



CITY OF SNYDER, TEXAS

Annual Comprehensive Financial Report

For the Year Ended September 30, 2021

Prepared by: Finance Department
Jillian Hardy
Director of Finance

CITY OF SNYDER, TEXAS
 Annual Comprehensive Financial Report
 Year Ended September 30, 2021

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THE CITY OF SNYDER, TEXAS

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325/573-4957 • 325/573-7505 Fax

March 21, 2022

To the Honorable Mayor, Members of the City Council 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 annual comprehensive financial report of the City of Snyder for the fiscal year ended September 30, 2021.

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, 2021, 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, 2021, 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 10,979. 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 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. The council is required to adopt a final budget prior to September 30. 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 council's approval upon recommendation of the City Manager. 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.

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 thirty-second 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 2021 was 21.43% higher than the budgeted amount. The actual amount received was \$441,189 more than from 2020. Our local retailers are bouncing back from the COVID situation, as indicated by the increase in sales tax revenue. Motel occupancy tax increased 2.05% compared to the previous year. Property valuations were approximately 0.71% higher than 2020. The tax rate decreased to .4700 per \$100 on property taxes. The water sales in the enterprise fund decreased slightly this year, due to more restrictions on watering accounts.

There are fifteen 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 City of Snyder's Tax Abatement program was approved by the Council in 2007. This program was implemented as an incentive for economic development. The City approves abatements for a term of 5 to 10 years. For 2021, the City had three active abatements, totaling \$3,691.79. The program has had a tremendous impact on the local economy by bringing in job opportunities and increased sales tax through new businesses and raising the property value of restored homes or new developments. The City of Snyder anticipates a greater increase in taxes as a result of abatements in the coming years.

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 44.54% full. CRMWD currently has more water in storage than has been recorded before. This lake offers boating, fishing, and camping for this area.

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 6.1%. If the current level of services is to be maintained, the City will need to explore new methods of obtaining financial resources.

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.

Long-term financial planning and major initiatives

Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund at year end was 4.77% of total general fund revenues. The City of Snyder has generally operated with a healthy fund balance in the past. For future budgetary and planning purposes, the City will strive to maintain a larger percentage of total general fund revenues to reduce the amount that would otherwise need to be borrowed to finance future construction.

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. This new addition will provide much needed housing opportunities.

The City contracted with the Snyder Royal Trailer Park to place a new waterline and sewer line, which will now be connected to the city utilities.

The Texas Department of Transportation awarded a grant to the City of Snyder to replace a bridge located on 27th St., which was completed in this fiscal year.

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 City refunded the 2010 Certificates of Obligation and 2013 Certificates of Obligation at a lower interest rate in 2021. Cash flow savings amounted to \$312,599 because of the refunding, and the refunded obligations are to still be used for capital improvements to water and sewer.

Two waterline and sewer line replacement projects have been completed within this fiscal year, and the contract awarded for maintenance on the water towers is expected to be completed in late 2021.

The City of Snyder maintains a five-year capital improvements plan, which serves as its planning document to ensure that its facilities, equipment, and infrastructure are well maintained and operating at peak condition. Capital improvement projects are financed in a yearly cash flow pay-as-you-go basis. The City tries to maintain a twenty-year average for capital purchases. There are currently plans for additional capital improvement projects for the Water Plant and Wastewater Plant for the upcoming fiscal year.

Relevant financial policies

The City of Snyder has adopted a comprehensive set of financial policies. The most relevant policy requires the adoption of a balanced annual operating budget (i.e., estimated revenues equal to or in excess of appropriations). Estimated revenues for the budgeted year were less than appropriations by \$384,375 due to the economic downturn. In such cases, the policy allows for the appropriation of fund balance to close the gap. With the unexpected increase in revenues, measures taken during the year to control expenditures, and low supply within the local economy, the City of Snyder did not have to transfer from their reserves for fiscal year 2021.

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,



Jillian Hardy

Finance Director



Government Finance Officers Association

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

Presented to

**City of Snyder
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Monell

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)
	----- CLERK 3 (1)
----- PLANNING & ZONING (1)	----- INSPECTOR (1)
----- MUNICIPAL COURT (1)	----- CLERK 2 (1)
	----- CLERK 1 (1)
----- CITY SECRETARY/RECORDS MANAGEMENT (1)	----- CLERK 3/DEPUTY CITY SECRETARY (1)
----- INFORMATION TECHNOLOGY/PURCHASING (1)	
----- POLICE (25)	
----- ANIMAL CONTROL (2)	
----- FIRE (11)	
----- PUBLIC WORKS (1)	
----- STREETS (6)	
----- SANITATION COLLECTION (5)	
----- LANDFILL (5)	
----- SANITARY SEWER (2)	
----- WATER DISTRIBUTION (4)	
----- INTERNAL SERVICE (1)	
----- WATER & WASTEWATER (1)	
----- SEWAGE TREATMENT (3)	
----- WATER PRODUCTION (4)	
----- UTILITY OFFICE MANAGER (1)	
----- CLERK 3 (1)	
----- CLERK 1 (1)	

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

CITY OF SNYDER, TEXAS

Principal Officers

City Council

 Tony Wofford, Mayor
 Steve Highfield, Mayor Pro-Tem
 Vernon Clay, Councilmember
 Tom Strayhorn, Councilmember
 Sarah Jamison, Councilmember
 Steve Rich, Councilmember
 Terry Martin, Councilmember

Administrative Staff

 Merle Taylor, City Manager
 Jillian Hardy, Director of Finance
 Shai Green, City Secretary
 Brian Haggard, Police Chief
 Perry Westmoreland, Fire Chief
 Eli Torres, Public Works Director
 Underwood Law Firm, City Attorney



CPAs & BUSINESS ADVISORS

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, 2021, 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, 2021 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.

Correction of Error

As discussed in Note IV. H. to the financial statements, certain errors resulting in understatement of amounts previously reported for cash of the Development Corporation of Snyder (DCOS), component unit of the City, as of September 30, 2020, were discovered by management of DCOS during the current year. Accordingly, an adjustment has been made to net position of DCOS as of October 1, 2020, to correct the errors. Our opinions are not modified with respect to this matter.

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 2020 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 22, 2021. 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, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Abilene, Texas
March 21, 2022

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, 2021. 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 \$26,229 (*net position*). Of this amount, \$8,743 (*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 \$2,013. Of this increase, \$1,618 is from governmental activities and \$395 is 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 \$9,670, an increase of \$1,238 in comparison with the prior year. Approximately 86.81% of this total amount, \$8,394, is unassigned and *available for spending* at the government's discretion, and 13.19% 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 \$8,394 or 114% of total general fund expenditures, excluding capital outlay.
- The City of Snyder's total bond debt remained the same as the prior 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 five 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 and American Rescue Plan Grant fund, which are considered to be major funds. 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 55-93 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 \$26,229 at the close of the most recent fiscal year.

By far the largest portion of the City of Snyder's net position (65%) 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	
	2020	2021	2020	2021	2020	2021
Current and other assets	\$ 9,388	\$ 12,241	\$ 8,490	\$ 8,476	\$ 17,878	\$ 20,717
Capital assets	5,181	5,005	24,385	24,208	29,566	29,213
Total assets	14,569	17,246	32,875	32,684	47,444	49,930
Deferred outflows of resources	580	549	176	594	756	1,143
Long-term liabilities outstanding	2,039	1,864	17,921	17,624	19,960	19,488
Other liabilities	1,599	3,134	983	1,264	2,582	4,398
Total liabilities	3,638	4,998	18,904	18,888	22,542	23,886
Deferred inflows of resources	870	538	572	420	1,442	958
Net investment in capital assets	5,181	5,005	12,569	11,941	17,750	16,946
Restricted	438	540	-	-	438	540
Unrestricted	5,022	6,714	1,006	2,029	6,028	8,743
Total net position	<u>\$ 10,641</u>	<u>\$ 12,259</u>	<u>\$ 13,575</u>	<u>\$ 13,970</u>	<u>\$ 24,216</u>	<u>\$ 26,229</u>

The remaining balance of unrestricted net position, \$8,743 may be used to meet the government's ongoing obligations to citizens and creditors.

The government's net position increased by \$2,013 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	
	2020	2021	2020	2021	2020	2021
Revenues:						
Program revenues:						
Charges for services	\$ 1,611	\$ 1,601	\$ 10,524	\$ 10,289	\$ 12,135	\$ 11,890
Operating grants and Contributions	441	389	-	-	108	389
General revenues:						
Property taxes	2,807	2,947	-	-	2,807	2,947
Other taxes	3,531	3,992	-	-	3,531	3,992
Other	252	499	326	189	578	688
Total revenues	8,642	9,428	10,850	10,478	19,492	19,906
Expenses:						
General government	1,834	1,838	-	-	1,834	1,838
Public safety	4,311	3,868	-	-	4,311	3,868
Public works	1,696	1,654	-	-	1,696	1,654
Culture and recreation	446	450	-	-	446	450
Water and sewer	-	-	7,136	7,288	7,136	7,288
Sanitation	-	-	2,757	2,795	2,757	2,795
Total expenses	8,287	7,810	9,893	10,083	18,180	17,893
Change in net position	355	1,618	957	395	1,313	2,013
Net Position - beginning 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>
Net Position - ending of year	<u><u>\$ 10,641</u></u>	<u><u>\$ 12,259</u></u>	<u><u>\$ 13,575</u></u>	<u><u>\$ 13,970</u></u>	<u><u>\$ 24,216</u></u>	<u><u>\$ 26,229</u></u>

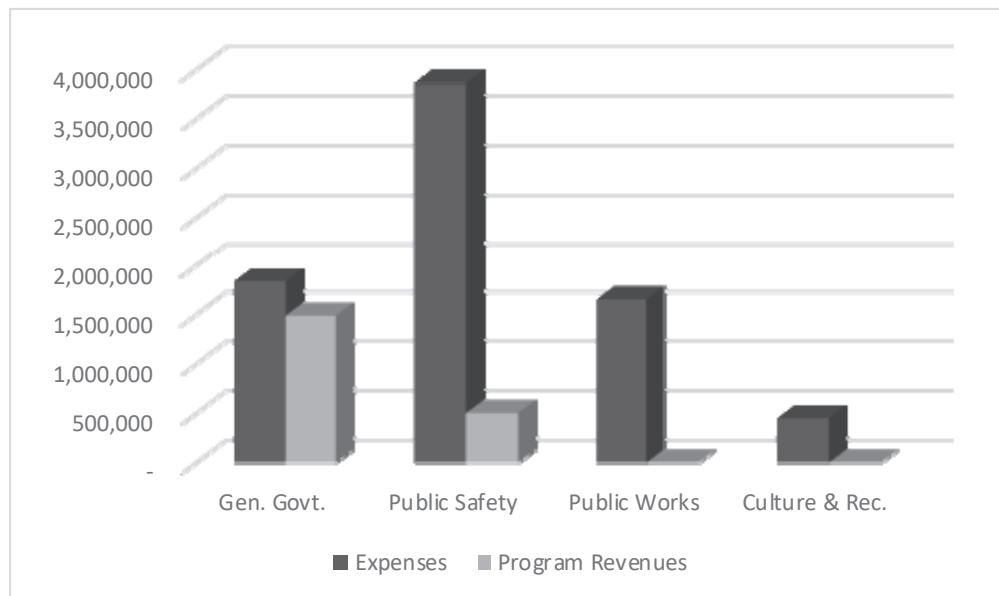
GOVERNMENTAL ACTIVITIES

Governmental activities increased the City of Snyder's net position by \$1,618. Key elements of this increase are as follows:

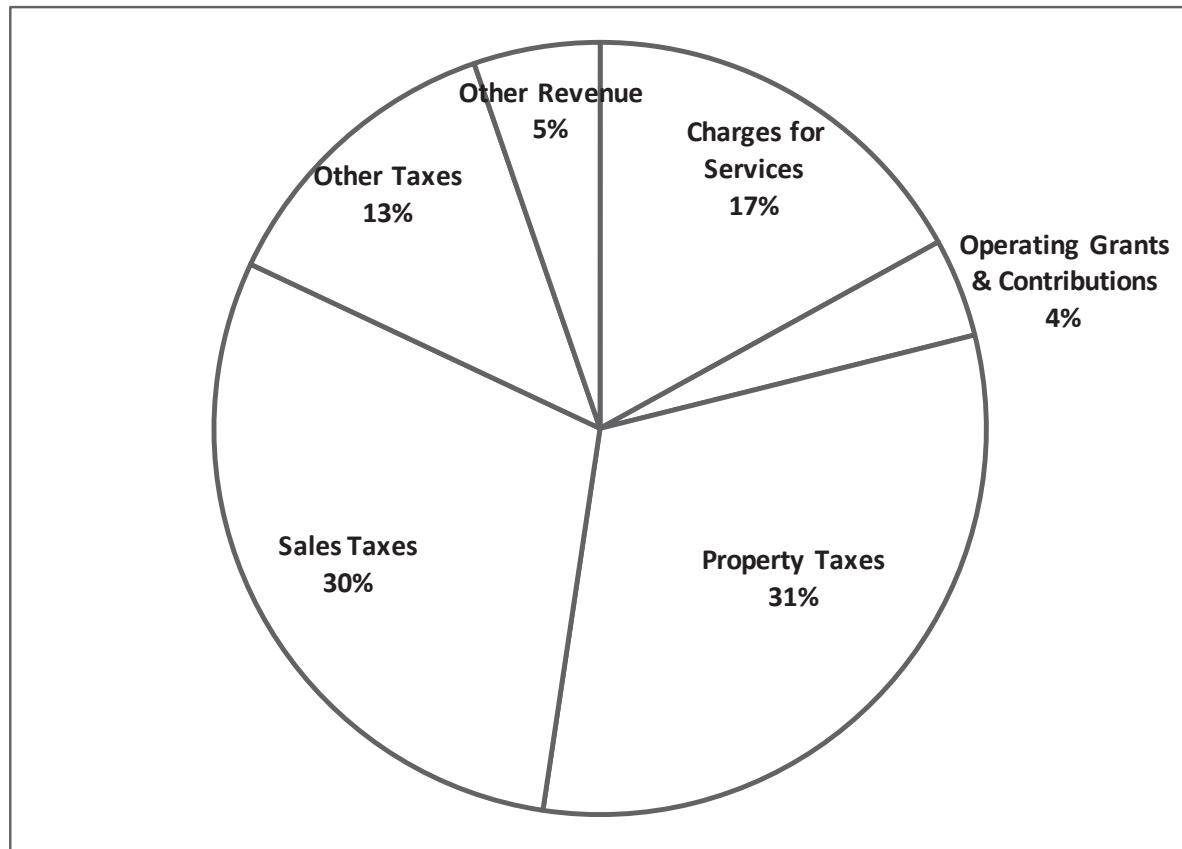
- Charges for services decreased \$10 or 0.625%, a result of a slight decrease in administrative fees and municipal court fees.
- Property taxes increased \$140 or 5% from prior year. Property tax rates lowered to .4700 per One Hundred Dollars from 2020 to 2021. Sales taxes increased \$442 or 19% from prior year, because of the change in the local economy within the oil industry.
- Miscellaneous revenue increased due to the increase in proceeds from insurance.
- Public safety expenses were 50% of the City's governmental expenses. Public safety expenses decreased \$443 from the prior year due to the delayed purchase of a fire truck.
- Public works expenses decreased \$42 or 2% from prior year due to maintenance work being pushed back into the next year.

CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities

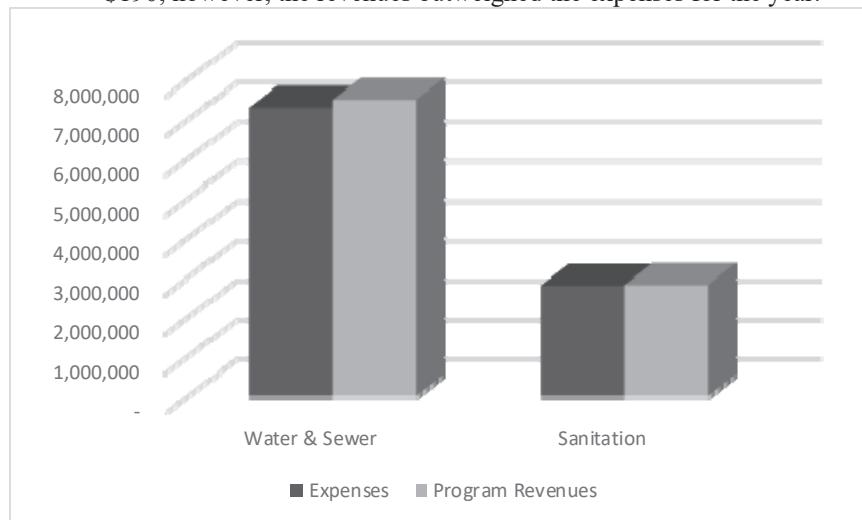


CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City of Snyder's net position by \$395. Key elements of this increase are as follows.

- Business type total revenues decreased by 3.44% or \$372 and expenses increased by 1.92% or \$190; however, the revenues outweighed the expenses for the year.



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 \$9,670, an increase of \$1,238 in comparison with the prior year. Approximately 86.81% of this total amount, \$8,394, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is made up of \$184 in *nonspendable fund balance* for prepaid items, inventories, and an advance to other funds, \$540 restricted for various purposes and \$549 committed to economic development through Chapter 380 agreements and equipment purchases.

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 \$8,394, while total fund balance reached \$9,212. 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 114% of total general fund expenditures, while total fund balance represents 125% 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 increased by \$1,145 during the current fiscal year and decreased by \$409 in the prior fiscal year.

- Budgeted sales tax was decreased by 11.54% from fiscal year 2020, due to an expected decrease in the local oil industry. Actual sales tax increased 21.43% from budgeted amount in 2021.
- General fund expenditures decreased 9.40% from fiscal year 2020, mainly due to not receiving a new fire truck that was ordered in fiscal year 2021.

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 \$888, and those for the Sanitation Fund amounted to \$1,141. The net increase in unrestricted net position for the Water and Sewer Authority was \$419 and the net increase for the Sanitation Fund was \$604. 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 higher than final budgeted revenues by \$459 and actual expenditures were \$686 lower than final budgeted expenditures.

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

- Sales tax was \$493 above budget, ad valorem taxes were \$275 above budget. Increase in the property tax valuations resulted in an increase in property taxes received. Local businesses are overcoming the negative impacts brought on by the COVID situation.
- Interest revenue \$73 below budget due to a decrease in interest rates on investments, and a decrease in miscellaneous \$26 due to a decrease in various small revenues.

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

- Most departments in General Government were below their budget from \$1,499 to \$63,490. Two departments were above their budget by \$4,758 and \$5,177. The overall decrease in expenditures is a result of taking a conservative approach to spending and several capital items that had been budgeted being postponed due to a supply shortage stemming from COVID.
- Public safety, except for the Fire Marshall, came in below their budget. The Fire Marshall was over budget by \$8,378. This is a result of rising prices in our local economy.
- Public works also was below their budget by \$70,653.

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, 2021, amounts to \$29,212,484 (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	
	2020	2021	2020	2021	2020	2021
Land	\$ 553	\$ 553	\$ 307	\$ 307	\$ 860	\$ 860
Buildings	950	904	1,862	1,441	2,812	2,345
Improvements other than buildings	889	843	17,866	18,677	18,755	19,520
Machinery and equipment	2,789	2,705	3,778	3,288	6,567	5,993
Construction in progress	-	-	572	495	572	495
Total	\$5,181	\$5,005	\$24,385	\$24,208	\$29,566	\$29,213

CITY OF SNYDER, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

Significant purchases made by the City included three new vehicles, a power edge server, and portable radio dispatch for the police department; a fresh gear cabinet and additional bays for the substation for the fire department; a new Broce broom, mower, and equipment trailer for the street department; a combo jet/vet, grit rotator, sewage pump, and mower for the water and sewer departments; and side loaders, diesel pump, and portable gas extraction monitor for the sanitation department and landfill. Water and sewer line replacement projects were completed, as well as the cell expansion for the landfill. The water tower 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 remained the same as the prior fiscal year. The key factors for this consistency were the issuances of a 2021A General Obligation Refunding Bond for \$1,090,000 and a 2021B General Obligation Taxable Refunding Bond for \$8,115,000 to refund Certificates of Obligation Series 2010 and Certificates of Obligation Series 2013, respectively.

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 6.1 percent. This is below the state's average unemployment rate of 6.7 percent and below the national average rate of 6.5 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 2022 fiscal year.

The budget for general fund total revenue for fiscal year 2022 is \$7,826. This is a decrease of 3.11% from fiscal year 2021. The property tax rate per \$100 increased from .4700 to .4800 for fiscal year 2022. The minimum charge for water remained at \$39.30 per 2,000 gallons. Sanitation minimum monthly rates increased from \$29.15 to \$34.15.

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, Texas, 79550.

CITY OF SNYDER, TEXAS

Statement of Net Position

September 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	DCOS
ASSETS				
Cash and cash equivalents	\$ 8,593,144	\$ 1,560,503	\$ 10,153,647	\$ 548,501
Investments	1,900,000	500,000	2,400,000	469,242
Receivables (net of allowance)	1,435,638	1,171,699	2,607,337	80,079
Due from primary government	-	-	-	179,892
Internal balances	43,934	(43,934)	-	-
Inventories	56,443	120,183	176,626	-
Prepaid items	127,069	-	127,069	-
Restricted assets:				
Cash and cash equivalents	84,405	3,140,366	3,224,771	171,543
Investments	-	2,027,811	2,027,811	-
Capital assets (net of accumulated depreciation)				
Nondepreciable	553,153	801,621	1,354,774	743,131
Depreciable	4,451,524	23,406,186	27,857,710	2,382,362
Total assets	17,245,310	32,684,435	49,929,745	4,574,750
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss from refunding	-	451,151	451,151	-
Deferred outflows for pension	484,092	114,960	599,052	20,050
Deferred outflows for OPEB	65,265	27,982	93,247	3,415
Total deferred outflows of resources	549,357	594,093	1,143,450	23,465
LIABILITIES				
Accounts payable and other liabilities	1,530,420	493,974	2,024,394	7,266
Accrued interest payable	-	27,586	27,586	-
Due to component unit	179,892	-	179,892	-
Customer meter deposits	-	742,768	742,768	-
Unearned revenue	1,423,225	-	1,423,225	-
Noncurrent liabilities:				
Due within one year	35,384	949,503	984,887	186,774
Due in more than one year	106,151	16,252,391	16,358,542	1,029,538
Net pension liability	1,431,503	297,133	1,728,636	38,956
Total OPEB liability	291,004	125,405	416,409	14,312
Total liabilities	4,997,579	18,888,760	23,886,339	1,276,846
DEFERRED INFLOWS OF RESOURCES				
Deferred gain on refunding	-	1,851	1,851	-
Deferred inflows for pension	530,071	414,426	944,497	20,604
Deferred inflows for OPEB	8,504	3,597	12,101	379
Total deferred inflows of resources	538,575	419,874	958,449	20,983
NET POSITION				
Net investment in capital assets	5,004,677	11,940,976	16,945,653	1,988,752
Restricted for:				
Public safety	84,405	-	84,405	-
Debt service	-	-	-	29,482
Tax Increment Financing	455,426	-	455,426	-
Unrestricted	6,714,005	2,028,918	8,742,923	1,282,152
Total net position	\$ 12,258,513	\$ 13,969,894	\$ 26,228,407	\$ 3,300,386

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, 2021

Function/Programs	Expenses	Net (Expense) Revenue and Changes in Net Position				Component Unit	
		Program Revenues		Primary Government			
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities		
Primary government:							
Governmental activities:							
General government	\$ 1,838,332	\$ 1,488,065	\$ -	\$ (350,267)	\$ (350,267)		
Public safety	3,868,427	112,427	389,405	(3,366,595)	(3,366,595)		
Public works	1,654,062	-	-	(1,654,062)	(1,654,062)		
Culture and recreation	449,536	-	-	(449,536)	(449,536)		
Total governmental activities	<u>7,810,357</u>	<u>1,600,492</u>	<u>389,405</u>	<u>(5,820,460)</u>	<u>(5,820,460)</u>		
Business-type activities:							
Water and sewer	7,287,720	7,481,478	-	-	\$ 193,758	193,758	
Sanitation	2,795,227	2,807,208	-	-	11,981	11,981	
Total business-type activities	<u>10,082,947</u>	<u>10,288,686</u>	<u>-</u>	<u>-</u>	<u>205,739</u>	<u>205,739</u>	
Total primary government	<u>\$ 17,893,304</u>	<u>\$ 11,889,178</u>	<u>\$ 389,405</u>	<u>\$ (5,820,460)</u>	<u>\$ 205,739</u>	<u>(5,614,721)</u>	
Component unit:							
Development Corporation of Snyder	<u>\$ 678,272</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (678,272)</u>	
General revenues:							
Property taxes		2,947,356		-	2,947,356	-	
Sales taxes		2,792,914		-	2,792,914	955,168	
Franchise taxes		716,484		-	716,484	-	
Alcoholic beverage taxes		27,875		-	27,875	-	
Hotel/motel occupancy taxes		454,964		-	454,964	-	
Proceeds from insurance		359,041		156,857	515,898	-	
Unrestricted investment earnings		26,643		30,918	57,561	9,945	
Gain on sale of capital assets		35,500		848	36,348	-	
Miscellaneous revenue		77,209		-	77,209	18,569	
Total general revenues		<u>7,437,986</u>		<u>188,623</u>	<u>7,626,609</u>	<u>983,682</u>	
Change in net position		1,617,526		394,362	2,011,888	305,410	
Net position - beginning, as restated	<u>10,640,987</u>		<u>13,575,532</u>		<u>24,216,519</u>	<u>2,994,976</u>	
Net position - ending	<u>\$ 12,258,513</u>		<u>\$ 13,969,894</u>		<u>\$ 26,228,407</u>	<u>\$ 3,300,386</u>	

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

CITY OF SNYDER, TEXAS
Balance Sheet
Governmental Funds
September 30, 2021

	General	American Rescue Plan Grant	Nonmajor Governmental	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 6,714,358	\$ 1,365,807	\$ 512,979	\$ 8,593,144
Investments	1,900,000	-	-	1,900,000
Receivables (net of allowance)	1,281,558	-	152,452	1,434,010
Advance to other funds	43,934	-	-	43,934
Prepaid items	127,069	-	-	127,069
Inventories	13,148	-	-	13,148
Restricted cash and cash equivalents	84,405	-	-	84,405
Total assets	<u>\$ 10,164,472</u>	<u>\$ 1,365,807</u>	<u>\$ 665,431</u>	<u>\$ 12,195,710</u>
LIABILITIES				
Cash overdraft	\$ -	\$ -	\$ 3,429	\$ 3,429
Accounts payable	470,645	-	146,977	617,622
Due to component unit	179,892	-	-	179,892
Unearned revenue	-	1,365,672	57,553	1,423,225
Total liabilities	<u>650,537</u>	<u>1,365,672</u>	<u>207,959</u>	<u>2,224,168</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue- property taxes and fines	<u>301,921</u>	<u>-</u>	<u>-</u>	<u>301,921</u>
FUND BALANCES				
Nonspendable for:				
Prepaid items	127,069	-	-	127,069
Inventories	13,148	-	-	13,148
Advance to other funds	43,934	-	-	43,934
Restricted for various purposes	84,405	-	455,426	539,831
Committed for economic development	294,712	-	-	294,712
Committed for equipment purchases	254,699	-	-	254,699
Assigned	-	135	2,046	2,181
Unassigned	8,394,047	-	-	8,394,047
Total fund balances	<u>9,212,014</u>	<u>135</u>	<u>457,472</u>	<u>9,669,621</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 10,164,472</u>	<u>\$ 1,365,807</u>	<u>\$ 665,431</u>	<u>\$ 12,195,710</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, 2021

Total Fund Balances - Governmental Funds	\$ 9,669,621
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 \$12,476,854 and the accumulated depreciation was \$8,173,057. The net effect of the beginning balance of the net investment in capital assets in the governmental activities is an increase to net position.	
	4,303,797
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 \$584,548 is to increase net position.	584,548
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 \$688,506 is to decrease net position.	(688,506)
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 \$301,921 is recognized in the government-wide financial statements. This results in an increase in net position.	301,921
Related to the City's net pension liability are deferred outflows of resources of \$479,414 and deferred inflows of resources of \$520,869, whose effect is to decrease net position.	(41,455)
Related to the City's total OPEB liability are deferred outflows of resources of \$64,789 and deferred inflows of resources of \$8,489, whose effect is to increase net position.	56,300
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(139,365)
Net pension liability	(1,392,406)
Total OPEB liability	(288,539)
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.	(107,403)
Net Position of Governmental Activities	<u>\$ 12,258,513</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, 2021

	American Rescue Plan Grant				Total Governmental Funds
	General	Nonmajor Governmental			
REVENUES					
Taxes:					
Property	\$ 2,867,072	\$ -	\$ 87,280	\$ 2,954,352	
Sales	2,792,914	-	-	2,792,914	
Franchise	716,484	-	-	716,484	
Alcoholic beverage	27,875	-	-	27,875	
Occupancy	-	-	454,964	454,964	
Licenses and permits	120,753	-	-	120,753	
Intergovernmental	165,154	-	224,251	389,405	
Charges for services	1,367,312	-	-	1,367,312	
Fines and forfeitures	102,431	-	-	102,431	
Interest	26,508	135	-	26,643	
Miscellaneous	73,042	-	-	73,042	
Total Revenues	<u>8,259,545</u>	<u>135</u>	<u>766,495</u>	<u>9,026,175</u>	
EXPENDITURES					
Current:					
General government	1,816,841	-	151	1,816,992	
Public safety	4,003,196	-	224,251	4,227,447	
Public works	1,571,457	-	-	1,571,457	
Culture and recreation	-	-	449,536	449,536	
Total Expenditures	<u>7,391,494</u>	<u>-</u>	<u>673,938</u>	<u>8,065,432</u>	
(Deficiency) Excess of revenues over expenditures	868,051	135	92,557	960,743	
OTHER FINANCING SOURCES (USES)					
Proceeds from insurance	241,291	-	-	241,291	
Proceeds from sale of equipment	35,500	-	-	35,500	
Total other financing sources and uses	<u>276,791</u>	<u>-</u>	<u>-</u>	<u>276,791</u>	
Net change in fund balances	1,144,842	135	92,557	1,237,534	
Fund balances -- beginning	8,067,172	-	364,915	8,432,087	
Fund balances -- ending	<u>\$ 9,212,014</u>	<u>\$ 135</u>	<u>\$ 457,472</u>	<u>\$ 9,669,621</u>	

