

# City of Dalworthington Gardens, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

September 30, 2021

The parks and recreation facility development corporation fund (PRFDC) had an ending fund balance of \$675,759, an increase of \$94,539 from the prior year. There were (2) two primary reasons for the increase: 1) the Park fund, a permanent fund setup specifically for park improvements, was authorized to donate its fund balance to the PRFDC fund of \$20,777 for park improvements; 2) residents of the city donated \$25,269 towards park improvements.

The debt service fund had an ending fund balance of \$97,914 at yearend, an increase of \$11,868. Total principal and interest payments made during the year were \$140,000 and \$164,788, respectively.

The capital projects fund had an ending fund balance of \$1,301,641, a decrease of \$223,089 from the prior year. This decrease relates to expenditures for the new city hall building and (2) completed street projects, which were funded in prior years. These expenditures were offset by an increase in revenue received from the issuance of the 2021 GO Bonds.

There was an overall increase in governmental fund balance of \$746,253 from the prior year.

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

As of the end of the year, the proprietary fund reflected a total net position of \$2,208,219. This was an increase of \$129,208, or 6.2% from the prior year. Restricted net position of \$187,881 decreased from prior year due to the reimbursement authorization for prior water and sewer projects, thereby increasing unrestricted net position.

### GENERAL FUND BUDGETARY HIGHLIGHTS

The final budget included amendments to the original budget to increase revenue by \$393,817, increase expenditures by \$132, and increase other financing sources (uses) by \$4,000. Revenues were increased primarily due to the ARPA and CARES Act funding which was not anticipated at the time the budget was adopted. Departmental expenditures decreased \$117,872 primarily due to personnel shortages, which was offset by increases of \$118,196 in capital outlay for vehicles and equipment. Other financing sources increased due to an increase in proceeds from the sale of a fire truck.

There was a total final budget versus actual revenue variance of \$60,926 and an expenditure variance of \$(271,990) for the year. The revenue variance resulted from increases across all revenue streams, except a small negative variance in interest income. The expenditure variance was primarily due to a variances in public works, public safety and capital outlay of \$(52,168), and \$(140,401), \$(59,551) respectively. The total final budget variance was \$332,916.

# City of Dalworthington Gardens, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

September 30, 2021

### CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$6,333,675 in a variety of capital assets and infrastructure, net of accumulated depreciation. Depreciation is included with the governmental capital assets as required by GASB Statement No. 34. The City's business-type activities fund had invested \$2,369,896 in a variety of capital assets and infrastructure, net of accumulated depreciation.

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

- New City Hall engineering and construction costs of \$1,104,738 during the year.
- 47<sup>th</sup> Community Development Block Grant (CDBG) Ambassador Row engineering costs of \$12,639 for the general fund street portion and \$11,361 for the enterprise water system.
- Completion of the Indian Trail street project costs of \$82,463 during the year.
- Completion of the Twin Lakes / Twin Springs street project costs of \$472,131 during the year.
- Purchase of an Artic Compressor Fill Station for \$35,954.
- Purchase of office furniture for the new city hall for \$35,928
- Purchase of a Bunker Gear Extractor & Dryer for \$9,779
- Purchase of (28) H&K VP9L 9MM Guns, including holsters and magazines, for \$21,820.
- Purchase of a Shade Structure for the park playground for \$14,223.
- Purchase of (1) 12" Insta-Valve & (2) 8" Valves for \$23,350

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

### LONG-TERM DEBT

At the end of the current year, the City had total bonds, notes, and leases outstanding of \$5,996,183. During the year, the City's payments on long-term debt were \$295,259. During the year, the City issued new 2021 GO Bonds totaling \$955,000. More detailed information about the City's long-term liabilities is presented in note IV.E. to the financial statements.

# **City of Dalworthington Gardens, Texas**

## ***MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)***

**September 30, 2021**

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

The Mayor and City Council are committed to maintaining and improving the overall well-being of the City of Dalworthington Gardens and improving services provided to their public citizens. The City no longer depends on an infinite resource of Oil & Gas well royalties to fund maintenance & operation costs. This resource has been committed to increase operating reserves, one-time large capital purchases and pay off debt.

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

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



***FINANCIAL STATEMENTS***

# City of Dalworthington Gardens, Texas

## STATEMENT OF NET POSITION (Page 1 of 2)

September 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b><u>Assets</u></b>			
Current assets:			
Cash and cash equivalents	\$ 2,873,692	\$ 448,681	\$ 3,322,373
Restricted cash	1,852,569	-	1,852,569
Receivables, net	289,921	261,657	551,578
Prepays	37,048	13,792	50,840
<b>Total Current Assets</b>	5,053,230	724,130	5,777,360
Capital assets:			
Non-depreciable	1,992,978	120,562	2,113,540
Net depreciable capital assets	4,340,697	2,249,334	6,590,031
<b>Total Noncurrent Assets</b>	6,333,675	2,369,896	8,703,571
<b>Total Assets</b>	11,386,905	3,094,026	14,480,931
<b><u>Deferred Outflows of Resources</u></b>			
Pension	284,650	50,232	334,882
OPEB	21,033	3,711	24,744
<b>Total Deferred Outflows of Resources</b>	305,683	53,943	359,626

See Notes to Financial Statements.

# City of Dalworthington Gardens, Texas

## STATEMENT OF NET POSITION (Page 2 of 2)

September 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b><u>Liabilities</u></b>			
Current liabilities:			
Accounts payable and accrued liabilities	451,906	130,468	582,374
Unearned revenue	67,945	-	67,945
Accrued interest payable	38,547	7,470	46,017
Customer deposits	-	68,093	68,093
Long-term debt due within one year	220,066	81,606	301,672
Compensated absences, current	63,432	7,969	71,401
<b>Total Current Liabilities</b>	841,896	295,606	1,137,502
Noncurrent liabilities:			
Long-term debt due in more than a year	5,768,647	262,245	6,030,892
Net pension liability	1,717,512	303,090	2,020,602
OPEB liability	92,864	16,388	109,252
Compensated absences, noncurrent	7,048	886	7,934
<b>Total Noncurrent Liabilities</b>	7,586,071	582,609	8,168,680
<b>Total Liabilities</b>	8,427,967	878,215	9,306,182
<b><u>Deferred Inflows of Resources</u></b>			
Pension	346,546	61,155	407,701
OPEB	2,156	380	2,536
<b>Total Deferred Inflows of Resources</b>	348,702	61,535	410,237
<b><u>Net Position</u></b>			
Net investment in capital assets	1,631,584	2,026,045	3,657,629
Restricted for special revenues	1,168,117	-	1,168,117
Restricted for debt service	108,244	-	108,244
Restricted for CLSFRF-ARPA funds	293,678	-	293,678
Unrestricted	(285,704)	182,174	(103,530)
<b>Total Net Position</b>	\$ 2,915,919	\$ 2,208,219	\$ 5,124,138

See Notes to Financial Statements.

# City of Dalworthington Gardens, Texas

## STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
<b>Governmental Activities</b>				
General government	\$ 338,353	\$ -	\$ 307,308	\$ -
Public safety	2,453,132	405,390	19,323	-
Public works	375,022	-	-	382,985
Parks and recreation	107,909	-	-	-
Community development	171,754	63,449	-	-
Interest and fiscal charges	217,254	-	-	-
<b>Total Governmental Activities</b>	<b>3,663,424</b>	<b>468,839</b>	<b>326,631</b>	<b>382,985</b>
<b>Business-Type Activities</b>				
Water, Sewer, & Sanitation	1,851,820	1,970,580	8,824	-
<b>Total Business-Type Activities</b>	<b>1,851,820</b>	<b>1,970,580</b>	<b>8,824</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 5,515,244</b>	<b>\$ 2,439,419</b>	<b>\$ 335,455</b>	<b>382,985</b>

**General Revenues:**

Taxes

Property tax

Sales tax

Franchise and local taxes

Oil and gas mineral rights

Interest income

Other revenues

**Total General Revenues and Transfers**

**Change in Net Position**

Beginning Net Position

**Ending Net Position**

See Notes to Financial Statements.

**Net (Expense) Revenue and Changes in Net Position**

<b>Primary Government</b>		
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (31,045)	\$ -	\$ (31,045)
(2,028,419)	-	(2,028,419)
7,963	-	7,963
(107,909)	-	(107,909)
(108,305)	-	(108,305)
(217,254)	-	(217,254)
<u>(2,484,969)</u>	<u>-</u>	<u>(2,484,969)</u>
-	127,584	127,584
<u>-</u>	<u>127,584</u>	<u>127,584</u>
<u>(2,484,969)</u>	<u>127,584</u>	<u>(2,357,385)</u>
2,178,050	-	2,178,050
1,115,667	-	1,115,667
312,868	-	312,868
149,714	-	149,714
9,828	1,624	11,452
165,180	-	165,180
<u>3,931,307</u>	<u>1,624</u>	<u>3,932,931</u>
1,446,338	129,208	1,575,546
1,469,581	2,079,011	3,548,592
<u>\$ 2,915,919</u>	<u>\$ 2,208,219</u>	<u>\$ 5,124,138</u>



# City of Dalworthington Gardens, Texas

## BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2021

	General	Parks and Recreation Facility Development	Capital Projects	Debt Service
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 1,780,189	\$ 659,069	\$ -	\$ -
Restricted cash	318,928	-	1,435,727	97,914
Receivables, net	187,110	23,191	-	10,330
Prepays	25,851	2,383	5,069	-
<b>Total Assets</b>	<b>\$ 2,312,078</b>	<b>\$ 684,643</b>	<b>\$ 1,440,796</b>	<b>\$ 108,244</b>
<b><u>Liabilities</u></b>				
Accounts payable and accrued liabilities	\$ 293,944	\$ 8,884	\$ 139,155	\$ -
Unearned revenue	67,945	-	-	-
<b>Total Liabilities</b>	<b>361,889</b>	<b>8,884</b>	<b>139,155</b>	<b>-</b>
<b><u>Deferred Inflows of Resources</u></b>				
Unavailable revenue - property taxes	49,222	-	-	10,330
<b><u>Fund Balances</u></b>				
Nonspendable:				
Prepaid items	25,851	2,383	5,069	-
Restricted for:				
Parks and recreation	-	673,376	-	-
Special revenue	-	-	-	-
Capital improvements	-	-	1,296,572	-
Debt service	-	-	-	97,914
CARES Act Relief Fund	293,678	-	-	-
Assigned for:				
Fire Truck	25,000	-	-	-
Unassigned reported in:				
General fund	1,556,438	-	-	-
<b>Total Fund Balances</b>	<b>1,900,967</b>	<b>675,759</b>	<b>1,301,641</b>	<b>97,914</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,312,078</b>	<b>\$ 684,643</b>	<b>\$ 1,440,796</b>	<b>\$ 108,244</b>

See Notes to Financial Statements.

<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 434,434	\$ 2,873,692
-	1,852,569
69,290	289,921
3,745	37,048
<u>\$ 507,469</u>	<u>\$ 5,053,230</u>

\$ 9,923	\$ 451,906
-	67,945
<u>9,923</u>	<u>519,851</u>

-	<u>59,552</u>
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3,745	37,048
-	673,376
493,801	493,801
-	1,296,572
-	97,914
-	293,678
-	25,000
-	1,556,438
<u>497,546</u>	<u>4,473,827</u>

<u>\$ 507,469</u>	<u>\$ 5,053,230</u>
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# City of Dalworthington Gardens, Texas

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

September 30, 2021

<b>Fund Balances - Total Governmental Funds</b>	\$ 4,473,827
 <b>Adjustments for the Statement of Net Position:</b>	
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.	
Capital assets - non-depreciable	1,992,978
Capital assets - net depreciable	4,340,697
 Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.	
Property tax receivable	59,552
 Deferred outflows of resources, represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expenditure) until then.	
Pension contributions	262,047
Pension assumptions	22,603
OPEB contributions	790
OPEB difference between assumptions and actual	20,243
 Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.	
Pension economic experience	(177,469)
Pension investment (gains) losses	(169,077)
OPEB difference in expected and actual experience	(2,156)
 Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.	
Accrued interest	(38,547)
Compensated absences	(70,480)
Long term debt due within one year	(220,066)
Long term debt due in more than one year	(5,768,647)
Net pension liability	(1,717,512)
OPEB liability	(92,864)
<b>Net Position of Governmental Activities \$</b>	<u><u>2,915,919</u></u>

See Notes to Financial Statements.

# City of Dalworthington Gardens, Texas

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

For the Year Ended September 30, 2021

	General	Parks and Recreation Facility Development	Capital Projects	Debt Service
<b><u>Revenues</u></b>				
Property tax	\$ 1,870,062	\$ -	\$ -	\$ 314,153
Sales tax	560,931	139,041	-	-
Franchise and local taxes	312,868	-	-	-
License and permits	63,449	-	-	-
Fines and forfeitures	375,586	-	-	-
Oil and gas mineral rights	149,714	-	-	-
Interest income	5,347	2,582	556	369
Intergovernmental	326,631	-	-	-
Other revenues	127,237	25,829	-	-
<b>Total Revenues</b>	<b>3,791,825</b>	<b>167,452</b>	<b>556</b>	<b>314,522</b>
<b><u>Expenditures</u></b>				
Current:				
Community development	177,133	-	-	-
Municipal court	191,989	-	-	-
General government	331,393	-	9,822	-
Police	1,687,815	-	-	-
Fire	318,454	-	-	-
Public works	157,982	-	-	-
Parks and recreation	-	78,527	-	-
Capital outlay	68,645	15,163	1,153,305	-
Debt Service:				
Principal	76,396	-	-	140,000
Interest and fiscal charges	4,916	-	-	164,788
Bond issuance costs	-	-	51,100	-
<b>Total Expenditures</b>	<b>3,014,723</b>	<b>93,690</b>	<b>1,214,227</b>	<b>304,788</b>
<b>Excess of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>777,102</b>	<b>73,762</b>	<b>(1,213,671)</b>	<b>9,734</b>
<b><u>Other Financing Sources (Uses)</u></b>				
Debt issuance	-	-	955,000	-
Premium on debt issuance	-	-	98,234	-
Sale of capital assets	19,000	-	-	-
Transfers out	-	-	(84,469)	-
Transfers in	-	20,777	21,817	2,134
<b>Total Other Financing (Sources)</b>	<b>19,000</b>	<b>20,777</b>	<b>990,582</b>	<b>2,134</b>
<b>Net Change in Fund Balances</b>	<b>796,102</b>	<b>94,539</b>	<b>(223,089)</b>	<b>11,868</b>
Beginning fund balances	1,104,865	581,220	1,524,730	86,046
<b>Ending Fund Balances</b>	<b>\$ 1,900,967</b>	<b>\$ 675,759</b>	<b>\$ 1,301,641</b>	<b>\$ 97,914</b>

See Notes to Financial Statements.

<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 2,184,215
415,695	1,115,667
-	312,868
-	63,449
29,804	405,390
-	149,714
974	9,828
-	326,631
171	153,237
<u>446,644</u>	<u>4,720,999</u>
-	177,133
-	191,989
-	341,215
169,923	1,857,738
-	318,454
56,199	214,181
-	78,527
193,430	1,430,543
-	216,396
-	169,704
-	51,100
<u>419,552</u>	<u>5,046,980</u>
27,092	(325,981)
-	955,000
-	98,234
-	19,000
(42,594)	(127,063)
82,335	127,063
<u>39,741</u>	<u>1,072,234</u>
66,833	746,253
430,713	3,727,574
<u>\$ 497,546</u>	<u>\$ 4,473,827</u>

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**City of Dalworthington Gardens, Texas**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2021**

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

Net changes in fund balances - total governmental funds	\$	746,253
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay		1,430,543
Depreciation expense		(472,097)
Capital assets contributed from county		382,985
Book value of capital assets disposed of		(7,057)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(6,165)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences		(6,875)
Accrued interest		(9,963)
Pension expense		221,604
OPEB expense reduction		(9,565)

The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond issuance		(955,000)
Bond premium		(98,234)
Principal payments		216,396
Amortization of premium		13,513

<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b>1,446,338</b>
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See Notes to Financial Statements.



# City of Dalworthington Gardens, Texas

## STATEMENT OF NET POSITION

### PROPRIETARY FUND

September 30, 2021

	<b>Water, Sewer &amp; Sanitation</b>
<b><u>Assets</u></b>	
<b><u>Current Assets</u></b>	
Cash and cash equivalents	\$ 448,681
Prepaid expenses	13,792
Receivables, net	261,657
<b>Total Current Assets</b>	<b>724,130</b>
<b><u>Noncurrent Assets</u></b>	
Capital assets:	
Non-depreciable	120,562
Net depreciable capital assets	2,249,334
<b>Total Noncurrent Assets</b>	<b>2,369,896</b>
<b>Total Assets</b>	<b>3,094,026</b>
<b><u>Deferred Outflows of Resources</u></b>	
Pension	50,232
OPEB	3,711
<b>Total Deferred Outflows of Resources</b>	<b>53,943</b>
<b><u>Liabilities</u></b>	
<b><u>Current Liabilities</u></b>	
Accounts payable and accrued liabilities	130,468
Customer deposits	68,093
Accrued interest	7,470
Compensated absences, current	7,969
Long-term debt due within one year	81,606
<b>Total Current Liabilities</b>	<b>295,606</b>
<b><u>Noncurrent Liabilities</u></b>	
Net pension liability	303,090
OPEB liability	16,388
Compensated absences, noncurrent	886
Long-term debt, noncurrent	262,245
<b>Total Liabilities</b>	<b>878,215</b>
<b><u>Deferred Inflows of Resources</u></b>	
Pension	61,155
OPEB	380
<b>Total Deferred Inflows of Resources</b>	<b>61,535</b>
<b><u>Net Position</u></b>	
Net investment in capital assets	2,026,045
Unrestricted	182,174
<b>Total Net Position</b>	<b>\$ 2,208,219</b>

See Notes to Financial Statements.

# City of Dalworthington Gardens, Texas

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

For the Year Ended September 30, 2021

	<b>Water, Sewer &amp; Sanitation</b>
<b><u>Operating Revenues</u></b>	
Water sales	\$ 1,085,333
Sewer revenue	651,964
Refuse collection	190,306
Other revenue	42,977
<b>Total Operating Revenues</b>	<b>1,970,580</b>
 <b><u>Operating Expenses</u></b>	
Cost of water	479,312
Cost of sewer	345,398
Cost of refuse	173,512
Personnel	371,053
Material, utilities & maintenance	120,647
Contracted and other services	150,827
Depreciation	198,082
<b>Total Operating Expenses</b>	<b>1,838,831</b>
<b>Operating Income (Loss)</b>	<b>131,749</b>
 <b><u>Nonoperating Revenues (Expenses)</u></b>	
Investment income	1,624
Intergovernmental	8,824
Interest expense	(12,989)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(2,541)</b>
<b>Change in Net Position</b>	<b>129,208</b>
Beginning net position	2,079,011
<b>Ending Net Position</b>	<b>\$ 2,208,219</b>

See Notes to Financial Statements.

# City of Dalworthington Gardens, Texas

## STATEMENT OF CASH FLOWS PROPRIETARY FUND (Page 1 of 2) For the Year Ended September 30, 2021

	<b>Water, Sewer &amp; Sanitation</b>
<b><u>Cash Flows from Operating Activities</u></b>	
Receipts from customers	\$ 2,039,048
Payments to suppliers and contractors	(1,321,430)
Payments to employees	(409,274)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>308,344</b>
<b><u>Cash Flows from Noncapital and Financing Activities</u></b>	
Operating grants	8,824
<b>Net Cash Provided (Used) by Capital Financing Activities</b>	<b>8,824</b>
<b><u>Cash Flows from Capital and Financing Activities</u></b>	
Purchase of capital assets	(45,811)
Capital lease principal payment	(78,863)
Interest paid	(14,703)
<b>Net Cash Provided (Used) by Capital Financing Activities</b>	<b>(139,377)</b>
<b><u>Cash Flows from Investing Activities</u></b>	
Interest on investments	1,624
<b>Net Cash Provided by Investing Activities</b>	<b>1,624</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>179,415</b>
Beginning cash, cash equivalents, and restricted cash	269,266
<b>Ending Cash, Cash Equivalents, and Restricted Cash</b>	<b>\$ 448,681</b>

See Notes to Financial Statements.

# City of Dalworthington Gardens, Texas

## STATEMENT OF CASH FLOWS PROPRIETARY FUND (Page 2 of 2) For the Year Ended September 30, 2021

	<u>Water, Sewer &amp; Sanitation</u>
<b><u>Reconciliation of Operating Income (Loss) to Net Cash (Used) by Operating Activities</u></b>	
Operating Income (Loss)	\$ 131,749
Adjustments to reconcile operating income to net cash used:	
Depreciation	198,082
<b>Changes in Operating Assets and Liabilities:</b>	
<b>(Increase) Decrease in:</b>	
Accounts receivable	64,213
Prepaid expenses	(7,612)
Deferred outflows of resources: OPEB	(1,883)
Deferred outflows of resources: Pension	(5,620)
<b>Increase (Decrease) in:</b>	
Accounts payable and accrued liabilities	(44,122)
Customer deposits	4,255
Compensated absences	(803)
Net pension liability	(16,390)
OPEB liability	4,150
Deferred inflows of resources - OPEB	(578)
Deferred inflows of resources - pension	(17,097)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 308,344</b>

See Notes to Financial Statements.

