	3.2
Treatment capacity (gallons)	9,000,000	9,000,000	9,000,000	9,000,000

Source: Various City departments

Note: No capital asset indicators are available for the general government or library function.

2019	2020	2021	2022	2023	2024
1	1	1	1	1	1
11	12	12	12	14	14
2	2	2	2	2	2
91	91	91	92	92	92
23	23	23	22	22	22
1,168	1,160	1,160	1,173	1,175	1,173
142	147	160	160	160	160
6	6	6	6	6	6
11	11	11	11	10	10
1	0	0	0	0	0
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
131	135	135	136	136	138.7
863	863	831	859	876	892
5,750,000	5,750,000	5,750,000	5,500,000	5,500,000	6,250,000
117	117	118	118	118	121.3
3.2	3.2	4.9	5.6	7.1	8.34
9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000

OVERALL COMPLIANCE AND INTERNAL CONTROLS SECTION



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and members
of the City Council
City of Stephenville, Texas

We have audited, in accordance with the auditing standards generally accepting in the United States of America and the standards applicable to the financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements 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 Stephenville, 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, and have issued our report thereon dated August 1, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

A handwritten signature in cursive script that reads "Boucher, Morgan & Young". The signature is written in black ink and is positioned above the printed name of the firm.

Boucher, Morgan and Young, a P.C.
Granbury, Texas
August 1, 2025

CITY OF STEPHENVILLE, TEXAS
Summary Schedule of Prior Audit Findings
September 30, 2024

2023-001: Revenue Recognition

Type of Finding: Material Weakness

Condition: Revenues under a grant received by the City and a memorandum of understanding (MOU) with another governmental entity for the year ended September 30, 2023, were not recognized in accordance with the applicable criteria.

Recommendation: The City should ensure that its system of internal controls provides for a thorough review of the revenue recognition criteria applicable to each revenue source that is significant to the financial statements.

Current status: Fully corrected

2023-002: Implementation of New Accounting Standards

Type of Finding: Material Weakness

Condition: We noted certain new GASB accounting standards that were effective during the current and prior years that were not properly implemented by the City.

Recommendation: Upon issuance of a GASB pronouncement, the City should obtain an understanding of the new guidance sufficient to determine the extent to which the accounting standard will have an impact on the City's financial statements. Accounting personnel should then develop an implementation plan, considering such factors as the potential need for: the gathering of additional information needed; the involvement of other departments that are involved in operations or activities relevant to the new pronouncement; revisions to procedures and/or system reports; changes to internal control processes; and software and other programming alterations. Once the scope of the implementation plan has been determined, the City should assess whether internal resources will be sufficient to successfully execute the implementation plan. To the extent necessary, the City should secure external resources to assist with implementation of the new standard.

Current status: Fully corrected

2023-003: Debt Discounts and Premiums

Type of Finding: Material Weakness

Condition: The City utilizes the straight-line method to amortize discounts and premiums associated with its debt issuances.

Recommendation: The City should review the accounting treatment for items that could potentially have a material impact on the financial statements and ensure that its methodologies are consistent with those prescribed in applicable GASB standards.

Current status: Fully corrected

CITY OF STEPHENVILLE, TEXAS
Summary Schedule of Prior Audit Findings
September 30, 2024

2023-004: Landfill Closure and Postclosure Liability

Type of Finding: Significant Deficiency

Condition: In our review of the City's calculation of its liability for estimated landfill closure and postclosure care costs, we noted certain errors related to the application of inflation factors. Further, in the course of reviewing related documentation, we became aware that the City's initial calculation of the liability did not contemplate the most recent information available regarding estimated total cost of closure and postclosure care.

Recommendation: The City should ensure that its review process of the calculation of its liability for estimated landfill closure and postclosure care costs is sufficiently thorough to detect any errors that could result in a material misstatement in current or future periods. Additionally, the City's accounting and public works personnel should establish ongoing communication of information relevant to the City's liability for estimated landfill closure and postclosure care costs that is sufficient to provide a sound basis for calculation of the liability.

Current status: Fully corrected

CITY OF STEPHENVILLE, TEXAS
Schedule of Findings and Questioned Costs
September 30, 2024

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiencies identified that are not
considered to be material weaknesses? ☐ Yes ☒ None Reported

Noncompliance material to the financial statements noted? ☐ Yes ☒ No

Federal and State Awards

Type of auditor’s report issued: Unmodified

Internal control over major programs:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiencies identified that are not
considered to be material weaknesses? ☐ Yes ☒ None Reported

Type of auditor’s report issued on compliance
for major programs: Unmodified

Version of compliance supplement used: May 2024

Any audit findings disclosed that are required
to be reported in accordance with Title 2 U.S Code
of Federal Regulations (CFR) Part 200? ☐ Yes ☒ No

Any audit findings disclosed that are required
to be reported in accordance with section 510 of the
Texas Grant Management Standards? ☐ Yes ☒ No

Identification of Major Programs:

Federal Awards

U.S. Department of Treasury:
ALN 21.027 Coronavirus State and Local Fiscal Recovery Funds

State Awards

Clean Water State Revolving Fund

Dollar threshold used to distinguish between
Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

CITY OF STEPHENVILLE, TEXAS
Schedule of Findings and Questioned Costs
September 30, 2024

Section II – Financial Statement Findings

None noted

Section III – Federal and State Award Findings and Questioned Costs

None noted

FEDERAL AND STATE AWARDS SECTION



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE
TEXAS GRANT MANAGEMENT STANDARDS**

To the Honorable Mayor and members
of the City Council
City of Stephenville, Texas

Report on Compliance for Each Major Federal and State Program

Opinions on Each Major Federal and State Program

We have audited the City of Stephenville, Texas' (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the Texas Grant Management Standards that could have a direct and material effect on each of the City's major federal and state programs for the year ended September 30, 2024. The City's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Stephenville, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2024.

Basis for Opinions on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Texas Grant Management Standards (TxGMS). Our responsibilities under those standards, the Uniform Guidance and the TxGMS are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinions on compliance for each major federal and state program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and TxGMS will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and TxGMS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and TxGMS. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Boucher, Morgan & Young". The signature is written in black ink and is positioned above the printed name of the firm.

Boucher, Morgan and Young, a P.C.
August 1, 2025

CITY OF STEPHENVILLE, TEXAS
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2024

Federal Grantor/Pass-through Agency/Program Name	Program/Grant/Project Number	Federal Assistance Listing Number	Expenditures
U.S. DEPARTMENT OF JUSTICE			
Direct Award			
2024 Asset Forfeiture Sharing Agreement	TX0720200	16.922	\$ 78,300
	Total U.S. Department of Justice		\$ 78,300
U.S. DEPARTMENT OF TRANSPORTATION			
Pass-through Texas Department of Transportation			
Airport Improvement Program	1902STEVE	20.106	\$ 621,797
Airport Coronavirus Relief Grant Program Grant	21CRSTEVE	20.106	13,000
Airport Rescue Plan Act Grant	22CVSTEVE	20.106	32,000
Highway Planning and Construction Grant	0902-49-077	20.205	280,408
	Total U.S. Department of Transportation		\$ 947,205
U.S. DEPARTMENT OF TREASURY			
Pass-through Texas Division of Emergency Management			
(COVID-19) Coronavirus State and Local Fiscal Recovery Funds	LLS5BxKX32P7 S#395	21.027	\$ 1,294,736
	Total U.S. Department of Treasury		\$ 1,294,736
U.S. DEPARTMENT OF HOMELAND SECURITY			
Pass-through Texas Division of Emergency Management			
Texas Severe Winter Storms	FEMA-DR-4586-TX 680 675135	97.036	\$ 387
Texas COVID 19 Pandemic	FEMA-DR-4485-TX 358 177703	97.036	71,568
	Total U.S. Department of Homeland Security		\$ 71,955
	TOTAL PROGRAMS		\$ 2,392,196

CITY OF STEPHENVILLE, TEXAS
Schedule of Expenditures of State Awards
For the Year Ended September 30, 2024

Federal Grantor/Pass-through Agency/Program Name	Program/Grant/Project Number	Expenditures
TEXAS DEPARTMENT OF TRANSPORTATION		
<i>Ramp Grant</i>	M2402STVL	\$ 100,000
<i>Highway Planning and Construction Grant</i>	0902-49-077	31,157
	Total Texas Department of Transportation	\$ 131,157
TEXAS WATER DEVELOPMENT BOARD		
<i>Clean Water State Revolving Fund Loan Program</i>	L1000715 73744	\$ 3,892,122
<i>Flood Infrastructure Fund Project Grant</i>	G1001289	39,019
		\$ 3,931,141
	TOTAL PROGRAMS	\$ 4,062,298

CITY OF STEPHENVILLE, TEXAS
Notes to the Schedules of Expenditures of Federal and State Awards
September 30, 2024

Note 1: Basis of Presentation

The accompanying schedules of expenditures of federal and state awards ("the Schedules") include the federal and state awards of the City. The information in the Schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Texas Grant Management Standards (TxGMS). Because the Schedules present only a selected portion of the operations of the City, they are not intended to and do not represent the financial position or changes in the net position of the City.

Note 2: Summary of Significant Accounting Policies

Expenditures on the Schedules are reported on the accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance and TxGMS, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts are shown on the Schedules, if any, represent adjustments or credit made in the normal course of business to amounts reported as expenditures in prior years.

The City of has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance and TxGMS.

Note 3: Loan Programs

The City issued bonds that were purchased by the Texas Water Development Board with Clean Water State Revolving Funds. The amount of state awards reported in the Schedule of Expenditures of State Awards are the amount of bond funds spent during the period.

Dear Honorable City Council Members,

I am writing to you today to advocate for the construction of a dedicated agricultural facility to house animals for the Stephenville FFA (Future Farmers of America) and Erath County 4H programs. This investment would yield significant benefits for our students, our school, and the broader community.

Currently, many of our FFA/4H students face challenges in raising and housing their livestock projects. Without a centralized, accessible facility, students often rely on personal property or the generosity of others. This in turn proves to be an obstacle for participation, especially for those who live in residential areas or lack the necessary space and resources. A city-supported agricultural facility would eliminate these barriers, allowing more students to engage in hands-on animal husbandry, a core component of the FFA curriculum.

The benefits of such a facility are multifaceted:

Enhanced Educational Opportunities: An on-site facility would provide students with direct, daily access to their animals, fostering a deeper understanding of animal science, nutrition, breeding, and veterinary care. This practical experience is invaluable and complements classroom learning, preparing students for careers in agriculture, veterinary medicine, and related fields.

Development of Life Skills: Raising livestock teaches students responsibility, discipline, perseverance, and problem solving. They learn the importance of hard work, time management, and dedication, all critical life skills that extend far beyond the barn.

Increased Student Engagement and Retention: A dedicated facility would undoubtedly boost participation in the FFA/4H program, attracting more students who are passionate about agriculture. This increased engagement can lead to higher academic achievement and a greater sense of belonging within the school community.

Community Engagement and Outreach: The facility could serve as a valuable resource for the entire community, potentially hosting educational workshops, youth events and live demonstrations of proper livestock care. This would foster a stronger connection between the school, the city, and our agricultural heritage.

Support for the Agricultural Industry: By nurturing the next generation of agricultural leaders, we are directly supporting a vital industry that plays a crucial role in our local economy and food supply.

Investing in an agricultural facility for our FFA/4H programs is an investment in our youth and our community's future. It aligns with our city's commitment to education, economic development, and fostering responsible citizens. It would show our local community, business owners, breeders, and students that we believe in this industry and support its continuing success. I along with many others believe this project would be a source of pride for Stephenville and provide invaluable opportunities for our students for years to come.

I respectfully request that the City Council consider this proposal with the attention it deserves. I am available to provide my personal experience with the success of the FFA program, as well as discuss any further questions you may have at your convenience.

Thank you for your consideration.

Sincerely,

Kevin Woodlee/ Proud Ag Dad

[REDACTED]

[REDACTED]

April 22, 2025

Fort Worth and Western Railroad

6300 Ridglea Place, Suite 1200

Fort Worth, Texas 76116

Greetings,

On March 31, 2025, representatives from the Fort Worth and Western Railroad (FWWR) and the City of Stephenville (city) met to discuss the city's intent to annex a portion of the FWWR railway into the city limits of the City of Stephenville.

Subject to the discussion and pursuant to Local Government Code, Section 43.1056, this letter is to inform you that the city is hereby initiating action to annex property as described in Exhibit A. For reference, Section 43.1056 reads as follows:

Sec. 43.1056. ANNEXATION OF CONTIGUOUS OR CONNECTING RIGHTS-OF-WAY. (a) Notwithstanding any other law, a municipality that is annexing an area under Subchapter C-3, C-4, C-5, or D may also annex with the area the right-of-way of a street, highway, alley, or other public way or of a railway line, spur, or roadbed, that is:

(1) contiguous and runs parallel to the municipality's boundaries; and

(2) contiguous to the area being annexed under Subchapter C-3, C-4, C-5, or D.

(b) A municipality may annex a right-of-way under this section only if:

(1) the municipality provides written notice of the annexation to the owner of the right-of-way,

through the owner's registered agent, if applicable, not later than the 61st day before the date of the proposed annexation; and

(2) the owner of the right-of-way does not submit a written objection to the municipality before the date of the proposed annexation.

(c) If the owner of a right-of-way proposed to be annexed under this section is a governmental entity, the entity may specify the location at which a municipality must deliver notice under Subsection (b).

(d) Section [43.054](#) does not apply to the annexation of a right-of-way under this section.

Added by Acts 2021, 87th Leg., R.S., Ch. 560 (S.B. [374](#)), Sec. 2, eff. June 14, 2021.

As specified, FWWR may object to the annexation. To exercise the objection, please notify Steve Killen within 61 days of service of this letter at skillen@stephenvilletx.gov, or in writing to, Steve Killen, 298 W Washington, Stephenville, Tx, 76401. Should no objection be received, the city will proceed with the annexation at the August 5, 2025, City Council meeting.

The City of Stephenville appreciates your cooperation with this annexation process and the resulting opportunities associated with this action.

Kind regards,

Randy Thomas

City Attorney

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Fort Worth + Western Rail Roads
6300 Ridgley Place, Suite 1200
Fort Worth, Texas 76116



9590 9402 8412 3156 9226 72

Article Number (Transfer from service label)

9589 0710 5270 2009 0640 73

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Kat JM*

☐ Agent

☐ Addressee

B. Received by (Printed Name)

Katherine Narvaez

C. Date of Delivery

5/2/25

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☐ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

Mail Restricted Delivery (0)

Domestic Return Receipt

USPS TRACKING#



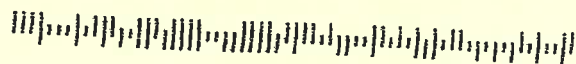
First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

9590 9402 8412 3156 9226 72

United States
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box •

Randy Thomas
PO Box 934
Stephenville, TX. 76401



SURVEY PLAT

LEGEND:

CIRF.....Capped Iron Rod Found
EM.....Electric Meter
GY.....Guy Wire
MNF.....Magnail Found
OE.....Overhead Electric
PP.....Power Pole
D.R.E.C.T.....Deed Records, Erath County, Texas
O.P.R.E.C.T.....Official Public Records, Erath County, Texas
P.R.E.C.T.....Plat Records, Erath County, Texas
Wire Fence.....X X

NOTES:

1. Basis of bearing being U.S. State Plane Grid - Texas North Central Zone (4202) NAD83 as established using the AllTerra RTKNet Cooperative Network. Reference frame is NAD83(2011) Epoch 2010.0000. Distances shown are U.S. Survey feet displayed in surface values.
2. According to the scaled location of FEMA Firm Map Nos. 48143C0300D and 48143C0430D, effective dates November 16, 2011, the subject property lies within Zone X - Areas determined to be outside the 0.2% chance annual flood.
3. This survey was prepared without the benefit of a current commitment for title insurance. Additional easements and/or restrictions may affect the surveyed property.

LEGAL DESCRIPTION:

BEING a tract of land in the M.R. Williams Survey, Abstract No. 804, Erath County, Texas, and being a portion of that land described in the deed to Fort Worth & Western Railroad Company, as recorded in Document No. 2015-00914, Official Public Records, Erath County, Texas (OPRECT), and being more particularly described by metes and bounds as follows: (Basis of bearing being U.S. State Plane Grid - Texas North Central Zone (4202) NAD83 as established using the AllTerra RTKNet Cooperative Network. Reference frame is NAD83(2011) Epoch 2010.0000. Distances shown are U.S. Survey feet displayed in surface values).

BEGINNING at a magnail found in the west line of said Fort Worth & Western Railroad Company tract for the northeast corner of a called 25.608 acre tract of land described in the deed to Four Stacked Hands, LLC, as recorded in Document No. 2025-01292, OPRECT and the southeast corner of a called 107.85 acre tract of land described in the deed to the State of Texas (Agricultural and Mechanical College of Texas), as recorded in Volume 263, Page 448, Deed Records, Erath County, Texas (DRECT), for the northwest corner of this tract, from which a 1/2 inch capped iron rod found marked "PRICE SURVEYING" for the northeast corner of Lot 1, Block 1, Atwoods Addition, an addition to Erath County, Texas, as shown per the plat recorded in Cabinet B, Slide 357A, Plat Records, Erath County, Texas bears South 15°00'56" West, a distance of 1,040.23 feet;

THENCE South 82°44'27" East, over and across said Fort Worth & Western Railroad Company tract, a distance of 100.92 feet to a 1/2 inch capped iron rod found marked "HUDDLESTON 6334" (CIRF) in the east line of said Forth Worth & Western Railroad Company tract for the northwest corner of a tract of land described in the deed to Ducato Investments, LLC, as recorded in Document No. 2020-00959, OPRECT, for the northeast corner of this tract;

THENCE with the east line of said Fort Worth & Western Railroad Company tract, the following courses and distances:

South 15°00'56" West, passing a 1/2 inch capped iron rod found marked "PRICE SURVEYING" for the southwest corner of said Ducato Investments tract and the northwest corner of a tract of land described in the deed to Davoil, Inc., as recorded in Document No. 2024-04306, OPRECT at a distance of 982.95 feet, passing a 1/2 inch capped iron rod found marked "PRICE SURVEYING" for the northwest corner of a called 10.00 acre tract of land described in the deed to Wygant Properties Limited Partnership, as recorded in Document No. 2024-05767, OPRECT at a distance of 3,507.70 feet, continuing for a total distance of 3,952.74 feet to a CIRF for the beginning of a curve to the right, with a radius of 2,914.79 feet, and a chord which bears South 18°55'12" West, a distance of 396.79 feet;

With said curve to the right, through a central angle of 07°48'20", an arc distance of 397.10 feet to a CIRF for the southwest corner of a called 5.01 acre tract of land described in the deed to South Texas Cement, LLC, as recorded in Document No. 2024-05762, OPRECT and the southeast corner of this tract;

THENCE North 43°27'48" West, over and across said Fort Worth & Western Railroad Company tract, a distance of 109.60 feet to a CIRF in the west line of said Fort Worth & Western Railroad Company tract and the east right-of-way line of U.S. Highway 281 for the south corner of a called 7.577 acre tract of land described in the deed to Olmos Creek Farms, LLC, as recorded in Document No. 2025-00557, OPRECT, for the southwest corner of this tract;

THENCE with the west line of said Fort Worth & Western Railroad Company tract, the following courses and distances:

With a curve to the left, with a radius of 2,814.79 feet and a chord which bears North 18°28'17" East, a distance of 339.18 feet; through a central angle of 06°54'30", an arc distance of 339.39 feet to a CIRF;

North 15°00'56" East, passing a 1/2 inch capped iron rod found marked "PRICE SURVEYING" for the northeast corner of said Olmos Creek Farms tract and the southeast corner of a called 3.340 acre tract of land described in the deed to James S. Virgin, as recorded in Document No. 2018-04547, OPRECT at a distance of 966.60 feet, passing a 1/2 inch capped iron rod found marked "PRICE SURVEYING" for the northeast corner of said Virgin tract and the southeast corner of Lot 1, Block 1, Tractor Supply Stephenville Addition, an addition to Erath County, as shown per the plat recorded in Cabinet B, Slide 319A, Plat Records, Erath County, Texas, at a distance of 1,254.22 feet, passing a 1/2 inch capped iron rod found marked "PRICE SURVEYING" for the northeast corner of Lot 1 of said Tractor Supply Stephenville Addition and the southeast corner of a called 9.985 acre tract of land described in the deed to Amazon.com Services, LLC, as recorded in Document No. 2024-05274, OPRECT at a distance of 1,749.59 feet, passing a 1/2 inch capped iron rod found marked "PRICE SURVEYING" for the northeast corner of said Amazon.com tract and the southeast corner of Lot 1 of said Atwoods Addition at a distance of 2,276.40 feet, passing a 1/2 inch capped iron rod found marked "PRICE SURVEYING" for the northeast corner of Lot 1 of said Atwoods Addition and the southeast corner of the aforementioned Four Stacked Hands tract at a distance of 2,898.89 feet, continuing for a total distance of 3,939.11 feet to the **POINT OF BEGINNING** and containing 9.904 Acres of Land.

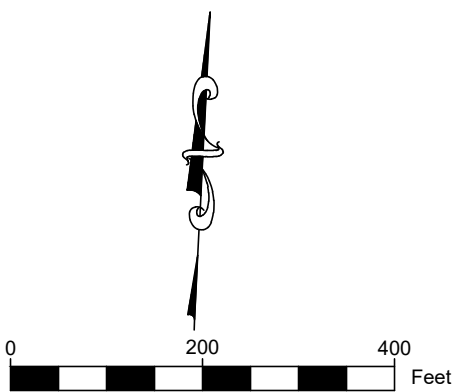
SURVEYOR'S CERTIFICATION

I, N. Zane Griffin, a Registered Professional Land Surveyor licensed in the State of Texas, do hereby declare that this survey is true and correct and was prepared from an actual survey made under my supervision on the ground.

N. Zane Griffin, RPLS No. 6810
Date: Apr 17, 2025



F.M. 8
(A 100' PUBLIC RIGHT-OF-WAY)



P.O. Box 2465 Stephenville, Tx 76401
zane@nativeandsurveying.com ~ 254-434-6695
TBPELS Firm No. 10194572

U.S. HIGHWAY 281
(A VARIABLE WIDTH PUBLIC RIGHT-OF-WAY)

Called 107.85 Acres
State of Texas
(Agricultural and Mechanical College of Texas)
Vol. 263, Pg. 448
D.R.E.C.T.

Richard Bolling et. al.
Vol. 445, Pg. 516
D.R.E.C.T.

Called 25.608 Acres
Four Stacked Hands, LLC
Doc. No. 2025-01292
O.P.R.E.C.T.

Ducato Investments, LLC.
Doc. No. 2020-00959
O.P.R.E.C.T.

M.R. WILLIAMS SURVEY
ABSTRACT No. 804

LOT 1, BLOCK 1
ATWOODS ADDITION
CAB. B, SLIDE 357A
P.R.E.C.T.

Called 11.961 Acres
Atwood Distributing L.P.
Doc. No. 2022-08362
O.P.R.E.C.T.

Called 9.985 Acres
Amazon.com Services, LLC
Doc. No. 2024-05274
O.P.R.E.C.T.

A PORTION OF
FORT WORTH & WESTERN
RAILROAD COMPANY
DOC. NO. 2015-00914
O.P.R.E.C.T.
431419 Sq.Ft.
9.904 Ac

Davoil, Inc.
Doc. No. 2024-04306
O.P.R.E.C.T.

LOT 1, BLOCK 1
TRACTOR SUPPLY
STEPHENVILLE ADDITION
CAB. B, SLIDE 319A
P.R.E.C.T.

Called 5.339 Acres
Douglas C. Lee Revocable Trust
Doc. No. 2022-06427
O.P.R.E.C.T.

Called 3.340 Acres
James S. Virgin
Doc. No. 2018-04547
O.P.R.E.C.T.

Called 7.577 Acres
Olmos Creek Farms, LLC
Doc. No. 2025-00557
O.P.R.E.C.T.

Called 10.00 Acres
Wygant Properties Limited Partnership
Doc. No. 2024-05767
O.P.R.E.C.T.

Called 5.01 Acres
South Texas Cement, LLC
Doc. No. 2024-05762
O.P.R.E.C.T.

SMITH SPRINGS RD.
(RECORDING INFO NOT FOUND)
WILLIAM SIMS SURVEY
ABSTRACT No. 683

State of Texas
(Agricultural and Mechanical College of Texas)
Vol. 262, Pg. 417
D.R.E.C.T.

LINE DATA TABLE		
NO.	BEARING	DIST
L1	S82°44'27"E	100.92'
L2	N43°27'48"W	109.60'

CURVE DATA TABLE				
NO.	DELTA	RADIUS	ARC DIST	CHORD BEARING
C1	7°48'20"	2914.79'	397.10'	S18°55'12"W
C2	6°54'30"	2814.79'	339.39'	N18°28'17"E

BEING a tract of land in the M.R. Williams Survey, Abstract No. 804, Erath County, Texas, and being a portion of that land described in the deed to Fort Worth & Western Railroad Company, as recorded in Document No. 2015-00914, Official Public Records, Erath County, Texas (OPRECT), and being more particularly described by metes and bounds as follows: (Basis of bearing being U.S. State Plane Grid - Texas North Central Zone (4202) NAD83 as established using the AllTerra RTKNet Cooperative Network. Reference frame is NAD83(2011) Epoch 2010.0000. Distances shown are U.S. Survey feet displayed in surface values).

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ORDINANCE NO. 2025-O-xx

AN ORDINANCE ANNEXING THE HEREINAFTER DESCRIBED TERRITORY TO THE CITY OF STEPHENVILLE, ERATH COUNTY, TEXAS, AND EXTENDING THE BOUNDARY LIMITS OF SAID CITY SO AS TO INCLUDE SAID HEREINAFTER DESCRIBED PROPERTY WITHIN SAID CITY LIMITS, AND GRANTING TO ALL THE INHABITANTS OF SAID PROPERTY ALL THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF SAID CITY.

WHEREAS, on April 1, 2025, the City of Stephenville City Council authorized the City Manager to pursue annexation of a portion of the Fort Worth and Western Railroad pursuant to the authorities expressed in Section 43.1056 of the Local Government Code.

WHEREAS, the City of Stephenville issued notice the Fort Worth and Western Railroad and received no objection to the annexation of the railway within the 61-day period allotted by Section 43.1056

WHEREAS, the procedures prescribed by the Charter of the City of Stephenville, Texas, and the laws of this state have been duly followed with respect to the following described territory, recorded in the Official Public Records of Erath County, and that territory's metes and bounds being attached as part of "Exhibit A."

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Stephenville, Texas:

SECTION 1.

The above-described property is hereby annexed to the City of Stephenville, Erath County, Texas, and that the boundary limits of the City of Stephenville are hereby extended to include said territory within the city limits of the City of Stephenville. The same shall hereafter be included within the territorial limits of said city, and the inhabitants thereof shall hereafter be entitled to all the rights and privileges of other citizens of the City of Stephenville and they shall be bound by the acts, ordinances, resolutions, and regulations of said city.

SECTION 2.

The City Secretary is hereby directed to file with the County Clerk of Erath, Texas, a certified copy of this ordinance.

PASSED AND APPROVED this 3rd day of June 2025.

Doug Svien, Mayor

ATTEST:

Sarah Lockenour, City Secretary

Reviewed by Jason King,
City Manager

Randy Thomas, City Attorney
Approved as to form and legality

STAFF REPORT



SUBJECT: Application No.: PD 8927 and 8928

Applicant Ryan Hill, representing Quatro Soto Properties, LLC, is requesting a rezone from R-3, Multifamily, to PD, to Planned Development, of property located at 640 N. McCart, Parcel R33266, and 646 N. McCart, Parcel R33265, being S5700 Shapard and Collins, Block 11, Lots 2B, 3 and 4, to the City of Stephenville, Erath County, Texas. The applicant will present the Development Plan.

DEPARTMENT: Development Services

STAFF CONTACT: Steve Killen, Director of Development Services

RECOMMENDATION:

The Planning and Zoning Commission convened on July 16, 2025, and voted 6-1 to recommend the City Council approve the rezone request and development plan.

BACKGROUND:

A Conceptual Plan was presented to the Planning and Zoning Commission for the 1.267-acre development on June 18, 2025. The applicant returned on July 16, 2025, and presented the development plan. is now requesting approval of the Development Plan and assignment of zoning to Planned Development.

The following development standards/deviations are summarized below as reflected in the project narrative.

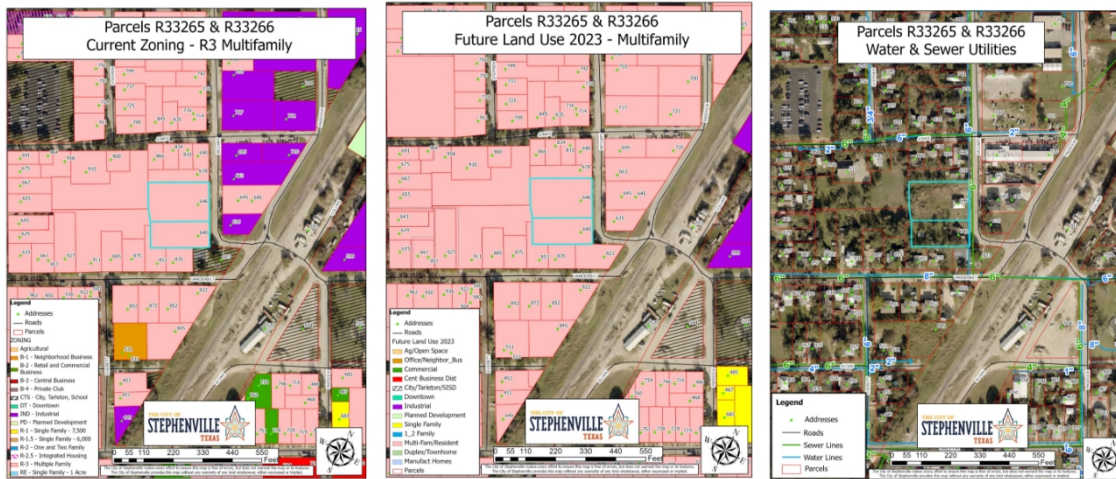
Requested

15.8 units/ac
Landscape plantings TBD by Owner
One garage and one drive
1400 SF Lot
21 to 26' lot frontage
2000 SF living space minimum
2' setback front (Garages)
10' Rear setback
10' landscape buffer w privacy fence
Roof deck at 35'
Architectural elements 8' above roof deck
ridge = 35'
20' fire lane
Open Space .27 acres
Waive PL dedication
Landscaping location TBD by Owner

Standard

14 units/ac
Approved Tree Species List
Two spaces/unit
3000 SF Lot
30x100
800 SF home
15' front
15' rear setback
20' landscape buffer
Average of plate height and ridge = 35'
Building Height = Average of plate height and
24 to 26' fire lane
15% of site = 19%
Per door fee
30% of total shall be in front yard

PROPERTY PROFILE:



FUTURE LAND USE

Community Core

The Community Core land use accommodates a mix of uses at a medium density. Diverse housing types are encouraged to support a range of residents. Local businesses, such as grocery stores, cafes, and local offices cater to the needs of the nearby residents and parks and green spaces provide recreational opportunities.



Sec. 154.08. Planned development district (PD).

8.A Description.

- (1) Planned development districts are designed for greater flexibility and discretion in the application of residential and non-residential zoning and for increased compatibility and the more effective mitigation of potentially adverse impacts on adjacent land than in possible under standard district regulations. It is recognized that it is desirable for certain areas of the city to be developed in accordance with development plans prepared and approved as a part of the ordinance authorizing the zoning necessary for the proposed development.
- (2) Improvements in a "PD" District are subject to conformance with a development plan approved by the City Council on Planning and Zoning Commission recommendation and after public hearing thereon. No development plan may increase gross density in excess of that allowed by the base district.

8.B Permitted Uses. In a PD Development District, no land shall be used and no building shall be installed, erected for/or converted to any use other than a hereinafter provided.

NON-RESIDENTIAL PLANNED DEVELOPMENTS. Considered appropriate where the following conditions prevail:

- (1) The project utilized innovative land development concepts and is consistent with the Comprehensive Land Use plan and the goals and objectives of the city;

- (2) Non-residential uses are situated such that an appreciable amount of land is available for open space or joint use as parking space and is integrated throughout the planned development;
- (3) The site exhibits environmentally natural features which should be considered for preservation and/or enhancement;
- (4) Aesthetic amenities may be provided in the planned development design which are not economically feasible to provide in conventional non-residential projects; and
- (5) The project provides a compatible transition between adjacent existing single-family residential projects and provides a compatible transition for the extension of future single-family projects into adjacent undeveloped areas.

RESIDENTIAL PLANNED DEVELOPMENT. Considered appropriate where the following conditions prevail:

- (1) The project utilized innovative land development concepts and is consistent with the Comprehensive Land Use plan and the goals and objectives of the city;
- (2) Dwelling units are situated such that an appreciable amount of land for open space is available and is integrated throughout the planned development;
- (3) The project utilizes an innovative approach in lot configuration and mixture of single-family housing types;
- (4) Higher densities than conventional single-family projects of the same acreage is achievable with appropriate buffering between existing conventional single-family developments and increased open space;
- (5) The site exhibits environmentally natural features which should be considered for preservation and/or enhancement;
- (6) Aesthetic amenities may be provided in the planned development design which are not economically feasible to provide in conventional single-family projects; and
- (7) The project provides a compatible transition between adjacent existing conventional single-family residential projects and provides a compatible transition for the extension of future conventional single-family projects into adjacent undeveloped areas.

8.C Prohibited Uses.

- (1) Any building erected or land used for other than the use shown on the Planned Development Site Plan, as approved by the City Council.
- (2) Any use of property that does not meet the required minimum lot size; front, side and rear yard dimensions; and/or lot width, or exceeds the maximum height, building coverage or density per gross acreage as shown in the development's recorded Planned Development Site Plan, as approved by City Council.
- (3) Any use deemed by the City Council as being detrimental to the health, safety or general welfare of the citizens of Stephenville.

8.D Ownership. An application for approval of a Planned Development Plan under the Planned Development District regulations may be filed by a person having legal ownership of the property to be included in the Development Plan. In order to ensure unified planning and development of the property, the applicant shall provide evidence, in form satisfactory to the City Attorney, prior to final approval of the Development Plan, that the property is held in single ownership or is under single control. Land shall be deemed to be held in single ownership or under single control if it is in joint tenancy, tenancy in common, a partnership, a trust or a joint venture. The Development Plan shall be filed in the name(s) of the record owner(s) of the property, which shall be included in the application.

8.E Development Schedule.

- (1) An application for a Planned Development District shall be accompanied by a development schedule indicating the approximate date on which construction is expected to begin and the rate of anticipated development to completion. The development schedule, adopted and approved by the City Council, shall become part of the Planned Development Ordinance and shall be adhered to by the owner, developer and their assigns or successors in interest.
- (2) Annually, upon the anniversary date, or more frequently if required, the developer shall provide a written report to the Planning and Zoning Commission concerning the actual development accomplished as compared with the development schedule.

- (3) The Planning and Zoning Commission may, if in its opinion the owner or owners of the property are failing or have failed to meet the approved development schedule, initiate proceedings to amend the Official Zoning map or the Planned Development District by removing all or part of the Planned Development District from the Official Zoning Map and placing the area involved in another appropriate zoning district. After the recommendation of the Planning and Zoning commission and for good cause shown by the owner and developer, the City Council may extend the development schedule as may be indicated by the facts and conditions of the case.

8.F Plat Requirements. No application for a building permit for the construction of a building or structure shall be approved unless a plat, meeting all requirement of the City of Stephenville has been approved by the City Council and recorded in the official records of Erath County.

8.G Concept Plan. The applicant for any PD Planned Development shall submit a concept plan to the Planning and Zoning Commission for review prior to submitting a Development Plan. The concept plan shall contain appropriate information to describe the general land use configuration, proposed densities or lot sizes, proposed amenities and proposed regulation.

8.H Development Plan Approval Required. No building permit or certificate of occupancy shall be issued and no use of land, buildings or structures shall be made in the "PD" District until the same has been approved as part of a development plan in compliance with the procedures, terms and conditions of this section of the ordinance.

8.I Approval Procedures.

- (1) An application for development plan approval shall be filed with the Director of Community Development accompanied by a development plan.
- (2) The procedures for hearing a request for a zoning change to "PD" shall be the same as for a requested change to any other district as set forth Section 20 of the Zoning Ordinance.
- (3) Any substantive revision to a development plan between the public hearing before the Planning and Zoning Commission and the public hearing before the City Council shall necessitate the development plan being referred back to the Planning and Zoning Commission for review and evaluation unless the revision constitutes a minor change as provided below, or the change was condition of the approval.
- (4) Any revisions to the development plan after the public hearing before the City Council shall be submitted to the Director of Community Development for distribution, review and written evaluation by city staff prior to submission to and approved by the City Council.
- (5) Minor changes to an approved development plan, which will not cause any of the following circumstances to occur, may be authorized by the Director of Community Development or his or her designee:
 - (a) A change in the character of the development;
 - (b) An increase in the gross floor areas in structures;
 - (c) An increase in the intensity of use;
 - (d) A reduction in the originally approved separations between buildings;
 - (e) Any adverse changes in traffic circulation, safety, drainage and utilities;
 - (f) Any adverse changes in such external effects on adjacent property as noise, heat, light, glare, vibration, height scale or proximity;
 - (g) A reduction in the originally approved setbacks from property lines;
 - (h) An increase in ground coverage by structures;
 - (i) A reduction in the ratio of off-street parking and loading space; and
 - (j) A change in the size, height, lighting or orientation of originally approved signs.
- (6) The decision of the Director of Community Development or his or her designee as to whether minor changes are being requested may be appealed to the Planning and Zoning Commission. Any change deemed not to be minor change, as indicated above, shall be processed as a new application in accordance with the provisions of this section and Section 20.1 of the Zoning Ordinance.

8.J Development Plan Requirements. The development plan submitted in support of a request for development plan approval shall contain sufficient information delineating the characteristics of the site, changes in those characteristics as may be proposed by the development, how the development will relate to public services and facilities and what protection features are included to insure that the development will be compatible with existing and allowable development on adjacent property. The development plan shall show at least the following items of information:

- (1) The location of all existing and planned non-single-family structures on the subject property;
- (2) Landscaping lighting and/or fencing and/or screening of common areas;
- (3) General locations of existing tree clusters, providing average size and number and indication of species;
- (4) Location and detail of perimeter fencing if applicable;
- (5) General description/location of ingress and egress with description of special pavement treatment if proposed;
- (6) Off-street parking and loading facilities, and calculations showing how the quantities were obtained for all non single-family purposes;
- (7) Height of all non-single-family structures;
- (8) Proposed uses;
- (9) Location and description of subdivision signage and landscaping at entrance areas;
- (10) Street names on proposed streets;
- (11) Proposed minimum area regulations including, set-backs, lot-sizes, widths, depths, side-yards, square footage or residential structures;
- (12) Indication of all development phasing and platting limits; and
- (13) Such additional terms and conditions, including design standards, as the Planning and Zoning Commission and the City Council deem necessary.

8.K Conditions for Development Plan Approval.

- (1) A development plan shall be approved only if all of the following conditions have been found during the review and process:
 - (a) That the uses will be compatible with and not injurious to the use and enjoyment of other property, nor significantly diminish or impair property values with the immediate vicinity;
 - (b) That the establishment of the use or uses will not impede the normal and orderly development and improvements of surrounding vacant property;
 - (c) That adequate utilities, access roads, drainage and other necessary supporting facilities have been or will be provided;
 - (d) That the design, location and arrangement of all driveways and parking spaces provides for the safe and convenient movement of vehicular and pedestrian traffic without adversely affecting the general public or adjacent developments;
 - (e) That adequate nuisance prevention measures have been or will be taken to prevent or control offensive odor, fumes, dust, noise and vibration;
 - (f) That directional lighting will be provided so as not to disturb or adversely affect neighboring properties.
- (2) In approving a development plan, the City Council may impose additional conditions necessary to protect the public interest and welfare of the community.

8.L Additional Conditions. Every Planned Development District approved under the provisions of this Ordinance shall be considered as an amendment to the Ordinance as applicable to the property involved. In an approved Planned Development District, the City Council may impose conditions relative to the standard of development, and such conditions shall be complied with before a certificate of occupancy is issued for the use of the land or any structure which is part of the Planned Development District; and such condition shall not be construed as conditions precedent to the approval of the zoning amendment, but shall be constructed as conditions precedent to the granting of a certificate of occupancy.

8.M Revocation.

- (1) Approval of a development plan may be revoked or modified, after notice and hearing, for either of the following reasons:
 - (a) Approval was obtained or extended by fraud or deception; or
 - (b) That one or more of the conditions imposed by the City Council on the development plan has not been met or has been violated.
- (2) Development controls:
 - (a) The City Council may impose more restrictive requirements than those proposed in the development plan in order to minimize incompatibilities;
 - (b) A "PD" District shall have a minimum lot area of not less than one acre under unified control;
 - (c) The parking requirements of the Zoning Ordinance shall apply to all uses in the "PD" District unless otherwise specified on the development plan; and
 - (d) "PD" provisions may vary setbacks with approval.

