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**CITY OF SEGUIN, TEXAS
ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FISCAL YEAR ENDED
SEPTEMBER 30, 2022**

Prepared by: Finance Department
Susan Caddell
Director of Finance



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CITY OF SEGUIN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2022

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March 1, 2023

The Honorable Mayor and City Council
City of Seguin, Texas

We are pleased to present the Annual Comprehensive Financial Report of the City of Seguin, Texas (the City), for the fiscal year ended September 30, 2021. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the presented data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City of Seguin's financial statements have been audited by Armstrong, Vaughan & Associates, PC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Seguin for the fiscal year ended September 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor has issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

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

The Annual Comprehensive Financial Report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City's organizational chart and a list of principal officials. The financial section includes the management's discussion and analysis letter, the government-wide financial statements, the fund financial statements, notes to the financial statements, as well as the auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

This report includes all funds of the City. The City provides a full range of services including: police and fire protection, health services, maintenance of streets, planning and zoning, parks and recreation, convention and visitors' bureau and general administrative services. The City also provides electric, water, and wastewater services; therefore, these activities are included in the reporting entity.

City of Seguin profile. The City of Seguin is the county seat and principal commercial center of Guadalupe County. Seguin is located thirty-five minutes east of San Antonio, fifty-five minutes south of Austin and about two and a half hours west of Houston. Seguin offers immediate access not only to Interstate 10, but to State Highway 130, the safe, fast and reliable alternative to congested Interstate 35 in Central Texas.

Founded in 1838 and incorporated in 1853, the City operates under a Home Rule Charter, which was adopted on December 7, 1971. The City has a council-manager type of government composed of the manager, mayor and eight councilpersons elected for four-year terms. The City Manager is the chief administrator and executive officer for the City and has full responsibility for carrying out Council policies and administering City operations, including hiring department Directors and all other City employees. City service departments provide a full range of services including police and fire protection, EMS services, building inspections, animal control services, parks and recreation services, golf, library services, public works services and general administrative services. In addition, the City of Seguin also provides electric, water and wastewater services.

Local economy. The City of Seguin has grown substantially since 1838, and today Seguin’s economy is a vital component to the San Antonio metropolitan area. Seguin’s diverse economy is made up of primary industries such as advanced manufacturing, distribution and warehousing, healthcare, agriculture, and education. Numerous businesses and Fortune ranked companies have major operations located within the City of Seguin. This includes Vitesco Technologies, Commercial Metals Corporation (CMC), Tyson Foods, Inc., Caterpillar, Inc., The Interplast Group – Minigrip, Alamo Group, Georgia Pacific, Niagara Bottling and Hexcel.

Manufacturing is the heart of the Seguin economy. Nearly 30 % of Seguin’s workforce is employed within the manufacturing industry. In fact, the Seguin area has over 6,000 manufacturing jobs; this is more than three times the national average. The City of Seguin’s proximity to San Antonio and Austin enables our manufacturers to tap into a large, diverse and skilled labor pool. Seguin is located three hours away from the U.S. – Mexico Border via Interstate 35 and two and a half hours away from the Port of Houston, one of the world’s largest sea ports. This provides Seguin manufacturers with great access to get materials in and out to their customers around the world.

It’s not all about manufacturing in Seguin, the City is also home to growing education and healthcare industries. In 2022, U.S. News & World Report ranked Seguin’s Texas Lutheran University the #2 “Best Value” School for Western Regional Colleges, and the #5 “Best Regional College” for the Western Region. Seguin’s Guadalupe Regional Medical Center (GRMC) was the proud recipient of the Healthgrades 2021 Patient Experience Award, a distinction that recognizes GRMC as being among the top 5% of hospitals nationwide for patient experience. Each year GRMC admits approximately 5,000 patients, treats 32,000 Emergency Department visits, delivers 700 babies, and performs 3,200 surgeries. GRMC contributes nearly \$40 million per year to the local economy in salaries and benefits and is one of the largest employers in Guadalupe County. Jointly owned by the City of Seguin and Guadalupe County, GRMC is a not-for-profit community hospital committed to its values of compassion, teamwork, excellence, enthusiasm, and dedication. 2021 data provided by the Bureau of Labor Statistics indicates that labor force conditions within the State of Texas, the San Antonio-New Braunfels Metropolitan Statistical Area (MSA) and the City of Seguin have recovered from the impacts created by the COVID-19 Pandemic. The average unemployment rate decreased from 4.8% in 2021, to 3.6% in 2022. The civilian labor force population increased from an average of 13,443 in 2021, to 13,765 in 2022. Unemployment rates in 2022 averaged 3.7% for the San Antonio-New Braunfels MSA, 3.3% for the City of New Braunfels, 3.7% for the City of San Antonio, and 3.5% for the City of Schertz.

2022 was a successful year for the City of Seguin and the Seguin Economic Development Corporation as two major economic development projects that were announced. In May 2022, Yukon Ventures, a cold storage facilities developer announced that they will be building a new state of the art cold storage warehouse facility on a 15.8-acre tract of land located at the northwest corner of Lawson Street and US Hwy 90 (Kingsbury Street). The project will represent a capital investment of at least \$30,000,000. The roughly 170,000 SF state-of-the-art facility will provide storage for 21,000 pallets and 600 blast freezing positions. Yukon anticipates breaking ground on the Project in early 2023. In September 2022, Maruichi Stainless Tube Texas Corporation announce that they will build a 125,000 square foot state-of- the-art manufacturing facility in Seguin, Texas. Maruichi will build their future Seguin facility on a 33- acre site purchased from the SEDC. The project will represent a total capital investment of \$75 million and will result in the creation of at least 106 new jobs over a two-year ramp up period. Maruichi Stainless Tube Texas Corporation is a subsidiary of Maruichi Stainless

Tube Co., LTD. which is headquartered in Shimonoseki, Japan, a group company of Maruichi Steel Tube Co, Ltd. Maruichi Stainless Tube Texas Corporation’s future Seguin facility will produce seamless stainless steel precision tube to support customers in the semiconductor industry. The demand for stainless steel precision Bright Annealed (BA) tubes used for semiconductor manufacturing is significantly increasing, due to global increase in semiconductor demand. The Seguin facility will help Maruichi further meet demand in the United States from multiple construction projects for large-scale semiconductor manufacturing plants.

FINANCIAL INFORMATION

Internal control. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB), the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA). The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

The City utilizes a computerized financial accounting system, which includes a system of internal accounting controls. Such controls have been designed and are continually being reevaluated to provide reasonable, but not absolute, assurances.

Budgeting Controls. The City also maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. However, budgetary accounting is maintained on a line-item basis. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end, however, encumbrances generally are re-appropriated as part of the following year’s budget.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Financial rating. The City’s bond rating for Fitch Ratings and Standard & Poor’s is as follows:

	<u>Fitch Ratings</u>	<u>Standard & Poor’s</u>
General Obligation Bonds	AA/stable outlook	AA/stable outlook
Utility Revenue Bonds	A-/stable outlook	A-/stable outlook

Retirement Plan. The City provides pension benefits for all of its full-time employees through the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system.

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. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Health Benefits Trust Fund. During fiscal year 2009, the City established a Health Benefits Trust Fund and Retiree Insurance Trust Fund. These funds were established for the receipt of health insurance premiums from

the benefits paid by the City, premiums paid by retirees and dependent premiums paid by employees and retirees. The disbursements of these premiums are also paid out of these funds.

OTHER INFORMATION

Independent Audit. The City Charter requires an annual audit of the books, accounts, financial records, and transactions of all administrative departments of the City by independent certified public accountants selected by the City Council. This requirement has been complied with and the independent auditors' report by Armstrong, Vaughan & Associates, P.C., Certified Public Accountants, has been included in this report.

Acknowledgements. The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We would also like to thank the members of the City Council and the citizens of the City of Seguin for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Steve Parker
City Manager



Susan Caddell
Director of Finance



Government Finance Officers Association

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for Excellence
in Financial
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Presented to

**City of Seguin
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morrill

Executive Director/CEO

CITY OF SEGUIN, TEXAS

PRINCIPAL OFFICERS

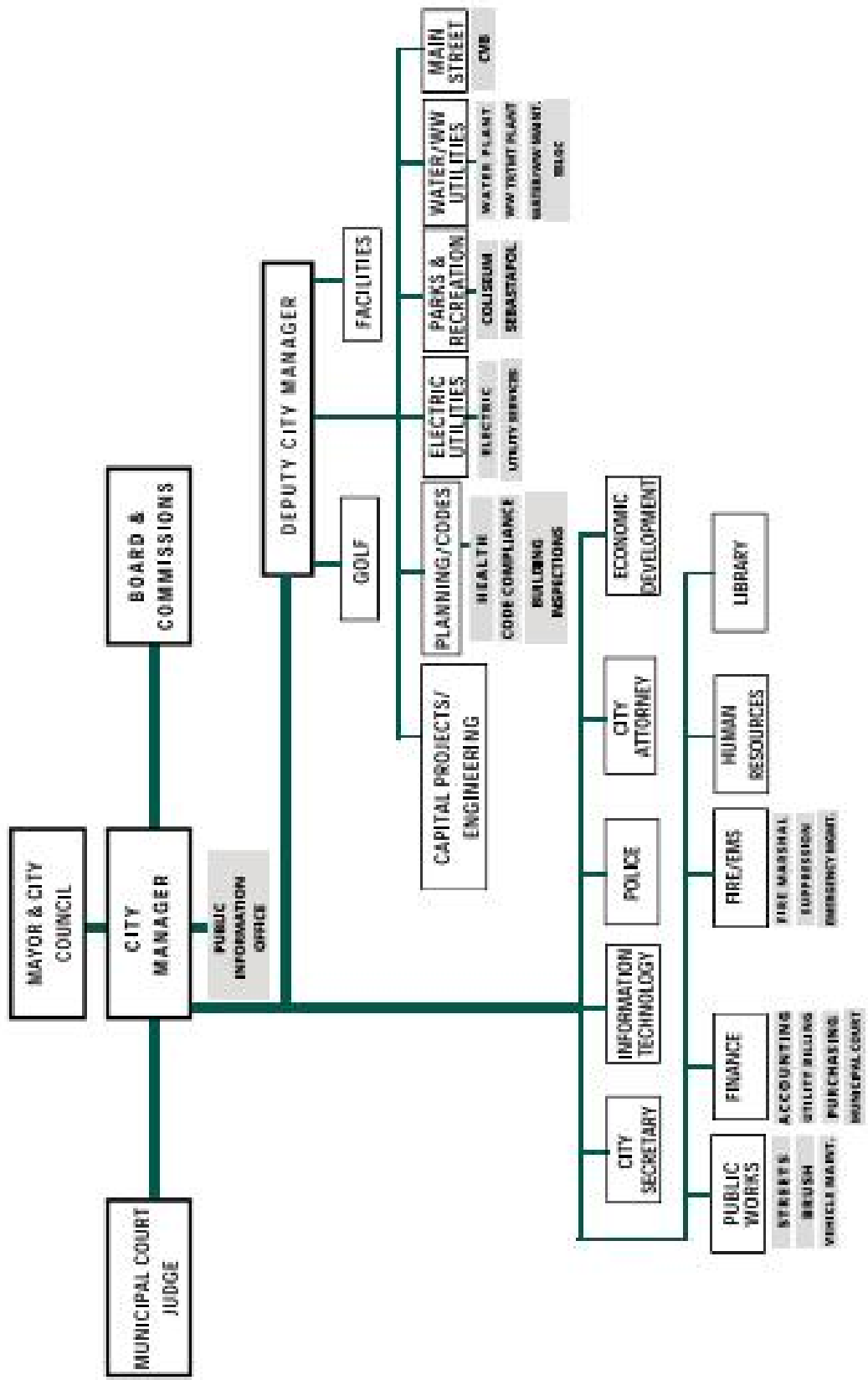
DONNA DODGEN Mayor
JOE REA..... Mayor Pro-Tem
VACANT Councilman
MONICA CARTER Councilwoman
JEREMY ROY Councilman
MARK HERBOLD..... Councilman
JOE REA..... Councilman
SONIA MENDEZ..... Councilwoman
CHRIS RANGEL. Councilman

STEVE PARKER
City Manager

STEVE PARKER.....City Manager
NAOMI MANSKI City Secretary
SUSAN CADDELL..... Director of Finance
ANDREW QUITTNER City Attorney



City of Seguin





Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Council
City of Seguin, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Seguin, Texas, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Seguin, Texas, as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Seguin'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Seguin, Texas'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 City of Seguin, Texas'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 management's discussion and analysis, budgetary comparison information, schedules of changes and city contributions – defined benefit plan, and other postemployment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on management's discussion and analysis, budgetary comparison information and schedules of funding progress because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Seguin, Texas' basic financial statements as a whole. The comparative statements, combining and individual nonmajor fund financial statements, introductory section, statistical section, and schedule of expenditures of federal awards (SEFA) as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2023 on our consideration of the City of Seguin, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 of Seguin, Texas' internal control over financial reporting and compliance.



Armstrong, Vaughan & Associates, P.C.
March 20, 2023



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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Seguin, we offer readers of the City of Seguin's financial statements this narrative overview and analysis of the financial activities for the City of Seguin for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report, and the City's financial statements immediately following this analysis.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Seguin exceeded its liabilities at the close of the fiscal year ending September 30, 2022, by \$158.8 million, (net position). Of this amount, \$59.2 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$23.9 million or 17.8% compared to the prior fiscal year.
- As of September 30, 2021 the City of Seguin's governmental funds reported combined ending fund balances of \$59.0 million, an increase of \$8.5 million.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$18.6 million, or 67.2% of total General Fund expenses.
- The City's total debt increased by \$13.5 million during the current fiscal year. The City issued 2022 Certificates of Obligation in the amount of \$20.3 million, and 2021 Tax Notes in the amount of \$705 thousand. In addition, golf course equipment was financed through a capital lease in the amount of \$200 thousand.
- During the year, the City's expenses were \$14.3 million less than the \$28.5 million generated in taxes and other revenues for governmental activities before transfers.
- The total cost of the City's governmental activity programs increased by \$1.9 million from last year, and no new programs were added this year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis serves as an introduction to the City of Seguin's basic financial statements. The City of Seguin's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The Annual Comprehensive Financial Report (ACFR) also contains other supplementary information in addition to the basic statements themselves.

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

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

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but not used vacation leave).

In the *statement of net position* and the *statement of activities*, the City's operations are divided into two kinds of activities:

- 1 Governmental Activities – Most of the City's basic services are reported here, such as public safety, public works and general administration. Property taxes, franchise fees and charges for services finance most of these activities.
- 2 Business-Type Activities – The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's Utility Fund, which include, electric, water and wastewater services, are reported here.

In addition, the *government-wide financial statements* include not only the City of Seguin itself, but also the Seguin Economic Development Corporation, a legally separate component unit for which the City is financially accountable. Financial information for this component unit is reported separately from the primary government and business-type activities.

The *government-wide financial statements* can be found on pages 15 - 18 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Seguin, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Governmental funds statements are reported using current financial resources measurement focus and the modified accrual basis of accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The relationships or differences between governmental activities (reported in the *statement of net position* and the *statement of activities*) and governmental funds are detailed in a reconciliation following the fund financial statements.

Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Debt Service Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated nonmajor fund presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the CAFR.

The basic governmental fund financial statements can be found on pages 19 - 24.

Proprietary funds. The City charges customers for certain services it provides. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *statement of net position* and the *statement of activities*.

The City maintains two different types of proprietary funds. The Utility Fund is a business-type activity and consists of revenues from charges for electric, water and wastewater sales. The Internal Service Funds account for revenues and expenditures for the employee health insurance, retiree health insurance and workers' compensation insurance. The fund financial statements provide the same type of information as the government-wide financial statements, only in more detail.

The proprietary funds financial statements can be found on pages 25 - 29 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of 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 of Seguin's own programs. The method of accounting utilized for these funds is similar in nature to that of the proprietary funds.

The basic fiduciary fund financial statements can be found on pages 30 - 31 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32 - 67 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budgetary schedule. The City of Seguin adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget. Required supplementary information can be found on pages 68 - 79 of this report.

In addition, this report also contains certain required supplementary information concerning the City of Seguin's progress in funding its obligation to provide pension benefits to City staff and members of the City's firemen's pension fund, as well as funding progress for other postemployment benefits (health insurance) provided to retirees.

The combining statements referred to earlier in connection with nonmajor governmental and enterprise funds and individual internal service funds are presented immediately following the required supplementary information described in the preceding paragraph. Combining and individual fund statements can be found on pages 80 - 129 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2022, the City of Seguin's assets and deferred outflows of resources exceeded liabilities by \$159.8 million. Table A-1 is a condensed version of the City's statement of net position for the years ended September 30, 2022 and 2021, respectively.

The largest portion of the City's total net position (51.3%) is its net investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Seguin uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The next largest portion of the City's total net position (37.2%) is its unrestricted net position.

Table A-1
City of Seguin's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Current assets	\$ 58,633,256	\$ 50,363,127	\$ 46,220,846	\$ 43,677,785	\$ 104,854,102	\$ 94,040,912
Capital assets	109,551,164	102,348,182	111,547,587	109,413,195	221,098,751	211,761,377
Other non current assets	13,955,701	10,267,022	48,737,305	31,846,809	62,693,006	42,113,831
Total assets	<u>182,140,121</u>	<u>162,978,331</u>	<u>206,505,738</u>	<u>184,937,789</u>	<u>388,645,859</u>	<u>347,916,120</u>
Deferred Outflows of Resources	<u>5,079,779</u>	<u>3,580,155</u>	<u>3,524,721</u>	<u>2,853,079</u>	<u>8,604,500</u>	<u>6,433,234</u>
Liabilities						
Current liabilities	11,494,735	7,941,575	9,408,755	8,072,723	20,903,490	16,014,298
Noncurrent liabilities	121,811,001	121,311,858	89,149,409	79,563,441	210,960,410	200,875,299
Total liabilities	<u>133,305,736</u>	<u>129,253,433</u>	<u>98,558,164</u>	<u>87,636,164</u>	<u>231,863,900</u>	<u>216,889,597</u>
Deferred Inflows of Resources	<u>3,418,239</u>	<u>642,609</u>	<u>3,158,468</u>	<u>1,935,785</u>	<u>6,576,707</u>	<u>2,578,394</u>
Net Position						
Invested in Capital Assets	32,708,778	27,972,543	48,719,693	58,013,629	81,428,471	85,986,172
Restricted	4,038,235	3,783,621	14,101,505	9,719,197	18,139,740	13,502,818
Unrestricted(Deficit)	13,748,912	4,906,280	45,492,629	30,486,093	59,241,541	35,392,373
Total Net Position	<u>\$ 50,495,925</u>	<u>\$ 36,662,444</u>	<u>\$ 108,313,827</u>	<u>\$ 98,218,919</u>	<u>\$ 158,809,752</u>	<u>\$ 134,881,363</u>

An additional portion of the City of Seguin's net position (11.4%) is subject to external restrictions, including bond covenants, on how they must be used. The remaining balance of unrestricted net position of \$59.2 million may be used to meet the government's ongoing obligations to citizens and creditors.

Changes in Net position. The City's total government-wide revenues increased by \$17.9 million or 17.3%. This was largely due to increase in electric, water and sewer revenue along with an increase in property and sales tax revenue, as well as grants. The City's total government-wide expenses increased by \$6.3 or 7.0%. An increase in salaries and benefits was a major factor in the increase.

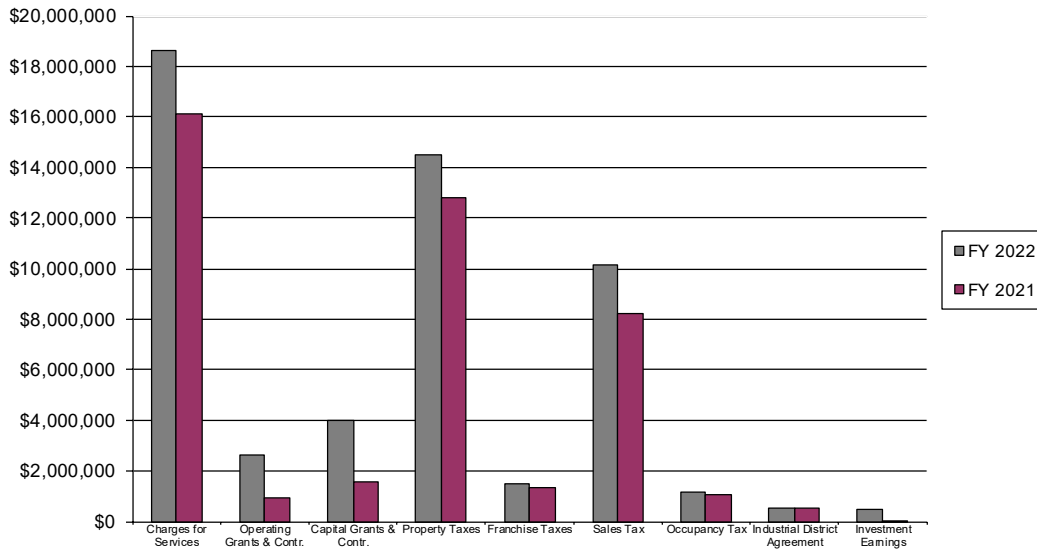
Table A-2
Changes in City of Seguin's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Program Revenues:						
Charges for Services	\$ 18,636,479	\$ 16,123,887	\$ 66,615,679	\$ 59,893,148	\$ 85,252,158	\$ 76,017,035
Operating Grants and Contributions	2,647,696	906,378	-	-	2,647,696	906,378
Capital Grants and Contributions	4,008,991	1,545,026	190,303	591,597	4,199,294	2,136,623
General Revenues						
Property Taxes	14,480,532	12,791,688	-	-	14,480,532	12,791,688
Franchise Taxes	1,509,595	1,344,906	-	-	1,509,595	1,344,906
Sales Tax	10,118,330	8,232,954	-	-	10,118,330	8,232,954
Occupancy Tax	1,140,613	1,039,212	-	-	1,140,613	1,039,212
Industrial District Agreement	555,956	550,452	-	-	555,956	550,452
Investment Earnings	500,692	44,172	533,638	40,236	1,034,330	84,408
Gain (Loss) on Sale of Assets	207,721	122,509	60,144	65,358	267,865	187,867
Total Revenues:	53,806,605	42,701,184	67,399,764	60,590,339	121,206,369	103,291,523
Expenses:						
General Government	3,848,815	4,026,784	-	-	3,848,815	4,026,784
Public Safety	18,432,214	17,638,658	-	-	18,432,214	17,638,658
Public Service	14,004,359	12,883,281	-	-	14,004,359	12,883,281
Interest on Long-Term Debt	3,247,737	3,083,651	-	-	3,247,737	3,083,651
Utility	-	-	57,744,855	53,278,062	57,744,855	53,278,062
Total Expenses	39,533,125	37,632,374	57,744,855	53,278,062	97,277,980	90,910,436
Excess (Deficiency) Before Transfers In (Out)	14,273,480 (439,999)	5,068,810 (389,406)	9,654,909 439,999	7,312,277 389,406	23,928,389 -	12,381,087 -
Increase (Decrease) in Net Position	\$ 13,833,481	\$ 4,679,404	\$ 10,094,908	\$ 7,701,683	\$ 23,928,389	\$ 12,381,087

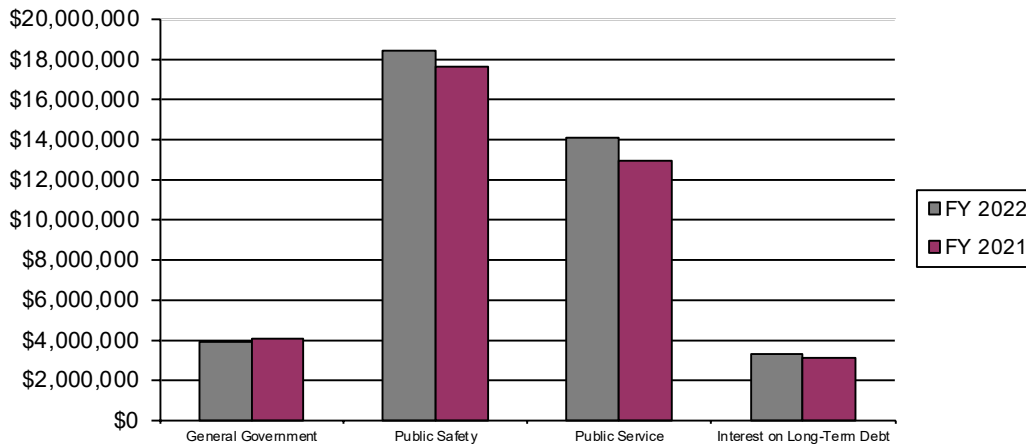
Governmental activities. The City's total governmental revenues increased by \$11.1 million or 26.0% over the prior year. The City's total governmental expenses increased by \$1.9 million or 5.1% above last year.

- Charges for Services increased by \$2.5 million or 15.6%. Building Permits increased by \$968 thousand or 40.5% increase and ROW User Fees increased by \$78 thousand or 7.1%.
- Property Taxes increased by \$1.6 million or 13.2%. Taxable values increased by over 13.8%.
- Sales Tax increased by \$1.9 million or 22.9%.
- Interest Earnings increased by \$456 thousand or 1033.5%.
- The most significant governmental expense for the City was in providing public safety, which incurred expenses of \$18.4 million. These expenses are offset by revenues collected from a variety of sources, including fines and penalties, EMS revenue and Fire and EMS interlocal agreements with Guadalupe County, the total being \$3.9 million. The major components of public safety are police and fire. Police accounted for \$9.7 million in public safety expense while Fire accounted for \$8.1 million in public safety expense.

Revenues - Governmental Activities



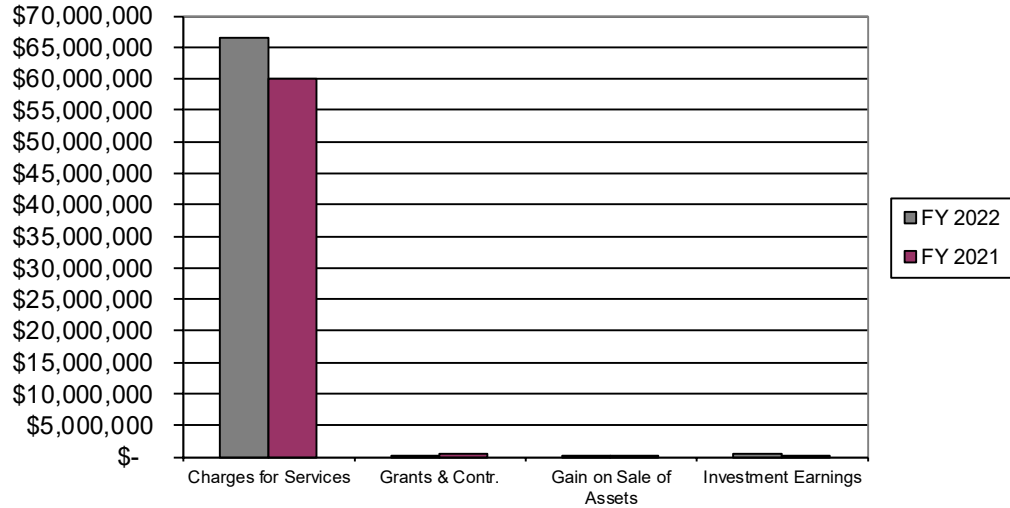
Expenses - Governmental Activities



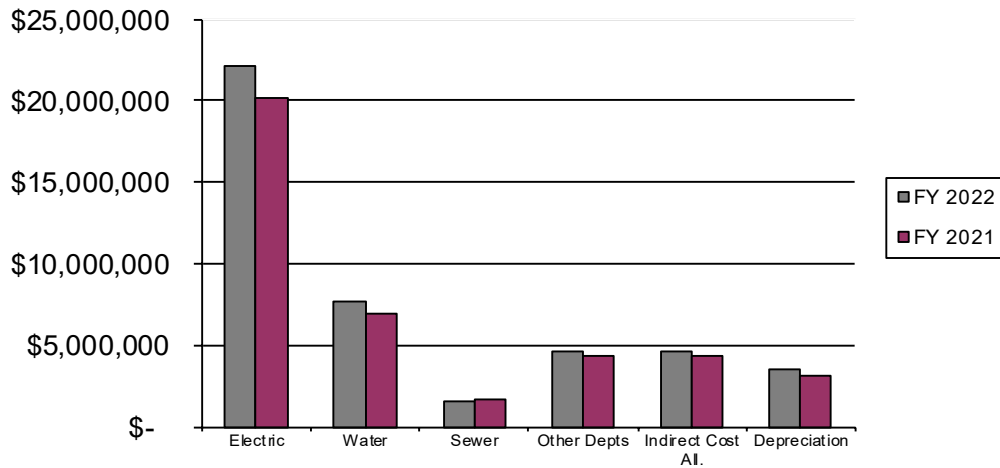
Business-type activities. The City’s total business-type revenues increased by \$6.8 million or 11.2%. The City’s total business-type expenses increased by \$4.5 million or 8.4%.

- Electric revenues make up \$32.0 million of the charges for services. This year electric revenues increased by \$2.1 million or a 6.8% increase.
- Water revenues make up \$16.0 million of the charges for services. This year water revenues increased by \$1.3 million or a 9.1% increase.
- Sewer revenues make up \$16.3 million of the charges for services. This year sewer revenues increased by \$2.7 million or 20.0% increase. Growth in our service area continues to increase both consumption and sewer impact fees.

Business-Type Activities-Revenues



Business-Type Activities-Expenses



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City of Seguin uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Seguin'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.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$58.9 million. This is an increase of \$8.5 million. In 2022, the City issued \$20.3 million in Certificates of Obligation Bonds of which \$6.5 million was issued for the governmental uses and 13.8 million for the

proprietary funds. Of this total amount of fund balance, \$18.6 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balances is as follows: 1) nonspendable fund balance in the amount of \$270 thousand which are prepaids and inventory, 2) restricted fund balance in the amount of \$30.4 million, which are restricted to tourism and economic development, public safety, public service, capital projects or debt service, 3) committed fund balance in the amount of \$3.0 million, which is committed to stabilization agreement and aquatic and golf fees, and 4) assigned fund balance in the amount of \$6.6 million, which is assigned to capital projects.

The General Fund is the main operating fund of the City of Seguin. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$18.6 million, while total fund balance reached \$21.5 million. Of this amount, \$86 thousand is attributable to the balance of a tax exemption settlement agreement. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. With the \$184 thousand taken out of the equation, unassigned fund balance represents 67.1% of general fund expenditures, while total fund balance represents 77.8% of that same amount.

The General Fund Capital Projects Fund has a total fund balance of \$5.5 million, an increase of \$1.1 million. Projects.

At the end of FY2022, SIX bond funds had a total fund balance of \$21.2 million. This was an increase of \$896 thousand. The City issued Certificate of Obligation Bonds in March 2022 in the amount of \$6.5 million and a premium on the bond of \$279 thousand.

Other factors concerning the finances of governmental fund have already been addressed in the discussion of the City's governmental activities in the government-wide financial statements.

Proprietary funds. The City of Seguin's proprietary funds are utilized to account for operations of the City that are commercial in nature and accounted for in a manner more similar to private enterprise. The statements for proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Utility Fund at the end of the year amounted to \$45 million. The restricted net position for debt services is \$4.0 million, while restricted net position for impact fees is \$10.1 million. Net position invested in capital assets amounted to \$48 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

For FY 2022, actual revenues on a budgetary basis were \$35.2 million compared to the final budget of \$29.6 million, which is \$5.6 million above budget. Building permits exceeded budget by \$1.6 million. Sales tax exceeded budget by \$2.4 million and property tax exceeded budget by \$207 thousand.