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# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS

September 30, 2021

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

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

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

**Blended component units.** The City's Parks and Recreation Facility Development Corporation is governed by the City Council. The Corporation is financially accountable to the City since the City serves as governance over the Corporation and has the ability to impose its will over the Corporation. Although it is legally separate from the City, the Parks and Recreation Facility Development Corporation is reported as a special revenue fund as if it were part of the primary government because its board is substantially the same as the City's governing City Council.

The Dalworthington Gardens Crime Control and Prevention District is a special purpose district that collects sales tax within its boundaries for the purpose of controlling and preventing crime. The District's board consists of the City Council and is reported as a special revenue fund as if it were part of the primary government. The District is financially accountable to the City since the City serves as governance over the District and has the ability to impose its will over the District. Although it is legally separate from the City, the Crime Control and Prevention District is reported as a special revenue fund as if it were part of the primary government because its board is substantially the same as the City's governing City Council.

#### B. Financial Statement Presentation

These financial statements include implementation of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and*

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

*Analysis – for State and Local Governments.* Requirements of the statement include the following:

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

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

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

### C. Government-Wide and Fund Financial Statements

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

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipients for goods or services offered by the programs and grants that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, such as taxes and investment earnings, are presented as general revenues.

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

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

### **Governmental Funds**

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

#### **General Fund**

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

#### **Debt Service Fund**

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

#### **Capital Projects Fund**

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

#### **Parks and Recreation Facilities Development Corporation**

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



# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

### **Proprietary Fund Types**

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

The government reports the following major enterprise fund:

#### **Water, Sewer, & Sanitation Fund**

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

### **D. Measurement Focus and Basis of Accounting**

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and component units are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing resources) and decreases (i.e., expenditures and other financing uses) in net current assets.

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

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

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

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

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

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

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

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

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

#### 1. Deposits and Investments

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

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

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

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

#### 2. Fair Value Measurement

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

#### 3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

reported as “due to/from other funds” in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as “due to/from component unit/primary government.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

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

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

#### **4. Property Taxes**

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

#### **5. Capital Assets**

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

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

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

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

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

### 6. Deferred Outflows/Inflows of Resources

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

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

### 7. Net Position Flow Assumption

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

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

### 8. Fund Balance Flow Assumptions

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

### 9. Fund Balance Policies

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

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

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

### 10. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation balances and banked compensation

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

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

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

### **11. Long-Term Obligations**

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

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

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

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

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

### 12. Pensions

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

### 13. Estimates

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

### 14. Other Postemployment Benefits ("OPEB")

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary, calculated based on the employee's actual earnings on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.



# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

### II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

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

### III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

The City has implemented procedures to ensure budgetary compliance. No expenditure can be made unless there is a budget available or an approved budget amendment has been submitted. Department head and management will review the budget variances on a regular basis and the budget will be amended if necessary.

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

### IV. DETAILED NOTES ON ALL FUNDS

#### A. Deposits and Investments

As stated in I.E.1., the City’s cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition. The City’s investments in 2a7-like pools such as TexStar are included in this category. Although the City’s investments in TexStar and LOGIC are available for immediate withdrawal, disclosure of the pool’s weighted average maturity and bond rating are required. The City had the following deposits considered to be cash and cash equivalents at year end:

Investment Type	Carrying Value	Weighted Average Maturity Days
TexStar investment pool	721,349	39
LOGIC investment pool	1,957,882	59
Total fair value	\$ 2,679,231	

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

*Credit risk* The City’s investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than “A” or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency, No-load money market mutual funds registered and regulated by the SEC and must maintain a stable net asset value of \$1.00 per share, Certificates of deposits which are fully FDIC insured or collateralized from a depository institution doing business in the State of Texas, not to exceed 5 years to stated maturity, and investment pools with an investment quality not less than AAA or AAA-m, or equivalent, by at least one nationally recognized rating service. As of September 30, 2021, the City’s investment in TexSTAR and LOGIC was rated AAAM by Standard & Poor’s.

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

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

instrumentalities that have a market value of not less than the principal amount of the deposits. As of September 30, 2021, the market values of pledged securities and FDIC exceeded bank balances.

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

### TexSTAR

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

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

### LOGIC

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

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

LOGIC’s governing body is a five-member board of trustees (“Board”) comprised of individuals who are employees, officers or elected officials of Participants in the fund or who do not have a business relationship with the Fund and are qualified to advise. A maximum of two Advisory Directors will serve in a non-voting advisory capacity to the Board. JPMIM provides investment management services to the Board and HTS provides Participant administrative, marketing and distribution services to the Board. JPMCB and/or its subcontractors or delegates provide custodial, fund accounting, and depository services. At September 30, 2021, the fair value of the position in LOGIC approximates fair value of the shares. There were no limitations or restrictions on withdrawals.

### B. Receivables

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

	General	Parks and Recreation Facility Development	Debt Service	Nonmajor Governmental	Water, Sewer & Sanitation	Total
Taxes						
Property taxes \$	49,225	-	10,330	-	-	59,555
Sales taxes	93,241	23,191	-	69,290	-	185,722
Franchise tax	6,417	-	-	-	-	6,417
Oil and gas	30,888	-	-	-	-	30,888
Accounts	9,319	-	-	-	356,910	366,229
Allowance	(1,980)	-	-	-	(95,253)	(97,233)
<b>Total</b>	<u>\$ 187,110</u>	<u>\$ 23,191</u>	<u>\$ 10,330</u>	<u>\$ 69,290</u>	<u>\$ 261,657</u>	<u>\$ 551,578</u>

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

### C. Interfund Transactions

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

Transfer in	Transfer out	Amount
Park Recreation & Facility Corp.	Park fund	\$ 20,777.00 <sup>1</sup>
Debt service fund	Capital projects fund	2,134 <sup>2</sup>
Capital projects fund	Street sales tax fund	21,817 <sup>3</sup>
Street sales tax fund	Capital projects fund	82,335 <sup>4</sup>

- 1 The park fund donated the fund balance to the Park Recreation & Facility Corp. to be used for park improvements.
  
- 2 A reimbursement for the reduction in 2021 GO debt issuance recorded in the capital projects fund was transferred to the debt service fund.
  
- 3 The street sales tax fund reimbursed the capital projects fund for costs related to the 47th CDBG project.
  
- 4 The capital projects fund reimbursed the street sales tax fund for costs related to the Indian Trail and Twin Springs street repair projects.

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

### D. Capital Assets

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

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, not being depreciated:				
Land	\$ 291,438	\$ -	\$ -	\$ 291,438
Construction in progress	641,272	1,672,912	(612,644)	1,701,540
Total capital assets not being depreciated	<u>932,710</u>	<u>1,672,912</u>	<u>(612,644)</u>	<u>1,992,978</u>
Capital assets, being depreciated:				
Buildings and improvements	714,974	-	-	714,974
Vehicles and equipment	3,444,134	126,393	(749,473)	2,821,054
Infrastructure	5,078,328	14,223	612,644	5,705,195
Total capital assets being depreciated	<u>9,237,436</u>	<u>140,616</u>	<u>(136,829)</u>	<u>9,241,223</u>
Less accumulated depreciation				
Buildings and improvements	481,860	20,183	-	502,043
Vehicles and equipment	2,062,785	264,568	(742,416)	1,584,937
Infrastructure	2,626,200	187,346	-	2,813,546
Total accumulated depreciation	<u>5,170,845</u>	<u>472,097</u>	<u>(742,416)</u>	<u>4,900,526</u>
Net capital assets being depreciated	<u>4,066,591</u>	<u>(331,481)</u>	<u>605,587</u>	<u>4,340,697</u>
<b>Total capital assets</b>	<u>\$ 4,999,301</u>	<u>\$ 1,341,431</u>	<u>\$ (7,057)</u>	<u>\$ 6,333,675</u>

Depreciation was charged to governmental functions as follows:

Community Development	\$ 8,569
General government	13,688
Public safety	249,154
Public works	169,253
Parks and recreation	31,433
<b>Total Governmental Activities Depreciation Expense</b>	<u>\$ 472,097</u>

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, not being depreciated:				
Land	\$ 109,201	\$ -	\$ -	\$ 109,201
Construction in progress	-	11,361	-	11,361
<b>Total capital assets not being depreciated</b>	<u>109,201</u>	<u>11,361</u>	<u>-</u>	<u>120,562</u>
Capital assets, being depreciated:				
Buildings and improvements	1,118	-	-	1,118
Water and sewer system improvements	6,134,981	28,550	(2,337)	6,161,194
Vehicles and equipment	296,815	5,900	(80,701)	222,014
<b>Total capital assets being depreciated</b>	<u>6,432,914</u>	<u>34,450</u>	<u>(83,038)</u>	<u>6,384,326</u>
Less accumulated depreciation				
Buildings and improvements	1,118	-	-	1,118
Water and sewer system improvements	3,794,415	186,543	(2,337)	3,978,621
Vehicles and equipment	224,415	11,539	(80,701)	155,253
<b>Total accumulated depreciation</b>	<u>4,019,948</u>	<u>198,082</u>	<u>(83,038)</u>	<u>4,134,992</u>
<b>Net capital assets being depreciated</b>	<u>2,412,966</u>	<u>(163,632)</u>	<u>-</u>	<u>2,249,334</u>
<b>Total capital assets</b>	<u>\$ 2,522,167</u>	<u>\$ (152,271)</u>	<u>\$ -</u>	<u>\$ 2,369,896</u>

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

### E. Long-term Debt

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
<b>Governmental Activities:</b>					
Bonds, notes and other payables:					
Combination Tax and Revenue Certificate of Obligation					
	\$ 1,425,000	\$ -	\$ (60,000)	\$ 1,365,000	\$ 60,000
General Obligation Refunding & Improvement Bonds					
	2,965,000	-	(80,000)	2,885,000	80,000
General Obligation Bonds					
	-	955,000	-	955,000	35,000
Deferred amounts:					
For issuance premiums					
	251,659	98,234	(13,513)	336,380	-
	<u>4,641,659</u>	<u>1,053,234</u>	<u>(153,513)</u>	<u>5,541,380</u>	<u>175,000</u>
Other liabilities:					
Capital lease					
	523,729	-	(76,396)	447,333	45,066
<b>Total Governmental Activities</b>	<u>\$ 5,165,388</u>	<u>\$ 1,053,234</u>	<u>\$ (229,909)</u>	<u>\$ 5,988,713</u>	<u>\$ 220,066</u>
<b>Long-term liabilities due in more than one year</b>				<u>\$ 5,768,647</u>	

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

The following is a summary of changes in the City's total business-type long-term liabilities for the year ended.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
<b>Business-Type Activities:</b>					
Other liabilities:					
Capital lease					
	\$ 422,714	\$ -	\$ (78,863)	\$ 343,851	\$ 81,606
<b>Total Governmental Activities</b>	<u>\$ 422,714</u>	<u>\$ -</u>	<u>\$ (78,863)</u>	<u>343,851</u>	<u>\$ 81,606</u>
<b>Long-term liabilities due in more than one year</b>				<u>\$ 262,245</u>	



# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

	Governmental Activities	Business- Type Activities	Total
<b>Certificates of obligation:</b>			
\$1,755,000 Certificates of obligation, Series 2014, due in annual installments through 2034, interest at 2-4%	\$ 1,365,000	\$ -	\$ 1,365,000
<b>Total certificates of obligation</b>	1,365,000	-	1,365,000
<b>General obligation bonds:</b>			
\$3,190,000 Refunding & improvement bond, Series 2017, due in annual installments through 2042, interest at 2-4.25%	2,885,000	-	2,885,000
\$955,000 General obligation bond, Series 2021, due in annual installments through 2041, interest at 2-4%	955,000	-	955,000
<b>Total general obligation bonds</b>	3,840,000	-	3,840,000
<b>Less deferred amounts:</b>			
Issuance premiums	336,381	-	336,381
<b>Total deferred amounts</b>	336,381	-	336,381
<b>Capital leases:</b>			
Capital leases	447,332	343,851	791,183
<b>Total capital leases</b>	447,332	343,851	791,183
<b>Total Debt</b>	\$ 5,988,713	\$ 343,851	\$ 6,332,564

Total governmental activities capital assets acquired through capital leases had balances as of September 30, 2021 for cost, accumulated depreciation, and carrying value of \$1,148,481, \$509,106, and \$639,376, respectively. Depreciation expense recognized on these assets during the year ended September 30, 2021 was \$119,029.

Total business-type activities capital assets acquired through capital leases had balances as of September 30, 2021 for cost, accumulated depreciation, and carrying value of \$414,713, \$44,927, and \$369,786, respectively. Depreciation expense recognized on these assets during the year ended September 30, 2021 was \$41,471.

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

Year ending September 30,	General Obligation					
	Bonds		2014 C.O. Bond		Capital Lease	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 115,000	\$ 140,873	\$ 60,000	\$ 49,825	\$ 45,066	\$ 10,870
2023	120,000	139,219	60,000	48,025	46,161	9,775
2024	120,000	135,694	60,000	46,225	47,282	8,653
2025	85,000	132,271	100,000	44,125	48,431	7,504
2026	90,000	129,269	105,000	40,625	49,608	6,328
2027	95,000	125,819	105,000	36,950	50,814	5,122
2028	95,000	122,019	110,000	33,275	52,048	3,887
2029	105,000	118,019	115,000	29,425	53,313	2,623
2030	105,000	113,819	120,000	25,400	54,610	1,327
2031	110,000	109,519	125,000	21,200	-	-
2032	115,000	105,113	130,000	16,200	-	-
2033	115,000	100,701	135,000	11,000	-	-
2034	125,000	96,097	140,000	5,600	-	-
2035	275,000	88,304	-	-	-	-
2036	285,000	77,310	-	-	-	-
2037	295,000	66,363	-	-	-	-
2038	310,000	55,413	-	-	-	-
2039	320,000	44,013	-	-	-	-
2040	330,000	31,875	-	-	-	-
2041	335,000	19,038	-	-	-	-
2042	295,000	6,269	-	-	-	-
	<u>\$ 3,840,000</u>	<u>\$ 1,957,017</u>	<u>\$ 1,365,000</u>	<u>\$ 407,875</u>	<u>\$ 447,333</u>	<u>\$ 56,089</u>

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

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

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

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

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

Year ending September 30,	Capital Lease	
	Principal	Interest
2022	\$ 81,606	\$ 11,959
2023	84,444	9,121
2024	87,381	6,184
2025	90,420	3,145
2026	-	-
	\$ 343,851	\$ 30,409

### F. Other Long-term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Compensated Absences	\$ 63,605	\$ 62,020	\$ (55,144)	\$ 70,481	\$ 63,432
<b>Total Governmental Activities</b>	\$ 63,605	\$ 62,020	\$ (55,144)	\$ 70,481	\$ 63,432
<b>Business-Type Activities:</b>					
Compensated Absences	\$ 9,658	\$ 11,532	\$ (12,335)	\$ 8,855	\$ 7,969
<b>Total Business-Type Activities</b>	\$ 9,658	\$ 11,532	\$ (12,335)	\$ 8,855	\$ 7,969

### G. Fund Equity

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

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

	<u>Fund Balance</u>		<u>Net Position</u>
	<u>Restricted</u>	<u>Assigned</u>	<u>Restricted</u>
Parks and recreation	\$ 673,376	\$ -	\$ 674,316 <sup>1</sup>
Municipal court security	33,759 *	-	33,759 <sup>1</sup>
Municipal court automation	103,380 *	-	103,380 <sup>1</sup>
Public safety seizures	3,919 *	-	3,919 <sup>1</sup>
Crime control prevention district	202,438 *	-	202,438 <sup>1</sup>
Street sales tax	150,305	-	150,305 <sup>1</sup>
Debt service	97,914	-	108,244
Capital improvements	1,296,572	-	-
Fire truck	-	25,000	-
CLSFRF-ARPA grant	293,678 *	-	293,678
	<u>\$ 2,855,341</u>	<u>\$ 25,000</u>	<u>\$ 1,570,039</u>

\* Restricted by enabling legislation

<sup>1</sup> Special revenue

## V. OTHER INFORMATION

### A. Risk Management

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

### B. Contingent Liabilities

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

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

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

### C. Arbitrage

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

### D. Pension Plans

#### Texas Municipal Retirement System

##### 1. Plan Description

The City of Dalworthington Gardens, Texas participates as one of 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.tmrs.com](http://www.tmrs.com).

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

##### 2. Benefits Provided

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

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

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

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

	<u>Plan Year 2020</u>	<u>Plan Year 2019</u>
Employee deposit rate	7%	7%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100%	100%
Annuity increase (to retirees)	70% of CPI	70% of CPI

### **Employees covered by benefit terms**

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

	<u>2020</u>	<u>2019</u>
Inactive employees or beneficiaries currently receiving benefits	16	15
Inactive employees entitled to but not yet receiving benefits	31	25
Active employees	27	26
Total	74	66

### **3. Contributions**

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

Employees for the City of Dalworthington Gardens, Texas were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Dalworthington Gardens, Texas were 20.99% and 23.22% in calendar years 2020 and 2021,

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

respectively. The City's contributions to TMRS for the year ended September 30, 2021, were \$416,081 and were equal to the required contributions.

#### 4. Net Pension Liability (Asset)

The City's Net Pension Liability (Asset) was measured as of December 31, 2020, 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, 2020 actuarial valuation was determined using the following actuarial assumptions:

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

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

Actuarial assumptions used in the December 31, 2020, valuation were based on the results of actuarial experience studies. Except for healthy post-retirement mortality and the mortality assumption used to develop certain Annuity Purchase Rates (APRs), the current actuarial assumptions were developed from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2014 through December 31, 2018. The APRs currently used by the System to annuitize member's account balances at retirement were updated based on the Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5%. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2020 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return (Arithmetic)</b>
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
Total	100.0%	

### Discount Rate

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



# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

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

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 3,703,128	\$ 2,020,602	\$ 685,357

### Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
<b>Balance at 12/31/19</b>	\$ 9,221,453	\$ 7,091,589	\$ 2,129,864
Changes for the year:			
Service Cost	336,573	-	336,573
Interest (on the Total Pension Liab.)	622,439	-	622,439
Difference between expected and actual experience	(45,950)	-	(45,950)
Changes of assumptions	-	-	-
Contributions – employer	-	365,287	(365,287)
Contributions – employee	-	121,821	(121,821)
Net investment income	-	538,835	(538,835)
Benefit payments, including refunds of emp. contributions	(336,841)	(336,841)	-
Administrative expense	-	(3,483)	3,483
Other changes	-	(136)	136
Net changes	576,221	685,483	(109,262)
<b>Balance at 12/31/20</b>	<b>\$ 9,797,674</b>	<b>\$ 7,777,072</b>	<b>\$ 2,020,602</b>

### Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the internet at [www.tmr.com](http://www.tmr.com).

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

For the year ended September 30, 2021, the City recognized pension expense of \$155,371.

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

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

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual economic experience	\$ -	\$ 208,787
Changes in assumptions	26,592	
Investment gains (inflows) or losses outflows	-	198,914
Contributions subsequent to the measurement date	308,290	-
<b>Total</b>	<b>\$ 334,882</b>	<b>\$ 407,701</b>

The City reported \$308,290 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Plan year ended December 31:</b>	
2021	\$ (192,949)
2022	(51,004)
2023	(125,127)
2024	(12,029)
2023	-
Thereafter	-
<b>Total</b>	<b>\$ (381,109)</b>

### **Supplemental Death Benefits Fund**

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

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

### Employees covered by benefit terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	14
Inactive employees entitled to but not yet receiving benefits	7
Active employees	27
Total	48

The City's contributions to the TMRS SDBF for the years ended 2021, 2020, and 2019 were \$1,083, \$509, and \$422 respectively, which equaled the required contributions each year. The required contribution rates for the retiree for 2021 was 0.07% and for 2020 and 2019 was 0.03%, respectively.

### Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2020, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2021

**Actuarial assumptions:**

The Total OPEB Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.50% to 11.5%, including inflation per year
Discount rate	2.00%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

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

**Discount Rate:**

The discount rate used to measure the Total OPEB Liability was 2.00%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2020.

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

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.00%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.00%) or 1-percentage-point higher (3.00%) than the current rate:

<b>1% Decrease</b>	<b>Current Single Rate</b>	<b>1% Increase</b>
<b>1.00%</b>	<b>Assumption 2.00%</b>	<b>3.00%</b>
\$ 140,509	\$ 109,252	\$ 86,557

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

### Changes in the Total OPEB Liability:

	<b>Total OPEB Liability</b>
<b>Balance at 12/31/19</b>	\$ 81,589
Changes for the year:	
Service Cost	5,395
Interest	2,311
Difference between expected and actual experience	2,812
Changes of assumptions	17,667
Benefit payments	(522)
Net changes	27,663
<b>Balance at 12/31/20</b>	<b>\$ 109,252</b>

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

For the year ended September 30, 2021, the City recognized OPEB expense of \$12,337.