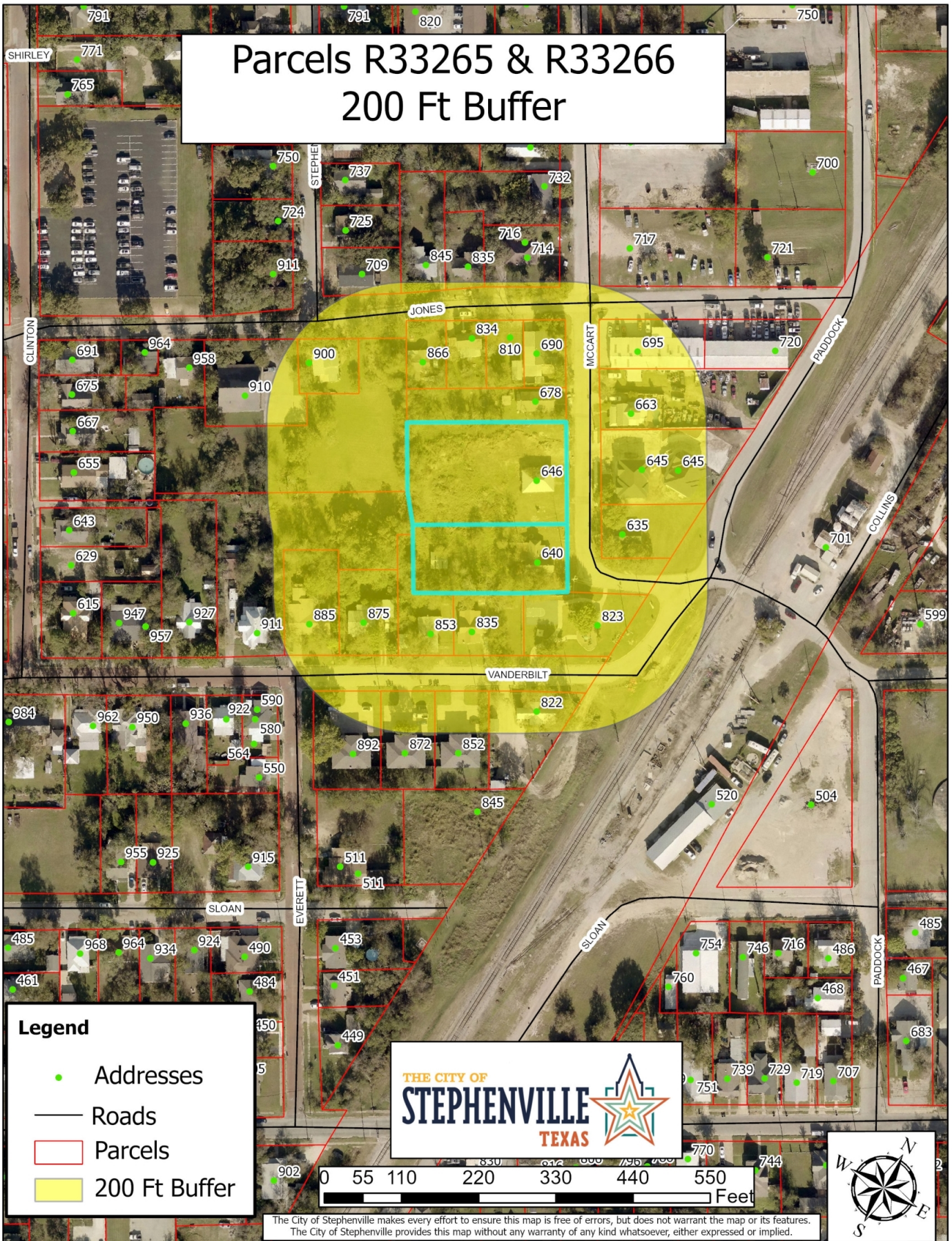
FACTORS TO CONSIDER:

- Compliance with Comprehensive Plan?
- Is application consistent with Plan?
- If not, have conditions changed or new information been offered to support change?
- Surrounding Zoning and Land Use
- Infrastructure Impacts
- Size and Location of Parcel – is land large enough and in property location for proposed use?
- Reasonable Use of Property – does proposed change provide reasonable use of property?
- Zoning has great discretion – deny if applicant has not proven it is in the best interest of City to approve

ALTERNATIVES:

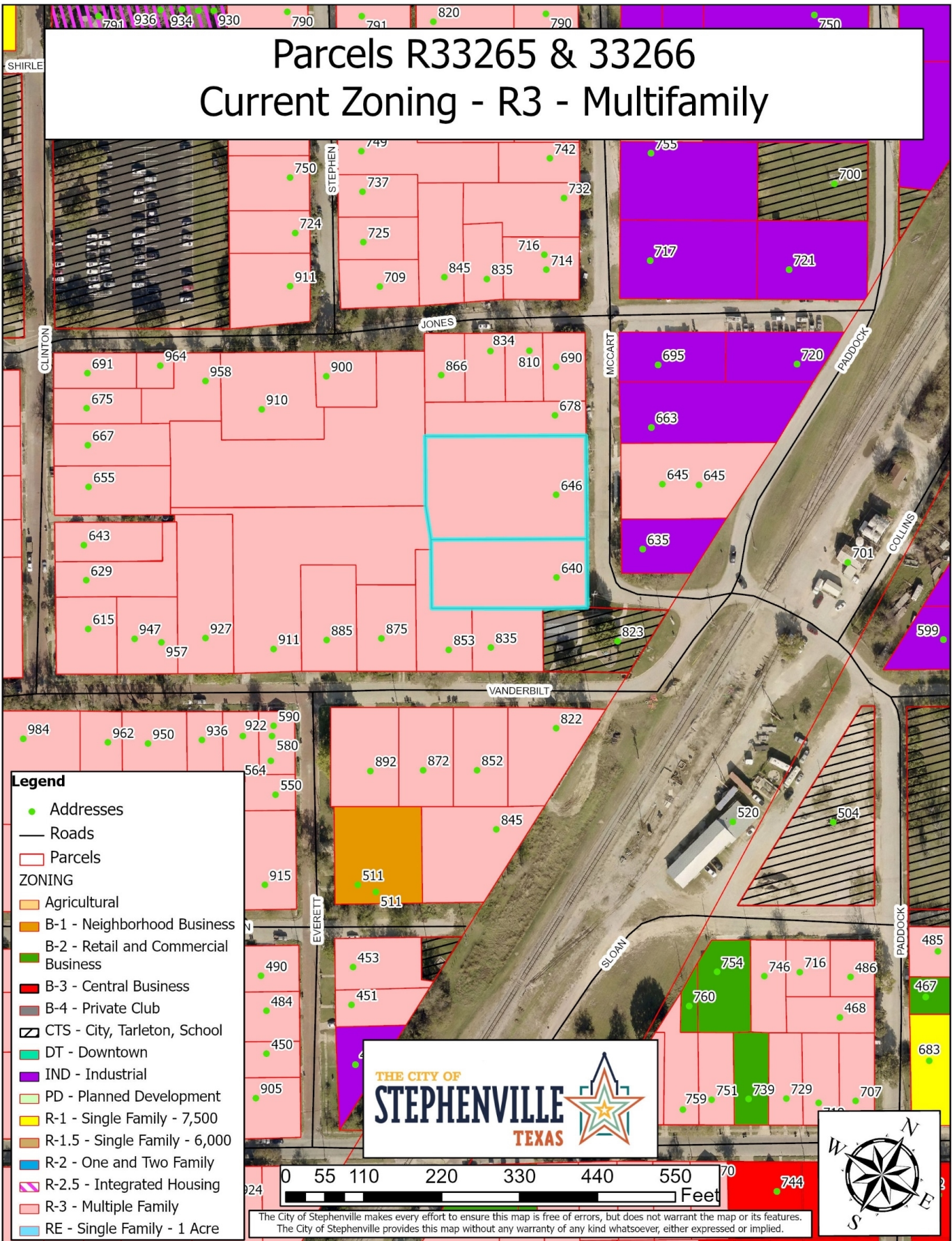
- 1) Accept the recommendation of the Planning and Zoning Commission.
- 2) Accept the recommendation of the Planning and Zoning Commission with revisions to the requested concessions.
- 3) Do not accept the recommendation and deny the rezone request.

Parcels R33265 & R33266 200 Ft Buffer



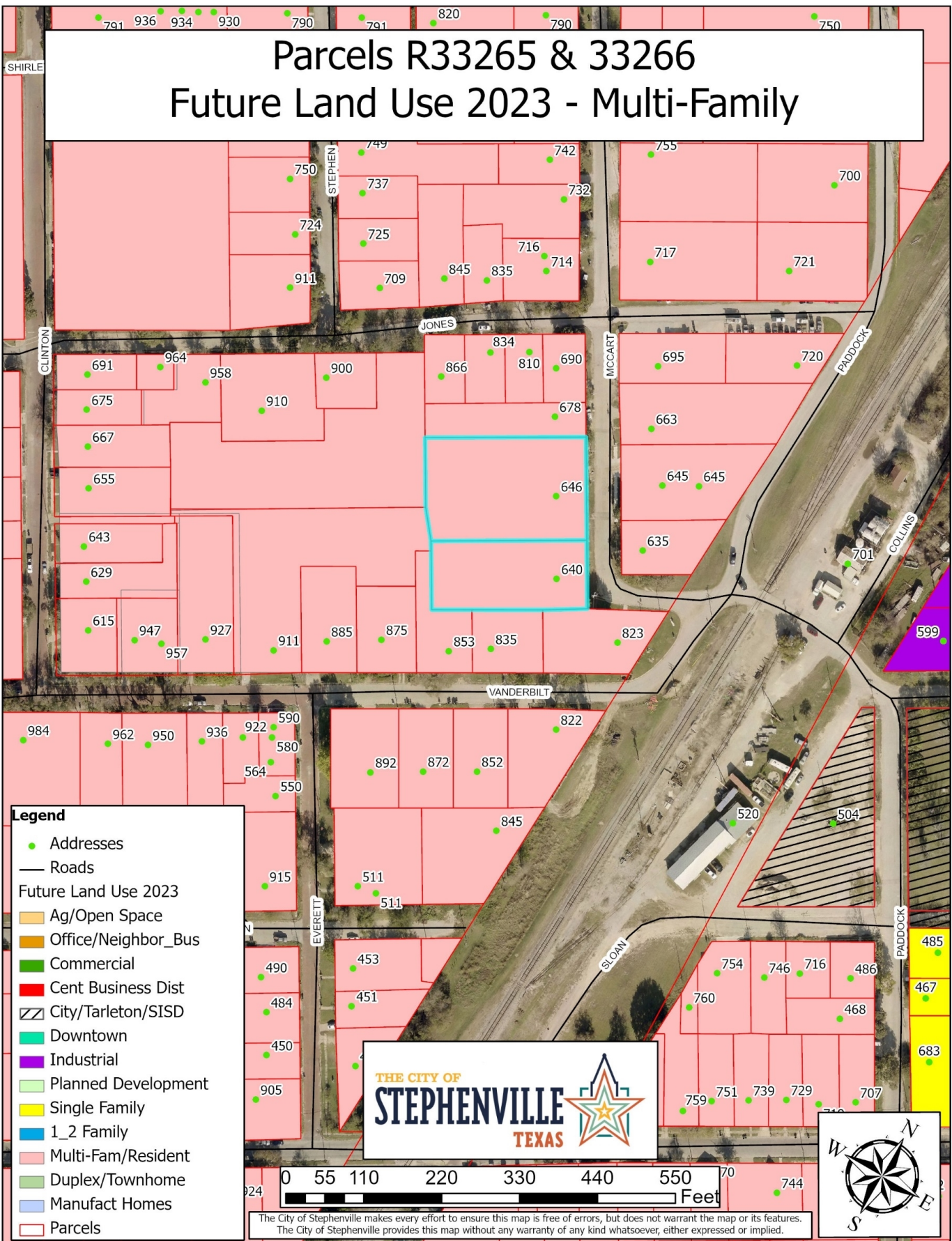
Parcels R33265 & 33266

Current Zoning - R3 - Multifamily



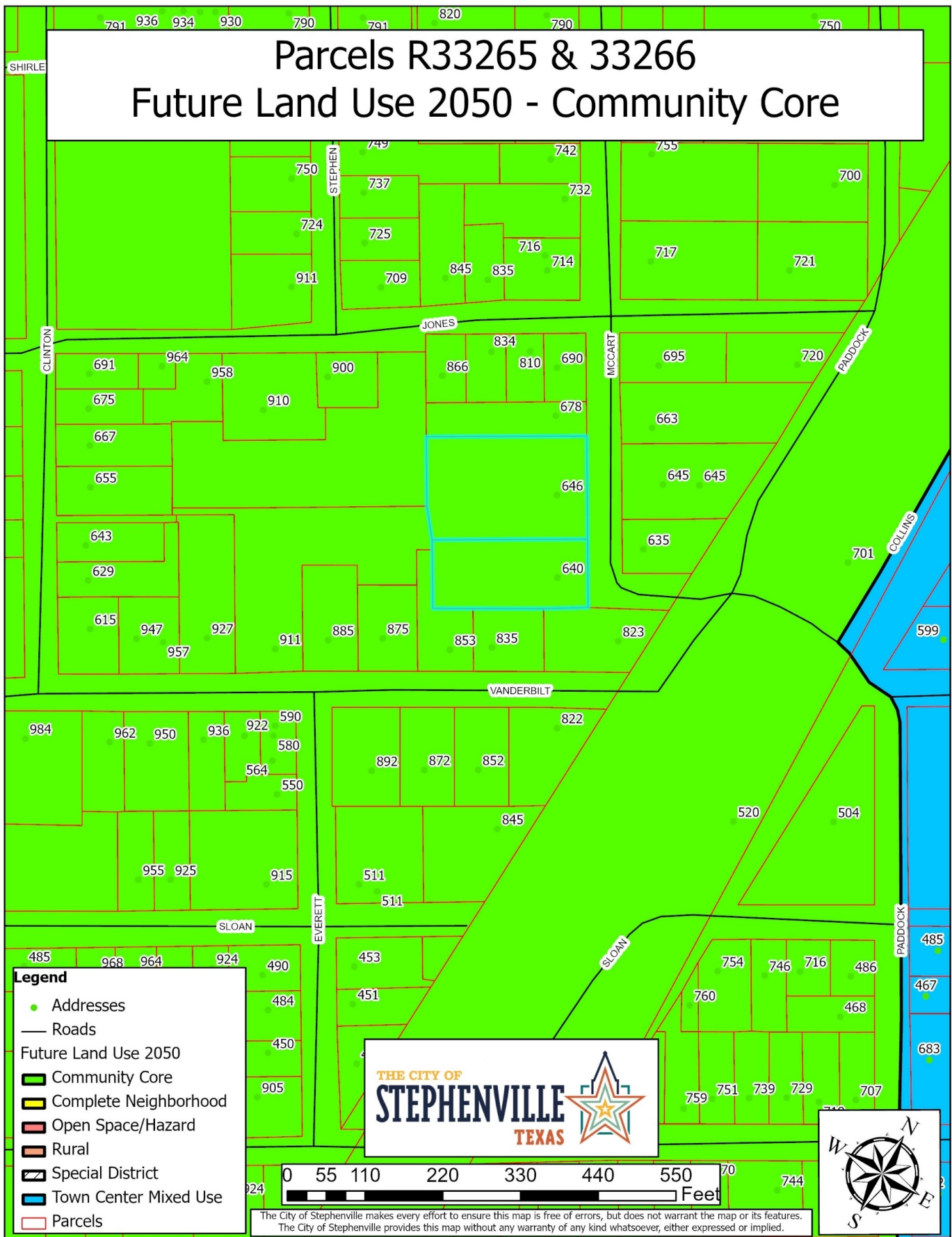
Parcels R33265 & 33266

Future Land Use 2023 - Multi-Family

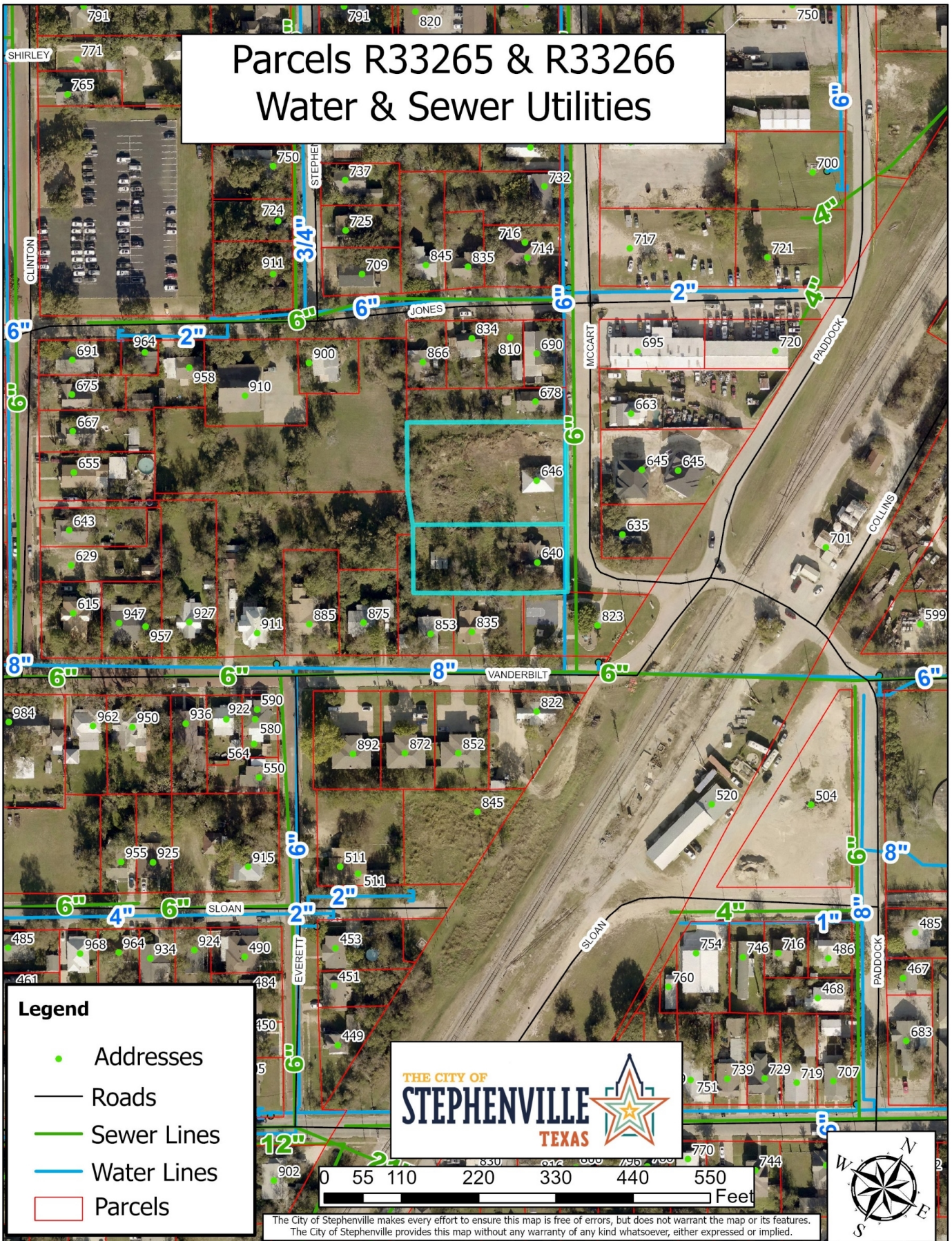


Parcels R33265 & 33266

Future Land Use 2050 - Community Core



Parcels R33265 & R33266 Water & Sewer Utilities



Parcel ID R33266

200 Ft Buffer

Address

Parcel ID	Parcel Address	Parcel Owner	Owner Address	City	State	Zip Code
R000077002	0 JONES	BURDICK BRYCE NATHAN	101 ANGELA CT	STEPHENVILLE	TX	76401
R000033462	910 W JONES	BURDICK BRYCE NATHAN	101 ANGELA CT	STEPHENVILLE	TX	76401
R000032743	835 VANDERBILT	CADENHEAD JEFFREY J	835 W VANDERBILT	STEPHENVILLE	TX	76401
R000032744	839 W VANDERBILT	CITY OF STEPHENVILLE	298 W WASHINGTON	STEPHENVILLE	TX	76401-4257
R000014966	0 N PADDOCK & VANDERBILT	FORT WORTH & WESTERN RAILROAD	6300 RIDGLEA PLACE STE 1200	FORT WORTH	TX	76116-5738
R000033257	635 MCCART	HALL LIVING TRUST	4223 BEACH VIEW CT	PORT CHARLOTTE	FL	33948
R000053042	853 VANDERBILT	HOWARD OLA FAYE	5441 S US377	STEPHENVILLE	TX	76401
R000033474	875 VANDERBILT	JOHNSON LEN WELLS	875 VANDERBILT	STEPHENVILLE	TX	76401-0000
R000032747	822 VANDERBILT	JUAREZ LUIS & REBECCA	822 WEST VANDERBILT	STEPHENVILLE	TX	76401
R000033472	885 VANDERBILT	KING RUSSELL W	19211 S US HWY 377	DUBLIN	TX	76446-4365
R000033262	866 JONES	LITTLE HOLLYE OBEDIE	295 E CLIFTON	STEPHENVILLE	TX	76401
R000033463	900 W JONES	MATA DIANA ELIZABETH LOPEZ	900 W JONES ST	STEPHENVILLE	TX	76401
R000033281	845 JONES	MORAVEC RACHEL ANNA	845 W JONES	STEPHENVILLE	TX	76401
R000033279	714 MCCART	MULBARGER TODD & KIM	153 VALLEY OAK PLACE	WOODBIDGE	CA	95258
R000030299	709 STEPHEN	NORRIS STEVEN E & CAROLYN C	113 BLUE RIBBON LANE	STEPHENVILLE	TX	76401
R000032746	852 W VANDERBILT	NOWAK SM INVESTMENTS	103 BRANDY LN	STEPHENVILLE	TX	76401
R000032745	892 W VANDERBILT	NOWAK SM INVESTMENTS	103 BRANDY LN	STEPHENVILLE	TX	76401
R000033259	810 JONES	QUATRO SOTOS PROPERTIES LLC	695 N MCCART	STEPHENVILLE	TX	76401
R000033258	645 MCCART	QUATRO SOTOS PROPERTIES LLC	695 N MCCART	STEPHENVILLE	TX	76401
R000033265	646 MCCART	QUATRO SOTOS PROPERTIES LLC	695 N MCCART	STEPHENVILLE	TX	76401
R000033266	640 MCCART	QUATRO SOTOS PROPERTIES LLC	695 N MCCART	STEPHENVILLE	TX	76401
R000033274	717 MCCART	QUATRO SOTOS PROPERTIES LLC	695 N MCCART	STEPHENVILLE	TX	76401
R000073712	872 W VANDERBILT	SHUTEYE PEAK PROPERTIES LLC	351 N WALNUT RD, SUITE 15	TURLOCK	CA	95380
R000033260	690 MCCART	SOTO AURELIA	3175 CR386	STEPHENVILLE	TX	76401-8510
R000033255	695 MCCART	SOTO AURELIA	3175 CR386	STEPHENVILLE	TX	76401-8510
R000033256	661 MCCART	SOTO JOE FERNANDO	663 N MCCART	STEPHENVILLE	TX	76401
R000033263	678 MCCART	THE WRINKLE FAMILY TRUST	1005 CHARLOTTE	STEPHENVILLE	TX	76401
R000033261	834 JONES	VILLAS KRISTEN & SUSAN VILLAS LEWIS	17701 EASTWARD LOOK	DRIPPING SPRINGS	TX	78620
R000033280	835 JONES	WELLS HOUSTON & JOYCE W (LIFE ESTATE)		STEPHENVILLE	TX	76401
R000033470	911 VANDERBILT	YOUNG DANNY M & HOLLY LAMB	911 W VANDERBILT	STEPHENVILLE	TX	76401-0000

LEGEND

- OPEN SPACE
- PROJECT BOUNDARY
- PROP DETENTION AREA
- BUILDING SETBACK LINE
- PROP PROPERTY LINES

A comprehensive Public Works review will be completed upon receipt of the civil construction plans and drainage study.

Please refer to the City of Stephenville Subdivision Ordinance (Chapter 155) and Engineering Standards Manual for additional information regarding regulations, procedures, standards, etc. that may be applicable to this development.

https://library.municode.com/tx/stephenville/codes/land_use_and_zoning?nodeId=TITXVLAUS_CH155SU

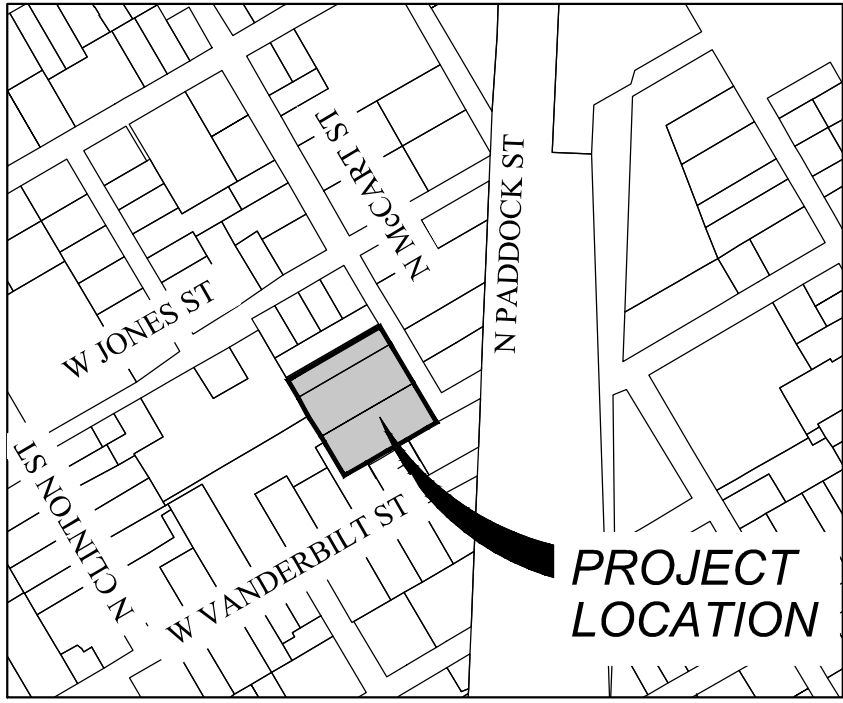
<https://www.stephenvilletx.gov/DocumentCenter/View/611/Engineering-Standards-Manual-PDF?bidId=>

Please contact the Public Works office at publicworks@stephenvilletx.gov with any questions.

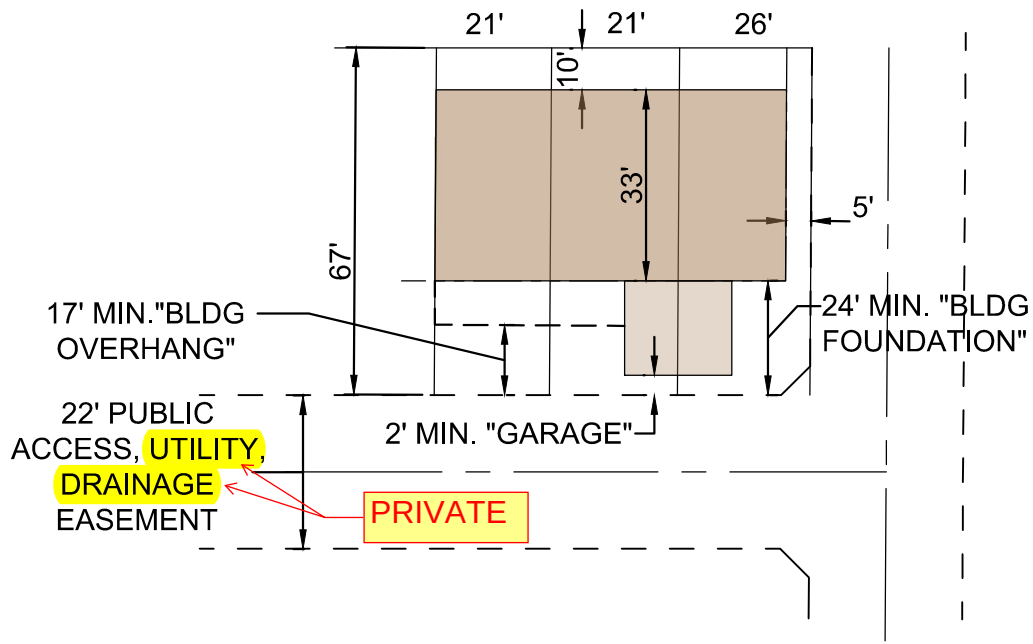
PROPOSED 3-STORY TOWN HOMES
R2.5 BASE ZONING

20 UNITS
4 BEDROOMS/UNIT
2 PARKING SPACES/UNIT
40 PARKING SPACES REQUIRED

PRIVATE DRIVES = 20
PRIVATE GARAGE = 20
GUEST PARKING = 20
TOTAL = 60



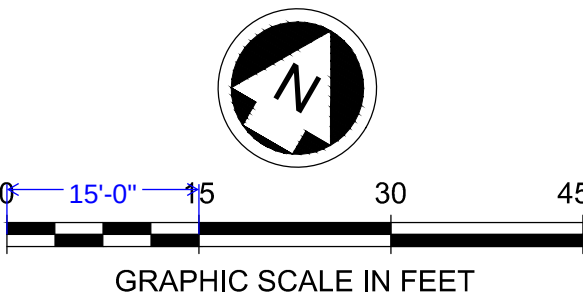
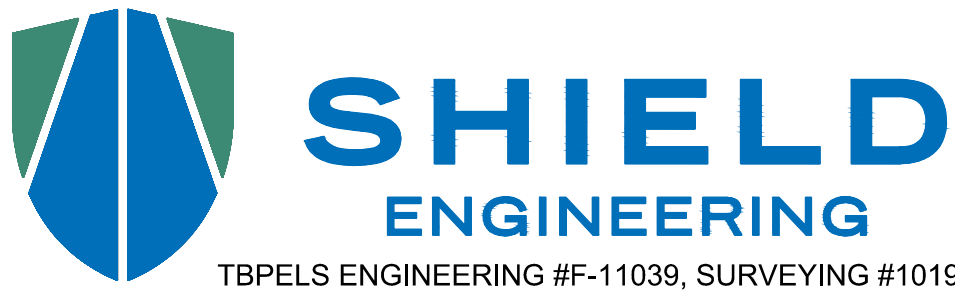
VICINITY MAP
NOT TO SCALE



TYPICAL LOT

NTS
MIN LOT SIZE 67' X 21' = 1,407 SF

SITE INFORMATION		
LOT INFORMATION		
	REQUIRED (R2.5)	PROVIDED
LOT AREA	3,000 SF	1,407 SF
LOT WIDTH/FRONTAGE	30 FT	21 FT
LOT DEPTH	100 FT	67 FT
FRONT SETBACK	15 FT	24 FT
REAR SETBACK	15 FT	10 FT
SIDE SETBACK	5 FT	5 FT
BUILDING SIZE		
BUILDING COVERAGE AS % OF LOT AREA	40%	49%
TOWNHOUSE UNIT AREA	800 SF	693 SF
GARAGE AREA		242 SF
BUILDING COVERAGE (INCLUDING GARAGE)		67%
DENSITY		
MAX DENSITY	14 UNITS/AC	15.7 UNITS/AC
OPEN SPACE	0.36 AC	29% COVERAGE (15% MINIMUM)



CITY OF STEPHENVILLE, TEXAS

646 N McCart

LAND PLAN - TOWN HOMES
6.27.2025

DESIGNED: _____ SCALE: 1" = 15' DATE: JUL 2025 SHEET: 1 OF 1



2025/07/02 ABRIL TELLEZ LUCAS 20250701 646 N MCCART EXHIBIT 1S0250628 LAND PLAN 3 BUILDINGS WITH GARAGE/AND PLAN - TOWNHOMES (WITH GARAGE).DWG

I. WATER MAINS

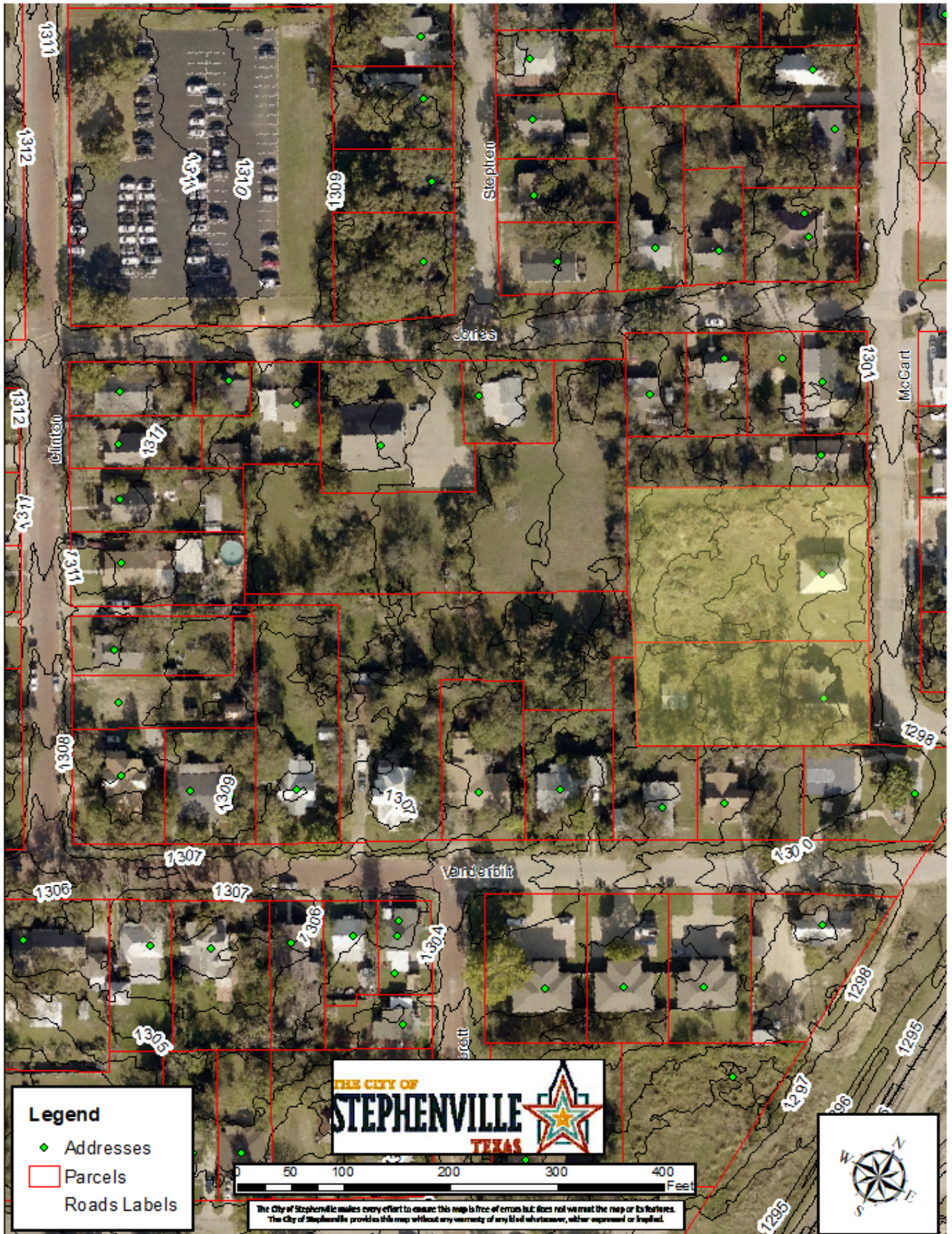
1.11 MASTER METER AND SUB-METERING

Property owners utilizing sub-metering shall comply with applicable state Requirements.

- a. Water service to multi-unit facilities with greater than four dwelling units; including, but not limited to, condominiums, apartments, multi-tenant buildings, multi-tenant communities, and multiple use facilities, will be provided through a city-approved master meter for developments situated on singularly platted lots.
- b. Water Service to townhome-style developments, with a single building structure spanning more than one individually platted lot, will require the development to provide standard, city-approved, right-of-way widths for adjacent roadways.
- c. Master meters must be approved by the city and paid for by the customer/developer.
- d. At no time shall an accessory dwelling unit have a separate, publicly maintained, water or wastewater meter.
- e. Sub-meters and plumbing on the customer side of the master meter will be installed and maintained at the customer's expense.

<https://www.stephenvilletx.gov/DocumentCenter/View/611/Engineering-Standards-Manual-PDF?bidId=>

2019 CONTOURS



PLANNED DEVELOPMENT STANDARDS

The 1.267-acre property shall be developed as a single-family attached lots in accordance with the land uses and development standards for the (R-2.5) Single-Family Town Home base zoning district with the following exceptions, special conditions, restrictions and regulations. Development standards not addressed below shall be regulated by the base zoning district.

General:

1. Development shall be in general conformance with the following Conceptual Layout with residential and private open space components as shown on Exhibit B-1.
2. A property owner's association (POA) shall be established prior to recording the final plat for the development.
3. The POA will be responsible for the improvement and maintenance of all common areas and/or common facilities dedicated to the POA.
4. No Tree Survey or Preservation Requirements however 15% minimum open space will be provided with plantings made at the discretion of the Owner(s) based on the City's Approved Tree Species List.

Residential Lots and Town Homes:

The planned development shall include lot Types as shown on the Concept Plan and based on the following:

1. Maximum density: 20 residential lots;
2. Garage orientation:
 - a. Front or side entry permitted
 - b. Roof-Top Terrace permitted on each garage.
3. Minimum lot area: 1,400 square feet;
4. Minimum floor area of homes: 693 square feet
 - a. Minimum Livable Area: 2,000 square feet
5. Maximum building coverage, excluding lead walks, driveways, patios, and other flatwork: 50%
 - a. Including single car garage with rooftop terrace = 70%
6. Minimum lot width (measured along the front building line):
 - a. Internal Lots – 21 feet;
 - b. End Cap Lots: 26 feet;
7. Minimum lot depth: 67 feet;
8. Minimum Setbacks:
 - a. Minimum front yard setback
 - i. 2 feet to Garages;
 - ii. 24 feet to Building Foundation (Front Door)
 - iii. 17 feet to Roof Overhangs (Second Story and Greater)
 - iv. Flatwork and Landscaping: No Setback Requirements
 - b. Minimum rear yard setback: 10 Feet
 - c. Minimum side yard setback for end-cap units shall be 5 feet
 - d. On corner lots, the "corner clips" shall not be considered when measuring setbacks. In no case shall buildings, structures, or fencing impact site visibility.
9. Minimum Landscape Buffer to Adjacent Residential Uses/ Zoning: 10 feet
10. Max Building Height:
 - a. Roof deck: 35 feet

PLANNED DEVELOPMENT STANDARDS

- b. Architectural elements including: parapet walls, stair wells, railing, shade structures, etc. are permitted up to 8 feet above the roof deck height.
- 11. Fire Lane and Public Access:
 - a. Minimum width: 20 feet
 - b. 2 points of Access required as shown on the Concept Plan
 - c. Public Access & Utility Easement will be non-exclusive and may Contain City Water, Sewer, and Drainage Utilities as well as Franchise Utilities as needed.
- 12. No dedication or roadway improvements required along McCart Street.

Amenities:

- 1. Open Space/Parkland:

A minimum of 0.20 acres shall be reserved for Private Open Space, shall be provided in general conformance with Exhibit B-1, and shall include the following: a picnic area, gazebo, dog waste station facilities, and a grassed open space (“Courtyard Area”).

 - a. Portions of this “Courtyard Area” may be utilized for dry detention facilities.
 - b. No Parkland dedication or fee in lieu of shall be required in consideration for the private open space and amenities provided.
- 2. Landscaping
 - a. Landscaping of open spaces within the planned development shall include the following:
 - (i.) At the time of home construction, home builder shall plant a minimum of (8) - 3” Minimum caliper street trees in the Open Space Areas or Court Yard. Location decided by Builder and species from the Approved City Tree Species List.
 - (ii.) All open areas shall be grassed or accented with a crushed granite or other design element. All open areas except utility easements between residential lots shall be irrigated where necessary.
- 3. Sidewalks:
 - a. Developer shall construct the following sidewalks:
 - (i.) 5’ wide sidewalks within right-of-way adjacent to McCart Street;
 - (ii.) 5’ Sidewalk from frontage of property to existing sidewalk at Bill Johnson Park per Detail Plan.
 - b. Sidewalks shall be constructed of concrete and shall meet city specifications for sidewalk construction.
 - c. No additional sidewalks or trails will be required within the boundary of the development.
- 4. Parking
 - a. One Private Parking Space and One Private Garage will be provided per Unit. (2 Total Parking Accommodations per Unit)
 - b. A minimum of 20 Guest Parking Spaces will be provided and maintained by the POA.
- 5. Walls and Fencing:
 - a. A masonry (brick or stone) column, metal security fence and automatic gate system is permitted but not required to be constructed along the frontage of McCart Street.
 - b. With a minimum of 6’ in height, a wood fence shall be provided along the boundaries shared with adjacent residential parcels as shown on the Concept Plan.
 - c. No additional perimeter walls or fencing will be required.

PLANNED DEVELOPMENT SCHEDULE

The 1.267-acre property shall be developed as a single-family attached lots per the following schedule in accordance with the land uses and development standards for the (R-2.5) Single-Family Town Home base zoning district and the associated Planned Development Standards by separate document.

