



CITY OF SNYDER, TEXAS

Comprehensive Annual Financial Report

For the Year Ended September 30, 2020

Prepared by: Finance Department
Patricia Warren
Director of Finance

CITY OF SNYDER, TEXAS
 Comprehensive Annual Financial Report
 Year Ended September 30, 2020

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THE CITY OF SNYDER, TEXAS

P.O. Box 1341 • 1925 24th Street • 79550-1341
325/573-4957 • 325/573-7505 Fax

March 22, 2021

Honorable Mayor, Members of the City Council,
and City Manager, and Citizens of the City of Snyder

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Snyder for the fiscal year ended September 30, 2019.

This report consists of management's representations concerning the finances of the City of Snyder. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Snyder has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Snyder's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Snyder's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Snyder's financial statements have been audited by Eide Bailly LLP, 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 Snyder 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 concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Snyder's financial statements for the fiscal year ended September 30, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Snyder's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Snyder, incorporated in 1907, is in the northwestern part of the state. The City of Snyder currently occupies a land area of 8.73 square miles and serves a population of 11,320. The City of Snyder is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of Snyder is a home rule city that operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and six other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the government's manager and attorney. The government's manager is responsible for carrying out the policies and ordinances of the governing council,

for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve two-year staggered terms, with four single-member district council members elected every two years, and the mayor and two at-large council members elected every two years also.

The City of Snyder provides a full range of services, including police and fire protection; animal control; the maintenance of highways, streets, and other infrastructure; water and sewer services; and sanitation services. The City of Snyder is also financially accountable for the Development Corporation of Snyder, which is funded by the City's additional sales tax of 3/8% to be used for economic development. The Development Corporation is reported separately within the City of Snyder's financial statements.

The annual budget serves as the foundation for the City of Snyder's financial planning and control. All agencies of the City of Snyder are required to submit requests for appropriation to the government's manager on or before the first Monday in May each year. The government's manager uses these requests as the starting point for developing a proposed budget. The government's manager then presents this proposed budget to the council for review prior to August 1. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 1. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the City Manager's approval. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as Exhibit B-3 as part of the basic financial statements for the governmental funds.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Snyder operates.

Local economy. Snyder is approximately 100 miles from four major cities: Lubbock, Abilene, Midland and San Angelo. The Price Daniel State Prison is now in its twenty-eight year of operation. This facility has provided employment for approximately 224 full time people. The Texas Department of Criminal Justice operates the Snyder Distribution Center, a distribution site for multiple prisons in the West Texas area. Snyder is also supported by the wind energy. Snyder and Scurry County are already home to a section of the second largest wind farm in the United States, the Roscoe Wind Farm. There are six wind farms located in the local area. There are approximately 400 wind turbines in the surrounding area, which would provide enough electricity to support 140,000 homes. Ranching and cotton farming also continue to employ a large part of the population.

The sales tax received for the fiscal year ending 2020 was 9.59% less than the budgeted amount. The actual amount received was \$209,570 less from 2019. An decrease in the local oil industry along with the impact the COVID situation had on local retailers, resulted in lower sales tax revenue and the unemployment rate increasing. Motel occupancy tax decreased 13.11% compared to the previous year. Property valuations were approximately 7.19% higher than 2019. The tax rate increased to .4800 per \$100 on property taxes. The water sales in the enterprise fund did increase this year, less restrictions on watering account for this increase.

There are sixteen hotels in Snyder with a total of eight hundred rooms. An increase in motel occupancy tax reflects the increase in our local economy. Snyder is the home to five different banking institutions; Community Bank of Snyder, West Texas State Bank, Prosperity Bank, Aim Bank and First Bank and Trust.

The water supplier for the City of Snyder is the Colorado River Municipal Water District; the main source of water for Snyder is Lake Thomas. The lake is currently 13% full. CRMWD currently has more water in storage than has been recorded before. This lake offers boating, fishing, and camping for this area.

The City adopted a Comprehensive Plan that articulates a vision for the future of a community and outlines a set of goals, objectives, and actions to achieve the desired vision. The comprehensive plan provides Snyder with the roadmap for the future.

The City of Snyder and Spectra Solar have partnered together to build the first solar farm in this area. The solar farm is located behind the wastewater plant and will provide electricity to this plant. The completion of a second plant located close to the water treatment plant was completed in 2019 and performing as designed.

Snyder is fortunate to have been selected as the new home for a new \$19,000,000 apartment complex located on Hwy 350. This complex will be out of the city limits, but will have access to city utilities.

A new Dodge dealership recently moved into their new building on Hwy 84. A Chevrolet dealership has reopened in Snyder.

The Texas Department of Transportation has awarded a grant to the City of Snyder to replace a bridge located on 27th St. TX Dot has also awarded a grant providing sidewalks to connect two school campuses on West 37th St. that project has been completed.

The Economic Development Corporation developed a \$2.9 million-dollar industrial rail park in 2012. This investment attracted W.L. Plastics to open their sixth North American location in Snyder. Additional acreage is available in the rail park. The Economic Development Corporation has sold eleven industrial lots to potential new companies in Snyder's Industrial Park. This increases the tax roll and opportunity for employment.

The region (which includes the City of Snyder and the surrounding unincorporated area within the same county) has an employed labor force of approximately 5,948 with an unemployment rate of 3.7%. If the current level of services is to be maintained, the City will need to explore new methods of obtaining financial resources.

Long-term financial planning.

The City received a Certificate of Obligation in 2019 for \$3,975,000 for capital improvements to water and sewer.

A contract has been awarded for waterline and sewer line replacement, and also a contract has been awarded for maintenance on the water towers. This work is expected to be completed in 2021

There are currently plans for additional capital improvements projects for the Water Plant, Wastewater Plant for the upcoming Fiscal Year.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financing Reporting to the City of Snyder for its comprehensive annual financial report for the fiscal year ending September 30, 2019. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. I would also like to thank the Mayor and City Council for their interest and unfailing support for maintaining the highest standards of professionalism in the management of the City of Snyder's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Patricia Warren".

Patricia Warren

Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Snyder
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF SNYDER, TEXAS
ORGANIZATIONAL CHART

MAYOR & COUNCIL (7) ----- BOARDS AND COMMISSIONS

----- CITY MANAGER (1)
----- SECRETARY (1)

----- FINANCE (1)
----- HUMAN RESOURCES/RISK MANAGEMENT (1)
----- SENIOR CLERK (1)
----- LABORER (1)

----- PLANNING & ZONING (1)
----- INSPECTOR (2)

----- MUNICIPAL COURT (1)
----- SENIOR CLERK (1)
----- CLERK 2 (1)

----- CITY SECRETARY/RECORDS MANAGEMENT (1)
----- SENIOR CLERK/DEPUTY CITY SECRETARY (1)

----- INFORMATION TECHNOLOGY/PURCHASING (1)

----- POLICE (25)

----- ANIMAL CONTROL (2)

----- FIRE (11)

----- PUBLIC WORKS (1)
----- STREETS (5)
----- SANITATION COLLECTION (5)
----- LANDFILL (5)
----- SANITARY SEWER (2)
----- WATER DISTRIBUTION (2)
----- INTERNAL SERVICE (1)

----- WATER & WASTEWATER (1)
----- SEWAGE TREATMENT (3)
----- WATER PRODUCTION (6)

----- UTILITY (1)
----- SENIOR CLERK (1)
----- CLERK (2)
----- METER CREW (2)

(88) NUMBER OF FULL TIME EQUIVALENT POSITIONS, EXCLUDING COMMISSION

CITY OF SNYDER, TEXAS

Principal Officers

City Council

 Tony Wofford, Mayor
 Stephen Highfield, Mayor Pro-Tem
 Vernon Clay, Councilmember
 Tom Strayhorn, Councilmember
 Bill Harris, Councilmember
 Steve Rich, Councilmember
 Terry Martin, Councilmember

Administrative Staff

 Merle Taylor, City Manager
 Patricia Warren, Director of Finance
 Shai Green, City Secretary
 Bryan Haggard, Police Chief
 Perry Westmoreland, Fire Chief
 Eli Torress, Public Works Director
 Underwood Law Firm, City Attorney



Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Snyder, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Snyder, Texas (the City), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Snyder, Texas as of September 30, 2020 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension and OPEB information on pages 3 through 10 and 50 through 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Snyder, Texas' financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary schedules, capital asset schedules and statistical section are presented for purposes of additional analysis and are not required part of the financial statements.

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

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

Prior-Year Comparative Information

We have previously audited the City's 2019 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information in our report dated March 13, 2020. In our opinion, the summarized comparative information presented herein for the water and sewer and sanitation funds as of and for the year ended September 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Abilene, Texas
March 22, 2021

CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Snyder, we offer readers of the City of Snyder's financial statements this narrative overview and analysis of the financial activities of the City of Snyder for the fiscal year ended September 30, 2020. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

Entity-Wide

- The assets and deferred outflows of resources of the City of Snyder exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$24,216 (*net position*). Of this amount, \$6,028 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$1,312. \$355 of this increase is from governmental activities and an increase of \$957 from the business-type activities.

Fund Statements

- As of the close of the current fiscal year, the City of Snyder's governmental funds reported combined ending fund balances of \$8,432, a decrease of \$320 in comparison with the prior year. Approximately 89.17% of this total amount, \$7,519, is unassigned and *available for spending* at the government's discretion, and 10.83% is non-spendable for prepaid items, inventories, and advances to other funds, committed to economic development through Chapter 380 agreements or restricted for various purposes.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,522 or 92% of total general fund expenditures, excluding capital outlay.
- The City of Snyder's total bond debt increased by \$3,669 (36.71%) during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Snyder's basic financial statements. The City of Snyder's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *statement of net position* presents information on all the City of Snyder's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the remainder 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 Snyder is improving or deteriorating.

The *statement of activities* presents information showing how the government'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 unused vacation leave).

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

The government-wide financial statements can be found on pages 11-12 of this report.

CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

FUND FINANCIAL STATEMENTS

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 Snyder, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Snyder can be divided into two categories: governmental funds and proprietary funds.

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

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

The City of Snyder maintains three individual governmental funds. 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 which is considered to be a major fund. Individual fund data for the nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The governmental fund financial statements can be found on pages 13-17 of this report.

The City of Snyder adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget on page 17.

Proprietary funds. The City of Snyder maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Snyder uses enterprise funds to account for its Water and Sewer and its sanitation operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Snyder's various functions. The City of Snyder uses an internal service fund to account for its garage. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Enterprise funds provide the same type of information as the government-wide financial statements, only in more detail. The enterprise fund financial statements provide separate information for the Water and Sewer Authority and for the sanitation operation, both of which are major funds of the City of Snyder. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. The City only has one internal service fund.

The basic proprietary fund financial statements can be found on pages 18-23 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 24-49 of this report.

CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Snyder's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 50-54 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Additional schedules related to major governmental and business-type funds are also included as supplementary information. Combining and individual fund statements and schedules can be found on pages 55-94 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. In the case of the City of Snyder, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$24,216 at the close of the most recent fiscal year.

By far the largest portion of the City of Snyder's net position (73%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are outstanding. The City of Snyder uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Snyder'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.

CITY OF SNYDER'S Net Position

	Governmental Activities		Business Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Current and other assets	\$ 9,626	\$ 9,388	\$ 4,981	\$ 8,490	\$ 14,607	\$ 17,878
Capital assets	4,622	5,181	24,864	24,385	29,486	29,566
Total assets	14,248	14,569	29,845	32,875	44,093	47,444
Deferred outflows of resources	1,705	580	314	176	2,019	756
Long-term liabilities outstanding	3,336	2,039	15,048	17,921	18,384	19,960
Other liabilities	1,609	1,599	2,258	983	3,867	2,582
Total liabilities	4,945	3,638	17,306	18,904	22,251	22,542
Deferred inflows of resources	722	870	235	572	957	1,442
Net investment in capital assets	4,622	5,181	13,001	12,569	17,623	17,750
Restricted	335	438	-	-	335	438
Unrestricted	5,329	5,022	(383)	1,006	4,946	6,028
Total net position	<u><u>\$ 10,286</u></u>	<u><u>\$ 10,641</u></u>	<u><u>\$ 12,618</u></u>	<u><u>\$ 13,575</u></u>	<u><u>\$ 22,904</u></u>	<u><u>\$ 24,216</u></u>

The remaining balance of unrestricted net position, \$6,028 may be used to meet the government's ongoing obligations to citizens and creditors.

The government's net position increased by \$1,312 during the current fiscal year.

CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF SNYDER'S Changes in Net Position

	Governmental Activities		Business Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Revenues:						
Program revenues:						
Charges for services	\$ 1,749	\$ 1,611	\$ 9,834	\$ 10,524	\$ 11,583	\$ 12,135
Operating grants and Contributions	106	441	-	-	108	441
General revenues:						
Property taxes	2,608	2,807	-	-	2,608	2,807
Other taxes	3,832	3,531	-	-	3,832	3,531
Other	838	252	97	326	935	578
Total revenues	9,133	8,642	9,931	10,850	19,064	19,492
Expenses:						
General Government	1,982	1,834	-	-	1,982	1,834
Public Safety	3,784	4,311	-	-	3,784	4,311
Public Works	1,600	1,696	-	-	1,600	1,696
Culture and recreation	504	446	-	-	504	446
Water and sewer	-	-	7,586	7,136	7,586	7,136
Sanitation	-	-	2,744	2,757	2,744	2,757
Total expenses	7,870	8,287	10,330	9,893	18,200	18,180
Change in net position	1,263	355	(399)	957	865	1,312
Net Position - beginning of year	9,023	10,286	13,017	12,618	22,040	22,904
Net Position - ending of year	<u>\$ 10,286</u>	<u>\$ 10,641</u>	<u>\$ 12,618</u>	<u>\$ 13,575</u>	<u>\$ 22,904</u>	<u>\$ 24,216</u>

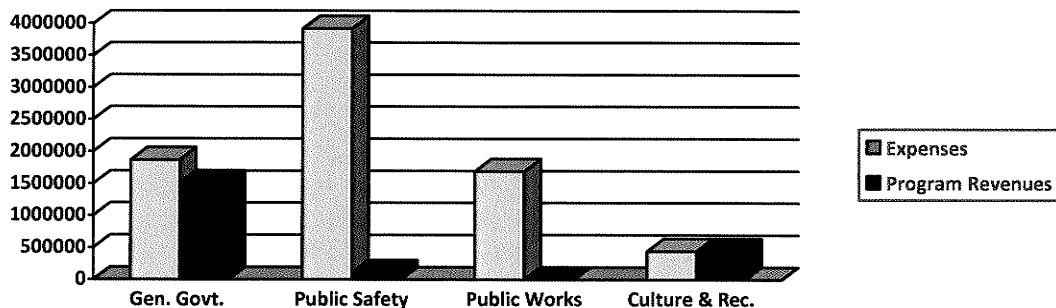
GOVERNMENTAL ACTIVITIES

Governmental activities increased the City of Snyder's net position by \$355. Key elements of this increase are as follows:

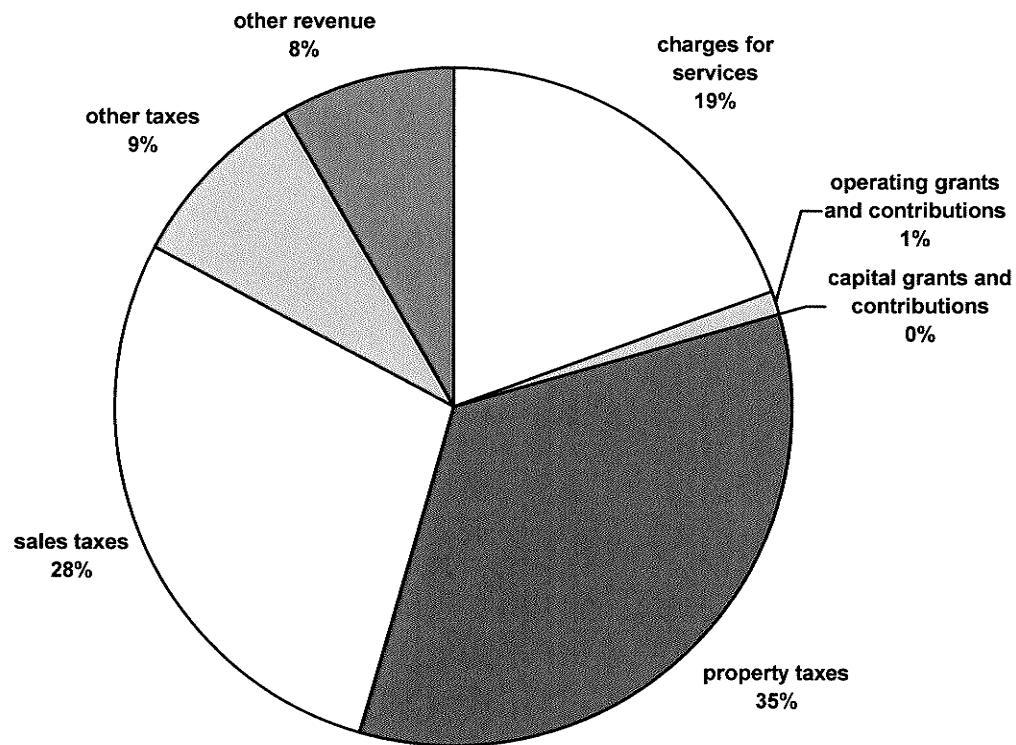
- Charges for services decreased \$138 or 8% a result of a decrease in licenses and permits issued.
- Property taxes increased \$199 or 8% from prior year. Property tax rates remained the same at .4700 per One Hundred Dollars from 2019 to 2020. Sales taxes decreased \$210 or 8% from prior year, because of COVID and the change in the local economy within the oil industry.
- Miscellaneous revenue decreased due to the decrease in proceeds from insurance.
- Public safety expenses were 52% of the City's governmental expenses. Public safety expenses increased \$527 from the prior year due to COVID-19 grant expenses of \$366, as well as an increase in personnel in the police department and an emergency purchase of a fire truck.
- Public works expenses increased \$96 or 6% from prior year.

CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities

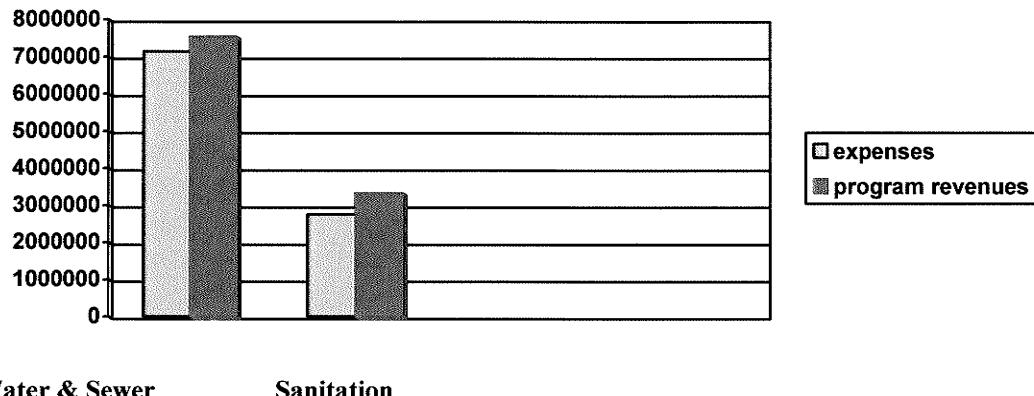


CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City of Snyder's net position by \$957. Key elements of this increase are as follows.

- Business type total revenues increased by 9.25% or \$919 and expenses decreased by 4.23% or \$437.



Water & Sewer

Sanitation

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds. The focus of the City of Snyder'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 Snyder's financing requirements. Unassigned *fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Snyder's governmental funds reported combined ending fund balances of \$8,432, a decrease of \$320 in comparison with the prior year. Approximately 89.17% of this total amount, \$7,519, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is made up of \$180 in *nonspendable fund balance* for prepaid items, inventories, and an advance to other funds, \$438 restricted for various purposes and \$295 committed to economic development through Chapter 380 agreements.

The general fund is the chief operating fund of the City of Snyder. At the end of the current fiscal year, unassigned fund balance of the general fund was \$7,522 while total fund balance reached \$8,067. 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. Unassigned fund balance represents 92% of total general fund expenditures, while total fund balance represents 99% of that same amount. There were no major variances between the original and final budget.

The fund balance of the City of Snyder's general fund decreased by \$409 during the current fiscal year and increased \$864 in the prior fiscal year.

- Budgeted sales tax was increased by 13.04% from fiscal year 2019, due to expected increase in local oil industry. Actual sales tax decreased 9.59% from budgeted amount in 2020.
- General fund expenditures increased 6.34% from fiscal year 2019 mainly due to the purchase of a new fire truck that was ordered in prior fiscal year and received in fiscal year 2020.

CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Unrestricted net position of the Water and Sewer Authority at the end of the year amounted to \$469, and those for the Sanitation Fund amounted to \$537. The net increase in unrestricted net position for the Water and Sewer Authority was \$1,395 and the net decrease for the Sanitation Fund was \$6. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City of Snyder's business-type activities.

General Fund Budgetary Highlights

Actual revenues and other financing sources were lower than final budgeted revenues by \$475 and actual expenditures were \$66 lower than final budgeted expenditures.

The key elements of actual revenue below budget were as follows:

- Sales tax \$249 below budget, ad valorem taxes were \$240 above budget. Increase in the property tax valuations resulted in an increase in property taxes received. The local COVID situation resulted in businesses closing. This had a direct impact on the decrease of sales tax.
- Interest revenue \$50 below budget, due to a decrease in interest rates on investments, and a decrease in miscellaneous \$76 due to a decrease in proceeds from insurance.

The key elements of actual expenditures compared to budget were as follows:

- Each department in General Government was below their budget from \$6,854 to \$85,974. This is a result of taking a conservative approach to spending and postponing several capital items that had been budgeted and also freezing personnel positions, due to the impact COVID had on our local economy.
- Public safety, except for the fire department, came in below their budget. The fire department was over their budget by \$309,484. This is a result of a fire truck that was ordered in FY 2019 and received in current year.
- Public works also was below their budget by \$40,627.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Snyder's investment in capital assets for its governmental and business type activities as of September 30, 2020, amounts to \$29,566,534 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

CITY OF SNYDER'S Capital Assets (net of depreciation)

	Governmental Activities		Business Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Land	\$ 553	\$ 553	\$ 307	\$ 307	\$ 860	\$ 860
Buildings	996	950	2,277	1,862	3,273	2,812
Improvements other than buildings	1,116	889	18,701	17,866	19,817	18,755
Machinery and equipment	1,957	2,789	3,579	3,778	5,536	6,567
Construction in progress				572		572
Total	\$4,622	\$5,181	\$24,864	\$24,385	\$29,486	\$29,566

CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Significant purchases made by the City was a new fire truck, a new loader and an asphalt compactor, three new vehicles for the police department, a single turn value maintenance trailer, a wheel scraper and water truck. Water and sewer line replacement project was still in progress at the end of fiscal year. Additional information on the City of Snyder's capital assets can be found in note III.C on pages 31-34 of this report.

LONG-TERM DEBT

Long-term debt. At the end of the current fiscal year, the City of Snyder had bond debt outstanding of \$13,425. Of this amount, \$13,425 comprises debt backed by the full faith and credit of the government. These bonds are paid by revenues of the Water and Sewer Funds.

The City of Snyder's total debt increased by \$3,540 (35.81%) during the current fiscal year. The key factors in this increase were the issuance of a 2019 Certificate of Obligation for \$3,975,000 for capital improvements to water and sewer.

The City of Snyder maintains a "AA- "rating from Standard & Poor's for its revenue and tax certificates of obligation debt.

Additional information on the City of Snyder's long-term debt can be found in note III.F on pages 35-38 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the City of Snyder is currently 3.7 percent. This is below the state's average unemployment rate of 5.1 percent and below the national average rate of 6.3 percent.
- Inflationary trends in the region compare favorably to national indexes.

All of these factors were considered in preparing the City of Snyder's budget for the 2021 fiscal year.

The budget for general fund total revenue for fiscal year 2021 is \$8,077. This is a decrease of 1.82% from fiscal year 2020. The property tax rate per \$100 decreased from .4800 to .4700 for fiscal year 2021. The minimum charge for water remained at \$39.30 /2000 gal. Sanitation minimum monthly rates remained at \$29.15.

Requests for Information

This financial report is designed to provide a general overview of the City of Snyder's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, P.O. Box 1341, City of Snyder, Snyder, Texas, 79550.

CITY OF SNYDER, TEXAS

Statement of Net Position

September 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	DCOS
ASSETS				
Cash and cash equivalents	\$ 6,534,041	\$ 616,357	\$ 7,150,398	\$ 888,713
Investments	1,100,000	500,000	1,600,000	447,679
Receivables (net of allowance)	1,471,681	1,163,574	2,635,255	107,523
Due from primary government	-	-	-	136,248
Internal balances	173,563	(173,563)	-	-
Inventories	33,978	130,705	164,683	-
Prepaid items	5,423	-	5,423	-
Restricted assets:				
Cash and cash equivalents	69,965	4,252,529	4,322,494	457,979
Investments	-	2,000,469	2,000,469	-
Capital assets (net of accumulated depreciation)				
Nondepreciable	553,153	878,944	1,432,097	698,781
Depreciable	4,627,897	23,506,540	28,134,437	2,249,190
Total assets	14,569,701	32,875,555	47,445,256	4,986,113
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows for pension	535,670	156,093	691,763	17,151
Deferred outflows for OPEB	44,286	19,859	64,145	2,313
Total deferred outflows of resources	579,956	175,952	755,908	19,464
LIABILITIES				
Accounts payable and other liabilities	1,462,663	234,685	1,697,348	12,920
Accrued interest payable	-	41,364	41,364	-
Due to component unit	136,248	-	136,248	-
Customer meter deposits	-	706,508	706,508	-
Noncurrent liabilities:				
Due within one year	32,687	825,226	857,913	361,797
Due in more than one year	2,006,699	17,096,117	19,102,816	1,671,880
Total liabilities	3,638,297	18,903,900	22,542,197	2,046,597
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows for pension	861,469	568,313	1,429,782	35,449
Deferred inflows for OPEB	8,904	3,762	12,666	401
Total deferred inflows of resources	870,373	572,075	1,442,448	35,850
NET POSITION				
Net investment in capital assets	5,181,050	12,569,120	17,750,170	1,171,986
Restricted for:				
Public safety	69,965	-	69,965	-
Debt service	-	-	-	322,212
Tax Increment Financing	368,297	-	368,297	-
Unrestricted	5,021,675	1,006,412	6,028,087	1,428,932
Total net position	\$ 10,640,987	\$ 13,575,532	\$ 24,216,519	\$ 2,923,130

The notes to the financial statements are an integral part of this statement.

CITY OF SNYDER, TEXAS
Statement of Activities
For the Year ended September 30, 2020

Function/Programs	Net (Expense) Revenue and Changes in Net Position					Component Unit	
	Program Revenues		Primary Government		Total		
	Operating	Grants and Contributions	Governmental Activities	Business-type Activities			
	Expenses	Charges for Services				DCOS	
Primary government:							
Governmental activities:							
General government	\$ 1,834,046	\$ 1,502,648	\$ 441,236	\$ (331,398)	\$ (331,398)		
Public safety	4,311,647	108,388	-	(3,762,023)	(3,762,023)		
Public works	1,695,656	-	-	(1,695,656)	(1,695,656)		
Culture and recreation	445,823	-	-	(445,823)	(445,823)		
Total governmental activities	<u>\$ 8,287,172</u>	<u>1,611,036</u>	<u>441,236</u>	<u>(6,234,900)</u>	<u>(6,234,900)</u>		
Business-type activities:							
Water and sewer	7,135,807	7,439,535	-	\$ 303,728	303,728		
Sanitation	2,757,176	3,084,251	-	327,075	327,075		
Total business-type activities	<u>\$ 9,892,983</u>	<u>10,523,786</u>	<u>-</u>	<u>630,803</u>	<u>630,803</u>		
Total primary government	<u>\$ 18,180,155</u>	<u>\$ 12,134,822</u>	<u>\$ 441,236</u>	<u>\$ (6,234,900)</u>	<u>\$ 630,803</u>	<u>(5,604,097)</u>	
Component unit:							
Development Corporation of Snyder	<u>\$ 499,350</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (499,350)</u>	
General revenues:							
Property taxes	2,807,452	-	-	2,807,452	-		
Sales taxes	2,350,725	-	-	2,350,725	808,605		
Franchise taxes	722,457	-	-	722,457	-		
Alcoholic beverage taxes	10,937	-	-	10,937	-		
Hotel/motel occupancy taxes	445,823	-	-	445,823	-		
Proceeds from insurance	55,146	37,266	-	92,412	-		
Unrestricted investment earnings	90,155	89,273	-	179,428	11,432		
Gain on sale of capital assets	82,057	200,110	-	282,167	-		
Miscellaneous revenue	25,267	-	-	25,267	3,331		
Total general revenues	<u>\$ 6,590,019</u>	<u>\$ 326,649</u>	<u>\$ 6,916,668</u>	<u>\$ 6,916,668</u>	<u>\$ 823,368</u>		
Change in net position	355,119	957,452	1,312,571	1,312,571	324,018		
Net position - beginning	<u>\$ 10,285,868</u>	<u>\$ 12,618,080</u>	<u>\$ 22,903,948</u>	<u>\$ 22,903,948</u>	<u>\$ 2,599,112</u>		
Net position - ending	<u>\$ 10,640,987</u>	<u>\$ 13,575,532</u>	<u>\$ 24,216,519</u>	<u>\$ 24,216,519</u>	<u>\$ 2,923,130</u>		

The notes to the financial statements are an integral part of this statement.

CITY OF SNYDER, TEXAS
Balance Sheet
Governmental Funds
September 30, 2020

	General	Nonmajor Governmental	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 6,165,744	\$ 368,297	\$ 6,534,041
Investments	1,100,000	-	1,100,000
Receivables (net of allowance)	1,138,807	332,849	1,471,656
Advance to other funds	173,563	-	173,563
Prepaid items	5,423	-	5,423
Inventories	1,025	-	1,025
Restricted cash and cash equivalents	69,965	-	69,965
Total assets	<u>\$ 8,654,527</u>	<u>\$ 701,146</u>	<u>\$ 9,355,673</u>
LIABILITIES			
Cash overdraft	\$ -	\$ 221,477	\$ 221,477
Accounts payable	156,353	114,754	271,107
Due to component unit	136,248	-	136,248
Total liabilities	<u>292,601</u>	<u>336,231</u>	<u>628,832</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue- property taxes and fines	<u>294,754</u>	<u>-</u>	<u>294,754</u>
FUND BALANCES			
Nonspendable for:			
Prepaid items	5,423	-	5,423
Inventories	1,025	-	1,025
Advance to other funds	173,563	-	173,563
Restricted for various purposes	69,965	368,297	438,262
Committed for economic development	294,712	-	294,712
Unassigned	<u>7,522,484</u>	<u>(3,382)</u>	<u>7,519,102</u>
Total fund balances	<u>8,067,172</u>	<u>364,915</u>	<u>8,432,087</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,654,527</u>	<u>\$ 701,146</u>	<u>\$ 9,355,673</u>

The notes to the financial statements are an integral part of this statement.

CITY OF SNYDER, TEXAS
Reconciliation of the Balance Sheet of
Governmental Funds to the Statement of Net Position
September 30, 2020

Total Fund Balances - Governmental Funds	\$ 8,432,087
Amounts reported for governmental activities in the statement of net position (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. At the beginning of the year, the cost of these assets was \$11,607,178 and the accumulated depreciation was \$7,936,202. The net effect of the beginning balance of the net investment in capital assets in the governmental activities is an increase to net position.	3,670,976
Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of including capital outlays of \$1,204,123 is to increase net position.	1,204,123
Depreciation expense is not reflected in the governmental funds but is recorded in the government-wide financial statements as an expense and an increase to accumulated depreciation. The net effect of the current year depreciation expense of \$571,302 is to decrease net position.	(571,302)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds. Deferred inflows of resources for property tax revenue and fines revenue of \$294,754 is recognized in the government-wide financial statements. This results in an increase in net position.	294,754
Related to the City's net pension liability are deferred outflows of resources of \$512,403 and deferred inflows of resources of \$851,176, whose effect is to decrease net position.	(338,773)
Related to the City's OPEB liability are deferred outflows of resources of \$44,066 and deferred inflows of resources of \$8,815, whose effect is to increase net position.	35,251
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(128,812)
Net pension liability	(1,622,548)
Total OPEB liability	(241,891)
Internal service funds are used by management to charge the costs of the central garage to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. This results in a net decrease to net position.	(92,878)
Net Position of Governmental Activities	<u>\$ 10,640,987</u>

The notes to the financial statements are an integral part of this statement.

CITY OF SNYDER, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2020

REVENUES	General	Nonmajor Governmental	Total Governmental Funds
Taxes:			
Property	\$ 2,704,636	\$ 89,177	\$ 2,793,813
Sales	2,350,725	-	2,350,725
Franchise	722,457	-	722,457
Alcoholic beverage	10,937	-	10,937
Occupancy	-	445,823	445,823
Licenses and permits	93,724	-	93,724
Intergovernmental	97,140	344,096	441,236
Charges for services	1,408,924	-	1,408,924
Fines and forfeitures	110,418	-	110,418
Interest	90,155	-	90,155
Miscellaneous	23,195	-	23,195
Total Revenues	7,612,311	879,096	8,491,407
EXPENDITURES			
Current:			
General government	1,843,156	173	1,843,329
Public safety	4,477,148	344,096	4,821,244
Public works	1,838,443	-	1,838,443
Culture and recreation	-	445,823	445,823
Total Expenditures	8,158,747	790,092	8,948,839
(Deficiency) Excess of revenues over expenditures	(546,436)	89,004	(457,432)
OTHER FINANCING SOURCES (USES)			
Proceeds from insurance	55,146	-	55,146
Proceeds from sale of equipment	82,057	-	82,057
Total other financing sources and uses	137,203	-	137,203
Net change in fund balances	(409,233)	89,004	(320,229)
Fund balances -- beginning	8,476,405	275,911	8,752,316
Fund balances -- ending	\$ 8,067,172	\$ 364,915	\$ 8,432,087

The notes to the financial statements are an integral part of this statement.

CITY OF SNYDER, TEXAS
Reconciliation of Statement of Revenues, Expenditures and Changes
In Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2020

Net Change in Fund Balances - Governmental Funds	\$ (320,229)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:	
Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of including capital outlays of \$1,204,123 is to increase net position.	1,204,123
Depreciation expense is not reflected in the governmental funds but is recorded in the government-wide financial statements as an expense and an increase to accumulated depreciation. The net effect of the current year depreciation expense of \$571,302 is to decrease net position.	(571,302)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the net increase in compensated absences payable.	(3,162)
Various other adjustments and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. Revenues in the statement of activities that do not provide current financial resources are not reported in the funds. This adjustment is to recognize the net change in 'unavailable' revenue. This adjustment results in an increase in net position.	13,681
Certain expenditures for the pension that are recorded to the fund financial statements must be recorded as deferred outflows of resources. Contributions made after the measurement date caused the change in net position to increase. The City's share of the unrecognized deferred inflows and outflows for TMRS as of the measurement date must be amortized and the City's proportionate share of the pension expense must be recognized. These cause the change in net position to decrease. The net effect is an increase in net position.	51,649
Certain OPEB expenditures that are recorded in the fund financial statements must be recorded as deferred outflows of revenues. Contributions made after the measurement date caused the change in net position to increase. The City's share of the unrecognized deferred inflows and outflows for TMRS as of the measurement date must be amortized and the City's OPEB expense must be recognized. The net effect is a decrease in net position.	(19,639)
Change in net position of governmental activities	<u>\$ 355,119</u>

The notes to the financial statements are an integral part of this statement.

CITY OF SNYDER, TEXAS
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

REVENUES	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	
	Original	Final	Actual Amounts		
				Original	Final
Taxes:					
Property	\$ 2,464,315	\$ 2,464,315	\$ 2,704,636	\$ 240,321	
Sales	2,600,000	2,600,000	2,350,725	(249,275)	
Franchise	765,000	765,000	722,457	(42,543)	
Alcoholic beverage	30,000	30,000	10,937	(19,063)	
Licenses and permits	87,765	87,765	93,724	5,959	
Intergovernmental	160,485	160,485	97,140	(63,345)	
Charges for services	1,501,815	1,501,815	1,408,924	(92,891)	
Fines and forfeitures	175,000	175,000	110,418	(64,582)	
Interest	140,000	140,000	90,155	(49,845)	
Miscellaneous	99,050	99,050	23,195	(75,855)	
Total revenues	<u>8,023,430</u>	<u>8,023,430</u>	<u>7,612,311</u>	<u>(411,119)</u>	
EXPENDITURES					
Current:					
General government:					
Administration	344,540	344,540	283,043	61,497	
Finance and personnel	363,515	363,515	350,772	12,743	
Planning and zoning	262,580	262,580	238,230	24,350	
Municipal court	361,150	361,150	300,780	60,370	
Community services	427,610	427,610	341,636	85,974	
City secretary/records	193,290	193,290	186,436	6,854	
IT/purchasing	149,140	149,140	142,259	6,881	
Total general government	<u>2,101,825</u>	<u>2,101,825</u>	<u>1,843,156</u>	<u>258,669</u>	
Public safety:					
Police	2,595,165	2,595,165	2,564,917	30,248	
Animal control	210,330	210,330	171,033	39,297	
Fire	1,311,915	1,311,915	1,621,399	(309,484)	
Fire Marshall	126,130	126,130	119,799	6,331	
Total public safety	<u>4,243,540</u>	<u>4,243,540</u>	<u>4,477,148</u>	<u>(233,608)</u>	
Public works:					
Street maintenance	<u>1,879,070</u>	<u>1,879,070</u>	<u>1,838,443</u>	<u>40,627</u>	
Total expenditures	<u>8,224,435</u>	<u>8,224,435</u>	<u>8,158,747</u>	<u>65,688</u>	
Deficiency of revenues over expenditures	(201,005)	(201,005)	(546,436)	(345,431)	
OTHER FINANCING SOURCES (USES)					
Proceeds from insurance	5,000	5,000	55,146	50,146	
Proceeds from sale of equipment	3,000	3,000	82,057	79,057	
Transfer from reserves	<u>193,005</u>	<u>193,005</u>	-	(193,005)	
Total other financing sources and uses	<u>201,005</u>	<u>201,005</u>	<u>137,203</u>	<u>(63,802)</u>	
Net change in fund balances	-	-	(409,233)	(409,233)	
Fund balances - beginning	<u>8,476,405</u>	<u>8,476,405</u>	<u>8,476,405</u>	<u>-</u>	
Fund balances - ending	<u>\$ 8,476,405</u>	<u>\$ 8,476,405</u>	<u>\$ 8,067,172</u>	<u>\$ (409,233)</u>	

The notes to the financial statements are an integral part of this statement.

EXHIBIT B-4 (1 of 3)

CITY OF SNYDER, TEXAS
 Statement of Net Position
 Proprietary Funds
 September 30, 2020

ASSETS	Business-type Activities - Enterprise Funds					Governmental Activities-Internal Service Fund	
	(memo only)		(memo only)		Totals		
	Water & Sewer Current Year	Water & Sewer Prior Year	Sanitation Current Year	Sanitation Prior Year			
Current assets:							
Cash and cash equivalents	\$ 125,702	\$ 303,839	\$ 490,655	\$ 280,927	\$ 616,357	\$ -	
Investments	400,000	400,000	100,000	300,000	500,000	-	
Interest receivable	247	-	-	-	247	-	
Accounts receivable, net	799,725	869,501	363,602	324,554	1,163,327	25	
Inventories	128,764	114,907	1,941	2,572	130,705	32,953	
Restricted cash	706,508	671,581	-	-	706,508	-	
Total current assets	2,160,946	2,359,828	956,198	908,053	3,117,144	32,978	
Noncurrent assets:							
Restricted cash	3,518,679	-	27,342	12,905	3,546,021	-	
Restricted investments	-	-	2,000,469	2,000,469	2,000,469	-	
Capital assets:							
Land	185,765	185,765	120,756	120,756	306,521	-	
Construction in progress	535,751	-	36,672	-	572,423	-	
Buildings	9,851,224	9,851,224	479,605	479,605	10,330,829	914,233	
Improvements other than buildings	27,478,066	27,384,850	3,845,813	3,845,813	31,323,879	-	
Machinery and equipment	6,110,139	6,112,542	5,643,479	5,257,207	11,753,618	362,763	
Less accumulated depreciation	(23,252,325)	(21,578,468)	(6,649,461)	(6,795,244)	(29,901,786)	(399,743)	
Total capital assets (net of accumulated depreciation)	20,908,620	21,955,913	3,476,864	2,908,137	24,385,484	877,253	
Total noncurrent assets	24,427,299	21,955,913	5,504,675	4,921,511	29,931,974	877,253	
Total assets	26,588,245	24,315,741	6,460,873	5,829,564	33,049,118	910,231	

The notes to the financial statements are an integral part of this statement.