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, 2021

Net Change in Fund Balances - Governmental Funds	\$ 1,237,534
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 \$584,548 is to increase net position.	584,548
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 \$688,506 is to decrease net position.	(688,506)
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.	(10,553)
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.	7,167
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 deferred inflows and outflows for TMRS as of the measurement date must be amortized and the City's pension expense must be recognized. The net effect is an increase in net position.	527,460
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 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.	(25,599)
Change in net position of governmental activities	<u>\$ 1,617,526</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, 2021

REVENUES	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>		
Taxes:					
Property	\$ 2,592,030	\$ 2,592,030	\$ 2,867,072	\$ 275,042	
Sales	2,300,000	2,300,000	2,792,914	492,914	
Franchise	743,000	743,000	716,484	(26,516)	
Alcoholic beverage	27,000	27,000	27,875	875	
Licenses and permits	107,555	107,555	120,753	13,198	
Intergovernmental	107,040	107,040	165,154	58,114	
Charges for services	1,435,540	1,435,540	1,367,312	(68,228)	
Fines and forfeitures	168,530	168,530	102,431	(66,099)	
Interest	100,000	100,000	26,508	(73,492)	
Miscellaneous	99,050	99,050	73,042	(26,008)	
Total revenues	<u>7,679,745</u>	<u>7,679,745</u>	<u>8,259,545</u>	<u>579,800</u>	
EXPENDITURES					
Current:					
General government:					
Administration	285,575	285,575	282,278	3,297	
Finance	344,675	344,675	349,433	(4,758)	
Planning and zoning	280,030	280,030	246,451	33,579	
Municipal court	325,095	325,095	273,311	51,784	
Community services	382,760	382,760	319,270	63,490	
City secretary/records	184,670	184,670	183,171	1,499	
IT/purchasing	157,750	157,750	162,927	(5,177)	
Total general government	<u>1,960,555</u>	<u>1,960,555</u>	<u>1,816,841</u>	<u>143,714</u>	
Public safety:					
Police	2,710,395	2,710,395	2,560,652	149,743	
Animal control	180,560	180,560	165,463	15,097	
Fire	1,455,385	1,455,385	1,140,588	314,797	
Fire Marshall	128,115	128,115	136,493	(8,378)	
Total public safety	<u>4,474,455</u>	<u>4,474,455</u>	<u>4,003,196</u>	<u>471,259</u>	
Public works:					
Street maintenance	1,642,110	1,642,110	1,571,457	70,653	
Total expenditures	<u>8,077,120</u>	<u>8,077,120</u>	<u>7,391,494</u>	<u>685,626</u>	
Excess (deficiency) of revenues over expenditures	(397,375)	(397,375)	868,051	1,265,426	
OTHER FINANCING SOURCES (USES)					
Proceeds from insurance	10,000	10,000	241,291	231,291	
Proceeds from sale of equipment	3,000	3,000	35,500	32,500	
Transfer from reserves	384,375	384,375	-	(384,375)	
Total other financing sources and uses	<u>397,375</u>	<u>397,375</u>	<u>276,791</u>	<u>(120,584)</u>	
Net change in fund balances	-	-	1,144,842	1,144,842	
Fund balances - beginning	<u>8,067,172</u>	<u>8,067,172</u>	<u>8,067,172</u>	<u>-</u>	
Fund balances - ending	<u>\$ 8,067,172</u>	<u>\$ 8,067,172</u>	<u>\$ 9,212,014</u>	<u>\$ 1,144,842</u>	

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, 2021

ASSETS	Business-type Activities - Enterprise Funds						Governmental Activities-Internal Service Fund	
	(memo only)		(memo only)		Totals	Current Year	Internal Service Fund	
	Water & Sewer Current Year	Water & Sewer Prior Year	Sanitation Current Year	Sanitation Prior Year				
Current assets:								
Cash and cash equivalents	\$ 447,883	\$ 125,702	\$ 1,112,620	\$ 490,655	\$ 1,560,503	\$ -		
Investments	400,000	400,000	100,000	100,000	500,000		-	
Interest receivable	247	247	-	-	247		-	
Accounts receivable, net	831,525	799,725	339,927	363,602	1,171,452		1,628	
Inventories	115,876	128,764	4,307	1,941	120,183		43,295	
Restricted cash	742,768	706,508	-	-	742,768		-	
Total current assets	<u>2,538,299</u>	<u>2,160,946</u>	<u>1,556,854</u>	<u>956,198</u>	<u>4,095,153</u>		<u>44,923</u>	
Noncurrent assets:								
Restricted cash	2,388,329	3,518,679	9,269	27,342	2,397,598		-	
Restricted investments	-	-	2,027,811	2,000,469	2,027,811		-	
Capital assets:								
Land	185,765	185,765	120,756	120,756	306,521		-	
Construction in progress	495,100	535,751	-	36,672	495,100		-	
Buildings	9,851,224	9,851,224	479,605	479,605	10,330,829		914,233	
Improvements other than buildings	29,092,806	27,478,066	3,988,946	3,845,813	33,081,752		-	
Machinery and equipment	6,590,230	6,110,139	5,565,415	5,643,479	12,155,645		335,763	
Less accumulated depreciation	<u>(24,941,387)</u>	<u>(23,252,325)</u>	<u>(7,220,653)</u>	<u>(6,649,461)</u>	<u>(32,162,040)</u>		<u>(445,158)</u>	
Total capital assets (net of accumulated depreciation)	<u>21,273,738</u>	<u>20,908,620</u>	<u>2,934,069</u>	<u>3,476,864</u>	<u>24,207,807</u>		<u>804,838</u>	
Total noncurrent assets	<u>23,662,067</u>	<u>24,427,299</u>	<u>4,971,149</u>	<u>5,504,675</u>	<u>28,633,216</u>		<u>804,838</u>	
Total assets	<u>26,200,366</u>	<u>26,588,245</u>	<u>6,528,003</u>	<u>6,460,873</u>	<u>32,728,369</u>		<u>849,761</u>	

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, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities-Internal Service Fund	
	(memo only)		(memo only)		Totals Current Year		
	Water & Sewer Current Year	Water & Sewer Prior Year	Sanitation Current Year	Sanitation Prior Year			
DEFERRED OUTFLOW OF RESOURCES							
Deferred loss from refunding	451,151	-	-	-	451,151	-	
Deferred outflows - pension	62,723	53,315	52,237	102,778	114,960	4,678	
Deferred outflows - OPEB	21,935	15,862	6,047	3,997	27,982	476	
Total deferred outflows of resources	<u>535,809</u>	<u>69,177</u>	<u>58,284</u>	<u>106,775</u>	<u>594,093</u>	<u>5,154</u>	
LIABILITIES							
Current liabilities:							
Cash overdraft	-	-	-	-	-	907,041	
Accounts payable	392,784	169,854	51,080	27,637	443,864	2,328	
Accrued compensated absences	9,275	9,918	5,814	5,180	15,089	543	
Retainage payable	50,110	37,194	-	-	50,110	-	
Payable from restricted assets:							
Customer meter deposits	742,768	706,508	-	-	742,768	-	
Certificates of obligation payable	725,502	606,984	-	-	725,502	-	
Municipal lease agreement payable	208,912	203,144	-	-	208,912	-	
Accrued interest payable	<u>27,586</u>	<u>41,364</u>	<u>-</u>	<u>-</u>	<u>27,586</u>	<u>-</u>	
Total current liabilities	<u>2,156,937</u>	<u>1,774,966</u>	<u>56,894</u>	<u>32,817</u>	<u>2,213,831</u>	<u>909,912</u>	

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, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities-Internal Service Fund	
	(memo only)		(memo only)		Totals Current Year		
	Water & Sewer Current Year	Water & Sewer Prior Year	Sanitation Current Year	Sanitation Prior Year			
Noncurrent liabilities:							
Accrued compensated absences	27,823	29,752	17,442	15,540	45,265	1,627	
Certificates of obligation payable	12,910,347	13,056,304	-	-	12,910,347	-	
Municipal lease agreement payable	1,259,699	1,468,611	-	-	1,259,699	-	
Advances from other funds-General	43,934	173,563	-	-	43,934	-	
Net pension liability	32,116	92,064	265,017	299,839	297,133	39,097	
Total OPEB liability	87,798	75,647	37,607	30,549	125,405	2,465	
Landfill closure/post closure care	-	-	2,037,080	2,027,811	2,037,080	-	
Total noncurrent liabilities	14,361,717	14,895,941	2,357,146	2,373,739	16,718,863	43,189	
Total liabilities	16,518,654	16,670,907	2,414,040	2,406,556	18,932,694	953,101	
DEFERRED INFLOW OF RESOURCES							
Deferred gain on refunding	1,851	-	-	-	1,851	-	
Deferred inflows - pension	317,770	423,017	96,656	145,296	414,426	9,202	
Deferred inflows - OPEB	3,201	2,315	396	1,447	3,597	15	
Total deferred inflows of resources	322,822	425,332	97,052	146,743	419,874	9,217	
NET POSITION							
Net investment in capital assets	9,006,907	9,092,256	2,934,069	3,476,864	11,940,976	804,838	
Unrestricted	887,792	468,927	1,141,126	537,485	2,028,918	(912,241)	
Total net position	\$ 9,894,699	\$ 9,561,183	\$ 4,075,195	\$ 4,014,349	\$ 13,969,894	\$ (107,403)	

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, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund	
	Water & Sewer Current Year	(memo only) Water & Sewer Prior Year		Sanitation Current Year	(memo only) Sanitation Prior Year		
Operating Revenues:							
Water sales	\$ 5,342,208	\$ 5,489,463		-	\$ 5,342,208	\$ -	
Sewer charges	1,555,078	1,560,940		-	-	1,555,078	
Charges for billing & collections	316,614	314,528		-	-	316,614	
Sanitation charges	-	-	2,172,971	2,160,971	2,172,971	286,179	
Landfill gate fees	-	-	609,317	905,462	609,317	-	
Water & sewer taps	23,350	38,350	-	-	23,350	-	
Plumbing permits & inspections	7,864	7,920	-	-	7,864	-	
Other services	236,364	28,334	24,920	17,818	261,284	2,611	
Total operating revenues	7,481,478	7,439,535	2,807,208	3,084,251	10,288,686	288,790	
Operating Expenses:							
Personnel services	1,184,226	1,054,109	692,257	801,119	1,876,483	86,169	
Supplies	328,453	356,826	206,747	191,509	535,200	213,354	
Maintenance	625,201	503,001	209,793	132,085	834,994	14,623	
Services	2,811,837	2,812,506	906,586	868,220	3,718,423	29,263	
Sundry charges	28,948	33,489	33,636	41,008	62,584	858	
Non capitalized equipment	440	1,572	143	2,080	583	474	
Depreciation	1,728,289	1,774,813	746,065	721,155	2,474,354	76,324	
Total operating expenses	6,707,394	6,536,316	2,795,227	2,757,176	9,502,621	421,065	
Operating income (loss)	774,084	903,219	11,981	327,075	786,065	(132,275)	
Nonoperating revenues (expenses):							
Investment earnings	9,710	54,191	21,208	35,082	30,918	-	
Interest and fees expense	(359,756)	(495,671)	-	-	(359,756)	-	
Gain on sale of assets	843	10	5	200,100	848	-	
Proceeds from insurance	129,205	37,266	27,652	-	156,857	117,750	
Bond issuance costs	(220,570)	(103,820)	-	-	(220,570)	-	
Total nonoperating (expenses) revenues	(440,568)	(508,024)	48,865	235,182	(391,703)	117,750	
Change in net position	333,516	395,195	60,846	562,257	394,362	(14,525)	
Total net position - beginning	9,561,183	9,165,988	4,014,349	3,452,092	13,575,532	(92,878)	
Total net position - ending	\$ 9,894,699	\$ 9,561,183	\$ 4,075,195	\$ 4,014,349	\$ 13,969,894	\$ (107,403)	

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

CITY OF SNYDER, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2021

	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				
CASH FLOWS FROM OPERATING ACTIVITIES								
Receipts from customers and users	\$ 7,169,324	\$ 7,229,710	\$ 2,830,883	\$ 3,045,202	\$ 10,000,207	\$ 2,611		
Receipts from interfund services provided	316,614	314,528	-	-	316,614	284,576		
Payments to suppliers	(2,576,692)	(2,805,554)	(1,009,945)	(921,733)	(3,586,637)	(268,653)		
Payments to employees	(1,354,437)	(1,262,359)	(718,685)	(730,075)	(2,073,122)	(71,404)		
Payments for interfund services used	(969,453)	(969,453)	(316,614)	(314,528)	(1,286,067)	-		
Net cash provided by (used in) operating activities	<u>2,585,356</u>	<u>2,506,872</u>	<u>785,639</u>	<u>1,078,866</u>	<u>3,370,995</u>	<u>(52,870)</u>		
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES								
Interfund loans paid	(129,629)	(126,432)	-	-	(129,629)	-		
Decrease in cash overdrafts	-	(1,248,471)	-	-	-	(60,971)		
Net cash used in noncapital financing activities	<u>(129,629)</u>	<u>(1,374,903)</u>	<u>-</u>	<u>-</u>	<u>(129,629)</u>	<u>(60,971)</u>		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Acquisition and construction of capital assets	(2,093,407)	(727,520)	(203,270)	(1,289,883)	(2,296,677)	(3,909)		
Proceeds from sale of capital assets	843	10	5	200,100	848	-		
Issuance of certificates of obligation/refunding bond	9,270,788	4,017,369	-	-	9,270,788	-		
Proceeds from insurance	129,205	37,266	27,652	-	156,857	117,750		
Payment to refunding bond escrow agent	(9,150,219)	-	-	-	(9,150,219)	-		
Principal paid on capital debt	(793,144)	(632,534)	-	-	(793,144)	-		
Interest paid on capital debt	(601,412)	(505,035)	-	-	(601,412)	-		
Net cash (used in) provided by capital and related financing activities	<u>(3,237,346)</u>	<u>2,189,556</u>	<u>(175,613)</u>	<u>(1,089,783)</u>	<u>(3,412,959)</u>	<u>113,841</u>		
CASH FLOWS FROM INVESTING ACTIVITIES								
(Increase) decrease in short-term investments	-	-	(27,342)	200,000	(27,342)	-		
Interest received	9,710	53,944	21,208	35,082	30,918	-		
Net cash provided by (used in) investing activities	<u>9,710</u>	<u>53,944</u>	<u>(6,134)</u>	<u>235,082</u>	<u>3,576</u>	<u>-</u>		

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

CITY OF SNYDER, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2021

	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			
Net (decrease) increase in cash and cash equivalents	\$ (771,909)	\$ 3,375,469	\$ 603,892	\$ 224,165	\$ (168,017)	\$ -	
Cash and cash equivalents, October 1 (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>	
Cash and cash equivalents, September 30 (including restricted cash)	<u>\$ 3,578,980</u>	<u>\$ 4,350,889</u>	<u>\$ 1,121,889</u>	<u>\$ 517,997</u>	<u>\$ 4,700,869</u>	<u>\$ -</u>	
Reconciliation of Operating Income to net cash provided by operating activities:							
Operating income (loss)	\$ 774,084	\$ 903,219	\$ 11,981	\$ 327,075	\$ 786,065	\$ (132,275)	
Adjustments to reconcile operating income to net cash provided (used) by operating activities:							
Depreciation expense	1,728,289	1,774,813	746,065	721,155	2,474,354	76,324	
(Increase) decrease in accounts receivable	(31,800)	69,776	23,675	(39,049)	(8,125)	(1,603)	
Decrease (increase) in inventories	12,888	(13,857)	(2,366)	632	10,522	(10,342)	
Increase (decrease) in retainage payable	12,916	37,194	-	-	12,916	-	
Increase (decrease) in customer deposits	36,260	34,927	-	-	36,260	-	
Increase (decrease) in accounts payable/ cash overdrafts	222,930	(90,950)	23,443	(16,428)	246,373	261	
(Decrease) increase in accrued liabilities	(170,211)	(208,250)	(26,428)	71,044	(196,639)	14,765	
Increase in landfill closure/post closure cost	-	-	9,269	14,437	9,269	-	
Total adjustments	<u>1,811,272</u>	<u>1,603,653</u>	<u>773,658</u>	<u>751,791</u>	<u>2,584,930</u>	<u>79,405</u>	
Net cash provided by (used in) operating activities	<u>\$ 2,585,356</u>	<u>\$ 2,506,872</u>	<u>\$ 785,639</u>	<u>\$ 1,078,866</u>	<u>\$ 3,370,995</u>	<u>\$ (52,870)</u>	

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

CITY OF SNYDER, TEXAS
Notes to Financial Statements
September 30, 2021

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CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

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 Annual Comprehensive 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
2514 Ave. R
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.