Schedule:

1. Engineering & Construction Plan Approval
 - a. December 15th, 2025
2. Building Permit Issued
 - a. March 1st, 2026
3. Construction
 - a. April 1st, 2026 to June 15th 2027
4. Certificate of Occupancy
 - a. August 1st, 2027



EXTERIOR ELEVATION STEPHENVILLE TOWNHOMES

646 McCART, LLC
646 N McCART STREET
STEPHENVILLE, TX 76401

* FOR CONCEPTUAL USE ONLY; NOT FOR CONSTRUCTION

SCALE:



PROJECT NUMBER: 250009
DATE: 07/14/2025

©2025 GO WEST ARCHITECTURE





EXTERIOR ELEVATION
STEPHENVILLE TOWNHOMES

646 McCART, LLC
646 N McCART STREET
STEPHENVILLE, TX 76401

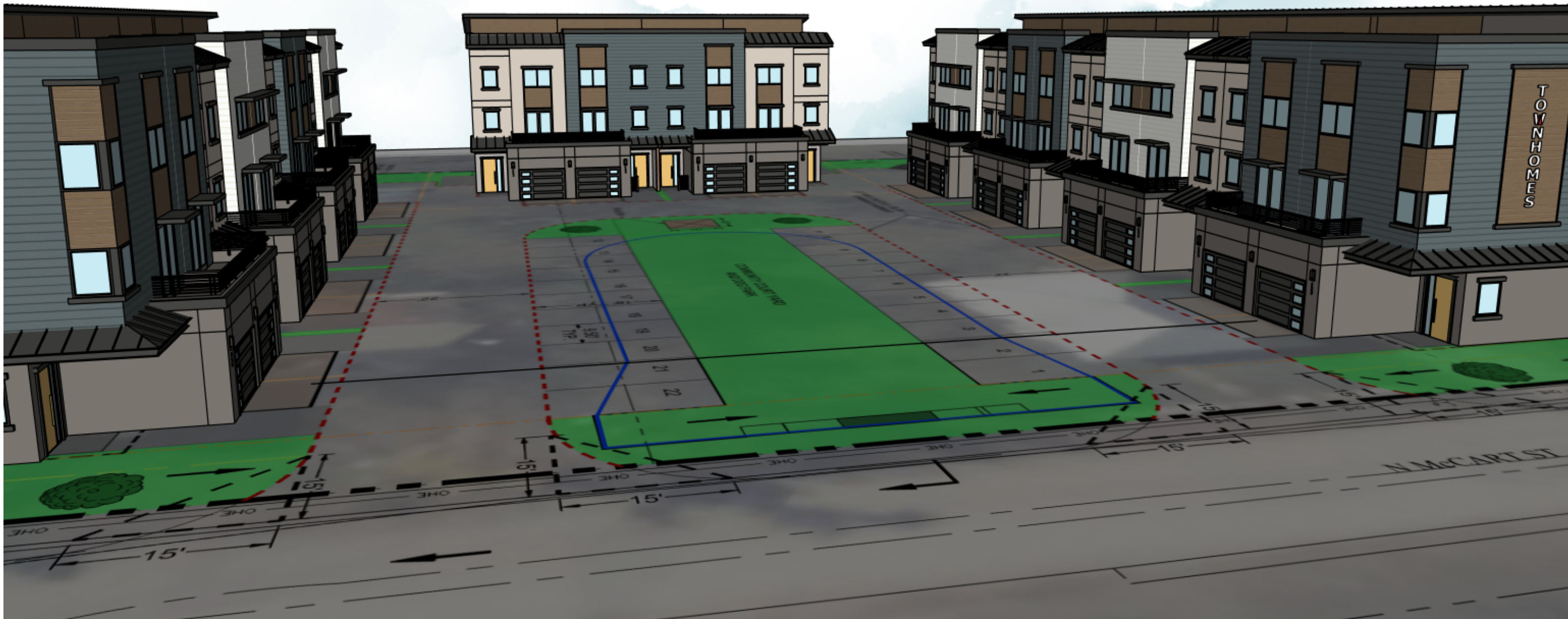
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EXTERIOR ELEVATION STEPHENVILLE TOWNHOMES

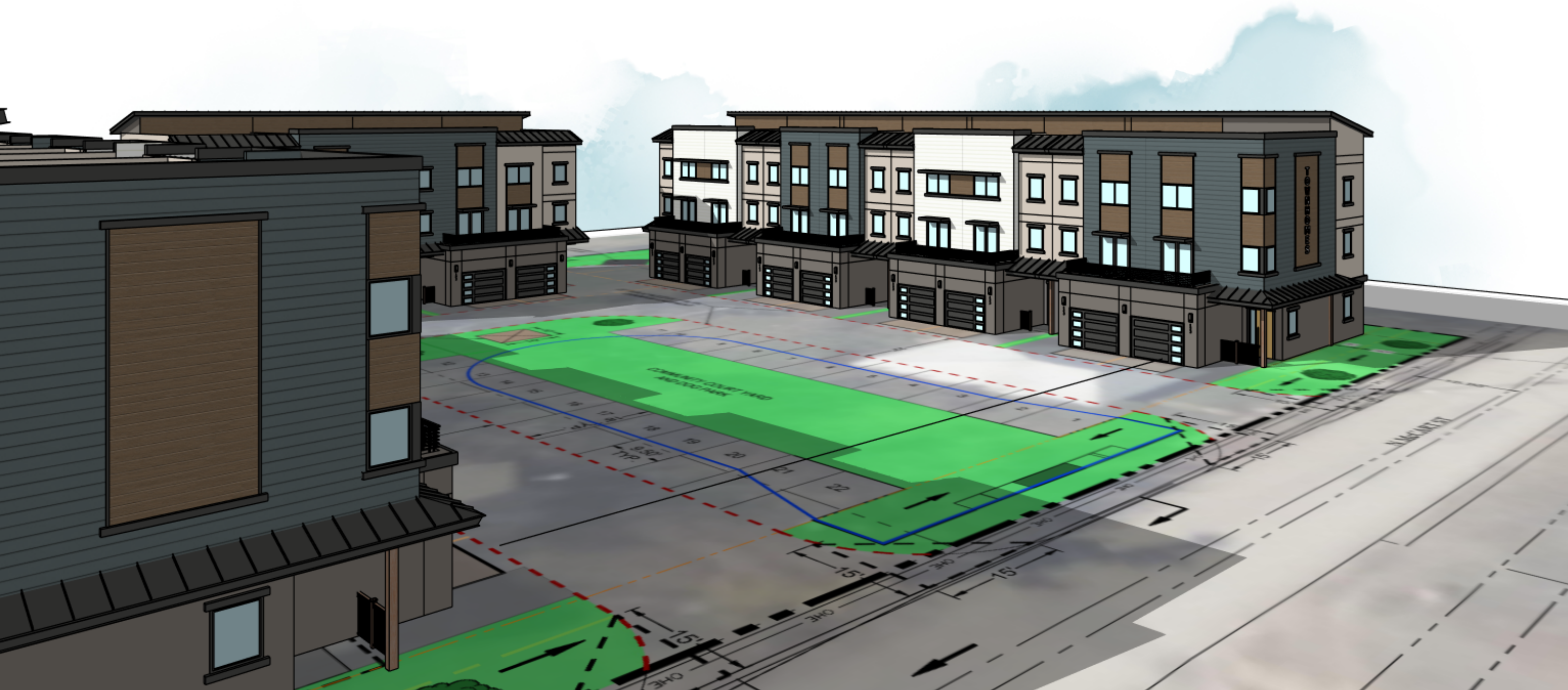
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* FOR CONCEPTUAL USE ONLY; NOT FOR CONSTRUCTION

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EXTERIOR ELEVATION
STEPHENVILLE TOWNHOMES

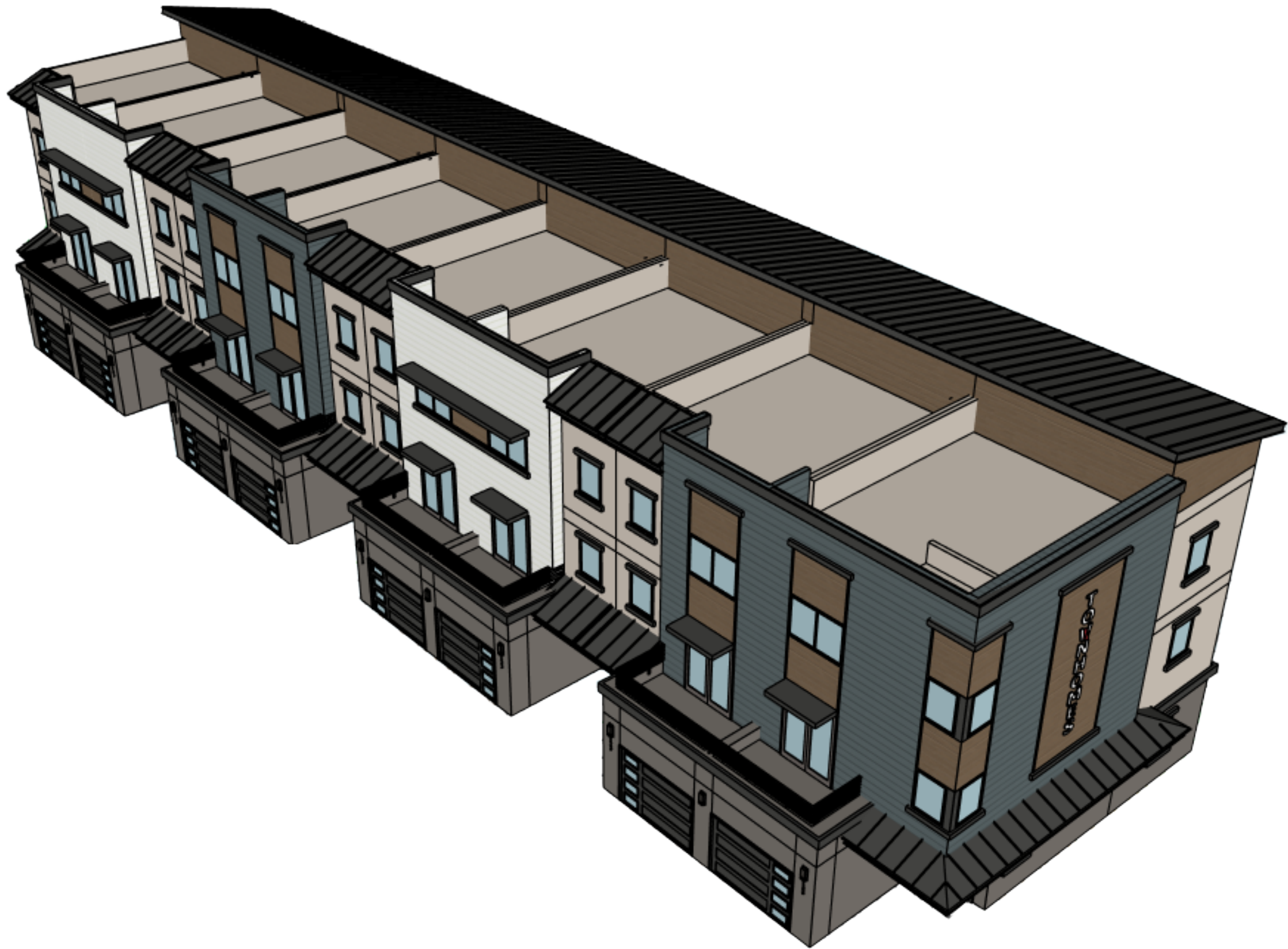
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EXTERIOR ELEVATION
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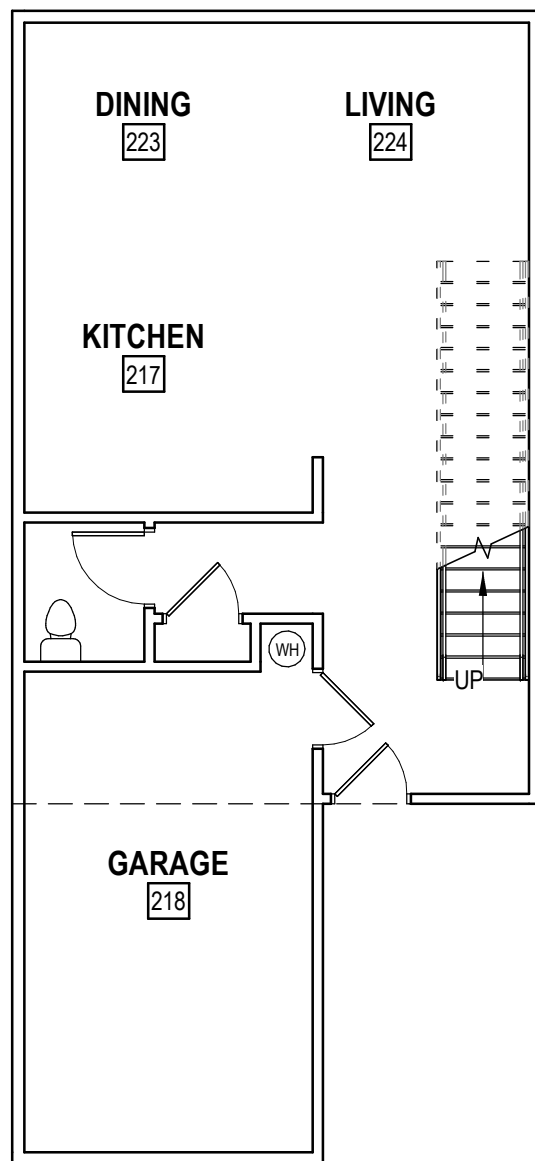
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PROJECT NUMBER: 250009
DATE: 07/14/2025

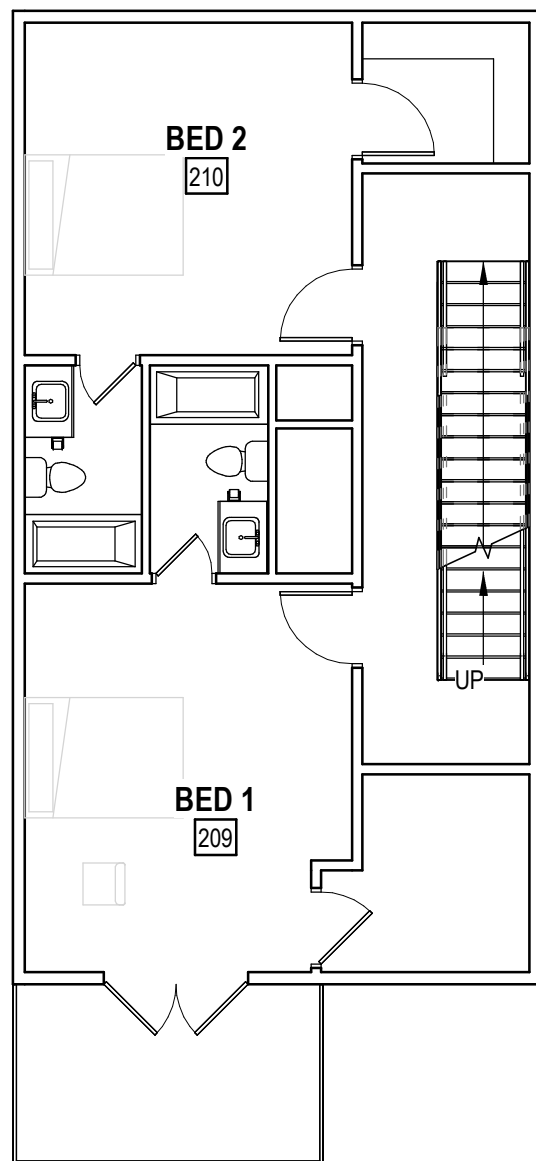
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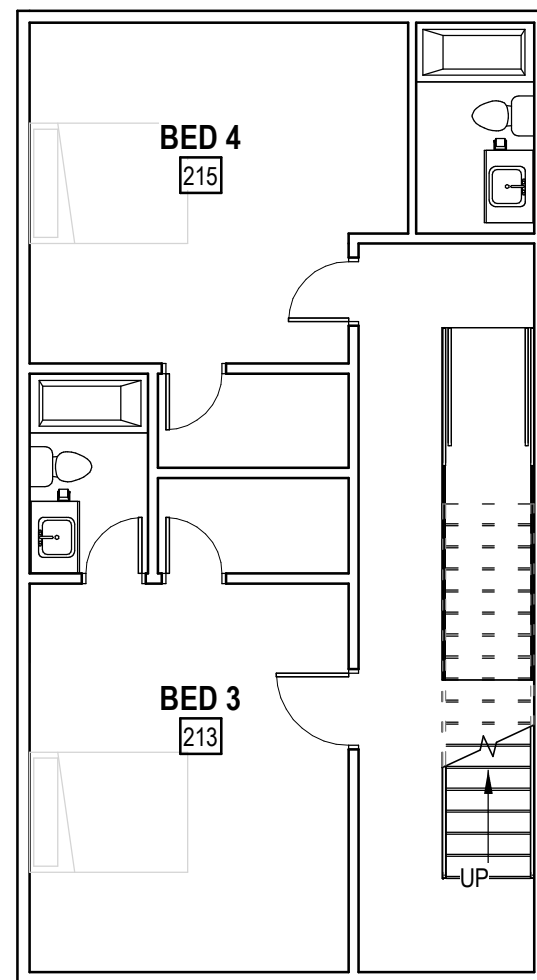
1ST FLOOR PLAN - UNIT

1/8" = 1'-0"



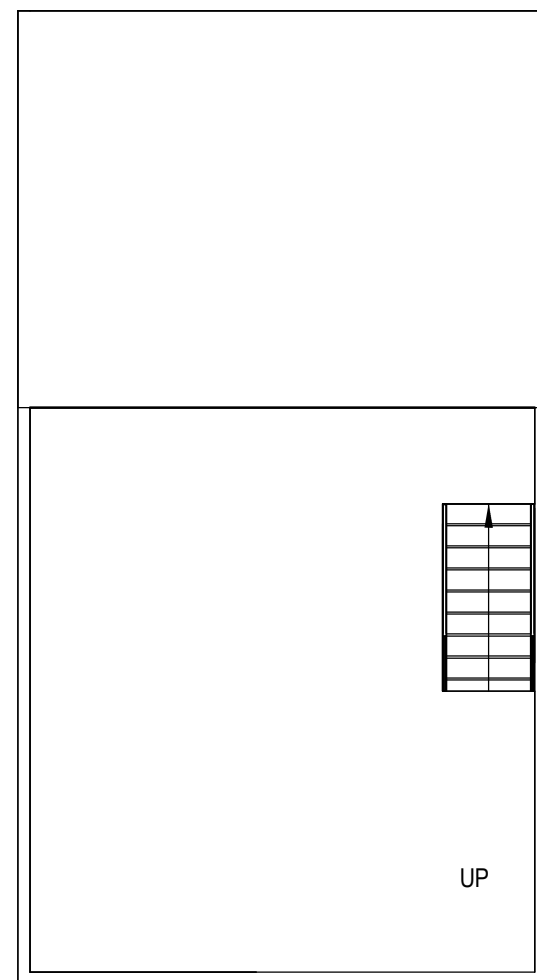
2ND FLOOR - UNIT

1/8" = 1'-0"



3RD FLOOR - UNIT

1/8" = 1'-0"



ROOF PLAN - UNIT

1/8" = 1'-0"

DESIGN FLOOR PLANS STEPHENVILLE TOWNHOMES

646 McCART, LLC
646 N McCART STREET
STEPHENVILLE, TX 76401

* FOR CONCEPTUAL USE ONLY; NOT FOR CONSTRUCTION

SCALE: 1/8" = 1'-0"

PROJECT NUMBER: 250009
DATE: 07/14/2025

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ORDINANCE NO. 2025-O-XX

AN ORDINANCE REZONING THE LAND DESCRIBED MULTIFAMILY (R-3) TO PLANNED DEVELOPMENT (PD) AMENDING THE COMPREHENSIVE PLAN AND ZONING MAP; APPROVING THE DEVELOPMENT SITE LAND PLAN AND RENDERING MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" AND THE PLANNED DEVELOPMENT STANDARDS AND DEVELOPMENT SCHEDULE DESCRIBED IN EXHIBIT "B".

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STEPHENVILLE, TEXAS, THAT:

SECTION 1.

All lots, tracts or parcels of land legally described as follows:

Parcel R33266 and Parcel R33265, being S5700 Shapard and Collins, Block 11, Lots 2B, 3 and 4, to the City of Stephenville, Erath County, Texas.

is hereby rezoned and the zoning classification changed from the classification of Multifamily (R-3) to Planned Development (PD), in accordance with the Zoning Ordinance of the City of Stephenville AND Amending the Comprehensive Plan and Map.

SECTION 2.

That the granting of this PLANNED DEVELOPMENT DISTRICT is subject to the following general and specific conditions:

- a. That the Planned Development will be constructed in accordance with the Land Plan and Rendering attached hereto as the Exhibit "A", made a part hereof for all purposes;
- b. That the Planned Development will be constructed in accordance with the Planned Development Standards and Development Schedule attached hereto as Exhibit "B", made a part hereof for all purposes; and

PASSED AND APPROVED this 5th day of August 2025.

David Baskett, Mayor Pro Tem

ATTEST:

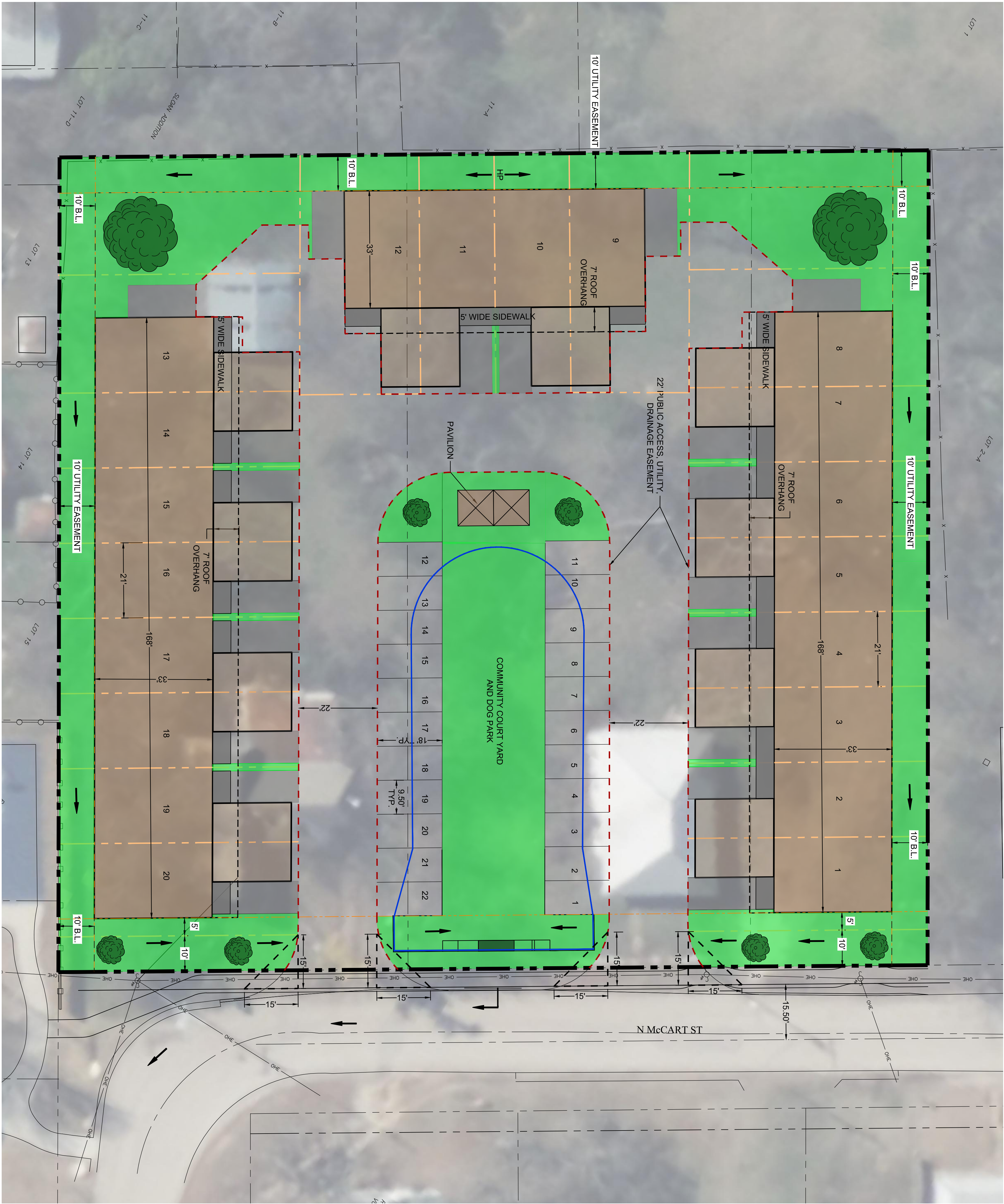
Sarah Lockenour, City Secretary

Reviewed by Jason M. King,
City Manager

Randy Thomas, City Attorney
Approved as to form and legality

2025/07/02 ABRIL, TELLEZ L\JOBS\2025027.01 646 N MCCART\EXHIBITS\20250626 LAND PLAN 3 BUILDINGS WITH GARAGE\LAND PLAN - TOWNHOMES (WITH GARAGE).DWG

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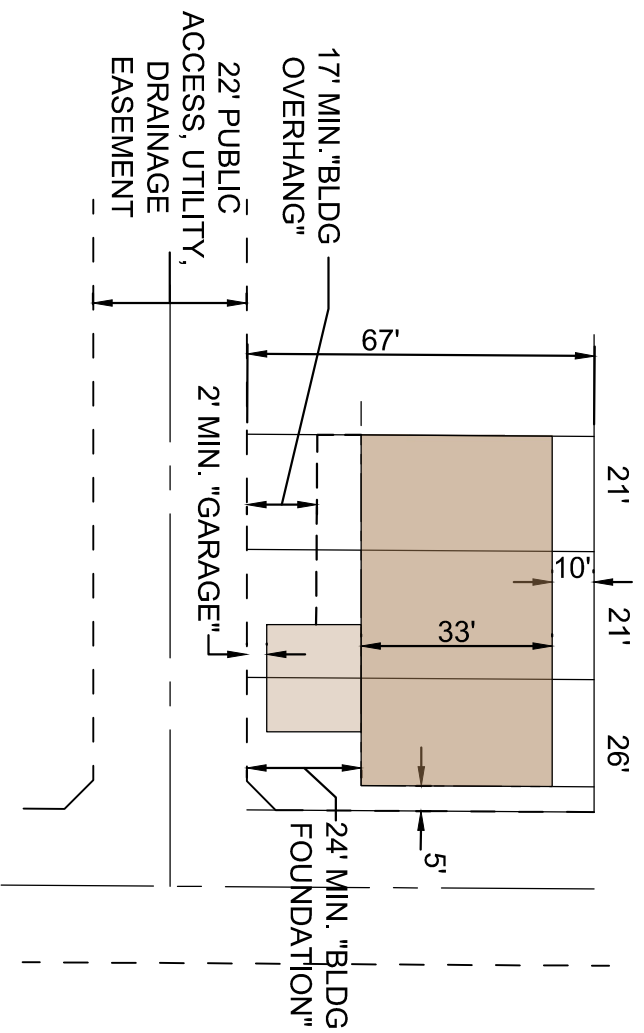
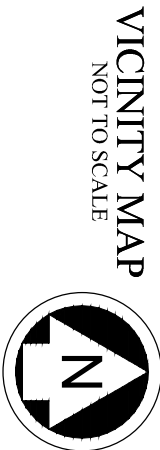
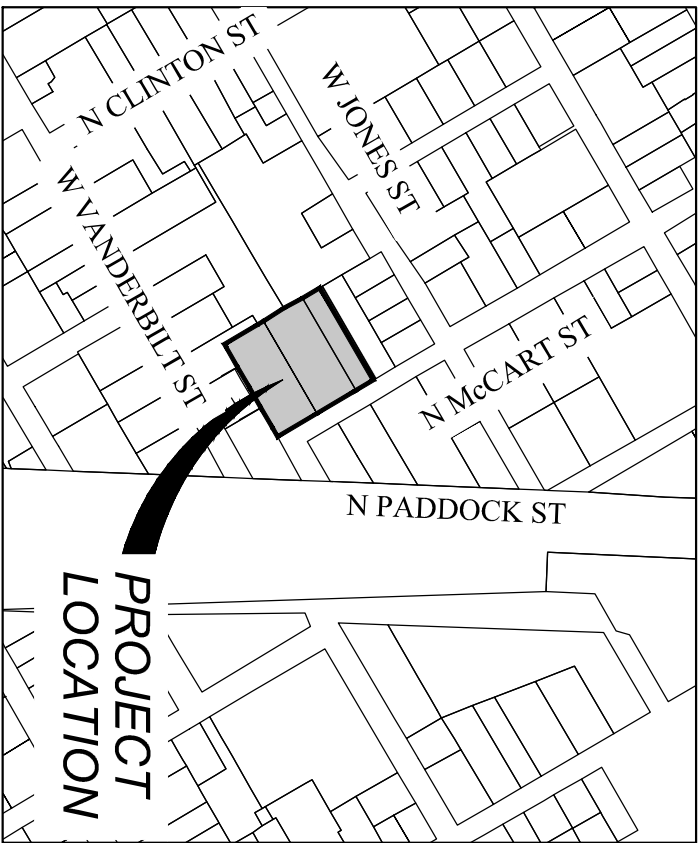


- LEGEND**
- OPEN SPACE
 - PROP DETENTION AREA
 - PROP PROPERTY LINES
 - PROJECT BOUNDARY
 - BUILDING SETBACK LINE

PROPOSED 3-STORY TOWN HOMES
R2.5 BASE ZONING

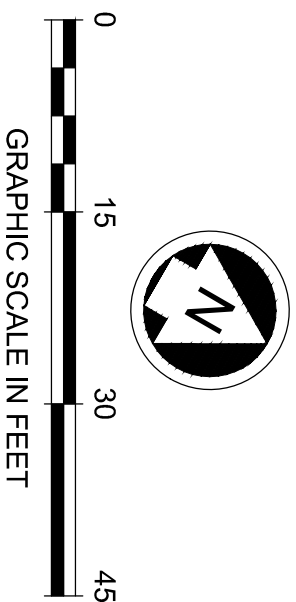
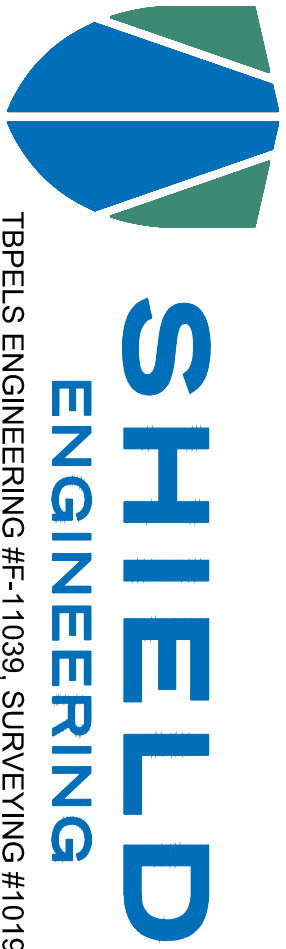
20 UNITS
4 BEDROOMS/UNIT
2 PARKING SPACES/UNIT
40 PARKING SPACES REQUIRED

PRIVATE DRIVES = 20
PRIVATE GARAGE = 20
GUEST PARKING = 20
TOTAL = 60



MIN LOT SIZE 67' X 21' = 1,407 SF
NTS

SITE INFORMATION			
LOT INFORMATION		PROVIDED	
REQUIRED (R2.5)		REQUIRED (R2.5)	
LOT AREA	3,000 SF	LOT AREA	1,407 SF
LOT WIDTH/FRONTAGE	30 FT	LOT WIDTH/FRONTAGE	21 FT
LOT DEPTH	100 FT	LOT DEPTH	67 FT
FRONT SETBACK	15 FT	FRONT SETBACK	24 FT
REAR SETBACK	15 FT	REAR SETBACK	10 FT
SIDE SETBACK	5 FT	SIDE SETBACK	5 FT
BUILDING SIZE		BUILDING SIZE	
BUILDING COVERAGE	40%	BUILDING COVERAGE	49%
AS % OF LOT AREA		AS % OF LOT AREA	
TOWNHOUSE UNIT AREA	800 SF	TOWNHOUSE UNIT AREA	693 SF
GARAGE AREA		GARAGE AREA	242 SF
BUILDING COVERAGE (INCLUDING GARAGE)		BUILDING COVERAGE (INCLUDING GARAGE)	67%
DENSITY		DENSITY	
MAX DENSITY	14 UNITS/AC	MAX DENSITY	15.7 UNITS/AC
OPEN SPACE	0.36 AC	OPEN SPACE	29% COVERAGE (15% MINIMUM)



CITY OF STEPHENVILLE, TEXAS

646 N MCCART

LAND PLAN - TOWN HOMES
6.27.2025

DESIGNED: _____ SCALE: 1" = 15' DATE: JUL 2025 SHEET: 1 OF 1
DRAWN: _____



EXTERIOR ELEVATION
STEPHENVILLE TOWNHOMES

646 MCCART, LLC
646 N MCCART STREET
STEPHENVILLE, TX 76401



SCALE:

PROJECT NUMBER: 250009
DATE: 07/14/2025

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EXTERIOR ELEVATION STEPHENVILLE TOWNHOMES

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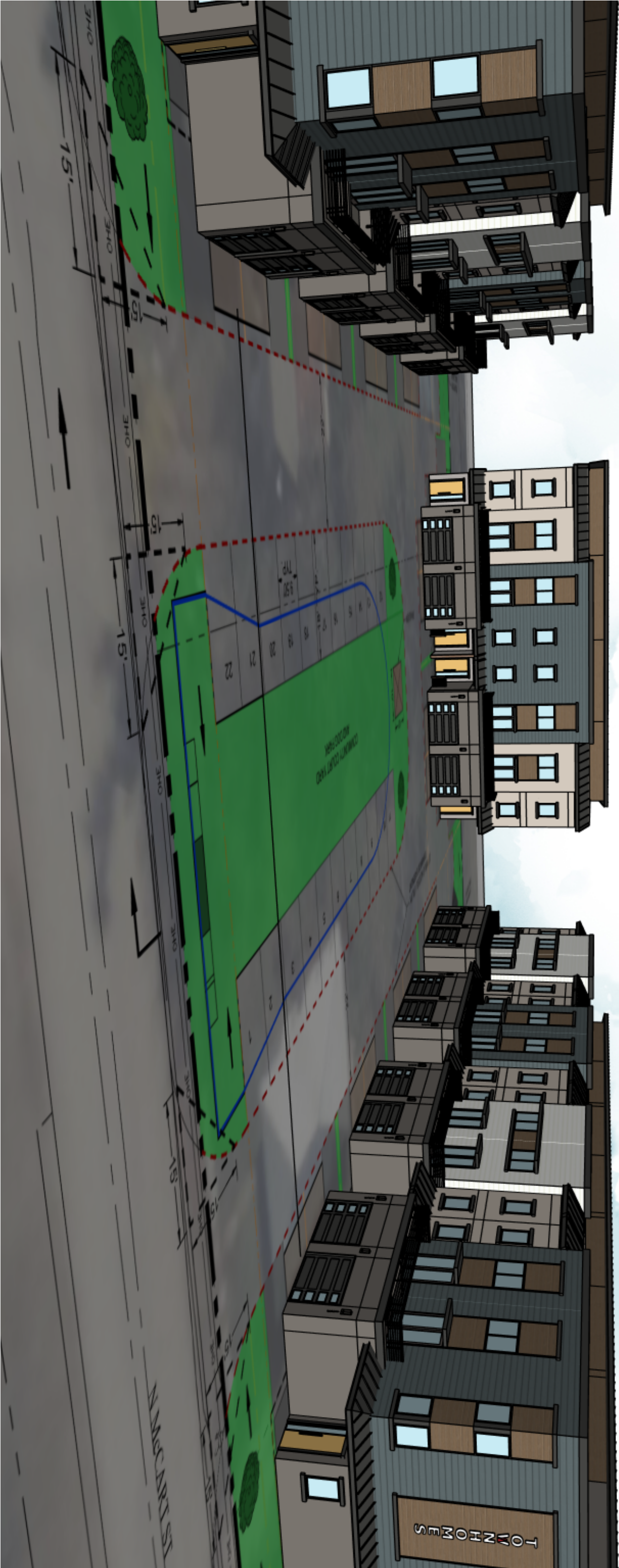
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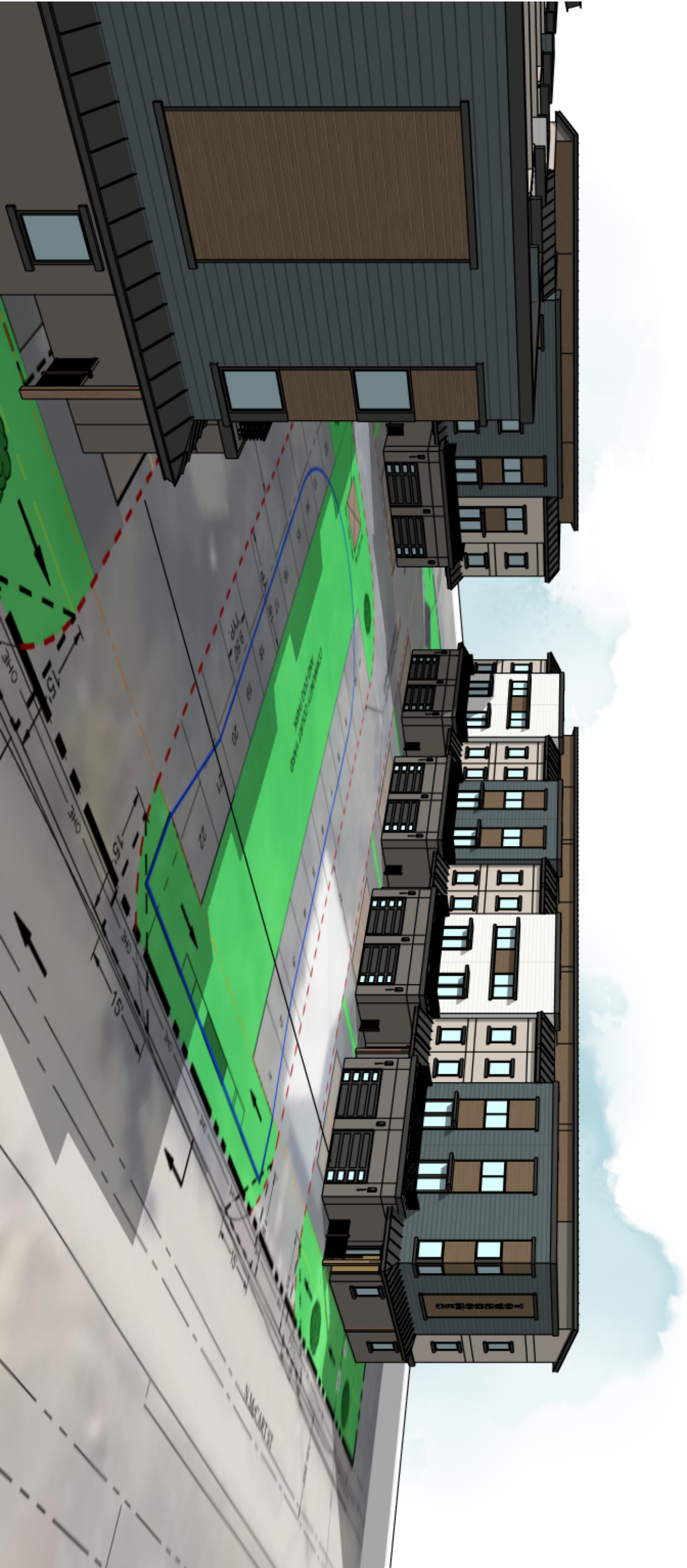
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SCALE:

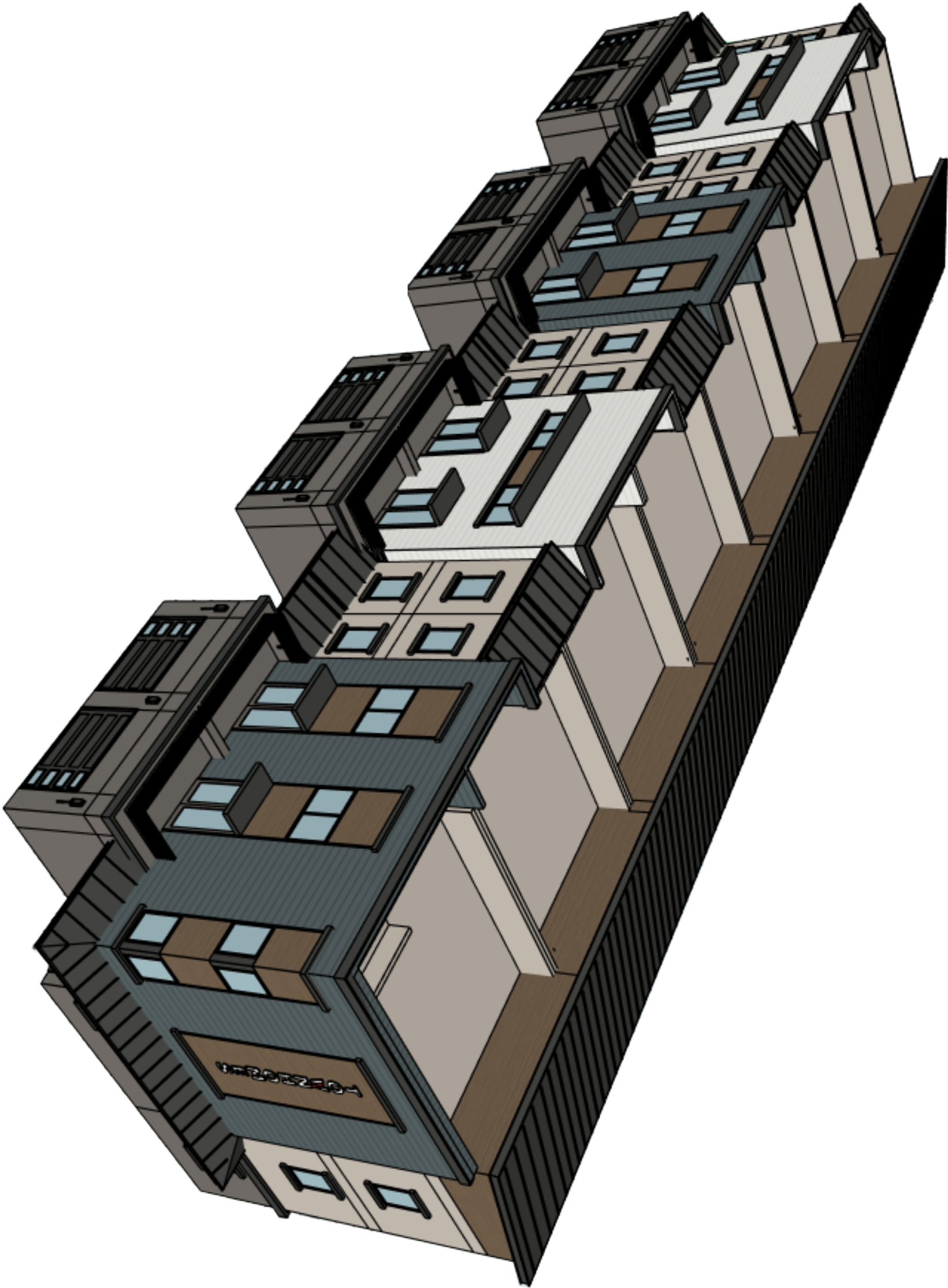


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EXTERIOR ELEVATION
STEPHENVILLE TOWNHOMES

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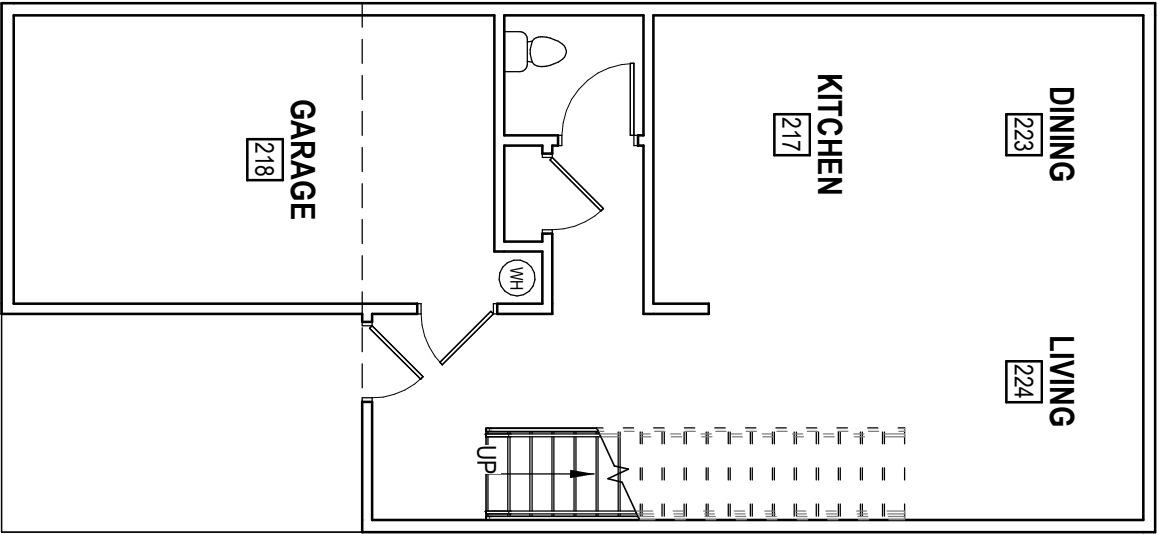
SCALE:

PROJECT NUMBER: 250009
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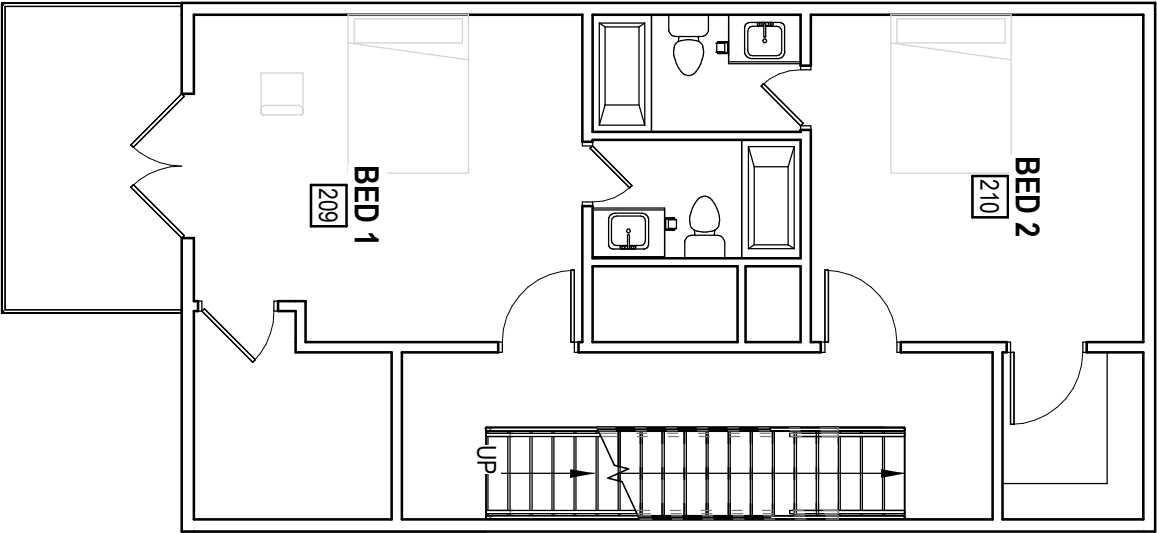
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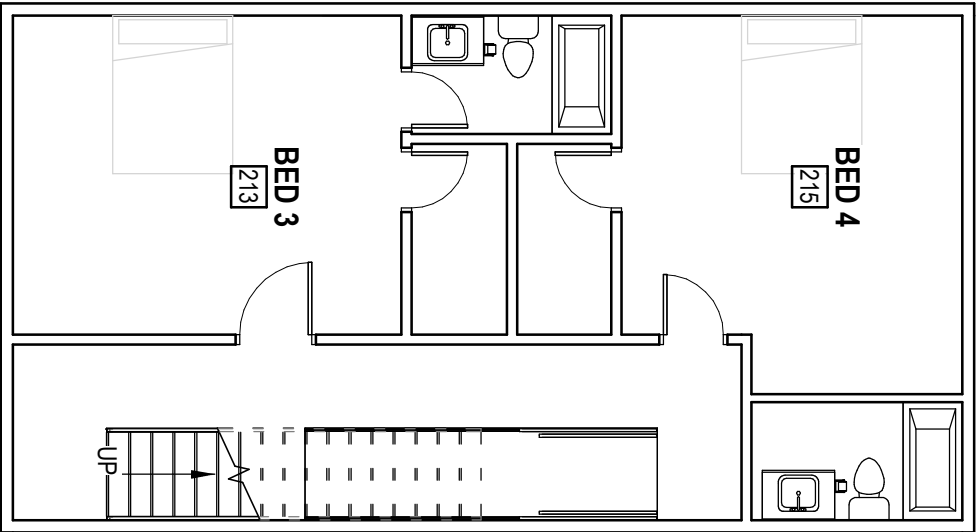
1ST FLOOR PLAN - UNIT

1/8" = 1'-0"



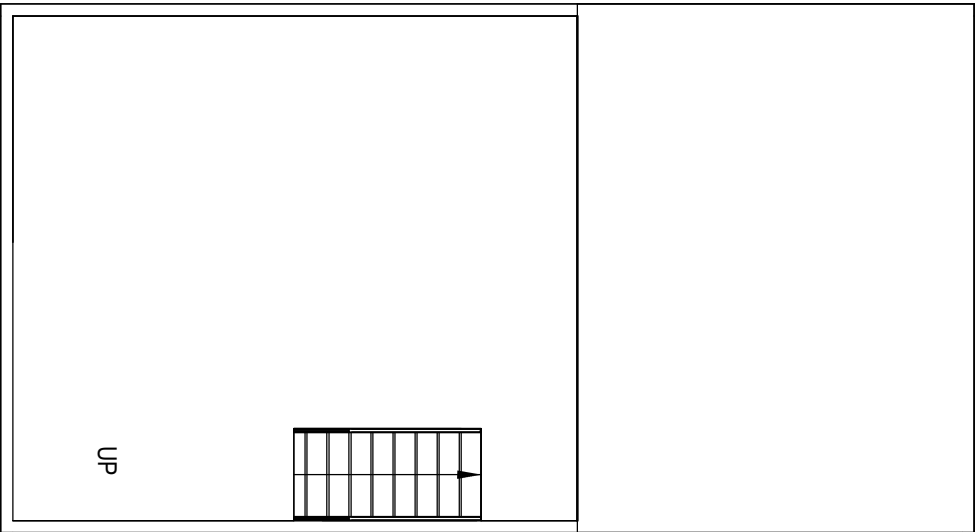
2ND FLOOR - UNIT

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3RD FLOOR - UNIT

1/8" = 1'-0"



ROOF PLAN - UNIT

1/8" = 1'-0"



SCALE: 1/8" = 1'-0"

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DATE: 07/14/2025

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646 N MCCART STREET
STEPHENVILLE, TX 76401

DESIGN FLOOR PLANS STEPHENVILLE TOWNHOMES

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EXHIBIT B

PLANNED DEVELOPMENT STANDARDS

The 1.267-acre property shall be developed as a single-family attached lots in accordance with the land uses and development standards for the (R-2.5) Single-Family Town Home base zoning district with the following exceptions, special conditions, restrictions and regulations. Development standards not addressed below shall be regulated by the base zoning district.