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

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 2,536
Changes in assumptions	23,815	-
Contributions after the measurement date	929	-
<b>Total</b>	<b>\$ 24,744</b>	<b>\$ 2,536</b>

The City reported \$929 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending September 30, 2022.

# City of Dalworthington Gardens, Texas

## NOTES TO FINANCIAL STATEMENTS, Continued

September 30, 2021

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

<u>Year ended December 31:</u>	
2021	\$ 4,631
2022	4,631
2023	3,785
2024	5,498
2025	2,734
Thereafter	-
	<u>\$ 21,279</u>

### E. Subsequent Events

On December 16, 2021, the City passed Resolution 2021-30 to award the 47<sup>th</sup> Year Community Development Block Grant (CDBG) Project for Ambassador Row to McClendon Construction Co., Inc. in the amount of \$279,958, of which \$97,341 is the city's responsibility, and \$182,617 will come from Tarrant County through the CDBG program.

There were no other material subsequent events through March 8, 2022, the date the financial statements were available to be issued.

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***REQUIRED SUPPLEMENTARY INFORMATION***



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

**GENERAL FUND**

For the Year Ended September 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>General</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Property tax	\$ 1,822,578	\$ 1,865,576	\$ 1,870,062	\$ 4,486
Sales tax	480,003	550,735	560,931	10,196
Franchise and local taxes	348,635	302,180	312,868	10,688
License and permits	44,500	58,285	63,449	5,164
Municipal court	419,320	367,170	375,586	8,416
Oil and gas mineral rights	60,000	128,756	149,714	20,958
Interest income	14,507	5,475	5,347	(128)
Intergovernmental	-	326,631	326,631	-
Other revenues	147,539	126,091	127,237	1,146
<b>Total Revenues</b>	<u>3,337,082</u>	<u>3,730,899</u>	<u>3,791,825</u>	<u>60,926</u>
<b>Expenditures</b>				
Current:				
Community development	202,624	179,986	177,133	(2,853)
Municipal court	202,259	193,239	191,989	(1,250)
General government	390,597	347,159	331,393	(15,766)
Police	1,837,253	1,759,867	1,687,815	(72,052)
Fire	402,885	386,803	318,454	(68,349)
Public works	159,458	210,150	157,982	(52,168)
Capital outlay	10,000	128,196	68,645	(59,551)
Debt service				
Principal	75,704	76,396	76,396	-
Interest and fiscal charges	5,801	4,917	4,916	(1)
<b>Total Expenditures</b>	<u>3,286,581</u>	<u>3,286,713</u>	<u>3,014,723</u>	<u>(271,990)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	25,000	29,000	19,000	(10,000)
Transfers out	(10,000)	(10,000)	-	10,000
<b>Total Other Financing Sources (Uses)</b>	<u>15,000</u>	<u>19,000</u>	<u>19,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 65,501</u>	<u>\$ 463,186</u>	<u>796,102</u>	<u>\$ 332,916</u>
Beginning fund balance			<u>1,104,865</u>	
<b>Ending Fund Balance</b>			<u>\$ 1,900,967</u>	

Notes to Required Supplementary Information:

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

See Notes to Financial Statements.

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**City of Dalworthington Gardens, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**PARKS AND RECREATION FACILITY DEVELOPMENT FUND**  
**For the Year Ended September 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Parks and Recreation Facility Development</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Sales tax	\$ 118,601	\$ 131,704	\$ 139,041	\$ 7,337
Other revenues	-	25,784	25,829	45
Interest income	4,200	2,543	2,582	39
<b>Total Revenues</b>	<u>122,801</u>	<u>160,031</u>	<u>167,452</u>	<u>7,421</u>
<b><u>Expenditures</u></b>				
Current:				
Parks and recreation	89,425	79,602	78,527	(1,075)
Capital outlay	27,180	14,223	15,163	940
<b>Total Expenditures</b>	<u>116,605</u>	<u>93,825</u>	<u>93,690</u>	<u>(135)</u>
<b>Revenues Over (Under)</b>	<u>6,196</u>	<u>66,206</u>	<u>73,762</u>	<u>7,556</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	20,777	20,777	-
<b>Total Other Financing</b>	<u>-</u>	<u>20,777</u>	<u>20,777</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 6,196</u>	<u>\$ 86,983</u>	94,539	<u>\$ 7,556</u>
Beginning fund balance			581,220	
<b>Ending Fund Balance</b>			<u>\$ 675,759</u>	

Notes to Required Supplementary Information

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

See Notes to Financial Statements.

# City of Dalworthington Gardens, Texas

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Years Ended December 31,

	<sup>1</sup> <u>12/31/2020</u>	<u>12/31/2019</u>
Total pension liability		
Service cost	\$ 336,573	\$ 296,220
Interest	622,439	578,828
Differences between expected and actual experience	(45,950)	42,318
Changes in assumptions	-	51,678
Benefit payments, including refunds of participant contributions	(336,841)	(349,415)
<b>Net change in total pension liability</b>	<u>576,221</u>	<u>619,629</u>
<b>Total pension liability - beginning</b>	<u>9,221,452</u>	<u>8,601,823</u>
<b>Total pension liability - ending (a)</b>	<u>9,797,673</u>	<u>9,221,452</u>
<b>Plan fiduciary net position</b>		
Contributions - employer	\$ 365,287	\$ 340,726
Contributions - members	121,821	111,661
Net investment income (loss)	538,835	937,288
Benefit payments, including refunds of participant contributions	(336,841)	(349,415)
Administrative expenses	(3,483)	(5,291)
Other	(136)	(159)
<b>Net change in plan fiduciary net position</b>	<u>685,483</u>	<u>1,034,810</u>
<b>Plan fiduciary net position - beginning</b>	<u>7,091,588</u>	<u>6,056,778</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 7,777,071</u>	<u>\$ 7,091,588</u>
<b>Fund's net pension liability (asset) - ending (a) - (b)</b>	<u>\$ 2,020,602</u>	<u>\$ 2,129,864</u>
 <b>Plan fiduciary net position as a percentage of the total pension liability</b>	 79.38%	 76.90%
 <b>Covered payroll</b>	 1,740,294	 1,595,158
 <b>Fund's net position as a percentage of covered payroll</b>	 116.11%	 133.52%

**Notes to schedule:**

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

	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
\$	266,612	\$ 265,078	\$ 282,630	\$ 277,028	\$ 265,704
	586,613	553,489	525,093	513,667	481,756
	(608,873)	25,994	(60,072)	(94,934)	(136,520)
	-	-	-	18,672	-
	(399,577)	(309,626)	(326,752)	(225,598)	(95,888)
	(155,225)	534,935	420,899	488,835	515,052
	8,757,048	8,222,113	7,801,214	7,312,379	6,797,327
	8,601,823	8,757,048	8,222,113	7,801,214	7,312,379
\$	327,290	\$ 345,843	\$ 355,310	\$ 354,059	\$ 325,816
	108,631	109,991	113,311	110,496	107,327
	(186,186)	739,082	328,786	6,820	232,020
	(399,577)	(309,626)	(326,752)	(225,598)	(95,888)
	(3,595)	(3,828)	(3,711)	(4,153)	(2,421)
	(188)	(194)	(200)	(205)	(199)
	(153,625)	881,268	466,744	241,419	566,655
	6,210,403	5,329,135	4,862,391	4,620,972	4,054,317
\$	6,056,778	\$ 6,210,403	\$ 5,329,135	\$ 4,862,391	\$ 4,620,972
\$	2,545,045	\$ 2,546,645	\$ 2,892,978	\$ 2,938,823	\$ 2,691,407

	70.41%	70.92%	64.81%	62.33%	63.19%
1,551,874	\$ 1,571,297	\$ 1,618,726	\$ 1,578,510	\$ 1,516,714	
164.00%	162.07%	178.72%	186.18%	177.45%	

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

	<sup>1</sup> <u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>
Actuarially determined employer contributions	\$ 416,081	\$ 357,853	\$ 329,285
Contributions in relation to the actuarially determined contribution	<u>\$ 416,081</u>	<u>\$ 357,853</u>	<u>\$ 329,285</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Annual covered payroll	\$ 1,841,226	\$ 1,696,592	\$ 1,546,926
Employer contributions as a percentage of covered payroll	22.60%	21.09%	21.29%

**NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN**

**Valuation Date:**

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

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2020 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2020 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

**Other Information:**

Notes There were no benefit changes during the year.

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

<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>
\$ 331,898	\$ 350,145	\$ 346,656	\$ 334,267
\$ 331,898	\$ 350,145	\$ 346,656	\$ 334,267
\$ -	\$ -	\$ -	\$ -
\$ 1,555,187	\$ 1,592,059	\$ 1,569,560	\$ 1,514,074
21.34%	21.99%	22.09%	22.08%



# City of Dalworthington Gardens, Texas

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

### TEXAS MUNICIPAL RETIREMENT SYSTEM

Year Ended December 31,

	<sup>1</sup> 2020	2019
Total OPEB liability		
Service cost	\$ 5,395	\$ 3,350
Interest	2,311	2,338
Changes of assumptions	17,667	14,500
Differences in expected and actual experience	2,812	300
Benefit payments, including refunds of participant contributions	(522)	(479)
<b>Net changes</b>	<b>27,663</b>	<b>20,009</b>
<b>Total OPEB liability - beginning</b>	<b>81,589</b>	<b>61,580</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 109,252</b>	<b>\$ 81,589</b>
<b>Covered-employee payroll</b>	<b>\$ 1,740,294</b>	<b>\$ 1,595,158</b>
<b>Total OPEB Liability as a percentage of covered-employee payroll</b>	<b>6.28%</b>	<b>5.11%</b>

**Notes to schedule:**

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

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

<u>2018</u>	<u>2017</u>
\$ 2,638	\$ 2,200
2,424	2,349
(5,439)	6,623
(9,789)	-
(310)	(314)
(10,476)	10,858
72,056	61,198
\$ 61,580	\$ 72,056
\$ 1,551,874	\$ 1,571,297
3.97%	4.59%

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***OTHER SUPPLEMENTARY INFORMATION***

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**City of Dalworthington Gardens, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**  
**For the Year Ended September 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Debt Service</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Property tax	\$ 306,610	\$ 306,610	\$ 314,153	\$ 7,543
Interest income	2,923	2,923	369	(2,554)
<b>Total Revenues</b>	<u>309,533</u>	<u>309,533</u>	<u>314,522</u>	<u>4,989</u>
<b><u>Expenditures</u></b>				
Current:				
Debt service				
Principal	140,000	140,000	140,000	-
Interest and fiscal charges	164,788	164,788	164,788	-
<b>Total Expenditures</b>	<u>304,788</u>	<u>304,788</u>	<u>304,788</u>	<u>-</u>
<b>Revenues Over (Under)</b>	<u>4,745</u>	<u>4,745</u>	<u>9,734</u>	<u>4,989</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	2,134	2,134	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>2,134</u>	<u>2,134</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 4,745</u>	<u>\$ 6,879</u>	11,868	<u>\$ 4,989</u>
Beginning fund balance			86,046	
<b>Ending Fund Balance</b>			<u>\$ 97,914</u>	

Notes to Other Supplementary Information

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

See Notes to Financial Statements.

**City of Dalworthington Gardens, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**CAPITAL PROJECTS FUND**  
**For the Year Ended September 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Capital Projects</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Interest income	\$ 1,641	\$ 1,641	\$ 556	\$ (1,085)
<b>Total Revenues</b>	<u>1,641</u>	<u>1,641</u>	<u>556</u>	<u>(1,085)</u>
<b><u>Expenditures</u></b>				
Current:				
General government	-	9,822	9,822	-
Capital outlay	1,427,710	1,431,808	1,153,305	(278,503)
Debt service				-
Bond issuance costs	-	51,100	51,100	-
<b>Total Expenditures</b>	<u>1,427,710</u>	<u>1,492,730</u>	<u>1,214,227</u>	<u>(278,503)</u>
<b>Revenues Over (Under)</b>	<u>(1,426,069)</u>	<u>(1,491,089)</u>	<u>(1,213,671)</u>	<u>277,418</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	23,473	21,817	(1,656)
Transfers (out)	(85,719)	(87,853)	(84,469)	3,384
Bond issuance	-	955,000	955,000	-
Bond premium	-	98,234	98,234	-
<b>Total Other Financing Sources</b>	<u>(85,719)</u>	<u>988,854</u>	<u>990,582</u>	<u>1,728</u>
<b>Net Change in Fund Balance</b>	<u>\$ (1,511,788)</u>	<u>\$ (502,235)</u>	<u>(223,089)</u>	<u>\$ 279,146</u>
Beginning fund balance			1,524,730	
<b>Ending Fund Balance</b>			<u>\$ 1,301,641</u>	

Notes to Other Supplementary Information

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

See Notes to Financial Statements.

**City of Dalworthington Gardens, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**CRIME CONTROL AND PREVENTION DISTRICT**  
**For the Year Ended September 30, 2021**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Crime Control and Prevention</b>	<b>Variance with Final Budget</b>
<b><u>Revenues</u></b>				
Sales tax	\$ 237,201	\$ 266,448	\$ 276,653	\$ 10,205
Interest income	183	75	89	14
<b>Total Revenues</b>	<b>237,384</b>	<b>266,523</b>	<b>276,742</b>	<b>10,219</b>
<b><u>Expenditures</u></b>				
Current:				
Public safety	156,151	154,278	140,527	(13,751)
Capital outlay	131,150	165,422	21,820	(143,602)
<b>Total Expenditures</b>	<b>287,301</b>	<b>319,700</b>	<b>162,347</b>	<b>(157,353)</b>
<b>Revenues Over (Under)</b>	<b>(49,917)</b>	<b>(53,177)</b>	<b>114,395</b>	<b>167,572</b>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	10,000	10,000	-	(10,000)
<b>Total Other Financing (Sources)</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>	<b>(10,000)</b>
<b>Net Change in Fund Balance</b>	<b>\$ (39,917)</b>	<b>\$ (43,177)</b>	<b>114,395</b>	<b>\$ 157,572</b>
Beginning fund balance			88,043	
<b>Ending Fund Balance</b>			<b>\$ 202,438</b>	

Notes to Other Supplementary Information

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

See Notes to Financial Statements.



**City of Dalworthington Gardens, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**MUNICIPAL COURT SECURITY FUND**  
**For the Year Ended September 30, 2021**

	<b>Original and Final Budget</b>	<b>Muni. Court Security</b>	<b>Variance with Final Budget</b>
<b><u>Revenues</u></b>			
Fines and forfeitures	\$ 7,800	\$ 12,795	\$ 4,995
Interest income	240	171	(69)
<b>Total Revenues</b>	8,040	12,966	4,926
<b><u>Expenditures</u></b>			
Current:			
Public safety	4,507	1,259	(3,248)
<b>Total Expenditures</b>	4,507	1,259	(3,248)
<b>Revenues Over (Under) Expenditures</b>	3,533	11,707	8,174
<b>Net Change in Fund Balance</b>	\$ 3,533	11,707	\$ 8,174
Beginning fund balance		22,052	
<b>Ending Fund Balance</b>		\$ 33,759	

Notes to Other Supplementary Information

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

See Notes to Financial Statements.

**City of Dalworthington Gardens, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**MUNICIPAL COURT AUTOMATION FUND**  
**For the Year Ended September 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Muni. Court Automation</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Fines and forfeitures	\$ 10,800	\$ 10,800	\$ 11,576	\$ 776
Interest income	1,200	1,200	723	(477)
<b>Total Revenues</b>	<u>10,800</u>	<u>12,000</u>	<u>12,299</u>	<u>299</u>
<b><u>Expenditures</u></b>				
Current:				
Public safety	17,286	19,280	14,450	(4,830)
<b>Total Expenditures</b>	<u>17,286</u>	<u>19,280</u>	<u>14,450</u>	<u>(4,830)</u>
<b>Revenues Over (Under)</b>	<u>(6,486)</u>	<u>(7,280)</u>	<u>(2,151)</u>	<u>5,129</u>
<b>Net Change in Fund Balance</b>	<u>\$ (6,486)</u>	<u>\$ (7,280)</u>	<u>(2,151)</u>	<u>\$ 5,129</u>
Beginning fund balance			<u>109,276</u>	
<b>Ending Fund Balance</b>			<u>\$ 107,125</u>	

Notes to Other Supplementary Information

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

See Notes to Financial Statements.

**City of Dalworthington Gardens, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**PARK DONATIONS FUND**  
**For the Year Ended September 30, 2021**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Park Donations</b>	<b>Variance with Final Budget</b>
<b><u>Revenues</u></b>				
Interest income	21	21	\$ 8	(13)
<b>Total Revenues</b>	21	21	8	(13)
<b><u>Expenditures</u></b>				
Current:				
Parks and recreation	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-
<b>Revenues Over (Under)</b>	21	21	8	(13)
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers (out)	-	(20,777)	(20,777)	-
<b>Total Other Financing Sources</b>	-	(20,777)	(20,777)	-
<b>Net Change in Fund Balance</b>	\$ 21	\$ (20,756)	(20,769)	\$ (13)
Beginning fund balance			20,769	
<b>Ending Fund Balance</b>			\$ -	

Notes to Other Supplementary Information

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

See Notes to Financial Statements.

**City of Dalworthington Gardens, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**PUBLIC SAFETY SEIZURES FUND**  
**For the Year Ended September 30, 2021**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Public Safety Seizures</b>	<b>Variance with Final Budget</b>
<b><u>Revenues</u></b>				
Fines and forfeitures	\$ -	\$ 5,434	\$ 5,433	\$ (1)
<b>Total Revenues</b>	-	5,434	5,433	(1)
<b><u>Expenditures</u></b>				
Current:				
Public safety	-	13,689	13,687	(2)
<b>Total Expenditures</b>	-	13,689	13,687	(2)
<b>Revenues Over (Under)</b>	-	(8,255)	(8,254)	1
<b>Net Change in Fund Balance</b>	\$ -	\$ (8,255)	(8,254)	\$ 1
Beginning fund balance			12,173	
<b>Ending Fund Balance</b>			\$ 3,919	

Notes to Other Supplementary Information

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

See Notes to Financial Statements.

**City of Dalworthington Gardens, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**STREET SALES TAX FUND**  
**For the Year Ended September 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Sales Tax</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Sales tax	\$ 118,601	\$ 139,042	\$ 139,042	\$ -
Interest income	1,016	1,016	154	(862)
<b>Total Revenues</b>	<u>119,617</u>	<u>140,058</u>	<u>139,196</u>	<u>(862)</u>
<b><u>Expenditures</u></b>				
Current:				
Public works	40,000	56,277	56,199	(78)
Capital Outlay	170,993	171,610	171,610	-
<b>Total Expenditures</b>	<u>210,993</u>	<u>227,887</u>	<u>227,809</u>	<u>(78)</u>
<b>Revenues Over (Under)</b>	<u>(91,376)</u>	<u>(87,829)</u>	<u>(88,613)</u>	<u>(784)</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	85,719	85,719	82,335	(3,384)
Transfers (out)	-	(21,817)	(21,817)	-
<b>Total Other Financing Sources</b>	<u>85,719</u>	<u>63,902</u>	<u>60,518</u>	<u>(3,384)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (5,657)</u>	<u>\$ (23,927)</u>	<u>(28,095)</u>	<u>\$ (4,168)</u>
Beginning fund balance			<u>178,400</u>	
<b>Ending Fund Balance</b>			<u>\$ 150,305</u>	

Notes to Other Supplementary Information

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

See Notes to Financial Statements.