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".

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

I. Summary of Significant Accounting Policies (continued)

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.

American Rescue Plan Grant Fund - The American Rescue Plan fund is used to account for grant funding received from the American Rescue Plan Act.

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, 2021

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, 2021

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, 2021

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, 2021.

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), as well as deferred loss on bond refunding.

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, as well as deferred gain on bond refunding.

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, 2021

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, 2020, 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, except for American Rescue Plan Grant fund and COVID-19 Grant fund. 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.

B. 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 \$107,403 on September 30, 2021.

CITY OF SNYDER, TEXASNotes to Financial Statements

September 30, 2021

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 depositary 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.

On September 30, 2021, the City and DCOS had the following investments, all maturing within one year:

	City	DCOS
	<u>Amortized Cost</u>	<u>Amortized Cost</u>
TexPool Certificates of Deposit	\$ 1,084,328 4,427,811 <hr/> \$ 5,512,139	\$ - <hr/> \$ 469,242
Reported as cash and cash equivalents	\$ 1,084,328	\$ -
Reported as investments	2,400,000	469,242
Reported as restricted investments	<hr/> 2,027,811	<hr/> -
	<hr/> \$ 5,512,139	<hr/> \$ 469,242

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, 2021, 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, 2021

III. Detailed Notes on All Funds (continued)

B. Receivables

Receivables in the fund financial statements on September 30, 2021 consist of the following:

	General Fund	Water & Sewer Fund	Sanitation Fund	Nonmajor Funds	Total
Delinquent taxes receivable	\$ 182,898	\$ -	\$ -	\$ -	\$ 182,898
Sales tax receivable	719,566	-	-	-	719,566
Franchise tax receivable	187,412	-	-	-	187,412
Other receivables	1,215,105	858,378	349,358	152,452	2,575,293
Accrued interest receivable	2,254	247	-	-	2,501
	2,307,235	858,625	349,358	152,452	3,667,670
Less: allowance for uncollectibles	<u>(1,025,677)</u>	<u>(26,853)</u>	<u>(9,431)</u>	<u>-</u>	<u>(1,061,961)</u>
Total Receivables, Net	<u>\$ 1,281,558</u>	<u>\$ 831,772</u>	<u>\$ 339,927</u>	<u>\$ 152,452</u>	<u>\$ 2,605,709</u>

Receivables for DCOS consist of \$179,892 from the primary government for sales tax and \$80,079 in notes receivable from businesses.

C. Capital Assets

Governmental Activities:	Beginning Balance	Additions/ Completions	Retirements/ Adjustments	Ending Balance
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	1,616,701	14,154	(3,197)	1,627,658
Improvements other than buildings	3,615,407	-	-	3,615,407
Machinery and equipment	7,968,589	574,303	(299,599)	8,243,293
Total capital assets, being depreciated	<u>13,200,697</u>	<u>588,457</u>	<u>(302,796)</u>	<u>13,486,358</u>
Less accumulated depreciation for:				
Building	667,048	59,961	(3,197)	723,812
Improvements other than buildings	2,726,206	45,988	-	2,772,194
Machinery and equipment	5,179,546	658,881	(299,599)	5,538,828
Total accumulated depreciation	<u>8,572,800</u>	<u>764,830</u>	<u>(302,796)</u>	<u>9,034,834</u>
Total capital assets being depreciated, net	<u>4,627,897</u>	<u>(176,373)</u>	<u>-</u>	<u>4,451,524</u>
Government activities capital assets, net	<u>\$ 5,181,050</u>	<u>\$ (176,373)</u>	<u>\$ -</u>	<u>\$ 5,004,677</u>

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

III. Detailed Notes on All Funds (continued)

Business-Type Activities:	<u>Beginning Balance</u>	<u>Additions/Completions</u>	<u>Retirements/Adjustments</u>	<u>Ending Balance</u>
Water and sewer activities:				
Capital assets, not being depreciated:				
Land	\$ 185,765	\$ -	\$ -	\$ 185,765
Construction in progress	<u>535,751</u>	<u>495,100</u>	<u>(535,751)</u>	<u>495,100</u>
Total capital assets, not being depreciated	<u>721,516</u>	<u>495,100</u>	<u>(535,751)</u>	<u>680,865</u>
Capital assets, being depreciated:				
Building	9,851,224	-	-	9,851,224
Improvements other than buildings	27,478,066	1,614,740	-	29,092,806
Machinery and equipment	<u>6,110,139</u>	<u>519,318</u>	<u>(39,227)</u>	<u>6,590,230</u>
Total capital assets, being depreciated	<u>43,439,429</u>	<u>2,134,058</u>	<u>(39,227)</u>	<u>45,534,260</u>
Less accumulated depreciation for:				
Building	8,178,143	399,803	-	8,577,946
Improvements other than buildings	10,110,944	807,514	-	10,918,458
Machinery and equipment	<u>4,963,238</u>	<u>520,972</u>	<u>(39,227)</u>	<u>5,444,983</u>
Total accumulated depreciation	<u>23,252,325</u>	<u>1,728,289</u>	<u>(39,227)</u>	<u>24,941,387</u>
Total capital assets being depreciated, net	<u>20,187,104</u>	<u>405,769</u>	-	<u>20,592,873</u>
Water and sewer activities capital assets, net	<u>\$ 20,908,620</u>	<u>\$ 900,869</u>	<u>\$ (535,751)</u>	<u>\$ 21,273,738</u>
Sanitation activities:				
Capital assets, not being depreciated:				
Land	\$ 120,756	\$ -	\$ -	\$ 120,756
Construction in progress	<u>36,672</u>	<u>2,088</u>	<u>(38,760)</u>	-
Total capital assets, not being depreciated	<u>157,428</u>	<u>2,088</u>	<u>(38,760)</u>	<u>120,756</u>
Capital assets, being depreciated:				
Building	479,605	-	-	479,605
Improvements other than buildings	3,845,813	143,133	-	3,988,946
Machinery and equipment	<u>5,643,479</u>	<u>96,809</u>	<u>(174,873)</u>	<u>5,565,415</u>
Total capital assets being depreciated	<u>9,968,897</u>	<u>239,942</u>	<u>(174,873)</u>	<u>10,033,966</u>
Less accumulated depreciation for				
Building	290,605	21,112	-	311,717
Improvements other than buildings	3,346,604	139,587	-	3,486,191
Machinery and equipment	<u>3,012,252</u>	<u>585,366</u>	<u>(174,873)</u>	<u>3,422,745</u>
Total accumulated depreciation	<u>6,649,461</u>	<u>746,065</u>	<u>(174,873)</u>	<u>7,220,653</u>
Total capital assets being depreciated, net	<u>3,319,436</u>	<u>(506,123)</u>	-	<u>2,813,313</u>
Sanitation activities capital assets, net	<u>\$ 3,476,864</u>	<u>\$ (504,035)</u>	<u>\$ (38,760)</u>	<u>\$ 2,934,069</u>

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

III. Detailed Notes on All Funds (continued)

Total Business-Type Activities:	<u>Beginning Balance</u>	<u>Additions/Completions</u>	<u>Retirements/Adjustments</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 306,521	\$ -	\$ -	\$ 306,521
Construction in progress	<u>572,423</u>	<u>497,188</u>	<u>(574,511)</u>	<u>495,100</u>
Total capital assets, not being depreciated	<u>878,944</u>	<u>497,188</u>	<u>(574,511)</u>	<u>801,621</u>
Capital assets, being depreciated:				
Building	10,330,829	-	-	10,330,829
Improvements other than buildings	31,323,879	1,757,873	-	33,081,752
Machinery & Equipment	<u>11,753,618</u>	<u>616,127</u>	<u>(214,100)</u>	<u>12,155,645</u>
Total capital assets, being depreciated	<u>53,408,326</u>	<u>2,374,000</u>	<u>(214,100)</u>	<u>55,568,226</u>
Less accumulated depreciation for:				
Building	8,468,748	420,915	-	8,889,663
Improvements other than buildings	13,457,548	947,101	-	14,404,649
Machinery and equipment	<u>7,975,490</u>	<u>1,106,338</u>	<u>(214,100)</u>	<u>8,867,728</u>
Total accumulated depreciation	<u>29,901,786</u>	<u>2,474,354</u>	<u>(214,100)</u>	<u>32,162,040</u>
Total capital assets being depreciated, net	<u>23,506,540</u>	<u>(100,354)</u>	<u>-</u>	<u>23,406,186</u>
Business-Type activities capital assets, net	<u>\$ 24,385,484</u>	<u>\$ 396,834</u>	<u>\$ (574,511)</u>	<u>\$ 24,207,807</u>

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

Governmental activities:

General government	\$ 38,292
Public safety	436,202
Public works	214,012
Capital assets held by the government's internal	
service fund are charged to the various functions	
based on their usage of assets	76,324
Total - governmental activities	<u>\$ 764,830</u>

Business-type activities:

Water & Sewer	\$ 1,728,289
Sanitation	746,065
Total - business type activities	<u>\$ 2,474,354</u>

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

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	\$ 44,350	\$ -	\$ 743,131
Total capital assets, not being depreciated	<u>698,781</u>	<u>44,350</u>	<u>-</u>	<u>743,131</u>
Capital assets, being depreciated:				
Building and improvements	3,087,729	250,000	-	3,337,729
Furniture and equipment	201,971	31,431	-	233,402
Total capital assets, being depreciated	<u>3,289,700</u>	<u>281,431</u>	<u>-</u>	<u>3,571,131</u>
Less accumulated depreciation for:				
Building and improvements	860,339	124,049	-	984,388
Furniture and equipment	180,171	24,210	-	204,381
Total accumulated depreciation	<u>1,040,510</u>	<u>148,259</u>	<u>-</u>	<u>1,188,769</u>
Total capital assets being depreciated, net	<u>2,249,190</u>	<u>133,172</u>	<u>-</u>	<u>2,382,362</u>
DCOS capital assets, net	<u>\$ 2,947,971</u>	<u>\$ 177,522</u>	<u>\$ -</u>	<u>\$ 3,125,493</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, 2021, the interfund loan totaled \$43,934.

E. Restricted Assets

Restricted assets in the proprietary fund financial statements at September 30, 2021 consist of the following:

Water & sewer fund			
Customer deposits	\$ 742,768		
Unexpended bond proceeds	<u>2,388,329</u>		
	<u>\$ 3,131,097</u>		
Sanitation fund:			
Landfill closure/post closure	<u>\$ 2,037,080</u>		
	<u><u>\$ 2,037,080</u></u>		

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

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, 2021 was as follows:

	October 1, 2020	Additions	Refunded / Retired	September 30, 2021	Due Within One Year
Governmental Type Activities:					
Compensated absences	\$ 130,740	\$ 20,188	\$ (9,393)	\$ 141,535	\$ 35,384
Governmental activity					
Long-term liabilities	<u>\$ 130,740</u>	<u>\$ 20,188</u>	<u>\$ (9,393)</u>	<u>\$ 141,535</u>	<u>\$ 35,384</u>
Business Type Activities:					
Revenue bonds	\$ 13,425,000	\$ 9,205,000	\$ (9,205,000)	\$ 13,425,000	\$ 695,000
Unamortized bond premiums	238,288	65,788	(93,227)	210,849	30,502
Municipal lease purchase	1,671,755	-	(203,144)	1,468,611	208,912
Closure/post closure care	2,027,811	9,269	-	2,037,080	-
Compensated absences	60,390	5,201	(5,237)	60,354	15,089
Business-type activity					
Long-term liabilities	<u>\$ 17,423,244</u>	<u>\$ 9,285,258</u>	<u>\$ (9,506,608)</u>	<u>\$ 17,201,894</u>	<u>\$ 949,503</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, 2021 including interest payments are as follows:

Fiscal Year Ending		Principal	Interest	Total
September 30		Principal	Interest	Total
2022	\$ 695,000	\$ 280,001	\$ 975,001	
2023	715,000	260,935	975,935	
2024	730,000	244,376	974,376	
2025	740,000	229,753	969,753	
2026	775,000	214,591	989,591	
2027-2031	4,865,000	806,034	5,671,034	
2032-2036	3,940,000	276,118	4,216,118	
2037-2040	<u>965,000</u>	<u>48,917</u>	<u>1,013,917</u>	
	<u>\$ 13,425,000</u>	<u>\$ 2,360,725</u>	<u>\$ 15,785,725</u>	

A summary of Revenue Bonds outstanding at September 30, 2021 follows:

\$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

390,000

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

III. Detailed Notes on All Funds (continued)

\$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.	3,830,000
\$1,090,000, 2021A General Obligation Refunding Bond Due in annual installments of \$260,000 to \$285,000 through March 1, 2025, Interest at 3.0% payable from income derived from the water and sewer enterprise fund: tax revenues serve as collateral.	1,090,000
\$8,115,000, 2021B General Obligation Taxable Refunding Bond Due in annual installments of \$90,000 to \$975,000 through March 1, 2034, Interest at 0.25 – 2.23% payable from income derived from the water and sewer enterprise fund: tax revenues serve as collateral.	<u>8,115,000</u>
Total Revenue Bonds	<u>\$13,425,000</u>

In 2021, the City issued \$1,090,000 in 2021A General Obligation Refunding Bonds and \$8,115,000 in 2021B General Obligation Taxable Refunding Bonds in order to refund \$1,115,000 of Certificates of Obligation Series 2010 and \$7,500,000 of Certificates of Obligation Series 2013, respectively. The City experienced cash flow savings of \$57,686 and \$254,913 as a result of the 2021A General Obligation Refunding Bond and the 2021B General Obligation Taxable Refunding Bond, respectively.

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 \$966,883 and \$2,869,462, 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, 2021 including interest payments are as follows:

Fiscal Year Ending

<u>September 30</u>	Principal	Interest	Total
2022	\$ 208,912	\$ 39,952	\$ 248,864
2023	214,846	34,020	248,866
2024	220,947	27,918	248,865
2025	227,221	21,643	248,864
2026	233,674	15,190	248,864
2027-2028	<u>363,011</u>	<u>10,285</u>	<u>373,296</u>
	<u>\$ 1,468,611</u>	<u>\$ 149,008</u>	<u>\$ 1,617,619</u>

A summary of the Municipal Lease Agreement outstanding at September 30, 2021 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>\$1,468,611</u>
Total outstanding Municipal Lease Agreement	<u>\$1,468,611</u>

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

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, 2021:

	October 1, 2020	Additions	Refunded / Retired	September 30, 2021	Due Within One year
Notes payable	\$ 194,823	\$ -	\$ (115,252)	\$ 79,571	\$ 79,571
Sales Tax Refunding Bond, Taxable Series 2018	1,775,985	-	(1,775,985)	-	-
Sales Tax Refunding Bond, Taxable Series 2021	-	1,190,000	(53,259)	1,136,741	107,203
Long-term liabilities	<u>\$ 1,970,808</u>	<u>\$ 1,190,000</u>	<u>\$ (1,944,496)</u>	<u>\$ 1,216,312</u>	<u>\$ 186,774</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 \$79,571.

