

City of Colleyville, Texas

Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2020

Prepared by
Finance Department

Kyle Lester
Director of Finance

Karen Hines
Accounting Manager

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 Comprehensive Annual Financial Report
 For the Fiscal Year Ended September 30, 2020
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Introductory Section

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March 2, 2021

To the Citizens of the City of Colleyville:

The Comprehensive Annual Financial Report of the City of Colleyville (the "City") for the fiscal year ended September 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data, and completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position, results of operations and cash flows of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. We believe that the City's current system of internal controls adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

As required by the City's charter, the financial statements have been audited by Weaver and Tidwell, L.L.P., a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurances that the financial statements of the City of Colleyville for the fiscal year ended September 30, 2020, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Colleyville's financial statements for fiscal year ended September 30, 2020, are presented in conformity with generally accepted accounting principles (GAAP).

As required by GAAP, management provides 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 the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors report.

PROFILE OF THE GOVERNMENT

On January 10, 1956, the City of Colleyville was incorporated and adopted a home-rule charter on January 15, 1977. It has a Council-Manager form of government with policy making and legislative authority vested in a governing body consisting of a Mayor and six Council members. The Mayor and Council are responsible for passing ordinances, adopting the budget, appointing board and committee members, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the Mayor and Council,

overseeing the day-to-day operations of the City, and appointing department directors upon confirmation by the City Council. The Mayor and six Council members are elected on an at large, non-partisan basis for three year terms. The three year terms are staggered so that the Mayor and City Council persons from Place 1 and 2 are elected in year one, City Council persons from Places 3 and 4 are elected in year two, and City Council persons from Places 5 and 6 are elected in year three. Per the City Charter, no one person can serve as a council member or mayor for more than two consecutive three year terms.

The City provides a full range of municipal services. These services include police and fire protection, municipal court, streets, drainage utility, leisure services (parks and recreation, Colleyville Center and library), water and sewer, engineering/community development, and general administrative services. Based upon the criterion set forth in generally accepted accounting principles, the following organizations are includable within the City's reporting entity:

<u>Entity</u>	<u>Method of Inclusion</u>
Colleyville Economic Development Corporation (CEDC)	Blended
Colleyville Crime Control and Prevention District	Blended
Colleyville Tax Investment Financing Reinvestment Zone Zone Number One (TIF)	Discretely Presented

The City Charter of the City of Colleyville establishes the fiscal year as October 1 through September 30. The Charter requires the City Manager to submit a proposed budget and accompanying budget message to the City Council each year and the proposed budget is presented to the City Council at a budget work session. After public hearings at two consecutive regular City Council meetings, the Council may adopt the proposed budget, with or without amendment. The budget ordinance is to be adopted no later than the 30th day of September and requires an affirmative vote of a majority of the Council. The City maintains budgetary control by adopting an annual operating budget for the General Fund, Debt Service Fund, Drainage Utility Fund, and Water and Sewer Enterprise Fund. Detail control is maintained at the line item level by encumbering available funds at the time a purchase order is written. Encumbrances lapse at fiscal year-end, but can be re-appropriated through a budget amendment during the following fiscal year. The City Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council.

LOCAL ECONOMY

The City of Colleyville is a residential-oriented community located 11 miles northeast of the City of Fort Worth, 22 miles northwest of Dallas and 5 miles west of Dallas/Fort Worth International Airport in Northeast Tarrant County. During the fiscal year, the City issued 82 residential building permits and the average appraised value of a residential property was \$598,244. The City also issued 69 certificates of occupancy for new, remodeled, and expanding businesses.

In fiscal year 2020, commercial developments continued to bring new tenants and sales tax dollars to Colleyville including:

- Montclair Event Venue
- Ohana Hawaiian BBQ & Poke
- Desserts RX
- Fit Factory
- D1 Training
- Soul Sweat Hot Yoga
- Kasai Hibachi Sushi & Bar
- Ruggeri’s Ristorante (new location)

- Stonehouse Restaurant
- The Cajun Market (previously T-Johnny’s Cajun Market)
- Colleyville Business Center

In addition to these new businesses and tenants, Colleyville expects to see the following developments in the near future:

- A new office warehouse building development is currently under construction on John McCain Rd near Colleyville Blvd
- A new commercial strip center is nearing completion at the intersection of Glade Road and Heritage Avenue to include Spenga Gym and Smoothie Factory
- From Across the Pond is relocating to Colleyville in the Tara Village shopping center and will serve British food and drinks
- A popular children’s clothing resale shop, Once Upon A Child, is locating in the shopping center adjacent to Albertson’s

Infrastructure projects completed in fiscal year 2020 include the rehabilitation of the McPherson and Bransford Road Water Towers. Additionally, over 7 lane miles were resurfaced in 2020, including:

- Beverly Drive
- Curtis Road
- Herbert Road
- Leta Lane
- Shelton Drive
- Suellen Court
- Bogart Drive
- Cherry Lane
- Jim Mitchell (East and West)
- Lloyd Circle
- Maranatha Court
- Rose Street
- Thompson Terrace

Projects nearing completion are the roundabouts at the intersections of McDonwell School Road and Westcoat Drive and John McCain and Westcoat Drive, trail segments along John McCain Road, as well as an upgrade to the SCADA system. Projects in construction include Glade Road and Pleasant Run (John McCain to the North City Limit). Infrastructure projects commencing at the beginning of 2021 include Cheek-Sparger (Brown Trail to San Bar), L.D. Lockett Right Turn Lane, and Water Project 10.

For the Future. Future infrastructure and street rehabilitation projects scheduled include sidewalk/trail construction (grant-funded), Bransford Road Trail improvements, Pleasant Run Road rehabilitation, LD Lockett rehabilitation and right lane turn design, Woodbriar Estate Water Line rehabilitation, Quails Path wastewater renewal and road rehabilitation, Glade Road waterline construction, and various other drainage and waterline improvements throughout the City.

FINANCIAL INFORMATION

Financial Policies

The City of Colleyville operates under financial policies that include multiple components to provide consistency, clarity, and appropriate statutory compliance in the City’s financial processes. The City’s Charter provides a strong foundation, outlining requirements for the annual budget, monthly financial reports, and annual audit. Additional policies such as the Investment Policy, reviewed annually by the City Council, and the Fund Balance Policy, reviewed every three years by the Audit Committee, provide further detail and guidance. Decisions are also made in accordance with any existing bond covenants or state law.

Long Term Financial Planning

In Fiscal Year 2005, the City Council adopted a Fund Balance Policy requiring a 90 day reserve for fund balance in both the General Fund and the Utility Fund. In Fiscal Year 2011, the policy was updated to reflect the designations of non-spendable, restricted, committed, assigned and unassigned as required by GASB 54. At the end of Fiscal Year 2020, both the General Fund and the Utility Fund have a fund balance in excess of the required 90 day reserve. Amounts in excess of the reserve may be used to fund one-time capital expenditures.

In January 2017, the City Council held a Visioning Workshop and created a new Strategic Plan, with support from an outside facilitator and senior staff. The Strategic Plan included an updated Vision, Mission, and Values. The Strategic Plan also articulated six overall goals and several strategies to achieve each, as shown below in the version that was updated in June 2018. For each strategy identified, one or more objectives were assigned.

City of Colleyville Strategic Plan (updated June 2018)



Staff’s role is to manage City activities and finances in a way that reflects the City Council’s and the community’s highest priorities. Development of the annual budget is guided by the priorities outlined in the City of Colleyville’s Strategic Plan. Every new effort and element of the City’s budget, including existing programs, is tied to one or more of these goals, strategies, and objectives.

As a part of the annual budget process, an updated five-year forecast for the General Fund, Utility Fund, Drainage Fund, and Debt Service Fund is presented to the City Council with the proposed budget. The budget process also includes an annual update of the five-year capital improvement program (CIP). Projects in the CIP are funded from a variety of sources including the Capital Projects Fund, Utility Capital Projects Fund, the Tax Increment Financing (TIF) District Fund, or Special Revenue Funds. The Capital Projects Fund accounts for money transferred from the General Fund for use on capital projects, street impact fees, perimeter street fees, and other funds for general capital projects. For internal reporting and tracking, a Utility Capital Projects Fund was created in Fiscal Year 2017 to account for money transferred from the Utility Fund (the operating fund) for use on utility capital projects, water impact fees, and wastewater impact fees. For the CAFR purposes, the activity for the Utility Fund and the Utility Capital Projects Fund are combined as the Water and Wastewater Fund activity.

AWARDS AND ACKNOWLEDGEMENTS

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Colleyville for its comprehensive annual financial report for the fiscal year ended September 30, 2019. This was the 31st consecutive year that the City has received this prestigious award. In order 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 GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation award for its annual budget dated October 1, 2019. In order to qualify for this award, the City's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

Acknowledgements. The preparation of this report could not be accomplished on a timely basis without the dedicated endeavors of the entire staff of the Finance Department. We would like to express our sincere appreciation to all employees who contributed to the preparation. Additionally, we would also like to thank the Mayor, City Council, and City Manager for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Kyle Lester, CGFO
Finance Director



Karen Hines
Accounting Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Colleyville
Texas**

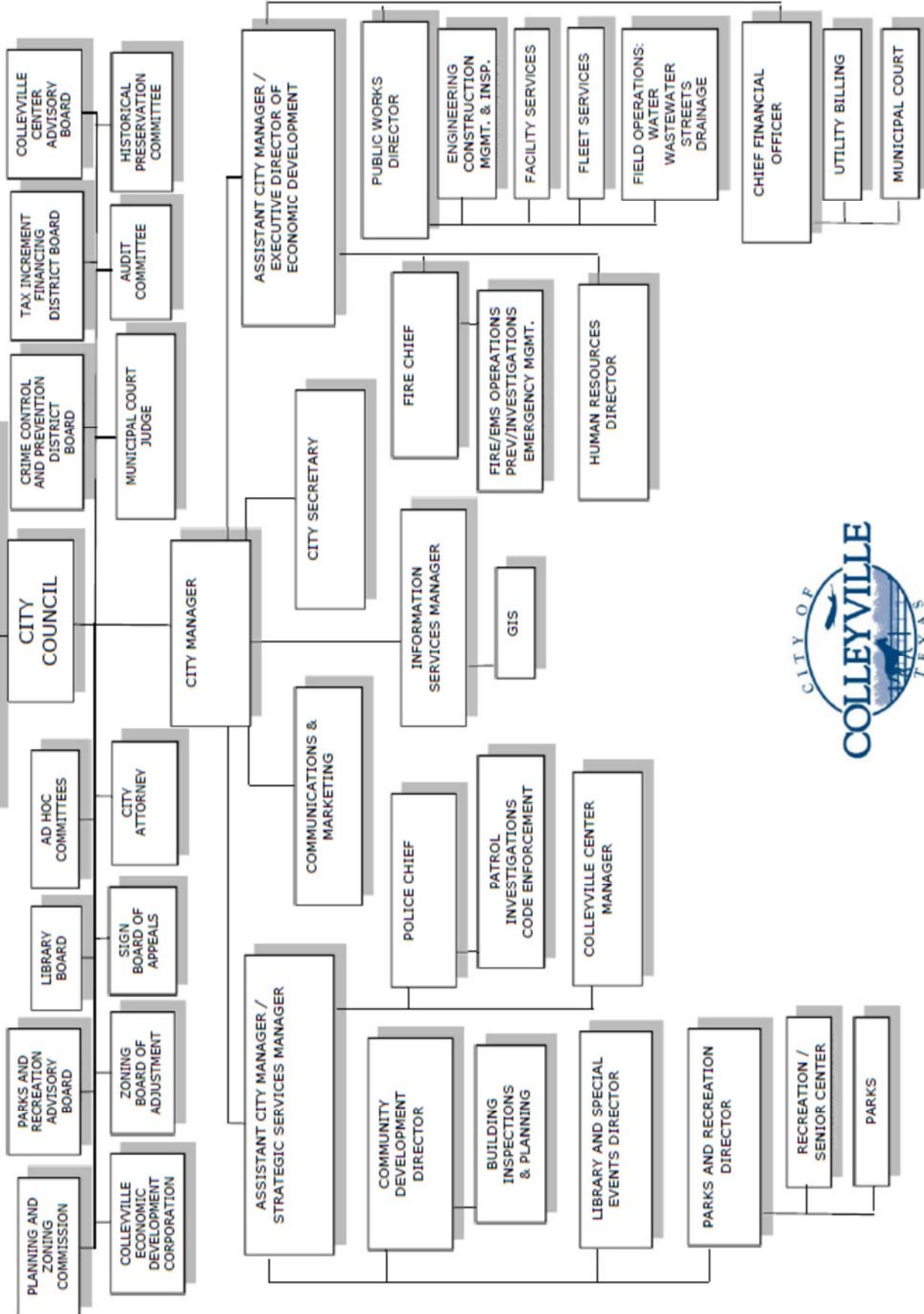
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

CITIZENS OF COLLEYVILLE



CITY OF COLLEYVILLE, TEXAS

**HOME RULE, COUNCIL – MANAGER
FORM OF GOVERNMENT**

CITY OFFICIALS

YEAR ENDED SEPTEMBER 30, 2020

Richard Newton
Mayor

Tammy Nakamura
Councilmember, Place 1

Bobby Lindamood
Mayor Pro Tem and
Councilmember, Place 2

Kathy Wheat
Councilmember, Place 3

George W. Dodson
Councilmember, Place 4

Chuck Kelley
Councilmember, Place 5

Callie Rigney
Councilmember, Place 6

Jerry Ducay
City Manager

Kyle Lester
Director of Finance

Karen Hines
Accounting Manager

Financial Section

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Independent Auditor's Report

To the Members of the City Council
and City Manager
City of Colleyville, Texas

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

Management's Responsibility for the Financial Statements

The City's 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, as of September 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Weaver and Tidwell, L.L.P.
2300 North Field Street, Suite 1000 / Dallas, Texas 75201
Main: 972.490.1970

CPAs AND ADVISORS | WEAVER.COM

The Members of the City Council and Manager of
City of Colleyville, Texas

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 7 through 16), budgetary comparison information (pages 74 through 75), and TMRS pension and OPEB schedules (pages 78 through 82) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 fund financial statements and schedules are fairly stated in all material respects, in relation to the basic financial statements as a whole.

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

The Members of the City Council and Manager of
City of Colleyville, Texas

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 12, 2021

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Management's Discussion and Analysis

As management of the City of Colleyville, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year Ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v – x of this report

Financial Highlights

- The assets plus the deferred outflows of resources of the City of Colleyville exceeded its liabilities plus the deferred inflows of resources as of September 30, 2020, by \$218,530,850 (net position). Of this amount, \$59,919,264 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net position increased by \$6,879,191 from FY 2020 operations.
- As of the close of the current fiscal year, the City of Colleyville's governmental funds reported combined ending fund balances of \$45,315,428
- As of September 30, 2020, unreserved, unassigned fund balance for the General Fund was \$7,739,043, or 36.45% of the total General Fund expenditures.