General:

1. Development shall be in general conformance with the following Conceptual Layout with residential and private open space components as shown on Exhibit B-1.
2. A property owner's association (POA) shall be established prior to recording the final plat for the development.
3. The POA will be responsible for the improvement and maintenance of all common areas and/or common facilities dedicated to the POA.
4. No Tree Survey or Preservation Requirements however 15% minimum open space will be provided with plantings made at the discretion of the Owner(s) based on the City's Approved Tree Species List.

Residential Lots and Town Homes:

The planned development shall include lot Types as shown on the Concept Plan and based on the following:

1. Maximum density: 20 residential lots;
2. Garage orientation:
 - a. Front or side entry permitted
 - b. Roof-Top Terrace permitted on each garage.
3. Minimum lot area: 1,400 square feet;
4. Minimum floor area of homes: 693 square feet
 - a. Minimum Livable Area: 2,000 square feet
5. Maximum building coverage, excluding lead walks, driveways, patios, and other flatwork: 50%
 - a. Including single car garage with rooftop terrace = 70%
6. Minimum lot width (measured along the front building line):
 - a. Internal Lots – 21 feet;
 - b. End Cap Lots: 26 feet;
7. Minimum lot depth: 67 feet;
8. Minimum Setbacks:
 - a. Minimum front yard setback
 - i. 2 feet to Garages;
 - ii. 24 feet to Building Foundation (Front Door)
 - iii. 17 feet to Roof Overhangs (Second Story and Greater)
 - iv. Flatwork and Landscaping: No Setback Requirements
 - b. Minimum rear yard setback: 10 Feet
 - c. Minimum side yard setback for end-cap units shall be 5 feet
 - d. On corner lots, the "corner clips" shall not be considered when measuring setbacks. In no case shall buildings, structures, or fencing impact site visibility.
9. Minimum Landscape Buffer to Adjacent Residential Uses/ Zoning: 10 feet

EXHIBIT B

PLANNED DEVELOPMENT STANDARDS

10. Max Building Height:
 - a. Roof deck: 35 feet
 - b. Architectural elements including: parapet walls, stair wells, railing, shade structures, etc. are permitted up to 8 feet above the roof deck height.
11. Fire Lane and Public Access:
 - a. Minimum width: 20 feet
 - b. 2 points of Access required as shown on the Concept Plan
 - c. Public Access & Utility Easement will be non-exclusive and may Contain City Water, Sewer, and Drainage Utilities as well as Franchise Utilities as needed.
12. No dedication or roadway improvements required along McCart Street.

Amenities:

1. Open Space/Parkland:

A minimum of 0.20 acres shall be reserved for Private Open Space, shall be provided in general conformance with Exhibit B-1, and shall include the following: a picnic area, gazebo, dog waste station facilities, and a grassed open space (“Courtyard Area”).

 - a. Portions of this “Courtyard Area” may be utilized for dry detention facilities.
 - b. No Parkland dedication or fee in lieu of shall be required in consideration for the private open space and amenities provided.
2. Landscaping
 - a. Landscaping of open spaces within the planned development shall include the following:
 - (i.) At the time of home construction, home builder shall plant a minimum of (8) - 3” Minimum caliper street trees in the Open Space Areas or Court Yard. Location decided by Builder and species from the Approved City Tree Species List.
 - (ii.) All open areas shall be grassed or accented with a crushed granite or other design element. All open areas except utility easements between residential lots shall be irrigated where necessary.
3. Sidewalks:
 - a. Developer shall construct the following sidewalks:
 - (i.) 5’ wide sidewalks within right-of-way adjacent to McCart Street;
 - (ii.) 5’ Sidewalk from frontage of property to existing sidewalk at Bill Johnson Park per Detail Plan.
 - b. Sidewalks shall be constructed of concrete and shall meet city specifications for sidewalk construction.
 - c. No additional sidewalks or trails will be required within the boundary of the development.
4. Parking
 - a. One Private Parking Space and One Private Garage will be provided per Unit. (2 Total Parking Accommodations per Unit)
 - b. A minimum of 20 Guest Parking Spaces will be provided and maintained by the POA.
5. Walls and Fencing:
 - a. A masonry (brick or stone) column, metal security fence and automatic gate system is permitted but not required to be constructed along the frontage of McCart Street.

EXHIBIT B

PLANNED DEVELOPMENT STANDARDS

- b. With a minimum of 6' in height, a wood fence shall be provided along the boundaries shared with adjacent residential parcels as shown on the Concept Plan.
- c. No additional perimeter walls or fencing will be required.

PLANNED DEVELOPMENT SCHEDULE

Schedule:

- 1. Engineering & Construction Plan Approval
 - a. December 15th, 2025
- 2. Building Permit Issued
 - a. March 1st, 2026
- 3. Construction
 - a. April 1st, 2026 to June 15th 2027
- 4. Certificate of Occupancy
 - a. August 1st, 2027

STAFF REPORT



SUBJECT: Application No.: RZ 9012

Applicant CCS Stephenville Properties, LLC., is requesting the assignment of Industrial Zoning for the recently annexed property located at 0 N US 281, Parcel R76680, being approximately 7.577 acres of the A0804 WILLIAMS M R Survey of the City of Stephenville, Erath County, Texas. With the assignment of zoning, the City Council is requested to approve subsequent revision of the Stephenville 2050 Comprehensive Plan.

DEPARTMENT: Development Services

STAFF CONTACT: Steve Killen, Director of Development Services

RECOMMENDATION:

The Planning and Zoning Commission convened on July 16, 2025, and by a unanimous decision of 7-0, recommend the City Council assign Industrial Zoning to Parcel R76680 and to approve the extension of ETJ and subsequent revision of the Stephenville 2050 Comprehensive Plan.

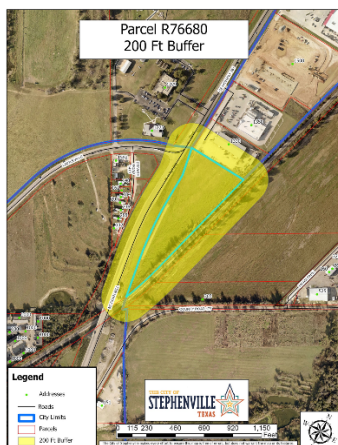
BACKGROUND:

Parcel R76680 was voluntarily annexed on June 3, 2025 by the City Council as authorized by Chapter 43, Sec. 43.0671 of the Local Government Code.

City ordinance Section 154.04.C requires the assignment of zoning within six-months of annexation:

Zoning of Annexed Territory. All territory annexed to the city shall by[be] unzoned until reviewed by the Planning and Zoning Commission and zoned by the City Council to a classification in conformance with the Comprehensive Plan. All territory annexed into the city must be zoned within six months of the date of annexation. No building permit will be issued for unzoned property.

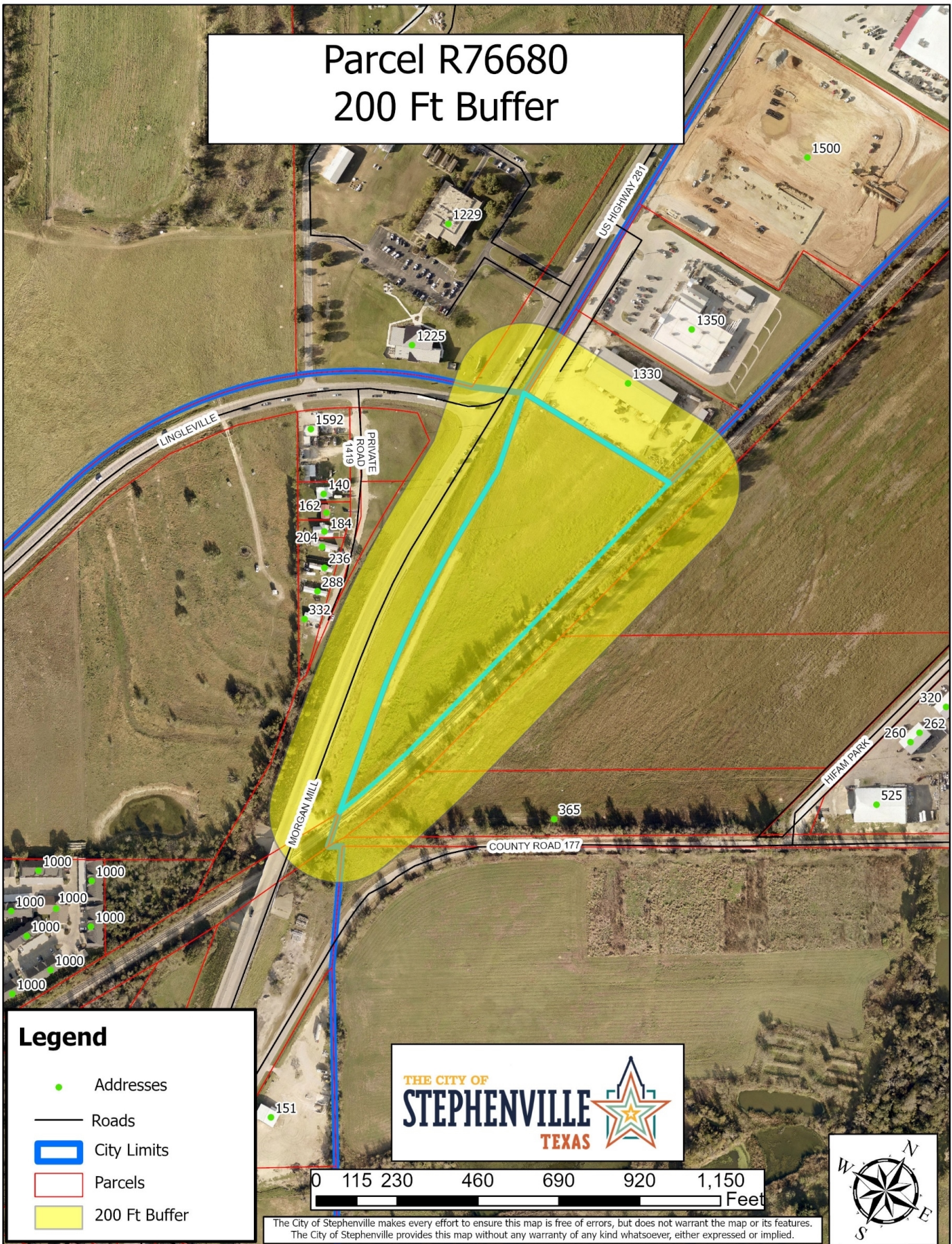
PROPERTY PROFILE:



ALTERNATIVES:

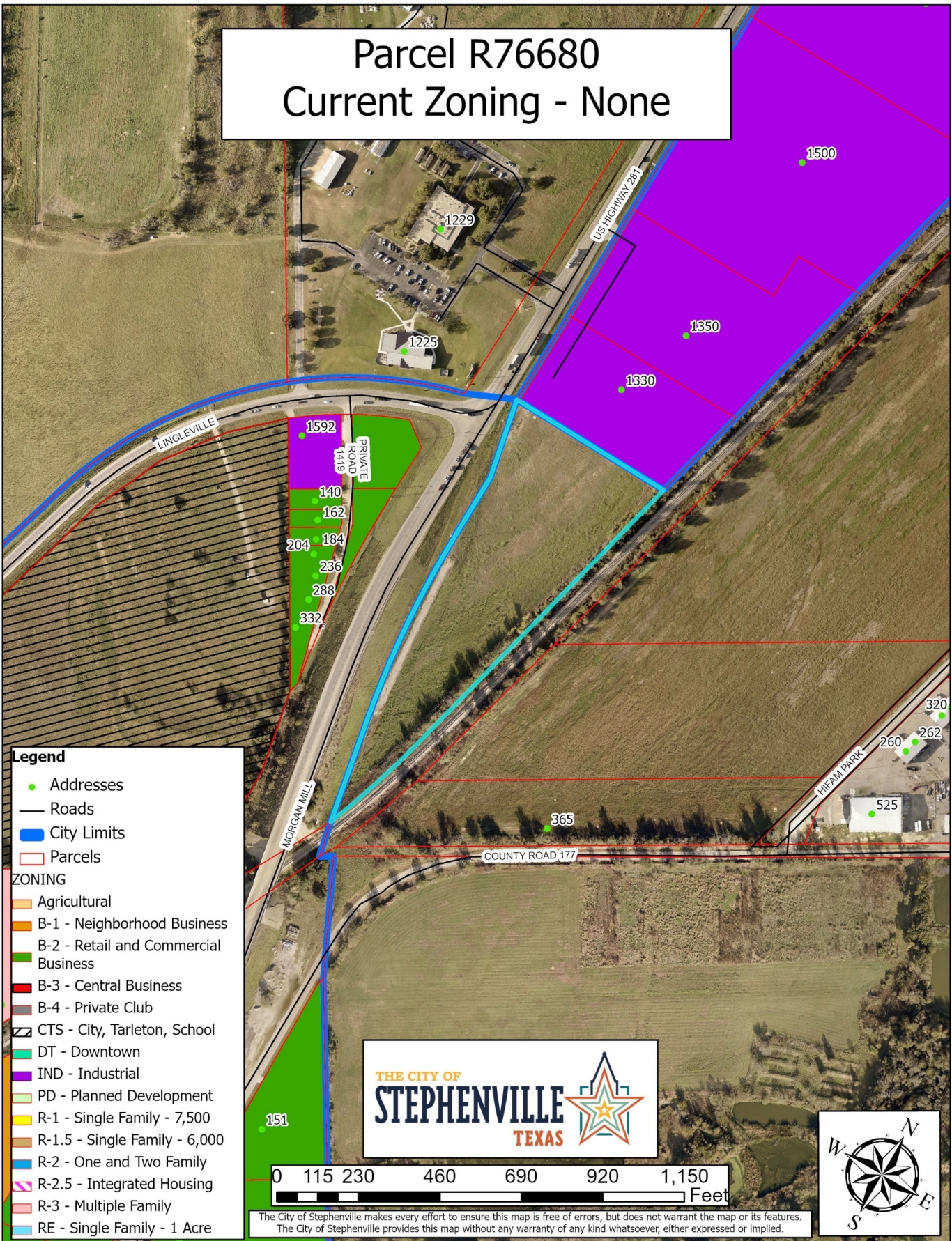
- 1) Accept the recommendation of the Planning and Zoning Commission.
- 2) Do not accept the recommendation.

Parcel R76680 200 Ft Buffer



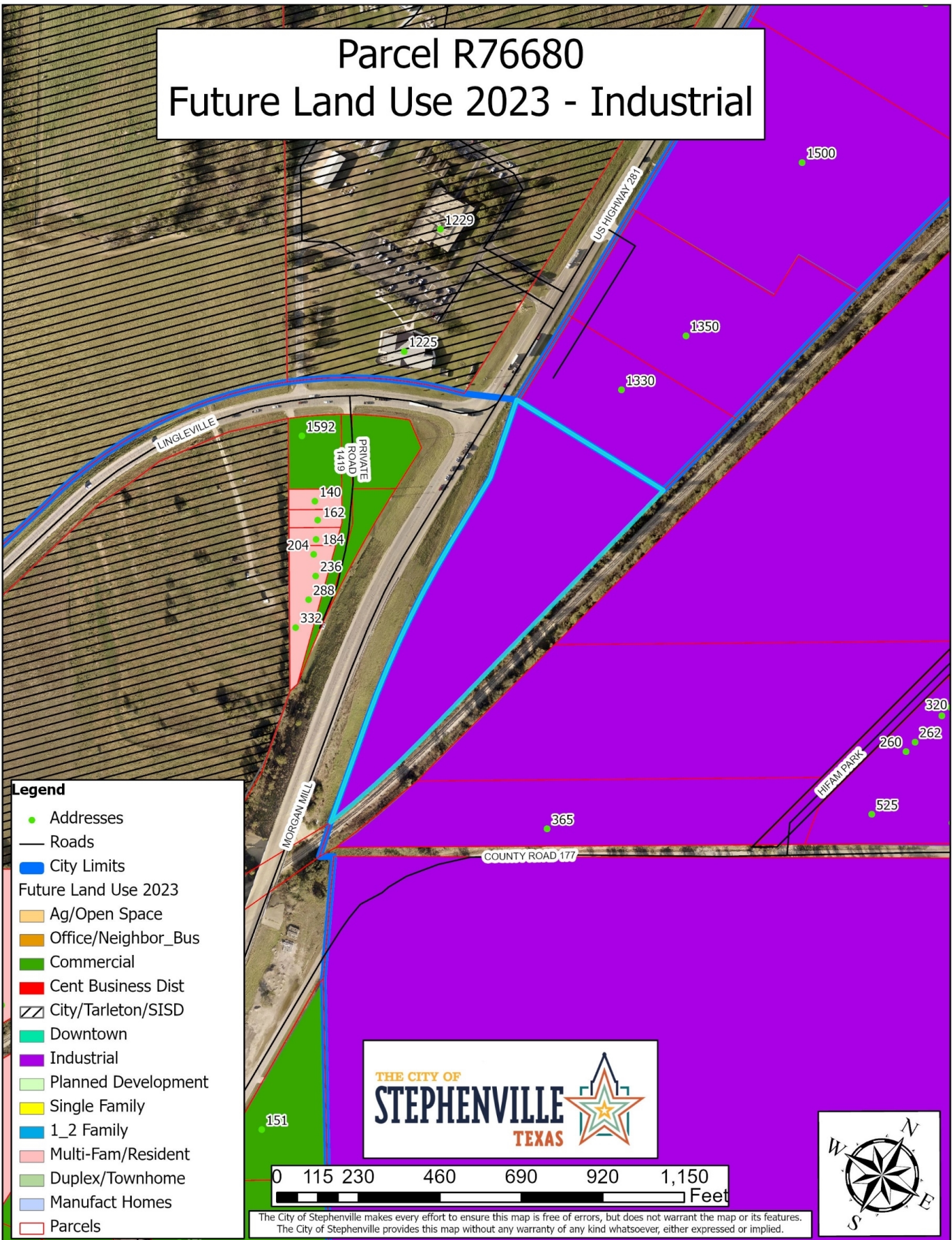
Parcel R76680

Current Zoning - None



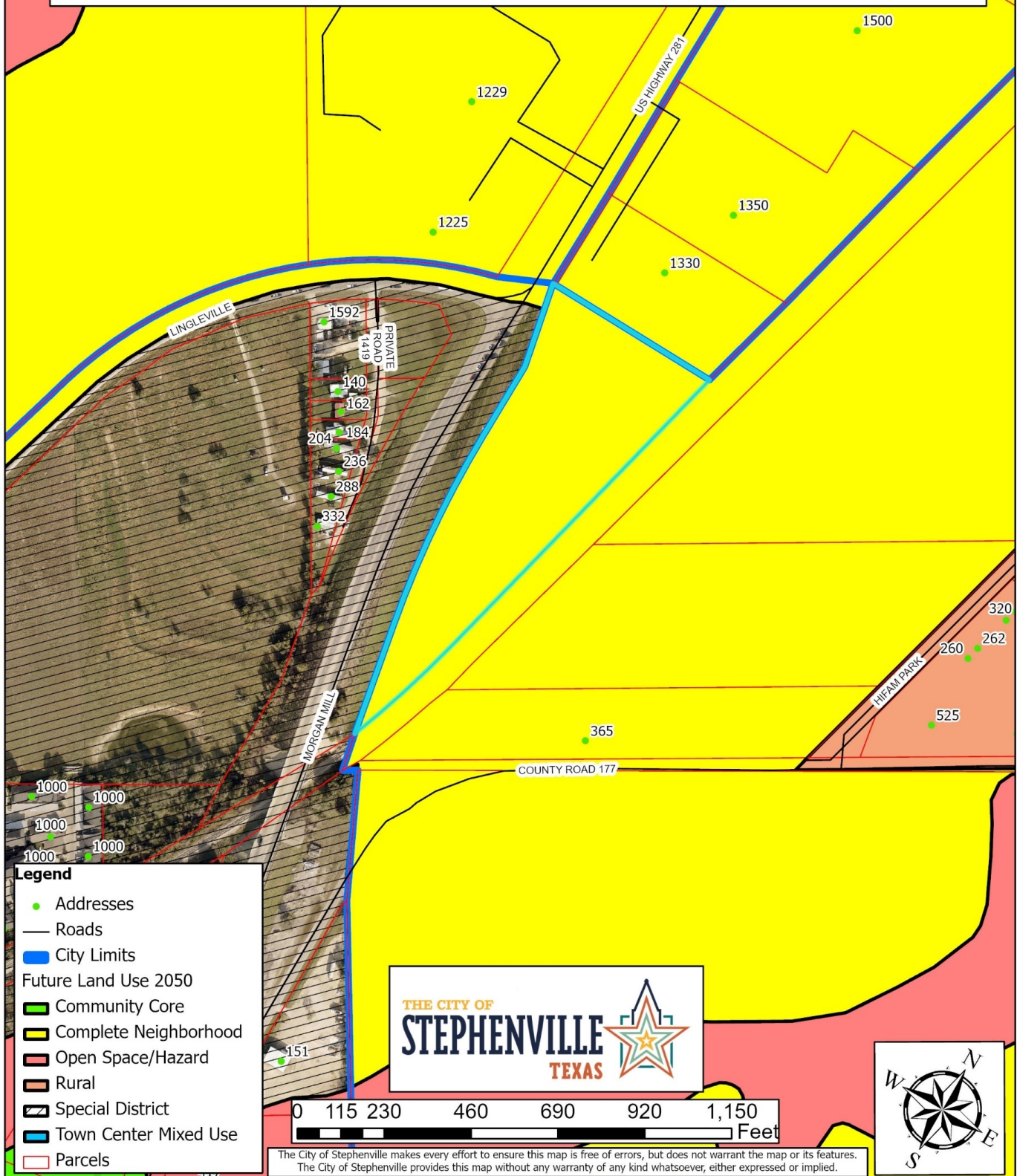
Parcel R76680

Future Land Use 2023 - Industrial

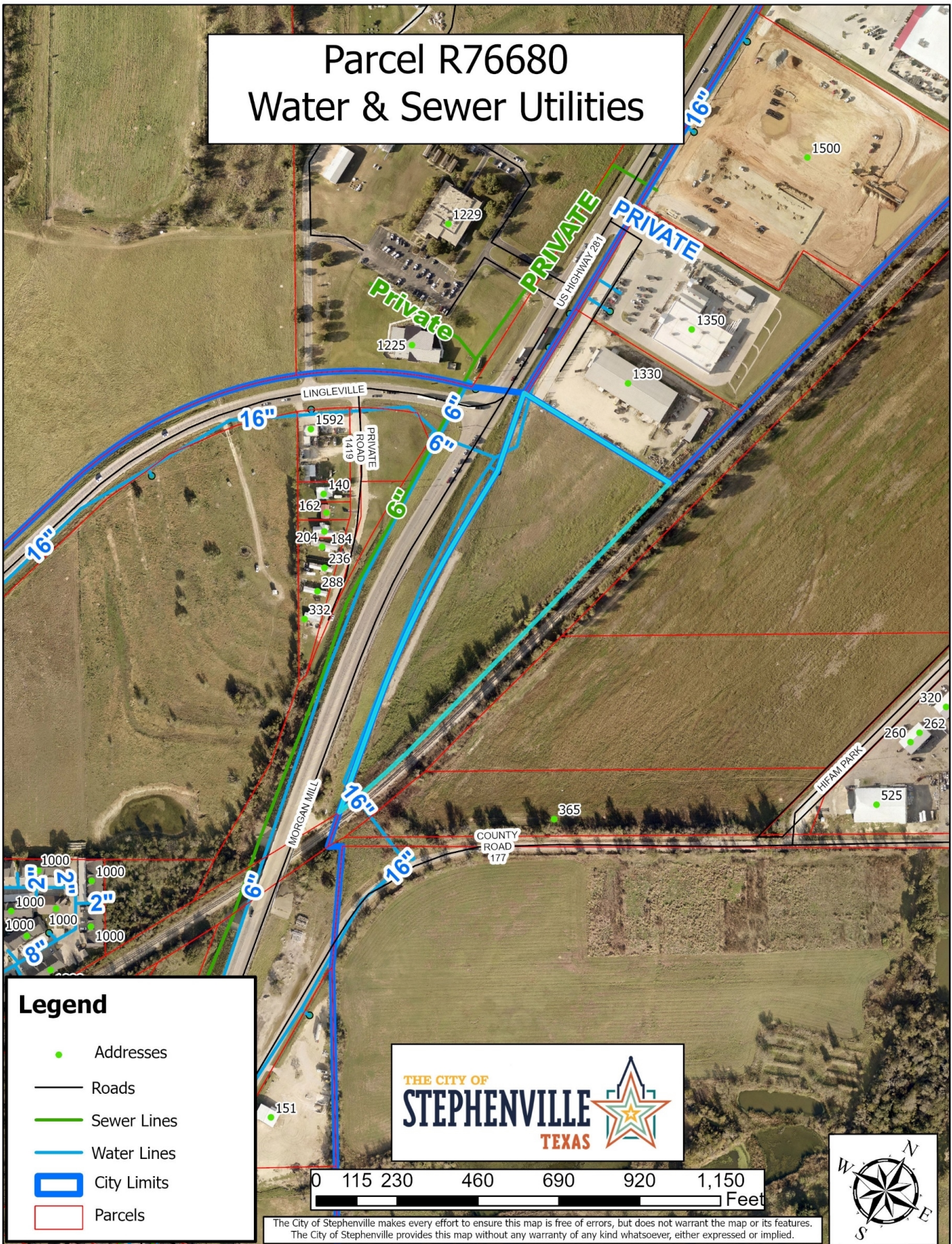


Parcel R76680

Future Land Use 2050 - Complete Neighborhood



Parcel R76680 Water & Sewer Utilities



Parcel ID R76680

200 Ft Buffer

Address

Parcel ID	Parcel Address	Parcel Owner	Owner Address	City	State	Zip Code
R000026380	1229 N US281	BOARD OF REGENTS OF THE TX A&M UNIVERSITY SYSTEM	301 TALLOW STREET 6TH FLOOR	COLLEGE STATION TX		77840-7896
R000025147	1712 CR177	BOARD OF REGENTS OF THE TX A&M UNIVERSITY SYSTEM	301 TALLOW STREET 6TH FLOOR	COLLEGE STATION TX		77840-7896
R000077972	0 HIFAM PARK ROAD	DAVOIL, INC.	6300 RIDGLEA PLACE, SUITE 1200	FORT WORTH TX		76116
R000014966	0 N PADDOCK & VANDERBILT	FORT WORTH & WESTERN RAILROAD	6300 RIDGLEA PLACE STE 1200	FORT WORTH TX		76116-5738
R000075735	0 N US377 (OFF)	FORT WORTH & WESTERN RAILROAD	6300 RIDGLEA PLACE STE 1200	FORT WORTH TX		76116-5738
R000076680	0 N US281	OLMOS CREEK FARMS, LLC	6800 E FM476	PLEASANTON TX		78064
R000078588	0 CR177	SOUTH TEXAS CEMENT LLC	2202 E NAVIGATION BLVD	CORPUS CHRISTI TX		78402
R000076419	1330 N US281	VIRGIN JAMES	1330 N US 281	STEPHENVILLE TX		76401
R000078589	0 HIFAM PARK ROAD	WYGANT PROPERTIES LILIMITED PARTNERSHIP	5492 TILBURY DR	HOUSTON TX		77056

ORDINANCE NO. 2025-O-____

AN ORDINANCE ZONING THE LAND DESCRIBED BELOW TO INDUSTRIAL (I)

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STEPHENVILLE, TEXAS, THAT:

All that lot, tract or parcel of land legally described as follows:

0 N US 281, Parcel R76680, being approximately 7.577 acres of the A0804 WILLIAMS M R Survey of the City of Stephenville, Erath County, Texas

is hereby zoned and the zoning classification set to Industrial (I) in accordance with the Zoning Ordinance of the City of Stephenville.

PASSED AND APPROVED this 5th day of August 2025.

David Baskett, Mayor Pro Tem

ATTEST:

Sarah Lockenour, City Secretary

Reviewed by Jason M. King,
City Manager

Randy Thomas, City Attorney
Approved as to form and legality



COMMITTEE REPORT

REPORT TYPE: Development Services Committee Report

MEETING: July 15, 2025

Present: Council members: Gerald Cook, Chair, LeAnn Durfey, Maddie Smith, Brandon Greenhaw

Absent: None

DEPARTMENT: Development Services

STAFF CONTACT: Steve Killen, Director of Development Services

DISCUSSION OF 2015 INTERNATIONAL CODE COG AMENDMENTS:

The Development Services Committee convened July 15, 2025 to consider the adoption of the COG amendments for the 2015 International Codes. After receiving information from staff on the history of this item, staff advised one of the most significant considerations relating to amendments centered around town-home construction. Adopting the amendments would continue the practice of not requiring fire sprinkler systems in town-home structures, while choosing to take no action would result in fire sprinkler systems being a requirement for town-home construction.

ACTION TAKEN

After discussion, the Committee took no formal action to adopt the COG amendments.

End of Report

COMMITTEE REPORT



REPORT TYPE: Nominations Committee Report

MEETING: July 15, 2025

Present: Maddie Smith, LeAnn Durfey, Lonnie Reisman, Alan Nix

Absent:

DEPARTMENT: Administration

STAFF CONTACT: Sarah Lockenour, City Secretary

CONSIDER APPROVAL OF REVISING MEETING REQUIREMENTS FOR ADVISORY BOARDS:

DISCUSSION: The committee met on July 15, 2025, to discuss the meeting requirements for the Advisory Boards with the discussion led by committee chair Maddie Smith.

Currently the following advisory boards, by ordinance, meet in accordance with the Texas Open Meeting Law.

- **Airport Advisory Board**

- Sec. 32.04. - Meetings; attendance.

- (A) Meetings. The Board shall meet at least quarterly in accordance with the Texas Open Meeting Law.

- **Parks and Leisure Services Advisory Board**

- Sec. 32.24. - Meetings; attendance.

- (A) Meetings. The Board shall meet at least quarterly in accordance with the Texas Open Meeting Law.

- **Tourism and Visitors Bureau Advisory Board**

- Sec. 32.68. - Meetings; attendance.

- (A) Meetings. The Board shall meet at least monthly in accordance with the Texas Open Meeting Law.

- **Main Street Advisory Board**

- Sec. 32.04. - Meetings; attendance.

- (A) Meetings. The Board shall meet at least quarterly in accordance with the Texas Open Meeting Law.

- **Western Heritage Advisory Board**

- Sec. 32.04. - Meetings; attendance.

(A) Meetings. The Board shall meet at least quarterly in accordance with the Texas Open Meeting Law.

- **Library Advisory Board**

- Sec. 32.38. - Meetings; attendance.

(A) Meetings. The Board shall meet at least quarterly in accordance with the Texas Open Meeting Law.

This requires agendas for the advisory boards to be posted 72 hours in advance of the scheduled meeting.

House Bill No. 1522 from the 89th Legislative Session, is changing the posting requirement from 72 hours prior to the scheduled meeting to three business days.

Staff believe this update in the requirement creates a hindrance on the citizen advisory boards.

COMMITTEE ACTION:

MOTION by Alan Nix, second by Lonn Reisman, recommend to full Council to revise the meeting requirements for Advisory Boards to require all aspects of the Texas Open Meetings Act apart from the agenda posting requirements which will remain 72 hours prior to the meeting as presented. MOTION CARRIED Yes 4, No 0, Abstained 0.

CONSIDER APPROVAL OF UPDATES TO THE COUNCIL RULES AND PROCEDURES:

DISCUSSION: The committee met on July 15, 2025, to discuss the meeting requirements for the Advisory Boards with the discussion led by committee chair Maddie Smith.

3.2 *Special Meetings. Special meetings may be called by the Mayor or by a majority of the members of the Council. Any individual member may call a special meeting upon securing concurrence of four other members, whom he must personally contact and upon confirmation, each of the four concurring members must personally contact the City Secretary. Councilmembers may only state the reason for the called meeting when contacting other Councilmembers. No further discussion may take place regarding the subject(s) of the meeting.*

The call for a special meeting shall specify the day, the hour, and the location of the special meeting and shall list the subject or subjects to be considered. No special meeting shall be held until at least ~~seventy-two hours (72)~~ three business days after the call is issued. No item will be placed on the agenda unless submitted to the City Manager at least twenty-four (24) hours prior to the posting of the called meeting agenda.

5.2 *Agenda. The order of business of each council meeting shall be as contained in the agenda prepared by the City Secretary. The Agenda shall be delivered to members of the Council at least ~~seventy-two (72) hours~~ three business days preceding the meeting to which it pertains. The order of the agenda may be adjusted by the Mayor as situations warrant. The Mayor shall announce at the opening of the meeting any items which have been removed.*

The order of business of the City Council shall include a Consent Agenda. The Consent Agenda is used as a tool to help shorten council meetings. It contains routine items which are not controversial in nature and do not need further discussion. The Consent Agenda can be handled with one motion from the City Council, "I move that the Consent Agenda be approved as presented." If an item needs to be removed from the Consent Agenda and discussed separately, a typical motion to affect this might be, "I move that we approve the Consent Agenda Items "A" through "D" with the exception of Item "C".

Revise the Rules of Procedure related to the agenda posting requirements as it relates to the Open Meetings Act and House Bill No. 1522 from the 89th Legislative Session (attached). **These revisions would be effective September 1, 2025.**

COMMITTEE ACTION:

MOTION by Alan Nix, second by LeAnn Durfey, to recommend to full Council to revise the Council Rules and Procedures effective September 1, 2025 as presented. MOTION CARRIED Yes 4, No 0, Abstained 0.

AN ACT

relating to notice of a meeting held under the open meetings law.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The heading to Section 551.043, Government Code, is amended to read as follows:

Sec. 551.043. TIME AND ACCESSIBILITY OF NOTICE; POSTING OF BUDGET; GENERAL RULE.

SECTION 2. Section 551.043, Government Code, is amended by amending Subsection (a) and adding Subsections (c) and (c-1) to read as follows:

(a) The notice of a meeting of a governmental body must be posted in a place readily accessible to the general public at all times for at least three business days [~~72 hours~~] before the scheduled date [~~time~~] of the meeting, except as provided by Sections 551.044, 551.045, 551.046, and 551.1281 [~~551.044-551.046~~].

(c) The notice of a meeting required to be posted under Subsection (a) at which a governmental body will discuss or adopt a budget for the governmental body must include:

(1) a physical copy of the proposed budget unless the governmental body has made the proposed budget clearly accessible on the home page of the governmental body's Internet website; and

(2) a taxpayer impact statement showing, for the median-valued homestead property, a comparison of the property tax

bill in dollars pertaining to the property for the current fiscal year to an estimate of the property tax bill in dollars for the same property for the upcoming fiscal year if:

(A) the proposed budget is adopted; and

(B) for a taxing unit as defined by Section 1.04, Tax Code, other than an independent school district, a balanced budget funded at the no-new-revenue tax rate as calculated under Chapter 26, Tax Code, is adopted.

(c-1) Subsection (c) does not apply to the governing board of a general academic teaching institution or of a university system to which Section 551.1281 applies.

SECTION 3. This Act takes effect September 1, 2025.

H.B. No. 1522

President of the Senate

Speaker of the House

I certify that H.B. No. 1522 was passed by the House on April 9, 2025, by the following vote: Yeas 147, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1522 on May 28, 2025, by the following vote: Yeas 132, Nays 2, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1522 was passed by the Senate, with amendments, on May 25, 2025, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor

ORDINANCE NO. 2025-O-XX

AN ORDINANCE REVISING A PROVISION FOR TIME AND ACCESSIBILITY OF NOTICE TO CITY OF STEPHENVILLE CITIZEN BOARDS AND COMMISSIONS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STEPHENVILLE, TEXAS:

SECTION 1.

The City of Stephenville Code of Ordinances, Chapter 32 *Departments, Boards and Commissions, Article I – Airport Advisory Board* is hereby amended by the revision of the following section:

Sec. 32.04. – MEETINGS; ATTENDANCE

- (A) *Meetings.* The Board shall meet at least quarterly in accordance with the Texas Open Meeting Law except for Section 551.043 *Time and Accessibility of Notice.*
- (B) *Time and Accessibility of Notice.* The notice of a meeting of a governmental body must be posted in a place readily accessible to the general public and on the City's website at all times for at least 72 hours before the scheduled time of the meeting.
- (C) *Attendance.* Two absences from meetings of the advisory board in a 12-month period shall be considered a voluntary resignation. The council shall fill vacancies created by voluntary resignations in the same manner as all other vacancies.

SECTION 2.

The City of Stephenville Code of Ordinances, Chapter 32 *Departments, Boards and Commissions, Article II – Parks and Leisure Services Advisory Board* is hereby amended by the revision of the following section:

Sec. 32.24. – MEETINGS; ATTENDANCE

- (A) *Meetings.* The Board shall meet at least quarterly in accordance with the Texas Open Meeting Law except for Section 551.043 *Time and Accessibility of Notice.*
- (B) *Time and Accessibility of Notice.* The notice of a meeting of a governmental body must be posted in a place readily accessible to the general public and on the City's website at all times for at least 72 hours before the scheduled time of the meeting.
- (C) *Attendance.* Two absences from meetings of the advisory board in a 12-month period shall be considered a voluntary resignation. The council shall fill vacancies created by voluntary resignations in the same manner as all other vacancies.

SECTION 4.

The City of Stephenville Code of Ordinances, Chapter 32 *Departments, Boards and Commissions, Article III – Library Board* is hereby amended by the revision of the following section:

Sec. 32.38. – MEETINGS; ATTENDANCE

- (A) *Meetings.* The Board shall meet at least quarterly in accordance with the Texas Open Meeting Law except for Section 551.043 *Time and Accessibility of Notice.*

- (B) *Time and Accessibility of Notice.* The notice of a meeting of a governmental body must be posted in a place readily accessible to the general public and on the City's website at all times for at least 72 hours before the scheduled time of the meeting.
- (C) *Attendance.* Two absences from meetings of the advisory board in a 12-month period shall be considered a voluntary resignation. The council shall fill vacancies created by voluntary resignations in the same manner as all other vacancies.

SECTION 5.

The City of Stephenville Code of Ordinances, Chapter 32 *Departments, Boards and Commissions, Article V. – Tourism and Visitors Bureau Advisory Board* is hereby amended by the revision of the following section:

Sec. 32.68. – MEETINGS; ATTENDANCE

- (A) *Meetings.* The Board shall meet at least monthly in accordance with the Texas Open Meeting Law except for Section 551.043 *Time and Accessibility of Notice.*
- (B) *Time and Accessibility of Notice.* The notice of a meeting of a governmental body must be posted in a place readily accessible to the general public and on the City's website at all times for at least 72 hours before the scheduled time of the meeting.
- (C) *Attendance.* Two absences from meetings of the advisory board in a 12-month period shall be considered a voluntary resignation. The council shall fill vacancies created by voluntary resignations in the same manner as all other vacancies.

SECTION 6.

The City of Stephenville Code of Ordinances, Chapter 32 *Departments, Boards and Commissions, Article VI. – Main Street Advisory Board* is hereby amended by the revision of the following section:

Sec. 32.68. – MEETINGS; ATTENDANCE

- (A) *Meetings.* The Board shall meet at least quarterly in accordance with the Texas Open Meeting Law except for Section 551.043 *Time and Accessibility of Notice.*
- (B) *Time and Accessibility of Notice.* The notice of a meeting of a governmental body must be posted in a place readily accessible to the general public and on the City's website at all times for at least 72 hours before the scheduled time of the meeting.
- (C) *Attendance.* Two absences from meetings of the advisory board in a 12-month period shall be considered a voluntary resignation. The council shall fill vacancies created by voluntary resignations in the same manner as all other vacancies.