The annual requirements to retire notes payable of the Development Corporation of Snyder as of September 30, 2021 including interest payments are as follows:

Fiscal Year Ending		Principal	Interest	Total
	September 30			
2022	\$ 79,571	\$ -	\$ 79,571	\$ 79,571
	<u>\$ 79,571</u>	<u>\$ -</u>	<u>\$ 79,571</u>	<u>\$ 79,571</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. On March 9, 2021, a new refunding bond was issued, and this balance was paid off.

In March 9, 2021, the DCOS issued Sales Tax Refunding Bond, Taxable Series 2021 in the amount of \$1,190,000 to refund the Sales Tax Refunding Series 2018. The interest rate is 2.5%. The first payment begins April 1, 2021 in the amount of \$11,245.20 until March 1, 2031. The outstanding balance of this bond is \$1,136,741. The DCOS experienced cash flow savings of \$58,731 as a result of this refunding. 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 \$712,685 and \$955,168, respectively.

The annual requirements to retire bond payable of the Development Corporation of Snyder as of September 30, 2021 including interest payments are as follows:

CITY OF SNYDER, TEXASNotes to Financial Statements

September 30, 2021

III. Detailed Notes on All Funds (continued)

Fiscal Year Ending <u>September 30</u>	Principal	Interest	Total
2022	\$ 107,203	\$ 27,740	\$ 134,943
2023	109,969	24,974	134,943
2024	112,806	22,137	134,943
2025	115,716	19,226	134,942
2026	118,702	16,241	134,943
2027-2031	572,345	34,026	606,371
	<u>\$ 1,136,741</u>	<u>\$ 144,344</u>	<u>\$ 1,281,085</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, 2021, 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.

Estimated cost to complete significant construction projects in progress at year-end totaled approximately \$315,710.

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

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 \$2,037,080 as of September 30, 2021, which is based on 17.14% usage (filled) of the landfill. It is estimated that an additional \$2,716,986 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 (\$4,754,066) 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, 2021. 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 \$2,037,080 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 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

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, 2021

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

Inactive employees or beneficiaries currently receiving benefits	64
Inactive employees entitled to but not yet receiving benefits	56
Active employees	83
Total	203

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 13.74% and 13.63% in calendar years 2021 and 2020, respectively. The City's contributions to TMRS for the year ended September 30, 2021, were \$689,515 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2020, 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, 2020 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, 2021

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, 2021

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)
	\$ 33,554,711	\$ 31,446,850	\$ 2,107,861
Balance at 12/31/2019			
Changes for the year:			
Service Cost	863,300	-	863,300
Interest	2,236,630	-	2,236,630
Changes of benefit terms	-	-	-
Difference between expected/actual experience	8,265	-	8,265
Changes of assumptions	-	-	-
Contributions - employer	-	713,139	(713,139)
Contributions - employee	-	366,248	(366,248)
Net investment income	-	2,385,124	(2,385,124)
Benefit payments, including refunds			
of employee contributions	(1,702,208)	(1,702,208)	-
Administrative expense	-	(15,446)	15,446
Other changes	-	(601)	601
Net changes	1,405,987	1,746,256	(340,269)
Balance at 12/31/2020	<u>\$ 34,960,698</u>	<u>\$ 33,193,106</u>	<u>\$ 1,767,592</u>
Primary Government			
Balance at 12/31/2019	<u>\$ 32,494,916</u>	<u>\$ 30,438,053</u>	<u>\$ 2,056,863</u>
Changes for the year:			
Service Cost	832,748	-	832,748
Interest	2,157,476	-	2,157,476
Difference between expected and actual experience	-	-	-
Changes in assumptions	7,973	-	7,973
Contributions - employer	(3,497)	-	(3,497)
Contributions - employee	-	687,901	(687,901)
Net investment income	-	353,286	(353,286)
Benefit payments, including refunds			
of employee contributions	(1,641,967)	(1,641,967)	-
Administrative expense	-	(14,899)	14,899
Other changes	-	(580)	580
Net changes	1,352,733	1,680,960	(328,227)
Balance at 12/31/2020	<u>\$ 33,847,649</u>	<u>\$ 32,119,013</u>	<u>\$ 1,728,636</u>

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

IV. Other Information (continued)

DCOS	Increase (Decrease)		
	Plan		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2019	\$ 1,059,795	\$ 1,008,797	\$ 50,998
Changes for the year:			
Service Cost	30,552	-	30,552
Interest	79,154	-	79,154
Changes of benefit terms	-	-	-
Difference between expected/actual experience	292	-	292
Changes of assumptions	3,497	-	3,497
Contributions - employer	-	25,238	(25,238)
Contributions - employee	-	12,962	(12,962)
Net investment income	-	87,905	(87,905)
Benefit payments, including refunds	-	-	-
of employee contributions	(60,241)	(60,241)	-
Administrative expense	-	(547)	547
Other changes	-	(21)	21
Net changes	<u>53,254</u>	<u>65,296</u>	<u>(12,042)</u>
Balance at 12/31/2020	<u><u>\$ 1,113,049</u></u>	<u><u>\$ 1,074,093</u></u>	<u><u>\$ 38,956</u></u>

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%
	City's net pension liability (asset)	\$ 6,517,512	\$ 1,767,592
	\$ (2,116,970)		
Reported by Governmental Activities	5,278,276	1,431,503	(1,714,450)
Reported by Business-Type Activities	<u>1,095,597</u>	<u>297,133</u>	<u>(355,864)</u>
Reported by Primary Government	6,373,872	1,728,636	(2,070,314)
Reported by Component Unit, DCOS	<u>143,640</u>	<u>38,956</u>	<u>(46,656)</u>
	<u><u>\$ 6,517,512</u></u>	<u><u>\$ 1,767,592</u></u>	<u><u>\$ (2,116,970)</u></u>

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, 2021, the City recognized pension income of \$70,463 (\$67,969 Primary Government, \$2,494 DCOS).

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

IV. Other Information (continued)

At September 30, 2021, 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	\$ 64,109	\$ 81,011
Changes in actual assumptions	45,263	-
Differences between projected and actual investment earnings	-	884,090
Contributions subsequent to the measurement date	509,730	-
Total	<u><u>\$ 619,102</u></u>	<u><u>\$ 965,101</u></u>
Reported by Governmental Activities	\$ 484,092	\$ 530,071
Reported by Business-Type Activities	114,960	414,426
Reported by Component Unit	20,050	20,604
Total	<u><u>\$ 619,102</u></u>	<u><u>\$ 965,101</u></u>

\$509,730 (\$491,690 Primary Government; \$18,040 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, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	Primary		
	Entity-Wide	Government	DCOS
2022	\$ (350,236)	\$ (342,626)	\$ (7,610)
2023	78,852	77,140	1,712
2024	(531,851)	(520,294)	(11,557)
2025	(52,494)	(51,355)	(1,139)
Total	<u><u>\$ (855,729)</u></u>	<u><u>\$ (837,135)</u></u>	<u><u>\$ (18,594)</u></u>

Other Post Employment Benefits

Plan 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, 2021

IV. Other Information (continued)

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

Inactive employees currently receiving benefits	49
Inactive employees entitled to but not yet receiving benefits	21
Active employees	<u>83</u>
Total	153

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, 2021:

Employer Rate	0.32%
Employer Contributions	\$ 14,638

Actuarial Assumptions

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

Inflation	2.50%
Salary increases	3.50% to 11.50%, including inflation
Discount rate	2.00%

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 4year set-forward for males and a 3year 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, 2020 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 2.00% was based on the 20-Year Municipal GO AA Index as of December 31, 2020.

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

IV. Other Information (continued)

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

At September 30, 2021, the City reported a total OPEB liability of \$430,721 measured at December 31, 2020. For the year ended September 30, 2021, the City recognized OPEB expense of \$44,321 (\$42,752 Primary Government; \$1,569 DCOS).

As of December 31, 2020, the discount rate used in the development of the total OPEB liability was 2.00% compared to 2.75% as of December 31, 2019.

Changes in the total OPEB liability for the measurement year ended December 31, 2020:

	Total OPEB Liability		
	Primary		
	Entity-Wide	Government	DCOS
Balance at 12/31/2019	\$ 361,751	\$ 349,880	\$ 11,871
Changes for the year:			
Service Cost	12,034	11,608	426
Interest on total OPEB liability	10,063	9,707	356
Changes of benefit terms	-	-	-
Difference between expected/actual experience	(4,196)	(4,048)	(148)
Changes of assumptions	54,731	52,794	1,937
Benefit payments*	(3,662)	(3,532)	(130)
Net changes	<u>68,970</u>	<u>66,529</u>	<u>2,441</u>
Balance at 12/31/2020	<u><u>\$ 430,721</u></u>	<u><u>\$ 416,409</u></u>	<u><u>\$ 14,312</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 2.00%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.00%) or 1 percentage point higher (3.00%) than the current rate.

	1% Decrease in		1% Increase in	
	Discount Rate		Discount Rate	
	1.00%	2.00%	3.00%	
City's total OPEB liability	\$ 523,234	\$ 430,721	\$ 359,844	
Reported by Governmental Activities	353,508	291,004	243,118	
Reported by Business-Type Activities	<u>152,340</u>	<u>125,405</u>	<u>104,769</u>	
Reported by Primary Government	505,848	416,409	347,887	
Reported by Component Unit, DCOS	17,386	14,312	11,957	
	<u><u>\$ 523,234</u></u>	<u><u>\$ 430,721</u></u>	<u><u>\$ 359,844</u></u>	

CITY OF SNYDER, TEXAS

Notes to Financial Statements

September 30, 2021

IV. Other Information (continued)

At December 31, 2020, 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	\$ 1,399	\$ 3,943
Changes in actual assumptions	83,392	8,537
Contributions subsequent to the measurement date	11,871	-
Total	\$ 96,662	\$ 12,480
Reported by Governmental Activities	\$ 65,265	\$ 8,504
Reported by Business-Type Activities	27,982	3,597
Reported by Component Unit	3,415	379
Total	\$ 96,662	\$ 12,480

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, 2022 in the amount of \$11,871 (\$11,451 Primary Government: \$420 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	Primary		
September 30:	Entity-Wide	Government	DCOS
2022	\$ 22,224	\$ 21,420	\$ 804
2023	19,280	18,583	697
2024	20,389	19,651	738
2025	10,418	10,042	376
Thereafter	-	-	-
Total	\$ 72,311	\$ 69,696	\$ 2,615

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 \$127,069 for prepaid items, \$13,148 for inventories, and \$43,934 for advances to other funds as of September 30, 2021.

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, TEXASNotes to Financial Statements

September 30, 2021

IV. Other Information (continued)

Municipal court	\$ 36,658
LEOSE police	5,997
LEOSE fire	78
Building security	19,711
Court efficiency	12,318
Juvenile case manager	9,584
Municipal jury	59
TIF Reinvestment Zone No. 1	<u>455,426</u>
Restricted fund balance	<u>\$ 539,831</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 committed fund balance of \$294,712 for Chapter 380 agreements and \$254,699 for equipment purchases at September 30, 2021.

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. The City had \$2,181 in assigned fund balance at September 30, 2021.

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 \$8,394,047 in unassigned fund balance at September 30, 2021.

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 2021.

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, 2021

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 2021, the City rebated \$3,692 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 2021, Zone #1 received \$87,280 of property tax increment.

H. Restatement

During the year ended September 30, 2021, the DCOS identified certain assets that were understated as of October 1, 2020. As a result, the DCOS has restated net position as of October 1, 2020 to reflect these corrections. The effect of the corrections is to increase change in net position for the year ended September 30, 2020, by \$71,846.

	DCOS
Net position at October 1, 2020, as previously reported	\$ 2,923,130
Understatement of cash	71,846
Net position at October 1, 2020, as restated	<u><u>\$ 2,994,976</u></u>

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, 2021

	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	Measurement Date	Measurement Date
Year Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2020
\$ 838,303	\$ 827,018	\$ 863,300
2,053,977	2,127,447	2,236,630
-	-	-
(201,765)	126,781	8,265
-	98,827	-
<u>(1,733,665)</u>	<u>(1,459,178)</u>	<u>(1,702,208)</u>
<u>956,850</u>	<u>1,720,895</u>	<u>1,405,987</u>
<u>\$ 30,876,966</u>	<u>\$ 31,833,816</u>	<u>\$ 33,554,711</u>
<u>\$ 31,833,816</u>	<u>\$ 33,554,711</u>	<u>\$ 34,960,698</u>
 \$ 781,713	 \$ 670,584	 \$ 713,139
347,226	343,364	366,248
(872,435)	4,270,895	2,385,124
 (1,733,665)	 (1,459,178)	 (1,702,208)
 (16,870)	 (24,150)	 (15,446)
 (882)	 (725)	 (601)
<u> (1,494,913)</u>	<u> 3,800,790</u>	<u> 1,746,256</u>
 <u>\$ 29,140,974</u>	 <u>\$ 27,646,061</u>	 <u>\$ 31,446,850</u>
<u>\$ 27,646,061</u>	<u>\$ 31,446,850</u>	<u>\$ 33,193,106</u>
 <u>\$ 4,187,755</u>	 <u>\$ 2,107,861</u>	 <u>\$ 1,767,592</u>
 86.84%	 93.72%	 94.94%
 \$ 4,960,371	 \$ 4,905,206	 \$ 5,232,119
 84.42%	 42.97%	 33.78%

CITY OF SNYDER, TEXAS
Schedule of Employer Contributions
Texas Municipal Retirement System
For the Year Ended September 30, 2021

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%
2021	689,515	689,515	-	5,028,863	13.71%

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	25 years
Asset valuation method	10-year smoothed market; 12% soft corridor
Inflation	2.50%
Salary increases	3.50% to 11.50%, including inflation
Investment rate of return	6.75%
Retirement age	Experience -based table of rates that are specific to the City's plan of benefits. Last 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, 2021

	Measurement Date Year Ended December 31, 2017	Measurement Date Year Ended December 31, 2018	Measurement Date Year Ended December 31, 2019	Measurement Date Year Ended December 31, 2020
Total OPEB Liability				
Service cost	\$ 10,067	\$ 11,905	\$ 8,339	\$ 12,034
Interest on total OPEB liability	9,509	9,645	10,840	10,063
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	3,241	(979)	(4,196)
Changes in assumptions or other inputs	21,596	(19,772)	57,019	54,731
Benefit payments	(2,517)	(1,984)	(2,943)	(3,662)
Net change in total OPEB liability	38,655	3,035	72,276	68,970
Total OPEB liability, beginning	<u>247,785</u>	<u>286,440</u>	<u>289,475</u>	<u>361,751</u>
Total OPEB liability, ending	<u>\$ 286,440</u>	<u>\$ 289,475</u>	<u>\$ 361,751</u>	<u>\$ 430,721</u>
 Covered payroll	 \$ 5,033,713	 \$ 4,960,371	 \$ 4,905,206	 \$ 5,232,119
Total OPEB liability as a percentage of covered payroll	5.69%	5.84%	7.37%	8.23%

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, 2021

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	2.50%
Discount rate*	2.00%
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 3.0% 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, 2020.