For FY 2022, actual expenditures on a budgetary basis were \$27.6 million compared to the final budget of \$30.8, which was \$3.2 million below final budget amounts. Some departments had employee turnover resulting in their personnel services being under budget and savings on other operating expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At the end of 2022, the City had invested \$221.1 million, net of depreciation, in a broad range of capital assets, including land, equipment, buildings, and vehicles. (See Table A-3.) This amount represents a net increase (including additions and deductions) of \$9.3 million or 4.4%. The increase was due in part to large bond projects being completed or underway begun during fiscal year 2022. More detailed information about the City's capital assets can be found in Note G, page 46 - 47.

Table A-3
City of Seguin's Capital Assets

	Governmental		Business-Type		Total		Total
	Activities		Activities				Percentage
	2022	2021	2022	2021	2022	2021	Change
							2021 - 2020
Land	\$ 5,494,955	\$ 4,793,057	\$ 877,233	\$ 877,233	\$ 6,372,188	\$ 5,670,290	12.4%
Buildings and Improvements	42,416,755	39,776,756	39,340,906	39,332,663	81,757,661	79,109,419	3.3%
Improvements Other than Buildings	96,387,811	94,964,416	128,820,152	122,156,119	225,207,963	217,120,535	3.7%
Transportation and Equipment	21,785,314	20,343,135	11,580,325	11,100,722	33,365,639	31,443,857	6.1%
Construction in Progress	20,031,274	13,073,972	19,732,104	18,840,319	39,763,378	31,914,291	24.6%
Totals at Historical Cost	186,116,109	172,951,336	200,350,720	192,307,056	386,466,829	365,258,392	5.8%
Total Accumulated Depreciation	(76,564,945)	(70,603,154)	(88,803,133)	(82,893,861)	(165,368,078)	(153,497,015)	7.7%
Net Capital Assets	\$ 109,551,164	\$ 102,348,182	\$ 111,547,587	\$ 109,413,195	\$ 221,098,751	\$ 211,761,377	4.4%

Long-term debt. At year-end, the City had \$170 million in bonds, loans and capital leases outstanding as shown in Table A-4. This was an increase of \$13.5 million or 8.6% from 2021. This fiscal year, the City issued \$20.3 million in 2022 Certificates of Obligation Bonds along with \$705 thousand in 2021 Tax Notes.

The City's tax-supported debt rating by Fitch is AA with a stable outlook while Standard and Poor rating is AA with a stable outlook. The City's utility system revenue bonds' rating by Fitch is A- with a stable outlook while Standard and Poor rating is A with a stable outlook. The current ratio of net tax-supported debt to assessed value of all taxable property is 6.4%. The pledged revenue coverage for the utility revenue bonds is 2.52.

Table A-4
City of Seguin's Long-Term Debt

	Governmental		Business-Type		Total		Total
	Activities		Activities				Percentage
	2022	2021	2022	2021	2022	2021	Change
							2021 - 2020
Bonds Payable	\$ 38,775,000	\$ 41,160,000	\$ 78,445,000	\$ 68,085,000	\$ 117,220,000	\$ 109,245,000	7.3%
Certificates of Obligation	52,265,000	46,920,000	-	-	52,265,000	46,920,000	11.4%
Tax Anticipation Notes	715,000	255,000	-	-	715,000	255,000	180.4%
Notes Payable	612,362	903,646	-	-	612,362	903,646	-32.2%
Total Bonds & Notes Payable	\$ 92,367,362	\$ 89,238,646	\$ 78,445,000	\$ 68,085,000	\$ 170,812,362	\$ 157,323,646	8.6%

Net Pension Liability. The City's net pension liability is determined annually by an actuarial valuation. The City's net pension liability decreased \$3.7 million, from \$31.2 million to \$27.4 million.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

During the budget process for fiscal year 2022-23, City staff and City Council considered many factors when setting the budget. Staff reviewed all of the fees charged to citizens and customers when using City services. Along with fees, staff also considered the tax rate. They also reviewed expenditures and how the increases may be held to a minimum. The City set a goal to maintain financial stability, a lean organization, a competitively paid staff and investment in capital outlay. This helped to maintain the City's services with the least affect possible on our citizens through taxes, fees, and utility rates.

The projected revenues and expenditures for the General Fund are budgeted to increase by \$5,110,554, or 13.5% above the FY22 budget.

- Property tax revenue is budgeted to increase by \$2,246,826. This is based on increase in values, an increased debt service contribution and the increase above the no new revenue rate.
- Sales tax revenue is budgeted to increase by \$1,956,035. This is based on tax on residential utilities and historical increases.
- Building permit fees are budgeted to increase by \$866,057. This is based on the increase in development throughout the City of Seguin.
- Right of way user fees are budgeted to increase by \$298,652. This is based on increased electric, water and sewer revenues.
- Salaries and benefits are budgeted to increase by \$2,234,425. This includes a 5% cost of living increase effective in January 2023. It also includes the addition of key positions.
- Transfers to Building/Infrastructure Fund is budgeted to increase by \$452,220. This is to establish a fund to provide for future purchases or construction of city buildings or to cover possible budget shortages on future projects.
- Indigent Health Care is budgeted to increase by \$320,226. This represents a 15.2% increase.

The projected revenues and expenditure for the Utility Fund are budgeted to increase by \$3,297,177, or 5.8% above the FY22 budget.

- The projected water revenues are expected to increase by \$2,067,408, which is due to the approved rate adjustments from the updated water rate study and the increase in consumption with the new developments. In addition, our wholesale water contract with NBU will increase by \$519,733.
- Sewer revenues are projected to increase by \$1,269,500 based upon the approved rate adjustments from the updated sewer rate study for FY23 and an increase in the number of customers and increase in water consumption.
- Salaries and benefits are budgeted to increase by \$1,853,047. This includes a 5% cost of living increase effective in January 2023. It also includes the addition of key positions.
- Right of way user fees are budgeted to increase by \$298,652. This is based on increased electric, water and sewer revenues.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, at the City of Seguin, 205 North River Street, Seguin, Texas 78155.

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government – wide financial statements
- Fund financial statements:
 - Governmental funds
 - Proprietary funds
 - Fiduciary funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

CITY OF SEGUIN, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Seguin Economic Development Corporation
ASSETS				
Cash and Cash Equivalents	\$ 4,999,201	\$ 1,078,514	\$ 6,077,715	\$ 35,129
Investments	47,356,221	33,430,473	80,786,694	4,168,810
Receivables (net of allowances for uncollectibles)				
Taxes	3,091,763	-	3,091,763	-
Accounts	1,582,440	7,394,780	8,977,220	3,873
Grants	951,245	-	951,245	-
Miscellaneous	161,447	1,228,708	1,390,155	-
Interfund Receivables/Payables	(129,933)	129,933	-	-
Due From Component Unit/				
Primary Government	-	34,144	34,144	429,935
Inventories	24,905	2,774,800	2,799,705	-
Prepays	595,967	149,494	745,461	-
Restricted Assets:				
Cash and Cash Equivalents	107,408	941,820	1,049,228	-
Investments	13,848,293	46,393,181	60,241,474	-
Notes Receivable	-	1,402,304	1,402,304	41,057
Capital Assets, not depreciated	25,526,229	20,609,337	46,135,566	-
Capital Assets (Net)	84,024,935	90,938,250	174,963,185	2,240,392
Total Assets	182,140,121	206,505,738	388,645,859	6,919,196
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension/OPEB Related Outflows	4,806,451	3,410,003	8,216,454	-
Deferred Charge on Refunding	273,328	114,718	388,046	-
Total Deferred Outflows of Resources	\$ 5,079,779	\$ 3,524,721	\$ 8,604,500	\$ -

See accompanying notes to basic financial statements.

CITY OF SEGUIN, TEXAS
STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Seguin Economic Development Corporation
LIABILITIES				
Accounts Payable and Other Current Liabilities	\$ 5,013,043	\$ 6,934,889	\$ 11,947,932	\$ 75,853
Unearned Revenue	5,843,632	1,535,310	7,378,942	-
Accrued Interest Payable	296,622	-	296,622	-
Due to Component Unit/ Primary Government	341,438	-	341,438	34,144
Customer Deposits	-	601,160	601,160	-
<i>Payable from Restricted Assets:</i>				
Accrued Interest Payable	-	337,396	337,396	-
Current Portion of Long-Term Debt	-	2,705,000	2,705,000	-
<i>Noncurrent Liabilities:</i>				
Due within One Year	5,155,609	241,085	5,396,694	250,000
Due in more than One Year:				
Long-term Debt	94,035,638	78,942,643	172,978,281	911,614
Net Pension Liability	20,882,859	6,564,488	27,447,347	-
Net OPEB Liabilities	1,736,895	696,193	2,433,088	-
Total Liabilities	133,305,736	98,558,164	231,863,900	1,271,611
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension/OPEB Related Inflows	3,418,239	3,158,468	6,576,707	-
Total Deferred Inflows of Resources	3,418,239	3,158,468	6,576,707	-
NET POSITION				
Net Investment in Capital Assets	32,708,778	48,719,693	81,428,471	1,078,778
Restricted for:				
Tourism & Economic Development	1,936,312	-	1,936,312	-
Public Safety	402,959	-	402,959	-
Public Service	275,407	-	275,407	-
Debt Service	1,423,557	3,958,252	5,381,809	-
Impact Fees	-	10,143,253	10,143,253	-
Unrestricted (Deficit)	13,748,912	45,492,629	59,241,541	4,568,807
Total Net Position	\$ 50,495,925	\$ 108,313,827	\$ 158,809,752	\$ 5,647,585

See accompanying notes to basic financial statements.

CITY OF SEGUIN, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Functions and Programs	Expenses		Program Revenues		
	Direct	Indirect Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:					
Governmental Activities:					
General Government	\$ 10,077,455	\$ (6,228,640)	\$ 8,735,593	\$ 2,400,610	\$ 19,573
Public Safety	18,432,214	-	3,915,385	185,559	5,000
Public Service	14,004,359	-	5,985,501	61,527	3,984,418
Interest on Long-term Debt	3,247,737	-	-	-	-
Total Governmental Activities	<u>45,761,765</u>	<u>(6,228,640)</u>	<u>18,636,479</u>	<u>2,647,696</u>	<u>4,008,991</u>
Business-Type Activities					
Utility	51,516,215	6,228,640	66,615,679	-	190,303
Total Business-Type Activities	<u>51,516,215</u>	<u>6,228,640</u>	<u>66,615,679</u>	<u>-</u>	<u>190,303</u>
Total Primary Government	<u>\$ 97,277,980</u>	<u>\$ -</u>	<u>\$ 85,252,158</u>	<u>\$ 2,647,696</u>	<u>\$ 4,199,294</u>
Component Unit:					
Seguin Economic Development Corporation					
	\$ 769,128	\$ -	\$ -	\$ 1,411	\$ -
Total Component Unit	<u>\$ 769,128</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,411</u>	<u>\$ -</u>
General Revenues:					
Taxes					
Property Taxes					
Franchise Taxes					
Sales Taxes					
Occupancy Taxes					
Miscellaneous Revenues					
Gain on Sale of Capital Assets					
Interest and Investment Earnings					
Total General Revenues					
Transfers					
Change in Net Position					
Net Position at Beginning of Year					
Net Position at End of Year					

See accompanying notes to basic financial statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Seguin Economic Development Corporation
\$ 7,306,961	\$ -	\$ 7,306,961	\$ -
(14,326,270)	-	(14,326,270)	-
(3,972,913)	-	(3,972,913)	-
(3,247,737)	-	(3,247,737)	-
<u>(14,239,959)</u>	<u>-</u>	<u>(14,239,959)</u>	<u>-</u>
-	9,061,127	9,061,127	-
-	9,061,127	9,061,127	-
<u>(14,239,959)</u>	<u>9,061,127</u>	<u>(5,178,832)</u>	<u>-</u>
-	-	-	(767,717)
-	-	-	(767,717)
14,480,532	-	14,480,532	-
1,509,595	-	1,509,595	-
10,118,330	-	10,118,330	1,997,377
1,140,613	-	1,140,613	-
555,956	-	555,956	-
207,721	60,144	267,865	-
500,692	533,638	1,034,330	32,039
<u>28,513,439</u>	<u>593,782</u>	<u>29,107,221</u>	<u>2,029,416</u>
<u>(439,999)</u>	<u>439,999</u>	<u>-</u>	<u>-</u>
13,833,481	10,094,908	23,928,389	1,261,699
36,662,444	98,218,919	134,881,363	4,385,886
<u>\$ 50,495,925</u>	<u>\$ 108,313,827</u>	<u>\$ 158,809,752</u>	<u>\$ 5,647,585</u>

CITY OF SEGUIN, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General Fund	2021 Certificates of Obligation	2022 Certificates of Obligation
ASSETS			
Cash and Cash Equivalents	\$ 1,134,859	\$ -	\$ -
Investments	20,513,524	-	-
Receivables (net of allowances for uncollectibles):			
Taxes	2,636,547	-	-
Accounts	1,020,855	-	-
Grants	118,421	-	-
Miscellaneous	365,911	-	-
Inventories	24,905	-	-
Prepaid Items	245,317	-	-
Restricted Assets:			
Cash and Cash Equivalents	-	34,780	44,617
Investments	-	7,292,488	5,137,406
Total Assets	<u>\$ 26,060,339</u>	<u>\$ 7,327,268</u>	<u>\$ 5,182,023</u>
LIABILITIES			
Accounts Payable	\$ 1,194,269	\$ 88,505	\$ 25,899
Accrued Expenditures	955,403	-	-
Due to Other Funds	129,933	-	-
Due to Component Unit	341,438	-	-
Unearned Revenues	369,265	-	-
Due to Others	385,741	-	-
Total Liabilities	<u>3,376,049</u>	<u>88,505</u>	<u>25,899</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	1,162,822	-	-
Total Deferred Inflows of Resources	<u>1,162,822</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
<i>Nonspendable:</i>			
Prepays and Inventory	270,222	-	-
<i>Restricted:</i>			
Tourism & Economic Development	-	-	-
Public Safety	36,886	-	-
Public Service	5,300	-	-
Capital Projects	-	7,238,763	5,156,124
Debt Service	-	-	-
<i>Committed:</i>			
Stabilization Arrangement	2,500,330	-	-
Aquatic/ Golf Fees	-	-	-
<i>Assigned</i>			
	142,121	-	-
<i>Unassigned</i>			
	18,566,609	-	-
Total Fund Balances	<u>21,521,468</u>	<u>7,238,763</u>	<u>5,156,124</u>
TOTAL LIABILITIES, DEFERRED INFLOWS & FUND BALANCES	<u>\$ 26,060,339</u>	<u>\$ 7,327,268</u>	<u>\$ 5,182,023</u>

See accompanying notes to basic financial statements.

Debt Service Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 11,728	\$ 3,715,925	\$ 4,862,512
1,508,491	17,074,965	39,096,980
200,110	255,106	3,091,763
-	1,530,759	2,551,614
-	-	118,421
-	-	365,911
-	-	24,905
-	-	245,317
-	40,117	119,514
-	8,710,887	21,140,781
<u>\$ 1,720,329</u>	<u>\$ 31,327,759</u>	<u>\$ 71,617,718</u>
\$ 150	\$ 2,262,687	\$ 3,571,510
-	39,623	995,026
-	-	129,933
-	-	341,438
-	5,474,366	5,843,631
-	65,197	450,938
<u>150</u>	<u>7,841,873</u>	<u>11,332,476</u>
<u>187,539</u>	<u>-</u>	<u>1,350,361</u>
<u>187,539</u>	<u>-</u>	<u>1,350,361</u>
-	-	270,222
-	1,936,312	1,936,312
-	366,073	402,959
-	270,107	275,407
-	13,791,277	26,186,164
1,532,640	-	1,532,640
-	-	2,500,330
-	512,305	512,305
-	6,609,812	6,751,933
-	-	18,566,609
<u>1,532,640</u>	<u>23,485,886</u>	<u>58,934,881</u>
<u>\$ 1,720,329</u>	<u>\$ 31,327,759</u>	<u>\$ 71,617,718</u>



It's real.

CITY OF SEGUIN, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS		\$ 58,934,881
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		109,551,164
Internal service funds are used by management to charge costs related to employee insurance. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		1,105,602
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		1,350,361
Long-term liabilities, including bonds payable and capital leases, are not due and payable in the current period and, therefore, not reported in the funds:		
General Bonded Debt	91,755,000	
Unamortized Premiums and Deferred Charges	4,804,172	
Capital Leases	612,362	
Net Other Post Employment Benefit Obligations (Net of Deferred Outflows & Inflows)	1,570,156	
Net Pension Liability (Net of Deferred Outflows & Inflows)	19,661,385	
Compensated Absences	1,746,386	(120,149,461)
Accrued interest payable on long-term-bonds is not due and payable in the current period and, therefore, not reported in the funds.		(296,622)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		\$ 50,495,925

See accompanying notes to basic financial statements.

CITY OF SEGUIN, TEXAS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund	2021 Certificates of Obligation	2022 Certificates of Obligation
REVENUES			
Taxes	\$ 19,319,300	\$ -	\$ -
Licenses and Permits	3,827,707	-	-
Intergovernmental	1,260,289	-	-
Charges for Services	9,128,656	-	-
Fines and Forfeits	685,484	-	-
Interest	167,149	60,980	37,406
Miscellaneous	853,899	-	-
Total Revenues	<u>35,242,484</u>	<u>60,980</u>	<u>37,406</u>
EXPENDITURES			
Current:			
General Government	4,717,415	-	33,964
Public Safety	18,070,457	-	-
Public Service	7,202,441	-	-
Nondepartmental	3,884,744	-	-
Indirect Cost Allocation (Recovery)	(6,228,640)	-	-
Capital Projects/Outlay	-	3,127,681	1,347,318
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Bond Issue Costs	-	-	57,608
Total Expenditures	<u>27,646,417</u>	<u>3,127,681</u>	<u>1,438,890</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,596,067</u>	<u>(3,066,701)</u>	<u>(1,401,484)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	18,364	-	-
Transfers Out	(2,904,794)	-	(222,295)
Issuance of Debt	-	-	6,500,000
Premiums on Issuance of Debt	-	-	279,903
Total Other Financing Sources (Uses)	<u>(2,886,430)</u>	<u>-</u>	<u>6,557,608</u>
Net Change in Fund Balance	4,709,637	(3,066,701)	5,156,124
Fund Balances at Beginning of Year	16,811,831	10,305,464	-
Fund Balances at End of Year	<u>\$ 21,521,468</u>	<u>\$ 7,238,763</u>	<u>\$ 5,156,124</u>

See accompanying notes to basic financial statements.

Debt Service Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 6,765,550	\$ 1,144,175	\$ 27,229,025
-	1,850,657	5,678,364
-	6,116,260	7,376,549
-	1,515,115	10,643,771
-	151,862	837,346
28,004	201,175	494,714
-	504,111	1,358,010
<u>6,793,554</u>	<u>11,483,355</u>	<u>53,617,779</u>
-	2,687,369	7,438,748
-	-	18,070,457
-	32,800	7,235,241
-	384,961	4,269,705
-	-	(6,228,640)
-	9,381,250	13,856,249
3,519,800	757,243	4,277,043
3,287,011	99,008	3,386,019
-	10,103	67,711
<u>6,806,811</u>	<u>13,352,734</u>	<u>52,372,533</u>
<u>(13,257)</u>	<u>(1,869,379)</u>	<u>1,245,246</u>
115,000	2,656,311	2,789,675
-	(102,585)	(3,229,674)
-	874,072	7,374,072
-	-	279,903
<u>115,000</u>	<u>3,427,798</u>	<u>7,213,976</u>
101,743	1,558,419	8,459,222
1,430,897	21,927,467	50,475,659
<u>\$ 1,532,640</u>	<u>\$ 23,485,886</u>	<u>\$ 58,934,881</u>



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CITY OF SEGUIN, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 8,459,222

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Current Year Additions	13,393,118	
Current Period Depreciation	<u>(6,190,134)</u>	7,202,984

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Decrease in Unavailable Revenues	182,851
----------------------------------	---------

The issuance of long-term-debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the net effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Proceeds of New Debt	(7,374,072)	
Premiums on Debt Issues	(279,903)	
Principal Payments	4,277,043	
Amortization of Deferred Charges & Premiums	<u>323,552</u>	(3,053,380)

The governmental funds report pension and other postemployment benefit contributions as expenditures when paid. However, in the statement of activities, differences between pension plan and other postemployment benefit contributions and costs for the year are reported as an asset or obligation.

1,283,182

Some expenses reported in the Statement of Activities (including compensated absences and accrued interest expense) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

(122,510)

Internal service funds are used by management to charge the costs of employee insurance to individual funds. The net revenue/(loss) is reported with governmental activities.

(118,868)

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 13,833,481

CITY OF SEGUIN, TEXAS
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
SEPTEMBER 30, 2022

	Business-Type Activities <u>Utility</u> <u>Fund</u>	Governmental Activities <u>Internal Service</u> <u>Funds</u>
ASSETS		
<i>Current Assets</i>		
<i>Cash and Cash Equivalents:</i>		
Restricted Cash	\$ 941,820	\$ -
Unrestricted Cash	1,078,514	124,581
<i>Investments:</i>		
Restricted Investments	46,393,181	-
Unrestricted Investments	33,430,473	966,756
Accounts Receivable (Net)	7,394,780	-
Miscellaneous Receivables	1,228,708	24,040
Due from Other Funds	129,933	
Due from Component Unit	34,144	-
Current Portion of Notes Receivable	306,063	-
Inventories	2,774,800	-
Prepaid Items	149,494	-
<i>Total Current Assets</i>	<u>93,861,910</u>	<u>1,115,377</u>
<i>Noncurrent Assets</i>		
Notes Receivable (Net of Current)	1,096,241	-
	<u>1,096,241</u>	<u>-</u>
<i>Capital Assets (Net)</i>	111,547,587	-
<i>Total Noncurrent Assets</i>	<u>112,643,828</u>	<u>-</u>
Total Assets	<u>206,505,738</u>	<u>1,115,377</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Pension and OPEB Related Outflows	3,410,003	-
Deferred Charge on Refundings	114,718	-
Total Deferred Outflows of Resources	<u>\$ 3,524,721</u>	<u>\$ -</u>

Continued

CITY OF SEGUIN, TEXAS
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (CONTINUED)
SEPTEMBER 30, 2022

	Business-Type Activities Utility Fund	Governmental Activities Internal Service Funds
LIABILITIES		
<i>Current Liabilities:</i>		
Accounts Payable	\$ 3,845,663	\$ 9,775
Accrued Expenses	3,330,311	-
Unearned Revenue	1,535,310	-
Customer Deposits	601,160	-
<i>Current Liabilities</i>	9,312,444	9,775
 <i>Current Liabilities Payable from Restricted Assets:</i>		
Accrued Interest Payable	337,396	-
Current Portion of Long-term Bonds	2,705,000	-
<i>Current Liabilities Payable from Restricted Assets</i>	3,042,396	-
<i>Total Current Liabilities</i>	12,354,840	9,775
 <i>Noncurrent Liabilities:</i>		
Compensated Absences	260,267	-
Total Other Post Employment Benefit Liabilities	696,193	-
Net Pension Liability	6,564,488	-
Revenue & Refunding Bonds Payable	78,682,376	-
<i>Total Noncurrent Liabilities</i>	86,203,324	-
Total Liabilities	98,558,164	9,775
 DEFERRED INFLOWS OF RESOURCES		
Deferred Pension and OPEB Related Inflows	3,158,468	-
Total Deferred Inflows of Resources	3,158,468	-
 NET POSITION		
Net Investment in Capital Assets	48,719,693	-
Restricted for:		
Debt Service	3,958,252	-
Impact Fees	10,143,253	-
Unrestricted	45,492,629	1,105,602
Total Net Position	\$ 108,313,827	\$ 1,105,602

See accompanying notes to basic financial statements.



It's real.

CITY OF SEGUIN, TEXAS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business-Type Activities	Governmental Activities
	Utility Fund	Internal Service Funds
OPERATING REVENUES		
Charges for Utility Service	\$ 64,296,102	\$ -
Charges for Premiums	-	4,608,212
Miscellaneous Revenues	2,319,577	619
Total Operating Revenues	<u>66,615,679</u>	<u>4,608,831</u>
OPERATING EXPENSES		
Administration	2,168,930	4,733,683
Engineering	815,088	
Operation and Maintenance:		
Electric Distribution	22,652,317	-
Utility Services	1,404,383	-
Water Production	7,164,283	-
Water/Sewer Maintenance	8,093,463	-
Sewer	2,487,888	-
Economic Development	507,861	-
Facilities Maintenance	1,115,779	-
Information Technology	864,316	-
City Attorney	155,809	-
Nondepartmental	1,633,851	-
Indirect Cost Allocation	6,228,640	-
Total Operating Expenses	<u>55,292,608</u>	<u>4,733,683</u>
OPERATING INCOME (LOSS)	<u>11,323,071</u>	<u>(124,852)</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Income	533,638	5,984
Gain (Loss) on Sale of Assets	60,144	-
Interest and Fiscal Charges	(2,323,551)	-
Bond Issue Costs	(128,696)	-
Total Nonoperating Revenues (Expenses)	<u>(1,858,465)</u>	<u>5,984</u>
Net Income (Loss) Before Contributions and Transfers	<u>9,464,606</u>	<u>(118,868)</u>
Capital Contributions	190,303	-
Transfers In (Out)	439,999	-
	<u>630,302</u>	<u>-</u>
Change in Net Position	10,094,908	(118,868)
NET POSITION AT BEGINNING OF YEAR	<u>98,218,919</u>	<u>1,224,470</u>
NET POSITION AT END OF YEAR	<u>\$ 108,313,827</u>	<u>\$ 1,105,602</u>

See accompanying notes to basic financial statements.

CITY OF SEGUIN, TEXAS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business-Type Activities	Governmental Activities
	Utility Fund	Internal Service Funds
Cash Flows From Operating Activities:		
Cash Received From Customers	\$ 66,414,497	\$ 4,601,818
Cash Paid for Employee Wages & Benefits	(11,458,594)	-
Cash Paid to Suppliers for Goods & Services	(32,239,586)	(4,729,241)
Cash Paid General Fund for Indirect Costs	(6,228,640)	-
Net Cash Provided (Used) by Operating Activities	<u>16,487,677</u>	<u>(127,423)</u>
Cash Flows From Noncapital Financing Activities:		
Transfers From Other Funds	439,999	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>439,999</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities:		
Purchase/Construction of Capital Assets	(7,996,742)	-
Proceeds from Revenue and Refunding Bonds	13,815,000	-
Premiums on Bonds	594,901	-
Principal Payments on Long-term Bonds	(3,455,000)	-
Interest and Fiscal Charges Paid	(2,454,935)	-
Bond Issue Costs	(128,696)	-
Proceeds from Sale of Capital Assets	60,144	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>434,672</u>	<u>-</u>
Cash Flows From Investing Activities:		
(Purchase) of Investment Securities	(18,332,940)	(346,215)
Investment Interest Received	533,638	5,984
Principal Received on Notes Receivable	294,691	-
Net Cash Provided (Used) by Investing Activities	<u>(17,504,611)</u>	<u>(340,231)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(142,263)</u>	<u>(467,654)</u>
Cash and Equivalents at Beginning of Year:		
Cash and Cash Equivalents	543,395	592,235
Restricted Cash and Cash Equivalents	1,619,202	-
	<u>2,162,597</u>	<u>592,235</u>
Cash and Cash Equivalents at End of Year:		
Cash and Cash Equivalents	1,078,514	124,581
Restricted Cash and Cash Equivalents	941,820	-
	<u>\$ 2,020,334</u>	<u>\$ 124,581</u>

Continued

See accompanying notes to basic financial statements.

CITY OF SEGUIN, TEXAS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business-Type Activities Utility Fund	Governmental Activities Internal Service Funds
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ 11,323,071	\$ (124,852)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation:	6,052,653	-
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(553,608)	(7,013)
Short Term Interfund Advances	(129,933)	-
Inventory/Prepaid Items	(854,030)	-
Net Deferred Pension/OPEB Related Outflows	(674,848)	-
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	976,745	4,442
Accrued Expenses	(119,132)	-
Unearned Revenue	581,514	-
Customer Deposits	(229,088)	-
Total Other Postemployment Benefit Liability	31,563	-
Net Pension Liability	(1,139,913)	-
Net Deferred Pension/OPEB Related Inflows	1,222,683	-
	\$ 16,487,677	\$ (127,423)
Transaction Not Affecting Cash and Cash Equivalents		
Capital Assets Contributed	\$ 190,303	\$ -

See accompanying notes to basic financial statements.

CITY OF SEGUIN, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2022

ASSETS	<u>Custodial Funds</u>
Cash and Cash Equivalents	\$ 6,135
Investments	267,279
Inventory	<u>359,431</u>
Total Assets	<u>632,845</u>
LIABILITIES	
Accounts Payable/ Due to Others	<u>547</u>
Total Liabilities	<u>547</u>
NET POSITION	
Restricted for:	
Individuals Organizations and other governments	<u>632,298</u>
Total Net Position	<u><u>\$ 632,298</u></u>

See accompanying notes to basic financial statements.

CITY OF SEGUIN, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Custodial Funds</u>
ADDITIONS	
Interest	\$ 1,967
Total Additions	<u>1,967</u>
 DEDUCTIONS	
Distributions to Participants	<u>-</u>
Total Deductions	<u>-</u>
 Change in Net Position	 1,967
 Net Position, Beginning of Year	 <u>630,331</u>
 Net Position, End of Year	 <u><u>\$ 632,298</u></u>

See accompanying notes to basic financial statements.



It's real.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Seguin, Texas (“City”) was incorporated in 1853. The City Charter was adopted on December 7, 1971, under the provisions of the Home Rule Charter Act of the State of Texas. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: police and fire protection, health services, maintenance of streets, planning and zoning, parks and recreation, general administrative services, electric, water, and wastewater services.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below:

1. REPORTING ENTITY

Component Units

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government’s operations; thus, data from these units, if any existed, would be combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

The Seguin Economic Development Corporation, a nonprofit corporation, was incorporated under the Development Corporation Act of 1979, Texas Revised Civil Statutes Annotated, Article 5190.6, Section 4A. The Corporation is organized exclusively for public purposes of the City of Seguin, and the City Council appoints directors of the Corporation. It receives all proceeds from the 0.25% sales tax adopted in 1994 for economic development in Seguin. The corporation meets the criteria of a discretely presented component unit, described above, and is presented in the government-wide financial statements. Complete financial statements for the Seguin Economic Development Corporation may be obtained at City Hall.

Joint Ventures

A joint venture is a legally separate entity that results from a contractual arrangement and that is owned, operated, or governed by two or more participating governments. The following entities meet the criteria as joint ventures:

The Guadalupe Regional Medical Center is a joint venture between the City of Seguin and Guadalupe County. Each participating government appoints one-half of the board of directors and approves annual budgets. In addition, the participating governments are financially responsible for indigent health care provided by the hospital, and are contingently liable for hospital debts. Separate financial statements of the Guadalupe Regional Medical Center may be obtained by contacting the hospital administrator.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. REPORTING ENTITY (Continued)

Joint Ventures (Continued)

The Schertz/Seguin Local Government Corporation is a public, nonprofit corporation organized to aid, assist, and act on behalf of the cities of Schertz and Seguin in acquiring, constructing, maintaining, and operating a water utility system. The participating governments have an ongoing financial responsibility to fund the operation of the corporation through either purchase of services or by subsidizing the operations. Separate financial statements for the Schertz/Seguin Local Government Corporation may be obtained at City Hall.

