

# **CITY OF WICHITA FALLS, TEXAS** **ANNUAL COMPREHENSIVE** **FINANCIAL REPORT**



**Fiscal Year Ended**  
**September 30, 2023**

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**CITY OF WICHITA FALLS, TEXAS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

ISSUED BY:  
DEPARTMENT OF FINANCE





**CITY OF WICHITA FALLS, TEXAS**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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# CITY OF WICHITA FALLS, TEXAS

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## ***INTRODUCTORY SECTION***







## FINANCE DEPARTMENT

March 31, 2024

The Honorable Mayor,  
Members of the City Council,  
City Manager and Citizens of Wichita Falls, TX

We are pleased to submit the Annual Comprehensive Financial Report of the City of Wichita Falls, TX for the fiscal year ended September 30, 2023, together with the opinion of our independent certified public accountants, Edgin, Parkman, Fleming & Fleming, PC, whose report is included. The Finance Department prepared this report to present the financial position of the City. The financial statements and supporting schedules have been prepared in accordance with generally accepted accounting principles and meet the requirements of the State of Texas and the City Charter.

Management assumes full responsibility for the completeness, fairness, and reliability of the information contained in this report, based on a comprehensive framework of internal controls established for this purpose. We believe the data presented here is accurate in all material respects. It is presented to fairly set forth the financial position and results of operation of the City, as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Edgin, Parkman, Fleming & Fleming, PC, issued an unmodified opinion on the City's financial statements for the year ended September 30, 2023. The Independent Auditor's Report may be found on page 1 of this document.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report in this document. The MD&A provides additional detail and a narrative overview and analysis of the financial statements. It should be read in conjunction with the Basic Financial Statements and the Notes to the Basic Financial Statements.

### CITY OF WICHITA FALLS PROFILE

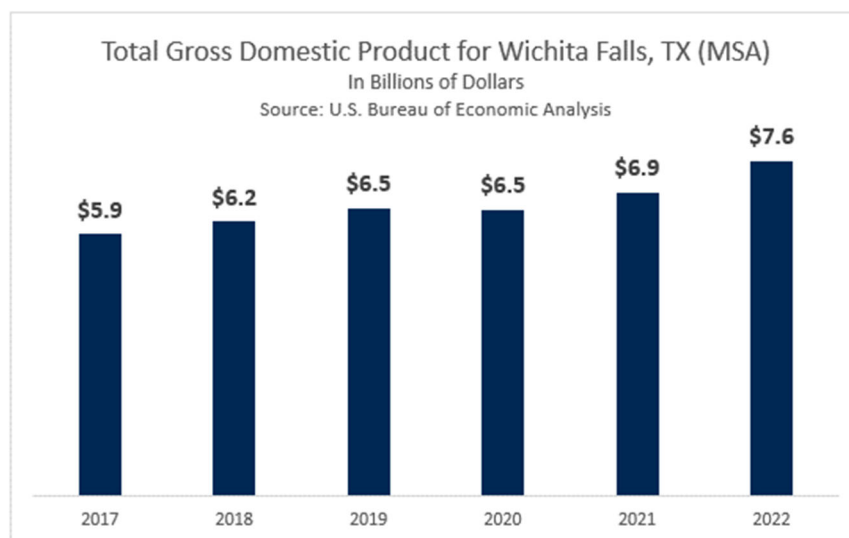
The City of Wichita Falls, the home of Sheppard Air Force Base, is located in north-central Texas. The City was incorporated in 1889 and now encompasses 70.1 square miles. Wichita Falls is linked to major southwestern, western, and mid-western cities by Interstate 44, U.S. Highways 82, 281, 277, 287, and Texas State Route 79. The city is approximately 130 miles northwest of the Dallas/Fort Worth Metroplex, 15 miles from the Red River that marks the Texas/Oklahoma border, and 125 miles south of Oklahoma City. The city is located in the crosstimbers area of the gently rolling north-central plains and is crossed by the Wichita River. Due to the city's geographic location, Wichita Falls serves as a regional economic hub

for North Texas and South-Central Oklahoma. Wichita Falls is the county seat of Wichita County and a major population center in North Texas. The population of Wichita Falls is 102,644 according to the 2022 US Census Bureau estimate.

## ECONOMIC CONDITION AND ACTIVITY

Wichita Falls has successfully diversified its economy to include new manufacturing, government, medical services, retail, and service-related commerce. This diversification is in addition to the more typical North Texas industries of agriculture and oil and gas production. The Wichita Falls Metropolitan Statistical Area (MSA) houses a robust manufacturing sector with many companies having employment in excess of 100 persons. The MSA covers three North Texas counties of Archer, Clay, and Wichita. The largest portion of the MSA production includes Health, Social Services, and Manufacturing. The total population of the MSA is 149,947.

The Total Gross Domestic Product (GDP) of the Wichita Falls MSA totaled \$7,590,310 in 2022 which was a 10.3% increase from 2021. After leveling off in 2020 due to the pandemic, the local economy has experienced significant growth in recent years.



The unemployment rate for the Wichita Falls MSA was 3.7% in October of 2023. This is down from a high of 10.2% in April of 2020. The area's largest employers include Sheppard Air Force Base, United Regional Health Care System, Wichita Falls ISD, Midwestern State University, and North Texas State Hospital.

The economy is based on mineral production, retail trade, manufacturing, agribusiness, and government installations. Principal sources of agricultural income include cattle, cotton, and wheat. The City has several institutions of higher learning, a strong international presence through Sheppard Air Force Base, an eager workforce, all with a community spirit geared toward family, friends, and a desire to see that this thriving city continues to grow and prosper.

The central business district is 5 miles from Sheppard Air Force Base. Sheppard Air Force Base was established in 1941 and is the most diverse training installation for the Air Force. The base is home to the Air Force's largest technical training wing and Euro-NATO Joint Jet Pilot Training program, which trains

combat pilots for 14 NATO partners. According to an economic impact analysis produced by the Texas Comptroller, Sheppard Air Force Base contributed at least \$3.6 billion to the Texas economy in 2021. The base employs approximately 19,928 active duty and civilian personnel.

The City operates a Multi-Purpose Events Center (MPEC), which includes a coliseum, exhibit hall, and an agricultural arena/show barn. The City collaborated with a private investor to complete a hotel and convention center. This collaboration will include a privately-owned hotel with a private investment of over \$48 million and a public conference center, supported with 4B Sales Tax funds. The grand opening of the facility was celebrated in October of 2023.



## CITY SERVICES AND ORGANIZATION OF THE GOVERNMENT

The City of Wichita Falls is a Council-Manager form of government organized under the Constitution and Laws of the State of Texas. The City Council is comprised of five members elected from separate districts, one member at large, and an elected Mayor. The City Council appoints the City Manager, City Attorney, Municipal Court Judge, and City Clerk. All other staff members work under the direction of the City Manager.

The City provides a full range of municipal services to the community. These services include public safety, fire protection, public works, health and welfare, parks and recreation, cemeteries, library, public improvement, engineering, planning and zoning, and general administrative services. As part of public works services, the City provides water, sewer, and sanitation for its citizens. The City also provides a full range of transportation options, including bus service, a regional and municipal airport, and a trolley.

All funds included within the Financial Section of this report are considered to be financially accountable by the City and its elected and appointed officials. The financial statements of the City include all governmental activities, business-type activities, organizations, and functions as required by generally accepted accounting principles. The criteria considered in determining which activities are reported include: the organization's legal status, appointment of the organization's boards, the City's ability to impose its will on the organization, the ability to impose a financial benefit/burden on the City, and fiscal dependency by the organization on the City. The criteria used by the City for including activities in

preparing its financial statements are in conformity with Governmental Accounting Standards Board (GASB) Statement 14, "The Financial Reporting Entity," as amended by Statement 61.

The City promotes economic development efforts for the benefit of Wichita Falls. Under Chapter 312 of the Texas Tax Code, the City is authorized to enter into Tax Abatement Agreements for commercial-industrial and residential purposes. Three areas of the City are designated as Reinvestment Zones (#2, #3, and #4) which capture increments of growth in real property values which are then used for public improvements in the zoned area. The public improvements in these zones are expected to encourage new commercial investment and revitalization of the targeted areas. The City also promotes economic development through cooperation with the Wichita Falls Economic Development Corporation (4A) and the Wichita Falls 4B Sales Tax Corporation which operate under the authority of Vernon's Civil Statutes, Article 5190.6. The three reinvestment zones and the two economic development corporations are legally separate entities from the City; however, the City is considered to be financially accountable for their operations. These five entities are presented as Discretely Presented Component Units and more information related to their finances can be found on pages 95-96.

#### FINANCIAL INFORMATION & FINANCIAL POLICY

A further discussion of the City's Financial Policies may be found in the Notes to the Basic Financial Statements included in this document beginning on page 28. The City's financial direction begins with the City's Charter, which is the basis for all financial policies the City implements. The City maintains financial policies for general operations, which include policies for financial management and fund balances, budget compliance, debt issuance and management, accounts payable, water service, and purchasing, among others. Additional information about financial policies may be found in the City's Adopted Operating Budget in the Policy Statement section.

In developing and evaluating the City's accounting system, the City Manager considers the adequacy of internal control as deemed appropriate. Internal control is designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by the City Manager. The City believes that its internal control adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

The Annual Operating Budget is proposed by the City Manager and approved by the City Council following public discussion. Budgetary control is maintained at the department (class)/fund level by the Finance Department through the use of an integrated enterprise resource planning solution. All legally required funds are budgeted annually. In instances when budgetary transfers are necessary, management control of the operating budget is maintained at the fund and department level. The City Manager must approve transfers within a department of the same fund. Transfers across unlike Departments (outside of class) or funds must be approved by the City Council. A summary overview of the City's budget process is presented in the graphic below. The process starts in March and concludes with Budget Adoption in September. The City's fiscal year runs from October 1 to September 30.

Unencumbered appropriation balances lapse at year-end and are not carried forward to new budget periods. Open encumbrances are reported as reservations of fund balance at September 30, 2023, and related appropriations are carried forward to the new fiscal year through a supplemental budgetary allocation.



The City has a fund balance policy in place for the General Fund, Water/Sewer Fund, and the Sanitation Fund. The policy requires the City to maintain at least 20% of expenditures in unassigned fund balance in each fund. If funds fall below these percentages, plans are created to replenish these funds. These financial statements reflect that the policy has been followed in all three funds. The City also maintains an informal policy to limit tax-supported debt to no more than 5% of total assessed property value or \$1,500 per capita. As of September 30, 2023, the current ratio of general bonded debt outstanding to the assessed value of all taxable property is .55%.

The major governmental funds are the General Fund and the American Rescue Plan Act (ARPA) Fund. The major enterprise funds are the Water and Sewer Fund, the Sanitation Fund, and the Regional Airport Fund. Of the five major funds, ARPA is the only one that is not included in the annual budget appropriation. The following table lists each of the funds appropriated as part of the annual operating budget.

Funds Appropriated in the Annual Operating Budget		
Fund	Fund Type	Description
General Fund	General Fund	General Fund
Debt Service Fund	Governmental	Debt Service
Hotel/Motel Fund	Governmental	Special Revenue
Community Development Fund	Governmental	Special Revenue
Section 8 Housing Fund	Governmental	Special Revenue
HOME Fund	Governmental	Special Revenue
Transportation Planning Grant Fund	Governmental	Special Revenue
State Routine Airport Maint. Fund	Governmental	Special Revenue
Community & Rural Health Fund	Governmental	Special Revenue
TX Healthy Communities	Governmental	Special Revenue
Infectious Disease Fund	Governmental	Special Revenue
Tuberculosis Grant	Governmental	Special Revenue
Immunization Grant Program Fund	Governmental	Special Revenue
Comprehensive Cancer Ctrl. Fund	Governmental	Special Revenue
WIC Fund	Governmental	Special Revenue
Emergency Management Fund	Governmental	Special Revenue
Water & Sewer Fund	Proprietary	Enterprise
Water & Sewer Capital Fund	Proprietary	Capital
Microfiltration and Reverse Osmosis	Proprietary	Capital
Lake Ringgold Fund	Proprietary	Capital
Sanitation Fund	Proprietary	Enterprise
Regional Airport Fund	Proprietary	Enterprise
Kickapoo Airport Fund	Proprietary	Enterprise
Transit Fund	Proprietary	Enterprise
Storm Water Fund	Proprietary	Enterprise
Waterpark Fund	Proprietary	Enterprise
Golf Course Fund	Proprietary	Enterprise
Fleet Fund	Proprietary	Internal Service
Information Technology Fund	Proprietary	Internal Service
Duplicating Services Fund	Proprietary	Internal Service

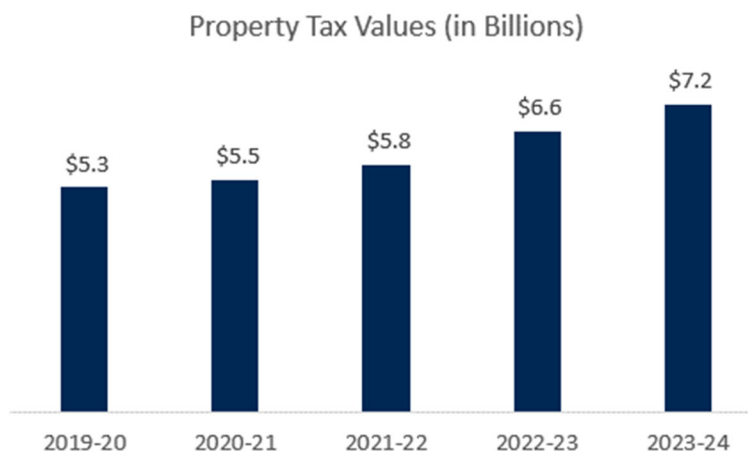
## GENERAL GOVERNMENT FUNCTIONS

The City's two largest revenue sources are property tax (ad valorem tax) and sales tax. The City Council is responsible for adopting a tax rate annually. All eligible property within the City is subject to assessment, levy, and collections of a continuing, direct ad valorem tax. The City Council works closely with City staff to analyze and adopt rates that assist the City, the tax payer and the community at large. The following discussion highlights the property and sales tax information for the next fiscal year.

As a reminder, the City may levy taxes only in accordance with the budget. The tax rate consists of two components, the amount of taxes to pay maintenance and operation expenditures and the amount of taxes to pay debt service (interest and sinking). The table below shows the total of each over the past five years. The City's property tax rate during the 2023 fiscal year was 0.694321 cents per \$100 of assessed value.

Property Tax Rate					
Fiscal Year	M&O	I&S	Total Rate	\$ Change	% Change
2019	0.687102	0.042778	0.729880	0.024	3.39%
2020	0.721571	0.041752	0.763323	0.033	4.58%
2021	0.722736	0.040587	0.763323	0.000	0.00%
2022	0.726565	0.034363	0.760928	-0.002	-0.31%
2023	0.661483	0.032838	0.694321	-0.067	-8.75%

The adopted total tax rate is applied to the total Certified Value of the City to generate the total tax levy. This year the City saw significant increases in the property values. This property tax rate generated approximately \$46.7 million in revenues, of this amount \$42.2 million was received into the City's General Fund for general city operation. The property tax base for FY 2024 is \$7.2 billion, which is a 9.45% increase from the \$6.6 billion tax base in FY 2023. Over the past five years, the City has seen an average annual growth rate of 6% in property values.



The City receives 2.0% of the sales tax collected within City limits. During fiscal year 2023, the City collected \$31.0 million in sales taxes for general operations. The City ended the year with sales tax collections approximately 0.36% lower than the prior year. These collections do not include the sales tax, which is collected, and directed, to the City's discretely presented component units as those funds are voter-approved for a specific and dedicated purpose outside of general city use.

In 1998, voters in Wichita Falls approved a ½-cent economic development sales tax. The passage of the sales tax for economic development created two separate corporations, the Wichita Falls Economic Development Corporation (WFEDC), previously referred to as a 4A Corporation, and the 4B Sales Tax Corporation. The WFEDC was created to fund industrial development projects, manufacturing, research, and development. These funds may be used to fund military base realignment, job training classes, and public transportation. The 4B Corporation may fund all projects the 4A Corporation may fund, in addition to parks, museums, sports facilities, conference facilities and affordable housing opportunities. Sales tax collected in accordance with the voter-approved ½-cent economic development sales tax totaled \$10,329,556 and is divided evenly between the two separate sales and economic development corporations for a total of \$5,164,778 each. These corporations are discretely presented component units of the City. A further discussion of component units may be found in the Notes to the Basic Financial Statements, beginning on page 28 of this document.

#### ARPA FUNDS:

The City of Wichita Falls received \$29,091,650 in American Rescue Plan Act Funds. The funds were received in equal installments May of 2021 and in May of 2022. The City waited for final US Treasury Guidance on expenditure of the funds to make final decisions regarding use. Following 3 public meetings, the City Council approved a non-binding resolution as of June 14, 2022 which set forward their plan for expenditure of the funds. During fiscal year 2023, \$1,850,000 of ARPA funds were spent for community development including \$1,500,000 to nonprofit organizations, \$250,000 to the Wichita Falls Alliance for Arts and Culture, and \$100,000 to the Helen Farabee Center. Capital expenditures in fiscal year 2023, included \$3,300,000 for Softball Complex Turf replacement and initial professional costs for the renovation of Memorial Auditorium. As of September 30, 2023, the ARPA funds have generated \$1,146,874 in interest income. On February 20, 2024, the City Council approved a contract for the renovation of Memorial Auditorium with a total project cost of \$19,089,745. With this approval, the full amount of funds received have been allocated to existing projects.

#### MAJOR INITIATIVES FOR FISCAL YEAR 2023:

The fiscal year 2023 budget provided an opportunity for the City Council to lower the City's property tax rate as the local economy continued to experience above average property appreciation. The budget continued current service levels despite record levels of inflation. The budget reduced the property tax rate by 6.66 cents or 8.75% from 0.7609 to 0.6943. The budget increased employee pay by 5% and increased the City's contribution to the Firefighter's Pension Fund. The budget also invested \$19.3 million of surplus reserves for one-time expenditures.

#### STRATEGIC PLANNING

In March 2021, the City Council and City staff conducted a 2-day strategic planning workshop at the MPEC to ensure the best possible decisions for Wichita Falls are made over the next few years. The Azimuth Group, Inc. was contracted to facilitate and document the results of this collective planning and priority-setting effort. The Strategic Plan is an example of the operation of the "Council Manager" form of

government in that the City Council adopts the Strategic Plan and its policies, and the City Manager is responsible for implementation. The City Council ratified the plan and its goals on May 18, 2021. The plan described the five highest priority items (those items with the greatest opportunity for continued improvement) as (1) Accelerate Economic Growth, (2) Provide Quality Infrastructure, (3) Redevelop Downtown (4) Efficiently Deliver City Services and (5) Actively Engage & Inform the Public.

In January 2024, the City Council and City staff met to develop an updated strategic plan. The City Council identified areas of focus as (1) Accelerate Economic Growth, (2) Provide Quality Infrastructure, (3) Actively Engage and Inform the Public, and (4) Optimize Engagement with the City and City Services. The draft of the current plan includes many new goals which reflect the updated expectations of our City Council and new Mayor. The new plan is expected to be finalized and adopted in the coming months.

## FY 2024 BUDGET HIGHLIGHTS

### Adopted Operating Budget

The City's Operating Budget for the fiscal year ended September 30, 2024 (FY 2024) was adopted by the City Council on September 5, 2023. The revenue and expenditures across all funds were budgeted at \$232,952,356 which was a decrease of \$864,606 or -0.37% from the previous year's budget. This reduction is primarily due to the use of \$19.3 million in fund balance for use in one-time projects in FY 2023.

### Revenues

Two main sources of revenue in the City's budget are Property Taxes and Sales Taxes which provide funding for many City services including Police, Fire, and Health. Property Tax revenue was budgeted at \$48,354,569 for FY 2024 which was a 7.19% increase in anticipated revenues due to increased property market values and new property added to the tax base. The City reduced the property tax rate by 2.06% from .694321 to .680000. Sales Tax Revenue was budgeted at \$31,725,000 which was a 3.41% increase from the previous year's budget.

Revenue from Service Charges was budgeted at \$97,026,937 which was a 6.93% increase from the previous year's budget. The Water & Sewer, Sanitation, and Stormwater funds receive the majority of their revenues from service charges on each utility bill. The FY 2024 budget included a 5% increase in retail water rates to support the increased cost of replacing water and sewer infrastructure and maintain market competitive salaries. The FY 2024 budget also included a 6% increase all curbside and commercial customers and a 13% increase for alley customers. This represented the first increase in Sanitation rates in three years and was needed to support the increased cost of equipment used in trash collection and to maintain market competitive salaries. Additional service charges in the City Budget include internal service charges which help to ensure that Fleet, Information Technology, and other administrative costs are appropriately reflected in the funds responsible for that cost.

Operating Revenue All Funds	2021-22 Actual	2022-23 Adopted Budget	2023-24 Adopted Budget	Percent Change
Property Taxes	\$ 43,165,659	\$ 45,112,664	\$ 48,354,569	7.19%
Sales Tax	31,102,272	30,680,000	31,725,000	3.41%
Franchise Fees	5,684,241	5,465,100	5,527,634	1.14%
Payments in Lieu of Taxes	1,439,374	1,550,000	1,438,446	-7.20%
Other Taxes	3,813,711	3,631,427	3,861,500	6.34%
Service Charges	89,070,802	90,742,569	97,026,937	6.93%
Licenses & Permits	2,296,894	1,701,991	2,049,700	20.43%
Fines & Forfeitures	2,375,884	2,516,357	2,940,400	16.85%
Intergovernmental Rev.	13,091,644	12,285,508	12,378,000	0.75%
Contributions	2,352,418	2,126,644	1,981,356	-6.83%
Interest Income	855,397	2,504,947	5,433,200	116.90%
Misc. Revenues	7,911,570	6,656,021	5,930,401	-10.90%
<b>Operating Revenues</b>	<b>\$203,159,866</b>	<b>\$ 204,973,228</b>	<b>\$ 218,647,143</b>	<b>6.67%</b>
Transfer In	13,360,233	9,534,859	7,942,567	-16.70%
Other Financing Sources	2,002,298	19,308,875	6,362,646	-67.05%
<b>Consolidated Revenues</b>	<b>\$218,522,397</b>	<b>\$ 233,816,962</b>	<b>\$ 232,952,356</b>	<b>-0.37%</b>

#### Budget Expenditures

The FY 2024 budget for expenditures across all funds is \$232,952,356 which was a decrease of \$864,606 or -0.37% from the previous year's budget. Personnel expenses make up the largest category of spending at 45.0% of total expenditures. Utilities and Other Services like professional fees and fleet maintenance costs are 12.3% of the total budget.

Expenditures All Funds	2021-22 Actual Expenditures	2022-23 Adopted Budget	2023-24 Adopted Budget	Percent Change
Personnel Services	\$ 90,770,593	\$ 97,981,335	\$ 104,741,916	6.90%
Supplies	12,403,097	16,303,433	15,838,944	-2.85%
Maintenance & Repair	8,418,369	9,550,830	10,378,043	8.66%
Utilities/Other Services	22,813,304	25,824,625	28,573,613	10.64%
Insurance & Contract Supp.	3,249,143	3,478,367	3,381,856	-2.77%
Debt Expenditures	18,037,329	19,467,705	20,030,328	2.89%
Other Expenditures	11,679,896	13,574,669	14,507,717	6.87%
Non Capital Improvements	142,358	160,541	414,634	158.27%
Capital Improvements	18,129,297	38,711,168	30,041,703	-22.40%
Transfers Out	6,405,767	8,764,290	5,043,602	-42.45%
<b>Total Expenditures</b>	<b>\$ 192,049,153</b>	<b>\$ 233,816,962</b>	<b>\$ 232,952,356</b>	<b>-0.37%</b>



The City also invests in Capital Improvements which are expenditures for items that cost more than \$25,000 and last longer than one year. Funding for capital improvements decreased from \$38,711,168 to \$30,041,703. This reduction is primarily due to the use of \$19.3 million in fund balance for use in one-time projects in FY 2023.

Capital Improvements	Amount
Street Rehab and Improvement	\$ 5,290,500
Lake Ringgold - Federal Permitting	5,000,000
Water and Sewer Line Replacements	3,000,000
Water System Infrastructure	2,488,800
Vehicles (Fleet)	2,453,923
Sanitation Trucks	2,078,823
Stormwater System Improvements	2,000,000
Information Technology	1,715,154
Facility Improvements	1,401,195
Buses (Public Transportation)	1,110,000
Castaway Cove - New Attraction	1,100,000
All Other	<u>2,403,308</u>
Total Capital Improvements	\$ 30,041,703

The Operating Budget can be found at <https://www.wichitafallstx.gov/1668/Annual-Budgets>.

#### INDEPENDENT AUDIT

The City Charter requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City by Certified Public Accountants. The accounting firm of Edgin, Parkman, Fleming & Fleming, PC was selected by the Mayor and City Council to satisfy this charter requirement. The auditors' report on the basic financial statements and combining fund statements and schedules is included in the financial section of this report. In addition to meeting the requirements set forth in the City Charter, the audit also was designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and related Uniform Guidance and the State Single Audit Act. These reports are issued under separate cover.

#### AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wichita Falls for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. This was the 28th consecutive year that the City of Wichita Falls has achieved this prestigious award. In order to be awarded this Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. This Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the

Certificate of Achievement Program’s requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The City has also earned the Distinguished Budget Award from the Government Finance Officers Association of the United States and Canada for the past four years. As stated by GFOA, “This award represents a significant achievement by the entity. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for effective budget presentation.”

For the first time, the City earned the Award for Outstanding Achievement in Popular Annual Financial Reporting for its report for the fiscal year ended September 30, 2022. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. For the 2022 Fiscal Year, we have won all three GFOA awards (Distinguished Budget Presentation Award, Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award). Organizations that win all three awards are recognized as GFOA Triple Crown Winners.



The City of Wichita Falls is dedicated to increasing fiscal transparency. The City participates in the Texas State Comptrollers Transparency Star program. The program recognizes government entities for going above and beyond in their transparency efforts. The program has awarded the City of Wichita Falls 3 stars for opening our books and providing information related to traditional finances, public pensions, and debt obligations. We provide clear and meaningful financial information not only by posting financial documents, but also through summaries, visualizations, and downloadable data. In August of 2023, the Comptroller’s office completed a review of the program and confirmed that we continue to meet the criteria for this prestigious recognition.



## ACKNOWLEDGEMENTS

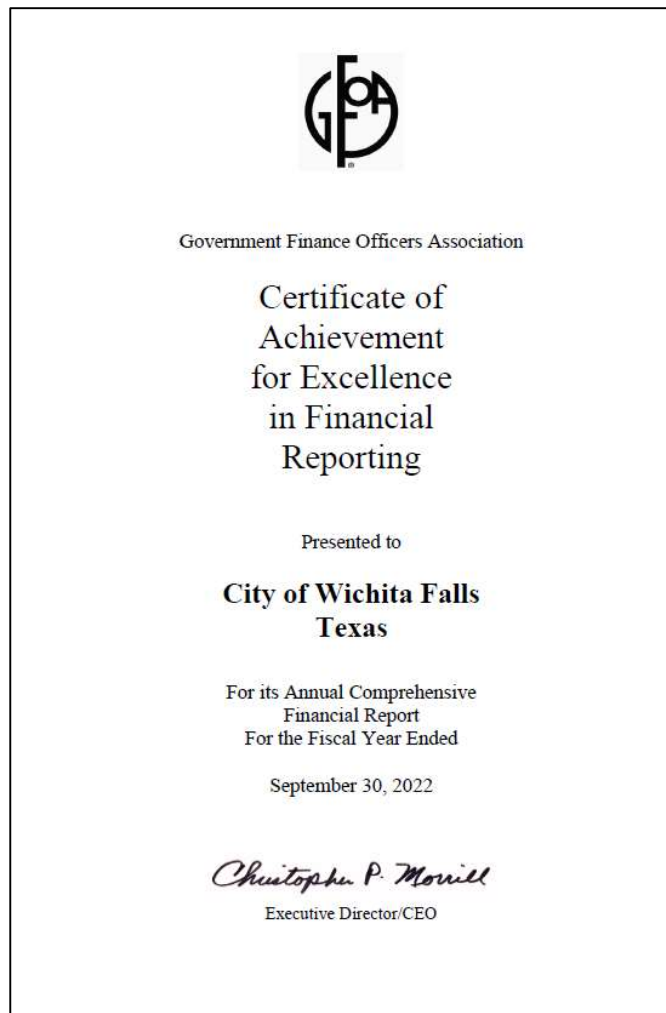
I am grateful to the Mayor, City Council, City Manager, City leaders and staff for their contributions to the sound financial management of the City of Wichita Falls. We all work together to be good stewards of the public funds that are in our care. I am especially grateful to the personnel of the Finance Department whose work makes this report possible.

Respectfully submitted,

A handwritten signature in blue ink, reading "Stephen Calvert". The signature is fluid and cursive, with the first name "Stephen" and last name "Calvert" clearly legible.

Stephen Calvert, CPA, CPFO  
Chief Financial Officer

Government Finance Officers Association Certificate for Excellence in Financial Reporting



The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wichita Falls for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2022.

This was the 28th consecutive year that the City of Wichita Falls has achieved this prestigious award. In order to be awarded this Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. This Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

# City Organizational Chart





# WICHITA FALLS CITY COUNCIL

AS OF MARCH 31, 2024



**TIM SHORT**

MAYOR



**BOBBY WHITELEY**

AT LARGE



**MICHAEL SMITH**

DISTRICT 1



**LARRY NELSON**

DISTRICT 2



**JEFF BROWNING**

DISTRICT 3



**MIKE BATTAGLINO**

DISTRICT 4



**TOM TAYLOR**

DISTRICT 5



**DARRON LEIKER**

CITY MANAGER

CITY OF WICHITA FALLS

LIST OF PRINCIPAL OFFICIALS

MARCH 31, 2024

TITLE	NAME
Mayor	Tim Short
Mayor Pro-Tem & At Large	Bobby Whiteley
District 1 Councilor	Michael Smith
District 2 Councilor	Larry Nelson
District 3 Councilor	Jeff Browning
District 4 Councilor	Mike Battaglino
District 5 Councilor	Tom Taylor
City Manager	Darron Leiker
City Attorney	Kinley Hegglund
Municipal Court Judge	Diane Dockery
City Clerk	Marie Balthrop
Assistant City Manager	Paul Menzies
Assistant City Manager	Blake Jurecek
Director of Human Resources	Christi Klyn
Director of Aviation/Traffic and Transportation	John Burrus
Chief Financial Officer	Stephen Calvert
Director of Public Health	Amy Fagan
Police Chief	Manuel Borrego
Fire Chief	Donald Hughes
Director of Communications, Marketing, and MPEC	Lindsay Lewis
Director of Public Works and Public Utilities	Russell Schreiber
Director of Development Services	Terry Floyd

## ***FINANCIAL SECTION***



## EDGIN, PARKMAN, FLEMING & FLEMING, PC

CERTIFIED PUBLIC ACCOUNTANTS

1401 HOLLIDAY ST., SUITE 216    ▪    P.O. Box 750  
WICHITA FALLS, TEXAS 76307-0750  
PH. (940) 766-5550    ▪    FAX (940) 766-5778

MICHAEL D. EDGIN, CPA  
DAVID L. PARKMAN, CPA  
A. PAUL FLEMING, CPA

### **Independent Auditor's Report on Financial Statements**

The Honorable Mayor and Members of the City Council  
City of Wichita Falls, Texas

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wichita Falls, Texas (the City) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Responsibilities of Management for the Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedule – General Fund, the schedules on the Texas Municipal Retirement System, the Wichita Falls Firemen's Relief and Retirement Fund, and the Wichita Falls Retiree Health Care Plan be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining financial statements, supporting schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued under separate cover our report dated March 26, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "Edgin, Parkman, Fleming & Fleming, PC". The signature is written in a cursive, flowing style.

Edgin, Parkman, Fleming & Fleming, PC

March 26, 2024

## CITY OF WICHITA FALLS, TEXAS

### MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2023

Management's discussion and analysis provides a narrative overview of the financial activities and changes in the financial position of the City of Wichita Falls, Texas, for the fiscal year ended September 30, 2023. The management of the City offers it here to the readers of its financial statements. Readers should use the information presented in conjunction with additional information furnished in our letter of transmittal, which is in the Introductory Section of this Annual Comprehensive Financial Report.

#### **Financial Highlights**

The net position of the City of Wichita Falls on September 30, 2023 was \$504,227,361. The net position represents the amount that assets and deferred outflows of the City of Wichita Falls exceeded its liabilities and deferred inflows. The net position for the City increased by \$31,547,083 over the prior year. This increase is a result of an increase in net position of \$19,625,183 from the current fiscal year business-type activities and an increase in net position of \$11,921,900 from the current fiscal year governmental activities.

The unrestricted net position for Governmental Activities was (\$70,135,236), while the Business-type Activities had an unrestricted net position of \$57,082,234, for an overall unrestricted net position of (\$13,053,002). Unrestricted net position for Governmental Activities increased by \$356,764 from the prior year, while unrestricted net position for Business-type Activities increased by \$593,499 from the prior year.

In both Governmental and Business-type activities, the City made increased investments in capital in fiscal year 2023 as part of the plan to use excess fund balance for one-time expenditures. Total assets benefited from increases in fund balance in the City's General Fund of \$2,603,892 to \$48,665,119. The City's General Fund benefited from increased property valuations. In Fiscal Year 2023, property tax values increased 14%. These increases were offset by increased deferred outflows of resources for pension-related obligations due to investment losses in the pension plans.

At September 30, 2023, the City's governmental funds reported combined ending fund balances of \$66,507,083. Of this amount, \$47,863,622, or 72%, is available for spending at the government's discretion (unassigned fund balance). At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$48,015,435 or 52% of total General Fund expenditures of \$91,534,120

During Fiscal Year 2023, the City's total debt decreased by \$17,362,346. No new debt was issued in the fiscal year, and the City had taken steps to refinance debt in previous years as lower interest rates offered the opportunity to lower overall debt payments. Additional information on the City's debt service may be found in the Notes to the Basic Financial Statements.

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The reporting focus is on the City as a whole and on individual major funds. It is intended to present a comprehensive view of the City's financial activities. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023

**Government-wide Financial Statements**

The government-wide financial statements, which can be found on pages 14-15 of this report, include the Statement of Net Position (Exhibit A-1) and the Statement of Activities (Exhibit A-2). These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. Both are prepared using the economic resources focus and the accrual basis of accounting, meaning that all current year's revenues and expenses are included regardless of when cash is received or paid. Thus, revenues and expenses are reported in these statements for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but not used vacation leave).

*The Statement of Net Position* presents information on all of the City's assets and liabilities, including capital assets and long-term obligations. The difference between the City's assets and deferred outflows and liabilities and deferred inflows is reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other indicators of the City's financial position should be taken into consideration, such as the change in the City's property tax base and condition of the City's infrastructure (e.g., roads, traffic signals, water and sewer lines, etc.), in order to more accurately assess the overall financial condition of the City.

*The Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. It focuses on both the gross and net costs of government services. This statement includes all current year revenues and expenses.

The Statement of Net Position and the Statement of Activities divide the City's activities into three types:

*Governmental activities* – Most of the City's basic services are reported here, including police, fire, parks and recreation, public works, health, traffic and transportation, community development and planning, duplicating services, information technology, health insurance claims, and general administration and finance. The Multi-Purpose Events Center and Champions Golf Course are also reported as governmental activities. Property taxes, sales taxes, franchise fees, and various grant funds provide the majority of financing for these activities.

*Business-type activities* – Activities for which the City charges fees to customers to pay most or all of the cost of a service it provides are reported as business-type activities. The City's business-type activities include water and wastewater treatment and distribution, solid waste collection and disposal, regional and municipal airports, transit system, stormwater drainage improvements, fleet maintenance services, and water park operations.

*Component Units* – Five legally separate organizations for which the City is financially accountable are included in these statements as discretely presented component units. These organizations include the Wichita Falls Economic Development Corporation, Wichita Falls 4B Sales Tax Corporation, Wichita Falls Reinvestment Zone #2, Wichita Falls Reinvestment Zone #3, and the Wichita Falls Reinvestment Zone #4.

**Fund Financial Statements**

The City of Wichita Falls, like other state and local governments, uses fund accounting to provide more detailed information about the City's most significant funds, not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific



MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023

activities or objectives. Some funds are required to be established by state law or bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

*Governmental Funds* – These funds are used to account for the majority of the City's activities, which are essentially the same functions reported as governmental funds in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements focus on near-term inflows and outflows of expendable resources, as well as expendable resources available at the end of the fiscal year for future spending. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of the governmental fund's financial statements is narrower than that of the government-wide financial statements. Therefore, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison. The reconciliation explains the differences between the government's activities reported in the governmentwide statements and the information presented in the governmental fund's financial statements.

The City of Wichita Falls maintains 16 individual governmental funds. Information for the General Fund and the American Rescue Plan Act Fund are presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances because they are considered major funds of the City. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds are provided in the Combining Financial Statement Section of this report.

The Basic Governmental Funds Financial Statements can be found on pages 16-20 of this report.

*Proprietary Funds* – When the City charges customers for services it provides, whether to outside customers or to other units within the City, the activities are generally reported in proprietary funds. The City of Wichita Falls maintains two different types of proprietary funds: enterprise funds and internal service funds.

- Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations, sanitation collection and disposal services, regional and municipal airports, transit operations, stormwater drainage improvements, and water park operations.
- Internal service funds are an accounting device used to report activities that provide supplies and services to other City programs, such as fleet maintenance, print shop services, information technology, and employee benefit trust. Because these services benefit both governmental and business-type functions, they have been allocated between governmental and business-type activities in the government-wide financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023

Proprietary fund financial statements provide the same type of information as the business-type activities shown in the government-wide financial statements, only in more detail and include some of the internal service fund-type activities. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, the Sanitation Fund, and the Regional Airport Fund since they are considered major funds of the City. The non-major proprietary funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for each of the non-major proprietary funds are provided in the Combining Financial Statement Section of this report.

*Fiduciary Funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting method used for fiduciary funds is much like that used for proprietary funds. Custodial funds are a component of fiduciary funds and are used to account for situations where the City's role is purely custodial, such as receipt, temporary investment, and remittance of fiduciary funds to individuals, private organizations, or other governments. The City maintains one fiduciary fund. This fund is a custodial fund used to account for property that has been abandoned or unclaimed pending escheatment to the State of Texas.

#### **Notes to the Financial Statements**

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes can be found on pages 28-69 of this report.

#### **Government-Wide Financial Analysis**

The City's combined net position was \$504,227,361 as of September 30, 2023, and increase of \$31,547,083 or 6.7% from the prior year. The largest portion of the City's net position \$495,550,637, or 98.3% is reflected in capital assets (land and improvements, buildings, infrastructure, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$23,596,814 or 4.7% represents resources that are subject to external restrictions on how they can be used.

## CITY OF WICHITA FALLS, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023

	<b>Net Position</b> (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 99,721	\$ 103,721	\$ 98,598	\$ 97,105	\$ 198,320	\$ 200,826
Capital Assets	<u>200,240</u>	<u>189,289</u>	<u>402,067</u>	<u>397,468</u>	<u>602,307</u>	<u>586,757</u>
Total Assets	<u>299,961</u>	<u>293,010</u>	<u>500,666</u>	<u>494,573</u>	<u>800,627</u>	<u>787,583</u>
Deferred Outflows of Resources	<u>48,100</u>	<u>34,248</u>	<u>10,495</u>	<u>4,973</u>	<u>58,596</u>	<u>39,221</u>
Long Term Liabilities	186,626	142,975	111,896	112,491	298,522	255,466
Other Liabilities	<u>31,103</u>	<u>38,385</u>	<u>6,424</u>	<u>6,951</u>	<u>37,527</u>	<u>45,336</u>
Total Liabilities	<u>217,729</u>	<u>181,360</u>	<u>118,321</u>	<u>119,442</u>	<u>336,050</u>	<u>300,802</u>
Deferred Inflows of Resources	<u>18,802</u>	<u>46,238</u>	<u>144</u>	<u>5,366</u>	<u>18,945</u>	<u>51,604</u>
Net Position:						
Net Investment in Capital Assets	170,464	160,288	323,220	304,743	493,684	465,031
Restricted	11,202	9,812	12,395	11,840	23,597	21,652
Unrestricted	<u>(70,135)</u>	<u>(70,492)</u>	<u>57,082</u>	<u>56,489</u>	<u>(13,053)</u>	<u>(14,003)</u>
Total Net Position	<u>\$ 111,530</u>	<u>\$ 99,608</u>	<u>\$ 392,697</u>	<u>\$ 373,072</u>	<u>\$ 504,227</u>	<u>\$ 472,680</u>

## CITY OF WICHITA FALLS, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023

CHANGES IN NET POSITION						
(in thousands)						
	Governmental		Business-type		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 12,631	\$ 11,562	\$ 76,389	\$ 76,039	\$ 89,020	\$ 87,601
Operating Grants and Contributions	22,509	17,046	4,606	4,311	27,115	21,357
Capital Grants and Contributions	1,452	1,876	2,274	3,048	3,726	4,924
General Revenues:						
Property Taxes	46,719	45,230			46,719	45,230
Sales Taxes	30,989	31,100			30,989	31,100
Other Taxes/Fees	9,244	8,915			9,244	8,915
Investment Earnings	5,296	679	1,652	237	6,948	916
Miscellaneous	943	566	29	2	972	568
Total Revenue	<u>129,782</u>	<u>116,974</u>	<u>84,951</u>	<u>83,637</u>	<u>214,732</u>	<u>200,611</u>
<b>Expenses:</b>						
Administrative Services	19,214	16,701			19,214	16,701
Police	30,332	25,454			30,332	25,454
Fire	25,909	22,600			25,909	22,600
Parks and Recreation	6,554	5,810			6,554	5,810
Accounting/Finance	1,062	722			1,062	722
Community Development	10,261	7,498			10,261	7,498
Public Works	9,329	8,621			9,329	8,621
Health	7,585	7,066			7,585	7,066
Traffic and Transportation	3,266	3,076			3,266	3,076
MPEC	6,049	5,134			6,049	5,134
Interest and Fees on Long-term Debt	1,307	1,456			1,307	1,456
Regional Airport	-	-	3,042	2,929	3,042	2,929
Kickapoo Airport	-	-	1,549	1,643	1,549	1,643
Transit	-	-	3,378	3,124	3,378	3,124
Sanitation	-	-	11,689	10,857	11,689	10,857
Water and Sewer	-	-	39,661	33,729	39,661	33,729
Stormwater Drainage	-	-	1,118	1,148	1,118	1,148
Waterpark	-	-	1,881	1,681	1,881	1,681
Total Expenses	<u>120,868</u>	<u>104,138</u>	<u>62,317</u>	<u>55,111</u>	<u>183,185</u>	<u>159,249</u>
Increase in Net Position Before Transfers	8,914	12,836	22,633	28,526	31,547	41,362
Transfers	<u>3,008</u>	<u>4,046</u>	<u>(3,008)</u>	<u>(4,046)</u>	-	-
Increase in Net Position	11,922	16,882	19,625	24,480	31,547	41,362
Net Position - Beginning, original	99,668	82,778	374,738	350,892	474,405	433,670
Prior Period Adjustment	(59)	8	(1,666)	(634)	(1,725)	(626)
Net Position - End of Year, Restated	<u>111,530</u>	<u>\$99,668</u>	<u>\$392,697</u>	<u>\$ 374,738</u>	<u>\$ 504,227</u>	<u>\$474,406</u>

CITY OF WICHITA FALLS, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023

*Governmental Activities* – Governmental Activities increased the City's net position by \$11,921,900. The increase in net position in the Governmental Activities is primarily due to lower than anticipated personnel costs due to vacancies across departments and delayed capital spending due to supply chain and contractor availability.

*Business-Type Activities* – Business-type Activities increased the City's net position by \$21,290,936. This increase is primarily due to an increase in Net Investment in Capital Assets of \$19,830,109. This increase is primarily due to lower than anticipated personnel costs due to vacancies across departments and delayed capital spending due to supply chain and contractor availability.

**Financial Analysis of the City's Funds**

*Governmental Funds* – The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of September 30, 2023, the City's governmental funds reported combined fund balances of \$66,507,083, which is an increase of \$1,909,520 from the prior year. The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$48,015,435 an increase of \$2,283,115 from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 52.46% of total General Fund expenditures, while the total fund balance represents 53.17% of total General Fund expenditures. The increase in net position in the Governmental Funds is primarily due to lower than anticipated personnel costs due to vacancies across departments and delayed capital spending due to supply chain and contractor availability.

The City received a total of \$29.1 million in American Rescue Plan Act funds. These funds are being used for a variety of projects that address health, safety, tourism and benefits to the non-profit community. On June 14, 2022 the City Council adopted a non-binding resolution showing their support for a variety of projects for which the funds will be used. During fiscal year 2023, \$1,850,000 of ARPA funds were spent for community development including \$1,500,000 to nonprofit organizations, \$250,000 to the Wichita Falls Alliance for Arts and Culture, and \$100,000 to the Helen Farabee Center. Capital expenditures in fiscal year 2023, included \$3,300,000 for Softball Complex Turf replacement and initial professional costs for the renovation of Memorial Auditorium. As of September 30, 2023, the ARPA funds have generated \$1,146,874 in interest income.