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

For the Year Ended September 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Proprietary Fund</u>	<u>Variance with Final Budget</u>
<b><u>Revenues</u></b>				
Water sales	\$ 1,085,123	\$ 1,080,453	\$ 1,085,333	\$ 4,880
Sewer revenue	621,775	654,563	651,964	(2,599)
Refuse collection	188,654	190,239	190,306	67
Other revenue	36,481	42,659	42,977	318
<b>Total Operating Revenues</b>	<u>1,932,033</u>	<u>1,967,914</u>	<u>1,970,580</u>	<u>2,666</u>
<b><u>Expenditures</u></b>				
Current:				
Cost of water	499,016	493,250	479,312	(13,938)
Cost of Sewer	356,438	347,510	345,398	(2,112)
Cost of Refuse	175,609	172,206	173,512	1,306
Personnel	405,493	409,563	371,053	(38,510)
Material, utilities & maintenance	113,362	126,869	120,647	(6,222)
Contracted & other services	327,429	213,926	150,827	(63,099)
Capital Outlay	78,863	140,111	45,811	(94,300)
<b>Total Operating Expenses</b>	<u>1,956,210</u>	<u>1,982,298</u>	<u>1,765,423</u>	<u>(216,875)</u>
<b>Operating Income (Loss)</b>	(24,177)	(14,384)	205,157	219,541
<b><u>Nonoperating Revenues (Expenses)</u></b>				
Intergovernmental	-	8,824	8,824	-
Investment income	600	1,618	1,624	6
Interest expense	(13,580)	(12,989)	(12,989)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(12,980)</u>	<u>(2,547)</u>	<u>(2,541)</u>	<u>6</u>
<b>Income (Loss) Before Capital</b>				
<b>Contributions and Transfers</b>	(37,157)	(16,931)	202,616	219,547
Capital contributions	-	76,313	-	(76,313)
<b>Net Change in Net Position</b>	<u>\$ (37,157)</u>	<u>\$ 59,382</u>	202,616	<u>\$ 143,234</u>
Beginning fund balance			2,079,011	
<b>Ending Net Position-modified</b>			<u>2,281,627</u>	<sup>1</sup>
Capital lease principal payments			78,863	
Capital expenses			45,811	
Depreciation			(198,082)	
<b>Ending Net Position</b>			<u>\$ 2,208,219</u>	

<sup>1</sup> Comparison schedule presented on modified accrual basis

# City of Dalworthington Gardens, Texas

## SCHEDULE OF SERVICES AND RATES

For the Year Ended September 30, 2021

(Unaudited)

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

<u>Water:</u>	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Maximum Gallons</u>	<u>Flat Rate (Y/N)</u>	<u>Rate per 1k gallons &gt; min</u>
Residential	\$30	2,000	N/A	Y	\$4.00
Commercial	\$55	2,000	N/A	Y	\$4.00
 <u>Sewer:</u>					
Residential	\$25	2,000	15,000	Y	\$3.75
Commercial	\$55	2,000	N/A	Y	\$3.75

City employs winter averging for sewer usage? No

Total charges per 10,000 gallons of residential usage:	Water	Sewer
	\$62	\$55

<u>Monthly Rate</u>	<u>Garbage</u>	<u>HHW</u>
Residential	\$16.53	\$1.00
Commercial hand-collect	\$20.62	N/A

3. Total water consumption (in thousands) during the fiscal year:  
 Gallons pumped into system: 196,348  
     Billed gallons to customers and flushing gallons: 188,312  
     Water accountability ratio: 95.9%

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

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>
5/8" x 3/4"	633	620
1"	385	383
1 1/2"	28	28
2"	40	38
Total Water Connections	1,086	1,069



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



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## ***NONMAJOR GOVERNMENTAL FUNDS***

### ***MUNICIPAL COURT SECURITY FUND***

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

### ***MUNICIPAL COURT AUTOMATION FUND***

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

### ***PARK DONATIONS FUND***

The Park Donations Fund accounts for grants restricted for City parks.

### ***PUBLIC SAFETY SEIZURES FUND***

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

### ***CRIME CONTROL AND PREVENTION DISTRICT FUND***

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

### ***STREET SALES TAX FUND***

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

# City of Dalworthington Gardens, Texas

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS September 30, 2021

	Municipal Court Security	Municipal Court Automation	Park Donations	Public Safety Seizures
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 33,759	\$ 103,380	\$ -	\$ 6,589
Restricted cash	-	-	-	-
Receivables, net	-	-	-	-
Prepaid expenses	-	3,745	-	-
<b>Total Assets</b>	<b>\$ 33,759</b>	<b>\$ 107,125</b>	<b>\$ -</b>	<b>\$ 6,589</b>
 <b><u>Liabilities</u></b>				
Accounts payable and accrued liabilities	-	-	-	2,670
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,670</b>
<b><u>Fund Balances</u></b>				
Nonspendable	-	3,745	-	-
Restricted	33,759	103,380	-	3,919
<b>Total Fund Balances</b>	<b>33,759</b>	<b>107,125</b>	<b>-</b>	<b>3,919</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 33,759</b>	<b>\$ 107,125</b>	<b>\$ -</b>	<b>\$ 6,589</b>

<b>Crime Control &amp; Prevention</b>	<b>Street Sales Tax</b>	<b>Total</b>
\$ 163,592	\$ 127,114	\$ 434,434
-	-	-
46,099	23,191	69,290
-	-	3,745
<u>\$ 209,691</u>	<u>\$ 150,305</u>	<u>\$ 507,469</u>
7,253	-	9,923
<u>7,253</u>	<u>-</u>	<u>9,923</u>
-	-	3,745
202,438	150,305	493,801
<u>202,438</u>	<u>150,305</u>	<u>497,546</u>
<u>\$ 209,691</u>	<u>\$ 150,305</u>	<u>\$ 507,469</u>

**City of Dalworthington Gardens, Texas**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2021**

	<b>Municipal Court Security</b>	<b>Municipal Court Automation</b>	<b>Park Donations</b>	<b>Public Safety Seizures</b>
<b><u>Revenues</u></b>				
Sales tax	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	12,795	11,576	-	5,433
Interest income	-	723	8	-
Other Income	171	-	-	-
<b>Total Revenues</b>	<b>12,966</b>	<b>12,299</b>	<b>8</b>	<b>5,433</b>
<b><u>Expenditures</u></b>				
Current:				
Public safety	1,259	14,450	-	13,687
Public works	-	-	-	-
Capital outlay	-	-	-	-
<b>Total Expenditures</b>	<b>1,259</b>	<b>14,450</b>	<b>-</b>	<b>13,687</b>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	-	-	-
Transfers out	-	-	(20,777)	-
<b>Total Other financing sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(20,777)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>11,707</b>	<b>(2,151)</b>	<b>(20,769)</b>	<b>(8,254)</b>
Beginning fund balances	22,052	109,276	20,769	12,173
<b>Ending Fund Balances</b>	<b>\$ 33,759</b>	<b>\$ 107,125</b>	<b>\$ -</b>	<b>\$ 3,919</b>

<b>Crime Control &amp; Prevention</b>	<b>Street Sales Tax</b>	<b>Total</b>
\$ 276,653	\$ 139,042	\$ 415,695
-	-	29,804
89	154	974
-	-	171
<u>276,742</u>	<u>139,196</u>	<u>446,644</u>
140,527	-	169,923
-	56,199	56,199
21,820	171,610	193,430
<u>162,347</u>	<u>227,809</u>	<u>419,552</u>
-	82,335	82,335
-	(21,817)	(42,594)
-	60,518	39,741
114,395	(28,095)	66,833
88,043	178,400	430,713
<u>\$ 202,438</u>	<u>\$ 150,305</u>	<u>\$ 497,546</u>

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## STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b>Pages</b>
<b><i>Financial Trends</i></b>	116-127
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b><i>Revenue Capacity</i></b>	128-135
These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.	
<b><i>Debt Capacity</i></b>	136-141
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<b><i>Demographic and Economic Information</i></b>	142-143
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
<b><i>Operating Information</i></b>	144-148
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	



# City of Dalworthington Gardens, Texas

## NET POSITION BY COMPONENT

Last Ten Fiscal Years

(accrual basis of accounting)

	2012	2013	2014	2015
<b>Governmental Activities</b>				
Net investment in				
capital assets	\$ 1,354,820	\$ 1,035,882	\$ 1,566,193	\$ 1,550,369
Restricted	717,454	621,720	726,479	677,142
Unrestricted	1,251,463	1,843,415	1,055,031	(1,176,014)
<b>Total Governmental</b>				
<b>Net Position</b>	\$ 3,323,737	\$ 3,501,017	\$ 3,347,703	\$ 1,051,497
 <b>Business-type Activities</b>				
Net investment in				
capital assets	\$ 1,397,347	\$ 1,728,648	\$ 1,632,261	\$ 1,500,419
Restricted				
Unrestricted	864,796	352,164	282,863	(176,613)
<b>Total Business-type Activities Net Position</b>	\$ 2,262,143	\$ 2,080,812	\$ 1,915,124	\$ 1,323,806
 <b>Primary Government</b>				
Net investment in				
capital assets	\$ 2,752,167	\$ 2,764,530	\$ 3,198,454	\$ 3,050,788
Restricted	717,454	621,720	726,479	677,142
Unrestricted	2,116,259	2,195,579	1,337,894	(1,352,627)
<b>Total Primary Government Net Position</b>	\$ 5,585,880	\$ 5,581,829	\$ 5,262,827	\$ 2,375,303

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 1,397,164	\$ 158,570	\$ 670,317	\$ 842,275	\$ 1,283,471	\$ 1,631,584
747,893	857,671	729,051	916,781	1,144,354	1,570,039
<u>(1,949,562)</u>	<u>(1,951,528)</u>	<u>(1,743,036)</u>	<u>(1,242,945)</u>	<u>(958,244)</u>	<u>(285,704)</u>
<u>\$ 195,495</u>	<u>\$ (935,287)</u>	<u>\$ (343,668)</u>	<u>\$ 516,111</u>	<u>\$ 1,469,581</u>	<u>\$ 2,915,919</u>
\$ 1,371,368	\$ 2,213,593	\$ 2,266,376	\$ 2,128,576	\$ 2,107,200	\$ 2,026,045
(623,207)	(285,441)	(361,590)	(348,826)	187,881	182,174
<u>(623,207)</u>	<u>(285,441)</u>	<u>(361,590)</u>	<u>(348,826)</u>	<u>(216,070)</u>	<u>182,174</u>
<u>\$ 748,161</u>	<u>\$ 1,928,152</u>	<u>\$ 1,904,786</u>	<u>\$ 1,779,750</u>	<u>\$ 2,079,011</u>	<u>\$ 2,208,219</u>
\$ 2,768,532	\$ 2,372,163	\$ 2,936,693	\$ 2,970,851	\$ 3,390,671	\$ 3,657,629
747,893	857,671	729,051	916,781	1,332,235	1,570,039
<u>(2,572,769)</u>	<u>(2,236,969)</u>	<u>(2,104,626)</u>	<u>(1,591,771)</u>	<u>(1,174,314)</u>	<u>(103,530)</u>
<u>\$ 943,656</u>	<u>\$ 992,865</u>	<u>\$ 1,561,118</u>	<u>\$ 2,295,861</u>	<u>\$ 3,548,592</u>	<u>\$ 5,124,138</u>

# City of Dalworthington Gardens, Texas

## CHANGES IN NET POSITION

Last Ten Fiscal Years

(accrual basis of accounting)

	2012	2013	2014	2015
<b>Expenses</b>				
<b>Governmental activities:</b>				
Community Development	\$	\$	\$	\$
General government	785,607	985,501	822,839	1,060,768
Public Safety	1,824,727	1,735,647	1,820,837	2,109,499
Public works	375,514	409,102	482,299	450,297
Parks and recreation	-	-	-	-
Interest and fiscal charges	69,272	49,893	164,227	66,443
Total governmental activities	3,055,120	3,180,143	3,290,202	3,687,007
<b>Business-type activities:</b>				
Water, Sewer, & Sanitation	1,299,955	1,303,696	1,505,826	1,628,878
Total business-type activities	1,299,955	1,303,696	1,505,826	1,628,878
Total primary government	\$ 4,355,075	\$ 4,483,839	\$ 4,796,028	\$ 5,315,885
<b>Program Revenues</b>				
<b>Governmental activities:</b>				
Charges for services:				
Community Development	\$ -	\$ -	\$ -	\$ -
General government	82,722	115,978	69,747	64,832
Public Safety	777,358	944,803	775,168	744,341
Capital & operating grants & contributions	-	-	-	-
Total governmental activities	860,080	1,060,781	844,915	809,173
<b>Business-type activities:</b>				
Charges for services:				
Water, Sewer, & Sanitation	1,378,205	1,251,831	1,381,330	1,236,177
Capital & operating grants & contributions	-	-	-	-
Total business-type activities	1,378,205	1,251,831	1,381,330	1,236,177
Total primary government	\$ 2,238,285	\$ 2,312,612	\$ 2,226,245	\$ 2,045,350
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (2,195,040)	\$ (2,119,362)	\$ (2,445,287)	\$ (2,877,834)
Business-type activities	78,250	(51,865)	(124,496)	(392,701)
Total primary government	\$ (2,116,790)	\$ (2,171,227)	\$ (2,569,783)	\$ (3,270,535)

2016	2017	2018	2019	2020	2021
\$	\$	\$	\$	\$	\$
863,364	779,597	640,615	213,510	195,897	171,754
2,184,652	2,123,033	2,029,993	324,896	348,346	338,353
1,000,728	416,975	360,568	2,178,548	2,218,488	2,453,132
114,229	105,100	189,202	294,305	259,123	375,022
79,751	244,947	165,508	116,303	120,630	107,909
4,242,724	3,669,652	3,385,886	160,193	156,835	217,254
			3,287,755	3,299,319	3,663,424
1,906,406	1,669,094	1,755,314	1,788,601	1,809,397	1,851,820
1,906,406	1,669,094	1,755,314	1,788,601	1,809,397	1,851,820
\$ 6,149,130	\$ 5,338,746	\$ 5,141,200	\$ 5,076,356	\$ 5,108,716	\$ 5,515,244
\$ -	\$ -	\$ -	\$ 85,294	\$ 74,458	\$ 63,449
165,018	198,685	97,791	-	-	-
561,564	533,399	532,338	521,455	404,773	405,390
120,000	-	477,253	-	125,487	709,616
846,582	732,084	1,107,382	606,749	604,718	1,178,455
1,330,579	1,669,699	1,752,416	1,658,820	1,940,032	1,970,580
-	-	-	-	126,665	8,824
1,330,579	1,669,699	1,752,416	1,658,820	2,066,697	1,979,404
\$ 2,177,161	\$ 2,401,783	\$ 2,859,798	\$ 2,265,569	\$ 2,671,415	\$ 3,157,859
\$ (3,396,142)	\$ (2,937,568)	\$ (2,278,504)	\$ (2,681,006)	\$ (2,694,601)	\$ (2,484,969)
(575,827)	605	(2,898)	(129,781)	257,300	127,584
\$ (3,971,969)	\$ (2,936,963)	\$ (2,281,402)	\$ (2,810,787)	\$ (2,437,301)	\$ (2,357,385)

# City of Dalworthington Gardens, Texas

## CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years

(accrual basis of accounting)

	2012	2013	2014	2015
<b>General Revenues</b>				
<b>Governmental activities:</b>				
Taxes:				
Property taxes	\$ 863,466	\$ 858,985	\$ 842,617	\$ 848,431
Sales taxes	778,877	614,248	726,602	784,902
Franchise taxes	377,860	372,173	401,536	378,440
Oil and gas mineral rights	490,436	348,765	227,154	650,113
Interest Income	542	333	135	102
Other revenue	74,934	58,694	73,332	47,051
Gain (loss) on sale of assets			13,660	7,000
Transfers, net		43,444	41,324	37,200
<b>Total governmental activities</b>	2,586,115	2,296,642	2,326,360	2,753,239
<b>Business-type activities:</b>				
Interest Income	545	335	132	100
Other Income	-	-	-	-
Transfers, net	-	(43,444)	(41,324)	(37,200)
<b>Total business-type activities</b>	545	(43,109)	(41,192)	(37,100)
<b>Total primary government</b>	\$ 2,586,660	\$ 2,253,533	\$ 2,285,168	\$ 2,716,139
 <b>Change in Net Position</b>				
Governmental activities	\$ 391,075	\$ 177,280	\$ (118,927)	\$ (124,595)
Business-type activities	78,795	(94,974)	(165,688)	(429,801)
<b>Total primary government</b>	\$ 469,870	\$ 82,306	\$ (284,615)	\$ (554,396)

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 857,678	\$ 927,715	\$ 1,252,733	\$ 1,900,957	\$ 1,993,889	\$ 2,178,050
768,334	772,811	790,310	841,944	1,008,013	1,115,667
371,677	365,243	345,480	376,434	355,690	312,868
497,937	397,197	306,034	202,527	123,088	149,714
1,313	6,747	55,662	99,595	50,268	9,828
43,201	109,080	115,035	114,374	117,123	165,180
-	-	-	-	-	-
-	(838,644)	56,691	(4,151)	-	-
<u>2,540,140</u>	<u>1,740,149</u>	<u>2,921,945</u>	<u>3,531,680</u>	<u>3,648,071</u>	<u>3,931,307</u>
182	174	2,401	4,248	1,651	1,624
-	226,939	42,967	36,656	40,310	-
-	838,644	(56,691)	4,151	-	-
<u>182</u>	<u>1,065,757</u>	<u>(11,323)</u>	<u>45,055</u>	<u>41,961</u>	<u>1,624</u>
<u>\$ 2,540,322</u>	<u>\$ 2,805,906</u>	<u>\$ 2,910,622</u>	<u>\$ 3,576,735</u>	<u>\$ 3,690,032</u>	<u>\$ 3,932,931</u>
\$ (856,002)	\$ (1,197,419)	\$ 643,441	\$ 850,674	\$ 953,470	\$ 1,446,338
(575,645)	1,066,362	(14,221)	(84,726)	299,261	129,208
<u>\$ (1,431,647)</u>	<u>\$ (131,057)</u>	<u>\$ 629,220</u>	<u>\$ 765,948</u>	<u>\$ 1,252,731</u>	<u>\$ 1,575,546</u>

# City of Dalworthington Gardens, Texas

## FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Years

(modified accrual basis of accounting)

	2012	2013	2014	2015
General fund:				
Reserved	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	500	500
Restricted	-	-	-	-
Assigned	-	-	-	-
Committed	209,017	209,017	209,017	-
Unassigned	1,585,533	1,792,670	964,207	925,874
Total general fund	\$ 1,794,550	\$ 2,001,687	\$ 1,173,724	\$ 926,374
All other governmental funds:				
Reserved	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	-	-
Restricted	717,454	621,720	2,557,844	2,655,226
Assigned	-	-	-	-
Committed	-	-	-	-
Unassigned	(117)	-	-	-
Total all other governmental funds	\$ 717,337	\$ 621,720	\$ 2,557,844	\$ 2,655,226

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
500	6,453	12,872	20,707	25,171	25,851
-	-	-	-	38,024	293,678
-	-	-	-	-	25,000
-	-	-	100,091	-	-
651,537	564,248	502,075	807,170	1,041,670	1,556,438
<u>\$ 652,037</u>	<u>\$ 570,701</u>	<u>\$ 514,947</u>	<u>\$ 927,968</u>	<u>\$ 1,104,865</u>	<u>\$ 1,900,967</u>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	11,197
1,373,090	3,863,864	3,356,447	2,813,620	2,622,709	2,561,663
-	-	-	-	-	-
-	-	-	-	-	-
(105,820)	-	-	-	-	-
<u>\$ 1,267,270</u>	<u>\$ 3,863,864</u>	<u>\$ 3,356,447</u>	<u>\$ 2,813,620</u>	<u>\$ 2,622,709</u>	<u>\$ 2,572,860</u>



# City of Dalworthington Gardens, Texas

## CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2012	2013	2014	2015
<b>Revenues</b>				
Property Tax	\$ 831,381	\$ 845,639	\$ 838,889	\$ 848,431
Sales Tax	778,877	614,248	726,602	784,902
Franchise Tax	377,860	372,173	401,536	378,440
Licenses and permits	82,722	115,978	69,747	64,832
Fines and forfeitures	777,358	944,803	775,168	744,341
Oil and gas mineral rights	490,436	348,765	227,154	650,113
Interest Income	542	333	135	102
Intergovernmental				
Other revenue	74,934	58,694	73,332	47,051
<b>Total Revenues</b>	3,414,110	3,300,633	3,112,563	3,518,212
<b>Expenditures</b>				
Community development				
Court				
General government	703,081	721,509	749,043	886,252
Police				
Fire				
Public safety	1,631,004	1,664,033	1,706,867	1,954,582
Public works	262,282	246,544	359,286	351,090
Parks and recreation				
Debt service				
Principal	85,000	85,000	870,000	163,922
Interest	59,655	59,510	53,969	82,852
Bond issuance costs			85,692	
Capital outlay	145,345	455,961	35,834	273,682
<b>Total Expenditures</b>	2,886,367	3,232,557	3,860,691	3,712,380
<b>Revenues over (under) expenditures</b>	527,743	68,076	(748,128)	(194,168)
<b>Other Financing Sources (Uses)</b>				
Transfers in		43,444	41,324	199,752
Transfers (out)				(162,552)
Proceeds from sale of capital			13,600	7,000
Capital lease issuance				
Bond issuance			1,755,000	
Premium on bonds issued			80,692	
Payment to refunded bond escrow agent				
<b>Total other financing sources</b>	-	43,444	1,890,616	44,200
Special items				
<b>Net Change in Fund Balances</b>	\$ 527,743	\$ 111,520	\$ 1,142,488	\$ (149,968)
Ratio of total debt service expenditures to noncapital expenditures	5.28%	5.20%	26.40%	7.18%