SECTION 7.

The City of Stephenville Code of Ordinances, Chapter 32 *Departments, Boards and Commissions, Article VII. – Western Heritage Advisory Board* is hereby amended by the revision of the following section:

Sec. 32.68. – MEETINGS; ATTENDANCE

- (A) *Meetings.* The Board shall meet at least monthly in accordance with the Texas Open Meeting Law except for Section 551.043 *Time and Accessibility of Notice*.
- (B) *Time and Accessibility of Notice.* The notice of a meeting of a governmental body must be posted in a place readily accessible to the general public and on the City's website at all times for at least 72 hours before the scheduled time of the meeting.
- (C) *Attendance.* Two absences from meetings of the advisory board in a 12-month period shall be considered a voluntary resignation. The council shall fill vacancies created by voluntary resignations in the same manner as all other vacancies.

This ordinance shall become effective immediately upon its passage.

PASSED AND APPROVED this the 5th day of August 2025.

Doug Svien, Mayor

ATTEST:

Sarah Lockenour, City Secretary

Reviewed by Jason King
City Administrator

Randy Thomas, City Attorney
Approved as to form and legality

CITY OF STEPHENVILLE CITY COUNCIL RULES OF PROCEDURE

PROLOGUE

These rules and procedures represent an effort to clarify unwritten policies, to expedite matters needing council attention, and to streamline agendas. They are intended to supplement the existing Code of Ordinances and City Charter by addressing areas either left unclear or not addressed at all. Unlike the Charter and Code of Ordinances, these rules and procedures can be modified to fit the personality of the Mayor and Councilmembers. No conflict with the Charter or the Code of Ordinances should exist.

It is the purpose of this document to present guidelines for the maintenance of decorum and presentation of a favorable impression to the public and press in attendance at the meetings of the City Council.

SECTION 1. AUTHORITY

1.1 Charter. The City Council of the City of Stephenville shall establish its own rules of procedure for meetings as provided by City Charter. The following set of rules shall be in effect upon their adoption by the Council, and until such time as they are amended, or new rules adopted in the manner provided by these rules.

SECTION 2. GENERAL RULES

- 2.1 Meetings to be Public. All official meetings of the Council shall be open to the public (except where State or local law allows Executive Sessions for certain limited topics). The journal of proceedings shall be open to public inspection.
- 2.2 Quorum. The presence of at least five (5) members of the Council shall constitute a quorum and be necessary for the transaction of business.
- 2.3 Compelling Attendance. The Council may adjourn from day to day to compel the attendance of absent members. The names of Councilmembers arriving late shall be noted upon the minute pages of the City Council.
- 2.4 Journal of Proceedings. An account of all proceedings of the Council shall be kept by the City Secretary and shall be entered in a book constituting the official record of the Council.
- 2.5 Right of Floor. Any member desiring to speak shall be recognized by the Chair and shall confine his or her remarks to one subject under consideration or to be considered.
- 2.6 City Manager. The City Manager shall attend all meetings of the Council unless excused. The City Manager may make recommendations to the Council and shall have the right to take part in all discussions of the Council but shall have no vote.
- 2.7 City Attorney. The City Attorney or his/her official designee shall attend all meetings of the Council unless excused and shall, upon request, give an opinion, either written or oral, on questions of the law. The City Attorney shall act as the Council's parliamentarian.
- 2.8 City Secretary. The City Secretary or his/her designee shall attend all meetings of the Council unless excused and shall keep the official minutes and perform such other duties as may be

requested by the Council.

- 2.9 Officers and Employees. Department Heads of the City, when there is pertinent business from their departments on the Council agenda, shall attend such Council meetings. Department Heads are encouraged to attend all meetings of the City Council as information, or their expertise may be required.
- 2.10 Rules of Order. "Roberts Rules of Order Revised" shall govern the proceedings of the Council in all cases unless they are in conflict with these rules.
- 2.11 City Stationery. City Stationery will be used for official business only and will be kept at City Hall. All Mayor and City Council correspondence will be handled through the City Secretary's office and kept on file in that office.
- 2.12 Compensation. The City Council shall be compensated at the rate of \$200.00 per month. The Mayor shall be compensated at the rate of \$400.00 per month.

SECTION 3. TYPES OF MEETINGS

- 3.1 Regular Business Meeting: The Council shall meet in City Hall for Regular Business, Adjourned, and Special Meetings. The Regular Business Meetings are to commence at 5:30 p.m. on the first Tuesday of each month, unless otherwise specified in accordance with state law.
- 3.2 Special Meetings. Special meetings may be called by the Mayor or by a majority of the members of the Council. Any individual member may call a special meeting upon securing concurrence of four other members, whom he must personally contact and upon confirmation, each of the four concurring members must personally contact the City Secretary. Councilmembers may only state the reason for the called meeting when contacting other Councilmembers. No further discussion may take place regarding the subject(s) of the meeting.

The call for a special meeting shall specify the day, the hour, and the location of the special meeting and shall list the subject or subjects to be considered. No special meeting shall be held until at least ~~seventy-two hours (72)~~ **three business days** after the call is issued. No item will be placed on the agenda unless submitted to the City Manager at least twenty-four (24) hours prior to the posting of the called meeting agenda.

- 3.3 Recessed Meetings. Any meeting of the Council may be recessed to a later date and time, provided that no recess shall be for a longer period than until the next Regular Meeting.
- 3.4 Emergency Meetings. The City Council may hold meetings dealing with emergency conditions as provided by state law.
- 3.5 Work Sessions. The Council may meet informally in Work Sessions (open to the public), at the call of the Mayor or of a majority of the Council, to review forthcoming programs of the City, receive progress reports on current programs or projects, or receive other similar information from the City Manager, provided that all discussions and conclusions thereon shall be informal. On-site inspections of project sites and facilities by individual Councilmembers are strongly encouraged. Department Heads will schedule times to accompany any councilmember who wishes to tour city

facilities.

- 3.6 Executive Sessions. Executive Sessions or closed meetings may be held in accordance with the provisions of the Texas Open Meetings Act, Texas Government Code Chapter 551. Topics that may be discussed would include but are not limited to: (1) Consultation with Attorney, (2) Deliberations Regarding Real Property, (3) Deliberation Regarding Prospective Gift, (4) Personnel Matters, (5) Deliberation Regarding Security Devices, (6) Meeting Concerning a Municipally Owned Utility, (7) Deliberation Regarding Economic Development Negotiation. The City Council may convene into executive session on any matter related to agenda items for a purpose, such closed session allowed under Chapter 551, Texas Government Code.

3.7 Committee Meetings and Reports.

- A. The Committees shall meet in City Hall for their Committee Meetings. The Committee Meetings are to commence at 5:30 p.m. on the third Tuesday of each month, unless otherwise specified in accordance with state law.
- B. Standing Committees shall be appointed annually following the City's General Election in May.
- C. The Mayor shall submit suggestions for committee assignment and chairmanship designation to the City Council not later than the second regular council meeting following the City General Election in May. In formulating recommendations, the Mayor shall be guided by the following considerations:
1. At the first regular council meeting following each council election, the Mayor shall request that each council member submit their prioritized request for committee assignments. These requests shall be submitted to the Mayor within 14 days of being requested.
 2. The Mayor shall consider each council member's request for committee assignments in arriving at a recommendation. In the event a council member fails to submit a committee assignment request, the Mayor shall attempt to make fair and equitable assignment recommendations for that council member. In arriving at recommendations, the Mayor shall consider the following factors in the priority listed:
 - a. *The Mayor shall serve as a non-voting member of all committees. The Mayor may serve as a voting member of any committee if there is less than a quorum present for the committee meeting. The Mayor shall not serve as the chairman of any committee.*
 - b. Council members may serve as chairman of only one committee unless the number of standing council committees is expanded to more than eight.
 - c. Incumbent council members shall retain their current chairmanship assignments unless they request and receive assignment as chairman of another committee.
 - d. Open chairmanship recommendations shall be based on council member's seniority of total council service and prioritized written assignment requests, in that order.
 - e. Council members who are not selected as chairmen shall receive their first four

prioritized committee assignment requests.

- f. The Mayor shall make committee assignment recommendations to achieve a fair and equitable distribution based on council member's prioritized written requests.
- g. The assignments shall be approved by a majority vote of the City Council.
- h. Special Committees may be appointed by the City Council as needs arise and the membership of such special committees shall remain intact until the committee's assignment is completed.

D. It is the duty of the committee chairman to call meetings and see that the committee's assignment is completed. Each committee that has met since the last Regular Business Meeting shall be required to give a status report to the City Council at each monthly meeting. All final committee recommendations shall be filed in written form with the City Secretary and included with the Council's agenda packet.

- 3.8 Attendance of Media at Council Meetings. All official meetings of the City Council and its committees shall be open to the media, freely subject to recording by radio, television, and photographic services at any time, provided that such arrangements do not interfere with the orderly conduct of the meetings. Exceptions to this rule will apply to meetings or parts of meetings which are held in accordance with Vernon's Texas Civil Statutes regarding executive sessions.

SECTION 4. CHAIRMAN AND DUTIES

- 4.1 Chairman. The Mayor, if present, shall preside as Chairman at all meetings of the Council. In the absence of the Mayor, the Mayor Pro Tem shall preside. In the absence of both the Mayor and the Mayor Pro Tem, the Council shall elect a Chairman.
- 4.2 Call to Order. The meetings of the Council shall be called to order by the Mayor, or in his/her absence, by the Mayor Pro Tem. In the absence of both the Mayor and the Mayor Pro Tem, the meeting shall be called to order by the City Secretary for the election of a temporary Chairman.
- 4.3 Preservation of Order. The Chairman shall preserve order and decorum, prevent attacks on personalities or the impugning of members' motives, and confine members in debate to the question under discussion.
- 4.4 Points of Order. The Chairman shall determine all points of order, subject to the right of any member to appeal to the Council. If any appeal is taken, the question shall be, "Shall the decision of the Chairman be sustained?"
- 4.5 Questions to be Stated. The Chairman shall state all questions submitted for a vote and announce the result. A roll call vote shall be taken upon the request of any member, in the manner provided in Section 6.7 of these rules. Before taking a final vote, the Chairman shall ask for discussion on the motion.

SECTION 5. ORDER OF BUSINESS AND AGENDA

- 5.1 Order of Business. The general rule as to the order of business in regular meetings shall be as follows:

AGENDA OF THE CITY COUNCIL

- I. Call to Order
- II. Pledges of Allegiance
- III. Invocation
- IV. Proclamations, Recognitions, and Presentations
- V. Citizens' General Discussion
- VI. Regular Agenda Items (these are items not discussed in committee)
- VII. Planning and Zoning Commission
- VIII. Reports from Boards and Commissions
- IX. Council Committee Reports
- X. Consent Agenda
 - i. Approval of Minutes
 - j. Bid Considerations
 - k. Resolutions
- XI. Comments by City Manager
- XII. Comments by Council Members and Items for Future Discussion
- XIII. Executive Session
- XIV. Action Taken on Items Discussed in Executive Session, if necessary
- XV. Adjourn

The Mayor may, at his/her discretion, limit the amount of time allowed for the agenda item, "Citizens' General Discussion".

- 5.2 Agenda. The order of business of each council meeting shall be as contained in the agenda prepared by the City Secretary. The Agenda shall be delivered to members of the Council at least ~~seventy-two (72) hours~~ **three business days** preceding the meeting to which it pertains. The order of the agenda may be adjusted by the Mayor as situations warrant. The Mayor shall announce at the opening of the meeting any items which have been removed.

The order of business of the City Council shall include a Consent Agenda. The Consent Agenda is used as a tool to help shorten council meetings. It contains routine items which are not controversial in nature and do not need further discussion. The Consent Agenda can be handled with one motion from the City Council, "I move that the Consent Agenda be approved as presented." If an item needs to be removed from the Consent Agenda and discussed separately, a typical motion to affect this might be, "I move that we approve the Consent Agenda Items "A" through "D" with the exception of Item "C".

- 5.3 Comments by Council Members and Items for Future Discussion. The Agenda shall provide a time when the Mayor or any Councilmember may bring before the Council any business that he/she feels should be deliberated upon by the Council. These matters need not be specifically listed on the agenda, however, discussion and formal action on such matters shall be deferred until a subsequent council meeting.
- 5.4 Placing Items on the Agenda. Any member of the City Council or general public may place items on the agenda by submitting such items to the City Secretary, City Manager, Mayor or applicable

Committee Chairman, in writing, by 5:00 p.m. seven (7) days preceding the Regular Business Council Meeting or applicable committee meeting.

- 5.5 Reading of Minutes. Unless a reading of the minutes of a council meeting is requested by a member of the Council, such minutes may be approved without reading, if the City Secretary previously furnished each member with a copy.

SECTION 6. ORDINANCES, RESOLUTIONS, AND MOTIONS

- 6.1 Form. Ordinances and resolutions shall be presented to the Council only in printed or typewritten form.
- 6.2 Funding. All ordinances authorizing an expenditure of money shall include the exact source of the funds to be expended.
- 6.3 City Attorney to Approve. All ordinances and resolutions shall be "Approved as to Form and Legality" by the City Attorney. Such approval shall be so indicated by signature on the last page of the ordinance or resolution. Ordinances or Resolutions shall not be presented to the Council without first being approved by the City Attorney.
- 6.4 City Manager to Review. All ordinances and resolutions shall be "Reviewed By" the City Manager. Such review shall be so indicated by signature on the last page of the ordinance or resolution.
- 6.5 Distribution of Ordinances. Copies of all proposed ordinances shall be distributed to all members of the Council at least twenty-four (24) hours before the council meeting as part of the agenda packet in which the ordinance is to be introduced. If the ordinance carries an emergency clause, copies of the ordinance must be distributed at least twelve (12) hours prior to the meeting of the Council at which said ordinance is to be considered.
- 6.6 Recording of Votes. The ayes and noes shall be taken upon the passage of all ordinances and resolutions and entered upon the official record of the Council.
- 6.7 Majority Vote Required. Where a quorum of the City Council is present, a proposition is carried by a majority of the votes cast, although some of the members present refuse to vote. Where a member of the City Council is present, but has not voted on a matter, his or her silence shall be construed as concurring with the majority, at least where such concurrence is needed for adoption of the matter before the deliberative body. Abstaining votes shall therefore be construed as concurring with the majority favoring adoption of the matter. Councilmembers filing Conflict of Interest affidavits with the City Secretary shall be considered as not casting any vote on the issue at hand.

Exceptions to the majority vote rule shall apply where required by Charter, ordinance, or state law.

- 6.8 Voting. Two voting methods will be used by the City Council – voice votes and roll call votes. Voice votes are votes cast by the City Council in unison, either aye or nay, when requested by the Mayor. Roll call votes are votes which are cast individually. Voice votes will be used on all issues unless the Mayor or a councilmember requests a roll call vote. When roll call votes are used, the Mayor will be the last councilmember to vote.

When any vote is called, each Councilmember shall respond "yes (aye)", "no (nay)", "abstain", or "pass". Any Councilmember who responds "pass" shall be given an opportunity at the end of the roll call to change his or her vote to "yes (aye)", "no (nay)", or "abstain". Any "pass" response not so changed shall be recorded as an abstention.

In the event of a tie in votes on any motion, the motion shall be considered lost.

- 6.9 Numbering Ordinances and Resolutions. Upon passage, a number shall be assigned to each ordinance or resolution by the City Secretary.
- 6.10 Ordinance Passage Procedure. When passed by the City Council, an ordinance shall be signed by the Mayor or Mayor Pro Tem and be attested by the City Secretary; and it shall be immediately filed and thereafter preserved in the office of the City Secretary. Ordinances shall be adopted in accordance with City Charter Article III, §19.

Any ordinance imposing a penalty, fine, or forfeiture for a violation of its provisions shall become effective not less than ten (10) days from the date of its passage. The City Secretary shall give notice of the passage of every ordinance imposing a penalty, fine, or forfeiture for a violation of the provisions thereof, by causing the caption or title, including the penalty, of any such ordinance to be published in a newspaper of general circulation in Stephenville at least within ten (10) days after the passage of said ordinance.

- 6.11 Requests for Ordinances or Legal Opinions. Any member of the City Council may request the City Manager to have prepared proposed ordinances with such ordinances to be placed on the agenda of the next scheduled Council meeting, provided the ordinance can be drafted and distributed to members of the Council in accordance with time schedules set forth in Section 6.5 of these rules. Any member of the City Council may request written legal opinions, relating to City business, from the City Manager. Upon receiving requests for a proposed ordinance or a written legal opinion, the City Manager shall forthwith request same from the City Attorney; and upon return receipt thereof, the City Administrator shall forthwith cause to have distributed the subject ordinance or written legal opinion to all members of the Council so that all members of the Council may be fully informed of the status of City affairs. Any member of the Council may, for purposes of inquiry, request verbal opinion or advice on City legal matters directly from the Attorney.

SECTION 7. CREATION OF COMMITTEES, BOARDS AND COMMISSIONS

- 7.1 Citizen Committees, Boards and Commissions. The Council may create committees, boards, and commissions to assist in the conduct of the operation of the City government with such duties as the Council may specify not inconsistent with the City Charter or City Code.
- 7.2 Membership and Selections. Membership and selection of members shall be as provided by the Council if not specified by the City Charter or City Code. Any committee, board, or commission so created shall cease to exist upon the accomplishment of the special purpose for which it was created, or when abolished by a majority vote of the Council. No committee so appointed shall have powers other than advisory to the Council or to the City Administrator, except as otherwise specified by the City Charter or City Code.
- 7.3 Removal of Members of Boards and Commissions. The Council may remove any member of any board or commission which it has created or as created by the City Charter or by a vote of at least a

majority of the Council.

SECTION 8. CITIZENS' RIGHTS

- 8.1. Addressing the Council During a Regular Business Meeting. Persons addressing the Council shall complete a Registration Form prior to the Call to Order and present it to the City Secretary. Questions from citizens will be directed to the Mayor, and the Mayor will inform the citizen that the question will be directed to the appropriate person, staff, or Councilmember.
- 8.2. Time Limit. Each person addressing the Council shall step up to the microphone, shall give his/her name and address in an audible tone of voice for the record. Individual citizen presentations shall be limited to three (3) minutes, and group presentations shall be limited to ten (10) minutes. At least three members of the group or organization shall be in attendance and their names shall be listed on the Registration Card. The Mayor, at his/her discretion, may reasonably extend these limits.
- 8.3. Manner of Addressing the Council. All remarks shall be addressed to the Council as a body, and not to any member thereof. No person, other than members of the Council and the person having the floor, shall be permitted to enter into any discussion, either directly or through the members of the Council. No questions shall be asked of the Councilmembers, except through the presiding officer.
- 8.4. Personal and Slandorous Remarks. The Mayor may, at his or her discretion, have removed any person making personal, impertinent or slanderous remarks while addressing the Council and may bar such persons from further audience before the Council.
- 8.5. Reading of Protests. Interested persons, or their authorized representatives, may address the Council for the reading of protests, petitions, or communications relating to any matter over which the Council has control when the item is under consideration by the Council, if a majority of the Council present agrees to let them be heard.
- 8.6. Mayor May Appoint Committee or Refer Citizen's Complaints. The Mayor may appoint a committee of three members of the City Council to hear citizens' complaints, or may refer citizens' complaints to an Executive Session of the City Council, whenever the subject would be appropriate.
- 8.7. Written Communications. Interested parties, or their authorized representatives, may address the council by written communication in regard to any matter concerning the city's business or over which the council has control at any time by mailing or emailing such communication to the City Secretary, or mailing or emailing such communication to individual Councilmembers. All members of the Council shall have an email address issued by the City.

SECTION 9. SUSPENSION AND AMENDMENT OF THESE RULES

- 9.1. Suspension of These Rules. Any provision of these rules not governed by the City Charter or City Code may be temporarily suspended by a vote of a majority of the Council. The vote on any such suspension shall be taken by ayes and nays and entered upon the record.
- 9.2. Amendment of These Rules. These rules may be amended, or new rules adopted, by a majority vote of all members of the council, provided that the proposed amendments or new rules shall have been introduced into the record at a prior council meeting.

Resolution No. 1986-3. Revised February 7, 1990; April 3, 1990; October 3, 1995; April 1, 1997; November 3, 1998; March 7, 2000; June 17, 2003; September 9, 2008; March 1, 2016, May 3, 2022.

AN ACT

relating to notice of a meeting held under the open meetings law.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The heading to Section 551.043, Government Code, is amended to read as follows:

Sec. 551.043. TIME AND ACCESSIBILITY OF NOTICE; POSTING OF BUDGET; GENERAL RULE.

SECTION 2. Section 551.043, Government Code, is amended by amending Subsection (a) and adding Subsections (c) and (c-1) to read as follows:

(a) The notice of a meeting of a governmental body must be posted in a place readily accessible to the general public at all times for at least three business days [~~72 hours~~] before the scheduled date [~~time~~] of the meeting, except as provided by Sections 551.044, 551.045, 551.046, and 551.1281 [~~551.044-551.046~~].

(c) The notice of a meeting required to be posted under Subsection (a) at which a governmental body will discuss or adopt a budget for the governmental body must include:

(1) a physical copy of the proposed budget unless the governmental body has made the proposed budget clearly accessible on the home page of the governmental body's Internet website; and

(2) a taxpayer impact statement showing, for the median-valued homestead property, a comparison of the property tax

bill in dollars pertaining to the property for the current fiscal year to an estimate of the property tax bill in dollars for the same property for the upcoming fiscal year if:

(A) the proposed budget is adopted; and

(B) for a taxing unit as defined by Section 1.04, Tax Code, other than an independent school district, a balanced budget funded at the no-new-revenue tax rate as calculated under Chapter 26, Tax Code, is adopted.

(c-1) Subsection (c) does not apply to the governing board of a general academic teaching institution or of a university system to which Section 551.1281 applies.

SECTION 3. This Act takes effect September 1, 2025.

H.B. No. 1522

President of the Senate

Speaker of the House

I certify that H.B. No. 1522 was passed by the House on April 9, 2025, by the following vote: Yeas 147, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1522 on May 28, 2025, by the following vote: Yeas 132, Nays 2, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1522 was passed by the Senate, with amendments, on May 25, 2025, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor

STAFF REPORT



SUBJECT: Monthly Budget Report for the Period Ending June 30, 2025

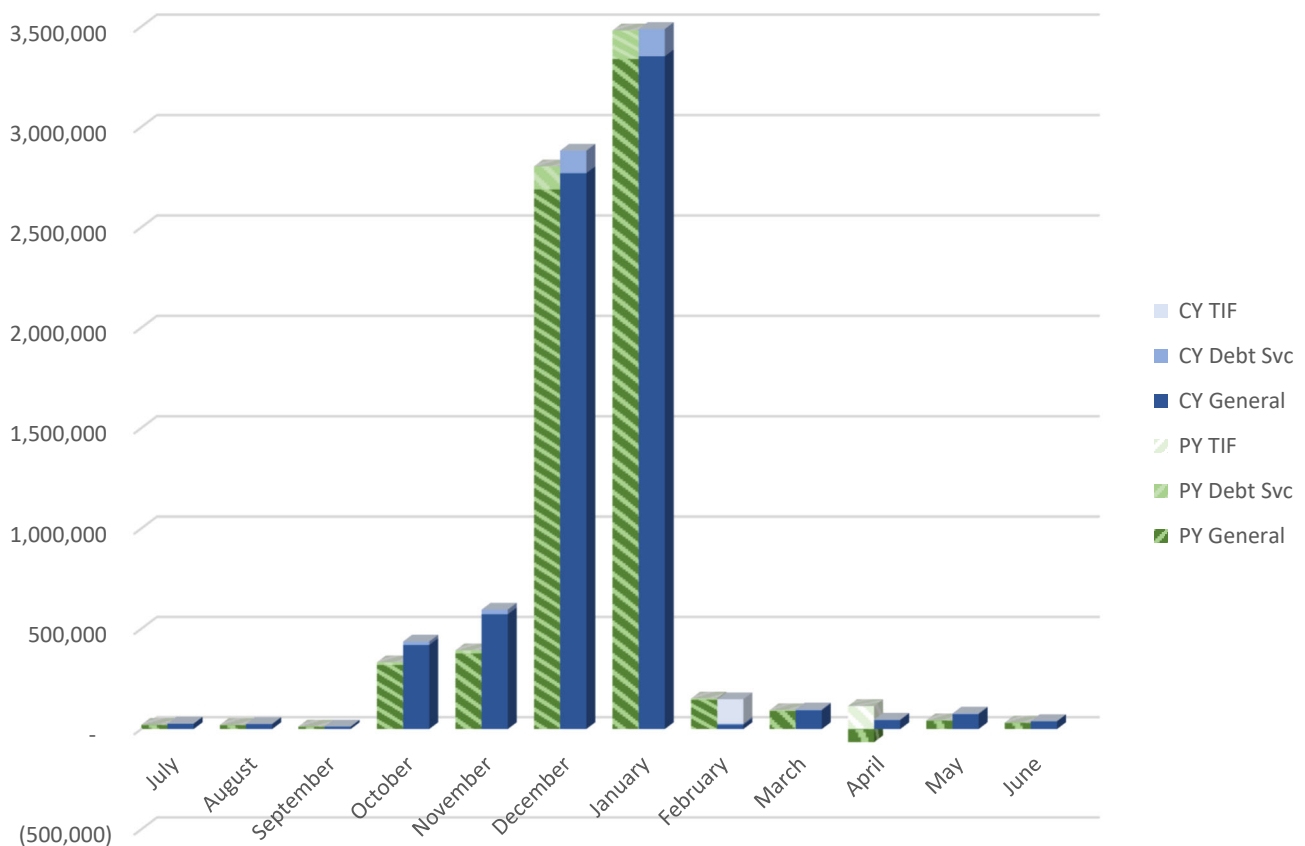
DEPARTMENT: Finance

STAFF CONTACT: Monica Harris

BACKGROUND:

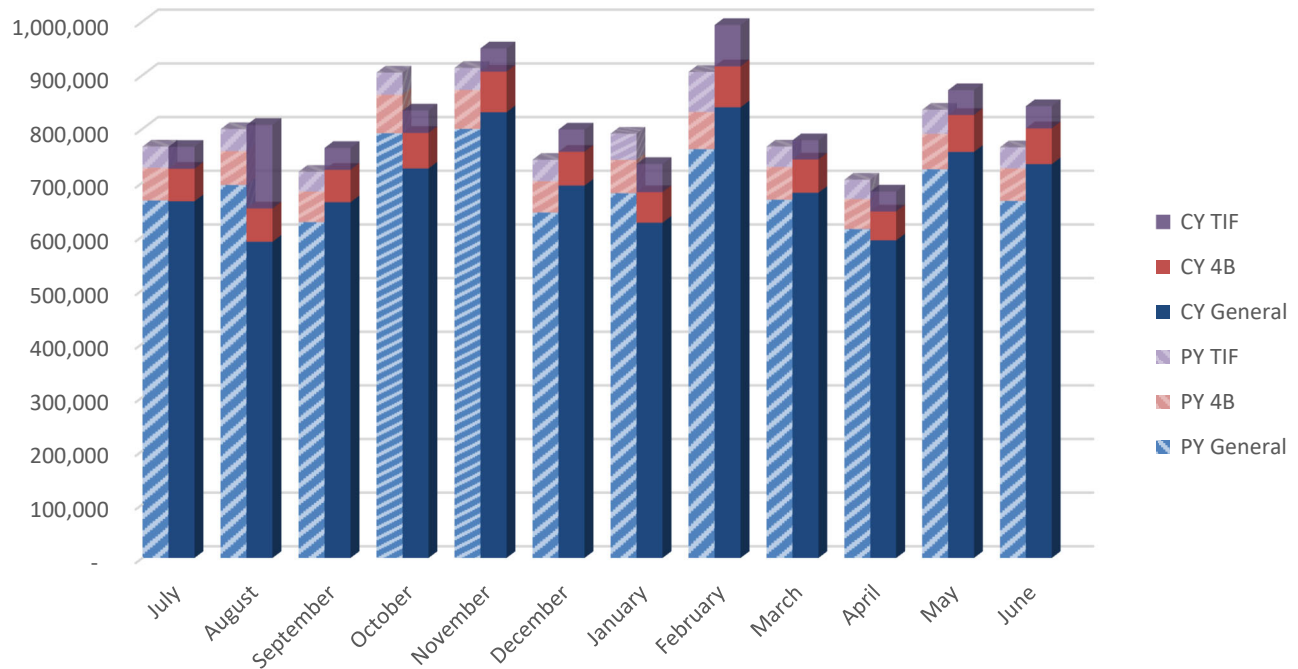
In reviewing the financial statements ending June 30, 2025, the financial indicators are overall as or better than anticipated.

Property Tax Collections
2 year 12 month rolling comparison

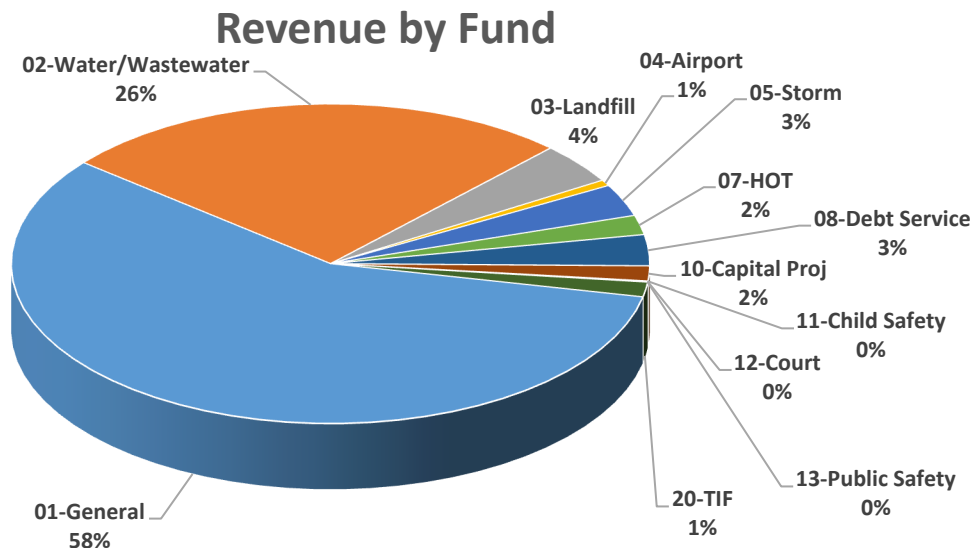


We received \$34K in property taxes in the month of June, resulting in a \$417K increase over the funds collected last fiscal year to date. The amount collected is over 100% of the \$7.8 million budget, which is \$82K more than anticipated.

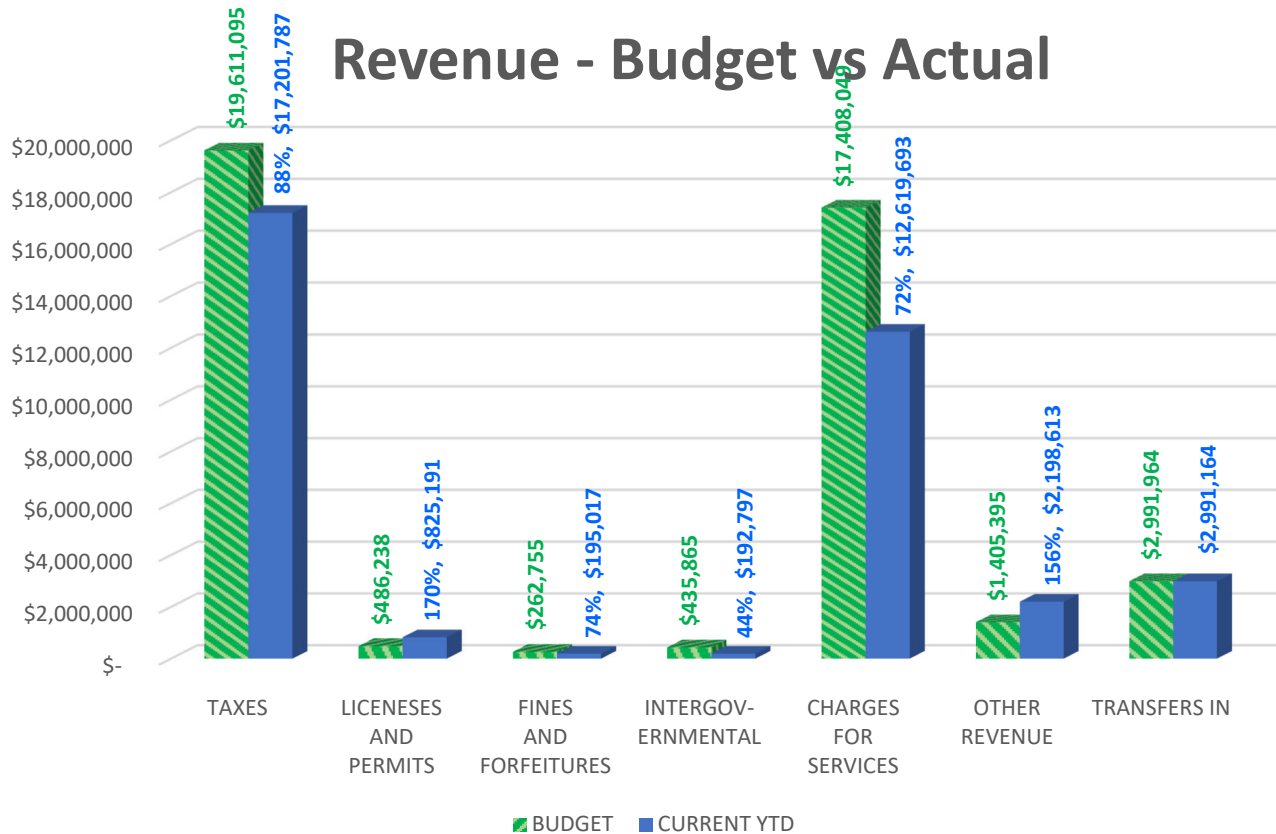
Sales and Use Tax 2 year 12 month rolling comparison



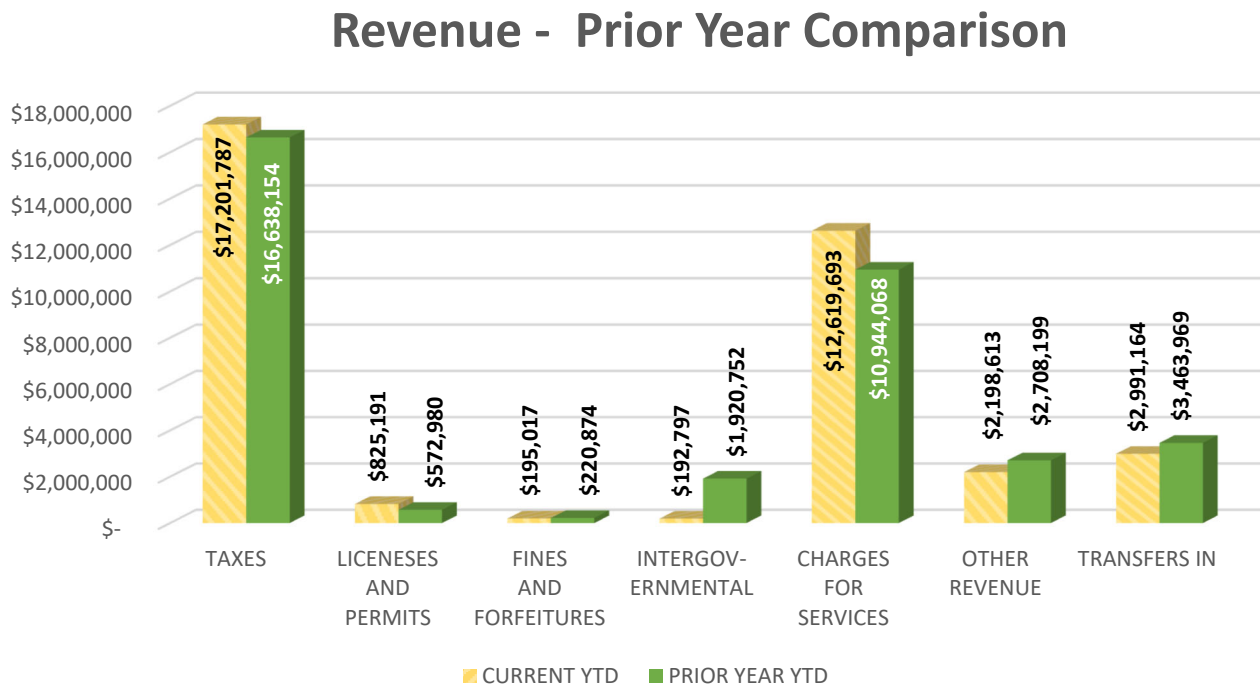
We received \$842K in sales tax in June, resulting in \$155K or 2% more than the funds collected last fiscal year to date. The amount collected is 79% of the \$9.4 million budget, which is \$418K higher than anticipated.



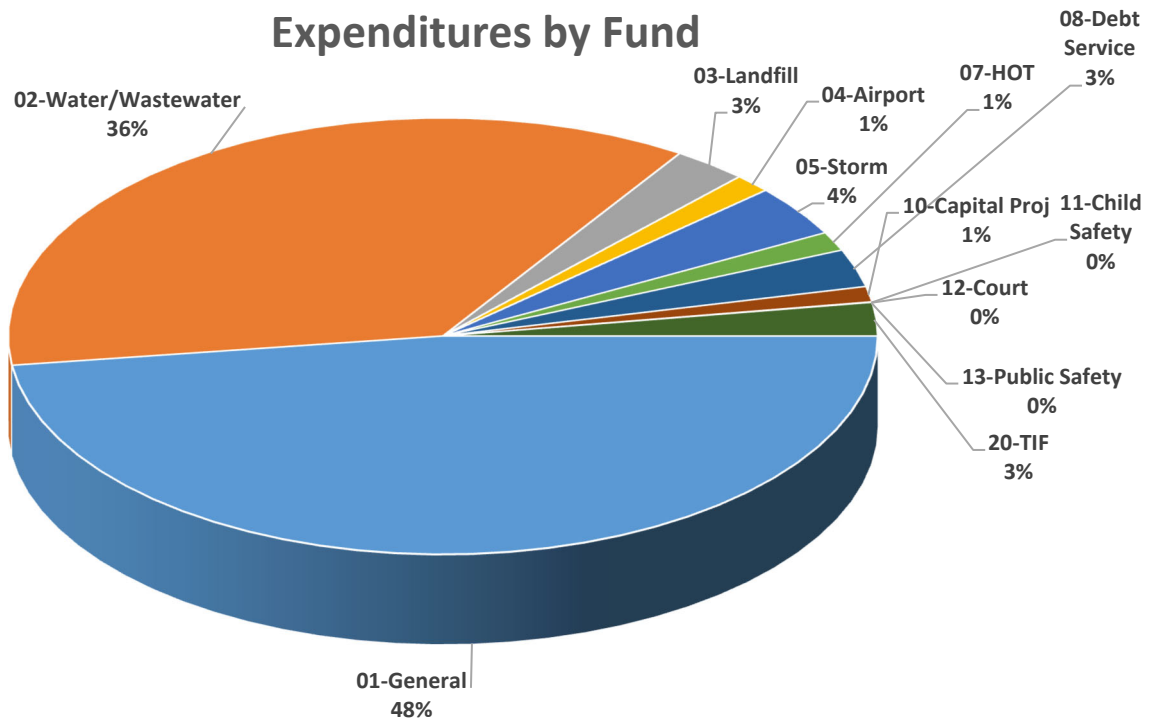
Of the \$36.2 million revenue received to date, 58% was received in the General Fund, 26% was received in the Water/Wastewater Fund, 4% was received in the Landfill Fund, 3% was received in the Debt Service Fund, 3% was received in the Storm Water Drainage Fund, 2% was received in the Capital Projects Fund, and 2% in the HOT Fund.



We received 85% of the total budgeted revenue through June, which is \$3 million more than anticipated due to taxes, licenses and permits, charges for services, interest income and other revenue.

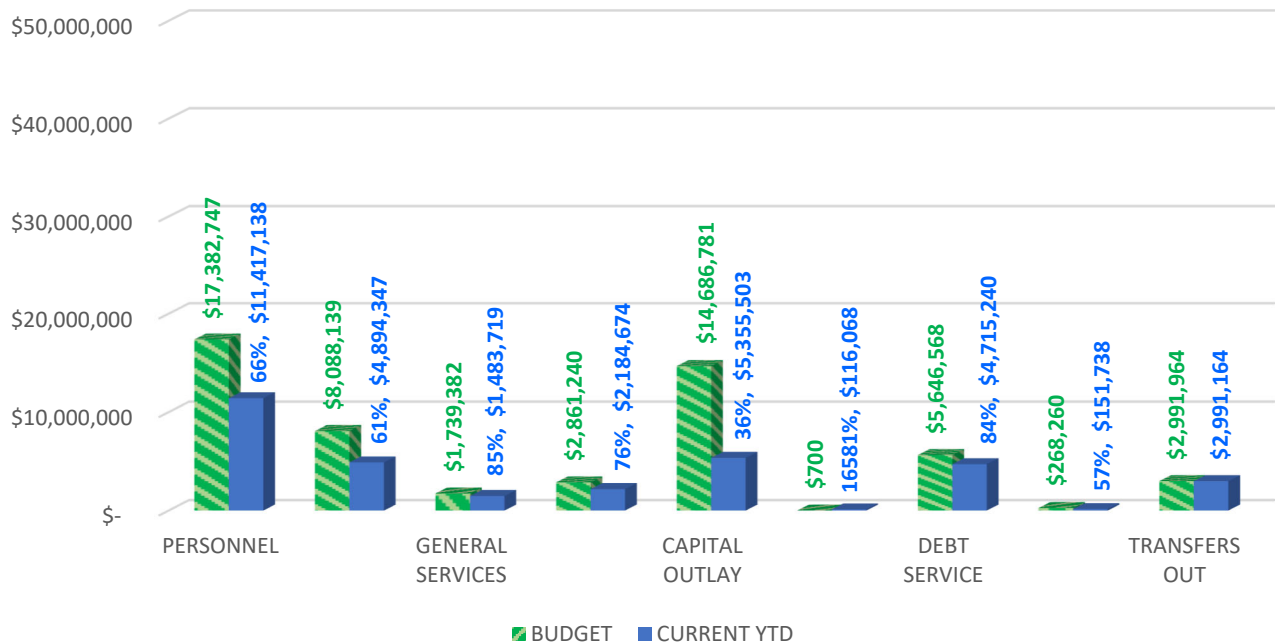


We received \$245K less revenue through June than last fiscal year to date due to intergovernmental.