Overview of the Financial Statements

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

Government-wide Financial Statements. The government-wide financial statements, which begin on page 19 of this report, are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when 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 the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences). Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from 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 include General Government, Public Safety, Public Works, and Cultural and Recreation. The business-type activities of the City include Water and Wastewater, and Drainage Utility.

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, 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 can be divided into three categories: governmental, funds, proprietary funds, and fiduciary funds. The fund financial statements for governmental funds, proprietary funds, and fiduciary funds can be found in the financial section of this report.

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 current sources and uses 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 evaluation a government’s near-term financing requirements.

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

Beginning on page 27 of this report, information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Capital Projects, Colleyville Economic Development, and Debt Service Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds – The City maintains one type of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses Enterprise Funds to account for the Water and Wastewater and Drainage Utility Funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements, which begin on page 33 of this report, provide separate information for the Water and Wastewater and Drainage Utility Enterprise Funds since these are considered to be major funds of the City.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The Fiduciary fund statement is presented on page 37. The accounting used for fiduciary funds is similar to the accounting used for proprietary funds. The City has two agency funds: Employee Activity and Sesquicentennial Fund. Agency funds are one of the City’s fiduciary fund types. The agency funds account for funds held in an agency capacity for the benefit of the City employees and for the benefit of the City’s historical purposes.

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 41 – 69 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents combining fund statements and schedules that further support the information in the financial statements. The combining fund statements and schedules for non-major funds are presented beginning on page 83 of this report.

Governmental-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of government’s financial position. In the case of the City of Colleyville, assets plus deferred outflows of resources exceeded liabilities plus the deferred inflows of resources by \$218,530,850 as of September 30, 2020.

The largest portion of the City’s net position (\$150,901,649) reflects its investments in capital assets (e.g., land, building, equipment, improvements, construction in progress and infrastructure), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Colleyville’s Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 47,487,196	\$ 46,754,575	\$ 26,182,420	\$ 26,827,955	\$ 73,669,616	\$ 73,582,530
Capital assets, net	115,042,547	111,134,567	44,435,848	42,900,760	159,478,395	154,035,327
Total assets	162,529,743	157,889,142	70,618,268	69,728,715	233,148,011	227,617,857
Deferred outflows of resources	2,139,548	4,168,228	279,052	571,450	2,418,600	4,739,678
Current liabilities	1,786,959	2,077,934	1,744,555	2,287,107	3,531,514	4,365,041
Long-term liabilities	11,071,174	15,381,846	424,142	913,141	11,495,316	16,294,987
Total liabilities	12,858,133	17,459,780	2,168,697	3,200,248	15,026,830	20,660,028
Deferred inflows of resources	1,755,802	40,068	253,129	5,780	2,008,931	45,848
Net position						
Net Investment in capital assets	106,590,084	101,081,404	44,311,565	42,652,195	150,901,649	143,733,599
Restricted	7,709,937	7,695,169	-	-	7,709,937	7,695,169
Unrestricted	35,755,335	35,780,949	24,163,929	24,441,942	59,919,264	60,222,891
Total net position	\$ 150,055,356	\$ 144,557,522	\$ 68,475,494	\$ 67,094,137	\$ 218,530,850	\$ 211,651,659

A portion of the City’s net position (\$7,709,937) represents resources that are subject to external restriction on how they may be used. The remaining balance (\$59,919,264) of unrestricted net position may be used to meet the City’s ongoing obligation to citizens and creditors in accordance with the City’s fund designation and fiscal policies.

As of September 30, 2020, the City has positive balances in all three categories of net position, both for the City as a whole, as well as for its governmental and business-type activities separately. Fiscal year 2020 governmental activities resulted in a \$5,497,834 increase in net position. That increase was due to higher revenue intake, including approximately \$1.4 million in Federal CARES Act funds, and continued investment in the City's capital assets. Fiscal year 2020 business-type activities resulted in a \$1,381,357 increase in net position. The City has two contracts with the Trinity River Authority of Texas (TRA) for the purchase of treated water and for the transportation, treatment and disposal of sanitary sewage and other waste. In fiscal year 2020, TRA refunded the City more than \$430,000 after calculating the authority's true up balances. Additionally, the TRA did not invoice the City for October and November, resulting in a net gain to the City of almost \$830,000. The City also experienced a 0.8% increase in the water and wastewater customer base.

Tiered rates which have been in place since December 2012 were replaced with a flat rate structure in July 2016. The flat rate provides a more equitable basis for our residents by charging a flat base rate that varies depending on the meter size (rather than consumption) and a flat volumetric rate per thousand gallons of usage. The new rate structure gave the residents a relief from high water bills in summer months. Risk to the City is minimized under the new utility rate structure adopted in Fiscal Year 2016, which recovers all of the City's distribution and collection costs in the base rate component and costs related to the purchase of treated water or wastewater treatment are recovered in the volumetric component of the rate.

Analysis of the City's Operations – The following table provides a summary of the City's operations for the year ended September 30, 2020. Governmental activities increased the City of Colleyville's net position by \$5,497,834, and business-type activities contributed an increase to the City's net position of \$1,381,357.

City of Colleyville's Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 3,534,955	\$ 4,106,919	\$ 17,853,241	\$ 17,068,448	\$ 21,388,196	\$ 21,175,367
Operating grants and contributions	2,346,529	771,681	-	-	2,346,529	771,681
Capital grants and contributions	3,756,508	369,126	1,244,335	188,749	5,000,843	557,875
General revenues:						
Property tax	16,075,481	15,676,533	-	-	16,075,481	15,676,533
Sales tax	8,248,647	7,584,353	-	-	8,248,647	7,584,353
Franchise tax	1,874,032	2,086,683	-	-	1,874,032	2,086,683
Other tax	198,861	350,411	-	-	198,861	350,411
Investment income	544,752	967,396	256,811	455,178	801,563	1,422,574
Miscellaneous	147,034	89,869	42,767	18,706	189,801	108,575
Gain on sale of capital assets	326,996	14,116	18,980	-	345,976	14,116
Total revenues	37,053,795	32,017,087	19,416,134	17,731,081	56,469,929	49,748,168
Expenses:						
General government	5,791,425	5,791,827	-	-	5,791,425	5,791,827
Community development	1,609,571	1,398,052	-	-	1,609,571	1,398,052
Fire and rescue	6,437,928	6,192,307	-	-	6,437,928	6,192,307
Leisure services	4,569,933	4,710,673	-	-	4,569,933	4,710,673
Maintenance	729,754	770,762	-	-	729,754	770,762
Municipal court	579,980	575,098	-	-	579,980	575,098
Police	7,204,613	6,749,202	-	-	7,204,613	6,749,202
Streets and drainage	4,647,801	6,181,453	-	-	4,647,801	6,181,453
Water and wastewater	-	-	17,054,471	15,463,642	17,054,471	15,463,642
Drainage	-	-	730,276	863,826	730,276	863,826
Interest on long-term debt	234,986	300,840	-	-	234,986	300,840
Total expenses	31,805,991	32,670,214	17,784,747	16,327,468	49,590,738	48,997,682
Increases (decreases) in net position before transfers	5,247,804	(653,127)	1,631,387	1,403,613	6,879,191	750,486
Transfers	250,030	270,403	(250,030)	(270,403)	-	-
Change in net position	5,497,834	(382,724)	1,381,357	1,133,210	6,879,191	750,486
Net position - October 1	144,557,522	144,765,446	67,094,137	65,960,927	211,651,659	210,726,373
Cumulative effect of change in accounting principle and prior period adjustment	-	174,800	-	-	-	174,800
Net position - October 1, as restated	144,557,522	144,940,246	67,094,137	65,960,927	211,651,659	210,901,173
Net position - September 30	\$ 150,055,356	\$ 144,557,522	\$ 68,475,494	\$ 67,094,137	\$ 218,530,850	\$ 211,651,659

Governmental funds – The focus of the City of Colleyville'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's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

In fiscal year 2020, the governmental funds' unassigned fund balance decreased by \$1,363,456 due to the City transferring a large portion of its unassigned fund balance into the General Capital Projects Fund in order to cash fund the City's five-year capital improvement plan. Essentially, \$1.36 million in previously unassigned cash became assigned to capital projects. The General Fund is the only governmental fund that can have an unassigned fund balance. The total General Fund revenue was \$2,052,251 above budget, the majority of which is attributable to \$1,395,350 received from the federal government through the CARES Act. Outside of that, Colleyville saw higher than anticipated collections from its tax levy as well

as an 8% increase in sales tax receipts despite the business closures that occurred during the spring and summer months. The City benefits from a strong residential base which helps mitigate the negative effects of economic fluctuations. Despite having reduced its property tax rate this year, the General Fund's property tax revenue was more than \$100,000 above budget. Sales tax is the second largest revenue source, and it finished the year with a \$276,000 increase over FY19. As restaurants and other small businesses temporarily altered their operations due to Governor Abbott's executive order, the City began a targeted promotion program to encourage citizens to continue to shop locally. Two round of \$35 gift cards were sent to each Colleyville household which could then be redeemed at Colleyville businesses. The City's previous grant initiatives were also continued this year, including:

- The BEST (Business Enhancements to Support Transformation) Grant provides matching grant funding to local businesses to assist with beautification of commercial buildings and properties. This may include work such as façade, parking lot, and landscaping improvements.
- The SIGN (Sign Improvements to Get Noticed) Grant provides grant funds of 50% up to \$5,000 for permanent sign improvements.
- The SAFER (Support for Adequate Fire & Emergency Response) Grant provides grant funds of 50% up to \$50,000 for costs associated with installing a sprinkler system for fire suppression in commercial buildings.

Each of these programs utilizes the City's Tax Increment Financing funds to partner with local business to reinvest in Colleyville and improve quality of life for the community. To date there have been 4 BEST Grants, 8 SIGN Grants, and 1 SAFER Grant.

As discussed in the previous paragraph, and per policy enacted by City Council in the previous year, staff transferred the excess fund balance above reserve requirements to the Capital Projects Fund to fund future capital projects. The fiscal year 2020 excess fund balance allowed the Council to authorize a total transfer of \$4,875,857 to the Capital Projects Fund, in addition to the originally budgeted transfers of \$1,500,000, for a total transfer of \$6,375,857. This contributed to the net increase in the Capital Projects Fund balance of \$2,494,113. The aforementioned transfers from the General Fund to the Capital Projects Fund were contained within funds that are in the governmental fund classification and did not change the total governmental activities fund balance.

Fiscal year 2020 Debt Service Fund balance increased by \$281,137 due to greater than anticipated property tax and investment interest revenues. Additionally, the City of Colleyville is focused on reducing and eliminating debt, working toward a pay as you go method for large-scale capital improvements and purchases. To that end, the city has not issued any new tax supported debt since 2007. All debt issuances after that were refunding debts.

Proprietary funds- The unrestricted net position of the proprietary funds are \$21,332,419 for the Water and Wastewater Fund and \$2,831,510 for the Drainage Utility Fund. Additionally, fiscal year 2020 activities resulted in a total net position increase of \$1,062,210 in the Water and Sewer fund and \$319,147 for the Drainage fund. Tiered water and wastewater rates which have been in place since December 2012 were replaced with a flat rate structure in July 2016. The flat rate provides a more equitable basis for our residents by charging a flat base rate that varies depending on the meter size (rather than consumption) and a flat volumetric rate per thousand gallons of usage. The new rate structure gave the residents a relief from high water bills in summer months. The new rates did include the continued pass-through of the Trinity River Authority water and wastewater rate increases, which are the only volumetric rates Colleyville customers pay. An added benefit of the City's flat, operational rate structure is that it helps mitigate the financial effects of major weather changes by ensuring the utility operations are covered through customers' base rates. The volumetric portion of the rates solely cover charges from the Trinity River Authority, which are passed through to customers. So while operating revenues fell short of budget by \$1.14 million, this shortage was on the volumetric side of Colleyville's rates. This shortage was more than offset by lower fees from the Trinity River Authority due to the low consumption. As a result, the Water and Wastewater fund ended with a large budget surplus of over \$1.2 million. The Drainage fees, which are set monthly charges and therefore much more stable, were \$56,154 above budget.

Governmental activities – There was an increase of \$5,036,708 in governmental activities revenue compared to fiscal year 2019. The bulk of this increase came from operating grants, primarily the \$1.4 million in federal CARES Act funding, and capital contributions from developers. Additionally, Colleyville benefits from a strong residential base which helps mitigate the negative effects of economic fluctuations. Property values have experienced a 7% growth over the prior year's certified values. Despite the tax rate reduction from \$0.320800/\$100 valuation to \$0.306807/\$100 valuation, the City's actual property tax revenue was almost \$375,000 more than last year's for the General Fund and the Debt Service Fund. Total sales tax revenues increased by an impressive \$664,000 for the General Fund, Colleyville Economic Development Corporation (CEDC) and the Colleyville Crime Control and Prevention District (CCCPD), making for an 8.7% increase over FY19. When the COVID-19 pandemic resulted in storefront and restaurant closures/restrictions, Colleyville consumers shifted to on-line purchases. These remote purchases kept the City well in positive territory even though sales tax from restaurants and in-person services decreased substantially. Partially mitigating these increases were losses in franchise tax and hotel occupancy tax revenue. Franchise taxes decreased over FY19 by \$212,000 due to changes made by the 86th Texas Legislature, and hotel occupancy taxes saw a decrease of over \$150,000 from COVID-related economic closures. In total, governmental activities experienced a total of \$699,041 increase in tax revenues.

Business-type activities – Colleyville has two enterprise operations, the Waste and Wastewater Fund and the Drainage Utility Fund. The total operating revenue of the Water and Sewer Fund was \$16,888,494 for the fiscal year for an increase of \$812,768 from fiscal year 2019. The increase was led by higher pass-through revenue charged to customers for Trinity River Authority fees as well as a 1% increase in consumption and a slight increase in Colleyville's customer base. However, as mentioned earlier, revenue here was lower than staff had anticipated due to lower charges from the Trinity River Authority for purchasing water. This meant the City did not have to charge its customers as much as expected for their usage. Additionally, the Authority did not invoice Colleyville for water usage in the last two months of its fiscal year, resulting in the City collecting revenue it did not have to pay to the Authority. As per the City's policy, this surplus will be reserved for use on the City's cash-funded capital improvement plan. This policy helps staff and council to keep utility rates as low as possible. The Utility Fund ended with a total budget surplus of \$1.26 million, which was transferred from operations to capital projects for use on the 5-year capital improvement plan. Revenues from the Drainage Utility fund were essentially flat, with a small increase in drainage fees being offset by a decrease in interest earnings. Expenses were substantially lower than FY19 by \$142,000. Spending in all categories was lower, although personnel costs can account for most of the decrease. Public Works went through a slight reorganization mid-year resulting in a few positions being reclassified to water and wastewater operations. All of this contributed to a \$342,904 surplus, which will be reserved for use on the City's 5-year capital improvement plan.

General fund budgetary highlights – With the FY20 budget, resources were allocated according to the priorities of our citizens and City Council, while maintaining the conservative fiscal approach that has allowed Colleyville to attain and maintain an AAA bond rating. Cost increases were absorbed via reductions in other expenses or by identifying alternative fund sources to allow any new revenue to be allocated for priority areas.