Note: The actuarial assumptions used in the December 31, 2020 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, 2021

	Motel Tax Fund	Special Revenue Tax Increment Financing	COVID-19 Grant	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ -	\$ 455,426	\$ 57,553	\$ 512,979
Accounts receivable, net	<u>152,452</u>	<u>-</u>	<u>-</u>	<u>152,452</u>
Total assets	<u><u>152,452</u></u>	<u><u>455,426</u></u>	<u><u>57,553</u></u>	<u><u>665,431</u></u>
LIABILITIES				
Cash overdraft	\$ 3,429	\$ -	\$ -	\$ 3,429
Accounts payable	<u>146,977</u>	<u>-</u>	<u>-</u>	<u>146,977</u>
Unearned revenue	<u>-</u>	<u>-</u>	<u>57,553</u>	<u>57,553</u>
Total liabilities	<u><u>150,406</u></u>	<u><u>-</u></u>	<u><u>57,553</u></u>	<u><u>207,959</u></u>
FUND BALANCES				
Restricted for various purposes	-	455,426	-	455,426
Assigned	<u>2,046</u>	<u>-</u>	<u>-</u>	<u>2,046</u>
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u><u>2,046</u></u>	<u><u>455,426</u></u>	<u><u>-</u></u>	<u><u>457,472</u></u>
Total liabilities and fund balances	<u><u>152,452</u></u>	<u><u>455,426</u></u>	<u><u>57,553</u></u>	<u><u>665,431</u></u>

CITY OF SNYDER, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended September 30, 2021

	Motel Tax Fund	Special Revenue Tax Increment Financing	COVID-19 Grant	Total Nonmajor Governmental Funds
REVENUES				
Occupancy tax	\$ 454,964	\$ -	\$ -	\$ 454,964
Property taxes	-	87,280	-	87,280
Grant	-	-	224,251	224,251
Total revenues	<u>454,964</u>	<u>87,280</u>	<u>224,251</u>	<u>766,495</u>
EXPENDITURES				
Current:				
General government	-	151	-	151
Public safety	-	-	224,251	224,251
Culture and recreation	449,536	-	-	449,536
Total expenditures	<u>449,536</u>	<u>151</u>	<u>224,251</u>	<u>673,938</u>
Net change in fund balances	5,428	87,129	-	92,557
Fund balances - beginning	<u>(3,382)</u>	<u>368,297</u>	<u>-</u>	<u>364,915</u>
Fund balances - ending	\$ <u>2,046</u>	\$ <u>455,426</u>	\$ <u>-</u>	\$ <u>457,472</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, 2021

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
REVENUES				
Occupancy tax	\$ 500,000	\$ 500,000	\$ 454,964	\$ (45,036)
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>454,964</u>	<u>(45,036)</u>
EXPENDITURES				
Culture and recreation	500,000	500,000	449,536	50,464
Total expenditures	<u>500,000</u>	<u>500,000</u>	<u>449,536</u>	<u>50,464</u>
Net change in fund balance	-	-	5,428	5,428
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>\$ 2,046</u>	<u>\$ 5,428</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, 2021

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
REVENUES				
Property taxes	\$ 73,445	\$ 73,445	\$ 87,280	\$ 13,835
Total revenues	<u>73,445</u>	<u>73,445</u>	<u>87,280</u>	<u>13,835</u>
EXPENDITURES				
General government	<u>73,445</u>	<u>73,445</u>	151	73,294
Total expenditures	<u>73,445</u>	<u>73,445</u>	151	73,294
Net change in fund balance	-	-	87,129	87,129
Fund balances - beginning	<u>368,297</u>	<u>368,297</u>	<u>368,297</u>	<u>-</u>
Fund balances - ending	<u>\$ 368,297</u>	<u>\$ 368,297</u>	<u>\$ 455,426</u>	<u>\$ 87,129</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, 2021
With Comparative Actual Amounts for Year Ended September 30, 2020

	2021			2020
	Budget	Actual	Variance-Favorable (Unfavorable)	Actual
Taxes:				
Sales Taxes	\$ 2,300,000	\$ 2,792,914	\$ 492,914	\$ 2,350,725
Property Taxes	2,592,030	2,867,072	275,042	2,704,636
Franchise Taxes	743,000	716,484	(26,516)	722,457
Liquor Taxes	27,000	27,875	875	10,937
Total Taxes	5,662,030	6,404,345	742,315	5,788,755
Licenses and Permits	107,555	120,753	13,198	93,724
Intergovernmental:				
LEOSE - Police	1,400	1,677	277	1,852
School Resource Officer	63,060	142,458	79,398	58,301
Emergency Management	29,000	13,469	(15,531)	27,904
Texas Seat Belt - Grant	3,900	2,609	(1,291)	2,737
Juvenile Case Manager Fee	9,000	4,298	(4,702)	5,661
LEOSE - Fire	680	643	(37)	685
Total Intergovernmental	107,040	165,154	58,114	97,140
Charges for Services:				
Administrative Fees	1,351,960	1,326,844	(25,116)	1,354,660
Municipal Court Fees	76,380	39,466	(36,914)	53,452
Other Charges	7,200	1,002	(6,198)	812
Total Charges for Services	1,435,540	1,367,312	(68,228)	1,408,924
Fines and Forfeitures	168,530	102,431	(66,099)	110,418
Miscellaneous:				
Interest	100,000	26,508	(73,492)	90,155
Proceeds from insurance	10,000	241,291	231,291	55,146
Miscellaneous	102,050	108,542	6,492	105,252
Total Miscellaneous	212,050	376,341	164,291	250,553
Transfer from Reserves	384,375	-	(384,375)	-
Total Revenues	\$ 8,077,120	\$ 8,536,336	\$ 459,216	\$ 7,749,514

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2021
With Comparative Actual Amounts for Year Ended September 30, 2020

	2021			2020
	Budget	Actual	Variance-Favorable (Unfavorable)	Actual
GENERAL GOVERNMENT:				
Administration:				
Personnel Services	\$ 256,005	\$ 256,949	\$ (944)	\$ 254,587
Supplies	3,600	2,804	796	2,235
Maintenance	3,685	2,470	1,215	2,018
Services	20,450	17,248	3,202	19,976
Sundry Charges	1,835	2,711	(876)	3,201
Non capitalized equipment	-	96	(96)	-
Capital Outlay	-	-	-	1,026
Totals	285,575	282,278	3,297	283,043
Finance:				
Personnel Services	256,375	258,561	(2,186)	295,107
Supplies	3,900	4,016	(116)	3,592
Maintenance	29,260	35,059	(5,799)	7,963
Services	47,240	45,301	1,939	41,196
Sundry Charges	3,700	3,528	172	2,404
Non capitalized equipment	-	-	-	500
Capital Outlay	4,200	2,968	1,232	10
Totals	344,675	349,433	(4,758)	350,772
Planning & Zoning				
Personnel Services	191,445	189,032	2,413	196,064
Supplies	8,280	6,636	1,644	4,300
Maintenance	25,545	18,496	7,049	5,431
Services	19,945	16,649	3,296	13,408
Sundry Charges	20,715	3,837	16,878	18,457
Non capitalized equipment	3,250	1,327	1,923	570
Capital Outlay	10,850	10,474	376	-
Totals	280,030	246,451	33,579	238,230
Municipal Court:				
Personnel Services	242,445	215,090	27,355	255,013
Supplies	3,800	3,350	450	2,715
Maintenance	18,995	15,682	3,313	10,588
Services	30,580	23,918	6,662	27,484
Sundry Charges	26,475	11,567	14,908	4,747
Non capitalized equipment	-	-	-	233
Capital Outlay	2,800	3,704	(904)	-
Totals	325,095	273,311	51,784	300,780

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2021
With Comparative Actual Amounts for Year Ended September 30, 2020

	2021			2020
	Budget	Actual	Variance-Favorable (Unfavorable)	Actual
Community Services:				
Personnel Services	\$ -	\$ -	\$ -	\$ -
Supplies	16,550	9,837	6,713	1,872
Maintenance	26,000	27,703	(1,703)	23,930
Services	332,595	276,573	56,022	309,811
Sundry Charges	7,615	5,157	2,458	5,483
Non capitalized equipment	-	-	-	540
Capital Outlay	-	-	-	-
Totals	382,760	319,270	63,490	341,636
City Secretary/Records				
Personnel Services	168,115	168,713	(598)	168,990
Supplies	1,550	986	564	1,244
Maintenance	2,150	6,676	(4,526)	4,696
Services	12,000	6,394	5,606	9,262
Sundry Charges	855	402	453	1,144
Non capitalized equipment	-	-	-	-
Capital Outlay	-	-	-	1,100
Totals	184,670	183,171	1,499	186,436
IT/Purchasing				
Personnel Services	98,105	98,970	(865)	101,917
Supplies	3,500	2,051	1,449	2,023
Maintenance	37,880	24,821	13,059	29,855
Services	8,860	24,485	(15,625)	6,834
Sundry Charges	1,905	4,707	(2,802)	893
Non capitalized equipment	-	2,676	(2,676)	737
Capital Outlay	7,500	5,217	2,283	-
Totals	157,750	162,927	(5,177)	142,259
TOTAL GENERAL GOVERNMENT	1,960,555	1,816,841	143,714	1,843,156

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2021
With Comparative Actual Amounts for Year Ended September 30, 2020

	2021			2020
	Budget	Actual	Variance-Favorable (Unfavorable)	Actual
PUBLIC SAFETY:				
Police:				
Personnel Services	\$ 2,105,675	\$ 1,943,547	\$ 162,128	\$ 1,966,057
Supplies	99,900	92,548	7,352	89,394
Maintenance	102,470	113,548	(11,078)	115,895
Services	92,450	96,088	(3,638)	84,228
Sundry Charges	96,200	78,884	17,316	123,092
Non capitalized equipment	-	-	-	-
Capital Outlay	<u>213,700</u>	<u>236,037</u>	<u>(22,337)</u>	<u>186,251</u>
Totals	<u>2,710,395</u>	<u>2,560,652</u>	<u>149,743</u>	<u>2,564,917</u>
Animal Control:				
Personnel Services	128,620	128,742	(122)	126,271
Supplies	18,050	12,669	5,381	9,239
Maintenance	7,745	4,182	3,563	17,531
Services	16,575	14,001	2,574	12,777
Sundry Charges	5,470	3,353	2,117	4,115
Non capitalized equipment	1,100	-	1,100	-
Capital Outlay	<u>3,000</u>	<u>2,516</u>	<u>484</u>	<u>1,100</u>
Totals	<u>180,560</u>	<u>165,463</u>	<u>15,097</u>	<u>171,033</u>
Fire:				
Personnel Services	893,605	864,872	28,733	895,234
Supplies	84,020	75,641	8,379	73,585
Maintenance	64,690	60,270	4,420	52,714
Services	94,620	89,508	5,112	101,672
Sundry Charges	25,850	17,333	8,517	18,384
Non capitalized equipment	-	5,408	(5,408)	11,803
Capital Outlay	<u>292,600</u>	<u>27,556</u>	<u>265,044</u>	<u>468,007</u>
Totals	<u>1,455,385</u>	<u>1,140,588</u>	<u>314,797</u>	<u>1,621,399</u>

CITY OF SNYDER, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended September 30, 2021
With Comparative Actual Amounts for Year Ended September 30, 2020

	2021			2020
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Fire Marshall:				
Personnel Services	\$ 108,070	\$ 115,574	\$ (7,504)	\$ 109,023
Supplies	7,480	4,375	3,105	5,421
Maintenance	3,365	6,001	(2,636)	1,375
Services	2,800	1,566	1,234	2,814
Sundry Charges	6,400	3,447	2,953	1,166
Non capitalized equipment	-	5,530	(5,530)	-
Totals	128,115	136,493	(8,378)	119,799
TOTAL PUBLIC SAFETY	4,474,455	4,003,196	471,259	4,477,148
PUBLIC WORKS:				
Street Maintenance:				
Personnel Services	451,925	435,338	16,587	418,757
Supplies	93,600	79,420	14,180	75,936
Maintenance	551,250	546,070	5,180	690,602
Services	290,735	406,151	(115,416)	298,775
Sundry Charges	18,600	9,964	8,636	15,658
Non capitalized equipment	-	1,249	(1,249)	-
Capital Outlay	236,000	93,265	142,735	338,715
Totals	1,642,110	1,571,457	70,653	1,838,443
TOTAL PUBLIC WORKS	1,642,110	1,571,457	70,653	1,838,443
TOTAL EXPENDITURES	\$ 8,077,120	\$ 7,391,494	\$ 685,626	\$ 8,158,747

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, 2021
With Comparative Actual Amounts for Year Ended September 30, 2020

	2021		Variance-Favorable (Unfavorable)	2020
	Final Budget	Actual		Actual
Revenues:				
Water sales	\$ 5,413,880	\$ 5,342,208	\$ (71,672)	\$ 5,489,463
Sewer charges	1,590,000	1,555,078	(34,922)	1,560,940
Charges for billing & collections	336,325	316,614	(19,711)	314,528
Water taps	6,000	17,800	11,800	20,950
Sewer taps	4,500	5,550	1,050	17,400
Plumbing permits & inspections	9,000	7,864	(1,136)	7,920
Miscellaneous	51,950	236,364	184,414	28,334
Interest	35,000	9,710	(25,290)	54,191
Proceeds from insurance	3,000	129,205	126,205	37,266
Gain (loss) on sale of assets	-	843	843	10
 Total Revenues	 7,449,655	 7,621,236	 171,581	 7,531,002
Expenses:				
Personnel services	1,361,385	1,184,226	177,159	1,054,109
Supplies	379,460	328,453	51,007	356,826
Maintenance	571,030	625,201	(54,171)	503,001
Services	2,804,190	2,811,837	(7,647)	2,812,506
Sundry charges	66,415	28,948	37,467	33,489
Non capitalized equipment	200	440	(240)	1,572
Depreciation	1,836,110	1,728,289	107,821	1,774,813
Interest expense	490,130	359,756	130,374	495,671
Bond issuance cost	700	220,570	(219,870)	103,820
 Total Expenses	 7,509,620	 7,287,720	 221,900	 7,135,807
 Net Income (Loss)	 \$ (59,965)	 \$ 333,516	 \$ 393,481	 \$ 395,195

CITY OF SNYDER, TEXAS
WATER AND SEWER ENTERPRISE FUND
SCHEDULE OF EXPENSES COMPARED TO BUDGET
Year Ended September 30, 2021
With Comparative Actual Amounts for Year Ended September 30, 2020

	2021			2020
	Final Budget	Actual	Variance- Favorable (Unfavorable)	Actual
SEWER:				
Sanitary Sewer:				
Personnel Services	\$ 144,940	\$ 122,641	\$ 22,299	\$ 97,151
Supplies	60,885	6,216	54,669	50,814
Maintenance	23,685	87,212	(63,527)	32,127
Services	81,545	81,754	(209)	101,342
Sundry Charges	9,190	5,890	3,300	7,896
Non capitalized equipment	-	-	-	-
Depreciation	106,805	79,223	27,582	60,324
Totals	427,050	382,936	44,114	349,654
Sewage Treatment:				
Personnel Services	225,040	206,003	19,037	189,374
Supplies	50,450	45,311	5,139	37,295
Maintenance	87,550	107,391	(19,841)	60,697
Services	351,280	331,808	19,472	330,054
Sundry Charges	7,300	5,285	2,015	6,902
Non capitalized equipment	-	-	-	-
Depreciation	297,175	273,572	23,603	284,567
Totals	1,018,795	969,370	49,425	908,889
WATER:				
Water Production:				
Personnel Services	453,265	389,134	64,131	377,445
Supplies	176,575	234,346	(57,771)	179,465
Maintenance	193,495	145,108	48,387	194,390
Services	1,946,820	1,947,136	(316)	1,956,663
Sundry Charges	19,700	13,014	6,686	10,932
Non capitalized equipment	-	-	-	227
Depreciation	540,665	500,718	39,947	509,301
Totals	3,330,520	3,229,456	101,064	3,228,423