EXHIBIT B-4 (2 of 3)

CITY OF SNYDER, TEXAS
Statement of Net Position
Proprietary Funds
September 30, 2020

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal Service Fund
	Water & Sewer	Water & Sewer	Sanitation	Totals	
Current Year	Prior Year	Current Year	Prior Year	Current Year	
DEFERRED OUTFLOW OF RESOURCES					
Deferred outflows - pensions	53,315	131,647	102,778	174,278	156,093
Deferred outflows - OPEB	15,862	5,244	3,997	2,618	19,859
Total deferred outflows of resources	69,177	136,891	106,775	176,896	175,952
					23,487
LIABILITIES					
Current liabilities:					
Cash overdraft	-	1,248,471	-	-	968,012
Accounts payable	169,854	260,804	27,637	44,066	197,491
Accrued compensated absences	9,918	7,774	5,180	5,703	15,098
Retainage payable	37,194	-	-	-	37,194
Payable from restricted assets:					
Customer meter deposits	706,508	671,581	-	-	706,508
Certificates of obligation payable	606,984	435,000	-	-	606,984
Municipal lease agreement payable	203,144	197,533	-	-	203,144
Accrued interest payable	41,364	33,744	-	-	41,364
Total current liabilities	1,774,966	2,854,907	32,817	49,769	1,807,783
					970,561

The notes to the financial statements are an integral part of this statement.

CITY OF SNYDER, TEXAS
 Statement of Net Position
 Proprietary Funds
 September 30, 2020

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal Service Fund	
	Water & Sewer Current Year	Water & Sewer Prior Year	(memo only)		Totals	Activities- Internal Service Fund
			Sanitation Current Year	Sanitation Prior Year		
Noncurrent liabilities:						
Accrued compensated absences	29,752	23,321	15,540	17,108	45,292	1,448
Certificates of obligation payable	13,056,304	9,559,083	-	-	13,056,304	-
Municipal lease agreement payable	1,468,611	1,671,756	-	-	1,468,611	-
Advances from other funds-General	173,563	299,995	-	-	173,563	-
Net pension liability	92,064	659,433	299,839	373,510	391,903	42,412
Total OPEB liability	75,647	56,187	30,549	28,022	106,196	1,793
Landfill closure/post closure care	-	-	2,027,811	2,013,374	2,027,811	-
Total noncurrent liabilities	14,895,941	12,269,775	2,373,739	2,432,014	17,269,680	45,653
Total liabilities	16,670,907	15,124,682	2,406,556	2,481,783	19,077,463	1,016,214
DEFERRED INFLOW OF RESOURCES						
Deferred inflows - pension	423,017	158,851	145,296	71,034	568,313	10,293
Deferred inflows - OPEB	2,315	3,111	1,447	1,551	3,762	89
Total deferred inflows of resources	425,332	161,962	146,743	72,585	572,075	10,382
NET POSITION						
Net investment in capital assets	9,092,256	10,092,541	3,476,864	2,908,137	12,569,120	877,253
Unrestricted	468,927	(926,553)	537,485	543,955	1,006,412	(970,131)
Total net position	\$ 9,561,183	\$ 9,165,988	\$ 4,014,349	\$ 3,452,092	\$ 13,575,532	\$ (92,878)

The notes to the financial statements are an integral part of this statement.

CITY OF SNYDER, TEXAS
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2020

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund	
	Water & Sewer		Water & Sewer	Sanitation	Sanitation		
	Current Year	Prior Year	Current Year	Prior Year	Prior Year		
Operating Revenues:							
Water sales	\$ 5,489,463	\$ 5,129,486	\$ -	\$ -	\$ -	\$ 5,489,463	\$ -
Sewer charges	1,560,940	1,589,931	-	-	-	1,560,940	-
Charges for billing & collections	314,528	383,958	-	2,160,971	1,966,399	314,528	381,266
Sanitation charges	-	-	905,462	573,842	-	2,160,971	-
Landfill gate fees	-	-	-	-	-	905,462	-
Water & sewer taps	38,350	7,440	-	-	-	38,350	-
Plumbing permits & inspections	7,920	8,985	-	-	-	7,920	-
Other services	28,334	59,329	17,818	114,376	46,152	-	3,378
Total operating revenues	7,439,535	7,179,129	3,084,251	2,654,617	10,523,786	384,644	
Operating Expenses:							
Personnel services	1,054,109	1,332,442	801,119	716,907	1,855,228	76,315	
Supplies	356,826	358,425	191,509	227,383	548,335	185,930	
Maintenance	503,001	572,224	132,085	167,624	635,086	12,744	
Services	2,812,506	3,046,243	868,220	888,003	3,680,726	27,364	
Sundry charges	33,489	42,219	41,008	50,260	74,497	1,569	
Non capitalized equipment	1,572	3,367	2,080	1,908	3,652	-	
Depreciation	1,774,813	1,807,133	721,155	691,631	2,495,968	80,722	
Total operating expenses	6,536,316	7,162,053	2,757,176	2,743,716	9,293,492	384,644	
Operating income (loss)	903,219	17,076	327,075	(89,099)	1,230,294	-	
Nonoperating revenues (expenses):							
Investment earnings	54,191	43,265	35,082	39,908	89,273	-	
Interest and fees expense	(495,671)	(423,883)	-	-	(495,671)	-	
Gain on sale of assets	10	11	200,100	3,000	200,110	-	
Proceeds from insurance	37,266	10,170	-	-	37,266	-	
Bond issuance costs	(103,820)	-	-	-	(103,820)	-	
Total nonoperating (expenses) revenues	(508,024)	(370,437)	235,182	42,908	(272,842)	-	
Change in net position	395,195	(353,361)	562,257	(46,191)	957,452	-	
Total net position - beginning	9,165,988	9,519,349	3,452,092	3,498,283	12,618,080	(92,878)	
Total net position - ending	\$ 9,561,183	\$ 9,165,988	\$ 4,014,349	\$ 3,452,092	\$ 13,575,532	\$ (92,878)	

The notes to the financial statements are an integral part of this statement

EXHIBIT B-6 (1 of 2)

CITY OF SNYDER, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2020

		Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds		
		(memo only)		(memo only)	Totals		
		Water & Sewer Current Year	Water & Sewer Prior Year	Sanitation Current Year	Sanitation Prior Year		
ACTIVITIES							
Receipts from customers and users	\$ 7,229,710	\$ 6,724,507	\$ 3,045,202	\$ 2,630,691	\$ 10,274,912	\$ 3,378	
Receipts from interfund services provided	314,528	383,958	-	-	314,528	381,241	
Payments to suppliers	(2,805,554)	(3,073,157)	(921,733)	(918,826)	(3,727,287)	(240,737)	
Payments to employees	(1,262,359)	(1,276,110)	(730,075)	(762,431)	(1,992,434)	(70,714)	
Payments for interfund services used	(969,453)	(1,033,208)	(314,528)	(383,958)	(1,283,981)	-	
Net cash provided by operating activities	<u>2,506,872</u>	<u>1,725,990</u>	<u>1,078,866</u>	<u>565,476</u>	<u>3,585,738</u>	<u>73,168</u>	
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES							
Interfund loans advanced (paid)	(126,432)	(123,313)	-	-	(126,432)	-	
Increase (decrease) in cash overdrafts	(1,248,471)	<u>594,636</u>	-	<u>(231,851)</u>	<u>(1,248,471)</u>	<u>(66,644)</u>	
Net cash (used in) provided by noncapital financing activities	(1,374,903)	471,323	-	(231,851)	(1,374,903)	(66,644)	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchases of capital assets	(727,520)	(1,182,280)	(1,289,883)	(302,194)	(2,017,403)	(6,524)	
Proceeds from sale of capital assets	10	11	200,100	3,000	200,110	-	
Issuance of certificates of obligation	4,017,369	-	-	-	4,017,369	-	
Proceeds from insurance	37,266	10,170	-	-	37,266	-	
Principal paid on certificates of obligation	(632,534)	(626,753)	-	-	(632,534)	-	
Interest paid on debt obligations	(505,035)	(425,426)	-	-	(505,035)	-	
Net cash provided by (used in) capital and related financing activities	<u>2,189,556</u>	<u>(2,224,278)</u>	<u>(1,089,783)</u>	<u>(299,194)</u>	<u>1,099,773</u>	<u>(6,524)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from sales and maturities of investments	-	-	200,000	189,762	200,000	-	
Interest received	53,944	44,799	35,082	58,983	89,026	-	
Net cash (used in) provided by investing activities	<u>53,944</u>	<u>44,799</u>	<u>235,082</u>	<u>248,745</u>	<u>289,026</u>	<u>-</u>	

The notes to the financial statements are an integral part of this statement.

EXHIBIT B-6 (2 of 2)

CITY OF SNYDER, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2020

	Business-type Activities - Enterprise Funds						Governmental Activities- Internal Service Funds	
	(memo only)		(memo only)		Totals			
	Water & Sewer	Water & Sewer	Sanitation	Prior Year	Current Year	Prior Year		
Current Year	Prior Year	Current Year	Current Year	Current Year	Prior Year	Totals		
Net (decrease) increase in cash and cash equivalents	\$ 3,375,469	\$ 17,834	\$ 224,165	\$ 283,176	\$ 3,599,634	\$ -		
Cash and cash equivalents, October 1 (including restricted cash)	<u>975,420</u>	<u>957,586</u>	<u>293,832</u>	<u>10,656</u>	<u>1,269,252</u>	<u>-</u>		
Cash and cash equivalents, September 30 (including restricted cash)	<u>\$ 4,350,889</u>	<u>\$ 975,420</u>	<u>\$ 517,997</u>	<u>\$ 293,832</u>	<u>\$ 4,868,886</u>	<u>\$ -</u>		
Reconciliation of Operating Income to net cash provided by operating activities:	\$ 903,219	\$ 17,076	\$ 327,075	\$ (89,099)	\$ 1,230,294	\$ -		
Operating income (loss)								
Adjustments to reconcile operating income to net cash provided (used) by operating activities:								
Depreciation expense	1,774,813	1,807,133	721,155	691,631	2,495,968	80,722		
Decrease (increase) in accounts receivable	69,776	(83,758)	(39,049)	(23,926)	30,727	(25)		
(Increase) decrease in inventories	(13,857)	68,290	632	2,823	(13,225)	8,176		
Increase (decrease) in retainage payable	37,194	(71,817)	-	-	37,194	-		
Increase (decrease) in customer deposits	34,927	13,094	-	-	34,927	-		
(Decrease) increase in accounts payable/ cash overdrafts	(90,950)	(80,360)	(16,428)	17,084	(107,378)	(21,306)		
(Decrease) increase in accrued liabilities	(208,250)	56,332	71,044	(45,524)	(137,206)	5,601		
Increase in landfill closure/post closure cost	-	-	14,437	12,487	14,437	-		
Total adjustments	<u>\$ 1,603,653</u>	<u>\$ 1,708,914</u>	<u>\$ 751,791</u>	<u>\$ 654,575</u>	<u>\$ 2,355,444</u>	<u>\$ 73,168</u>		
Net cash provided by operating activities	<u>\$ 2,506,872</u>	<u>\$ 1,725,990</u>	<u>\$ 1,078,866</u>	<u>\$ 565,476</u>	<u>\$ 3,585,738</u>	<u>\$ 73,168</u>		

The notes to the financial statements are an integral part of this statement.

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

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CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2020

I. Summary of Significant Accounting Policies

The accounting and reporting policies of the City of Snyder, Texas, (City) included in the accompanying basic financial statements conform to the generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

A. Reporting Entity

The City of Snyder is a municipal corporation governed by an elected mayor and six-member council. As required by generally accepted accounting principles, these financial statements present the City as the primary government and a component unit for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City. The discretely presented component unit has a September 30 year-end.

Discretely Presented Component Unit

Development Corporation of Snyder. The City adopted (through the election process) an optional sales tax (3/8%) for economic development purposes and the Corporation was established to administer these funds. The Corporation is a non-profit corporation specifically governed by the Texas Development Corporation Act of 1979, as amended. The City is able to impose its will on the organization and DCOS has the potential to impose a financial benefit/burden on the City. The purpose of the Development Corporation of Snyder, Inc. (herein known as DCOS) is to promote, assist, and enhance economic development. The five-member Board of Directors is appointed by the Mayor, with the approval of the Council. The Board is regularly accountable to the City Council for all activities undertaken by them or on their behalf. The Corporation is presented as a governmental fund type.

Complete financial statements for the DCOS may be obtained at the entity's administrative offices:

Development Corporation of Snyder
3610 College Ave., Ste. A
Snyder, TX 79549

B. Government-Wide and Fund Financial Statements

Government-wide financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by the program's revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment 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 among program revenues are reported instead as general revenues.

Fund financial statements. The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

I. Summary of Significant Accounting Policies (continued)

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types".

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, franchise taxes, licenses, interest revenue and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, if available. Sales taxes collected and held by the state at year-end on behalf of the City also are recognized as revenue. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

The government reports the following major proprietary funds:

Water and Sewer Fund – This fund accounts for the provision of water and sewer services to the residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, billing and collections.

Sanitation Fund – This fund accounts for the provision of garbage collection and disposal, including landfill operations for the residents of the City and some residents of the County.

Additionally, the City reports the following nonmajor fund types:

Special Revenue Funds – Special Revenue Funds, a governmental fund type, are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are restricted, committed or assigned to expenditures for specified purposes.

Internal Service Funds – Internal Service Funds, a proprietary fund type, are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost-reimbursement basis. The internal service fund of the City is the Central Garage Fund.

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

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

I. Summary of Significant Accounting Policies (continued)

Amounts reported as 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, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

When an expense is incurred for purposes for which both restricted and unrestricted net position is available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

Cash includes amounts that are subject to immediate use by the entity. Examples of cash are as follows:

- a. Cash on hand
- b. Cash on (demand) deposit with financial institutions that can be withdrawn without prior notice or penalty.
- c. Other deposits or cash management pools that have characteristics similar to demand deposit accounts (that is, additional funds may be deposited to the account at any time and withdrawals can be made at any time without prior notice or penalty.)

Cash equivalents are short-term, highly liquid investments that have both of the following characteristics:

- a. Investments that are readily convertible to known amounts of cash.
- b. Investments that mature in such a short period of time (generally original maturity of three months or less from the date of purchase) that their values are effectively immune from changes in interest rates.

State statutes authorize the City to invest in 1) obligations of the U.S. or its agencies and instrumentalities; 2) obligations of the State of Texas or its agencies; 3) other obligations guaranteed by the U.S. or the State of Texas or their agencies and instrumentalities; 4) 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; 5) guaranteed or secured certificates of deposit issued by state or national banks domiciled in Texas, savings banks domiciled in Texas, or state or federal credit unions domiciled in Texas; 6) fully collateralized repurchase agreements; and 7) other securities as described in the Texas Local Government Code, Chapter 2256, Public Funds Investment Act. The City is authorized by its governing body to invest in all instruments authorized by the State statutes. Investments in public funds investment pools and certificates of deposit are reported at amortized cost.

2. Receivables and Payables

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

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2020

I. Summary of Significant Accounting Policies (continued)

Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

The City's property tax is levied each October 1, and payable before the first day of February, on 100 percent of assessed value listed for all real and personal property (business property) located in the City. Assessed values are established by the Scurry County Tax Appraisal District and certified by the Board of Equalization.

Property tax revenues are recognized in the fund financial statements when they become available. Available means collected within the current period and the amount expected to be collected soon after year-end to pay liabilities of the current period not to exceed 60 days. The amount of taxes collected in the period 60 days after year-end were recorded as revenues. The balance of taxes receivable, net of allowance, is reported as deferred inflows of resources. Property taxes attach as an enforceable lien on property as of January 1.

3. Inventories and Prepaid Items

Inventory is valued at cost in the governmental funds and at the lower of cost or net realizable value in the proprietary funds. All inventory purchases are recorded as inventory acquisitions (current assets) at the time of purchase. For all funds, the expenditure or expense is recognized when inventory is issued or consumed. Inventory in the General Fund consists of expendable supplies held for consumption.

Prepaid items, recorded in both government-wide and fund financial statements, are goods or services that are paid for in advance and are applicable to future accounting periods. Using the consumption method, prepaid items are recorded as expenditures (governmental fund types) or expenses (proprietary fund types) as the goods or services are used. On the government-wide statement of activities, consumption of prepaid items is recorded as an expense.

Inventories and prepaid items reported in the General Fund and other governmental funds are offset by nonspendable fund balance, which indicates that these items do not represent available expendable resources even though they are a component of current assets.

4. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Funds set aside to cover landfill closure and post closure costs and customer deposits are also classified as restricted assets. Certain proceeds of the general fund are classified as restricted cash and cash equivalents in the governmental funds for fund balance that is restricted for various purposes.

5. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure and all other tangible and intangible assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. Infrastructure acquired beginning in 2004 has been capitalized. Infrastructure acquired prior to this date has not been capitalized. All capital assets are valued at their historical cost or estimated historical cost if actual historical cost is not available. Donated assets are reported at their acquisition value on the date donated. The capitalization threshold for capital assets is \$1,000. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

I. Summary of Significant Accounting Policies (continued)

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest was capitalized during the fiscal year ended September 30, 2020.

Depreciable capital assets are depreciated using the straight-line method over the asset's estimated useful life as follows:

Buildings and improvements	25-50 years
Improvements other than buildings	10-50 years
Machinery and equipment	3-10 years

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has items that qualify for reporting in this category related to the City's pension and OPEB liability with the Texas Municipal Retirement System (TMRS).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has items that qualify for reporting in this category. They include the unavailable revenue from property taxes and fines. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also has deferred inflows reported in the statement of net position related to the City's pension and OPEB liability with the TMRS.

7. Pension

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

8. OPEB

The fiduciary net position of the TMRS Supplemental Death Benefits Plan (SDBP) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and information about assets, liabilities and additions to/deductions from SDBP's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

9. Compensated Absences

Vested or accumulated vacation leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

I. Summary of Significant Accounting Policies (continued)

10. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

11. Comparative Data

Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of those funds.

The basic financial statements include certain prior year summarized comparative information in total but not at the level of detail required for a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended September 30, 2019, from which the summarized information was derived.

II. Stewardship, Compliance, and Accountability

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual appropriated budgets are adopted for the governmental and proprietary fund types. All annual appropriations lapse at fiscal year-end. 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 all funds. Encumbrances outstanding at year-end are closed and re-budgeted in the following year.

Prior to August 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. The City Council holds public hearings and may add to, subtract from or change appropriations. Any changes in the budget must be within the revenue's reserves estimated as available by the City Manager or the revenue estimates must be changed by an affirmative vote of a majority of the City Council.

Prior to September 30, the budget is legally enacted through passage of an ordinance which appropriates totals by fund. Upon written recommendation of the City Manager, the Council may at any time transfer any unencumbered appropriation balance or any portion thereof within a department, office or agency to another department, office or agency. Any supplemental appropriations must be offset by an equal increase in estimated revenues. Management may amend line-item budgeted amounts within a department without seeking the approval of the Council.

Deficit Fund Equity

The hourly rate charged for services performed by the internal service central garage fund is intended to result in a break-even operation which is reflected in the current year income. The net position is a deficit \$92,878 on September 30, 2020.

Motel tax fund revenue is remitted to the Chamber of Commerce and Western Texas College. Fund balance of the motel tax fund is a deficit \$3,382 at September 30, 2020.

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

III. Detailed Notes on All Funds

A. Deposits and Investments

Custodial credit risk- deposits. The City's deposits in financial institutions were entirely covered by federal depository insurance and by securities held by the pledging bank's agent for the City in the City's name. The City's investment policy requires that time deposits be collateralized by U.S. Treasury Obligations.

At year end, DCOS' deposits in financial institutions were under secured by \$16,238. On September 30, 2020, the City and DCOS had the following investments, all maturing within one year:

	City	DCOS
	Amortized Cost	Amortized Cost
TexPool	\$ 1,883,449	\$ -
Certificates of Deposit	<u>3,600,469</u>	<u>447,679</u>
	<u><u>5,483,918</u></u>	<u><u>447,679</u></u>
Reported as cash and cash equivalents	\$ 1,883,449	\$ -
Reported as investments	1,600,000	447,679
Reported as restricted investments	<u>2,000,469</u>	<u>-</u>
	<u><u>5,483,918</u></u>	<u><u>447,679</u></u>

Investments included on the statement of net position represent certificates of deposit that have a maturity of more than 90 days.

Interest rate risk. The City's investment policy does not currently limit the weighted average maturity of its investment portfolio; however, the City's time deposits all mature in staggered proportions within six months after yearend. TexPool manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 90 days.

Credit risk – State law limits investments in public funds investment pools to those rated no lower than AAA or AAAm or an equivalent rating by at least one nationally recognized rating service. As of September 30, 2020, the City's investment in TexPool was rated AAAm by Standard & Poor's, the highest rating a local government investment pool can achieve. Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool.