Colleyville's approach to budgeting places emphasis on maintaining business-like efficiency and keeping as low a tax rate as possible while maintaining or expanding service levels. As such, FY20 was the second year that the City adopted an effective property tax rate, meaning properties on both the 2018 and 2019 tax rolls would not pay a higher tax bill to the city over those two years. Any increases in property tax revenue would come as a result of new development, rather than a higher tax rate. Staff has also managed to absorb annual operational increases within its existing budget through appropriate use of restricted revenues such as hotel tax as well as maintaining lean operations.

In FY17, a compensation and classification study was performed. It was a six month effort guided by a committee of citizens, Councilmembers, and staff and it resulted in a new compensation structure that was first implemented in fiscal year 2018. Employees earning below the new minimum salary of their position's pay range received a market adjustment to bring them into the new ranges, and feathering

tenured employees into their ranges based on years of service to address compression. The FY20 budget continued to reflect the City Council’s bold vision of fully implementing the recommendations of the 2017 Compensation and Classification Study.

Refer to the General Fund Statement of Revenue, Expenditures and Changes in Fund Balances – Budget and Actual on page 74 of this report for a detailed presentation of the actual General Fund operations compared to both the original and final budget for fiscal year 2020.

Capital Assets

The City of Colleyville’s investment in capital assets for its governmental and business-type activities as of September 30, 2020 amounts to \$159,478,394, net of accumulated depreciation. This investment in capital assets includes land, building and equipment, improvements other than buildings, infrastructure, and construction work in progress. Declines in overall asset valuations were due to accumulated depreciation on aging assets. Major capital asset events occurring during the current fiscal year included the following:

- Capitalized over \$2.2 million in street improvements, including McDonwell & Westcoat Roundabout (\$1.4 million), and Roberts Road (246,000).
- Capitalized over \$1.4 million for facility renovations, including a metal roof for the justice center (\$463,000), a new restroom at City Park (287,000), and renovations of a park’s facility (\$190,000).
- Capitalized \$2 million in water and wastewater infrastructure.

City of Colleyville’s Capital Assets at Year End

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Land	\$ 9,178,641	\$ 9,178,641	\$ 304,839	\$ 304,839	\$ 9,483,480	\$ 9,483,480
Buildings and improvements	52,412,241	51,374,588	53,922	53,922	52,466,163	51,428,510
Equipment	14,451,083	14,425,752	2,284,467	2,299,310	16,735,550	16,725,062
Infrastructure/water distribution sewer collection	108,756,174	104,196,498	84,064,463	82,704,453	192,820,637	186,900,951
Construction in progress	3,331,988	1,571,033	2,261,840	281,743	5,593,828	1,852,776
Less: accumulated depreciation	(73,087,581)	(69,611,945)	(44,533,683)	(42,743,507)	(117,621,264)	(112,355,452)
Total capital assets, net	\$ 115,042,546	\$ 111,134,567	\$ 44,435,848	\$ 42,900,760	\$ 159,478,394	\$ 154,035,327

Additional information on the City’s capital assets can be found in Note 5, pages 53 – 55 of this report.

Debt Administration

At the end of the current fiscal year, the City of Colleyville had total bonded debt, notes payable and capital lease obligations of \$8,577,463. Of this amount, \$3,110,000 represents bonded debt backed by the full faith and credit of the government, \$4,775,000 represents bonds secured by sales tax revenues, \$125,000 represents bonds secured solely by drainage utility system revenues, and \$208,716 represents debt from capital leases. The City will call the sales tax secured bonds in December of 2020.

**Outstanding Debt and Year End
Bonds, Notes and Capitalized Lease Obligations Payable**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
General obligation bonds and certificates of obligation	\$ 3,110,000	\$ 4,155,000	\$ -	\$ -	\$ 3,110,000	\$ 4,155,000
Sales tax revenue bonds	4,775,000	5,235,000	-	-	4,775,000	5,235,000
Revenue bonds payable			125,000	250,000	125,000	250,000
Capital lease obligations	358,747	443,675		-	358,747	443,675
Bond premiums	208,716	225,279	-	-	208,716	225,279
Total long-term debt	\$ 8,452,463	\$ 10,058,954	\$ 125,000	\$ 250,000	\$ 8,577,463	\$ 10,308,954
Long-term debt to net position percentage	6%	7%	0%	0%	4%	5%

The City's General Obligation, Tax and Water Works and Sewer System Certificates of Obligation, and Water Works and Sewer System Revenue Bond ratings are listed below.

	<u>Fitch Ratings</u>	<u>Standard & Poor's</u>
General Obligations Bonds	AAA	AAA
Water Revenue Bonds	AAA	AAA

In July 2016, the AAA rating on the City's General Obligation Bonds was reaffirmed by both Standard and Poor's and Fitch Ratings. These are the highest bond ratings assigned to municipal debt by these agencies. Additional information on the City of Colleyville's long-term debt can be found in Note 7 on pages 57 – 60 of this report

Economic Factors and Next Year's Budgets and Rates

Colleyville benefits from a strong residential base, which helps mitigate the negative effects of economic fluctuations. Property values have rebounded from the declines experienced in fiscal years 2011 and 2012, and have experienced tremendous growth in the last several years. Certified values increased 7% in total from 2019 to 2020. However, one of the City Council's highest priorities is minimizing the tax burden of our citizens. As such, careful consideration is given to the amount of revenue (and associated tax rate) needed, as opposed to simply maintaining a tax rate that brings in ever increasing amounts of revenue due to increased property values. Any tax rate above the no-new-revenue tax rate (i.e., that brings in more revenue than the prior year, excluding revenue from new construction) must be fully justified, with the reasons for adopting such a rate clearly communicated. For fiscal year 2021, the City had a goal of adopting the no-new-revenue tax rate, which was achieved by adopting a tax rate of \$0.304365/\$100 valuation, a \$0.002 reduction from the fiscal year 2020 tax rate of \$0.306807/\$100 valuation. This rate reduction serves to provide some relief to property owners receiving higher appraisal values, while also providing the revenue necessary to fund programs and services.

Sales tax is the second largest revenue source. This revenue stream makes up approximately 17% of the General Fund's revenue, and it has endured two major disruptions in the past two years. The first is the construction that took place along Colleyville's primary commercial corridor, Colleyville Boulevard (SH26), which concluded in 2020. The second disruption came this year as COVID-19 restricted commerce in the City's restaurant and in-person services sectors. However, consumers shifted their purchasing habits to online vendors and Colleyville ended the year with an 8.7% increase in sales tax. Staff responded to these business disruptions by providing grants to businesses and gift cards to residents to be redeemed at

Colleyville businesses to encourage shopping. Sales tax has been budgeted conservatively with slight growth for FY21 and limited growth in future years. As of the date of this report, the city's first FY 2021 collections has shown a 2% increase over FY 2020.

At the budget work session presentation in August, staff reviewed a five-year forecast for all operating funds. That forecast includes estimates for expenditures and the revenues necessary to continue balancing the budget. Ad valorem revenue was projected with average annual growth of 3%, reflecting potential new growth on top of an effective tax rate. Conversely, sales tax was projected with 1.5%-2% growth. The forecast for General Fund expenditures includes average annual cost increases of approximately 2.3% for materials and contractual services required each year, as well as personnel costs to continue funding appropriate market and merit adjustments and increasing healthcare costs. These forecasts help staff and the City Council focus on the long-term budgetary implications of current funding decisions. They also help to put long-term goals into perspective relative to the overall resources available.

The fiscal year 2021 budget provides a staffing level of 206.23 full-time equivalents (FTEs), 1.0 FTEs more than in fiscal year 2020. Staff accomplished this by relying on the Colleyville Economic Development Corporation and Hotel Occupancy tax fund to take on their appropriate operating costs, thereby freeing up room in the General Fund.

Water and wastewater base rates are directly related to the City's budget for the Utility Fund, and rates are set to only recover the City's cost of operating the utility system. Based on the fiscal year 2021 budget, which includes zero debt payments and a slight increase in the number of customers, water and wastewater base rates experienced a slight increase due to staffing reorganization. The CIP base rate is a capital funding component of the rate structure to ensure adequate cash funding of future utility capital projects.

Request for Information

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact Kyle Lester, Director of Finance, at 100 Main Street, Colleyville, Texas 76034, or call (817) 503-1014.

Basic Financial Statements

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Government-Wide Financial Statements

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City of Colleyville, Texas
Statement of Net Position
September 30, 2020

Exhibit 1

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 2,732,776	\$ 3,443,972	\$ 6,176,748	\$ 4,667,712
Investments	42,206,625	19,464,699	61,671,324	4,059,951
Receivables (net of allowance for uncollectibles of \$278,601)				
Accounts	268,110	3,043,470	3,311,580	1,516,449
Taxes	1,055,778	-	1,055,778	-
Loans	135,750	-	135,750	-
Due from other governments	814,484	-	814,484	-
Inventories	818	181,562	182,380	-
Prepaid items	165,773	-	165,773	-
Restricted assets:				
Investments	-	33,575	33,575	-
Accrued interest	52,601	2,388	54,989	31,781
Net pension asset	54,481	12,754	67,235	-
Capital assets:				
Non-depreciable	12,510,629	2,566,679	15,077,308	24,515,250
Depreciable (net of depreciation)	102,531,918	41,869,169	144,401,087	14,446,010
Total assets	162,529,743	70,618,268	233,148,011	49,237,153
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge for refunding	-	717	717	-
Deferred outflows - TMRS pension and OPEB	2,139,548	278,335	2,417,883	-
Total deferred outflows of resources	2,139,548	279,052	2,418,600	-
LIABILITIES				
Accounts payable	1,120,720	983,405	2,104,125	515,550
Accrued liabilities	496,296	52,731	549,027	124,634
Accrued interest payable	35,358	543	35,901	-
Advances from developers	85,972	212,506	298,478	-
Customer deposits	48,613	495,370	543,983	-
Non-current liabilities:				
Due within one year	1,304,233	141,745	1,445,978	-
Due in more than one year	9,218,484	203,335	9,421,819	-
OPEB liability	548,457	79,062	627,519	-
Total liabilities	12,858,133	2,168,697	15,026,830	640,184
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - TMRS pension and OPEB	1,755,802	253,129	2,008,931	-
Total deferred inflows of resources	1,755,802	253,129	2,008,931	-
NET POSITION				
Net investment in capital assets	106,590,084	44,311,565	150,901,649	38,961,260
Restricted:				
Debt service	951,204	-	951,204	-
Court security and technology	72,041	-	72,041	-
Grant Programs	4,520	-	4,520	-
Leisure services	509,204	-	509,204	-
Economic development	4,479,889	-	4,479,889	-
Police	1,693,079	-	1,693,079	-
Unrestricted	35,755,335	24,163,929	59,919,264	9,635,709
TOTAL NET POSITION	\$ 150,055,356	\$ 68,475,494	\$ 218,530,850	\$ 48,596,969

The Notes to the Financial Statements are an integral part of this statement.

City of Colleyville, Texas
Statement of Activities
For the Fiscal Year Ended September 30, 2020

Functions/Program Activities	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities:				
General government	\$ 5,791,425	\$ 14,488	\$ 1,578,807	\$ 169,065
Community development	1,609,571	1,399,114	-	-
Fire and rescue	6,437,928	397,612	274,740	-
Leisure services	4,569,933	228,218	375,114	-
Maintenance	729,754	-	-	-
Municipal court	579,980	1,095,647	-	-
Police	7,204,613	75,993	117,868	-
Streets and drainage	4,647,801	323,883	-	3,587,443
Interest on long-term debt	234,986	-	-	-
Total governmental activities	31,805,991	3,534,955	2,346,529	3,756,508
Business-type activities:				
Water and sewer	17,054,471	16,845,727	-	1,244,335
Drainage	730,276	1,007,514	-	-
Total business-type activities	17,784,747	17,853,241	-	1,244,335
TOTAL PRIMARY GOVERNMENT	\$ 49,590,738	\$ 21,388,196	\$ 2,346,529	\$ 5,000,843
COMPONENT UNIT				
Tax increment financing	\$ 2,844,563	\$ -	\$ -	\$ -
Total component unit	\$ 2,844,563	\$ -	\$ -	\$ -

General revenues and transfers:

Taxes:

Property taxes

Sales taxes

Franchise taxes

Other taxes

Interest on investments

Gain on sale of capital assets

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

NET POSITION, end of year

The Notes to the Financial Statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	
\$ (4,029,065)	\$ -	\$ (4,029,065)	\$ -
(210,457)	-	(210,457)	-
(5,765,576)	-	(5,765,576)	-
(3,966,601)	-	(3,966,601)	-
(729,754)	-	(729,754)	-
515,667	-	515,667	-
(7,010,752)	-	(7,010,752)	-
(736,475)	-	(736,475)	-
(234,986)	-	(234,986)	-
(22,167,999)	-	(22,167,999)	-
-	1,035,591	1,035,591	-
-	277,238	277,238	-
-	1,312,829	1,312,829	-
\$ (22,167,999)	\$ 1,312,829	\$ (20,855,170)	\$ -
\$ -	\$ -	\$ -	\$ (2,844,563)
\$ -	\$ -	\$ -	\$ (2,844,563)
\$ 16,075,481	\$ -	\$ 16,075,481	\$ 6,200,836
8,248,647	-	8,248,647	-
1,874,032	-	1,874,032	-
198,861	-	198,861	-
544,752	256,811	801,563	201,329
326,996	18,980	345,976	-
147,034	42,767	189,801	1,472
250,030	(250,030)	-	-
27,665,833	68,528	27,734,361	6,403,637
5,497,834	1,381,357	6,879,191	3,559,074
144,557,522	67,094,137	211,651,659	45,037,895
\$ 150,055,356	\$ 68,475,494	\$ 218,530,850	\$ 48,596,969

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Fund Financial Statements

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**Governmental Funds
Financial Statements**

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City of Colleyville, Texas
Balance Sheet
Governmental Funds
September 30, 2020

Exhibit 3

	General	Debt Service	Capital Projects	Colleyville Economic Development	Non-Major Governmental Funds	Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 28,230	\$ 23,773	\$ 1,356,831	\$ 154,647	\$ 1,169,295	\$ 2,732,776
Investments	10,656,109	936,225	19,369,449	3,018,121	8,226,721	42,206,625
Receivables, net of allowances for uncollectibles:						
Accounts	118,695	-	1,110	-	148,305	268,110
Taxes	1,029,214	26,564	-	-	-	1,055,778
Loans	135,750	-	-	-	-	135,750
Due from other funds	-	-	490,000	1,100,000	870,000	2,460,000
Due from other governments	-	-	-	376,848	437,636	814,484
Accrued interest	24,239	-	14,869	1,319	12,174	52,601
Inventories	818	-	-	-	-	818
Prepaid items	-	165,773	-	-	-	165,773
TOTAL ASSETS	\$ 11,993,055	\$ 1,152,335	\$ 21,232,259	\$ 4,650,935	\$ 10,864,131	\$ 49,892,715
LIABILITIES						
Accounts payable	\$ 487,393	\$ -	\$ 370,529	\$ 144,264	\$ 118,534	\$ 1,120,720
Accrued liabilities	355,569	-	62,876	26,782	51,069	496,296
Advances from developers	47,548	-	38,424	-	-	85,972
Due to other funds	2,335,000	-	-	-	125,000	2,460,000
Customer deposits	48,613	-	-	-	-	48,613
Total liabilities	3,274,123	-	471,829	171,046	294,603	4,211,601
DEFERRED INFLOWS OF RESOURCES						
Unavailable resources	339,354	26,332	-	-	-	365,686
TOTAL DEFERRED INFLOWS OF RESOURCES	339,354	26,332	-	-	-	365,686
FUND BALANCES						
Nonspendable for:						
Inventories	818	-	-	-	-	818
Prepaid items	-	165,773	-	-	-	165,773
Restricted for:						
Debt service	-	960,230	-	-	-	960,230
Court security and technology	-	-	-	-	72,041	72,041
Grant programs	-	-	-	-	4,520	4,520
Leisure services	-	-	-	-	509,204	509,204
Economic development	-	-	-	4,479,889	-	4,479,889
Police	-	-	-	-	1,693,079	1,693,079
Committed for:						
Strategic initiatives	660,435	-	-	-	-	660,435
Leisure services	-	-	-	-	2,109,059	2,109,059
Capital projects	-	-	20,760,430	-	4,956,528	25,716,958
Assigned for:						
Capital projects	-	-	-	-	1,201,140	1,201,140
Leisure services	-	-	-	-	23,957	23,957
Unassigned	7,718,325	-	-	-	-	7,718,325
Total fund balances	8,379,578	1,126,003	20,760,430	4,479,889	10,569,528	45,315,428
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 11,993,055	\$ 1,152,335	\$ 21,232,259	\$ 4,650,935	\$ 10,864,131	\$ 49,892,715

The Notes to the Financial Statements are an integral part of this statement.