	2016	2017	2018	2019	2020	2021
\$	852,341	\$ 919,865	\$ 1,253,459	\$ 1,914,963	\$ 1,975,746	\$ 2,184,215
	768,334	772,811	790,310	841,944	1,008,013	1,115,667
	371,677	365,243	345,480	376,474	355,690	312,868
	165,018	198,685	97,791	85,294	74,458	63,449
	561,564	533,399	532,338	521,455	404,773	405,390
	497,937	397,197	306,034	202,527	123,088	149,714
	1,313	6,747	55,662	99,595	50,268	9,828
					39,703	326,631
	43,201	109,080	95,706	104,674	99,863	153,237
	<u>3,261,385</u>	<u>3,303,027</u>	<u>3,476,780</u>	<u>4,146,926</u>	<u>4,131,602</u>	<u>4,720,999</u>
				216,976	196,481	177,133
				201,756	185,770	191,989
850,674	760,351	637,000	318,894	343,818	341,215	341,215
			1,598,338	1,642,708	1,857,738	1,857,738
			301,962	320,314	318,454	318,454
2,035,209	1,962,901	1,929,493				
429,314	279,127	246,052	174,153	109,190	214,181	214,181
84,407	84,988	158,226	89,958	90,719	78,527	78,527
164,016	146,377	226,117	234,363	158,790	216,396	216,396
83,786	71,118	185,223	175,740	169,631	169,704	169,704
	145,434				51,100	51,100
1,276,272	584,604	696,934	991,435	1,444,612	1,430,543	1,430,543
<u>4,923,678</u>	<u>4,034,900</u>	<u>4,079,045</u>	<u>4,303,575</u>	<u>4,662,033</u>	<u>5,046,980</u>	<u>5,046,980</u>
(1,662,293)	(731,873)	(602,265)	(156,649)	(530,431)	(325,981)	(325,981)
	39,631	344	18,200	13,450	290,221	290,221
	(53,525)	(344)	(18,200)	(13,450)	(290,221)	(290,221)
	-	21,729	15,700	17,260	19,000	19,000
		93,699		499,157		
	3,190,000				955,000	955,000
	221,790				98,234	98,234
	(291,698)					
<u>-</u>	<u>3,106,198</u>	<u>115,428</u>	<u>15,700</u>	<u>516,417</u>	<u>1,072,234</u>	<u>1,072,234</u>
<u>\$ (1,662,293)</u>	<u>\$ 2,374,325</u>	<u>\$ (486,837)</u>	<u>\$ (140,949)</u>	<u>\$ (14,014)</u>	<u>\$ 746,253</u>	<u>\$ 746,253</u>
6.79%	10.52%	12.16%	12.38%	10.21%	12.09%	12.09%

**City of Dalworthington Gardens, Texas**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**Last Ten Fiscal Years**

<b>Tax Year</b>	<b>Fiscal Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Less: Tax Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
2011	2012	\$ 316,564,624	\$ 28,065,054	\$ 24,955,666	\$ 319,674,012	0.262739
2012	2013	319,867,719	37,821,284	26,055,073	331,633,930	0.262739
2013	2014	323,390,167	34,280,285	28,409,169	329,261,283	0.262739
2014	2015	328,808,531	31,625,059	29,218,745	331,214,845	0.262739
2015	2016	328,842,354	42,424,789	29,842,333	341,424,810	0.253670
2016	2017	352,186,109	33,871,005	34,961,026	351,096,088	0.273979
2017	2018	369,269,881	31,173,880	38,700,845	361,742,916	0.374379
2018	2019	382,181,474	32,193,757	44,515,540	369,859,691	0.580000
2019	2020	409,861,360	31,093,796	52,036,145	388,919,011	0.580000
2020	2021	418,025,343	27,309,308	53,768,245	391,566,406	0.636593

Note: Tax rates per \$100 of assessed valuation.  
Source: City of Dalworthington Gardens Budget Document.  
Tarrant Appraisal District Tax Roll Summary Reports

# City of Dalworthington Gardens, Texas

## WATER UTILITY REVENUE AND CONSUMPTION

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Billed Revenue</u>	<u>Bill Consumption Gallons '000</u>	<u>Rate per Gallon</u>	<u>Average Monthly Customers</u>
2012	\$ 795,559	223,068	\$ 3.57	1,025
2013	757,778	206,509	3.67	1,029
2014	876,487	206,987	4.23	1,035
2015	729,098	186,962	3.90	1,039
2016	761,456	179,592	4.24	1,045
2017	927,123	181,183	5.12	1,052
2018	1,051,017	209,225	5.02	1,058
2019	896,685	160,311	5.59	1,058
2020	1,119,895	197,380	5.67	1,064
2021	1,084,248	187,529	5.78	1,069

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

Source: City Billing System

**City of Dalworthington Gardens, Texas**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**Last Ten Years**

Fiscal Year	City Direct Rates			Overlapping Rates				Total Direct and Overlapping Rates
	Operating & Maintenance	Interest & Sinking	Total Direct Rate	Arlington Independent School District	Tarrant County	Tarrant County College District	Tarrant County Hospital District	
2012	0.213324	0.049415	0.262739	1.301000	0.264000	0.148970	0.227897	2.204606
2013	0.213324	0.049415	0.262739	1.301000	0.264000	0.148970	0.227897	2.204606
2014	0.212133	0.050606	0.262739	1.292170	0.264000	0.149500	0.227897	2.196306
2015	0.205490	0.057249	0.262739	1.292170	0.264000	0.149500	0.227897	2.196306
2016	0.200492	0.053178	0.253670	1.412952	0.264000	0.149500	0.227897	2.308019
2017	0.237827	0.036152	0.273979	1.390080	0.254000	0.144730	0.227897	2.290686
2018	0.287827	0.086552	0.374379	1.368670	0.244000	0.140060	0.224429	2.351538
2019	0.487983	0.092017	0.580000	1.368670	0.234000	0.136070	0.224429	2.543169
2020	0.487983	0.092017	0.580000	1.298670	0.234000	0.130170	0.224429	2.467269
2021	0.544576	0.092017	0.636593	1.387100	0.234000	0.130170	0.224429	2.612292

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

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

Source: Tarrant Appraisal District

# City of Dalworthington Gardens, Texas

## PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Property Tax Payer	2021			2012		
	Taxable Assessed Value	Rank	% of Taxable Assessed Value	Taxable Assessed Value	Rank	% of Taxable Assessed Value
DFW Midstream Services LLC	\$ 4,506,846	1	1.2%	\$		
HRE Garden Town Center LLC	4,500,000	2	1.1%			
McAndrew, James F	3,055,627	3	0.8%	2,273,134	4	0.7%
Bianco, Sabatino	2,925,789	4	0.7%			
Randal Hospitality LLC	2,555,589	5	0.7%			
Quiktrip Corporation	2,312,361	6	0.6%	2,515,397	2	0.8%
Prosperity Bank	2,000,000	7	0.5%			
Everman Industrial LLC	1,759,475	8	0.4%			
Atmos Energy/Mid Tex Division	1,719,180	9	0.4%			
Riddle, Timothy W	1,577,696	10	0.4%			
XTO Energy Inc		n/a		3,911,920	1	1.2%
Martin, Kenyon		n/a		2,500,000	3	0.8%
The Bank of Arlington	-	n/a		2,000,000	5	0.6%
Jjn W Bowen I Pleasant Rdg LP	-	n/a		1,912,215	6	0.6%
Frazier, Dick ETUX Debbie	-	n/a		1,628,600	7	0.5%
Froeschke, Harry Etux Robin	-	n/a		1,570,000	8	0.5%
Dam Texas Properties LLC		n/a		1,450,000	9	0.5%
Parsons Family Trust, The	-	n/a		1,300,000	10	0.4%
<b>Sub-Total</b>	<u>\$ 26,912,563</u>		<u>6.9%</u>	<u>\$ 21,061,266</u>		<u>6.6%</u>
<b>Remaining Roll</b>	<u>364,653,843</u>		<u>93.1%</u>	<u>298,612,746</u>		<u>93.4%</u>
<b>Total Assessed Valuation</b>	<u><u>\$ 391,566,406</u></u>		<u><u>100.0%</u></u>	<u><u>\$ 319,674,012</u></u>		<u><u>100.0%</u></u>

Source: Tax Office.

Note: Property is assessed as of January 1 and certified to the City by July 25 for taxable values. Information is based on City fiscal year, which is one year ahead of tax year.

**City of Dalworthington Gardens, Texas**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Outstanding As of 9/30/21
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy	
1986-2010	\$	\$		\$	\$	\$	9,494
2011	787,001	779,731	99.1%	6,712	786,443	99.9%	558
2012	823,235	818,566	99.4%	2,891	821,457	99.8%	1,778
2013	853,715	839,284	98.3%	12,364	851,648	99.8%	2,067
2014	847,102	833,325	98.4%	7,994	841,319	99.3%	5,783
2015	850,853	841,492	98.9%	7,517	849,009	99.8%	1,844
2016	848,493	842,969	99.3%	3,348	846,318	99.7%	2,175
2017	925,241	913,546	98.7%	9,462	923,008	99.8%	2,233
2018	1,244,972	1,237,049	99.4%	5,398	1,242,447	99.8%	2,525
2019	1,892,980	1,877,086	99.2%	9,093	1,886,179	99.6%	6,801
2020	1,984,724	1,961,271	98.8%	16,258	1,977,529	99.6%	7,195
2021	2,166,586	2,149,488	99.2%	0	2,149,488	99.2%	17,098
							\$ 59,552

Source: Tarrant Appraisal District  
City's Finance Department

# City of Dalworthington Gardens, Texas

## TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales &amp; Use Tax</b>	<b>Franchise Tax</b>	<b>Total</b>
2012	\$ 831,380	\$ 781,686	\$ 375,051	\$ 1,988,117
2013	845,639	634,983	369,432	1,850,053
2014	838,890	730,403	397,735	1,967,027
2015	848,431	789,249	374,093	2,011,772
2016	852,341	772,919	367,094	1,992,354
2017	919,864	778,409	359,645	2,057,917
2018	1,253,458	795,177	340,612	2,389,247
2019	1,914,962	847,533	370,884	3,133,379
2020	1,975,746	1,008,013	355,690	3,339,448
2021	2,184,215	1,115,667	312,868	3,612,750
Percent Change				
2012-2021	162.7%	42.7%	-16.6%	81.7%

Source: City's Finance Department



# City of Dalworthington Gardens, Texas

## SALES TAX COLLECTIONS BY FUND

Last Ten Fiscal Years

*(Modified Accrual Basis of Accounting)*

	2012	2013	2014	2015
General	\$ 396,657	\$ 323,801	\$ 371,390	\$ 400,574
Street Improvement	-	-	-	-
<b>Total Primary Government</b>	<b>396,657</b>	<b>323,801</b>	<b>371,390</b>	<b>400,574</b>
Component Units:				
Park and Recreation Facility Development Corporation	196,895	160,506	183,778	198,094
Crime Control and Prevention District	188,134	150,675	175,235	190,581
<b>Total Sales Tax Collections</b>	<b>\$ 781,686</b>	<b>\$ 634,983</b>	<b>\$ 730,403</b>	<b>\$ 789,249</b>

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

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 392,561	\$ 396,127	\$ 404,027	\$ 429,916	\$ 506,785	\$ 560,931
-	-		105,706	125,517	139,041
<u>392,561</u>	<u>396,127</u>	<u>404,027</u>	<u>535,622</u>	<u>632,301</u>	<u>699,972</u>
193,953	194,895	199,320	105,706	125,517	139,042
186,405	187,387	191,830	206,185	250,195	276,653
<u><u>\$ 772,919</u></u>	<u><u>\$ 778,409</u></u>	<u><u>\$ 795,177</u></u>	<u><u>\$ 847,513</u></u>	<u><u>\$ 1,008,013</u></u>	<u><u>\$ 1,115,667</u></u>

# City of Dalworthington Gardens, Texas

## RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Governmental activities:</b>				
General Obligation Bonds	425,000	395,000	360,000	325,000
Certificates of Obligation	890,000	835,000	1,755,000	1,710,000
Premiums	-	-	80,692	76,657
Discounts	-	-	-	-
Capital Leases	-	-	-	310,536
<b>Business-type activities:</b>				
Capital Leases	-	-	-	-
Total primary government	<u>\$ 1,315,000</u>	<u>\$ 1,230,000</u>	<u>\$ 2,195,692</u>	<u>\$ 2,422,193</u>
Percentage of personal income (1)	0.93%	0.89%	1.67%	1.85%
Per capita (1)	\$ 579	\$ 537	\$ 951	\$ 1,044

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

(1) Personal income and population data is disclosed on page 142.

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
285,000	\$ 3,190,000	\$ 3,120,000	\$ 3,045,000	\$ 2,965,000	\$ 3,840,000
1,660,000	1,590,000	1,535,000	1,480,000	1,425,000	1,365,000
72,622	290,377	277,471	264,565	251,660	336,381
-	-	-	-	-	-
236,520	160,143	152,725	48,362	523,728	477,332
-	-	-	-	422,714	343,851
<u>\$ 2,254,142</u>	<u>\$ 5,230,520</u>	<u>\$ 5,085,196</u>	<u>\$ 4,837,927</u>	<u>\$ 5,588,102</u>	<u>\$ 6,362,564</u>
1.65%	3.96%	3.62%	3.24%	3.75%	4.25%
\$ 972	\$ 2,245	\$ 2,182	\$ 2,076	\$ 2,398	\$ 2,719

**City of Dalworthington Gardens, Texas**  
**RATIO OF NET GENERAL BONDED DEBT OUTSTANDING**  
**Last Ten Fiscal Years**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>NET TAXABLE ASSESSED VALUE</b>				
All property	\$ 319,674,012	\$ 331,633,930	\$ 329,261,283	\$ 331,214,845
<b>NET BONDED DEBT</b>				
Gross bonded debt <sup>(1)</sup>	1,315,000	1,230,000	2,195,692	2,111,657
Less debt service funds	(34,109)	(57,366)	(74,119)	(94,381)
<b>Net Bonded Debt</b>	<u>\$ 1,280,891</u>	<u>\$ 1,172,634</u>	<u>\$ 2,121,573</u>	<u>\$ 2,017,276</u>
<b>RATIO OF NET BONDED DEBT TO ASSESSED VALUE</b>	0.40%	0.35%	0.64%	0.61%
<b>POPULATION</b>	2,270	2,290	2,310	2,320
<b>NET BONDED DEBT PER CAPITA</b>	\$ 564	\$ 512	\$ 918	\$ 870

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

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

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 341,424,810	\$ 351,096,088	\$ 361,742,916	\$ 369,859,691	\$ 388,919,011	\$ 391,566,406
2,017,622	5,070,377	4,932,471	4,789,565	4,641,660	5,541,381
(108,424)	(85,711)	(72,352)	(75,475)	(86,046)	(97,914)
<u>\$ 1,909,198</u>	<u>\$ 4,984,666</u>	<u>\$ 4,860,119</u>	<u>\$ 4,714,090</u>	<u>\$ 4,555,614</u>	<u>\$ 5,443,467</u>
0.56%	1.42%	1.34%	1.27%	1.17%	1.39%
2,320	2,330	2,330	2,330	2,330	2,340
\$ 823	\$ 2,139	\$ 2,086	\$ 2,023	\$ 1,955	\$ 2,326

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**City of Dalworthington Gardens, Texas**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**As of September 30, 2021**

<u>Governmental Unit</u>	<u>Net Bonded Debt Outstanding</u>	<u>Estimated Percentage Applicable</u> *	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Arlington Independent School District	\$ 1,081,249,956	0.97%	\$ 10,488,125
Tarrant County	213,675,000	0.16%	341,880
Tarrant County College District	255,995,000	0.16%	409,592
Tarrant County Hospital District	14,495,000	0.16%	23,192
Subtotal, overlapping debt			<u>11,262,789</u>
<b>City direct debt</b>			<u>5,541,381</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 16,804,170</u></u>

Sources: Municipal Advisory Council of Texas

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

\* **Methodology for Deriving Overlapping Percentages :**

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



# City of Dalworthington Gardens, Texas

## DEMOGRAPHIC AND ECONOMIC STATISTICS

### Last Ten Fiscal Years

Year	Estimated Population	Personal Income	Per Capita Income	Unemployment Rate
				Tarrant County
2012	2,270	\$ 140,760,430	\$ 62,009	6.0%
2013	2,290	\$ 138,519,810	\$ 60,489	5.8%
2014	2,310	\$ 131,106,360	\$ 56,756	4.6%
2015	2,320	\$ 130,622,960	\$ 56,303	4.1%
2016	2,320	\$ 137,028,480	\$ 59,064	3.9%
2017	2,330	\$ 132,080,710	\$ 56,687	3.2%
2018	2,330	\$ 140,580,550	\$ 60,335	3.3%
2019	2,330	\$ 149,213,200	\$ 64,040	3.2%
2020	2,330	\$ 149,213,200	\$ 64,040	6.4%
2021	2,340	\$ 149,853,600	\$ 64,040	4.4%

Note:

Census data for 2020 will not be available until late March 2022, and 2021 will not be available until September 2022; therefore the per capita estimates for 2019 data are used in the interim.

City of Dalworthington Gardens is served by the Arlington ISD

Sources: Population provided by the North Texas Council of Governments (NTCOG)  
 Per Capita Income provided by the U.S. Census Bureau  
 Unemployment information provided by the U.S Bureau of Labor Statistics

# City of Dalworthington Gardens, Texas

## PRINCIPAL EMPLOYERS

Current Fiscal Year and Prior Fiscal Year

Employer	2020			2021		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Horizon Plumbing	120	1	7.46%	125	1	7.77%
Arlington Classic Academy Primary Campus	60	3	3.73%	60	2	3.73%
Campo Verde	49	4	3.05%	49	3	3.05%
Arlington Classic Academy Intermediate Campus	47	5	2.92%	47	4	2.92%
GBM Maintenance Co.	40	6	2.49%	40	5	2.49%
Metro Mobile Electronics LLC	38	7	2.36%	38	6	2.36%
The Montessori Academy	36	8	2.24%	36	7	2.24%
McAndrew Motors	n/a	n/a	n/a	35	8	2.18%
Green's Produce & Plant	35	9	2.18%	35	9	2.18%
Beez Construction	75	2	4.66%	35	10	2.18%
Infection Control/Germ Blast	30	10	1.87%			
<b>Total</b>	<b>530</b>		<b>32.96%</b>	<b>500</b>		<b>27.49%</b>

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

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

**City of Dalworthington Gardens, Texas**  
**FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM**  
**Last 5 Fiscal Years**

Function/Program	2017	2018	2019	2020	2021
General government	4.90	3.80	2.00	1.50	1.50
Community Development			2.00	2.00	1.99
Public safety	22.60	23.80	24.00	19.50	22.00
Public works	1.80	1.65	0.50	1.00	0.80
Park and recreation	-	0.50	0.50	0.40	1.10
Water and sewer	3.70	4.25	3.50	4.10	4.11
<b>Total</b>	<u>33.00</u>	<u>34.00</u>	<u>32.50</u>	<u>28.50</u>	<u>31.50</u>

Sources: Various City departments.

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

# City of Dalworthington Gardens, Texas

## OPERATING INDICATORS BY FUNCTION/PROGRAM

Current Fiscal and Prior Fiscal Year

Function/Program	2020	2021
<b>Community Development</b>		
Alarm System Permits	14	3
Building Permits Issued	44	48
Certificates of Occupancy Issued	39	50
Fire Alarm/Suppression Permits Issued	14	2
Heating/AC Permits Issued	19	15
Plumbing Permits Issued	45	48
Roof Permits Issued	12	12
Other various Permits Issued	124	81
<b>Public safety</b>		
Police		
Police Calls for Service	6,264	5,060
EMS Calls for Service	125	78
Arrests	155	88
Community Policing Calls	5,412	4,311
Traffic Enforcement	6,305	5,379
<b>Fire</b>		
Fire Calls for Service	130	82
Inspections	78	132
<b>Public works</b>		
# of employees	3	3.5
Hours worked per function:		
Administrative	1260	*
Animal Control	126	*
Building Maintenance	550	*
Park Maintenance	256.5	*
Sewer/Water Maintenance	1195	*
Street Maintenance (outside of full reconstruction)	289.5	*
Construction and Permit Oversight	842	*
<b>Water and Sewer</b>		
Number of residential water customers as of FYE	926	923
Annual billed residential water usage (thousands of gallons)	178,322	168,345
Number of commercial water customers as of FYE	146	146
Annual billed commercial water usage (thousands of gallons)	19,058	19,184
Number of sewer connections	990	989
Annual billed residential sewer usage (15,000 gal cap) (thousands of gallons)	85,583	88,791
Annual billed commercial sewer usage (thousands of gallons)	15,398	16,517
Number of solid waste customers	885	889

\* data is unavailable

Sources: Various City departments.

Ten years of data is unavailable

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# City of Dalworthington Gardens, Texas

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Current Fiscal Year and Prior Fiscal Year

Function/Program	2020	2021
Administration		
City hall building	0	1
Public safety		
Police stations	1	1
Police patrol units	6	6
Police admin units	5	5
Fire engine units	2	2
Fire admin units	1	1
Fire stations	1	1
Public works		
Streets (miles)	19	19
Streetlights	170	170
Manholes	289	289
Drainage Ditches (miles)	11	11
Park and recreational		
Parks	1	1
Parks (acres)	39	39
Playground	1	1
Baseball/Softball field	1	1
Soccer field	1	1
Water and sewer		
Water mains (miles)	23	23
Sanitary sewers (miles)	22	22
Water storage facilities	2	2
Fire hydrants	192	192
Water meters	1,075	1,075

Sources: Various City departments.