*Proprietary Funds* – The financial statements of the proprietary funds provide information for two types of funds: the business type (enterprise) funds and the internal service funds. The accounting principles applied to proprietary funds are similar to that of the private sector. Consequently, with the exception of the allocation of internal service fund net income or loss, the net position and changes in net position of the enterprise funds in these financial statements are identical with the net position and changes in net position reflected in the business-type activities in the city-wide presentation.

The City's internal service funds include the Fleet Maintenance Fund, Employee Benefit Trust Fund, Duplicating Services Fund, and the Information Technology Fund. At the close of September 30, 2023, the

MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023

net position for the City's internal service funds was \$49,721,068, an increase of \$8,399,939. This change is due primarily to transfers in of surplus funds for capital expenditures for fleet and investment earnings of the employee benefit trust.

**General Fund Budgetary Highlights**

The final amended expenditure budget for the General Fund, including transfers out, was increased by \$3,422,043 from the original fiscal year 2023 adopted budget. This increase was primarily due to the carry-forward of items from the prior year. Items carried forward included busses, vehicles, equipment and other projects that were delayed in fiscal year 2023 as supply chains were still seeing significant delays.

Revenues in the General Fund for the Fiscal Year 2023 were \$94,998,593, which was \$5,244,120 less than final budgeted revenues. The budgeted revenue included the use of excess general fund balance for one-time expenditures in fiscal year 2023 which did not need to be fully accessed due to lower than anticipated capital expenditures. Expenditures in the General Fund for the fiscal year were \$91,534,120, which was \$10,356,929 final budgeted expenditures. Capital expenditures were \$5,667,705 due to the delayed timing of capital expenditures and lower than anticipated personnel costs due to vacancies across departments.

**Capital Assets and Debt Administration**

*Capital Assets* – The City's investment in capital assets for its governmental and business-type activities as of September 30, 2023 was \$602,307,293 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress.

Major capital investments during this fiscal year included the following:

- 9<sup>th</sup> Street Tower Replacement
- Water and Sewer Line Replacements
- Convention Center Construction from bond funds
- MPEC Renovations from surplus funds
- Street Replacements (increased from routine levels due to use of surplus funds)
- Athletic Turf at Softball Complex from ARPA funds
- Business Park Infrastructure Improvements from bond funds

Additional information on the City's capital assets can be found in Note 7 in the Notes to the Financial Statements section of this report.

CITY OF WICHITA FALLS, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023

<b>Capital Assets, Net of Accumulated Depreciation</b>						
(in thousands)						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2023	2022	2023	2022	2023	2022
Land	\$ 11,541	\$ 10,753	\$ 11,072	\$ 11,072	\$ 22,613	\$ 21,825
Land Betterments	18,063	15,286	33,123	34,583	51,185	49,869
Buildings, Systems & Improvements	43,665	41,419	323,173	320,806	366,837	362,225
Infrastructure	111,968	105,384	1,247	1,264	113,215	106,648
Machinery and Equipment	7,880	6,850	1,979	2,208	9,859	9,058
Subscription assets	471	241	-	-	471	241
Motor Vehicles	-	-	22,566	19,972	22,566	19,972
Right-to-use leased assets	-	-	2,175	2,237	2,175	2,237
Construction in Progress	6,654	9,597	6,732	3,659	13,386	13,256
<b>Totals</b>	<b>\$ 200,240</b>	<b>\$ 189,530</b>	<b>\$ 402,067</b>	<b>\$ 395,803</b>	<b>\$ 602,307</b>	<b>\$ 585,333</b>

*Long Term Debt* – As of September 30, 2023, the City had total bonded debt, notes, and capital leases outstanding of \$123,330,000. During the fiscal year, the City's total debt decreased by \$17,363,000. As of September 30, 2023, Moody's Investor's Service had assigned a credit rating of Aa2 for the City's General Obligation Bonds and a rating of A3 for the City's Water and Sewer System Revenue Bonds. Standard & Poor's had assigned a credit rating of AA for the City's General Obligation Bonds and a rating of A+ for its Water and Sewer System Revenue Bonds.

<b>Outstanding Debt at Year-End</b>						
(in thousands)						
	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 24,050	\$ 26,751	\$ 5,455	\$ 5,809	\$ 29,505	\$ 32,560
Combination Tax & Revenue Bonds	11,485	12,455	27,840	29,435	39,325	41,890
Venue Tax Revenue Bonds	2,535	2,585	-	-	2,535	2,585
Utility System Revenue Bonds	-	-	30,250	38,660	30,250	38,660
Premiums on Bonds	1,221	1,481	1,894	3,002	3,115	4,483
Notes Payable	2,817	3,431	12,935	14,208	15,752	17,639
Right-to-use Leases	-	-	2,849	2,876	2,849	2,876
	<u>\$ 42,107</u>	<u>\$ 46,703</u>	<u>\$ 81,223</u>	<u>\$ 93,990</u>	<u>\$ 123,330</u>	<u>\$ 140,693</u>

The City is permitted by its Home Rule Charter to levy taxes up to \$2.25 per \$100 of assessed valuation for general governmental services, including the payment of principal and interest on long-term debt. The combined tax rate to finance general governmental services for the year ended September 30, 2023, was \$.694321 per \$100 which means that the City has a tax margin of \$1.489072 per \$100, and could generate up to \$102,624,178 additional tax revenue a year from the present assessed valuation of \$6,596,548,411 before the limit is reached. The current ratio of general bonded debt outstanding to the assessed value



MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023

of all taxable property is .55%. Additional information about the City's long-term debt can be found in Note 12 in the Notes to the Financial Statements section of this report.

**Economic Factors and Next Year's Budget and Rates**

The total operating budget for the City includes all expenditures, revenues, and transfers anticipated in the coming year. This includes expenditures for items funded outside of the City, like federal grants for large capital projects and funds for programs received from other sources. The budget also includes the adoption of payments for debt services. The total Adopted Operating Budget for Fiscal Year 2024 is \$232,952,356 which is a decrease of \$864,606, or 0.37%, from the Fiscal Year 2023 Budget of \$233,816,962. This reduction is primarily due to the use of \$19.3 million in fund balance for use in one-time projects in FY 2023.

The fiscal year 2024 budget reduced the property tax rate by 2.1% from .6943 to .6800. It committed over \$30 million to infrastructure replacement and capital improvement projects while setting aside \$10 million in excess General Reserve Funds to establish a Capital Fund for future capital needs.

The 2024 budget also included significant increases in personnel costs to help maintain competitive compensation levels. The budget increased civil service personnel pay by to 6.5%, and increased the City's contribution to the Firefighter's Pension Fund to maintain parity with TMRS employees. Non-civil service compensation was increased by up to 6.0% and stability pay was increased to help retain long-term employees. Medical and dental premiums were kept level and six benefit holidays were established as healthcare costs have been lower than anticipated.

The entire budget may be found on the City's website at [www.wichitafallstx.gov](http://www.wichitafallstx.gov).

Moving forward into the FY 2025 budget year, the City continues to monitor forecasts of key economic indicators. Sales tax revenue has declined as receipts are 2.6% less for the 12-month period through March. Property values are levelling off after several years of above average increases, and interest rates are expected to decline as the Federal Reserve projects that it will start reducing interest rates by the end of this year. The City has strong reserves and an eye to the future as staff will work to pursue the vision laid out in our newly drafted Strategic Plan. Management strongly encourages the reader to review the Finance Department's available resources online as we move forward.

**Requests for Information**

This financial report is designed to provide a general overview of the finances of the City of Wichita Falls for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or request for additional financial information, should be addressed to the City Finance Department, 1300 Seventh Street, Wichita Falls, Texas 76301.



## ***BASIC FINANCIAL STATEMENTS***

**CITY OF WICHITA FALLS, TEXAS**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Units
<b>Assets</b>				
Cash and cash equivalents	\$ 67,421,086	\$ 57,214,966	\$ 124,636,052	\$ 45,050,829
Investments	17,794,888	-	17,794,888	-
Receivables (net):				
Taxes and assessments	1,252,468	-	1,252,468	-
Customer and trade	-	8,763,923	8,763,923	-
Government agencies	12,400,201	1,726,149	14,126,350	1,817,757
Other	2,431,656	638,528	3,070,184	557,755
Internal balances	(12,870,360)	12,870,360	-	-
Inventory	645,136	1,988,082	2,633,218	-
Prepaid items	712,592	946	713,538	-
Other assets	31,190	210,186	241,376	-
Restricted assets:				
Cash and cash equivalents	9,902,285	15,185,255	25,087,540	-
Capital assets not being depreciated	18,194,331	17,804,532	35,998,863	2,517,331
Capital assets net of accumulated depreciation	182,045,588	384,262,842	566,308,430	23,124,269
Total assets	<u>299,961,061</u>	<u>500,665,769</u>	<u>800,626,830</u>	<u>73,067,941</u>
<b>Deferred Outflows of Resources</b>				
Pension-related	45,460,791	7,748,843	53,209,634	-
OPEB-related	2,497,846	955,079	3,452,925	-
Deferred losses on bond refundings	141,457	1,791,484	1,932,941	-
Total deferred outflows of resources	<u>48,100,094</u>	<u>10,495,406</u>	<u>58,595,500</u>	<u>-</u>
<b>Liabilities</b>				
Accounts payable - trade	2,121,149	1,804,566	3,925,715	265,491
Accrued payroll	1,412,005	409,283	1,821,288	-
Accrued interest payable	176,960	321,913	498,873	-
Payable to government agencies	641,351	63,694	705,045	-
Estimated health claims payable	1,047,682	-	1,047,682	-
Other liabilities	3,801,670	254,962	4,056,632	1,727,857
Unearned revenue	21,901,922	-	21,901,922	-
Customer deposits	-	3,570,039	3,570,039	-
Long-term liabilities:				
Portion due or payable within one year	8,112,532	12,345,750	20,458,282	655,000
Portion due or payable after one year	46,019,661	76,695,924	122,715,585	27,060,179
Net pension liability (payable after one year)	121,330,542	18,585,842	139,916,384	-
Net OPEB liability (payable after one year)	11,163,619	4,268,534	15,432,153	-
Total liabilities	<u>217,729,093</u>	<u>118,320,507</u>	<u>336,049,600</u>	<u>29,708,527</u>
<b>Deferred Inflows of Resources</b>				
Pension-related	18,558,576	50,627	18,609,203	-
OPEB-related	243,182	92,984	336,166	-
Total deferred inflows of resources	<u>18,801,758</u>	<u>143,611</u>	<u>18,945,369</u>	<u>-</u>
<b>Net Position</b>				
Net investment in capital assets	170,463,853	323,219,696	493,683,549	3,915,075
Restricted for:				
Perpetual care (nonexpendable)	1,889,639	-	1,889,639	-
Debt service (expendable)	1,743,468	12,395,127	14,138,595	-
Federal grant programs (expendable)	6,320,350	-	6,320,350	-
Tourism (expendable)	1,248,230	-	1,248,230	-
Unrestricted	(70,135,236)	57,082,234	(13,053,002)	39,444,339
Total net position	<u>\$ 111,530,304</u>	<u>\$ 392,697,057</u>	<u>\$ 504,227,361</u>	<u>\$ 43,359,414</u>

*See accompanying notes to the basic financial statements.*

**CITY OF WICHITA FALLS, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
<b>Primary government:</b>			
Governmental activities:			
Administrative services	\$ 19,214,246	\$ 5,679,417	\$ 309,014
Police	30,331,586	815,908	409,502
Fire	25,908,574	63,790	1,331,630
Parks and recreation	6,554,341	417,761	3,723,939
Accounting/finance	1,061,629	-	-
Community development	10,261,349	2,170,065	9,260,160
Public works	9,329,189	4,014	10,815
Health	7,585,313	1,134,133	3,449,342
Traffic and transportation	3,265,753	174,841	2,014,069
Multi-Purpose Events Center	6,049,052	2,170,634	35,000
Interest and fees on long-term debt	1,306,918	-	1,965,587
Total governmental activities	<u>120,867,950</u>	<u>12,630,563</u>	<u>22,509,058</u>
Business-type activities:			
Regional Airport	3,041,535	1,919,173	-
Kickapoo Airport	1,549,000	1,080,143	-
Transit	3,377,663	486,204	4,605,539
Sanitation	11,688,957	17,208,729	-
Water and sewer	39,661,150	50,034,772	-
Stormwater drainage	1,118,252	3,755,677	-
Waterpark	1,880,642	1,904,398	-
Total business-type activities	<u>62,317,199</u>	<u>76,389,096</u>	<u>4,605,539</u>
Total primary government	<u>\$ 183,185,149</u>	<u>\$ 89,019,659</u>	<u>\$ 27,114,597</u>
<b>Component units:</b>			
Community development	<u>\$ 8,944,836</u>	<u>\$ -</u>	<u>\$ 358,735</u>
General revenues and transfers:			
Taxes:			
Property tax			
Sales tax			
Franchise fees			
Hotel occupancy tax			
Beverage tax			
Investment earnings			
Miscellaneous			
Transfers			
Total general revenues and transfers			
Change in net position			
Net position - beginning, as originally stated			
Prior period adjustments			
Net position - beginning, as restated			
Net position - ending			

*See accompanying notes to the basic financial statements.*

Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
\$ -	\$ (13,225,815)	\$ -	\$ (13,225,815)	\$ -
-	(29,106,176)	-	(29,106,176)	-
-	(24,513,154)	-	(24,513,154)	-
-	(2,412,641)	-	(2,412,641)	-
-	(1,061,629)	-	(1,061,629)	-
-	1,168,876	-	1,168,876	-
833,800	(8,480,560)	-	(8,480,560)	-
-	(3,001,838)	-	(3,001,838)	-
-	(1,076,843)	-	(1,076,843)	-
617,764	(3,225,654)	-	(3,225,654)	-
-	658,669	-	658,669	-
<u>1,451,564</u>	<u>(84,276,765)</u>	<u>-</u>	<u>(84,276,765)</u>	<u>-</u>
-	-	(1,122,362)	(1,122,362)	-
67,220	-	(401,637)	(401,637)	-
-	-	1,714,080	1,714,080	-
-	-	5,519,772	5,519,772	-
2,207,260	-	12,580,882	12,580,882	-
-	-	2,637,425	2,637,425	-
-	-	23,756	23,756	-
<u>2,274,480</u>	<u>-</u>	<u>20,951,916</u>	<u>20,951,916</u>	<u>-</u>
<u>\$ 3,726,044</u>	<u>(84,276,765)</u>	<u>20,951,916</u>	<u>(63,324,849)</u>	<u>-</u>
<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,586,101)</u>
	46,719,098	-	46,719,098	1,176,846
	30,988,808	-	30,988,808	10,329,556
	5,911,738	-	5,911,738	-
	2,956,265	-	2,956,265	-
	376,230	-	376,230	-
	5,295,711	1,652,400	6,948,111	2,490,111
	942,581	29,101	971,682	82,463
	3,008,234	(3,008,234)	-	-
	<u>96,198,665</u>	<u>(1,326,733)</u>	<u>94,871,932</u>	<u>14,078,976</u>
	11,921,900	19,625,183	31,547,083	5,492,875
	99,667,817	374,737,627	474,405,444	34,795,035
	(59,413)	(1,665,753)	(1,725,166)	3,071,504
	<u>99,608,404</u>	<u>373,071,874</u>	<u>472,680,278</u>	<u>37,866,539</u>
	<u>\$ 111,530,304</u>	<u>\$ 392,697,057</u>	<u>\$ 504,227,361</u>	<u>\$ 43,359,414</u>

**CITY OF WICHITA FALLS, TEXAS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

	General	ARPA Fund	Nonmajor Governmental	Total Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 19,392,350	\$ 23,072,478	\$ 16,176,128	\$ 58,640,956
Investments	17,794,888	-	-	17,794,888
Receivables (net):				
Taxes and assessments	977,831	-	274,637	1,252,468
Other City funds	10,509,970	-	-	10,509,970
Government agencies	5,795,034	-	6,605,167	12,400,201
Other	2,300,164	1,986	120,324	2,422,474
Inventory	606,615	-	38,194	644,809
Prepaid items	43,069	-	669,523	712,592
Other assets	1,000	-	30,191	31,191
Total assets	<u>\$ 57,420,921</u>	<u>\$ 23,074,464</u>	<u>\$ 23,914,164</u>	<u>\$ 104,409,549</u>
<b>Liabilities</b>				
Accounts payable	\$ 480,199	\$ 300	\$ 845,464	\$ 1,325,963
Accrued payroll	1,275,973	-	110,060	1,386,033
Payable to other City funds	-	77,231	6,014,852	6,092,083
Payable to government agencies	553,593	-	87,758	641,351
Other liabilities	3,727,517	43,018	18,112	3,788,647
Claims and judgments payable	11,922	-	-	11,922
Unearned revenue	-	21,807,041	94,881	21,901,922
Total liabilities	<u>6,049,204</u>	<u>21,927,590</u>	<u>7,171,127</u>	<u>35,147,921</u>
<b>Deferred inflows of resources</b>				
Unavailable revenues	<u>2,706,598</u>	<u>-</u>	<u>47,947</u>	<u>2,754,545</u>
<b>Fund balances</b>				
Nonspendable:				
Inventory and prepaid items	649,684	-	707,717	1,357,401
Permanent Fund principal	-	-	1,889,639	1,889,639
Restricted for:				
Debt service	-	-	1,695,520	1,695,520
Capital projects	-	-	2,948,034	2,948,034
Federal and state grant programs	-	1,146,874	5,173,476	6,320,350
Tourism	-	-	1,248,231	1,248,231
Committed for:				
Local projects	-	-	3,184,286	3,184,286
Unassigned	48,015,435	-	(151,813)	47,863,622
Total fund balances	<u>48,665,119</u>	<u>1,146,874</u>	<u>16,695,090</u>	<u>66,507,083</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 57,420,921</u>	<u>\$ 23,074,464</u>	<u>\$ 23,914,164</u>	<u>\$ 104,409,549</u>

*See accompanying notes to the basic financial statements.*

**CITY OF WICHITA FALLS, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**

Total fund balances - governmental funds (Exhibit A-3) \$ 66,507,083

Amounts reported for *governmental activities* in the Statement of Net Position (Exhibit A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. Capital assets at year-end consist of

Gross capital assets	\$ 371,497,662	
Related accumulated depreciation	176,747,516	194,750,146

Property taxes receivable and municipal court fines are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the funds		2,754,546
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Long-term liabilities are not due and payable in the current period and therefore not reported as liabilities in the funds. Long-term liabilities at year-end consist of

Bonds payable	38,069,734	
Premiums on bonds payable	1,220,798	
Notes payable	2,816,672	
Subscription liabilities	226,130	
Accrued vacation and sick leave	10,716,832	
Claims and judgments payable	784,839	
Accrued interest	176,960	(54,011,965)

In the governmental funds financial statements, refunding losses are expensed when incurred, whereas in the government-wide financial statements the losses are capitalized and amortized.		141,457
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The City's net pension liability and related deferred outflows and inflows related to its participation in the Texas Municipal Retirement System and the Wichita Falls Firemen's Relief and Retirement Fund do not meet criteria to be reported in the governmental fund financial statements. These items consist of:

Net pension liabilities	119,945,142	
Deferred outflows - pension related items	(44,883,191)	
Deferred inflows - pension related items	18,554,803	(93,616,754)

The City's net OPEB liability and related deferred outflows and inflows related to the City of Wichita Falls Retiree Health Care Plan do not meet the criteria to be reported in the governmental funds financial statements. These items consist of

Net OPEB liabilities	10,984,607	
Deferred outflows - OPEB related items	(2,457,792)	
Deferred inflows - OPEB related items	239,283	(8,766,098)

Internal service funds are used by management to charge the costs of duplicating services information technology and health insurance claims to the individual funds. The assets and liabilities of these internal service funds are included with the governmental activities		19,882,901
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Internal service funds are used by management to charge the costs of central garage services to the individual funds. The assets and liabilities of this fund are included with the business-type activities. This amount represents the governmental activity portion of the central garage activity.		(16,111,012)
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Total net position - governmental activities (Exhibit A-1)		\$ 111,530,304
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*See accompanying notes to the basic financial statements.*

**CITY OF WICHITA FALLS, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	General	ARPA Fund	Nonmajor Governmental	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$ 81,770,690	\$ -	\$ 5,005,680	\$ 86,776,370
Charges for services	3,016,851	-	858,996	3,875,847
Licenses and permits	2,016,267	-	-	2,016,267
Fines and forfeitures	2,920,650	-	808,252	3,728,902
Intergovernmental revenue	-	6,271,815	13,052,039	19,323,854
Contributions	277,285	-	2,519,319	2,796,604
Miscellaneous revenue	4,996,850	1,006,288	4,956,547	10,959,685
Total revenues	<u>94,998,593</u>	<u>7,278,103</u>	<u>27,200,833</u>	<u>129,477,529</u>
<b>Expenditures</b>				
Administrative services	16,227,221	17,003	1,733,849	17,978,073
Police	29,405,472	-	498,961	29,904,433
Fire	20,096,678	142,426	733,369	20,972,473
Parks and recreation	6,266,600	-	175,848	6,442,448
Accounting/finance	1,020,253	-	37,281	1,057,534
Community development	2,514,594	1,850,000	5,939,479	10,304,073
Public works	5,786,398	-	6,866	5,793,264
Health	3,746,879	-	3,650,147	7,397,026
Traffic and transportation	2,029,219	-	769,133	2,798,352
Multi-Purpose Events Center	-	-	5,327,942	5,327,942
Capital outlay	4,440,806	3,714,520	7,895,684	16,051,010
Debt service - principal	-	-	3,721,606	3,721,606
Debt service - interest and paying agent fees	-	-	1,533,392	1,533,392
Total expenditures	<u>91,534,120</u>	<u>5,723,949</u>	<u>32,023,557</u>	<u>129,281,626</u>
Excess of revenues over (under) expenditures	<u>3,464,473</u>	<u>1,554,154</u>	<u>(4,822,724)</u>	<u>195,903</u>
<b>Other Financing Sources (Uses)</b>				
Issuance of subscription liabilities	-	-	304,829	304,829
Transfers in	3,108,889	-	5,599,146	8,708,035
Transfers out	(3,969,471)	(547,866)	(2,781,910)	(7,299,247)
Total other financing sources (uses)	<u>(860,582)</u>	<u>(547,866)</u>	<u>3,122,065</u>	<u>1,713,617</u>
Net change in fund balance	2,603,891	1,006,288	(1,700,659)	1,909,520
Fund balances - beginning	46,061,228	140,586	18,395,749	64,597,563
Fund balances - ending	<u>\$ 48,665,119</u>	<u>\$ 1,146,874</u>	<u>\$ 16,695,090</u>	<u>\$ 66,507,083</u>

*See accompanying notes to the basic financial statements.*

**CITY OF WICHITA FALLS, TEXAS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances - total governmental funds (Exhibit A-5) \$ 1,909,520

Amounts reported for *governmental activities* in the Statement of Activities (Exhibit A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. The net difference between the two is as follows:

Capital outlay during the year	\$ 16,096,948	
Depreciation expense for the year	<u>7,561,986</u>	8,534,962

Donated capital assets are not recorded as revenues in the governmental funds. In the the Statement of Activities, the value of the assets are added to capital assets and the contribution is recorded as a capital contribution. 1,451,564

Proceeds from the sale of capital assets are recorded as revenues when received in the the governmental funds. In the Statement of Activities, the difference between the proceeds and the book value of the capital asset is reported as a gain (loss) from sale. (115,985)

Because property tax receivables and municipal court receivables will not be collected for several months after the City's fiscal year ends, they are not considered 'available' revenues and are deferred in the governmental funds. Deferred inflows increased by this amount this year. 568,492

The issuance of long-term debt provides current financial resources to governmental funds. However, the issuance increases long-term liabilities in the Statement of Net Position. The City issued subscription liabilities during 2022-2023. (304,829)

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Principal payments in 2022-2023 were: 4,674,466

Included in long-term debt are obligations for accrued vacation and sick leave, and claims and judgments payable. The changes in these obligations are not included in the governmental fund financial statements, but are included in the government-wide financial statements. The changes in these long-term obligations were:

Accrued vacation and sick leave	(544,706)	
Claims and judgments payable	<u>65,712</u>	(478,994)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The decrease in accrued interest is as follows:

Accrued interest at September 30, 2022	197,304	
Accrued interest at September 30, 2023	<u>176,960</u>	20,344

Amortization of deferred losses on refundings is only reported in the government-wide financial statements. Current year amortization was: (53,728)

The City participates in two defined benefit pension plans. Contributions to the plans are expenditures at the fund level when payments are due. At the government-wide level, pension expenses are recognized on an actuarial basis. Payments were more than the actuarial expense in the current year. (6,677,029)

The City sponsors an OPEB plan for retiree health care. Contributions to the plan are expenditures at the fund level when payments are due. At the government-wide level, pension expenses are recognized on an actuarial basis. Payments were more than the actuarial expense in the current year. 763,812

*See accompanying notes to the basic financial statements.*



**CITY OF WICHITA FALLS, TEXAS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Internal service funds are used by management to charge the costs of duplicating services, information technology and health insurance claims to the individual funds. The net revenues of these internal service funds are included with the governmental activities.	1,589,830
Internal service funds are used by management to charge the costs of central garage services to the individual funds. The net revenue of this fund is included with the business-type activities. This amount represents the governmental activity portion of the central garage activity.	<u>39,475</u>
Change in net position of governmental activities (Exhibit A-2)	<u><u>\$ 11,921,900</u></u>

*See accompanying notes to the basic financial statements.*

## CITY OF WICHITA FALLS, TEXAS

### STATEMENT OF NET POSITION

#### PROPRIETARY FUNDS

SEPTEMBER 30, 2023

	Enterprise Funds					
	Water and Sewer	Sanitation	Regional Airport	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 25,804,684	\$ 13,329,284	\$ 410,923	\$ 12,215,151	\$ 51,760,042	\$ 14,235,054
Restricted cash and cash equivalents	13,186,211	-	1,999,044	-	15,185,255	9,902,285
Receivables (net):						
Customer and trade	6,440,258	1,908,118	-	415,547	8,763,923	-
Government agencies	71,859	-	-	1,654,290	1,726,149	-
Other	518,894	19,978	51,756	10,292	600,920	46,790
Inventory	1,048,431	-	82,577	150,655	1,281,663	706,419
Prepaid items	940	-	-	6	946	327
Other assets	-	-	-	210,186	210,186	-
Total current assets	<u>47,071,277</u>	<u>15,257,380</u>	<u>2,544,300</u>	<u>14,656,127</u>	<u>79,529,084</u>	<u>24,890,875</u>
Long-term assets:						
Capital assets, net of accumulated depreciation	260,958,135	9,967,763	44,541,081	61,928,498	377,395,477	30,161,670
Total long-term assets	<u>260,958,135</u>	<u>9,967,763</u>	<u>44,541,081</u>	<u>61,928,498</u>	<u>377,395,477</u>	<u>30,161,670</u>
Total assets	<u>308,029,412</u>	<u>25,225,143</u>	<u>47,085,381</u>	<u>76,584,625</u>	<u>456,924,561</u>	<u>55,052,545</u>
<b>Deferred Outflows of Resources</b>						
Pension-related	4,206,682	1,769,169	125,890	822,390	6,924,131	1,402,314
OPEB-related	560,755	212,010	12,776	77,345	862,886	132,246
Deferred losses on bond refundings	<u>1,791,484</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,791,484</u>	<u>-</u>
Total deferred outflows of resources	<u>6,558,921</u>	<u>1,981,179</u>	<u>138,666</u>	<u>899,735</u>	<u>9,578,501</u>	<u>1,534,560</u>

*See accompanying notes to the basic financial statements.*

# CITY OF WICHITA FALLS, TEXAS

## STATEMENT OF NET POSITION PROPRIETARY FUNDS SEPTEMBER 30, 2023

	Enterprise Funds					
	Water and Sewer	Sanitation	Regional Airport	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Liabilities</b>						
Current liabilities:						
Accounts payable - trade	1,174,888	427,120	6,795	111,803	1,720,606	879,146
Accrued payroll	217,378	97,579	8,470	46,484	369,911	65,344
Accrued vacation and sick leave	487,321	181,826	13,031	93,016	775,194	183,693
Payable to other City funds	-	-	141,832	3,813,772	3,955,604	462,283
Payable to government agencies	4	64,850	(1,160)	-	63,694	-
Estimated health claims payable	-	-	-	-	-	1,047,682
Other liabilities	12,449	79,334	114,269	44,716	250,768	17,218
Payable to U.S. Government - current maturity	48,751	-	-	-	48,751	-
Right-to-use leases - current maturities	-	-	29,276	-	29,276	-
Notes payable - current maturities	813,605	-	-	-	813,605	-
Bonds payable - current maturities	11,671,625	-	-	-	11,671,625	-
Subscription liabilities - current maturities	-	-	-	-	-	72,188
Accrued interest - revenue bonds	321,913	-	-	-	321,913	-
Total current liabilities	14,747,934	850,709	312,513	4,109,791	20,020,947	2,727,554
Long-term liabilities:						
Payable to U.S. Government, less current maturities	50,303	-	-	-	50,303	-
Right-to-use leases, less current maturities	-	-	2,819,466	-	2,819,466	-
Notes payable, less current maturities	12,022,496	-	-	-	12,022,496	-
Bonds payable, less current maturities	53,767,585	-	-	-	53,767,585	-
Subscription liabilities, less current maturities	-	-	-	-	-	161,897
Estimated liability for landfill closure and post-closure care costs	-	6,910,862	-	-	6,910,862	-
Customer deposits	3,570,039	-	-	-	3,570,039	-
Net pension liability	10,089,860	4,243,408	301,950	1,972,526	16,607,744	3,363,497
Net OPEB liability	2,506,182	947,534	57,099	345,680	3,856,495	591,052
Total long-term liabilities	82,006,465	12,101,804	3,178,515	2,318,206	99,604,990	4,116,446
Total liabilities	96,754,399	12,952,513	3,491,028	6,427,997	119,625,937	6,844,000
<b>Deferred Inflows of Resources</b>						
Pension-related	27,484	11,559	822	5,374	45,239	9,161
OPEB-related	54,593	20,641	1,244	7,530	84,008	12,876
Total deferred inflows of resources	82,077	32,200	2,066	12,904	129,247	22,037
<b>Net Position</b>						
Net investment in capital assets	184,959,199	9,967,763	41,692,339	61,928,498	298,547,799	30,161,670
Restricted for debt service	12,395,127	-	-	-	12,395,127	-
Unrestricted	20,397,531	4,253,846	2,038,614	9,114,961	35,804,952	19,559,398
Total net position	\$ 217,751,857	\$ 14,221,609	\$ 43,730,953	\$ 71,043,459	346,747,878	\$ 49,721,068
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds					45,949,179	
Net position of business-type activities					\$ 392,697,057	

See accompanying notes to the basic financial statements.

**CITY OF WICHITA FALLS, TEXAS**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Enterprise Funds					
	Water and Sewer	Sanitation	Regional Airport	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues:						
Charges for services	\$ 49,836,040	\$ 17,187,480	\$ 100,979	\$ 5,546,790	\$ 72,671,289	\$ 17,010,066
Rents, concessions and other	198,732	21,249	1,818,194	1,679,632	3,717,807	1,445,757
Contributions	-	-	-	-	-	15,557,244
Total operating revenues	<u>50,034,772</u>	<u>17,208,729</u>	<u>1,919,173</u>	<u>7,226,422</u>	<u>76,389,096</u>	<u>34,013,067</u>
Operating expenses:						
Personnel services	12,310,011	5,095,312	427,506	2,857,353	20,690,182	3,918,157
Supplies and materials	5,032,422	345,592	514,604	1,673,258	7,565,876	4,087,257
Maintenance and repairs	2,363,739	165,961	77,925	357,076	2,964,701	3,616,538
Utilities and other services	7,261,006	5,817,969	226,966	1,076,097	14,382,038	524,285
Insurance and contract support	856,592	104,603	105,135	149,508	1,215,838	13,640,592
Other expenses	2,056,614	537,550	179,413	355,298	3,128,875	2,072,673
Depreciation and amortization	8,904,531	320,058	1,611,133	1,642,331	12,478,053	5,757,727
Total operating expenses	<u>38,784,915</u>	<u>12,387,045</u>	<u>3,142,682</u>	<u>8,110,921</u>	<u>62,425,563</u>	<u>33,617,229</u>
Operating income (loss)	<u>11,249,857</u>	<u>4,821,684</u>	<u>(1,223,509)</u>	<u>(884,499)</u>	<u>13,963,533</u>	<u>395,838</u>
Nonoperating revenues (expenses):						
Investment earnings (loss)	893,781	340,098	78,141	340,380	1,652,400	1,312,285
Gain/(loss) on sale/abandonment of capital assets	28,525	-	-	576	29,101	700,440
Interest expense and paying agent fees	(2,219,148)	-	(28,761)	-	(2,247,909)	(22,432)
Intergovernmental operating grants	-	-	-	4,605,539	4,605,539	-
Total nonoperating revenues (expenses)	<u>(1,296,842)</u>	<u>340,098</u>	<u>49,380</u>	<u>4,946,495</u>	<u>4,039,131</u>	<u>1,990,293</u>
Income (loss) before contributions and transfers	<u>9,953,015</u>	<u>5,161,782</u>	<u>(1,174,129)</u>	<u>4,061,996</u>	<u>18,002,664</u>	<u>2,386,131</u>
Capital contributions	2,207,260	-	67,220	-	2,274,480	-
Transfers in	784,916	-	163,445	909,361	1,857,722	6,385,221
Transfers out	<u>(1,880,468)</u>	<u>(4,618,755)</u>	<u>-</u>	<u>(2,840,508)</u>	<u>(9,339,731)</u>	<u>(312,000)</u>
Change in net position	<u>11,064,723</u>	<u>543,027</u>	<u>(943,464)</u>	<u>2,130,849</u>	<u>12,795,135</u>	<u>8,459,352</u>
Net position - beginning, as originally stated	206,015,794	13,678,582	44,674,417	71,249,705		41,321,129
Prior period adjustments	671,340	-	-	(2,337,095)		(59,413)
Net position - beginning, as restated	<u>206,687,134</u>	<u>13,678,582</u>	<u>44,674,417</u>	<u>68,912,610</u>		<u>41,261,716</u>
Net position - ending	<u>\$ 217,751,857</u>	<u>\$ 14,221,609</u>	<u>\$ 43,730,953</u>	<u>\$ 71,043,459</u>		<u>\$ 49,721,068</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds					<u>6,830,048</u>	
Change in net position of business-type activities					<u>\$ 19,625,183</u>	

*See accompanying notes to the basic financial statements.*

**CITY OF WICHITA FALLS, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Enterprise Funds					
	Water and Sewer	Sanitation	Regional Airport	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:						
Received from customers and users	\$ 49,626,368	\$ 17,079,993	\$ 1,941,170	\$ 7,276,833	\$ 75,924,364	\$ 4,225,458
Received from interfund charges	-	-	-	-	-	28,623,688
Other operating receipts	-	-	-	-	-	1,167,038
Payments to suppliers	(16,810,165)	(1,856,444)	(1,088,954)	(4,880,882)	(24,636,445)	(23,224,126)
Payments for interfund services	(4,181,128)	(5,622,708)	(136,069)	(825,703)	(10,765,608)	(712,720)
Payments to employees	(8,167,393)	(3,419,126)	(310,207)	(2,178,925)	(14,075,651)	(2,722,372)
Net cash provided (used) by operating activities	20,467,682	6,181,715	405,940	(608,677)	26,446,660	7,356,966
Cash flows from noncapital financing activities:						
Intergovernmental operating grants	-	-	450,093	3,580,621	4,030,714	-
Interfund loans received (repaid)	-	-	-	2,110,610	2,110,610	-
Transfers in from other funds	784,916	-	163,445	909,361	1,857,722	6,385,221
Transfers out to other funds	(1,880,468)	(4,618,755)	-	(2,840,508)	(9,339,731)	(312,000)
Net cash provided (used) by noncapital financing activities	(1,095,552)	(4,618,755)	613,538	3,760,084	(1,340,685)	6,073,221
Cash flows from capital and related financing activities:						
Capital contributions	-	-	67,220	-	67,220	-
Acquisition and construction of capital assets	(9,274,227)	(996,073)	(230,665)	(3,461,720)	(13,962,685)	(9,421,678)
Proceeds from sale of capital assets	28,525	-	-	576	29,101	952,618
Principal paid on long-term debt	(11,160,312)	-	(27,321)	-	(11,187,633)	(532,370)
Interest and fees paid on long-term debt	(2,996,459)	-	(28,761)	-	(3,025,220)	(22,432)
Net cash provided (used) for capital and related financing activities	(23,402,473)	(996,073)	(219,527)	(3,461,144)	(28,079,217)	(9,023,862)
Cash flows from investing activities:						
Investment earnings	893,781	340,098	78,141	340,380	1,652,400	1,312,285
Net cash provided (used) by investing activities	893,781	340,098	78,141	340,380	1,652,400	1,312,285
Net Increase (Decrease) in Cash and Cash Equivalents	(3,136,562)	906,985	878,092	30,643	(1,320,842)	5,718,610
Cash and Cash Equivalents - Beginning	42,127,457	12,422,299	1,531,875	12,184,508	68,266,139	18,418,729
Cash and Cash Equivalents - Ending	\$ 38,990,895	\$ 13,329,284	\$ 2,409,967	\$ 12,215,151	\$ 66,945,297	\$ 24,137,339
Reconciliation of cash and cash equivalents on the balance sheet to the statement of cash flows:						
Cash and cash equivalents	\$ 25,804,684	\$ 13,329,284	\$ 410,923	\$ 12,215,151	\$ 51,760,042	\$ 14,235,054
Restricted assets - cash and cash equivalents	13,186,211	-	1,999,044	-	15,185,255	9,902,285
Total cash and cash equivalents at end of year	\$ 38,990,895	\$ 13,329,284	\$ 2,409,967	\$ 12,215,151	\$ 66,945,297	\$ 24,137,339

*See accompanying notes to the basic financial statements.*

**CITY OF WICHITA FALLS, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Enterprise Funds					
	Water and Sewer	Sanitation	Regional Airport	Nonmajor Enterprise Funds	Total	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating income (loss)	\$ 11,249,857	\$ 4,821,684	\$ (1,223,509)	\$ (884,499)	\$ 13,963,533	\$ 395,838
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	8,904,531	320,058	1,611,133	1,642,331	12,478,053	5,757,727
Customer deposits received (refunded)	84,289	-	-	-	84,289	-
(Increase) decrease in assets and deferred outflows:						
Receivables:						
Customer and trade	(502,969)	(128,203)	-	(13,305)	(644,477)	-
Other	10,276	(533)	21,997	63,716	95,456	(3,546)
Inventory	22,933	-	(10,648)	466	12,751	(8,025)
Prepaid items	(940)	-	414	11,812	11,286	474,490
Other current assets	-	-	-	(210,186)	(210,186)	-
Deferred outflows - pension-related	(3,153,389)	(1,327,514)	(94,929)	(606,334)	(5,182,166)	(1,052,689)
Deferred outflows - OPEB-related	(75,282)	(33,673)	(3,469)	(3,488)	(115,912)	(20,260)
Increase (decrease) in liabilities and deferred inflows:						
Accounts payable - trade	208,814	387,934	(4,810)	(94,137)	497,801	480,128
Accrued payroll	25,806	18,970	920	4,561	50,257	897
Accrued vacation and sick leave	40,093	(18,438)	(9,138)	2,707	15,224	(15,694)
Estimated health claims payable	-	-	-	-	-	156,367
Payable to government agencies	4	(815)	(2,889)	(1,144)	(4,844)	-
Other liabilities	191,955	38,502	3,632	(1,101,882)	(867,793)	6,663
Estimated liability for landfill closure	-	607,738	-	-	607,738	-
Net pension liability	6,194,562	2,610,074	187,451	1,173,504	10,165,591	2,070,510
Net OPEB liability	97,417	62,682	10,920	(20,774)	150,245	35,412
Deferred inflows - pension-related	(2,649,613)	(1,110,972)	(77,869)	(543,765)	(4,382,219)	(879,461)
Deferred inflows - OPEB-related	(180,662)	(65,779)	(3,266)	(28,260)	(277,967)	(41,391)
Total adjustments	9,217,825	1,360,031	1,629,449	275,822	12,483,127	6,961,128
Net cash provided (used) by operating activities	\$ 20,467,682	\$ 6,181,715	\$ 405,940	\$ (608,677)	\$ 26,446,660	\$ 7,356,966
Noncash capital and financing activities:						
Capital assets received from developers	\$ 2,207,260	\$ -	\$ -	\$ -	\$ 2,207,260	\$ -

*See accompanying notes to the basic financial statements.*

**CITY OF WICHITA FALLS, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**SEPTEMBER 30, 2023**

	Custodial Fund
<b>Assets</b>	
Cash and cash equivalents	\$ 183,794
<b>Liabilities</b>	
Other liabilities	183,794
<b>Net position</b>	\$ -

*See accompanying notes to the basic financial statements.*

**CITY OF WICHITA FALLS, TEXAS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>Custodial Fund</u>
<b>Additions</b>	
Escheatment additions	\$ 57,516
<b>Deductions</b>	
Escheatment deductions	<u>57,516</u>
Change in net position	-
Net position - beginning	<u>-</u>
Net position - ending	<u><u>\$ -</u></u>

*See accompanying notes to the basic financial statements.*



# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2023

### *Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The accounting and reporting policies of the **City of Wichita Falls, Texas** (City) conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. GAAP for local governments includes those principles prescribed by the Governmental Accounting Standards Board (GASB), which includes all statements and interpretations of the National Council on Governmental Accounting (NCGA) unless modified by the GASB, and those principles prescribed by the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units. The following is a summary of the more significant policies and practices used by the City.

#### A. Reporting Entity

The City is a municipal corporation governed by an elected Mayor and six-member City Council. As required by various Governmental Accounting Standards Board (GASB) statements, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations and data from these units are combined with data presented by the City. A discretely presented component unit, on the other hand, is reported in a separate column in the basic financial statements to emphasize it is legally separate from the City. Each blended and discretely presented component unit has a September 30th year end.

#### Blended Component Unit

*Employee Benefit Trust Fund.* On October 1, 1983, an "Agreement and Declaration of Trust" was made and entered into between the City and the Employee Benefit Trust Committee, acting as Trustee to administer the Employee Benefit Trust (Trust). The Trust Committee consists of four Trustees selected by the City, who may, but need not be, beneficiaries of the health and welfare program funded by the Trust, and/or officers or employees of the City. The purpose of the Trust is to provide health and welfare benefits, which may include life, accidental death and dismemberment, disability, medical and dental insurance, and any other benefits as determined by the Trustee Committee. The Trust is funded through contributions by the City and employees who choose to participate. It may be terminated in writing, at any time, by either party. The Employee Benefit Trust Fund is presented in the accompanying financial statements as an internal service fund.

#### Discretely Presented Component Units

*The Wichita Falls Economic Development Corporation.* The Wichita Falls Economic Development Corporation is a non-profit corporation formed in May 1997 for the purpose of increasing employment opportunities, primarily through assisting qualifying enterprises with funds provided by a portion of the local sales tax. Assistance may be in the form of incentive grants, loans or leases which call for discounted rates or rebates for job development. The Corporation operates under the authority of Vernon's Civil Statutes, Article 5190.6, Section 4A. Since the City Council appoints its Board of Directors, approves its budgets, and exercises final authority over its operations, the Wichita Falls Economic Development Corporation is considered to be part of the City's reporting entity and presented in the accompanying basic financial statements as a discretely presented component unit. The Wichita Falls Economic Development Corporation utilizes full accrual accounting.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### *Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)*

*The Wichita Falls 4B Sales Tax Corporation.* The Wichita Falls 4B Sales Tax Corporation is a non-profit corporation formed in May 1997 for the purpose of increasing employment opportunities and for public improvement projects such as parks, auditoriums, learning centers, open space improvements, athletic and exhibition facilities, and the related maintenance and operating costs of such projects. The Corporation operates under the authority of Vernon's Civil Statutes, Article 5190.6, Section 4B. Since the City Council appoints its Board of Directors, approves its budgets, and exercises final authority over its operations, the Wichita Falls 4B Sales Tax Corporation is considered to be part of the City's reporting entity and presented in the accompanying basic financial statements as a discretely presented component unit. The Wichita Falls 4B Sales Tax Corporation utilizes full accrual accounting.