City of Colleyville, Texas

Exhibit 4

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
As of September 30, 2020

TOTAL FUND BALANCES - GOVERNMENT FUNDS	\$ 45,315,428
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet	115,042,547
Interest payable on long-term debt does not require current financial resources; therefore, interest payable is not reported as a liability in the governmental funds balance sheet.	(35,358)
Net Pension asset has not been included in the governmental fund financial statements, as these assets do not represent current financial resources.	54,481
Revenues earned but not available within sixty days of the year end are not recognized as revenue on the fund financial statements.	365,686
Net deferred outflows of resources related to the City's net pension asset results in an increase in net position in the government-wide financial statements.	383,746
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the fund financial statements. These noncurrent liabilities are as follows:	
Long term debt	\$ (8,243,747)
Unamortized bond premium/discount, net	(208,716)
Compensated absences	(2,070,254)
Other post employment benefits liability	(548,457)
	<u>(11,071,174)</u>
Net position of governmental activities	<u>\$ 150,055,356</u>

The Notes to the Financial Statements are an integral part of this statement.

City of Colleyville, Texas
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended September 30, 2020

Exhibit 5

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Colleyville Economic Development</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Taxes	\$ 21,561,296	\$ 856,926	\$ -	\$ 2,096,882	\$ 2,065,396	\$ 26,580,500
Fines and forfeitures	631,593	-	-	-	96,825	728,418
Licenses, permits and fees	974,336	-	-	-	-	974,336
Intergovernmental	159,390	654,675	-	-	42,655	856,720
Charges for services	1,356,673	-	-	-	-	1,356,673
Capital improvement fees	-	-	315,183	-	-	315,183
Grants/contributions	1,395,350	-	-	-	667,369	2,062,719
Investment earnings	212,623	5,934	183,794	36,446	105,955	544,752
Miscellaneous	80,137	-	174,668	-	64,499	319,304
Total revenues	<u>26,371,398</u>	<u>1,517,535</u>	<u>673,645</u>	<u>2,133,328</u>	<u>3,042,699</u>	<u>33,738,605</u>
EXPENDITURES						
Current:						
General government	4,155,031	-	-	148,514	143,666	4,447,211
Community development and engineering	1,423,389	-	218,942	-	-	1,642,331
Fire and rescue	5,784,526	-	72,905	-	188,627	6,046,058
Leisure services	2,521,365	-	-	614,028	383,397	3,518,790
Maintenance	670,108	-	-	-	-	670,108
Municipal court	452,384	-	-	-	127,596	579,980
Police services	5,043,235	-	-	-	1,399,504	6,442,739
Streets and drainage	1,064,238	-	1,305,124	-	-	2,369,362
Capital outlay	117,954	-	2,942,589	436,871	1,696,792	5,194,206
Debt service:						
Principal retirement	-	1,129,928	-	460,000	-	1,589,928
Interest and fiscal charges	-	106,470	-	144,144	-	250,614
Total expenditures	<u>21,232,230</u>	<u>1,236,398</u>	<u>4,539,560</u>	<u>1,803,557</u>	<u>3,939,582</u>	<u>32,751,327</u>
Excess (deficiency) of revenues over (under) expenditures	5,139,168	281,137	(3,865,915)	329,771	(896,883)	987,278
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of property	121,145	-	-	-	205,851	326,996
Transfers in	250,492	-	6,375,857	-	524,706	7,151,055
Transfers out	(6,890,563)	-	-	-	(10,462)	(6,901,025)
Total other financing sources (uses)	<u>(6,518,926)</u>	<u>-</u>	<u>6,375,857</u>	<u>-</u>	<u>720,095</u>	<u>577,026</u>
Net change in fund balances	(1,379,758)	281,137	2,509,942	329,771	(176,788)	1,564,304
Fund balances, beginning of year	9,759,336	844,866	18,250,488	4,150,118	10,746,316	43,751,124
FUND BALANCES, END OF YEAR	<u>\$ 8,379,578</u>	<u>\$ 1,126,003</u>	<u>\$ 20,760,430</u>	<u>\$ 4,479,889</u>	<u>\$ 10,569,528</u>	<u>\$ 45,315,428</u>

The Notes to the Financial Statements are an integral part of this statement.

City of Colleyville, Texas

Exhibit 6

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

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ 1,564,304
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.	5,194,204
Depreciation expense on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.	(4,873,665)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of the following items:	
Principal payments	\$ 1,589,928
Amortization of premiums and deferred losses	10,772
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	1,600,700
The net change in net pension liability/asset, deferred outflows and deferred inflows is report in the statement of activities but does not require the use of current financial resources and, therefore is not reported as an expenditure in the governmental funds.	(820,552)
Current year changes in the long-term liability for compensated absences do not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds.	(114,333)
The net change in OPEB liability, deferred outflows and deferred inflow is reported in the statement of activities but does not require the use of current financial resources and, therefore is not reported as expenditures in the governmental funds.	(45,436)
Current year changes in accrued interest payable do not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds.	2,586
Governmental funds do not recognize assets contributed by developers. However, in the statement of activities the fair market value of those assets are recognized as revenue, then allocated over their estimated useful lives and reported as depreciation expense.	3,587,443
Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.	(597,417)
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 5,497,834

The Notes to the Financial Statements are an integral part of this statement.

Proprietary Funds Financial Statements

City of Colleyville, Texas
Statement of Net Position
Proprietary Funds
September 30, 2020

Exhibit 7

	Water and Sewer Fund	Drainage Utility Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,882,092	\$ 561,880	\$ 3,443,972
Investments	17,157,569	2,307,130	19,464,699
Accounts receivable, net of allowance	2,907,929	135,541	3,043,470
Inventories	181,562	-	181,562
Restricted assets:			
Investments	-	33,575	33,575
Total current assets	23,129,152	3,038,126	26,167,278
Noncurrent assets:			
Accrued interest	927	1,461	2,388
Net pension asset	9,453	3,301	12,754
Capital assets:			
Land and improvements	304,839	-	304,839
Buildings	53,922	-	53,922
Utility system	79,761,452	4,303,012	84,064,464
Equipment and furniture	1,635,692	648,774	2,284,466
Construction in progress	2,165,548	96,292	2,261,840
Less: accumulated depreciation	(42,480,888)	(2,052,795)	(44,533,683)
Total non-current assets	41,450,945	3,000,045	44,450,990
Total assets	64,580,097	6,038,171	70,618,268
DEFERRED OUTFLOW OF RESOURCES			
Deferred charge for refunding	-	717	717
Deferred outflows - TMRS pension and OPEB	230,383	47,952	278,335
Total deferred outflows of resources	230,383	48,669	279,052
LIABILITIES			
Current liabilities:			
Accounts payable	966,672	16,733	983,405
Accrued liabilities	43,646	9,085	52,731
Accrued interest payable	-	543	543
Advances from developers	95,613	116,893	212,506
Customer deposits	495,370	-	495,370
Compensated absences	-	16,745	16,745
Revenue bonds payable	-	125,000	125,000
Total current liabilities	1,601,301	284,999	1,886,300
Noncurrent liabilities:			
Compensated absences	162,799	40,536	203,335
Net OPEB liability	65,067	13,995	79,062
Total non-current liabilities	227,866	54,531	282,397
Total liabilities	1,829,167	339,530	2,168,697
DEFERRED INFLOW OF RESOURCES			
Deferred inflows - TMRS pension and OPEB	208,329	44,800	253,129
Total deferred inflows of resources	208,329	44,800	253,129
NET POSITION			
Net investment in capital assets	41,440,565	2,871,000	44,311,565
Unrestricted	21,332,419	2,831,510	24,163,929
TOTAL NET POSITION	\$ 62,772,984	\$ 5,702,510	\$ 68,475,494

The Notes to the Financial Statements are an integral part of this statement.

City of Colleyville, Texas
Statement of Revenues, Expenses
and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended September 30, 2020

Exhibit 8

	Water and Sewer Fund	Drainage Utility Fund	Total
OPERATING REVENUES			
Metered water sales	\$ 11,734,812	\$ -	\$ 11,734,812
Wastewater service charges	4,206,156	-	4,206,156
Drainage service charges	-	1,002,409	1,002,409
Other charges and services	904,759	5,105	909,864
Miscellaneous	42,767	-	42,767
Total operating revenues	16,888,494	1,007,514	17,896,008
OPERATING EXPENSES			
Personnel services	2,085,201	412,357	2,497,558
Maintenance and contractual services	12,572,446	93,175	12,665,621
Material and supplies	420,189	76,691	496,880
Depreciation and amortization	1,976,635	142,137	2,118,772
Total operating expenses	17,054,471	724,360	17,778,831
OPERATING INCOME (LOSS)	(165,977)	283,154	117,177
NON-OPERATING REVENUES (EXPENSES)			
Interest income	233,882	22,929	256,811
Interest expense	-	(5,916)	(5,916)
Proceeds from Sale of Property	-	18,980	18,980
Total non-operating revenues (expenses)	233,882	35,993	269,875
Income (loss) before capital contributions and transfers	67,905	319,147	387,052
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital contributions	1,244,335	-	1,244,335
Transfers out	(250,030)	-	(250,030)
Total capital contributions and transfers	994,305	-	994,305
Change in net position	1,062,210	319,147	1,381,357
Net position, beginning of year	61,710,774	5,383,363	67,094,137
NET POSITION, END OF YEAR	\$ 62,772,984	\$ 5,702,510	\$ 68,475,494

The Notes to the Financial Statements are an integral part of this statement.

City of Colleyville, Texas
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2020

Exhibit 9

	Water and Sewer Fund	Drainage Utility Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	\$ 17,118,746	\$ 1,005,573	\$ 18,124,319
Cash payments to suppliers for goods and services	(13,512,819)	(183,796)	(13,696,615)
Cash payments to employees for services	(1,961,743)	(373,539)	(2,335,282)
Net cash provided by operating activities	1,644,184	448,238	2,092,422
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers out	(250,030)	-	(250,030)
Net cash used in non-capital financing activities	(250,030)	-	(250,030)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(2,321,766)	(87,041)	(2,408,807)
Proceeds from sale of capital assets	-	18,980	18,980
Principal payments on bonds	-	(125,000)	(125,000)
Interest paid of debt	-	(6,458)	(6,458)
Net cash used in capital and related financing activities	(2,321,766)	(199,519)	(2,521,285)
CASH FLOWS FROM INVESTING ACTIVITIES			
(Purchase) sale of investments	118,312	(465,542)	(347,230)
Earnings on investments	233,039	22,929	255,968
Net cash provided by (used in) investing activities	351,351	(442,613)	(91,262)
Net change in cash and cash equivalents	(576,261)	(193,894)	(770,155)
Cash and cash equivalents, beginning of year	3,458,353	755,774	4,214,127
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,882,092	\$ 561,880	\$ 3,443,972
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (165,977)	\$ 283,154	\$ 117,177
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	1,976,635	142,137	2,118,772
Decrease (increase) in assets and deferred outflows of resources:			
Receivables	228,232	(1,941)	226,291
Inventory	9,916	-	9,916
Net pension asset	(9,453)	(3,301)	(12,754)
Deferred outflows - TMRS pension and OPEB	240,058	51,622	291,680
Increase (decrease) in liabilities and deferred outflows of resources:			
Accounts payable	(539,456)	(15,418)	(554,874)
Accrued liabilities	9,356	1,488	10,844
Compensated absences	20,713	16,718	37,431
Customer deposits	2,020	-	2,020
Net pension liability	(345,000)	(72,921)	(417,921)
Total OPEB liability	13,568	2,923	16,491
Accrued interest payable	-	-	-
Deferred inflows - TMRS pension and OPEB	203,572	43,777	247,349
Net cash provided by operating activities	\$ 1,644,184	\$ 448,238	\$ 2,092,422
NON-CASH CAPITAL AND RELATED FINANCING			
Contributions of capital assets from developers	\$ 1,244,335	\$ -	\$ 1,244,335

The Notes to the Financial Statements are an integral part of this statement.

Fiduciary Fund Financial Statements

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City of Colleyville, Texas

Employee Activity Fund and Sesquicentennial Fund
Statement of Fiduciary Net Position
September 30, 2020

Exhibit 10

	<u>Agency Fund</u>
ASSETS	
Cash and cash equivalents	\$ 22,168
Investments	<u>3,323</u>
TOTAL ASSETS	<u><u>\$ 25,491</u></u>
LIABILITIES	
Due to other agencies and individuals	<u>\$ 25,491</u>
TOTAL LIABILITIES	<u><u>\$ 25,491</u></u>

The Notes to Financial Statements are an integral part of this statement.

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City of Colleyville, Texas

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

The City of Colleyville Home Rule Charter was adopted by the voters at an election held on January 15, 1977. The City operates under a Council-Manager form of government.

The accounting policies of the City of Colleyville, Texas (the City) conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant of such policies:

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. Each blended component unit has a September 30 year-end.