Ten years of data is unavailable

# City of Dalworthington Gardens, Texas

## WATER LOSS RATIO

Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Production Gallons '000	272,865	275,889	272,337	277,738	277,283
Billed and unbilled consumption '000	<u>223,941</u>	<u>207,454</u>	<u>207,820</u>	<u>188,189</u>	<u>184,955</u>
Water loss ratio	<u>17.9%</u>	<u>24.8%</u>	<u>23.7%</u>	<u>32.2%</u>	<u>33.3%</u>

Source: City Operational Reports

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
235,779	231,796	181,637	214,234	196,348
<u>187,415</u>	<u>212,858</u>	<u>163,391</u>	<u>199,695</u>	<u>188,312</u>
<u>20.5%</u>	<u>8.2%</u>	<u>10.0%</u>	<u>6.8%</u>	<u>4.1%</u>



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**City Council  
Staff Agenda Report**

**Agenda Item: 8b.**

**Agenda Subject:** Discussion and possible action to approve a contingent fee contract with Perdue Brandon Fielder Collins and Mott, LLP, and associated Ordinance No. 2022-07, pursuant to Article 103.0031 of the Code of Criminal Procedure, said contract being for the collection of delinquent government receivables owed to City of Dalworthington Gardens and notice of said contract is posted with the agenda in accordance with Section 2254 of the Government Code.

<p><b>Meeting Date:</b></p> <p>March 17, 2022</p>	<p><b>Financial Considerations:</b></p> <p><b>Budgeted:</b></p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>	<p><b>Strategic Vision Pillar:</b></p> <p><input checked="" type="checkbox"/> Financial Stability</p> <p><input type="checkbox"/> Appearance of City</p> <p><input checked="" type="checkbox"/> Operations Excellence</p> <p><input type="checkbox"/> Infrastructure Improvements/Upgrade</p> <p><input type="checkbox"/> Building Positive Image</p> <p><input type="checkbox"/> Economic Development</p> <p><input type="checkbox"/> Educational Excellence</p>
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**Background Information:** The City has used MSB Collections for many years for the collection of outstanding municipal court fines and fees. There are some challenges with MSB in that city staff is responsible for the collection of MSB’s percentage fee which causes discrepancies in what is billed to the city. Thus, the Finance Department is tasked with tracking costs charged and comparing against the MSB bill which has been cumbersome and extremely time consuming.

Perdue et al (Perdue) provides services in a different way. They take care of collection of fees which takes the burden off of staff to manage discrepancies with charges. They provide a website that can be linked to the City’s, making it easier for staff to enter payments through their portal, which in turn makes sure collections are more accurate. City staff will also have portal access with up to date information for reports, whereas MSB’s web portal was more limited. Perdue is a local company in Arlington making access to staff easier. MSB was previously in Texas but relocated to New York. Perdue is a collection law firm which affords them access to certain databases to finalize disposition of cases that a typical collection company would not have access. Perdue also employs staff members who previously worked in local government and have experience in the same capacities as DWG staff members. The 30% collection fee is set by statute. Thus, there is no change if the City moves to Perdue, and the City bears no cost for this service.

Staff is requesting to move from MSB Collections to Perdue Brandon Fielder Collins and Mott, LLP for collection of outstanding municipal court fines and fees.

**Recommended Action/Motion:** Motion to approve a contingent fee contract with Perdue Brandon Fielder Collins and Mott, LLP pursuant to Article 103.0031 of the Code of Criminal Procedure, said contract being for the collection of delinquent government receivables owed to City of Dalworthington Gardens and notice of said contract is posted with the agenda in accordance with Section 2254 of the Government Code.

**Attachments: Contract and Ordinance  
Notice Pursuant to Government Code Sec. 2254.1036**

**NOTICE PURSUANT TO GOVERNMENT CODE SEC. 2254.1036**

WHEREAS, the City of Dalworthington Gardens, will consider a contingent fee contract with the law firm of Perdue Brandon Fielder Collins & Mott, L.L.P. (“Firm”) and hereby posts this notice pursuant to Sec. 2254.1036 of the Government Code.

WHEREAS, this notice shall be posted before or at the time of giving the written notice required by Government Code Sec. 551.041 for a meeting described by Sec. 2254.1036(a)(2) of the Government Code and shall announce the following:

A. The City of Dalworthington Gardens is entering into a contract with the Firm for the collection of delinquent fines and fees owed to the City of Dalworthington Gardens and through this contract the City of Dalworthington Gardens seeks to increase recovery of its delinquent debts in as expeditious a manner as possible. GOVT. CODE § 2254.1036(a)(1)(A).

B. The City of Dalworthington Gardens believes the Firm has the competency, qualifications, and experience necessary to fulfill this contract. GOVT. CODE § 2254.1036(a)(1)(B). The Firm has collected delinquent government receivables for 51 years. The Firm currently has 14 primary offices and multiple satellite offices throughout Texas, Oklahoma and Florida. It employs more than 350 individuals, including 56 attorneys. It uses a multi-office, fully integrated team approach allowing the City of Dalworthington Gardens access to all its offices and resources. Its collection team consists of long-term Firm employees, including attorneys, call center associates, paralegals, law clerks, legal secretaries, collection support personnel and information technology experts. The Firm utilizes proprietary collection software that can be tailored to meet any special need the City of Dalworthington Gardens may have.

C. The nature of any relationship between the City of Dalworthington Gardens and the Firm is as follows. GOVT. CODE § 2254.1036(a)(1)(C).

The Firm has no previous relationship with the City of Dalworthington Gardens.

D. The City of Dalworthington Gardens is unable to collect its delinquent fines and fees. GOVT. CODE § 2254.1036(a)(1)(D). The City of Dalworthington Gardens currently does not have adequate support staff, computer software/programming, or experience to internally conduct these collection services and acquiring these will result in substantial expense to the City of Dalworthington Gardens.

E. These collection services cannot be provided for an hourly fee. GOVT. CODE § 2254.1036(1)(E). The Criminal Procedure/Transportation Codes allow the assessment of a percentage-based fee to recover the costs of collecting delinquent fines and fees. These percentage-based fees are assessed only against the debtor and not the City of Dalworthington Gardens or taxpayers of the City of Dalworthington Gardens. The collection of delinquent fines and fees is a high-volume practice, requiring a significant amount of research, mailing, and handling of outbound/inbound calls. An hourly fee for such work will likely exceed amounts of delinquent fines and fees due. Moreover, the City of Dalworthington Gardens will bear the cost of these hourly fees and not the debtor, because the Code of Criminal Procedure does not expressly authorize the City to pay for collection services based on an hourly fee.

F. The City believes this contingent fee contract is in its best interest. GOVT. CODE § 2254.1036(a)(1)(F). Under the contingent fee contract, the Firm will be paid the amount of the percentage-based collection fee, regardless the number of hours the Firm spends researching, contacting and mailing to collect the delinquent debt. Additionally, the percentage-based collection penalty is a pass-through expense to the debtor and not an expense to the City of Dalworthington Gardens or taxpayers in the City of Dalworthington Gardens.

NOW THEREFORE, be it resolved, this City Council, for the reasons stated above, hereby seeks entry of the contingent fee contract between the City of Dalworthington Gardens and the law firm of Perdue Brandon Fielder Collins and Mott, LLP for the collection of delinquent fines and fees.

Executed this the 17<sup>th</sup> day of March, 2022.

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On Behalf of the City Council  
City of Dalworthington Gardens  
Tarrant County, Texas

**CONTRACT FOR COURT FINES AND FEES COLLECTION SERVICES**

**STATE OF TEXAS** §  
§  
**CITY OF**  
**DALWORTHINGTON GARDENS** §

**SECTION I. PARTIES TO THE CONTRACT**

THIS CONTRACT, hereinafter called “Contract”, is made and entered into by and between the City of Dalworthington Gardens, Texas, acting herein by and through its governing body, hereinafter called “the City” and **Perdue Brandon Fielder Collins & Mott, L.L.P.**, hereinafter called “Perdue”.

THIS CONTRACT supersedes all prior oral and written agreements between the parties and can only be amended if done so in writing and signed by all parties. Furthermore, this Contract cannot be transferred or assigned by either party without the written consent of all parties.

The City agrees to employ and does hereby employ Perdue to enforce the collection of delinquent court fines, fees, and court costs pursuant to the terms and conditions described in this Contract.

NOW, THEREFORE, in consideration of the covenants, conditions and agreements hereinafter set forth, the adequacy of which is hereby acknowledged, the City and Perdue agree as follows:

**SECTION II. CITY’S COLLECTION OBLIGATIONS**

A. The City agrees to refer all delinquent accounts, as defined below, to Perdue for collection on or about the first (1<sup>st</sup>) or the fifteenth (15<sup>th</sup>) of each month. The City shall refer all delinquent accounts by electronic or magnetic medium, if available, or in any other way that is most favorable to the City. All delinquent accounts should be in a specified format that will allow Perdue to process the account data.

B. An account is considered delinquent when not paid within sixty (60) days of the scheduled appearance date (if the defendant failed to appear), or from any granted extension, or from the date of conviction or judgment, or other court specified due date.

C. The City will provide Perdue with copies of, or access to, the information and documentation necessary to collect the fines, fees, and court costs that are subject to this Contract.

### **SECTION III. PERDUE'S COLLECTION OBLIGATIONS**

A. Perdue agrees to refer all payments and correspondence directly to the court that has assessed or levied the fines, fees, and court costs being collected pursuant to this Contract. Perdue reserves the right to return any accounts not collected within one (1) year of referral by the City. Neither party will have any obligation to the other with regard to returned accounts.

B. Perdue agrees to use its best efforts to collect the delinquent accounts received from the City and to comply with all provisions of state and federal law and regulations promulgated pursuant thereto in the rendition of collection services contemplated by this Contract.

C. If requested by the City, Perdue agrees to provide legal advice to the City on its delinquent accounts.

### **SECTION IV. COLLECTION FEE**

The City agrees to pay Perdue as follows:

(1) No charge for the collected fines, fees, and court costs referred to Perdue by the City imposed on all unadjudicated offenses committed on or before June 18, 2003.

(2) Thirty percent (30%) of the collected fines, fees, and court costs referred to Perdue imposed on all adjudicated offenses committed on or before June 18, 2003; and

(3) Thirty percent (30%) of the collected fines, fees, and court costs referred to Perdue imposed on all offenses occurring after June 18, 2003.

The thirty percent (30%) collection fee shall be added to the amount owed by a defendant that is more than 60 days past due pursuant to Article 103.0031, Texas Code of Criminal Procedure.

### **SECTION V. EXCEPTIONS TO THE COLLECTION FEE**

Pursuant to Article 103.0031(b), Texas Code of Criminal Procedure, Perdue cannot collect from a defendant the percentages referred to in Section IV. COLLECTION FEE if the defendant has been determined by the court of original jurisdiction to be indigent, or has insufficient resources or income, or is otherwise unable to pay all or part of the underlying fine or costs. The collection fee does not apply to a case that has been dismissed by a court of competent jurisdiction or to any amount that has been satisfied through time-served credit or community service.

The collection fee shall, however, be applied to any balance remaining after a partial credit for time served or community service if the balance is more than 60 days past due.

**SECTION VI. METHOD OF PAYMENT**

Absent an agreement otherwise, the City shall calculate and receive the amount of any collection fee due to Perdue. Said fee shall be paid to Perdue by check on a monthly basis. All compensation shall become the property of Perdue at the time of payment.

**SECTION VII. COMMENCEMENT AND TERMINATION OF CONTRACT**

This Contract shall commence on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, and end when both parties mutually agree; provided, however, that either party to this agreement shall have the right to terminate this agreement by giving the other party thirty (30) days written notice of their desire and intention to terminate this Contract. Upon termination Perdue shall have an additional six (6) months to complete work on all delinquent accounts referred from the City prior to the notice of termination and will be entitled to compensation on such accounts if collected.

**SECTION VIII. NOTICES**

For purposes of sending notice under the terms of this Contract, all notices from the City shall be sent to Perdue by certified United States mail, or delivered by hand or courier, and addressed as follows:

Perdue, Brandon, Fielder, Collins & Mott, LLP  
Attn: Elizabeth Banda Calvo  
**BY U.S. MAIL OR BY COURIER DELIVERY:**  
500 E. Border Street, Suite 640  
Arlington, Texas 76010  
Telephone Number: 817-505-4733

All notices from Perdue shall be sent to the City by certified United States mail, or delivered by hand or courier, and addressed as follows:

City of Dalworthington Gardens  
Attn: Lola Hazel  
2600 Roosevelt Drive  
Dalworthington Gardens, Texas 76016  
Telephone Number: 682-330-7418

**SECTION IX. VENUE AND CONTROLLING LAW**

This Contract is made and is to be interpreted under the laws of the State of Texas. Venue for any disputes involving this Contract shall be in the appropriate courts in Tarrant County, Texas.

**SECTION X. ACCEPTANCE OF EMPLOYMENT**

In consideration of the terms and compensation herein stated, Perdue hereby accepts said employment and undertakes performance of said Contract as set forth above.

**SECTION XI. SEVERABILITY**

Every provision of this Contract is intended to be severable. If any term or provision hereof is hereafter deemed by a court of competent jurisdiction to be illegal, invalid, void or unenforceable, for any reason or to any extent whatsoever, such illegality, invalidity, or unenforceability shall not affect the validity of the remainder of this Contract, it being intended that such remaining provisions shall be construed in a manner most closely approximating the intention of the parties with respect to the illegal, invalid, void or unenforceable provision or part thereof.

The Firm is compliant with and will comply with all provisions of Chapters 2252 Subchapter F, 2271 and 2274 of the Texas Government Code during the term of this Contract. The State Bar of Texas investigates and prosecutes professional misconduct committed by Texas attorneys. If you have a complaint against or dispute with this firm involving professional misconduct, the State Bar’s Office of Chief Disciplinary Counsel will provide you with information about how to file a complaint.

In support of this contract the District has also adopted written findings pursuant to Section 2254.1036 of the Government Code.

This Contract is executed on behalf of the City by the presiding officer of its governing body who is authorized to execute this instrument by Ordinance heretofore passed and recorded in its minutes. This Contract may be executed in any number of counterparts, and each counterpart shall be deemed an original for all purposes. Signed facsimiles or electronically signed Contracts executed on behalf of the City by the presiding officer of its governing body authorized to execute this instrument shall be binding and enforceable.

WITNESS the signature of all parties hereto this \_\_\_\_ day of \_\_\_\_\_, 2022.

**CITY OF DALWORTHINGTON GARDENS, TEXAS**

By: \_\_\_\_\_

**PERDUE, BRANDON, FIELDER, COLLINS & MOTT, L.L.P.**

By: \_\_\_\_\_  
Elizabeth Banda Calvo  
Partner



**ORDINANCE NO. 2022-07**

**ORDINANCE PROVIDING FOR A FEE TO DEFRAY COSTS OF COLLECTING DELINQUENT FINES, FEES, COURT COSTS, AND OTHER DEBTS PURSUANT TO ARTICLE 103.0031 OF THE TEXAS CODE OF CRIMINAL PROCEDURE**

**STATE OF TEXAS** §

**COUNTY OF TARRANT** §

WHEREAS, Article 103.0031 of the Texas Code of Criminal Procedure authorizes the City of Dalworthington Gardens to contract with a private attorney for the collection of the fees listed above and to impose an additional fee in the amount of thirty percent on each debt or account receivable that is more than sixty days past due and which has been referred to an attorney for collection; and

WHEREAS, the City of Dalworthington Gardens has determined that it is in the public interest to ensure the prompt payment of delinquent court-imposed fines, fees, court costs, and other debts as provided by said statute; and

WHEREAS, the City of Dalworthington Gardens, pursuant to Article 103.0031, Texas Code of Criminal Procedure, has entered into a contract with a private firm, Perdue Brandon Fielder Collins & Mott L.L.P. (Perdue), to provide services for the collection of debts and accounts receivables, i.e.: fines, fees, court costs, restitution, and other debts ordered to be paid by a court serving the City of Dalworthington Gardens;

WHEREAS, the City of Dalworthington Gardens deems it in the public interest to pass this ordinance authorizing an additional collection fee for the collection of delinquent fines, fees, court costs, and other debts;

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF DALWORTHINGTON GARDENS, TEXAS THAT:**

**SECTION 1. FINDINGS.** The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City of Dalworthington Gardens and made a part of this ordinance for all purposes and findings of fact.

**SECTION 2. COLLECTION FEE.** In accordance with Article 103.0031 of the Texas Code of Criminal Procedure, there is hereby imposed an additional fee of thirty percent (30%) on all debts and accounts receivable, i.e.: fines, fees, court costs, restitution, and other debts that are more than sixty (60) days past due and have been referred to a private firm (Perdue) for collection.

**SECTION 3. EFFECTIVE DATE.** This ordinance shall be effective from and after its date of passage.

**SECTION 4. AUTHORIZATION.** The City of Dalworthington Gardens is hereby authorized to enter into a contract with the Perdue Firm to provide services for the collection of fines, fees, court costs, and other debts substantially in the form of the attached contract which is made a part of this ordinance for all purposes.

**SECTION 5. SEVERABILITY.** If any provision of this ordinance is found to be invalid for any reason by a court of competent jurisdiction, the validity of the remaining provisions shall not be affected.

**SECTION 6. OPEN MEETINGS.** It is hereby found and determined that the meetings at which this ordinance is considered are open to the public and that notice of the time, place and purpose thereof was given in accordance with the provisions of the Texas Government Code – Chapter 551, as amended, and that a quorum of the City Council was present.

**PASSED AND APPROVED** on the 17<sup>th</sup> day of March, 2022.

**City of Dalworthington Gardens, Texas**

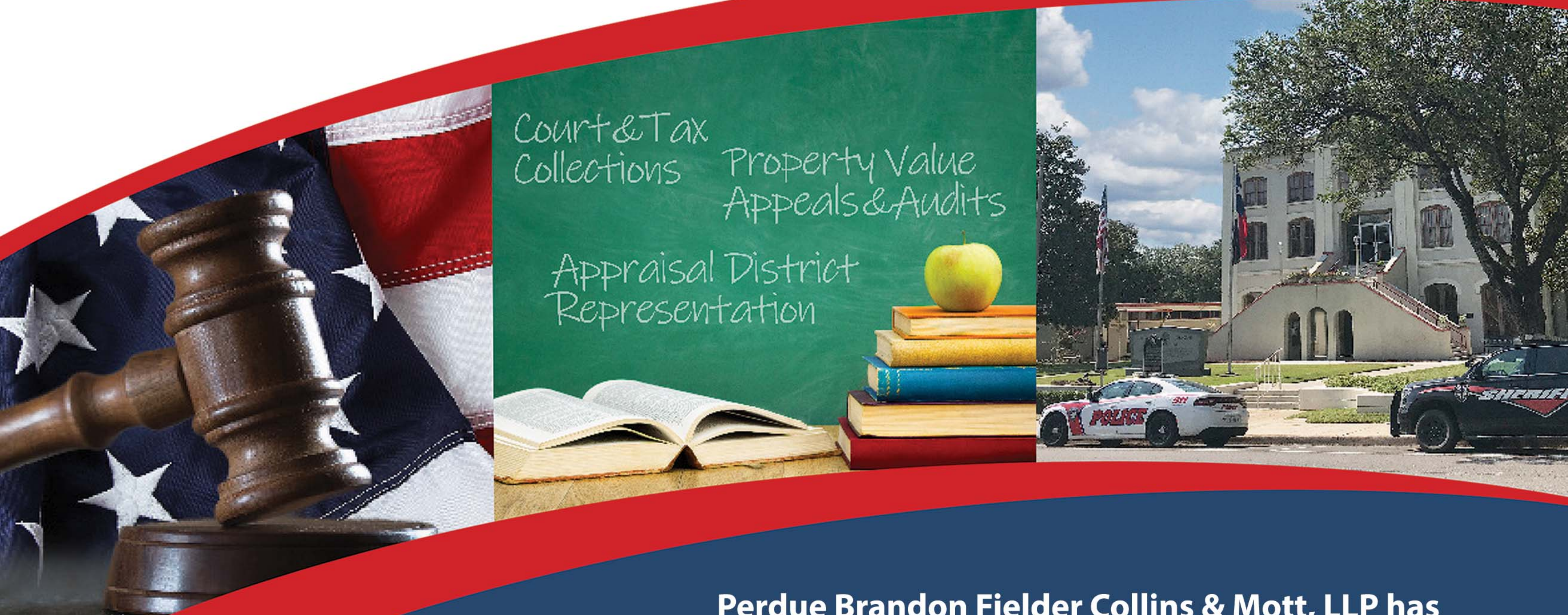
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Laurie Bianco, Mayor

ATTEST:

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Lola Hazel, City Administrator/City Secretary



**Perdue Brandon Fielder Collins & Mott, LLP has a proven collection record & outstanding service for our clients with a solid & proud history of professional & ethical conduct.**

## OUR SERVICES

### Delinquent Collections

- Property Tax with **Tax Trakker**®
- Fines & Fees with **Court Trakker**®
- Toll with **Toll Trakker**®
- Other Special Liens on Property
- Bankruptcy Representation

### Appraisal District Representation

- Litigation
- Contract Review
- Appraisal & Internal Policies
- Protest Hearings
- Open Meetings & Open Records
- Assistance with Comptroller Reviews
- Homestead Exemption Audits

## OUR PHILOSOPHY

We provide effective collection services, while maintaining premier customer service and client support. Founded on the principles of hard work, honesty and ethical conduct, our success is due to our refusal to deviate from those core values. When experience, reputation and performance matter, Perdue Brandon is the right choice.