CITY OF SNYDER, TEXAS
WATER AND SEWER ENTERPRISE FUND
SCHEDULE OF EXPENSES COMPARED TO BUDGET
Year Ended September 30, 2021
With Comparative Actual Amounts for Year Ended September 30, 2020

	2021		Variance-Favorable (Unfavorable)	2020
	Final Budget	Actual		
Water Distribution:				
Personnel Services	\$ 288,220	\$ 250,262	\$ 37,958	\$ 235,990
Supplies	59,200	10,350	48,850	58,324
Maintenance	235,415	253,051	(17,636)	190,215
Services	252,335	269,141	(16,806)	252,959
Sundry Charges	7,375	3,341	4,034	3,991
Non capitalized equipment	-	-	-	-
Depreciation	<u>528,720</u>	<u>546,578</u>	<u>(17,858)</u>	<u>551,314</u>
Totals	<u>1,371,265</u>	<u>1,332,723</u>	<u>38,542</u>	<u>1,292,793</u>
Utility Department:				
Personnel Services	249,920	216,186	33,734	154,149
Supplies	32,350	32,230	120	30,928
Maintenance	30,885	32,439	(1,554)	25,572
Services	172,210	181,998	(9,788)	171,488
Sundry Charges	22,850	1,418	21,432	3,768
Non capitalized equipment	200	440	(240)	1,345
Depreciation	<u>362,745</u>	<u>328,198</u>	<u>34,547</u>	<u>369,307</u>
Totals	<u>871,160</u>	<u>792,909</u>	<u>78,251</u>	<u>756,557</u>
Non-Operating:				
Interest and fees	490,130	359,756	130,374	495,671
Bond issuance costs	<u>700</u>	<u>220,570</u>	<u>(219,870)</u>	<u>103,820</u>
Totals	<u>490,830</u>	<u>580,326</u>	<u>(89,496)</u>	<u>599,491</u>
TOTAL EXPENSES	\$ 7,509,620	\$ 7,287,720	\$ 221,900	\$ 7,135,807

CITY OF SNYDER, TEXAS
SANITATION ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended September 30, 2021
With Comparative Actual Amounts for Year Ended September 30, 2020

	2021		Variance- Favorable (Unfavorable)	2020
	Final Budget	Actual		Actual
Revenues:				
Sanitation charges	\$ 2,000,000	\$ 2,172,971	\$ 172,971	\$ 2,160,971
Landfill gate fees	570,000	609,317	39,317	905,462
Roll-off containers	100,000	6,785	(93,215)	14,177
Miscellaneous	11,450	18,135	6,685	3,641
Proceeds from insurance	-	27,652	27,652	-
Interest	40,000	21,208	(18,792)	35,082
Gain (loss) on sale of asset	<u>140,000</u>	<u>5</u>	<u>(139,995)</u>	<u>200,100</u>
Total Revenues	2,861,450	2,856,073	(5,377)	3,319,433
Expenses:				
Personnel	768,710	692,257	76,453	801,119
Supplies	234,700	206,747	27,953	191,509
Maintenance	131,555	209,793	(78,238)	132,085
Services	836,670	906,586	(69,916)	868,220
Sundry charges	60,580	33,636	26,944	41,008
Non capitalized equipment	-	143	(143)	2,080
Depreciation	<u>704,700</u>	<u>746,065</u>	<u>(41,365)</u>	<u>721,155</u>
Total Expenses	<u>2,736,915</u>	<u>2,795,227</u>	<u>(58,312)</u>	<u>2,757,176</u>
Net Income (Loss)	<u>\$ 124,535</u>	<u>\$ 60,846</u>	<u>\$ (63,689)</u>	<u>\$ 562,257</u>

CITY OF SNYDER, TEXAS
SANITATION ENTERPRISE FUND
SCHEDULE OF EXPENSES COMPARED TO BUDGET
Year Ended September 30, 2021
With Comparative Actual Amounts for Year Ended September 30, 2020

	2021			2020	
	Final Budget	Actual	Variance- Favorable (Unfavorable)	Actual	
Collection:					
Personnel Services	\$ 316,345	\$ 264,988	\$ 51,357	\$ 299,937	
Supplies	109,700	104,651	5,049	82,341	
Maintenance	56,545	101,146	(44,601)	48,175	
Services	335,130	320,277	14,853	361,560	
Sundry Charges	20,480	11,617	8,863	13,934	
Non capitalized Equipment	-	-	-	-	
Depreciation	<u>201,350</u>	<u>148,292</u>	<u>53,058</u>	<u>170,049</u>	
Total Expenses	<u>1,039,550</u>	<u>950,971</u>	<u>88,579</u>	<u>975,996</u>	
Landfill:					
Personnel Services	452,365	427,269	25,096	501,182	
Supplies	125,000	102,096	22,904	109,168	
Maintenance	75,010	108,647	(33,637)	83,910	
Services	501,540	586,309	(84,769)	506,660	
Sundry Charges	40,100	22,019	18,081	27,074	
Non capitalized Equipment	-	143	(143)	2,080	
Depreciation	<u>503,350</u>	<u>597,773</u>	<u>(94,423)</u>	<u>551,106</u>	
Total Expenses	<u>1,697,365</u>	<u>1,844,256</u>	<u>(146,891)</u>	<u>1,781,180</u>	
Interest expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
TOTAL EXPENSES	<u>\$ 2,736,915</u>	<u>\$ 2,795,227</u>	<u>\$ (58,312)</u>	<u>\$ 2,757,176</u>	

CITY OF SNYDER, TEXAS
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source¹
September 30, 2021 and 2020

Governmental funds capital assets:	2021	2020
Land	\$ 553,153	\$ 553,153
Buildings	713,425	702,468
Improvements Other than Buildings	3,615,407	3,614,645
Machinery and Equipment	<u>7,907,530</u>	<u>7,606,586</u>
Total governmental funds capital assets	<u>\$ 12,789,515</u>	<u>\$ 12,476,852</u>

Investments in governmental funds capital assets by source:

General fund	\$ 12,789,515	\$ 12,476,852
Total governmental funds capital assets	<u>\$ 12,789,515</u>	<u>\$ 12,476,852</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, 2021

Function and Activity	Land	Buildings	Improvements Other than Buildings	Machinery and Equipment	Total
General Government:					
Manager	\$ -	\$ 1,812	\$ -	\$ 40,999	\$ 42,811
City Clerk/Finance	-	-	-	17,070	17,070
Planning & Zoning	-	-	-	8,986	8,986
Records / City Secretary	-	-	-	67,725	67,725
Data Processing	-	-	-	123,412	123,412
Community Service/Council	389,937	399,831	496,536	111,498	1,397,802
Municipal Court	-	-	-	27,159	27,159
Total general government	389,937	401,643	496,536	396,849	1,684,965
Public Safety:					
Police	-	25,262	-	2,444,473	2,469,735
Animal Control	-	135,051	-	100,193	235,244
Fire	-	151,469	-	2,994,818	3,146,287
Inspection	-	-	-	61,311	61,311
Total public safety	-	311,782	-	5,600,795	5,912,577
Public Works:					
Street system	163,216	-	3,118,871	1,909,886	5,191,973
Total public works	163,216	-	3,118,871	1,909,886	5,191,973
Total governmental funds capital assets	\$ 553,153	\$ 713,425	\$ 3,615,407	\$ 7,907,530	\$ 12,789,515

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, 2021

Function and Activity	Governmental Funds Capital				Governmental Funds Capital Assets September 30, 2021
	Assets October 1, 2020	Additions	Deductions		
General Government:					
Manager	\$ 42,811	\$ -	\$ -	\$ 42,811	
Finance	14,102	2,968	-	17,070	
Planning & Zoning	-	10,474	1,488	8,986	
Records	67,725	-	-	67,725	
Data Processing	120,344	5,128	2,060	123,412	
Community Service/Council	1,399,895	-	2,093	1,397,802	
Municipal Court	25,180	1,979	-	27,159	
Total general government	1,670,057	20,549	5,641	1,684,965	
Public Safety:					
Police	2,275,135	415,711	221,111	2,469,735	
Animal Control	233,219	2,025	-	235,244	
Fire	3,141,517	47,468	42,698	3,146,287	
Inspection	55,781	5,530	-	61,311	
Total public safety	5,705,652	470,734	263,809	5,912,577	
Public Works:					
Street system	5,101,143	93,265	2,435	5,191,973	
Total public works	5,101,143	93,265	2,435	5,191,973	
Total governmental funds capital ass	\$ 12,476,852	\$ 584,548	\$ 271,885	\$ 12,789,515	

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	74
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	80
These schedules contain information to help the reader assess the government's most significant local revenue source, the sales tax.	
Debt Capacity	86
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	91
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	93
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)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 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	\$ 5,004,677
Restricted	-	-	63,556	82,633	112,347	171,441	255,987	334,688	438,262	539,831
Unrestricted	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	6,714,005
Total governmental activities										
net position	\$ 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	\$ 12,258,513
Business-type activities										
Net investment in capital assets	\$ 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	\$ 11,940,976
Unrestricted	4,259,152	3,851,239	2,367,658	(348,277)	(1,618,150)	88,828	(370,582)	(382,598)	1,006,412	2,028,918
Total business-type activities										
net position	\$ 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	\$ 13,969,894
Primary government										
Net investment in capital assets	\$ 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	\$ 16,945,653
Restricted	-	-	63,556	82,633	112,347	171,441	255,987	334,688	438,262	539,831
Unrestricted	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	8,742,923
Total primary government										
net position	\$ 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	\$ 26,228,407

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

Expenses	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
General government	\$ 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	\$ 1,838,332
Public safety	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	3,868,427
Public works	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	1,654,062
Culture and recreation	409,941	433,360	432,968	438,425	355,908	409,911	495,243	504,265	445,823	449,536
Total governmental activities expenses	6,331,058	6,860,812	6,907,021	7,650,769	7,877,228	8,420,770	7,672,549	7,870,947	8,287,172	7,810,357
Business-type activities:										
Water and sewer	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	6,927,964
Sanitation	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	2,795,227
Interest expense	147,973	214,530	435,359	500,505	484,479	465,003	445,076	423,883	495,671	359,756
Total business-type activities expenses	7,980,162	8,852,084	9,414,779	9,998,348	10,452,468	10,362,811	9,919,169	10,329,652	9,892,983	10,082,947
Total primary government expenses	\$ 14,311,220	\$ 15,712,896	\$ 16,321,800	\$ 17,649,117	\$ 18,329,696	\$ 18,783,581	\$ 17,591,718	\$ 18,200,599	\$ 18,180,155	\$ 17,893,304
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 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	\$ 1,488,065
Public safety	107,594	108,867	108,421	143,898	158,744	149,967	162,808	151,906	108,388	112,427
Public works	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Other activities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	127,482	328,534	125,681	142,942	134,256	131,150	108,519	106,617	441,236	389,405
Capital grants and contributions	496,536	-	23,000	23,000	-	-	-	-	-	-
Total governmental activities program revenues	\$ 1,766,111	\$ 1,715,668	\$ 1,614,112	\$ 1,890,025	\$ 1,770,484	\$ 1,655,837	\$ 2,118,417	\$ 1,856,080	\$ 2,052,272	\$ 1,989,897
Business-type activities:										
Charges for services:										
Water and sewer	\$ 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	\$ 7,481,478
Sanitation	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	2,807,208
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	37,908	-	-	23,740	516,708	23,393	-	-	-	-
Total business-type activities program revenues	8,374,646	8,680,307	9,445,374	9,404,430	10,190,426	9,896,568	9,650,893	9,833,746	10,523,786	10,288,686
Total primary government program revenues	\$ 10,140,757	\$ 10,395,975	\$ 11,059,486	\$ 11,294,455	\$ 11,960,910	\$ 11,552,405	\$ 11,769,310	\$ 11,689,826	\$ 12,576,058	\$ 12,278,583
Net (expense) revenue										
Governmental activities	\$ (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)	(5,820,460)
Business-type activities	394,484	(171,777)	30,595	(593,918)	(262,042)	(466,243)	(268,275)	(495,906)	630,803	205,739
Total primary government net expense	\$ (4,170,463)	\$ (5,316,921)	\$ (5,262,314)	\$ (6,354,662)	\$ (6,368,786)	\$ (7,231,176)	\$ (5,822,408)	\$ (6,510,773)	(5,604,097)	(5,614,721)

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

**General Revenues and Other Changes in
Net Position**

Governmental activities:

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Taxes										
Property taxes	\$ 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	\$ 2,947,356
Sales taxes	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	2,792,914
Franchise taxes	757,649	758,122	816,773	778,439	742,578	745,505	763,172	742,434	722,457	716,484
Alcoholic beverage	5,359	11,903	12,082	11,461	9,595	12,191	24,981	26,402	10,937	27,875
Hotel/motel occupancy taxes	371,089	435,612	432,968	439,227	352,564	409,911	495,243	504,265	445,825	454,964
Investment earnings	23,223	24,677	24,012	49,732	44,837	61,524	118,708	140,557	90,155	26,643
Gain on sale of capital assets	(98)	4,977	21,702	-	142,008	35,000	1,328	154,885	82,057	35,500
Miscellaneous	-	-	-	9,408	186,096	61,449	9,700	541,456	80,411	436,250
Total governmental activities	<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>	<u>7,437,986</u>

Business-type activities:

Investment earnings	13,206	14,588	55,934	60,969	47,092	38,125	69,351	83,173	89,273	30,918
Miscellaneous	-	-	-	-	27,455	81,162	241	10,170	37,266	156,857
Gain on sale of capital assets	171,424	4,300	249,106	185,000	147,300	56,700	347,500	3,011	200,110	848
Total business-type activities	<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>	<u>188,623</u>
Total primary government	<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>	<u><u>\$ 7,626,609</u></u>

Change in Net Position

Governmental activities	\$ 865,349	\$ 1,054,855	\$ 1,231,888	\$ 410,915	\$ (180,571)	\$ (993,691)	\$ 672,396	\$ 1,263,039	\$ 355,119	\$ 1,617,526
Business-type activities	579,114	(152,889)	335,635	(347,949)	(40,195)	(290,256)	148,817	(399,552)	957,452	394,362
Total primary government	<u>\$ 1,444,463</u>	<u>\$ 901,966</u>	<u>\$ 1,567,523</u>	<u>\$ 62,966</u>	<u>\$ (220,766)</u>	<u>\$ (1,283,947)</u>	<u>\$ 821,213</u>	<u>\$ 863,487</u>	<u>\$ 1,312,571</u>	<u>\$ 2,011,888</u>

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021*
General Fund										
Nonspendable	\$ 233	\$ 230	\$ 67	\$ 833	\$ 696	\$ 574	\$ 460	\$ 327	\$ 180	\$ 184
Restricted	-	-	64	79	61	57	65	55	70	84
Committed	-	251	506	400	295	290	290	653	295	550
Unassigned	5,518	6,328	7,623	7,077	7,183	6,080	6,797	7,441	7,522	8,394
Total general fund	\$ 5,751	\$ 6,809	\$ 8,260	\$ 8,389	\$ 8,235	\$ 7,001	\$ 7,612	\$ 8,476	\$ 8,067	\$ 9,212
All other governmental funds										
Restricted	\$ -	\$ -	\$ -	\$ 3	\$ 51	\$ 114	\$ 191	\$ 279	\$ 368	\$ 455
Assigned	-	-	-	-	-	-	-	-	-	2
Unassigned, reported in:										
Special revenue funds	-	(1)	(1)	-	(3)	(4)	(4)	(3)	(3)	-
Total other governmental funds	\$ -	\$ (1)	\$ (1)	\$ 3	\$ 48	\$ 110	\$ 187	\$ 276	\$ 365	\$ 457

* Increase to fund balance was due to a decrease in expenditures. There was a shortage on supplies due to COVID, making it hard to get certain resources needed.