Concentration of credit risk. The City's investment policy does not limit investments in any one issuer except that the investment portfolio shall be diversified by security type and institution.

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

III. Detailed Notes on All Funds (continued)

B. Receivables

Receivables in the fund financial statements on September 30, 2020 consist of the following:

	General Fund	Water & Sewer Fund	Sanitation Fund	Nonmajor Funds	Total
Delinquent taxes receivable	\$ 177,626	\$ -	\$ -	\$ -	\$ 177,626
Less: allowance for uncollectibles	<u>(48,554)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(48,554)</u>
Delinquent taxes receivable, net	<u>129,072</u>				<u>129,072</u>
 Sales tax receivable	 544,993	 -	 -	 -	 544,993
Franchise tax receivable	195,717	-	-	-	195,717
Other receivables	267,874	799,725	363,602	332,874	1,764,075
Accrued interest receivable	<u>1,151</u>	<u>247</u>	<u>-</u>	<u>-</u>	<u>1,398</u>
 Total Receivables, Net	 <u>\$ 1,138,807</u>	 <u>\$ 799,972</u>	 <u>\$ 363,602</u>	 <u>\$ 332,874</u>	 <u>\$ 2,635,255</u>

Receivables for DCOS consist of \$136,248 from the primary government for sales tax and \$107,523 in notes receivable from businesses.

C. Capital Assets

Governmental Activities:	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 553,153	\$ -	\$ -	\$ 553,153
Construction in progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets, not being depreciated	<u>553,153</u>	<u>-</u>	<u>-</u>	<u>553,153</u>
Capital assets, being depreciated:				
Building	1,617,302	-	(601)	1,616,701
Improvements other than buildings	3,615,407	-	-	3,615,407
Machinery and equipment	<u>7,094,137</u>	<u>1,210,649</u>	<u>(336,197)</u>	<u>7,968,589</u>
Total capital assets, being depreciated	<u>12,326,846</u>	<u>1,210,649</u>	<u>(336,798)</u>	<u>13,200,697</u>
Less accumulated depreciation for:				
Building	608,040	59,609	(601)	667,048
Improvements other than buildings	2,676,683	49,523	-	2,726,206
Machinery and equipment	<u>4,972,850</u>	<u>542,893</u>	<u>(336,197)</u>	<u>5,179,546</u>
Total accumulated depreciation	<u>8,257,573</u>	<u>652,025</u>	<u>(336,798)</u>	<u>8,572,800</u>
Total capital assets being depreciated, net	<u>4,069,273</u>	<u>558,624</u>	<u>-</u>	<u>4,627,897</u>
 Government activities capital assets, net	 <u>\$ 4,622,426</u>	 <u>\$ 558,624</u>	 <u>\$ -</u>	 <u>\$ 5,181,050</u>

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

III. Detailed Notes on All Funds (continued)

Business-Type Activities: Water and sewer activities:	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 185,765	\$ -	\$ -	\$ 185,765
Construction in progress	-	535,751	-	535,751
Total capital assets, not being depreciated	<u>185,765</u>	<u>535,751</u>	<u>-</u>	<u>721,516</u>
Capital assets, being depreciated:				
Building	9,851,224	-	-	9,851,224
Improvements other than buildings	27,384,850	101,029	(7,813)	27,478,066
Machinery and equipment	6,112,542	90,740	(93,143)	6,110,139
Total capital assets, being depreciated	<u>43,348,616</u>	<u>191,769</u>	<u>(100,956)</u>	<u>43,439,429</u>
Less accumulated depreciation for:				
Building	7,774,860	403,283	-	8,178,143
Improvements other than buildings	9,318,488	800,269	(7,813)	10,110,944
Machinery and equipment	4,485,120	571,261	(93,143)	4,963,238
Total accumulated depreciation	<u>21,578,468</u>	<u>1,774,813</u>	<u>(100,956)</u>	<u>23,252,325</u>
Total capital assets being depreciated, net	<u>21,770,148</u>	<u>(1,583,044)</u>	<u>-</u>	<u>20,187,104</u>
Water and sewer activities capital assets, net	<u>\$ 21,955,913</u>	<u>\$ (1,047,293)</u>	<u>\$ -</u>	<u>\$ 20,908,620</u>
Sanitation activities:	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 120,756	\$ -	\$ -	\$ 120,756
Construction in progress	-	36,672	-	36,672
Total capital assets, not being depreciated	<u>120,756</u>	<u>36,672</u>	<u>-</u>	<u>157,428</u>
Capital assets, being depreciated:				
Building	479,605	-	-	479,605
Improvements other than buildings	3,845,813	-	-	3,845,813
Machinery and equipment	5,257,207	1,253,209	(866,937)	5,643,479
Total capital assets being depreciated	<u>9,582,625</u>	<u>1,253,209</u>	<u>(866,937)</u>	<u>9,968,897</u>
Less accumulated depreciation for				
Building	279,060	11,545	-	290,605
Improvements other than buildings	3,210,570	136,034	-	3,346,604
Machinery and equipment	3,305,614	573,575	(866,937)	3,012,252
Total accumulated depreciation	<u>6,795,244</u>	<u>721,154</u>	<u>(866,937)</u>	<u>6,649,461</u>
Total capital assets being depreciated, net	<u>2,787,381</u>	<u>532,055</u>	<u>-</u>	<u>3,319,436</u>
Sanitation activities capital assets, net	<u>\$ 2,908,137</u>	<u>\$ 568,727</u>	<u>\$ -</u>	<u>\$ 3,476,864</u>

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2020

III. Detailed Notes on All Funds (continued)

Total Business-Type Activities;	Beginning Balance	Additions/ Completions	Retirements/ Adjustments	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 306,521	\$ -	\$ -	\$ 306,521
Construction in progress	-	572,423	-	572,423
Total capital assets, not being depreciated	<u>306,521</u>	<u>572,423</u>	<u>-</u>	<u>878,944</u>
Capital assets, being depreciated:				
Building	10,330,829	-	-	10,330,829
Improvements other than buildings	31,230,663	101,029	(7,813)	31,323,879
Machinery & Equipment	<u>11,369,749</u>	<u>1,343,949</u>	<u>(960,080)</u>	<u>11,753,618</u>
Total capital assets, being depreciated	<u>52,931,241</u>	<u>1,444,978</u>	<u>(967,893)</u>	<u>53,408,326</u>
Less accumulated depreciation for:				
Building	8,053,920	414,828	-	8,468,748
Improvements other than buildings	12,529,058	936,303	(7,813)	13,457,548
Machinery and equipment	<u>7,790,734</u>	<u>1,144,836</u>	<u>(960,080)</u>	<u>7,975,490</u>
Total accumulated depreciation	<u>28,373,712</u>	<u>2,495,967</u>	<u>(967,893)</u>	<u>29,901,786</u>
Total capital assets being depreciated, net	<u>24,557,529</u>	<u>(1,050,989)</u>	<u>-</u>	<u>23,506,540</u>
Business-Type activities capital assets, net	<u>\$ 24,864,050</u>	<u>\$ (478,566)</u>	<u>\$ -</u>	<u>\$ 24,385,484</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 42,567
Public safety	341,000
Public works	187,736
Capital assets held by the government's internal	
service fund are charged to the various functions	
based on their usage of assets	80,722
Total - governmental activities	<u>\$ 652,025</u>

Business-type activities:

Water & Sewer	\$ 1,774,813
Sanitation	721,154
Total - business type activities	<u>\$ 2,495,967</u>

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

III. Detailed Notes on All Funds (continued)

Discretely presented component unit

Development Corporation of Snyder:	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 698,781	\$ -	\$ -	\$ 698,781
Construction in progress	3,500	3,500	(7,000)	-
Total capital assets, not being depreciated	<u>702,281</u>	<u>3,500</u>	<u>(7,000)</u>	<u>698,781</u>
Capital assets, being depreciated:				
Building	3,080,729	7,000	-	3,087,729
Furniture and equipment	201,971	-	-	201,971
Total capital assets, being depreciated	<u>3,282,700</u>	<u>7,000</u>	<u>-</u>	<u>3,289,700</u>
Less accumulated depreciation for:				
Building and improvements	737,451	122,888	-	860,339
Furniture and equipment	148,426	31,745	-	180,171
Total accumulated depreciation	<u>885,877</u>	<u>154,633</u>	<u>-</u>	<u>1,040,510</u>
Total capital assets being depreciated, net	<u>2,396,823</u>	<u>(147,633)</u>	<u>-</u>	<u>2,249,190</u>
DCOS capital assets, net	<u>\$ 3,099,104</u>	<u>\$ (144,133)</u>	<u>\$ (7,000)</u>	<u>\$ 2,947,971</u>

D. Interfund Balances

The General fund loaned the Water and Sewer fund \$850,000 at 2.5% interest, payable monthly in the amount of \$11,040.79, to assist with the cost of renovations to the water plant. The loan matures January 1, 2022. At September 30, 2020, the interfund loan totaled \$173,563.

E. Restricted Assets

Restricted assets in the proprietary fund financial statements at September 30, 2020 consist of the following:

Water & sewer fund	
Customer deposits	\$ 706,508
Unexpended bond proceeds	3,518,679
	<u>\$ 4,225,187</u>
Sanitation fund:	
Landfill closure/post closure	\$ 2,027,811
	<u>\$ 2,027,811</u>

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

III. Detailed Notes on All Funds (continued)

F. Long-Term Debt

Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2020 was as follows:

	October 1, 2019	Increase	Decrease	September 30, 2020	Due Within One Year
Governmental Type Activities:					
Compensated absences	\$ 125,862	\$ 6,938	\$ (2,060)	\$ 130,740	\$ 32,687
Governmental activity					
Long-term liabilities	<u>\$ 125,862</u>	<u>\$ 6,938</u>	<u>\$ (2,060)</u>	<u>\$ 130,740</u>	<u>\$ 32,687</u>
Business Type Activities:					
Revenue bonds	\$ 9,885,000	\$ 3,975,000	\$ (435,000)	\$ 13,425,000	\$ 590,000
Unamortized bond premiums	109,083	146,189	(16,984)	238,288	16,984
Municipal lease purchase	1,869,289	-	(197,534)	1,671,755	203,144
Closure/post closure care	2,013,374	14,437	-	2,027,811	-
Compensated absences	53,906	10,868	(4,384)	60,390	15,098
Business-type activity					
Long-term liabilities	<u>\$ 13,930,652</u>	<u>\$ 4,146,494</u>	<u>\$ (653,902)</u>	<u>\$ 17,423,244</u>	<u>\$ 825,226</u>

For the governmental activities, the general fund has typically been used to liquidate the liability for compensated absences.

Revenue bonds

The annual requirements to retire all revenue bonds outstanding as of September 30, 2020 including interest payments are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2021	\$ 590,000	\$ 438,358	\$ 1,028,358
2022	610,000	417,179	1,027,179
2023	630,000	396,627	1,026,627
2024	645,000	375,956	1,020,956
2025	665,000	354,798	1,019,798
2026-2030	4,240,000	1,373,135	5,613,135
2031-2035	4,855,000	501,020	5,356,020
2036-2040	<u>1,190,000</u>	<u>75,429</u>	<u>1,265,429</u>
	<u>\$ 13,425,000</u>	<u>\$ 3,932,502</u>	<u>\$ 17,357,502</u>

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

III. Detailed Notes on All Funds (continued)

A summary of Revenue Bonds outstanding at September 30, 2020 follows:

\$3,495,000, 2010 Combination Tax and Surplus Revenue Certificates of Obligation due in annual installments of \$165,000 to \$295,000 through March 1, 2025, interest at 0.75 – 4.0%; payable from income derived from the water and sewer enterprise fund: tax revenues serve as collateral	\$ 1,370,000
\$9,000,000, 2013 Combination Tax and Surplus Revenue Certificates of Obligation due in annual installments of \$180,000 to \$1,005,000 through March 1, 2034, interest at 3 – 4.0%; payable from income derived from the water and sewer enterprise fund: tax revenues serve as collateral	8,080,000
\$3,975,000, 2019 Combination Tax & Surplus Revenue Certificates of Obligation Due in annual installments of \$145,000 to \$250,000 through March 1, 2040, Interest at 2.5 – 5.0% payable from income derived from the water and sewer enterprise fund: tax revenues serve as collateral.	<u>3,975,000</u>
Total Revenue Bonds	<u>\$13,425,000</u>

The Certificates of Obligation are payable from income derived from the water and sewer enterprise fund. Annual principal and interest payments on the certificates are expected to require approximately 29% of pledged revenues. For the current year, total principal and interest paid and available water and sewer revenues were \$780,317 and \$2,731,150, respectively.

Municipal lease agreement

In August 2012, the City acquired \$2,985,314 in energy-saving equipment for use in the Water and Sewer enterprise fund through a lease purchase agreement. Related amortization expense is included in depreciation expense. The annual requirements to retire the municipal lease agreement outstanding as of September 30, 2020 including interest payments are as follows:

Fiscal Year Ending	Principal	Interest	Total
September 30			
2021	\$ 203,144	\$ 45,722	\$ 248,866
2022	208,912	39,952	248,864
2023	214,845	34,019	248,864
2024	220,947	27,918	248,865
2025	227,221	21,644	248,865
2026-2028	<u>596,686</u>	<u>25,475</u>	<u>622,161</u>
	<u>\$ 1,671,755</u>	<u>\$ 194,730</u>	<u>\$ 1,866,485</u>

A summary of the Municipal Lease Agreement outstanding at September 30, 2020 follows:

\$2,985,314, Municipal Lease Purchase Agreement due in semi-annual installments of \$40,246 to \$122,702 through February 2028, interest at 2.82%; payable from income derived from the water and sewer enterprise fund	<u>\$1,671,755</u>
Total outstanding Municipal Lease Agreement	<u>\$1,671,755</u>

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2020

III. Detailed Notes on All Funds (continued)

Discretely Presented Component Unit

The following is a summary of long-term debt activity of the Development Corporation of Snyder for the fiscal year ended September 30, 2020:

	October 1, 2019	Increase	Decrease	September 30, 2020	Due Within One year
Notes payable	\$ 310,074	\$ -	\$ (115,251)	\$ 194,823	\$ 115,251
Sales Tax Refunding Bond, Taxable Series 2018	<u>2,011,702</u>	<u>-</u>	<u>(235,717)</u>	<u>1,775,985</u>	<u>246,546</u>
Long-term liabilities	<u>\$ 2,321,776</u>	<u>\$ -</u>	<u>\$ (350,968)</u>	<u>\$ 1,970,808</u>	<u>\$ 361,797</u>

Notes Payable

In November 2012, DCOS entered into two agreements with Big Country Electric Cooperative to provide services in order to develop 74 acres of the Rail Park. The Corporation agreed to reimburse Big Country \$740,000 and \$300,000 through a non-interest-bearing note. The note is payable in One Hundred eight (108) monthly installments of \$6,852 and \$2,752.29 each and a One Hundred Ninth (109th) final installment of remaining principal and interest, if any. The first installment was due June 20, 2013 and subsequent installments are due on or before the same day of each month thereafter until the principal amount (and any default interest) is paid in full of the final installment of principal and any default interest being due on or before June 20, 2022. The outstanding balance of this note is \$194,823.

The annual requirements to retire notes payable of the Development Corporation of Snyder as of September 30, 2020 including interest payments are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2021	\$ 115,251	\$ -	\$ 115,251
2022	<u>79,572</u>	<u>-</u>	<u>79,572</u>
	<u>\$ 194,823</u>	<u>\$ -</u>	<u>\$ 194,823</u>

Bond Payable

In March 29, 2018, DCOS issued Sales Tax Revenue Refunding Bond, Taxable Series 2018 in the amount of \$2,345,000 to refund the Office of the Governor Economic Development and Tourism Division note payable. The interest rate is 4.5%. The first payment begins May 1, 2018 in the amount of \$26,850.96 until maturity in February 1, 2027. The outstanding balance of this bond is \$1,775,985. The bond is payable solely from the pledged sales and use tax revenues of DCOS. Annual principal and interest payments on the bond are expected to require approximately 40.7% of pledged revenues. For the current year, total principal and interest paid and total sales and use tax revenues were \$322,379 and \$808,605, respectively.

The annual requirements to retire bond payable of the Development Corporation of Snyder as of September 30, 2020 including interest payments are as follows:

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

III. Detailed Notes on All Funds (continued)

Fiscal Year Ending September 30	Principal	Interest	Total
2021	\$ 246,546	\$ 75,666	\$ 322,212
2022	257,872	64,340	322,212
2023	269,718	52,493	322,211
2024	282,109	40,102	322,211
2025	295,069	27,142	322,211
2026-2027	424,671	15,100	439,771
	<u>\$ 1,775,985</u>	<u>\$ 274,843</u>	<u>\$ 2,050,828</u>

Conduit Debt Obligations

In December 2011, DCOS issued Industrial Development Revenue Bonds, Series 2011A and 2011B, in the amounts of \$7.5 million and \$2.5 million, to provide funds to WL Plastics Corporation (“Corporation”) to finance the construction and equipping of a manufacturing facility to be in the City. The bonds are secured by the property financed and are payable solely from payments received from Corporation on the underlying mortgage loans. Neither DCOS, the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

IV. Other Information

A. Risk Management

The City’s insurance protection includes multi-peril coverage for building and valuable papers, general liability, auto general liability coverage for bodily injury and property damage, public officials’ liability, police liability, volunteer fire and police reserve accidental death and disability, and airport bodily injury and property damage.

The City is fully insured by the Texas Municipal League (TML). The City purchases worker’s compensation insurance and is a tax paying employer for unemployment insurance. Medical benefits are provided through a fully funded Intergovernmental Employee Benefits Pool administered by the Texas Municipal League.

B. Contingent Liabilities

The City participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government.

As of September 30, 2020, no significant amounts of grant expenditures are open to grantor review, and the City believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City.

In the ordinary course of business, the City may at times be involved in lawsuits pending against the City. In the opinion of management, any liabilities resulting from such litigation would not have a material adverse effect on the City’s financial statements.

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2020

IV. Other Information (continued)

C. Landfill Closure Costs

State and federal laws and regulations require that the City of Snyder place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post closure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and post closure care costs is \$2,027,811 as of September 30, 2020, which is based on 14.9% usage (filled) of the landfill. It is estimated that an additional \$2,539,015 will be recognized as closure and post closure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2155). The current estimated total cost of the landfill closure and post closure care (\$4,566,826) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of September 30, 2020. However, the actual cost of closure and post closure care may be different due to inflation, changes in technology, or changes in landfill laws and regulations.

The City of Snyder is required by state and federal laws and regulations to make annual contributions to finance closure and post closure care. The City began using the landfill on July 1, 1995, and therefore, the first annual contribution was not made until Fiscal Year 1995 – 1996. Investments of \$2,027,811 are held for these purposes. These investments are reported as restricted assets. It is anticipated that future inflation costs will be financed in part from earnings on investments. The remaining portion of anticipated future installation costs (including inadequate earnings on investments, if any) and additional costs that may arise from changes in post closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

D. Defined Benefit Pension Plan

Plan Description

The City participates as one of 888 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

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

Benefits Provided

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

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

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

IV. Other Information (continued)

The plan provisions are adopted by the governing body of each city, within the options available in the state statutes governing TMRS. The City has elected that members can retire at age 60 and above with 5 or more years of service or with 20 years of service regardless of age. Members may work for more than one TMRS city during their career. If a member is vested in one TMRS city, he or she is immediately vested upon employment with another TMRS city. Similarly, once a member has met the eligibility requirements for retirement in a TMRS city, he or she is eligible in other TMRS cities as well.

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit	61
Inactive employees entitled to but not yet receiving benefits	55
Active employees	<u>83</u>
Total	<u><u>199</u></u>

Contributions

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

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 13.63% and 13.67% in calendar years 2020 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2020, were \$708,605 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2019, and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates used for healthy retirees and beneficiaries are based on the gender distinct 2019 Municipal Retirees of Texas mortality tables. The rates for active, 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.