### School Finance

- Consulting on School Finance Issues
- Advocacy with the Texas Education Agency
- Assistance with Tax Rate Estimates & Notices

### Property Value Study Appeals & Audits

- Appeal Preparation & Submission
- Productivity Value Consulting
- Detailed Local Data Review
- Audits Maximizing State Funds
- Legal Representation

### Additional Services At No Cost

- Legislative Updates
- Opinions & Memorandums
- Education

**City Council  
Staff Agenda Report**

**Agenda Item: 8c.**

**Agenda Subject:** Discussion and possible action to approve the purchase of a mini-excavator in the amount of \$63,422 utilizing Buy Board contract #597-19 with United Ag & Turf.

<p><b>Meeting Date:</b>  March 17, 2022</p>	<p><b>Financial Considerations:</b> <b>\$63,422</b></p> <p><b>Budgeted:</b>  <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><b>Strategic Vision Pillar:</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Financial Stability</li> <li><input checked="" type="checkbox"/> Appearance of City</li> <li><input type="checkbox"/> Operations Excellence</li> <li><input type="checkbox"/> Infrastructure Improvements/Upgrade</li> <li><input type="checkbox"/> Building Positive Image</li> <li><input checked="" type="checkbox"/> Economic Development</li> <li><input type="checkbox"/> Educational Excellence</li> </ul>
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**Background Information:** Staff has reached out for revised quotes with the smallest mini-excavator that could still provide the full extent of duties that could be utilized by the Public Works Department. Staff recommends a larger model than originally quoted, along with the necessary attachments. This revised quote includes everything that is believed to benefit the Public Works Department and the services they will provide. The attached quote includes the mini-excavator at buy-board purchasing cooperative pricing, an 18” bucket, a 12” bucket, hydraulic clamp (thumb), hydraulic jackhammer, and a trailer suited for the excavator.

Current budget contains \$94,779.00 in the 120.40.9350 Capital Outlay – Equipment fund account. Staff is recommending approval for the amount of \$63,422.00 for purchasing of a mini-excavator and attachments as quoted through a buy-board agreement. This would leave \$31,357.00 remaining in this account.

In further detail, this account was intended to utilize the approved SCADA upgrade cost of \$46,000.00 as well. After getting into the details of the quote, staff is not comfortable moving forward with the intended plan for the SCADA system that was originally quoted and would like to evaluate other options at a lower cost that may be efficient. The proposed SCADA upgrades contain equipment for much higher capabilities than the City water system needs, which would result in overpaying for equipment that isn’t necessary for operations.

**Recommended Action/Motion:** Motion to approve the purchase of a mini-excavator in the amount of \$63,422 utilizing Buy Board contract #597-19 with United Ag & Turf.

**Attachments:** United Ag & Turf Proposal

**Quote Summary**

**Prepared For:**  
 DALWORTHINGTON GARDENS  
 2600 ROOSEVELT DR  
 ARLINGTON, TX 76016  
 Business: 817-274-7368

**Prepared By:**  
 Ryan Van Zandt  
 United Ag & Turf  
 3319 North Main  
 Cleburne, TX 76033  
 Phone: 817-641-7861  
 ryanvanzandt@unitedagt.com

**Per Sourcewell Contract #032119-JDC**

**Quote Id:** 25689981  
**Created On:** 30 November 2021  
**Last Modified On:** 03 March 2022  
**Expiration Date:** 30 December 2021

Equipment Summary	Suggested List	Selling Price	Qty	Extended
2021 JOHN DEERE 35G Compact Excavator - 1FF035GXEMK295878	\$ 62,161.40	\$ 44,778.00 X	1 =	\$ 44,778.00
JOHN DEERE 18"HEAVY DUTY 2.8 CU.FT. BKT - 35G - PXBU5XE004072	\$ 809.00	\$ 752.00 X	1 =	\$ 752.00
JOHN DEERE 12"HEAVY DUTY 1.5 CU.FT. BKT 26/30/35G - PXBU3XB005963	\$ 787.00	\$ 665.00 X	1 =	\$ 665.00
JOHN DEERE HYD CLAMP 30G/ZX AND 35G/ZX - 1000727	\$ 2,963.00	\$ 2,600.00 X	1 =	\$ 2,600.00
JOHN DEERE HH40C HYDRAULIC HAMMER	\$ 9,869.00	\$ 7,793.00 X	1 =	\$ 7,793.00
JOHN DEERE AT435404 FRONT SCREEN DEMO	\$ 598.00	\$ 516.00 X	1 =	\$ 516.00
BIG-TEX 14PI-20 20' TRAILER BLACK - 16V1W2426N2168462	\$ 8,049.39	\$ 6,260.00 X	1 =	\$ 6,260.00
<b>Equipment Total</b>				<b>\$ 63,364.00</b>

**Quote Summary**

Equipment Total	\$ 63,364.00
TRAILER TITLE FEE	\$ 58.00
SubTotal	\$ 63,422.00
Total	\$ 63,422.00
Down Payment	(0.00)
Rental Applied	(0.00)
<b>Balance Due</b>	<b>\$ 63,422.00</b>

Salesperson : X \_\_\_\_\_

03.17.2022 Council Packet Pg. 377 of 398  
 Accepted By: X \_\_\_\_\_

Quote Id: 25689981

Customer: DALWORTHINGTON GARDENS

## 2021 JOHN DEERE 35G Compact Excavator - 1FF035GXEMK295878

**Equipment Notes: Per BuyBoard Contract #597-19**  
**MSRP Discount 29%**
**Suggested List**

\$ 62,161.40

**Hours:** 0

**Selling Price**

\$ 44,778.00

**Stock Number:** 486403

Code	Description	Qty	Unit	Extended
0050FF	JOHN DEERE 35G COMPACT EXCAVATOR OPEN-LONG ARM-STAN	1	\$ 58,627.00	\$ 58,627.00
<b>Standard Options - Per Unit</b>				
3125	300MM RUBBER TRACK	1	\$ 0.00	\$ 0.00
4145	SUSPENSION SEAT/VINYL	1	\$ 0.00	\$ 0.00
7120	5'8"(1.72M)LONG ARM/LNG LEAD	1	\$ 1,503.00	\$ 1,503.00
8150	CANOPY	1	\$ 0.00	\$ 0.00
<b>Standard Options Total</b>				<b>\$ 1,503.00</b>
<b>Dealer Attachments</b>				
	FACTORY FREIGHT	1	\$ 881.40	\$ 881.40
	SET UP	1	\$ 400.00	\$ 400.00
<b>Dealer Attachments Total</b>				<b>\$ 1,281.40</b>
<b>Value Added Services Total</b>				<b>\$ 0.00</b>
<b>Other Charges</b>				
	Admin Fee	1	\$ 750.00	\$ 750.00
<b>Other Charges Total</b>				<b>\$ 750.00</b>
<b>Suggested Price</b>				<b>\$ 62,161.40</b>
<b>Customer Discounts</b>				
<b>Customer Discounts Total</b>			<b>\$ -17,383.40</b>	<b>\$ -17,383.40</b>
<b>Total Selling Price</b>				<b>\$ 44,778.00</b>

## JOHN DEERE 18"HEAVY DUTY 2.8 CU.FT. BKT - 35G - PXBU5XE004072

**Hours:** 0

**Suggested List**

\$ 809.00

**Stock Number:** 489852

**Selling Price**

\$ 752.00

Code	Description	Qty	Unit	Extended
BYT10966	JOHN DEERE 18"HEAVY DUTY 2.8 CU.FT. BKT - 35G	1	\$ 809.00	\$ 809.00

**Quote Id:** 25689981

**Customer:** DALWORTHINGTON GARDENS

Other Charges			
Freight	1	\$ 98.50	\$ 98.50
FRT DISC	1	\$ -98.50	\$ -98.50
<b>Suggested Price</b>			<b>\$ 809.00</b>
Customer Discounts			
<b>Customer Discounts Total</b>			<b>\$ -57.00</b>
<b>Total Selling Price</b>			<b>\$ 752.00</b>

## JOHN DEERE 12"HEAVY DUTY 1.5 CU.FT. BKT 26/30/35G - PXBU3XB005963

Hours: 0 **Suggested List**  
 Stock Number: 501783 \$ 787.00

**Selling Price**  
 \$ 665.00

Code	Description	Qty	Unit	Extended
BYT10962	JOHN DEERE 12"HEAVY DUTY 1.5 CU.FT. BKT 26/30/35G	1	\$ 787.00	\$ 787.00

Other Charges			
Freight	1	\$ 63.39	\$ 63.39
FRT DISC	1	\$ -63.39	\$ -63.39
<b>Suggested Price</b>			<b>\$ 787.00</b>
Customer Discounts			
<b>Customer Discounts Total</b>			<b>\$ -122.00</b>
<b>Total Selling Price</b>			<b>\$ 665.00</b>

## JOHN DEERE HYD CLAMP 30G/ZX AND 35G/ZX - 1000727

Hours: 0 **Suggested List**  
 Stock Number: 482587 \$ 2,963.00

**Selling Price**  
 \$ 2,600.00

Code	Description	Qty	Unit	Extended
BYT11548	JOHN DEERE HYD CLAMP 30G/ZX AND 35G/ZX	1	\$ 1,963.00	\$ 1,963.00

Other Charges			
Freight	1	\$ 53.89	\$ 53.89
Setup	1	\$ 1,000.00	\$ 1,000.00
FRT DISC	1	\$ -53.89	\$ -53.89

Quote Id: 25689981

Customer: DALWORTHINGTON GARDENS

<b>Other Charges Total</b>		<b>\$ 1,000.00</b>
<b>Suggested Price</b>		<b>\$ 2,963.00</b>
<b>Customer Discounts</b>		
<b>Customer Discounts Total</b>	<b>\$ -363.00</b>	<b>\$ -363.00</b>
<b>Total Selling Price</b>		<b>\$ 2,600.00</b>

## JOHN DEERE HH40C HYDRAULIC HAMMER

Equipment Notes: Per BuyBoard Contract #597-19

**Suggested List**

Hours:

\$ 9,869.00

Stock Number:

**Selling Price**

\$ 7,793.00

Code	Description	Qty	Unit	Extended
0C90T	HH40C HYDRAULIC HAMMER	1	\$ 8,993.00	\$ 8,993.00
<b>Standard Options - Per Unit</b>				
1003	Mounting Bracket, 26-35 Compact Excavator	1	\$ 591.00	\$ 591.00
<b>Standard Options Total</b>				<b>\$ 591.00</b>
<b>Dealer Attachments</b>				
AT435404	Front Screen, Canopy (GR#705578) (30-50G CE)	1	\$ 0.00	\$ 0.00
<b>Dealer Attachments Total</b>				<b>\$ 0.00</b>
<b>Other Charges</b>				
	Freight	1	\$ 285.00	\$ 285.00
<b>Other Charges Total</b>				<b>\$ 285.00</b>
<b>Suggested Price</b>				<b>\$ 9,869.00</b>
<b>Customer Discounts</b>				
<b>Customer Discounts Total</b>			<b>\$ -2,076.00</b>	<b>\$ -2,076.00</b>
<b>Total Selling Price</b>				<b>\$ 7,793.00</b>

## JOHN DEERE AT435404 FRONT SCREEN DEMO

Hours: 0

**Suggested List**

Stock Number:

\$ 598.00

**Selling Price**

\$ 516.00



**Quote Id:** 25689981

**Customer:** DALWORTHINGTON GARDENS

Code	Description	Qty	Unit	Extended
AT435404	FRONT SCREEN PROTECTION DEMO	1	\$ 598.00	\$ 598.00
<b>Suggested Price</b>				<b>\$ 598.00</b>
<b>Customer Discounts</b>				
<b>Customer Discounts Total</b>			<b>\$ -82.00</b>	<b>\$ -82.00</b>
<b>Total Selling Price</b>				<b>\$ 516.00</b>

## BIG-TEX 14PI-20 20' TRAILER BLACK - 16V1W2426N2168462

<b>Hours:</b>	0			<b>Suggested List</b>
<b>Stock Number:</b>	486827			\$ 8,049.39
				<b>Selling Price</b>
				\$ 6,260.00
Code	Description	Qty	Unit	Extended
---	BIG-TEX 14PI-20 20' TRAILER BLACK	1	\$ 8,049.39	\$ 8,049.39
<b>Suggested Price</b>				<b>\$ 8,049.39</b>
<b>Customer Discounts</b>				
<b>Customer Discounts Total</b>			<b>\$ -1,789.39</b>	<b>\$ -1,789.39</b>
<b>Total Selling Price</b>				<b>\$ 6,260.00</b>

**City Council  
Staff Agenda Report**

**Agenda Item: 8d.**

**Agenda Subject:** Discussion and possible action regarding changes to the City of Dalworthington Gardens Code of Ordinances, Article 5.02, Fire Code, to add language for assessing penalties for failure to pay annual fire inspection fees.

<p><b>Meeting Date:</b>  March 17, 2022</p>	<p><b>Financial Considerations:</b> <b>Attorney time for ordinance changes</b></p> <p><b>Budgeted:</b>  <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><b>Strategic Vision Pillar:</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Financial Stability</li> <li><input checked="" type="checkbox"/> Appearance of City</li> <li><input checked="" type="checkbox"/> Operations Excellence</li> <li><input type="checkbox"/> Infrastructure Improvements/Upgrade</li> <li><input type="checkbox"/> Building Positive Image</li> <li><input type="checkbox"/> Economic Development</li> <li><input type="checkbox"/> Educational Excellence</li> </ul>
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**Background Information:** In June of 2021, City Council directed staff to research a different scale for penalties for failure to pay annual fire inspection fees.

Section 5.02.006(5) of the city’s ordinances provides the authority for collection of fees for annual fire inspections. However, there is not a mechanism in place to compel payment of these fees. Staff is requesting to add language to allow certain steps and penalties be assessed, including late fees, to encourage timely payment of said fees. Staff currently has a process in place where multiple invoices/notices are sent for payment of fire inspection fees. If this language is added to the ordinances, it would either be added to the invoice or sent on an additional notice. A payment plan option has been added for cases where that could assist with final payment of fees. Revocation of a certificate of occupancy would be an absolute last resort if staff could not gain any payment towards outstanding balances.

Once council agrees to changes, the city attorney will need to put in ordinance form for final approval.

**Recommended Action/Motion:** Motion to direct staff to work with the city attorney to make changes to the City of Dalworthington Gardens Code of Ordinances, Article 5.02, Fire Code, to add language for assessing penalties for failure to pay annual fire inspection fees.

**Attachments:** Applicable section of Chapter 5, Fire Code

## CHAPTER 5

### FIRE PREVENTION AND PROTECTION

#### ARTICLE 5.02 FIRE CODE

##### **Sec. 5.02.001 Title**

These regulations shall be known as the fire code of the city, hereinafter referred to as “this code.”

##### **Sec. 5.02.002 Fire code official**

The chief of the Department of Public Safety, or his designee, shall be the fire code official.

##### **Sec. 5.02.003 Adoption**

(a) The International Fire Code published by the International Code Council, 2015 edition, with amendments recommended by the North Central Texas Council of Governments (the NCTCOG amendments) is adopted as the fire code of the city. The fire code shall be modified as set forth in [section 5.02.006](#) below.

(b) The adoption of the 2015 International Fire Code and the NCTCOG amendments does not include the appendices thereto except for the following appendices which are adopted:

- (1) Appendix B - Fire-flow requirements for buildings;
- (2) Appendix C - Fire hydrant locations and distributions;
- (3) Appendix D - Fire apparatus access roads with NCTCOG amendments to width and vertical clearance;
- (4) Appendix E - Hazard categories;
- (5) Appendix F - Hazard ranking;
- (6) Appendix G - Cryogenic fluids - weight and volume equivalents; and
- (7) Appendix I - Fire protection systems- noncompliant conditions.

(c) Option B of the NCTCOG amendments is chosen.

##### **Sec. 5.02.004 Incorporation by reference; copy on file**

The code adopted in this article is incorporated in this chapter of the city code the same as if said code were copied at length herein, subject to the additions, insertions, deletions and changes prescribed in this article. A copy of the code and the NCTCOG amendments shall be maintained on file in the office of the city secretary.

##### **Sec. 5.02.005 Conflicting provisions**

In the event there is determined to be a conflict between the provisions of the code as adopted and the provisions of this article, the latter provisions shall be construed as controlling and shall take precedence over the former.

### **Sec. 5.02.006 Amendments**

The 2015 edition of the International Fire Code, as amended by the NCTCOG amendments, is further amended and changed in the following respects:

- (1) Section 101.1 “Title” is amended to read as follows:

101.1 Title. These regulations shall be known hereafter as the fire code of Dalworthington Gardens, Texas, hereinafter referred to as “this code.”

- (2) Section 104.11 “Authority at fires and other emergencies” is amended by adding sections 104.11.4, 104.11.5, and 104.11.6 to read as follows:

104.11.4 Utilities. The chief or any member of the fire department shall have the authority, in time of emergency, to order the disconnection of gas or electrical utilities to a building or structure when deemed necessary for the public safety, without liability therefor.

104.11.5 Evacuation. The chief or any member of the fire department shall have the authority, in time of emergency, to order the evacuation of a building or structure when deemed necessary for the safety of occupants thereof, and it shall be unlawful for any person to refuse to evacuate upon such order, or to resist or obstruct the evacuation of other persons.

104.11.6 Disaster authority. The chief or any members of the fire or police department shall have the authority during the period of a federal, state or city emergency or disaster declaration to evacuate areas, control traffic or take other action, or take no action as necessary to deal with a situation when such action or inaction may save lives, prevent human suffering or mitigate property damage. An action or inaction is “effective” if it in any way contributes or can reasonably be thought to contribute to preserving lives or property or prevent human suffering.

- (3) Section 104 “General authority and responsibilities” is amended by adding sections 104.12 and 104.13 to read as follows:

104.12 Governmental immunity. This fire prevention chapter is an exercise by the city of its governmental functions for the protection of the public peace, health and safety; and neither the city nor agents and representatives of said city (or any individual, receiver, firm, partnership, corporation, association, trustee or any of the agents thereof, in good faith carrying out, complying with or attempting to comply with any order, rule or regulation promulgated pursuant to the provisions of this ordinance) shall be liable for any damage sustained to persons or property as the result of said activity.

104.13 Standard of care for emergency action. Every officer, agent or employee of the city, and every officer, agent, or employee of an authorized provider of emergency services, including, but not limited to every unit of government or subdivision thereof, while responding to emergency calls or reacting to emergency situations, regardless of whether any declaration of emergency has been declared or proclaimed by a unit of government or subdivision thereof, is hereby authorized to act or not to act in such a manner to effectively deal with the emergency. An action or inaction is “effective”

if it in any way contributes or can reasonably be thought by the provider of such emergency service to contribute to preserving any lives or property. This section shall prevail over every other ordinance of the city and, to the extent to which the city has the authority to so authorize, over any other law establishing a standard of care in conflict with this section. Neither the city nor the employee, agent, or officer thereof; or other unit of government or subdivision thereof or its employees, agents, or officers shall be liable for failure to use ordinary care in such emergency. It is the intent of the city council, by passing this ordinance, to assure effective action in emergency situations by those entrusted with the responsibility of saving lives and property by protecting such governmental units from liability, and their employees, agents, and officers from non-intentional tort liability to the fullest extent permitted by statutory and constitutional law. This section shall be liberally construed to carry out the intent of the city council.

- (4) Section 105 “Permits” is amended by adding section 105.1.1.1 to read as follows:

105.1.1.1 Penalties. Permit fees shall be doubled if a contractor has begun work without a permit. For the second and subsequent occurrence by the same contractor within two (2) years, the permit fees shall be tripled. A resubmittal fee will be assessed for plans that have been resubmitted more than two times (2X) and for each time thereafter. Resubmittal fees related to this fire code shall be set from time to time by resolution of the city council.

- (5) Section 106 “Inspections” is amended by adding sections 106.1.1 and 106.1.2 to read as follows:

106.1.1 Inspection fees. Any occupancy or premises hereafter opening for the purpose of doing business in the city, as evidenced by application to the building official for a certificate of occupancy, or application for gas well drilling shall pay a fee for an initial fire code compliance inspection and for the establishment of an inspection file. This fee shall be set from time to time by resolution of the city council and shall be collected by the building official at the same time that the certificate of occupancy fee is collected. An occupant or premises shall pay a fee for an annual fire code compliance inspection of the occupancy in an amount set from time to time by resolution of city council and payment of this fee shall be due to the city within thirty (30) days from the billing date. Failure to pay the fee within thirty (30) days from the billing date shall result in a \$25.00 penalty being assessed to the original invoiced amount. An additional fifteen (15) days shall be given to pay the original invoiced amount plus the \$25.00 penalty fee. Any unpaid balances following this period shall result in revocation of certificate of occupancy unless a payment plan arrangement has been made with the City. Any certificate of occupancy revocation or payment plan arrangement shall require approval from the DPS Director and City Administrator. Payment plan shall not exceed a six month time period for payment of past due balances.