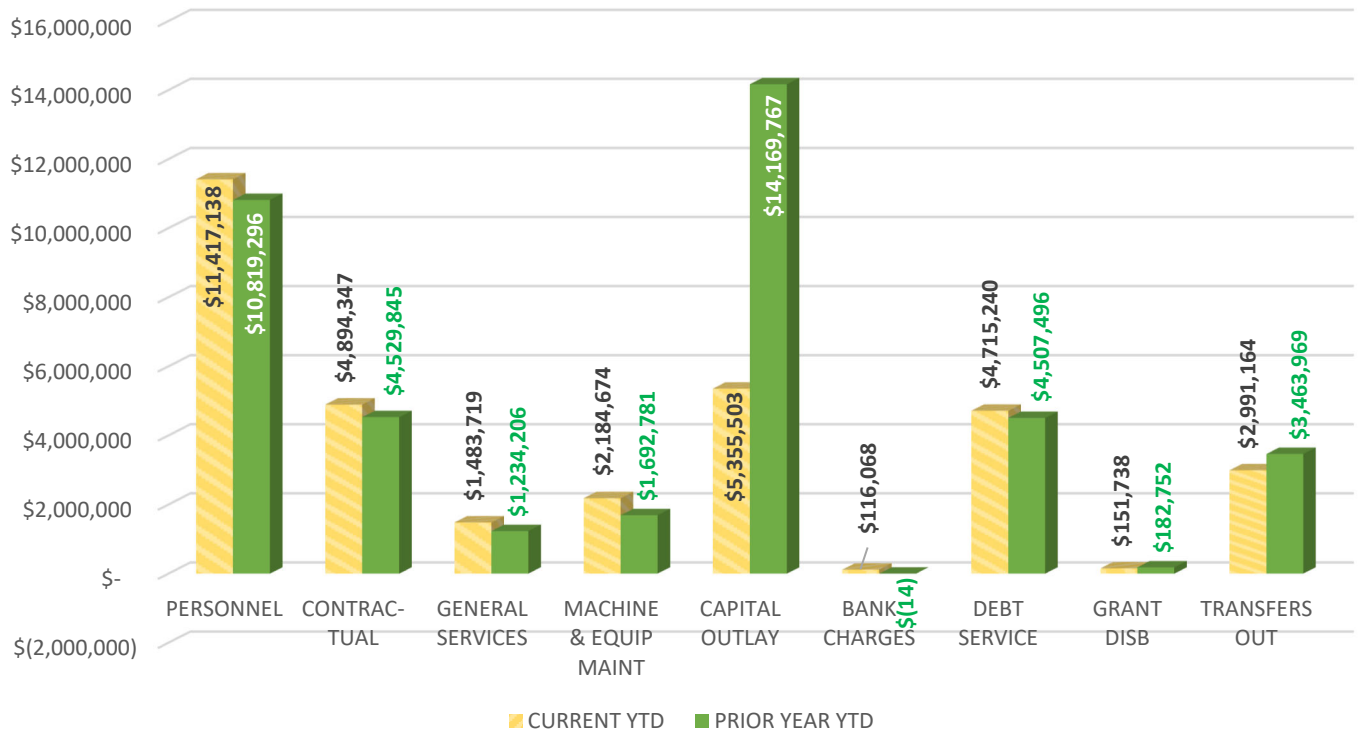
Of the \$33.3 million spent to date, 48% was expended in the General Fund, 36% was expended in the Water/Wastewater Fund, 4% was expended in the Storm Water Drainage Fund, 3% was expended in the Debt Service Fund, 3% was expended in the TIF Fund, and 3% was expended in the Landfill Fund.

Expenditures - Budget vs Actual



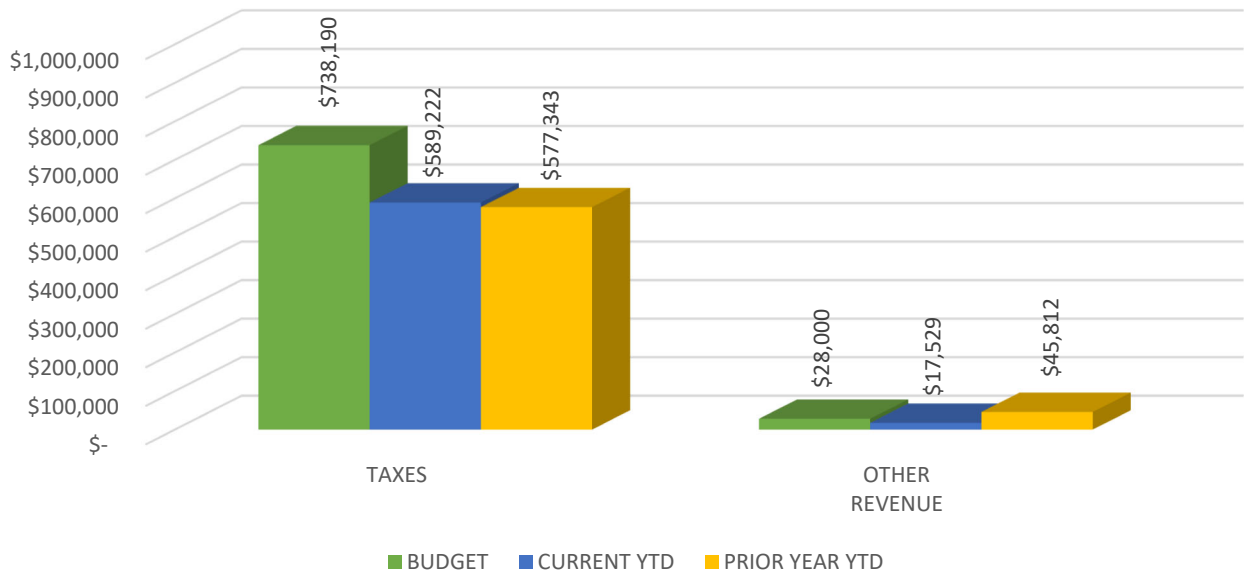
We have expended 62% of the total budgeted expenditures through June, which is \$7.4 million less than anticipated due to personnel, contractual and capital outlay.

Expenditures - Prior Year Comparison



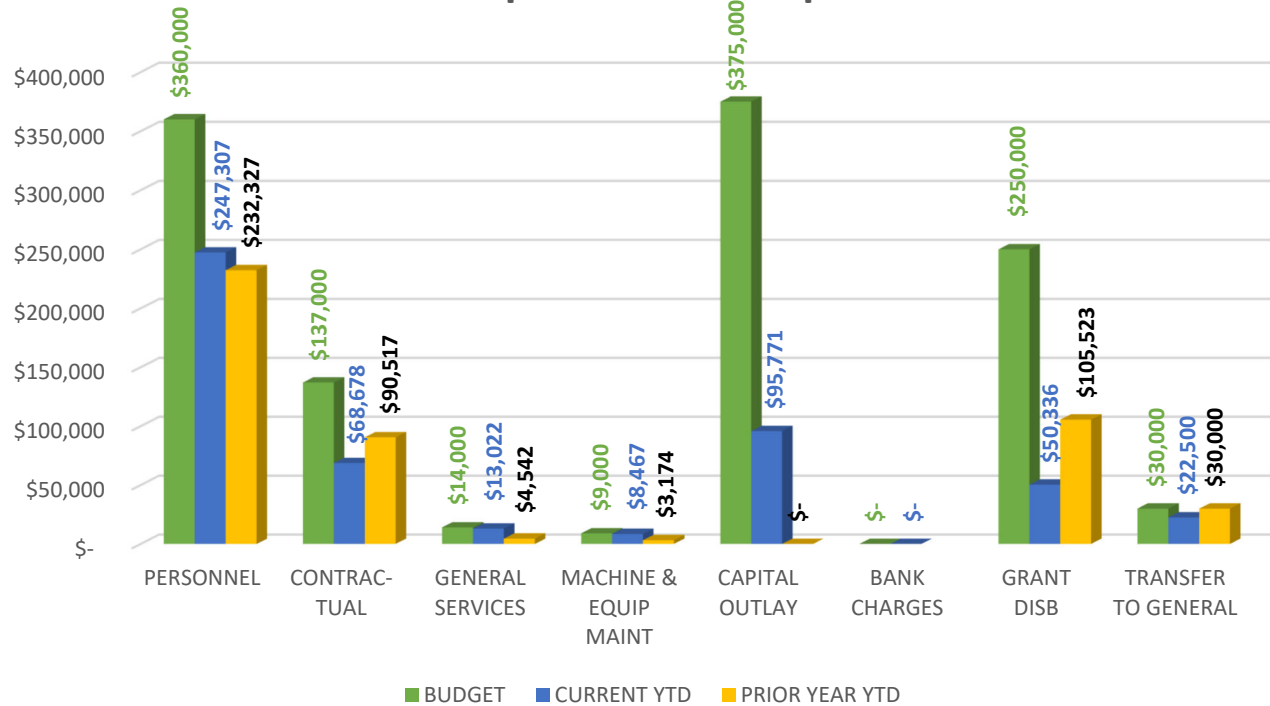
We spent \$7.3 million less on expenditures through June than last fiscal year to date due to capital outlay.

SEDA Revenue Comparison



SEDA has received an overall 79% of budgeted revenue through June, which is \$16K less than last fiscal year to date due to interest income and \$30K more than anticipated due to taxes.

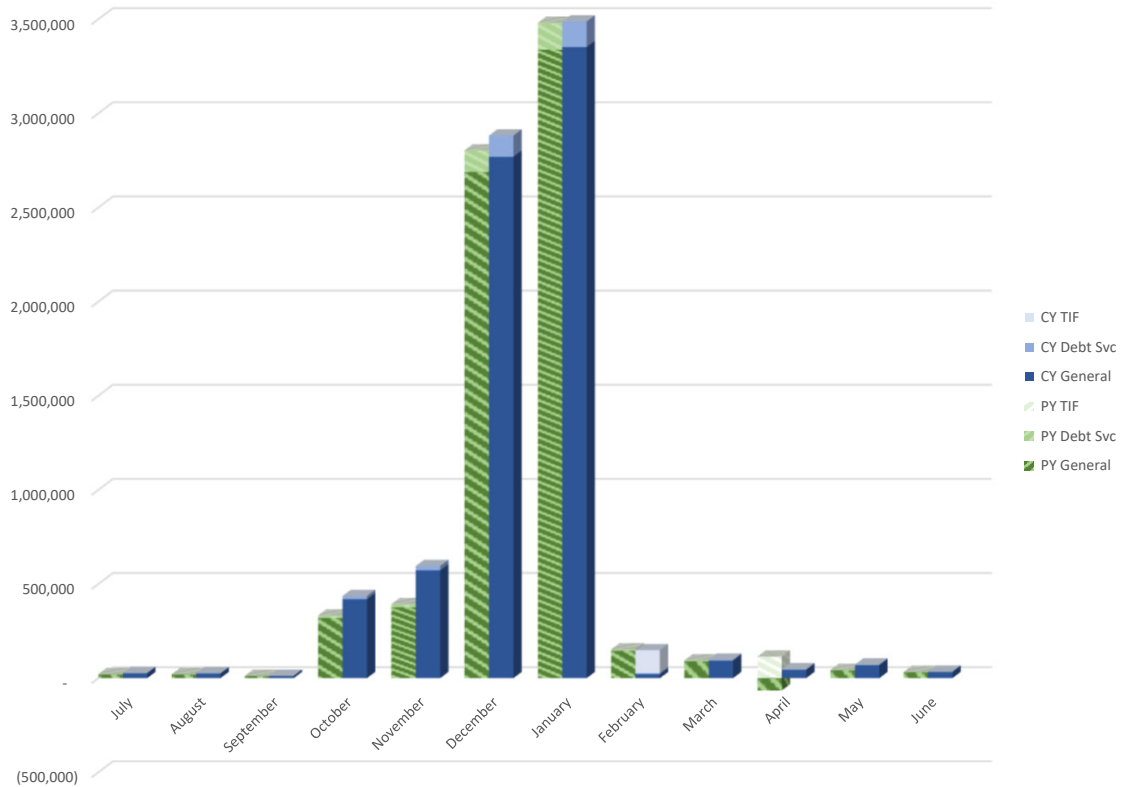
SEDA Expenditure Comparison



SEDA has spent an overall 43% of budgeted expenditures through June, which is \$40K more than last fiscal year to date due to personnel and capital outlay and \$362K less than anticipated due to contractual, capital outlay, and grant disbursements.



Property Tax Collections
2 year 12 month rolling comparison



Month	General Fund	Debt Svc	TIF	Total
Jul-23	20,824	789	-	21,613
Aug-23	20,172	782	-	20,954
Sep-23	12,245	475	-	12,720
Oct-23	319,330	13,573	-	332,903
Nov-23	376,834	16,009	-	392,843
Dec-23	2,689,123	114,387	-	2,803,510
Jan-24	3,338,531	142,029	-	3,480,560
Feb-24	146,100	6,211	-	152,311
Mar-24	90,280	3,823	-	94,103
Apr-24	(64,868)	2,038	112,569	49,740
May-24	42,319	1,798	-	44,117
Jun-24	31,592	1,335	-	32,927
12 month total				<u>7,438,302</u>
Oct-Jun 2024				<u>7,383,014</u>
FY 2023-2024 Total				7,448,939

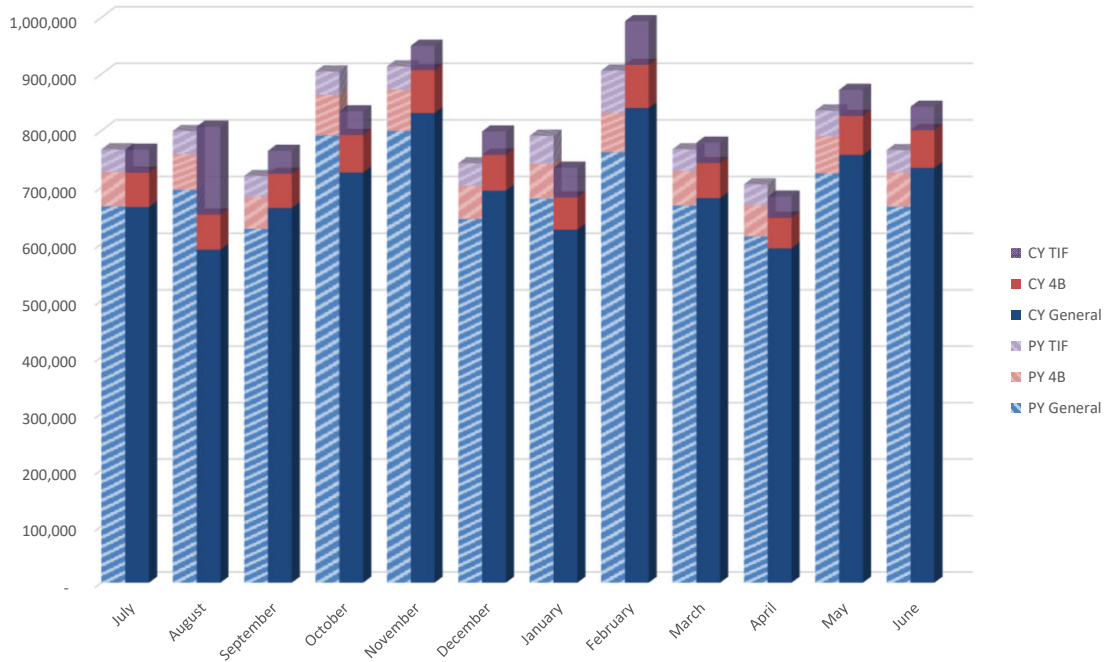
Month	General Fund	Debt Svc	TIF	Total
Jul-24	26,485	1,127	-	27,612
Aug-24	24,665	1,029	-	25,693
Sep-24	12,040	580	-	12,620
Oct-24	419,463	17,009	-	436,473
Nov-24	572,344	23,175	-	595,519
Dec-24	2,769,471	112,240	-	2,881,711
Jan-25	3,351,878	135,722	-	3,487,600
Feb-25	21,399	6,171	120,967	148,537
Mar-25	93,741	4,036	-	97,777
Apr-25	44,997	1,671	-	46,668
May-25	69,035	3,018	-	72,053
Jun-25	33,214	1,309	-	34,523
12 month total				<u>7,866,785</u>
Oct-Jun 2025				<u>7,800,861</u>
FY 2024-2025 Budget				7,782,524

Collection to date as percentage of fiscal year total 99.11%

Collection to date as percentage of fiscal year budget 100.24%



Sales and Use Tax
2 year 12 month rolling comparison



Month	General	4B	TIF	Total	Month	General	4B	TIF	Total	% Change +/-
Jul-23	666,728	60,612	39,634	766,973	Jul-24	665,181	60,471	40,825	766,477	-0.06%
Aug-23	695,586	63,235	40,619	799,440	Aug-24	589,750	61,970	155,514	807,234	0.97%
Sep-23	626,485	56,953	36,556	719,994	Sep-24	663,362	60,306	40,724	764,391	6.17%
Oct-23	791,837	71,985	40,998	904,820	Oct-24	726,284	66,026	41,726	834,036	-7.82%
Nov-23	799,930	72,721	40,912	913,564	Nov-24	831,028	75,548	43,386	949,962	3.98%
Dec-23	644,243	58,568	39,651	742,461	Dec-24	694,219	63,111	41,377	798,707	7.58%
Jan-24	680,348	61,850	48,784	790,982	Jan-25	625,250	56,841	52,434	734,525	-7.14%
Feb-24	762,215	69,292	74,566	906,073	Feb-25	840,039	76,367	76,939	993,345	9.63%
Mar-24	668,209	60,746	38,135	767,091	Mar-25	681,045	61,913	35,849	778,807	1.53%
Apr-24	613,466	55,770	36,003	705,239	Apr-25	592,310	53,846	37,288	683,444	-3.09%
May-24	724,651	65,877	45,017	835,545	May-25	757,090	68,826	46,109	872,024	4.37%
Jun-24	665,869	60,534	39,286	765,689	Jun-25	734,178	66,744	41,323	842,245	10.00%
12 month total				<u>9,617,869</u>	12 month total				<u>9,825,196</u>	2.16%
Oct-Jun 2024				<u>7,331,462</u>	Oct-Jun 2025				<u>7,487,093</u>	2.12%
FY 2023-2024 Total				9,412,210	FY 2024-2025 Budget				9,413,312	
Collection to date as percentage of fiscal year total				77.89%	Collection to date as percentage of fiscal year budget				79.54%	



City of Stephenville

Budget Variance Report

As Of: 06/30/2025

Fund: 01 - GENERAL FUND

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
TAXES	853,600.06	728,943.04	124,657.02	15,727,320.58	15,179,365.16	547,955.42	89	17,581,911.00	(1,854,590.42)	11
LICENSES AND PERMITS	7,069.20	14,440.66	(7,371.46)	738,338.80	353,697.21	384,641.59	160	461,238.00	277,100.80	-60
FINES AND FORFEITURES	339.82	27,508.51	(27,168.69)	173,166.24	203,279.44	(30,113.20)	71	245,390.00	(72,223.76)	29
INTERGOVERNMENTAL	300.00	300.00	0.00	164,662.10	52,700.00	111,962.10	49	332,665.00	(168,002.90)	51
CHARGES FOR SERVICES	166,643.75	118,997.44	47,646.31	1,097,420.49	888,015.74	209,404.75	81	1,353,196.00	(255,775.51)	19
OTHER REVENUE	135,844.43	44,231.35	91,613.08	1,316,303.50	488,693.07	827,610.43	209	630,389.00	685,914.50	-109
TRANSFER	0.00	0.00	0.00	1,637,591.00	1,637,591.00	0.00	100	1,637,591.00	0.00	0
TOTAL REVENUE	1,163,797.26	934,421.00	229,376.26	20,854,802.71	18,803,341.62	2,051,461.09	94	22,242,380.00	(1,387,577.29)	6
EXPENSE SUMMARY										
CITY COUNCIL	13,041.04	41,966.57	28,925.53	454,879.51	395,868.67	(59,010.84)	87	523,188.00	(68,308.49)	13
CITY MANAGER	35,389.58	36,223.66	834.08	327,159.48	343,294.89	16,135.41	68	478,943.00	(151,783.52)	32
CITY SECRETARY	16,076.11	14,257.11	(1,819.00)	197,025.17	184,755.68	(12,269.49)	83	237,050.00	(40,024.83)	17
EMERGENCY MANAGEMENT	55.58	519.96	464.38	15,288.16	17,725.42	2,437.26	81	18,972.00	(3,683.84)	19
MUNICIPAL BUILDING	4,978.97	10,686.86	5,707.89	105,041.94	113,637.57	8,595.63	70	150,442.00	(45,400.06)	30
MUNICIPAL SERVICES CTR	(12,738.99)	16,538.18	29,277.17	58,440.05	155,544.28	97,104.23	28	209,308.00	(150,867.95)	72
HUMAN RESOURCES	16,706.64	26,192.51	9,485.87	184,342.71	253,496.37	69,153.66	54	343,858.00	(159,515.29)	46
DOWNTOWN	9,440.67	15,797.72	6,357.05	122,224.65	144,626.13	22,401.48	62	196,458.00	(74,233.35)	38
FINANCE	46,881.16	68,018.31	21,137.15	576,665.57	626,380.74	49,715.17	67	864,021.00	(287,355.43)	33
INFORMATION TECHNOLOGY	21,004.39	50,013.42	29,009.03	439,351.43	454,537.65	15,186.22	71	618,261.00	(178,909.57)	29
TAX	57,600.76	58,191.15	590.39	234,467.56	242,473.62	8,006.06	97	242,608.00	(8,140.44)	3
LEGAL COUNSEL	10,997.41	12,554.73	1,557.32	65,098.46	113,182.57	48,084.11	43	150,847.00	(85,748.54)	57
MUNICIPAL COURT	11,965.21	12,744.76	779.55	125,260.23	116,919.11	(8,341.12)	79	159,182.00	(33,921.77)	21
STREET MAINTENANCE	57,861.34	84,196.09	26,334.75	578,863.38	795,569.97	216,706.59	54	1,076,972.00	(498,108.62)	46
PARKS & LEISURE ADM	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
PARKS & RECREATION	134,176.53	208,378.42	74,201.89	1,560,923.50	2,015,897.28	454,973.78	58	2,713,251.00	(1,152,327.50)	42
PARK MAINTENANCE	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
LIBRARY	20,119.42	23,416.10	3,296.68	191,165.94	218,155.01	26,989.07	63	302,014.00	(110,848.06)	37
SENIOR CENTER	16,564.84	87,477.93	70,913.09	974,173.14	794,110.95	(180,062.19)	92	1,063,231.00	(89,057.86)	8
AQUATIC CENTER	49,485.02	71,537.69	22,052.67	123,638.91	199,562.91	75,924.00	32	381,056.00	(257,417.09)	68
FIRE DEPARTMENT	331,719.66	354,559.72	22,840.06	3,678,726.85	3,529,713.96	(149,012.89)	75	4,925,242.00	(1,246,515.15)	25
POLICE DEPARTMENT	683,210.54	866,000.79	182,790.25	4,962,928.01	6,352,973.63	1,390,045.62	57	8,679,955.00	(3,717,026.99)	43
DEVELOPMENT SERVICES	41,190.72	73,635.82	32,445.10	447,458.44	679,302.11	231,843.67	48	936,468.00	(489,009.56)	52
CODE ENFORCEMENT	0.69	0.00	(0.69)	0.69	0.00	(0.69)		0.00	0.69	
GIS	6,738.27	10,331.57	3,593.30	95,973.32	95,972.45	(0.87)	72	132,459.00	(36,485.68)	28
TRANSFERS	0.00	0.00	0.00	422,080.00	422,080.00	0.00	81	520,444.00	(98,364.00)	19
TOTAL EXPENSE	1,572,465.56	2,143,239.07	570,773.51	15,941,177.10	18,265,780.97	2,324,603.87	64	24,924,230.00	8,983,052.90	36
REVENUE OVER/(UNDER) EXPENDITURE	(408,668.30)	(1,208,818.07)	800,149.77	4,913,625.61	537,560.65	4,376,064.96		(2,681,850.00)	(10,370,630.19)	

Budget Variance Report

As Of: 06/30/2025

Fund: 02 - WATER AND WASTEWATER FUND

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
LICENSES AND PERMITS	0.00	53.83	(53.83)	3,778.78	898.77	2,880.01	378	1,000.00	2,778.78	-278
INTERGOVERNMENTAL	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
CHARGES FOR SERVICES	824,934.34	932,552.28	(107,617.94)	8,934,130.02	8,635,129.06	299,000.96	72	12,346,024.00	(3,411,893.98)	28
OTHER REVENUE	40,600.64	42,839.61	(2,238.97)	447,573.26	340,931.92	106,641.34	98	458,000.00	(10,426.74)	2
TRANSFER	0.00	0.00	0.00	108,443.00	108,443.00	0.00	100	108,443.00	0.00	0
TOTAL REVENUE	865,534.98	975,445.72	(109,910.74)	9,493,925.06	9,085,402.75	408,522.31	74	12,913,467.00	(3,419,541.94)	26
EXPENSE SUMMARY										
UTILITIES ADMINISTRATION	81,407.94	167,478.25	86,070.31	576,583.40	1,546,402.67	969,819.27	27	2,113,549.00	(1,536,965.60)	73
WATER PRODUCTION	27,731.66	84,998.30	57,266.64	813,391.84	996,954.35	183,562.51	63	1,298,603.00	(485,211.16)	37
WATER DISTRIBUTION	29,177.63	99,912.13	70,734.50	402,528.93	911,725.78	509,196.85	33	1,226,147.00	(823,618.07)	67
CUSTOMER SERVICE	22,341.48	50,921.92	28,580.44	508,996.64	468,321.85	(40,674.79)	80	633,053.00	(124,056.36)	20
WASTEWATER COLLECTION	107,012.95	364,705.33	257,692.38	3,036,269.95	3,302,216.51	265,946.56	69	4,420,267.00	(1,383,997.05)	31
WASTEWATER TREATMENT	90,714.05	224,528.18	133,814.13	1,457,934.86	2,031,858.57	573,923.71	54	2,706,148.00	(1,248,213.14)	46
BILLING & COLLECTION	126,311.25	63,991.97	(62,319.28)	851,594.57	577,812.99	(273,781.58)	110	776,150.00	75,444.57	-10
NON-DEPARTMENTAL	61,502.01	68,153.06	6,651.05	4,453,177.52	4,458,562.01	5,384.49	87	5,118,236.00	(665,058.48)	13
TOTAL EXPENSE	546,198.97	1,124,689.14	578,490.17	12,100,477.71	14,293,854.73	2,193,377.02	66	18,292,153.00	6,191,675.29	34
REVENUE OVER/(UNDER) EXPENDITURE	319,336.01	(149,243.42)	468,579.43	(2,606,552.65)	(5,208,451.98)	2,601,899.33		(5,378,686.00)	(9,611,217.23)	

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
CHARGES FOR SERVICES	179,140.22	146,988.76	32,151.46	1,394,932.39	1,069,132.70	325,799.69	96	1,449,375.00	(54,442.61)	4
OTHER REVENUE	11,543.38	7,367.50	4,175.88	104,068.81	55,051.52	49,017.29	129	80,850.00	23,218.81	-29
TRANSFER	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
TOTAL REVENUE	190,683.60	154,356.26	36,327.34	1,499,001.20	1,124,184.22	374,816.98	98	1,530,225.00	(31,223.80)	2
EXPENSE SUMMARY										
LANDFILL	71,009.71	86,993.47	15,983.76	924,798.55	1,111,711.90	186,913.35	66	1,392,587.00	(467,788.45)	34
TOTAL EXPENSE	71,009.71	86,993.47	15,983.76	924,798.55	1,111,711.90	186,913.35	66	1,392,587.00	467,788.45	34
REVENUE OVER/(UNDER) EXPENDITURE	119,673.89	67,362.79	52,311.10	574,202.65	12,472.32	561,730.33		137,638.00	(499,012.25)	

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
INTERGOVERNMENTAL	19,330.80	0.00	19,330.80	19,330.80	0.00	19,330.80	19	100,000.00	(80,669.20)	81
CHARGES FOR SERVICES	7,113.74	9,065.40	(1,951.66)	120,094.37	102,071.64	18,022.73	92	130,350.00	(10,255.63)	8
OTHER REVENUE	6.00	(53,889.17)	53,895.17	209.52	(485,002.53)	485,212.05	1	39,356.00	(39,146.48)	99
TRANSFER	0.00	0.00	0.00	79,134.00	79,134.00	0.00	100	79,134.00	0.00	0
TOTAL REVENUE	26,450.54	(44,823.77)	71,274.31	218,768.69	(303,796.89)	522,565.58	63	348,840.00	(130,071.31)	37
EXPENSE SUMMARY										
AIRPORT	162,777.63	27,649.60	(135,128.03)	460,963.69	259,404.73	(201,558.96)	132	348,083.00	112,880.69	-32
TOTAL EXPENSE	162,777.63	27,649.60	(135,128.03)	460,963.69	259,404.73	(201,558.96)	132	348,083.00	(112,880.69)	-32
REVENUE OVER/(UNDER) EXPENDITURE	(136,327.09)	(72,473.37)	(63,853.72)	(242,195.00)	(563,201.62)	321,006.62		757.00	(17,190.62)	

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
LICENSES AND PERMITS	15,438.17	788.22	14,649.95	82,653.13	18,347.24	64,305.89	413	20,000.00	62,653.13	-313
INTERGOVERNMENTAL	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
CHARGES FOR SERVICES	122,346.80	168,764.43	(46,417.63)	1,055,675.82	1,522,512.07	(466,836.25)	52	2,046,850.00	(991,174.18)	48
OTHER REVENUE	3,913.54	1,795.84	2,117.70	41,587.66	13,472.67	28,114.99	208	20,000.00	21,587.66	-108
TOTAL REVENUE	141,698.51	171,348.49	(29,649.98)	1,179,916.61	1,554,331.98	(374,415.37)	57	2,086,850.00	(906,933.39)	43
EXPENSE SUMMARY										
STORM WATER DRAINAGE	25,538.24	61,294.41	35,756.17	1,263,329.02	1,304,959.69	41,630.67	81	1,558,251.00	(294,921.98)	19
TOTAL EXPENSE	25,538.24	61,294.41	35,756.17	1,263,329.02	1,304,959.69	41,630.67	81	1,558,251.00	294,921.98	19
REVENUE OVER/(UNDER) EXPENDITURE	116,160.27	110,054.08	6,106.19	(83,412.41)	249,372.29	(332,784.70)		528,599.00	(1,201,855.37)	

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
TAXES	108,776.16	90,549.97	18,226.19	631,681.66	591,638.41	40,043.25	68	925,704.00	(294,022.34)	32
INTERGOVERNMENTAL	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
CHARGES FOR SERVICES	3,915.00	8,101.99	(4,186.99)	17,440.00	49,039.59	(31,599.59)	25	69,754.00	(52,314.00)	75
OTHER REVENUE	7,369.94	4,166.66	3,203.28	65,197.69	27,075.81	38,121.88	163	40,000.00	25,197.69	-63
TRANSFER	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
TOTAL REVENUE	120,061.10	102,818.62	17,242.48	714,319.35	667,753.81	46,565.54	69	1,035,458.00	(321,138.65)	31
EXPENSE SUMMARY										
TOURISM	102,632.25	97,720.26	(4,911.99)	469,369.00	681,425.12	212,056.12	54	876,407.00	(407,038.00)	46
NON-DEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
TOTAL EXPENSE	102,632.25	97,720.26	(4,911.99)	469,369.00	681,425.12	212,056.12	54	876,407.00	407,038.00	46
REVENUE OVER/(UNDER) EXPENDITURE	17,428.85	5,098.36	12,330.49	244,950.35	(13,671.31)	258,621.66		159,051.00	(728,176.65)	

Fund: 08 - DEBT SERVICE FUND

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
<u>REVENUE SUMMARY</u>										
TAXES	1,507.89	904.50	603.39	305,387.71	274,552.48	30,835.23	110	276,608.00	28,779.71	-10
OTHER REVENUE	809.14	223.57	585.57	7,753.15	1,666.19	6,086.96	388	2,000.00	5,753.15	-288
TRANSFER	0.00	0.00	0.00	823,050.00	681,825.00	141,225.00	100	823,850.00	(800.00)	0
TOTAL REVENUE	2,317.03	1,128.07	1,188.96	1,136,190.86	958,043.67	178,147.19	103	1,102,458.00	33,732.86	-3
<u>EXPENSE SUMMARY</u>										
DEBT SERVICE	0.00	0.00	0.00	934,050.00	934,050.00	0.00	85	1,099,225.00	(165,175.00)	15
TOTAL EXPENSE	0.00	0.00	0.00	934,050.00	934,050.00	0.00	85	1,099,225.00	165,175.00	15
REVENUE OVER/(UNDER) EXPENDITURE	2,317.03	1,128.07	1,188.96	202,140.86	23,993.67	178,147.19		3,233.00	(131,442.14)	

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
LICENSES AND PERMITS	0.00	0.00	0.00	420.00	3,216.22	(2,796.22)	10	4,000.00	(3,580.00)	90
INTERGOVERNMENTAL	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
CHARGES FOR SERVICES	0.00	0.00	0.00	0.00	4,532.43	(4,532.43)	0	12,500.00	(12,500.00)	100
OTHER REVENUE	18,895.48	9,722.35	9,173.13	205,188.80	87,951.33	117,237.47	171	120,000.00	85,188.80	-71
TRANSFER	0.00	0.00	0.00	342,946.00	342,946.00	0.00	100	342,946.00	0.00	0
TOTAL REVENUE	18,895.48	9,722.35	9,173.13	548,554.80	438,645.98	109,908.82	114	479,446.00	69,108.80	-14
EXPENSE SUMMARY										
STREET MAINTENANCE	140,028.62	279,037.53	139,008.91	124,996.98	2,511,337.77	2,386,340.79	4	3,349,421.00	(3,224,424.02)	96
PARKS & RECREATION	0.00	77,717.70	77,717.70	257,000.00	699,459.30	442,459.30	28	933,016.00	(676,016.00)	72
FIRE DEPARTMENT	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
TRANSFERS	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
NON-DEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
TOTAL EXPENSE	140,028.62	356,755.23	216,726.61	381,996.98	3,210,797.07	2,828,800.09	9	4,282,437.00	3,900,440.02	91
REVENUE OVER/(UNDER) EXPENDITURE	(121,133.14)	(347,032.88)	225,899.74	166,557.82	(2,772,151.09)	2,938,708.91		(3,802,991.00)	(3,831,331.22)	

Fund: 11 - CHILD SAFETY FUND

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
FINES AND FORFEITURES	185.36	100.49	84.87	4,525.30	2,512.37	2,012.93	145	3,125.00	1,400.30	-45
OTHER REVENUE	63.60	19.28	44.32	538.74	136.82	401.92	269	200.00	338.74	-169
TOTAL REVENUE	248.96	119.77	129.19	5,064.04	2,649.19	2,414.85	152	3,325.00	1,739.04	-52
EXPENSE SUMMARY										
CHILD SAFETY	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
TOTAL EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
REVENUE OVER/(UNDER) EXPENDITURE	248.96	119.77	129.19	5,064.04	2,649.19	2,414.85		3,325.00	1,739.04	

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
FINES AND FORFEITURES	855.85	1,222.06	(366.21)	11,471.56	10,790.94	680.62	81	14,240.00	(2,768.44)	19
OTHER REVENUE	205.67	119.81	85.86	1,780.16	787.12	993.04	148	1,200.00	580.16	-48
TOTAL REVENUE	1,061.52	1,341.87	(280.35)	13,251.72	11,578.06	1,673.66	86	15,440.00	(2,188.28)	14
EXPENSE SUMMARY										
COURT TECHNOLOGY	0.00	360.93	360.93	884.00	3,248.37	2,364.37	20	4,333.00	(3,449.00)	80
TOTAL EXPENSE	0.00	360.93	360.93	884.00	3,248.37	2,364.37	20	4,333.00	3,449.00	80
REVENUE OVER/(UNDER) EXPENDITURE	1,061.52	980.94	80.58	12,367.72	8,329.69	4,038.03		11,107.00	(5,637.28)	

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
FINES AND FORFEITURES	0.00	0.00	0.00	5,853.90	0.00	5,853.90		0.00	5,853.90	
INTERGOVERNMENTAL	0.00	0.00	0.00	8,804.25	3,200.00	5,604.25	275	3,200.00	5,604.25	-175
OTHER REVENUE	501.55	105.62	395.93	4,631.11	1,092.35	3,538.76	331	1,400.00	3,231.11	-231
TOTAL REVENUE	501.55	105.62	395.93	19,289.26	4,292.35	14,996.91	419	4,600.00	14,689.26	-319
EXPENSE SUMMARY										
PUBLIC SAFETY	0.00	5,351.50	5,351.50	9,495.96	48,163.50	38,667.54	15	64,225.00	(54,729.04)	85
TOTAL EXPENSE	0.00	5,351.50	5,351.50	9,495.96	48,163.50	38,667.54	15	64,225.00	54,729.04	85
REVENUE OVER/(UNDER) EXPENDITURE	501.55	(5,245.88)	5,747.43	9,793.30	(43,871.15)	53,664.45		(59,625.00)	(40,039.78)	

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
TAXES	41,322.80	44,136.05	(2,813.25)	537,396.57	663,457.88	(126,061.31)	65	826,872.00	(289,475.43)	35
OTHER REVENUE	536.44	916.27	(379.83)	3,781.07	7,647.85	(3,866.78)	32	12,000.00	(8,218.93)	68
TRANSFER	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
TOTAL REVENUE	41,859.24	45,052.32	(3,193.08)	541,177.64	671,105.73	(129,928.09)	65	838,872.00	(297,694.36)	35
EXPENSE SUMMARY										
TAX INCREMENT FINANCING	0.00	0.00	0.00	823,050.00	681,825.00	(141,225.00)	100	823,850.00	(800.00)	0
TOTAL EXPENSE	0.00	0.00	0.00	823,050.00	681,825.00	(141,225.00)	100	823,850.00	800.00	0
REVENUE OVER/(UNDER) EXPENDITURE	41,859.24	45,052.32	(3,193.08)	(281,872.36)	(10,719.27)	(271,153.09)		15,022.00	(298,494.36)	

	CURRENT MONTH			YEAR TO DATE				ANNUAL BUDGET		
	ACTUAL	BUDGETED	VARIANCE	ACTUAL	BUDGETED	VARIANCE	%	TOTAL	REMAINING	%
REVENUE SUMMARY										
TAXES	66,743.50	55,862.43	10,881.07	589,222.02	556,102.25	33,119.77	80	738,190.00	(148,967.98)	20
INTERGOVERNMENTAL	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
OTHER REVENUE	1,624.79	2,561.61	(936.82)	17,529.14	20,693.20	(3,164.06)	63	28,000.00	(10,470.86)	37
TOTAL REVENUE	68,368.29	58,424.04	9,944.25	606,751.16	576,795.45	29,955.71	79	766,190.00	(159,438.84)	21
EXPENSE SUMMARY										
SEDA	30,651.29	95,478.15	64,826.86	506,081.18	868,371.65	362,290.47	43	1,175,000.00	(668,918.82)	57
TOTAL EXPENSE	30,651.29	95,478.15	64,826.86	506,081.18	868,371.65	362,290.47	43	1,175,000.00	668,918.82	57
REVENUE OVER/(UNDER) EXPENDITURE	37,717.00	(37,054.11)	74,771.11	100,669.98	(291,576.20)	392,246.18		(408,810.00)	(828,357.66)	