Blended Component Unit — The Colleyville Economic Development Corporation (CEDC) was incorporated on September 3, 1996, as a nonprofit industrial development corporation under the Development Corporation Act of 1979 (Act). The CEDC operates under a seven-member board of directors appointed by the City Council. Each of the directors shall be a resident of the City. The Corporation is organized exclusively for the purposes of benefiting and accomplishing public purposes of and to act on behalf of, the City, and the specific purposes for which the Corporation is organized. This includes municipal park improvements, the purchase of land and improvements for additional neighborhood parks, the construction of a community center and library. Although it is legally separate from the City, the CEDC is reported as if it were part of the primary government, because CEDC is financing public improvements and the City is the primary beneficiary of the services provided.

Blended Component Unit — Colleyville Crime Control and Prevention District (the District) was formed under Chapter 363 of the Texas Local Government Code, the Crime Control and Prevention District Act. The District is organized to act on behalf of the City for financing, development of crime control throughout the City. The District is governed by a seven-member board consisting of all members of the City Council. The District is reported as a part of the primary government because it provides services entirely for the City.

Discretely Presented Component Unit — Colleyville Tax Increment Financing Reinvestment Zone Number One (the TIF) was formed to make public improvements, under the authority of the Tax Increment Financing Act. The TIF is governed by a nine-member board consisting of five members appointed by the City Council and one member each appointed by the four other participating taxing entities. The primary government appoints a voting majority of the unit's governing body and the City has a potential economic benefit from this unit. Therefore, the TIF is presented in the accompanying financial statements as a discretely presented component unit. Complete financial statements for the TIF may be obtained from the City of Colleyville Finance Department, 100 Main Street, Colleyville, Texas 76034.

City of Colleyville, Texas

Notes to the Basic Financial Statements

B. Government-wide Fund 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 nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, 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 certain legally separate *component units* 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 are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenue* includes 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 revenue are reported instead as *general revenue*.

Separate financial statements are provided for Governmental Funds, Proprietary Funds, and Fiduciary Funds, even though the latter are excluded from the government-wide financial statements. Major individual Governmental Funds and major individual Enterprise Funds are reported as separate columns in the fund financial statements.

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 and Fiduciary Fund financial statements, except for Agency Funds, which have no measurement focus. 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 revenue 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 revenue to be available if 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, sales taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

City of Colleyville, Texas

Notes to the Basic Financial Statements

Governmental Funds

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in the proprietary fund type) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City's Governmental Fund types:

The City reports the following major Governmental Funds:

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

The Capital Projects Fund — is used to account for financial resources to be used for the acquisition or construction of general major capital facilities. Financing is provided primarily by the sale of general obligation bonds and developer contributions.

The Debt Service Fund — is used to account for the acquisition of resources for, and the payment of, general long-term debt principal and interest, and related costs.

The Colleyville Economic Development Fund — is used to account for the use of bond proceeds and sales tax revenues for municipal park improvements, the purchase of land and equipment for additional neighborhood parks and for the construction of a community center and library.

Additionally, the City also reports the following funds:

Special Revenue Funds — accounts for the revenues and expenditures associated with a special project or purpose.

Proprietary Funds

Proprietary Funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income and capital maintenance.

The City reports the following major Proprietary Funds:

The Water and Wastewater Fund — is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises — where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. This fund is used to account for water and wastewater operations.

The Drainage Utility Fund — is used to account for the establishment and maintenance of drainage facilities within the municipal boundaries of the City. All activities necessary to provide such facilities are accounted for in this fund, included but not limited to, administration, operations, maintenance, billing and collections.

City of Colleyville, Texas

Notes to the Basic Financial Statements

Fiduciary Funds

Agency Fund — Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent on behalf of others. Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. The City has two Agency Funds: Employee Activity and the Sesquicentennial Fund. These funds are held for the benefit of City employees and to benefit the City's historical purposes.

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

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 revenue. Likewise, general revenue includes 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 City's Enterprise Funds are charges to customers for sales and services. Operating expenses for Enterprise Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

D. Cash and Cash Equivalents and Investments

For purposes of the statement of cash flows, the Enterprise Fund considers all highly liquid investments (investments with original maturities less than 90 days, including restricted assets) to be cash equivalents.

The City's cash and cash equivalents are considered to be cash on hand and demand deposits. Investments for the City are reported at fair value, except for the position in investment pools. The City's investment in pools are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

E. 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 noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

The allowance for uncollectible accounts receivable for utility billing is estimated as a percentage of sales calculated based on historical experience. Ambulance receivables in excess of 180 days comprise the ambulance allowance for uncollectables. The allowance for uncollectable accounts for capias warrants is set at 90% of outstanding receivables.

City of Colleyville, Texas

Notes to the Basic Financial Statements

Property taxes are imposed nonexchange revenues. Assets from imposed nonexchange transactions are recorded when the entity has enforceable legal claim to the asset, or when the entity receives resources, whichever comes first. The enforceable legal claim date for property taxes is the assessment date. The assessment date has been designated in the enabling legislation as of October 1. The City's property tax is levied on the assessed value listed as of the prior January 1. Taxes are due upon receipt of the tax bill. All unpaid taxes become delinquent if not paid before February 1 of the current fiscal year.

F. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and vehicle repair parts. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	15-50
Improvements	20-50
Equipment	5-10
Infrastructure (streets and drainage)	50
Water distribution/sewer collection	5-40

H. Compensated Absences

City employees are granted vacation and sick pay in varying amounts. In the event of termination, an employee is paid for all accumulated, unused vacation. Vacation pay is accrued as it vests to the employee. Sick pay is recorded when paid or upon retirement when a maximum of 90 days is paid. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements.

City of Colleyville, Texas

Notes to the Basic Financial Statements

I. 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.

In the fund financial statements, the face amount of debt issued is reported as other financing sources for the governmental fund types.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as another financing source. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures. For proprietary fund types, bond premiums and discounts, as well as issuance costs, are charged to current operations rather than being deferred and amortized due to the relatively immaterial effect on the basic financial statements taken as a whole.

J. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by resolution of the City Council, the City's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This is done through resolution of the City Council. This intent can be expressed by the Chief Financial Officer.

Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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

City of Colleyville, Texas

Notes to the Basic Financial Statements

K. Minimum Unassigned Fund Balance

It is the goal of the City to achieve and maintain an unassigned fund balance in the General Fund equal to three months of that year's budgeted expenditures for both the General and Utility Funds. The City Council may declare a fiscal emergency and withdraw any amount of the unassigned General and Utility Funds' balances for purposes of addressing the fiscal emergency. Any such action must also provide for necessary appropriations to restore the designated fund balance to the balance within a three-year period.

L. Net Position Flow Assumption

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

M. Deferred Outflows/Inflows of Resources

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

Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Pension/OPEB contributions after measurement date — These contributions are deferred and recognized in the following fiscal year.

Difference in projected and actual earnings on pension assets and OPEB liabilities — This difference is deferred and amortized over a closed five year period.

Difference in expected actual pension/OPEB experience — This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from four sources: property taxes, municipal fines and ambulance fees, and a note payable from the component unit. These amounts are deferred and recognized as an inflow of resources in that period that the amounts become available. The City also had a deferred inflow of resources for the following:

Difference in projected and actual earnings on pension assets and OPEB liabilities – The difference will be amortized over a closed five year period.

City of Colleyville, Texas

Notes to the Basic Financial Statements

N. Estimates

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

O. Risk Management

Insurance coverage for property, liability and workers' compensation is provided by the Texas Municipal League Intergovernmental Risk Pool, a state insurance pool. Contributions to the Risk Pool for workers' compensation are based on the City's past claims history. The Risk Pool is self-sustaining through members' contributions and maintains insurance to limit risk of loss with an external insurance company. Settlement claims have not exceeded aggregate limits in the past three fiscal years.

P. Pensions

For purposes of measuring the net pension asset, pension related deferred outflows and inflows of resources, and pension expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City'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. Information regarding the City's Net Pension Asset is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

Q. Other Post-Employment Benefits

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on the City's actuary report. For this purpose, OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Information regarding the City's Total OPEB Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

City of Colleyville, Texas

Notes to the Basic Financial Statements

Note 2. Stewardship, Compliance and Accountability

Budgetary Information

The City Council follows these procedures in establishing budgetary data reflected in the basic financial statements:

1. Prior to September 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.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of an ordinance.
4. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.
5. Formal budgetary integration is employed as a management control device during the year for the General, Colleyville Economic Development Fund, Crime District Fund, Debt Service, and Enterprise Funds. Budgetary control is maintained at the fund level. Internal budgets prepared for various boards are reviewed by the City Council for expenditures of other Special Revenue Funds. These budgeted expenditures are not formally adopted by the City Council.
6. Budgets for the General and the Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Formal budgeted amounts are as amended by the City Council for the General, Colleyville Economic Development Fund, Crime District Fund, Debt Service and Enterprise Funds.
7. Budgetary data for the Capital Projects Fund has not been presented in the accompanying basic financial statements, as such funds are budgeted over the life of the respective project and not on an annual basis. Accordingly, formal budgetary integration of the Capital Projects Fund is not employed and comparison of actual results of operations to budgetary data for such fund is not presented.
8. Budgetary data for the Enterprise and Drainage Utility Funds has not been presented since the reporting on such budgets is not legally required.

Note 3. Deposits and Investments

In fiscal year 2016, the City adopted GASB Statement No. 72 (GASB 72), *Fair Value Measurement and Application*. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurements.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

City of Colleyville, Texas
Notes to the Basic Financial Statements

As of September 30, 2020, the City held the following fair value measurements:

	Value at September 30, 2020	Fair Value Measurements			Percent of Total Investments	Weighted Average Maturity (Days)
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs		
City:						
Cash and cash equivalents:						
Cash deposits - City	\$ 6,174,036	\$ -	\$ -	\$ -		
Petty Cash - City	2,712					
Cash deposits - trust and agency	22,168	-	-	-		
Investments not subject to fair value:						
Investment pools:						
TexPool	18,815,153	-	-	-	28%	38
TexStar	9,510,879	-	-	-	14%	39
Texas CLASS	21,297,254	-	-	-	31%	22
LOGIC	1,674,406	-	-	-	2%	54
Investments in certificates of deposits:						
Certificates of deposits	10,410,530	-	10,410,530	-		
Total cash and investments of the city	67,907,138	-	10,410,530	-		
Component unit:						
Cash and cash equivalents:						
Cash deposits	4,667,712	-	-	-		
Investments not subject to fair value:						
Investment pools:						
Texas CLASS	428,995	-	-	-	5%	22
TexPool	704,330	-	-	-	8%	38
TexStar	877,537	-	-	-	10%	39
LOGIC	819,492	-	-	-	9%	54
Investments in certificates of deposits:						
Certificates of deposits	1,229,597	-	1,229,597	-		
Total cash and investments of the component unit	8,727,663	-	1,229,597	-		
Total cash and investments of the reporting entity	\$ 76,634,801	\$ -	\$ 11,640,127	\$ -		

City of Colleyville, Texas

Notes to the Basic Financial Statements

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the City to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the City to invest in (1) obligations of the U. S. Treasury, certain U. S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the City to have independent auditors perform test procedures related to investment practices as provided by the Act. The City is in substantial compliance with the requirements of the Act and with local policies.

Investment Pools are measured at amortized cost or net asset value and are exempt from fair value reporting and therefore have been excluded from the hierarchy. Certificates of Deposit are reported fair value.

The amounts for TexStar, Texas CLASS, LOGIC and TexPool (pooled investments) are reported as investments in the Statement of Net Position.

TexPool is duly chartered and overseen by the State Comptroller's Office, administered and managed by Federated Investors, Inc. State Street Bank serves as the custodial bank. The portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements; and AAA rated money market mutual funds.

The investment pool transacts at a net asset value of \$1.00 per share, has a weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by a nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. The investment pool has a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

Texas CLASS is an external investment pool measured at fair value, i.e. net asset value. The investment pool's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short term marketable securities. There are no unfunded commitments related to the investment pool. Texas CLASS has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity. The Texas CLASS portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements; AAA rated money market mutual funds; and commercial paper.

LOGIC is duly chartered by the State of Texas Interlocal Cooperation Act, is administered by Hilltop Securities, Inc. and J.P. Morgan Investment Management, Inc. (JPMIM), and managed by JPMIM, who provides custody and investment management.

City of Colleyville, Texas

Notes to the Basic Financial Statements

LOGIC's investment objectives are to seek preservation of principal, liquidity, and current income through investment in a diversified portfolio of short-term marketable securities. The portfolio will maintain a dollar-weighted average maturity that does not exceed 60 days and seeks to maintain a net asset value of \$1.00 per share. LOGIC may invest in securities including: obligations of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; other obligations which are unconditionally guaranteed or insured by the U.S.; fully collateralized repurchase agreements with a defined termination date and unconditionally guaranteed or insured by the U.S. or its agencies and instrumentalities; SEC-registered money-market fund rated in the highest rating category by at least one nationally recognized statistical rating organization (NRSRO); and commercial paper as authorized under the Public Funds Investment Act. The investment pool has a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

TexSTAR is duly chartered by the State of Texas Interlocal Cooperation Act, is administered by Hilltop Securities, Inc. and J.P. Morgan Investment Management, Inc. (JPMIM), and managed by JPMIM, who provides custody and investment management.

The primary objectives of TexSTAR are, in order of priority, preservation and protection of principal, maintenance of sufficient liquidity to meet Participants' needs, and yield. The portfolio will maintain a dollar-weighted average maturity that does not exceed 60 days and seeks to maintain a net asset value of \$1.00 per share. TexSTAR may invest in securities including: obligations of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; other obligations which are unconditionally guaranteed or insured by the U.S.; fully collateralized repurchase agreements with a defined termination date and unconditionally guaranteed or insured by the U.S. or its agencies and instrumentalities; and SEC-registered no-load money-market fund which meet the requirements of the Public Funds Investment Act. The investment pool has a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

Certificates of Deposit classified in Level 2 of the fair value hierarchy are negotiable and are valued using quoted prices for similar assets in active markets (Level 2).

Interest Rate Risk. In accordance with its investment policy, the government manages its exposure to declines in fair market values by limiting the average dollar weighted maturity of its investment portfolios to a maximum of 540 days.

Custodial Credit Risk. The City maintains a cash and investment pool that combines cash of the various funds in order to maximize investment opportunities. The City's policy and state statutes require that all deposits in financial institutions be insured by the Federal Depository Insurance Corporation (FDIC) or fully collateralized as per the Public Funds Collateral Act. The City's deposits were fully insured or collateralized as required by state statutes as of September 30, 2020.

Credit Risk. It is the City's policy to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization. The City's assets in investments meet the requirements as noted above.

City of Colleyville, Texas
Notes to the Basic Financial Statements

Note 4. Receivables

Receivables as of year-end for the government's individual major funds, nonmajor funds and enterprise funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds				Enterprise Funds		Total
	General	Debt Service	Capital Projects	Non-Major Governmental	Water and Sewer	Drainage Fee	
Receivables:							
Accounts	\$ 375,044	\$ -	\$ 1,110	\$ 148,305	\$ 2,930,181	\$ 135,541	\$ 3,590,181
Taxes	1,029,214	26,564	-	-	-	-	1,055,778
Loans	135,750	-	-	-	-	-	135,750
Gross receivables	1,540,008	26,564	1,110	148,305	2,930,181	135,541	4,781,709
Less allowance	256,349	-	-	-	22,252	-	278,601
Net total receivables	\$ 1,283,659	\$ 26,564	\$ 1,110	\$ 148,305	\$ 2,907,929	\$ 135,541	\$ 4,503,108

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real property and certain personal property located in the City. The assessed value, net of exemptions, upon which the fiscal 2020 levy was based, was \$5,839,829,017.