*Wichita Falls Reinvestment Zone #2.* On August 16, 2005, the City of Wichita Falls, Texas, with the advice and consent of the Wichita Falls Independent School District and Wichita County, approved the creation of the Wichita Falls Reinvestment Zone #2 (Zone). This Zone is permitted by Article 1066e of the State of Texas Tax Increment Financing Act passed in 1981. The area of the Zone is approximately 236 acres and includes the Lawrence Road area of the City. The purpose of the Zone is to capture increments of growth in real property values in the Zone from base values established on January 1, 2004, and use the ad valorem taxes derived from these increments to contribute to the zoned area. Tax funds derived from the increment can only be spent for public improvements in the Zone or for the payment of debt service on bonds issued to provide funds for public improvements. The Zone terminates on December 31, 2025, or when all debt has been paid if later. After all costs have been paid at the end of the tax increment financing period, any money remaining is to be remitted to the taxing entities. Since the City Council appoints a majority of its Board, approves its budget, and exercises final authority over its operations, the Wichita Falls Reinvestment Zone #2 is considered to be part of the City's reporting entity and presented in the accompanying basic financial statements as a discretely presented component unit. The Zone utilizes full accrual accounting.

*Wichita Falls Reinvestment Zone #3.* On September 1, 2009, the City of Wichita Falls, Texas, with the advice and consent of the Wichita Falls Independent School District and Wichita County, approved the creation of the Wichita Falls Reinvestment Zone #3 (Zone). This Zone is permitted by Article 1066e of the State of Texas Tax Increment Financing Act passed in 1981. The area of the Zone is approximately 630 acres and includes a significant portion of the Eastside Neighborhood. The purpose of the Zone is to capture increments of growth in real property values in the Zone from base values established on January 1, 2009, and use the ad valorem taxes derived from these increments to contribute to the zoned area. Tax funds derived from the increment can only be spent for public improvements in the Zone or for the payment of debt service on bonds issued to provide funds for public improvements. The Zone terminates on December 31, 2029. After all costs have been paid at the end of the tax increment financing period, any money remaining is to be remitted to the taxing entities. Since the City Council appoints a majority of its Board, approves its budget, and exercises final authority over its operations, the Wichita Falls Reinvestment Zone #3 is considered to be part of the City's reporting entity and presented in the accompanying basic financial statements as a discretely presented component unit. The Zone utilizes full accrual accounting.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)*

*Wichita Falls Reinvestment Zone #4.* On March 17, 2015, the City of Wichita Falls, Texas, with the advice and consent of the Wichita Falls Independent School District and Wichita County, approved the creation of the Wichita Falls Reinvestment Zone #4 (Zone). This Zone is permitted by Article 1066e of the State of Texas Tax Increment Financing Act passed in 1981. The area of the Zone is approximately 246 acres and includes a significant portion of the downtown area. The purpose of the Zone is to capture increments of growth in real property values in the Zone from base values established on January 1, 2015, and use the ad valorem taxes derived from these increments to contribute to the zoned area. Tax funds derived from the increment can only be spent for public improvements in the Zone or for the payment of debt service on bonds issued to provide funds for public improvements. The Zone terminates on December 31, 2035. After all costs have been paid at the end of the tax increment financing period, any money remaining is to be remitted to the taxing entities. Since the City Council appoints a majority of its Board, approves its budget, and exercises final authority over its operations, the Wichita Falls Reinvestment Zone #4 is considered to be part of the City's reporting entity and presented in the accompanying basic financial statements as a discretely presented component unit. The Zone utilizes full accrual accounting.

No separate audited financial statements are available for the City's blended and discretely presented component units. Complete financial statements for the individual component units may be obtained from the City's Director of Finance/CFO at 1300 7th Street, Wichita Falls, Texas.

#### Excluded From the Reporting Entity

*Wichita Falls Firemen's Relief and Retirement Fund.* The Wichita Falls Firemen's Relief and Retirement Fund was established and is controlled through various State of Texas legislative enactments. This Fund is administered locally by a seven-member board, independent of the City Council. City management and the City Council do not influence or control the administrative and financial affairs of the Fund, and the assets of the Fund are not the property of the City. The seven-member Board of Trustees, composed of the Mayor, the Director of Finance from the City's Finance Department, three firefighters elected by a majority vote of the firefighters and two citizens, who are not employees or officers of the City and are chosen by the unanimous vote of the first five Trustees, are subject to the administrative supervision of and report to the State Firemen's Pension Board. The activities of the Firemen's Relief and Retirement Fund, in the City's judgment, are not a part of the City and thus are excluded from the accompanying financial statements.

#### **B. Basis of Presentation**

##### *Government-wide financial statements*

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. 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.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)*

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (police, public works, etc.) or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting operational requirements of a particular function or segment, and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

#### *Fund financial statements*

Separate fund-based financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major enterprise funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of assets (combined with deferred outflows of resources), liabilities (combined with deferred inflows of resources), revenues or expenditures/expenses of either fund category for governmental and enterprise) for the determination of major funds. The major governmental funds are the General Fund and the American Rescue Plan Act (ARPA) Fund. The major enterprise funds are the Water and Sewer Fund, the Sanitation Fund and the Regional Airport Fund. Nonmajor funds are combined in a column in the fund financial statements. Nonmajor funds are detailed in the combining section of the statements.

Internal service funds, which traditionally provide services primarily to other funds of the government, are presented in the summary form as part of the proprietary fund financial statements. Because the principal users of internal services are the City's governmental and business-type activities, financial statements of internal service funds are allocated (based on the percentage of goods or services provided) between the governmental and business-type activities when presented at the government-wide level.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

#### C. Measurement focus, basis of accounting and financial statement presentation

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

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)*

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

Property tax, franchise fees, and sales tax associated with the current fiscal period are all susceptible to accrual and have been recognized as revenues of the current fiscal period. All of the revenue items are considered to be measurable and available only when cash is received.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid general operating costs, fixed charges, and capital improvement costs that are not paid through other funds.

The ARPA Fund is used to account for Coronavirus State and Local Fiscal Recovery Funds received through the American Rescue Plan Act of 2021.

Nonmajor governmental funds are a summarization of all the nonmajor governmental funds.

The City reports the following major proprietary funds:

The Water and Sewer Fund accounts for the water and sewer utility services provided to residents of the City. Activities necessary to provide such services are accounted for in the fund, including, but not limited to, administration, operations, maintenance, finance and related debt service.

The Sanitation Fund accounts for refuse collection services to the residents of the City as well as the operations of the City's landfill. Activities necessary to provide such services are accounted for in the fund, including, but not limited to, administration, operations and maintenance.

The Regional Airport Fund accounts for the operations of the Wichita Falls Regional Airport. Operational activities, including administration, operations and maintenance, of the airport are accounted for in this fund.

Other enterprise funds are a summarization of all of the nonmajor proprietary funds.

The City additionally reports the following fund types:

Internal service funds are used to account for the financing of materials and services provided by one department of the City to other departments of the City on a cost-reimbursement basis. The City uses internal service funds to report the activities of fleet maintenance, duplicating services, employee health and life insurance, and information technology.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)*

A custodial fund is used to account for any unclaimed vendor or payroll checks that will be escheated to the State if they remain unclaimed. These funds are held on a purely custodial basis.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's water and sewer, sanitation, transit, and airport funds are charges to customers for services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Capital improvement assessments are recorded as revenues in the fiscal period when the assessment becomes both measurable and available to finance expenditures of the fiscal period. Assessment revenues are considered measurable and available when collected by the City and recognized as revenue at that time. Payments for capital improvement assessments received in advance of the levy are reflected as deferred revenue.

#### D. Nonexchange Transactions

In a nonexchange transaction, a government gives (or receives) value without directly receiving (or giving) equal value in return. The statement defines when the City should recognize revenue or expense for nonexchange transactions involving financial or capital resources and how to account for timing and purpose restrictions. The timing of recognition depends on whether a nonexchange transaction is (a) a derived tax revenue (b) an imposed nonexchange revenue transaction or (c) a government-mandated or voluntary nonexchange transaction. Under this standard, revenue transactions with purpose restrictions are recorded as restricted resources until the purpose restrictions are met.

Nonexchange transactions include the following classifications:

- Derived tax revenues result from assessments imposed by governments on exchange transactions.
- Imposed nonexchange revenues result from assessments by governments on nongovernmental entities, other than assessments on exchange transactions.
- Government-mandated nonexchange transactions occur when a government at one level provides resources to a government at another level and require that government to use them for a specific purpose or purposes established in the provider's enabling legislation.
- Voluntary nonexchange transactions result from legislative or contractual agreements, other than exchanges, entered into willingly by two or more parties. Examples of the City's voluntary nonexchange transactions include capital grants, state shared revenue and private donations.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)*

Providers of government-mandated nonexchange transactions and voluntary nonexchange transactions should recognize liabilities and expenses/expenditures and recipients should recognize receivables (or decrease in liabilities) and revenue when all applicable eligibility requirements, including time requirements are met.

All nonexchange transactions occurring in governmental fund types are also subject to the modified accrual revenue recognition criteria. Accordingly, assets and revenue should not be recognized unless measurable and available.

#### E. Assets, liabilities and net position or fund balances

##### 1. Cash, cash equivalents 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.

Investments are carried at fair value. Fair value is determined as the price at which two willing parties would complete an exchange. Interest earned on investments is recorded in the funds in which the investments are recorded.

##### 2. Inventory and Prepaid Items

Inventories of the general and proprietary funds consist of supplies and various materials used for the maintenance of capital assets. The consumption method is used to account for these inventories. Under this method, inventory acquisitions are recorded in inventory accounts initially and charged as expenditures when used. Inventories are stated at average cost.

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

##### 3. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-like activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the time received.

Capital assets are depreciated using the straight-line method over the following useful lives:

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

<u>Assets</u>	<u>Years</u>
Buildings, systems and improvements	20-59 years
Infrastructure	8-100 years
Machinery, vehicles and other equipment	3 - 25 years
Furniture and equipment	3 - 10 years
Right-to-use leased assets	50 years
Subscription assets	2 - 10 years

Contributions of funds from federal, state, or local grants restricted for the purpose of purchasing plant and equipment are recorded as revenue when received. The cost of water and sewer lines installed by developers is valued by the contractor and recorded as nonoperating revenue in the Water and Sewer Fund.

#### 4. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Certain amounts related to the City's participation in pension plans (See Note 8) and OPEB plan (See Note 9) are reported in this category, along with deferred losses on bond refunding.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only two types of items that qualify for reporting in this category. Property taxes receivable (\$1,114,795) and municipal court fines receivable (\$1,639,751) are unavailable and therefore cannot be recognized as revenue in the governmental funds until they are received. There are also certain items related to the City's participation in pension plans (See Note 8) and OPEB plan (See Note 9) that are reported in this category.

#### 5. Long-Term Obligations

Long-term debt and other obligations for general government purposes are recorded in the government-wide statement of net position. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate funds.

For the government-wide financial statements and proprietary fund types, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method in the government-wide financial statements. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred bond issue costs and amortized over the term of the related debt. In addition, gains or losses on proprietary fund bond refunding are amortized over the term of the lesser of the new bonds or the refunded bonds' life using the effective interest method. In the governmental fund financials, bond proceeds are reported as another financing source. Bond premiums and discounts in governmental funds are also recognized currently as other financing sources or uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.



## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)*

##### 6. Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose by adoption of an ordinance by the City Council. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints through the adoption of another ordinance. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation, but rather from inside the City.

Assigned Fund Balance – represents amounts which the City intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. The City Council has by resolution authorized the Director of Finance/CFO to assign fund balance. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the General Fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the City itself. Unlike commitments, assignments only exist temporarily. Therefore, additional action does not normally have to be taken for the removal of an assignment.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

##### 7. Federal and State Grants

Grants and shared revenues are generally accounted for within the appropriate fund of the City to be financed by such grants or shared revenues. Federal grants include Community Development Block Grant, Section 8 Housing Assistance, Home Investment Partnership Agreement Program, and numerous health-related grants.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)*

Each Federal grant is accounted for in a separate special revenue fund. State grant revenues received for purposes normally financed through the general government are accounted for within the General Fund.

#### 8. Transactions Between Funds

Outstanding balances between funds are reported as "due to/from other City funds." Any residual balances between governmental activities and business-type activities are reported in the government-wide statements as "internal balances." Nonrecurring or non-routine transfers of equity between funds are accounted for as transfers.

#### 9. Vacation and Sick Leave

All full-time employees accumulate vacation benefits based on length of service up to 20 days per year. The maximum allowable accumulation is 35 days. Upon leaving the employment of the City, employees will be paid for unused vacation days which they have accrued.

Sick leave is earned at the rate of 4.62 hours per pay period up to a maximum of ninety days. Additionally, police officers and firefighters may accumulate an unlimited number of sick leave days while employed with the City. Upon termination, police officers and firefighters are compensated for up to 720 hours and 1,080 hours, respectively.

#### 10. Risk Management

The government 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 government carries commercial insurance. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The City maintains a group health insurance plan for employees and dependents which is partially self-insured by the City. A group life insurance plan is maintained through an insurance company. Contributions to the plans are provided for by both the City and participating employees. These contributions are recognized as revenues in the internal service fund used to account for these plans. The contributions made by the City are recorded as expenditures or expenses of the various funds as appropriate.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims in excess of \$500,000. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

The City is also self-insured up to \$250,000 for workers' compensation claims. Such claims are processed by a third-party administrator. The City's estimated liability for workers' compensation claims payable at September 30, 2023 is based on management's estimate of probable losses in the amount of \$784,839. The payment dates of such claims cannot be precisely determined, but are expected to be paid on a periodic basis over the next few years. Accordingly, the long-term liability has been recorded in the government-wide financial statements.

The following represents changes in the amount of claims liabilities for the City from October 1, 2021 to September 30, 2023:

	Health Care	Workers' Compensation
Liability balance, October 1, 2021	\$ 1,380,955	\$ 926,002
Incurred claims/adjustments	11,325,583	1,301,846
Claim payments	( 11,815,223)	( 1,365,375)
Liability balance, September 30, 2022	891,315	862,473
Incurred claims/adjustments	12,993,555	563,535
Claim payments	( 12,837,188)	( 641,169)
Liability balance, September 30, 2023	<u>\$ 1,047,682</u>	<u>\$ 784,839</u>

#### F. Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and the Wichita Falls Firemen's Relief and Retirement Fund (WFFRRF) and additions to/deductions from Fiduciary Net Position have been determined on the same basis as they are reported to TMRS and WFFRRF. 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.

#### G. Other Post-Employment Benefits

The fiduciary net position of the City of Wichita Falls Retiree Health Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from the Plan's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)*

##### H. New Accounting Standard Adopted

For fiscal year 2023, the City implemented GASB Statement No. 96, "Subscription Based Information Technology Agreements". This statement requires recognition of certain subscription assets and liabilities for agreements that previously were only recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Due to the implementation of GASB Statement No. 96, certain subscription-based information technology agreements with an initial noncancelable period of more than one year that were not reported on the statement of net position prior to the implementation of GASB Statement No. 96, will be reported as subscription assets and subscription liabilities. This reclassification resulted in the restatement of the City's statement of net position and statement of activities.

#### *Note 2 - COMPLIANCE AND ACCOUNTABILITY*

##### Finance-Related Legal and Contractual Provisions

The City had no violations of finance-related legal and contractual provisions for the year ended September 30, 2023.

##### Deficit Fund Balances – Individual Funds

The Airport Improvement Grant Fund and the Golf Fund, both special revenue funds, had deficit fund balances of \$141,585 and \$10,228, respectively, as of September 30, 2023. The City plans for these deficits to be alleviated within a year.

#### *Note 3 - DEPOSITS AND INVESTMENTS*

##### Deposits

All of the City's demand and time depository accounts are held in local banking institutions under the terms of written depository contracts. At September 30, 2023, the total amount of the City's demand and time deposits per the general ledger was \$6,251,122, and the total amount per the City's September 30, 2023 bank statements was \$5,090,530. The entire amount of the year-end bank statement balances was covered by federal depository insurance or by collateral held by the City's agent in the City's name.

##### Investments

The investment policies of the City and its discretely presented component units are governed by the Public Funds Investment Act (PFIA). Authorized investments include obligations of the U.S. Treasury, agencies and instrumentalities, obligations of the State of Texas and related agencies, obligations of states, agencies, counties, cities and political subdivisions of any state rated A or above by a nationally recognized investment rating firm, repurchase agreements, public funds investment pools, and commercial paper. The City was in compliance with PFIA during the year ended September 30, 2023.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 3 - DEPOSITS AND INVESTMENTS (CONT'D.)

The investments of the City and its discretely presented component units at September 30, 2023 are as follows:

<u>Types of Investments</u>	<u>Fair Value / Carrying Amount</u>	<u>Cost</u>	<u>Average Credit Quality/ Ratings</u>	<u>Weighted Average Days to Maturity</u>
Primary Government:				
TexPool	\$ 82,550,202	\$ 82,550,202	Not rated	26
LOGIC	37,506,479	37,506,479	Not rated	45
Federal Home Loan Bank	4,944,450	5,026,707	N/A	531
U.S. Treasury Notes	12,764,360	12,918,980	N/A	232
Money market accounts	<u>21,181,777</u>	<u>21,181,777</u>	Not rated	1
Total primary government investments	<u>158,947,268</u>	<u>159,184,145</u>		
Component Units:				
TexPool	<u>43,032,640</u>	<u>43,032,640</u>	Not rated	26
Total component unit investments	<u>43,032,640</u>	<u>43,032,640</u>		
Total investments	<u>\$201,979,908</u>	<u>\$202,216,785</u>		

TexPool is a local government investment pool organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The State Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company, which is authorized to operate TexPool. Pursuant to the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc., under an agreement with the Comptroller, acting on behalf of the Trust Company. As required by the Public Funds Investment Act, the Advisory Board is composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool who are qualified to advise TexPool. TexPool is comprised of two investment alternatives: TexPool (which the City is invested in) and TexPool Prime. Both funds seek to maintain a net asset value of \$1.00 per unit and are rated AAAM by Standard and Poor's.

Local Government Investment Cooperative (LOGIC) was organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, and operates as a public funds investment pool under the Public Funds Investment Act. LOGIC is organized and existing as a business trust under the laws of the State of Texas with all Participant funds and all investment assets held and managed in trust by a Board of Trustees for the benefit of the Participants. The Board of Trustees is LOGIC's governing body and is comprised of employees, officers or elected officials of Participant Government Entities or individuals who do not have a business relationship with the Pool and are qualified to advise it. A maximum of two advisory board members represent the Co-Administrators of the Pool. LOGIC seeks to maintain a net asset value of \$1.00 per unit and are rated AAAM by Standard and Poor's.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 3 - DEPOSITS AND INVESTMENTS (CONT'D.)*

The City categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgement and considers factors specific to each asset or liability.

The City values its United States Treasury Bills and Notes using Level 1 inputs, which are quoted prices in active markets. The City values its money market accounts using Level 2 inputs, which are values provided by the City's depositories. TexPool and LOGIC are valued at net asset value per unit/share.

GASB Statement No. 40 requires a determination as to whether the City was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the City was not exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the City's name.

At year end, the City was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the City was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City manages its exposure to interest rate risk by allowing no more than 20% of the City's portfolio to be invested for a period greater than one year.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 3 - DEPOSITS AND INVESTMENTS (CONT'D.)

#### e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the City was not exposed to foreign currency risk.

### Note 4 - PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of the prior January 1. Taxes are levied on October 1, and become delinquent after January 31, unless the half-payment option is elected, in which case one-half of the tax is due November 30, and the balance the following June 30.

The City is permitted by its Home Rule Charter to levy taxes up to \$2.25 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on long-term debt. The combined tax rate to finance general governmental services for the year ended September 30, 2023 was \$.694321 per \$100 which means that the City has a tax margin of \$1.489072 per \$100, and could raise up to \$102,624,178 additional tax revenue a year from the present assessed valuation of \$6,596,548,411 before the limit is reached.

### Note 5 - RESTRICTED ASSETS

Restricted assets in the Water and Sewer Fund, Regional Airport Fund, and Internal Service Funds, are held for specific purposes in accordance with bond ordinances or other legal restrictions.

Water and Sewer restricted assets are comprised of the following:

For Debt Service:	
Cash and cash equivalents	\$12,395,127
For Capital Improvements:	
Cash and cash equivalents	<u>791,084</u>
Total	<u>\$13,186,211</u>

Regional Airport restricted assets are comprised of the following:

For Passenger Facility Charges:	
Cash and cash equivalents	\$ 673,471
For Customer Facility Charges:	
Cash and cash equivalents	<u>1,325,573</u>
Total	<u>\$1,999,044</u>

Internal Service Fund restricted assets are comprised of the following:

For Employee Insurance:	
Cash and cash equivalents	<u>\$9,902,285</u>

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 6 - RECEIVABLES

Receivables at September 30, 2023 consist of the following:

	<u>General</u>	<u>ARPA Fund</u>	<u>Nonmajor Gov't Funds</u>	<u>Water and Sewer</u>	<u>Sanitation</u>	<u>Regional Airport</u>	<u>Nonmajor Enterprise Funds</u>	<u>Internal Service</u>	<u>Totals Primary Government</u>	<u>Component Units</u>	<u>Totals Reporting Entity</u>
Receivables:											
Taxes and assessments	\$ 1,729,036	\$ -	\$ 296,428	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,025,464	\$ -	\$ 2,025,464
Customer and trade	-	-	-	10,081,028	3,088,429	-	668,417	-	13,837,874	-	13,837,874
Other City funds	10,509,970	-	-	-	-	-	-	-	10,509,970	-	10,509,970
Government agencies	5,795,034	-	6,605,167	71,859	-	-	1,654,289	-	14,126,349	1,817,757	15,944,106
Other	<u>2,300,164</u>	<u>1,986</u>	<u>120,324</u>	<u>518,894</u>	<u>19,978</u>	<u>51,756</u>	<u>10,292</u>	<u>46,790</u>	<u>3,070,184</u>	<u>557,755</u>	<u>3,627,939</u>
Gross receivables	20,334,203	1,986	7,021,919	10,671,781	3,108,407	51,756	2,332,998	46,790	43,569,841	2,375,512	45,945,353
Less: Allowance for uncollectible accounts	( <u>751,205</u> )	-	( <u>21,790</u> )	( <u>3,640,770</u> )	( <u>1,180,311</u> )	-	( <u>252,870</u> )	-	( <u>5,846,946</u> )	-	( <u>5,846,946</u> )
Net total receivables	<u>\$19,582,998</u>	<u>\$1,986</u>	<u>\$7,000,129</u>	<u>\$7,031,011</u>	<u>\$1,928,096</u>	<u>\$51,756</u>	<u>\$2,080,128</u>	<u>\$46,790</u>	<u>\$37,722,895</u>	<u>\$2,375,512</u>	<u>\$40,098,407</u>

There are no net receivables, other than delinquent property taxes, that the City does not expect to collect within a year. The City expects to collect approximately \$400,000 of the \$1,780,226 total delinquent property taxes within a year. This amount is similar to the amounts collected in previous years.



# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 7 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023 was as follows:

Governmental activities:	Restated Balance October 1, 2022	Increases	Decreases	Balance September 30, 2023
Capital assets not being depreciated:				
Land	\$ 11,448,557	\$ 92,250	\$ -	\$ 11,540,807
Construction in progress	<u>9,596,446</u>	<u>5,544,788</u>	<u>8,487,710</u>	<u>6,653,524</u>
Total capital assets not being depreciated	<u>21,045,003</u>	<u>5,637,038</u>	<u>8,487,710</u>	<u>18,194,331</u>
Capital assets being depreciated:				
Land betterments	24,127,091	4,134,977	-	28,262,068
Buildings, systems and improvements	76,169,633	4,067,049	-	80,236,682
Infrastructure	213,262,386	11,021,848	1,080,639	223,203,595
Machinery and equipment	29,688,846	2,837,588	-	32,526,434
Furniture and fixtures	130,848	-	-	130,848
Subscription assets	<u>603,614</u>	<u>304,829</u>	<u>-</u>	<u>908,443</u>
Total capital assets being depreciated	<u>343,982,418</u>	<u>22,366,291</u>	<u>1,080,639</u>	<u>365,268,070</u>
Less accumulated depreciation for:				
Land betterments	9,536,897	662,459	-	10,199,356
Buildings, systems and improvements	34,750,730	1,821,278	-	36,572,008
Infrastructure	107,878,192	4,322,194	964,654	111,235,732
Machinery and equipment	22,838,678	1,807,967	-	24,646,645
Furniture and fixtures	130,382	466	-	130,848
Subscription assets	<u>362,169</u>	<u>75,725</u>	<u>-</u>	<u>437,893</u>
Total accumulated depreciation	<u>175,497,048</u>	<u>8,690,089</u>	<u>964,654</u>	<u>183,222,482</u>
Total capital assets being depreciated, net	<u>168,485,370</u>	<u>13,676,202</u>	<u>115,985</u>	<u>182,045,588</u>
Governmental activities capital assets, net	<u>\$189,530,373</u>	<u>\$19,313,240</u>	<u>\$8,603,695</u>	<u>\$200,239,919</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Administrative services	\$1,602,171
Police	744,235
Fire	236,889
Parks and recreation	383,167
Community development	8,679
Public works	3,692,341
Health	149,013
Traffic and transportation	713,815
Multi-Purpose Events Center	<u>1,159,779</u>
Total governmental depreciation	<u>\$8,690,089</u>

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 7 - CAPITAL ASSETS (CONT'D.)

Business-type activities:	Restated Balance October 1, 2022	Increases	Decreases	Balance September 30, 2023
Capital assets not being depreciated:				
Land	\$ 11,072,444	\$ -	\$ -	\$ 11,072,444
Construction in progress	<u>3,659,488</u>	<u>6,041,811</u>	<u>2,969,211</u>	<u>6,732,088</u>
Total capital assets not being depreciated	<u>14,731,932</u>	<u>6,041,811</u>	<u>2,969,211</u>	<u>17,804,532</u>
Capital assets being depreciated:				
Land betterments	60,513,675	157,161	-	60,670,836
Buildings, systems and improvements	502,742,851	12,847,861	158,000	515,432,712
Infrastructure	1,308,101	-	-	1,308,101
Machinery and equipment	11,115,395	231,098	-	11,346,493
Furniture and fixtures	16,943	-	-	16,943
Motor vehicles	74,139,975	7,315,798	5,869,193	75,586,580
Right-to-use leased assets	<u>3,066,768</u>	<u>-</u>	<u>-</u>	<u>3,066,768</u>
Total capital assets being depreciated	<u>652,903,708</u>	<u>20,551,918</u>	<u>6,027,193</u>	<u>667,428,433</u>
Less accumulated depreciation for:				
Land betterments	25,911,275	1,637,006	-	27,548,281
Buildings, systems and improvements	181,956,568	10,461,634	158,000	192,260,202
Infrastructure	43,603	17,441	-	61,044
Machinery and equipment	8,907,512	459,571	-	9,367,083
Furniture and fixtures	16,943	-	-	16,943
Motor vehicles	54,167,749	4,469,438	5,617,015	53,020,172
Right-to-use leased assets	<u>829,279</u>	<u>62,587</u>	<u>-</u>	<u>891,866</u>
Total accumulated depreciation	<u>271,832,929</u>	<u>17,107,677</u>	<u>5,775,015</u>	<u>283,165,591</u>
Total capital assets being depreciated, net	<u>381,070,779</u>	<u>3,444,241</u>	<u>252,178</u>	<u>384,262,842</u>
Business-type activities capital assets, net	<u>\$395,802,711</u>	<u>\$ 9,486,052</u>	<u>\$3,221,389</u>	<u>\$402,067,374</u>

Depreciation expense was charged to programs as follows:

Business-type activities:	
Regional Airport	\$ 1,631,802
Kickapoo Airport	544,460
Transit	427,364
Sanitation	3,720,456
Water and sewer	9,929,619
Stormwater drainage	597,600
Waterpark	<u>256,376</u>
Total business-type depreciation	<u>\$17,107,677</u>

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 8 - PENSION PLANS

Eligible City employees participate in one of two pension plans. Eligible firefighters participate in the Wichita Falls Firemen's Relief and Retirement Fund (WFFRRF). All other eligible employees participate in the Texas Municipal Retirement System (TMRS).

The table below summarizes the amounts reported by the City for each plan as of September 30, 2023. Detailed information for each plan follows.

	<u>TMRS</u>	<u>WFFRRF</u>	<u>Total</u>
Net pension liability	\$67,857,269	\$72,059,115	\$139,916,384
Deferred outflows of resources	28,291,168	24,918,466	53,209,634
Deferred inflows of resources	184,836	18,424,367	18,609,203
Pension expense	11,106,043	7,159,611	18,265,654

#### Texas Municipal Retirement System

##### Plan Description

The City participates as one of more than 900 plans in the nontraditional, joint contributory, hybrid defined benefit plan administered by the 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.

##### Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the City Council, within the options available in the governing state statutes of 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 payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 8 - PENSION PLANS (CONT'D.)

#### *Employees Covered by Benefit Terms*

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	763
Inactive employees entitled to but not yet receiving benefits	548
Active employees	992

#### Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the participating city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the participating 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 of the City are required to contribute 7% of their annual gross earnings. The contribution rates for the City were 16.42% and 16.18% in calendar years 2022 and 2023, respectively. The City's contributions to TMRS for the year ended September 30, 2023, were \$8,844,724, and were equal to the required contributions.

#### Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2022, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

#### *Actuarial Assumptions*

The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2020 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on the fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 8 - PENSION PLANS (CONT'D.)

projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal (EAN) actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments 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 both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, TMRS 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 arithmetic real rates of return for each major asset class in fiscal year 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Global Equities	30%	5.30%
Core Fixed Income	10%	1.25%
Non-Core Fixed Income	20%	4.14%
Real Return	10%	3.85%
Real Estate	10%	4.00%
Absolute Return	10%	3.48%
Private Equity	<u>10%</u>	7.75%
Total	<u>100%</u>	

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 8 - PENSION PLANS (CONT'D.)

#### 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.

#### Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances as of December 31, 2021	\$315,986,697	\$289,527,502	\$26,459,195
Changes for the year:			
Service cost	7,290,057	-	7,290,057
Interest on total pension liability	21,000,865	-	21,000,865
Change of benefit terms	-	-	-
Difference between expected and actual experience	4,338,549	-	4,338,549
Change of assumptions	-	-	-
Contributions – employer	-	8,622,779	( 8,622,779)
Contributions – employee	-	3,673,895	( 3,673,895)
Net investment income	-	(21,100,627)	21,100,627
Benefit payments, including refunds of employee contributions	( 17,015,598)	( 17,015,598)	-
Administrative expense	-	( 182,885)	182,885
Other changes	-	218,235	( 218,235)
Balances as of December 31, 2022	<u>\$331,600,570</u>	<u>\$263,743,301</u>	<u>\$67,857,269</u>

#### Sensitivity Analysis

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 Discount Rate 6.75%	1% Increase 7.75%
Net pension liability	\$110,350,783	\$67,857,269	\$32,691,121

#### Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2023, the City recognized pension expense of \$11,106,043 related to its participation in TMRS.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 8 - PENSION PLANS (CONT'D.)

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to TMRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,457,521	\$184,836
Net difference in assumptions	-	-
Net difference between projected and actual earnings	18,120,093	-
Contributions made subsequent to measurement date	<u>6,713,554</u>	<u>-</u>
Total	<u>\$28,291,168</u>	<u>\$184,836</u>

\$6,713,554 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the City's fiscal year ending September 30, 2024 (plan year ending December 31, 2023). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Plan Year Ended December 31:</u>	
2023	\$ 2,025,609
2024	5,838,988
2025	5,399,434
2026	<u>8,128,747</u>
Total	<u>\$21,392,778</u>

### Wichita Falls Firemen's Relief and Retirement Fund

#### Plan Description

The City provides pension benefits for all of its firefighters through a single-employer defined benefit pension plan. The Wichita Falls Firemen's Relief and Retirement Fund (Fund) operates under an act passed in 1937 by the Texas State Legislature and adopted by the City's firefighters.

The stand-alone financial report for the Firemen's Relief and Retirement Fund can be obtained from the City's Director of Finance/CFO at 1300 7th Street, Wichita Falls, Texas.

#### Benefits Provided

Benefits are determined on a "formula" or a "final salary" plan. A firefighter who qualifies for a retirement benefit will receive monthly retirement equal to 2.55% (2.50% for those hired after April 20, 2016) of the firefighter's average salary, multiplied by the member's years of credited service. Benefits are calculated based upon a member's average salary for the 78 consecutive biweekly pay periods which produce the highest average.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### Note 8 - PENSION PLANS (CONT'D.)

Members hired prior to April 21, 2016 can receive a service retirement at ages 50 and above with 20 or more years of service. Members hired after April 20, 2016 can receive a service retirement at ages 55 and above with 20 or more years of service. Members are eligible for actuarially reduced early retirement benefits before the applicable retirement age, provided the employee has accrued at least 20 years of service. The plan also provides death and disability benefits. Members who terminate their service and are nonvested are entitled to the excess of the member's contributions over any benefits previously received.

The valuations used for this plan are based on a valuation performed as of January 1, 2020.

#### *Employees Covered by Benefit Terms*

Plan membership as of January 1, 2022:

Inactive employees or beneficiaries currently receiving benefits	147
Inactive employees entitled to but not yet receiving benefits	3
Active employees	160

#### Contributions

The contribution rate for the firefighters is 13% and the City contributes 13.25%. Both the firefighters and City make contributions bi-weekly. Contribution requirements are not actuarially determined, however, state law requires that each plan of benefits adopted by the Fund must be approved by a qualified actuary. The actuary certifies that the contribution commitments by the firefighters and the City provide an adequate financing arrangement. Using the individual entry age normal cost method, the plan's normal cost is determined as a percentage of payroll.

The City's contributions to the Plan for the year ended September 30, 2023, were \$1,966,971, and were equal to the required contributions.

#### Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of January 1, 2021, and the Total Pension Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The NPL related to Governmental Activities is generally liquidated by the General Fund through annual contributions.

#### *Actuarial Assumptions*

The Total Pension Liability in the January 1, 2021, actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0% per year
Salary increases	Service-based
Discount Rate	4.99% per year
Investment rate of return	7.75%, net of pension plan investment expense, including inflation



## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### Note 8 - PENSION PLANS (CONT'D.)

Mortality rates for employee and healthy annuitant combined rates were taken from the PubS-2010 Mortality Tables. The mortality assumptions for all participants are sex distinct with mortality improvement projected 5 years beyond the valuation date using scale MP-2020 and a base year of 2010.

Actuarial assumptions used in the valuation were based on the results of actuarial experience studies. The experience study was last performed October 6, 2017.

The long-term expected rate of return on pension plan investments was determined using a 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. For 2021 the inflation rate assumption of the investment advisor was 2.50%. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major class included in the Plan's target asset allocation as of December 31, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Domestic Equity	40.00%	7.50%
International Equity	15.00%	8.50%
Domestic Fixed Income	20.00%	2.50%
Global Fixed Income	5.00%	3.50%
Real Estate	10.00%	4.50%
GTAA	10.00%	3.50%
Total	<u>100.00%</u>	

#### *Discount Rate*

The projection of cash flows used to determine the discount rate assumed that current plan member and sponsor contributions will be made at the current contribution rate. Future member's contributions in excess of their normal cost were also included. Based on these assumptions, the pension plan's Fiduciary Net Position was projected to provide future benefit payments for 26 years. These payments were discounted using a discount rate of 7.75%. Future benefit payments beyond 26 years were discounted using a high quality municipal bond rate of 3.26%. The high quality municipal bond rate was based on the week closest to, but not later than, the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index as published by the S&P Dow Jones. The single equivalent discount rate was 4.99%.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 8 - PENSION PLANS (CONT'D.)

#### Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) – (b)
Balances as of December 31, 2021	\$117,478,369	\$62,358,687	\$55,119,682
Changes for the year:			
Service cost	2,640,087	-	2,640,087
Interest on total pension liability	6,792,673	-	6,792,673
Change of benefit terms	-	-	-
Difference between expected and actual experience	-	-	-
Change of assumptions	2,195,408	-	2,195,408
Contributions – employer	-	1,646,524	( 1,646,524)
Contributions – employee	-	1,615,459	( 1,615,459)
Net investment income	-	( 8,438,527)	8,438,527
Benefit payments, including refunds of employee contributions	( 6,006,806)	( 6,006,806)	-
Administrative expense	-	( 144,781)	144,781
Other	-	10,060	( 10,060)
Balances as of December 31, 2022	<u>\$123,099,731</u>	<u>\$51,040,616</u>	<u>\$72,059,115</u>

#### Sensitivity Analysis

The following presents the net pension liability of the City, calculated using the discount rate of 5.80%, 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 (4.80%) or 1 percentage point higher (6.80%) than the current rate.

	1% Decrease 4.80%	Current Discount Rate 5.80%	1% Increase 6.80%
Net pension liability	\$87,847,743	\$72,059,115	\$58,930,571

#### Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2023, the City recognized pension expense of \$7,159,611 related to the Wichita Falls Firemen's Relief and Retirement Fund.

#### Pension Plan Fiduciary Net Position

Detailed information about the pension Plan's Fiduciary Net Position is available in the separately issued Plan financial report.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 8 - PENSION PLANS (CONT'D.)

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the WFFRRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,768,233	\$ 2,740,290
Difference due to changes in actuarial assumptions	18,811,264	15,684,077
Net difference between projected and actual earnings	2,718,812	-
Contributions made subsequent to measurement date	<u>1,620,157</u>	<u>-</u>
Total	<u>\$24,918,466</u>	<u>\$18,424,367</u>

\$1,620,157 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the City's fiscal year ending September 30, 2024 (plan year ending December 31, 2023). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Plan Year Ended December 31:</u>	
2023	\$ 1,983,718
2024	3,348,324
2025	1,968,467
2026	529,272
2027	( 3,098,119)
Thereafter	<u>142,280</u>
Total	<u>\$4,873,942</u>

### Note 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

#### Plan Description

The City administers the City of Wichita Falls Retiree Health Care Plan for all permanent employees who retire after satisfying eligibility retirement requirements through a single-employer defined benefit plan. All employees who retire and are actively in one of the City's health plans can continue to receive health care benefits under the City's plan for themselves and any dependents for as long as the retiree and/or dependents live. The plan does not issue a stand-alone financial report.

#### Retiree Premiums

*Pre-Medicare:* Retirees share in the cost of the Plan by paying premiums according to the following schedule:

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### Note 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D.)

	PPO	PPO	PPO
<u>Under 65</u>	<u>Core</u>	<u>CAT</u>	<u>HSA</u>
Retiree Only	\$ 406	\$ 304	\$ 288
Retiree/Spouse	\$1,630	\$1,285	\$1,229
Retiree/Child	\$1,273	\$ 999	\$ 954
Retiree/Family	\$2,344	\$1,856	\$1,778

Rates for pre-Medicare retirees over the age of 65 are \$514 for retiree only and \$1,028 for retiree/spouse.

*Post-Medicare:* Eligible retirees and spouses on Medicare are eligible to participate in a Medicare supplement health care plan. Effective January 1, 2009, the following changes will be implemented to Medicare eligible retirees:

For retirees and spouses who were on Medicare as of January 1, 2009, the City will provide \$250 in premium assistance towards the full premium for a Medicare subsidy program. The \$250 is expected to be a fixed amount.

For retirees and spouses retired as of January 1, 2009 but not yet Medicare-eligible, the City will provide \$100 in premium assistance towards the full premium for a Medicare subsidy program. The \$100 is expected to be a fixed amount.

For members who retire on or after January 1, 2009, the City will provide no premium assistance once Medicare-eligible.

#### Benefits for Spouses of Retired Employees

Spouses of retirees are eligible to participate in the retiree health care program. Spouses are eligible to continue with same coverage after the death of the retiree.

#### Vision Coverage

Vision coverage is offered through a separate, fully-insured plan. Retirees may participate but are 100% responsible for payment of the vision premiums.

#### Dental Coverage

Retirees and spouses, prior to qualifying for Medicare, are eligible to participate in the same dental care program as active employees. There is no dental coverage for retirees or spouses on the Medicare supplement.

#### Life Insurance Coverage

General employees and Firefighters receive \$7,500 of employer-paid life insurance which is included in the liabilities of the Plan. No life insurance coverage is provided for spouses of retirees.

#### Employees Covered by Benefit Terms

At the December 31, 2021 measurement date, the following employees were covered by the benefit terms:

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D.)

Inactive plan members or beneficiaries currently receiving benefits	764
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	1,039

#### Actuarial Assumptions

The demographic assumptions are based on the assumptions that were developed for the defined benefit plans in which the City participates (TMRS and the Firemen's Pension Plan). The TMRS assumptions are based on the experience study covering the four-year period ending December 31, 2018 as conducted for TMRS. The firefighter assumptions are based on the January 1, 2020 Valuation for the Wichita Falls Firemen's Relief and Retirement Fund.

#### Actuarial Methods and Assumptions:

Valuation Date	December 31, 2022
Actuarial Cost Method	Entry age, level percent of salary
Discount Rate	6.75% as of December 31, 2022
Inflation	2.25%
Salary Increases	2.75% per annum
Demographic Assumptions	TMRS: Based on the experience study covering the four-year period ending December 31, 2018 as conducted for TMRS. Based on the January 1, 2020 valuation for the Wichita Falls Firemen's Relief and Retirement Fund.
Mortality	TMRS: For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational bases using the ultimate mortality improvement rates in the MP tables to account for future mortality improvements. Fire: For healthy retirees, gender-distinct PubS-2010 (safety employees) mortality tables are used. The rates are projected on a fully generational basis using the projection scale MP-2019 to account for future mortality improvements.
Participation Rates	TMRS: 45% of employees retiring after the age of 49 or with disability at any age were assumed to elect retiree health care benefits through the City. 0% of TMRS employees retiring before the age of 49 were assumed to elect coverage. Fire: 70% of employees retiring at any age were assumed to elect retiree health care benefits through the City.
Healthcare Cost Trend Rates	Initial rate of 6.51% declining to ultimate rate of 4.14% in the year 2043

#### Discount Rate

A single discount rate of 6.75% was used to measure the total OPEB liability. The asset portfolio of the OPEB trust largely consists of long-term growth stocks and can therefore support a 6.75% long-term rate of return. The City's current funding policy is to pay the recommended actuarially determined contribution, which is based on a closed amortization period. As a result, the OPEB plan's fiduciary net position is expected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

*Note 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D.)*

Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances as of December 31, 2021	\$24,708,045	\$9,811,539	\$14,896,506
Changes for the year:			
Service cost	628,392	-	628,392
Interest on total OPEB liability	980,948	-	980,948
Change of benefit terms	-	-	-
Difference between expected and actual experience	266,525	-	266,525
Change of assumptions	( 318,362)	-	( 318,362)
Contributions – employer	-	2,580,498	( 2,580,498)
Contributions – employee	-	-	-
Net investment income	-	( 1,558,642)	1,558,642
Benefit payments, including refunds of employee contributions	( 2,158,526)	( 2,158,526)	-
Administrative expense	-	-	-
Other changes	-	-	-
Balances as of December 31, 2021	<u>\$24,107,022</u>	<u>\$8,674,869</u>	<u>\$15,432,153</u>

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (6.75%) in measuring the net OPEB liability.

1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
<u>\$17,603,114</u>	<u>\$15,432,153</u>	<u>\$13,521,481</u>

The following schedule presents the net OPEB liability of the plan using the assumed healthcare cost trend rate as well as what the net OPEB liability would be if it were calculated using a trend ratio that is 1% less than and 1% greater than the assumed healthcare cost trend rate:

1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
<u>\$13,512,865</u>	<u>\$15,432,153</u>	<u>\$17,677,193</u>

For Governmental Activities, the net OPEB liability is generally liquidated by the General Fund.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 9 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D.)

#### OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2023, the City recognized OPEB expense of \$1,388,204 related to the City of Wichita Falls Retiree Health Care Plan.

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the City of Wichita Falls Retiree Health Care Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience, liability	\$ 506,495	\$ 77,422
Difference due to changes in actuarial assumptions	478,704	258,744
Differences between expected and actual experience, assets	848,831	-
Contributions made subsequent to measurement date	<u>1,618,895</u>	<u>-</u>
Total	<u>\$3,452,925</u>	<u>\$336,166</u>

\$1,618,895 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the City's fiscal year ending September 30, 2024 (plan year ending December 31, 2023). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended September 30:</u>	
2024	\$ 301,440
2025	442,917
2026	319,486
2027	437,323
2026	<u>( 3,302)</u>
Total	<u>\$1,497,864</u>

### Note 10 - DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to the employees until termination, retirement, death, or an unforeseen emergency.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### *Note 11 - LANDFILL AND TRANSFER STATION CLOSURE AND POSTCLOSURE CARE COSTS*

State and federal laws and regulations require that the City place a final cover on its landfill when closed, and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In accordance with the Texas Administrative Code, Title 30, Part 1, Chapter 7, the City annually submits a financial assurance letter to the Texas Commission on Environmental Quality (TCEQ). In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs has a balance of \$6,827,292 as of September 30, 2023, which is based on 24% usage of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of \$20,648,397 as the remaining estimated capacity is filled. The landfill is expected to be filled to capacity in 2153. Additionally, the City has recorded a liability of \$83,570 for closure and postclosure care costs related to the City's transfer station. Actual costs may be higher due to inflation, change in technology, or changes in regulations.