Summarized financial data for joint ventures is provided in Note M.

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The **government-wide financial statements** include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the City and its component unit (except for City fiduciary activity). The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services. The primary government is reported separately from the component unit within the government-wide statements.

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate **fund financial statements** are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund, 2021 Certificates of Obligation, 2022 Certificates of Obligation, and Debt Service Fund meet criteria as **major governmental funds**. Each major fund is reported in separate columns in the fund financial statements. Nonmajor funds include other Special Revenue and Capital Projects Funds. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for nonmajor funds are presented in the Combining Fund Statements and Schedules as "Supplementary Information".

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. 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. This measurement focus is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Major revenue types, which have been accrued, are revenue from investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as *program revenues* and *general revenues*. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes and grants not restricted to specific programs and investment earnings.

Governmental fund level financial statements are reported using 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

The government reports the following major governmental funds:

The General Fund is the general operating fund of the City and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for general administration, public safety, public service and capital acquisition. Nondepartmental expenses include insurance costs, professional services and miscellaneous costs that do not benefit any one department, as well as contributions to the Guadalupe Regional Medical Center.

2021 Certificates of Obligation Capital Projects Fund will account for the proceeds of the Certificates of Obligation and the costs of the capital projects to be funded.

2022 Certificates of Obligation Capital Projects Fund will account for the proceeds of the Certificates of Obligation and the costs of the capital projects to be funded.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

Debt Service Fund accounts for ad valorem tax and contributions from the component unit to support city bonded debt.

Nonmajor funds include Special Revenue Funds (other than major projects and grants) and Capital Projects Funds.

Proprietary fund level financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position and cash flows. The City's Proprietary Fund is the Utility Fund (used to account for the provision of electric, water and sewer services to residents) and the Internal Service Funds used to account for the City's group medical insurance program and workers compensation benefits.

Revenues are derived from charges for services for utilities, city contributions, employee and retiree/cobra premiums, and investment of idle funds. Expenses are charges incurred for operating, purchases of electricity and water, premiums and administrative expenses for insurance.

The **Proprietary Funds** are accounted for using the accrual basis of accounting as follows:

Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred. Current-year contributions, administrative expenses and benefit payments, which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Fiduciary fund level financial statements are used to account for resources held for others. The City's custodial funds hold donations intended for scholarships, Riverside Cemetery, and assets seized and held on behalf of other governments and/or plaintiffs.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash deposits and investments with a maturity date within three (3) months of the date acquired by the City.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. INVESTMENTS

State statutes authorize the City to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d). Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations. Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAAM (or equivalent) rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one-half of one percent of the value of its shares.

The City reports investments at fair value based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: 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 are stated at fair value (plus accrued interest) except for money market investments and participating interest-earning investment contracts (U.S. Treasuries) that have a remaining maturity at time of purchase of one year or less. Those investments are stated at amortized cost. Likewise, certificates of deposit are stated at amortized cost (see Note B).

6. ACCOUNTS RECEIVABLE

Property taxes are levied based on taxable value at January 1 and become due October 1, 2021 and past due after January 31, 2022. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectible in the amount of \$27,616.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the City. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. ACCOUNTS RECEIVABLE (Continued)

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred revenue in the fund statements. Receivables are shown net of an allowance for uncollectibles.

7. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the fund statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

8. INVENTORIES & PREPAID ITEMS

Inventories of consumable supplies are valued at cost, which approximates market, using the first in/first out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

Inventories of repair and replacement parts for the utility system are valued at cost, which approximates market, using the moving average cost method.

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 and in the fund financial statements are offset by a reservation of fund balance which indicates they do not represent “available spendable resources.”

9. RESTRICTED ASSETS

Certain proceeds of General Obligation Bonds, Enterprise Fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Funds are segregated to report those proceeds of revenue bond issuances that are restricted for use in construction. Funds are also segregated to provide for debt service as provided under bond indenture agreements.

10. CAPITAL ASSETS

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, such as equipment, are defined as assets with a cost of \$5,000 or more. Infrastructure assets include City-owned streets, sidewalks, curbs and bridges.

CITY OF SEGUIN, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. CAPITAL ASSETS (Continued)

Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation, with the exception of works of art and capital assets received in a service concession arrangement. Those assets are reported at acquisition value rather than fair value.

The Costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

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

ASSETS	YEARS
Buildings and improvements	20 to 40 years
Improvements other than buildings	20 to 40 years
Utility system in service	20 to 67 years
Machinery and equipment	5 to 15 years

11. 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, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category: deferred pension and other post employment benefits related costs which will be included in the subsequent actuarial valuation, and deferred charge on refundings reported in the government-wide statement of net position, as well as the Proprietary Fund statement of position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. Unavailable revenue is reported only in the governmental funds balance sheet under a modified accrual basis of accounting. Deferred inflows for pension and other post employment benefits are deferred and will be recognized in a subsequent actuarial valuation. Unavailable revenues from property tax and EMS receivables are deferred and recognized as an inflow of resource in the period the amounts become available.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. COMPENSATED ABSENCES

The City permits employees to accumulate earned but unused vacation pay benefits up to the amount earned in two years. Upon resignation, an employee may receive pay for any unused accrued vacation provided the employee gives two weeks written notice of the resignation and is not subject to discharge for misconduct. Unused sick leave may be accumulated to certain limits. In the event of termination, no reimbursement is made for accumulated sick leave. No liability is reported for unpaid accumulated sick leave. Liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued in the government-wide statements.

13. UNEARNED REVENUE

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Grant and reimbursement revenues received in advance of expenses/expenditures are reflected as unearned revenue.

14. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities or proprietary fund type statement of net position. On new bond issues, bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

15. PENSIONS

The net pension liability, deferred outflows and inflows related to pensions, and pension expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS), and additions to and deductions from TMRS' fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. OTHER POST-EMPLOYMENT BENEFITS

The fiduciary net position of the Texas Municipal Retirement System (TMRS) and the City's Retiree Health Insurance have 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 or deductions from the fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as both OPEBs are pay-as-you-go plans.

17. FUND EQUITY

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – pre-paid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the city council – the government's highest level of decision making authority. The City Council is the highest level of decision-making authority for the city that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (by adoption of another ordinance) to remove or revise the limitation.

The City Council adopted an ordinance in March 2012 establishing an *emergency fund stabilization arrangement*. The Ordinance requires additions to the fund in the event the fund balance falls below \$2,000,000. Additions are to come from interest earnings, direct transfers from the General Fund and/or Utility Fund, or reimbursements from insurance or grants for expenditures incurred by the fund. The stabilization fund may be expended on recovery efforts for public infrastructure damage that occurs as a result of a disaster declared by the federal or state governments.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. FUND EQUITY (Continued)

Assigned fund balance. This classification reflects the amounts constrained by the city's "intent" to be used for specific purposes, but are neither restricted nor committed. The City Council has designated the City Manager as the responsible agent for assigning fund balances. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

As of September 30, 2022, the City Manager had assigned fund balances for the following:

- Excess recycling fees over expenditures were assigned for future expenditures associated with "green" waste disposal (\$1,348), also favorable budget variances for street maintenance were assigned for future street projects (\$140,773).
- Funds set aside in nonmajor capital project funds that are not otherwise restricted by bond covenants are assigned for specific capital projects.

Total assigned funds in the General Fund were \$142,121. Total assigned balances in nonmajor capital project funds were \$6,545,661.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

The City Council has set a General Fund minimum fund balance target at three months of expenditures and recurring transfers. No other fund balance policies exist.

18. NET POSITION

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

19. INTERFUND TRANSACTIONS

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

The City allocates to the Utility (Proprietary) Fund an indirect cost percentage of general government administration expenses that are paid through the General Fund. During the year ended September 30, 2022, the City allocated \$6,228,640 as a transfer for such services. The indirect cost allocation is reflected as an operating expense in the Utility Fund, and a reduction of current expenditures in the General Fund, and in a separate column in the Statement of Activities.

20. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise. For the City, those revenues are charges for electric, water, and sewer services and premiums for employee insurances. Operating expenses are the necessary costs incurred to provide the service that is the primary activity. Revenues and expenses not meeting these definitions are reported as nonoperating.

21. USE OF ESTIMATES

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

22. COMPARATIVE DATA/RECLASSIFICATIONS

Comparative data for the prior year has been provided for the General Fund and Utility Fund in the fund financial statements in order to provide an understanding of the changes in the financial position and operation of these funds. Certain reclassifications have been made to the 2021 financial statements to conform to the 2022 financial statement presentation. The reclassifications had no effect on the changes in financial position.

23. CHANGES IN ACCOUNTING POLICIES

As of October 1, 2021, the City implemented Governmental Accounting Standard Board Statement No. 87 regarding leases (contracts that confer the right to use an asset). The City performed an evaluation of its significant contracts and found no leases at this time that would require changes in their treatment or disclosure.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE B -- DEPOSITS AND INVESTMENTS

As of September 30, 2022, the City of Seguin had the following investments:

Investment Type	Fair Value	Input Level	Weighted Average Maturity (Days)	Rating	Agency
<i>Primary Government</i>					
Local Government Investment Pools:					
TexPool	\$ 21,776,851	1	4	AAAm	Standard & Poor's
Texas Class	21,147,516	1	4	AAAm	Standard & Poor's
LOGIC	84,435,644	1	13	AAAm	Standard & Poor's
U.S. Treasury Money Market	13,935,435	1	43	AA+	Standard & Poor's
	<u>\$ 141,295,446</u>				
Portfolio Weighted Average Maturity			32		
<i>Component Unit</i>					
Local Government Investment Pools:					
TexPool	\$ 1,193,688	1	7	AAAm	Standard & Poor's
Texas Class	\$ 755,268	1	4	AAAm	Standard & Poor's
LOGIC	2,219,854	1	10	AAAm	Standard & Poor's
	<u>\$ 4,168,810</u>				
Portfolio Weighted Average Maturity			21		

Investment Rate Risk. The City and component unit manage exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year.

Credit Risk. The City's investment policy limits investments to obligations of the United States (up to 95% of total invested funds) or its agencies and instrumentalities (maximum 80% of funds); direct obligations of the State of Texas; obligations of states, agencies, contracts, cities, and other political subdivisions rated as to investment quality of not less than AAA by a nationally recognized investment firm. U.S. Government Securities are not considered to have credit risk and do not require disclosure of credit quality.

The City may also invest funds in government investment pools provided the pool maintains a AAA rating, the pool maintains a stable asset value, and the average dollar weighted maturity does not exceed 90 days. As of September 30, 2022, the investments in TexPool, Texas Class, and LOGIC were rated AAAm by Standard & Poor's. The City may invest in Money Market Mutual funds that are regulated by the SEC and have a dollar weighted average stated maturity of 90 days or less and maintain a net asset value of \$1.00 per share.

The City's and Component Units' investments in pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Texpool, Texas Class, and Logic Pools operate in a manner consistent with Rule 2a7. Therefore, the investments are reported at \$1 per share, which approximates fair value. There was no change in fair value of the investment pools for the year ended September 30, 2022. There are no limitations or restrictions on participant withdrawals.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE B -- DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of September 30, 2022, the government's deposits were fully collateralized or insured by FDIC.

The Component Unit had deposits that were fully insured by FDIC.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2022, the City and the Component Unit were not exposed to custodial credit risk.

Concentration of Credit Risk – Thirteen percent of the City's investment is held in U.S. Treasury Money Market Fund.

NOTE C -- PROPERTY TAX CALENDAR

The City's property tax is levied and becomes collectible each October 1 based on the assessed values listed as of the prior January 1, which is the date a lien attaches to all taxable property in the City. Assessed values are established by the Guadalupe County Appraisal District at 100% of estimated market value. Assessed values are reduced by lawful exemptions to arrive at taxable values. A revaluation of all property is required to be completed every four (4) years. The total taxable value as of January 1, 2021, upon which the fiscal 2022 levy was based, was \$2,808,550,488 (i.e., market value less exemptions). The estimated market value was \$3,907,369,976 making the taxable value 72% of the estimated market value.

The City is permitted by the Constitution of the State of Texas to levy taxes up to \$2.50 per \$100 of taxable assessed valuation for all governmental purposes. Pursuant to a decision of the Attorney General of the State of Texas, up to \$1.50 per \$100 of assessed valuation may be used for the payment of long-term debt. The combined tax rate to finance general governmental services, including the payment of principal and interest on long-term debt, for the year ended September 30, 2022, was \$0.5412 per \$100 of assessed value, which means that the City has a tax margin of \$1.9588 for each \$100 value and could increase its annual tax levy by approximately \$55,013,887 based upon the present assessed valuation of \$2,808,550,488 before the limit is reached. However, the City may not adopt a tax rate that exceeds the tax rate calculated in accordance with the Texas Property Tax Code without holding a public hearing. The Property Tax Code subjects an increase in the no new revenue tax rate to a referendum election, if petitioned by registered voters, when the no new revenue rate increase is more than three and a half percent (3.5%) of the previous year's effective tax rate.

Property taxes are recorded as receivables and unearned revenues at the time the taxes are assessed. In governmental funds, revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with generally accepted accounting principles have been recognized as revenue. In the government-wide financial statements, the entire levy is recognized as revenue, net of estimated uncollectible amounts (if any), at the levy date.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE D -- INTERFUND RECEIVABLE/PAYABLE

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds had not been paid or received as of September 30, 2022, balances of interfund amounts receivable or payable have been recorded as follows:

	Due From	Due To
General Fund		
Enterprise Fund	\$ -	\$ 129,933
Enterprise Fund		
General Fund	129,933	-
Totals	\$ 129,933	\$ 129,933
	Due From	Due To
Primary Government		
General Fund	\$ -	\$ 341,438
Enterprise Fund	439,999	-
	439,999	341,438
Component Unit		
General Fund	341,438	-
Enterprise Fund	-	439,999
	341,438	439,999
Totals	\$ 781,437	\$ 781,437

NOTE E -- NOTES RECEIVABLE

Primary Government

The City loaned money to the Seguin Economic Development Corporation (component unit) to purchase land to be sold and/or developed for economic development in the city. The note receivable, in the amount of \$1,161,614, is to be repaid in annual installments of \$250,000 each beginning May 1, 2020 thru May 1, 2027. The note is interest free, but carries acceleration clauses and interest at the maximum rate allowed by law in the event of default. The loan was fully paid in December 2022.

The City sold property located at 2460 Crossroads Blvd, consisting of a 49,120 square foot building and improvements, to Pure and Gentle Soap Products, Inc. The original term of the note was for twenty (20) years and carried interest at 5.75%. Payments are due monthly with 40 payments remaining, for a total outstanding balance of \$248,870.

Component Unit

The SEDC (Component Unit) provides incentives in the form of grants and notes receivable to area businesses in conjunction with its function of generating economic development. One note receivable was outstanding at September 30, 2022 and matures in 2026 with a 3% annual interest rate.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE E -- NOTES RECEIVABLE (CONTINUED)

Component Unit (Continued)

In addition, SEDC provided an interest-free loan to a local distillery for a period of 10 years. The note calls for forgiveness of partial payments if certain grant conditions are met. The note calls for monthly payments in the amount of \$4,500. The balance remaining on the note is \$34,883.

Requirements to amortize notes receivable for the primary government and component unit are as follows:

Fiscal Year	Primary Government			Component Unit		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 306,063	\$ 49,922	\$ 355,985	\$ 6,291	\$ 160	\$ 6,451
2024	320,419	35,566	355,985	6,345	106	6,451
2025	338,546	17,440	355,986	6,401	50	6,451
2026	275,656	1,002	276,658	5,143	12	5,155
2027	161,620	-	161,620	4,500	-	4,500
Thereafter	-	-	-	12,377	-	12,377
	<u>\$ 1,402,304</u>	<u>\$ 103,930</u>	<u>\$ 1,506,234</u>	<u>\$ 41,057</u>	<u>\$ 328</u>	<u>\$ 41,385</u>

NOTE F – SUMMARY OF PENSION AND OPEB LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES AND EXPENSES

	Net Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources	Expenditures
Pension	\$ 27,447,347	\$ 7,878,033	\$ 6,480,253	\$ 4,346,785
Retiree Health OPEB	723,000	64,161	28,772	41,203
TMRS SDBF OPEB	1,710,088	274,260	67,682	145,263
Subtotal OPEB	<u>2,433,088</u>	<u>338,421</u>	<u>96,454</u>	<u>186,466</u>
Total	<u>\$ 29,880,435</u>	<u>\$ 8,216,454</u>	<u>\$ 6,576,707</u>	<u>\$ 4,533,251</u>

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE G -- CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022, was as follows:

<u>Business-Type Activities</u>	Balance 10/1/2021	Additions	Disposals	Transfers/ Adjustments	Balance 9/30/2022
Land	\$ 877,233	\$ -	\$ -	\$ -	\$ 877,233
Construction in Progress	18,840,319	5,536,461	-	(4,644,676)	19,732,104
Total Assets Not Depreciated	19,717,552	5,536,461	-	(4,644,676)	20,609,337
Buildings and Improvements	39,332,663	8,243	-	-	39,340,906
Utility System	122,156,119	2,019,357	-	4,644,676	128,820,152
Transportation and Equipment	11,100,722	622,984	(143,381)	-	11,580,325
Totals at Historical Cost	192,307,056	8,187,045	(143,381)	-	200,350,720
Buildings and Improvements	(21,110,929)	(546,149)	-	-	(21,657,078)
Improvement Other Than Buildings	(53,623,665)	(4,350,185)	-	-	(57,973,850)
Transportation and Equipment	(8,159,267)	(1,156,319)	143,381	-	(9,172,205)
	(82,893,861)	(6,052,653)	143,381	-	(88,803,133)
Business-Type Capital Assets, Net	<u>\$ 109,413,195</u>	<u>\$ 2,134,392</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,547,587</u>
<u>Discretely Presented Component Unit</u>					
Land	\$ 2,170,638	\$ -	\$ -	\$ -	\$ 2,170,638
Buildings and Improvements	89,547	-	-	-	89,547
Accumulated Depreciation	(18,073)	(1,720)	-	-	(19,793)
	<u>\$ 2,242,112</u>	<u>\$ (1,720)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,240,392</u>

Primary Government

Depreciation Expense was charged to functions as follows:

<i>Governmental Activities:</i>	
General Government	\$ 49,869
Public Safety	1,339,383
Public Service	4,347,071
Nondepartmental	453,811
<i>Total Governmental Activities</i>	<u>\$ 6,190,134</u>
 <i>Business-Type Activities:</i>	
Engineering	\$ 6,721
Electric	1,375,946
Water Production	1,072,722
Water Distribution	2,486,501
Sewer Plant	667,546
Other	443,217
<i>Total Business-Type Activities</i>	<u>\$ 6,052,653</u>

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE H – NOTES PAYABLE

The City has entered into notes payable agreement to finance the acquisition of public safety, public works and golf equipment.

Year Ending September 30,	Notes Payable		
	Governmental Activities		Total
	Principal	Interest	
2023	\$ 258,504	\$ 21,151	\$ 279,655
2024	343,887	8,049	351,936
2025	2,809	353	3,162
2026	7,162	222	7,384
	\$ 612,362	\$ 29,775	\$ 642,137

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE I -- LONG-TERM DEBT

Bonded debt and obligations payable at September 30, 2022, comprise the following individual issues:

General Obligation Bonds:

\$19,785,000 2014 General Obligation Bonds due in annual installments of \$200,000 to \$4,130,000 through September 1, 2034; interest at 3.0 to 6.0%	\$ 17,340,000
\$8,465,000 2014 General Obligation Refunding Bonds due in annual installments of \$100,000 to \$1,170,000 through September 1, 2026; interest at 2.0% - 4%	4,015,000
\$9,370,000 2015 General Obligation Refunding Bonds due in annual installments of \$100,000 to \$1,945,000 through September 1, 2028; interest at 2.0% - 5.0%	6,945,000
\$8,370,000 2019 General Obligation Refunding Bonds due in annual installments of \$45,000 to \$2,585,000 through March 1, 2031; interest at 3.0% - 5.0%	8,200,000
\$2,920,000 2021 General Obligation Bonds due in annual installments of \$50,000 to \$1,225,000 through September 1, 2031; interest at 1%	2,275,000
<i>Total General Obligation Bonds</i>	38,775,000

Certificates of Obligation

\$2,500,000 2013 Certificates of Obligation due in annual installments of \$100,000 to \$200,000 through September 1, 2028; interest at 2.7%	1,000,000
\$12,445,000 2016 Certificates of Obligation due in annual installments of \$100,000 to \$4,305,000 through September 1, 2036; interest at 3.0% to 5.0%	11,500,000
\$8,800,000 2016A Certificates of Obligation due in annual installments of \$100,000 to \$4,200,000 through September 1, 2037; interest at 3.5% to 5.5%	8,050,000
\$6,450,000 2018 Certificates of Obligation due in annual installments of \$200,000 to \$1,430,000 through September 1, 2038; interest at 3.5% to 5.5%	5,650,000
\$9,170,000 2020 Certificates of Obligation due in annual installments of \$45,000 to \$1,765,000 through September 1, 2040; interest at 3.5% to 5.0%	8,725,000
\$10,970,000 2021 Certificates of Obligation due in annual installments of \$130,000 to \$2,240,000 through September 1, 2040; interest at 2.5% to 5.0%	10,840,000
\$6,500,000 2022 Certificates of Obligation due in annual installments of \$50,000 to \$1,800,000 through September 1, 2042; interest at 3.0% to 4.0%	6,500,000
<i>Total Certificate of Obligations</i>	52,265,000

Tax Anticipation Notes

\$775,000 Tax Notes, Series 2017 due in annual installments of \$85,000 to \$135,000 through February 2024; interest at 1.785%	170,000
\$705,000 Tax Notes, Series 2021 due in annual installments of \$135,000 to \$160,000 through February 2026; interest at 0.8% to 1.25%	545,000
<i>Total Tax Anticipation Notes</i>	715,000

Total Governmental Bonded Debt	\$ 91,755,000
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CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE I -- LONG-TERM DEBT (CONTINUED)

Utility Fund Revenue Bonds/Certificates of Obligation:

\$21,405,000 Utility System Revenue, Series 2014, due in annual installments of \$190,000 to \$2,335,000 through February 1, 2037; interest at 3.0% to 5.0%.	\$	18,580,000
\$4,430,000 Utility System Revenue, Series 2016, due in annual installments of \$100,000 to \$345,000 through February 1, 2037; interest at 3.0% to 5.0%.		3,830,000
\$8,415,000 Utility System Revenue, Series 2017, due in annual installments of \$190,000 to \$620,000 through February 1, 2037; interest at 3.0% to 4.0%.		7,450,000
\$9,900,000 Utility System Revenue, Series 2018, due in annual installments of \$125,000 to \$3,380,000 through February 1, 2038; interest at 3.25% to 5.0%.		9,360,000
\$3,550,000 Utility System Revenue, Series 2020, due in annual installments of \$120,000 to \$245,000 through February 1, 2034; interest at 3.25% to 5.0%.		3,185,000
\$14,240,000 Utility System Revenue, Series 2021, due in annual installments of \$125,000 to \$1,100,000 through February 1, 2051; interest at 0.8% to 2.19%.		13,140,000
\$13,815,000 Certificates of Obligation, Series 2022, due in annual installments of \$100,000 to \$1,000,000 through February 1, 2051; interest at 3.0% to 4.0%.		13,815,000
		<u>69,360,000</u>

Total Utility Revenue Bonds

General Obligation Bonds - Utility Portion

\$5,385,000 2015 General Obligation Refunding Bonds due in annual installments of \$25,000 to \$1,025,000 through September 1, 2026; interest at 2.0% to 5.0%		2,285,000
\$6,200,000 2019 General Obligation Refunding Bonds due in annual installments of \$5,000 to \$980,000 through March 1, 2031; interest at 3.0% to 5.0%		6,175,000
\$1,240,000 2021 General Obligation Refunding Bonds due in annual installments of \$50,000 to \$1,225,000 through September 1, 2031; interest at 1.0%		625,000
		<u>9,085,000</u>

Total GO Refunding Bonds

Total Business-Type Bonded Debt	\$	<u>78,445,000</u>
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The City is required by the revenue bond ordinances to establish certain accounts to maintain and operate the Utility System and to provide for the payment of bond principal and interest. A reserve fund is not required as long as the net revenues for each fiscal year are equal to at least 110% of the average annual debt service requirements of all bonds similarly secured (*Springing Reserve Fund Covenant*). The City is in compliance with the Covenant and, accordingly, a reserve fund is not maintained.

The annual requirements to amortize all bonded debt and obligations outstanding as of September 30, 2022, including interest payments, are as follows:

Year Ending September 30,	Public Offerings			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 3,955,000	\$ 3,338,121	\$ 2,580,000	\$ 2,443,375
2024	4,360,000	3,211,961	2,645,000	2,344,700
2025	4,205,000	3,061,698	2,760,000	2,211,500
2026	4,350,000	2,914,398	2,845,000	2,096,850
2027	4,405,000	2,745,825	2,940,000	1,967,950
2028-2032	24,885,000	10,800,431	16,175,000	7,940,199
2033-2037	28,855,000	5,738,400	19,475,000	4,703,348
2038-2042	16,740,000	1,288,250	7,570,000	2,161,978
2043-2047	-		4,715,000	1,273,800
2048-2051	-		3,600,000	360,000
	<u>\$ 91,755,000</u>	<u>\$ 33,099,084</u>	<u>\$ 65,305,000</u>	<u>\$ 27,503,700</u>

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE I -- LONG-TERM DEBT (CONTINUED)

Year Ending September 30,	Private Placement			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ -	\$ -	\$ 125,000	\$ 155,919
2024	-	-	200,000	154,519
2025	-	-	200,000	152,919
2026	-	-	200,000	151,319
2027	-	-	200,000	149,719
2028-2032	-	-	1,000,000	724,565
2033-2037	-	-	1,000,000	681,255
2038-2042	-	-	3,160,000	578,028
2043-2047	-	-	3,845,000	345,816
2048-2051	-	-	3,210,000	87,510
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,140,000</u>	<u>\$ 3,181,569</u>

Changes in Long-Term Liabilities

	Balance 10/1/2021	Additions	Reductions	Balance 9/30/2022	Due Within One Year
<i>Governmental Activities</i>					
General Obligation Bonds	\$ 41,160,000	\$ -	\$ (2,385,000)	\$ 38,775,000	\$ 2,480,000
Bond Premiums	5,189,556	279,903	(391,961)	5,077,498	-
Certificates of Obligation	46,920,000	6,500,000	(1,155,000)	52,265,000	1,255,000
Tax Anticipation Notes	255,000	705,000	(245,000)	715,000	220,000
Notes Payable	903,646	200,759	(492,043)	612,362	258,504
Net Pension Liability	23,481,742	7,613,991	(10,212,874)	20,882,859	-
Net OPEB Liability -SDBF	1,167,148	89,454	(38,660)	1,217,942	-
Net OPEB Liability -Retiree Health	493,319	77,616	(51,982)	518,953	-
Compensated Absences	1,741,447	942,105	(937,166)	1,746,386	942,105
<i>Total Governmental Activities</i>	<u>121,311,858</u>	<u>16,408,828</u>	<u>(15,909,686)</u>	<u>121,811,000</u>	<u>5,155,609</u>
<i>Business-Type Activities</i>					
<i>Private Placement</i>					
TWDB Utility System Revenue Bonds	14,240,000	-	(1,100,000)	13,140,000	125,000
<i>Public Offering</i>					
Revenue Bonds	43,580,000	13,815,000	(1,175,000)	56,220,000	1,360,000
General Obligation Refunding Bonds	10,265,000	-	(1,180,000)	9,085,000	1,220,000
Bond Premiums	2,642,064	594,901	(294,589)	2,942,376	-
Net Pension Liability	7,704,401	2,537,997	(3,677,910)	6,564,488	-
Net OPEB Liability -SDBF	469,867	29,818	(7,539)	492,146	-
Net OPEB Liability -Retiree Health	194,763	28,707	(19,423)	204,047	-
Compensated Absences	532,279	330,495	(306,018)	556,756	296,489
<i>Total Business-Type Activities</i>	<u>79,628,374</u>	<u>17,336,918</u>	<u>(7,760,479)</u>	<u>89,204,813</u>	<u>3,001,489</u>
Total Primary Government	<u>\$ 200,940,232</u>	<u>\$ 33,745,746</u>	<u>\$ (23,670,165)</u>	<u>\$ 211,015,813</u>	<u>\$ 8,157,098</u>

Compensated absences for governmental activities are generally liquidated by the general fund.

CITY OF SEGUIN, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2022

NOTE I -- LONG-TERM DEBT (CONTINUED)

Tax Notes, Series 2021, were issued in the amount of \$705,000 to fund various equipment and improvements.

Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2022, were issued in the amount of \$20,315,000 to fund, \$6,500,000 to the governmental activities and \$13,815,000 to the business type activities. The bonds are to fund permanent public improvements for the water and wastewater utility systems, constructing street and bridge improvements, fire-fighting and other public safety equipment and vehicles, to include a fire truck, professional services and various other materials, supplies, equipment machinery and drainage improvements.

Component Unit

The component unit received a loan from the City to fund the purchase of approximately 60 acres to be used or developed for economic development in the City. The note is to be repaid in 7 (5 remaining) annual installments of \$250,000 beginning May 1, 2020, and carries no interest (see Note E).

Long-term debt activity for the component unit is summarized as follows:

	Balance Outstanding 10/1/2021	Increases	Decreases	Balance Outstanding 9/30/2022
Notes Payable	\$ 1,411,614	\$ -	\$ (250,000)	\$ 1,161,614

Annual requirements to amortize the notes payables as of September 30, 2022 are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 250,000	\$ -	\$ 250,000
2024	250,000	-	250,000
2025	250,000	-	250,000
2026	250,000	-	250,000
2027	161,614	-	161,614
	\$ 1,161,614	\$ -	\$ 1,161,614

NOTE J -- EMPLOYEES' RETIREMENT SYSTEMS

Texas Municipal Retirement System

Plan Description

The City participates as one of 901 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the state of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of the system with a six-member, Governor-appointed Board of Trustee, however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available

CITY OF SEGUIN, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2022

NOTE J -- EMPLOYEES' RETIREMENT SYSTEMS (CONTINUED)

Texas Municipal Retirement System (Continued)

Plan Description (Cont.)