CITY OF SNYDER, TEXASNotes to Financial Statements

September 30, 2020

IV. Other Information (continued)

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.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	30%	5.30%
Core fixed income	10%	1.25%
Non-core fixed income	20%	4.14%
Real return	10%	3.85%
Real estate	10%	4.00%
Absolute return	10%	3.48%
Private equity	10%	7.75%
Total	<u><u>100%</u></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 SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

IV. Other Information (continued)

Changes in the Net Pension Liability:

Entity-Wide	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset (a) - (b))
	Plan		
Balance at 12/31/2018	\$ 31,833,816	\$ 27,646,061	\$ 4,187,755
Changes for the year:			
Service Cost	827,018	-	827,018
Interest	2,127,447	-	2,127,447
Changes of benefit terms	-	-	-
Difference between expected/actual experience	126,781	-	126,781
Changes of assumptions	98,827	-	98,827
Contributions - employer	-	670,584	(670,584)
Contributions - employee	-	343,364	(343,364)
Net investment income	-	4,270,894	(4,270,894)
Benefit payments, including refunds			
of employee contributions	(1,459,178)	(1,459,178)	-
Administrative expense	-	(24,150)	24,150
Other changes	-	(725)	725
Net changes	1,720,895	3,800,789	(2,079,894)
Balance at 12/31/2019	<u>\$ 33,554,711</u>	<u>\$ 31,446,850</u>	<u>\$ 2,107,861</u>
Primary Government	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset (a) - (b))
	Plan		
Balance at 12/31/2018	\$ 30,815,656	\$ 26,768,266	\$ 4,047,390
Changes for the year:			
Service Cost	807,009	-	807,009
Interest	2,075,976	-	2,075,976
Difference between expected and actual experience	-	-	-
Changes in assumptions	123,714	-	123,714
Contributions - employer	96,436	654,360	(654,360)
Contributions - employee	-	335,057	(335,057)
Net investment income	-	4,128,517	(4,128,517)
Benefit payments, including refunds			
of employee contributions	(1,423,875)	(1,423,875)	-
Administrative expense	-	(23,566)	23,566
Other changes	-	(706)	706
Net changes	1,679,260	3,669,787	(1,990,527)
Balance at 12/31/2019	<u>\$ 32,494,916</u>	<u>\$ 30,438,053</u>	<u>\$ 2,056,863</u>

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

IV. Other Information (continued)

DCOS	Increase (Decrease)		
	Plan		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2018	\$ 1,018,160	\$ 877,795	\$ 140,365
Changes for the year:			
Service Cost	20,009	-	20,009
Interest	51,471	-	51,471
Changes of benefit terms	-	-	-
Difference between expected/actual experience	3,067	-	3,067
Changes of assumptions	2,391	-	2,391
Contributions - employer	-	16,224	(16,224)
Contributions - employee	-	8,307	(8,307)
Net investment income	-	142,377	(142,377)
Benefit payments, including refunds of employee contributions	(35,303)	(35,303)	-
Administrative expense	-	(584)	584
Other changes	-	(19)	19
Net changes	41,635	131,002	(89,367)
Balance at 12/31/2019	\$ 1,059,795	\$ 1,008,797	\$ 50,998

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

	1% Decrease in Discount Rate 5.75%	Discount Rate 6.75%	1% Increase in Discount Rate 7.75%
	\$ 6,628,333	\$ 2,107,861	\$ (1,599,619)
City's net pension liability (asset)	\$ 6,628,333	\$ 2,107,861	\$ (1,599,619)
Reported by Governmental Activities	5,235,596	1,664,960	(1,263,509)
Reported by Business-Type Activities	1,232,369	391,903	(297,408)
Reported by Primary Government	6,467,966	2,056,863	(1,560,918)
Reported by Component Unit, DCOS	160,367	50,998	(38,701)
	\$ 6,628,333	\$ 2,107,861	\$ (1,599,619)

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.tmrs.com.

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

For the year ended September 30, 2020, the City recognized pension expense of \$469,885 (\$485,514 Primary Government, \$11,371 DCOS).

CITY OF SNYDER, TEXASNotes to Financial Statements

September 30, 2020

IV. Other Information (continued)

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Entity-Wide	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 94,123	\$ 510,966
Changes in actual assumptions	72,045	-
Differences between projected and actual investment earnings	-	954,265
Contributions subsequent to the measurement date	542,746	-
Total	\$ 708,914	\$ 1,465,231
Reported by Governmental Activities	\$ 535,670	\$ 861,469
Reported by Business-Type Activities	156,093	568,313
Reported by Component Unit	17,151	35,449
Total	\$ 708,914	\$ 1,465,231

\$542,746 (\$529,615 Primary Government; \$13,131 DCOS) reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Primary		
September 30:	Entity-Wide	Government	DCOS
2021	\$ (647,262)	(631,602)	(15,660)
2022	(299,966)	(292,709)	(7,257)
2023	129,122	125,998	3,124
2024	(480,958)	(469,322)	(11,636)
Total	\$ (1,299,064)	\$ (1,267,635)	\$ (31,429)

Other Post Employment BenefitsPlan Description

The City also participates in a single employer, defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage (Supplemental Death Benefits) for their active members, including or not including retirees.

Benefits Provided

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of \$7,500. As the SDBF covers both active and retiree employees, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan. Texas Local Government Code Section 177.001 assigns the authority to establish and amend benefit provisions to the City Council.

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2020

IV. Other Information (continued)

At the December 31, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	46
Inactive employees entitled to but not yet receiving benefits	20
Active employees	<u>83</u>
Total	149

Membership counts for inactive employees currently receiving or entitled to but not yet receiving benefits will differ from GASB 68 as they include only those eligible for a SDBF benefit (i.e. excludes beneficiaries, non-vested terminations due a refund, etc.).

Contributions

The City contributes to the SDBF program at a contractually required rate. An annual actuarial valuation is performed, and the contractual rate is equal to the cost of providing one-year term life insurance. The premium rate is expressed as a percentage of the covered payroll of members employed by the participating employer. There is a one-year delay between the actuarial valuation that serves as the basis for the employer contribution rate and the calendar year when the rate goes into effect.

The SDBF program is voluntary and employers can cease participation by adopting an ordinance before November 1 of any year to be effective the following January 1. Therefore, the funding policy of the program is to ensure that adequate resources are available to meet all insurance benefit payments for the upcoming year. It is not the intent of the funding policy to pre-fund retiree term life insurance during employees' entire careers. The City's contribution, which equaled the required contribution, was as follows for the year ended September 30, 2020:

Employer Rate	0.24%
Employer Contributions	\$ 9,985

Actuarial Assumptions

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5%
Salary increases	3.50% to 11.5%, including inflation
Discount rate	2.75%

Mortality rates for service retirees were based on the 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generated basis with scale UMP.

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

Actuarial assumptions used in the December 31, 2019 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2014 through December 31, 2018.

The SDBF program is treated as an unfunded OPEB plan because the SDBF trust covers both actives and retirees and the assets are not segregated for these groups. A discount rate of 2.75% was based on the 20-Year Municipal GO AA Index as of December 31, 2019.

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2020

IV. Other Information (continued)

OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2020, the City reported a total OPEB liability of \$361,751 measured at December 31, 2019. For the year ended September 30, 2020, the City recognized OPEB expense of \$31,235 (\$22,192 Primary Government; \$1,153 DCOS).

As of December 31, 2019, the discount rate used in the development of the total OPEB liability was 2.75% compared to 3.71% as of December 31, 2018.

Changes in the total OPEB liability for the measurement year ended December 31, 2019:

	Total OPEB Liability		
	Primary		
	Entity-Wide	Government	DCOS
Balance at 12/31/2018	\$ 289,475	\$ 280,269	\$ 9,206
Changes for the year:			
Service Cost	8,339	8,031	308
Interest on total OPEB liability	10,840	10,440	400
Changes of benefit terms	-	-	-
Difference between expected/actual experience	(979)	(943)	(36)
Changes of assumptions	57,019	54,916	2,103
Benefit payments*	(2,943)	(2,833)	(110)
Net changes	<u>72,276</u>	<u>69,611</u>	<u>2,665</u>
Balance at 12/31/2019	<u><u>\$ 361,751</u></u>	<u><u>\$ 349,880</u></u>	<u><u>\$ 11,871</u></u>

*Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the City calculated using the discount rate of 2.75%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.75%) or 1 percentage point higher (3.75%) than the current rate.

	1% Decrease in Discount Rate		1% Increase in Discount Rate	
	1.75%	2.75%	3.75%	3.75%
City's total OPEB liability	\$ 434,221	\$ 361,751	\$ 305,271	\$ 305,271
Reported by Governmental Activities	292,502	243,684	205,638	205,638
Reported by Business-Type Activities	<u>127,470</u>	<u>106,196</u>	<u>89,616</u>	<u>89,616</u>
Reported by Primary Government	419,972	349,880	295,253	295,253
Reported by Component Unit, DCOS	14,249	11,871	10,018	10,018
	<u><u>\$ 434,221</u></u>	<u><u>\$ 361,751</u></u>	<u><u>\$ 305,271</u></u>	<u><u>\$ 305,271</u></u>

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

IV. Other Information (continued)

At December 31, 2019, the City reported its 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 economic experience	\$ 2,013	\$ 785
Changes in actual assumptions	55,054	12,282
Contributions subsequent to the measurement date	9,391	-
Total	\$ 66,458	\$ 13,067
Reported by Governmental Activities	\$ 44,286	\$ 8,904
Reported by Business-Type Activities	19,859	3,762
Reported by Component Unit	2,313	401
Total	\$ 66,458	\$ 13,067

Deferred outflows of resources related to OPEB resulting from contribution subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ended September 30, 2021 in the amount of \$9,391 (\$9,092 Primary Government: \$299 DCOS). The other net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB, excluding contributions made subsequent to the measurement date, will be recognized in OPEB expense as follows:

Year Ended September 30:	Primary		
	Entity-Wide	Government	DCOS
2021	\$ 12,056	\$ 11,611	\$ 445
2022	12,056	11,611	445
2023	9,112	8,776	336
2024	10,221	9,844	377
Thereafter	555	535	20
Total	\$ 44,000	\$ 42,377	\$ 1,623

E. Fund Balance

The City classifies governmental fund balances in the following categories:

Nonspendable fund balance includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain intact such as the principal of an endowment. The City has nonspendable fund balance of \$5,423 for prepaid items, \$1,025 for inventories, and \$173,563 for advances to other funds as of September 30, 2020.

Restricted fund balance includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation.

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

IV. Other Information (continued)

Municipal court	\$ 35,114
LEOSE police	5,124
LEOSE fire	526
Building security	16,144
Court efficiency	7,771
Juvenile case manager	5,286
TIF Reinvestment Zone No. 1	<u>368,297</u>
Restricted fund balance	<u>\$ 438,262</u>

Committed fund balance includes the portion of net resources upon which the City Council, the City's highest level of decision-making authority, has imposed limitations on use. Committed funds can be used only for the specific purposes are determined by a formal action of the City Council in the form of a resolution. Commitments may be changed or lifted only by the Council taking the same formal action that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements. The City has \$294,712 in fund balance committed for Chapter 380 agreements at September 30, 2020.

Assigned fund balance includes the portion of net resources for which an intended use has been established by the City Council or the City Manager authorized to do so by the City Council. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal.

In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund.

Unassigned fund balance includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification. The City had \$7,519,102 in unassigned fund balance at September 30, 2020.

The City has established a general fund minimum fund balance policy. It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund equivalent to no less than three months of operating expenses.

The City will typically use restricted, committed and/or assigned fund balance, in that order, prior to using unassigned fund balance, but it reserves the right to deviate from this general strategy when appropriate.

F. Reinvestment Zones

In December 2011, the City approved the creation of Tax Abatement Reinvestment Zone Number Two ("Zone #2"). The City also approved a seven-year, 100% property tax abatement to WL Plastics Corporation for property in Zone #2. There was no financial activity for Zone #2 in fiscal year 2020.

In November 2013, the City Council approved the creation of Tax Increment Financing (TIF) Reinvestment Zone Number 1 ("Zone #1"). 65% of the ad valorem taxes received from property within the zone will go into a special revenue TIF fund that will be used for economic development within the zone. Zone #1 is reported as a nonmajor special revenue fund.

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2020

IV. Other Information (continued)

G. Tax Abatements

Tax abatements result from agreements entered into by the reporting government, as well as those that are initiated by other governments, which reduce the reporting government's tax revenues.

The City enters into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the City. These programs rebate property, sales and hotel occupancy taxes and also include incentive payments and reductions in fees that are not tied to taxes. The City's economic development agreements are authorized under Chapter 380 of the Texas Local Government Code and Chapters 311 (Tax Increment Financing Act) and 312 (Property Redevelopment and Tax Abatement Act) of the Texas Tax Code. Recipients generally commit to building or remodeling real property and related infrastructure, redeveloping properties, expanding operations or bringing targeted business to the City. Agreements generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

The City has two categories of economic development agreements:

General Economic Development – The City enters into various agreements under Chapter 380 of the Texas Local Government Code and Chapter 312 (Property Redevelopment and Tax Abatement Act) of the Texas Tax Code to stimulate economic development. Agreements rebate a percentage of property, sales or hotel occupancy taxes received by the City or make lump sum payments for infrastructure reimbursements. For fiscal year 2020, the City rebated \$61,420 in property taxes and did not make any infrastructure incentive payments.

Tax Increment Reinvestment Zone – In November 2013, the City Council approved the creation of Tax Increment Financing (TIF) Reinvestment Zone Number 1 (“Zone #1”) under Chapter 311 of the Texas Tax Code to stimulate economic development in designated areas. 65% of the ad valorem taxes received from property within the zone will go into a special revenue TIF fund that will be used for economic development within the zone. For fiscal year 2020, Zone #1 received \$89,177 of property tax increment.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SNYDER, TEXAS
Schedule of Changes in Net Pension Liability and Related Ratios
Texas Municipal Retirement System
For the Year Ended September 30, 2020

	Measurement Date Year Ended December 31, 2014	Measurement Date Year Ended December 31, 2015	Measurement Date Year Ended December 31, 2016	Measurement Date Year Ended December 31, 2017
Total Pension Liability				
Service cost	\$ 671,639	\$ 781,297	\$ 832,584	\$ 851,201
Interest on total pension liability	1,875,915	1,974,321	1,972,230	2,068,491
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	201,255	(447,552)	39,512	(1,547,464)
Changes in assumptions	-	92,493	-	-
Benefit payments, including refunds of employee contributions	(1,397,701)	(1,397,981)	(1,427,151)	(1,427,946)
Net change in total pension liability	<u>1,351,108</u>	<u>1,002,578</u>	<u>1,417,175</u>	<u>(55,718)</u>
Total pension liability, beginning	<u>27,161,823</u>	<u>28,512,931</u>	<u>29,515,509</u>	<u>30,932,684</u>
Total pension liability, ending (a)	<u><u>\$ 28,512,931</u></u>	<u><u>\$ 29,515,509</u></u>	<u><u>\$ 30,932,684</u></u>	<u><u>\$ 30,876,966</u></u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 807,274	\$ 790,410	\$ 793,194	\$ 793,816
Contributions - employee	319,081	335,732	344,653	352,360
Net investment income	1,355,840	36,552	1,655,043	3,580,797
Benefit payments, including refunds of employee contributions	(1,397,701)	(1,397,981)	(1,427,151)	(1,427,946)
Administrative expenses	(14,158)	(22,266)	(18,711)	(18,575)
Other	(1,164)	(1,099)	(1,008)	(941)
Net change in plan fiduciary net position	<u>1,069,172</u>	<u>(258,652)</u>	<u>1,346,020</u>	<u>3,279,509</u>
Plan fiduciary net position, beginning	<u>23,704,925</u>	<u>24,774,097</u>	<u>24,515,445</u>	<u>25,861,465</u>
Plan fiduciary net position, ending (b)	<u><u>\$ 24,774,097</u></u>	<u><u>\$ 24,515,445</u></u>	<u><u>\$ 25,861,465</u></u>	<u><u>\$ 29,140,974</u></u>
Net pension liability / (asset), ending = (a) - (b)	<u><u>\$ 3,738,834</u></u>	<u><u>\$ 5,000,064</u></u>	<u><u>\$ 5,071,219</u></u>	<u><u>\$ 1,735,992</u></u>
Plan fiduciary net position as a percentage of total pension liability	86.89%	83.06%	83.61%	94.38%
Covered payroll	\$ 4,558,297	\$ 4,796,177	\$ 4,923,619	\$ 5,033,713
Net pension liability as a percentage of covered payroll	82.02%	104.25%	103.00%	34.49%

Note: A full 10-year schedule will be displayed as it becomes available.

Measurement Date Year Ended December 31, 2018	Measurement Date Year Ended December 31, 2019
\$ 838,303	\$ 827,018
2,053,977	2,127,447
-	-
(201,765)	126,781
-	98,827
<u>(1,733,665)</u>	<u>(1,459,178)</u>
956,850	1,720,895
<u>30,876,966</u>	<u>31,833,816</u>
<u>\$ 31,833,816</u>	<u>\$ 33,554,711</u>
 \$ 781,713	\$ 670,584
347,226	343,364
(872,435)	4,270,895
 (1,733,665)	 (1,459,178)
(16,870)	(24,150)
<u>(882)</u>	<u>(725)</u>
<u>(1,494,913)</u>	<u>3,800,790</u>
 <u>29,140,974</u>	<u>27,646,061</u>
<u>\$ 27,646,061</u>	<u>\$ 31,446,850</u>
 <u>\$ 4,187,755</u>	<u>\$ 2,107,861</u>
 86.84%	93.72%
 \$ 4,960,371	\$ 4,905,206
 84.42%	42.97%

CITY OF SNYDER, TEXAS
Schedule of Employer Contributions
Texas Municipal Retirement System
For the Year Ended September 30, 2020

Fiscal Year Ending	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2015	\$ 789,146	\$ 789,146	\$ -	\$ 4,696,337	16.80%
2016	796,144	796,444	-	4,943,785	16.11%
2017	779,635	773,741	5,894	4,882,328	15.85%
2018	771,191	790,149	(18,958)	4,947,708	15.97%
2019	701,442	701,442	-	4,873,388	14.39%
2020	708,605	708,605	-	5,106,313	13.88%

Note: A full 10-year schedule will be displayed as it becomes available

Notes to Required Supplementary Information

Assumptions

The following methods and assumptions were used to determine contribution rates:

Valuation date	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation met	10-year smoothed market; 12% soft corridor
Inflation	2.50%
Salary increases	3.50% to 11.50%, including inflation
Investment rate of return	6.75%
Retirement age	Experience -based table of rates that are specific to the City's plan of benefits. Last year 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.

CITY OF SNYDER, TEXAS
Schedule of Changes in Total OPEB Liability and Related Ratios
Texas Municipal Retirement System
For the Year Ended September 30, 2020

	Measurement	Measurement	Measurement
	Date	Date	Date
	Year Ended	Year Ended	Year Ended
Total OPEB Liability			
Service cost	\$ 10,067	\$ 11,905	\$ 8,339
Interest on total OPEB liability	9,509	9,645	10,840
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	3,241	(979)
Changes in assumptions or other inputs	21,596	(19,772)	57,019
Benefit payments	(2,517)	(1,984)	(2,943)
Net change in total OPEB liability	38,655	3,035	72,276
Total OPEB liability, beginning	<u>247,785</u>	<u>286,440</u>	<u>289,475</u>
Total OPEB liability, ending	<u>\$ 286,440</u>	<u>\$ 289,475</u>	<u>\$ 361,751</u>
 Covered payroll	 \$ 5,033,713	 \$ 4,960,371	 \$ 4,905,206
Total OPEB liability as a percentage of covered payroll	5.69%	5.84%	7.37%

No assets are accumulated in a trust as defined by GASB 75. Benefits are on a pay as you go basis.

Note: A full 10-year schedule will be displayed as it becomes available

CITY OF SNYDER, TEXAS
Notes to Required Supplementary Information
September 30, 2020

Note B: Total OPEB Liability – Texas Municipal Retirement System

The following methods and assumptions were used to determine contribution rates:

Valuation date	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.
Actuarial cost method	Entry age normal
Inflation	2.5%
Discount rate*	2.75%
Salary increases	3.50% to 11.50%, including inflation
Mortality- service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality- 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, 2019.

Note: The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Motel Tax Fund – This fund is used to account for the tax upon the occupancy of any sleeping room furnished by any hotel, where the occupancy is the rate of \$2 or more per day.

Tax Increment Financing – This fund is used to account for 65% of the ad valorem taxes collected within the Tax Increment Financing Reinvestment Zone No. 1.

COVID-19 Grant – This fund is used to account for grant funding from CARES Act.