### *Note 12 - LONG-TERM LIABILITIES*

Long-term liabilities transactions for the year ended September 30, 2023 are summarized as follows:

	Restated Balance at October 1, 2022	Issued	Retired and Transferred	Balance at September 30, 2023	Due Within One Year
<b><u>Governmental Activities:</u></b>					
General obligation bonds	\$ 26,751,340	\$ -	\$ 2,701,606	\$ 24,049,734	\$ 2,811,606
Combination tax and revenue bonds	12,455,000	-	970,000	11,485,000	1,000,000
Venue tax revenue bonds	2,585,000	-	50,000	2,535,000	55,000
Premiums on bonds	1,480,657	-	259,859	1,220,798	-
Subscription liabilities	303,164	304,829	147,779	460,214	131,712
Accrued vacation and sick leave payable	10,248,532	3,469,734	2,950,252	10,768,014	3,500,000
Notes payable	3,430,974	-	614,302	2,816,672	565,434
Claims and judgments payable	<u>862,473</u>	<u>563,535</u>	<u>629,247</u>	<u>796,761</u>	<u>48,780</u>
Total governmental activities	<u>58,117,140</u>	<u>4,338,098</u>	<u>8,323,045</u>	<u>54,132,193</u>	<u>8,112,532</u>
<b><u>Business-type Activities:</u></b>					
General obligation bonds	5,808,660	-	353,394	5,455,266	353,394
Utility system revenue bonds, net of premium (discount)	38,660,000	-	8,410,000	30,250,000	8,835,000
Combination tax and revenue bonds	29,435,000	-	1,595,000	27,840,000	1,620,000
Premiums on bonds	3,002,562	-	1,108,618	1,893,944	-
Accrued vacation and sick leave payable	882,951	863,464	838,710	907,705	675,000
Notes payable	14,208,165	-	1,273,011	12,935,154	862,356
Right-to-use lease liabilities	2,876,063	-	27,320	2,848,743	29,276
Landfill closure, post-closure costs	<u>6,303,124</u>	<u>607,738</u>	<u>-</u>	<u>6,910,862</u>	<u>-</u>
Total business-type activities	<u>101,176,525</u>	<u>1,471,202</u>	<u>13,606,053</u>	<u>89,041,674</u>	<u>12,375,026</u>
Total long-term liabilities	<u>\$159,293,665</u>	<u>\$5,809,300</u>	<u>\$21,929,098</u>	<u>\$143,173,867</u>	<u>\$20,487,558</u>

For governmental activities, claims and judgments payable and compensated absences are generally liquidated by the General Fund.



# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 12 - LONG-TERM LIABILITIES (CONT'D.)

#### Bonds Payable

Bonds payable as of September 30, 2023 are comprised of the following individual issues:

	Range of Interest Rates	Final Maturity Date	Annual Serial Payments	Bonds Authorized	Bonds Outstanding At 9/30/23
General Obligation Bonds:					
General Obligation Refunding Bonds, Series 2015A	2.00% - 5.00%	9/01/26	\$200,000 to \$1,105,000	\$ 9,650,000	\$ 3,190,000
General Obligation Refunding Bonds, Series 2015B	0.73% - 3.48%	9/01/26	\$110,000 to \$310,000	2,885,000	910,000
General Obligation Bonds, Series 2018A	2.00% - 5.00%	9/01/38	\$550,000 to \$1,155,000	16,345,000	13,370,000
General Obligation Refunding Bonds, Series 2018B	2.00% - 4.00%	10/01/28	\$80,000 to \$725,000	6,170,000	3,935,000
General Obligation Refunding Bonds, Series 2021	4.00%	9/01/31	\$140,000 to \$195,000	1,675,000	6,715,000
General Obligation Refunding Bonds, Taxable Series 2021	0.40% - 2.03%	9/01/33	\$435,000 to \$865,000	7,595,000	<u>1,385,000</u>
Total General Obligation Bonds					<u>29,505,000</u>
Combination Tax and Revenue Bonds:					
Combination Tax and Revenue Certificates of Obligation, Series 2013	2.00% - 3.375%	9/01/33	\$530,000 to \$1,315,000	19,875,000	11,485,000
Combination Tax and Revenue Certificates of Obligation, Series 2013A	2.00% - 4.625%	9/01/33	\$505,000 to \$905,000	13,000,000	1,955,000
Combination Tax and Revenue Certificates of Obligation, Series 2015	0.00% - 2.12%	3/01/45	\$890,000 to \$1,425,000	33,545,000	25,885,000
Total Combination Tax and Revenue Bonds					<u>39,325,000</u>
Revenue Bonds:					
Water & Sewer System Revenue Refunding Bonds, Series 2016	2.00% - 5.00%	8/01/27	\$2,635,000 to \$9,705,000	74,005,000	30,250,000
Venue Tax Revenue Bonds, Series 2020	4.00%	9/01/50	\$45,000 to \$150,000	2,680,000	2,535,000
Total Revenue Bonds					<u>32,785,000</u>
Total All Bonds					<u>\$101,615,000</u>

**CITY OF WICHITA FALLS, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2023**

*Note 12 - LONG-TERM LIABILITIES (CONT'D.)*

Aggregate maturities of the long-term debt (principal and interest) for the years subsequent to September 30, 2023 are as follows:

Year Ending September 30,	<b>Governmental Activities</b>											
	<u>General Obligation Bonds</u>		<u>Combination Tax and Revenue Bonds</u>		<u>Revenue Bonds</u>		<u>Notes Payable</u>		<u>Subscription Liabilities</u>		<u>Total Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 2,811,606	\$ 932,480	\$ 1,000,000	\$ 361,644	\$ 55,000	\$ 101,400	\$ 565,433	\$ 92,271	\$131,712	\$20,710	\$ 4,563,751	\$ 1,508,505
2025	2,907,544	839,108	1,030,000	331,644	55,000	99,200	167,159	76,274	116,860	14,783	4,276,563	1,361,009
2026	2,950,946	716,493	1,060,000	300,744	60,000	97,000	181,570	70,385	124,675	9,524	4,377,191	1,194,146
2027	1,742,266	588,678	1,090,000	268,944	60,000	94,600	196,742	63,992	42,527	3,913	3,131,535	1,020,127
2028	1,804,142	522,492	1,125,000	236,244	65,000	92,200	212,710	57,069	44,440	2,000	3,251,292	910,005
2029-2033	6,478,230	1,777,341	6,180,000	623,444	355,000	420,600	1,333,507	160,930	-	-	14,346,737	2,982,315
2034-2038	5,355,000	716,750	-	-	435,000	343,600	159,549	2,752	-	-	5,949,549	1,063,102
2039-2043	-	-	-	-	525,000	250,000	-	-	-	-	525,000	250,000
2044-2048	-	-	-	-	630,000	136,200	-	-	-	-	630,000	136,200
2049-2053	-	-	-	-	295,000	17,800	-	-	-	-	295,000	17,800
2054-2058	-	-	-	-	-	-	-	-	-	-	-	-
Totals	<u>\$24,049,734</u>	<u>\$6,093,342</u>	<u>\$11,485,000</u>	<u>\$2,122,664</u>	<u>\$2,535,000</u>	<u>\$1,652,600</u>	<u>\$2,816,670</u>	<u>\$523,673</u>	<u>\$460,214</u>	<u>\$50,930</u>	<u>\$41,346,618</u>	<u>\$10,443,209</u>

**CITY OF WICHITA FALLS, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)**  
**SEPTEMBER 30, 2023**

*Note 12 - LONG-TERM LIABILITIES (CONT'D.)*

**Business-Type Activities**

Year Ending September 30,	General Obligation Bonds		Combination Tax and Revenue Bonds		Revenue Bonds		Notes Payable		Right-to-use Lease		Total Business-type Activities		Total Primary Government	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 353,394	\$ 87,287	\$ 1,620,000	\$ 782,432	\$ 8,835,000	\$1,479,250	\$ 862,356	\$ 411,487	\$ 29,276	\$ 28,487	\$11,700,026	\$ 2,788,943	\$ 16,263,777	\$ 4,297,448
2025	357,456	84,863	1,655,000	749,733	9,275,000	1,037,500	894,305	383,340	31,302	28,195	12,213,063	2,283,631	16,489,626	3,644,640
2026	69,054	81,435	1,690,000	712,583	9,705,000	607,000	906,820	353,944	33,400	27,882	12,404,274	1,782,844	16,781,465	2,976,990
2027	637,734	80,669	1,030,000	426,326	2,435,000	121,750	801,249	324,131	35,572	27,548	4,939,555	980,424	8,071,090	2,000,551
2028	645,858	72,500	1,040,000	410,800	-	-	690,454	300,514	37,822	27,192	2,414,134	811,006	5,665,426	1,721,011
2029-2033	3,391,770	199,599	5,470,000	1,791,245	-	-	4,948,073	1,111,237	225,712	129,808	14,035,555	3,231,889	28,382,292	6,214,204
2034-2038	-	-	5,950,000	1,274,191	-	-	3,831,898	189,425	294,960	117,185	10,076,858	1,580,801	16,026,407	2,643,903
2039-2043	-	-	6,565,000	647,851	-	-	-	-	376,937	100,852	6,941,937	748,703	7,466,937	998,703
2044-2048	-	-	2,820,000	60,102	-	-	-	-	473,756	80,133	3,293,756	140,235	3,923,756	276,435
2049-2053	-	-	-	-	-	-	-	-	587,871	54,237	587,871	54,237	882,871	72,037
2054-2058	-	-	-	-	-	-	-	-	722,135	22,245	722,135	22,245	722,135	22,245
Totals	<u>\$5,455,266</u>	<u>\$606,353</u>	<u>\$27,840,000</u>	<u>\$6,855,263</u>	<u>\$30,250,000</u>	<u>\$3,245,500</u>	<u>\$12,935,155</u>	<u>\$3,074,078</u>	<u>\$2,848,743</u>	<u>\$643,764</u>	<u>\$79,329,164</u>	<u>\$14,424,958</u>	<u>\$120,675,782</u>	<u>\$24,868,167</u>

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 12 - LONG-TERM LIABILITIES (CONT'D.)*

All of the General Obligation Bonds were issued on the full faith and credit of the City and are secured by ad valorem taxes levied against all taxable property. These bonds are serviced by the Debt Service Fund with an apportionment of the ad valorem tax levy. At September 30, 2023, this fund had a fund balance of \$1,928,656.

The Combination Tax and Revenue Bonds are secured by ad valorem taxes levied against all taxable property as well as a pledge of surplus net revenues of the City's combined waterworks and sewer system. The Series 2010 and 2011 Certificates will be serviced by the Debt Service Fund by contributions from the Wichita Falls 4B Economic Development Corporation. The Series 2016 Certificates will be serviced by the net revenues of the Water and Sewer Fund, as well as the Series 2010 Combination Tax and Revenue Refunding Certificates. A portion of the Series 2013 General Obligation Refunding Bonds will also be serviced by these net revenues.

The Venue Tax Revenue Bonds were issued for the purpose of improving the City's MPEC and Memorial Auditorium facilities and are serviced by an additional hotel/motel tax designated for these purposes.

All of the Water and Sewer Revenue Bonds were issued for purposes of improving the City's water and sewer systems and are serviced by the net revenues of the Water and Sewer Fund.

#### Notes Payable

##### *United States Government – Lake Kemp*

The City of Wichita Falls and Wichita County Water Improvement District Number 2, upon the completion of the Lake Kemp reconstruction project in January 1976 by the U.S. Government, are required to reimburse the U.S. Government 22.7% of its reported total cost of \$8,774,705, or \$1,991,858. The City's share of this amount is 66.11%, or \$1,316,817, payable in forty-nine annual installments through January 2025 of \$51,974, which includes interest at the rate of 3.253%.

The City's share of the total costs (\$5,800,957) as well as the U.S. Government funded portion (\$4,484,140) is reflected as capital assets in the Water and Sewer Enterprise Fund.

##### *SunTrust Equipment Finance & Leasing Corp. – Energy Efficiency Project*

The City entered into a financing agreement in 2012 to finance a portion of an energy efficiency project that includes several City facilities. The agreement financed \$4,419,310 of the total project. The assets are listed under "Buildings, systems and improvements" in both Governmental Activities and Business-type Activities. The note carries an interest rate of 2.54% and is for a period of 12 years, with final payment due in fiscal year 2024.

##### *Banc of America Public Capital Corp. – Water Meters*

The City entered into a financing agreement in 2016 to finance the replacement of all of the City's water meters. The total amount financed was \$16,506,103. These assets are listed under "Buildings, systems and improvements" in Business-type Activities. The agreement carries an interest rate of 3.23% and is for a period of 20 years, with final payment due in fiscal year 2036.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### Note 12 - LONG-TERM LIABILITIES (CONT'D.)

##### *Signature Public Funding Corp. – Fire Equipment*

The City issued a financing agreement in 2017 for the purchase of fire department equipment in the amount of \$2,682,710. These assets are listed under “Motor vehicles” in Business-type Activities. This agreement carries an interest rate of 1.98% and is for a period of 6 years with final payment due in fiscal year 2023.

##### *AMERESCO Inc. – Street Lights*

The City entered into a financing agreement in 2018 to finance the conversion of the City’s street lights to more energy-efficient LED lights. These assets are listed under “Infrastructure” in Governmental Activities. This agreement carries an interest rate of 3.45% and is for a period of 15 years, with final payment due in fiscal year 2034.

##### *Signature Public Funding Corp. – Traffic Signals*

The City also issued a financing agreement in 2018 for the purchase of new traffic signal communication equipment in the amount of \$414,225. These assets are listed under “Infrastructure” under Governmental Activities. This agreement carries an interest rate of 3.03% for a period of 5 years with final payment due in fiscal year 2023.

##### Right-to-Use Leases

The Regional Airport facilities are located on land at Sheppard Air Force Base. The land is leased from the Department of the Air Force for a period of fifty years, beginning May 15, 2009 and expiring May 14, 2059. The lease payment increases by 3% per year with a final lease payment of \$157,805 in 2058. The total value of assets under this agreement was \$3,066,768, with accumulated amortization of \$891,866 as of September 30, 2023. An interest rate of 1% is imputed for this lease agreement.

##### Subscription Liabilities

The City has multiple subscription-based information technology agreements (SBITAs). An interest rate of 4.50% has been used in calculating the total present value of the agreements at inception, as well as annual interest expense on each agreement.

##### *Aqua-Metric Sales Co. – Automated Meter Reading System*

The City entered into a SBITA in 2016 for software related to an automated water meter reading system. The agreement called for annual payments over the 10-year term of the agreement totaling \$786,522.

##### *Flock Group, Inc. – Police Software*

The City entered into a SBITA in 2023 for software for use by the City’s Police Department. This agreement calls for two annual payments of \$31,000 in addition to implementation costs of \$6,375, for total payments of \$68,375.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### Note 12 - LONG-TERM LIABILITIES (CONT'D.)

#### *Patagonia Health Inc. – Electronic Health Record Software*

The City entered into a SBITA in 2023 for electronic health record software for use by the Health Department. This agreement includes 58 monthly payments of \$3,870 in addition to implementation costs of \$41,325, for total payments of \$265,785.

### Note 13 - INTERFUND BALANCES

Transfers to and from other funds during the year ended September 30, 2023 were as follows:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General Fund	Nonmajor Governmental Funds	\$ 223,529	Supplement operating grants
General Fund	Nonmajor Governmental Funds	2,689,000	Supplement capital projects
General Fund	Nonmajor Enterprise Funds	575,000	Supplement capital projects
General Fund	Internal Service Funds	340,000	Supplement operating deficits
General Fund	Internal Service Funds	141,942	Purchase capital assets
ARPA Fund	Water and Sewer Fund	547,866	Purchase capital assets
Nonmajor Governmental Funds	Nonmajor Governmental Funds	1,080,744	Fund debt service payment
Nonmajor Governmental Funds	Nonmajor Governmental Funds	1,200,000	Fund capital projects
Nonmajor Governmental Funds	Regional Airport Fund	163,445	Purchase capital assets
Nonmajor Governmental Funds	Nonmajor Enterprise Funds	334,361	Purchase capital assets
Nonmajor Governmental Funds	Internal Service Funds	3,360	Purchase capital assets
Water and Sewer Fund	General Fund	1,827,817	Administrative overhead
Water and Sewer Fund	Internal Service Funds	52,651	Transfer capital assets
Sanitation Fund	General Fund	969,072	Administrative overhead
Sanitation Fund	Water and Sewer Fund	170,750	Purchase capital assets
Sanitation Fund	Internal Service Funds	3,478,933	Purchase capital assets
Nonmajor Enterprise Funds	Water and Sewer Fund	66,300	Purchase capital assets
Nonmajor Enterprise Funds	Nonmajor Governmental Funds	405,873	Fund debt service payment
Nonmajor Enterprise Funds	Internal Service Funds	2,368,335	Purchase capital assets
Internal Service Funds	General Fund	<u>312,000</u>	Administrative overhead
	Total	<u>\$16,950,978</u>	

Balances due to and from other funds as of September 30, 2023 were as follows:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	ARPA Fund	\$ 77,231	Short-term loan
General Fund	Nonmajor Governmental Funds	6,014,852	Short-term loan
General Fund	Regional Airport Fund	141,832	Short-term loan
General Fund	Nonmajor Enterprise Funds	3,813,772	Short-term loan
General Fund	Internal Service Funds	<u>462,283</u>	Short-term loan
	Total	<u>\$10,509,970</u>	

All amounts due are scheduled to be repaid within one year.

# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

*Note 14 - CONDENSED FINANCIAL INFORMATION FOR DISCRETELY PRESENTED  
COMPONENT UNITS*

The City has five component units that are discretely presented in the City's basic financial statements. Condensed financial information for the year ended September 30, 2023 is as follows:

	Wichita Falls Economic Development Corporation	Wichita Falls 4B Sales Tax Corporation	Wichita Falls Reinvestment			Totals
			Zone #2	Zone #3	Zone #4	
Condensed statement of net position:						
Cash, investments and other current assets	\$24,482,366	\$17,240,617	\$3,498,835	\$1,103,471	\$1,101,052	\$47,426,341
Capital assets, net of accumulated depreciation	<u>8,113,439</u>	<u>17,528,161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,641,600</u>
Total assets	<u>32,595,805</u>	<u>34,768,778</u>	<u>3,498,835</u>	<u>1,103,471</u>	<u>1,101,052</u>	<u>73,067,941</u>
Accounts payable and other current liabilities	54,017	1,939,331	-	-	-	1,993,348
Long-term liabilities	<u>9,695,179</u>	<u>18,020,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,715,179</u>
Total liabilities	<u>9,749,196</u>	<u>19,959,331</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,708,527</u>
Net position	<u>\$22,846,609</u>	<u>\$14,809,447</u>	<u>\$3,498,835</u>	<u>\$1,103,471</u>	<u>\$1,101,052</u>	<u>\$43,359,414</u>
Condensed statement of activities:						
Expenses:						
Community development	<u>\$ 5,541,049</u>	<u>\$ 3,044,067</u>	<u>\$ 359,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,944,836</u>
Program revenues:						
Operating grants and contributions	<u>-</u>	<u>358,735</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>358,735</u>
Net program expense	<u>( 5,541,049)</u>	<u>( 2,685,332)</u>	<u>( 359,720)</u>	<u>-</u>	<u>-</u>	<u>( 8,586,101)</u>
General revenues:						
Tax revenues	5,164,778	5,164,778	781,870	116,169	278,807	11,506,402
Non-tax general revenues	<u>1,271,755</u>	<u>1,126,724</u>	<u>81,878</u>	<u>74,193</u>	<u>18,024</u>	<u>2,572,574</u>
Total general revenues	<u>6,436,533</u>	<u>6,291,502</u>	<u>863,748</u>	<u>190,362</u>	<u>296,831</u>	<u>14,078,976</u>
Change in net position	895,484	3,606,170	504,028	190,362	296,831	5,492,875
Beginning net position	<u>21,951,125</u>	<u>11,203,277</u>	<u>2,994,807</u>	<u>913,109</u>	<u>804,221</u>	<u>37,866,539</u>
Ending net position	<u>\$22,846,609</u>	<u>\$14,809,447</u>	<u>\$3,498,835</u>	<u>\$1,103,471</u>	<u>\$1,101,052</u>	<u>\$43,359,414</u>

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 15 - TAX ABATEMENT AGREEMENTS*

The City has approved value limitation agreements with companies for a limitation on the appraised value of properties within the City pursuant to Chapter 312 of the Texas Tax Code, as amended, i.e., the Property Tax Abatement Act. Under these agreements, the City has agreed to abate varying amounts of property taxes levied on qualified improvements during the abatement period. These abatements may be granted to businesses that construct improvements within certain areas designated by the Mayor and City Council.

For the fiscal year ended September 30, 2023, the City abated property taxes totaling \$1,685,836 under this program and received payments in lieu of taxes totaling \$1,438,447.

#### *Note 16 - COMMITMENTS AND CONTINGENCIES*

##### Litigation

The City is a defendant in various lawsuits. In the opinion of the City's management, any unrecorded liabilities resulting from such suits will not materially affect the financial position of the City.

##### Contract Commitment with West Texas Utilities Company

In 1977, the City and Wichita County Water Improvement District Number 2 entered into a sixty-year contract with the West Texas Utilities Company (Company) and agreed to provide an adequate water supply for the Company's use in generating power upon completion of the Company's construction of a power plant adjacent to the Lake Kemp-Lake Diversion System.

The significant terms of the contract provide for standby charges to be paid to the City and the Wichita County Water Improvement District Number 2 in equal amounts. Minimum charges for the calendar year 1997 and all years thereafter until the end of contract will be \$500,000 per year.

For water actually consumed, the Company shall pay the City and Wichita County Water Improvement District Number 2 equally, at the base rate of \$0.23 per one thousand gallons, which is adjusted annually. The rate for the year ended September 30, 2023 was \$.404046 per one thousand gallons.

This contract can be terminated at any time by the Company. If the contract is terminated, the Company is required to make a maximum termination payment equal to the minimum charges which would have become due and payable during the following twenty-four month period.

In December 2021, this contract was assumed by Oklaunion Industrial Park, LLC.



# CITY OF WICHITA FALLS, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

### *Note 16 - COMMITMENTS AND CONTINGENCIES (CONT'D.)*

#### Contract Commitments

At September 30, 2023, the City was committed to various contracts. The amounts for which the various funds are committed to complete these contracts are as follows:

General Fund	\$ 4,994,444
ARPA Fund	1,446,508
Nonmajor Governmental Funds	730,587
Water and Sewer Fund	3,049,850
Sanitation Fund	327,105
Nonmajor Enterprise Funds	<u>6,968,641</u>
Total contract commitments - City	<u>\$17,517,135</u>
Total contract commitments – Component Units	<u>\$3,938,814</u>

#### Federal and State Grants - Compliance Audits

The City participates in numerous Federal and State grants, on both a direct and state pass-through basis, as well as on a service-provider basis. Principal among these are Community Development Block Grants, Section 8 Housing Assistance, Home Investment Partnership Agreement Program, and numerous health-related grants.

In connection with these grants, the City is required to comply with specific terms and agreements as well as applicable Federal and State laws and regulations. Such compliance is subject to review and audit by the grantors and their representatives.

In the opinion of management, the City has complied with all requirements. However, since such programs are subject to future audit or review, the possibility of disallowed expenditures exists. In the event of any disallowance of claimed expenditures, the City expects the resulting liability to be immaterial.

### *Note 17 - PRIOR PERIOD ADJUSTMENTS*

#### Implementation of New Standard

During fiscal year 2023, the City adopted GASB Statement No. 96, Subscription-Based Information Technology Agreements (SBITAs). Prior to the implementation of GASB 96, information technology agreements that were for periods greater than one year were not recorded on the Statement of Net Position as assets and liabilities. Upon the implementation of GASB 96, the City reviewed all SBITAs for applicability. The City restated beginning net position for the effects of GASB 96. The net effect was a reduction in the beginning net position of the Internal Service Funds in the amount of \$59,413. This amount is also shown as a reduction in the beginning net position for Governmental Activities.

#### Correction of Errors

During fiscal year 2023, the City discovered certain errors related to capital asset amounts reported for the year ended September 30, 2022. The funds affected included the Water and Sewer Fund (increase of \$671,340) and the Nonmajor Enterprise Funds (decrease of \$2,337,095). The overall impact on the beginning net position for Business-Type Activities was a reduction of \$1,665,753.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D.) SEPTEMBER 30, 2023

#### *Note 17 - PRIOR PERIOD ADJUSTMENTS (CONT'D.)*

During fiscal year 2023, the City also discovered certain errors related to receivables and capital assets reported for Component Units for the year ended September 30, 2022. A receivable in the amount of \$734,409 was not included in the Net Position of Component Units while capital assets were under-reported by \$2,337,095 for a total effect of \$3,071,504 on the beginning net position of Component Units on the Statement of Activities.

#### *Note 18 - SUBSEQUENT EVENT*

##### Purchase of Fire Apparatus via Financing Arrangement

In December 2021, the City approved the replacement of front-line fire apparatus. This purchase will be financed through the issuance of a note payable. However, the equipment was not delivered by September 30, 2023. Therefore, no assets or liabilities related to this transaction have been reflected during the year ended September 30, 2023. The total principal and interest payments will be \$11,165,446 and will be repaid over 11 annual payments of \$1,015,041. These annual payments begin on October 1, 2023.

***REQUIRED SUPPLEMENTARY INFORMATION***

## CITY OF WICHITA FALLS, TEXAS

**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 81,473,096	\$ 81,473,096	\$ 81,770,690	\$ 297,594
Charges for services	2,958,582	2,958,582	3,016,851	58,269
Licenses and permits	1,711,453	1,711,453	2,016,267	304,814
Fines and forfeitures	2,516,357	2,516,357	2,920,650	404,293
Contributions	213,419	213,419	277,285	63,866
Miscellaneous revenue	11,369,806	11,369,806	4,996,850	(6,372,956)
Total revenues	<u>100,242,713</u>	<u>100,242,713</u>	<u>94,998,593</u>	<u>(5,244,120)</u>
Expenditures:				
Current:				
Administrative services	16,369,329	17,527,058	16,227,221	1,299,837
Police	30,658,019	30,658,019	29,405,472	1,252,547
Fire	20,144,703	20,234,151	20,096,678	137,473
Parks and recreation	7,249,107	7,290,267	6,266,600	1,023,667
Accounting/finance	1,123,132	1,123,132	1,020,253	102,879
Community development	2,762,443	2,762,443	2,514,594	247,849
Public works	5,937,082	5,937,082	5,786,398	150,684
Health	4,092,608	4,094,476	3,746,879	347,597
Traffic and transportation	2,155,910	2,155,910	2,029,219	126,691
Capital outlay	7,976,673	10,108,511	4,440,806	5,667,705
Total expenditures	<u>98,469,006</u>	<u>101,891,049</u>	<u>91,534,120</u>	<u>10,356,929</u>
Excess of revenues over (under) expenditures	<u>1,773,707</u>	<u>(1,648,336)</u>	<u>3,464,473</u>	<u>5,112,809</u>
Other financing sources (uses):				
Transfers in	3,108,889	3,108,889	3,108,889	-
Transfers out	(4,882,597)	(4,882,597)	(3,969,471)	913,126
Total other financing sources (uses)	<u>(1,773,708)</u>	<u>(1,773,708)</u>	<u>(860,582)</u>	<u>913,126</u>
Excess of revenues and other sources over (under) expenditures and other uses	(1)	(3,422,044)	2,603,891	6,025,935
Fund balance - beginning	<u>46,061,228</u>	<u>46,061,228</u>	<u>46,061,228</u>	<u>-</u>
Fund balance - ending	<u>\$ 46,061,227</u>	<u>\$ 42,639,184</u>	<u>\$ 48,665,119</u>	<u>\$ 6,025,935</u>

# CITY OF WICHITA FALLS, TEXAS

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

	2022	2021	2020
<b>Total Pension Liability</b>			
Service cost	\$ 7,290,057	\$ 6,571,147	\$ 6,472,668
Interest on total pension liability	21,000,865	20,199,933	19,539,894
Changes of benefit terms	-	-	-
Difference between expected and actual experience	4,338,549	937,276	(1,175,031)
Changes of assumptions	-	-	-
Benefit payments/refunds of contributions	(17,015,598)	(15,388,693)	(14,828,151)
Net change in total pension liability	<u>15,613,873</u>	<u>12,319,663</u>	<u>10,009,380</u>
Total pension liability, beginning	315,986,697	303,667,034	293,657,654
Total pension liability, ending (a)	<u><u>\$ 331,600,570</u></u>	<u><u>\$ 315,986,697</u></u>	<u><u>\$ 303,667,034</u></u>
<b>Fiduciary Net Position</b>			
Contributions - employer	\$ 8,622,779	\$ 7,844,017	\$ 7,598,124
Contributions - employee	3,673,895	3,311,593	3,257,273
Net investment income	(21,100,627)	33,864,112	18,618,015
Benefit payments/refunds of contributions	(17,015,598)	(15,388,693)	(14,828,151)
Administrative expenses	(182,885)	(156,861)	(120,598)
Other	218,235	1,072	(4,705)
Net change in fiduciary net position	<u>(25,784,201)</u>	<u>29,475,240</u>	<u>14,519,958</u>
Fiduciary net position, beginning	289,527,502	260,052,262	245,532,304
Fiduciary net position, ending (b)	<u><u>\$ 263,743,301</u></u>	<u><u>\$ 289,527,502</u></u>	<u><u>\$ 260,052,262</u></u>
Net pension liability, ending = (a) - (b)	<u><u>\$ 67,857,269</u></u>	<u><u>\$ 26,459,195</u></u>	<u><u>\$ 43,614,772</u></u>
Fiduciary net position as a % of total pension liability	<u>79.54%</u>	<u>91.63%</u>	<u>85.64%</u>
Covered payroll	<u><u>\$ 52,484,212</u></u>	<u><u>\$ 47,308,476</u></u>	<u><u>\$ 46,532,477</u></u>
Net pension liability as a % of covered payroll	<u>129.29%</u>	<u>55.93%</u>	<u>93.73%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been prepared.

2019	2018	2017	2016	2015	2014
\$ 6,447,967	\$ 4,990,566	\$ 4,917,413	\$ 2,466,531	\$ 4,697,339	\$ 4,098,031
18,913,918	17,400,438	16,873,140	16,126,720	16,093,246	15,665,423
12,613,317	-	-	-	-	-
(1,475,630)	540,881	(1,117,057)	3,641,511	203,406	(2,042,671)
(26,378)	-	-	-	1,340,184	-
(14,368,878)	(13,335,060)	(12,461,447)	(12,342,806)	(12,073,025)	(11,744,340)
22,104,316	9,596,825	8,212,049	9,891,956	10,261,150	5,976,443
271,553,338	261,956,513	253,744,464	243,852,508	233,591,358	227,614,915
<u>\$ 293,657,654</u>	<u>\$ 271,553,338</u>	<u>\$ 261,956,513</u>	<u>\$ 253,744,464</u>	<u>\$ 243,852,508</u>	<u>\$ 233,591,358</u>
\$ 5,913,578	\$ 5,783,625	\$ 5,565,648	\$ 5,339,437	\$ 5,639,053	\$ 5,379,333
2,590,541	2,558,451	2,470,741	2,494,525	2,497,984	2,303,770
33,663,780	(6,883,878)	28,538,620	13,331,438	296,795	11,109,980
(14,368,878)	(13,335,060)	(12,461,447)	(12,342,806)	(12,073,025)	(11,744,340)
(190,372)	(133,122)	(147,954)	(150,608)	(180,789)	(116,005)
(5,719)	(6,955)	(7,498)	(8,114)	(8,931)	(9,538)
27,602,930	(12,016,939)	23,958,110	8,663,872	(3,828,913)	6,923,200
217,929,374	229,946,313	205,988,203	197,324,331	201,153,244	194,230,044
<u>\$ 245,532,304</u>	<u>\$ 217,929,374</u>	<u>\$ 229,946,313</u>	<u>\$ 205,988,203</u>	<u>\$ 197,324,331</u>	<u>\$ 201,153,244</u>
<u>\$ 48,125,350</u>	<u>\$ 53,623,964</u>	<u>\$ 32,010,200</u>	<u>\$ 47,756,261</u>	<u>\$ 46,528,177</u>	<u>\$ 32,438,114</u>
83.61%	80.25%	87.78%	81.18%	80.92%	86.11%
<u>\$ 46,321,599</u>	<u>\$ 45,081,895</u>	<u>\$ 44,380,980</u>	<u>\$ 44,793,885</u>	<u>\$ 45,036,746</u>	<u>\$ 41,538,672</u>
103.89%	118.95%	72.13%	106.61%	103.31%	78.09%

# CITY OF WICHITA FALLS, TEXAS

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS TEXAS MUNICIPAL RETIREMENT SYSTEM

	2023	2022	2021
Actuarial determined contribution	\$ 8,844,724	\$ 8,805,755	\$ 7,624,424
Contributions in relation to the actuarially determined contribution	(8,844,724)	(8,805,755)	(7,624,424)
Contribution deficiency	\$ -	\$ -	\$ -
Covered payroll	\$ 54,472,026	\$ 53,500,680	\$ 46,206,994
Contributions as a percentage of covered payroll	16.24%	16.46%	16.50%

### Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 and become effective 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	23 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.5%
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 2019 valuation pursuant to an experience study of the period 2014-2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

### Other Information:

There were no benefit changes during the year.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 7,185,753	\$ 5,877,907	\$ 5,675,065	\$ 5,521,772	\$ 5,427,145	\$ 5,422,031
<u>(7,185,753)</u>	<u>(5,877,907)</u>	<u>(5,675,065)</u>	<u>(5,521,772)</u>	<u>(5,427,145)</u>	<u>(5,422,031)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 46,894,603	\$ 45,968,759	\$ 44,522,000	\$ 44,687,123	\$ 44,674,967	\$ 42,951,296
<u>15.32%</u>	<u>12.79%</u>	<u>12.75%</u>	<u>12.36%</u>	<u>12.15%</u>	<u>12.62%</u>



# CITY OF WICHITA FALLS, TEXAS

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS WICHITA FALLS FIREMEN'S RELIEF AND RETIREMENT FUND

	2022	2021	2020
<b>Total Pension Liability</b>			
Service cost	\$ 2,640,087	\$ 3,462,346	\$ 3,066,397
Interest on total pension liability	6,792,673	6,175,999	6,287,518
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	(2,700,656)	-
Changes of assumptions	2,195,408	(20,894,841)	8,631,596
Benefit payments/refunds of contributions	(6,006,806)	(6,535,299)	(5,901,298)
Net change in total pension liability	<u>5,621,362</u>	<u>(20,492,451)</u>	<u>12,084,213</u>
Total pension liability, beginning	<u>117,478,369</u>	<u>137,970,820</u>	<u>125,886,607</u>
Total pension liability, ending (a)	<u><u>\$ 123,099,731</u></u>	<u><u>\$ 117,478,369</u></u>	<u><u>\$ 137,970,820</u></u>
<b>Fiduciary Net Position</b>			
Contributions - employer	\$ 1,646,524	\$ 1,615,588	\$ 1,551,830
Contributions - employee	1,615,459	1,583,797	1,551,830
Net investment income	(8,438,527)	8,128,492	7,864,359
Benefit payments/refunds of contributions	(6,006,806)	(6,535,299)	(5,901,298)
Administrative expenses	(144,781)	(266,037)	(115,915)
Other	10,060	3,386	-
Net change in fiduciary net position	<u>(11,318,071)</u>	<u>4,529,927</u>	<u>4,950,806</u>
Fiduciary net position, beginning	<u>62,358,687</u>	<u>57,828,760</u>	<u>52,877,954</u>
Fiduciary net position, ending (b)	<u><u>\$ 51,040,616</u></u>	<u><u>\$ 62,358,687</u></u>	<u><u>\$ 57,828,760</u></u>
Net pension liability, ending = (a)-(b)	<u><u>\$ 72,059,115</u></u>	<u><u>\$ 55,119,682</u></u>	<u><u>\$ 80,142,060</u></u>
Fiduciary net position as a % of total pension liability	<u><u>41.46%</u></u>	<u><u>53.08%</u></u>	<u><u>41.91%</u></u>
Covered payroll	<u><u>\$ 12,426,596</u></u>	<u><u>\$ 12,183,054</u></u>	<u><u>\$ 11,937,154</u></u>
Net pension liability (asset) as a % of covered payroll	<u><u>579.88%</u></u>	<u><u>452.43%</u></u>	<u><u>671.37%</u></u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been prepared.

2019	2018	2017	2016	2015	2014
\$ 2,916,767	\$ 3,073,858	\$ 2,859,969	\$ 1,560,472	\$ 1,493,672	\$ 1,447,068
6,110,936	5,899,445	5,728,347	5,827,804	5,298,361	5,537,931
-	(5,007,726)	-	-	7,781	-
(399,085)	-	5,304,698	(2,151,748)	(1,542,023)	(320,862)
3,933,059	(1,453,521)	14,862,872	24,107,651	-	(423,984)
(5,759,722)	(5,292,918)	(5,250,040)	(4,543,166)	(3,950,906)	(3,616,549)
6,801,955	(2,780,862)	23,505,846	24,801,013	1,306,885	2,623,604
119,084,652	121,865,514	98,359,668	73,558,655	72,251,770	69,628,166
<u>\$ 125,886,607</u>	<u>\$ 119,084,652</u>	<u>\$ 121,865,514</u>	<u>\$ 98,359,668</u>	<u>\$ 73,558,655</u>	<u>\$ 72,251,770</u>
\$ 1,442,485	\$ 1,455,950	\$ 1,411,351	\$ 1,283,410	\$ 1,273,913	\$ 1,232,957
1,468,465	1,475,242	1,463,122	1,350,904	1,221,926	1,144,644
9,142,584	(2,225,595)	6,581,299	2,577,572	421,270	3,284,243
(5,759,722)	(5,292,918)	(5,250,040)	(4,543,166)	(3,950,906)	(3,616,549)
(111,432)	(96,102)	(124,267)	(115,843)	(87,245)	(85,636)
-	-	347,490	250	-	-
6,182,380	(4,683,423)	4,428,955	553,127	(1,121,042)	1,959,659
46,695,574	51,378,997	46,950,042	46,396,915	47,517,957	45,558,298
<u>\$ 52,877,954</u>	<u>\$ 46,695,574</u>	<u>\$ 51,378,997</u>	<u>\$ 46,950,042</u>	<u>\$ 46,396,915</u>	<u>\$ 47,517,957</u>
<u>\$ 73,008,653</u>	<u>\$ 72,389,078</u>	<u>\$ 70,486,517</u>	<u>\$ 51,409,626</u>	<u>\$ 27,161,740</u>	<u>\$ 24,733,813</u>
42.00%	39.21%	42.16%	47.73%	63.07%	65.77%
<u>\$ 11,295,885</u>	<u>\$ 11,348,015</u>	<u>\$ 11,254,785</u>	<u>\$ 10,391,569</u>	<u>\$ 10,182,717</u>	<u>\$ 9,520,903</u>
646.33%	637.90%	626.28%	494.72%	266.74%	259.78%

# CITY OF WICHITA FALLS, TEXAS

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS WICHITA FALLS FIREMEN'S RELIEF AND RETIREMENT FUND

	2023	2022	2021
Actuarial determined contribution	\$ 2,004,905	\$ 1,633,202	\$ 1,587,003
Contributions in relation to the actuarially determined contribution	(2,004,905)	(1,633,202)	(1,587,003)
Contribution deficiency	\$ -	\$ -	\$ -
Covered payroll	\$ 12,917,098	\$ 12,326,052	\$ 12,039,888
Contributions as a percentage of covered payroll	15.52%	13.25%	13.18%

**Valuation Date:** January 1, 2022

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

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Compensation
Remaining Amortization Period	43.3 years (as of 1/1/2020 valuation)
Mortality	PubS-2010 (amount-weighted) tables
Retirement Age	Based upon tables dependent upon hire date, in conjunction with an actuarial study dated October 2017.
Retirement Election	Members eligible for the DROP are assumed to elect either straight service retirement benefits or the DROP, whichever is more valuable. Other members are assumed to receive straight service retirement benefits.
Termination Rates	Based upon service table, in conjunction with an actuarial experience study dated October 2017.
Disability Rates	Based upon member age, in conjunction with an actuarial experience study dated October 2017.
Interest Rate:	7.75% per year, compounded annually, net of expenses. This is supported by the asset allocation of the trust and the long-term expected return by asset class.
Salary Increases	Based upon service table, in conjunction with an actuarial experience study dated October 2017.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,508,426	\$ 1,455,581	\$ 1,411,351	\$ 1,283,410	\$ 1,273,913	\$ 1,232,957
<u>(1,508,426)</u>	<u>(1,455,581)</u>	<u>(1,411,351)</u>	<u>(1,283,410)</u>	<u>(1,273,913)</u>	<u>(1,232,957)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 11,834,931	\$ 11,500,098	\$ 11,214,407	\$ 10,929,570	\$ 11,088,538	\$ 10,179,831
<u>12.75%</u>	<u>12.66%</u>	<u>12.59%</u>	<u>11.74%</u>	<u>11.49%</u>	<u>12.11%</u>

Payroll Growth	4.00% per year for amortization of the Unfunded Actuarial Accrued Liability. The assumed payroll growth was approved in conjunction with an actuarial study dated October 2017.
Marital Status:	100% of actives are assumed to be married at time of benefit commencement. Males are assumed to be two years older than their spouses.
Dependent Children:	Each member is assumed to have two children. The first child is assumed to have been born when the member was 25. The second child is assumed to be two years younger. It is also assumed that benefits will be paid until each child reaches the age of 20.
Contribution Rates:	Members - 13.00% City - 13.00%
Actuarial Asset Method:	Fair Market Value

# CITY OF WICHITA FALLS, TEXAS

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS CITY OF WICHITA FALLS RETIREE HEALTH CARE PLAN

	2022	2021
<b>Total OPEB Liability</b>		
Service cost	\$ 628,392	\$ 667,554
Interest on total OPEB liability	980,948	1,593,949
Changes of benefit terms	-	-
Difference between expected and actual experience	266,525	-
Changes of assumptions	(318,362)	-
Benefit payments/refunds of contributions	(2,158,526)	(1,667,492)
Net change in total OPEB liability	(601,023)	594,011
 Total OPEB liability, beginning	 24,708,045	 24,114,034
Total OPEB liability, ending (a)	<u>\$ 24,107,022</u>	<u>\$ 24,708,045</u>
 <b>Fiduciary Net Position</b>		
Contributions - employer	\$ 2,580,498	\$ 2,059,484
Contributions - employee	-	-
Net investment income	(1,558,642)	1,459,619
Benefit payments/refunds of contributions	(2,158,526)	(1,667,492)
Administrative expenses	-	-
Other	-	-
Net change in fiduciary net position	(1,136,670)	1,851,611
Fiduciary net position, beginning	9,811,539	7,959,928
Fiduciary net position, ending (b)	<u>\$ 8,674,869</u>	<u>\$ 9,811,539</u>
 Net OPEB liability / (asset), ending = (a) - (b)	 <u>\$ 15,432,153</u>	 <u>\$ 14,896,506</u>
 Fiduciary net position as a % of total OPEB liability	 <u>35.98%</u>	 <u>39.71%</u>
 Covered payroll	 <u>\$ 62,111,131</u>	 <u>\$ 63,620,585</u>
 Net OPEB liability (asset) as a % of covered payroll	 <u>24.85%</u>	 <u>23.41%</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 74/75, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been prepared.

2020	2019	2018	2017
\$ 557,600	\$ 523,568	\$ 518,007	\$ 505,385
1,471,238	1,432,914	1,480,271	1,456,410
-	-	-	-
678,603	-	(705,047)	-
733,999	281,546	765,976	-
(1,689,454)	(1,685,098)	(1,679,932)	(1,584,144)
1,751,986	552,930	379,275	377,651
22,362,048	21,809,118	21,429,843	21,052,192
<u>\$ 24,114,034</u>	<u>\$ 22,362,048</u>	<u>\$ 21,809,118</u>	<u>\$ 21,429,843</u>
\$ 2,051,116	\$ 2,214,088	\$ 2,260,421	\$ 2,029,653
-	-	-	-
1,022,243	1,204,836	(374,667)	737,181
(1,689,454)	(1,685,098)	(1,679,932)	(1,584,144)
-	-	(1,202)	(4,171)
-	(344,259)	-	-
1,383,905	1,389,567	204,620	1,178,519
6,576,023	5,186,456	4,981,836	3,803,317
<u>\$ 7,959,928</u>	<u>\$ 6,576,023</u>	<u>\$ 5,186,456</u>	<u>\$ 4,981,836</u>
<u>\$ 16,154,106</u>	<u>\$ 15,786,025</u>	<u>\$ 16,622,662</u>	<u>\$ 16,448,007</u>
33.01%	29.41%	23.78%	23.25%
<u>\$ 59,760,545</u>	<u>\$ 58,259,148</u>	<u>\$ 57,044,011</u>	<u>\$ 55,647,372</u>
27.03%	27.10%	29.14%	29.56%

# CITY OF WICHITA FALLS, TEXAS

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS CITY OF WICHITA FALLS RETIREE HEALTH CARE PLAN

	2023	2022
Actuarial determined contribution	\$ 2,765,123	\$ 2,196,691
Contributions in relation to the actuarially determined contribution	(2,580,498)	(2,292,372)
Contribution deficiency (excess)	\$ 184,625	\$ (95,681)
Covered payroll	\$ 62,111,131	\$ 59,568,372
Contributions as a percentage of covered payroll	4.15%	3.85%

**Valuation Date:** December 31, 2022

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

Actuarial Cost Method	Entry age, level percentage of salary
Amortization Method	Level dollar
Remaining Amortization Period	10 years; closed
Asset Valuation	Market Value
Investment Rate of Return	6.75%, net of investment expenses, including inflation
Inflation	2.25%
Salary Increases	2.75%
Payroll Growth	3.00%
Demographic Assumptions	TMRS: Based on the experience study covering the four-year period ending December 31, 2014 as conducted for the TMRS. Fire: Based on the January 1, 2018 valuation for the Wichita Falls Firemen's Relief and Retirement Fund.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 2,125,861	\$ 2,198,413	\$ 2,134,381	\$ 2,072,215
<u>(1,966,977)</u>	<u>(2,153,169)</u>	<u>(2,453,913)</u>	<u>(2,072,215)</u>
<u>\$ 158,884</u>	<u>\$ 45,244</u>	<u>\$ (319,532)</u>	<u>\$ -</u>
\$ 54,420,074	\$ 55,361,994	\$ 58,359,009	\$ 55,042,215
<u>3.61%</u>	<u>3.89%</u>	<u>4.20%</u>	<u>3.76%</u>

**Mortality**      TMRS: For healthy retirees, the gender-distinct RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.  
Fire: The gender-distinct RP-2000 Combined Healthy Mortality Tables projected to year 2024 using Scale AA.