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 5,407	\$ 6,171	\$ 6,479	\$ 6,112	\$ 5,455	\$ 5,597	\$ 6,096	\$ 6,454	\$ 6,324	\$ 6,947
Licenses and permits	34	146	56	144	37	74	75	124	94	121
Intergovernmental	127	106	126	143	134	131	109	107	441	389
Charges for services	945	1,069	1,150	1,299	1,332	1,220	1,497	1,462	1,409	1,367
Fines and forfeitures	108	108	108	144	159	150	190	150	110	102
Interest	22	24	24	50	45	62	119	140	90	27
Contributions and donations	497	223	23	23	-	-	-	-	-	-
Miscellaneous	55	63	151	137	267	80	329	160	23	73
Total Revenues	\$ 7,195	\$ 7,910	\$ 8,117	\$ 8,052	\$ 7,429	\$ 7,314	\$ 8,415	\$ 8,597	\$ 8,491	\$ 9,026
Expenditures										
General government	\$ 1,438	\$ 1,731	\$ 1,826	\$ 2,310	\$ 2,158	\$ 2,358	\$ 2,205	\$ 1,921	\$ 1,843	\$ 1,795
Public safety	2,744	2,914	3,370	3,334	3,743	3,501	3,606	3,436	3,825	3,961
Public works	892	1,063	793	1,101	914	1,316	1,011	1,424	1,838	1,478
Culture and recreation	410	433	433	438	356	410	495	504	446	450
Capital outlay	806	639	512	745	537	997	175	892	996	381
Debt service										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	\$ 6,290	\$ 6,780	\$ 6,934	\$ 7,928	\$ 7,708	\$ 8,582	\$ 7,492	\$ 8,177	\$ 8,948	\$ 8,065
Excess of revenues over (under) expenditures	\$ 905	\$ 1,130	\$ 1,183	\$ 124	\$ (279)	\$ (1,268)	\$ 923	\$ 420	\$ (457)	\$ 961

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other financing sources (uses)										
Proceeds from sale of assets	\$ -	\$ 5	\$ 22	\$ 9	\$ -	\$ 35	\$ 1	\$ 155	\$ 82	\$ 36
Proceeds from insurance	-	-	-	-	169	62	10	377	55	241
Transfers in	-	-	246	-	-	-	-	-	-	-
Total other financing sources (uses)	\$ -	\$ 5	\$ 268	\$ 9	\$ 169	\$ 97	\$ 11	\$ 532	\$ 137	\$ 277
Net change in fund balances	<u>\$ 905</u>	<u>\$ 1,135</u>	<u>\$ 1,451</u>	<u>\$ 133</u>	<u>\$ (110)</u>	<u>\$ (1,171)</u>	<u>\$ 934</u>	<u>\$ 952</u>	<u>\$ (320)</u>	<u>\$ 1,238</u>
Debt service as a percentage of noncapital expenditures	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>

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

Fiscal Year		Property		Sales & Use		Occupancy		Franchise		Alcoholic Beverage		Total
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
2021		2,954		2,793		455		717		28		6,947

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

Fiscal Year Ended	Total Assessed	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value¹ as a Percentage of Actual Value
2012	\$ 343,818,578	\$ 1,696,835	\$ 342,121,743	0.4445	\$ 342,121,743	100.50%
2013	365,340,602	14,487,492	350,853,110	0.4445	350,853,110	104.13%
2014	385,179,707	4,232,603	380,947,104	0.4445	380,947,104	101.11%
2015	463,792,092	10,728,810	453,063,282	0.4387	453,063,282	102.37%
2016	472,053,602	8,833,423	463,220,179	0.4410	463,220,179	101.91%
2017	462,576,991	3,965,258	458,611,733	0.4410	458,611,733	100.86%
2018	463,732,398	3,965,258	459,767,140	0.4410	459,767,140	100.86%
2019	490,690,666	4,875,981	485,814,685	0.4700	485,814,685	101.00%
2020	522,603,155	3,313,241	519,289,914	0.4800	519,289,914	100.64%
2021	561,348,428	2,355,943	558,992,485	0.4700	558,992,485	100.42%

Source: Scurry County Appraisal District

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

Overlapping Tax Rates															Total	
Fiscal Year	City of Snyder Tax Rate			Scurry County			S I S D			Western Texas College			Scurry County Hospital			Direct & Overlapping Rates
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	
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	2.3179
2013	0.4445	0.000	0.4445	0.2790	0.0346	0.3136	1.0400	0.1240	1.1640	0.1858	0.0000	0.2000	0.2064	0.0000	0.2064	2.3285
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	2.3676
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	2.5040
2016	0.4410	0.000	0.4410	0.3800	0.0000	0.3800	1.0400	0.1240	1.1640	0.3300	0.0000	0.3300	0.2803	0.0144	0.2947	2.6097
2017	0.4410	0.000	0.4410	0.3800	0.0000	0.3800	1.0400	0.1240	1.1640	0.3300	0.0000	0.3300	0.2774	0.0146	0.2920	2.6070
2018	0.4410	0.000	0.4410	0.3382	0.0816	0.4198	1.0400	0.0780	1.1180	0.3112	0.0000	0.3112	0.2788	0.0147	0.2935	2.5835
2019	0.4700	0.000	0.4700	0.3382	0.0816	0.4198	0.9700	0.0630	1.0330	0.3112	0.0000	0.3112	0.2301	0.0121	0.2421	2.4761
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	2.5196
2021	0.4700	0.000	0.4700	0.4925	0.0436	0.5361	0.9634	0.0630	1.0264	0.3400	0.0000	0.3400	0.3077	0.0162	0.3239	2.6964

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 2021 and 2012
(amounts expressed in thousands)

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Diamond Wtg Engineering	\$ 21,026	1	3.8%			
W L Plastics	13,527	2	2.4%			
Wal-mart Real Estate Business Tr	6,688	3	1.2%			
Suddenlink Communications	6,516	4	1.2%			
W L Plastics Corporation	5,333	5	1.0%			
Oncor Electric Delivery Co.	5,266	6	0.9%	\$ 3,523	4	1.0%
Baker Hughes Oilfield Solution	4,443	7	0.8%			
BNSF Railway Company	4,301	8	0.8%	2,671	10	0.8%
Walmart Stores Texas	4,005	9	0.7%	2,815	8	0.8%
Baar, Michael LLC	3,826	10	0.7%			
Centrilift/Div of Baker Hughes				5,199	1	1.5%
Cudd Pumping Services				4,613	2	1.3%
H I E Hotel LLC				4,500	3	1.3%
Spirit SPE US Snyder LP				3,198	5	0.9%
Grimmet Bros, Inc.				3,163	6	0.9%
Borger Hospitality Inc.				2,950	7	0.9%
Schrogan/Baar XIV LTD				2,710	9	0.8%
Totals	\$ 74,931		13.4%	\$ 35,342		6.3%

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			Total Collections to Date	
		Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
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	2,397,263	93.3%
2019	2,771,114	2,437,856	87.97%	51,194	2,489,050	89.8%
2020	2,921,402	2,653,442	90.83%	56,579	2,710,021	92.8%
2021	2,994,919	2,810,493	93.84%		2,810,493	93.8%

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Construction	\$ 7,759	\$ 8,695	\$ 10,010	\$ 6,578	\$ 5,961	\$ 5,961	\$ 10,065	\$ 7,329	\$ 4,009	\$ 1,532
Mining/Quarrying/Oil & Gas Extraction	733,093	510,406	773,350	478,059	91,514	303,206	235,236	238,415	105,764	44,111
Manufacturing	16,898	21,513	19,919	15,337	9,502	15,572	12,845	21,676	22,883	15,383
Wholesale Trade	11,730	12,167	13,330	7,441	3,918	5,588	7,526	10,380	9,310	4,913
Transportation/Warehousing	56	130	35	14	13	6	136	1,175	576	23
Retail Trade	78,338	82,832	88,604	80,363	73,346	77,510	84,963	88,479	89,890	46,650
Information	4,005	4,315	4,737	4,805	4,765	4,418	5,134	5,939	4,968	2,210
Finance/Insurance	130	1,947	77	112	86	58	90	77	47	46
Real Estate/Rental/Leasing	6,508	8,336	8,664	3,717	1,731	1,731	1,828	2,967	5,181	3,726
Professional/Scientific/Technical Services	561	626	1,081	683	823	992	981	1,315	893	667
Admin/Support/Waste mgmt/Remediation Serv.	762	681	1,034	849	701	794	879	887	1,161	614
Educational Services	3	2	3	1	-	-	-	-	-	-
Health Care/Social Assistance	186	126	322	384	412	406	382	432	312	189
Arts/Entertainment/Recreation	308	431	432	329	275	247	290	399	359	278
Accomodation/Food Services	20,077	21,445	22,184	21,824	20,181	21,360	23,683	25,686	25,549	14,802
Other Services (except Public Administration)	9,535	9,692	9,758	8,825	7,960	8,114	8,884	8,947	7,900	4,229
Total	\$ 889,949	\$ 683,344	\$ 953,540	\$ 629,321	\$ 221,188	\$ 445,963	\$ 392,922	\$ 414,103	\$ 278,802	\$ 139,373
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 Income¹	Per Capita¹
	General Obligation Bonds	Capital Leases	Water Sewer Bonds	Capital Leases				
2012	-	-	\$ 4,304	\$ 2,985		\$ 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
2021	-	-	13,636	1,469		15,105	5.40%	1,376

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
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%	-
2021	-	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, 2021
(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable¹	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
City of Snyder direct debt	\$ -	100.00%	\$ -
Scurry County	10,720	24.11%	2,585
Scurry County JCD	8,855	23.08%	2,044
Snyder Independent School District	13,400	29.00%	3,886
Scurry County Hospital District	<u>365</u>	25.05%	<u>91</u>
Total direct and overlapping debt	<u><u>\$ 33,340</u></u>		<u><u>\$ 8,606</u></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)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 34,552	\$ 36,534	\$ 38,518	\$ 46,679	\$ 47,205	\$ 46,258	\$ 46,373	\$ 49,069	\$ 52,260	\$ 56,135
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<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>	<u>\$ 56,135</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 2021

Taxable Assessed Value	\$ 558,992
Add Back: exempt property	2,356
Total Assessed Value	<u>\$ 561,348</u>
Debt limit (10% of total assessed value)	56,135
Debt applicable to limit:	
General obligation bonds	
Legal debt margin	<u>\$ 56,135</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		Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
	Principal	Interest					
2012	\$ 6,012,799	\$ 755,000	\$ 4,188,779	\$ 1,824,020	\$ 138,303		2.04
2013	5,957,620	785,000	4,780,613	1,177,007	116,281		1.31
2014	6,602,087	465,000	5,122,274	1,479,813	327,237		1.87
2015	6,625,686	485,000	5,296,161	1,329,525	408,948		1.49
2016	6,930,358	400,000	5,564,019	1,366,339	394,753		1.72
2017	7,211,379	405,000	5,208,371	2,003,008	383,564		2.54
2018	7,156,024	415,000	4,864,101	2,291,923	365,995		2.93
2019	7,225,131	425,000	5,354,920	1,870,211	358,765		2.39
2020	7,492,653	435,000	4,761,503	2,731,150	345,317		3.50
2021	7,597,886	590,000	4,979,105	2,618,781	331,161		2.84

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		(in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
	Population	Personal Income				
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%
2021	10,979	279,855	25,490	34.8	4,919	6.10%

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 and 2020 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 2021 and 2012

<u>Employer</u>	2021		Percentage of Total City Employment¹
	<u>Employees</u>	<u>Rank</u>	
Price Daniel Unit	444	1	6.20%
Snyder ISD	400	2	5.58%
Snyder Oaks Nursing	270	3	3.77%
E D Walton Construction Co Inc	246	4	3.43%
Cogdell Memorial Hospital	245	5	3.42%
West Texas Gas	162	6	2.26%
Walmart Supercenter	150	7	2.09%
United Supermarket	125	8	1.74%
Total	2,042		28.50%

<u>Employer</u>	2012		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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL FUND										
Administration	2	2	2	2	2	2	2	2	2	2
Finance	2	4	4	4	4	4	4	3	3	3
Planning & Zoning	2	2	3	3	3	3	3	2	2	2
Municipal Court	3	3	3	3	3	3	3	3	3	3
Accounting	2	-	-	-	-	-	-	-	-	-
Data Processing	2	1	1	1	1	1	1	1	1	1
City Sec./Records Management	-	-	2	2	2	2	2	2	2	2
Police	22	22	23	27	25	25	25	25	25	25
Animal Control	3	3	3	3	3	3	3	2	2	2
Fire	10	10	10	10	11	11	11	11	11	11
Street	4	4	4	5	6	6	6	6	6	6
Total General Fund	52	51	55	60	60	60	60	57	57	57
WATER & SEWER										
Sanitary Sewer	2	2	2	2	2	2	2	3	3	2
Wastewater Treatment	5	5	5	3	3	3	3	3	3	3
Treatment - Water	5	5	5	6	6	6	6	6	6	6
Distribution - Water	2	2	2	3	2	2	2	3	5	4
Utility	6	6	6	6	6	6	6	6	3	3
Total Water & Sewer Fund	20	20	20	20	19	19	19	20	19	18
SANITATION										
Sanitation/Collection	5	5	5	6	6	6	6	5	5	5
Sanitation/Landfill	6	6	6	5	5	5	5	5	5	5
Total Sanitation Fund	11	10	10	10						
INTERNAL SERVICE										
Central Garage	1	1	1	1	1	1	1	1	1	1
Total Central Garage	1									
TOTAL	86	86	87	92	91	91	91	88	87	86

Source: City of Snyder Human Resources Office

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

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Physical arrests	535	478	588	478	731	616	634	1,021	616	705
Traffic violations	6,434	5,601	5,299	4,949	3,781	2,050	1,572	1,602	3,466	4,277
Fire										
Number of calls answered	372	439	452	463	500	412	520	490	566	631
Inspections	63	113	72	77	153	56	51	80	57	40
Public Education Programs	-	-	-	21	25	28	10	12	6	-
Highways and streets										
Street resurfacing (blocks)	80	100	-	50	-	163	-	-	-	100
Sanitation										
Refuse collected (tons/day)	117	150	175	175	170	162	153	162	156	123
Recyclables collected (tons/mo)	27	27	24	25	20	21	21	22	18	19
Water										
New connections	1,325	1,510	1,561	1,723	1,736	1,882	2,000	2,144	2,073	774
Water mains breaks	33	25	48	80	32	18	25	19	21	20
Average daily consumption (millions of gallons)	2	2	2	2	2	2	2	2	2	2
Wastewater										
Average daily sewage treatment (thousands of gallons)	923	991	1,400	1,454	1,454	1,221	1,156	1,311	1,002	1,003

Sources: Various government departments

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

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	21	21	21	22	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.