City of Stephenville

Prior-Year Comparative Income Statement

Group Summary

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 01 - GENERAL FUND								
Revenue								
40 - TAXES	774,457.07	853,600.06	79,142.99	10.22%	15,198,128.11	15,727,320.58	529,192.47	3.48%
41 - LICENSES AND PERMITS	34,688.59	7,069.20	-27,619.39	-79.62%	551,223.31	738,338.80	187,115.49	33.95%
42 - FINES AND FORFEITURES	-1,428.85	339.82	1,768.67	123.78%	193,661.05	173,166.24	-20,494.81	-10.58%
43 - INTERGOVERNMENTAL	300.00	300.00	0.00	0.00%	857,526.57	164,662.10	-692,864.47	-80.80%
44 - CHARGES FOR SERVICES	136,689.48	166,643.75	29,954.27	21.91%	792,680.60	1,097,420.49	304,739.89	38.44%
45 - OTHER REVENUE	74,901.24	135,844.43	60,943.19	81.36%	1,094,149.14	1,316,303.50	222,154.36	20.30%
49 - TRANSFER	0.00	0.00	0.00	0.00%	1,876,004.00	1,637,591.00	-238,413.00	-12.71%
Revenue Total:	1,019,607.53	1,163,797.26	144,189.73	14.14%	20,563,372.78	20,854,802.71	291,429.93	1.42%
Expense								
Department: 101 - CITY COUNCIL								
51 - PERSONNEL	2,167.75	2,153.00	14.75	0.68%	17,457.44	18,799.09	-1,341.65	-7.69%
52 - CONTRACTUAL	19,158.70	10,525.00	8,633.70	45.06%	209,769.47	431,402.38	-221,632.91	-105.66%
53 - GENERAL SERVICES	49.44	363.04	-313.60	-634.30%	3,479.72	4,678.04	-1,198.32	-34.44%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	2,584.18	0.00	2,584.18	100.00%
58 - GRANT DISBURSEMENTS	0.00	0.00	0.00	0.00%	565.80	0.00	565.80	100.00%
Department 101 - CITY COUNCIL Total:	21,375.89	13,041.04	8,334.85	38.99%	233,856.61	454,879.51	-221,022.90	-94.51%
Department: 102 - CITY MANAGER								
51 - PERSONNEL	26,391.27	33,012.08	-6,620.81	-25.09%	279,849.66	308,459.51	-28,609.85	-10.22%
52 - CONTRACTUAL	1,006.28	2,350.00	-1,343.72	-133.53%	11,300.04	17,641.69	-6,341.65	-56.12%
53 - GENERAL SERVICES	1,344.24	27.50	1,316.74	97.95%	2,772.14	1,058.28	1,713.86	61.82%
Department 102 - CITY MANAGER Total:	28,741.79	35,389.58	-6,647.79	-23.13%	293,921.84	327,159.48	-33,237.64	-11.31%
Department: 103 - CITY SECRETARY								
51 - PERSONNEL	12,332.28	13,645.91	-1,313.63	-10.65%	102,758.42	123,858.47	-21,100.05	-20.53%
52 - CONTRACTUAL	868.58	2,430.20	-1,561.62	-179.79%	15,364.33	17,352.70	-1,988.37	-12.94%
53 - GENERAL SERVICES	14.00	0.00	14.00	100.00%	2,090.05	1,189.80	900.25	43.07%
54 - MACHINE & EQUIPMENT MAI	0.00	0.00	0.00	0.00%	44,281.24	54,624.20	-10,342.96	-23.36%
Department 103 - CITY SECRETARY Total:	13,214.86	16,076.11	-2,861.25	-21.65%	164,494.04	197,025.17	-32,531.13	-19.78%
Department: 104 - EMERGENCY MANAGEMENT								
52 - CONTRACTUAL	184.09	55.58	128.51	69.81%	15,216.72	15,288.16	-71.44	-0.47%
Department 104 - EMERGENCY MANAGEMENT Total:	184.09	55.58	128.51	69.81%	15,216.72	15,288.16	-71.44	-0.47%
Department: 105 - MUNICIPAL BUILDING								
51 - PERSONNEL	2,136.37	2,207.96	-71.59	-3.35%	20,156.19	21,285.67	-1,129.48	-5.60%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
52 - CONTRACTUAL	2,721.59	2,397.26	324.33	11.92%	30,695.46	29,823.31	872.15	2.84%
53 - GENERAL SERVICES	1,114.10	373.75	740.35	66.45%	34,970.77	7,131.45	27,839.32	79.61%
54 - MACHINE & EQUIPMENT MAI	400.00	0.00	400.00	100.00%	23,774.11	31,301.51	-7,527.40	-31.66%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	5,826.73	15,500.00	-9,673.27	-166.02%
Department 105 - MUNICIPAL BUILDING Total:	6,372.06	4,978.97	1,393.09	21.86%	115,423.26	105,041.94	10,381.32	8.99%
Department: 106 - MUNICIPAL SERVICES CTR								
51 - PERSONNEL	1,424.25	5,007.50	-3,583.25	-251.59%	38,533.36	46,230.24	-7,696.88	-19.97%
52 - CONTRACTUAL	1,786.45	1,800.09	-13.64	-0.76%	21,278.06	27,479.13	-6,201.07	-29.14%
53 - GENERAL SERVICES	-18,073.67	-21,056.08	2,982.41	16.50%	1,910.99	-22,095.90	24,006.89	1,256.25%
54 - MACHINE & EQUIPMENT MAI	1,754.00	1,509.50	244.50	13.94%	19,327.65	6,826.58	12,501.07	64.68%
Department 106 - MUNICIPAL SERVICES CTR Total:	-13,108.97	-12,738.99	-369.98	-2.82%	81,050.06	58,440.05	22,610.01	27.90%
Department: 107 - HUMAN RESOURCES								
51 - PERSONNEL	6,676.91	12,059.11	-5,382.20	-80.61%	67,407.11	97,870.79	-30,463.68	-45.19%
52 - CONTRACTUAL	7,455.87	4,636.59	2,819.28	37.81%	75,879.38	85,691.25	-9,811.87	-12.93%
53 - GENERAL SERVICES	105.70	10.94	94.76	89.65%	713.32	780.67	-67.35	-9.44%
Department 107 - HUMAN RESOURCES Total:	14,238.48	16,706.64	-2,468.16	-17.33%	143,999.81	184,342.71	-40,342.90	-28.02%
Department: 108 - DOWNTOWN								
51 - PERSONNEL	5,268.86	5,462.54	-193.68	-3.68%	47,655.18	50,150.97	-2,495.79	-5.24%
52 - CONTRACTUAL	2,498.75	3,603.13	-1,104.38	-44.20%	56,164.20	43,091.83	13,072.37	23.28%
53 - GENERAL SERVICES	2,594.84	375.00	2,219.84	85.55%	28,124.70	28,531.85	-407.15	-1.45%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	0.00	450.00	-450.00	0.00%
Department 108 - DOWNTOWN Total:	10,362.45	9,440.67	921.78	8.90%	131,944.08	122,224.65	9,719.43	7.37%
Department: 201 - FINANCE								
51 - PERSONNEL	40,081.64	41,400.60	-1,318.96	-3.29%	378,727.20	385,151.49	-6,424.29	-1.70%
52 - CONTRACTUAL	9,935.68	5,460.68	4,475.00	45.04%	61,702.26	97,841.96	-36,139.70	-58.57%
53 - GENERAL SERVICES	0.00	19.88	-19.88	0.00%	949.59	661.76	287.83	30.31%
54 - MACHINE & EQUIPMENT MAI	15,806.45	0.00	15,806.45	100.00%	60,013.40	92,182.11	-32,168.71	-53.60%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
56 - BANK CHARGES	100.00	0.00	100.00	100.00%	-1,566.63	828.25	-2,394.88	-152.87%
Department 201 - FINANCE Total:	65,923.77	46,881.16	19,042.61	28.89%	499,825.82	576,665.57	-76,839.75	-15.37%
Department: 203 - INFORMATION TECHNOLOGY								
51 - PERSONNEL	16,174.00	16,657.90	-483.90	-2.99%	144,195.19	153,300.29	-9,105.10	-6.31%
52 - CONTRACTUAL	97.99	133.53	-35.54	-36.27%	3,831.84	4,980.96	-1,149.12	-29.99%
53 - GENERAL SERVICES	4,202.32	2,963.54	1,238.78	29.48%	50,651.97	33,308.31	17,343.66	34.24%
54 - MACHINE & EQUIPMENT MAI	64,351.77	1,249.42	63,102.35	98.06%	199,980.21	176,669.09	23,311.12	11.66%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	0.00	71,092.78	-71,092.78	0.00%
Department 203 - INFORMATION TECHNOLOGY Total:	84,826.08	21,004.39	63,821.69	75.24%	398,659.21	439,351.43	-40,692.22	-10.21%
Department: 204 - TAX								
52 - CONTRACTUAL	56,071.68	57,600.76	-1,529.08	-2.73%	221,283.28	234,467.56	-13,184.28	-5.96%
Department 204 - TAX Total:	56,071.68	57,600.76	-1,529.08	-2.73%	221,283.28	234,467.56	-13,184.28	-5.96%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Department: 301 - LEGAL COUNSEL								
51 - PERSONNEL	14,505.42	10,997.41	3,508.01	24.18%	89,761.30	64,701.95	25,059.35	27.92%
52 - CONTRACTUAL	358.00	0.00	358.00	100.00%	865.85	264.51	601.34	69.45%
53 - GENERAL SERVICES	0.00	0.00	0.00	0.00%	0.00	132.00	-132.00	0.00%
Department 301 - LEGAL COUNSEL Total:	14,863.42	10,997.41	3,866.01	26.01%	90,627.15	65,098.46	25,528.69	28.17%
Department: 302 - MUNICIPAL COURT								
51 - PERSONNEL	4,796.40	6,137.96	-1,341.56	-27.97%	63,116.86	63,147.07	-30.21	-0.05%
52 - CONTRACTUAL	5,225.60	2,662.10	2,563.50	49.06%	34,157.32	32,140.29	2,017.03	5.91%
53 - GENERAL SERVICES	2,436.51	3,165.15	-728.64	-29.91%	12,748.88	22,368.08	-9,619.20	-75.45%
54 - MACHINE & EQUIPMENT MAI	2,705.85	0.00	2,705.85	100.00%	3,247.65	7,604.79	-4,357.14	-134.16%
Department 302 - MUNICIPAL COURT Total:	15,164.36	11,965.21	3,199.15	21.10%	113,270.71	125,260.23	-11,989.52	-10.58%
Department: 402 - STREET MAINTENANCE								
51 - PERSONNEL	36,229.35	27,772.20	8,457.15	23.34%	287,544.26	295,631.32	-8,087.06	-2.81%
52 - CONTRACTUAL	16,475.35	15,836.89	638.46	3.88%	168,724.41	173,075.17	-4,350.76	-2.58%
53 - GENERAL SERVICES	4,381.15	2,255.25	2,125.90	48.52%	24,220.42	32,926.51	-8,706.09	-35.95%
54 - MACHINE & EQUIPMENT MAI	8,750.90	11,997.00	-3,246.10	-37.09%	53,144.34	77,230.38	-24,086.04	-45.32%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	114,985.00	0.00	114,985.00	100.00%
Department 402 - STREET MAINTENANCE Total:	65,836.75	57,861.34	7,975.41	12.11%	648,618.43	578,863.38	69,755.05	10.75%
Department: 501 - PARKS & RECREATION								
51 - PERSONNEL	82,515.36	82,587.86	-72.50	-0.09%	748,270.34	730,845.79	17,424.55	2.33%
52 - CONTRACTUAL	121,012.55	41,599.94	79,412.61	65.62%	306,239.56	348,404.28	-42,164.72	-13.77%
53 - GENERAL SERVICES	18,073.64	5,722.52	12,351.12	68.34%	142,144.02	116,580.64	25,563.38	17.98%
54 - MACHINE & EQUIPMENT MAI	7,127.76	4,266.21	2,861.55	40.15%	125,852.00	124,727.50	1,124.50	0.89%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	362,553.79	157,633.17	204,920.62	56.52%
57 - DEBT SERVICE	0.00	0.00	0.00	0.00%	82,732.12	82,732.12	0.00	0.00%
Department 501 - PARKS & RECREATION Total:	228,729.31	134,176.53	94,552.78	41.34%	1,767,791.83	1,560,923.50	206,868.33	11.70%
Department: 504 - LIBRARY								
51 - PERSONNEL	16,625.88	17,173.64	-547.76	-3.29%	154,626.99	158,527.82	-3,900.83	-2.52%
52 - CONTRACTUAL	3,026.13	1,189.51	1,836.62	60.69%	17,334.40	12,866.06	4,468.34	25.78%
53 - GENERAL SERVICES	6,342.83	1,720.73	4,622.10	72.87%	24,796.03	18,429.37	6,366.66	25.68%
54 - MACHINE & EQUIPMENT MAI	250.00	35.54	214.46	85.78%	3,919.66	1,342.69	2,576.97	65.74%
Department 504 - LIBRARY Total:	26,244.84	20,119.42	6,125.42	23.34%	200,677.08	191,165.94	9,511.14	4.74%
Department: 506 - SENIOR CENTER								
51 - PERSONNEL	5,999.27	12,645.07	-6,645.80	-110.78%	59,389.22	63,169.57	-3,780.35	-6.37%
52 - CONTRACTUAL	2,607.39	3,386.56	-779.17	-29.88%	31,837.35	42,357.31	-10,519.96	-33.04%
53 - GENERAL SERVICES	1,843.20	464.32	1,378.88	74.81%	17,901.50	22,782.82	-4,881.32	-27.27%
54 - MACHINE & EQUIPMENT MAI	384.97	68.89	316.08	82.11%	9,482.34	5,793.84	3,688.50	38.90%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	67,200.00	840,069.60	-772,869.60	-1,150.10%
Department 506 - SENIOR CENTER Total:	10,834.83	16,564.84	-5,730.01	-52.89%	185,810.41	974,173.14	-788,362.73	-424.28%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Department: 507 - AQUATIC CENTER								
51 - PERSONNEL	30,914.16	36,312.80	-5,398.64	-17.46%	46,408.06	42,799.80	3,608.26	7.78%
52 - CONTRACTUAL	7,568.47	5,391.81	2,176.66	28.76%	45,156.19	49,986.96	-4,830.77	-10.70%
53 - GENERAL SERVICES	6,810.25	7,771.47	-961.22	-14.11%	24,684.00	18,508.10	6,175.90	25.02%
54 - MACHINE & EQUIPMENT MAI	23,704.31	8.94	23,695.37	99.96%	77,146.97	12,344.05	64,802.92	84.00%
Department 507 - AQUATIC CENTER Total:	68,997.19	49,485.02	19,512.17	28.28%	193,395.22	123,638.91	69,756.31	36.07%
Department: 601 - FIRE DEPARTMENT								
51 - PERSONNEL	299,940.40	311,913.63	-11,973.23	-3.99%	2,726,733.83	2,961,251.16	-234,517.33	-8.60%
52 - CONTRACTUAL	11,027.86	2,713.45	8,314.41	75.39%	168,974.52	208,656.77	-39,682.25	-23.48%
53 - GENERAL SERVICES	38,990.06	15,348.38	23,641.68	60.64%	192,296.73	199,711.59	-7,414.86	-3.86%
54 - MACHINE & EQUIPMENT MAI	12,479.25	1,744.20	10,735.05	86.02%	124,900.09	128,157.59	-3,257.50	-2.61%
55 - CAPITAL OUTLAY	14,321.95	0.00	14,321.95	100.00%	190,497.51	43,013.83	147,483.68	77.42%
57 - DEBT SERVICE	0.00	0.00	0.00	0.00%	137,935.91	137,935.91	0.00	0.00%
Department 601 - FIRE DEPARTMENT Total:	376,759.52	331,719.66	45,039.86	11.95%	3,541,338.59	3,678,726.85	-137,388.26	-3.88%
Department: 701 - POLICE DEPARTMENT								
51 - PERSONNEL	440,021.01	413,203.07	26,817.94	6.09%	3,608,994.90	3,626,931.64	-17,936.74	-0.50%
52 - CONTRACTUAL	24,872.11	14,532.35	10,339.76	41.57%	325,722.73	329,035.21	-3,312.48	-1.02%
53 - GENERAL SERVICES	22,005.59	12,506.65	9,498.94	43.17%	178,349.32	151,486.23	26,863.09	15.06%
54 - MACHINE & EQUIPMENT MAI	20,949.61	16,547.18	4,402.43	21.01%	296,225.31	521,235.37	-225,010.06	-75.96%
55 - CAPITAL OUTLAY	60,915.14	0.00	60,915.14	100.00%	403,487.69	14,080.26	389,407.43	96.51%
56 - BANK CHARGES	0.00	0.00	0.00	0.00%	0.00	0.44	-0.44	0.00%
57 - DEBT SERVICE	226,421.29	226,421.29	0.00	0.00%	348,297.04	320,158.86	28,138.18	8.08%
Department 701 - POLICE DEPARTMENT Total:	795,184.75	683,210.54	111,974.21	14.08%	5,161,076.99	4,962,928.01	198,148.98	3.84%
Department: 801 - DEVELOPMENT SERVICES								
51 - PERSONNEL	37,788.81	34,868.89	2,919.92	7.73%	367,761.56	336,589.01	31,172.55	8.48%
52 - CONTRACTUAL	9,446.07	4,179.92	5,266.15	55.75%	203,932.63	49,978.31	153,954.32	75.49%
53 - GENERAL SERVICES	2,930.38	2,141.91	788.47	26.91%	12,614.90	34,977.15	-22,362.25	-177.27%
54 - MACHINE & EQUIPMENT MAI	0.00	0.00	0.00	0.00%	20,840.88	21,839.68	-998.80	-4.79%
58 - GRANT DISBURSEMENTS	0.00	0.00	0.00	0.00%	0.00	4,074.29	-4,074.29	0.00%
Department 801 - DEVELOPMENT SERVICES Total:	50,165.26	41,190.72	8,974.54	17.89%	605,149.97	447,458.44	157,691.53	26.06%
Department: 803 - CODE ENFORCEMENT								
52 - CONTRACTUAL	0.00	0.69	-0.69	0.00%	0.00	0.69	-0.69	0.00%
Department 803 - CODE ENFORCEMENT Total:	0.00	0.69	-0.69	0.00%	0.00	0.69	-0.69	0.00%
Department: 804 - GIS								
51 - PERSONNEL	6,464.58	6,700.28	-235.70	-3.65%	60,849.10	63,106.64	-2,257.54	-3.71%
52 - CONTRACTUAL	644.40	37.99	606.41	94.10%	2,155.96	1,398.79	757.17	35.12%
53 - GENERAL SERVICES	0.00	0.00	0.00	0.00%	2,543.08	202.95	2,340.13	92.02%
54 - MACHINE & EQUIPMENT MAI	0.00	0.00	0.00	0.00%	29,062.89	31,264.94	-2,202.05	-7.58%
Department 804 - GIS Total:	7,108.98	6,738.27	370.71	5.21%	94,611.03	95,973.32	-1,362.29	-1.44%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024	2024-2025	June Variance	Variance %	2023-2024	2024-2025	YTD Variance	Variance %
	June Activity	June Activity	Favorable / (Unfavorable)		YTD Activity	YTD Activity	Favorable / (Unfavorable)	
Department: 900 - TRANSFERS								
59 - TRANSFER	0.00	0.00	0.00	0.00%	1,493,383.00	422,080.00	1,071,303.00	71.74%
Department 900 - TRANSFERS Total:	0.00	0.00	0.00	0.00%	1,493,383.00	422,080.00	1,071,303.00	71.74%
Expense Total:	1,948,091.39	1,572,465.56	375,625.83	19.28%	16,395,425.14	15,941,177.10	454,248.04	2.77%
Fund 01 Surplus (Deficit):	-928,483.86	-408,668.30	519,815.56	55.99%	4,167,947.64	4,913,625.61	745,677.97	17.89%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 02 - WATER AND WASTEWATER FUND								
Revenue								
41 - LICENSES AND PERMITS	0.00	0.00	0.00	0.00%	1,805.78	3,778.78	1,973.00	109.26%
44 - CHARGES FOR SERVICES	891,274.14	824,934.34	-66,339.80	-7.44%	8,196,673.43	8,934,130.02	737,456.59	9.00%
45 - OTHER REVENUE	82,748.14	40,600.64	-42,147.50	-50.93%	972,099.31	447,573.26	-524,526.05	-53.96%
49 - TRANSFER	0.00	0.00	0.00	0.00%	94,582.00	108,443.00	13,861.00	14.66%
Revenue Total:	974,022.28	865,534.98	-108,487.30	-11.14%	9,265,160.52	9,493,925.06	228,764.54	2.47%
Expense								
Department: 000 - UTILITIES ADMINISTRATION								
51 - PERSONNEL	50,744.60	77,029.55	-26,284.95	-51.80%	535,501.82	690,320.41	-154,818.59	-28.91%
52 - CONTRACTUAL	1,781.71	1,375.50	406.21	22.80%	19,895.57	25,953.58	-6,058.01	-30.45%
53 - GENERAL SERVICES	554.79	1,428.92	-874.13	-157.56%	5,150.00	10,070.82	-4,920.82	-95.55%
54 - MACHINE & EQUIPMENT MAI	0.00	0.00	0.00	0.00%	2,855.83	4,104.14	-1,248.31	-43.71%
55 - CAPITAL OUTLAY	2,377.37	1,573.97	803.40	33.79%	860,217.35	-153,865.55	1,014,082.90	117.89%
Department 000 - UTILITIES ADMINISTRATION Total:	55,458.47	81,407.94	-25,949.47	-46.79%	1,423,620.57	576,583.40	847,037.17	59.50%
Department: 001 - WATER PRODUCTION								
51 - PERSONNEL	18,520.58	22,388.80	-3,868.22	-20.89%	185,981.88	212,472.94	-26,491.06	-14.24%
52 - CONTRACTUAL	24,100.70	3,987.85	20,112.85	83.45%	492,445.53	575,183.93	-82,738.40	-16.80%
53 - GENERAL SERVICES	1,171.52	832.35	339.17	28.95%	8,659.33	10,838.62	-2,179.29	-25.17%
54 - MACHINE & EQUIPMENT MAI	1,015.73	522.66	493.07	48.54%	121,246.30	16,988.18	104,258.12	85.99%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	1,280,507.86	-2,091.83	1,282,599.69	100.16%
Department 001 - WATER PRODUCTION Total:	44,808.53	27,731.66	17,076.87	38.11%	2,088,840.90	813,391.84	1,275,449.06	61.06%
Department: 002 - WATER DISTRIBUTION								
51 - PERSONNEL	11,772.99	12,241.64	-468.65	-3.98%	99,442.52	152,429.69	-52,987.17	-53.28%
52 - CONTRACTUAL	9,009.11	8,589.52	419.59	4.66%	98,260.12	88,332.57	9,927.55	10.10%
53 - GENERAL SERVICES	8,580.14	3,236.77	5,343.37	62.28%	38,740.30	47,386.74	-8,646.44	-22.32%
54 - MACHINE & EQUIPMENT MAI	4,265.32	5,109.70	-844.38	-19.80%	109,021.36	145,408.21	-36,386.85	-33.38%
55 - CAPITAL OUTLAY	66,643.96	0.00	66,643.96	100.00%	322,821.62	-31,028.28	353,849.90	109.61%
Department 002 - WATER DISTRIBUTION Total:	100,271.52	29,177.63	71,093.89	70.90%	668,285.92	402,528.93	265,756.99	39.77%
Department: 003 - CUSTOMER SERVICE								
51 - PERSONNEL	14,190.69	10,018.63	4,172.06	29.40%	117,789.83	117,370.66	419.17	0.36%
52 - CONTRACTUAL	196.03	272.93	-76.90	-39.23%	15,081.73	20,193.15	-5,111.42	-33.89%
53 - GENERAL SERVICES	1,146.17	611.80	534.37	46.62%	9,536.66	8,329.27	1,207.39	12.66%
54 - MACHINE & EQUIPMENT MAI	3,928.99	11,438.12	-7,509.13	-191.12%	45,893.21	260,583.56	-214,690.35	-467.80%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	0.00	102,520.00	-102,520.00	0.00%
Department 003 - CUSTOMER SERVICE Total:	19,461.88	22,341.48	-2,879.60	-14.80%	188,301.43	508,996.64	-320,695.21	-170.31%
Department: 011 - WASTEWATER COLLECTION								
51 - PERSONNEL	22,678.21	23,445.94	-767.73	-3.39%	177,189.51	230,668.32	-53,478.81	-30.18%
52 - CONTRACTUAL	11.31	51.98	-40.67	-359.59%	53,419.12	30,823.80	22,595.32	42.30%
53 - GENERAL SERVICES	1,654.19	1,640.43	13.76	0.83%	9,596.53	17,639.60	-8,043.07	-83.81%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
54 - MACHINE & EQUIPMENT MAI	1,278.58	1,560.60	-282.02	-22.06%	77,000.64	19,264.77	57,735.87	74.98%
55 - CAPITAL OUTLAY	11,756.63	80,314.00	-68,557.37	-583.14%	7,971,909.30	2,737,873.46	5,234,035.84	65.66%
Department 011 - WASTEWATER COLLECTION Total:	37,378.92	107,012.95	-69,634.03	-186.29%	8,289,115.10	3,036,269.95	5,252,845.15	63.37%
Department: 012 - WASTEWATER TREATMENT								
52 - CONTRACTUAL	93,689.86	94,739.41	-1,049.55	-1.12%	859,510.87	884,856.85	-25,345.98	-2.95%
54 - MACHINE & EQUIPMENT MAI	23,005.95	-4,025.36	27,031.31	117.50%	77,733.95	61,005.80	16,728.15	21.52%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	84,920.00	512,072.21	-427,152.21	-503.01%
Department 012 - WASTEWATER TREATMENT Total:	116,695.81	90,714.05	25,981.76	22.26%	1,022,164.82	1,457,934.86	-435,770.04	-42.63%
Department: 020 - BILLING & COLLECTION								
51 - PERSONNEL	7,499.10	5,169.40	2,329.70	31.07%	64,780.86	61,605.76	3,175.10	4.90%
52 - CONTRACTUAL	9,802.77	9,202.79	599.98	6.12%	70,551.11	86,785.94	-16,234.83	-23.01%
53 - GENERAL SERVICES	58,987.95	109,939.40	-50,951.45	-86.38%	314,036.84	625,034.16	-310,997.32	-99.03%
54 - MACHINE & EQUIPMENT MAI	27,712.81	1,999.66	25,713.15	92.78%	29,832.81	78,168.71	-48,335.90	-162.02%
Department 020 - BILLING & COLLECTION Total:	104,002.63	126,311.25	-22,308.62	-21.45%	479,201.62	851,594.57	-372,392.95	-77.71%
Department: 901 - NON-DEPARTMENTAL								
52 - CONTRACTUAL	66,858.41	61,502.01	5,356.40	8.01%	583,874.85	609,767.30	-25,892.45	-4.43%
56 - BANK CHARGES	0.00	0.00	0.00	0.00%	577.39	179.47	397.92	68.92%
57 - DEBT SERVICE	0.00	0.00	0.00	0.00%	2,316,746.52	2,528,145.75	-211,399.23	-9.12%
59 - TRANSFER	0.00	0.00	0.00	0.00%	1,608,217.00	1,315,085.00	293,132.00	18.23%
Department 901 - NON-DEPARTMENTAL Total:	66,858.41	61,502.01	5,356.40	8.01%	4,509,415.76	4,453,177.52	56,238.24	1.25%
Expense Total:	544,936.17	546,198.97	-1,262.80	-0.23%	18,668,946.12	12,100,477.71	6,568,468.41	35.18%
Fund 02 Surplus (Deficit):	429,086.11	319,336.01	-109,750.10	-25.58%	-9,403,785.60	-2,606,552.65	6,797,232.95	72.28%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 03 - SANITARY LANDFILL FUND								
Revenue								
44 - CHARGES FOR SERVICES	151,571.83	179,140.22	27,568.39	18.19%	1,071,120.40	1,394,932.39	323,811.99	30.23%
45 - OTHER REVENUE	110,797.95	11,543.38	-99,254.57	-89.58%	192,107.35	104,068.81	-88,038.54	-45.83%
Revenue Total:	262,369.78	190,683.60	-71,686.18	-27.32%	1,263,227.75	1,499,001.20	235,773.45	18.66%
Expense								
Department: 030 - LANDFILL								
51 - PERSONNEL	25,193.03	25,906.09	-713.06	-2.83%	225,670.25	239,261.58	-13,591.33	-6.02%
52 - CONTRACTUAL	47,337.77	1,143.79	46,193.98	97.58%	97,059.62	69,415.10	27,644.52	28.48%
53 - GENERAL SERVICES	6,125.57	10,614.30	-4,488.73	-73.28%	89,408.93	86,462.33	2,946.60	3.30%
54 - MACHINE & EQUIPMENT MAI	11,204.67	33,345.53	-22,140.86	-197.60%	112,497.16	200,447.87	-87,950.71	-78.18%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	46,608.09	39,430.00	7,178.09	15.40%
57 - DEBT SERVICE	0.00	0.00	0.00	0.00%	196,619.67	196,619.67	0.00	0.00%
59 - TRANSFER	0.00	0.00	0.00	0.00%	96,642.00	93,162.00	3,480.00	3.60%
Department 030 - LANDFILL Total:	89,861.04	71,009.71	18,851.33	20.98%	864,505.72	924,798.55	-60,292.83	-6.97%
Expense Total:	89,861.04	71,009.71	18,851.33	20.98%	864,505.72	924,798.55	-60,292.83	-6.97%
Fund 03 Surplus (Deficit):	172,508.74	119,673.89	-52,834.85	-30.63%	398,722.03	574,202.65	175,480.62	44.01%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 04 - AIRPORT FUND								
Revenue								
43 - INTERGOVERNMENTAL	9,247.93	19,330.80	10,082.87	109.03%	16,391.87	19,330.80	2,938.93	17.93%
44 - CHARGES FOR SERVICES	8,054.07	7,113.74	-940.33	-11.68%	102,864.71	120,094.37	17,229.66	16.75%
45 - OTHER REVENUE	0.00	6.00	6.00	0.00%	2,850.00	209.52	-2,640.48	-92.65%
49 - TRANSFER	0.00	0.00	0.00	0.00%	77,091.00	79,134.00	2,043.00	2.65%
Revenue Total:	17,302.00	26,450.54	9,148.54	52.88%	199,197.58	218,768.69	19,571.11	9.82%
Expense								
Department: 040 - AIRPORT								
51 - PERSONNEL	5,690.01	5,881.32	-191.31	-3.36%	52,483.13	54,223.56	-1,740.43	-3.32%
52 - CONTRACTUAL	5,595.58	1,546.82	4,048.76	72.36%	51,942.80	59,438.44	-7,495.64	-14.43%
53 - GENERAL SERVICES	0.00	20.83	-20.83	0.00%	675.91	1,345.09	-669.18	-99.00%
54 - MACHINE & EQUIPMENT MAI	3,822.80	56,754.20	-52,931.40	-1,384.62%	22,638.23	103,997.14	-81,358.91	-359.39%
55 - CAPITAL OUTLAY	850.00	98,574.46	-97,724.46	-11,497.00%	770,477.99	241,959.46	528,518.53	68.60%
Department 040 - AIRPORT Total:	15,958.39	162,777.63	-146,819.24	-920.01%	898,218.06	460,963.69	437,254.37	48.68%
Expense Total:	15,958.39	162,777.63	-146,819.24	-920.01%	898,218.06	460,963.69	437,254.37	48.68%
Fund 04 Surplus (Deficit):	1,343.61	-136,327.09	-137,670.70	-10,246.33%	-699,020.48	-242,195.00	456,825.48	65.35%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 05 - STORM WATER DRAINAGE FUND								
Revenue								
41 - LICENSES AND PERMITS	0.00	15,438.17	15,438.17	0.00%	17,968.47	82,653.13	64,684.66	359.99%
44 - CHARGES FOR SERVICES	83,841.28	122,346.80	38,505.52	45.93%	750,428.37	1,055,675.82	305,247.45	40.68%
45 - OTHER REVENUE	4,741.89	3,913.54	-828.35	-17.47%	44,327.94	41,587.66	-2,740.28	-6.18%
Revenue Total:	88,583.17	141,698.51	53,115.34	59.96%	812,724.78	1,179,916.61	367,191.83	45.18%
Expense								
Department: 050 - STORM WATER DRAINAGE								
52 - CONTRACTUAL	4,943.75	560.24	4,383.51	88.67%	89,862.18	23,253.71	66,608.47	74.12%
54 - MACHINE & EQUIPMENT MAI	0.00	0.00	0.00	0.00%	800.00	676.90	123.10	15.39%
55 - CAPITAL OUTLAY	0.00	24,978.00	-24,978.00	0.00%	65,469.58	485,913.41	-420,443.83	-642.20%
56 - BANK CHARGES	0.00	0.00	0.00	0.00%	675.00	175.00	500.00	74.07%
57 - DEBT SERVICE	0.00	0.00	0.00	0.00%	406,640.00	415,523.00	-8,883.00	-2.18%
59 - TRANSFER	0.00	0.00	0.00	0.00%	265,727.00	337,787.00	-72,060.00	-27.12%
Department 050 - STORM WATER DRAINAGE Total:	4,943.75	25,538.24	-20,594.49	-416.58%	829,173.76	1,263,329.02	-434,155.26	-52.36%
Expense Total:	4,943.75	25,538.24	-20,594.49	-416.58%	829,173.76	1,263,329.02	-434,155.26	-52.36%
Fund 05 Surplus (Deficit):	83,639.42	116,160.27	32,520.85	38.88%	-16,448.98	-83,412.41	-66,963.43	-407.10%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 07 - HOTEL OCCUPANCY TAX FUND								
Revenue								
40 - TAXES	82,972.38	108,776.16	25,803.78	31.10%	621,357.91	631,681.66	10,323.75	1.66%
44 - CHARGES FOR SERVICES	11,135.95	3,915.00	-7,220.95	-64.84%	30,300.95	17,440.00	-12,860.95	-42.44%
45 - OTHER REVENUE	7,390.85	7,369.94	-20.91	-0.28%	58,463.75	65,197.69	6,733.94	11.52%
Revenue Total:	101,499.18	120,061.10	18,561.92	18.29%	710,122.61	714,319.35	4,196.74	0.59%
Expense								
Department: 070 - TOURISM								
51 - PERSONNEL	5,623.14	5,197.12	426.02	7.58%	50,259.77	46,977.24	3,282.53	6.53%
52 - CONTRACTUAL	1,359.09	20,742.80	-19,383.71	-1,426.23%	67,851.69	160,419.08	-92,567.39	-136.43%
53 - GENERAL SERVICES	25.99	0.00	25.99	100.00%	438.97	464.54	-25.57	-5.82%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	0.00	13,469.09	-13,469.09	0.00%
57 - DEBT SERVICE	0.00	0.00	0.00	0.00%	101,350.00	100,375.00	975.00	0.96%
58 - GRANT DISBURSEMENTS	39,602.81	76,692.33	-37,089.52	-93.65%	177,660.73	147,664.05	29,996.68	16.88%
Department 070 - TOURISM Total:	46,611.03	102,632.25	-56,021.22	-120.19%	397,561.16	469,369.00	-71,807.84	-18.06%
Expense Total:	46,611.03	102,632.25	-56,021.22	-120.19%	397,561.16	469,369.00	-71,807.84	-18.06%
Fund 07 Surplus (Deficit):	54,888.15	17,428.85	-37,459.30	-68.25%	312,561.45	244,950.35	-67,611.10	-21.63%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 08 - DEBT SERVICE FUND								
Revenue								
40 - TAXES	1,529.31	1,507.89	-21.42	-1.40%	302,746.97	305,387.71	2,640.74	0.87%
45 - OTHER REVENUE	108.92	809.14	700.22	642.88%	1,101.97	7,753.15	6,651.18	603.57%
49 - TRANSFER	0.00	0.00	0.00	0.00%	0.00	823,050.00	823,050.00	0.00%
Revenue Total:	1,638.23	2,317.03	678.80	41.43%	303,848.94	1,136,190.86	832,341.92	273.93%
Expense								
Department: 080 - DEBT SERVICE								
56 - BANK CHARGES	0.00	0.00	0.00	0.00%	300.00	300.00	0.00	0.00%
57 - DEBT SERVICE	0.00	0.00	0.00	0.00%	917,175.00	933,750.00	-16,575.00	-1.81%
Department 080 - DEBT SERVICE Total:	0.00	0.00	0.00	0.00%	917,475.00	934,050.00	-16,575.00	-1.81%
Expense Total:	0.00	0.00	0.00	0.00%	917,475.00	934,050.00	-16,575.00	-1.81%
Fund 08 Surplus (Deficit):	1,638.23	2,317.03	678.80	41.43%	-613,626.06	202,140.86	815,766.92	132.94%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 10 - CAPITAL PROJECTS FUND								
Revenue								
41 - LICENSES AND PERMITS	0.00	0.00	0.00	0.00%	1,982.50	420.00	-1,562.50	-78.81%
43 - INTERGOVERNMENTAL	26,224.00	0.00	-26,224.00	-100.00%	1,039,552.55	0.00	-1,039,552.55	-100.00%
45 - OTHER REVENUE	34,603.74	18,895.48	-15,708.26	-45.39%	295,748.67	205,188.80	-90,559.87	-30.62%
49 - TRANSFER	0.00	0.00	0.00	0.00%	1,416,292.00	342,946.00	-1,073,346.00	-75.79%
Revenue Total:	60,827.74	18,895.48	-41,932.26	-68.94%	2,753,575.72	548,554.80	-2,205,020.92	-80.08%
Expense								
Department: 402 - STREET MAINTENANCE								
55 - CAPITAL OUTLAY	945.00	25,443.35	-24,498.35	-2,592.42%	1,617,450.09	10,411.71	1,607,038.38	99.36%
56 - BANK CHARGES	0.00	114,585.27	-114,585.27	0.00%	0.00	114,585.27	-114,585.27	0.00%
Department 402 - STREET MAINTENANCE Total:	945.00	140,028.62	-139,083.62	-14,717.84%	1,617,450.09	124,996.98	1,492,453.11	92.27%
Department: 501 - PARKS & RECREATION								
55 - CAPITAL OUTLAY	2,250.00	0.00	2,250.00	100.00%	2,250.00	257,000.00	-254,750.00	-11,322.22%
Department 501 - PARKS & RECREATION Total:	2,250.00	0.00	2,250.00	100.00%	2,250.00	257,000.00	-254,750.00	-11,322.22%
Expense Total:	3,195.00	140,028.62	-136,833.62	-4,282.74%	1,619,700.09	381,996.98	1,237,703.11	76.42%
Fund 10 Surplus (Deficit):	57,632.74	-121,133.14	-178,765.88	-310.18%	1,133,875.63	166,557.82	-967,317.81	-85.31%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024	2024-2025	June Variance		2023-2024	2024-2025	YTD Variance	
	June Activity	June Activity	Favorable / (Unfavorable)	Variance %	YTD Activity	YTD Activity	Favorable / (Unfavorable)	Variance %
Fund: 11 - CHILD SAFETY FUND								
Revenue								
42 - FINES AND FORFEITURES	274.84	185.36	-89.48	-32.56%	2,490.96	4,525.30	2,034.34	81.67%
45 - OTHER REVENUE	56.80	63.60	6.80	11.97%	459.19	538.74	79.55	17.32%
Revenue Total:	331.64	248.96	-82.68	-24.93%	2,950.15	5,064.04	2,113.89	71.65%
Fund 11 Total:	331.64	248.96	-82.68	-24.93%	2,950.15	5,064.04	2,113.89	71.65%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 12 - COURT TECHNOLOGY FUND								
Revenue								
42 - FINES AND FORFEITURES	1,541.55	855.85	-685.70	-44.48%	11,630.57	11,471.56	-159.01	-1.37%
45 - OTHER REVENUE	190.70	205.67	14.97	7.85%	1,457.21	1,780.16	322.95	22.16%
Revenue Total:	1,732.25	1,061.52	-670.73	-38.72%	13,087.78	13,251.72	163.94	1.25%
Expense								
Department: 120 - COURT TECHNOLOGY								
54 - MACHINE & EQUIPMENT MAI	0.00	0.00	0.00	0.00%	2,063.25	884.00	1,179.25	57.15%
Department 120 - COURT TECHNOLOGY Total:	0.00	0.00	0.00	0.00%	2,063.25	884.00	1,179.25	57.15%
Expense Total:	0.00	0.00	0.00	0.00%	2,063.25	884.00	1,179.25	57.15%
Fund 12 Surplus (Deficit):	1,732.25	1,061.52	-670.73	-38.72%	11,024.53	12,367.72	1,343.19	12.18%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 13 - PUBLIC SAFETY FUND								
Revenue								
42 - FINES AND FORFEITURES	0.00	0.00	0.00	0.00%	13,091.89	5,853.90	-7,237.99	-55.29%
43 - INTERGOVERNMENTAL	0.00	0.00	0.00	0.00%	7,280.60	8,804.25	1,523.65	20.93%
45 - OTHER REVENUE	283.84	501.55	217.71	76.70%	2,293.59	4,631.11	2,337.52	101.92%
Revenue Total:	283.84	501.55	217.71	76.70%	22,666.08	19,289.26	-3,376.82	-14.90%
Expense								
Department: 130 - PUBLIC SAFETY								
52 - CONTRACTUAL	1,669.15	0.00	1,669.15	100.00%	2,504.15	6,698.32	-4,194.17	-167.49%
53 - GENERAL SERVICES	0.00	0.00	0.00	0.00%	0.00	2,797.64	-2,797.64	0.00%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
Department 130 - PUBLIC SAFETY Total:	1,669.15	0.00	1,669.15	100.00%	2,504.15	9,495.96	-6,991.81	-279.21%
Expense Total:	1,669.15	0.00	1,669.15	100.00%	2,504.15	9,495.96	-6,991.81	-279.21%
Fund 13 Surplus (Deficit):	-1,385.31	501.55	1,886.86	136.20%	20,161.93	9,793.30	-10,368.63	-51.43%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 20 - TAX INCREMENT FINANCING FUND								
Revenue								
40 - TAXES	39,286.48	41,322.80	2,036.32	5.18%	515,920.75	537,396.57	21,475.82	4.16%
45 - OTHER REVENUE	5,513.95	536.44	-4,977.51	-90.27%	43,140.72	3,781.07	-39,359.65	-91.24%
Revenue Total:	44,800.43	41,859.24	-2,941.19	-6.57%	559,061.47	541,177.64	-17,883.83	-3.20%
Expense								
Department: 205 - TAX INCREMENT FINANCING								
58 - GRANT DISBURSEMENTS	4,525.23	0.00	4,525.23	100.00%	4,525.23	0.00	4,525.23	100.00%
59 - TRANSFER	0.00	0.00	0.00	0.00%	0.00	823,050.00	-823,050.00	0.00%
Department 205 - TAX INCREMENT FINANCING Total:	4,525.23	0.00	4,525.23	100.00%	4,525.23	823,050.00	-818,524.77	-18,088.03%
Expense Total:	4,525.23	0.00	4,525.23	100.00%	4,525.23	823,050.00	-818,524.77	-18,088.03%
Fund 20 Surplus (Deficit):	40,275.20	41,859.24	1,584.04	3.93%	554,536.24	-281,872.36	-836,408.60	-150.83%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Categor...	2023-2024 June Activity	2024-2025 June Activity	June Variance Favorable / (Unfavorable)	Variance %	2023-2024 YTD Activity	2024-2025 YTD Activity	YTD Variance Favorable / (Unfavorable)	Variance %
Fund: 79 - SEDA								
Revenue								
40 - TAXES	60,533.57	66,743.50	6,209.93	10.26%	577,342.54	589,222.02	11,879.48	2.06%
45 - OTHER REVENUE	5,068.34	1,624.79	-3,443.55	-67.94%	45,811.97	17,529.14	-28,282.83	-61.74%
Revenue Total:	65,601.91	68,368.29	2,766.38	4.22%	623,154.51	606,751.16	-16,403.35	-2.63%
Expense								
Department: 790 - SEDA								
51 - PERSONNEL	24,925.90	27,506.92	-2,581.02	-10.35%	232,326.87	247,306.86	-14,979.99	-6.45%
52 - CONTRACTUAL	13,678.88	180.30	13,498.58	98.68%	90,517.17	68,678.30	21,838.87	24.13%
53 - GENERAL SERVICES	253.60	89.07	164.53	64.88%	4,542.07	13,021.66	-8,479.59	-186.69%
54 - MACHINE & EQUIPMENT MAI	55.00	375.00	-320.00	-581.82%	3,173.83	8,466.95	-5,293.12	-166.77%
55 - CAPITAL OUTLAY	0.00	0.00	0.00	0.00%	0.00	95,771.26	-95,771.26	0.00%
58 - GRANT DISBURSEMENTS	9,854.35	0.00	9,854.35	100.00%	105,523.22	50,336.15	55,187.07	52.30%
59 - TRANSFER	0.00	2,500.00	-2,500.00	0.00%	30,000.00	22,500.00	7,500.00	25.00%
Department 790 - SEDA Total:	48,767.73	30,651.29	18,116.44	37.15%	466,083.16	506,081.18	-39,998.02	-8.58%
Expense Total:	48,767.73	30,651.29	18,116.44	37.15%	466,083.16	506,081.18	-39,998.02	-8.58%
Fund 79 Surplus (Deficit):	16,834.18	37,717.00	20,882.82	124.05%	157,071.35	100,669.98	-56,401.37	-35.91%
Total Surplus (Deficit):	-69,958.90	-9,824.21	60,134.69	85.96%	-3,974,030.17	3,015,339.91	6,989,370.08	175.88%

Prior-Year Comparative Income Statement

For the Period Ending 06/30/2025

Fund Summary

Fund	2023-2024	2024-2025	June Variance		2023-2024	2024-2025	YTD Variance	
	June Activity	June Activity	Favorable / (Unfavorable)	Variance %	YTD Activity	YTD Activity	Favorable / (Unfavorable)	Variance %
01 - GENERAL FUND	-928,483.86	-408,668.30	519,815.56	55.99%	4,167,947.64	4,913,625.61	745,677.97	17.89%
02 - WATER AND WASTEWA...	429,086.11	319,336.01	-109,750.10	-25.58%	-9,403,785.60	-2,606,552.65	6,797,232.95	72.28%
03 - SANITARY LANDFILL FU...	172,508.74	119,673.89	-52,834.85	-30.63%	398,722.03	574,202.65	175,480.62	44.01%
04 - AIRPORT FUND	1,343.61	-136,327.09	-137,670.70	-10,246.33%	-699,020.48	-242,195.00	456,825.48	65.35%
05 - STORM WATER DRAIN...	83,639.42	116,160.27	32,520.85	38.88%	-16,448.98	-83,412.41	-66,963.43	-407.10%
07 - HOTEL OCCUPANCY TAX ...	54,888.15	17,428.85	-37,459.30	-68.25%	312,561.45	244,950.35	-67,611.10	-21.63%
08 - DEBT SERVICE FUND	1,638.23	2,317.03	678.80	41.43%	-613,626.06	202,140.86	815,766.92	132.94%
10 - CAPITAL PROJECTS FUND	57,632.74	-121,133.14	-178,765.88	-310.18%	1,133,875.63	166,557.82	-967,317.81	-85.31%
11 - CHILD SAFETY FUND	331.64	248.96	-82.68	-24.93%	2,950.15	5,064.04	2,113.89	71.65%
12 - COURT TECHNOLOGY F...	1,732.25	1,061.52	-670.73	-38.72%	11,024.53	12,367.72	1,343.19	12.18%
13 - PUBLIC SAFETY FUND	-1,385.31	501.55	1,886.86	136.20%	20,161.93	9,793.30	-10,368.63	-51.43%
20 - TAX INCREMENT FINAN...	40,275.20	41,859.24	1,584.04	3.93%	554,536.24	-281,872.36	-836,408.60	-150.83%
79 - SEDA	16,834.18	37,717.00	20,882.82	124.05%	157,071.35	100,669.98	-56,401.37	-35.91%
Total Surplus (Deficit):	-69,958.90	-9,824.21	60,134.69	85.96%	-3,974,030.17	3,015,339.91	6,989,370.08	175.88%



STAFF REPORT

SUBJECT: Quarterly Investment Report for the Period Ending June 30, 2025

DEPARTMENT: Finance

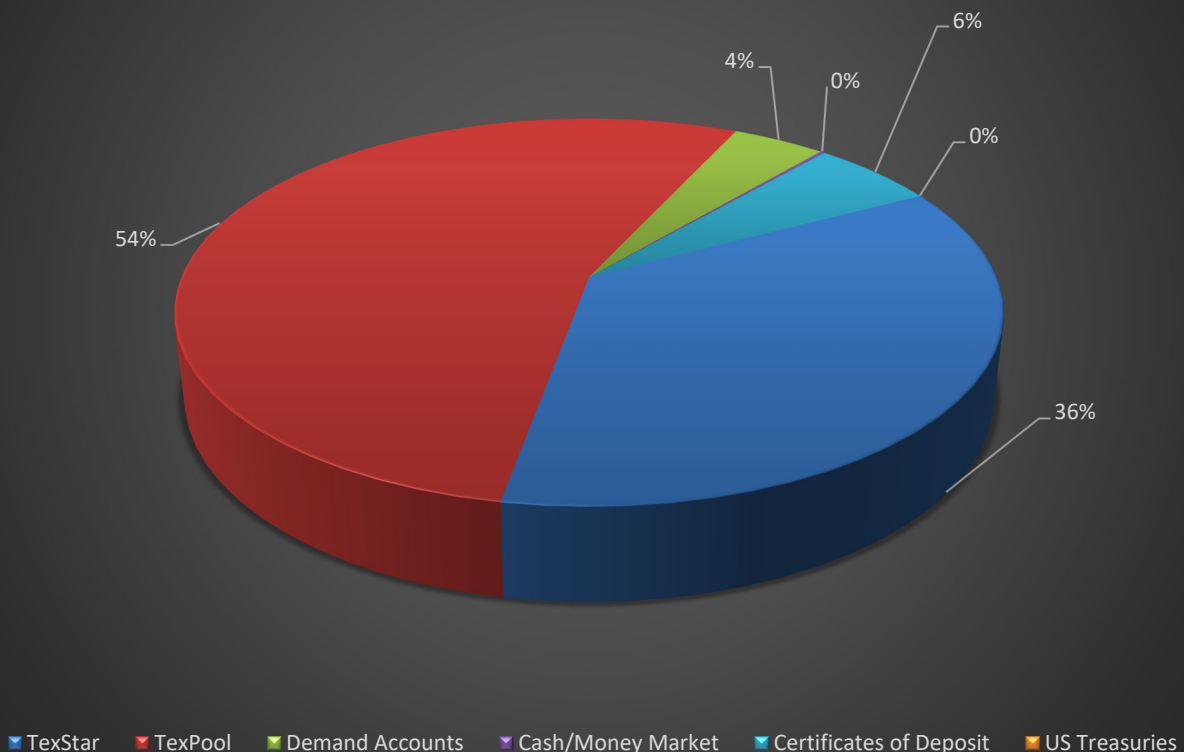
STAFF CONTACT: Monica Harris

BACKGROUND:

The City of Stephenville's total market value of cash and investments on June 30, 2025, was \$43,238,831. This is allocated 4% in demand accounts, less than 1% in cash/money market accounts, 6% in Certificates of Deposits, 36% in TexStar investment pool, and 54% in TexPool investment pool.