**Participation Rates**      TMRS: 45% of employees retiring after the age of 49 or with disability at any age were assumed to elect retiree health care benefits through the City. 0% of TMRS employees retiring before the age of 49 were assumed to elect coverage.  
Fire: 70% of employees retiring at any age were assumed to elect retiree health care benefits through the City.

**Healthcare Cost**  
**Trend Rates**      Initial rate of 6.51% declining to ultimate rates of 4.14% in the year 2043

**Other Information:**

There were no benefit changes during the year.



## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION SEPTEMBER 30, 2023

#### Budgetary Information

Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. The City and many other governments revise their original budgets over the course of the year for a variety of reasons. Under the new reporting model, governments will continue to provide budgetary comparison information in their annual reports. An important change, however, is a requirement to add the government's original budget to the current comparison of final budget and actual results.

The City adheres to the following procedures in establishing the operating budget reflected in the basic financial statements:

On or before August 15 of each year, the City Manager submits to the City Council a proposed budget for the fiscal year beginning the following October 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted. The budget is legally enacted by the City Council through passage of appropriation and tax levying ordinances prior to September 30 and is published under a separate cover.

An annual budget, including debt service requirements, is legally adopted for the General Fund on a basis which is consistent with generally accepted accounting principles.

The City Council must approve any transfer of appropriation balances or portions thereof from one department to another. The City Manager has the authority, without City Council approval, to transfer appropriation balances from one expenditure account to another within a single department of the City. Supplemental appropriations of \$3,422,043 were approved by the City Council. The reported budgetary data includes amendments made during the year.

At the close of each fiscal year, any unencumbered appropriated balance lapses to the unreserved fund balance.

#### Texas Municipal Retirement System

##### *Changes of benefit terms:*

For measurement date 12/31/2019, amounts reported as changes of benefit terms resulted from the City adopting a 7% employee contribution rate for all employees.

## CITY OF WICHITA FALLS, TEXAS

### NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONT'D.) SEPTEMBER 30, 2023

#### Wichita Falls Firemen's Relief and Retirement Fund

##### *Changes of benefit terms:*

For measurement date 12/31/2018, amounts reported as changes of benefit terms resulted from the following benefit amendments that were implemented into the Fund for all active participants:

- A maximum accrued benefit cap of \$100,000 per year
- The average final compensation period was increased from 3 years to 5 years
- The normal form of annuity payments was amended from a 66-2/3% Joint & Survivor Annuity to a Life Annuity

Effective April 20, 2016, there have been multiple changes in benefits, as follows:

- The member contribution rate was increased from 12% to 13% of salary for all members.
- All future new entrants will accrue benefits under a "Tier 2" benefit structure.

##### *Changes of assumptions:*

For purposes of determining the GASB discount rate at the 12/31/2019 measurement date, a depletion date projection as of that date was performed. The results of this projection showed a single discount rate of 4.99%. The discount rate was decreased from 5.13% to 4.99%.

For purposes of determining the GASB discount rate at the 12/31/2018 measurement date, a depletion date projection as of that date was performed. The results of this projection showed a single discount rate of 5.13%. The discount rate was increased from 5.03% to 5.13%.

For purposes of determining the GASB discount rate at the 12/31/2017 measurement date, a depletion date projection as of that date was performed. The results of this projection showed a single discount rate of 5.03%. The discount rate was decreased from 5.81% to 5.03%.

As a result of an actuarial experience study dated October 6, 2017, the following assumption changes were approved by the Board of Trustees:

- The investment return assumption was lowered from 8.00% to 7.75% per year, net of all expenses.
- The assumed rates of salary increases were amended.
- The assumed rates of retirement were amended.
- The assumed rates of withdrawal were amended.
- The assumed rates of disablement were amended.

For purposes of determining the GASB discount rate at the 12/31/2016 measurement date, a depletion date projection as of that date was performed. The results of this projection showed a single discount rate of 5.81%. The discount rate was decreased from 8.00% to 5.81%.

## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

The special revenue funds are used to account for the proceeds from specific revenue sources (other than for major capital projects or proprietary funds) that are either legally restricted to be expended for specified purposes or have revenue sources committed for specific purposes.

#### Community Development Block Grant Fund

The Community Development Block Grant Fund accounts for federal block grant revenues and related expenditures.

#### Section 8 Housing Fund

The Section 8 Housing Fund accounts for federal funds received to subsidize rents and housing payments for lower income families within the City.

#### Home Investment Partnership Agreement Fund

The Home Investment Partnership Agreement Fund accounts for federal funds received to provide home ownership opportunities to low income, first-time homebuyers through the acquisition, rehabilitation and resale of single-family dwellings that are currently owned by governmental agencies.

#### MPEC/Hotel/Motel Tax Fund

The MPEC/Hotel/Motel Tax Fund accounts for revenues derived from an occupancy tax which is expended on programs promoting the growth of the City of Wichita Falls. These funds are used to support the City's Multi-Purpose Events Center.

#### Hotel/Motel Venue Tax Fund

The Hotel/Motel Venue Tax Fund accounts for revenues derived from an additional occupancy tax which is expended on projects classified as a venue such as an arena, coliseum, stadium, or other facilities.

#### Airport Improvement Grant Fund

The Airport Improvement Grant Fund is used to account for improvements made to the City's Regional Airport that are funded by state and federal grants.

#### Golf Fund

The Golf Fund accounts for the activities at the Weeks Park Golf Course.

#### Miscellaneous Special Revenue Fund

The Miscellaneous Special Revenue Fund accounts for various revenues generated in the form of contributions, fees, concessions, rents and other charges and their related expenditures. This fund also includes revenues derived from various grants for health and police programs. The revenues in this fund are expended to support the activity generating the revenue or as designated by the contributor. This fund is not required to have a legally adopted budget; therefore, no budgetary comparison schedule is presented.

## **Debt Service Funds**

### Debt Service Fund

The Debt Service Fund is established by ordinances authorizing the issuance of general obligation bonds to provide for the payment of bond principal and interest. An ad valorem tax rate and tax levy are required to be computed and levied which will be sufficient to produce the funds required to pay principal and interest as they come due. This fund is also used to provide for the payment of paying agent fees.

### Excess Sales Tax Fund

The Excess Sales Tax Fund is used to account for and administer the excess sales tax collected related to the property reduction tax. This fund is not required to have a legally adopted budget; therefore, no budgetary comparison schedule is presented.

## **Capital Projects Funds**

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by federal grants or proprietary funds.

### 2018-A Bond Projects

This fund was established to account for the proceeds of the Series 2018-A General Obligation Bonds that were issued for the purpose of street improvements within the City.

### Venue Tax Bond Projects

This fund was established to account for projects financed by the Venue Tax Revenue Bonds, Series 2021. These funds are to be used to make renovations to the Multi-Purpose Events Center and Memorial Auditorium.

### Miscellaneous Capital Projects Funds

This fund is an accumulation of several projects that have been undertaken over the years including library renovations, street improvements and drainage improvements.

## **Permanent Fund**

The permanent fund is used to account for principal trust amounts received and related interest income. The interest earnings of this fund may be used for maintenance of the City's cemeteries.

# CITY OF WICHITA FALLS, TEXAS

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS SEPTEMBER 30, 2023

	Special Revenue					
	Community Development Block Grant	Section 8 Housing	Home Investment Partnership Agreement	MPEC/ Hotel/ Motel Tax	Hotel/ Motel Venue Tax	Airport Improvement Grant
<u>ASSETS</u>						
Cash and cash equivalents	\$ 3,291	\$ 2,265,083	\$ 131,092	\$ 1,370,829	\$ 938,196	\$ 872,110
Receivables:						
Taxes and assessments	-	-	-	190,810	54,428	-
Government agencies	1,555,541	-	1,860,725	-	-	759,681
Other	8,455	-	-	114,785	-	-
Inventory	-	-	-	38,194	-	-
Prepaid items	-	-	-	-	-	-
Other assets	-	-	-	17,320	-	-
Total assets	<u>\$ 1,567,287</u>	<u>\$ 2,265,083</u>	<u>\$ 1,991,817</u>	<u>\$ 1,731,938</u>	<u>\$ 992,624</u>	<u>\$ 1,631,791</u>
<u>LIABILITIES AND FUND BALANCE</u>						
Liabilities						
Accounts payable - trade	\$ 161,384	\$ 134	\$ -	\$ 346,791	\$ -	\$ -
Accrued payroll	5,723	6,813	184	35,380	-	-
Payable to other City funds	381,343	-	-	1,192,612	-	1,767,763
Payable to government agencies	-	72,460	20,000	(7,004)	-	-
Other liabilities	2,725	(24,799)	24,744	(187,287)	-	5,613
Unearned revenue	-	-	-	57,645	-	-
Total liabilities	<u>551,175</u>	<u>54,608</u>	<u>44,928</u>	<u>1,438,137</u>	<u>-</u>	<u>1,773,376</u>
Deferred inflows of resources						
Unavailable revenues	-	-	-	-	-	-
Fund balance:						
Nonspendable:						
Inventory and prepaid items	-	-	-	38,194	-	-
Permanent fund principal	-	-	-	-	-	-
Restricted for:						
Debt service	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Federal and state grant programs	1,016,112	2,210,475	1,946,889	-	-	-
Tourism	-	-	-	255,607	992,624	-
Committed for:						
Local projects	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(141,585)
Total fund balance	<u>1,016,112</u>	<u>2,210,475</u>	<u>1,946,889</u>	<u>293,801</u>	<u>992,624</u>	<u>(141,585)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,567,287</u>	<u>\$ 2,265,083</u>	<u>\$ 1,991,817</u>	<u>\$ 1,731,938</u>	<u>\$ 992,624</u>	<u>\$ 1,631,791</u>

		Debt Service		Capital Projects			Permanent Fund	Total Nonmajor Governmental Funds
Golf Fund	Miscellaneous Special Revenue	Debt Service	Excess Sales Tax	2018-A Bond Projects	Venue Tax Bond Projects	Miscellaneous Capital Projects	Perpetual Care	
\$ 294,267	\$ 3,746,415	\$ 1,257,189	\$ 435,564	\$ 2,233,396	\$ -	\$ 739,057	\$ 1,889,639	\$ 16,176,128
-	-	29,399	-	-	-	-	-	274,637
-	2,407,905	21,315	-	-	-	-	-	6,605,167
(38,179)	35,263	-	-	-	-	-	-	120,324
-	-	-	-	-	-	-	-	38,194
-	823	668,700	-	-	-	-	-	669,523
9,871	3,000	-	-	-	-	-	-	30,191
<u>\$ 265,959</u>	<u>\$ 6,193,406</u>	<u>\$ 1,976,603</u>	<u>\$ 435,564</u>	<u>\$ 2,233,396</u>	<u>\$ -</u>	<u>\$ 739,057</u>	<u>\$ 1,889,639</u>	<u>\$ 23,914,164</u>
\$ 233,628	\$ 133,062	\$ -	\$ -	\$ (29,535)	\$ -	\$ -	\$ -	\$ 845,464
-	61,960	-	-	-	-	-	-	110,060
-	2,675,759	-	-	-	-	(2,625)	-	6,014,852
-	2,302	-	-	-	-	-	-	87,758
42,559	97,978	-	-	(2,083)	-	58,662	-	18,112
-	37,236	-	-	-	-	-	-	94,881
<u>276,187</u>	<u>3,008,297</u>	<u>-</u>	<u>-</u>	<u>(31,618)</u>	<u>-</u>	<u>56,037</u>	<u>-</u>	<u>7,171,127</u>
-	-	47,947	-	-	-	-	-	47,947
-	823	668,700	-	-	-	-	-	707,717
-	-	-	-	-	-	-	1,889,639	1,889,639
-	-	1,259,956	435,564	-	-	-	-	1,695,520
-	-	-	-	2,265,014	-	683,020	-	2,948,034
-	-	-	-	-	-	-	-	5,173,476
-	-	-	-	-	-	-	-	1,248,231
-	3,184,286	-	-	-	-	-	-	3,184,286
(10,228)	-	-	-	-	-	-	-	(151,813)
<u>(10,228)</u>	<u>3,185,109</u>	<u>1,928,656</u>	<u>435,564</u>	<u>2,265,014</u>	<u>-</u>	<u>683,020</u>	<u>1,889,639</u>	<u>16,695,090</u>
<u>\$ 265,959</u>	<u>\$ 6,193,406</u>	<u>\$ 1,976,603</u>	<u>\$ 435,564</u>	<u>\$ 2,233,396</u>	<u>\$ -</u>	<u>\$ 739,057</u>	<u>\$ 1,889,639</u>	<u>\$ 23,914,164</u>

# CITY OF WICHITA FALLS, TEXAS

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue					
	Community Development Block Grant	Section 8 Housing	Home Investment Partnership Agreement	MPEC/ Hotel/ Motel Tax	Hotel/ Motel Venue Tax	Airport Improvement Grant
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ 2,268,731	\$ 649,360	\$ -
Charges for services	10,113	-	-	38,716	10,640	-
Fines and forfeitures	-	-	-	-	-	-
Intergovernmental revenue	1,203,986	4,985,830	450,145	-	-	1,174,476
Contributions	-	-	-	35,000	-	-
Miscellaneous revenue	3,136	212,359	10,500	2,168,627	-	-
Total revenues	<u>1,217,235</u>	<u>5,198,189</u>	<u>460,645</u>	<u>4,511,074</u>	<u>660,000</u>	<u>1,174,476</u>
Expenditures:						
Current:						
Administrative services	184,299	-	-	51,063	-	-
Police	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Parks and recreation	134,233	-	-	-	-	-
Accounting/finance	-	-	-	-	-	-
Community development	981,439	4,764,409	75,721	-	-	-
Public works	-	-	-	-	-	-
Health	-	-	-	-	-	-
Traffic and transportation	-	-	-	-	-	56,736
Multi-Purpose Events Center	-	-	-	5,040,624	287,318	-
Capital outlay	66,560	47,274	-	3,428,649	579,702	-
Debt service:						
Principal retirement	-	-	-	-	50,000	-
Interest and paying agent fees	-	-	-	-	51,700	-
Total expenditures	<u>1,366,531</u>	<u>4,811,683</u>	<u>75,721</u>	<u>8,520,336</u>	<u>968,720</u>	<u>56,736</u>
Excess of revenues over (under) expenditures	<u>(149,296)</u>	<u>386,506</u>	<u>384,924</u>	<u>(4,009,262)</u>	<u>(308,720)</u>	<u>1,117,740</u>
Other financing sources (uses):						
Issuance of subscription liabilities	-	-	-	-	-	-
Transfers in	-	-	-	3,889,000	-	-
Transfers out	-	-	-	(3,360)	-	(1,172,944)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,885,640</u>	<u>-</u>	<u>(1,172,944)</u>
Net change in fund balance	(149,296)	386,506	384,924	(123,622)	(308,720)	(55,204)
Fund balance - beginning	<u>1,165,408</u>	<u>1,823,969</u>	<u>1,561,965</u>	<u>417,423</u>	<u>1,301,344</u>	<u>(86,381)</u>
Fund balance - ending	<u>\$ 1,016,112</u>	<u>\$ 2,210,475</u>	<u>\$ 1,946,889</u>	<u>\$ 293,801</u>	<u>\$ 992,624</u>	<u>\$ (141,585)</u>

Golf Fund	Miscellaneous Special Revenue	Debt Service		Capital Projects			Permanent Fund	Total Nonmajor Governmental Funds
		Debt Service	Excess Sales Tax	2018-A Bond Projects	Venue Tax Bond Projects	Miscellaneous Capital Projects	Perpetual Care	
\$ -	\$ -	\$ 2,087,589	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,005,680
717,106	82,421	-	-	-	-	-	-	858,996
-	808,252	-	-	-	-	-	-	808,252
-	5,228,994	-	-	-	-	8,608	-	13,052,039
-	907,332	1,576,987	-	-	-	-	-	2,519,319
576,476	542,178	594,371	14	152,952	404,801	41,357	249,776	4,956,547
1,293,582	7,569,177	4,258,947	14	152,952	404,801	49,965	249,776	27,200,833
1,203,957	251,505	-	-	-	43,025	-	-	1,733,849
-	498,961	-	-	-	-	-	-	498,961
-	733,369	-	-	-	-	-	-	733,369
-	41,615	-	-	-	-	-	-	175,848
-	31,281	6,000	-	-	-	-	-	37,281
-	117,910	-	-	-	-	-	-	5,939,479
-	6,866	-	-	-	-	-	-	6,866
-	3,650,147	-	-	-	-	-	-	3,650,147
-	712,397	-	-	-	-	-	-	769,133
-	-	-	-	-	-	-	-	5,327,942
418,772	1,354,022	-	-	1,061,757	913,938	25,010	-	7,895,684
-	-	3,671,606	-	-	-	-	-	3,721,606
-	-	1,429,992	-	-	51,700	-	-	1,533,392
1,622,729	7,398,073	5,107,598	-	1,061,757	1,008,663	25,010	-	32,023,557
(329,147)	171,104	(848,651)	14	(908,805)	(603,862)	24,955	249,776	(4,822,724)
-	304,829	-	-	-	-	-	-	304,829
-	223,529	1,486,617	-	-	-	-	-	5,599,146
-	(405,606)	-	-	-	(1,200,000)	-	-	(2,781,910)
-	122,752	1,486,617	-	-	(1,200,000)	-	-	3,122,065
(329,147)	293,856	637,966	14	(908,805)	(1,803,862)	24,955	249,776	(1,700,659)
318,919	2,891,253	1,290,690	435,550	3,173,819	1,803,862	658,065	1,639,863	18,395,749
\$ (10,228)	\$ 3,185,109	\$ 1,928,656	\$ 435,564	\$ 2,265,014	\$ -	\$ 683,020	\$ 1,889,639	\$ 16,695,090



## CITY OF WICHITA FALLS, TEXAS

### BUDGETARY COMPARISON SCHEDULE - COMMUNITY DEVELOPMENT BLOCK GRANT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services	\$ -	\$ -	\$ 10,113	\$ 10,113
Intergovernmental revenue	1,294,544	1,294,544	1,203,986	(90,558)
Miscellaneous revenue	-	-	3,136	3,136
Total revenues	<u>1,294,544</u>	<u>1,294,544</u>	<u>1,217,235</u>	<u>(77,309)</u>
Expenditures:				
Administrative services	190,426	251,560	184,299	67,261
Parks and recreation	-	-	134,233	(134,233)
Community development	1,054,118	1,054,118	981,439	72,679
Traffic and transportation	-	50,000	-	50,000
Capital outlay	-	-	66,560	(66,560)
Total expenditures	<u>1,244,544</u>	<u>1,355,678</u>	<u>1,366,531</u>	<u>(10,853)</u>
Excess of revenues over (under) expenditures	50,000	(61,134)	(149,296)	(88,162)
Fund balance - beginning	<u>1,165,408</u>	<u>1,165,408</u>	<u>1,165,408</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,215,408</u>	<u>\$ 1,104,274</u>	<u>\$ 1,016,112</u>	<u>\$ (88,162)</u>

# CITY OF WICHITA FALLS, TEXAS

## BUDGETARY COMPARISON SCHEDULE - SECTION 8 HOUSING FUND FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental revenue	\$ 4,147,571	\$ 4,147,571	\$ 4,985,830	\$ 838,259
Miscellaneous revenue	-	-	212,359	212,359
Total revenues	<u>4,147,571</u>	<u>4,147,571</u>	<u>5,198,189</u>	<u>1,050,618</u>
Expenditures:				
Community development	4,277,571	4,277,571	4,764,409	(486,838)
Capital outlay	-	-	47,274	(47,274)
Total expenditures	<u>4,277,571</u>	<u>4,277,571</u>	<u>4,811,683</u>	<u>(534,112)</u>
Excess of revenues over (under) expenditures	(130,000)	(130,000)	386,506	516,506
Fund balance - beginning	<u>1,823,969</u>	<u>1,823,969</u>	<u>1,823,969</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,693,969</u>	<u>\$ 1,693,969</u>	<u>\$ 2,210,475</u>	<u>\$ 516,506</u>

## CITY OF WICHITA FALLS, TEXAS

### BUDGETARY COMPARISON SCHEDULE - HOME INVESTMENT PARTNERSHIP AGREEMENT FUND FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental revenue	\$ 480,491	\$ 480,491	\$ 450,145	\$ (30,346)
Miscellaneous revenue	-	-	10,500	10,500
Total revenues	<u>480,491</u>	<u>480,491</u>	<u>460,645</u>	<u>(19,846)</u>
Expenditures:				
Community development	<u>480,490</u>	<u>480,491</u>	<u>75,721</u>	<u>404,770</u>
Total expenditures	<u>480,490</u>	<u>480,491</u>	<u>75,721</u>	<u>404,770</u>
Excess of revenues over (under) expenditures	1	-	384,924	384,924
Fund balance - beginning	<u>1,561,965</u>	<u>1,561,965</u>	<u>1,561,965</u>	<u>-</u>
Fund balance - ending	<u><u>\$ 1,561,966</u></u>	<u><u>\$ 1,561,965</u></u>	<u><u>\$ 1,946,889</u></u>	<u><u>\$ 384,924</u></u>

# CITY OF WICHITA FALLS, TEXAS

## BUDGETARY COMPARISON SCHEDULE - MPEC/HOTEL/MOTEL TAX FUND FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 2,200,000	\$ 2,200,000	\$ 2,268,731	\$ 68,731
Charges for services	-	-	38,716	38,716
Contributions	35,000	35,000	35,000	-
Miscellaneous revenue	2,003,785	2,003,785	2,168,627	164,842
Total revenues	<u>4,238,785</u>	<u>4,238,785</u>	<u>4,511,074</u>	<u>272,289</u>
Expenditures:				
Administrative services	62,500	62,500	51,063	11,437
Multi-Purpose Events Center	4,851,285	7,976,285	5,040,624	2,935,661
Capital outlay	2,514,000	589,000	3,428,649	(2,839,649)
Total expenditures	<u>7,427,785</u>	<u>8,627,785</u>	<u>8,520,336</u>	<u>107,449</u>
Excess of revenues over (under) expenditures	<u>(3,189,000)</u>	<u>(4,389,000)</u>	<u>(4,009,262)</u>	<u>379,738</u>
Other financing sources (uses):				
Transfers in	3,189,000	3,189,000	3,889,000	700,000
Transfers out	-	-	(3,360)	(3,360)
Total other financing sources (uses)	<u>3,189,000</u>	<u>3,189,000</u>	<u>3,885,640</u>	<u>696,640</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	(1,200,000)	(123,622)	1,076,378
Fund balance - beginning	<u>417,423</u>	<u>417,423</u>	<u>417,423</u>	-
Fund balance - ending	<u>\$ 417,423</u>	<u>\$ (782,577)</u>	<u>\$ 293,801</u>	<u>\$ 1,076,378</u>

## CITY OF WICHITA FALLS, TEXAS

BUDGETARY COMPARISON SCHEDULE - HOTEL/MOTEL VENUE TAX FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 600,000	\$ 600,000	\$ 649,360	\$ 49,360
Charges for services	-	-	10,640	10,640
Total revenues	<u>600,000</u>	<u>600,000</u>	<u>660,000</u>	<u>60,000</u>
Expenditures:				
Multi-Purpose Events Center	-	-	287,318	(287,318)
Capital outlay	446,600	446,600	579,702	(133,102)
Debt service:				
Principal retirement	-	-	50,000	(50,000)
Interest and paying agent fees	-	-	51,700	(51,700)
Total expenditures	<u>446,600</u>	<u>446,600</u>	<u>968,720</u>	<u>(522,120)</u>
Excess of revenues over (under) expenditures	153,400	153,400	(308,720)	(462,120)
Other financing sources (uses):				
Transfers out	<u>(153,400)</u>	<u>(153,400)</u>	<u>-</u>	<u>153,400</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	-	(308,720)	(308,720)
Fund balance - beginning	<u>1,301,344</u>	<u>1,301,344</u>	<u>1,301,344</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,301,344</u>	<u>\$ 1,301,344</u>	<u>\$ 992,624</u>	<u>\$ (308,720)</u>

## CITY OF WICHITA FALLS, TEXAS

BUDGETARY COMPARISON SCHEDULE - GOLF FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services	\$ 900,000	\$ 900,000	\$ 717,106	\$ (182,894)
Miscellaneous revenue	-	-	576,476	576,476
Total revenues	<u>900,000</u>	<u>900,000</u>	<u>1,293,582</u>	<u>393,582</u>
Expenditures:				
Administrative services	936,867	936,867	1,203,957	(267,090)
Capital outlay	-	480,000	418,772	61,228
Total expenditures	<u>936,867</u>	<u>1,416,867</u>	<u>1,622,729</u>	<u>(205,862)</u>
Excess of revenues over (under) expenditures	<u>(36,867)</u>	<u>(516,867)</u>	<u>(329,147)</u>	<u>187,720</u>
Other financing sources (uses):				
Transfers in	<u>311,000</u>	<u>311,000</u>	<u>-</u>	<u>(311,000)</u>
Excess of revenues and other sources over (under) expenditures and other uses	274,133	(205,867)	(329,147)	(123,280)
Fund balance - beginning	<u>318,919</u>	<u>318,919</u>	<u>318,919</u>	<u>-</u>
Fund balance - ending	<u>\$ 593,052</u>	<u>\$ 113,052</u>	<u>\$ (10,228)</u>	<u>\$ (123,280)</u>

## CITY OF WICHITA FALLS, TEXAS

BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,166,095	\$ 2,166,095	\$ 2,087,589	\$ (78,506)
Contributions	1,878,225	1,878,225	1,576,987	(301,238)
Miscellaneous revenue	-	-	594,371	594,371
Total revenues	<u>4,044,320</u>	<u>4,044,320</u>	<u>4,258,947</u>	<u>214,627</u>
Expenditures:				
Accounting/finance	-	-	6,000	(6,000)
Debt service - principal	4,075,000	4,075,000	3,671,606	403,394
Debt service - interest and paying agent fees	1,622,837	1,622,837	1,429,992	192,845
Debt service - bond issuance costs	-	-	-	-
Total expenditures	<u>5,697,837</u>	<u>5,697,837</u>	<u>5,107,598</u>	<u>590,239</u>
Excess of revenues over (under) expenditures	<u>(1,653,517)</u>	<u>(1,653,517)</u>	<u>(848,651)</u>	<u>804,866</u>
Other financing sources (uses):				
Transfers in	<u>1,653,517</u>	<u>1,653,517</u>	<u>1,486,617</u>	<u>(166,900)</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	-	637,966	637,966
Fund balance - beginning	<u>1,290,690</u>	<u>1,290,690</u>	<u>1,290,690</u>	-
Fund balance - ending	<u>\$ 1,290,690</u>	<u>\$ 1,290,690</u>	<u>\$ 1,928,656</u>	<u>\$ 637,966</u>

## **Nonmajor Enterprise Funds**

Nonmajor enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the cost of providing the service to the general public on a continuing basis be recovered primarily through user charges.

### Kickapoo Airport Fund

During the year ended September 30, 2000, the City acquired Kickapoo Downtown Airport, a private airport. The Kickapoo Airport Fund was established to account for the operating revenues and expenses of the airport.

### Transit Fund

The Transit Fund accounts for the operation of the Wichita Falls transit system. This system is supported from passenger fees, subsidies from the General Fund and subsidies from the Federal Transit Administration.

### Stormwater Drainage Fund

The Stormwater Drainage Fund was established to account for operating revenues and expenses associated with the Storm Water Drainage Utility System (System). The System was established effective May 1, 2001 and provides a funding mechanism for drainage improvements in the City.

### Waterpark Fund

The Waterpark Fund was established to account for the operating revenues and expenses of the Castaway Cove Waterpark. The waterpark was purchased on February 4, 2010.



# CITY OF WICHITA FALLS, TEXAS

## COMBINING STATEMENT OF NET POSITION NONMAJOR ENTERPRISE FUNDS SEPTEMBER 30, 2023

	Kickapoo Airport	Transit
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ (19,498)	\$ 4,958
Receivables (net of allowance for uncollectible accounts):		
Customer and trade	-	-
Government agencies	-	1,654,290
Other	14,076	7,842
Inventory	67,815	82,840
Prepaid items	6	-
Other current assets	-	-
Total current assets	<u>62,399</u>	<u>1,749,930</u>
Capital assets, net of accumulated depreciation	<u>11,308,284</u>	<u>17,749,868</u>
Total assets	<u>11,370,683</u>	<u>19,499,798</u>
<b>Deferred outflows of resources</b>		
Pension-related	114,785	578,035
OPEB-related	<u>5,179</u>	<u>56,973</u>
Total deferred outflows of resources	<u>119,964</u>	<u>635,008</u>
<b>Liabilities</b>		
Current liabilities payable from current assets:		
Accounts payable - trade	558	24,269
Accrued payroll	7,579	33,149
Accrued vacation and sick leave	11,878	65,060
Payable to other City funds	-	3,813,772
Other liabilities	<u>23,391</u>	<u>28,951</u>
Total current liabilities payable from current assets	<u>43,406</u>	<u>3,965,201</u>
Long-term liabilities:		
Net pension liability	275,314	1,386,435
Net OPEB liability	<u>23,148</u>	<u>254,631</u>
Total long-term liabilities	<u>298,462</u>	<u>1,641,066</u>
Total liabilities	<u>341,868</u>	<u>5,606,267</u>
<b>Deferred inflows of resources</b>		
Pension-related	750	3,777
OPEB-related	<u>504</u>	<u>5,547</u>
Total deferred inflows of resources	<u>1,254</u>	<u>9,324</u>
<b>Net position</b>		
Net investment in capital assets	11,308,284	17,749,868
Unrestricted	(160,759)	(3,230,653)
Total net position	<u>\$ 11,147,525</u>	<u>\$ 14,519,215</u>

Stormwater Drainage	Waterpark	Total Nonmajor Enterprise Funds
\$ 10,705,950	\$ 1,523,741	\$ 12,215,151
415,547	-	415,547
-	-	1,654,290
-	(11,626)	10,292
-	-	150,655
-	-	6
-	210,186	210,186
<u>11,121,497</u>	<u>1,722,301</u>	<u>14,656,127</u>
30,499,236	2,371,110	61,928,498
<u>41,620,733</u>	<u>4,093,411</u>	<u>76,584,625</u>
129,570	-	822,390
<u>15,193</u>	<u>-</u>	<u>77,345</u>
<u>144,763</u>	<u>-</u>	<u>899,735</u>
89,630	(2,654)	111,803
5,756	-	46,484
16,078	-	93,016
-	-	3,813,772
<u>(7,626)</u>	<u>-</u>	<u>44,716</u>
<u>103,838</u>	<u>(2,654)</u>	<u>4,109,791</u>
310,777	-	1,972,526
<u>67,901</u>	<u>-</u>	<u>345,680</u>
<u>378,678</u>	<u>-</u>	<u>2,318,206</u>
<u>482,516</u>	<u>(2,654)</u>	<u>6,427,997</u>
847	-	5,374
<u>1,479</u>	<u>-</u>	<u>7,530</u>
<u>2,326</u>	<u>-</u>	<u>12,904</u>
30,499,236	2,371,110	61,928,498
10,781,418	1,724,955	9,114,961
<u>\$ 41,280,654</u>	<u>\$ 4,096,065</u>	<u>\$ 71,043,459</u>

# CITY OF WICHITA FALLS, TEXAS

## COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION NONMAJOR ENTERPRISE FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Kickapoo Airport	Transit
Operating revenues:		
Charges for services	\$ -	\$ 464,414
Rents, concessions and other	1,080,143	21,790
Total operating revenues	<u>1,080,143</u>	<u>486,204</u>
Operating expenses:		
Personnel services	336,503	1,712,823
Supplies and materials	531,976	708,867
Maintenance and repairs	9,318	195,431
Utilities and other services	89,973	170,934
Insurance and contract support	35,171	59,351
Other expenses	57,572	235,362
Depreciation and amortization	527,380	427,364
Total operating expenses	<u>1,587,893</u>	<u>3,510,132</u>
Operating income (loss)	<u>(507,750)</u>	<u>(3,023,928)</u>
Nonoperating revenues (expenses):		
Investment earnings	3,185	-
Gain (loss) on sale of capital assets	-	576
Intergovernmental operating grants	-	4,605,539
Total nonoperating revenues (expenses)	<u>3,185</u>	<u>4,606,115</u>
Income (loss) before capital contributions and transfers	<u>(504,565)</u>	<u>1,582,187</u>
Transfers in	334,157	204
Transfers out	<u>-</u>	<u>(2,041,075)</u>
Change in net position	<u>(170,408)</u>	<u>(458,684)</u>
Net position - beginning	11,317,933	14,977,899
Prior period adjustment	-	-
Net position - beginning, as restated	<u>11,317,933</u>	<u>14,977,899</u>
Net position - ending	<u><u>\$ 11,147,525</u></u>	<u><u>\$ 14,519,215</u></u>

Stormwater Drainage	Waterpark	Total Nonmajor Enterprise Funds
\$ 3,755,677	\$ 1,326,699	\$ 5,546,790
-	577,699	1,679,632
<u>3,755,677</u>	<u>1,904,398</u>	<u>7,226,422</u>
357,379	450,648	2,857,353
66,092	366,323	1,673,258
24,228	128,099	357,076
232,877	582,313	1,076,097
103	54,883	149,508
20,364	42,000	355,298
431,211	256,376	1,642,331
<u>1,132,254</u>	<u>1,880,642</u>	<u>8,110,921</u>
<u>2,623,423</u>	<u>23,756</u>	<u>(884,499)</u>
283,407	53,788	340,380
-	-	576
-	-	4,605,539
<u>283,407</u>	<u>53,788</u>	<u>4,946,495</u>
<u>2,906,830</u>	<u>77,544</u>	<u>4,061,996</u>
-	575,000	909,361
<u>(799,433)</u>	<u>-</u>	<u>(2,840,508)</u>
<u>2,107,397</u>	<u>652,544</u>	<u>2,130,849</u>
41,510,352	3,443,521	71,249,705
(2,337,095)	-	(2,337,095)
<u>39,173,257</u>	<u>3,443,521</u>	<u>68,912,610</u>
<u>\$ 41,280,654</u>	<u>\$ 4,096,065</u>	<u>\$ 71,043,459</u>

# CITY OF WICHITA FALLS, TEXAS

## COMBINING STATEMENT OF CASH FLOWS NONMAJOR ENTERPRISE FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Kickapoo Airport	Transit
Cash flows from operating activities:		
Receipts from customers and users	\$ 1,141,572	\$ 488,491
Payments to suppliers	(688,070)	(2,470,247)
Payments for interfund services	(94,401)	(450,564)
Payments to employees	(247,093)	(1,206,143)
Net cash provided (used) by operating activities	<u>112,008</u>	<u>(3,638,463)</u>
Cash flows from noncapital financing activities:		
Intergovernmental operating grants	-	3,580,621
Interfund loan received (repaid)	-	2,110,610
Transfers out to other funds	-	(2,041,075)
Transfers from other funds	334,157	204
Net cash provided (used) by noncapital financing activities	<u>334,157</u>	<u>3,650,360</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(334,157)	(204)
Proceeds from sale of capital assets	-	576
Net cash provided (used) for capital and related financing activities	<u>(334,157)</u>	<u>372</u>
Cash flows from investing activities:		
Interest on investments	3,185	-
Net cash provided by investing activities	<u>3,185</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	115,193	12,269
Cash and Cash Equivalents - Beginning	<u>(134,691)</u>	<u>(7,311)</u>
Cash and Cash Equivalents - Ending	<u>\$ (19,498)</u>	<u>\$ 4,958</u>

Stormwater Drainage	Waterpark	Total Nonmajor Enterprise Funds
\$ 3,742,372	\$ 1,904,398	\$ 7,276,833
(295,126)	(1,427,439)	(4,880,882)
(280,738)	-	(825,703)
(251,633)	(474,056)	(2,178,925)
<u>2,914,875</u>	<u>2,903</u>	<u>(608,677)</u>
-	-	3,580,621
-	-	2,110,610
(799,433)	-	(2,840,508)
-	575,000	909,361
<u>(799,433)</u>	<u>575,000</u>	<u>3,760,084</u>
(2,944,502)	(182,857)	(3,461,720)
<u>-</u>	<u>-</u>	<u>576</u>
<u>(2,944,502)</u>	<u>(182,857)</u>	<u>(3,461,144)</u>
283,407	53,788	340,380
<u>283,407</u>	<u>53,788</u>	<u>340,380</u>
(545,653)	448,834	30,643
<u>11,251,603</u>	<u>1,074,907</u>	<u>12,184,508</u>
<u>\$ 10,705,950</u>	<u>\$ 1,523,741</u>	<u>\$ 12,215,151</u>

# CITY OF WICHITA FALLS, TEXAS

## COMBINING STATEMENT OF CASH FLOWS (CONT'D.)

### NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Kickapoo Airport	Transit
Cash flows from operating activities:		
Operating income (loss)	<u>\$ (507,750)</u>	<u>\$ (3,023,928)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	527,380	427,364
(Increase) decrease in assets and deferred outflows of resources:		
Receivables:		
Customer and trade	-	-
Other	61,429	2,287
Inventory	13,777	(13,311)
Prepaid items	-	-
Other current assets	-	-
Deferred outflows - pension-related	(89,263)	(429,878)
Deferred outflows - OPEB-related	2,327	(10,737)
Increase (decrease) in liabilities and deferred inflows of resources:		
Accounts payable - trade	(2,867)	16,764
Accrued payroll	1,711	3,552
Accrued vacation and sick leave	2,347	2,525
Payable to government agencies	(4)	-
Other liabilities	3,334	(1,087,199)
Net pension liability	180,930	838,518
Net OPEB liability	(14,093)	25,225
Deferred inflows - pension-related	(64,117)	(372,787)
Deferred inflows - OPEB-related	(3,133)	(16,858)
Total adjustments	<u>619,758</u>	<u>(614,535)</u>
Net cash provided (used) by operating activities	<u><u>\$ 112,008</u></u>	<u><u>\$ (3,638,463)</u></u>

<u>Stormwater Drainage</u>	<u>Waterpark</u>	<u>Total Nonmajor Enterprise Funds</u>
<u>\$ 2,623,423</u>	<u>\$ 23,756</u>	<u>\$ (884,499)</u>
431,211	256,376	1,642,331
(13,305)	-	(13,305)
-	-	63,716
-	-	466
-	11,812	11,812
-	(210,186)	(210,186)
(94,107)	6,914	(606,334)
(3,184)	8,106	(3,488)
(105,380)	(2,654)	(94,137)
(702)	-	4,561
(2,165)	-	2,707
-	(1,140)	(1,144)
(15,231)	(2,786)	(1,101,882)
179,628	(25,572)	1,173,504
8,315	(40,221)	(20,774)
(89,287)	(17,574)	(543,765)
(4,341)	(3,928)	(28,260)
<u>291,452</u>	<u>(20,853)</u>	<u>275,822</u>
<u>\$ 2,914,875</u>	<u>\$ 2,903</u>	<u>\$ (608,677)</u>



## **Internal Service Funds**

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

### **Fleet Maintenance Fund**

The Fleet Maintenance Fund accounts for the costs associated with the operation, maintenance and replacement of the City's vehicle and equipment fleet. City departments which use the vehicles and equipment are charged a monthly rental fee based upon actual operating costs associated with each class of vehicle or equipment.

### **Duplicating Services Fund**

The Duplicating Services Fund accounts for the costs associated with the operation and maintenance of the City's duplicating equipment. City departments which use the duplicating services are charged a fee based upon actual usage.

### **Employee Benefit Trust Fund**

The Employee Benefit Trust Fund is used to account for and administer group health insurance, which is self-insured by the City, and life insurance for employees and covered dependents.

### **Information Technology Fund**

The Information Technology Fund accounts for the costs associated with the operation and maintenance of the City's Information Technology assets. City departments which use information technology are charged a fee based on usage.