CITY OF SNYDER, TEXAS
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2020

	Special Revenue			Total Nonmajor Governmental Funds
	Motel Tax Fund	Tax Increment Financing	COVID-19 Grant	
ASSETS				
Cash and cash equivalents	\$ -	\$ 368,297	\$ -	\$ 368,297
Accounts receivable, net	<u>113,933</u>	<u>-</u>	<u>218,916</u>	<u>332,849</u>
Total assets	<u>113,933</u>	<u>368,297</u>	<u>218,916</u>	<u>701,146</u>
LIABILITIES				
Cash overdraft	\$ 2,561	\$ -	\$ 218,916	\$ 221,477
Accounts payable	<u>114,754</u>	<u>-</u>	<u>-</u>	<u>114,754</u>
Total liabilities	<u>117,315</u>	<u>-</u>	<u>218,916</u>	<u>336,231</u>
FUND BALANCES				
Restricted for various purposes	-	368,297	-	368,297
Unassigned	(3,382)	-	-	(3,382)
Total fund balances	<u>(3,382)</u>	<u>368,297</u>	<u>-</u>	<u>364,915</u>
Total liabilities and fund balances	<u>113,933</u>	<u>368,297</u>	<u>218,916</u>	<u>701,146</u>

CITY OF SNYDER, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended September 30, 2020

	Special Revenue			Total Nonmajor Governmental Funds
	Tax Increment Financing		COVID-19 Grant	
	Motel Tax Fund			
REVENUES				
Occupancy tax	\$ 445,823	\$ -	\$ -	\$ 445,823
Property taxes	-	89,177	-	89,177
Grant	-	-	344,096	344,096
Total revenues	<u>445,823</u>	<u>89,177</u>	<u>344,096</u>	<u>879,096</u>
EXPENDITURES				
Current:				
General government	-	173	-	173
Public safety	-	-	344,096	344,096
Culture and recreation	<u>445,823</u>	<u>-</u>	<u>-</u>	<u>445,823</u>
Total expenditures	<u>445,823</u>	<u>173</u>	<u>344,096</u>	<u>790,092</u>
Net change in fund balances	-	89,004	-	89,004
Fund balances - beginning	<u>(3,382)</u>	<u>279,293</u>	<u>-</u>	<u>275,911</u>
Fund balances - ending	<u>\$ (3,382)</u>	<u>\$ 368,297</u>	<u>\$ -</u>	<u>\$ 364,915</u>

CITY OF SNYDER, TEXAS
Motel Tax Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	Variance with Final Budget- Positive (Negative)
REVENUES				
Occupancy tax	\$ 500,000	\$ 500,000	\$ 445,823	\$ (54,177)
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>445,823</u>	<u>(54,177)</u>
EXPENDITURES				
Culture and recreation	<u>500,000</u>	<u>500,000</u>	<u>445,823</u>	<u>54,177</u>
Total expenditures	<u>500,000</u>	<u>500,000</u>	<u>445,823</u>	<u>54,177</u>
Net change in fund balance	-	-	-	-
Fund balances - beginning	<u>(3,382)</u>	<u>(3,382)</u>	<u>(3,382)</u>	<u>-</u>
Fund balances - ending	<u>\$ (3,382)</u>	<u>\$ (3,382)</u>	<u>\$ (3,382)</u>	<u>\$ -</u>

CITY OF SNYDER, TEXAS
Tax Increment Financing Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
REVENUES				
Property taxes	\$ 72,745	\$ 72,745	\$ 89,177	\$ 16,432
Total revenues	<u>72,745</u>	<u>72,745</u>	<u>89,177</u>	<u>16,432</u>
EXPENDITURES				
General government	<u>72,745</u>	<u>72,745</u>	173	72,572
Total expenditures	<u>72,745</u>	<u>72,745</u>	173	72,572
Net change in fund balance	-	-	89,004	89,004
Fund balances - beginning	<u>279,293</u>	<u>279,293</u>	<u>279,293</u>	<u>-</u>
Fund balances - ending	<u>\$ 279,293</u>	<u>\$ 279,293</u>	<u>\$ 368,297</u>	<u>\$ 89,004</u>

CITY OF SNYDER, TEXAS
COVID-19 Grant Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
REVENUES				
TDEM Grant	\$ _____ -	\$ _____ -	\$ 344,096	\$ 344,096
Total revenues	_____ -	_____ -	344,096	344,096
EXPENDITURES				
Public safety	_____ -	_____ -	344,096	(344,096)
Total expenditures	_____ -	_____ -	344,096	(344,096)
Net change in fund balance	_____ -	_____ -	_____ -	_____ -
Fund balances - beginning	_____ -	_____ -	_____ -	_____ -
Fund balances - ending	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>

Supplementary Individual Fund Financial Statements and Schedules

General Fund

These supplementary statements and schedules are included to provide management and readers additional information for financial analysis.

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2020
With Comparative Actual Amounts for Year Ended September 30, 2019

	2020			2019
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
			(Unfavorable)	
Taxes:				
Sales Taxes	\$ 2,600,000	\$ 2,350,725	\$ (249,275)	\$ 2,560,295
Property Taxes	2,464,315	2,704,636	240,321	2,532,197
Franchise Taxes	765,000	722,457	(42,543)	742,434
Liquor Taxes	30,000	10,937	(19,063)	26,402
Total Taxes	<u>5,859,315</u>	<u>5,788,755</u>	<u>(70,560)</u>	<u>5,861,328</u>
Licenses and Permits	<u>87,765</u>	<u>93,724</u>	<u>5,959</u>	<u>124,415</u>
Intergovernmental:				
LEOSE - Police	2,000	1,852	(148)	1,306
School Resource Officer	112,105	58,301	(53,804)	63,055
Emergency Management	33,000	27,904	(5,096)	33,774
Texas Seat Belt - Grant	3,900	2,737	(1,163)	-
Juvenile Case Manager Fee	8,800	5,661	(3,139)	7,800
LEOSE - Fire	680	685	5	682
Total Intergovernmental	<u>160,485</u>	<u>97,140</u>	<u>(63,345)</u>	<u>106,617</u>
Charges for Services:				
Administrative Fees	1,414,355	1,354,660	(59,695)	1,370,974
Municipal Court Fees	80,260	53,452	(26,808)	86,346
Other Charges	7,200	812	(6,388)	4,563
Total Charges for Services	<u>1,501,815</u>	<u>1,408,924</u>	<u>(92,891)</u>	<u>1,461,883</u>
Fines and Forfeitures	<u>175,000</u>	<u>110,418</u>	<u>(64,582)</u>	<u>149,934</u>
Miscellaneous:				
Interest	140,000	90,155	(49,845)	140,557
Proceeds from insurance	5,000	55,146	50,146	376,891
Miscellaneous	102,050	105,252	3,202	314,878
Total Miscellaneous	<u>247,050</u>	<u>250,553</u>	<u>3,503</u>	<u>832,326</u>
Transfer from Reserves	<u>193,005</u>	<u>-</u>	<u>(193,005)</u>	<u>-</u>
Total Revenues	<u>\$ 8,224,435</u>	<u>\$ 7,749,514</u>	<u>\$ (474,921)</u>	<u>\$ 8,536,503</u>

EXHIBIT D-2
(1 of 4)

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2020
With Comparative Actual Amounts for Year Ended September 30, 2019

	2020			2019
			Variance-	Actual
	Budget	Actual	Favorable (Unfavorable)	
GENERAL GOVERNMENT:				
Administration:				
Personnel Services	\$ 256,790	\$ 254,587	\$ 2,203	\$ 247,619
Supplies	3,800	2,235	1,565	3,770
Maintenance	3,405	2,018	1,387	4,066
Services	36,920	19,976	16,944	21,023
Sundry Charges	3,225	3,201	24	1,545
Non capitalized equipment	400	-	400	347
Capital Outlay	40,000	1,026	38,974	-
Totals	344,540	283,043	61,497	278,370
Finance:				
Personnel Services	288,245	295,107	(6,862)	284,226
Supplies	3,985	3,592	393	3,837
Maintenance	23,170	7,963	15,207	23,361
Services	43,965	41,196	2,769	43,894
Sundry Charges	3,650	2,404	1,246	3,834
Non capitalized equipment	500	500	-	700
Capital Outlay	-	10	(10)	-
Totals	363,515	350,772	12,743	359,852
Planning & Zoning				
Personnel Services	194,375	196,064	(1,689)	219,015
Supplies	5,690	4,300	1,390	4,797
Maintenance	11,770	5,431	6,339	11,571
Services	16,670	13,408	3,262	12,429
Sundry Charges	7,075	18,457	(11,382)	30,275
Non capitalized equipment	-	570	(570)	-
Capital Outlay	27,000	-	27,000	-
Totals	262,580	238,230	24,350	278,087
Municipal Court:				
Personnel Services	268,590	255,013	13,577	263,233
Supplies	3,800	2,715	1,085	3,021
Maintenance	21,440	10,588	10,852	19,007
Services	28,760	27,484	1,276	29,285
Sundry Charges	34,560	4,747	29,813	4,068
Non capitalized equipment	-	233	(233)	1,267
Capital Outlay	4,000	-	4,000	4,564
Totals	361,150	300,780	60,370	324,445

EXHIBIT D-2
(2 of 4)

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2020
With Comparative Actual Amounts for Year Ended September 30, 2019

	2020		2019	
	Budget	Actual	Variance-Favorable (Unfavorable)	Actual
	\$	\$	\$	\$
Community Services:				
Personnel Services	\$ -	\$ -	\$ -	\$ -
Supplies	16,750	1,872	14,878	6,944
Maintenance	30,385	23,930	6,455	26,156
Services	342,760	309,811	32,949	314,871
Sundry Charges	6,615	5,483	1,132	8,498
Non capitalized equipment	- -	540	(540)	-
Capital Outlay	<u>31,100</u>	<u>-</u>	<u>31,100</u>	<u>-</u>
Totals	<u>427,610</u>	<u>341,636</u>	<u>85,974</u>	<u>356,469</u>
City Secretary/Records				
Personnel Services	167,775	168,990	(1,215)	163,979
Supplies	1,550	1,244	306	1,265
Maintnenace	5,825	4,696	1,129	7,631
Services	15,940	9,262	6,678	8,796
Sundry Charges	800	1,144	(344)	692
Non capitalized equipment	- -	-	-	16,072
Capital Outlay	<u>1,400</u>	<u>1,100</u>	<u>300</u>	<u>-</u>
Totals	<u>193,290</u>	<u>186,436</u>	<u>6,854</u>	<u>198,435</u>
IT/Purchasing				
Personnel Services	97,920	101,917	(3,997)	96,732
Supplies	2,750	2,023	727	1,261
Maintenance	37,700	29,855	7,845	32,777
Services	6,865	6,834	31	9,150
Sundry Charges	1,905	893	1,012	6,098
Non capitalized equipment	500	737	(237)	612
Capital Outlay	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>18,125</u>
Totals	<u>149,140</u>	<u>142,259</u>	<u>6,881</u>	<u>164,755</u>
TOTAL GENERAL GOVERNMENT	<u>2,101,825</u>	<u>1,843,156</u>	<u>258,669</u>	<u>1,960,412</u>

EXHIBIT D-2
(3 of 4)

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2020
With Comparative Actual Amounts for Year Ended September 30, 2019

	2020		2019	
			Variance- Favorable (Unfavorable)	Actual
	Budget	Actual		
PUBLIC SAFETY:				
Police:				
Personnel Services	\$ 2,096,485	\$ 1,966,057	\$ 130,428	\$ 1,764,284
Supplies	86,800	89,394	(2,594)	86,189
Maintenance	100,260	115,895	(15,635)	110,416
Services	71,160	84,228	(13,068)	65,083
Sundry Charges	73,160	123,092	(49,932)	70,474
Non capitalized equipment	-	-	-	1,775
Capital Outlay	<u>167,300</u>	<u>186,251</u>	<u>(18,951)</u>	<u>223,843</u>
Totals	<u>2,595,165</u>	<u>2,564,917</u>	<u>30,248</u>	<u>2,322,064</u>
Animal Control:				
Personnel Services	128,330	126,271	2,059	126,939
Supplies	18,550	9,239	9,311	14,055
Maintenance	7,255	17,531	(10,276)	4,451
Services	13,225	12,777	448	12,071
Sundry Charges	6,570	4,115	2,455	5,142
Non capitalized equipment	-	-	-	1,293
Capital Outlay	<u>36,400</u>	<u>1,100</u>	<u>35,300</u>	<u>-</u>
Totals	<u>210,330</u>	<u>171,033</u>	<u>39,297</u>	<u>163,951</u>
Fire:				
Personnel Services	888,315	895,234	(6,919)	816,309
Supplies	80,320	73,585	6,735	75,722
Maintenance	68,960	52,714	16,246	53,886
Services	104,120	101,672	2,448	80,407
Sundry Charges	26,200	18,384	7,816	18,551
Non capitalized equipment	-	11,803	(11,803)	2,739
Capital Outlay	<u>144,000</u>	<u>468,007</u>	<u>(324,007)</u>	<u>431,885</u>
Totals	<u>1,311,915</u>	<u>1,621,399</u>	<u>(309,484)</u>	<u>1,479,499</u>

EXHIBIT D-2
(4 of 4)

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2020
With Comparative Actual Amounts for Year Ended September 30, 2019

	2020		2019	
	Budget	Actual	Variance-	Actual
			Favorable (Unfavorable)	
Fire Marshall:				
Personnel Services	\$ 107,880	\$ 109,023	\$ (1,143)	\$ 110,281
Supplies	7,480	5,421	2,059	6,719
Maintenance	1,970	1,375	595	1,088
Services	2,400	2,814	(414)	2,448
Sundry Charges	6,400	1,166	5,234	4,478
Non capitalized equipment	-	-	-	1,119
Totals	126,130	119,799	6,331	126,133
TOTAL PUBLIC SAFETY	4,243,540	4,477,148	(233,608)	4,091,647
PUBLIC WORKS:				
Street Maintenance:				
Personnel Services	455,725	418,757	36,968	394,200
Supplies	67,060	75,936	(8,876)	92,617
Maintenance	701,925	690,602	11,323	617,721
Services	291,960	298,775	(6,815)	294,116
Sundry Charges	23,600	15,658	7,942	22,953
Non capitalized equipment	-	-	-	1,901
Capital Outlay	338,800	338,715	85	197,087
Totals	1,879,070	1,838,443	40,627	1,620,595
TOTAL PUBLIC WORKS	1,879,070	1,838,443	40,627	1,620,595
TOTAL EXPENDITURES	\$ 8,224,435	\$ 8,158,747	\$ 65,688	\$ 7,672,654

Supplementary Individual Fund Financial Statements and Schedules

Enterprise Funds

These supplementary statements and schedules are included to provide management and readers additional information for financial analysis.

CITY OF SNYDER, TEXAS
WATER AND SEWER ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended September 30, 2020
With Comparative Actual Amounts for Year Ended September 30, 2019

	2020		2019	
	Final Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Revenues:				
Water sales	\$ 5,413,880	\$ 5,489,463	\$ 75,583	\$ 5,129,486
Sewer charges	1,620,000	1,560,940	(59,060)	1,589,931
Charges for billing & collections	441,610	314,528	(127,082)	383,958
Water taps	8,000	20,950	12,950	5,000
Sewer taps	8,000	17,400	9,400	2,440
Plumbing permits & inspections	9,700	7,920	(1,780)	8,985
Miscellaneous	58,450	28,334	(30,116)	59,329
Interest	23,000	54,191	31,191	43,265
Proceeds from insurance	3,000	37,266	34,266	10,170
Grants	-	-	-	-
Gain (loss) on sale of assets	-	10	10	11
 Total Revenues	 7,585,640	 7,531,002	 (54,638)	 7,232,575
 Expenses:				
Personnel services	1,418,730	1,054,109	364,621	1,332,442
Supplies	388,310	356,826	31,484	358,425
Maintenance	475,570	503,001	(27,431)	572,224
Services	2,809,740	2,812,506	(2,766)	3,046,243
Sundry charges	88,240	33,489	54,751	42,219
Non capitalized equipment	200	1,572	(1,372)	3,367
Depreciation	1,798,850	1,774,813	24,037	1,807,133
Interest expense	403,405	495,671	(92,266)	423,883
Bond issuance cost	-	103,820	(103,820)	-
 Total Expenses	 7,383,045	 7,135,807	 247,238	 7,585,936
 Net Income (Loss)	 \$ 202,595	 \$ 395,195	 \$ 192,600	 \$ (353,361)

CITY OF SNYDER, TEXAS
WATER AND SEWER ENTERPRISE FUND
SCHEDULE OF EXPENSES COMPARED TO BUDGET
Year Ended September 30, 2020
With Comparative Actual Amounts for Year Ended September 30, 2019

	2020		2019	
	Final Budget	Actual	Variance-Favorable (Unfavorable)	Actual
SEWER:				
Sanitary Sewer:				
Personnel Services	\$ 159,425	\$ 97,151	\$ 62,274	\$ 142,740
Supplies	83,585	50,814	32,771	48,154
Maintenance	23,095	32,127	(9,032)	33,145
Services	86,455	101,342	(14,887)	84,087
Sundry Charges	10,690	7,896	2,794	9,689
Non capitalized equipment	-	-	-	350
Depreciation	68,865	60,324	8,541	92,208
Totals	432,115	349,654	82,461	410,373
Sewage Treatment:				
Personnel Services	224,445	189,374	35,071	237,296
Supplies	46,000	37,295	8,705	43,574
Maintenance	79,595	60,697	18,898	102,300
Services	348,980	330,054	18,926	343,967
Sundry Charges	8,700	6,902	1,798	6,014
Non capitalized equipment	-	0	-	218
Depreciation	282,725	284,567	(1,842)	278,632
Totals	990,445	908,889	81,556	1,012,001
WATER:				
Water Production:				
Personnel Services	452,215	377,445	74,770	452,190
Supplies	175,375	179,465	(4,090)	171,154
Maintenance	195,070	194,390	680	183,118
Services	1,946,900	1,956,663	(9,763)	2,094,134
Sundry Charges	25,600	10,932	14,668	15,800
Non capitalized equipment	-	227	(227)	1,045
Depreciation	514,390	509,301	5,089	520,634
Totals	3,309,550	3,228,423	81,127	3,438,075

CITY OF SNYDER, TEXAS
WATER AND SEWER ENTERPRISE FUND
SCHEDULE OF EXPENSES COMPARED TO BUDGET
Year Ended September 30, 2020
With Comparative Actual Amounts for Year Ended September 30, 2019

	2020		Variance- Favorable (Unfavorable)	2019	
	Final Budget	Actual		Actual	Actual
Water Distribution:					
Personnel Services	\$ 177,740	\$ 235,990	\$ (58,250)	\$ 151,372	
Supplies	44,900	58,324	(13,424)	56,470	
Maintenance	98,870	190,215	(91,345)	194,961	
Services	204,980	252,959	(47,979)	323,284	
Sundry Charges	6,150	3,991	2,159	5,089	
Non capitalized equipment	-	-	-	920	
Depreciation	<u>569,465</u>	<u>551,314</u>	<u>18,151</u>	<u>553,814</u>	
Totals	<u>1,102,105</u>	<u>1,292,793</u>	<u>(190,688)</u>	<u>1,285,910</u>	
Utility Department:					
Personnel Services	404,905	154,149	250,756	348,844	
Supplies	38,450	30,928	7,522	39,073	
Maintenance	78,940	25,572	53,368	58,700	
Services	222,425	171,488	50,937	200,771	
Sundry Charges	37,100	3,768	33,332	5,627	
Non capitalized equipment	200	1,345	(1,145)	834	
Depreciation	<u>363,405</u>	<u>369,307</u>	<u>(5,902)</u>	<u>361,845</u>	
Totals	<u>1,145,425</u>	<u>756,557</u>	<u>388,868</u>	<u>1,015,694</u>	
Non-Operating:					
Interest and fees	403,405	495,671	(92,266)	423,883	
Bond issuance costs	-	103,820	(103,820)	-	
Totals	<u>403,405</u>	<u>599,491</u>	<u>(196,086)</u>	<u>423,883</u>	
TOTAL EXPENSES	<u>\$ 7,383,045</u>	<u>\$ 7,135,807</u>	<u>\$ 247,238</u>	<u>\$ 7,585,936</u>	

CITY OF SNYDER, TEXAS
SANITATION ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended September 30, 2020
With Comparative Actual Amounts for Year Ended September 30, 2019

	2020		Variance-Favorable (Unfavorable)	2019
	Final Budget	Actual		Actual
Revenues:				
Sanitation charges	\$ 2,145,000	\$ 2,160,971	\$ 15,971	\$ 1,966,399
Landfill gate fees	530,000	905,462	375,462	573,842
Roll-off containers	110,000	14,177	(95,823)	88,623
Miscellaneous	11,500	3,641	(7,859)	25,753
Proceeds from insurance	-	-	-	-
Interest	45,000	35,082	(9,918)	39,908
Grant - COG	-	-	-	-
Gain (loss) on sale of asset	<u>280,000</u>	<u>200,100</u>	<u>(79,900)</u>	<u>3,000</u>
Total Revenues	3,121,500	3,319,433	197,933	2,697,525
Expenses:				
Personnel	783,605	801,119	(17,514)	716,907
Supplies	223,700	191,509	32,191	227,383
Maintenance	124,506	132,085	(7,579)	167,624
Services	1,052,280	868,220	184,060	888,003
Sundry charges	60,580	41,008	19,572	50,260
Non capitalized equipment	-	2,080	(2,080)	1,908
Depreciation	<u>870,135</u>	<u>721,155</u>	<u>148,980</u>	<u>691,631</u>
Total Expenses	<u>3,114,806</u>	<u>2,757,176</u>	<u>357,630</u>	<u>2,743,716</u>
Net Income (Loss)	<u>\$ 6,694</u>	<u>\$ 562,257</u>	<u>\$ 555,563</u>	<u>\$ (46,191)</u>