Annual Comprehensive Financial Report (AFCR) that can be obtained at www.tmr.com. All eligible employees of the City are required to participate in TMRS retirement system

Benefits Provided

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

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

At the December 31, 2021 valuation and measurement dates, the following employees were covered by the benefit terms:

	Plan Year 2020	Plan Year 2021
Inactive employees or beneficiaries		
currently receiving benefits	265	272
Inactive employees entitled to but not		
yet receiving benefits	228	243
Active employees	412	415
	905	930

Contributions

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

For the year ending September 30, 2022, employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 22.22% and 21.79% in calendar years 2021 and 2022, respectively. The City's contributions to TMRS for the year ended September 30, 2022 were \$5,978,022, and were equal to the required contributions. The General fund is used to liquidate pension liabilities for governmental activities.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE J -- EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Texas Municipal Retirement System (Continued)

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2021, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Salary Increases	2.75% per year
Investment Rate of Return*	6.75%

* Presented net of pension plan investment expense, including inflation

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

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation study covering 2009 through 2011 and dated December 31 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE J -- EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Texas Municipal Retirement System (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by adding the expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in the fiscal year 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Global Equity	30.00%	7.80%
Core Fixed Income	10.00%	3.80%
Non-Core fixed Income	20.00%	6.60%
Real Return	10.00%	6.50%
Real Estate	10.00%	6.40%
Hedge Funds	10.00%	6.00%
Private Equity	10.00%	10.30%
	<u>100.00%</u>	

Discount Rate

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

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE J -- EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Texas Municipal Retirement System (Continued)

Changes in the Net Pension Liability

The below schedule presents the changes in the Net Pension Liability as of December 31, 2021:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2020:	\$ 128,315,012	\$ 97,128,869	\$ 31,186,143
Changes for the year:			
Service Cost	4,358,069	-	4,358,069
Interest	8,598,348	-	8,598,348
Change of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	3,417,803	-	3,417,803
Changes of Assumptions	-	-	-
Contributions - Employer	-	5,702,964	(5,702,964)
Contributions - Employee	-	1,796,613	(1,796,613)
Net Investment Income	-	12,671,624	(12,671,624)
Benefit Payments, Including Refunds of Employee Contributions	(6,222,232)	(6,222,232)	-
Administrative Expense	-	(58,587)	58,587
Other Changes	-	402	(402)
Net Changes	10,151,988	13,890,784	(3,738,796)
Balance at December 31, 2021:	<u>\$ 138,467,000</u>	<u>\$ 111,019,653</u>	<u>\$ 27,447,347</u>

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

	Discount Rate		
	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$ 48,156,013	\$ 27,447,347	\$ 10,636,905

Pension Plan Fiduciary Net Position

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

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE J -- EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Texas Municipal Retirement System (Continued)

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

For the year ended September 30, 2022, the City recognized pension expense of \$4,346,785. Also as of September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual		
Economic Experience	\$ 3,492,672	\$ -
Changes in Actuarial Assumptions	-	-
Differences between Projected and		
Actual Investment Earnings	-	6,480,253
Contributions subsequent to the		
Measurement Date	4,385,361	-
	\$ 7,878,033	\$ 6,480,253

Deferred outflows of resources in the amount of \$4,385,361 is related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the plan year ending December 31, 2022 (subsequent fiscal period). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense in future years as follows:

For the Plan Year ended December 31,	
2022	\$ 272,852
2023	(1,466,440)
2024	(570,908)
2025	(1,223,085)
	\$ (2,987,581)

NOTE K – OTHER POST-EMPLOYMENT BENEFITS

TMRS Supplemental Death Benefits Other Post-Employment Benefit

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

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE K – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

TMRS Supplemental Death Benefits Other Post-Employment Benefit (Continued)

The death benefit for active employees provides a lump-sum payment approximately equal to the employee’s annual salary (calculated based on the employee’s actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an “other post-employment benefit,” or OPEB. Membership in the plan at December 31, 2021, the valuation and measurement date, consisted of:

	2021
Inactive Employees or Beneficiaries Currently Receiving Benefits	203
Inactive Employees Entitled to but Not Yet Receiving Benefits	52
Active Employees	415
	670

The SDBF required contribution rates, based on these assumptions, are as follows:

	Total SDBF Contribution Rate	Retiree SDBF Contribution Rate
For the Plan Year Ended December 31,		
2022	0.25%	0.16%
2021	0.28%	0.18%

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

Inflation	2.50%
Salary Increases	3.50% to 11.50% Including Inflation
Discount Rate *	1.84%
Administrative Expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68
Mortality Rates - Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality Rates - Disabled Retirees	2019 Municipal retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE K – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

TMRS Supplemental Death Benefits Other Post-Employment Benefit (Continued)

The City’s contributions to TMRS were \$70,384 for the fiscal year ended September 30, 2022 and were equal to the required contributions. The SDBF required contribution rates of .25% and .21% for the plan years 2022 and 2021, respectively. The retiree portion to SDBF was .09% and .10% for the same years.

Total City’s Total OPEB Liability (TOL), based on the above actuarial factors, as of December 31, 2021, the measurement and actuarial valuation date were calculated as follows:

	Total OPEB Liability
Balance at December 31, 2020	\$ 1,637,015
Changes for the year:	
Service Cost	87,264
Interest	33,151
Change of Benefit Terms	-
Difference Between Expected and Actual Experience	(52,598)
Changes in Assumptions or Other Inputs	51,455
Benefit Payments	(46,199)
Net Changes	73,073
Balance at December 31, 2021	\$ 1,710,088

There is no separate trust maintained to fund this TOL. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75 to pay related benefits.

The following presents the TOL of the City, calculated using the discount rate of 1.84% as well as what the City’s TOL would be if it were calculated using a discount rate that is 1-percentage point lower (0.84%) and 1-percentage point higher (2.84%) than the current rate:

	Discount Rate 0.84%	Discount Rate 1.84%	Discount Rate 2.84%
Total OPEB Liability	\$ 2,084,475	\$ 1,710,088	\$ 1,420,429

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE K – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

For the year ended September 30, 2022, the City recognized OPEB expense of \$145,263. Also as of September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the TMRS OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Actuarial Assumptions	\$ 258,374	\$ -
Differences in Expected and Actual Experience	-	67,682
Contributions After the Measurement Date	15,886	-
	\$ 274,260	\$ 67,682

TMRS Supplemental Death Benefits Other Post-Employment Benefit (Continued)

Deferred outflows of resources in the amount of \$15,886 is related to OPEB benefits resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the total TMRS OPEB liability for the plan year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to the TMRS OPEB will be recognized in OPEB expense in future periods as follows:

For the Plan Year Ended December 31,	
2022	\$ 67,669
2023	59,286
2024	54,344
2025	9,461
2026	(68)
Thereafter	-
	\$ 190,692

City of Seguin Retiree Health Other Post-Employment Benefit Plan

In addition to the TMRS OPEB, The City administers a single-employer defined benefit healthcare plan for retirees, established under legal authority of the City Charter. The City is the only employer participating in the Plan. The Plan does not issue a publicly available financial report. Actuarial valuations are performed for the plan every two years.

The City provides post-employment benefits for eligible participants enrolled in City-sponsored plans. The benefits are provided in the form of an implicit rate subsidy where the City contributes towards the retiree health premiums before achieving Medicare eligibility. While the Plan offers retiree only rates, a very small implicit liability still exists. Membership in the plan as of September 30, 2022, the measurement date, consisted of:

	2022
Inactive Employees or Beneficiaries Currently Receiving Benefits	13
Inactive Employees Entitled to but Not Yet Receiving Benefits	59
Active Employees	337
	409

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE K – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

City of Seguin Retiree Health Other Post-Employment Benefit Plan (Continued)

Current active employees must be eligible for service retirement under the Texas Municipal Retirement System. To attain this eligibility active employees must be at least age 60 with 5 years of service or have at least 20 years of employment with the City. Furthermore, there is a subsidy offered only to employees hired prior to January 2008.

Minimum Years of Continuous Service	Minimum Age	City Contributions
15	57	0%
20	57	50% *
25	57	100% *

* The City Contribution toward retiree coverage is based on a percentage of the City Contribution made for active duty employees. Retiree rates are actuarially established and adopted annually by the City/Employee Benefit Trust. Qualification for 100% contribution entitles the retiree to 100% of the contribution made for an active employee but does not necessarily mean retiree insurance coverage will be at no cost.

Methods and Assumptions Used to Determine Contribution Rates:

Inflation	2.50%
Salary Increases	3.00%
Discount Rate	4.02% (Bond Buyer 20-Bond GO index)
Mortality Rates	PUB 2010 mortality table with generational scale MP-2021 applied on a gender-specific and job class basis.
Health Care Cost Trend Rates	7% for 2022, Decreasing 0.25% each year reaching ultimate rate of 4.0%

The City’s Retiree Health OPEB Liability (TOL), based on the above actuarial factors, as of September 30, 2022, the measurement and actuarial valuation date was calculated as follows:

	Total OPEB Liability
Balance at September 30, 2020	\$ 688,082
Changes for the year:	
Service Cost	11,450
Interest	14,274
Change of Benefit Terms	-
Difference Between Expected and Actual Experience	122,451
Changes in Assumptions or Other Inputs	(41,852)
Benefit Payments	(71,405)
Net Changes	34,918
Balance at September 30, 2021	\$ 723,000

CITY OF SEGUIN, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2022

NOTE K – OTHER POST-EMPLOYMENT BENEFITS (Continued)

City of Seguin Retiree Health Other Post-Employment Benefit Plan (Continued)

Methods and Assumptions Used to Determine Contribution Rates (Continued):

There is no separate trust maintained to fund this TOL. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement NO. 75 to pay related benefits.

The following presents the TOL of the City, calculated using the discount rate of 4.02% as well as what the City’s TOL would be if it were calculated using a discount rate that is 1-percentage point lower (3.02%) and 1-percentage point higher (5.02%) than the current rate:

	Discount Rate 3.02%	Discount Rate 4.02%	Discount Rate 5.02%
Total OPEB Liability	\$ 766,000	\$ 723,000	\$ 684,000

The following presents what the total OPEB liability of the City would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower (6% decreasing to 3.5%) or 1-percentage point higher (8% decreasing to 5.5%) than the current healthcare cost trends:

	1% Decrease	Current Trend	1% Increase
Total OPEB Liability	\$ 675,000	\$ 723,000	\$ 776,000

For the year ended September 30, 2022, the City recognized OPEB expense of \$41,203. Also as of September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 64,161	\$ -
Changes in assumptions/inputs	-	28,772
	\$ 64,161	\$ 28,772

Amounts reported as deferred outflows and inflows of resources related to the City’s Retired Health OPEB will be recognized in OPEB expense as follows:

For the Plan Year ended September 30,	
2023	\$ 4,479
2024	4,479
2025	4,479
2026	4,479
2027	4,479
Thereafter	12,994
	\$ 35,389

The aggregate amount of expense recognized for all OPEB plans for the fiscal year ending September 30, 2021 was \$186,466.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE L -- INTERFUND TRANSFERS

Interfund transfers during the year ended September 30, 2022, were as follows:

<u>Receiving Fund/Activity</u>	<u>Transferring Fund/Activity</u>	<u>Amount</u>	
Utility Fund	Nonmajor Spec Revenue	\$ 9,890	Contribution to Capital Project
Utility Fund	Nonmajor Cap Projects	284,287	Contribution to Capital Project
Utility Fund	General Fund	145,822	Contribution to Capital Project
Total Transfers		<u>\$ 439,999</u>	

NOTE M -- COMMITMENTS AND CONTINGENCIES

Litigation

The City is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the City's liability in these cases, if decided adversely to the City, will not have a material effect on the City's financial position.

Grants

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

Construction Commitments

The City has entered into construction and engineering contracts for the improvement of various streets and utility systems, as well as park improvements. Estimated future commitments associated with these contracts as of September 30, 2022 are as follows:

Primary Government	Total	Incurred Thru	Estimated
<u>General Government</u>	Commitments	September 2020	Future
			Commitments
Bldgs, Streets & Drainage	\$ 17,719,189	\$ 12,875,463	\$ 8,972,689
Professional Services	9,237,357	8,658,394	6,772,717
	<u>26,956,546</u>	<u>21,533,857</u>	<u>5,422,689</u>
<u>Utility System</u>			
Utility System Improvements	7,345,279	2,221,574	5,123,705
Professional Services (Engineering)	12,562,915	4,019,841	8,543,074
	<u>19,908,194</u>	<u>6,241,415</u>	<u>13,666,779</u>
Total Primary Government Commitments	<u>\$ 46,864,740</u>	<u>\$ 27,775,272</u>	<u>\$ 19,089,468</u>
Component Unit			
Professional Services	\$ 597,045	\$ 88,497	\$ 508,548
	<u>\$ 597,045</u>	<u>\$ 88,497</u>	<u>\$ 508,548</u>

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE M -- COMMITMENTS AND CONTINGENCIES (CONTINUED)

Economic Development Agreements

Yukon Ventures Partners, LLC Agreement

The SEDC entered into a Performance Agreement with Yukon Ventures Partners, LLC (YV) which provides that the SEDC shall provide certain financial incentives to YV for development of a warehouse facility of at least 150,000 square feet on a 15.8 acre tract of land and is committing to a minimum capital investment of at least \$30 million in the development of the property. The SEDC will provide a cash grant of \$250,000 which shall be paid in three installments of \$83,333 as compliance with specific obligations have been met. Reimbursement for the year ended September 30, 2022 was \$83,333.

Maruichi Stainless Tube Texas Corporation

The SEDC entered into a Performance Agreement with Maruichi Stainless Tube Texas Corporation (Maruichi) which provides that the SEDC shall provide certain financial incentives to Maruichi for development of a manufacturing facility of at least 125,000 square feet designed to produce high growth products including stainless steel pipes and tubes and Maruichi will make a capital investment of \$55 million. The company is obligated to create at least 106 new full-time jobs with an annual payroll of \$4.7 million. The SEDC will provide a cash grant of \$1,013,249 which shall be paid in three installments of \$253,312 as compliance with specific obligations have been met. Reimbursement for the year ended September 30, 2022 was \$0.

Power Purchase Agreements

On December 17, 2015, the City entered into a fifteen (15) year agreement with the City of Garland to purchase energy produced by a solar-power facility, along with associated Environmental Attributes. The terms of the agreement began on the Commercial Operation Date (March 17, 2017) and ends on the day preceding the 15th anniversary of the agreement. In addition, the City entered into a separate twenty (20) year agreement with the City of Garland to purchase energy produced by a wind energy facility, along with associated Environmental Attributes. The terms of the agreement began on the Commercial Operation Date (November 13, 2016) and ends on the day preceding the 20th anniversary of the agreement. Both agreements carry performance guarantees for all parties, as well as mutual security provisions.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances lapse at year-end and do not constitute expenditures or liabilities because the commitments must be re-appropriated and honored during the subsequent year. Therefore, there were no outstanding encumbrances as of September 30, 2022.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE M -- COMMITMENTS AND CONTINGENCIES (CONTINUED)

Guadalupe Regional Medical Center

The City of Seguin is contingently liable for 50% of operating deficits produced by Guadalupe Regional Medical Center (GRMC), if any, with Guadalupe County contingently responsible for the remainder. As of September 30, 2020, long-term debt of GRMC consisted of Revenue Bonds in the amount of \$109,590,000, and capital lease obligations in the amount of \$4,656,214.

Following is a summary of financial data as reported in the Guadalupe Regional Medical Center's most recent audited financial statements for the year ended September 30, 2020:

Assets:	
Current Assets	\$ 82,764,262
Other Assets	29,325,081
Capital Assets (Net)	113,253,305
Other Long Term Assets	27,760,167
Deferred Outflows of Resources	7,100,391
Total Assets and Deferred Outflows	<u>260,203,206</u>
Liabilities & Net Assets:	
Long Term Debt, current and noncurrent	107,040,530
Lease liabilities, current and noncurrent	7,225,459
Other current and noncurrent liabilities	39,335,172
Total Liabilities	<u>153,601,161</u>
Deferred Inflows of Resources	13,512,347
Net Position	<u>\$ 93,089,698</u>
Operating Revenues:	
Net Revenues from Patient Services	\$ 279,724,919
Other Operating Revenues	15,748,145
Total Operating Revenues	295,473,064
Operating Expenses:	<u>288,343,069</u>
Total Net Operating Income	7,129,995
Nonoperating Revenues and (Expenses)	259,718
Increase (Decrease) in Net Position	<u>\$ 7,389,713</u>

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE M -- COMMITMENTS AND CONTINGENCIES (CONTINUED)

Schertz/Seguin Local Government Corporation

The City of Seguin is jointly liable, together with the City of Schertz, for operating deficits and long-term debt of the Schertz/Seguin Local Government Corporation (See Note A1). Following is a summary of financial data as reported in the Corporation's most recent audited financial statements dated 2022:

Assets:	
Current Assets	\$ 18,248,979
Restricted Cash and Cash Equivalents	42,758,747
Property, Plant & Equipment	135,121,768
Total Assets & Deferred Charges	196,129,494
Deferred outflows of resources related to Pension	2,272,296
Liabilities & Net Position:	
Current Liabilities	9,935,267
Revenue Bonds (Less Current Maturities and Unamortized Discounts)	150,367,663
Total Liabilities	160,302,930
Lease Inflows	648,661
Net Position:	
Net Investment in Capital Assets	5,605,857
Restricted	8,214,760
Unrestricted	23,629,582
Total Net Position	\$ 37,450,199

The Corporation had revenue bonds outstanding in the amount of \$150,850,000 (as of September 30, 2022) to provide funds to build, improve, extend, enlarge and repair the Corporation's utility system, fund a reserve, and pay the costs of bond issuance. The bond resolution pledges intergovernmental contract revenues from the cities of Schertz and Seguin (the participating governments) to bond holders. Under the intergovernmental water supply contract, the participating governments are unconditionally obligated to pay their respective shares of annual contract revenue bond debt service from the operation of their respective utility systems.

NOTE N -- RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The City contracts with the Texas Municipal League (TML) to provide insurance coverage for property and casualty, and workers compensation. TML is a multi-employer group that provides for a combination of risk sharing among pool participants and stop loss coverage. Contributions are set annually by the provider. Liability by the City is generally limited to the contributed amounts. Annual contributions for the year ended September 30, 2022 were \$523,302 for property and casualty and \$200,381 for workers' compensation coverage.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE O – TAX ABATEMENT DISCLOSURES

The City of Seguin negotiates property tax abatement agreements on a case-by-case basis. The agreements freeze property tax revenues received from the paying entity at current levels and deprives the City of a percentage of future increases in ad valorem property tax revenues that otherwise would have resulted from increases in assessed valuation in such areas until the tax abatement period terminates. The Texas Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code authorizes taxing jurisdictions to provide property tax abatement for a limited period of time as inducement for the development or redevelopment of property.

The City of Seguin Tax Abatement Guidelines (the “Guidelines”), adopted and effective on January 1, 2017, allow abatements to be granted only for the additional value of real or personal property improvements. No abatement will be approved that exceeds 100% of the new appraised value of capital improvements and/or personal property, or that will reduce current ad valorem revenue, and will be effective for no more than ten years. In the event that a facility that has been granted a tax abatement discontinues producing goods or services, fails to commence or complete the required capital investment, or fails to comply with any other provisions of the tax abatement agreement, the abatement agreement may be terminated by the City and all taxes previously abated will be recaptured and paid within 60 days of the termination. The Guidelines also include three abatement schedules that identify maximum allowable percentages based on the amount of real and personal property investment. These schedules serve as a guide for staff in determining a recommended abatement for a specific project.

As of September 30, 2022, the City has three active tax abatement agreements with three entities. The gross amount of property tax abated during 2022 was \$236,280.

Minigrip Personal Property Tax Abatement Agreement is for a period of five years beginning January 1, 2019 and expiring December 31, 2024, for the installation of manufacturing machinery and equipment with a current appraised value of \$4,236,414.

CSP of Texas Real and Personal Property Tax Abatement Agreement is for a period of five years beginning January 1, 2021 and expiring December 31, 2030, for 25% of the taxable value of real and eligible personal property used in it’s manufacturing process with an estimated investment value of \$50,000,000 and the creation of 200 full time jobs within the city.

United Alloy Texas LLC Real and Personal Property Tax Abatement Agreement is for a period of five years beginning January 1, 2021 and expiring December 31, 2026, for 25% of the taxable value of real and eligible personal property used in it’s manufacturing process with an estimated investment value of \$18,000,000 and the creation of 100 full time jobs within the city.

Maruichi Stainless Steel Tube Texas Corporation Real and Personal Property Tax Abatement Agreement is for a period of five years beginning January 1, 2025 and expiring December 31, 2029, for 25% of the taxable value of real and eligible personal property used in it’s manufacturing process with an estimated investment value of \$55,000,000.

CITY OF SEGUIN, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE O – TAX ABATEMENT DISCLOSURES (CONTINUED)

Tyson Farms, Inc. Real and Personal Property Tax Abatement Agreement for a period of five years beginning January 1, 2023 and expiring December 31, 2027 for 50% of the taxable value of construction and operation of an additional 40,000 square foot facility with an estimated investment value of \$58,000,000.

Yukon Venture Partners, LLC Real and Personal Property Tax Abatement Agreement for a period of four years beginning January 1, 2025 and expiring December 31, 2029, for a declining abatement (75% to 45%) of taxable value of a 150,000 square foot cold storage warehouse with an estimated investment value of \$30,000,000.

NOTE P – SUBSEQUENT EVENTS

Primary Government

The City issued \$87,555,000 City of Seguin, Texas Combination Tax and Limited Pledge Revenue Certificates of Obligation on December 15, 2022 for the purpose of making permanent public improvements. The bonds will fully mature in 2057 and the interest rates paid on the bond vary between 5.25% and 4.25%.

The City issued \$20,315,000 in 2022 Certificates of Obligation to fund street and drainage improvements, the purchase of a new fire truck, water and wastewater improvements, replacement of Star meters and MTUs, and improvements to the City's water plant.



It's real.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – General Fund
- Schedule of Changes – Defined Benefit Plan - Net Pension Liability and Related Ratios
- Schedule of City Contributions – Defined Benefit Plan
- Schedule of Funding Progress – Other Postemployment Benefits

CITY OF SEGUIN, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2022
 (With Comparative Actual Amounts for 2021)

	Budgeted Amounts		2022 Actual	Variance With	2021 Actual
	Original	Final		Final Budget - Positive (Negative)	
REVENUES					
Taxes	\$ 16,324,767	\$ 16,324,767	\$ 19,319,300	\$ 2,994,533	\$ 16,235,079
Licenses and Permits	1,783,000	2,006,943	3,827,707	1,820,764	2,810,128
Intergovernmental	1,121,527	1,400,993	1,260,289	(140,704)	1,253,882
Charges for Services	8,180,608	8,370,608	9,128,656	758,048	7,456,842
Fines and Forfeits	757,900	757,900	685,484	(72,416)	644,301
Interest	8,048	8,048	167,149	159,101	13,032
Miscellaneous	822,644	762,644	853,899	91,255	1,487,418
Total Revenues	28,998,494	29,631,903	35,242,484	5,610,581	29,900,682
EXPENDITURES					
GENERAL GOVERNMENT:					
<i>Administration:</i>					
Personnel Services	56,694	56,694	52,680	4,014	57,135
Contracted Services	600	600	600	-	600
Supplies	625	625	198	427	5,466
Other Services and Charges	17,500	17,500	11,492	6,008	5,021
<i>Total Administration</i>	<u>75,419</u>	<u>75,419</u>	<u>64,970</u>	<u>10,449</u>	<u>68,222</u>
<i>Financial Administration:</i>					
Personnel Services	433,406	433,406	407,346	26,060	408,557
Contracted Services	224,344	224,344	223,980	364	201,446
Supplies	9,250	9,250	8,049	1,201	33,844
Other Services and Charges	12,600	12,600	7,491	5,109	2,574
<i>Total Financial Administration</i>	<u>679,600</u>	<u>679,600</u>	<u>646,866</u>	<u>32,734</u>	<u>646,421</u>
<i>City Manager:</i>					
Personnel Services	232,885	232,885	226,933	5,952	245,944
Contracted Services	2,356	2,356	1,299	1,057	1,128
Supplies	2,600	2,600	1,500	1,100	1,462
Other Services and Charges	21,950	21,950	18,438	3,512	11,473
<i>Total City Manager</i>	<u>259,791</u>	<u>259,791</u>	<u>248,170</u>	<u>11,621</u>	<u>260,007</u>
<i>Human Resources:</i>					
Personnel Services	299,256	282,868	270,230	12,638	241,528
Contracted Services	57,500	73,888	73,749	139	49,840
Supplies	4,450	4,450	3,489	961	4,669
Other Services and Charges	74,545	74,545	40,181	34,364	31,332
<i>Total Human Resources</i>	<u>\$ 435,751</u>	<u>\$ 435,751</u>	<u>\$ 387,649</u>	<u>\$ 48,102</u>	<u>\$ 327,369</u>

Continued

CITY OF SEGUIN, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
 BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2022
 (With Comparative Actual Amounts for 2021)

	Budgeted Amounts		2022 Actual	Variance With Final Budget - Positive (Negative)	2021 Actual
	Original	Final			
General Government (Cont.):					
<i>Planning and Zoning Office:</i>					
Personnel Services	\$ 1,524,816	\$ 1,648,344	\$ 1,606,937	\$ 41,407	\$ 1,320,810
Contracted Services	198,206	294,612	221,791	72,821	156,584
Supplies	28,600	34,809	34,270	539	26,330
Other Services and Charges	25,080	25,080	17,376	7,704	5,000
<i>Total Planning and Zoning Office</i>	<u>1,776,702</u>	<u>2,002,845</u>	<u>1,880,374</u>	<u>122,471</u>	<u>1,508,724</u>
<i>City Secretary's Office:</i>					
Personnel Services	95,891	95,891	93,331	2,560	57,570
Contracted Services	5,450	5,867	5,850	17	2,884
Supplies	3,550	3,550	3,390	160	1,746
Other Services and Charges	18,775	18,358	10,846	7,512	28,935
<i>Total City Secretary's Office</i>	<u>123,666</u>	<u>123,666</u>	<u>113,417</u>	<u>10,249</u>	<u>91,135</u>
<i>Information Technology</i>					
Personnel Services	497,755	502,182	459,074	43,108	416,097
Contracted Services	467,841	462,587	431,338	31,249	366,507
Supplies	1,950	3,724	3,609	115	2,618
Other Services and Charges	10,250	9,484	9,484	-	2,070
<i>Total Information Technology</i>	<u>977,796</u>	<u>977,977</u>	<u>903,505</u>	<u>74,472</u>	<u>787,292</u>
<i>City Attorney:</i>					
Personal Services	123,265	123,265	119,425	3,840	114,098
Contracted Services	45,450	45,450	36,996	8,454	4,581
Supplies	130	130	20	110	35
Other Services and Charges	3,800	3,800	1,604	2,196	979
<i>Total City Attorney:</i>	<u>172,645</u>	<u>172,645</u>	<u>158,045</u>	<u>14,600</u>	<u>119,693</u>
<i>Facilities and Grounds:</i>					
Personnel Services	208,965	208,964	203,034	5,930	194,683
Contracted Services	125,856	125,856	102,354	23,502	100,413
Supplies	8,800	8,800	5,120	3,680	4,508
Other Services and Charges	3,500	4,200	3,911	289	2,891
<i>Total Facilities and Grounds</i>	<u>347,121</u>	<u>347,820</u>	<u>314,419</u>	<u>33,401</u>	<u>302,495</u>
Total General Government	<u>\$ 4,848,491</u>	<u>\$ 5,075,514</u>	<u>\$ 4,717,415</u>	<u>\$ 358,099</u>	<u>\$ 4,111,358</u>

Continued

CITY OF SEGUIN, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Budgeted Amounts		2022 Actual	Variance With	2021 Actual
	Original	Final		Final Budget - Positive (Negative)	
Public Safety:					
<i>Police:</i>					
Personnel Services	\$ 8,916,135	\$ 8,897,920	\$ 8,436,437	\$ 461,483	\$ 7,950,678
Contracted Services	124,495	120,762	115,301	5,461	112,963
Supplies	151,300	349,776	294,115	55,661	124,339
Other Services and Charges	283,500	343,848	332,074	11,774	260,554
<i>Total Police</i>	<u>9,475,430</u>	<u>9,712,306</u>	<u>9,177,927</u>	<u>534,379</u>	<u>8,448,534</u>
<i>Fire/EMS:</i>					
Personnel Services	7,392,252	7,317,597	7,178,736	138,861	6,698,865
Contracted Services	267,675	313,802	295,675	18,127	208,688
Supplies	262,900	262,900	241,116	21,784	239,140
Other Services and Charges	129,000	172,528	168,508	4,020	117,554
<i>Total Fire/EMS</i>	<u>8,051,827</u>	<u>8,066,827</u>	<u>7,884,035</u>	<u>182,792</u>	<u>7,264,247</u>
<i>Municipal Court:</i>					
Personnel Services	375,947	376,192	375,843	349	358,054
Contracted Services	65,860	67,531	66,444	1,087	63,606
Supplies	9,500	7,583	5,109	2,474	4,999
Other Services and Charges	8,400	8,400	4,655	3,745	2,705
<i>Total Municipal Court</i>	<u>459,707</u>	<u>459,706</u>	<u>452,051</u>	<u>7,655</u>	<u>429,364</u>
<i>Animal Control:</i>					
Personnel Services	509,058	509,058	440,951	68,107	447,475
Contracted Services	77,750	77,750	66,123	11,627	65,493
Supplies	49,000	49,000	41,975	7,025	31,176
Other Services and Charges	11,000	12,000	7,395	4,605	5,158
<i>Total Animal Control</i>	<u>646,808</u>	<u>647,808</u>	<u>556,444</u>	<u>91,364</u>	<u>549,302</u>
Total Public Safety	<u>18,633,772</u>	<u>18,886,647</u>	<u>18,070,457</u>	<u>816,190</u>	<u>16,691,447</u>
Public Service:					
<i>Public Works:</i>					
Personnel Services	1,595,032	1,563,626	1,477,198	86,428	1,415,467
Contracted Services	367,387	317,387	285,386	32,001	215,564
Supplies	36,500	26,500	25,946	554	25,791
Other Services and Charges	99,800	209,606	202,671	6,935	132,051
<i>Total Public Works</i>	<u>\$ 2,098,719</u>	<u>\$ 2,117,119</u>	<u>\$ 1,991,201</u>	<u>\$ 125,918</u>	<u>\$ 1,788,873</u>

Continued

CITY OF SEGUIN, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
 BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2022
 (With Comparative Actual Amounts for 2021)

	Budgeted Amounts		2022 Actual	Variance With	2021 Actual
	Original	Final		Final Budget - Positive (Negative)	
Public Service: (Cont.)					
<i>Brush Department</i>					
Personnel Services	\$ 471,318	\$ 478,195	\$ 456,215	\$ 21,980	\$ 385,475
Contracted Services	14,168	4,168	3,386	782	3,924
Supplies	25,800	25,800	19,509	6,291	19,206
Other Services and Charges	38,300	48,823	47,663	1,160	26,486
<i>Total Brush Department</i>	<u>549,586</u>	<u>556,986</u>	<u>526,773</u>	<u>30,213</u>	<u>435,091</u>
<i>Vehicle Maintenance:</i>					
Personnel Services	\$ 215,410	\$ 180,616	\$ 151,755	\$ 28,861	\$ 160,519
Contracted Services	329,722	431,595	431,595	-	413,048
Supplies	17,850	28,171	26,085	2,086	11,234
Other Services and Charges	1,913	5,073	3,359	1,714	1,917
<i>Total Vehicle Maintenance</i>	<u>564,895</u>	<u>645,455</u>	<u>612,794</u>	<u>32,661</u>	<u>586,718</u>
<i>Engineering/ Capital Projects</i>					
Personnel Services	429,869	428,871	340,760	88,111	337,318
Contracted Services	29,517	54,517	33,486	21,031	16,348
Supplies	4,050	4,050	2,086	1,964	2,065
Other Services and Charges	10,375	12,073	11,103	970	6,554
<i>Total Engineering/ Cap Proj</i>	<u>473,811</u>	<u>499,511</u>	<u>387,435</u>	<u>112,076</u>	<u>362,285</u>
<i>Library:</i>					
Personnel Services	1,243,575	1,243,366	1,210,100	33,266	1,113,111
Contracted Services	112,168	106,940	92,734	14,206	86,500
Supplies	157,800	177,550	171,509	6,041	206,596
Other Services and Charges	6,600	12,287	12,209	78	6,811
<i>Total Library</i>	<u>1,520,143</u>	<u>1,540,143</u>	<u>1,486,552</u>	<u>53,591</u>	<u>1,413,018</u>
<i>Parks and Recreation:</i>					
Personnel Services	1,711,847	1,699,199	1,553,320	145,879	1,470,848
Contracted Services	285,596	304,671	283,600	21,071	231,728
Supplies	100,550	97,550	81,504	16,046	78,484
Other Services and Charges	35,450	68,024	61,737	6,287	36,595
<i>Total Parks and Recreation</i>	<u>2,133,443</u>	<u>2,169,444</u>	<u>1,980,161</u>	<u>189,283</u>	<u>1,817,655</u>
<i>Downtown & Main St. Programs:</i>					
Personnel Services	172,443	172,415	170,796	1,619	170,060
Contracted Services	8,850	6,350	4,158	2,192	6,388
Supplies	1,275	11,275	11,151	124	588
Other Services and Charges	29,265	31,792	31,420	372	31,209
<i>Total Downtown & Main St. Programs</i>	<u>211,833</u>	<u>221,832</u>	<u>217,525</u>	<u>4,307</u>	<u>208,245</u>
Total Public Service	<u>\$ 7,552,430</u>	<u>\$ 7,750,490</u>	<u>\$ 7,202,441</u>	<u>\$ 548,049</u>	<u>\$ 6,611,885</u>

Continued

CITY OF SEGUIN, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Budgeted Amounts		2022 Actual	Variance With Final Budget -	2021 Actual
	Original	Final		Positive (Negative)	
Nondepartmental:					
Contracted Services	\$ 1,791,955	\$ 1,980,705	\$ 1,944,410	\$ 36,295	\$ 1,757,621
Building and Auto Insurance	230,000	230,000	231,732	(1,732)	207,893
Unemployment Insurance	10,000	10,000	5,938	4,062	8,844
Contributions - Civic Organizations	2,222,940	2,222,940	1,377,213	845,727	2,113,417
Other Services and Charges	168,265	547,220	325,451	221,769	595,795
Total Nondepartmental	4,423,160	4,990,865	3,884,744	1,106,121	4,683,570
Capital Outlay	-	-	-	-	-
Indirect Cost					
Recovery - Utility Fund	(5,900,000)	(5,900,000)	(6,228,640)	328,640	(5,628,493)
Total Expenditures	29,557,853	30,803,516	27,646,417	3,157,099	26,469,767
Excess (Deficiency) of Revenues Over (Under) Expenditures	(559,359)	(1,171,613)	7,596,067	8,767,680	3,430,915
OTHER FINANCING SOURCES (USES)					
Transfers In	15,000	15,000	18,364	3,364	36,773
Transfers (Out)	(1,322,227)	(2,882,794)	(2,904,794)	(22,000)	(2,051,510)
Total Other Financing Sources (Uses)	(1,307,227)	(2,867,794)	(2,886,430)	(18,636)	(2,014,737)
Net Change in Fund Balance	(1,866,586)	(4,039,407)	4,709,637	8,749,044	1,416,178
Fund Balance at Beginning of Year	16,811,831	16,811,831	16,811,831	-	15,395,653
Fund Balance at End of Year	\$ 14,945,245	\$ 12,772,424	\$ 21,521,468	\$ 8,749,044	\$ 16,811,831

CITY OF SEGUIN, TEXAS
NOTES TO SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL
SEPTEMBER 30, 2022

Budgetary Information – The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The City maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council and as such is a good management control device. The following are funds which have legally adopted annual budgets: General Fund, Debt Service Fund, Occupancy Tax (Special Revenue) Fund, Coliseum (Special Revenue) Fund, Aquatic Center (Special Revenue) Fund, Municipal Court Security Fund (Special Revenue), Municipal Court Technology Fund (Special Revenue), Forfeiture & Seizure Fund (Special Revenue), Golf Course (Special Revenue) Fund, P.D. Program Fund (Special Revenue), Juvenile Case Manager (Special Revenue), Convention & Visitor’s Bureau (Special Revenue Fund), Convention & Visitor’s Building Fund (Special Revenue), Sebastopol House (Special Revenue) Fund, Police Donations (Special Revenue) Fund, PEG Capital Fees (Special Revenue) Fund, Library Development (Special Revenue) Fund, Seguin Events Complex (Special Revenue) Fund, Seguin Arts Commission (Special Revenue) Fund, and American Rescue Act (Special Revenue) Fund. Project – length financial plans are adopted for the Capital Projects Funds.