## CITY OF WICHITA FALLS, TEXAS

**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**SEPTEMBER 30, 2023**

	Fleet Maintenance	Duplicating Services	Employee Benefit Trust	Information Technology Fund	Totals
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 5,454,924	\$ 125,361	\$ 4,675,559	\$ 3,979,210	\$ 14,235,054
Restricted cash and cash equivalents	-	-	9,902,285	-	9,902,285
Receivables:					
Other	37,608	-	9,182	-	46,790
Inventory	706,419	-	-	-	706,419
Prepaid items	-	327	-	-	327
Total current assets	<u>6,198,951</u>	<u>125,688</u>	<u>14,587,026</u>	<u>3,979,210</u>	<u>24,890,875</u>
Capital assets, net of accumulated depreciation	<u>24,671,897</u>	<u>-</u>	<u>-</u>	<u>5,489,773</u>	<u>30,161,670</u>
Total assets	<u>30,870,848</u>	<u>125,688</u>	<u>14,587,026</u>	<u>9,468,983</u>	<u>55,052,545</u>
<b>Deferred outflows of resources</b>					
Pension-related	824,712	9,552	26,041	542,009	1,402,314
OPEB-related	<u>92,193</u>	<u>1,036</u>	<u>-</u>	<u>39,017</u>	<u>132,246</u>
Total deferred outflows of resources	<u>916,905</u>	<u>10,588</u>	<u>26,041</u>	<u>581,026</u>	<u>1,534,560</u>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable - trade	83,960	3,000	(4,150)	796,336	879,146
Accrued payroll	39,372	242	1,220	24,510	65,344
Accrued vacation and sick leave	132,511	-	-	51,182	183,693
Payable to other City funds	-	-	462,283	-	462,283
Estimated health claims payable	-	-	1,047,682	-	1,047,682
Other liabilities	4,194	-	13,024	-	17,218
Notes payable - current maturities	-	-	-	-	-
Subscription liabilities - current maturities	-	-	-	72,188	72,188
Total current liabilities	<u>260,037</u>	<u>3,242</u>	<u>1,520,059</u>	<u>944,216</u>	<u>2,727,554</u>
Long-term liabilities:					
Subscription liabilities, less current maturities	-	-	-	161,897	161,897
Net pension liability	1,978,098	22,912	62,460	1,300,027	3,363,497
Net OPEB liability	<u>412,039</u>	<u>4,630</u>	<u>-</u>	<u>174,383</u>	<u>591,052</u>
Total long-term liabilities	<u>2,390,137</u>	<u>27,542</u>	<u>62,460</u>	<u>1,636,307</u>	<u>4,116,446</u>
Total liabilities	<u>2,650,174</u>	<u>30,784</u>	<u>1,582,519</u>	<u>2,580,523</u>	<u>6,844,000</u>
<b>Deferred inflows of resources</b>					
Pension-related	5,388	62	170	3,541	9,161
OPEB-related	<u>8,976</u>	<u>101</u>	<u>-</u>	<u>3,799</u>	<u>12,876</u>
Total deferred inflows of resources	<u>14,364</u>	<u>163</u>	<u>170</u>	<u>7,340</u>	<u>22,037</u>
<b>Net position</b>					
Net investment in capital assets	24,671,897	-	-	5,489,773	30,161,670
Unrestricted	<u>4,451,318</u>	<u>105,329</u>	<u>13,030,378</u>	<u>1,972,373</u>	<u>19,559,398</u>
Total net position	<u>\$ 29,123,215</u>	<u>\$ 105,329</u>	<u>\$ 13,030,378</u>	<u>\$ 7,462,146</u>	<u>\$ 49,721,068</u>

## CITY OF WICHITA FALLS, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Fleet Maintenance	Duplicating Services	Employee Benefit Trust	Information Technology Fund	Totals
Operating revenues:					
Charges for services	\$ 12,766,937	\$ 128,304	\$ -	\$ 4,114,825	\$ 17,010,066
Rents, concessions and other	16,500	-	1,429,257	-	1,445,757
Contributions	-	-	15,557,244	-	15,557,244
Total operating revenues	<u>12,783,437</u>	<u>128,304</u>	<u>16,986,501</u>	<u>4,114,825</u>	<u>34,013,067</u>
Operating expenses:					
Personnel services	2,337,279	27,500	63,213	1,490,165	3,918,157
Supplies and materials	3,612,421	1,084	65	473,687	4,087,257
Maintenance and repairs	2,346,902	95	-	1,269,541	3,616,538
Utilities and other services	159,268	807	87,899	276,311	524,285
Insurance and contract support	23,313	-	13,613,018	4,261	13,640,592
Other expenses	284,828	83,791	1,688,342	15,712	2,072,673
Depreciation and amortization	4,629,623	-	-	1,128,104	5,757,727
Total operating expenses	<u>13,393,634</u>	<u>113,277</u>	<u>15,452,537</u>	<u>4,657,781</u>	<u>33,617,229</u>
Operating income (loss)	<u>(610,197)</u>	<u>15,027</u>	<u>1,533,964</u>	<u>(542,956)</u>	<u>395,838</u>
Nonoperating revenues (expenses):					
Investment earnings	-	-	1,312,285	-	1,312,285
Gain (loss) on sale of capital assets	700,440	-	-	-	700,440
Interest expense	(8,893)	-	-	(13,539)	(22,432)
Total nonoperating revenues (expenses)	<u>691,547</u>	<u>-</u>	<u>1,312,285</u>	<u>(13,539)</u>	<u>1,990,293</u>
Income (loss) before transfers	<u>81,350</u>	<u>15,027</u>	<u>2,846,249</u>	<u>(556,495)</u>	<u>2,386,131</u>
Transfers in	6,385,221	-	-	-	6,385,221
Transfers out	<u>(312,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(312,000)</u>
Change in net position	<u>6,154,571</u>	<u>15,027</u>	<u>2,846,249</u>	<u>(556,495)</u>	<u>8,459,352</u>
Net position - beginning	22,968,644	90,302	10,184,129	8,078,054	41,321,129
Prior period adjustment	-	-	-	(59,413)	(59,413)
Net position - beginning, as restated	<u>22,968,644</u>	<u>90,302</u>	<u>10,184,129</u>	<u>8,018,641</u>	<u>41,261,716</u>
Net position - ending	<u>\$ 29,123,215</u>	<u>\$ 105,329</u>	<u>\$ 13,030,378</u>	<u>\$ 7,462,146</u>	<u>\$ 49,721,068</u>

## CITY OF WICHITA FALLS, TEXAS

**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Fleet Maintenance	Duplicating Services	Employee Benefit Trust	Information Technology Fund	Totals
Cash flows from operating activities:					
Received from customers and users	\$ 289,014	\$ -	\$ 3,936,444	\$ -	\$ 4,225,458
Received from interfund charges	12,495,071	128,304	11,885,488	4,114,825	28,623,688
Other operating receipts	-	-	1,167,038	-	1,167,038
Payments to suppliers	(6,309,258)	(83,651)	(15,245,087)	(1,586,130)	(23,224,126)
Payments for interfund services	(569,693)	(10,202)	-	(132,825)	(712,720)
Payments to employees	(1,599,134)	(18,679)	(50,406)	(1,054,153)	(2,722,372)
Net cash provided by operating activities	<u>4,306,000</u>	<u>15,772</u>	<u>1,693,477</u>	<u>1,341,717</u>	<u>7,356,966</u>
Cash flows from noncapital financing activities:					
Interfund loans received (repaid)	-	-	-	-	-
Transfers in from other funds	6,385,221	-	-	-	6,385,221
Transfers out to other funds	(312,000)	-	-	-	(312,000)
Net cash provided (used) by noncapital financing activities	<u>6,073,221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,073,221</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(7,454,570)	-	-	(1,967,108)	(9,421,678)
Proceeds from sale of capital assets	952,618	-	-	-	952,618
Principal paid on long-term debt	(465,597)	-	-	(66,773)	(532,370)
Interest and fees paid on long-term debt	(8,893)	-	-	(13,539)	(22,432)
Net cash used for capital and related financing activities	<u>(6,976,442)</u>	<u>-</u>	<u>-</u>	<u>(2,047,420)</u>	<u>(9,023,862)</u>
Cash flows from investing activities:					
Income (loss) on investments	-	-	1,312,285	-	1,312,285
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>1,312,285</u>	<u>-</u>	<u>1,312,285</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,402,779	15,772	3,005,762	(705,703)	5,718,610
Cash and Cash Equivalents - Beginning	2,052,145	109,589	11,572,082	4,684,913	18,418,729
Cash and Cash Equivalents - Ending	<u>\$ 5,454,924</u>	<u>\$ 125,361</u>	<u>\$ 14,577,844</u>	<u>\$ 3,979,210</u>	<u>\$ 24,137,339</u>
Cash flows from operating activities:					
Operating income (loss)	\$ (610,197)	\$ 15,027	\$ 1,533,964	\$ (542,956)	\$ 395,838
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	4,629,623	-	-	1,128,104	5,757,727
(Increase) decrease in assets and deferred outflows:					
Receivables:					
Other	(3,546)	-	-	-	(3,546)
Inventory	(8,025)	-	-	-	(8,025)
Prepaid items	474,490	-	-	-	474,490
Deferred outflows - pension-related	(612,556)	(7,296)	(19,215)	(413,622)	(1,052,689)
Deferred outflows - OPEB-related	(15,334)	(135)	-	(4,791)	(20,260)
Increase (decrease) in liabilities and deferred inflows:					
Accounts payable - trade	(225,583)	(366)	(183)	706,260	480,128
Accrued payroll	1,321	(178)	38	(284)	897
Accrued vacation and sick leave	9,530	-	-	(25,224)	(15,694)
Estimated health claims payable	-	-	156,367	-	156,367
Other liabilities	4,194	-	2,469	-	6,663
Net pension liability	1,193,501	14,567	37,216	825,226	2,070,510
Net OPEB liability	30,688	161	-	4,563	35,412
Deferred inflows - pension-related	(533,837)	(5,673)	(17,179)	(322,772)	(879,461)
Deferred inflows - OPEB-related	(28,269)	(335)	-	(12,787)	(41,391)
Total adjustments	<u>4,916,197</u>	<u>745</u>	<u>159,513</u>	<u>1,884,673</u>	<u>6,961,128</u>
Net cash provided (used) by operating activities	<u>\$ 4,306,000</u>	<u>\$ 15,772</u>	<u>\$ 1,693,477</u>	<u>\$ 1,341,717</u>	<u>\$ 7,356,966</u>

## **Component Units**

Discretely Presented Component Units of the City of Wichita Falls are legally separate entities; however, the City is considered to be financially accountable for their operations. The five discretely presented component units are as follows:

### Wichita Falls Economic Development Corporation

The Wichita Falls Economic Development Corporation is a nonprofit corporation formed in May 1997 for the purpose of increasing employment opportunities, primarily through assisting qualified enterprises with funds provided by a portion of the local sales tax. The Corporation operates under the authority of Vernon's Civil Statutes, Article 5190.6, Section 4A.

### Wichita Falls 4B Sales Tax Corporation

The Wichita Falls 4B Sales Tax Corporation is a nonprofit corporation formed in May 1997 for the purpose of increasing employment opportunities and for public improvement projects such as parks, auditoriums, learning centers, open space improvements, athletic and exhibition facilities and the related maintenance and operating costs of such projects. These projects are funded by a portion of the local sales tax. The Corporation operates under the authority of Vernon's Civil Statutes, Article 5190.6, Section 4B.

### Wichita Falls Reinvestment Zone #2

The Wichita Falls Reinvestment Zone #2 was created in August 2005 by the City, with the advice and consent of the Wichita Falls Independent School District and Wichita County. The purpose of the Wichita Falls Reinvestment Zone #2 is to capture increments of growth in real property values in the designated zone area from base values established in January 2004 and use the ad valorem taxes derived from the increments to contribute to the zoned area. Tax funds derived from the increment can only be spent for public improvements in the zoned area or for payment of debt service on bonds issued to provide funds for public improvements.

### Wichita Falls Reinvestment Zone #3

The Wichita Falls Reinvestment Zone #3 was created in September 2009 by the City, with the advice and consent of the Wichita Falls Independent School District and Wichita County. The purpose of the Wichita Falls Reinvestment Zone #3 is to capture increments of growth in real property values in the designated zone area from base values established in January 2009 and use the ad valorem taxes derived from the increments to contribute to the zoned area. Tax funds derived from the increment can only be spent for public improvements in the zoned area or for payment of debt service on bonds issued to provide funds for public improvements.

### Wichita Falls Reinvestment Zone #4

The Wichita Falls Reinvestment Zone #4 was created in March 2015 by the City, with the advice and consent of the Wichita Falls Independent School District and Wichita County. The purpose of the Wichita Falls Reinvestment Zone #4 is to capture increments of growth in real property values in the designated zone area from base values established in January 2015 and use the ad valorem taxes derived from the increments to contribute to the zoned area. Tax funds derived from the increment can only be spent for public improvements in the zoned area or for payment of debt service on bonds issued to provide funds for public improvements.

## CITY OF WICHITA FALLS, TEXAS

**COMBINING STATEMENT OF NET POSITION**  
**COMPONENT UNITS**  
**SEPTEMBER 30, 2023**

	Wichita Falls Economic Development Corporation	Wichita Falls 4B Sales Tax Corporation	Wichita Falls Reinvestment Zone #2	Wichita Falls Reinvestment Zone #3	Wichita Falls Reinvestment Zone #4	Totals
<b>Assets</b>						
Cash and cash equivalents	\$ 23,392,620	\$ 15,952,957	\$ 3,498,835	\$ 1,105,365	\$ 1,101,052	\$ 45,050,829
Receivables:						
Government agencies	920,591	899,060	-	(1,894)	-	1,817,757
Other	169,155	388,600	-	-	-	557,755
Capital assets, net of accumulated depreciation	8,113,439	17,528,161	-	-	-	25,641,600
<b>Total assets</b>	<b>32,595,805</b>	<b>34,768,778</b>	<b>3,498,835</b>	<b>1,103,471</b>	<b>1,101,052</b>	<b>73,067,941</b>
<b>Liabilities</b>						
Accounts payable - trade	-	265,491	-	-	-	265,491
Other liabilities	54,017	1,673,840	-	-	-	1,727,857
Long-term liabilities:						
Portion due or payable within one year	180,000	475,000	-	-	-	655,000
Portion due or payable after one year	9,515,179	17,545,000	-	-	-	27,060,179
<b>Total liabilities</b>	<b>9,749,196</b>	<b>19,959,331</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,708,527</b>
<b>Net position</b>						
Net investment in capital assets	3,368,093	546,982	-	-	-	3,915,075
Unrestricted	19,478,516	14,262,465	3,498,835	1,103,471	1,101,052	39,444,339
<b>Total net position</b>	<b>\$ 22,846,609</b>	<b>\$ 14,809,447</b>	<b>\$ 3,498,835</b>	<b>\$ 1,103,471</b>	<b>\$ 1,101,052</b>	<b>\$ 43,359,414</b>

# CITY OF WICHITA FALLS, TEXAS

## COMBINING STATEMENT OF ACTIVITIES COMPONENT UNITS FOR THE YEAR ENDED SEPTEMBER 30, 2023

		Program Revenues
	Expenses	Operating Grants and Contributions
<b>Community development</b>		
Wichita Falls Economic Development Corporation	\$ 5,541,049	\$ -
Wichita Falls 4B Sales Tax Corporation	3,044,067	358,735
Wichita Falls Reinvestment Zone #2	359,720	-
Wichita Falls Reinvestment Zone #3	-	-
Wichita Falls Reinvestment Zone #4	-	-
Total component units	<u>\$ 8,944,836</u>	<u>\$ 358,735</u>

### General revenues:

#### Taxes:

Property tax

Sales tax

Investment earnings

Miscellaneous

Total general revenues

Change in net position

Net position - beginning, as originally stated

Prior period adjustment

Net position - beginning, as restated

Net position - ending

Net (Expense) Revenue and  
Changes in Net Position

Wichita Falls Economic Development Corporation	Wichita Falls 4B Sales Tax Corporation	Wichita Falls Reinvestment Zone #2	Wichita Falls Reinvestment Zone #3	Wichita Falls Reinvestment Zone #4	Totals
\$ (5,541,049)	\$ -	\$ -	\$ -	\$ -	\$ (5,541,049)
-	(2,685,332)	-	-	-	(2,685,332)
-	-	(359,720)	-	-	(359,720)
-	-	-	-	-	-
-	-	-	-	-	-
<u>(5,541,049)</u>	<u>(2,685,332)</u>	<u>(359,720)</u>	<u>-</u>	<u>-</u>	<u>(8,586,101)</u>
-	-	781,870	116,169	278,807	1,176,846
5,164,778	5,164,778	-	-	-	10,329,556
1,234,125	1,081,891	81,878	74,193	18,024	2,490,111
37,630	44,833	-	-	-	82,463
<u>6,436,533</u>	<u>6,291,502</u>	<u>863,748</u>	<u>190,362</u>	<u>296,831</u>	<u>14,078,976</u>
895,484	3,606,170	504,028	190,362	296,831	5,492,875
18,879,621	11,203,277	2,994,807	913,109	804,221	34,795,035
3,071,504	-	-	-	-	3,071,504
<u>21,951,125</u>	<u>11,203,277</u>	<u>2,994,807</u>	<u>913,109</u>	<u>804,221</u>	<u>37,866,539</u>
<u>\$ 22,846,609</u>	<u>\$ 14,809,447</u>	<u>\$ 3,498,835</u>	<u>\$ 1,103,471</u>	<u>\$ 1,101,052</u>	<u>\$ 43,359,414</u>



## ***SUPPORTING SCHEDULES***

# CITY OF WICHITA FALLS, TEXAS

## COMBINED SCHEDULE OF BONDED DEBT AND INTEREST MATURITIES SEPTEMBER 30, 2023

Fiscal Year Ending September 30,	General Obligation Bonds			Combination Tax and Revenue Bonds		
	Serial Bond Maturities	Interest on Bonds	Total Bonds and Interest	Serial Bond Maturities	Interest on Bonds	Total Bonds and Interest
2024	\$ 3,165,000	\$ 1,019,767	\$ 4,184,767	\$ 2,620,000	\$ 1,144,076	\$ 3,764,076
2025	3,265,000	923,971	4,188,971	2,685,000	1,081,376	3,766,376
2026	3,020,000	797,928	3,817,928	2,750,000	1,013,327	3,763,327
2027	2,380,000	669,347	3,049,347	2,120,000	695,270	2,815,270
2028	2,450,000	594,991	3,044,991	2,165,000	647,043	2,812,043
2029	2,525,000	516,915	3,041,915	2,220,000	596,910	2,816,910
2030	1,855,000	449,952	2,304,952	2,275,000	541,927	2,816,927
2031	1,910,000	393,522	2,303,522	2,325,000	485,023	2,810,023
2032	1,765,000	335,216	2,100,216	2,385,000	426,018	2,811,018
2033	1,815,000	281,336	2,096,336	2,445,000	364,810	2,809,810
2034	990,000	225,750	1,215,750	1,145,000	299,781	1,444,781
2035	1,030,000	186,150	1,216,150	1,170,000	278,191	1,448,191
2036	1,070,000	144,950	1,214,950	1,185,000	255,699	1,440,699
2037	1,110,000	102,150	1,212,150	1,215,000	232,357	1,447,357
2038	1,155,000	57,750	1,212,750	1,235,000	208,162	1,443,162
2039	-	-	-	1,260,000	183,148	1,443,148
2040	-	-	-	1,285,000	157,250	1,442,250
2041	-	-	-	1,310,000	130,455	1,440,455
2042	-	-	-	1,340,000	102,761	1,442,761
2043	-	-	-	1,370,000	74,237	1,444,237
2044	-	-	-	1,395,000	44,997	1,439,997
2045	-	-	-	1,425,000	15,105	1,440,105
2046	-	-	-	-	-	-
2047	-	-	-	-	-	-
2048	-	-	-	-	-	-
2049	-	-	-	-	-	-
2050	-	-	-	-	-	-
	<u>\$ 29,505,000</u>	<u>\$ 6,699,695</u>	<u>\$ 36,204,695</u>	<u>\$ 39,325,000</u>	<u>\$ 8,977,923</u>	<u>\$ 48,302,923</u>

## EXHIBIT G-1

Revenue Bonds			Totals - All Bonded Debt		
Serial Bond Maturities	Interest on Bonds	Total Bonds and Interest	Serial Bond Maturities	Interest on Bonds	Total Bonds and Interest
\$ 8,890,000	\$ 1,580,650	\$ 10,470,650	\$ 14,675,000	\$ 3,744,493	\$ 18,419,493
9,330,000	1,136,700	10,466,700	15,280,000	3,142,047	18,422,047
9,765,000	704,000	10,469,000	15,535,000	2,515,255	18,050,255
2,495,000	216,350	2,711,350	6,995,000	1,580,967	8,575,967
65,000	92,200	157,200	4,680,000	1,334,234	6,014,234
65,000	89,600	154,600	4,810,000	1,203,425	6,013,425
70,000	87,000	157,000	4,200,000	1,078,879	5,278,879
70,000	84,200	154,200	4,305,000	962,745	5,267,745
75,000	81,400	156,400	4,225,000	842,634	5,067,634
75,000	78,400	153,400	4,335,000	724,546	5,059,546
80,000	75,400	155,400	2,215,000	600,931	2,815,931
85,000	72,200	157,200	2,285,000	536,541	2,821,541
85,000	68,800	153,800	2,340,000	469,449	2,809,449
90,000	65,400	155,400	2,415,000	399,907	2,814,907
95,000	61,800	156,800	2,485,000	327,712	2,812,712
95,000	58,000	153,000	1,355,000	241,148	1,596,148
100,000	54,200	154,200	1,385,000	211,450	1,596,450
105,000	50,200	155,200	1,415,000	180,655	1,595,655
110,000	46,000	156,000	1,450,000	148,761	1,598,761
115,000	41,600	156,600	1,485,000	115,837	1,600,837
120,000	37,000	157,000	1,515,000	81,997	1,596,997
120,000	32,200	152,200	1,545,000	47,305	1,592,305
125,000	27,400	152,400	125,000	27,400	152,400
130,000	22,400	152,400	130,000	22,400	152,400
135,000	17,200	152,200	135,000	17,200	152,200
145,000	11,800	156,800	145,000	11,800	156,800
150,000	6,000	156,000	150,000	6,000	156,000
<u>\$ 32,785,000</u>	<u>\$ 4,898,100</u>	<u>\$ 37,683,100</u>	<u>\$ 101,615,000</u>	<u>\$ 20,575,718</u>	<u>\$ 122,190,718</u>

# CITY OF WICHITA FALLS, TEXAS

## COMBINED SCHEDULE OF BONDS PAYABLE SEPTEMBER 30, 2023

	Interest Rates and (Dates)	Issue Date	Final Maturity Date	Annual Serial Payments
General Obligation Bonds:				
General Obligation Refunding Bonds, Series 2015A	2.00, 2.25, 2.625, 2.75, 3.00, 4.00, 5.00 (3/1, 9/1)	11/15/15	09/01/26	\$ 200,000 (2016) 810,000 (2017) 830,000 (2018) 870,000 (2019) 890,000 (2020) 915,000 (2021) 955,000 (2022) 990,000 (2023) 1,030,000 (2024) 1,055,000 (2025) 1,105,000 (2026)
General Obligation Refunding Bonds, Series 2015B	0.73, 1.19, 1.62, 1.99, 2.29, 2.62, 2.83, 2.91, 3.11, 3.27, 3.48 (3/1, 9/1)	11/15/15	09/01/26	110,000 (2016) 255,000 (2017) 255,000 (2018) 260,000 (2019) 265,000 (2020) 270,000 (2021) 275,000 (2022) 285,000 (2023) 295,000 (2024) 305,000 (2025) 310,000 (2026)
General Obligation Bonds, Series 2018A	2.00, 3.00, 4.00, 5.00 (4/1, 10/1)	08/01/18	09/01/38	550,000 (2019) 575,000 (2020) 595,000 (2021) 615,000 (2022) 640,000 (2023) 670,000 (2024) 695,000 (2025) 720,000 (2026) 750,000 (2027) 780,000 (2028) 810,000 (2029) 845,000 (2030) 880,000 (2031) 915,000 (2032) 950,000 (2033) 990,000 (2034) 1,030,000 (2035) 1,070,000 (2036) 1,110,000 (2037) 1,155,000 (2038)

Bonds			
Authorized	Issued	Retired or Refunded	Outstanding
\$ 9,650,000	\$ 9,650,000	\$ 6,460,000	\$ 3,190,000
2,885,000	2,885,000	1,975,000	910,000
16,345,000	16,345,000	2,975,000	13,370,000

# CITY OF WICHITA FALLS, TEXAS

## COMBINED SCHEDULE OF BONDS PAYABLE (CONT'D.) SEPTEMBER 30, 2023

	Interest Rates and (Dates)	Issue Date	Final Maturity Date	Annual Serial Payments
General Obligation Refunding Bonds, Series 2018B	2.00, 3.00, 4.00 (4/1, 10/1)	08/01/18	10/01/28	80,000 (2019) 515,000 (2020) 530,000 (2021) 545,000 (2022) 565,000 (2023) 590,000 (2024) 610,000 (2025) 635,000 (2026) 675,000 (2027) 700,000 (2028) 725,000 (2029)
General Obligation Refunding Bonds, Taxable Series 2021	0.398, 0.686, 0.959, 1.109, 1.281, 1.431, 1.573, 1.833, 2.033 (3/1, 9/1)	10/01/21	09/01/33	445,000 (2022) 435,000 (2023) 435,000 (2024) 440,000 (2025) 85,000 (2026) 785,000 (2027) 795,000 (2028) 805,000 (2029) 820,000 (2030) 835,000 (2031) 850,000 (2032) 865,000 (2033)
General Obligation Refunding Bonds, Series 2021	4.00 (3/1, 9/1)	10/01/21	09/01/31	150,000 (2022) 140,000 (2023) 145,000 (2024) 160,000 (2025) 165,000 (2026) 170,000 (2027) 175,000 (2028) 185,000 (2029) 190,000 (2030) 195,000 (2031)
Total General Obligation Bonds				

Bonds			
Authorized	Issued	Retired or Refunded	Outstanding
6,170,000	6,170,000	2,235,000	3,935,000
7,595,000	7,595,000	880,000	6,715,000
1,675,000	1,675,000	290,000	1,385,000
44,320,000	44,320,000	14,815,000	29,505,000

# CITY OF WICHITA FALLS, TEXAS

## COMBINED SCHEDULE OF BONDS PAYABLE (CONT'D.) SEPTEMBER 30, 2023

	Interest Rates and (Dates)	Issue Date	Final Maturity Date	Annual Serial Payments
Combination Tax and Revenue Bonds:				
Combination Tax and Revenue	2.00, 3.00, 3.25, 3.375	03/01/13	09/01/33	530,000 (2014)
Certificates of Obligation,	(3/1, 9/1)			795,000 (2015)
Series 2013				815,000 (2016)
				830,000 (2017)
				845,000 (2018)
				860,000 (2019)
				890,000 (2020)
				915,000 (2021)
				940,000 (2022)
				970,000 (2023)
				1,000,000 (2024)
				1,030,000 (2025)
				1,060,000 (2026)
				1,090,000 (2027)
				1,125,000 (2028)
				1,160,000 (2029)
				1,195,000 (2030)
				1,235,000 (2031)
				1,275,000 (2032)
				1,315,000 (2033)
Combination Tax and Revenue	2.00, 3.00, 3.125, 3.25,	08/15/13	09/01/33	505,000 (2014)
Certificates of Obligation,	3.625, 3.75, 4.00, 4.25,			500,000 (2015)
Series 2013A	4.375, 4.50, 4.625			510,000 (2016)
	(3/1, 9/1)			520,000 (2017)
				530,000 (2018)
				545,000 (2019)
				560,000 (2020)
				580,000 (2021)
				595,000 (2022)
				615,000 (2023)
				630,000 (2024)
				650,000 (2025)
				675,000 (2026)
				700,000 (2027)*
				730,000 (2028)*
				760,000 (2029)*
				795,000 (2030)*
				830,000 (2031)*
				865,000 (2032)*
				905,000 (2033)*

\* Refunded



Bonds			
Authorized	Issued	Retired or Refunded	Outstanding
19,875,000	19,875,000	8,390,000	11,485,000
13,000,000	13,000,000	11,045,000	1,955,000

# CITY OF WICHITA FALLS, TEXAS

## COMBINED SCHEDULE OF BONDS PAYABLE (CONT'D.) SEPTEMBER 30, 2023

	Interest Rates and (Dates)	Issue Date	Final Maturity Date	Annual Serial Payments
Combination Tax and Revenue Certificates of Obligation, Series 2015	0.00, 0.09, 0.40, 0.68, 0.89, 1.05, 1.16, 1.29, 1.40, 1.47, 1.53, 1.59 1.64, 1.69, 1.74, 1.79 1.84, 1.89, 1.93, 1.96 1.99, 2.02, 2.05, 2.08 2.10, 2.11, 2.12 (3/1, 9/1)	01/02/15	03/01/45	890,000 (2016) 960,000 (2017) 960,000 (2018) 960,000 (2019) 965,000 (2020) 970,000 (2021) 975,000 (2022) 980,000 (2023) 990,000 (2024) 1,005,000 (2025) 1,015,000 (2026) 1,030,000 (2027) 1,040,000 (2028) 1,060,000 (2029) 1,080,000 (2030) 1,090,000 (2031) 1,110,000 (2032) 1,130,000 (2033) 1,145,000 (2034) 1,170,000 (2035) 1,185,000 (2036) 1,215,000 (2037) 1,235,000 (2038) 1,260,000 (2039) 1,285,000 (2040) 1,310,000 (2041) 1,340,000 (2042) 1,370,000 (2043) 1,395,000 (2044) 1,425,000 (2045)
Total Combination Tax and Revenue Bonds				
Revenue Bonds:				
Water and Sewer System Revenue Refunding Bonds, Series 2016	2.00, 4.00, 5.00 (2/1, 8/1)	06/01/16	08/01/27	2,635,000 (2017) 2,885,000 (2018) 6,915,000 (2019) 7,265,000 (2020) 7,635,000 (2021) 8,010,000 (2022) 8,410,000 (2023) 8,835,000 (2024) 9,275,000 (2025) 9,705,000 (2026) 2,435,000 (2027)

Bonds			
Authorized	Issued	Retired or Refunded	Outstanding
33,545,000	33,545,000	7,660,000	25,885,000

66,420,000	66,420,000	27,095,000	39,325,000
74,005,000	74,005,000	43,755,000	30,250,000

# CITY OF WICHITA FALLS, TEXAS

## COMBINED SCHEDULE OF BONDS PAYABLE (CONT'D.) SEPTEMBER 30, 2023

	Interest Rates and (Dates)	Issue Date	Final Maturity Date	Annual Serial Payments
Venue Tax Revenue Bonds, Series 2020	4.00 (3/1, 9/1)	12/01/20	09/01/50	45,000 (2021) 50,000 (2022) 50,000 (2023) 55,000 (2024) 55,000 (2025) 60,000 (2026) 60,000 (2027) 65,000 (2028) 65,000 (2029) 70,000 (2030) 70,000 (2031) 75,000 (2032) 75,000 (2033) 80,000 (2034) 85,000 (2035) 85,000 (2036) 90,000 (2037) 95,000 (2038) 95,000 (2039) 100,000 (2040) 105,000 (2041) 110,000 (2042) 115,000 (2043) 120,000 (2044) 120,000 (2045) 125,000 (2046) 130,000 (2047) 135,000 (2048) 145,000 (2049) 150,000 (2050)
Total Revenue Bonds				
Total All Bonds				

Bonds			
Authorized	Issued	Retired or Refunded	Outstanding
2,680,000	2,680,000	145,000	2,535,000

76,685,000	76,685,000	43,900,000	32,785,000
<u>\$ 187,425,000</u>	<u>\$ 187,425,000</u>	<u>\$ 85,810,000</u>	<u>\$ 101,615,000</u>

# CITY OF WICHITA FALLS, TEXAS

## DEBT SERVICE COVERAGE - REVENUE BONDS SEPTEMBER 30, 2023

### Water and Sewer Revenue Bonds:

Change in net position (Exhibit A-8)			\$ 11,064,723
Add:			
Depreciation and amortization	\$ 8,904,531		
Interest expense and paying agent fees	2,219,148		
Transfers out	1,880,468	13,004,147	
Subtract:			
West Texas Utilities water revenues	500,000		
Gain (loss) on sale/abandonment of capital assets	28,525		
Capital contributions from developers	2,207,260		
Transfers in	784,916	(3,520,701)	
Net earnings for determining debt service coverage			<u>\$ 20,548,169</u>

	Priority Lien Bonds	Subordinate Lien Bonds	
Net earnings for determining debt service coverage			\$ 20,548,169
Principal and interest requirements to maturity	\$ 33,495,500	\$ -	
Number of years remaining to pay bonds	4	N/A	
Average annual principal and interest requirement	8,373,875	N/A	
Minimum bond covenant debt service coverage	1.25	1.10	
Minimum debt service coverage requirement	<u>\$ 10,467,344</u>	<u>\$ -</u>	<u>10,467,344</u>
Excess over debt service coverage requirements			<u>\$ 10,080,825</u>

# CITY OF WICHITA FALLS, TEXAS

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE BY FUNCTION AND ACTIVITY SEPTEMBER 30, 2023

	Land and Betterments	Buildings and Improvements	Machinery and Equipment
Administrative services:			
Mayor and City Council	\$ -	\$ -	\$ -
City Manager	-	265,898	2,020
Personnel/Risk Management	-	-	2,963
Martin Luther King Center	-	749,447	-
Library	477,942	4,495,425	572,630
General Public Information	-	693,348	229,892
Building Maintenance	-	2,770,246	136,877
Nondepartmental	46,347	380,754	85,497
Municipal Court	230,000	310,819	75,951
Legal	-	-	1,518
Homeland security	-	-	584,968
Training Center	-	-	2,271
Golf course	3,808,375	1,205,573	93,430
Total administrative services	<u>4,562,664</u>	<u>10,871,510</u>	<u>1,788,017</u>
Police	<u>1,131,749</u>	<u>10,231,507</u>	<u>15,432,157</u>
Fire	<u>190,565</u>	<u>7,051,522</u>	<u>1,380,891</u>
Parks and recreation:			
Recreation	4,080,206	1,702,037	210,663
Park maintenance	4,719,322	554,597	110,051
Cemetery	141,685	-	6,448
Lake Wichita Revitalization - Boardwalk	1,738,092	-	-
Lynwood Community Center	-	214,895	-
Total parks and recreation	<u>10,679,305</u>	<u>2,471,529</u>	<u>327,162</u>
Accounting/finance:			
Information Systems	-	-	12,042,102
Total accounting/finance	<u>-</u>	<u>-</u>	<u>12,042,102</u>
Community development:			
Planning	-	-	20,438
Inspection	-	-	1,360
Property management	10,364,824	420,892	9,274
Section 8 housing	-	-	47,274
Hazard Mitigation grant	170,800	-	-
Total community development	<u>10,535,624</u>	<u>420,892</u>	<u>78,346</u>
Public works:			
Engineering	-	61,948	183,229
Street maintenance	415,650	100,108	30,606
Lake Wichita Revitalization	-	-	-
Infrastructure	1,365,633	-	-
Total public works	<u>1,781,283</u>	<u>162,056</u>	<u>213,835</u>
Health:			
Administration	34,820	3,066,351	326,721
General City nursing	76,411	1,123	10,108
Environmental health	-	-	69,596
Lab water pollution	-	-	45,235
Animal reclaim center	150,737	4,114,850	26,772
Total health	<u>261,968</u>	<u>7,182,324</u>	<u>478,432</u>
Traffic and transportation	<u>-</u>	<u>31,045</u>	<u>109,683</u>
Multi-Purpose Events Center	<u>9,560,210</u>	<u>41,814,297</u>	<u>675,809</u>
Wichita Falls Business Park	<u>1,099,507</u>	<u>-</u>	<u>-</u>
Total capital assets used in the operation of governmental funds	<u>\$ 39,802,875</u>	<u>\$ 80,236,682</u>	<u>\$ 32,526,434</u>

Furniture and Fixtures	Subscription Assets	Infrastructure	Construction in Progress	Totals
\$ 5,218	\$ -	\$ -	\$ -	\$ 5,218
13,644	-	-	-	281,562
4,660	-	-	-	7,623
-	-	-	-	749,447
73,266	-	-	-	5,619,263
3,184	-	-	-	926,424
-	-	-	-	2,907,123
-	-	-	-	512,598
-	-	-	-	616,770
-	-	-	-	1,518
-	-	-	-	584,968
-	-	-	-	2,271
-	-	-	-	5,107,378
<u>99,972</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,322,163</u>
<u>8,759</u>	<u>67,040</u>	<u>-</u>	<u>205,700</u>	<u>27,076,912</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,111</u>	<u>8,625,089</u>
-	-	-	-	5,992,906
-	-	-	-	5,383,970
-	-	-	-	148,133
-	-	-	-	1,738,092
-	-	-	-	214,895
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,477,996</u>
-	603,614	-	-	12,645,716
<u>-</u>	<u>603,614</u>	<u>-</u>	<u>-</u>	<u>12,645,716</u>
-	-	-	-	20,438
-	-	-	-	1,360
-	-	-	-	10,794,990
-	-	-	-	47,274
-	-	-	-	170,800
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,034,862</u>
-	-	-	-	245,177
-	-	-	-	546,364
-	-	-	915,175	915,175
-	-	207,251,156	2,169,427	210,786,216
<u>-</u>	<u>-</u>	<u>207,251,156</u>	<u>3,084,602</u>	<u>212,492,932</u>
-	237,789	-	103,129	3,768,810
-	-	-	-	87,642
-	-	-	-	69,596
-	-	-	-	45,235
-	-	-	-	4,292,359
<u>-</u>	<u>237,789</u>	<u>-</u>	<u>103,129</u>	<u>8,263,642</u>
-	-	15,952,439	-	16,093,167
<u>22,117</u>	<u>-</u>	<u>-</u>	<u>3,257,982</u>	<u>55,330,415</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,099,507</u>
<u>\$ 130,848</u>	<u>\$ 908,443</u>	<u>\$ 223,203,595</u>	<u>\$ 6,653,524</u>	<u>\$ 383,462,401</u>



## CITY OF WICHITA FALLS, TEXAS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Beginning Balance 10/1/2022	Additions	Deletions	Ending Balance 9/30/2023
Administrative services:				
Mayor and City Council	\$ 5,218	\$ -	\$ -	\$ 5,218
City Manager	281,562	-	-	281,562
Personnel/Risk Management	7,623	-	-	7,623
Martin Luther King Center	749,447	-	-	749,447
Library	5,619,263	-	-	5,619,263
General Public Information	843,652	82,772	-	926,424
Building Maintenance	2,907,123	-	-	2,907,123
Nondepartmental	512,598	-	-	512,598
Municipal Court	616,770	-	-	616,770
Legal	1,518	-	-	1,518
Homeland security	584,968	-	-	584,968
Training center	2,271	-	-	2,271
Golf course	4,688,606	418,772	-	5,107,378
Total administrative services	16,820,619	501,544	-	17,322,163
Police	26,960,619	116,293	-	27,076,912
Fire	8,108,246	516,843	-	8,625,089
Parks and recreation:				
Recreation	2,616,850	3,376,056	-	5,992,906
Park maintenance	5,242,504	141,466	-	5,383,970
Cemetery	148,133	-	-	148,133
Lake Wichita Revitalization	1,261,180	476,912	-	1,738,092
Lynwood Community Center	214,895	-	-	214,895
Total parks and recreation	9,483,562	3,994,434	-	13,477,996
Accounting/finance:				
Information Systems	10,678,608	1,967,108	-	12,645,716
Total accounting/finance	10,678,608	1,967,108	-	12,645,716
Community development:				
Planning	20,438	-	-	20,438
Inspection	1,360	-	-	1,360
Property management	10,764,990	30,000	-	10,794,990
Section 8 Housing	-	47,274	-	47,274
Hazard Mitigation Grant	170,800	-	-	170,800
Total community development	10,957,588	77,274	-	11,034,862
Public works:				
Engineering	245,177	-	-	245,177
Street maintenance	230,510	315,854	-	546,364
Lake Wichita Revitalization	900,925	14,250	-	915,175
Infrastructure	205,815,781	5,957,906	987,471	210,786,216
Total public works	207,192,393	6,288,010	987,471	212,492,932
Health:				
Administration	3,329,739	439,071	-	3,768,810
General city nursing	87,642	-	-	87,642
Environmental health	69,596	-	-	69,596
Lab water pollution	45,235	-	-	45,235
Animal reclaim center	4,292,359	-	-	4,292,359
Total health	7,824,571	439,071	-	8,263,642
Traffic and transportation	16,049,096	137,239	93,168	16,093,167
Multi-Purpose Events Center	49,852,613	5,477,802	-	55,330,415
Wichita Falls Business Park	1,099,507	-	-	1,099,507
Total capital assets	\$ 365,027,422	\$ 19,515,618	\$ 1,080,639	\$ 383,462,401

# CITY OF WICHITA FALLS, TEXAS

## REGIONAL AIRPORT FUND CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Land and betterments	\$ 20,463,606	\$ 28,050	\$ -	\$ 20,491,656
Buildings and improvements	34,104,170	218,535	-	34,322,705
Machinery and equipment	219,529	28,080	-	247,609
Furniture and fixtures	12,829	-	-	12,829
Infrastructure	1,308,101	-	-	1,308,101
Right-to-use leased assets	3,066,768	-	-	3,066,768
Construction in progress	44,000	174,535	218,535	-
Total capital assets	<u>59,219,003</u>	<u>449,200</u>	<u>218,535</u>	<u>59,449,668</u>
<u>Accumulated Depreciation:</u>				
Land and betterments	6,861,238	824,667	-	7,685,905
Buildings and improvements	5,428,064	683,923	-	6,111,987
Machinery and equipment	122,440	22,515	-	144,955
Furniture and fixtures	12,830	-	-	12,830
Right-to-use leased assets	829,279	62,587	-	891,866
Infrastructure	43,603	17,441	-	61,044
Total accumulated depreciation	<u>13,297,454</u>	<u>1,611,133</u>	<u>-</u>	<u>14,908,587</u>
Net capital assets	<u>\$ 45,921,549</u>	<u>\$ (1,161,933)</u>	<u>\$ 218,535</u>	<u>\$ 44,541,081</u>

## CITY OF WICHITA FALLS, TEXAS

**KICKAPOO AIRPORT FUND**  
**CAPITAL ASSETS AND ACCUMULATED DEPRECIATION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Land and betterments	\$ 13,643,355	\$ -	\$ -	\$ 13,643,355
Buildings and improvements	3,264,730	787,901	-	4,052,631
Machinery and equipment	583,215	-	-	583,215
Construction in progress	488,991	-	453,744	35,247
Total capital assets	<u>17,980,291</u>	<u>787,901</u>	<u>453,744</u>	<u>18,314,448</u>
<u>Accumulated Depreciation:</u>				
Land and betterments	4,328,093	382,913	-	4,711,006
Buildings and improvements	1,626,994	120,564	-	1,747,558
Machinery and equipment	523,697	23,903	-	547,600
Total accumulated depreciation	<u>6,478,784</u>	<u>527,380</u>	<u>-</u>	<u>7,006,164</u>
Net capital assets	<u>\$ 11,501,507</u>	<u>\$ 260,521</u>	<u>\$ 453,744</u>	<u>\$ 11,308,284</u>

# CITY OF WICHITA FALLS, TEXAS

## TRANSIT FUND CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Land and betterments	\$ 2,001,247	\$ -	\$ -	\$ 2,001,247
Buildings and improvements	17,530,899	73,644	-	17,604,543
Machinery and equipment	546,740	-	-	546,740
Construction in progress	73,440	204	73,644	-
Total capital assets	20,152,326	73,848	73,644	20,152,530
<u>Accumulated Depreciation:</u>				
Land and betterments	100,217	10,549	-	110,766
Buildings and improvements	1,410,480	378,490	-	1,788,970
Machinery and equipment	464,601	38,325	-	502,926
Total accumulated depreciation	1,975,298	427,364	-	2,402,662
Net capital assets	<u>\$ 18,177,028</u>	<u>\$ (353,516)</u>	<u>\$ 73,644</u>	<u>\$ 17,749,868</u>

# CITY OF WICHITA FALLS, TEXAS

## STORMWATER DRAINAGE FUND CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Drainage	\$ 30,350,663	\$ 2,671,753	\$ -	\$ 33,022,416
Land and betterments	686,529	-	-	686,529
Machinery and equipment	60,395	-	-	60,395
Construction in progress	660,829	468,599	195,850	933,578
Total capital assets	31,758,416	3,140,352	195,850	34,702,918
<u>Accumulated Depreciation:</u>				
Drainage	3,673,043	422,488	-	4,095,531
Land betterments	52,601	6,354	-	58,955
Machinery and equipment	46,827	2,369	-	49,196
Total accumulated depreciation	3,772,471	431,211	-	4,203,682
Net capital assets	\$ 27,985,945	\$ 2,709,141	\$ 195,850	\$ 30,499,236

# CITY OF WICHITA FALLS, TEXAS

## SANITATION FUND CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Land and betterments	\$ 9,615,262	\$ 129,111	\$ -	\$ 9,744,373
Buildings and improvements	3,571,328	-	-	3,571,328
Machinery and equipment	685,008	-	-	685,008
Construction in progress	39,435	899,646	32,684	906,397
Total capital assets	<u>13,911,033</u>	<u>1,028,757</u>	<u>32,684</u>	<u>14,907,106</u>
<u>Accumulated Depreciation:</u>				
Land and betterments	2,071,852	182,910	-	2,254,762
Buildings and improvements	2,019,461	94,685	-	2,114,146
Machinery and equipment	527,972	42,463	-	570,435
Total accumulated depreciation	<u>4,619,285</u>	<u>320,058</u>	<u>-</u>	<u>4,939,343</u>
Net capital assets	<u><u>\$ 9,291,748</u></u>	<u><u>\$ 708,699</u></u>	<u><u>\$ 32,684</u></u>	<u><u>\$ 9,967,763</u></u>

# CITY OF WICHITA FALLS, TEXAS

## WATER AND SEWER FUND CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Land and betterments	\$ 24,349,958	\$ -	\$ -	\$ 24,349,958
Buildings, systems and improvements	404,431,813	9,088,210	158,000	413,362,023
Machinery and equipment	7,050,978	20,161	-	7,071,139
Furniture and fixtures	1,164	-	-	1,164
Construction in progress	2,352,793	4,367,873	1,994,757	4,725,909
Total capital assets	438,186,706	13,476,244	2,152,757	449,510,193
<u>Accumulated Depreciation:</u>				
Land and betterments	12,494,662	229,613	-	12,724,275
Buildings, systems and improvements	161,905,656	8,403,961	158,000	170,151,617
Machinery and equipment	5,404,045	270,957	-	5,675,002
Furniture and fixtures	1,164	-	-	1,164
Total accumulated depreciation	179,805,527	8,904,531	158,000	188,552,058
Net capital assets	\$ 258,381,179	\$ 4,571,713	\$ 1,994,757	\$ 260,958,135

# CITY OF WICHITA FALLS, TEXAS

## WATERPARK FUND CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Land and betterments	\$ 389,894	\$ -	\$ -	\$ 389,894
Buildings and improvements	4,641,246	-	-	4,641,246
Machinery and equipment	298,744	182,857	-	481,601
Total capital assets	5,329,884	182,857	-	5,512,741
<u>Accumulated Depreciation:</u>				
Buildings and improvements	2,648,940	233,212	-	2,882,152
Machinery and equipment	236,315	23,164	-	259,479
Total accumulated depreciation	2,885,255	256,376	-	3,141,631
Net capital assets	\$ 2,444,629	\$ (73,519)	\$ -	\$ 2,371,110



## CITY OF WICHITA FALLS, TEXAS

### FLEET MAINTENANCE FUND CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Land and betterments	\$ 436,269	\$ -	\$ -	\$ 436,269
Buildings and improvements	4,848,002	7,818	-	4,855,820
Machinery and equipment	1,670,786	-	-	1,670,786
Furniture and fixtures	2,950	-	-	2,950
Motor vehicles	74,139,975	7,315,798	5,869,193	75,586,580
Construction in progress	-	130,954	-	130,954
Total capital assets	<u>81,097,982</u>	<u>7,454,570</u>	<u>5,869,193</u>	<u>82,683,359</u>
<u>Accumulated Depreciation:</u>				
Land and betterments	2,611	-	-	2,611
Buildings and improvements	3,243,927	124,312	-	3,368,239
Machinery and equipment	1,581,615	35,875	-	1,617,490
Furniture and fixtures	2,950	-	-	2,950
Motor vehicles	54,167,751	4,469,436	5,617,015	53,020,172
Total accumulated depreciation	<u>58,998,854</u>	<u>4,629,623</u>	<u>5,617,015</u>	<u>58,011,462</u>
Net capital assets	<u>\$ 22,099,128</u>	<u>\$ 2,824,947</u>	<u>\$ 252,178</u>	<u>\$ 24,671,897</u>