Cash and investment accounts earned \$461K in interest for the quarter. The average yield to maturity for all account types for the quarter was 4.26%. The average yield to maturity for investment accounts for the quarter was 4.36%. The average yield to maturity for a 3-month treasury bill for the quarter was 4.23%. The average weighted maturity in days of the portfolio was 13.50 days.

City Portfolio By Investment





**Quarterly Investment Report
For the Period Ending
June 30, 2025**

City of Stephenville, Texas
Quarterly Investment Report
June 30, 2025
Portfolio Summary Management Report

<u>Portfolio as of March 31, 2025:</u>		<u>Portfolio as of June 30, 2025</u>	
Beginning Book Value	\$ 44,060,400	Ending Book Value	\$ 43,237,564
Beginning Market Value	\$ 44,061,969	Ending Market Value	\$ 43,238,831
		Total Income for the Period	\$ 461,806
		Change in Book Value	\$ (822,836)
		Change in Market Value	\$ (823,138)
		Net Change in Value	\$ (302)

Average Yield to Maturity for period - Total	4.26%
Average Yield to Maturity for period - Non-Demand	4.36%
3 Month Treasury Average April - June 2025	4.23%
Weighted Average Maturity in Days	13.50

/s/ *Monica D. Harris*

Monica D. Harris, CPA
Director of Finance
City of Stephenville

/s/ *Rebecca Pingleton*

Rebecca Pingleton
Assistant Director of Finance
City of Stephenville

City of Stephenville, TX
Investment Report
6/30/2025

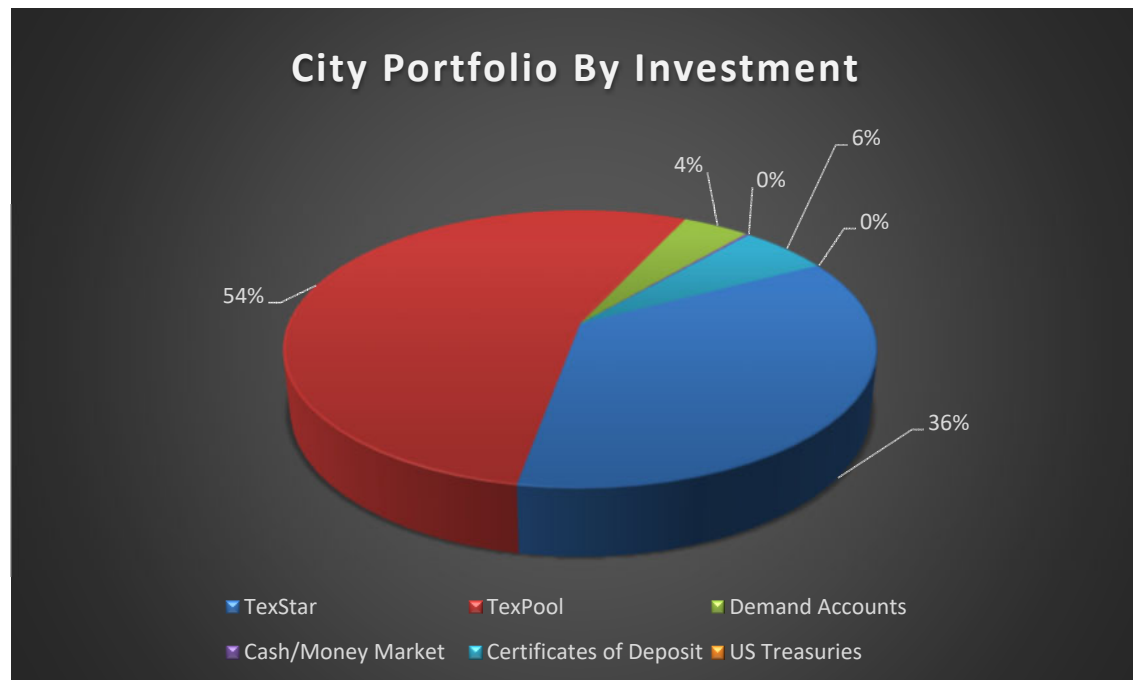
Purchase Date	Maturity Date	CUSIP	Investment Type	Par Amount	Coupon	Purchase Price	Purchase Yield	Beginning Book Value	Interest Earned April 2025	Interest Earned May 2025	Interest Earned June 2025	Interest Earned for the Quarter	Ending Book Value	Earnings YTD	Market Price	Market Value
<u>Pooled Cash</u>																
6/30/2025	7/1/2025	N/A	Demand	1,471,892.44	3.500%	100.000	3.500%	1,471,892.44	8,557.42	8,550.37	4,365.97	21,473.76	1,471,892.44	67,238.36	100.0000	1,471,892.44
Sub Total				1,471,892.44				1,471,892.44	8,557.42	8,550.37	4,365.97	21,473.76	1,471,892.44	67,238.36		1,471,892.44
<u>General Fund</u>																
6/30/2025	7/1/2025	N/A	Texpool	10,244,428.56	4.300%	100.000	4.300%	10,244,428.56	36,279.73	38,353.26	36,466.22	111,099.21	10,244,428.56	281,674.74	100.0000	10,244,428.56
6/30/2025	7/1/2025	N/A	TexSTAR	4,837,657.43	4.284%	100.000	4.284%	4,837,657.43	17,028.81	17,522.75	16,973.12	51,524.68	4,837,657.43	159,120.06	100.0000	4,837,657.43
6/30/2025	7/1/2025	N/A	Pershing	94,034.23	0.000%	100.000	0.000%	94,034.23	-	-	-	-	94,034.23	-	100.0000	94,034.23
12/28/2023	12/27/2024	89841MAX5	CD	-	0.000%	100.000	0.000%	-	-	-	-	-	-	3,007.45	0.0000	-
1/4/2024	1/3/2025	587379AW8	CD	-	0.000%	100.000	0.000%	-	-	-	-	-	-	3,060.15	0.0000	-
7/9/2024	2/10/2025	06418CWM4	CD	-	0.000%	100.000	0.000%	-	-	-	-	-	-	4,563.02	0.0000	-
7/10/2024	1/10/2025	69355NGF6	CD	-	0.000%	100.000	0.000%	-	-	-	-	-	-	3,559.21	0.0000	-
7/12/2024	10/15/2024	40442NEA5	CD	-	0.000%	100.000	0.000%	-	-	-	-	-	-	493.36	0.0000	-
7/12/2024	3/12/2025	158716BZ2	CD	-	0.000%	100.000	0.000%	-	-	-	-	-	-	5,491.35	0.0000	-
7/12/2024	4/14/2025	35638CAK5	CD	-	0.000%	100.000	0.000%	-	458.12	0.00	0.00	458.12	-	6,871.75	0.0000	-
7/12/2024	6/12/2025	603301AB8	CD	-	0.000%	100.000	0.000%	-	287.67	297.26	105.48	690.41	-	2,435.61	0.0000	-
7/23/2024	7/23/2025	87868YAY9	CD	245,000.00	5.250%	100.000	5.250%	245,000.00	1,057.19	1,092.43	1,057.19	3,206.81	245,000.00	9,620.43	100.0420	245,102.90
3/27/2025	5/19/2026	020080CN5	CD	215,000.00	4.500%	100.629	4.500%	215,000.00	795.20	821.72	795.20	2,412.12	215,000.00	2,544.65	100.3810	215,819.15
3/31/2025	10/31/2025	09968TBR7	CD	245,000.00	4.200%	100.000	4.200%	245,000.00	845.76	873.94	815.54	2,535.24	245,000.00	2,501.01	99.9320	244,833.40
3/31/2025	3/31/2026	05890QDX9	CD	245,000.00	4.050%	100.000	4.050%	245,000.00	815.55	842.74	845.75	2,504.04	245,000.00	2,593.64	99.9340	244,838.30
3/31/2025	6/30/2026	32021MJS9	CD	245,000.00	4.050%	100.000	3.900%	245,000.00	815.55	842.74	815.54	2,473.83	245,000.00	2,501.01	100.0200	245,049.00
3/31/2025	7/31/2026	45776NHH2	CD	85,000.00	4.050%	100.000	4.050%	85,000.00	282.95	292.38	282.95	858.28	85,000.00	867.71	100.0370	85,031.45
4/2/2025	1/2/2026	98970LKC6	CD	245,000.00	4.150%	100.000	4.150%	245,000.00	807.83	863.54	835.68	2,507.05	245,000.00	2,089.21	99.9180	244,799.10
4/17/2025	4/16/2026	41166MAM7	CD	245,000.00	4.150%	100.000	4.150%	245,000.00	389.99	863.54	835.68	2,089.21	245,000.00	2,507.05	100.0240	245,058.80
5/30/2025	2/27/2026	740367WC7	CD	245,000.00	4.300%	100.000	4.300%	245,000.00	0.00	57.73	865.89	923.62	245,000.00	923.62	100.0840	245,205.80
6/5/2025	11/5/2025	21923LAX1	CD	245,000.00	4.350%	100.000	4.350%	245,000.00	0.00	0.00	759.16	759.16	245,000.00	759.16	100.0040	245,009.80
6/10/2025	12/10/2025	8578943A5	CD	245,000.00	4.250%	100.000	4.250%	245,000.00	0.00	0.00	599.08	599.08	245,000.00	599.08	100.2120	245,519.40
Sub Total				17,681,120.22				17,681,120.22	59,864.35	62,724.03	62,052.48	184,640.86	17,681,120.22	497,783.27		17,682,387.32
<u>Water/Wastewater</u>																
6/30/2025	7/1/2025	N/A	Texpool	1,434,351.34	4.300%	100.0000	4.300%	1,434,351.34	5,056.61	5,210.23	5,048.05	15,314.89	1,434,351.34	60,723.67	100.0000	1,434,351.34
6/30/2025	7/1/2025	N/A	TexSTAR	325,067.70	4.284%	100.0000	4.284%	325,067.70	1,144.28	1,177.42	1,140.52	3,462.22	325,067.70	14,509.94	100.0000	325,067.70
6/30/2025	7/1/2025	N/A	TexSTAR	2,099,440.98	4.284%	100.0000	4.284%	2,099,440.98	7,390.13	7,604.50	7,365.99	22,360.62	2,099,440.98	68,779.18	100.0000	2,099,440.98
6/30/2025	7/1/2025	N/A	TexSTAR	7,146,588.85	4.284%	100.0000	4.284%	7,146,588.85	25,278.15	26,118.94	25,050.22	76,447.31	7,146,588.85	270,544.04	100.0000	7,146,588.85
Sub Total				11,005,448.87				11,005,448.87	38,869.17	40,111.09	38,604.78	117,585.04	11,005,448.87	414,556.83		11,005,448.87
<u>Landfill</u>																
6/30/2025	7/1/2025	N/A	Texpool	3,279,968.39	4.300%	100.0000	4.300%	3,279,968.39	11,050.44	11,914.20	11,543.38	34,508.02	3,279,968.39	103,718.81	100.0000	3,279,968.39
				3,279,968.39				3,279,968.39	11,050.44	11,914.20	11,543.38	34,508.02	3,279,968.39	103,718.81		3,279,968.39
<u>Storm Drainage</u>																
6/30/2025	7/1/2025	N/A	Texpool	738,674.54	4.300%	100.0000	4.300%	738,674.54	2,708.87	2,835.17	2,609.19	8,153.23	738,674.54	28,195.21	100.0000	738,674.54
6/30/2025	7/1/2025	N/A	Texpool	373,328.43	4.300%	100.0000	4.300%	373,328.43	1,029.87	1,204.12	1,304.35	3,538.34	373,328.43	13,392.45	100.0000	373,328.43
6/30/2025	7/1/2025	N/A	Demand	-	0.000%	100.0000	0.000%	-	-	-	-	-	-	-	100.0000	-
Sub Total				1,112,002.97				1,112,002.97	3,738.74	4,039.29	3,913.54	11,691.57	1,112,002.97	41,587.66		1,112,002.97
<u>Hotel Occupancy Tax</u>																
6/30/2025	7/1/2025	N/A	Texpool	2,028,452.65	4.300%	100.0000	4.300%	2,028,452.65	6,923.29	7,410.44	7,141.52	21,475.25	2,028,452.65	62,985.41	100.0000	2,028,452.65
6/30/2025	7/1/2025	N/A	Texpool	65,659.71	4.300%	100.0000	4.300%	65,659.71	151.91	196.22	228.42	576.55	65,659.71	2,212.28		65,659.71
Sub Total				2,094,112.36				2,094,112.36	7,075.20	7,606.66	7,369.94	22,051.80	2,094,112.36	65,197.69		2,094,112.36
<u>Child Safety</u>																
6/30/2025	7/1/2025	N/A	Texpool	18,077.63	4.300%	100.0000	4.300%	18,077.63	61.17	65.69	63.60	190.46	18,077.63	538.74	100.0000	18,077.63
Sub Total				18,077.63				18,077.63	61.17	65.69	63.60	190.46	18,077.63	538.74		18,077.63
<u>Court Technology</u>																
6/30/2025	7/1/2025	N/A	Texpool	58,450.16	4.300%	100.0000	4.300%	58,450.16	200.23	212.33	205.67	618.23	58,450.16	1,780.16	100.0000	58,450.16
Sub Total				58,450.16				58,450.16	200.23	212.33	205.67	618.23	58,450.16	1,780.16		58,450.16

City of Stephenville, TX
Investment Report
6/30/2025

Purchase Date	Maturity Date	CUSIP	Investment Type	Par Amount	Coupon	Purchase Price	Purchase Yield	Beginning Book Value	Interest Earned April 2025	Interest Earned May 2025	Interest Earned June 2025	Interest Earned for the Quarter	Ending Book Value	Earnings YTD	Market Price	Market Value
<u>Public Safety</u>																
6/30/2025	7/1/2025	N/A	Texpool	142,513.70	4.300%	100.0000	4.300%	142,513.70	492.86	517.67	501.55	1,512.08	142,513.70	4,631.11	100.0000	142,513.70
Sub Total				142,513.70				142,513.70	492.86	517.67	501.55	1,512.08	142,513.70	4,631.11		142,513.70
<u>SEDA</u>																
6/30/2025	7/1/2025	N/A	Texpool	461,099.57	4.300%	100.0000	4.300%	461,099.57	1,515.70	1,695.82	1,624.79	4,836.31	461,099.57	17,529.14	100.0000	461,099.57
				461,099.57				461,099.57	1,515.70	1,695.82	1,624.79	4,836.31	461,099.57	17,529.14		461,099.57
<u>Debt Service</u>																
6/30/2025	7/1/2025	N/A	Demand	292,337.75	3.500%	100.0000	3.500%	292,337.75	819.01	883.79	809.14	2,511.94	292,337.75	7,753.15	100.0000	292,337.75
Sub Total				292,337.75				292,337.75	819.01	883.79	809.14	2,511.94	292,337.75	7,753.15		292,337.75
<u>Employee Benefit</u>																
6/30/2025	7/1/2025	N/A	Demand	98,014.84	3.500%	100.0000	3.500%	98,014.84	186.19	169.01	234.05	589.25	98,014.84	1,980.79	100.0000	98,014.84
Sub Total				98,014.84				98,014.84	186.19	169.01	234.05	589.25	98,014.84	1,980.79		98,014.84
<u>Capital Projects</u>																
6/30/2025	7/1/2025	N/A	Texpool	4,368,554.85	4.300%	100.0000	4.300%	4,368,554.85	15,865.91	15,868.35	15,374.51	47,108.77	4,368,554.85	166,061.60	100.0000	4,368,554.85
6/30/2025	7/1/2025	N/A	TexSTAR	996,747.79	4.284%	100.0000	4.284%	996,747.79	4,197.61	3,673.46	3,520.97	11,392.04	996,747.79	39,127.20	100.0000	996,747.79
Sub Total				5,365,302.64				5,365,302.64	20,063.52	19,541.81	18,895.48	58,500.81	5,365,302.64	205,188.80		5,365,302.64
<u>Tax Increment Financing</u>																
6/30/2025	7/1/2025	N/A	Texpool	157,222.55	4.300%	100.0000	4.300%	157,222.55	119.02	440.46	536.44	1,095.92	157,222.55	3,781.07	100.0000	157,222.55
Sub Total				157,222.55				157,222.55	119.02	440.46	536.44	1,095.92	157,222.55	3,781.07		157,222.55
Grand Total				43,237,564.09				43,237,564.09	152,613.02	158,472.22	150,720.81	461,806.05	43,237,564.09	1,433,265.58		43,238,831.19

**City of Stephenville
Investment Diversification
For Quarter Ending June 30, 2025**

Investments	Par Value	Market Value	% of Portfolio	Avg Yield
TexStar	15,405,502.75	15,405,502.75	35.63%	4.52%
TexPool	23,370,782.08	23,370,782.08	54.05%	4.30%
Demand Accounts	1,862,245.03	1,862,245.03	4.31%	3.46%
Cash/Money Market	94,034.23	94,034.23	0.22%	0.00%
Certificates of Deposit	2,505,000.00	2,506,267.10	5.79%	4.11%
US Treasuries	0.00	0.00	0.00%	0.00%
	43,237,564.09	43,238,831.19	100.00%	



City of Stephenville, TX
Consolidated Yield Worksheet
For the Period Ending June 30, 2025

<u>April</u>	<u>Average Monthly Balance</u>	<u>Net Monthly Earnings</u>	<u>Average Monthly Rate</u>
Brokered CD's	1,841,662.00	6,555.81	4.27%
US Treasuries	-	-	0.00%
Cash/Money Market	750,978.13	-	0.00%
Demand - Operating	3,006,239.47	8,557.42	3.42%
Demand - Others	349,535.51	1,005.20	3.45%
Texpool	22,896,961.26	81,455.61	4.27%
TexSTAR	15,469,315.86	55,038.98	4.27%
<i>Totals for April</i>	44,314,692.23	152,613.02	4.13%
<u>May</u>			
Brokered CD's	2,083,195.20	6,848.02	3.94%
US Treasuries	-	-	0.00%
Cash/Money Market	508,973.79	-	0.00%
Demand - Operating	2,840,813.32	8,550.37	3.61%
Demand - Others	343,225.45	1,052.80	3.68%
Texpool	23,485,097.86	85,923.96	4.39%
TexSTAR	13,292,142.42	56,097.07	5.06%
<i>Totals for May</i>	42,553,448.04	158,472.22	4.47%
<u>June</u>			
Brokered CD's	2,506,267.10	8,613.14	4.12%
US Treasuries	-	-	0.00%
Cash/Money Market	94,034.23	-	0.00%
Demand - Operating	1,605,914.80	4,365.97	3.26%
Demand - Others	375,230.78	1,043.19	3.34%
Texpool	23,381,457.83	82,647.69	4.24%
TexSTAR	15,351,451.92	54,050.82	4.23%
<i>Totals for June</i>	43,314,356.66	150,720.81	4.18%



CALL TO ORDER

The City Council of the City of Stephenville, Texas, convened on Tuesday, July 1, 2025, in the City Hall Council Chambers, 298 West Washington Street, for the purpose of a Regular City Council Meeting, with the meeting being open to the public and notice of said meeting, giving the date, time, place and subject thereof, having been posted as prescribed by Chapter 551, Government Code, Vernon's Texas Codes Annotated, with the following members present, to wit:

Council Present:

Mayor Doug Svien
Place 1 LeAnn Durfey
Place 2 Gerald Cook
Place 3 Lonn Reisman
Place 4 Dean Parr
Place 5 Maddie Smith
Place 6 David Baskett (left at 6:16 PM)
Place 7 Brandon Greenhaw
Place 8 Alan Nix

Others Attending:

Jason King, City Manager
Randy Thomas, City Attorney
Sarah Lockenour, City Secretary

Mayor Svien called the Regular Meeting to order at 05:30 PM.

PLEDGES OF ALLEGIANCE

Council Member David Baskett led the pledges to the flags of the United States and the State of Texas.

INVOCATION

Curt Plaxco with the Stephenville Ministerial Alliance voiced the invocation.

CITIZENS GENERAL DISCUSSION

Felipe Wescoup, of Biggs and Matthew, addressed the Council regarding the approved limited scope amendments for the Stephenville Landfill.

REGULAR AGENDA

1. Consider Approval of the Oncor 2025 Rate Change Suspension Resolution

City Manager Jason King presented this item to Council.

The City of Stephenville is a member of a 170-city coalition known as the Steering Committee of Cities Served by Oncor ("Steering Committee"). The Steering Committee has been in existence since the late 1980s. It took on a formal structure in the early 1990s when cities served by the former TXU gave up their statutory right to rate case expense reimbursement in exchange for higher franchise fee payments. Empowered by city resolutions and funded by *per capita* assessments, the Steering Committee has been the primary public interest advocate before the Public Utility Commission, the Courts, and the Legislature on electric utility regulation matters for the last 30 years.

Although Oncor has increased rates many times over the past few years, this is the first comprehensive base rate case for the Company since May 2022.

Oncor Electric Delivery Company ("Oncor" or "the Company") filed an application on or about June 26, 2025, with cities retaining original jurisdiction seeking to increase system-wide transmission and distribution rates by about \$834 million or approximately 13% over present revenues. The Company asks the City to approve a 12.3% increase in residential rates and a 51.0% increase in street lighting rates. If approved, an average residential customer would see a bill increase of about \$7.90 per month.

The resolution suspends the July 31, 2025, effective date of the Company's rate increase for the maximum period permitted by law to allow the City, working in conjunction with the Steering Committee of Cities Served by Oncor, to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

The law provides that a rate request made by an electric utility cannot become effective until at least 35 days following the filing of the application to change rates. The law permits the City to suspend the rate change for 90 days after the date the rate change would otherwise be effective. If the City fails to take some action regarding the filing before the effective date, Oncor's rate request is deemed administratively approved.

MOTION by Maddie Smith, second by Dean Parr, to approve Resolution No. 2025-R-10 for the Oncor 2025 Rate Change Suspension as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

2. Consider Approval of an Ambulance Permit for Concord EMS

Council Member David Baskett announced he would be abstaining from this item due to a conflict of interest with related business.

Chief Robert Isbell presented this item to the Council.

Pursuant to City Charter Chapter 114.04 (CHAPTER 114. - AMBULANCE AND EMERGENCY MEDICAL SERVICE, Sec. 114.04. - Private owned ambulance services), Concord EMS is applying to operate a non-emergency transfer service within the city limits of Stephenville. Concord EMS Director William Cranston was present to answer any questions.

MOTION by Maddie Smith, second by Brandon Greenhaw, to table this item until the August City Council meeting. MOTION Yes 8, No 0, Abstained 1.

3. Consider Acceptance of the 536 Wellfield - Well Sites Project

Director of Public Works Nick Williams presented the item to Council.

The City of Stephenville City Council awarded the contract for the above-referenced project on June 6, 2023, for \$1,277,000.00 to Associated Well Services, Inc. of Stephenville, TX. The contractor has completed the work in accordance with the plans and specifications.

The project was completed for \$1,275,502.00, of which \$1,262,746.98 was paid to the contractor. The remaining balance of \$12,755.02 will be released to the contractor following formal project acceptance by the city council. An appropriate resolution is attached.

A recommendation for final payment has been received from the engineer of record. There are no identified outstanding issues and a signed Final Bills Paid Affidavit has been received.

Additionally, all known subcontractors have been contacted to confirm payment.

Staff recommends acceptance of the above-noted project as complete and requests authorization for the City Manager to issue final payment to the contractor.

MOTION by Alan Nix, second by David Baskett, to Approve Resolution No. 2025-R-11 accepting the 536 Wellfield - Well Sites Project as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

4. Consider Acceptance of the Eastside Sewer - Phase I Project

Director of Public Works Nick Williams presented the item to Council.

The City of Stephenville City Council awarded the contract for the above referenced project on October 18, 2022, for \$22,517,000.00 to MH Civil Constructors, Inc. of Amarillo, Texas. The contractor has completed the work in accordance with the plans and specifications.

The project was completed for \$22,010,834.00 of which \$21,737,194.39 has been paid to the contractor. The remaining balance of \$273,639.61 will be released to the contractor following formal project acceptance by the city council and issuance of a Certificate of Approval by the Texas Water Development Board.

A recommendation for final payment has been received from the engineer of record. There are no identified outstanding construction issues and a signed Final Bills Paid Affidavit has been received.

Additionally, all known subcontractors have been contacted to confirm payment.

Staff recommends acceptance of the above noted project as complete and requests authorization for the City Manager to issue final payment to the contractor.

MOTION by Alan Nix, second by Gerald Cook, to approve Resolution No. 2025-R-12 accepting Eastside Sewer - Phase I Project as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

PUBLIC WORKS COMMITTEE

5. Public Works Committee Report from July 1, 2025

Public Works Committee Chair Alan Nix presented the Public Works Committee Report from July 1, 2025.

1. Discussion of Phase III of Eastside Sewer Project

Committee Chair Alan Nix led the discussion of Phase III of Eastside Sewer Project.

2. Review Professional Services Agreement for Eastside Sewer Phase III Engineering

Committee Chair Alan Nix presented this item to the Public Works Committee.

The City of Stephenville issued a Request For Qualifications (RFQ) for professional services for design of the third phase of the Eastside Sewer. RFQ responses were received on June 6, 2025. Seven (7) firms submitted qualifications for consideration.

A review committee evaluated each firm's qualifications based on criteria outlined in the RFQ. Selection criteria included: Experience of the firm, project manager, sealing engineer and related projects, as well as project approach and schedule. The review committee scored each submission.

Based on the evaluation process, the review committee recommends the selection of BGE, Inc. as the design consultant for the Eastside Sewer Interceptor – Phase III project. BGE, Inc. demonstrated extensive experience with similar projects. The Eastside Sewer Interceptor – Phase III provides service to the U.S. Highway 281 corridor north of Lingleville Highway (FM 8). The project consists of approximately 14,000 linear feet of 30-inch sanitary sewer main.

The proposed professional services agreement includes preliminary and final design, alignment studies, bid phase assistance, survey and geotechnical services, environmental assessment, permitting, utility coordination, and construction phase support.

The project includes coordination and permit acquisition with TxDOT, railroad and other utility representatives, preparation of contract documents including plans and specifications, an alignment analysis, geotechnical reports, open-cut and trenchless design as well as right-of-way/easement documentation, and ensures compliance with state and federal regulations. The contract proposes to accomplish the design efforts within 400 calendar days. A liquidated damages clause at \$500 per day ensures the work will progress on schedule.

The proposed not-to-exceed agreement cost is \$1,710,984.00. The construction phase support services will be authorized separately upon final scope and cost negotiation to ensure these costs are not overestimated now in the design phase.

Finance has identified \$1.2 million in funding in the FY24-25 budget with the balance to come from operational reserves.

Staff recommends approval of the professional services agreement with BGE, Inc. for design, survey, permitting, and construction-phase support services associated with the Eastside Sewer Interceptor – Phase III project.

MOTION by Gerald Cook, second by David Baskett, to recommend to full Council the Professional Services Agreement with BGE, Inc. as presented. MOTION CARRIED
Yes 4, No 0, Abstained 0.

3. Discussion of Elevated Storage Project

Committee Chair Alan Nix led the discussion of the Elevated Storage Project.

4. Review Professional Services Agreement for Landfill Gas Probe Design and Installation

Committee Chair Alan Nix presented this item to the Public Works Committee.

The Texas Commission on Environmental Quality issued a Limited Scope Major Amendment on April 17, 2025 to the City of Stephenville Landfill following a lengthy process to reclaim approximately 1,000,000 cubic yards of air space. As part of the permit approval process, and is customary for all newly permitted landfills, the landfill is now required to install and maintain the gas monitoring probe network within 180 days of permit approval.

The proposed professional services agreement provides for the design and installation, construction oversight, and testing of fourteen (14) permanent gas monitoring probes in accordance with the approved permit's Gas Monitoring Plan within the 180-day permit requirement by October 14, 2025.

The agreement proposes to perform the work for \$117,875.00. Sufficient funds exist in the current FY24-25 budget to provide this state-mandated project.

Staff recommends approval of the professional services agreement with Biggs and Mathews Environmental, Inc. for the design and installation of a gas monitoring probe network at the Stephenville Landfill as required by the state.

MOTION by David Baskett, second by Gerald Cook, to recommend to full Council the Professional Services Agreement for Landfill Gas Probe Design and Installation as presented. MOTION CARRIED Yes 4, No 0, Abstained 0.

6. Consider Approval of a Professional Services Agreement for Eastside Sewer Phase III Engineering

MOTION by Alan Nix, second by David Baskett, to approve the Professional Services Agreement with BGE, Inc. for Eastside Sewer Phase III Engineering as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

7. Consider Professional Services Agreement for Landfill Gas Probe Design and Installation

MOTION by Alan Nix, second by LeAnn Durfey, to approve the Professional Services Agreement with Biggs and Matthews Environmental, Inc. for the design and installation of a gas monitoring probe network at the Stephenville Landfill as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

FINANCIAL REPORTS

8. Monthly Budget Report for the Period Ending May 31, 2025

Monthly Budget Report for the Period Ending May 31, 2025, Director of Finance Monica Harris presented the monthly budget report as follows:

In reviewing the financial statements ending May 31, 2025, the financial indicators are overall as or better than anticipated.

Property Tax Collections: We received \$60K in property taxes in the month of May, resulting in a \$404K increase over the funds collected last fiscal year to date. The amount collected is over 99% of the \$7.8 million budget, which is \$60K more than anticipated.

Sales and Use Tax: We received \$872K in sales tax in May, resulting in \$79K or 1% more than the funds collected last fiscal year to date. The amount collected is 70% of the \$9.4 million budget, which is \$293K higher than anticipated.

Revenue (by fund): Of the \$33.6 million revenue received to date, 58% was received in the General Fund, 26% was received in the Water/Wastewater Fund, 4% was received in the Landfill Fund, 3% was received in the Debt Service Fund, 3% was received in the Storm Water Drainage Fund, 2% was received in the Capital Projects Fund, and 2% in the HOT Fund.

Revenue (budget vs. actual): We received 78% of the total budgeted revenue through May, which is \$3 million more than anticipated due to taxes, licenses and permits, charges for services, interest income and other revenue.

Revenue (prior year comparison): We received \$260K less revenue through May than last fiscal year to date due to intergovernmental.

Expenditures (by fund): Of the \$30.5 million spent to date, 47% was expended in the General Fund, 37% was expended in the Water/Wastewater Fund, 4% was expended in the Storm Water Drainage Fund, 3% was expended in the Debt Service Fund, 3% was expended in the TIF Fund, and 3% was expended in the Landfill Fund.

Expenditures (budget vs. actual): We have expended 55% of the total budgeted expenditures through May, which is \$6.4 million less than anticipated due to personnel, contractual and capital outlay.

Expenditures (prior year comparison): We spent \$7.4 million less on expenditures through May than last fiscal year to date due to capital outlay.

SEDA Revenue Comparison: SEDA has received an overall 70% of budgeted revenue through May, which is \$19K less than last fiscal year to date due to interest income and \$20K more than anticipated due to taxes.

SEDA Expenditure Comparison: SEDA has spent an overall 40% of budgeted expenditures through May, which is \$55K more than last fiscal year to date due to personnel and capital outlay and \$300K less than anticipated due to contractual, capital outlay, and grant disbursements.

CONSENT AGENDA

9. **Consider Approval of Minutes from June 3, 2025 - Regular City Council Meeting**
10. **Consider Approval of Minutes from June, 5, 2025 - Work Session**
11. **Consider Approval of Minutes from June 24, 2025 - Work Session**
12. **Consider Acceptance of the Riverside Drainage Improvements Project**
13. **Consider Approval of Assignment of Contract for Street Renovation Materials**

MOTION by David Baskett, second by Brandon Greenhaw, to approve Consent Agenda as presented. MOTION CARRIED Yes 9, No 0, Abstained 0.

COMMENTS BY CITY MANAGER

COMMENTS BY COUNCIL MEMBERS

EXECUTIVE SESSION

Mayor Svien recessed the Regular City Council meeting at 6:03 PM and entered into Executive Session at 6:06 PM.

Mayor Svien adjourned the Executive Session at 6:16 PM and reconvened the Regular City Council meeting at 6:17 PM.

14. **Section 551.072 Deliberation Regarding Real Property - to deliberate the purchase, exchange, lease, or value of real property, to wit: real property located in City Addition**
15. **Section 551.072 Deliberation Regarding Real Property - to deliberate the purchase, exchange, lease, or value of real property, to wit: real property located in City Addition**
16. **Section 551.072 Deliberation Regarding Real Property - to deliberate the purchase, exchange, lease, or value of real property, to wit: real property related to a Potential Well Field**

ACTION TAKEN ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF NECESSARY

14 - Section 551.072 Deliberation Regarding Real Property - to deliberate the purchase, exchange, lease, or value of real property, to wit: real property located in City Addition

MOTION by Dean Parr, second by Maddie Smith, to authorize the City Manager to execute a contract as discussed in Executive Session as presented. MOTION CARRIED Yes 8, No 0, Abstained 0.

ADJOURN

Mayor Svien adjourned the meeting at 06:18 PM.

EXECUTIVE SESSION NOTICE

David Baskett, Mayor Pro Tem

ATTEST:

Sarah Lockenour, City Secretary



CALL TO ORDER

The City Council of the City of Stephenville, Texas, convened on Tuesday, July 15, 2025, in the City Hall Council Chambers, 298 West Washington Street, for the purpose of a Regular City Council Meeting, with the meeting being open to the public and notice of said meeting, giving the date, time, place and subject thereof, having been posted as prescribed by Chapter 551, Government Code, Vernon's Texas Codes Annotated, with the following members present, to wit:

Council Present:

Mayor Doug Svien
Place 1 LeAnn Durfey
Place 2 Gerald Cook
Place 3 Lonn Reisman
Place 4 Dean Parr
Place 5 Maddie Smith
Place 6 David Baskett
Place 7 Brandon Greenhaw
Place 8 Alan Nix

Others Attending:

Jason King, City Manager
Randy Thomas, City Attorney
Sarah Lockenour, City Secretary

Mayor Svien called the Regular Meeting to order at 05:32 PM.

FINANCE COMMITTEE

1. Consider Rescinding the Award to Purchase a Patrol SUV from Bruner Motors and Award to Donohoo Chevrolet

Committee Chair David Baskett presented this item to the Council.

Bids were solicited and opened on February 21, 2025, for the purchase of (1) patrol SUV. Three responses were received. The lowest bid was submitted by Donohoo Chevrolet for \$52,100; however, under Section 271.905 of the Local Government Code concerning Local Vendor Preference, Bruner Motors was awarded the contract for \$53,795. The bid submitted by Bruner Motors in February indicated a delivery time of 24 weeks; however, Bruner Motors has since confirmed that they are unable to meet the originally specified

delivery time. Additional discussions have raised concerns regarding the feasibility of delivering the item within the next year or within any expected timeframe.

Donohoo Chevrolet has confirmed the same 2025 Chevy Tahoe PPD can be provided, honoring the same price they submitted for ITB 3339. The unit will be delivered within 10 days after receipt of a purchase order.

Donohoo Chevrolet submitted a bid of \$52,100 for a 2025 Chevy Tahoe. The item and price will be honored. The approved budget for 2024-2025 included \$55,000 for a Patrol SUV.

It is the recommendation of the Purchasing Department and Police Department to rescind the award to Bruner Motors for a Patrol SUV (ITB 3339) and award to Donohoo Chevrolet.

MOTION by David Baskett, second by Alan Nix, to Approve Rescinding the Award to Purchase a Patrol SUV from Bruner Motors and Award to Donohoo Chevrolet as presented.
MOTION CARRIED Yes 9, No 0, Abstained 0.

ADJOURN

Mayor Svien adjourned the meeting at 05:34 PM.

David Baskett, Mayor Pro Tem

ATTEST:

Sarah Lockenour, City Secretary

Public Works Committee

STAFF REPORT



SUBJECT: Chamberlin Improvements Project
Project Acceptance

MEETING: Council Meeting – 03 JUN 2025

DEPARTMENT: Public Works

STAFF CONTACT: Nick Williams

RECOMMENDATION:

Staff recommends acceptance of the above noted project as complete and requests authorization for the City Manager to issue final payment to the contractor.

BACKGROUND:

The City of Stephenville City Council awarded the contract for the above referenced project on January 7, 2025, for \$472,444.50 to Insituform Technologies, Inc. of Corinth, Texas. The contractor has completed the work in accordance with the plans and specifications.

FISCAL IMPACT SUMMARY:

The project was completed for \$442,886.75 of which \$420,742.41 has been paid to the contractor. The remaining balance of \$22,144.34 will be released to the contractor following formal project acceptance by the city council. An appropriate resolution is attached.

A recommendation for final payment has been received from the engineer of record. There are no identified outstanding issues and a signed Final Bills Paid Affidavit has been received.

Additionally, all known subcontractors have been contacted to confirm payment.

ATTACHMENT(S):

[Resolution No. 2025-XX](#)

RESOLUTION NO. 2025 - _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STEPHENVILLE, TEXAS, TO ACCEPT THE 2024 CHAMBERLIN IMPROVEMENTS PROJECT AND AUTHORIZE FINAL PAYMENT TO INSITUFORM TECHNOLOGIES, INC.; FINDING AND DETERMINING THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Stephenville entered into a unit price contract with INSITUFORM TECHNOLOGIES, INC. with a final estimated total cost of \$472,444.50; and

WHEREAS, the actual work was completed at a total cost of \$442,886.75 of which \$420,742.41 has been previously paid to the contractor, leaving an amount due of \$22,144.34; and

WHEREAS, the City has received an executed Final Bills Paid Affidavit from the Contractor and a recommendation of final payment from the Engineer of Record.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STEPHENVILLE, TEXAS, THAT;

SECTION 1. The 2024 CHAMBERLIN IMPROVEMENTS PROJECT is hereby accepted, and the City Manager is authorized to make final payment to the contractor.

SECTION 2. It is hereby officially found and determined the meeting which this resolution was passed was open to the public as required by law.

PASSED AND APPROVED this the 5th day of August 2025.

David Baskett, Mayor Pro Tem

ATTEST:

Sarah Lockenour, City Secretary

Jason King, City Manager
Reviewed

Randy Thomas, City Attorney
Approved as to form and legality

Public Works

STAFF REPORT



SUBJECT: Harbin Drive Improvements Project
Project Acceptance

MEETING: Council Meeting – 05 AUGUST 2025

DEPARTMENT: Public Works

STAFF CONTACT: Nick Williams

RECOMMENDATION:

Staff recommends acceptance of the above noted project as complete and requests authorization for the City Manager to issue final payment to the contractor. An appropriate resolution is attached.

BACKGROUND:

The City of Stephenville City Council awarded the contract for the above referenced project on October 4, 2021, for \$10,097,474.50 to Jay Mills Contracting, Inc. of Stephenville, Texas. The contractor has completed the work in accordance with the plans and specifications.

FISCAL IMPACT SUMMARY:

The project was completed for \$11,526,488.44 of which \$10,950,164.02 has been paid to the contractor. The remaining balance of \$576,324.42 will be released to the contractor following formal project acceptance by the city council. An appropriate resolution is attached.

A recommendation for final payment has been received from the engineer of record. There are no identified outstanding construction issues and a signed Final Bills Paid Affidavit has been received.

Additionally, all known subcontractors have been contacted to confirm payment.

ATTACHMENT(S):

[Resolution No. 2025-R-XX](#)

RESOLUTION NO. 2025-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STEPHENVILLE, TEXAS, TO ACCEPT THE HARBIN DRIVE IMPROVEMENTS PROJECT AND AUTHORIZE FINAL PAYMENT TO JAY MILLS CONTRACTING, INC.; FINDING AND DETERMINING THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Stephenville entered into a unit price contract with Jay Mills Contracting, Inc., with a final estimated total cost of \$10,097,474.50; and

WHEREAS, the actual work was completed at a total cost of \$11,526,488.44 of which \$10,950,164.02 has been previously paid to the contractor, leaving an amount due of \$576,324.42; and

WHEREAS, the City has received an executed Final Bills Paid Affidavit from the Contractor and a recommendation of final payment from the design engineering firm.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STEPHENVILLE, TEXAS, THAT;

SECTION 1. The Harbin Drive Improvement Project is hereby accepted, and the City Manager is authorized to make final payment to the contractor.

SECTION 2. It is hereby officially found and determined the meeting which this resolution was passed was open to the public as required by law.

PASSED AND APPROVED this the 5th day of August 2025.

David Baskett, Mayor Pro Tem

ATTEST:

Sarah Lockenour, City Secretary

Jason M. King, City Manager
Reviewed

Randy Thomas, City Attorney
Approved as to form and legality