Budgetary preparation and control is exercised at the department level. Actual expenditures may not legally exceed appropriations at the fund level.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances lapse at year-end and do not constitute expenditures or liabilities because the commitments must be re-appropriated and honored during the subsequent year.

CITY OF SEGUIN, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES – NET PENSION LIABILITY AND RELATED RATIOS
LAST SEVEN PLAN YEARS

	2015	2016	2017
Service Cost	\$ 3,015,806	\$ 3,288,440	\$ 3,528,748
Interest (on the Total Pension Liability)	6,178,108	6,345,379	6,745,276
Changes of Benefit Terms	-	-	-
Difference between Expected and Actual Experience	(179,540)	124,086	422,264
Change of Assumptions	289,698	-	-
Benefit Payments, Including Refunds of Employee Contributions	(3,623,283)	(3,763,653)	(4,143,663)
Net Change in Total Pension Liability	5,680,789	5,994,252	6,552,625
Total Pension Liability - Beginning	88,562,426	94,243,215	100,237,467
Total Pension Liability - Ending	<u>\$ 94,243,215</u>	<u>\$ 100,237,467</u>	<u>\$ 106,790,092</u>
Contributions - Employer	\$ 2,722,654	\$ 3,457,964	\$ 4,008,013
Contributions - Employee	1,228,792	1,315,376	1,415,544
Net Investment Income	90,246	4,157,561	9,238,393
Benefit Payments, Including Refunds of Employee Contributions	(3,623,283)	(3,763,653)	(4,143,663)
Administrative Expense	(54,973)	(46,960)	(47,868)
Other	(2,716)	(2,530)	(2,426)
Net Change in Plan Fiduciary Net Position	360,720	5,117,758	10,467,993
Plan Fiduciary Net Position - Beginning	61,165,370	61,526,090	66,643,848
Plan Fiduciary Net position - Ending	<u>\$ 61,526,090</u>	<u>\$ 66,643,848</u>	<u>\$ 77,111,841</u>
Net Pension Liability (Asset) - Ending	\$ 32,717,125	\$ 33,593,619	\$ 29,678,251
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	65.28%	66.49%	72.21%
Covered Payroll	\$ 17,554,166	\$ 18,791,085	\$ 20,222,051
Net Pension Liability as a Percentage of Covered Payroll	186.38%	178.77%	146.76%

GASB 68 Pension Information is being applied prospectively. 10-year historical trend information will be developed beginning with 2014

2018	2019	2020	2021
\$ 3,662,307	\$ 3,740,028	\$ 4,157,033	\$ 4,358,069
7,168,895	7,580,148	8,068,419	8,598,348
-	-	-	-
59,508	384,172	1,421,699	3,417,803
-	528,089	-	-
(4,830,794)	(4,843,065)	(5,571,519)	(6,222,232)
6,059,916	7,389,372	8,075,632	10,151,988
106,790,092	112,850,008	120,239,380	128,315,012
<u>\$ 112,850,008</u>	<u>\$ 120,239,380</u>	<u>\$ 128,315,012</u>	<u>\$ 138,467,000</u>

\$ 4,344,789	\$ 4,775,463	\$ 5,459,165	\$ 5,702,964
1,469,963	1,503,745	1,719,813	1,796,613
(2,310,563)	11,715,246	6,745,238	12,671,624
(4,830,794)	(4,843,065)	(5,571,519)	(6,222,232)
(44,642)	(66,161)	(43,626)	(58,587)
(2,332)	(1,987)	(1,705)	402
(1,373,579)	13,083,241	8,307,366	13,890,784
77,111,841	75,738,262	88,821,503	97,128,869
<u>\$ 75,738,262</u>	<u>\$ 88,821,503</u>	<u>\$ 97,128,869</u>	<u>\$ 111,019,653</u>

\$ 37,111,746	\$ 31,417,877	\$ 31,186,143	\$ 27,447,347
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67.11%	73.87%	75.70%	80.18%
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\$ 20,999,466	\$ 21,482,071	\$ 24,568,755	\$ 25,665,898
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176.73%	146.25%	126.93%	106.94%
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CITY OF SEGUIN, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS
 LAST SEVEN FISCAL YEARS

Schedule of Contributions:	2016	2017	2018
Actuarially Determined Contribution	\$ 2,732,499	\$ 3,151,764	\$ 3,287,335
Contributions in Relation to the Actuarially Determined Contribution	3,451,731	3,826,130	4,287,815
Contribution Deficiency (Excess)	\$ (719,232)	\$ (674,366)	\$ (1,000,480)
 Covered Payroll	 \$ 18,313,373	 \$ 19,869,160	 \$ 20,926,536
 Contribution as a Percentage of Covered Payroll	 18.85%	 19.26%	 20.49%

Schedule of Contributions:	2019	2020	2021	2022
Actuarially Determined Contribution	\$ 3,242,555	\$ 4,774,365	\$ 5,584,460	\$ 5,978,022
Contributions in Relation to the Actuarially Determined Contribution	4,628,145	5,138,648	5,584,460	5,978,022
Contribution Deficiency (Excess)	\$ (1,385,590)	\$ (364,283)	\$ -	\$ -
 Covered Payroll	 \$ 21,157,950	 \$ 23,123,902	 \$ 25,150,921	 \$ 27,293,185
 Contribution as a Percentage of Covered Payroll	 21.87%	 22.22%	 22.20%	 21.90%

Valuation Date

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen (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
Asset Valuation Method	10 Year Smoothed Market, 12% Soft Corridor
Inflation	2.50%
Salary Increases	3.50 to 11.5%, 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

Notes There were no benefit changes during the year.

GASB 68 Pension Information is being applied prospectively. 10-year historical trend information will be developed beginning with 2015

CITY OF SEGUIN, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES – TMRS OTHER POST-EMPLOYMENT BENEFIT LIABILITY
AND RELATED RATIOS
LAST FOUR CALENDAR YEARS

	Total TMRS OPEB Liability			
	2019	2020	2021	2022
Service Cost	\$ 44,099	\$ 38,668	\$ 68,793	\$ 87,264
Interest	37,359	40,815	38,034	33,151
Changes of Benefit Terms	-	-	-	-
Difference between Expected and Actual Experience	(17,970)	(8,771)	(24,786)	(52,598)
Changes in Assumptions or Other Inputs	(76,558)	210,961	213,682	51,455
Benefit Payments	(12,600)	(12,889)	(14,741)	(46,199)
Net Change in Total OPEB Liability	(25,670)	268,784	280,982	73,073
Total OPEB Liability - Beginning	1,112,919	1,087,249	1,356,033	1,637,015
Total OPEB Liability - Ending	<u>\$ 1,087,249</u>	<u>\$ 1,356,033</u>	<u>\$ 1,637,015</u>	<u>\$ 1,710,088</u>
Covered Employee Payroll	\$ 20,999,466	\$ 21,482,071	\$ 24,568,755	\$ 25,665,898
Total TMRS OPEB Liability as a Percentage of Covered Employee Payroll	5.18%	6.31%	6.66%	6.66%

Methods and Assumptions

Inflation	2.50%
Salary Increases	3.50% to 11.50% Including Inflation
Discount Rate *	1.84%
Retirees' share of benefit costs	\$0
Administrative Expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68
Mortality Rates - Service Retirees	2019 Municipal Retirees of Texas Mortality tables. The rates are projected on a fully generational basis with scale UMP.
Mortality Rates - Disabled Retirees	2019 Municipal Retirees of Texas Mortality tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

* The discount rate was based on the fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021.

Notes to Schedule

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Trust:

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

Note: Information for this schedule is being accumulated prospectively until a rolling ten-year period is available.

CITY OF SEGUIN, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES – CITY RETIREE HEALTH OTHER POST-EMPLOYMENT BENEFIT
 LIABILITY AND RELATED RATIOS
 LAST FOUR FISCAL YEARS

	Total OPEB Liability			
	2019	2020	2021	2022
Service Cost	\$ 14,232	\$ 20,506	\$ 11,298	\$ 11,450
Interest	33,354	22,364	15,681	14,274
Changes of Benefit Terms	-	-	-	-
Difference between Expected and Actual Experience	-	(61,276)	-	122,451
Changes in Assumptions or Other Inputs	61,514	(29,327)	2,271	(41,852)
Benefit Payments	(103,980)	(69,785)	(78,794)	(71,238)
Net Change in Total OPEB Liability	5,120	(117,518)	(49,544)	35,085
Total OPEB Liability - Beginning	850,024	855,144	737,626	688,082
Total OPEB Liability - Ending	<u>\$ 855,144</u>	<u>\$ 737,626</u>	<u>\$ 688,082</u>	<u>\$ 723,167</u>
Covered Employee Payroll	\$ 19,493,000	\$ 22,041,910	\$ 22,703,000	\$ 23,767,012
Total Retiree Insurance OPEB Liability as a Percentage of Covered Employee Payroll	4.39%	3.35%	3.03%	3.00%
<u>Methods and Assumptions</u>				
Inflation	2.50%			
Salary Increases	3.00%			
Discount Rate	4.02%			
Mortality Rates	Pub-2010 mortality table with generational scale MP-2021			
Health Care Cost Trend Rates	7.0% for 2020, Decreasing 0.25% each year reaching ultimate rate of 4.0%			

Notes to Schedule

Changes in Benefit Terms: None

Trust:

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

Note: Information for this schedule is being accumulated prospectively until a rolling ten-year period is available.

SUPPLEMENTARY INFORMATION

Supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedule include:

- Comparative Statements – General Fund
- Statement of Revenues, Expenditures & Changes in Fund Balance – Budget and Actual – Debt Service Fund
- Combining Statements – Nonmajor Governmental Funds
 - *Combining Statements – Nonmajor Special Revenue Funds*
 - *Combining Statements – Nonmajor Capital Projects Funds*
 - *Budgetary Statements*
- Comparative Statements – Enterprise (Utility) Fund
- Combining Statements – Internal Service (Insurance) Funds
- Combining Statements – Fiduciary (Custodial) Funds



It's real.

CITY OF SEGUIN, TEXAS
 COMPARATIVE BALANCE SHEETS
 GENERAL FUND
 SEPTEMBER 30, 2022 AND 2021

	2022	2021
ASSETS		
Cash and Cash Equivalents	\$ 1,134,859	\$ 1,122,609
Investments	20,513,524	16,417,684
Receivables:		
Taxes	2,636,547	2,384,664
Accounts	1,020,855	851,193
Grants	118,421	101,009
Miscellaneous	365,911	60,935
Inventory of Supplies	24,905	28,780
Prepaid Items	245,317	128,821
Total Assets	\$ 26,060,339	\$ 21,095,695
LIABILITIES		
Accounts Payable	\$ 1,194,269	\$ 986,828
Accrued Expenditures	955,403	938,433
Due to Other Funds	129,933	-
Due to Component Unit	341,438	309,859
Unearned Revenue	369,265	182,614
Due to Others	385,741	875,384
Total Liabilities	3,376,049	3,293,118
Deferred Inflows of Resources		
Unavailable Revenue	1,162,822	990,746
Total Deferred Inflows of Resources	1,162,822	990,746
Fund Balance:		
Nonspendable	270,222	157,601
Restricted	42,186	22,056
Committed - Stabilization Arrangement	2,500,330	3,029,936
Assigned	142,121	112,150
Unassigned	18,566,609	13,490,088
Total Fund Balance	21,521,468	16,811,831
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 26,060,339	\$ 21,095,695

CITY OF SEGUIN, TEXAS
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 GENERAL FUND
 FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

REVENUES	<u>2022</u>	<u>2021</u>
Taxes	\$ 19,319,300	\$ 16,235,079
Licenses and Permits	3,827,707	2,810,128
Intergovernmental	1,260,289	1,253,882
Charges for Services	9,128,656	7,456,842
Fines and Forfeits	685,484	644,301
Interest	167,149	13,032
Miscellaneous	853,899	1,487,418
Total Revenues	<u>35,242,484</u>	<u>29,900,682</u>
EXPENDITURES		
<i>Current:</i>		
General Government	4,717,415	4,111,358
Public Safety	18,070,457	16,691,447
Public Service	7,202,441	6,611,885
Nondepartmental	3,884,744	4,683,570
Indirect Cost Allocation (Recovery)	(6,228,640)	(5,628,493)
Total Expenditures	<u>27,646,417</u>	<u>26,469,767</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,596,067</u>	<u>3,430,915</u>
OTHER FINANCING SOURCES (USES)		
Transfers In	18,364	36,773
Transfers (Out)	(2,904,794)	(2,051,510)
Total Other Financing Sources (Uses)	<u>(2,886,430)</u>	<u>(2,014,737)</u>
Net Change in Fund Balance	4,709,637	1,416,178
Fund Balance at Beginning of Year	<u>16,811,831</u>	<u>15,395,653</u>
Fund Balance at End of Year	<u>\$ 21,521,468</u>	<u>\$ 16,811,831</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(with Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Taxes	\$ 6,595,973	\$ 6,765,550	\$ 169,577	\$ 6,150,518
Interest	1,700	28,004	26,304	2,120
Total Revenues	<u>6,597,673</u>	<u>6,793,554</u>	<u>195,881</u>	<u>6,152,638</u>
EXPENDITURES				
Debt Service:				
Principal	3,519,800	3,519,800	-	3,027,034
Interest and Fiscal Charges	3,291,869	3,287,011	4,858	3,316,346
Total Expenditures	<u>6,811,669</u>	<u>6,806,811</u>	<u>4,858</u>	<u>6,343,380</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(213,996)</u>	<u>(13,257)</u>	<u>200,739</u>	<u>(190,742)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	115,000	115,000	-	235,000
Payments to Refunding Escrow Agents	-	-	-	(2,884,982)
Issuance of Refunding Debt	-	-	-	2,920,000
Total Other Financing Sources (Uses)	<u>115,000</u>	<u>115,000</u>	<u>-</u>	<u>270,018</u>
Net Change in Fund Balance	(98,996)	101,743	200,739	79,276
FUND BALANCE, OCTOBER 1	<u>1,430,897</u>	<u>1,430,897</u>	<u>-</u>	<u>1,351,621</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 1,331,901</u>	<u>\$ 1,532,640</u>	<u>\$ 200,739</u>	<u>\$ 1,430,897</u>

CITY OF SEGUIN, TEXAS
COMBINING FINANCIAL STATEMENTS
NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Occupancy Tax Fund – To account for the Occupancy Tax revenues paid the City and restricted by State Law. The revenues provide for contributions to various civic organizations. In addition, certain occupancy tax proceeds are designated for specific uses and are reflected in separate special revenue funds.

Coliseum Fund – To account for occupancy tax and revenues earned by the coliseum that provide for the operations and maintenance of the coliseum.

Aquatic Center Fund – To account for the revenues earned by the Aquatic Center committed for the operations and maintenance of the Aquatic Center.

Municipal Court Security – To account for revenues from court fines restricted to improving municipal court security.

Municipal Court Technology – To account for revenues from court fines restricted to improving court technology.

Forfeiture & Seizure Fund – Account for revenues under federal, state and civil cases that allow confiscation of money and property. All forfeited proceeds are to be spent on law enforcement.

Golf Course Fund – To account for the operations of the golf course and related pro shop. Revenues are committed for the operations of the golf course facilities.

P.D. Community Program Fund – Established in fiscal 1995 to account for donations received for the D.A.R.E. program.

Juvenile Case Manager Fund – To account for fees assessed and restricted to support a case manager for juvenile offenders.

Convention & Visitors Bureau – To account for occupancy tax revenues restricted for specific purposes by state law.

CVB Building Fund – Established to receive a portion of the Occupancy Tax Revenue to support a future building site for the Convention and Visitors Bureau.

Sebastopol House – To account for occupancy tax revenues restricted for specific purposes by state law. The Sebastopol House is a registered historic landmark.

Police Department Donations – To account for contributions restricted to the City Police Department.

PEG Capital Fees – To account for fees collected and remitted to the city with cable franchise fees to support government-access cable broadcasting.

Library Development Fund – To account for contributions restricted to library enhancement.

CITY OF SEGUIN, TEXAS
COMBINING FINANCIAL STATEMENTS
NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (continued)

Seguin Events Complex – To account for occupancy tax and charges for use of the Complex restricted to supporting the operations of the Complex

Seguin Arts Commission – To track donations received specific to enhancement of downtown Seguin

American Rescue Plan Fund – To receive and track funds disbursed from the federal government to defray costs associated with the Corona Virus

CAPITAL PROJECTS FUNDS

The Capital Projects funds are used to account for proceeds from bond issues and other resources specifically assigned for capital expenditures.

CITY OF SEGUIN, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2022

	<u>Combined Special Revenue</u>	<u>Combined Capital Projects</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 2,304,667	\$ 1,411,258	\$ 3,715,925
Investments	6,406,980	10,667,985	17,074,965
Receivables (net of allowances for uncollectibles):			
Taxes	255,106	-	255,106
Accounts	7,293	1,523,466	1,530,759
Restricted Assets:			
Cash and Cash Equivalents	-	40,117	40,117
Investments	-	8,710,887	8,710,887
Total Assets	<u>\$ 8,974,046</u>	<u>\$ 22,353,713</u>	<u>\$ 31,327,759</u>
 LIABILITIES AND FUND BALANCE			
<i>Liabilities:</i>			
Accounts Payable	\$ 708,699	\$ 1,553,988	\$ 2,262,687
Accrued Expenditures	39,623	-	39,623
Unearned Revenues	5,075,730	398,636	5,474,366
Due to Others	65,197	-	65,197
Total Liabilities	<u>5,889,249</u>	<u>1,952,624</u>	<u>7,841,873</u>
 <i>Fund Balance:</i>			
Restricted			
Tourism & Economic Development	1,936,312	-	1,936,312
Public Safety	366,073	-	366,073
Public Service	270,107	-	270,107
Capital Projects	-	13,791,277	13,791,277
Committed	512,305	-	512,305
Assigned	-	6,609,812	6,609,812
Total Fund Balance	<u>3,084,797</u>	<u>20,401,089</u>	<u>23,485,886</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 8,974,046</u>	<u>\$ 22,353,713</u>	<u>\$ 31,327,759</u>

CITY OF SEGUIN, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
SEPTEMBER 30, 2022

REVENUES	Combined Special Revenue	Combined Capital Projects	Total
Taxes	\$ 1,144,175	\$ -	\$ 1,144,175
Licenses and Permits	-	1,850,657	1,850,657
Intergovernmental	1,888,961	4,227,299	6,116,260
Charges for Services	1,258,391	256,724	1,515,115
Fines and Forfeits	151,862	-	151,862
Interest	43,634	157,541	201,175
Miscellaneous	34,069	470,042	504,111
Total Revenues	<u>4,521,092</u>	<u>6,962,263</u>	<u>11,483,355</u>
EXPENDITURES			
Current:			
General Government	2,272,547	414,822	2,687,369
Public Service	-	32,800	32,800
Nondepartmental	384,961	-	384,961
Capital Outlay	1,620,313	7,760,937	9,381,250
Debt Service:			
Principal	-	757,243	757,243
Interest & Fiscal Charges	-	99,008	99,008
Bond Issue Costs	-	10,103	10,103
Total Expenditures	<u>4,277,821</u>	<u>9,074,913</u>	<u>13,352,734</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>243,271</u>	<u>(2,112,650)</u>	<u>(1,869,379)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	2,656,311	2,656,311
Transfers Out	(40,593)	(61,992)	(102,585)
Issuance of Debt	-	874,072	874,072
Total Other Financing Sources (Uses)	<u>(40,593)</u>	<u>3,468,391</u>	<u>3,427,798</u>
Net Change in Fund Balances	202,678	1,355,741	1,558,419
FUND BALANCE, OCTOBER 1	<u>2,882,119</u>	<u>19,045,348</u>	<u>21,927,467</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 3,084,797</u>	<u>\$ 20,401,089</u>	<u>\$ 23,485,886</u>

CITY OF SEGUIN, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2022

	Occupancy Tax Fund	Coliseum Fund	Acquatic Center Fund	Municipal Court Security Fund
ASSETS				
Cash and Cash Equivalents	\$ 88,120	\$ 28,081	\$ 2,187	\$ 2,171
Investments	780,588	322,461	15,645	21,761
Receivables (net of allowances for uncollectibles):				
Accounts	-	-	-	-
Taxes	244,217	-	-	-
Total Assets	<u>\$ 1,112,925</u>	<u>\$ 350,542</u>	<u>\$ 17,832</u>	<u>\$ 23,932</u>
LIABILITIES AND FUND BALANCE				
<i>Liabilities:</i>				
Accounts Payable	\$ 3,658	\$ 19,994	\$ 40	\$ -
Accrued Expenditures	-	2,345	-	473
Due to Others	-	65,197	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	<u>3,658</u>	<u>87,536</u>	<u>40</u>	<u>473</u>
<i>Fund Balance:</i>				
Restricted				
Promoting Tourism & Economic Development	1,109,267	263,006	-	-
Public Safety	-	-	-	23,459
Public Service	-	-	-	-
Committed	-	-	17,792	-
Total Fund Balance	<u>1,109,267</u>	<u>263,006</u>	<u>17,792</u>	<u>23,459</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,112,925</u>	<u>\$ 350,542</u>	<u>\$ 17,832</u>	<u>\$ 23,932</u>

<u>Municipal Court Technology</u>	<u>Forfeiture & Seizure Fund</u>	<u>Golf Course Fund</u>	<u>P.D. Community Program Fund</u>	<u>Juvenile Case Manager</u>
\$ 4,948	\$ 105,979	\$ 43,824	\$ 14,395	\$ 8
3,415	185,277	592,399	54,269	-
-	-	7,293	-	-
-	-	-	-	-
<u>\$ 8,363</u>	<u>\$ 291,256</u>	<u>643,516</u>	<u>\$ 68,664</u>	<u>\$ 8</u>
\$ -	\$ 50,443	\$ 117,656	\$ 3,706	\$ -
-	-	24,191	-	-
-	-	-	-	-
-	-	7,156	-	-
<u>-</u>	<u>50,443</u>	<u>149,003</u>	<u>3,706</u>	<u>-</u>
-	-	-	-	-
8,363	240,813	-	64,958	8
-	-	-	-	-
-	-	494,513	-	-
<u>8,363</u>	<u>240,813</u>	<u>494,513</u>	<u>64,958</u>	<u>8</u>
<u>\$ 8,363</u>	<u>\$ 291,256</u>	<u>\$ 643,516</u>	<u>\$ 68,664</u>	<u>\$ 8</u>

CITY OF SEGUIN, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SEPTEMBER 30, 2022

	Convention & Visitors Bureau Fund	CVB Building Fund	Sebastopol House	Police Department Donations
ASSETS				
Cash and Cash Equivalents	\$ 55,153	\$ 1,141	\$ 10,801	\$ 1,451
Investments	451,675	28,359	43,079	40,519
Receivables (net of allowances for uncollectibles):				
Accounts	-	-	-	-
Taxes	-	-	-	-
Total Assets	<u>\$ 506,828</u>	<u>\$ 29,500</u>	<u>\$ 53,880</u>	<u>\$ 41,970</u>
LIABILITIES AND FUND BALANCE				
<i>Liabilities:</i>				
Accounts Payable	\$ 14,813	\$ -	\$ 538	\$ -
Accrued Expenditures	7,615	-	1,661	-
Due to Others	-	-	-	-
Unearned Revenue	-	-	1,542	13,498
Total Liabilities	<u>22,428</u>	<u>-</u>	<u>3,741</u>	<u>13,498</u>
<i>Fund Balance:</i>				
Restricted				
Promoting Tourism & Economic Development				
	484,400	29,500	50,139	-
Public Safety	-	-	-	28,472
Public Service	-	-	-	-
Committed	-	-	-	-
Total Fund Balance	<u>484,400</u>	<u>29,500</u>	<u>50,139</u>	<u>28,472</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 506,828</u>	<u>\$ 29,500</u>	<u>\$ 53,880</u>	<u>\$ 41,970</u>

PEG Capital Fees	Library Development Fund	Seguin Events Complex	Seguin Arts Commission	American Rescue Plan Fund	Totals
\$ 17,521	\$ 1,131	\$ 4,867	\$ 9,455	\$ 1,913,434	\$ 2,304,667
70,304	73,380	113,074	11,894	3,598,881	6,406,980
-	-	-	-	-	7,293
10,889	-	-	-	-	255,106
<u>\$ 98,714</u>	<u>\$ 74,511</u>	<u>\$ 117,941</u>	<u>\$ 21,349</u>	<u>\$ 5,512,315</u>	<u>\$ 8,974,046</u>
\$ 3,497	\$ -	\$ 2,357	\$ 707	\$ 491,290	\$ 708,699
-	-	3,138	200	-	39,623
-	-	-	-	-	65,197
-	-	43,208	-	5,010,326	5,075,730
<u>3,497</u>	<u>-</u>	<u>48,703</u>	<u>907</u>	<u>5,501,616</u>	<u>5,889,249</u>
-	-	-	-	-	1,936,312
-	-	-	-	-	366,073
95,217	74,511	69,238	20,442	10,699	270,107
-	-	-	-	-	512,305
<u>95,217</u>	<u>74,511</u>	<u>69,238</u>	<u>20,442</u>	<u>10,699</u>	<u>3,084,797</u>
<u>\$ 98,714</u>	<u>\$ 74,511</u>	<u>\$ 117,941</u>	<u>\$ 21,349</u>	<u>\$ 5,512,315</u>	<u>8,974,046</u>

CITY OF SEGUIN, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

REVENUES	Occupancy Tax Fund	Coliseum Fund	Aquatic Center Fund	Municipal Court Security Fund
Taxes	\$ 334,138	\$ 217,500	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	44,825	102,311	-
Fines and Forfeits	-	-	-	16,121
Interest	6,438	2,607	404	172
Miscellaneous	-	1,396	-	-
Total Revenues	<u>340,576</u>	<u>266,328</u>	<u>102,715</u>	<u>16,293</u>
EXPENDITURES				
Current:				
General Government	160,156	228,883	173,894	-
Economic Development	-	-	-	-
Nondepartmental	-	-	-	14,656
Capital Outlay	-	-	-	-
Total Expenditures	<u>160,156</u>	<u>228,883</u>	<u>173,894</u>	<u>14,656</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>180,420</u>	<u>37,445</u>	<u>(71,179)</u>	<u>1,637</u>
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	<u>(12,339)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(12,339)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	168,081	37,445	(71,179)	1,637
FUND BALANCE, OCTOBER 1	<u>941,186</u>	<u>225,561</u>	<u>88,971</u>	<u>21,822</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 1,109,267</u>	<u>\$ 263,006</u>	<u>\$ 17,792</u>	<u>\$ 23,459</u>

<u>Municipal Court Technology</u>	<u>Forfeiture & Seizure Fund</u>	<u>Golf Course Fund</u>	<u>P.D. Community Program Fund</u>	<u>Juvenile Case Manager</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	38,452	-
-	-	1,061,241	-	-
14,439	102,938	-	-	18,364
49	1,561	4,901	467	-
-	10,246	-	-	-
<u>14,488</u>	<u>114,745</u>	<u>1,066,142</u>	<u>38,919</u>	<u>18,364</u>
31,441	137,336	1,027,653	28,125	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>31,441</u>	<u>137,336</u>	<u>1,027,653</u>	<u>28,125</u>	<u>-</u>
<u>(16,953)</u>	<u>(22,591)</u>	<u>38,489</u>	<u>10,794</u>	<u>18,364</u>
-	-	-	-	(18,364)
-	-	-	-	(18,364)
(16,953)	(22,591)	38,489	10,794	-
<u>25,316</u>	<u>263,404</u>	<u>456,024</u>	<u>54,164</u>	<u>8</u>
<u>\$ 8,363</u>	<u>\$ 240,813</u>	<u>\$ 494,513</u>	<u>\$ 64,958</u>	<u>\$ 8</u>