# CITY OF WICHITA FALLS, TEXAS

## DUPLICATING SERVICES FUND CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Machinery and equipment	\$ 9,117	\$ -	\$ -	\$ 9,117
<u>Accumulated Depreciation:</u>				
Machinery and equipment	9,117	-	-	9,117
Net capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# CITY OF WICHITA FALLS, TEXAS

## INFORMATION TECHNOLOGY FUND CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Machinery and equipment	\$ 9,384,900	\$ 1,967,108	\$ -	\$ 11,352,008
Subscription assets	603,614	-	-	603,614
Total capital assets	9,988,514	1,967,108	-	11,955,622
<u>Accumulated Depreciation:</u>				
Machinery and equipment	4,975,577	1,067,742	-	6,043,319
Subscription assets	362,169	60,361	-	422,530
Total accumulated depreciation	5,337,746	1,128,103	-	6,465,849
Net capital assets	\$ 4,650,768	\$ 839,005	\$ -	\$ 5,489,773

# CITY OF WICHITA FALLS, TEXAS

## WICHITA FALLS ECONOMIC DEVELOPMENT CORPORATION CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Land and betterments	\$ 1,177,156	\$ -	\$ -	\$ 1,177,156
Buildings and improvements	3,621,543	2,407,372	-	6,028,915
Construction in progress	-	1,030,896	-	1,030,896
Total capital assets	<u>4,798,699</u>	<u>3,438,268</u>	<u>-</u>	<u>8,236,967</u>
<u>Accumulated Depreciation:</u>				
Buildings and improvements	32,111	91,417	-	123,528
Net capital assets	<u>\$ 4,766,588</u>	<u>\$ 3,346,851</u>	<u>\$ -</u>	<u>\$ 8,113,439</u>

## CITY OF WICHITA FALLS, TEXAS

### WICHITA FALLS 4B SALES TAX CORPORATION CAPITAL ASSETS AND ACCUMULATED DEPRECIATION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023
<u>Capital Assets:</u>				
Construction in progress	\$ 8,555,075	\$ 8,973,086	\$ -	\$ 17,528,161
Total capital assets	8,555,075	8,973,086	-	17,528,161
<u>Accumulated Depreciation:</u>				
None	-	-	-	-
Net capital assets	\$ 8,555,075	\$ 8,973,086	\$ -	\$ 17,528,161

***STATISTICAL SECTION (UNAUDITED)***

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

<b>Contents</b>	<b>Page</b>
Financial Trends <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	118
Revenue Capacity <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	123
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	128
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	133
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	135

# CITY OF WICHITA FALLS, TEXAS

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (UNAUDITED)

	2013-2014	2014-2015	2015-2016	2016-2017
Governmental activities				
Net investment in capital assets	\$ 128,168,873	\$ 143,014,752	\$ 148,206,829	\$ 150,776,165
Restricted	5,290,076	3,715,125	4,468,638	5,497,793
Unrestricted	5,789,973	(59,103,807)	(64,279,354)	(68,466,161)
Total governmental activities net position	<u>\$ 139,248,922</u>	<u>\$ 87,626,070</u>	<u>\$ 88,396,113</u>	<u>\$ 87,807,797</u>
Business-type activities				
Net investment in capital assets	\$ 225,576,460	\$ 238,249,137	\$ 236,074,244	\$ 250,154,417
Restricted	11,885,698	11,800,667	11,082,332	11,046,973
Unrestricted	22,571,945	13,941,283	31,265,373	27,573,458
Total business-type activities net position	<u>\$ 260,034,103</u>	<u>\$ 263,991,087</u>	<u>\$ 278,421,949</u>	<u>\$ 288,774,848</u>
Primary government				
Net investment in capital assets	\$ 353,745,333	\$ 381,263,889	\$ 384,281,073	\$ 400,930,582
Restricted	17,175,774	15,515,792	15,550,970	16,544,766
Unrestricted	28,361,918	(45,162,524)	(33,013,981)	(40,892,703)
Total primary government net position	<u>\$ 399,283,025</u>	<u>\$ 351,617,157</u>	<u>\$ 366,818,062</u>	<u>\$ 376,582,645</u>



Fiscal Year					
2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
\$ 150,833,699	\$ 152,824,700	\$ 155,903,407	\$ 160,441,794	\$ 160,339,899	\$ 170,977,795
5,626,033	5,974,408	6,632,804	7,260,262	9,812,139	11,201,687
(81,755,666)	(85,423,347)	(94,509,218)	(85,096,370)	(70,492,162)	(70,649,178)
<u>\$ 74,704,066</u>	<u>\$ 73,375,761</u>	<u>\$ 68,026,993</u>	<u>\$ 82,605,686</u>	<u>\$ 99,659,876</u>	<u>\$ 111,530,304</u>
\$ 254,487,928	\$ 264,868,493	\$ 270,540,608	\$ 293,604,354	\$ 309,284,549	\$ 324,572,842
11,571,092	11,780,255	12,008,946	11,836,811	11,840,406	12,395,127
35,237,418	37,715,916	47,578,892	45,447,623	53,612,672	55,729,088
<u>\$ 301,296,438</u>	<u>\$ 314,364,664</u>	<u>\$ 330,128,446</u>	<u>\$ 350,888,788</u>	<u>\$ 374,737,627</u>	<u>\$ 392,697,057</u>
\$ 405,321,627	\$ 417,693,193	\$ 426,444,015	\$ 454,046,148	\$ 469,624,448	\$ 495,550,637
17,197,125	17,754,663	18,641,750	19,097,073	21,652,545	23,596,814
(46,518,248)	(47,707,431)	(46,930,326)	(39,648,747)	(16,879,490)	(14,920,090)
<u>\$ 376,000,504</u>	<u>\$ 387,740,425</u>	<u>\$ 398,155,439</u>	<u>\$ 433,494,474</u>	<u>\$ 474,397,503</u>	<u>\$ 504,227,361</u>

# CITY OF WICHITA FALLS, TEXAS

## CHANGES IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

	2013-2014	2014-2015	2015-2016	2016-2017
<b>Expenses</b>				
Governmental activities:				
Administrative services	\$ 13,873,741	\$ 14,837,668	\$ 14,235,870	\$ 15,198,841
Police	23,195,421	23,705,432	25,633,843	25,513,220
Fire	14,387,072	16,455,087	17,476,759	21,107,882
Parks and recreation	5,574,156	5,492,124	5,637,654	5,655,633
Accounting/finance	923,727	876,069	787,945	760,506
Community development	6,497,467	6,400,781	6,681,803	6,902,628
Public works	8,155,640	8,117,413	8,334,993	8,551,971
Health	5,166,135	5,398,191	5,707,386	5,814,947
Traffic and transportation	2,617,801	2,555,837	2,667,418	2,579,284
Multi-Purpose Events Center	4,302,368	4,553,654	4,544,817	4,021,413
Interest and fees on long-term debt	1,992,169	1,910,975	1,631,355	1,443,552
Total governmental activities expenses	<u>86,685,697</u>	<u>90,303,231</u>	<u>93,339,843</u>	<u>97,549,877</u>
Business-type activities:				
Municipal Airport	855,765	2,532,243	1,881,055	1,827,618
Kickapoo Airport	1,423,952	1,412,211	1,252,359	1,198,823
Transit	2,416,274	2,524,244	2,673,176	2,540,427
Sanitation	9,333,512	9,489,348	9,841,683	10,216,686
Water and Sewer	32,364,514	33,554,406	32,120,018	33,288,819
Stormwater drainage	560,389	674,839	828,537	816,334
Waterpark	1,456,084	1,557,158	1,598,720	1,538,193
Total business-type activities expenses	<u>48,410,490</u>	<u>51,744,449</u>	<u>50,195,548</u>	<u>51,426,900</u>
Total primary government expenses	<u>\$ 135,096,187</u>	<u>\$ 142,047,680</u>	<u>\$ 143,535,391</u>	<u>\$ 148,976,777</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
Administrative services	\$ 4,220,786	\$ 4,030,674	\$ 4,270,749	\$ 4,735,471
Police	339,867	396,228	335,112	420,289
Fire	15,854	6,866	1,749	36,937
Parks and recreation	530,305	447,990	429,207	441,751
Community development	1,094,904	1,006,966	1,101,085	1,209,021
Public works	94,772	9,510	11,824	14,223
Health	1,051,444	995,634	1,051,834	1,081,910
Traffic and transportation	133,133	162,184	72,965	126,334
Multi-Purpose Events Center	1,553,729	1,604,828	1,561,783	892,049
Operating grants and contributions	10,837,248	11,019,845	14,803,477	14,934,929
Capital grants and contributions	12,956,740	5,349,242	3,942,929	1,032,502
Total governmental activities program revenues	<u>32,828,782</u>	<u>25,029,967</u>	<u>27,582,714</u>	<u>24,925,416</u>

Fiscal Year					
2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
\$ 16,029,050	\$ 15,853,414	\$ 15,623,435	\$ 16,023,333	\$ 16,701,365	\$ 19,214,246
25,046,425	27,736,316	34,225,996	26,119,364	25,454,226	30,331,586
24,205,615	21,059,239	26,796,338	26,145,244	22,599,594	25,908,574
5,484,893	5,995,353	6,057,586	5,134,632	5,810,019	6,554,341
663,516	785,465	1,004,472	759,671	722,292	1,061,629
6,579,677	7,253,122	7,586,750	6,955,276	7,498,256	10,261,349
8,563,442	8,533,518	8,708,349	7,894,812	8,620,682	9,329,189
5,798,759	5,964,161	6,630,232	6,229,228	7,065,470	7,585,313
2,383,760	2,951,269	3,255,742	2,412,555	3,076,440	3,265,753
3,250,928	3,126,421	2,791,731	2,848,607	5,134,193	6,049,052
1,556,402	1,780,418	1,607,429	1,695,662	1,455,563	1,306,918
<u>99,562,467</u>	<u>101,038,696</u>	<u>114,288,060</u>	<u>102,218,384</u>	<u>104,138,100</u>	<u>120,867,950</u>
1,907,909	2,014,903	2,097,484	2,753,360	2,929,361	3,041,535
1,259,413	1,451,976	1,282,322	1,185,924	1,642,866	1,549,000
2,377,201	2,622,657	2,552,634	2,254,674	3,123,714	3,377,663
10,300,771	11,407,943	11,727,774	10,138,273	10,857,203	11,688,957
33,426,850	33,564,147	34,893,459	33,126,472	33,728,464	39,661,150
796,597	785,974	864,517	1,137,854	1,147,940	1,118,252
1,591,560	1,599,828	1,494,829	1,605,187	1,681,431	1,880,642
<u>51,660,301</u>	<u>53,447,428</u>	<u>54,913,019</u>	<u>52,201,744</u>	<u>55,110,979</u>	<u>62,317,199</u>
<u>\$ 151,222,768</u>	<u>\$ 154,486,124</u>	<u>\$ 169,201,079</u>	<u>\$ 154,420,128</u>	<u>\$ 159,249,079</u>	<u>\$ 183,185,149</u>
\$ 4,501,100	\$ 4,657,529	\$ 4,325,538	\$ 6,858,710	\$ 5,556,508	\$ 5,679,417
338,223	288,280	311,390	263,904	393,772	815,908
39,598	85,627	43,306	106	60,360	63,790
393,227	355,005	293,275	263,101	334,990	417,761
1,233,431	1,419,097	1,426,440	1,549,609	2,231,598	2,170,065
10,869	7,511	17,999	5,839	39,213	4,014
1,110,658	1,126,273	1,107,601	1,132,205	1,131,018	1,134,133
122,384	121,251	113,048	153,560	109,655	174,841
10,872	-	3,482	44,326	1,705,277	2,170,634
12,437,104	12,908,026	21,239,893	17,665,897	17,045,852	22,509,058
4,296,164	60,000	-	1,996,829	1,876,048	1,451,564
<u>24,493,630</u>	<u>21,028,599</u>	<u>28,881,972</u>	<u>29,934,086</u>	<u>30,484,291</u>	<u>36,591,185</u>

# CITY OF WICHITA FALLS, TEXAS

## CHANGES IN NET POSITION (CONT'D.) LAST TEN FISCAL YEARS (UNAUDITED)

	2013-2014	2014-2015	2015-2016	2016-2017
Business-type activities:				
Charges for services:				
Municipal Airport	775,829	864,505	1,109,959	1,120,916
Kickapoo Airport	1,239,973	1,090,276	970,129	884,354
Transit	476,716	541,389	503,708	432,083
Sanitation	13,196,489	12,790,072	13,223,470	13,394,186
Water and Sewer	31,272,972	38,855,845	42,999,399	43,527,980
Stormwater drainage	2,601,158	2,763,120	3,703,803	3,738,019
Waterpark	1,292,639	1,492,787	1,437,615	1,321,622
Operating grants and contributions	1,830,334	1,826,749	2,282,163	1,701,652
Capital grants and contributions	1,017,827	1,558,589	209,110	396,830
Total business-type activities program revenues	53,703,937	61,783,332	66,439,356	66,517,642
Total primary government program revenues	\$ 86,532,719	\$ 86,813,299	\$ 94,022,070	\$ 91,443,058
Net (Expense)/Revenue				
Governmental activities	\$ (53,856,915)	\$ (65,273,264)	\$ (65,757,129)	\$ (72,624,461)
Business-type activities	5,293,447	10,038,883	16,243,808	15,090,742
Total primary government net expense	\$ (48,563,468)	\$ (55,234,381)	\$ (49,513,321)	\$ (57,533,719)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property tax	\$ 29,784,202	\$ 31,072,640	\$ 34,515,164	\$ 35,120,896
Sales tax	22,397,536	22,403,406	22,373,768	22,413,397
Franchise fees	5,558,600	5,414,414	5,038,247	5,193,721
Hotel occupancy tax	1,684,329	1,775,372	1,910,468	1,878,061
Beverage tax	281,598	291,091	286,986	281,687
Bingo tax	36,688	32,764	26,736	9,098
Investment earnings	33,309	20,732	129,886	303,325
Miscellaneous	879,538	529,526	447,357	1,651,791
Transfers	(18,778,342)	(2,072,770)	2,003,892	5,184,169
Total governmental activities	41,877,458	59,467,175	66,732,504	72,036,145
Business-type activities:				
Investment earnings	11,680	14,884	175,860	415,837
Miscellaneous	138,419	87,079	60,331	22,028
Transfers	18,778,342	2,072,770	(2,003,892)	(5,184,169)
Total business-type activities	18,928,441	2,174,733	(1,767,701)	(4,746,304)
Total primary government	\$ 60,805,899	\$ 61,641,908	\$ 64,964,803	\$ 67,289,841
Change in Net Position				
Governmental activities	\$ (11,979,457)	\$ (5,806,089)	\$ 975,375	\$ (588,316)
Business-type activities	24,221,888	12,213,616	14,476,107	10,344,438
Total primary government	\$ 12,242,431	\$ 6,407,527	\$ 15,451,482	\$ 9,756,122

Fiscal Year					
2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
1,178,304	1,165,060	868,429	1,511,517	1,921,572	1,919,173
924,673	944,394	765,536	757,246	1,127,421	1,080,143
431,419	498,808	405,969	611,213	538,637	486,204
13,701,215	14,776,821	15,192,130	16,154,115	16,901,006	17,208,729
46,225,281	44,464,193	46,673,593	45,810,693	50,122,232	50,034,772
3,728,335	3,730,485	3,787,383	3,706,349	3,751,220	3,755,677
1,501,475	1,425,913	1,271,508	1,779,308	1,677,399	1,904,398
3,938,011	4,857,917	5,738,059	8,223,555	4,311,198	4,605,539
876,211	89,890	727,961	874,423	3,047,912	2,274,480
72,504,924	71,953,481	75,430,568	79,428,419	83,398,597	83,269,115
<u>\$ 96,998,554</u>	<u>\$ 92,982,080</u>	<u>\$ 104,312,540</u>	<u>\$ 109,362,505</u>	<u>\$ 113,882,888</u>	<u>\$ 119,860,300</u>
<u>\$ (75,068,837)</u>	<u>\$ (80,010,097)</u>	<u>\$ (85,406,088)</u>	<u>\$ (72,284,298)</u>	<u>\$ (73,653,809)</u>	<u>\$ (84,276,765)</u>
20,844,623	18,506,053	20,517,549	27,226,675	28,287,618	20,951,916
<u>\$ (54,224,214)</u>	<u>\$ (61,504,044)</u>	<u>\$ (64,888,539)</u>	<u>\$ (45,057,623)</u>	<u>\$ (45,366,191)</u>	<u>\$ (63,324,849)</u>
\$ 35,842,110	\$ 37,898,136	\$ 41,399,096	\$ 43,019,695	\$ 45,229,447	\$ 46,719,098
23,861,013	24,894,930	25,205,996	28,362,467	31,099,772	30,988,808
5,326,403	5,314,591	5,164,750	5,451,658	5,681,541	5,911,738
1,952,011	2,075,905	1,878,957	2,660,388	2,873,908	2,956,265
308,333	328,163	255,816	309,857	359,797	376,230
2,626	-	-	-	-	-
625,368	1,375,504	581,802	47,531	679,311	5,295,711
496,434	341,079	525,007	521,187	566,004	942,581
4,611,766	6,453,485	5,045,896	6,490,207	4,045,947	3,008,234
73,026,064	78,681,793	80,057,320	86,862,990	90,535,727	96,198,665
748,434	1,005,000	371,124	23,871	236,378	1,652,400
89,332	10,654	(1,858)	-	2,099	29,101
(4,611,766)	(6,453,485)	(5,045,896)	(6,490,207)	(4,045,947)	(3,008,234)
(3,774,000)	(5,437,831)	(4,676,630)	(6,466,336)	(3,807,470)	(1,326,733)
<u>\$ 69,252,064</u>	<u>\$ 73,243,962</u>	<u>\$ 75,380,690</u>	<u>\$ 80,396,654</u>	<u>\$ 86,728,257</u>	<u>\$ 94,871,932</u>
\$ (2,042,773)	\$ (1,328,304)	\$ (5,348,768)	\$ 14,578,692	\$ 16,881,918	\$ 11,921,900
17,070,623	13,068,222	15,840,919	20,760,339	24,480,148	19,625,183
<u>\$ 15,027,850</u>	<u>\$ 11,739,918</u>	<u>\$ 10,492,151</u>	<u>\$ 35,339,031</u>	<u>\$ 41,362,066</u>	<u>\$ 31,547,083</u>

## CITY OF WICHITA FALLS, TEXAS

### FUND BALANCES, GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS (UNAUDITED)

	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>
General Fund				
Nonspendable	\$ 180,992	\$ 210,069	\$ 157,494	\$ 131,311
Assigned	1,949,792	1,102,026	878,314	1,059,850
Unassigned	14,886,199	13,682,061	13,161,690	13,138,307
Total general fund	<u>\$ 17,016,983</u>	<u>\$ 14,994,156</u>	<u>\$ 14,197,498</u>	<u>\$ 14,329,468</u>
All other Governmental Funds				
Nonspendable	\$ 120,573	\$ 95,283	\$ 84,013	\$ -
Restricted	13,834,375	5,977,567	5,729,434	5,617,402
Committed	2,831,488	2,734,119	2,694,718	2,670,133
Unassigned	(460,883)	(550,863)	(773,238)	(1,224,316)
Total all other governmental funds	<u>\$ 16,325,553</u>	<u>\$ 8,256,106</u>	<u>\$ 7,734,927</u>	<u>\$ 7,063,219</u>

Fiscal Year					
2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
\$ 309,042	\$ 359,446	\$ 383,596	\$ 251,665	\$ 328,907	\$ 649,684
964,114	-	-	-	-	-
14,133,369	18,310,378	26,955,178	37,181,391	45,732,320	48,015,435
<u>\$ 15,406,525</u>	<u>\$ 18,669,824</u>	<u>\$ 27,338,774</u>	<u>\$ 37,433,056</u>	<u>\$ 46,061,227</u>	<u>\$ 48,665,119</u>
\$ -	\$ 1,822	\$ -	\$ 1,470,561	\$ 1,639,863	\$ 2,597,356
23,075,586	21,903,321	16,435,498	16,582,041	13,764,738	12,212,135
2,208,977	2,865,289	2,495,627	2,380,635	3,210,175	3,184,286
(904,338)	(994,338)	(994,338)	(779,966)	(86,381)	(151,813)
<u>\$ 24,380,225</u>	<u>\$ 23,776,094</u>	<u>\$ 17,936,787</u>	<u>\$ 19,653,271</u>	<u>\$ 18,528,395</u>	<u>\$ 17,841,964</u>

# CITY OF WICHITA FALLS, TEXAS

## CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS (UNAUDITED)

	2013-2014	2014-2015	2015-2016	2016-2017
<b>Revenues</b>				
Taxes	\$ 59,739,545	\$ 61,007,519	\$ 64,201,677	\$ 64,886,137
Charges for services	3,331,183	3,362,172	3,370,573	3,340,750
Licenses and permits	2,048,293	1,941,205	1,971,212	1,905,507
Fines and forfeitures	2,402,794	2,262,781	2,561,817	2,795,215
Intergovernmental revenue	18,081,798	12,401,075	13,537,869	10,833,921
Contributions	5,712,190	4,011,809	5,208,537	5,133,510
Miscellaneous revenue	3,642,155	3,118,424	3,120,633	4,239,955
Total revenues	<u>94,957,958</u>	<u>88,104,985</u>	<u>93,972,318</u>	<u>93,134,995</u>
<b>Expenditures</b>				
Administrative services	13,347,029	14,413,640	14,805,672	14,870,206
Police	21,539,820	21,997,801	23,580,992	23,883,109
Fire	14,085,219	14,719,074	16,077,272	16,536,044
Parks and recreation	5,197,591	5,065,222	5,204,296	5,277,544
Accounting/finance	831,313	747,341	702,883	719,865
Community development	6,559,064	6,440,963	6,678,753	6,931,301
Public works	5,613,107	5,449,860	5,555,929	5,732,327
Health	5,057,946	5,217,970	5,483,135	5,649,913
Traffic and transportation	2,274,249	2,395,837	2,224,511	2,117,966
Multi-Purpose Events Center	3,536,661	3,747,189	3,718,058	3,231,913
Capital outlay *	5,230,269	5,368,119	6,343,551	6,206,493
Debt service - principal	3,000,000	3,350,000	3,745,000	3,525,000
Debt service - interest	2,342,331	1,998,760	1,764,412	1,591,022
Debt service - bond issuance costs	-	-	-	-
Total expenditures	<u>88,614,599</u>	<u>90,911,776</u>	<u>95,884,464</u>	<u>96,272,703</u>
Excess of revenues over (under) expenditures	<u>6,343,359</u>	<u>(2,806,791)</u>	<u>(1,912,146)</u>	<u>(3,137,708)</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from bonds	-	-	13,482,256	-
Issuance of notes payable	-	47,848	(13,295,568)	-
Issuance of subscription liabilities	-	-	-	-
Payment to refunded bonds escrow agent	-	-	-	-
Transfers in	16,643,513	17,594,910	7,574,334	8,965,770
Transfer out	(36,860,991)	(23,335,238)	(6,961,378)	(6,367,674)
Total other financing sources (uses)	<u>(20,217,478)</u>	<u>(5,692,480)</u>	<u>799,644</u>	<u>2,598,096</u>
Net change in fund balances	<u>\$ (13,874,119)</u>	<u>\$ (8,499,271)</u>	<u>\$ (1,112,502)</u>	<u>\$ (539,612)</u>
Debt service as a percentage of noncapital expenditures	6.41%	6.25%	6.15%	5.68%

\* Some miscellaneous costs (labor, etc) from other departments are also included as capital additions.



Fiscal Year					
2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
\$ 67,254,892	\$ 70,389,292	\$ 73,868,498	\$ 79,855,276	\$ 85,201,256	\$ 86,776,370
3,339,743	3,426,222	3,399,064	3,701,539	3,628,485	3,875,847
1,963,353	2,080,203	1,737,778	1,631,602	2,303,431	2,016,267
2,757,216	2,833,785	1,798,401	2,435,469	2,667,978	3,728,902
9,112,281	8,738,383	17,514,038	14,647,769	13,991,338	19,323,854
4,324,823	4,169,643	3,725,855	3,022,874	3,054,514	2,796,604
2,499,916	3,274,916	3,093,988	4,420,330	5,918,640	10,959,685
<u>91,252,224</u>	<u>94,912,444</u>	<u>105,137,622</u>	<u>109,714,859</u>	<u>116,765,642</u>	<u>129,477,529</u>
14,778,947	15,235,739	14,394,187	16,644,153	16,735,288	17,978,073
24,205,161	25,064,950	27,416,198	27,380,379	28,178,657	29,904,433
16,896,863	16,891,819	17,740,642	18,402,915	19,216,297	20,972,473
5,287,117	5,423,148	5,314,741	5,081,829	5,775,749	6,442,448
701,643	753,748	845,894	853,221	849,276	1,057,534
6,685,328	7,119,550	7,081,495	7,262,275	7,949,102	10,304,073
5,511,044	5,302,692	5,411,047	4,796,841	5,412,349	5,793,264
5,793,866	5,645,601	5,685,128	6,499,796	7,523,335	7,397,026
2,113,558	2,362,089	2,573,962	2,226,382	2,673,643	2,798,352
2,415,875	2,286,621	1,940,870	2,064,199	4,295,907	5,327,942
5,628,992	7,888,964	11,290,435	7,417,749	8,267,619	16,051,010
3,610,000	4,000,000	4,045,000	4,215,000	3,613,482	3,721,606
1,597,143	1,912,443	1,877,363	1,821,451	1,651,608	1,533,392
-	-	-	103,139	83,463	-
<u>95,225,537</u>	<u>99,887,364</u>	<u>105,616,962</u>	<u>104,769,329</u>	<u>112,225,775</u>	<u>129,281,626</u>
<u>(3,973,313)</u>	<u>(4,974,920)</u>	<u>(479,340)</u>	<u>4,945,530</u>	<u>4,539,867</u>	<u>195,903</u>
24,171,317	-	-	2,685,339	3,375,027	-
3,310,009	-	-	-	-	-
-	-	-	-	-	304,829
(6,546,898)	-	-	-	(3,292,314)	-
8,722,620	8,033,886	8,404,493	5,822,104	6,002,411	8,708,035
(4,393,890)	(3,295,594)	(5,095,512)	(1,642,211)	(3,522,108)	(7,299,247)
<u>25,263,158</u>	<u>4,738,292</u>	<u>3,308,981</u>	<u>6,865,232</u>	<u>2,563,016</u>	<u>1,713,617</u>
<u>\$ 21,289,845</u>	<u>\$ (236,628)</u>	<u>\$ 2,829,641</u>	<u>\$ 11,810,762</u>	<u>\$ 7,102,883</u>	<u>\$ 1,909,520</u>
5.81%	6.43%	6.28%	6.20%	5.06%	4.64%

## CITY OF WICHITA FALLS, TEXAS

### TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS (UNAUDITED)

<u>Fiscal Year</u>	<u>Property</u>	<u>Sales</u>	<u>Franchise</u>	<u>Hotel Occupancy</u>	<u>Beverage</u>	<u>Bingo</u>	<u>Total</u>
2013-2014	\$ 29,780,795	\$ 22,397,536	\$ 5,558,599	\$ 1,684,329	\$ 281,598	\$ 36,688	\$ 59,739,545
2014-2015	31,090,472	22,403,406	5,414,414	1,775,372	291,091	32,764	61,007,519
2015-2016	34,567,763	22,373,768	5,035,947	1,910,477	286,986	26,736	64,201,677
2016-2017	35,110,173	22,413,397	5,193,721	1,878,061	281,687	9,098	64,886,137
2017-2018	35,804,507	23,861,013	5,326,402	1,952,011	308,333	2,626	67,254,892
2018-2019	37,775,703	24,894,930	5,314,591	2,075,905	328,163	-	70,389,292
2019-2020	41,362,767	25,205,996	5,164,962	1,878,957	255,816	1,211	73,869,709
2020-2021	43,069,773	28,362,467	5,451,658	2,660,388	309,857	1,132	79,855,275
2021-2022	45,183,405	31,099,772	5,682,741	2,873,908	359,797	1,633	85,201,256
2022-2023	46,541,726	30,988,808	5,911,738	2,956,265	376,230	1,602	86,776,369

## CITY OF WICHITA FALLS, TEXAS

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY -  
LAST TEN FISCAL YEARS (UNAUDITED)**

Fiscal Year	Real Property Assessed Value	Personal Property Assessed Value	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value
2013-2014	\$ 3,777,010,620	\$ 771,002,233	\$ 4,548,012,853	\$0.63526	\$ 4,548,012,853	100.00%
2014-2015	3,859,560,337	765,251,406	4,624,811,743	0.65526	4,624,811,743	100.00%
2015-2016	3,944,783,610	820,827,696	4,765,611,306	0.70598	4,765,611,306	100.00%
2016-2017	4,031,689,962	817,687,012	4,849,376,974	0.70598	4,849,376,974	100.00%
2017-2018	4,123,022,727	818,629,114	4,941,651,841	0.70598	4,941,651,841	100.00%
2018-2019	4,230,948,499	843,630,297	5,074,578,796	0.72988	5,074,578,796	100.00%
2019-2020	4,387,106,524	889,487,609	5,276,594,133	0.76332	5,276,594,133	100.00%
2020-2021	4,582,918,683	872,960,736	5,455,879,419	0.76332	5,455,879,419	100.00%
2021-2022	4,952,234,074	855,749,261	5,807,983,335	0.76093	5,807,983,335	100.00%
2022-2023	5,662,747,875	933,800,536	6,596,548,411	0.69432	6,596,548,411	100.00%

## CITY OF WICHITA FALLS, TEXAS

### DIRECT AND OVERLAPPING PROPERTY TAX RATES - LAST TEN FISCAL YEARS (UNAUDITED)

#### Tax Rates Per \$100 Valuation

Fiscal Year	City of Wichita Falls			Wichita County			Burkburnett ISD (1)			
	M&O	I&S	Total	M&O	I&S	Total	M&O	I&S	Total	
2013-2014	\$ 0.62	\$ 0.01	\$ 0.63	\$ 0.51	\$ -	\$ 0.51	\$ 1.17	\$ 0.12	\$ 1.29	
2014-2015	0.64	0.02	0.66	0.51	-	0.51	1.17	0.14	1.31	
2015-2016	0.69	0.02	0.71	0.55	-	0.55	1.17	0.14	1.31	
2016-2017	0.69	0.02	0.71	0.58	0.03	0.61	1.17	0.37	1.54	
2017-2018	0.69	0.02	0.71	0.58	0.08	0.66	1.17	0.37	1.54	
2018-2019	0.69	0.04	0.73	0.59	0.07	0.66	1.17	0.37	1.54	
2019-2020	0.72	0.04	0.76	0.60	0.07	0.67	1.07	0.37	1.44	
2020-2021	0.72	0.04	0.76	0.57	0.07	0.64	1.05	0.38	1.43	
2021-2022	0.73	0.03	0.76	0.54	0.07	0.61	1.05	0.37	1.42	
2022-2023	0.66	0.03	0.69	0.50	0.06	0.56	1.00	0.34	1.34	
	City View ISD (2)			Iowa Park CISD (3)			Wichita Falls ISD (4)			Grand
	M&O	I&S	Total	M&O	I&S	Total	M&O	I&S	Total	Total
2013-2014	\$ 1.17	\$ 0.25	\$ 1.42	\$ 1.04	\$ 0.24	\$ 1.28	\$ 1.04	\$ 0.17	\$ 1.21	\$ 6.34
2014-2015	1.17	0.25	1.42	1.04	0.23	1.27	1.04	0.10	1.14	6.31
2015-2016	1.17	0.25	1.42	1.17	0.16	1.33	1.04	0.19	1.23	6.55
2016-2017	1.17	0.25	1.42	1.17	0.16	1.33	1.04	0.19	1.23	6.84
2017-2018	1.17	0.25	1.42	1.17	0.16	1.33	1.04	0.19	1.23	6.89
2018-2019	1.17	0.25	1.42	1.17	0.16	1.33	1.04	0.18	1.22	6.90
2019-2020	1.07	0.32	1.39	1.07	0.36	1.43	0.97	0.18	1.15	6.84
2020-2021	1.05	0.32	1.37	1.05	0.38	1.43	0.97	0.18	1.15	6.78
2021-2022	1.04	0.32	1.36	1.03	0.38	1.41	0.94	0.43	1.37	6.93
2022-2023	0.96	0.32	1.28	0.94	0.30	1.24	0.87	0.43	1.30	6.41

**Notes:**

- (1) Burkburnett Independent School District - 25% in Wichita Falls city limits
- (2) City View Independent School District - 90% in Wichita Falls city limits
- (3) Iowa Park Consolidated Independent School District - 2% in Wichita Falls city limits
- (4) Wichita Falls Independent School District - 99% in Wichita Falls city limits

## CITY OF WICHITA FALLS, TEXAS

**PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
SEPTEMBER 30, 2023**

Taxpayer	2022-2023			2013-2014		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Oncor Electric Delivery Co	\$ 74,685,260	1	1.13%	\$ 40,015,926	2	0.88%
Atmos Energy / Mid-Tex Division	39,125,470	2	0.59%	13,503,380	9	0.30%
Sikes Senter Mall Realty Holding LLC	35,000,000	3	0.53%	51,500,000	1	1.13%
North American Pipe Corp	28,903,611	4	0.44%	13,031,894	10	0.29%
Arbor Creek Apartments LLC	23,318,900	5	0.35%	-	N/A	0.00%
Wal-Mart Stores East Inc	21,557,100	6	0.33%	19,559,600	6	0.43%
Wal-Mart Stores Texas LP	19,761,848	7	0.30%	22,129,220	4	0.49%
Kell West Regional Hospital LLC	17,393,493	8	0.26%	15,060,037	8	0.33%
Banc of America Leasing & Capital, LLC	15,976,710	9	0.24%	-	N/A	0.00%
Quail Creek Crossing Ltd	15,832,000	10	0.24%	20,162,000	5	0.44%
Texas Express Pipeline	-	N/A	0.00%	27,000,000	3	0.59%
Southwestern Bell	-	N/A	0.00%	15,448,654	7	0.34%
Totals	<u>\$ 291,554,392</u>		<u>4.42%</u>	<u>\$ 237,410,711</u>		<u>5.22%</u>

Source:

Wichita Appraisal District

# CITY OF WICHITA FALLS, TEXAS

## PROPERTY TAX LEVIES AND COLLECTIONS - LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013-2014	\$ 28,876,552	\$ 28,375,563	98.27%	\$ 302,537	\$ 28,678,100	99.31%
2014-2015	30,270,748	29,809,308	98.48%	323,005	30,132,313	99.54%
2015-2016	33,644,264	33,124,968	98.46%	392,569	33,517,537	99.62%
2016-2017	34,228,872	33,694,059	98.44%	382,237	34,076,296	99.55%
2017-2018	34,887,074	34,298,367	98.31%	383,294	34,681,661	99.41%
2018-2019	37,037,918	36,347,721	98.14%	466,764	36,814,485	99.40%
2019-2020	40,280,490	39,531,671	98.14%	489,573	40,021,244	99.36%
2020-2021	41,645,982	41,044,294	98.56%	326,506	41,370,800	99.34%
2021-2022	44,194,571	43,425,840	98.26%	222,766	43,648,606	98.76%
2022-2023	45,798,161	44,884,913	98.01%	-	44,884,913	98.01%

## CITY OF WICHITA FALLS, TEXAS

### RATIOS OF OUTSTANDING DEBT BY TYPE - LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Governmental Activities					Utility System Revenue Bonds
	General Obligation Bonds	Combination Tax and Revenue Bonds	Revenue Bonds	Subscription Liabilities	Notes Payable	
2013-2014	\$ 4,679,866	\$ 49,302,503	\$ -	\$ -	\$ 3,510,950	\$ 95,723,505
2014-2015	3,850,706	46,710,294	-	-	3,230,595	92,086,092
2015-2016	16,129,132	31,138,675	-	-	2,857,166	87,938,263
2016-2017	14,132,973	29,435,100	-	-	2,466,589	83,098,973
2017-2018	36,285,854	21,261,971	-	-	5,468,665	78,150,943
2018-2019	33,792,967	19,464,301	-	-	5,068,463	69,257,091
2019-2020	30,787,806	18,122,209	-	-	4,555,678	60,215,005
2020-2021	27,728,646	16,735,708	2,635,000	-	4,010,237	51,014,896
2021-2022	28,178,294	12,487,817	2,585,000	-	3,430,974	41,662,562
2022-2023	25,242,817	11,512,715	2,535,000	460,214	2,816,672	32,143,944

(1) Amounts include bond premiums, where applicable.

Business-type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
Combination Tax and Revenue Bonds	General Obligation Bonds	Notes Payable	Right-to-Use Leases Payable			
\$ 24,284,987	\$ 1,930,000	\$ 1,473,806	\$ -	\$ 180,905,617	7.74%	\$ 1,724.59
54,125,933	1,930,000	1,160,389	-	203,094,009	8.47%	1,932.13
51,322,900	-	17,357,438	-	206,743,574	8.63%	1,974.44
46,298,092	-	19,503,566	-	194,935,293	8.14%	1,861.42
41,170,000	-	18,530,644	-	200,868,077	7.73%	1,917.65
39,665,000	-	17,568,069	-	184,815,891	7.58%	1,767.29
38,140,000	-	16,542,952	-	168,363,650	6.58%	1,610.09
36,590,000	-	15,407,763	-	154,122,250	6.05%	1,472.28
29,435,000	5,808,660	14,208,165	2,876,063	140,672,535	5.19%	1,372.44
27,840,000	5,455,266	12,935,154	2,848,743	123,790,525	4.01%	1,201.99



## CITY OF WICHITA FALLS, TEXAS

### RATIOS OF GENERAL BONDED DEBT OUTSTANDING - LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Governmental Activities				Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Combination Tax and Revenue Bonds	Venue Tax Revenue Bonds	Total		
2013-2014	\$ 4,679,866	\$ 49,302,503	\$ -	\$ 53,982,369	1.19%	\$ 514.62
2014-2015	3,850,706	46,710,294	-	50,561,000	1.09%	481.01
2015-2016	16,129,132	31,138,675	-	47,267,807	0.99%	451.42
2016-2017	14,132,973	29,435,100	-	43,568,073	0.90%	416.03
2017-2018	36,285,854	21,261,971	-	57,547,825	1.16%	549.40
2018-2019	33,792,967	19,464,301	-	53,257,268	1.05%	509.27
2019-2020	30,787,806	18,122,209	-	48,910,015	0.93%	467.73
2020-2021	27,728,646	16,735,708	2,635,000	47,099,354	0.86%	449.92
2021-2022	28,178,294	12,487,817	2,585,000	43,251,111	0.74%	421.97
2022-2023	25,242,817	11,512,715	2,535,000	39,290,532	0.60%	381.51

## CITY OF WICHITA FALLS, TEXAS

### DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (UNAUDITED) SEPTEMBER 30, 2023

	Gross Governmental Activities Debt (1)	Percentage Applicable to City of Wichita Falls (2)	Amount Applicable to City of Wichita Falls
Direct:			
City of Wichita Falls	\$ 42,107,204	100%	\$ 42,107,204
Overlapping:			
Wichita County	65,834,667	100%	65,834,667
Burkburnett Independent School District	37,957,562	25%	9,489,391
City View Independent School District	14,132,633	90%	12,719,370
Iowa Park Consolidated Independent School District	32,834,641	2%	656,693
Wichita Falls Independent School District	338,218,993	99%	334,836,803
Total overlapping	488,978,496		423,536,923
Total direct and overlapping bonded debt	\$ 531,085,700		\$ 465,644,127

Sources:

- (1) Listed taxing jurisdictions
- (2) City of Wichita Falls Planning Department calculated based on percentage of taxing entity within the City of Wichita Falls city limits.

## CITY OF WICHITA FALLS, TEXAS

### COMPUTATION OF LEGAL DEBT MARGIN - LAST TEN FISCAL YEARS (UNAUDITED)

Total assessed property value per 2022 tax roll	\$ 6,596,548,411
Maximum tax rate *	\$ 2.25/\$100
Current tax rate for 2022 tax year	<u>.694321/\$100</u>
Maximum tax rate in excess of 2022 tax rate	<u>1.555679/\$100</u>
Total legal debt margin	<u><u>\$ 102,621,118</u></u>

	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>
Assessed value	\$ 4,548,012,853	\$ 4,624,811,743	\$ 4,765,611,306	\$ 4,849,376,974
Maximum tax rate	\$ 2.25/\$100	\$ 2.25/\$100	\$ 2.25/\$100	\$ 2.25/\$100
Current tax rate	.63526/\$100	.65526/\$100	.70598/\$100	.70598/\$100
Maximum tax rate in excess of current rate	<u>1.61474/\$100</u>	<u>1.59474/\$100</u>	<u>1.54402/\$100</u>	<u>1.54402/\$100</u>
Total legal debt margin	<u><u>\$ 73,438,583</u></u>	<u><u>\$ 73,753,723</u></u>	<u><u>\$ 73,581,992</u></u>	<u><u>\$ 74,875,350</u></u>

There is no debt limit established by law. The limit is, therefore, governed by the City's ability to levy and collect taxes to service the outstanding indebtedness. The City's maximum legal tax rate established under its Charter is \$2.25 per \$100 assessed valuation. The 2022 tax rate was \$.694321 per \$100 assessed valuation.

\* Maximum tax levy established by City Charter

Fiscal Year					
2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
\$ 4,941,651,841	\$ 5,074,578,796	\$ 5,276,594,133	\$ 5,455,879,419	\$ 5,807,983,335	\$ 6,596,548,411
\$ 2.25/\$100	\$ 2.25/\$100	\$ 2.25/\$100	\$ 2.25/\$100	\$ 2.25/\$100	\$ 2.25/\$100
.70598/\$100	.72988/\$100	.763323/\$100	.763323/\$100	.760928/\$100	.694321/\$100
1.54402/\$100	1.52012/\$100	1.486677/\$100	1.486677/\$100	1.489072/\$100	1.555679/\$100
<u>\$ 76,300,093</u>	<u>\$ 77,139,687</u>	<u>\$ 78,445,911</u>	<u>\$ 81,111,304</u>	<u>\$ 86,485,054</u>	<u>\$ 102,621,118</u>

## CITY OF WICHITA FALLS, TEXAS

### PLEDGED REVENUE COVERAGE - WATER AND SEWER REVENUE BONDS LAST TEN FISCAL YEARS (UNAUDITED)

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available For Debt Service
2013-2014	\$ 30,839,265	\$ 20,981,384	\$ 9,857,881
2014-2015	38,456,107	20,477,673	17,978,434
2015-2016	42,499,482	20,415,375	22,084,107
2016-2017	43,054,453	21,643,920	21,410,533
2017-2018	46,159,318	20,861,265	25,298,053
2018-2019	44,671,282	21,755,354	22,915,928
2019-2020	46,388,403	23,627,160	22,761,243
2020-2021	45,310,693	22,937,053	22,373,640
2021-2022	49,376,771	23,246,418	26,130,353
2022-2023	49,534,772	29,880,384	19,654,388

Notes:

- (1) Includes all operating revenues with the exception of water sales to West Texas Utilities (see Exhibit G-3).
- (2) Includes all operating expenses of the Water and Sewer Fund with the exception of depreciation and amortization (see Exhibit G-3).
- (3) Excludes bond premium amortization.