CITY OF SNYDER, TEXAS
SANITATION ENTERPRISE FUND
SCHEDULE OF EXPENSES COMPARED TO BUDGET
Year Ended September 30, 2020
With Comparative Actual Amounts for Year Ended September 30, 2019

	2020			2019	
	Final Budget	Actual	Variance- Favorable (Unfavorable)	Actual	
Collection:					
Personnel Services	\$ 332,145	\$ 299,937	\$ 32,208	\$ 297,913	
Supplies	104,700	82,341	22,359	109,394	
Maintenance	55,495	48,175	7,320	42,808	
Services	395,650	361,560	34,090	362,114	
Sundry Charges	20,480	13,934	6,546	17,056	
Non capitalized Equipment	-	-	-	656	
Depreciation	170,025	170,049	(24)	169,758	
Total Expenses	1,078,495	975,996	102,499	999,699	
Landfill:					
Personnel Services	451,460	501,182	(49,722)	418,994	
Supplies	119,000	109,168	9,832	117,989	
Maintenance	69,010	83,910	(14,900)	124,816	
Services	656,630	506,660	149,970	525,889	
Sundry Charges	40,100	27,074	13,026	33,204	
Non capitalized Equipment	-	2,080	(2,080)	1,252	
Depreciation	700,110	551,106	149,004	521,873	
Total Expenses	2,036,310	1,781,180	255,130	1,744,017	
Interest expense	-	-	-	-	
TOTAL EXPENSES	\$ 3,114,805	\$ 2,757,176	\$ 357,629	\$ 2,743,716	

CITY OF SNYDER, TEXAS
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source¹
September 30, 2020 and 2019

Governmental funds capital assets:	<u>2020</u>	<u>2019</u>
Land	\$ 553,153	\$ 553,153
Buildings	702,468	703,071
Improvements Other than Buildings	3,614,645	3,615,406
Machinery and Equipment	<u>7,606,586</u>	<u>6,735,551</u>
Total governmental funds capital assets	<u>\$ 12,476,852</u>	<u>\$ 11,607,181</u>

Investments in governmental funds capital assets by source:

General fund	<u>\$ 12,476,852</u>	<u>\$ 11,607,181</u>
Total governmental funds capital assets	<u>\$ 12,476,852</u>	<u>\$ 11,607,181</u>

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF SNYDER, TEXAS
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity¹
September 30, 2020

Function and Activity	Land	Buildings	Improvements Other than Buildings	Machinery and Equipment	Total
General Government:					
Manager	\$ -	\$ 1,812	\$ -	\$ 40,998	\$ 42,810
City Clerk/Finance	-	-	-	14,102	14,102
Records / City Secretary	-	-	-	67,725	67,725
Data Processing	-	-	-	120,344	120,344
Community Service/Council	389,937	399,831	496,536	113,592	1,399,896
Municipal Court	-	-	-	25,180	25,180
Total general government	389,937	401,643	496,536	381,941	1,670,057
Public Safety:					
Police	-	25,260	-	2,249,876	2,275,136
Animal Control	-	135,051	-	98,168	233,219
Fire	-	137,317	-	3,004,199	3,141,516
Inspection	-	-	-	55,781	55,781
Total public safety	-	297,628	-	5,408,024	5,705,652
Public Works:					
Street system	163,216	3,197	3,118,109	1,816,621	5,101,143
Total public works	163,216	3,197	3,118,109	1,816,621	5,101,143
Total governmental funds capital assets	\$ 553,153	\$ 702,468	\$ 3,614,645	\$ 7,606,586	\$ 12,476,852

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF SNYDER, TEXAS
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity¹
For the Year Ended September 30, 2020

Function and Activity	Governmental Funds Capital			Governmental Funds Capital Assets September 30, 2020
	Assets October 1, 2019	Additions	Deductions	
General Government:				
Manager	\$ 42,680	\$ 1,026	\$ 895	42,811
Finance	16,808	10	2,716	14,102
Records	69,158	1,100	2,533	67,725
Data Processing	121,634		1,290	120,344
Community Service/Council	1,399,895	-	-	1,399,895
Municipal Court	26,320		1,140	25,180
Total general government	1,676,495	2,136	8,574	1,670,057
Public Safety:				
Police	1,905,946	394,165	24,976	2,275,135
Animal Control	232,119	1,100	-	233,219
Fire	2,831,961	468,008	158,452	3,141,517
Inspection	55,951	-	170	55,781
Total public safety	5,025,977	863,273	183,598	5,705,652
Public Works:				
Street system	4,904,706	338,714	142,277	5,101,143
Total public works	4,904,706	338,714	142,277	5,101,143
Total governmental funds capital assets	\$ 11,607,178	\$ 1,204,123	\$ 334,449	\$ 12,476,852

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

Statistical Section

This part of the City of Snyder, Texas' comprehensive 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 the government's overall financial health.

Contents	Page
Financial Trends	73
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	79
These schedules contain information to help the reader assess the government's most significant local revenue source, the sales tax.	
Debt Capacity	85
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information	90
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	92
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Snyder, Texas
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 2,705,813	\$ 2,932,876	\$ 3,126,495	\$ 3,241,249	\$ 3,717,131	\$ 3,779,532	\$ 4,314,365	\$ 4,336,707	\$ 4,622,426	\$ 5,181,050
Restricted	28,940	—	63,556	82,633	112,347	171,441	255,987	324,688	438,262	
Unrestricted	5,496,272	6,057,594	6,842,848	7,896,426	5,893,694	5,621,007	4,033,394	4,430,135	5,328,754	5,021,675
Total governmental activities	\$ 8,231,025	\$ 8,990,470	\$ 9,969,343	\$ 11,201,231	\$ 9,693,458	\$ 9,512,886	\$ 8,519,200	\$ 9,022,829	\$ 10,285,868	\$ 10,640,987
Business-type activities										
Net investment in capital assets	\$ 10,405,374	\$ 10,174,101	\$ 10,384,788	\$ 12,112,688	\$ 13,620,030	\$ 14,849,708	\$ 12,852,474	\$ 13,388,214	\$ 13,000,678	\$ 12,569,120
Unrestricted	2,820,996	4,259,152	3,851,239	2,367,658	(348,277)	(1,618,150)	88,828	(370,582)	(382,598)	1,006,412
Total business-type activities	\$ 13,226,370	\$ 14,433,253	\$ 14,236,027	\$ 14,480,346	\$ 13,271,753	\$ 13,231,558	\$ 12,941,302	\$ 13,017,632	\$ 12,618,080	\$ 13,575,532
Primary government										
Net investment in capital assets	\$ 13,111,187	\$ 13,106,977	\$ 13,511,283	\$ 15,353,937	\$ 17,337,161	\$ 18,629,240	\$ 17,166,839	\$ 17,724,921	\$ 17,623,104	\$ 17,750,170
Restricted	28,940	—	63,556	82,633	112,347	171,441	255,987	324,688	438,262	
Unrestricted	8,317,268	10,316,746	10,694,087	10,264,084	5,545,417	4,002,857	4,122,222	4,059,553	4,946,156	6,028,087
Total primary government	\$ 21,457,395	\$ 23,423,723	\$ 24,205,370	\$ 25,681,577	\$ 22,965,211	\$ 22,744,444	\$ 21,460,502	\$ 22,040,461	\$ 22,903,948	\$ 24,216,519

City of Snyder, Texas
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Expenses	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
General government	\$ 1,613,685	\$ 1,584,187	\$ 1,851,500	\$ 1,879,404	\$ 2,347,070	\$ 2,252,281	\$ 2,477,557	\$ 2,193,133	\$ 1,982,364	\$ 1,834,046
Public safety	3,334,049	3,262,081	3,378,246	3,691,936	3,634,361	4,207,512	4,011,884	3,780,316	3,784,243	4,311,647
Public works	1,057,328	1,074,849	1,197,706	902,713	1,230,913	1,061,527	1,521,418	1,203,857	1,600,075	1,695,656
Culture and recreation	330,846	409,941	433,360	432,968	438,425	355,908	409,911	495,243	504,265	445,823
Total governmental activities expenses	<u>6,335,907</u>	<u>6,331,058</u>	<u>6,860,812</u>	<u>6,907,021</u>	<u>7,650,769</u>	<u>7,877,228</u>	<u>8,420,770</u>	<u>7,672,549</u>	<u>7,870,947</u>	<u>8,287,172</u>
Business-type activities:										
Water and sewer	4,840,082	5,359,047	5,959,164	6,570,359	6,686,015	7,019,673	6,983,993	6,651,852	7,162,053	6,640,136
Sanitation	2,478,742	2,473,142	2,678,390	2,409,061	2,811,828	2,948,316	2,913,815	2,822,241	2,743,716	2,757,176
Interest expense	55,728	147,973	214,530	435,359	500,505	484,479	465,003	445,076	423,883	495,671
Total business-type activities expenses	<u>7,374,552</u>	<u>7,980,162</u>	<u>8,852,084</u>	<u>9,414,779</u>	<u>9,998,348</u>	<u>10,452,468</u>	<u>10,362,811</u>	<u>9,919,169</u>	<u>10,329,652</u>	<u>9,832,983</u>
Total primary government expenses	<u>\$ 13,710,459</u>	<u>\$ 14,311,220</u>	<u>\$ 15,712,896</u>	<u>\$ 16,321,800</u>	<u>\$ 17,649,117</u>	<u>\$ 18,329,696</u>	<u>\$ 18,783,581</u>	<u>\$ 17,591,718</u>	<u>\$ 18,200,599</u>	<u>\$ 18,180,155</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,050,803	\$ 1,034,499	\$ 1,278,267	\$ 1,357,010	\$ 1,580,185	\$ 1,477,484	\$ 1,374,720	\$ 1,847,090	\$ 1,597,557	\$ 1,502,648
Public safety	110,432	107,594	108,867	108,421	143,898	158,744	149,967	162,808	151,906	108,388
Public works	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Other activities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	88,371	127,482	328,534	125,681	142,942	134,256	131,150	108,519	106,617	441,236
Capital grants and contributions	-	496,536	-	23,000	-	-	-	-	-	-
Total governmental activities program revenues	<u>\$ 1,249,606</u>	<u>\$ 1,766,111</u>	<u>\$ 1,715,668</u>	<u>\$ 1,614,112</u>	<u>\$ 1,890,025</u>	<u>\$ 1,770,484</u>	<u>\$ 1,655,837</u>	<u>\$ 2,118,417</u>	<u>\$ 1,856,080</u>	<u>\$ 2,052,272</u>
Business-type activities:										
Charges for services:										
Water and sewer	\$ 5,397,767	\$ 6,023,918	\$ 5,999,504	\$ 6,592,796	\$ 6,601,615	\$ 6,908,227	\$ 7,150,421	\$ 7,147,397	\$ 7,179,129	\$ 7,439,535
Sanitation	2,251,576	2,312,820	2,680,803	2,852,578	2,779,075	2,765,491	2,722,754	2,503,496	2,654,617	3,084,251
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	252,092	37,908	-	-	23,740	516,708	23,393	-	-	-
Total business-type activities program revenues	<u>\$ 7,901,435</u>	<u>\$ 8,374,646</u>	<u>\$ 8,680,307</u>	<u>\$ 9,445,374</u>	<u>\$ 9,404,430</u>	<u>\$ 10,190,426</u>	<u>\$ 9,896,568</u>	<u>\$ 9,650,893</u>	<u>\$ 9,833,746</u>	<u>\$ 10,523,786</u>
Total primary government program revenues	<u>\$ 9,151,041</u>	<u>\$ 10,140,757</u>	<u>\$ 10,395,975</u>	<u>\$ 11,059,486</u>	<u>\$ 11,294,455</u>	<u>\$ 11,960,910</u>	<u>\$ 11,532,405</u>	<u>\$ 11,769,310</u>	<u>\$ 11,689,826</u>	<u>\$ 12,576,058</u>

City of Snyder, Texas
Changes in Net Position
Last Ten Fiscal Years
 (accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (expense) revenue	\$ (5,086,301)	\$ (4,564,947)	\$ (5,145,144)	\$ (5,292,909)	\$ (5,760,744)	\$ (6,106,744)	\$ (6,764,933)	\$ (5,554,133)	\$ (6,014,867)	\$ (6,234,900)
Governmental activities	526,833	394,484	(171,777)	30,595	(593,918)	(466,243)	(466,243)	(268,275)	(495,906)	630,803
Business-type activities										
Total primary government net expense	<u>\$ (4,559,418)</u>	<u>\$ (4,170,463)</u>	<u>\$ (5,316,921)</u>	<u>\$ (5,262,314)</u>	<u>\$ (6,354,662)</u>	<u>\$ (6,568,786)</u>	<u>\$ (7,231,176)</u>	<u>\$ (5,822,408)</u>	<u>\$ (6,510,773)</u>	<u>\$ (5,604,097)</u>
General Revenues and Other Changes in Net Position										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
Taxes										
Property taxes	\$ 1,667,672	\$ 1,761,229	\$ 1,895,078	\$ 1,961,319	\$ 2,173,091	\$ 2,447,999	\$ 2,414,445	\$ 2,437,856	\$ 2,607,612	\$ 2,807,452
Sales taxes	2,375,209	2,511,844	3,069,630	3,255,941	2,710,301	2,000,496	2,031,217	2,375,541	2,560,295	2,350,725
Franchise taxes	842,262	757,649	758,122	816,773	778,439	742,578	745,505	763,172	742,434	722,457
Alcoholic beverage	5,384	5,359	11,903	12,082	11,461	9,595	12,191	24,981	26,402	10,937
Hotel/motel occupancy taxes	327,731	371,089	435,612	432,968	439,227	352,564	409,911	495,243	504,265	445,825
Investment earnings	23,901	23,223	24,677	24,012	49,732	44,837	61,524	118,708	140,557	90,155
Gain on sale of capital assets	(1,479)	(98)	4,977	21,702	-	142,008	35,000	1,328	154,885	82,057
Miscellaneous	-	-	-	-	9,408	186,096	61,449	9,700	541,456	80,411
Total governmental activities	<u>\$ 5,240,690</u>	<u>\$ 5,430,295</u>	<u>\$ 6,199,999</u>	<u>\$ 6,524,797</u>	<u>\$ 6,171,659</u>	<u>\$ 5,926,173</u>	<u>\$ 5,771,242</u>	<u>\$ 6,226,529</u>	<u>\$ 7,277,906</u>	<u>\$ 6,590,019</u>
Business-type activities:										
Investment earnings	31,296	13,206	14,588	55,934	60,969	47,092	38,125	69,351	83,173	89,273
Miscellaneous	-	-	-	-	-	27,455	81,162	241	10,170	37,266
Gain on sales of capital assets	1,456	171,424	4,300	249,106	185,000	147,300	56,700	347,500	3,011	200,110
Total business-type activities	<u>\$ 32,752</u>	<u>\$ 184,630</u>	<u>\$ 18,888</u>	<u>\$ 305,040</u>	<u>\$ 245,969</u>	<u>\$ 221,847</u>	<u>\$ 175,987</u>	<u>\$ 417,092</u>	<u>\$ 96,354</u>	<u>\$ 326,649</u>
Total primary government	<u><u>\$ 5,273,432</u></u>	<u><u>\$ 5,614,925</u></u>	<u><u>\$ 6,218,887</u></u>	<u><u>\$ 6,829,837</u></u>	<u><u>\$ 6,417,628</u></u>	<u><u>\$ 6,148,020</u></u>	<u><u>\$ 5,947,229</u></u>	<u><u>\$ 6,643,621</u></u>	<u><u>\$ 7,374,260</u></u>	<u><u>\$ 6,916,668</u></u>
Change in Net Position										
Governmental activities	\$ 154,379	\$ 865,349	\$ 1,054,855	\$ 1,231,888	\$ 410,915	\$ (180,571)	\$ (993,691)	\$ 672,396	\$ 1,263,039	\$ 355,119
Business-type activities	559,635	579,114	(152,889)	335,635	(347,949)	(40,195)	(290,256)	148,817	(399,552)	957,452
Total primary government	<u><u>\$ 714,014</u></u>	<u><u>\$ 1,444,463</u></u>	<u><u>\$ 901,966</u></u>	<u><u>\$ 1,567,523</u></u>	<u><u>\$ 62,966</u></u>	<u><u>\$ (220,766)</u></u>	<u><u>\$ (1,283,947)</u></u>	<u><u>\$ 821,213</u></u>	<u><u>\$ 863,487</u></u>	<u><u>\$ 1,312,571</u></u>

City of Snyder, Texas
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 *
General Fund										
Nonspendable	\$ 232	\$ 233	\$ 230	\$ 67	\$ 833	\$ 696	\$ 574	\$ 460	\$ 327	\$ 180
Restricted	-	-	-	64	79	61	57	65	55	70
Committed	-	-	251	506	400	295	290	290	653	295
Unassigned	4,574	5,518	6,328	7,623	7,077	7,183	6,080	6,797	7,441	7,522
Total general fund	<u>\$ 4,806</u>	<u>\$ 5,751</u>	<u>\$ 6,809</u>	<u>\$ 8,260</u>	<u>\$ 8,389</u>	<u>\$ 8,235</u>	<u>\$ 7,001</u>	<u>\$ 7,612</u>	<u>\$ 8,476</u>	<u>\$ 8,067</u>
All other governmental funds										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 51	\$ 114	\$ 191	\$ 279	\$ 368
Unassigned, reported in:										
Special revenue funds										
Total other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ 3</u>	<u>\$ 48</u>	<u>\$ 110</u>	<u>\$ 365</u>

* Decrease due to a decrease in revenue and an increase in expenditures, resulting from a decrease in sales tax received, and increase in capital outlay for purchase of a fire truck that was ordered in FY 2019 and received in FY 2020

City of Snyder, Texas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 5,218	\$ 5,407	\$ 6,171	\$ 6,479	\$ 6,112	\$ 5,455	\$ 5,597	\$ 6,096	\$ 6,454	\$ 6,324
Licenses and permits	30	34	146	56	144	37	74	75	124	94
Intergovernmental	88	127	106	126	143	134	131	109	107	441
Charges for services	966	945	1,069	1,150	1,299	1,332	1,220	1,497	1,462	1,409
Fines and forfeitures	110	108	108	108	144	159	150	190	150	110
Interest	23	22	24	24	50	45	62	119	140	90
Contributions and donations	-	497	223	23	23	-	-	-	-	-
Miscellaneous	55	55	63	151	137	267	80	329	160	23
Total Revenues	6,490	7,195	7,910	8,117	8,052	7,429	7,314	8,415	8,597	8,491
Expenditures										
General government	1,474	1,438	1,731	1,826	2,310	2,158	2,358	2,205	1,921	1,843
Public safety	2,816	2,744	2,914	3,370	3,334	3,743	3,501	3,606	3,436	3,835
Public works	915	892	1,063	793	1,101	914	1,316	1,011	1,424	1,838
Culture and recreation	331	410	433	433	438	356	410	495	504	446
Capital outlay	302	806	639	512	745	537	997	175	892	986
Debt service	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	5,838	6,290	6,780	6,934	7,928	7,708	8,582	7,492	8,177	8,948
Excess of revenues over (under) expenditures	652	905	1,130	1,183	124	(279)	(1,268)	923	420	(457)

City of Snyder, Texas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other financing sources (uses)										
Proceeds from sale of assets	(1)	-	5	22	9	-	35	1	155	82
Proceeds from insurance	-	-	-	-	169	62	10	377	55	
Transfers in	-	-	-	246	-	-	-	-	-	-
Total other financing sources (uses)	(1)	-	5	268	9	169	97	11	532	137
Net change in fund balances	\$ 651	\$ 905	\$ 1,135	\$ 1,451	\$ 133	\$ (110)	\$ (1,171)	\$ 934	\$ 952	\$ (320)
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

City of Snyder, Texas
Tax Revenue by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Property</u>	<u>Sales & Use</u>	<u>Occupancy</u>	<u>Franchise</u>	<u>Alcoholic Beverage</u>	<u>Total</u>
2011	\$ 1,668	\$ 2,375	\$ 328	\$ 842	\$ 5	\$ 5,218
2012	1,761	2,512	371	758	5	5,407
2013	1,895	3,070	436	758	12	6,171
2014	1,961	3,256	433	817	12	6,479
2015	2,173	2,710	439	778	12	6,112
2016	2,349	2,000	353	743	10	5,455
2017	2,398	2,031	410	746	12	5,597
2018	2,438	2,376	495	763	25	6,097
2019	2,620	2,560	504	742	26	6,452
2020	2,794	2,351	446	722	11	6,324

City of Snyder, Texas
Assessed Value and Estimated Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended	Total Assessed	Less:		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value ¹ as a Percentage of Actual Value
		Tax Exempt Real Property	Real Property				
2011	\$ 332,838,865	\$ 4,636,829	\$ 1,696,835	\$ 328,202,036	0.4445	\$ 328,202,036	101.41%
2012	343,818,578	14,487,492	3,232,603	342,121,743	0.4445	342,121,743	100.50%
2013	365,340,602	14,487,492	4,232,603	350,853,110	0.4445	350,853,110	104.13%
2014	385,179,707	10,728,810	8,833,423	380,947,104	0.4445	380,947,104	101.11%
2015	463,792,092	8,965,258	3,965,258	453,063,282	0.4387	453,063,282	102.37%
2016	472,053,602	463,732,398	4,875,981	463,220,179	0.4410	463,220,179	101.91%
2017	462,576,991	490,690,666	522,603,155	458,611,733	0.4410	458,611,733	100.86%
2018				459,767,140	0.4410	459,767,140	100.86%
2019				485,814,685	0.4700	485,814,685	101.00%
2020				519,289,914	0.4800	519,289,914	100.64%

Source:
 Note:

Assessed values are determined as of January 1, and relate to taxes levied on the first day of the following fiscal year.
 Assessed value is equal to 100% of estimated value. All property is assessed the same rate regardless of real or personal property, commercial, residential, or industrial.