CITY OF SEGUIN, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

REVENUES	Convention & Visitors Bureau Fund	CVB Building Fund	Sebastopol House	Police Department Donations
Taxes	\$ 382,500	\$ -	\$ 74,995	\$ -
Intergovernmental	-	-	2,290	-
Charges for Services	-	-	-	-
Fines and Forfeits	-	-	-	-
Interest	3,611	222	354	316
Miscellaneous	2,704	-	-	-
Total Revenues	<u>388,815</u>	<u>222</u>	<u>77,639</u>	<u>316</u>
EXPENDITURES				
Current:				
General Government	-	-	73,007	357
Economic Development	370,305	-	-	-
Nondepartmental	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>370,305</u>	<u>-</u>	<u>73,007</u>	<u>357</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>18,510</u>	<u>222</u>	<u>4,632</u>	<u>(41)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	18,510	222	4,632	(41)
FUND BALANCE, OCTOBER 1	<u>465,890</u>	<u>29,278</u>	<u>45,507</u>	<u>28,513</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 484,400</u>	<u>\$ 29,500</u>	<u>\$ 50,139</u>	<u>\$ 28,472</u>

PEG Capital Fees	Library Development Fund	Seguin Events Complex	Seguin Arts Commission	American Rescue Plan Fund	Totals
\$ 44,652	\$ -	\$ 90,390	\$ -	\$ -	\$ 1,144,175
-	-	-	-	1,848,219	1,888,961
-	-	50,014	-	-	1,258,391
-	-	-	-	-	151,862
583	572	875	106	20,396	43,634
-	-	150	19,573	-	34,069
<u>45,235</u>	<u>572</u>	<u>141,429</u>	<u>19,679</u>	<u>1,868,615</u>	<u>4,521,092</u>
39,539	-	128,510	15,740	227,906	2,272,547
-	-	-	-	-	370,305
-	-	-	-	-	14,656
-	-	-	-	1,620,313	1,620,313
<u>39,539</u>	<u>-</u>	<u>128,510</u>	<u>15,740</u>	<u>1,848,219</u>	<u>4,277,821</u>
<u>5,696</u>	<u>572</u>	<u>12,919</u>	<u>3,939</u>	<u>20,396</u>	<u>243,271</u>
-	-	-	-	(9,890)	(40,593)
-	-	-	-	(9,890)	(40,593)
5,696	572	12,919	3,939	10,506	202,678
<u>89,521</u>	<u>73,939</u>	<u>56,319</u>	<u>16,503</u>	<u>193</u>	<u>2,882,119</u>
<u>\$ 95,217</u>	<u>\$ 74,511</u>	<u>\$ 69,238</u>	<u>\$ 20,442</u>	<u>\$ 10,699</u>	<u>\$ 3,084,797</u>

CITY OF SEGUIN, TEXAS
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2022

	General Fund Capital Projects	Golf Course Capital Projects	2020 Certificates of Obligation	2016 Certificates of Obligation
ASSETS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cash and Cash Equivalents	\$ 450,810	\$ 69,522	-	\$ -
Investments	4,999,822	573,270	-	-
Receivables, Net	1,378,332	-	-	-
Restricted Cash and Equivalents	-	-	22,439	7,854
Restricted Investments	-	-	5,922,903	616,513
Total Assets	<u>\$ 6,828,964</u>	<u>\$ 642,792</u>	<u>\$ 5,945,342</u>	<u>\$ 624,367</u>
 LIABILITIES AND FUND BALANCE				
<i>Liabilities:</i>				
Accounts Payable	\$ 1,313,108	\$ 2,549	131,155	\$ 26,651
Unearned Revenue	-	500	-	-
Total Liabilities	<u>1,313,108</u>	<u>3,049</u>	<u>131,155</u>	<u>26,651</u>
 <i>Fund Balances:</i>				
Restricted for Capital Projects	-	-	5,814,187	597,716
Assigned to Capital Projects	5,515,856	639,743	-	-
Total Fund Balance	<u>5,515,856</u>	<u>639,743</u>	<u>5,814,187</u>	<u>597,716</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 6,828,964</u>	 <u>\$ 642,792</u>	 <u>\$ 5,945,342</u>	 <u>\$ 624,367</u>

2016-A Certificates of Obligation	2018 Certificates of Obligation	Miscellaneous Projects Fund	Total
\$ -	\$ -	\$ 890,926	\$ 1,411,258
-	-	5,094,893	10,667,985
-	-	145,134	1,523,466
2,723	7,101	-	40,117
517,912	1,653,559	-	8,710,887
<u>\$ 520,635</u>	<u>\$ 1,660,660</u>	<u>\$ 6,130,953</u>	<u>\$ 22,353,713</u>

\$ 52,488	\$ 2,031	\$ 26,006	\$ 1,553,988
-	-	398,136	398,636
<u>52,488</u>	<u>2,031</u>	<u>424,142</u>	<u>1,952,624</u>

468,147	1,658,629	5,252,598	13,791,277
-	-	454,213	6,609,812
<u>468,147</u>	<u>1,658,629</u>	<u>5,706,811</u>	<u>20,401,089</u>

<u>\$ 520,635</u>	<u>\$ 1,660,660</u>	<u>\$ 6,130,953</u>	<u>\$ 22,353,713</u>
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CITY OF SEGUIN, TEXAS
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

REVENUES	General Fund Capital Projects	Golf Course Capital Projects	2020 Certificates of Obligation	2016 Certificates of Obligation
Intergovernmental	\$ 4,227,299	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Charges for Services	-	256,724	-	-
Interest	39,961	5,042	46,513	5,088
Miscellaneous	438,285	31,757	-	-
Total Revenues	<u>4,705,545</u>	<u>293,523</u>	<u>46,513</u>	<u>5,088</u>
 EXPENDITURES				
General Government	414,822	-	-	-
Public Service	-	-	-	-
Capital Outlay	5,154,118	241,212	510,258	75,913
Debt Service:				
Principal	604,817	152,426	-	-
Interest & Fiscal Charges	41,596	57,412	-	-
Bond Issuance Costs	-	-	-	-
Total Expenditures	<u>6,215,353</u>	<u>451,050</u>	<u>510,258</u>	<u>75,913</u>
Excess (Deficiency) of Revenues Over (Under Expenditures)	<u>(1,509,808)</u>	<u>(157,527)</u>	<u>(463,745)</u>	<u>(70,825)</u>
 OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	2,656,311	-	-	-
Issuance of Tax Notes	-	-	-	-
Issuance of Lease Financing	-	169,072	-	-
Total Other Financing Sources (Uses)	<u>2,656,311</u>	<u>169,072</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1,146,503	11,545	(463,745)	(70,825)
FUND BALANCE, OCTOBER 1	<u>4,369,353</u>	<u>628,198</u>	<u>6,277,932</u>	<u>668,541</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 5,515,856</u>	<u>\$ 639,743</u>	<u>\$ 5,814,187</u>	<u>\$ 597,716</u>

2016-A Certificates of Obligation	2018 Certificates of Obligation	Miscellaneous Projects Fund	Total
\$ -	\$ -	\$ -	\$ 4,227,299
-	-	1,850,657	1,850,657
-	-	-	256,724
4,183	13,745	43,009	157,541
-	-	-	470,042
<u>4,183</u>	<u>13,745</u>	<u>1,893,666</u>	<u>6,962,263</u>
-	-	-	414,822
-	-	32,800	32,800
129,826	826,052	823,558	7,760,937
-	-	-	757,243
-	-	-	99,008
-	-	10,103	10,103
<u>129,826</u>	<u>826,052</u>	<u>866,461</u>	<u>9,074,913</u>
<u>(125,643)</u>	<u>(812,307)</u>	<u>1,027,205</u>	<u>(2,112,650)</u>
-	(61,992)	-	2,594,319
-	-	705,000	705,000
-	-	-	169,072
-	<u>(61,992)</u>	<u>705,000</u>	<u>3,468,391</u>
(125,643)	(874,299)	1,732,205	1,355,741
<u>593,790</u>	<u>2,532,928</u>	<u>3,974,606</u>	<u>19,045,348</u>
<u>\$ 468,147</u>	<u>\$ 1,658,629</u>	<u>\$ 5,706,811</u>	<u>\$ 20,401,089</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
OCCUPANCY TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Occupancy Tax	\$ -	\$ 334,138	\$ 334,138	\$ 532,808
Intergovernmental	-	-	-	181,326
Interest	150	6,438	6,288	242
Total Revenues	<u>150</u>	<u>340,576</u>	<u>340,426</u>	<u>714,376</u>
EXPENDITURES				
Current:				
<i>General Government:</i>				
Contributions to Local Organizations	163,814	160,156	3,658	36,518
Total Expenditures	<u>163,814</u>	<u>160,156</u>	<u>3,658</u>	<u>36,518</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(163,664)</u>	<u>180,420</u>	<u>344,084</u>	<u>677,858</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(52,724)	(12,339)	40,385	-
Total Other Financing Sources (Uses)	<u>(52,724)</u>	<u>(12,339)</u>	<u>40,385</u>	<u>-</u>
Net Change in Fund Balance	(216,388)	168,081	384,469	677,858
FUND BALANCE, OCTOBER 1	<u>941,186</u>	<u>941,186</u>	<u>-</u>	<u>263,328</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 724,798</u>	<u>\$ 1,109,267</u>	<u>\$ 384,469</u>	<u>\$ 941,186</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
COLISEUM FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Occupancy Tax	\$ 217,500	\$ 217,500	\$ -	\$ 147,175
Intergovernmental	-	-	-	129,287
Charges for Services	50,000	44,825	(5,175)	15,075
Interest	50	2,607	2,557	98
Miscellaneous	150	1,396	1,246	265
Total Revenues	<u>267,700</u>	<u>266,328</u>	<u>(1,372)</u>	<u>291,900</u>
EXPENDITURES				
<i>General Government/Facilities & Grounds:</i>				
Personnel Services	68,683	67,611	1,072	64,379
Contracted Services	142,590	123,657	18,933	86,361
Supplies	32,639	32,638	1	18,518
Other Services and Charges	6,571	4,977	1,594	95,292
Total Expenditures	<u>250,483</u>	<u>228,883</u>	<u>21,600</u>	<u>264,550</u>
Net Change in Fund Balance	17,217	37,445	20,228	27,350
FUND BALANCE, OCTOBER 1	<u>225,561</u>	<u>225,561</u>	-	<u>198,211</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 242,778</u>	<u>\$ 263,006</u>	<u>\$ 20,228</u>	<u>\$ 225,561</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
AQUATIC CENTER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ 87,636
Charges for Services	101,743	102,311	568	-
Interest	-	404	404	(5)
Total Revenues	<u>101,743</u>	<u>102,715</u>	<u>972</u>	<u>87,631</u>
EXPENDITURES				
Current:				
<i>General Government/ Parks & Recreation</i>				
Personnel Services	106,074	106,074	-	-
Contracted Services	36,300	28,387	7,913	5,863
Supplies	29,288	39,433	(10,145)	-
Total Expenditures	<u>171,662</u>	<u>173,894</u>	<u>(2,232)</u>	<u>5,863</u>
Net Change in Fund Balance	(69,919)	(71,179)	(1,260)	81,768
FUND BALANCE, OCTOBER 1	<u>88,971</u>	<u>88,971</u>	<u>-</u>	<u>7,203</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 19,052</u>	<u>\$ 17,792</u>	<u>\$ (1,260)</u>	<u>\$ 88,971</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
MUNICIPAL COURT SECURITY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ 7,752
Fines and Forfeits	14,000	16,121	2,121	14,808
Miscellaneous	10	172	162	16
Total Revenues	<u>14,010</u>	<u>16,293</u>	<u>2,283</u>	<u>22,576</u>
EXPENDITURES				
Current:				
<i>Non-Departmental</i>				
Personnel Services	16,805	14,656	2,149	28,461
Total Expenditures	<u>16,805</u>	<u>14,656</u>	<u>2,149</u>	<u>28,461</u>
Net Change in Fund Balance	(2,795)	1,637	4,432	(5,885)
FUND BALANCE, OCTOBER 1	<u>21,822</u>	<u>21,822</u>	<u>-</u>	<u>27,707</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 19,027</u>	<u>\$ 23,459</u>	<u>\$ 4,432</u>	<u>\$ 21,822</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
MUNICIPAL COURT TECHNOLOGY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ 14,033
Fines and Forfeits	14,000	14,439	439	13,950
Miscellaneous	10	49	39	-
Total Revenues	<u>14,010</u>	<u>14,488</u>	<u>478</u>	<u>27,983</u>
EXPENDITURES				
Current:				
<i>General Government/Non-Departmental</i>				
Supplies	31,710	31,441	269	29,871
Total Expenditures	<u>31,710</u>	<u>31,441</u>	<u>269</u>	<u>29,871</u>
Net Change in Fund Balance	(17,700)	(16,953)	747	(1,888)
FUND BALANCE, OCTOBER 1	<u>25,316</u>	<u>25,316</u>	<u>-</u>	<u>27,204</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 7,616</u>	<u>\$ 8,363</u>	<u>\$ 747</u>	<u>\$ 25,316</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
FORFEITURE AND SEIZURE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Fines and Forfeitures	\$ -	\$ 102,938	\$ 102,938	\$ 74,150
Interest	55	1,561	1,506	149
Miscellaneous	-	10,246	10,246	14,170
Total Revenues	<u>55</u>	<u>114,745</u>	<u>114,690</u>	<u>88,469</u>
EXPENDITURES				
Current:				
<i>General Government</i>				
Supplies	111,968	137,336	(25,368)	28,606
Miscellaneous	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>111,968</u>	<u>137,336</u>	<u>(25,368)</u>	<u>28,606</u>
Net Change in Fund Balance	(111,913)	(22,591)	89,322	59,863
FUND BALANCE, OCTOBER 1	<u>263,404</u>	<u>263,404</u>	<u>-</u>	<u>203,541</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 151,491</u>	<u>\$ 240,813</u>	<u>\$ 89,322</u>	<u>\$ 263,404</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
GOLF COURSE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Charges for Services	\$ 990,861	\$ 1,061,241	\$ 70,380	\$ 1,034,975
Interest	300	4,901	4,601	359
Total Revenues	<u>991,161</u>	<u>1,066,142</u>	<u>74,981</u>	<u>1,035,334</u>
EXPENDITURES				
Current:				
General Government	1,129,273	1,027,653	101,620	935,582
Total Expenditures	<u>1,129,273</u>	<u>1,027,653</u>	<u>101,620</u>	<u>935,582</u>
Net Change in Fund Balances	(138,112)	38,489	(26,639)	99,752
FUND BALANCE, OCTOBER 1	<u>456,024</u>	<u>456,024</u>	<u>-</u>	<u>356,272</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 317,912</u>	<u>\$ 494,513</u>	<u>\$ 176,601</u>	<u>\$ 456,024</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
DARE PROGRAM
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Intergovernmental	\$ 32,500	\$ 38,452	\$ 5,952	\$ 19,425
Interest	5	467	462	34
Total Revenues	<u>32,505</u>	<u>38,919</u>	<u>6,414</u>	<u>19,459</u>
EXPENDITURES				
Current:				
<i>General Government</i>				
Supplies	1,000	842	158	11,741
Transfer to Scholarship Fund	31,000	27,283	3,717	
Total Expenditures	<u>32,000</u>	<u>28,125</u>	<u>3,875</u>	<u>11,741</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>505</u>	<u>10,794</u>	<u>10,289</u>	<u>7,718</u>
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	-	-	-	(18,837)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,837)</u>
Net Change in Fund Balance	505	10,794	10,289	(11,119)
FUND BALANCE, OCTOBER 1	<u>54,164</u>	<u>54,164</u>	<u>-</u>	<u>65,283</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 54,669</u>	<u>\$ 64,958</u>	<u>\$ 10,289</u>	<u>\$ 54,164</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
JUVENILE CASE MANAGER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Fines and Forfeitures	\$ -	\$ 18,364	\$ 18,364	\$ 17,931
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>18,364</u>	<u>18,364</u>	<u>17,931</u>
EXPENDITURES				
Current:				
<i>Non-Departmental</i>				
Personnel Services	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>18,364</u>	<u>18,364</u>	<u>17,931</u>
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(18,000)	(18,364)	(364)	(17,936)
Total Other Financing Sources (Uses)	<u>(18,000)</u>	<u>(18,364)</u>	<u>(364)</u>	<u>(17,936)</u>
Net Change in Fund Balance	(18,000)	-	18,000	(5)
FUND BALANCE, OCTOBER 1	<u>8</u>	<u>8</u>	<u>-</u>	<u>13</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ (17,992)</u>	<u>\$ 8</u>	<u>\$ 18,000</u>	<u>\$ 8</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
CONVENTION & VISITORS BUREAU FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Occupancy Tax	\$ 382,500	\$ 382,500	\$ -	\$ 228,375
Governmental	-	-	-	102,726
Interest	325	3,611	3,286	393
Miscellaneous	2,500	2,704	204	2,210
Total Revenues	<u>385,325</u>	<u>388,815</u>	<u>3,490</u>	<u>333,704</u>
EXPENDITURES				
Current:				
Economic Development	394,045	370,305	23,740	357,307
Total Expenditures	<u>394,045</u>	<u>370,305</u>	<u>23,740</u>	<u>357,307</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(8,720)</u>	<u>18,510</u>	<u>27,230 -</u>	<u>(23,603)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	-	-	-	(6,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,000)</u>
Net Change in Fund Balances	(8,720)	18,510	27,230	(29,603)
FUND BALANCE, OCTOBER 1	<u>465,890</u>	<u>465,890</u>	<u>-</u>	<u>495,493</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 457,170</u>	<u>\$ 484,400</u>	<u>\$ 27,230</u>	<u>\$ 465,890</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
CVB BUILDING FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Interest	\$ 30	\$ 222	\$ 192	\$ 32
Total Revenues	<u>30</u>	<u>222</u>	<u>192</u>	<u>32</u>
EXPENDITURES				
Current:				
<i>Economic Development</i>				
Miscellaneous	-	-	-	5,750
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,750</u>
Net Change in Fund Balance	30	222	192	(5,718)
FUND BALANCE, OCTOBER 1	<u>29,278</u>	<u>29,278</u>	<u>-</u>	<u>34,996</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 29,308</u>	<u>\$ 29,500</u>	<u>\$ 192</u>	<u>\$ 29,278</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
SEBASTOPOL HOUSE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Occupancy Tax	\$ 74,995	\$ 74,995	\$ -	\$ 53,882
Intergovernmental	1,500	2,290	790	29,705
Interest	335	354	19	11
Total Revenues	<u>76,830</u>	<u>77,639</u>	<u>809</u>	<u>83,598</u>
EXPENDITURES				
Current:				
General Government	76,830	73,007	3,823	68,275
Total Expenditures	<u>76,830</u>	<u>73,007</u>	<u>3,823</u>	<u>68,275</u>
Net Change in Fund Balance	-	4,632	4,632	15,323
FUND BALANCE, OCTOBER 1	<u>45,507</u>	<u>45,507</u>	<u>-</u>	<u>30,184</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 45,507</u>	<u>\$ 50,139</u>	<u>\$ 4,632</u>	<u>\$ 45,507</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
POLICE DEPARTMENT DONATIONS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Interest	\$ 10	\$ 316	\$ 306	\$ 21
Miscellaneous	-	-	-	1,250
Total Revenues	<u>10</u>	<u>316</u>	<u>306</u>	<u>1,271</u>
EXPENDITURES				
Current:				
<i>General Government:</i>				
Capital Outlay	5,000	357	4,643	1,917
Total Expenditures	<u>5,000</u>	<u>357</u>	<u>4,643</u>	<u>1,917</u>
Net Change in Fund Balance	(4,990)	(41)	4,949	(646)
FUND BALANCE, OCTOBER 1	<u>28,513</u>	<u>28,513</u>	<u>-</u>	<u>29,159</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 23,523</u>	<u>\$ 28,472</u>	<u>\$ 4,949</u>	<u>\$ 28,513</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
PEG CAPITAL FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Franchise Tax	\$ 33,500	\$ 44,652	\$ 11,152	\$ 44,987
Interest	30	583	553	47
Total Revenues	<u>33,530</u>	<u>45,235</u>	<u>11,705</u>	<u>45,034</u>
EXPENDITURES				
Current:				
<i>General Government:</i>				
Contracted Services	40,000	39,539	461	40,468
Total Expenditures	<u>40,000</u>	<u>39,539</u>	<u>461</u>	<u>40,468</u>
Net Change in Fund Balance	(6,470)	5,696	12,166	4,566
FUND BALANCE, OCTOBER 1	<u>89,521</u>	<u>89,521</u>	<u>-</u>	<u>84,955</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 83,051</u>	<u>\$ 95,217</u>	<u>\$ 12,166</u>	<u>\$ 89,521</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
LIBRARY DEVELOPMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Interest	\$ 40	\$ 572	\$ 532	\$ 64
Total Revenues	<u>40</u>	<u>572</u>	<u>532</u>	<u>64</u>
EXPENDITURES				
Current:				
<i>General Government:</i>				
Contracted Services	10,000	-	10,000	9,020
Total Expenditures	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>9,020</u>
Net Change in Fund Balance	(9,960)	572	10,532	(8,956)
FUND BALANCE, OCTOBER 1	<u>73,939</u>	<u>73,939</u>	<u>-</u>	<u>82,895</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 63,979</u>	<u>\$ 74,511</u>	<u>\$ 10,532</u>	<u>\$ 73,939</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
SEGUIN EVENTS COMPLEX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Taxes	\$ 90,390	\$ 90,390	\$ -	\$ 35,895
Intergovernmental	-	-	-	29,081
Charges for Services	40,000	50,014	10,014	26,411
Interest	30	875	845	74
Miscellaneous	-	150	150	-
Total Revenues	<u>130,420</u>	<u>141,429</u>	<u>11,009</u>	<u>91,461</u>
EXPENDITURES				
Current:				
<i>General Government:</i>				
Personal Services	91,721	90,982	739	87,143
Contracted Services	31,895	29,823	2,072	29,442
Supplies	7,705	7,705	-	7,178
Total Expenditures	<u>131,321</u>	<u>128,510</u>	<u>2,811</u>	<u>123,763</u>
Net Change in Fund Balance	(901)	12,919	13,820	(32,302)
FUND BALANCE, OCTOBER 1	<u>56,319</u>	<u>56,319</u>	<u>-</u>	<u>88,621</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 55,418</u>	<u>\$ 69,237</u>	<u>\$ 13,819</u>	<u>\$ 56,319</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
SEGUIN ARTS COMMISSION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Interest	\$ (10)	\$ 106	\$ 116	\$ 8
Miscellaneous	10,000	19,573	9,573	5,295
Total Revenues	<u>9,990</u>	<u>19,679</u>	<u>9,689</u>	<u>5,303</u>
EXPENDITURES				
Current:				
<i>Economic Development</i>				
Personal Services	17,500	15,740	1,760	3,474
Total Expenditures	<u>17,500</u>	<u>15,740</u>	<u>1,760</u>	<u>3,474</u>
Net Change in Fund Balance	(7,510)	3,939	11,449	1,829
FUND BALANCE, OCTOBER 1	<u>16,503</u>	<u>16,503</u>	-	<u>14,674</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 8,993</u>	<u>\$ 20,442</u>	<u>\$ 11,449</u>	<u>\$ 16,503</u>

CITY OF SEGUIN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
AMERICAN RESCUE ACT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(With Comparative Actual Amounts for 2021)

	Final Budgeted Amounts	2022	Variance Favorable (Unfavorable)	2021
REVENUES				
Intergovernmental	\$ 6,651,201	\$ 1,848,219	\$ (4,802,982)	\$ -
Interest	-	20,396	20,396	193
Total Revenues	<u>6,651,201</u>	<u>1,868,615</u>	<u>(4,782,586)</u>	<u>193</u>
EXPENDITURES				
Current:				
General Government	515,000	227,906	287,094	-
Capital Outlay	6,136,201	1,620,313	4,515,888	-
Total Expenditures	<u>6,651,201</u>	<u>1,848,219</u>	<u>4,802,982</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	20,396	(20,396)	193
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	-	(9,890)	(9,890)	-
Total Other Financing Sources (Uses)	-	(9,890)	(9,890)	-
Net Change in Fund Balance	-	10,506	(10,506)	193
FUND BALANCE, OCTOBER 1	<u>193</u>	<u>193</u>	<u>-</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 193</u>	<u>\$ 10,699</u>	<u>\$ (10,506)</u>	<u>\$ 193</u>

CITY OF SEGUIN, TEXAS
 COMPARATIVE STATEMENTS OF NET POSITION
 UTILITY FUND
 SEPTEMBER 30, 2022 AND 2021

ASSETS	<u>2022</u>	<u>2021</u>
<i>Current Assets:</i>		
Cash and Cash Equivalents		
Restricted Cash	\$ 941,820	1,619,202
Unrestricted Cash	1,078,514	543,395
Investments		
Restricted Investments	46,393,181	28,530,612
Unrestricted Investments	33,430,473	32,960,102
Accounts Receivable (Net)	7,394,780	7,406,008
Miscellaneous Receivables	1,228,708	667,030
Due from Other Funds	129,933	-
Due from Component Unit	34,144	30,986
Current Portion of Notes Receivable	306,063	250,000
Inventories	2,774,800	1,958,790
Prepaid Items	149,494	111,474
<i>Total Current Assets</i>	<u>93,861,910</u>	<u>74,077,599</u>
Notes Receivable (Net of Current)	1,096,241	1,446,995
Capital Assets	200,350,721	192,307,056
Accumulated Depreciation	<u>(88,803,134)</u>	<u>(82,893,861)</u>
Total Assets	<u>206,505,738</u>	<u>184,937,789</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Deferred Pension/ OPEB Related Outflows	3,410,003	2,735,155
Deferred Charge on Refundings	114,718	117,924
Total Deferred Outflows of Resources	<u>\$ 3,524,721</u>	<u>\$ 2,853,079</u>

Continued

CITY OF SEGUIN, TEXAS
 COMPARATIVE STATEMENTS OF NET POSITION (CONTINUED)
 UTILITY FUND
 SEPTEMBER 30, 2022 AND 2021

LIABILITIES	<u>2022</u>	<u>2021</u>
<i>Current Liabilities:</i>		
Accounts Payable	\$ 3,845,663	\$ 2,868,918
Accrued Expenses	3,330,311	3,483,449
Unearned Revenue	1,535,310	953,796
Customer Deposits	601,160	830,248
<i>Payable from Restricted Assets:</i>		
Accrued Interest Payable	337,396	177,397
Revenue Bonds Due Within One Year	2,705,000	3,555,000
<i>Total Current Liabilities</i>	<u>12,354,840</u>	<u>11,868,808</u>
Compensated Absences	260,267	226,261
Net Other Post Employment Benefit Obligation	696,193	664,630
Net Pension Liability	6,564,488	7,704,401
Revenue Bonds Payable (Net of Current Maturities)	78,682,376	67,172,064
<i>Total Noncurrent Liabilities</i>	<u>86,203,324</u>	<u>75,767,356</u>
Total Liabilities	<u>98,558,164</u>	<u>87,636,164</u>
 DEFERRED INFLOWS OF RESOURCES		
Deferred Pension/ OPEB Related Inflows	<u>3,158,468</u>	<u>1,935,785</u>
Total Deferred Inflows of Resources	<u>3,158,468</u>	<u>1,935,785</u>
 NET POSITION		
Net Investment in Capital Assets	48,719,693	58,013,629
Restricted for:		
Debt Service	3,958,252	1,614,477
Impact Fees	10,143,253	8,104,720
Unrestricted	45,492,629	30,486,093
Total Net Position	<u>\$ 108,313,827</u>	<u>\$ 98,218,919</u>

CITY OF SEGUIN, TEXAS
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
 AND CHANGES IN NET POSITION
 UTILITY FUND
 YEARS ENDED SEPTEMBER 30, 2022 AND 2021

OPERATING REVENUES	<u>2022</u>	<u>2021</u>
Charges for Services:		
Electric	\$ 31,992,929	\$ 29,942,258
Water	16,030,054	14,687,340
Sewer	16,273,119	13,572,068
Miscellaneous Revenues	<u>2,319,577</u>	<u>1,691,482</u>
Total Operating Revenues	<u>66,615,679</u>	<u>59,893,148</u>
 OPERATING EXPENSES		
Administration	2,168,930	2,089,220
Engineering	815,088	608,190
Operation and Maintenance:		
Electric Distribution	22,652,317	22,540,289
Utility Services	1,404,383	1,292,929
Water Production	7,164,283	6,773,489
Water/Sewer Maintenance	8,093,463	6,163,312
Sewer Plant	2,487,888	1,810,318
Economic Development	507,861	499,827
Facilities Maintenance	1,115,779	1,049,237
Information Technology	864,316	771,397
City Attorney	155,809	125,727
Nondepartmental	1,633,851	1,891,574
Indirect Cost Allocation	<u>6,228,640</u>	<u>5,628,493</u>
Total Operating Expenses	<u>55,292,608</u>	<u>51,244,002</u>
Operating Income (Loss)	<u>11,323,071</u>	<u>8,649,146</u>
 NONOPERATING REVENUES (EXPENSES)		
Interest Income	533,638	40,236
Gain (Loss) on Sale of Assets	60,144	65,358
Interest and Fiscal Charges	(2,323,551)	(1,723,540)
Bond Issue Costs	<u>(128,696)</u>	<u>(310,520)</u>
Total Nonoperating Revenues (Expenses)	<u>(1,858,465)</u>	<u>(1,928,466)</u>
Net Income (Loss) before Contributions and Transfers	<u>9,464,606</u>	<u>6,720,680</u>
 Capital Contributions	190,303	591,597
Transfers In (Out)	<u>439,999</u>	<u>389,406</u>
	630,302	981,003
 Change in Net Position	10,094,908	7,701,683
Net Position at Beginning of Year	<u>98,218,919</u>	<u>90,517,236</u>
Net Position at End of Year	<u>\$ 108,313,827</u>	<u>\$ 98,218,919</u>