Property taxes are limited by the Texas constitution to \$2.50 per \$100 of assessed valuation and by City Charter to \$1.50 per \$100 valuation. Also, the tax rate set per budget year shall not result in property tax revenue increase greater than seven percent of the total property tax revenue collected in the preceding budget year, adjusted for new construction, unless authorized by the voters of the City at a special election. The combined tax rate to finance general governmental service and debt service for the year ended September 30, 2020, was \$0.306807 per \$100 of assessed valuation.

Taxes are due by January 31 following the levy date. Tax collections, including related penalties and interest, was \$17,317,428 for the year ended September 30, 2020. Property taxes receivable at September 30, 2020, were \$251,843.

The appraisal of property within the City is the responsibility of a countywide appraisal district as required by legislation passed by the Texas Legislature. The appraisal district is required under such legislation to assess all property within the appraisal district on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every three years; however, the City may, at its own expense, require annual reviews of appraised values. The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action.

City of Colleyville, Texas
Notes to the Basic Financial Statements

Note 5. Capital Assets

Capital asset activity for the year ended September 30, 2020, was as follows:

Primary Government

	Beginning Balance	Capital Acquisitions	Sales or Disposals	Adjustments/ Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 9,178,641	\$ -	\$ -	\$ -	\$ 9,178,641
Construction-in-progress	1,571,033	3,308,894	-	(1,547,939)	3,331,988
Total capital assets not being depreciated	10,749,674	3,308,894	-	(1,547,939)	12,510,629
Capital assets being depreciated:					
Buildings and building improvements	51,374,588	208,824	(70,404)	899,234	52,412,242
Machinery and Equipment	14,425,752	1,352,958	(1,327,627)	-	14,451,083
Improvements other than buildings	104,196,498	3,910,971	-	648,705	108,756,174
Total capital assets being depreciated	169,996,838	5,472,753	(1,398,031)	1,547,939	175,619,499
Accumulated depreciation:					
Buildings and building improvements	(23,468,254)	(1,548,783)	70,404	-	(24,946,633)
Machinery and Equipment	(11,755,911)	(1,149,160)	1,327,627	-	(11,577,444)
Improvements other than buildings	(34,387,780)	(2,175,724)	-	-	(36,563,504)
Total accumulated depreciation	(69,611,945)	(4,873,667)	1,398,031	-	(73,087,581)
Total capital assets being depreciated, net	100,384,893	599,086	-	1,547,939	102,531,918
Governmental activities capital assets, net	\$ 111,134,567	\$ 3,907,980	\$ -	\$ -	\$ 115,042,547
Business-Type activities:					
Capital assets not being depreciated:					
Land	\$ 304,839	\$ -	\$ -	\$ -	\$ 304,839
Construction in progress	281,743	1,980,097	-	-	2,261,840
Total capital assets not being depreciated	586,582	1,980,097	-	-	2,566,679
Capital assets being depreciated:					
Buildings and building improvements	53,922	-	-	-	53,922
Machinery and equipment	2,299,310	313,033	(327,876)	-	2,284,467
Improvements other than buildings	82,704,453	1,360,010	-	-	84,064,463
Total capital assets being depreciated	85,057,685	1,673,043	(327,876)	-	86,402,852
Accumulated depreciation:					
Buildings and building improvements	(138,744)	(622)	-	-	(139,366)
Machinery and equipment	(1,938,547)	(132,006)	327,876	-	(1,742,677)
Improvements other than buildings	(40,666,216)	(1,985,424)	-	-	(42,651,640)
Total accumulated depreciation	(42,743,507)	(2,118,052)	327,876	-	(44,533,683)
Total capital assets being depreciated, net	42,314,178	(445,009)	-	-	41,869,169
Business type activities capital assets, net	\$ 42,900,760	\$ 1,535,088	\$ -	\$ -	\$ 44,435,848

City of Colleyville, Texas
Notes to the Basic Financial Statements

Component Unit

	Beginning Balance	Capital Acquisitions	Sales or Disposals	Adjustments/ Transfers	Ending Balance
Component unit activities:					
Capital assets not being depreciated:					
Land	\$ 6,413,874	\$ 9,851,067	\$ -	\$ -	\$ 16,264,941
Construction-in-progress	5,978,080	6,680,926	-	(4,408,697)	8,250,309
Total capital assets not being depreciated	12,391,954	16,531,993	-	(4,408,697)	24,515,250
Capital assets being depreciated:					
Improvements other than buildings	11,598,758	-	-	4,408,697	16,007,455
Total capital assets being depreciated	11,598,758	-	-	4,408,697	16,007,455
Accumulated depreciation:					
Improvements other than buildings	(1,013,522)	(547,923)	-	-	(1,561,445)
Total accumulated depreciation	(1,013,522)	(547,923)	-	-	(1,561,445)
Total capital assets being depreciated, net	10,585,236	(547,923)	-	4,408,697	14,446,010
Component unit activities capital assets, net	\$ 22,977,190	\$ 15,984,070	\$ -	\$ -	\$ 38,961,260

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

Governmental activities:	
General government	\$ 474,071
Public safety	1,027,907
Public works	2,330,212
Culture and recreation	1,041,477
	<hr/>
Total depreciation expense - governmental activities	\$ 4,873,667
	<hr/> <hr/>
Business-type activities:	
Water and sewer	\$ 1,976,635
Drainage utility	141,417
	<hr/>
	\$ 2,118,052
	<hr/> <hr/>

City of Colleyville, Texas
Notes to the Basic Financial Statements

Construction Commitments

The government has active construction projects as of September 30, 2020. The major projects are listed as follows:

Project	Spent-to-date	Remaining Commitment
City Hall/Library HVAC Renovation	\$ 149,901	\$ 199,984
Cheek-Sparger Road Improvements	965,050	42,250
Colleyville Center Metal Re-Roofing	194,902	10,598
Drainage Master Plan	248,060	192,697
FY21 Misc. Drainage Projects	20,000	249,180
Glade Rd Ph II ROW Acquisition	467,095	22,096
Glade Rd Ph II - Construction	1,250	14,273,642
Glade Rd Phase 2,3,4 Design	1,124,637	42,689
Hwy 26 Reconstruction	2,058,708	20,939
ILA Fiber Project	413,352	278,930
John McCain / Westcoat Roundabout	564,917	622,121
John McCain Hike & Bike Trail	226,894	641,000
Justice Center HVAC Replacement	80,273	326,727
Justice Center Metal Roof Restoration	463,425	266,075
LD Lockett Designated Right Turn Lane - Design	68,602	10,880
LD Lockett Pump Generator	76,033	413,467
McDonwell School Road and Westcoat Dr Roundabout	1,599,181	278,042
Nature Center & Reagan Park Restrooms	287,354	419,126
Nature Center Trail	171,715	215,985
Park Facility Renovation (5205 Bransford)	190,769	260,152
Pleasant Run Waterline - Design	110,128	282,286
Roberts Road - Design	331,744	95,251
SCADA Upgrade	100,768	189,732
Senior Center Exterior Renovation	8,123	109,683
SH26 Beautification	60,640	6,519,400
SH26 Light Pole Fixtures	1,711,704	1,288,296
Tinker Road Reconstruction - Design	49,683	277,911
Water Project #10: Apple Valley	49,280	16,870
Water Tower Rehab/Demo	1,729,829	22,660
Total	\$ 13,524,017	\$ 27,588,669

City of Colleyville, Texas
Notes to the Basic Financial Statements

Note 6. Interfund Transactions

Interfund balances reflect payments made by one fund on behalf of another fund for which cash settlement has not been made as of the end of the accounting period. As of September 30, 2020 interfund balances outstanding were as follows:

Due From	Due To				Total
	General	Colleyville Economic Development	Capital Projects	Nonmajor Government Funds	
General fund	\$ -	\$ 1,100,000	\$ 390,000	\$ 845,000	\$ 2,335,000
Nonmajor governmental funds	-	-	100,000	25,000	125,000
Total	\$ -	\$ 1,100,000	\$ 490,000	\$ 870,000	\$ 2,460,000

The composition of interfund transfers as of September 30, 2020, is as follows:

Transfer out:	Transfer in			Total
	General	Capital Projects	Nonmajor Government Funds	
General fund	\$ -	\$ 6,375,857	\$ 514,706	\$ 6,890,563
Nonmajor governmental funds	462	-	10,000	10,462
Water and wastewater	250,030	-	-	250,030
Total	\$ 250,492	\$ 6,375,857	\$ 524,706	\$ 7,151,055

The most significant interfund transfers include the transfer of \$6,375,857 from the General Fund to the Capital Projects and \$514,706 to Nonmajor Governmental Funds represents transfers for capital replacement.

The \$250,030 from the water and wastewater fund to the General Fund is a budgeted transfer for the fund's share of administrative expenses.

Note 7. Long-term Liabilities

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. The original amount of general obligation bonds issued in prior years was \$35,540,000.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year.

City of Colleyville, Texas
Notes to the Basic Financial Statements

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due within One Year
Governmental activities:					
General obligation bonds and certificates of obligation	\$ 4,155,000	\$ -	\$ (1,045,000)	\$ 3,110,000	\$ 410,000
Sales tax revenue bonds	5,235,000	-	(460,000)	4,775,000	470,000
Bond premiums	225,279	-	(16,563)	208,716	35,928
Capital leases payable	443,675	-	(84,928)	358,747	87,619
Compensated absences	1,955,921	905,177	(790,844)	2,070,254	300,686
Net pension liability	2,932,903		(2,932,903)	-	-
Total OPEB liability	434,068	114,389	-	548,457	-
Total governmental activities	\$ 15,381,846	\$ 1,019,566	\$ (5,330,238)	\$ 11,071,174	\$ 1,304,233
Business-type activities:					
Revenue bonds and certificates of obligation	\$ 250,000	\$ -	\$ (125,000)	\$ 125,000	\$ 125,000
Compensated absences	182,649	100,575	(63,144)	220,080	16,745
Net pension liability	417,921		(417,921)	-	-
Total OPEB liability	62,571	16,491	-	79,062	-
Total business-type activities	\$ 913,141	\$ 117,066	\$ (606,065)	\$ 424,142	\$ 141,745
Component unit:					
Note payable to primary government	\$ 645,000	\$ -	\$ (645,000)	\$ -	\$ -
Bond premiums	24,041	-	(24,041)	-	-
Total component unit	\$ 669,041	\$ -	\$ (669,041)	\$ -	\$ -

For the governmental activities, compensated absences are generally liquidated by the General Fund.

City of Colleyville, Texas
Notes to the Basic Financial Statements

Long-term liabilities at September 30, 2020, consisted of the following:

General Obligation Bonds and Certificates of Obligation	Final Maturity	Interest Rates	Governmental	Business-Type
\$6,225,000 Series 2016, General Obligation Refunding Bonds	2027	2.0 - 3.0%	\$ 3,110,000	\$ -
			\$ 3,110,000	\$ -
Governmental Revenue Bonds	Final Maturity	Interest Rates	Governmental	Business-Type
\$7,330,000 Series 2013, Refunding and Improvement Sales Tax Revenue Bonds	2029	2.88%	\$ 4,775,000	\$ -
\$1,550,000 Series 2011, Waterworks and Wastewater System Refunding Bonds	2021	3.47%	-	125,000
			\$ 4,775,000	\$ 125,000

The ordinances authorizing the issuance of Waterworks and Wastewater System Revenue Bonds created the Interest and Sinking Fund and Reserve Fund. The gross revenue of the waterworks and wastewater system, after deduction of reasonable expenses of operations and maintenance, are pledged to such funds in amounts equal to the total annual principal and interest requirements of the bonds and amounts required to maintain the Reserve Fund. At September 30, 2020, the City was in compliance with these requirements.

Governmental-type Activities

General Obligation Bonds and Certificates of Obligation

Fiscal Years Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2021	\$ 410,000	\$ 68,750	\$ 478,750
2022	425,000	56,225	481,225
2023	435,000	43,325	478,325
2024	445,000	32,350	477,350
2025	455,000	23,350	478,350
2026-2027	940,000	18,900	958,900
Total	\$ 3,110,000	\$ 242,900	\$ 3,352,900

City of Colleyville, Texas
Notes to the Basic Financial Statements

General Revenue Bonds

Fiscal Years Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2021	\$ 470,000	\$ 130,752	\$ 600,752
2022	490,000	130,752	620,752
2023	500,000	102,672	602,672
2024	510,000	88,128	598,128
2025	530,000	73,152	603,152
2026-2029	2,275,000	133,560	2,408,560
Total	\$ 4,775,000	\$ 659,016	\$ 5,434,016

Business-type Activities

Revenue Bonds and Certificates of Obligation

Fiscal Years Ending September 30,	Business-Type Activities		
	Principal	Interest	Total
2021	125,000	2,169	127,169
Total	\$ 125,000	\$ 2,169	\$ 127,169

Capital Leases

The City has entered into lease agreements as lessee for financing and acquisition of vehicles and equipment for public safety. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of its future minimum lease payments as of the inception date.

Capital leases entered into prior to fiscal year 2020 totaled \$358,747. Capital leases are classified as machinery and equipment, and have an amortized value of approximately \$584,365 at September 30, 2020. Capital lease amortization expense has been included in depreciation expense for the year ended September 30, 2020.

City of Colleyville, Texas
Notes to the Basic Financial Statements

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2020, were as follows:

<u>Fiscal Years Ending September 30,</u>	<u>Governmental Activities</u>
2021	\$ 95,219
2022	96,818
2023	48,484
2024	48,484
2025	48,484
2026-2027	<u>97,166</u>
Total minimum lease payments	434,655
Less: amount representing interest	<u>(75,908)</u>
Present value of minimum lease payments	<u>\$ 358,747</u>

Note 8. Defined Benefit Pension Policies

Plan Descriptions

The City participates as one of 888 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agency 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 Sections 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tMrs.org.

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 payments 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 Colleyville, Texas
 Notes to the Basic Financial Statements

A summary of plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	Twenty years to any age, five years at age 60 and above
Updated service credit	100% repeating, transfers
Annuity increase to retirees	0% of CPI

Employees Covered by Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefits	148
Inactive employees entitled to but not yet receiving benefits	147
Active employees	187
	482

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are with 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contributions 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 8.72% and 9.10% in calendar years 2019 and 2020, respectively. The city's contributions to TMRS for the year ended September 30, 2020, were \$1,280,642, and were equal to the required contributions.