Debt Service Requirement			Coverage
Principal (3)	Interest	Total	
\$ 3,460,000	\$ 4,385,925	\$ 7,845,925	1.26
3,610,000	4,238,875	7,848,875	2.29
4,625,000	3,356,255	7,981,255	2.77
2,635,000	3,777,314	6,412,314	3.34
2,885,000	3,535,250	6,420,250	3.94
6,915,000	3,391,000	10,306,000	2.22
7,635,000	2,682,000	10,317,000	2.21
8,010,000	2,300,250	10,310,250	2.17
8,410,000	1,899,750	10,309,750	2.53
8,835,000	1,479,250	10,314,250	1.91

## CITY OF WICHITA FALLS, TEXAS

### DEMOGRAPHIC STATISTICS - LAST TEN FISCAL YEARS (UNAUDITED)

<u>Fiscal Year</u>	<u>Estimated Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (1)</u>	<u>Education Level</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>
2013-2014	104,898	\$ 2,336,602,950	\$ 22,275	32.5	13.2	15,181	4.9%
2014-2015	105,114	2,397,229,884	22,806	32.5	13.2	15,155	4.4%
2015-2016	104,710	2,394,298,860	22,866	32.5	13.2	15,181	4.8%
2016-2017	104,724	2,395,980,396	22,879	32.5	13.2	15,124	3.4%
2017-2018	104,747	2,597,725,600	24,800	32.8	13.2	15,150	3.1%
2018-2019	104,576	2,439,548,928	23,328	32.9	13.2	15,158	3.0%
2019-2020	104,568	2,558,445,480	24,467	32.9	13.2	15,133	7.0%
2020-2021	104,683	2,546,937,390	24,330	33.1	13.2	14,144	6.5%
2021-2022	102,498	2,709,432,132	26,434	32.4	13.2	14,623	2.3%
2022-2023	102,988	3,083,460,720	29,940	32.8	13.2	14,417	3.3%

## Sources:

- (1) U.S. Census Bureau
- (2) Texas Education Agency
- (3) Bureau of Labor Statistics

## CITY OF WICHITA FALLS, TEXAS

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)  
SEPTEMBER 30, 2023

Employer	2022-2023			2013-2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sheppard Air Force Base	7,222	1	10.78%	10,015	1	14.01%
Wichita Falls ISD	2,378	2	3.55%	1,925	3	2.69%
United Regional Health Care System	2,100	3	3.13%	1,739	4	2.43%
Midwestern State University	1,276	4	1.90%	1,297	5	1.81%
City of Wichita Falls	1,217	5	1.82%	1,175	6	1.64%
Howmet Corporation	1,072	6	1.60%	1,090	7	1.52%
Wal-Mart - 3 locations	1,009	7	1.51%	1,026	8	1.43%
North Texas State Hospital	1,000	8	1.49%	2,071	2	2.90%
Vitro Architectural Glass	934	9	1.39%	-	N/A	-
James V. Allred Prison Unit	921	10	1.37%	869	10	1.22%
Cryovac Division - Sealed Air Corp.	-	N/A	0.00%	896	9	1.25%
Totals	19,129		28.54%	22,103		30.90%

## Sources:

All data is from Wichita Falls Chamber of Commerce.



## CITY OF WICHITA FALLS, TEXAS

### FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS (UNAUDITED)

	2013-2014	2014-2015	2015-2016	2016-2017
Administrative services	94.1	95.1	94.1	86.0
Police	300.0	299.0	299.0	295.8
Fire	162.5	162.5	162.5	162.5
Parks and recreation	92.1	92.6	92.6	89.5
Accounting/finance	27.0	26.4	26.2	26.0
Community development	42.0	41.0	41.0	40.0
Public works	78.5	78.5	78.5	72.5
Health	78.7	77.5	78.7	78.8
Traffic and transportation	56.1	56.1	57.0	52.0
Multi-Purpose Events Center	22.8	22.8	22.8	22.8
Water and sewer	189.1	187.7	188.6	186.1
Sanitation	83.5	83.5	85.5	86.5
Regional Airport	1.6	3.0	1.6	1.6
Kickapoo Airport	3.4	3.4	4.4	4.4
Transit	26.2	26.7	26.7	25.2
Stormwater Drainage	1.8	1.8	1.8	4.8

Source: City of Wichita Falls Human Resources Department

2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
85.7	85.9	86.2	88.4	87.0	96.1
295.5	295.5	295.5	295.5	295.5	295.5
162.5	164.0	164.0	164.0	164.0	165.0
88.8	90.7	90.7	90.9	91.2	89.2
25.7	25.7	25.6	26.3	26.6	27.6
40.0	40.0	40.0	41.0	41.1	42.1
72.5	72.5	71.5	70.0	70.0	72.5
76.3	75.4	75.4	70.3	70.3	73.6
52.0	52.0	50.1	52.0	52.0	52.0
4.6	4.0	4.0	3.5	17.2	18.7
183.9	183.9	183.9	184.0	190.0	193.1
86.5	86.5	86.5	86.5	86.5	84.6
1.6	1.6	3.1	3.1	9.1	9.1
4.4	4.4	4.4	4.4	4.4	4.4
25.2	24.2	24.2	24.2	24.2	28.2
4.8	4.8	4.8	5.3	5.3	5.2

## CITY OF WICHITA FALLS, TEXAS

### OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS (UNAUDITED)

	2013-2014	2014-2015	2015-2016	2016-17
General government				
Building permits issued	8,542	7,399	7,413	7,874
Building inspections conducted	13,472	12,852	11,302	10,803
Police				
Physical arrests	6,042	5,036	5,214	5,845
Parking violations	43	90	110	175
Traffic violations	22,538	18,792	19,424	23,514
Fire				
Emergency responses	8,708	9,392	9,432	8,442
Fires extinguished	452	432	477	449
Inspections	3,316	2,931	4,133	3,175
Refuse collection				
Refuse collected (tons)	121,502	76,145	136,646	136,911
Recyclables collected	14,643	1,384	16,134	18,232
Library				
Volumes in collection	174,993	194,715	176,160	820,301
Total volumes borrowed	293,860	293,364	282,808	294,798
Water				
New connections	(344)	74	(2,523)	3,144
Water main breaks	944	863	696	519
Average daily consumption (thousands of gallons)	13,207	12,051	14,974	14,180
Wastewater				
Average daily sewage treatment (thousands of gallons)	6,452	8,440	7,900	9,877
Transit				
Total route miles	572,744	575,004	591,417	586,565
Passengers	460,484	462,853	486,104	493,164

This information provided by applicable City of Wichita Falls department.

Fiscal Year					
2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
6,590	5,866	5,323	5,492	7,413	7,242
10,760	12,250	13,744	11,821	10,942	13,827
4,869	4,963	3,779	2,768	3,501	3,337
27	113	32	24	36	48
23,979	23,831	15,390	18,749	19,028	21,586
11,229	12,337	12,037	13,518	13,368	13,729
601	490	576	591	713	621
3,248	3,295	937	1,853	2,699	2,839
131,442	155,767	155,752	164,911	181,457	178,867
23,079	24,311	21,730	23,473	23,858	19,774
854,142	976,145	1,002,768	1,190,927	1,508,436	270,947
333,381	366,800	234,496	340,991	306,068	287,385
160	182	371	224	86	104
766	546	618	401	614	692
15,131	13,895	14,110	13,722	14,688	13,296
8,974	8,927	10,339	10,339	9,148	9,070
591,538	606,501	550,901	549,512	561,393	538,491
464,838	445,029	244,265	234,872	243,252	293,574

## CITY OF WICHITA FALLS, TEXAS

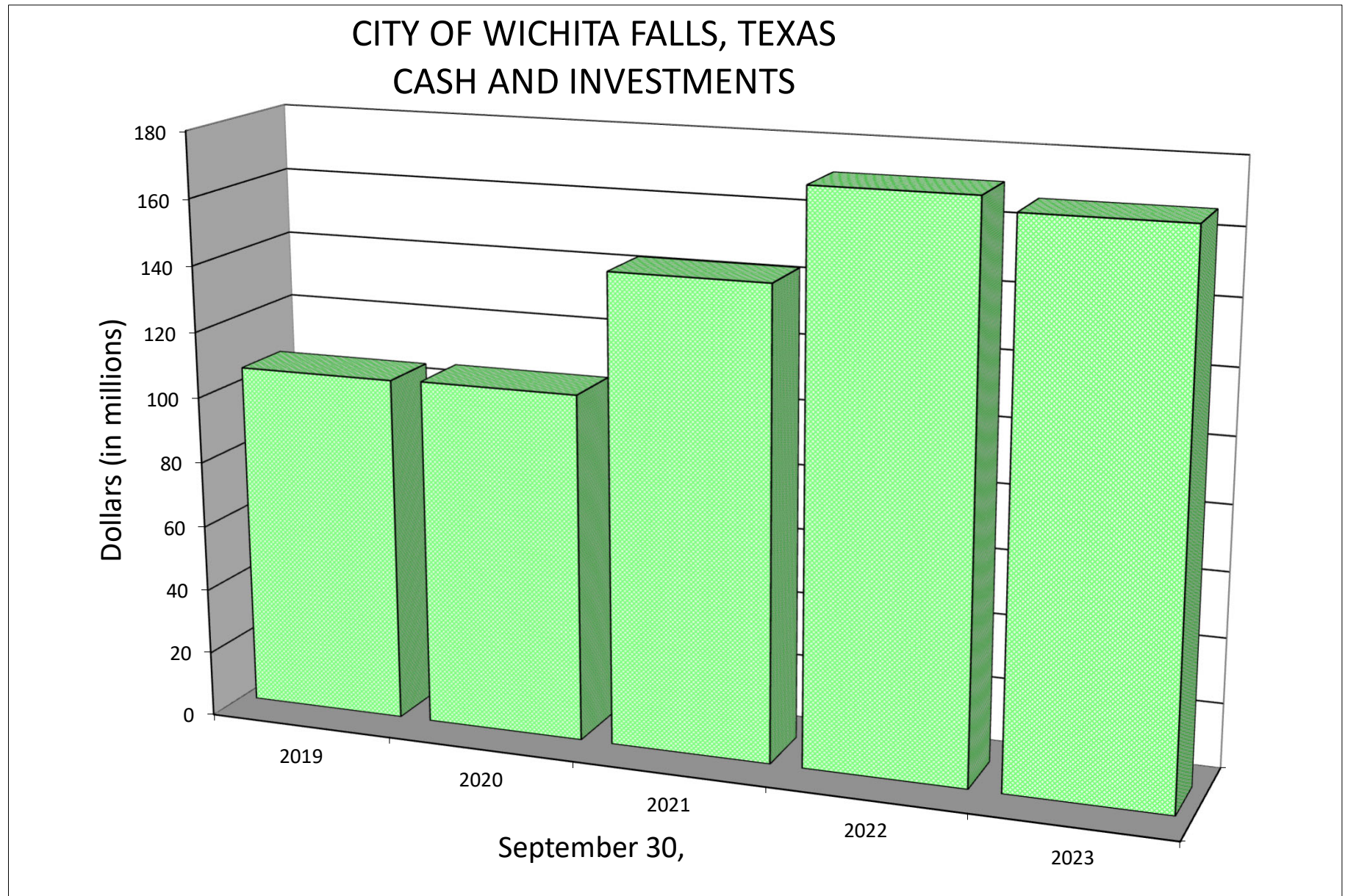
### CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS (UNAUDITED)

	2013-2014	2014-2015	2015-2016	2016-2017
Police				
Stations	1	1	1	1
Patrol units	113	113	113	113
Fire stations	8	8	8	8
Refuse collection				
Collection trucks	36	36	36	36
Other public works				
Streets (miles)	515	515	530	531
Streetlights	7,972	7,996	8,015	8,451
Traffic signals	104	104	104	104
Parks and recreation				
Acreage	1,200	1,200	1,200	1,200
Playgrounds	39	39	39	39
Golf courses	1	1	1	1
Water				
Water mains (miles)	579	580	806	782
Fire hydrants	2,588	2,593	2,842	2,822
Storage capacity (thousands of gallons)	37,000	37,000	37,000	37,000
Wastewater				
Sanitary sewers (miles)	547	548	599	592
Storm sewers (miles)	98	98	98	98
Treatment capacity (thousands of gallons)	21,410	21,410	21,410	21,410
Transit				
Buses	14	13	13	13

This information maintained by the City of Wichita Falls Finance Department, with assistance from various departments.

Fiscal Year					
2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
1	1	1	1	1	1
113	113	107	117	110	110
8	8	8	8	8	8
36	36	36	36	36	36
534	534	534	570	528	530
8,465	8,432	8,453	8,463	8,475	8,478
102	102	104	104	104	104
1,200	1,200	1,200	1,200	1,200	1,200
39	39	39	39	39	39
1	1	1	1	1	1
808	808	785	781	763	763
2,836	2,829	2,883	2,917	2,898	2,873
37,000	37,000	37,000	37,000	37,000	37,000
594	594	583	583	583	583
99	99	100	172	173	174
21,410	21,410	21,410	21,410	21,410	21,410
13	13	18	18	18	18

## ***GRAPHICS***

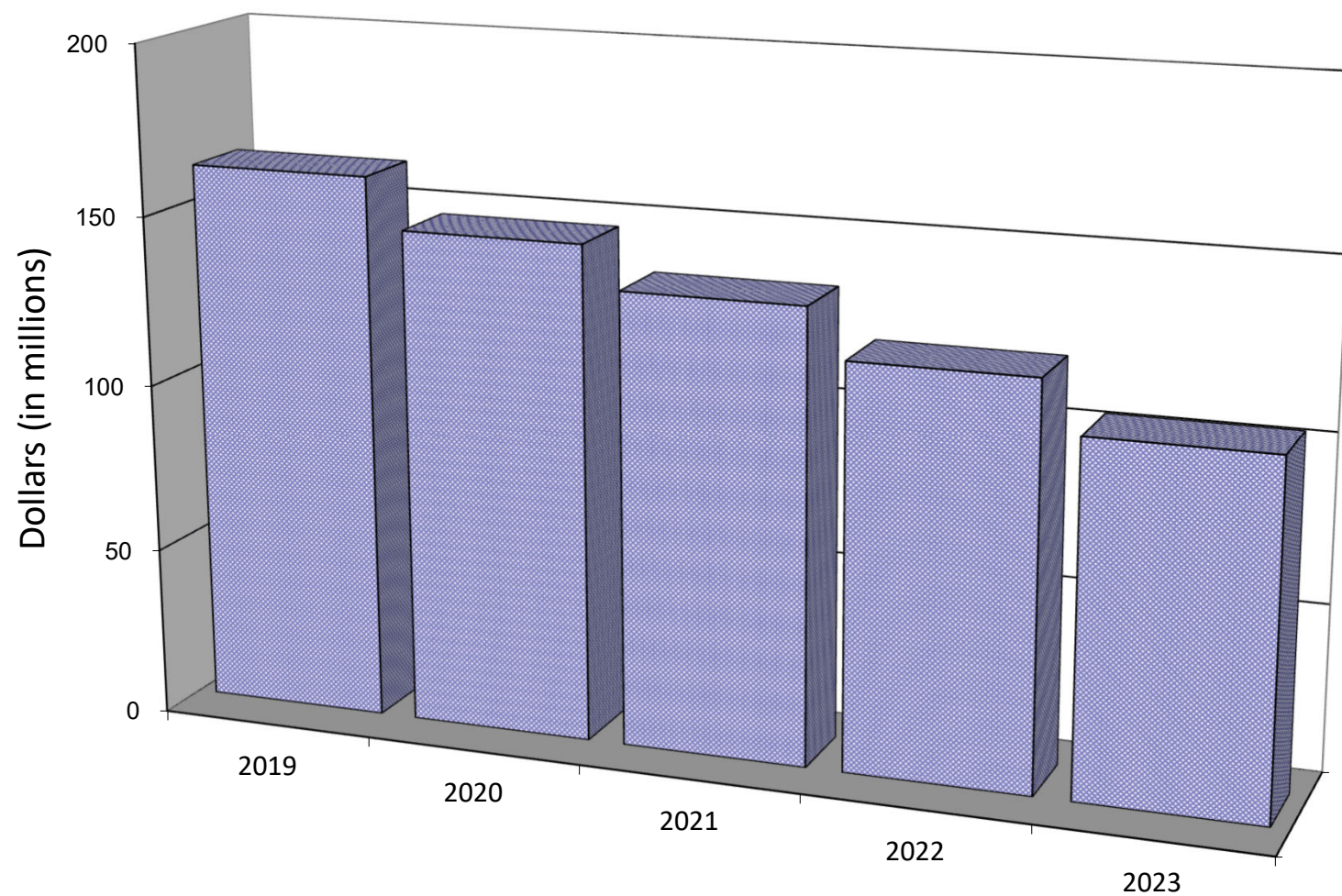


(UNAUDITED)



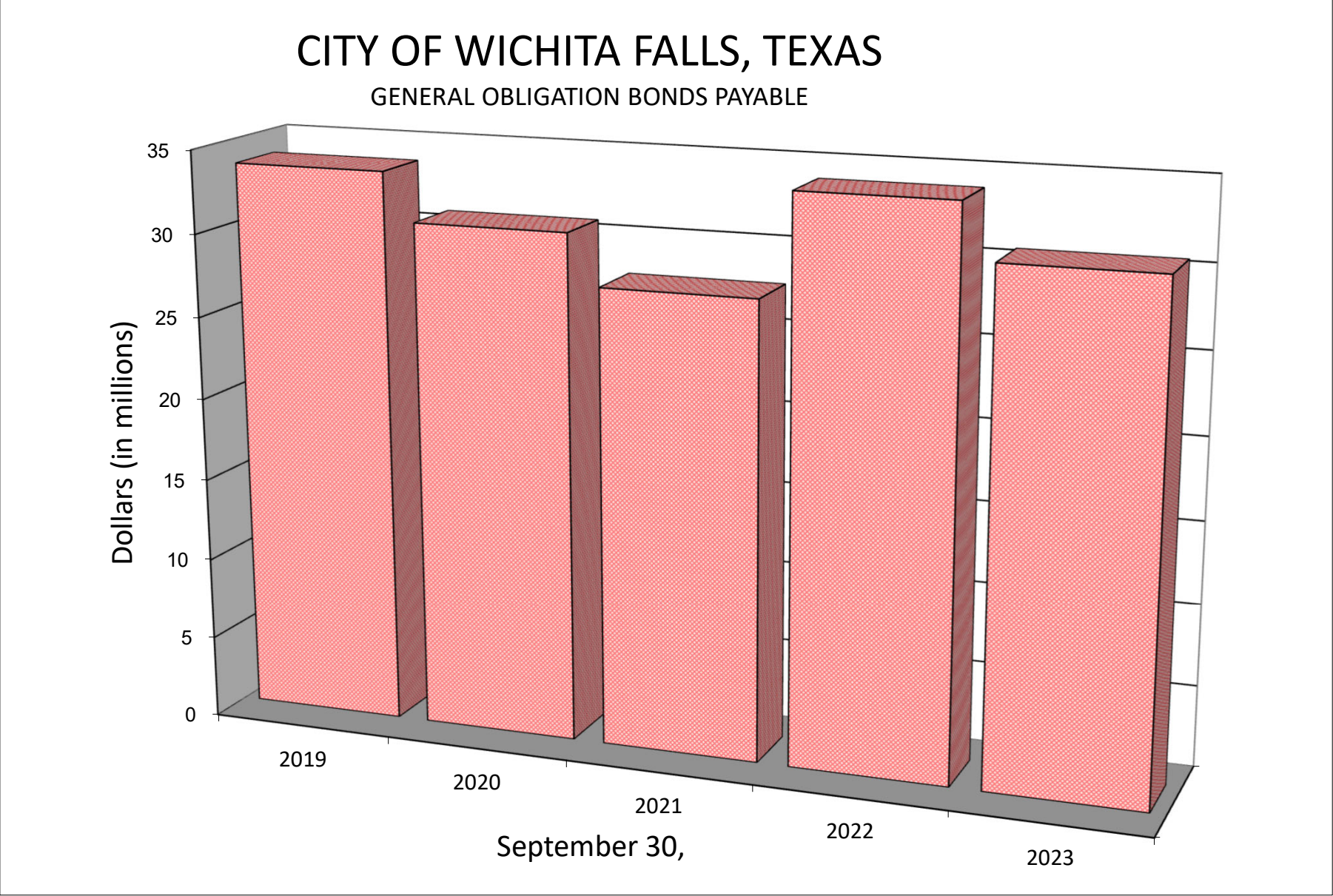
# CITY OF WICHITA FALLS, TEXAS

## TOTAL BONDS PAYABLE



September 30,

(UNAUDITED)

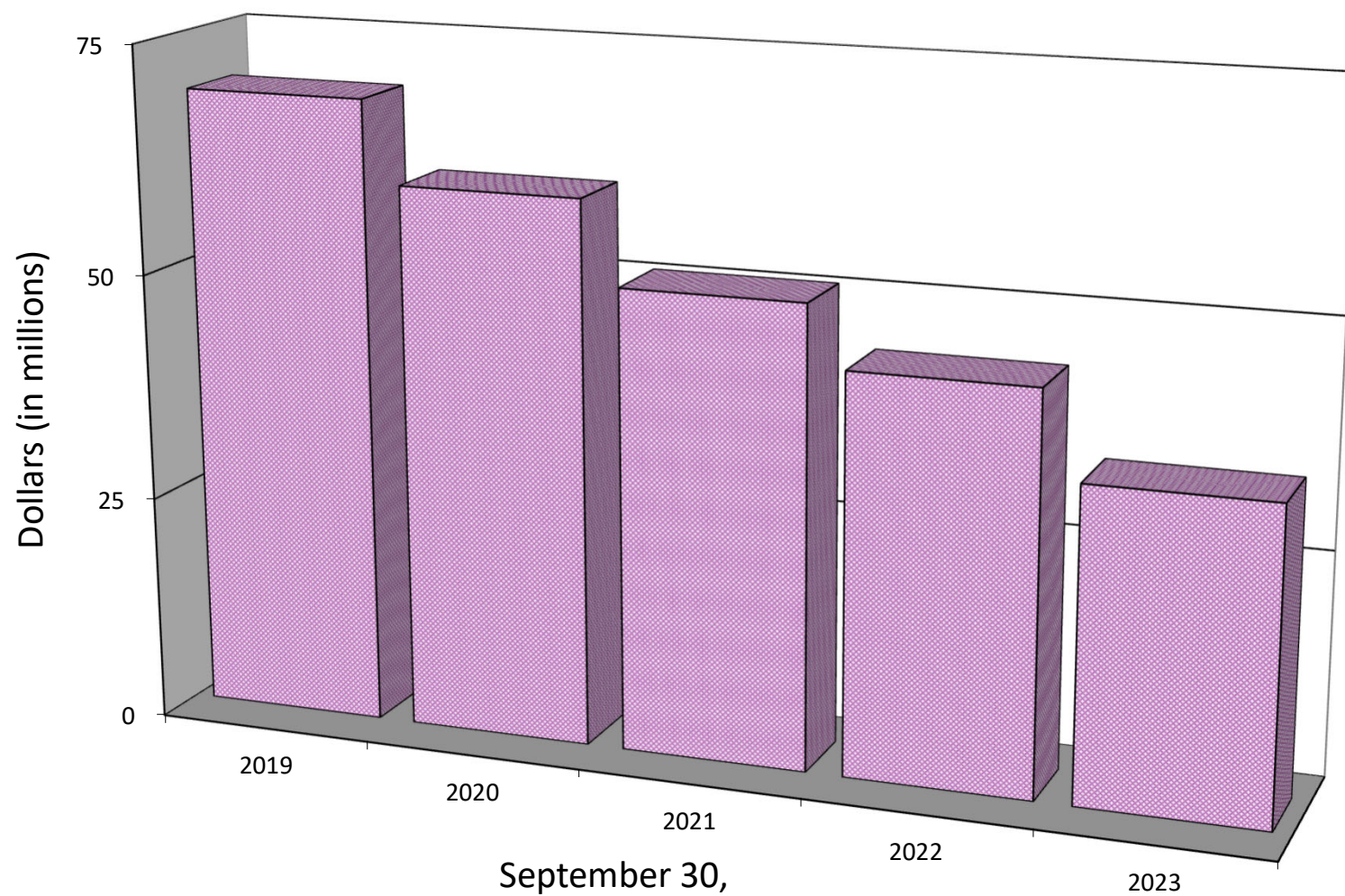


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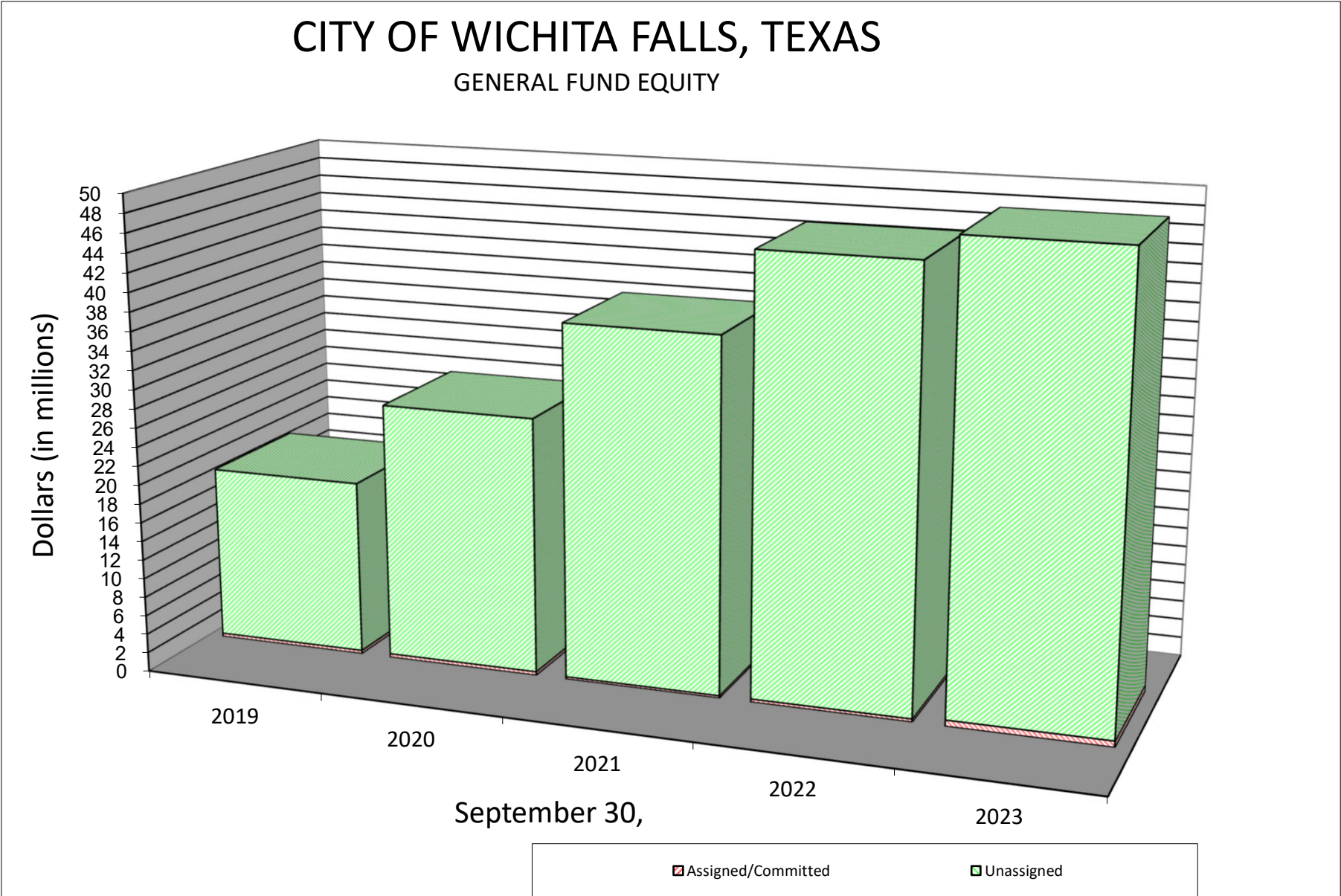


# CITY OF WICHITA FALLS, TEXAS

## REVENUE BONDS PAYABLE



(UNAUDITED)

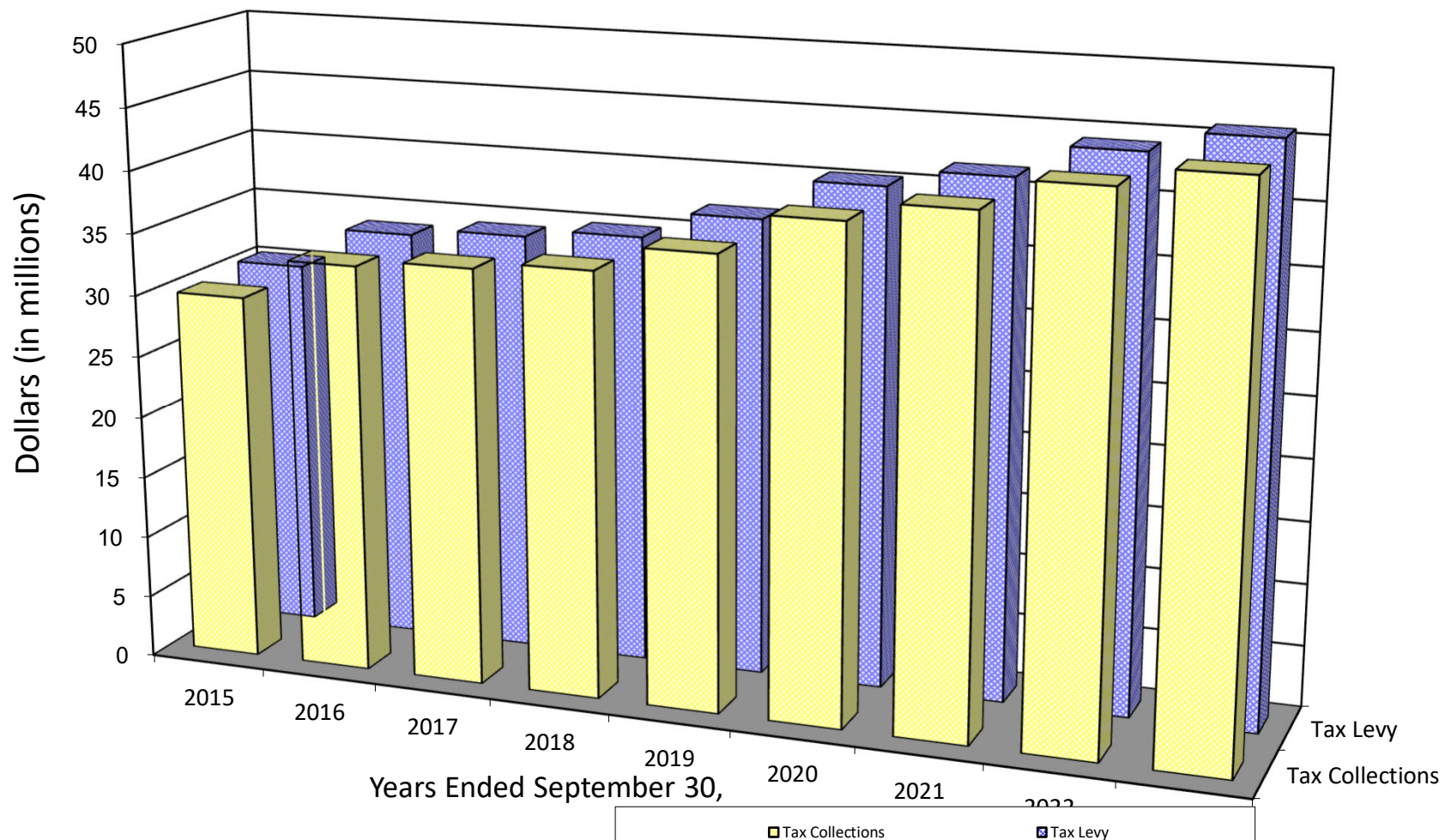


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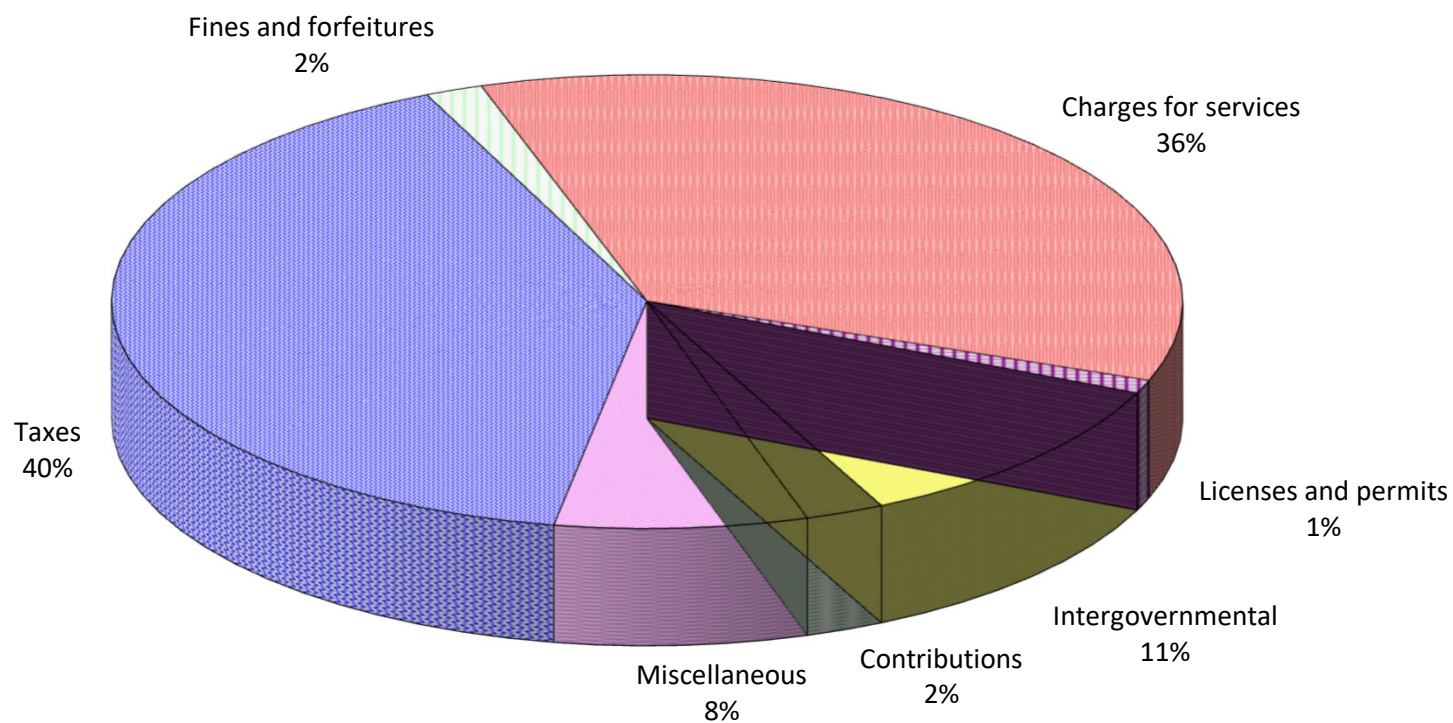
# CITY OF WICHITA FALLS, TEXAS

## COMPARISON OF TAX LEVY AND COLLECTIONS



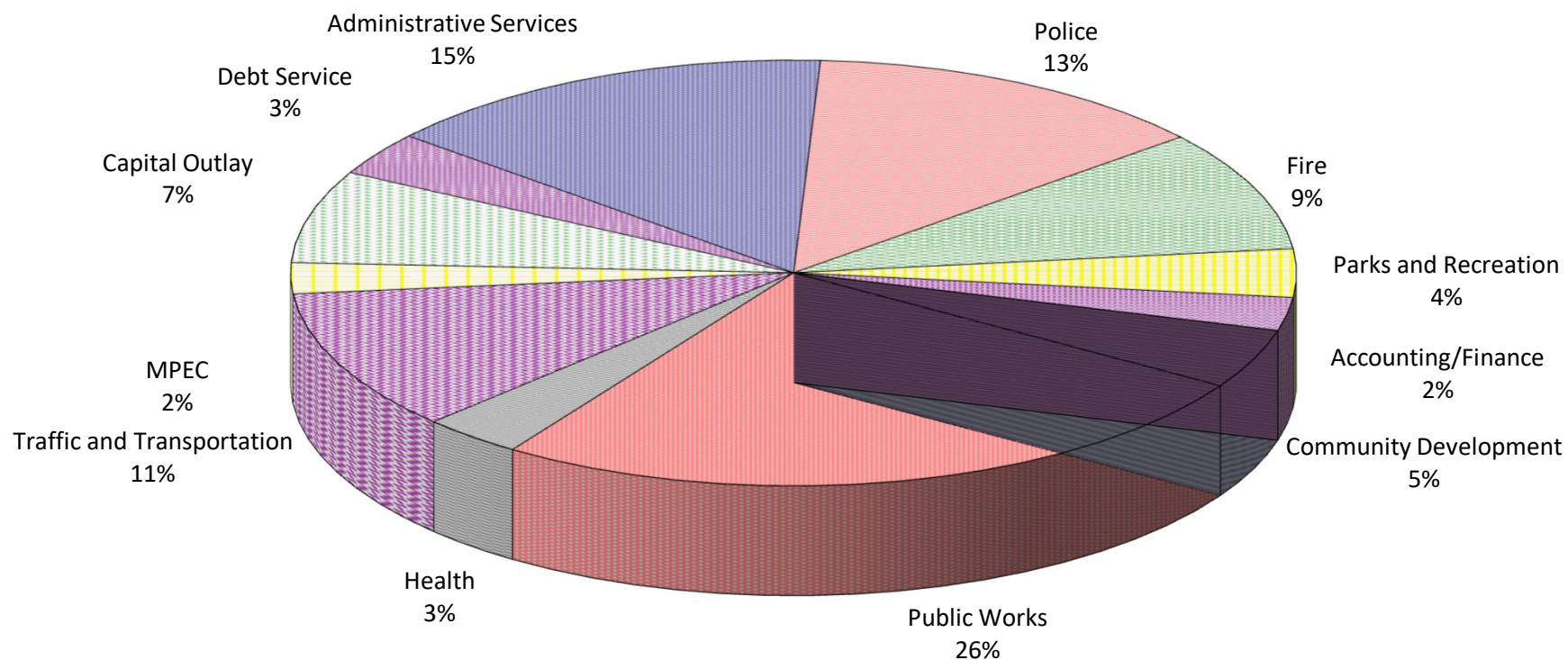
(UNAUDITED)

**CITY OF WICHITA FALLS, TEXAS  
REVENUES BY SOURCE - FYE 9/30/23**



(UNAUDITED)

**CITY OF WICHITA FALLS, TEXAS  
EXPENDITURES BY FUNCTION - FYE 9/30/23**

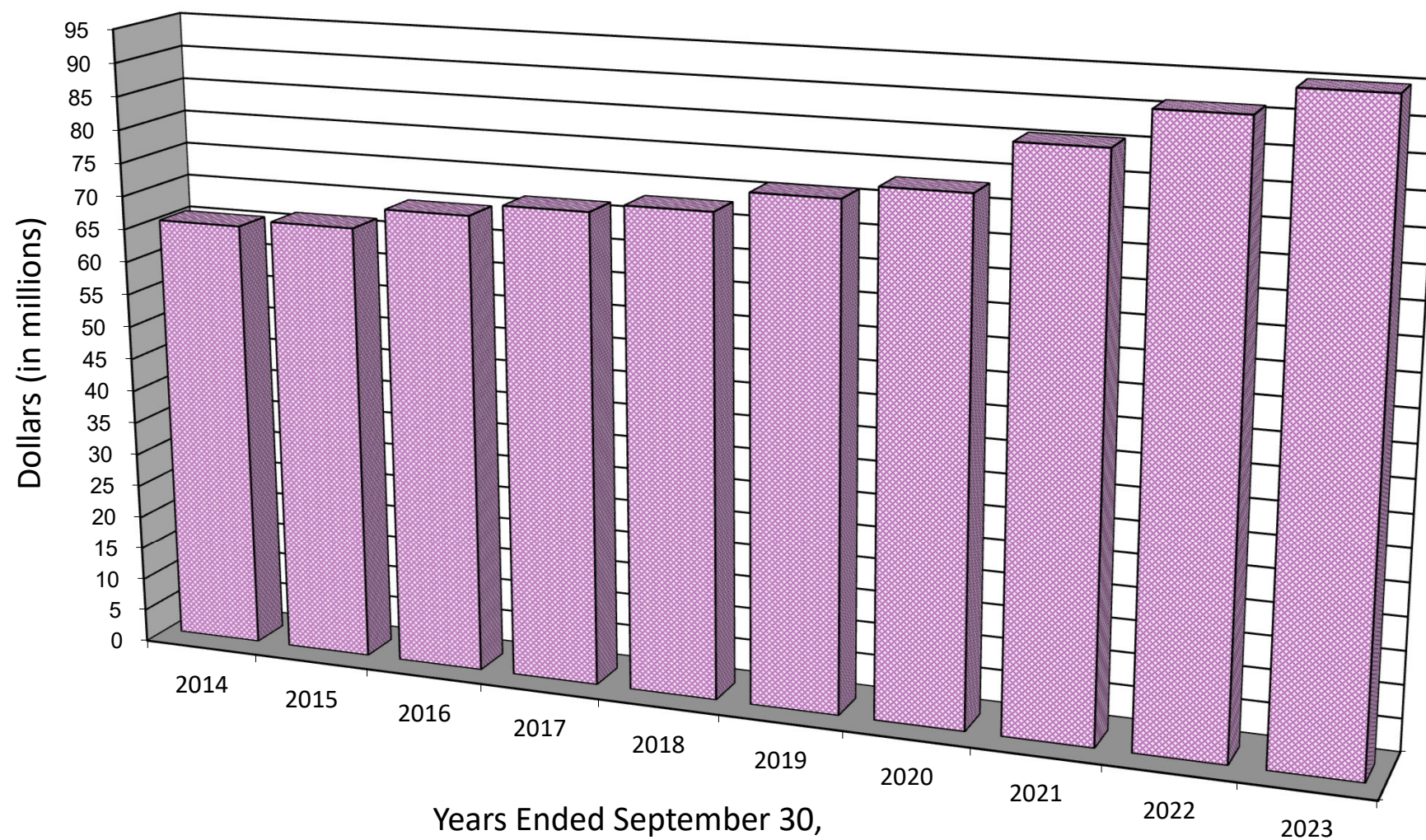


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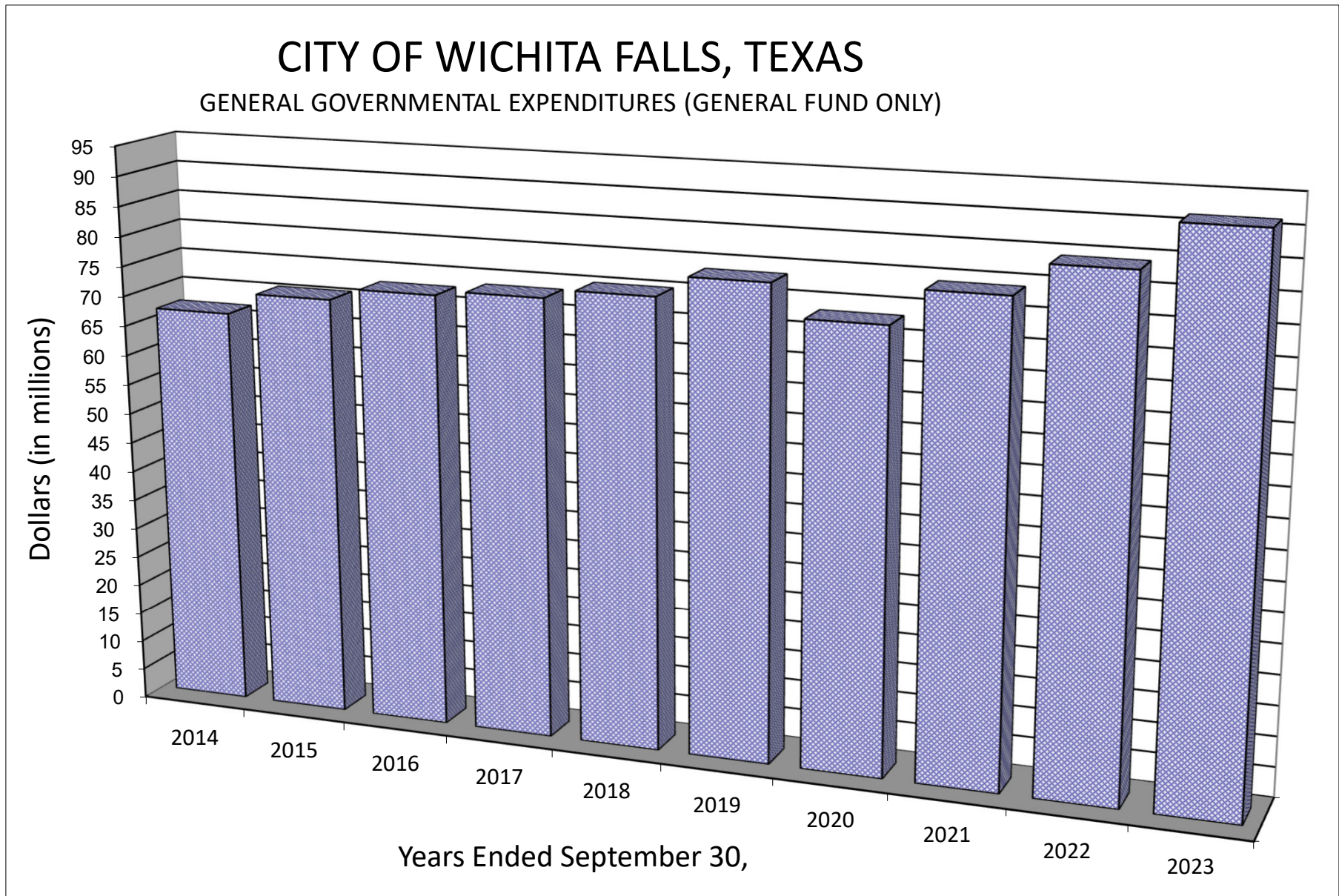
# CITY OF WICHITA FALLS, TEXAS

## GENERAL GOVERNMENTAL REVENUES (GENERAL FUND ONLY)



(UNAUDITED)





(UNAUDITED)