CITY OF SEGUIN, TEXAS
 COMPARATIVE STATEMENTS OF CASH FLOWS
 UTILITY FUND
 YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2022	2021
Cash Flows From Operating Activities:		
Cash Received From Customers	\$ 66,414,497	\$ 54,170,337
Cash Paid for Employee Wages and Benefits	(11,458,594)	(8,187,230)
Cash Paid to Suppliers for Goods and Services	(32,239,586)	(30,136,755)
Cash Paid General Fund for Indirect Costs	(6,228,640)	(5,628,493)
Net Cash Provided (Used) by Operating Activities	16,487,677	10,217,859
Cash Flows From Noncapital Financing Activities:		
Transfers From (To) Other Funds	439,999	389,406
Net Cash Provided (Used) by Noncapital Financing Activities	439,999	389,406
Cash Flows From Capital and Related Financing Activities:		
Purchase/Construction of Capital Assets	(7,996,742)	(11,662,029)
Proceeds from Revenue and Refunding Bonds	13,815,000	15,480,000
Premiums Received on Bonds	594,901	-
Principal Payments on Long-Term Bonds	(3,455,000)	(3,695,000)
Interest and Fiscal Charges Paid	(2,454,935)	(2,082,235)
Bond Issue Costs	(128,696)	(310,520)
Proceeds from Sale of Capital Assets	60,144	65,358
Net Cash Provided (Used) by Capital and Related Financing Activities	434,672	(2,204,426)
Cash Flows From Investing Activities:		
Sale of Investment Securities	-	4,864,708
(Purchase) of Investment Securities	(18,332,940)	(14,970,000)
Investment Interest Received	533,638	40,236
Principal Payments Received on Notes Receivable	294,691	290,285
Net Cash Provided (Used) by Investing Activities	(17,504,611)	(9,774,771)
Net Increase (Decrease) in Cash and Cash Equivalents	(142,263)	(1,371,932)
Cash and Equivalents at Beginning of Year:		
Cash and Cash Equivalents	543,395	3,494,310
Restricted Cash and Cash Equivalents	1,619,202	40,219
	2,162,597	3,534,529
Cash and Equivalents at End of Year:		
Cash and Cash Equivalents	1,078,514	543,395
Restricted Cash and Cash Equivalents	941,820	1,619,202
	\$ 2,020,334	\$ 2,162,597

CITY OF SEGUIN, TEXAS
 COMPARATIVE STATEMENTS OF CASH FLOWS (CONTINUED)
 UTILITY FUND
 YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2022	2021
Reconciliation of Operating Income to Net Cash		
Provided by Operating Activities:		
Operating Income	\$ 11,323,071	\$ 8,649,146
Adjustments to reconcile Operating Income to Net Cash		
Provided (Used) by Operating Activities:		
Depreciation	6,052,653	5,691,898
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(553,608)	(6,175,136)
Short term Interfund Receivables	(129,933)	-
Inventory/Prepaid Items	(854,030)	165,032
Deferred Pension Related Outflows	(674,848)	(301,091)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	976,745	(396,024)
Accrued Expenses	(119,132)	2,176,615
Unearned Revenue	581,514	327,018
Customer Deposits	(229,088)	125,307
Net Other Postemployment Benefit Obligation	31,563	72,905
Net Pension Liability	(1,139,913)	(71,306)
Deferred Pension/OPEB Related Inflows	1,222,683	(46,505)
Net Cash Provided (Used) by Operating Activities	\$ 16,487,677	\$ 10,217,859
Transactions Not Affecting Cash and Cash Equivalents:		
Capital and Related Financing Activities:		
Developer Contributions - Capital Assets	\$ 190,303	\$ 591,597

CITY OF SEGUIN, TEXAS
 COMPARATIVE SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
 UTILITY FUND
 YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<i>Administration:</i>		
Personnel Services	1,928,044	\$ 1,853,837
Contracted Services	109,107	128,645
Supplies and Materials	98,596	83,831
Other Charges	33,183	21,120
Depreciation	-	1,787
<i>Total Administration</i>	<u>2,168,930</u>	<u>2,089,220</u>
<i>Engineering</i>		
Personnel Services	771,868	561,850
Contracted Services	24,075	34,776
Supplies and Materials	9,681	6,709
Other Charges	2,743	1,495
Depreciation	6,721	3,361
<i>Total Electric Production and Distribution</i>	<u>815,088</u>	<u>608,191</u>
<i>Electric Production and Distribution:</i>		
Personnel Services	1,720,190	1,757,032
Contracted Services	2,325,259	2,296,623
Supplies and Materials	17,160,674	17,391,561
Other Charges	70,248	99,033
Depreciation	1,375,946	996,040
<i>Total Electric Production and Distribution</i>	<u>22,652,317</u>	<u>22,540,289</u>
<i>Utility Services</i>		
Personnel Services	1,229,940	1,135,843
Contracted Services	105,619	104,814
Supplies and Materials	30,766	26,905
Other Charges	38,058	25,367
<i>Total Utility Services</i>	<u>1,404,383</u>	<u>1,292,929</u>
<i>Water Production:</i>		
Personnel Services	931,936	814,613
Contracted Services	4,983,309	4,689,708
Supplies and Materials	168,228	129,719
Other Charges	8,088	4,173
Depreciation	1,072,722	1,135,276
<i>Total Water Production</i>	<u>7,164,283</u>	<u>6,773,489</u>
<i>Water/Sewer Maintenance:</i>		
Personnel Services	1,377,131	1,309,479
Contracted Services	2,664,757	2,393,582
Supplies and Materials	132,992	95,973
Other Charges	1,432,082	(119,188)
Depreciation	2,486,501	2,483,466
<i>Total Water/Sewer Maintenance</i>	<u>\$ 8,093,463</u>	<u>\$ 6,163,312</u>

CITY OF SEGUIN, TEXAS
 COMPARATIVE SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT (CONTINUED)
 UTILITY FUND
 YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<i>Sewer Plant:</i>		
Personnel Services	\$ 800,246	\$ 743,614
Contracted Services	879,014	652,756
Supplies and Materials	137,135	89,566
Other Charges	3,947	5,737
Depreciation	<u>667,546</u>	<u>318,644</u>
<i>Total Sewer Plant</i>	<u>2,487,888</u>	<u>1,810,317</u>
 <i>Economic Development:</i>		
Personnel Services	460,359	410,660
Contracted Services	26,867	83,189
Supplies and Materials	1,019	1,264
Other Charges	<u>19,616</u>	<u>4,714</u>
<i>Total Economic Development</i>	<u>507,861</u>	<u>499,827</u>
 <i>Facilities Maintenance:</i>		
Personnel Services	951,625	900,838
Contracted Services	109,855	87,739
Supplies and Materials	38,551	44,180
Other Charges	215	949
Depreciation	<u>15,533</u>	<u>15,533</u>
<i>Total Facilities Maintenance</i>	<u>1,115,779</u>	<u>1,049,239</u>
 <i>Information Technology:</i>		
Personnel Services	486,270	416,286
Contracted Services	365,047	350,530
Supplies and Materials	3,536	2,448
Other Charges	<u>9,463</u>	<u>2,133</u>
<i>Total Information Technology</i>	<u>864,316</u>	<u>771,397</u>
 <i>City Attorney:</i>		
Personnel Services	121,338	113,796
Contracted Services	32,843	10,975
Supplies and Materials	24	26
Other Charges	<u>1,604</u>	<u>929</u>
<i>Total City Attorney</i>	<u>155,809</u>	<u>125,726</u>
 <i>Nondepartmental:</i>		
Contracted Services	362,874	404,734
Supplies and Materials	58,742	6,440
Other Charges	784,551	742,608
Depreciation	<u>427,684</u>	<u>737,791</u>
<i>Total Nondepartmental</i>	<u>1,633,851</u>	<u>1,891,573</u>
Indirect Cost Allocation	<u>6,228,640</u>	<u>5,628,493</u>
Total Operating Expenses	<u>\$ 55,292,608</u>	<u>\$ 51,244,002</u>

CITY OF SEGUIN, TEXAS
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 SEPTEMBER 30, 2022
 (With Comparative Amounts for 2021)

	Internal	Retirees	Workers	Totals	
	Insurance Fund	Insurance Fund	Compensation Fund	2022	2021
ASSETS					
Cash and Cash Equivalents	\$ 68	\$ 48,384	\$ 76,129	\$ 124,581	\$ 592,235
Investments	266,661	700,005	90	966,756	620,542
Miscellaneous Receivables	-	24,040	-	24,040	17,027
Total Assets	<u>266,729</u>	<u>772,429</u>	<u>76,219</u>	<u>1,115,377</u>	<u>1,229,804</u>
LIABILITIES					
Accounts Payable	9,775	-	-	9,775	5,333
Total Liabilities	<u>9,775</u>	<u>-</u>	<u>-</u>	<u>9,775</u>	<u>5,333</u>
NET POSITION					
Unrestricted	256,954	772,429	76,219	1,105,602	1,224,470
Total Net Position	<u>\$ 256,954</u>	<u>\$ 772,429</u>	<u>\$ 76,219</u>	<u>\$1,105,602</u>	<u>\$ 1,224,470</u>

CITY OF SEGUIN, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 NET POSITION – INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2022
 (With Comparative Amounts for 2021)

	Internal	Retirees	Workers	Totals	
	Insurance Fund	Insurance Fund	Compensation Fund	2022	2021
OPERATING REVENUES					
Charges for Premiums	\$ 4,250,519	\$ 144,716	\$ 212,977	\$4,608,212	\$ 4,158,846
Miscellaneous Revenues	619	-	-	619	660
Total Operating Revenues	<u>4,251,138</u>	<u>144,716</u>	<u>212,977</u>	<u>4,608,831</u>	<u>4,159,506</u>
OPERATING EXPENSES					
Premiums	4,352,983	125,825	214,875	4,693,683	4,231,546
Administration	40,000	-	-	40,000	40,000
Total Operating Expenses	<u>4,392,983</u>	<u>125,825</u>	<u>214,875</u>	<u>4,733,683</u>	<u>4,271,546</u>
OPERATING INCOME (LOSS)	<u>(141,845)</u>	<u>18,891</u>	<u>(1,898)</u>	<u>(124,852)</u>	<u>(112,040)</u>
NONOPERATING REVENUES (EXPENSES)					
Interest Income	854	5,107	23	5,984	1,064
Total Nonoperating Revenues (Expenses)	<u>854</u>	<u>5,107</u>	<u>23</u>	<u>5,984</u>	<u>1,064</u>
Net Income (Loss) Before Contributions and Transfers	<u>(140,991)</u>	<u>23,998</u>	<u>(1,875)</u>	<u>(118,868)</u>	<u>(110,976)</u>
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>(140,991)</u>	<u>23,998</u>	<u>(1,875)</u>	<u>(118,868)</u>	<u>(110,976)</u>
Net Position At Beginning of Year	<u>397,945</u>	<u>748,431</u>	<u>78,094</u>	<u>1,224,470</u>	<u>1,335,446</u>
Net Position at End of Year	<u><u>\$ 256,954</u></u>	<u><u>\$ 772,429</u></u>	<u><u>\$ 76,219</u></u>	<u><u>\$1,105,602</u></u>	<u><u>\$ 1,224,470</u></u>

CITY OF SEGUIN, TEXAS
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2022
 (With Comparative Amounts for 2021)

	Internal Insurance Fund	Retirees Insurance Fund	Workers Compensation Fund	Totals	
				2022	2021
Cash Flows From Operating Activities:					
Cash Received from Interfund Services	\$ 3,263,999	\$ 136,995	\$ 212,977	\$ 3,613,971	\$ 3,250,751
Cash Paid from Users	987,847	-	-	987,847	907,801
Cash Paid for Employee Benefits	(4,388,541)	(125,825)	(214,875)	(4,729,241)	(4,271,003)
Net Cash Provided (Used) by Operating Activities	(136,695)	11,170	(1,898)	(127,423)	(112,451)
Cash Flows From Noncapital Financing Activities:					
Operating Transfers from/to Other Funds	-	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	-	-	-
Cash Flows From Investing Activities:					
Sale of Investments	-	-	-	-	563,346
(Purchase) of Investments	(240,492)	(105,643)	(80)	(346,215)	(175,000)
Investment Interest Received	854	5,107	23	5,984	1,064
Net Cash Provided (Used) by Investing Activities	(239,638)	(100,536)	(57)	(340,231)	389,410
Net Increase (Decrease) in Cash and Cash Equivalents	(376,333)	(89,366)	(1,955)	(467,654)	276,959
Cash and Equivalents at Beg of Year	376,401	137,750	78,084	592,235	315,276
Cash and Equivalents at End of Year	\$ 68	\$ 48,384	\$ 76,129	\$ 124,581	\$ 592,235
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ (141,845)	\$ 18,891	\$ (1,898)	\$ (124,852)	\$ (112,040)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
(Increase) Decrease in Miscellaneous Receivables	708	(7,721)	-	(7,013)	(954)
Increase (Decrease) in Accounts Payable	4,442	-	-	4,442	543
Net Cash Provided (Used) by Operating Activities	\$ (136,695)	\$ 11,170	\$ (1,898)	\$ (127,423)	\$ (112,451)

CITY OF SEGUIN, TEXAS
 COMBINING STATEMENT OF NET POSITION
 FIDUCIARY (CUSTODIAL) FUNDS
 SEPTEMBER 30, 2022

	Riverside Cemetery Fund	Industrial Development Fund	DARE Scholarship Fund	Police Abandonment Fund
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 1,840	\$ 61	\$ 4,234
Investments	10,514	232,283	811	23,671
Inventory	-	359,431	-	-
Total Assets	<u>10,514</u>	<u>593,554</u>	<u>872</u>	<u>27,905</u>
LIABILITIES				
Due to Others	-	-	-	547
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>547</u>
Net Position Held in Trust	<u>\$ 10,514</u>	<u>\$ 593,554</u>	<u>\$ 872</u>	<u>\$ 27,358</u>

CITY OF SEGUIN, TEXAS
 COMBINING STATEMENT OF CHANGES IN NET POSITION
 FIDUCIARY (CUSTODIAL) FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Riverside Cemetery Fund	Industrial Development Fund	DARE Scholarship Fund	Police Abandonment Fund
ADDITIONS				
Interest	\$ 81	\$ 1,807	\$ 6	\$ 73
Scholarships	-	-	-	-
Total Additions	<u>81</u>	<u>1,807</u>	<u>6</u>	<u>73</u>
DEDUCTIONS				
Distribution to Participants	-	-	-	-
Total Deductions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	81	1,807	6	73
Net Position, Beginning of Year	<u>10,433</u>	<u>591,747</u>	<u>866</u>	<u>27,285</u>
Net Position, End of Year	<u><u>\$ 10,514</u></u>	<u><u>\$ 593,554</u></u>	<u><u>\$ 872</u></u>	<u><u>\$ 27,358</u></u>



It's real.

CITY OF SEGUIN, TEXAS
STATISTICAL SECTION
SEPTEMBER 30, 2022

This part of the City of Seguin’s annual 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 Seguin’s overall financial health.

Financial Trends

Net Position by Component
Changes in Net Position
Fund Balances, Governmental Funds
Changes in Fund Balances, Governmental Funds

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

Revenue Capacity

Tax Revenues by Source, Governmental Funds
Assessed Value and Actual Value of Property
Direct and Overlapping Property Tax Rates
Principal Property Taxpayers
Property Tax Levies and Collections

These schedules contain information to help the reader assess the factors affecting the City’s ability to generate its property and sales tax.

Debt Capacity

Ratios of Outstanding Debt by Type
Ratios of General Bonded Debt Outstanding
Direct and Overlapping Governmental Activities Debt
Legal Debt Margin
Pledged Revenue Coverage

These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

Demographic and Economic Information

Demographic and Economic Statistics
Principal Employers

These schedules offer demographic and economic indicators to help the reader understand how the City’s financial activities take place and to help make comparisons over time and with other governments.

Operating Information

Operating Indicators by Function
Capital Asset Statistics by Function
Full-time Equivalent City Government Employees by Function

These schedules contain information about the City’s operations and resources to help the reader understand how the City’s financial information relates to the services the City provides and the activities it performs.

CITY OF SEGUIN, TEXAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year			
	2013	2014*	2015	2016
<i>Governmental Activities:</i>				
Net Investment in Capital Assets	\$ 21,518,984	\$ 21,780,455	\$ 25,657,965	\$ 28,065,213
Restricted	3,323,527	3,352,071	3,306,292	2,912,376
Unrestricted	26,172,941	24,028,627	2,882,554	(1,309,424)
<i>Total Governmental Activities</i>				
<i>Net Position</i>	<u>\$ 51,015,452</u>	<u>\$ 49,161,153</u>	<u>\$ 31,846,811</u>	<u>\$ 29,668,165</u>
<i>Business-Type Activities:</i>				
Net Investment in Capital Assets	\$ 29,869,105	\$ 36,385,747	\$ 39,946,492	\$ 44,783,121
Restricted	3,594,942	3,558,479	3,651,700	2,713,233
Unrestricted	30,205,790	32,360,850	22,809,054	24,439,018
<i>Total Business-Type Activities</i>				
<i>Net Position</i>	<u>\$ 63,669,837</u>	<u>\$ 72,305,076</u>	<u>\$ 66,407,246</u>	<u>\$ 71,935,372</u>
<i>Primary Government:</i>				
Net Investment in Capital Assets	\$ 51,388,089	\$ 58,166,202	\$ 65,604,457	\$ 72,848,334
Restricted	6,918,469	6,910,550	6,957,992	5,625,609
Unrestricted	56,378,731	56,389,477	25,691,608	23,129,594
<i>Total Primary Government</i>				
<i>Net Position</i>	<u>\$ 114,685,289</u>	<u>\$ 121,466,229</u>	<u>\$ 98,254,057</u>	<u>\$ 101,603,537</u>

* Change in Accounting Principle pursuant to GASB 68 applied prospectively effective October 1, 2014.

^ Change in Accounting Principle pursuant to GASB 75 applied prospectively effective October 1, 2018.

Comparative information has not been restated.

TABLE 1

Fiscal Year					
2017	2018^	2019	2020	2021	2022
\$ 30,491,009	\$ 28,797,978	\$ 30,433,349	\$ 30,234,045	\$ 27,972,543	\$ 32,708,778
2,806,714	3,098,632	3,325,349	2,936,758	3,783,621	4,038,235
(3,141,355)	(367,714)	(2,656,756)	(1,187,763)	4,906,280	13,748,912
<u>\$ 30,156,368</u>	<u>\$ 31,528,896</u>	<u>\$ 31,101,942</u>	<u>\$ 31,983,040</u>	<u>\$ 36,662,444</u>	<u>\$ 50,495,925</u>
\$ 49,099,409	\$ 50,116,822	\$ 50,781,852	\$ 53,230,216	\$ 48,719,693	\$ 48,719,693
2,975,869	3,053,820	3,347,620	5,374,731	14,101,505	14,101,505
26,265,507	31,053,353	32,067,867	31,912,289	30,486,093	45,492,629
<u>\$ 78,340,785</u>	<u>\$ 84,223,995</u>	<u>\$ 86,197,339</u>	<u>\$ 90,517,236</u>	<u>\$ 93,307,291</u>	<u>\$ 108,313,827</u>
\$ 79,590,418	\$ 78,914,800	\$ 81,215,101	\$ 83,464,261	\$ 76,692,236	\$ 81,428,471
5,782,583	6,152,452	6,672,969	8,311,489	17,885,126	18,139,740
23,124,152	30,685,639	29,411,111	30,724,526	35,392,373	59,241,541
<u>\$ 108,497,153</u>	<u>\$ 115,752,891</u>	<u>\$ 117,299,181</u>	<u>\$ 122,500,276</u>	<u>\$ 129,969,735</u>	<u>\$ 158,809,752</u>

CITY OF SEGUIN, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

Expenses	Fiscal Year			
	2013	2014*	2015	2016
<i>Governmental Activities:</i>				
General Government	\$ 1,617,167	\$ 5,739,986	\$ 6,354,347	\$ 7,500,656
Public Safety	11,147,424	11,757,015	13,399,458	14,279,914
Public Service	8,269,202	8,464,114	8,043,970	10,077,096
Interest on Long-Term Debt	1,685,881	2,516,964	2,343,340	2,560,726
Indirect Cost Allocation	-	(3,848,566)	(4,190,324)	(4,352,992)
<i>Total Governmental Activities</i>	<u>22,719,674</u>	<u>24,629,513</u>	<u>25,950,791</u>	<u>30,065,400</u>
<i>Business-Type Activities:</i>				
Utility	39,212,917	33,052,220	38,627,413	37,882,970
Indirect Cost Allocation	-	3,848,566	4,190,324	4,352,992
<i>Total Business-Type Activities</i>	<u>39,212,917</u>	<u>36,900,786</u>	<u>42,817,737</u>	<u>42,235,962</u>
Total Primary Government Expenses	<u><u>\$ 61,932,591</u></u>	<u><u>\$ 61,530,299</u></u>	<u><u>\$ 68,768,528</u></u>	<u><u>\$ 72,301,362</u></u>
Program Revenues				
<i>Governmental Activities:</i>				
Charges for Services:				
General Government	\$ 2,616,261	\$ 2,888,748	\$ 3,381,353	\$ 3,209,656
Public Safety	3,053,799	3,524,917	3,641,594	3,515,320
Public Service	2,435,778	3,081,696	3,005,082	3,072,719
Operating Grants and Contributions	658,404	841,529	801,179	546,156
Capital Grants and Contributions	140,973	197,027	2,014,336	656,203
<i>Total Governmental Activities</i>	<u>8,905,215</u>	<u>10,533,917</u>	<u>12,843,544</u>	<u>11,000,054</u>
<i>Business-Type Activities:</i>				
Charges for Services	40,827,258	42,017,948	42,645,590	46,502,423
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	215,212	2,961,261	749,579	975,222
<i>Total Business-Type Activities</i>	<u>41,042,470</u>	<u>44,979,209</u>	<u>43,395,169</u>	<u>47,477,645</u>
Total Primary Government Program Revenues	<u><u>\$ 49,947,685</u></u>	<u><u>\$ 55,513,126</u></u>	<u><u>\$ 56,238,713</u></u>	<u><u>\$ 58,477,699</u></u>

* Change in Accounting Principle pursuant to GASB 68 applied prospectively effective October 1, 2014.

^ Change in Accounting Principle pursuant to GASB 75 applied prospectively effective October 1, 2018.

TABLE 2

		Fiscal Year									
		2017	2018 [^]	2019	2020	2021	2022				
\$	8,757,882	\$	7,973,726	\$	8,799,350	\$	9,134,170	\$	9,655,277	\$	10,077,455
	15,578,523		15,581,434		16,703,296		17,476,362		17,638,658		18,432,214
	9,644,071		11,044,845		11,603,192		12,718,515		12,883,281		14,004,359
	2,864,443		2,871,456		2,850,813		2,979,262		3,083,651		3,247,737
	(4,641,289)		(4,819,725)		(4,968,672)		(5,256,011)		(5,628,493)		(6,228,640)
	<u>32,203,630</u>		<u>32,651,736</u>		<u>34,987,979</u>		<u>37,052,298</u>		<u>37,632,374</u>		<u>39,533,125</u>
	41,090,227		41,828,470		47,630,285		46,554,498		47,649,569		51,516,215
	4,641,289		4,819,725		4,968,672		5,256,011		5,628,493		6,228,640
	<u>45,731,516</u>		<u>46,648,195</u>		<u>52,598,957</u>		<u>51,810,509</u>		<u>53,278,062</u>		<u>57,744,855</u>
\$	<u>77,935,146</u>	\$	<u>79,299,931</u>	\$	<u>87,586,936</u>	\$	<u>88,862,807</u>	\$	<u>90,910,436</u>	\$	<u>97,277,980</u>
\$	3,647,445	\$	3,306,325	\$	4,907,833	\$	6,229,572	\$	8,073,314	\$	8,735,593
	3,478,473		3,897,134		3,123,547		2,560,566		2,470,584		3,915,385
	3,493,086		3,883,079		3,969,566		4,449,439		5,579,989		5,985,501
	618,406		760,164		589,086		2,224,174		906,378		2,647,696
	2,868,007		2,952,449		228,219		221,494		1,545,026		4,008,991
	<u>14,105,417</u>		<u>14,799,151</u>		<u>12,818,251</u>		<u>15,685,245</u>		<u>18,575,291</u>		<u>25,293,166</u>
	49,979,572		52,260,672		53,459,811		55,650,708		59,893,148		66,615,679
	-		-		-		-		-		-
	1,845,532		-		69,004		-		591,597		190,303
	<u>51,825,104</u>		<u>52,260,672</u>		<u>53,528,815</u>		<u>55,650,708</u>		<u>60,484,745</u>		<u>66,805,982</u>
\$	<u>65,930,521</u>	\$	<u>67,059,823</u>	\$	<u>66,347,066</u>	\$	<u>71,335,953</u>	\$	<u>79,060,036</u>	\$	<u>92,099,148</u>

CITY OF SEGUIN, TEXAS
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS (CONTINUED)
 (Accrual Basis of Accounting)

	Fiscal Year			
	2013	2014*	2015	2016
Net (Expense)/Revenue				
Governmental Activities	\$ (13,814,459)	\$ (14,095,596)	\$ (13,107,247)	\$ (19,065,346)
Business-Type Activities	1,829,553	8,078,423	577,432	5,241,683
Total Primary Government Net (Expense)	<u>\$ (11,984,906)</u>	<u>\$ (6,017,173)</u>	<u>\$ (12,529,815)</u>	<u>\$ (13,823,663)</u>
General Revenues and Other Changes in Net Position				
<i>Governmental Activities:</i>				
General Property Taxes	\$ 7,123,720	\$ 6,952,798	\$ 7,516,954	\$ 7,922,023
Franchise Taxes	897,556	913,296	986,176	1,252,005
Sales Taxes	5,833,464	5,841,830	6,089,793	6,232,146
Occupancy Taxes	762,465	726,361	825,433	830,356
Interest and Investment Earnings	49,726	36,602	40,371	183,931
Miscellaneous	510,000	515,000	520,000	546,645
Gain (Loss) on Sale of Capital Assets	-	-	-	-
Special Items	-	(2,209,258)	-	-
Transfers	(118,784)	(535,332)	(100,149)	(80,406)
<i>Total Governmental Activities</i>	<u>15,058,147</u>	<u>12,241,297</u>	<u>15,878,578</u>	<u>16,886,700</u>
<i>Business-Type Activities Charges for Services:</i>				
Interest and Investment Earnings	39,696	20,456	34,353	191,925
Gain (Loss) on Sale of Capital Assets	32,829	1,028	483	14,112
Transfers	118,784	535,332	100,149	80,406
<i>Total Business-Type Activities</i>	<u>191,309</u>	<u>556,816</u>	<u>134,985</u>	<u>286,443</u>
Total Primary Government	<u>\$ 15,249,456</u>	<u>\$ 12,798,113</u>	<u>\$ 16,013,563</u>	<u>\$ 17,173,143</u>
Change in Net Position				
Governmental Activities	\$ 1,243,688	\$ (1,854,299)	\$ 2,771,331	\$ (2,178,646)
Business-Type Activities	2,020,862	8,635,239	712,417	5,528,126
Total Primary Government	<u>\$ 3,264,550</u>	<u>\$ 6,780,940</u>	<u>\$ 3,483,748</u>	<u>\$ 3,349,480</u>

* Change in Accounting Principle pursuant to GASB 68 applied prospectively effective October 1, 2014. Comparative information has not been restated.

TABLE 2 (CONT.)

Fiscal Year					
2017	2018 [^]	2019	2020	2021	2022
\$ (18,098,213)	\$ (17,852,585)	\$ (22,169,728)	\$ (21,367,053)	\$ (19,057,083)	\$ (14,239,959)
6,093,588	5,612,477	929,858	3,840,199	7,206,683	9,061,127
<u>\$ (12,004,625)</u>	<u>\$ (12,240,108)</u>	<u>\$ (21,239,870)</u>	<u>\$ (17,526,854)</u>	<u>\$ (11,850,400)</u>	<u>\$ (5,178,832)</u>
\$ 9,362,955	\$ 10,126,201	\$ 11,037,342	\$ 11,695,949	\$ 12,791,688	\$ 14,480,532
1,096,104	1,187,699	1,273,009	1,212,109	1,344,906	1,509,595
6,271,333	6,729,041	6,760,360	7,319,631	8,232,954	10,118,330
842,217	861,218	833,720	669,563	1,039,212	1,140,613
400,790	678,954	930,252	432,386	44,172	500,692
531,294	535,000	740,000	645,000	550,452	555,956
-	-	-	222,023	122,509	207,721
-	-	-	-	-	-
81,723	101,297	168,091	51,490	(389,406)	(439,999)
<u>18,586,416</u>	<u>20,219,410</u>	<u>21,742,774</u>	<u>22,248,151</u>	<u>23,736,487</u>	<u>28,073,440</u>
389,947	764,923	1,202,045	529,711	40,236	533,638
3,601	660	9,432	1,577	65,358	60,144
(81,723)	(101,297)	(168,091)	(51,490)	389,406	439,999
<u>311,825</u>	<u>664,286</u>	<u>1,043,386</u>	<u>479,798</u>	<u>495,000</u>	<u>1,033,781</u>
<u>\$ 18,898,241</u>	<u>\$ 20,883,696</u>	<u>\$ 22,786,160</u>	<u>\$ 22,727,949</u>	<u>\$ 24,231,487</u>	<u>\$ 29,107,221</u>
\$ 488,203	\$ 2,366,825	\$ (426,954)	\$ 881,098	\$ 4,679,404	\$ 13,833,481
6,405,413	6,276,763	1,973,244	4,319,997	7,701,683	10,094,908
<u>\$ 6,893,616</u>	<u>\$ 8,643,588</u>	<u>\$ 1,546,290</u>	<u>\$ 5,201,095</u>	<u>\$ 12,381,087</u>	<u>\$ 23,928,389</u>

CITY OF SEGUIN, TEXAS
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS

	Fiscal Year			
	2013	2014	2015	2016
<i>General Fund:</i>				
Nonspendable	\$ 2,037,347	\$ 70,386	\$ 98,698	\$ 107,383
Restricted	20,100	20,100	25,300	5,300
Committed	2,163,385	2,165,441	2,167,774	2,018,494
Assigned	157,464	151,582	126,887	52,312
Unassigned	<u>15,568,700</u>	<u>16,586,852</u>	<u>15,571,620</u>	<u>12,974,522</u>
<i>Total General Fund</i>	<u>\$ 19,946,996</u>	<u>\$ 18,994,361</u>	<u>\$ 17,990,279</u>	<u>\$ 15,158,011</u>
<i>All other Governmental Funds:</i>				
Nonspendable	\$ 12,803	\$ 5,874	\$ 15,570	\$ 1,163
Restricted - Special Revenue	1,748,490	1,752,872	1,854,260	1,942,693
Restricted - Capital Projects	13,155,149	30,155,607	17,309,757	11,643,846
Restricted - Debt Service	1,510,096	1,645,809	1,467,186	982,371
Committed - Special Revenue	10,726	24,192	24,208	24,237
Assigned - Capital Projects	<u>2,860,482</u>	<u>3,220,890</u>	<u>4,067,387</u>	<u>5,045,454</u>
<i>Total Other Governmental Funds</i>	<u>\$ 19,297,746</u>	<u>\$ 36,805,244</u>	<u>\$ 24,738,368</u>	<u>\$ 19,639,764</u>

TABLE 3

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 120,838	\$ 135,453	\$ 154,001	\$ 173,399	\$ 157,601	\$ 270,222
7,905	5,300	28,154	16,813	22,056	42,186
1,536,104	2,202,612	2,151,739	2,008,348	3,029,936	2,500,330
3,440	129,946	210,949	223,709	112,150	142,121
<u>11,505,167</u>	<u>10,529,800</u>	<u>10,796,436</u>	<u>12,973,384</u>	<u>13,490,088</u>	<u>18,566,609</u>
<u>\$ 13,173,454</u>	<u>\$ 13,003,111</u>	<u>\$ 13,341,279</u>	<u>\$ 15,395,653</u>	<u>\$ 16,811,831</u>	<u>\$ 21,521,468</u>
\$ 43,326	\$ 17,869	\$ 3,476	\$ 4,722	\$ 4,160	\$ -
1,915,334	2,066,025	2,076,086	1,641,541	2,332,964	2,572,492
15,335,309	12,857,421	8,979,338	14,558,885	24,102,154	26,186,164
893,141	1,093,814	1,296,867	1,351,621	1,430,897	1,532,640
214,185	299,414	389,686	363,475	544,995	512,305
<u>4,763,452</u>	<u>6,686,974</u>	<u>5,794,947</u>	<u>4,826,251</u>	<u>5,248,658</u>	<u>6,609,812</u>
<u>\$ 23,164,747</u>	<u>\$ 23,021,517</u>	<u>\$ 18,540,400</u>	<u>\$ 22,746,495</u>	<u>\$ 33,663,828</u>	<u>\$ 37,413,413</u>