Net Pension Liability/(Asset)

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

Actuarial Assumptions

The Total Pension Liability/(Asset) in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

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

City of Colleyville, Texas

Notes to the Basic Financial Statements

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 for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a four-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2109 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. For determining the amount of the monthly benefit at the time of retirement for both healthy and disabled annuitants, the APRs until 2027 are based on the study performed in 2013, with the factors phasing into being based on a unisex blend of the RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment for males and females with both male and female rates multiplied by 107.5% and projected on a fully generational basis with scale BB. 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 expenses and inflation) are developed for each major asset class. These rangers 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 arithmetic real rates of return for each major assets class in fiscal year 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global equity	30.0%	5.30%
Core fixed income	10.0%	1.25%
Non-core fixed income	20.0%	4.14%
Real return	10.0%	3.85%
Real estate	10.0%	4.00%
Absolute return	10.0%	3.48%
Private equity	10.0%	7.75%
Total	100.0%	

City of Colleyville, Texas

Notes to the Basic Financial Statements

Discount Rate

The discount rate used to measure the Total Pension Liability/(Asset) 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 period of projected benefit payments to determine the Total Pension Liability/(Asset).

Changes in the Net Pension Liability/(Asset)

	Increase (Decrease)		
	Total Pension Liability(Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability(Asset) (a) - (b)
Balance at December 31, 2018	\$ 59,753,587	\$ 56,402,763	\$ 3,350,824
Changes for the year:			
Service cost	2,114,121	-	2,114,121
Interest	4,016,942	-	4,016,942
Change of benefit terms	-	-	-
Difference between expected and actual experience	943,948	-	943,948
Changes of assumptions	282,429	-	282,429
Contributions - employer	-	1,159,312	(1,159,312)
Contributions - employee	-	948,036	(948,036)
Net investment income	-	8,718,902	(8,718,902)
Benefit payments, including refunds of employee contributions	(2,600,777)	(2,600,777)	-
Administrative expense	-	(49,271)	49,271
Other changes	-	(1,480)	1,480
Net changes	<u>4,756,663</u>	<u>8,174,722</u>	<u>(3,418,059)</u>
Balance at December 31, 2019	<u>\$ 64,510,250</u>	<u>\$ 64,577,485</u>	<u>\$ (67,235)</u>

The following presents the net pension liability/(asset) 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 one-percentage-point lower (5.75%) or one-percentage-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%)
Net pension liability(asset)	\$ 8,925,311	\$ (67,235)	\$ (7,482,558)

City of Colleyville, Texas

Notes to the Basic Financial Statements

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2020, the City recognized pension expense of \$2,197,460. The General Fund, Capital Projects Fund, Colleyville Economic Development Fund, Water and Sewer Fund, Drainage Utility Fund, Crime District Fund, and Juvenile Case Manager Fund have been used to liquidate pension liabilities.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual economic experience	\$ 1,109,324	\$ -
Changes in actuarial assumptions	210,011	-
Difference between projected and actual investment earnings	-	(1,970,696)
Contributions subsequent to the measurement date	<u>986,330</u>	<u>-</u>
Total	<u><u>\$ 2,305,665</u></u>	<u><u>\$ (1,970,696)</u></u>

\$986,330 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/(asset) for the measurement year ending December 30, 2019 (i.e. recognized in the City's financial statements for the year ended September 30, 2021). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Years Ended December 30,	Net Deferred Outflows (Inflows) of Resources
<u> </u>	<u> </u>
2020	\$ (55,672)
2021	(86,436)
2022	473,090
2023	(982,343)
2024	<u>-</u>
Total	<u><u>\$ (651,361)</u></u>

City of Colleyville, Texas

Notes to the Basic Financial Statements

Note 9. Other Postemployment Benefits

Plan Description

The City participates in a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF) administered by the Texas Municipal Retirement System (TMRS). The City has elected, by ordinance, to participate in this program and provide group-term life insurance coverage for their active members and retirees. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be a single-employer unfunded OPEB plan.

Membership in the plan at December 31, 2019, the date of the latest actuarial valuation, consists of the following:

Inactive employees currently receiving benefits	98
Inactive employees entitled to but not yet receiving benefits	18
Active employees	187
	<hr/>
Total	303
	<hr/> <hr/>

Valuation of Assets

For purposes of calculating the Total OPEB Liability, the plan is considered to be unfunded and therefore no assets are accumulated for OPEB.

Actuarial Assumptions:

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

Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate	2.75%

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 for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a four-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. For determining the amount of the monthly benefit at the time of retirement for both healthy and disabled annuitants, the APRs until 2027 are based on the study performed in 2013, with the factors phasing into being based on a unisex blend of the RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment for males and females with both male and female rates multiplied by 107.5% and projected on a fully generational basis with scale BB. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

City of Colleyville, Texas

Notes to the Basic Financial Statements

Discount Rate

Because the Supplemental Death Benefits Fund is considered an unfunded trust under GASB Statement No. 75, the relevant discount rate for calculating the Total OPEB Liability is based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of the measurement date.

	OPEB Liability
Balance at December 31, 2018	\$ 496,639
Changes for the year:	
Service cost	23,024
Interest	18,777
Change of benefit terms	-
Difference between expected and actual experience	(9,503)
Changes of assumptions	102,645
Benefit payments, including refunds of employee contributions	(4,063)
Net changes	130,880
Balance at December 31, 2019	\$ 627,519

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

	1% Decrease in Discount 1.75%	Discount Rate 2.75%	1% Increase in Discount 3.75%
Total OPEB liability	\$ 766,465	\$ 627,519	\$ 520,370

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

For the year ended September 30, 2020, the City recognized OPEB expense of \$56,251. The General Fund, Capital Projects Fund, Colleyville Economic Development Fund, Water and Sewer Fund, Drainage Utility Fund, Crime District Fund, and Juvenile Case Manager Fund have been used to liquidate OPEB liabilities.

City of Colleyville, Texas

Notes to the Basic Financial Statements

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (11,665)
Changes in assumptions and other inputs	108,966	(26,570)
Contributions made subsequent to measurement date	3,252	-
Total	\$ 112,218	\$ (38,235)

\$3,252 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the measurement year ending December 30, 2019 (i.e. recognized in the City's financial statements for the year ended September 30, 2021). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending December 30,	Net Deferred Outflows (Inflows) of Resources
2020	\$ 14,450
2021	14,450
2022	14,450
2023	11,520
2024	11,141
Thereafter	4,720
Total	\$ 70,731

Note 10. Water and Wastewater Contracts

The City has two contracts with the Trinity River Authority of Texas (TRA) for the purchase of treated water and for the transportation, treatment and disposal of sanitary sewage and other waste. The initial term of the contracts are 35 years (water – April 2014) and 50 years (wastewater – November 2023), however both contain language that they will continue in effect until all related bonds and refunding bonds in lieu of debt have been paid. While the provisions of each of the contracts vary, each contract basically requires the City to pay varying amounts based on the costs associated with water purchased and sewage transported and/or treated and disposed. The cost includes the City's proportionate share of TRA's operating and maintenance expenses, related debt service costs, and certain other miscellaneous charges. Purchases of treated water and charges for the transportation, treatment and disposal of sewage and other wastes during fiscal year 2020 amounted to approximately \$8,984,236 and \$2,846,276, respectively.

Note 11. Contingent Liabilities

The City has been named as a defendant or co-defendant in a number of legal actions. While the outcome of these cases is not known at this time, City management believes that any awards to insured parties which must be paid in excess of amounts covered by insurance will not be material to the financial position of the City.

City of Colleyville, Texas

Notes to the Basic Financial Statements

Note 12. Risk Financing and Insurance

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year 1974, the City joined the Texas Municipal League Workers Compensation Joint Insurance Fund for risks related to employees. During the fiscal year 1992, the City joined the Texas Municipal League Joint Insurance Fund for risks related to general liability, property and errors and omissions. Premiums are paid to the Pool, which retains a limit of loss. Reinsurance companies insure the risks beyond those limits. The City retains, as a risk, only the deductible amount of each policy. There have been no significant reductions in insurance coverage and no settlements exceeded insurance coverage in the past three fiscal years.

Note 13. Tax Abatements

The City negotiates Chapter 380 sales tax rebate agreements on an individual basis. The City has tax rebate agreements with one entity as of September 30, 2020. The agreement states that the company desires to purchase and use new building materials within the City to generate additional sales and use tax revenue for the City. Sales taxes abated under this agreement was 80% for a total of \$11,041 for the year ended September 30, 2020.

Note 14. New Accounting Pronouncements

The GASB pronouncements effective in fiscal year 2020 and 2021 are listed as follows:

The GASB issued Statement No. 84, *Fiduciary Activities*, in January 2017. This statement establishes standards of accounting and financial reporting for fiduciary activities. This standard becomes effective for the City in fiscal year 2021. The City has not yet determined the impact of this statement.

The GASB issued Statement No. 90: *Majority Equity Interests – an Amendment to GASB Statements No. 14 and No. 61*. Statement 90 will be effective for periods beginning after December 15, 2019. The primary objective of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statements information for certain component units. The Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. This standard will become effective for the City in fiscal year 2021. The City has not yet determined the impact of this statement.

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Required Supplementary Information

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Budgetary Comparison Schedules

City of Colleyville, Texas

Exhibit A-1

General Fund

Budgetary Comparison Schedule (GAAP Basis)

For the Fiscal Year Ended September 30, 2020

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 21,041,674	\$ 21,041,674	\$ 21,561,296	\$ 519,622
Fines and forfeitures	640,000	640,000	631,593	(8,407)
Licenses, permits and fees	927,500	927,500	974,336	46,836
Intergovernmental	159,390	159,390	159,390	-
Charges for services	1,340,483	1,340,483	1,356,673	16,190
Grants/Contributions	-	-	1,395,350	1,395,350
Investment earnings	150,000	150,000	212,623	62,623
Miscellaneous	60,100	60,100	80,137	20,037
TOTAL REVENUES	24,319,147	24,319,147	26,371,398	2,052,251
EXPENDITURES				
Current:				
General government	4,564,726	4,564,726	4,155,031	409,695
Community development and engineering	1,510,432	1,510,432	1,423,389	87,043
Fire and rescue	5,829,801	5,829,801	5,784,526	45,275
Leisure services	2,674,198	2,674,198	2,521,365	152,833
Maintenance	730,533	730,533	670,108	60,425
Municipal court	469,636	469,636	452,384	17,252
Police services	5,121,389	5,121,389	5,043,235	78,154
Streets and drainage	1,241,484	1,241,484	1,064,238	177,246
Capital outlay	24,000	24,000	117,954	(93,954)
TOTAL EXPENDITURES	22,166,199	22,166,199	21,232,230	933,969
Excess of revenues over expenditures	2,152,948	2,152,948	5,139,168	2,986,220
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of property	20,000	20,000	121,145	101,145
Transfers in	250,030	250,030	250,492	462
Transfers out	(2,016,606)	(2,016,606)	(6,890,563)	(4,873,957)
TOTAL OTHER FINANCING SOURCES (USES)	(1,746,576)	(1,746,576)	(6,518,926)	(4,772,350)
NET CHANGE IN FUND BALANCE	406,372	406,372	(1,379,758)	(1,786,130)
FUND BALANCES, beginning of year	9,759,336	9,759,336	9,759,336	-
FUND BALANCES, end of year	\$ 10,165,708	\$ 10,165,708	\$ 8,379,578	\$ (1,786,130)

City of Colleyville, Texas
 Colleyville Economic Development Fund
 Budgetary Comparison Schedule (GAAP Basis)
 For the Fiscal Year Ended September 30, 2020

Exhibit A-2

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 1,907,400	\$ 1,907,400	\$ 2,096,882	\$ 189,482
Investment earnings	25,000	25,000	36,446	11,446
Total revenues	1,932,400	1,932,400	2,133,328	200,928
EXPENDITURES				
General government	196,358	196,358	148,514	47,844
Leisure services	698,846	698,846	614,028	84,818
Capital outlay	1,210,000	1,210,000	436,871	773,129
Debt service:				
Principal retirement	460,000	460,000	460,000	-
Interest and fiscal charges	144,144	144,144	144,144	-
Total expenditures	2,709,348	2,709,348	1,803,557	905,791
Excess (deficiency) of revenues over (under) expenditures	(776,948)	(776,948)	329,771	1,106,719
Net change in fund balance	(776,948)	(776,948)	329,771	1,106,719
FUND BALANCE, beginning of year	4,150,118	4,150,118	4,150,118	-
FUND BALANCE, end of year	\$ 3,373,170	\$ 3,373,170	\$ 4,479,889	\$ 1,106,719

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City of Colleyville, Texas

Notes to the Budgetary Comparison Schedules
For the Fiscal Year Ended September 30, 2020

Budgetary Data

The City Council adheres to the following procedures in establishing the budgets reflected in the financial statements:

1. Prior to September 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.
2. Public hearings are conducted to obtain taxpayers' comments.
3. Prior to September 30, the budget is legally enacted through passage of an ordinance.
4. Annual budgets are legally adopted for the General Fund, Debt Service Fund, the Colleyville Economic Development Fund, and the Crime District Fund all on a basis consistent with accounting principles generally accepted in the United States of America. Formal budgetary integration is not employed for Proprietary Funds. However, the City does adopt an annual budget for those funds for managerial control. Budgetary data for the Capital Projects Fund has not been presented in the budgetary comparison schedules, as such funds are budgeted over the life of the respective project and not on an annual basis. Accordingly, formal budgetary integration is not employed for the Capital Projects Funds.
5. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.
6. Expenditures in excess of appropriations for the year ended September 30, 2020 were:

General Fund:	
Capital Outlay	(\$93,954)

The General Fund capital outlay expenditures exceeded appropriations by \$93,954 mainly due to the computer equipment for public works. This overage was funded by underspending in other functions.

City of Colleyville, Texas
Schedule of Changes in Net Pension Liability
and Related Ratios
Texas Municipal Retirement System
Last Six Measurement Years

Exhibit A-3

	Measurement Year 2019	Measurement Year 2018	Measurement Year 2017	Measurement Year 2016	Measurement Year 2015	Measurement Year 2014
Total pension liability:						
Service cost	\$ 2,114,121	\$ 2,067,935	\$ 2,045,941	\$ 1,920,420	\$ 1,820,192	\$ 1,598,908
Interest	4,016,942	3,748,186	3,528,308	3,302,291	3,149,676	2,938,763
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	943,948	713,928	19,139	205,568	(55,444)	136,216
Change in assumptions	282,429	-	-	-	937,119	-
Benefit payments, including refunds of employee contributions	(2,600,777)	(2,542,340)	(2,151,523)	(2,133,755)	(1,814,665)	(1,728,299)
Net change in total pension liability	4,756,663	3,987,709	3,441,865	3,294,524	4,036,878	2,945,588
Total pension liability - beginning	59,753,589	55,765,880	52,324,015	49,029,491	44,992,613	42,047,025
Total pension liability - ending (a)	64,510,252	59,753,589	55,765,880	52,324,015	49,029,491	44,992,613
Plan fiduciary net position:						
Contributions - employer	1,159,312	1,159,516	1,082,013	922,484	903,631	745,874
Contributions - employee	948,036	920,251	898,468	851,897	822,553	763,324
Net investment income	8,718,902	(1,757,178)	7,166,092	3,298,224	72,103	2,657,437
Benefit payments, including refunds of employee contributions	(2,600,777)	(2,542,340)	(2,151,523)	(2,133,755)	(1,814,665)	(1,728,299)
Administrative expense	(49,271)	(33,959)	(37,136)	(37,249)	(43,918)	(27,747)
Other	(1,480)	(1,774)	(1,882)	(2,007)	(2,170)	(2,281)
Net change in plan fiduciary net position	8,174,722	(2,255,485)	6,956,032	2,899,594	(62,466)	2,408,308
Plan fiduciary net position - beginning	56,402,765	58,658,250	51,702,218	48,802,624	48,865,090	46,456,782
Plan fiduciary net position - ending (b)	64,577,487	56,402,765	58,658,250	51,702,218	48,802,624	48,865,090
Net pension liability(asset) - ending (a) - (b)	\$ (67,235)	\$ 3,350,824	\$ (2,892,370)	\$ 621,797	\$ 226,867	\$ (3,872,477)
Plan fiduciary net position as a percentage of total pension liability(asset)	100.10%	94.39%	105.19%	98.81%	99.54%	108.61%
Covered payroll	\$ 13,543,374	\$ 13,146,439	\$ 12,835,255	\$ 12,169,964	\$ 11,750,753	\$ 10,904,635
Net pension liability(asset) as a percentage of covered payroll	-0.50%	25.49%	-22.53%	5.11%	1.93%	-35.51%

Note: Only six years of data is presented in accordance with GASB #68, paragraph 138. "The information for all period for the 10-year schedules that are required to be presented as required supplementary information may be available initially. In these cases, during the transition period, that information should be presented for as many periods as are available. The schedules should not include information that is not measured in accordance with the requirements of this statement. Additional years' information will be displayed as it becomes available."