¹Includes tax-exempt property.

City of Snyder, Texas
 Property Tax Rates¹
 Direct and Overlapping² Governments
 Last Ten Fiscal Years

Fiscal Year	City of Snyder Tax Rate			Scurry County						SISD						Western Texas College						Scurry County Hospital						Total	
	Operating		Debt	Operating		Debt	Operating		Debt	Operating		Debt	Operating		Debt	Operating		Debt	Operating		Debt	Operating		Debt	Direct & Overlapping Rates				
	Year	Operating	Service	Total	Operating	Service	Total	Operating	Service	Total	Operating	Service	Total	Operating	Service	Total	Operating	Service	Total	Operating	Service	Total	Operating	Service	Total	Operating	Service		
2011	0.4445	0.000	0.4445	0.3559	0.0430	0.3989	1.0400	0.1240	1.1640	0.2114	0.0000	0.2114	0.2700	0.0000	0.2700	0.2700	0.0000	0.2700	0.2700	0.0000	0.2700	0.2700	0.2700	0.2700	0.2488				
2012	0.4445	0.000	0.4445	0.2790	0.0346	0.3136	1.0400	0.1240	1.1640	0.1858	0.0000	0.1858	0.2100	0.0000	0.2100	0.2100	0.0000	0.2100	0.2100	0.0000	0.2100	0.2100	0.0000	0.2100	0.23179				
2013	0.4445	0.000	0.4445	0.2790	0.0346	0.3136	1.0400	0.1240	1.1640	0.1858	0.0000	0.1858	0.2000	0.0000	0.2000	0.2064	0.0000	0.2064	0.2064	0.0000	0.2064	0.2064	0.0000	0.2064	0.23285				
2014	0.4387	0.000	0.4387	0.2841	0.0287	0.3128	1.0400	0.1240	1.1640	0.2457	0.0000	0.2457	0.2064	0.0000	0.2064	0.2064	0.0000	0.2064	0.2064	0.0000	0.2064	0.2064	0.0000	0.2064	0.23676				
2015	0.4387	0.000	0.4387	0.2843	0.0357	0.3200	1.0400	0.1240	1.1640	0.3275	0.0000	0.3275	0.2538	0.0000	0.2538	0.2538	0.0000	0.2538	0.2538	0.0000	0.2538	0.2538	0.0000	0.2538	0.25040				
2016	0.4410	0.000	0.4410	0.3880	0.0000	0.3880	1.0400	0.1240	1.1640	0.3300	0.0000	0.3300	0.2803	0.0144	0.2947	0.2803	0.0144	0.2947	0.2803	0.0144	0.2947	0.2803	0.0144	0.2947	0.26097				
2017	0.4410	0.000	0.4410	0.3880	0.0000	0.3880	1.0400	0.1240	1.1640	0.3300	0.0000	0.3300	0.2774	0.0146	0.2920	0.2774	0.0146	0.2920	0.2774	0.0146	0.2920	0.2774	0.0146	0.2920	0.26070				
2018	0.4410	0.000	0.4410	0.3382	0.0816	0.4498	1.0400	0.0780	1.1180	0.3112	0.0000	0.3112	0.2788	0.0147	0.2935	0.2788	0.0147	0.2935	0.2788	0.0147	0.2935	0.2788	0.0147	0.2935	0.26135				
2019	0.4700	0.000	0.4700	0.3382	0.0816	0.4498	0.9700	0.0630	1.0330	0.2655	0.0000	0.2655	0.3101	0.0121	0.2421	0.3101	0.0121	0.2421	0.3101	0.0121	0.2421	0.3101	0.0121	0.2421	0.25061				
2020	0.4800	0.000	0.4800	0.4169	0.0329	0.4498	0.9564	0.0630	1.0194	0.2950	0.0000	0.2950	0.2593	0.0161	0.2754	0.2593	0.0161	0.2754	0.2593	0.0161	0.2754	0.2593	0.0161	0.2754	0.25196				

Source: Scurry County Tax Collector, Snyder Independent School District, and Western Texas College

¹Tax rate is per \$100 of taxable assessed value

²Overlapping rates are those of local and county governments that apply to property owners within the City of Snyder. Not all overlapping rates apply to all City of Snyder property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

City of Snyder, Texas
Principal Property Taxpayers
Fiscal Year End 2020 and 2011
(amounts expressed in thousands)

Taxpayer	2020		2011		Rank	Percentage of Total Taxable Assessed Value
	Taxable Assessed Value	Rank	Taxable Assessed Value	Rank		
Diamond Wtg Engineering	\$ 17,885	1				3.4%
W L Plastics	13,211	2				2.5%
Wal-mart Real Estate Business Tr	7,373	3				1.4%
Suddenlink Communications	6,639	4				1.3%
Raffer J. Industries LLC	6,529	5				1.3%
WL Plastics Corporation	5,349	6				1.0%
Oncor Electric Delivery Co.	5,208	7				1.0%
Baker Hughes Oilfield Solution	6,128	8				1.2%
Key Energy Services, Inc.	4,341	9				0.8%
Baar, Michael LLC	4,301	10				0.8%
Cudd Pumping Services			5,225	1		1.2%
H I E Hotel LLC			3,886	2		1.2%
Centrilift Div of Baker Hughes			4,079	3		1.1%
Spirit SPE US Snyder LP			3,046	5		0.8%
Schrogren/Baar XIV LTD ET AL			2,710	6		0.7%
Walmart Stores Texas			2,528	7		0.7%
Matthies Investment LLC			2,523	8		0.7%
BNSF Railway Company			2,348	9		0.7%
Grimmet Bros, Inc.			2,309	10		0.7%
Totals	\$ 76,964		\$ 31,864			8.7%

Source: Scurry County Appraisal District

City of Snyder, Texas
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended	Total Tax Levy for Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	Percentage of Levy
		Amount	Percentage of Levy			
2011	1,719,293	1,569,380	91.28%	146,498	1,715,878	99.8%
2012	1,719,042	1,676,668	97.54%	37,941	1,714,609	99.7%
2013	1,822,737	1,781,214	97.72%	39,687	1,820,901	99.9%
2014	1,918,640	1,875,104	97.73%	33,010	1,908,114	99.5%
2015	2,150,281	2,102,723	97.79%	22,062	2,124,785	98.8%
2016	2,353,019	2,280,256	96.91%	66,962	2,347,218	99.8%
2017	2,380,231	2,245,243	94.33%	97,271	2,342,514	98.4%
2018	2,570,098	2,322,535	90.37%	74,728	2,322,535	90.4%
2019	2,771,114	2,437,856	87.97%	51,194	2,437,856	88.0%
2020	2,921,402	2,653,442	90.83%		2,653,442	90.8%

City of Snyder, Texas
 Taxable Sales by Category
 Last Ten Calendar Years
 (amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Construction	\$ 7,441	\$ 7,759	\$ 8,695	\$ 10,010	\$ 6,578	\$ 5,961	\$ 10,065	\$ 7,329	\$ 2,309	
Mining/Quarrying/Oil & Gas Extraction	703,643	733,093	510,406	773,350	478,059	91,514	303,206	235,236	238,415	81,032
Manufacturing	13,818	16,898	21,513	19,919	15,337	9,502	15,572	12,845	21,676	9,585
Wholesale Trade	12,003	11,730	12,167	13,330	7,441	3,918	5,588	7,526	10,380	4,786
Transportation/Warehousing	123	56	130	35	14	13	6	136	1,175	528
Retail Trade	73,668	78,338	82,832	88,604	80,363	73,346	77,510	84,963	88,479	45,208
Information	3,765	4,005	4,315	4,737	4,805	4,765	4,448	5,134	5,939	2,854
Finance/Insurance	92	130	1,947	77	112	86	58	90	77	53
Real Estate/Rental/Leasing	5,096	6,508	8,336	8,664	3,717	1,731	1,731	1,828	2,967	2,105
Professional/Scientific/Technical Services	557	561	626	1,081	683	823	992	981	1,315	441
Admin/Support/Waste mgmt/Remediation Serv.	1,157	762	681	1,034	849	701	794	879	887	623
Educational Services	6	3	2	3	1	-	-	-	-	-
Health Care/Social Assistance	150	186	126	322	384	412	406	382	432	175
Arts/Entertainment/Recreation	109	308	431	432	329	275	247	290	399	173
Accommodation/Food Services	18,293	20,077	21,445	22,184	21,824	20,181	21,360	23,683	24,858	11,936
Other Services (except Public Administration)	8,717	9,535	9,692	9,758	8,825	7,960	8,114	8,384	8,947	3,801
Total	\$ 848,638	\$ 889,949	\$ 683,344	\$ 953,540	\$ 639,321	\$ 221,188	\$ 445,963	\$ 392,922	\$ 413,275	\$ 165,609
City direct sales tax	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

Source: State Comptroller of Texas
 (Information available for current year is only for first two quarters)

City of Snyder, Texas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds		Capital Leases	Water	Sewer	Capital Leases			
	General Obligation Bonds	Capital Leases	Bonds						
2011	-	-	\$	5,063	\$	2,985	\$ 5,063	2.25%	\$ 452
2012	-	-		4,304			7,289	2.68%	639
2013	-	-		3,514		2,945	6,459	2.38%	567
2014	-	-		12,172		2,778	14,950	5.60%	1,335
2015	-	-		11,678		2,606	14,284	5.28%	1,257
2016	-	-		11,268		2,430	13,698	4.81%	1,164
2017	-	-		10,853		2,248	13,101	4.61%	1,113
2018	-	-		10,429		2,061	12,490	4.56%	1,103
2019	-	-		9,994		1,869	11,863	4.33%	1,048
2020				13,663		1,672	15,335	5.43%	1,354

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

¹See the Schedule of Demographic and Economic Statistics for personal income and population data.

Details regarding the City's outstanding debt can be found in the notes section page 35.

City of Snyder, Texas
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Fiscal Year	General Obligations Bonds	Percentage of Estimated Actual Taxable Value¹ of Property	Per Capita²
2011	-	0.00%	-
2012	-	0.00%	-
2013	-	0.00%	-
2014	-	0.00%	-
2015	-	0.00%	-
2016	-	0.00%	-
2017	-	0.00%	-
2018	-	0.00%	-
2019	-	0.00%	-
2020	-	0.00%	-

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

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

² Population data can be found in the Schedule of Demographic and Economic Statistics

City of Snyder, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2020
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
City of Snyder direct debt	\$ -	100.00%	\$ -
Scurry County	11,390	20.00%	2,278
Scurry County JCD	9,785	20.00%	1,957
Snyder Independent School District	15,130	20.36%	3,080
Scurry County Hospital District	<u>365</u>	20.00%	<u>73</u>
Total direct and overlapping debt	<u>\$ 36,670</u>		<u>\$ 7,388</u>

Sources:

- Assessed value data used to estimate applicable percentages provided by the Scurry County Appraisal District.
- Debt outstanding data provided by the individual entities.

Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the city of Snyder. This process recognizes that, when considering the government'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.

¹The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the governments boundaries and dividing it by the county's total taxable assessed value.

City of Snyder, Texas
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit	\$ 33,748	\$ 34,552	\$ 36,534	\$ 38,518	\$ 46,679	\$ 47,205	\$ 46,258	\$ 46,373	\$ 49,069	\$ 52,260
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 33,748</u>	<u>\$ 34,552</u>	<u>\$ 36,534</u>	<u>\$ 38,518</u>	<u>\$ 46,679</u>	<u>\$ 47,205</u>	<u>\$ 46,258</u>	<u>\$ 46,373</u>	<u>\$ 49,069</u>	<u>\$ 52,260</u>
Total net debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Legal Debt Margin Calculation for Fiscal Year 2020

Taxable Assessed Value	\$ 519,290
Add Back: exempt property	<u>3,313</u>
Total Assessed Value	<u>\$ 522,603</u>
Debt limit (10% of total assessed value)	52,260
Debt applicable to limit:	-
General obligation bonds	
Legal debt margin	<u>\$ 52,260</u>

Note: Under state finance law, the City of Snyder's outstanding general obligation debt should not exceed 10 percent of total assessed property value.
 By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of Snyder, Texas
Pledged-Revenue Coverage
Last Ten Fiscal Years

Water & Sewer Revenue Bonds

Fiscal Year	Water & Sewer Charges and Other			Net Available Revenue	Debt Service			Coverage
	Sewer Charges	Less: Operating Expenses	Available Revenue		Principal	Interest		
2011	\$ 5,399,028	\$ 4,055,157	\$ 1,343,871	\$ 755,000	\$ 188,560			1.42
2012	6,012,799	4,188,779	1,824,020	755,000		138,303		2.04
2013	5,957,620	4,780,613	1,177,007	785,000		116,281		1.31
2014	6,602,087	5,122,274	1,479,813	465,000		327,237		1.87
2015	6,625,686	5,296,161	1,329,525	485,000		408,948		1.49
2016	6,930,358	5,564,019	1,366,339	400,000		394,753		1.72
2017	7,211,379	5,208,371	2,003,008	405,000		383,564		2.54
2018	7,156,024	4,864,101	2,291,923	415,000		365,995		2.93
2019	7,225,131	5,354,920	1,870,211	425,000		358,765		2.39
2020	7,492,653	4,761,503	2,731,150	435,000		345,317		3.50

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Water & Sewer Charges and Other includes investment earnings but not tap fees. Operating expenses do not include interest or depreciation.

City of Snyder, Texas
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	(in thousands)		Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
		Personal Income	Personal Income				
2011	11,202	\$ 224,813	\$ 20,069	34.5	5,027		5.40%
2012	11,400	271,913	23,852	33.9	7,216		4.30%
2013	11,400	271,913	23,852	33.6	7,573		4.60%
2014	11,202	267,190	23,852	33.0	5,017		3.20%
2015	11,368	270,297	23,777	33.0	5,039		4.10%
2016	11,768	284,715	24,194	36.0	5,037		6.70%
2017	11,768	284,185	24,149	36.0	4,763		3.40%
2018	11,320	273,876	24,194	34.4	4,784		3.60%
2019	11,320	273,876	24,194	34.4	4,613		3.00%
2020	11,323	282,214	24,924	34.3	4,097		3.40%

Data Sources: U.S. Census, Snyder Independent School District, Western Texas College, Texas Workforce Commission.

Note: Population, median age, education level information and personal income are based on 2010 census.

Unemployment rate information is an adjusted yearly average. School enrollment is based on the census as of September 30.

City of Snyder, Texas
Principal Employers
Fiscal Year End 2020 and 2011

<u>Employer</u>	2020		Percentage of Total City Employment¹
	<u>Employees</u>	<u>Rank</u>	
Snyder ISD	375	1	5.23%
Texas Department of Corrections	365	2	5.09%
Gravity Energy	300	3	4.19%
T & L Construction	298	4	4.16%
Kinder Morgan	250	5	3.49%
Cogdell Memorial Hospital	230	6	3.21%
Patterson-UTI	220	7	3.07%
United Supermarket	200	8	2.79%
Total	2,238		31.24%

<u>Employer</u>	2011		Percentage of Total City Employment
	<u>Employees</u>	<u>Rank</u>	
Snyder ISD	349	1	2.12%
Texas Department of Corrections	339	2	2.06%
Kinder Morgan CO2 Co.	250	3	1.52%
Cogdell Memorial Hospital	220	4	1.34%
United Supermarket	200	5	1.22%
Scurry County	150	6	0.91%
BJ Services	150	7	0.91%
Walton Construction	130	8	0.79%
Western Texas College	120	9	0.73%
Key Energy Services	120	10	0.73%
Total	2,028		12.33%

Source: Texas Workforce Commission

City of Snyder, Texas
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
GENERAL FUND										
Administration	2	2	2	2	2	2	2	2	2	2
Finance	2	2	4	4	4	4	4	4	3	3
Planning & Zoning	2	2	2	3	3	3	3	3	2	2
Municipal Court	3	3	3	3	3	3	3	3	3	3
Accounting	3	2	0	0	0	0	0	0	0	0
Data Processing	2	2	1	1	1	1	1	1	1	1
City Sec./Records Management	2	0	0	2	2	2	2	2	2	2
Police	22	22	22	23	27	25	25	25	25	25
Animal Control	3	3	3	3	3	3	3	3	2	2
Fire	10	10	10	10	10	11	11	11	11	11
Street	4	4	4	4	5	6	6	6	6	6
Total General Fund	53	52	51	55	60	60	60	60	57	57
WATER & SEWER										
Sanitary Sewer	2	2	2	2	2	2	2	2	2.5	2.5
Wastewater Treatment	5	5	5	5	3	3	3	3	3	3
Treatment - Water	5	5	5	5	6	6	6	6	6	6
Distribution - Water	2	2	2	2	3	2	2	2	2.5	4.5
Utility	7	6	6	6	6	6	6	6	6	3
Total Water & Sewer Fund	21	20	20	20	20	19	19	19	20	19
SANITATION										
Sanitation/Collection	5	5	5	5	6	6	6	6	5	5
Sanitation/Landfill	6	6	6	6	5	5	5	5	5	5
Total Sanitation Fund	11	10	10							
INTERNAL SERVICE										
Central Garage	1	1	1	1	1	1	1	1	1	1
Total Central Garage	1									
TOTAL	86	86	86	87	92	91	91	91	88	87

Source: City of Snyder Human Resources Office

City of Snyder, Texas
Operating Indicators by Function
Last Ten Fiscal Years

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Physical arrests	868	535	478	588	478	731	616	634	1,021	616
Traffic violations	4,829	6,434	5,601	5,299	4,949	3,781	2,050	1,572	1,602	3,466
Fire										
Number of calls answered	550	372	439	452	463	500	412	520	490	566
Inspections	87	63	113	72	77	153	56	51	80	57
Public Education Programs	-	-	-	-	21	25	28	10	12	6
Highways and streets										
Street resurfacing (blocks)		80	100	-	50	-	163	-	-	-
Sanitation										
Refuse collected (tons/day)	114	117	150	175	175	170	162	153	162	156
Recyclables collected (tons/mo)	29	27	27	24	25	20	21	21	22	18
Water										
New connections	1,156	1,325	1,510	1,561	1,723	1,736	1,882	2,000	2,144	2,073
Water mains breaks	82	33	25	48	80	32	18	25	19	21
Average daily consumption (millions of gallons)	2	2	2	2	2	2	2	2	2	2
Wastewater										
Average daily sewage treatment (thousands of gallons)	984	923	991	1,400	1,454	1,454	1,221	1,156	1,311	1,002

Sources: Various government departments.

City of Snyder, Texas
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	21	21	21	21	22	22	22	22	22	22
Fire stations	1	1	1	1	1	1	1	1	1	1
Sanitation										
Collection trucks	6	6	6	6	6	6	6	6	6	6
Highways and streets										
Streets (miles)	111	111	111	111	111	111	111	111	111	111
Streetlights	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177
Traffic signals (controlled by City)	-	-	-	-	-	-	-	-	-	-
Culture and recreation										
Parks acreage	126	126	126	126	126	126	126	126	126	126
Swimming pools	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	91	91	91	91	91	91	91	91	91	91
Fire hydrants	424	424	424	424	424	424	424	424	424	424
Maximum daily capacity (thousands of gallons)	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Sewer										
Sanitary sewers (miles)	87	87	87	87	87	87	87	87	87	87
Storm sewers (miles)	2	2	2	2	2	2	2	2	2	2
Maximum daily treatment capacity (thousands of gallons)	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310

Sources: Various city departments.