CITY OF SEGUIN, TEXAS
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year			
	2013	2014	2015	2016
Revenues				
Taxes	\$ 14,653,908	\$ 14,396,360	\$ 15,437,258	\$ 16,237,296
Licenses and Permits	384,153	688,637	1,242,939	740,076
Intergovernmental	1,062,026	1,692,199	3,397,057	1,891,931
Charges for Services	5,364,318	5,724,792	5,846,015	6,047,893
Fines and Forfeits	1,446,373	1,894,219	1,899,976	1,695,053
Interest	378,958	36,579	40,290	181,889
Miscellaneous	778,174	1,080,418	979,661	958,334
Total Revenues	<u>24,067,910</u>	<u>25,513,204</u>	<u>28,843,196</u>	<u>27,752,472</u>
Expenditures				
General Government	2,995,289	3,291,439	3,469,890	4,029,991
Public Safety	10,421,044	11,099,683	11,847,542	12,595,423
Public Service	5,996,218	6,087,470	6,523,397	7,075,027
Nondepartmental	1,949,011	2,202,136	2,047,626	2,251,191
Indirect Cost Allocation (Recovery)	(3,674,342)	(3,848,566)	(4,190,324)	(4,352,992)
Capital Projects/ Outlay	2,305,774	5,466,886	17,192,358	21,967,537
Debt Service:				
Principal	1,977,394	2,370,179	2,680,967	2,602,766
Interest and Fiscal Charges	1,628,268	2,011,346	2,164,212	2,249,581
Bond Issue Costs	45,636	363,655	193,604	379,187
Total Expenditures	<u>23,644,292</u>	<u>29,044,228</u>	<u>41,929,272</u>	<u>48,797,711</u>
Excess of Revenues Over (Under) Expenditures	<u>423,618</u>	<u>(3,531,024)</u>	<u>(13,086,076)</u>	<u>(21,045,239)</u>
Other Financing Sources (Uses)				
Transfers In	2,496,336	3,536,891	4,178,395	4,668,304
Transfers Out	(2,615,120)	(4,185,763)	(4,356,879)	(4,820,473)
Issuance of Debt	4,549,100	22,944,017	8,817,821	23,070,779
Payments to Refunding Bond Escrow Agent	(4,304,364)	-	(8,624,217)	(9,804,242)
Total Other Financing Sources (Uses)	<u>125,952</u>	<u>22,295,145</u>	<u>15,120</u>	<u>13,114,368</u>
Special Items	<u>-</u>	<u>(2,209,258)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 549,570</u>	<u>\$ 16,554,863</u>	<u>\$ (13,070,956)</u>	<u>\$ (7,930,871)</u>
Debt Service as a percentage of Noncapital Expenditures	17.4%	18.1%	19.4%	17.1%

TABLE 4

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 17,492,007	\$ 19,006,626	\$ 19,871,923	\$ 20,967,048	\$ 23,428,719	\$ 27,229,025
1,062,336	766,525	869,052	3,335,672	4,890,624	5,678,364
2,151,733	4,507,057	1,614,031	3,250,615	3,337,762	7,376,549
6,852,536	7,008,229	7,665,838	7,268,772	8,788,194	10,643,771
1,909,706	1,819,248	1,362,160	726,237	765,140	837,346
394,487	664,608	905,661	423,257	43,122	494,714
920,641	994,103	2,071,301	1,949,215	1,700,134	1,358,010
<u>30,783,446</u>	<u>34,766,396</u>	<u>34,359,966</u>	<u>37,920,816</u>	<u>42,953,695</u>	<u>53,617,779</u>
5,002,392	4,955,952	5,553,483	5,725,712	5,908,035	7,438,748
13,497,928	13,917,286	13,982,502	15,335,408	16,691,447	18,070,457
7,191,996	7,242,165	7,525,058	7,517,771	6,611,884	7,235,241
2,726,158	2,377,784	2,735,975	3,158,123	5,077,724	4,269,705
(4,641,289)	(4,819,725)	(4,968,672)	(5,256,011)	(5,628,493)	(6,228,640)
10,730,592	13,490,692	7,603,803	8,574,767	6,396,057	13,856,249
2,860,858	3,466,099	3,859,954	3,875,751	3,858,241	4,277,043
2,705,449	2,785,378	2,848,546	3,055,756	3,336,755	3,386,019
216,893	159,158	118,964	171,472	275,091	67,711
<u>40,290,977</u>	<u>43,574,789</u>	<u>39,259,613</u>	<u>42,158,749</u>	<u>42,526,741</u>	<u>52,372,533</u>
<u>(9,507,531)</u>	<u>(8,808,393)</u>	<u>(4,899,647)</u>	<u>(4,237,933)</u>	<u>426,954</u>	<u>1,245,246</u>
3,377,486	3,299,109	2,429,216	1,612,934	1,726,220	2,789,675
(3,304,663)	(3,197,812)	(2,352,657)	(1,933,494)	(2,115,626)	(3,229,674)
10,975,135	8,393,523	10,689,209	10,818,962	15,180,945	7,653,975
-	-	(10,009,070)	-	(2,884,982)	-
<u>11,047,958</u>	<u>8,494,820</u>	<u>756,698</u>	<u>10,498,402</u>	<u>11,906,557</u>	<u>7,213,976</u>
-	-	-	-	-	-
<u>\$ 1,540,427</u>	<u>\$ (313,573)</u>	<u>\$ (4,142,949)</u>	<u>\$ 6,260,469</u>	<u>\$ 12,333,511</u>	<u>\$ 8,459,222</u>
18.6%	21.0%	20.6%	20.6%	18.4%	19.7%

CITY OF SEGUIN, TEXAS
TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

TABLE 5

Fiscal Year	Property	Sales & Use	Occupancy	Franchise	Total
2013	\$ 7,160,423	\$ 5,833,464	\$ 762,465	\$ 897,556	\$ 14,653,908
2014	6,914,873	5,841,830	726,361	913,296	14,396,360
2015	7,646,433	6,011,867	832,550	946,409	15,437,259
2016	8,030,337	6,158,250	835,858	1,212,852	16,237,297
2017	9,390,960	6,195,774	849,390	1,055,883	17,492,007
2018	10,350,375	6,642,080	869,556	1,144,614	19,006,625
2019	11,160,168	6,641,759	842,537	1,227,458	19,871,922
2020	11,919,570	7,178,147	702,230	1,167,100	20,967,047
2021	12,811,646	8,274,032	1,043,122	1,299,919	23,428,719
2022	14,460,486	10,159,420	1,144,175	1,464,944	27,229,025

CITY OF SEGUIN, TEXAS
 ASSESSED VALUE AND ACTUAL VALUE OF PROPERTY
 LAST TEN FISCAL YEARS
 (Unaudited)

TABLE 6

Fiscal Year	Residential Property	Commercial Property	Industrial Property	All Other Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2022	\$ 1,538,891,822	\$ 602,808,640	\$ 933,997,524	\$ 233,990,643	\$ 501,138,141	\$ 2,808,550,488	0.5412
2021	1,472,383,603	546,314,174	992,641,562	203,507,432	747,785,276	2,467,061,495	0.5412
2020	1,266,911,717	602,701,862	824,158,632	609,523,918	1,053,060,493	2,250,235,636	0.5412
2019	1,269,529,902	620,853,680	824,985,758	611,708,756	1,209,666,922	2,117,411,174	0.5412
2018	1,058,414,772	575,324,394	767,956,086	514,783,933	958,991,679	1,957,487,506	0.5412
2017	952,385,968	557,472,552	760,165,027	523,305,180	994,770,018	1,798,558,709	0.5412
2016	862,290,556	596,741,553	629,614,703	512,418,847	1,046,255,963	1,554,809,696	0.5256
2015	810,622,634	523,445,251	587,892,017	467,583,800	917,780,167	1,471,763,535	0.5244
2014	738,143,976	489,211,189	576,499,288	466,741,069	900,867,581	1,369,727,941	0.5173
2013	738,982,849	465,714,399	785,423,174	214,404,237	775,841,743	1,428,682,916	0.5073

Source: Guadalupe County Appraisal District

Tax rates are per \$100 of assessed value.

Total Taxable Assessed Value is not adjusted for enacted freeze on property values for certain taxpayers, which became effective January 1, 2006.

The freeze adjusted taxable value for the 2020 tax roll was \$2,395,572,611.

CITY OF SEGUIN, TEXAS
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS
 (Unaudited)

TABLE 7

Fiscal Year	City Direct Rates			Overlapping Rates	
	General M&O	Debt Service	Total Direct	School District	Guadalupe County
2013	\$ 0.2698	\$ 0.2375	\$ 0.5073	\$ 1.2770	\$ 0.4036
2014	0.2942	0.2231	0.5173	1.2800	0.3999
2015	0.3000	0.2244	0.5244	1.3150	0.3941
2016	0.3126	0.2130	0.5256	1.4100	0.3851
2017	0.3104	0.2308	0.5412	1.4200	0.3851
2018	0.2879	0.2533	0.5412	1.4200	0.3799
2019	0.2763	0.2649	0.5412	1.4200	0.3819
2020	0.2767	0.2645	0.5412	1.3750	0.3819
2021	0.2811	0.2601	0.5412	1.3614	0.3854
2022	0.2880	0.2532	0.5412	1.3614	0.3799

CITY OF SEGUIN, TEXAS
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO
 (Unaudited)

TABLE 8

Taxpayer	2022 (2021 Tax Levy)		Percentage of Total City	Fiscal Year 2013 (2012 Tax Levy)		Percentage of Total City	
	Taxable Assessed Value	Rank		Taxable Assessed Value	Rank		Taxable Assessed Value
Rio Nogales Power Project LP	-		-		\$ 75,251,008	1	5.34%
Vitesco Technologies	\$ 198,167,064	1	5.74%		55,329,953	2	3.93%
Caterpillar Inc.	139,820,792	2	4.05%		-		-
Hexcel Corporation	-		0.00%		16,456,463	3	1.17%
Tyson Foods, Inc	-		-		11,373,324	4	0.81%
Cargill Inc.	19,455,601	7	0.56%		-		-
Ranch @ SH123 Loop	16,984,000	9	0.49%		11,216,728	5	0.80%
Ameritex Pipe & Products LLC	21,274,283	6	0.62%		8,711,787	6	0.62%
Niagara Bottling LLC	75,135,874	3	2.18%		-		-
8th Street Properties	32,891,800	5	0.95%		-		-
Helmerich & Payne International Drilling	35,974,687	4	1.04%		-		-
TOYOTA Motor Mfg. (Terijin)	17,866,638	8	0.52%		-		-
ITW MiniGrip Inc.	-		-		7,924,101	8	0.56%
Wal-Mart Real Estate Business Trust	-		-		7,168,593	9	0.51%
Wonder Properties Ltd (Oak Hollow)	14,393,200	10	0.42%		-		-
PDR 2011 LLC & Anny LLC	-		-		6,621,105	10	0.47%
Walmart Store	-		-		8,013,447	7	0.57%
Total	<u>\$ 571,963,939</u>		<u>16.57%</u>		<u>\$ 208,066,509</u>		<u>9.44%</u>

Source: Guadalupe County Appraisal District

CITY OF SEGUIN, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

TABLE 9

Fiscal Year Ended September 30	Taxes Levied for the Fiscal Year	Collected Within Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2013	\$ 6,971,685	\$ 6,842,125	98.1%	\$ 118,054	\$ 6,960,179	99.8%
2014	6,676,209	6,529,859	97.8%	128,111	6,657,970	99.7%
2015	7,438,963	7,320,383	98.4%	94,153	7,414,536	99.7%
2016	7,811,018	7,649,611	97.9%	136,231	7,785,842	99.7%
2017	9,263,759	8,999,501	97.1%	234,418	9,233,919	99.7%
2018	10,054,136	9,893,628	98.4%	133,249	10,026,877	99.7%
2019	10,721,440	10,663,320	99.5%	29,136	10,692,456	99.7%
2020	11,384,723	11,215,830	98.5%	123,771	11,339,601	99.6%
2021	11,851,532	11,701,221	98.7%	86,270	11,787,491	99.5%
2022	14,325,931	14,158,924	98.8%	-	14,158,924	98.8%

Amount collected includes discounts

CITY OF SEGUIN, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

TABLE 10

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Actual Taxable Value of Property	Percentage of Taxable Value of Property	Per* Capita	Percentage of Personal Income
	Bonds [^]	Tax Anticipation Notes	Capital Leases	Revenue and GO Bonds [^]	Capital Leases					
2013	\$ 40,604,177	\$ 565,000	\$ 310,476	\$ 20,980,197	\$ 101,857	\$ 62,561,707	\$ 1,428,682,800	4.4%	2,408	15.2%
2014	61,417,631	185,000	406,658	19,914,665	70,339	81,994,293	1,369,727,941	6.0%	3,076	16.3%
2015	59,514,639	-	238,572	40,328,318	52,801	100,134,330	1,471,763,535	6.8%	3,424	18.1%
2016	70,287,498	-	126,386	43,811,398	36,120	114,261,402	1,554,809,696	7.3%	3,808	19.3%
2017	76,828,222	-	1,517,298	51,152,402	36,120	129,534,042	1,798,558,709	7.2%	4,317	21.9%
2018	80,483,441	1,138,000	1,455,224	57,826,332	-	140,902,997	1,957,487,506	7.2%	4,649	23.5%
2019	77,492,864	1,054,000	1,293,253	57,512,227	-	137,352,344	2,117,411,174	6.5%	4,487	22.7%
2020	84,458,655	661,000	1,319,913	59,216,823	-	145,656,391	2,250,235,636	6.5%	4,641	23.5%
2021	93,234,556	255,000	903,646	70,761,164	-	165,154,366	2,467,061,495	6.7%	5,188	26.3%
2022	96,117,499	715,000	612,363	81,387,376	-	178,832,238	2,808,550,488	6.4%	5,565	21.3%

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

[^] Bonded debt includes unamortized premiums

* Population and Personal Income data can be found on Table 15.

CITY OF SEGUIN, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

TABLE 11

Fiscal Year	General Bonded Debt		Available in Debt Service Funds	Total	Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita*
	Bonds	Tax Anticipation Notes					
2013	\$ 46,521,750	\$ 565,000	\$ (1,510,096)	\$ 45,576,654	\$ 1,428,682,800	3.2%	1,754
2014	66,797,490	185,000	(1,645,809)	65,336,681	1,369,727,941	4.8%	2,451
2015	64,347,379	-	(1,467,186)	62,880,193	1,471,763,535	4.3%	2,150
2016	79,923,468	-	(982,371)	78,941,097	1,554,809,696	5.1%	2,631
2017	85,412,933	-	(893,141)	84,519,792	1,798,558,709	4.7%	2,817
2018	85,884,999	1,138,000	(1,093,814)	85,929,185	1,957,487,506	4.4%	2,835
2019	90,110,949	1,054,000	(1,296,867)	89,868,082	2,117,411,174	4.2%	2,936
2020	95,943,655	661,000	(1,351,621)	95,253,034	2,250,235,636	4.2%	3,035
2021	103,534,556	255,000	(1,430,897)	102,358,659	2,467,061,495	4.1%	3,215
2022	97,850,000	715,000	(1,532,640)	97,032,360	2,808,550,488	3.5%	3,019

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

Bonds include GO Bonds being serviced by the Utility Fund.

**Population data can be found on Table 15.*

CITY OF SEGUIN, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2022
(Unaudited)

TABLE 12

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
Guadalupe County	\$ 13,145,000	19.02%	\$ 2,500,179
Seguin Independent School District	169,044,827	55.14%	93,211,318
Subtotal, Overlapping Debt			95,711,497
Seguin Direct Debt			97,032,360
Total Direct and Overlapping Debt			\$ 192,743,857

Source: Municipal Advisory Council of Texas.

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

CITY OF SEGUIN, TEXAS
 COMPUTATION OF LEGAL DEBT MARGIN
 LAST TEN FISCAL YEARS
 (Unaudited)

TABLE 13

Legal Debt Margin Calculation for Fiscal Year 2022

Assessed Value	\$ 2,808,550,488
* Debt limit (10% of assessed value)	280,855,049
Outstanding Debt ^[1]	98,565,000
Less amount set aside for repayment of general obligation debt	(1,532,640)
Total net debt applicable to limit	97,032,360
Economic Debt Margin	\$ 183,822,689

	Fiscal Year				
	2013	2014	2015	2016	2017
Debt Limit	\$ 142,868,280	\$ 136,972,794	\$ 147,173,357	\$ 155,480,970	\$ 179,855,871
Total net debt applicable to limit	(39,242,331)	(59,956,822)	(58,047,453)	(69,305,127)	(75,935,081)
Economic Debt Margin	\$ 103,625,949	\$ 77,015,972	\$ 89,125,904	\$ 86,175,843	\$ 103,920,790

	Fiscal Year				
	2018	2019	2020	2020	2022
Debt Limit	\$ 195,746,751	\$ 211,741,117	\$ 290,212,717	\$ 246,706,150	\$ 280,855,049
Total net debt applicable to limit	(79,873,076)	(78,543,250)	(95,253,034)	(102,358,659)	(97,032,360)
Economic Debt Margin	\$ 115,873,675	\$ 133,197,867	\$ 194,959,683	\$ 144,347,491	\$ 183,822,689

^[1] Texas does not have a legal debt margin for cities. The only limit on taxation is \$2.50 per \$100 of assessed value. Good financial integrity calls for 10% of assessed value to be used for debt limit.

CITY OF SEGUIN, TEXAS
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (Unaudited)

TABLE 14

Fiscal Year	Utility Service Charges	Less: Operating Expenses*	Net Available Revenue	Debt Service Principal	Interest	Coverage
2013	\$ 40,827,258	\$ (35,513,981)	\$ 5,313,277	\$ 839,048	\$ 734,437	3.38
2014	42,017,948	(33,121,499)	8,896,449	1,079,232	703,016	4.99
2015	42,645,590	(37,931,959)	4,713,631	1,077,119	1,253,491	2.02
2016	46,502,423	(37,473,784)	9,028,639	1,326,771	1,382,137	3.33
2017	49,979,571	(40,706,005)	9,273,566	1,471,259	1,636,004	2.98
2018	52,260,671	(39,777,807)	12,482,864	1,773,378	1,822,007	3.47
2019	53,459,811	(45,797,030)	7,662,781	2,003,248	1,985,646	1.92
2020	55,650,708	(44,235,156)	11,415,552	2,033,084	2,123,205	2.75
2021	59,893,148	(45,552,104)	14,341,044	3,695,000	1,959,114	2.54
2022	66,615,679	(49,600,710)	17,014,969	3,455,000	2,559,125	2.83

* All operating expenses exclusive of depreciation

CITY OF SEGUIN, TEXAS
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN CALENDAR YEARS
 (Unaudited)

TABLE 15

Year	Census Population	Population Estimate	Median Family Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2013	25,175	25,981	38,060	15,730	32.4	7,556	5.4
2014	25,175	26,660	38,526	18,901	35.3	7,529	4.2
2015	25,175	29,241	41,835	18,933	36.2	7,400	3.4
2016	25,175	30,006	41,835	19,754	37.2	7,459	3.4
2017	25,175	30,006	36,755	19,853	37.2	7,461	3.6
2018	25,175	30,306	38,714	21,757	35.0	7,492	3.0
2019	25,175	30,609	40,909	20,612	36.3	7,427	3.2
2020	25,175	31,386	48,782	22,961	35.1	7,343	7.3
2021	29,433	31,834	49,976	23,284	35.1	6,889	3.6
2022	30,902	32,138	52,041	26,171	35.9	6,889	4.1

Sources: Population, median family income, per capita personal income, and median age information provided by the United States Census Bureau and the Texas State Data Center and are the most recent available for the city. Population estimates are based on addition of annexed areas. School enrollment information provided by Seguin Independent School District. Unemployment rate is for Guadalupe County and is provided by the Texas Workforce Commission and the U.S. Dept. of Labor. Unemployment data is not available for the City.

CITY OF SEGUIN, TEXAS
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO
 (Unaudited)

TABLE 16

Employer	2022			2016		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Seguin Independent School District	1,130	3	8.50%	1,130	3	9.31%
Vitesco (Continental AG)	1,565	1	11.77%	1,565	1	12.90%
CMC Steel	830	4	6.24%	830	4	6.84%
Tyson Foods	550	7	4.14%	745	5	6.14%
Texas Power Systems/CAT	1,480	2	11.13%	1,250	2	10.30%
Guadalupe Regional Medical Center	765	5	5.75%	700	6	5.77%
Guadalupe County	650	6	4.89%	595	7	4.90%
Texas Lutheran University	440	8	3.31%	-		0.00%
Wal-Mart Super Center	-		0.00%	300	10	2.47%
City of Seguin	429	9	3.23%	380	8	3.13%
HEB	400	10	3.01%	340	9	2.80%
Total	8,239		61.97%	7,835		64.57%

Source: Seguin Area Chamber of Commerce, Texas Workforce Commission, and Seguin Economic Development Coi

CITY OF SEGUIN, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Function	Fiscal Year				
	2022	2021	2020	2019	2018
Police					
Physical arrests	828	911	1,101	1,084	1,072
Traffic citations	3199	2,681	3,814	6,632	12,616
Parking citations	546	342	324	919	1,249
Fire/EMS					
Emergency responses	5556	5,840	5,520	4,506	4,308
Non-emergency response/Service Calls	1558	990	318	1,239	1,279
Inspections	510	738	563	787	1,334
Refuse collection (by private contractor)					
# of customers	9178	8,191	8,296	8,162	9,025
Parks and Recreation					
Park and sport facility rentals	598	474	178	701	575
Sport league participants	3941	3,265	1,227	-	-
Program participants	478	313	319	3,441	3,517
Wave Pool admissions	15777	-	-	14,301	12,436
Library					
Volumes in collection	80187	78,591	78,478	76,559	76,490
Total volumes borrowed	281529	238,272	232,572	308,802	260,766
Electric					
# of customers	8920	8,662	8,555	8,541	8,549
Sales (millions of \$)	31.9	29	29.4	30.1	30.5
Water					
# of customers	8206	7,770	7,549	7,518	7,516
Average daily production (millions of gal.)					
Surface water	4.77	4.75	4.80	4.08	3.81
Well water	3.14	3.13	3.04	2.98	3.22
Total	7.91	7.88	7.84	7.06	7.03
Water main repairs (main sizes from 3/4" to 16")	145	114	129	178	133
Wastewater					
Average daily sewage treatment (millions of gal.)	4.15	4.33	4.05	4.33	4.65

Sources: City departments

Notes: Fire/EMS statistics are on a calendar basis. Program participants under Parks and Recreation include day school, softball, & swimming lessons. Sales of electricity are of purchased power; the City does not generate elect

TABLE 17

Fiscal Year				
2017	2016	2015	2014	2013
1,755	2,328	1,798	1,605	1,138
12,206	11,068	12,740	15,988	8,911
1,324	70	265	308	291
3,842	4,130	3,682	3,748	3,903
1,424	1,366	1,126	804	588
1,252	1,467	1,065	379	482
8,796	8,623	8,400	8,079	7,945
732	763	701	639	622
3,614	3,352	2,358	740	2,251
3,359	3,769	4,539	4,640	3,509
11,430	12,801	13,447	13,077	13,126
73,137	69,055	56,276	64,366	62,220
269,824	168,429	183,771	197,204	205,281
8,538	8,438	8,500	8,314	8,293
29.7	27.3	28.5	25.7	25.3
7,393	7,298	7,250	7,120	7,116
3.20	3.73	2.84	2.69	2.35
3.06	2.71	2.92	3.04	3.01
6.26	6.44	5.76	5.73	5.36
175	126	455	403	127
5.40	4.57	4.05	3.29	3.74

amp, after-
power.

CITY OF SEGUIN, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Function	Fiscal Year			
	2022	2021	2020	2019
Police				
Stations	1	1	1	1
Police vehicles	87	87	87	87
Fire stations				
	3	3	3	3
Public works				
Streets (miles of paved)	192.50	192.50	192.50	192.50
Parks and Recreation				
Number of parks	20	12	12	12
Acreage	381.65	346.91	346.91	346.91
Water				
Water mains (miles)	210.80	197.60	189.40	165.73
Fire hydrants	1,122	1,117	1,110	1,317
Storage capacity (millions of gallons)	9.03	9.03	9.01	8.64
Wastewater				
Sanitary sewers (miles)	228.30	201.92	201.92	179.88

TABLE 18

Fiscal Year			
2017	2016	2015	2014
1	1	1	1
84	73	70	67
3	3	3	3
192.50	192.50	179.55	178.48
12	12	12	11
346.91	346.91	346.91	299.91
165.73	164.00	164.00	161.00
1,306	1,293	1,284	1,100
8.64	8.64	8.64	7.79
179.88	178.00	178.00	175.00

CITY OF SEGUIN, TEXAS
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS
 (Unaudited)

TABLE 19

Function	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
Financial Administration	8	8	8	8	8	8	8	8	8	8
City Manager	2	2	3	3	3	3	4	4	4	3
Human Resources	7	7	6	6	6	6	6	5	5	5
Planning and Zoning	21	21	17	13	13	12	12	11	11	11
City Secretary	2	2	1	1	1	1	1	1	1	1
Information Systems	11	11	9	8	7	6	5	5	4	3
Facilities and Grounds	5	5	5	5	5	4	4	4	4	3
Public Safety										
Police	87	87	85	81	81	81	79	78	76	72
Fire/EMS	67	67	63	62	62	58	57	56	56	53
Legal & Judicial	7	6	6	6	6	6	6	5	5	5
Animal Control	7	7	7	7	7	7	5	5	4	4
Public Service										
Public Works	33	33	31	32	33	34	32	29	27	26
Vehicle Maintenance	5	5	4	3	3	3	3	3	3	3
Library	16	16	15	13	13	14	13	8	8	8
Parks and Recreation	20	20	21	21	19	19	19	19	16	18
Golf Course	8	8	8	8	8	8	9	9	9	9
DownTown & Main St. Program	3	3	2	2	2	2	2	2	2	2
Coliseum	1	1	2	2	2	2	2	1	1	1
Utility Fund										
Administration	2	2	2	2	3	3	3	3	2	2
Electric Production/Distribution	17	17	18	15	15	15	15	15	11	10
Utility Services	14	14	15	14	13	12	12	10	10	10
Water Production	11	11	11	11	11	11	11	11	11	10
Water/Sewer Maintenance	19	19	19	17	16	16	15	11	10	10
Sewer Plant	10	10	10	10	9	9	8	8	8	7
Economic Development	4	4	4	3	3	4	4	4	4	4
Facilities Maintenance	19	19	19	13	13	13	11	8	14	13
Utility Billing	6	6	6	6	6	6	6	5	6	5
CVB	<u>3</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>2</u>
Total	<u>415</u>	<u>414</u>	<u>399</u>	<u>375</u>	<u>371</u>	<u>366</u>	<u>355</u>	<u>331</u>	<u>323</u>	<u>308</u>

Source: City Human Resources Department

COMPLIANCE SECTION



Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the City Council
City of Seguin, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Seguin, Texas, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Seguin, Texas, basic financial statements and have issued our report thereon dated March 20, 2023. The financial statements of the discretely-presented component unit, Seguin Economic Development Corporation, were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Armstrong, Vaughan & Associates, P.C.".

Armstrong, Vaughan & Associates, P.C.

March 20, 2023



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH UNIFORM GUIDANCE

The Honorable Mayor and City Council
City of Seguin, Texas

Report on Compliance for Each Major Federal Program

We have audited the City of Seguin, Texas' compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of City of Seguin Texas' major federal programs for the year ended September 30, 2022. City of Seguin Texas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Seguin, Texas' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Seguin, Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of Seguin Texas' compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Seguin, Texas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Report on Internal Control Over Compliance

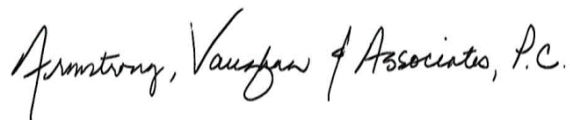
Management of City of Seguin, Texas is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of Seguin, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Seguin, Texas' internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Respectfully submitted,



Armstrong, Vaughan & Associates, P.C.

March 20, 2023

CITY OF SEGUIN, TEXAS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified Yes No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes None Reported

Noncompliance material to financial Statements noted? Yes No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified Yes No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes None Reported

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

Any audit findings disclosed that are required to be reported in accordance with CFR Part 200 of the Uniform Guidance? Yes No

Identification of major programs:

<u>CFDA Number</u> 21.027	<u>Name of Federal Program or Cluster</u> Coronavirus State and Local Fiscal Recovery Funds
------------------------------	--

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

Auditee qualified as low-risk auditee? Yes No

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

CITY OF SEGUIN, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

<u>Explanation Finding/Recommendation</u>	<u>Current Status</u>	Management's Explanation <u>If Not Implemented</u>
Not Applicable		

CITY OF SEGUIN, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number (ALN)	Pass-Through Entity Identifying Number	Federal Expenditures
INSTITUTE OF MUSEUM AND LIBRARY SERVICES			
Texas State Library and Archives Commission			
Grants to States - Interlibrary	45.310	902375	\$ 2,261
U.S. DEPARTMENT OF COMMERCE			
Economic Development Administration			
Economic Adjustment Assistance	11.307	08-79-05445	262,962
U.S. DEPARTMENT OF HOUSING AND URBAN DEV			
Passed Through Texas Dept. of Agriculture			
CDBG-State Program Grant	14.228	7219292	209,394
CDBG-Mitigation Program Infrastructure Projects	14.228	22-085-008-D236	2,049,064
U.S. DEPARTMENT OF THE INTERIOR, NATIONAL PARKS SERVICE			
Passed Through Texas Historical Commission			
Certified Local Government	15.304	TX-21-015	1,327
U.S. DEPARTMENT OF JUSTICE			
Direct Award			
Patrick Leahy Bullet Proof Vests	16.607	242988	5,401
Edward Byrne Memorial Justice Assistance Grant	16.738	4203001	45,453
Criminal and Juvenile Justice and Mental Health Collaboration Pr	16.745	2020-MO-BX-0023	78,397
Community Policing Development (CPD De-Escalation Training	16.582	15JCOPS-21-GG-02474-SPPS	72,014
Passed Through Office of the Governor			
Victim's of Crime Act Formula Grant Program	16.575	3245403	6,549
U.S. DEPARTMENT OF TREASURY			
Coronavirus State and Local Fiscal Recovery Fund	21.027	187-66644-00	1,848,219
Emergency Connectivity Fund Program (ECF) Round 2	32.009	ECF202105238	28,044
Emergency Connectivity Fund Program (ECF) Round 3	32.009	ECF202204921	12,157
U.S. DEPARTMENT OF TRANSPORTATION			
Passed Through Texas Department of Transportation			
Highway Planning and Construction	20.205	0915-46-046	<u>1,580,770</u>
TOTAL FEDERAL AWARD EXPENDED			<u>\$ 6,202,012</u>

CITY OF SEGUIN, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 – BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City, and is presented on an accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

NOTE 2 – INDIRECT COSTS

The City has negotiated an indirect cost rate with grantors and has elected not to draw the 10% de minimis indirect cost rate allowed in the Uniform Guidance, Section 414.



It's real.