106.1.2 Reinspection fees. When it has been determined that a fire hazard or violation of this fire code exists in or upon any property, structure, vehicle, system or process, and the period of time given to correct the fire hazard or violation has expired, the chief or authorized representative shall conduct a reinspection. A reinspection fee will be set from time to time by resolution of city council, collected by the city, payable by the person receiving the order or notice to correct the violation, and payment of this fee shall be due to the city within thirty (30) days from the billing date. Failure to pay the fee within thirty (30) days from the billing date shall result in a \$25.00 penalty being assessed to the original invoiced amount. An additional fifteen (15) days shall be given to pay the original invoiced amount plus the \$25.00 penalty fee. Any unpaid balances following this period shall result in revocation of certificate of occupancy unless a payment plan arrangement has been made with the City. Any certificate of occupancy revocation or payment plan arrangement shall require approval

[from the DPS Director and City Administrator. Payment plan shall not exceed a six month time period for payment of past due balances.](#)

Payment of fees or fines assessed under this chapter does not permit or excuse the continuation of a violation or the fire hazard.

- (6) Section 109 “Violations” is amended by adding section 109.2.1 to read as follows:

109.2.1 Presumption. The owner, occupant or person in control of any building or premises where any violation of this fire code or other ordinances of the city relating to fire safety is found shall be prima facie responsible for such violation. When any vehicle is in violation of any provision of this fire code, such fact shall constitute prima facie proof that the person in whose name said vehicle is registered is guilty of a violation of this fire code.

- (7) Section 109.4 “Violation penalties” is amended to read as follows:

109.4 Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of a misdemeanor offense, punishable by a fine of not more than \$2,000.00 dollars. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

- (8) Section 111.4 “Failure to comply” is amended to read as follows:

111.4 Failure to comply. Any person who shall continue any work after having been served with a stop-work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable for a fine of up to \$2,000.00 per day.

- (9) Section 202 “Definitions” is amended by adding the following definition to read as follows:

Authorized representative. Shall include, but not be limited to, fire inspector, building inspector, code enforcement inspector, housing inspector and police officers.

- (10) Section 307 “Open burning, recreational fires, and portable outdoor fireplaces” is amended by adding section 307.1.2 to read as follows:

307.1.2 Unauthorized burning. The building of fires upon the paved portions of public streets and right-of-way; building of warming fires at construction sites; and building fires for the purpose of burning trash, leaves, grass clippings or debris is prohibited except as otherwise provided for by this code. Any such fire shall be immediately extinguished.

- (11) Section 307.4.1 “Bonfires” is amended to read as follows:

307.4.1 Bonfires. Bonfires are prohibited within city limits.

- (12) Section 319 “Removal of debris or partially burned building after fire” is added to read as follows:

## **SECTION 319 REMOVAL OF DEBRIS OR PARTIALLY BURNED BUILDING AFTER FIRE**

319.1 Useless material. The owner or person in control or possession of any hay, straw, bales of wool, cotton, paper or other substances which have been rendered useless or unmerchantable by reason of any fire shall remove said articles within forty-eight (48) hours after notice has been given by the fire code official.

319.2 Burned structures. Whenever any building or other structure in the city is partially burned, the owner or the person in control shall, within ten (10) days after notice from the fire code official or the building code official or their authorized representative, remove from the premises all refuse, debris, charred and partially burned lumber and material. If such building or other structure is burned to such an extent that it is rendered incapable of being repaired, the owner or the person in control shall, within ten (10) days after notice from the fire code official or the building code official, or their authorized representatives, remove from the premises all the remaining portions of the building or structure.

- (13) Section 503.6 “Security gates” is amended to read as follows:

Section 503.6 Security gates. The installation of security gates across a fire apparatus access road shall be subject to approval by the fire code official. The fire code official shall not unreasonably withhold approval of security gates when such gates will be built and installed in accordance with sound fire safety practices. Where security gates are installed, they shall have an approved means of emergency operation. The security gates and the emergency operation shall be maintained operational at all times. Electric gate operators, where provided, shall be listed in accordance with UL 325. Gates intended for automatic operation shall be designed, constructed and installed to comply with the requirements of ASTM F 2200. An Opticom receiver is required at all new installations of security gates across streets or fire lanes at apartments, subdivisions, and other locations as required by the fire code official.

**City Council  
Staff Agenda Report**

**Agenda Item: 8e.**

**Agenda Subject:** Discussion and possible action regarding a change to the City Comprehensive Financial Policy to change how audit committee members are selected each fiscal year.

<p><b>Meeting Date:</b></p> <p>March 17, 2022</p>	<p><b>Financial Considerations:</b></p> <p><b>Budgeted:</b></p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>	<p><b>Strategic Vision Pillar:</b></p> <p><input checked="" type="checkbox"/> Financial Stability</p> <p><input type="checkbox"/> Appearance of City</p> <p><input checked="" type="checkbox"/> Operations Excellence</p> <p><input type="checkbox"/> Infrastructure Improvements/Upgrade</p> <p><input type="checkbox"/> Building Positive Image</p> <p><input type="checkbox"/> Economic Development</p> <p><input type="checkbox"/> Educational Excellence</p>
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**Background Information:** The City Comprehensive Financial Policy requires audit committee members to be approved by resolution. The current process is staff chooses members on a rotation basis, selecting members who did not serve the previous year. Then, a resolution is prepared to finalize that at a council meeting. A more efficient process would be to allow staff to select members on a rotation basis without having to bring a resolution to council. Staff is requesting to change the policy to reflect this new process.

**Recommended Action/Motion:** Motion to approve suggested changes to Section (I)(C)(2) of the Comprehensive Financial Policy allowing audit committee members to be selected on a rotating basis without the step of bringing a resolution to council for approval.

**Attachments:** Redlined Policy Changes



I.  
ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

Maintain accounting practices that conform to Generally Accepted Accounting Principles (GAAP) and comply with prevailing federal, state, and local statutes and regulations. Provide for, prepare and present regular reports that analyze and evaluate the City's financial performance and economic condition.

C. *Annual Audit*

1. Pursuant to State Statute, the City shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The audit shall be performed by certified public accounting (CPA) firm, licensed to practice in the State of Texas. The annual financial statement, including the auditor's opinion, shall be filed within 180 days after the last day of the City's fiscal year. The audit firm shall also provide a Single Audit of Federal and State grants, when necessary. The Finance Director shall be responsible for establishing a process to ensure timely resolution of audit recommendations.

2. *Audit Committee ~~Appointment shall be appointed by resolution.~~*

The audit committee shall consist of the Mayor, two (2) members of the City Council, Finance Director, and City Administrator. The members of the City Council shall be selected and serve on a rotation basis, and no member shall serve on the committee in consecutive years. The only exception to members not serving in consecutive years is if no other members are able to serve in a given year. The primary purpose of the audit committee is to assist City Council and the City Administrator in fulfilling oversight responsibilities for financial reporting, audit processes, and effective internal control systems.

3. *Annual Financial Disclosure*

As required by the Securities and Exchange Commission (SEC) Rule 15c2-12, the City will provide certain annual financial information to various information repositories through disclosure documents or set of documents that include the necessary information. This will include any periodic materials event notices as required by the SEC.

**City Council  
Staff Agenda Report**

**Agenda Item: 8f.**

**Agenda Subject:** Discussion and possible action to approve an agreement with Northern Trinity Groundwater Conservation District to repurpose the groundwater wells as district monitoring wells.

<p><b>Meeting Date:</b>  March 17, 2022</p>	<p><b>Financial Considerations:</b>  <b>Budgeted:</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>	<p><b>Strategic Vision Pillar:</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Financial Stability</li> <li><input type="checkbox"/> Appearance of City</li> <li><input checked="" type="checkbox"/> Operations Excellence</li> <li><input type="checkbox"/> Infrastructure Improvements/Upgrade</li> <li><input type="checkbox"/> Building Positive Image</li> <li><input type="checkbox"/> Economic Development</li> <li><input type="checkbox"/> Educational Excellence</li> </ul>
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**Background Information:** After meeting with the Northern Trinity Groundwater Conservation District (NTGCD) representative, it was determined that their team would be very interested in using the City wells as groundwater monitoring wells. This agreement would be mutually beneficially as for the City it provides a purpose to the wells that will suffice for State requirements on wells that are not currently in use, while ultimately keeping them accessible for potential future use if necessary. For the NTGCD it allows for constant potential of data acquisition for groundwater levels in different aquifers.

After discussion, the NTGCD seemed interested in installing equipment for constant monitoring as it is a great location for data that they are tracking. Staff recommends approval to make an agreement with the Northern Trinity Groundwater Conservation District to allow for the monitoring of groundwater levels through the City of Dalworthington Garden wells.

**Recommended Action/Motion:** Motion to approve entering an agreement with the Northern Trinity Groundwater Conservation District to utilize the out of service groundwater wells as district monitoring wells.

**Attachments:** NTGCD Monitoring Well Agreement

**MONITORING WELL AGREEMENT**

**THE STATE OF TEXAS**

**NORTHERN TRINITY GROUNDWATER CONSERVATION DISTRICTS**

**PARTIES TO AGREEMENT:**

**WELL OWNER:** \_\_\_\_\_

**WELL OWNER'S MAILING ADDRESS:** \_\_\_\_\_  
\_\_\_\_\_

**WELL OWNER'S PROPERTY:**

- 1.) Street Address: \_\_\_\_\_
- 2.) Well GPS: N \_\_\_\_\_, W \_\_\_\_\_

**DISTRICT:** Northern Trinity Groundwater Conservation District

**District's Mailing Address:** **1100 Circle Dr, Suite 300, Fort Worth, TX 76119**

**AGREEMENT:**

**ARTICLE I - TERM**

**1.1 Date of Commencement.** This Monitoring Well Agreement between the Well Owner and the District (the "*Agreement*") is effective as of \_\_\_\_\_ 20\_\_\_\_ (the "*Effective Date*").

**1.2 Term of Agreement.** The Agreement shall commence on the Effective Date and terminate upon the expiration of ninety-nine (99) years after the Effective Date unless terminated earlier according to provisions herein (the "*Term*").

**1.3 Early Termination.** The Well Owner and the District agree that the Well Owner and the District may terminate this Agreement with respect to an individual Well or with respect to all Wells (a) at any time after the Effective Date of this Agreement by providing written notice to the other party at least one hundred twenty (120) days prior; or (b) at any time by mutual written agreement of the parties. In the event of either such termination of (a) or (b) above (the "*Early Termination*"), the Well Owner may request in writing that the District properly cap the Well, or the Well Owner may begin or continue to use the Well if allowed to do so by all applicable laws and regulations, including the rules of the District. All equipment belonging to or installed by the District at the Wells, if any, shall at all times belong to the District and, in the event of Early

Termination of this Agreement or expiration of the Term, the Well Owner shall allow the District one hundred twenty (120) days from either the notice of termination or expiration of Term, as applicable, to remove any such equipment from the Wells. Upon any termination, the District agrees to restore the site to the condition as of the Effective Date to the extent practicable.

## ARTICLE II – DISTRICT USE AND PURPOSE OF WELLS

**2.1 Use and Purpose of Wells.** The Well Owner authorizes the District to access one or more of Well Owner’s water well(s) located at the property described above, also known as Northern Trinity Groundwater Conservation District well number N \_\_\_\_\_ (individually or collectively herein referred to as the "*Well*" or "*Wells*" as applicable) for any one of the following purposes: (a) monitoring the groundwater level for inclusion in the District’s Water Well Monitoring Program (the "*Program*") as further described in sub-paragraph A below, (b) collecting water quality samples, or (c) other studies of groundwater that the parties may agree upon in the future (collectively (a) (b) and (c) above, the "*District Uses*").

- A. **Description of Program.** A monitoring probe may be placed in the Wells below the static water level. If so, a cable will run from the probe to the surface. The probe will measure and store water level changes daily. The District will download the readings on a periodic basis. The District may install equipment at the Wells to send the information to the District’s computer on a “real-time” basis. The District may physically measure the water levels in the Well by means of a measuring tape or other equipment suited for that purpose. The District may collect water samples from the Well for water quality analysis, and conduct other studies mutually agreeable to the parties which further the knowledge of groundwater conditions in the local area.
- B. **Prior to the installation of the monitoring probe,** the District may hire a company that has the equipment to video the well from the top of the casing to the total depth of the well. In addition, the same company may run a geophysical log on the well which will identify the layer and aquifer the water is from. Copies of all of the information collected from the well will be provided to the well owner.

a. **Wells containing unused equipment:**

If it is found that any equipment (pipe, pump, electric cable etc.) is currently present in the well, it may need to be removed in order to video the well and run instruments in the well to produce a geophysical log. The District will hire a licensed well contractor (water well driller or pump installer) to remove the equipment. If you, the well owner, have a contractor you prefer to perform this work, please let the District know. Otherwise, we will select a contractor that works within the area the well is located. All of the costs discussed above will be paid by the District. District Staff plans to be on-site for the removal of the equipment,

however should staff be unable to be present the District will work with the licensed contractor to promote due diligence and proper workmanship. Due to the unknown condition of the equipment in the well, the age of the equipment, and the fact that the well is currently unused, the District and the owner agree that any recoverable equipment and the well itself have no monetary value.

As previously mentioned, the well owner and the District agree that the District will remove all recoverable equipment in the well. If during the removal of the equipment it is discovered that there is equipment in the well that may be unrecoverable by conventional methods and the contractor believes the equipment can be removed with a minimal expense and effort, using an alternative method, the contractor will be authorized to attempt to remove it. Otherwise, the equipment will be left in the well.

If the well owner wants the equipment that is removed from the well, the District will have the contractor stack the equipment near the well or load the equipment on a trailer provided by the well owner at the time of removal. If the well owner does not want the equipment, the District will dispose of it.

After the recoverable equipment has been removed and the video and geophysical log work is complete, the District will provide the well owner with a description of the condition of the well in regard to reequipping the well to produce a usable supply of water.

- b. If the well owner decides to reequip the well within the first five (5) years after the equipment is removed, the well owner will repay the District a portion of the cost of removal on a pro rata basis. The pro rata basis will be the cost of removal spread over a five-year time frame. If the well owner reequips the well and the well can continue to be used satisfactorily by the District as a monitoring well equipped with a monitoring probe, the cost of removal may be waived by the District.

**C. Data from Program.** The District shall: (i) make available to the Well Owner at no cost a copy of any logs obtained from the Well; (ii) make available to the Well Owner data gathered from the Well; and (iii) use the Well solely for the Program and District Uses including monitoring groundwater quality and/or quantity, and any other purposes which advances the understanding of local groundwater conditions that are mutually agreeable to the parties, and shall not use the Well for any other private or commercial purpose without the written consent of the Well Owner.

**2.2 Non-Interference.** Well Owner shall allow District to access the Wells for the District Uses as long as the District Uses do not materially interfere with the Well Owner's use of the Wells.

**2.3 Costs of District Uses.** The District shall pay any and all costs associated with the installation, operation and maintenance of the equipment used in the Program of the District or for any District Uses. These costs may include the installation of a water level monitoring probe and any mobile radio or telephone equipment (telemetry) used to relay the water level information to the District’s office, and all costs associated with the installation of the telemetry equipment and service. The costs may also include the physical measurement of water levels or water quality sampling by representatives of the District.

**2.4 Restoration.** The District will restore the surface of any roadway or surface damaged, if any, during the process of accessing or equipping the Well or providing utility service to the Well to the extent reasonably practicable, at District’s sole cost and expense.

**2.5 Regulatory Compliance.** The District agrees to comply at all times and at its sole cost and expense with all applicable federal, state and local laws, rules, regulations and safety standards, including the rules of the District, in connection with the District Uses.

**2.6 Well Owner Activities.** The Well Owner agrees that if the Well Owner needs to drill a water well, install a septic tank, septic tank drain field or any other activity that could disrupt the District Uses, including groundwater data collection from the Well, the Well Owner shall make diligent effort to avoid unreasonable interference with the Program and District Uses. If the Well Owner intends to pull or rework the Well or its pump, the Well Owner shall make diligent effort to protect and maintain any air line installed in the well for monitoring purposes. If the Well Owner intends to engage in any such activities or projects, the Well Owner shall notify the District in advance in an effort to minimize any interference with the Program or District Uses.

**2.7 Parties to Carry Out Program.** At District’s option, District’s employees, contractors, or agents may perform activities in furtherance of the Program or the District Uses.

### **ARTICLE III – DISTRICT ACCESS TO WELLS AND UTILITIES**

**3.1 Access.** The District shall have the right of pedestrian and vehicular ingress and egress over, across and upon Well Owner’s Property and during the hours of 8:00 o’clock A.M. and 5:00 o’clock P.M. Monday through Friday subject to reasonable regulation by the Well Owner, for the purposes of accessing the Well and for operating, repairing, inspecting, maintaining, replacing, and removing equipment in the Well.

**3.2 Utilities.** The District shall have the right to access utility lines in order to provide any telecommunications and electrical service to the Well as necessary for the District Uses. If utility lines are not accessible to the Well, District may extend such utilities as necessary at District’s sole cost and expenses, subject to the consent of Well Owner as to the location.

### **ARTICLE IV - MISCELLANEOUS**

**4.1 Hold Harmless.** To the extent permitted by law, the District agrees to hold the Well Owner harmless from and against and for all liability, claims, and costs (“*Claims*”) which either

party may suffer or sustain or become liable for by reason of any accidents, damages or injuries to persons, property, or employees of District or of any other parties in any manner arising from the activities of District in execution of the District Uses.

**4.2 Matters of Record.** The rights granted under this Agreement are subject to all encumbrances of record in the county public records or which are visible and on the ground in a manner that a corrected survey would reveal.

**4.3 Binding Effect.** This Agreement and all of the terms, provisions and obligations hereof shall inure to the benefit of and be binding upon Well Owner and District and their respective administrators, successors and assigns.

**4.4 Assignment.** District may not assign its rights or obligation under the Agreement.

**4.5 Ownership.** Notwithstanding any other term, provision or condition of this Agreement, this Agreement does not grant to the District, or confer upon the District, any ownership interest, easement or property right, in or to the Well Owner Property. The Well Owner specifically retains all rights of ownership and incidents of ownership in and to the Well Owner Property. The Well Owner expressly reserves for itself, its successors or assigns, all ownership rights to the Well Owner Property.

**4.6 Choice of Law.** This Agreement shall be construed under and in accordance with the laws of the State of Texas without regard to its conflict of law principles. Certain obligations of the parties created under this Agreement shall be performable in Tarrant County, Texas. Both parties agree that any and all disputes shall be resolved by a court of competent jurisdiction in Tarrant County, Texas.

**4.7 Amendment.** No amendment, modification, or alteration of the terms of this Agreement shall be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the parties to this Agreement.

**4.8 Severability.** In the event one or more provisions contained in this Agreement shall be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

WELL OWNER: \_\_\_\_\_  
*Signature*

\_\_\_\_\_  
Printed Name:     *First*    *Last*                    *Date*

NORTHERN TRINITY  
GROUNDWATER  
CONSERVATION DISTRICT

By: \_\_\_\_\_  
*Signature*

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**City Council  
Staff Agenda Report**

**Agenda Item: 8g.**

**Agenda Subject:** Discussion and possible action regarding Project #2021-02, the Tarrant County Community Development Block Grant program for Ambassador Row, to include but not limited to any change order approval.

<p><b>Meeting Date:</b></p> <p>March 17, 2022</p>	<p><b>Financial Considerations:</b></p> <p><b>Budgeted:</b></p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>	<p><b>Strategic Vision Pillar:</b></p> <p><input type="checkbox"/> Financial Stability</p> <p><input type="checkbox"/> Appearance of City</p> <p><input checked="" type="checkbox"/> Operations Excellence</p> <p><input checked="" type="checkbox"/> Infrastructure Improvements/Upgrade</p> <p><input checked="" type="checkbox"/> Building Positive Image</p> <p><input type="checkbox"/> Economic Development</p> <p><input type="checkbox"/> Educational Excellence</p>
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**Background Information:** This will be a recurring item for Project #2021-02, the 47<sup>th</sup> Year CDBG project for Ambassador Row.

There is nothing to report at this time.

**Recommended Action/Motion:** No action needed at this time.

Attachments: None

**City Council  
Staff Agenda Report**

**Agenda Item: 8h.**

**Agenda Subject:** Discuss and possible action regarding amendments to the FY 2022 budget in amounts not to exceed \$10,000.00.

<p><b>Meeting Date:</b> March 17, 2022</p>	<p><b>Financial Considerations:</b> <b>Unknown but won't exceed \$10,000</b></p> <p><b>Budgeted:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>	<p><b>Strategic Vision Pillar:</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Financial Stability</li> <li><input type="checkbox"/> Appearance of City</li> <li><input checked="" type="checkbox"/> Operations Excellence</li> <li><input type="checkbox"/> Infrastructure Improvements/Upgrade</li> <li><input type="checkbox"/> Building Positive Image</li> <li><input type="checkbox"/> Economic Development</li> <li><input type="checkbox"/> Educational Excellence</li> </ul>
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**Background Information:** This is a standing agenda item that will appear on all future agendas. The idea is provide an item whereby staff can discuss needs that come up after the agenda posting deadline. These would only be items that, without council approval, would otherwise put operations on hold.

**Recommended Action/Motion:** If action needed: Motion to approve an amendment to the FY 2022 budget in an amount not to exceed [state dollar amount] for the purpose of [state specific purpose].

**Attachments:** None