City of Colleyville, Texas
 Schedule of Contributions
 Texas Municipal Retirement System
 Last Seven Fiscal Years

Exhibit A-4

	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015	Fiscal Year 2014
Actuarially determined contribution	\$ 2,197,460	\$ 2,596,092	\$ 1,538,670	\$ 1,048,848	\$ 941,907	\$ 868,363	\$ 738,034
Contribution in relation of the actuarially determined contribution	2,197,460	2,596,092	1,538,670	1,048,848	941,907	868,363	738,034
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 14,213,930	\$ 13,389,846	\$ 13,188,135	\$ 12,528,384	\$ 12,281,471	\$ 11,640,489	\$ 10,707,890
Contributions as a percentage of covered payroll	15.46%	19.39%	11.67%	8.37%	7.67%	7.46%	6.89%

Note: GASB #68, paragraph 81.2.b requires that the data in this schedule be presented as of the City's fiscal year as opposed to the time period covered by the measurement date.

Note: Only seven years of data is presented in accordance with GASB #68, paragraph 138. "The information for all period for the 10-year schedules that are required to be presented as required supplementary information may be available initially. In these cases, during the transition period, that information should be presented for as many periods as are available. The schedules should not include information that is not measured in accordance with the requirements of this statement. Additional years' information will be displayed as it becomes available."

City of Colleyville, Texas

Notes to Texas Municipal Retirement System- Net Pension Liability Required Supplementary Information For the Fiscal Year Ended September 30, 2020

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 11.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Other Information	There were no benefit changes during the year.

City of Colleyville, Texas

Exhibit A-5

Schedule of Changes in Total OPEB Liability and Related Ratios Texas Municipal Retirement System Last Three Years

	Measurement Year 2019	Measurement Year 2018	Measurement Year 2017
Total OPEB liability:			
Service cost	\$ 23,024	\$ 26,293	\$ 21,820
Interest	18,777	16,950	16,399
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(9,503)	(5,282)	-
Change in assumptions	102,645	(38,274)	41,681
Benefit payments, including refunds of employee contributions	(4,063)	(3,944)	(3,851)
Net changes	130,880	(4,257)	76,049
Net OPEB liability - beginning	496,639	500,896	424,847
Net OPEB liability - ending	<u>\$ 627,519</u>	<u>\$ 496,639</u>	<u>\$ 500,896</u>
Covered payroll	\$ 13,543,374	\$ 13,146,439	\$ 12,835,255
Net OPEB liability as a percentage of covered payroll	4.63%	3.78%	3.90%

Note: Only three years of data is presented in accordance with GASB #75. "The information for all period for the 10-year schedules that are required to be presented as required supplementary information may be available initially. In these cases, during the transition period, that information should be presented for as many periods as are available. The schedules should not include information that is not measured in accordance with the requirements of this statement. Additional years' information will be displayed as it becomes available."

City of Colleyville, Texas

Notes to Texas Municipal Retirement System- Total OPEB Liability

Required Supplementary Information

For the Fiscal Year Ended September 30, 2020

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 11.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Other Information	There were no benefit changes during the year.

Combining and Individual Fund Financial Statements and Schedules

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City of Colleyville, Texas
 Debt Service Fund
 Budgetary Comparison Schedule (GAAP Basis)
 For the Fiscal Year Ended September 30, 2020

Exhibit B-1

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes	\$ 696,723	\$ 696,723	\$ 856,926	\$ 160,203
Intergovernmental	704,675	704,675	654,675	(50,000)
Investment earnings	5,000	5,000	5,934	934
Total revenues	<u>1,406,398</u>	<u>1,406,398</u>	<u>1,517,535</u>	<u>111,137</u>
EXPENDITURES				
Principal retirement	1,404,898	1,404,898	1,129,928	274,970
Interest and fiscal charges	1,500	1,500	106,470	(104,970)
Total expenditures	<u>1,406,398</u>	<u>1,406,398</u>	<u>1,236,398</u>	<u>170,000</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>281,137</u>	<u>281,137</u>
Net change in fund balance	-	-	281,137	281,137
FUND BALANCE, beginning of year	<u>844,866</u>	<u>844,866</u>	<u>844,866</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 844,866</u>	<u>\$ 844,866</u>	<u>\$ 1,126,003</u>	<u>\$ 281,137</u>

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Non-Major Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Voluntary Park — This fund is used to account for the operations for which voluntary contributions by citizens are used. Contributions are used primarily to support park activities.

Voluntary Library — This fund is used to account for the operations for which voluntary contributions by citizens are used. Contributions are used primarily to support library activities.

Police Asset Forfeiture — This fund is used to account for activity related to seizure of assets in criminal-related activities.

Tree Preservation — This fund is used to account for operations related to replacement of trees, which are eliminated due to commercial development. Contributions are received from entities that are developing the property.

Library Donation — This fund is used to account for private and corporate donations for capital purchases related to the library building for the City.

Recreational Event — This fund is used to account for activities related to special events for the City.

LEOSE (Law Enforcement Officer Standards and Education) — This fund is used to account for activities related to the continuing education of qualified law enforcement officers as funded by the State of Texas LEOSE Account.

Crime District — This fund is used to account for the Colleyville Crime Control and Prevention District formed to act on behalf of the City for financing the development of crime control throughout the City.

Kidsville Maintenance — This fund is used to account for contributions received for the maintenance of Kidsville Playground.

Special Donations — This fund is used to account for various donations made to the City for specific projects.

Court Technology — This fund is used to account for the collection and use of fines collected to be specifically used on technology for the court.

Court Security — This fund is used to account for the collection and use of fines collected to be specifically used for court security purposes.

Grant Fund — This fund is used to account for grant related activity.

Public Art — This fund is used to account for the acquisition of art to be placed in City owned facilities with high public visibility.

Juvenile Case Manager — This fund is used to account for staff, whose primary role is handling juvenile defendants in terms of teen court dockets, all school violations including truancy, failure to attend school and parental noncompliance violations, and mandatory classes for drug, tobacco and alcohol defendants, as permitted by state statute.

Hotel Tax Fund — This fund is used to account for all hotel occupancy tax revenues which are restricted by state statute and can only be used on expenditures related to tourism activities.

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Colleyville Tomorrow Fund — This fund is used to account for proceeds received on gas leases on City-owned property to be used for capital purchases.

Parks Tomorrow Fund — This fund is used to account for proceeds received on gas leases on City-owned parks property for parks capital projects.

Park Land Dedication Fund — This fund is used to account for the acquisition of land for new park sites and to make improvements to or expand existing parks to better serve new development. Fees collected from the developers of residential and commercial development finance the improvements.

Vehicle/Equipment Replacement — This fund is used to account for the replacement of vehicle and other capital equipment.

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City of Colleyville, Texas
 Non-Major Governmental Funds
 Combining Balance Sheet
 September 30, 2020

Special Revenue

	<u>Voluntary Park</u>	<u>Voluntary Library</u>	<u>Police Asset Forfeiture</u>	<u>Tree Preservation</u>	<u>Library Donation</u>
ASSETS					
Cash and cash equivalents	\$ 2,383	\$ 43,879	\$ 6,675	\$ 1,333	\$ 63,546
Investments	1,363,926	465,086	12,143	253,800	-
Accounts receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Accrued interest	3,652	-	-	-	-
TOTAL ASSETS	<u>\$ 1,369,961</u>	<u>\$ 508,965</u>	<u>\$ 18,818</u>	<u>\$ 255,133</u>	<u>\$ 63,546</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	25,000	-	-	-	-
TOTAL LIABILITIES	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	-	-	18,818	-	63,546
Committed	1,344,961	508,965	-	255,133	-
Assigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>1,344,961</u>	<u>508,965</u>	<u>18,818</u>	<u>255,133</u>	<u>63,546</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,369,961</u>	<u>\$ 508,965</u>	<u>\$ 18,818</u>	<u>\$ 255,133</u>	<u>\$ 63,546</u>

Special Revenue

Recreational Event	LEOSE	Crime District	Kidsville Maintenance	Special Donations
\$ 15,835	\$ 4,366	\$ 671,463	\$ -	\$ 46,652
-	-	606,101	-	-
-	-	-	-	-
-	-	-	-	-
-	-	419,707	-	-
-	-	-	-	-
<u>\$ 15,835</u>	<u>\$ 4,366</u>	<u>\$ 1,697,271</u>	<u>\$ -</u>	<u>\$ 46,652</u>
\$ -	\$ -	\$ 110	\$ -	\$ -
-	-	27,266	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>27,376</u>	<u>-</u>	<u>-</u>
-	4,366	1,669,895	-	46,652
-	-	-	-	-
15,835	-	-	-	-
<u>15,835</u>	<u>4,366</u>	<u>1,669,895</u>	<u>-</u>	<u>46,652</u>
<u>\$ 15,835</u>	<u>\$ 4,366</u>	<u>\$ 1,697,271</u>	<u>\$ -</u>	<u>\$ 46,652</u>

City of Colleyville, Texas
 Non-Major Governmental Fund
 Combining Balance Sheet
 September 30, 2020

Special Revenue

	<u>Court Technology</u>	<u>Court Security</u>	<u>Grant Fund</u>	<u>Public Art</u>	<u>Juvenile Case Manager</u>	<u>Hotel Tax Fund</u>
ASSETS						
Cash and cash equivalents	\$ 9,676	\$ 1,889	\$ 6,397	\$ 2,033	\$ 24,486	\$ 63,164
Investments	6,122	24,635	-	6,089	-	323,365
Accounts receivable	-	-	98,980	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	5,452	-	-	-	12,477
Accrued interest	-	-	-	-	-	-
TOTAL ASSETS	\$ 15,798	\$ 31,976	\$ 105,377	\$ 8,122	\$ 24,486	\$ 399,006
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ 857	\$ -	\$ -	\$ -
Accrued liabilities	-	219	-	-	-	-
Due to other funds	-	-	100,000	-	-	-
TOTAL LIABILITIES	-	219	100,857	-	-	-
FUND BALANCES						
Restricted	15,798	31,757	4,520	-	24,486	399,006
Committed	-	-	-	-	-	-
Assigned	-	-	-	8,122	-	-
TOTAL FUND BALANCES	15,798	31,757	4,520	8,122	24,486	399,006
TOTAL LIABILITIES AND FUND BALANCES	\$ 15,798	\$ 31,976	\$ 105,377	\$ 8,122	\$ 24,486	\$ 399,006

Capital Projects

Colleyville Tomorrow	Parks Tomorrow	Park Land Dedication	Vehicle/ Equipment Replacement	Total Non-Major Governmental Funds
\$ 2,489	\$ 19,343	\$ 73,879	\$ 109,807	\$ 1,169,295
2,580,346	1,065,813	809,095	710,200	8,226,721
-	-	-	49,325	148,305
-	-	535,000	335,000	870,000
-	-	-	-	437,636
994	-	5,260	2,268	12,174
<u>\$ 2,583,829</u>	<u>\$ 1,085,156</u>	<u>\$ 1,423,234</u>	<u>\$ 1,206,600</u>	<u>\$ 10,864,131</u>
\$ -	\$ -	\$ 112,107	\$ 5,460	\$ 118,534
-	-	23,584	-	51,069
-	-	-	-	125,000
-	-	135,691	5,460	294,603
-	-	-	-	2,278,844
2,583,829	1,085,156	1,287,543	-	7,065,587
-	-	-	1,201,140	1,225,097
<u>2,583,829</u>	<u>1,085,156</u>	<u>1,287,543</u>	<u>1,201,140</u>	<u>10,569,528</u>
<u>\$ 2,583,829</u>	<u>\$ 1,085,156</u>	<u>\$ 1,423,234</u>	<u>\$ 1,206,600</u>	<u>\$ 10,864,131</u>

City of Colleyville, Texas

Non-Major Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes In Fund Balances

For the Fiscal Year Ended September 30, 2020

Special Revenue

	Voluntary Park	Voluntary Library	Police Asset Forfeiture	Tree Preservation	Library Donation
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Grants/contributions	175,243	175,243	-	-	19,474
Investment earnings	13,546	3,737	141	2,296	348
Miscellaneous	-	-	9,428	-	-
Total revenues	<u>188,789</u>	<u>178,980</u>	<u>9,569</u>	<u>2,296</u>	<u>19,822</u>
EXPENDITURES					
Current:					
General government	44,228	-	-	-	-
Fire and rescue	-	-	-	-	-
Leisure services	-	135,183	-	-	15,713
Municipal court	-	-	-	-	-
Police services	-	-	600	-	-
Capital outlay	99,541	16,025	8,000	-	-
Total expenditures	<u>143,769</u>	<u>151,208</u>	<u>8,600</u>	<u>-</u>	<u>15,713</u>
Excess (deficiency) of revenues over expenditures	<u>45,020</u>	<u>27,772</u>	<u>969</u>	<u>2,296</u>	<u>4,109</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of property	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	45,020	27,772	969	2,296	4,109
FUND BALANCES, BEGINNING OF YEAR	<u>1,299,941</u>	<u>481,193</u>	<u>17,849</u>	<u>252,837</u>	<u>59,437</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,344,961</u>	<u>\$ 508,965</u>	<u>\$ 18,818</u>	<u>\$ 255,133</u>	<u>\$ 63,546</u>

Special Revenue

Recreational Event	LEOSE	Crime District	Kidsville Maintenance	Special Donations
\$ -	\$ -	\$ 1,951,705	\$ -	\$ -
-	-	-	-	-
-	3,872	-	-	-
-	-	-	-	36,033
90	13	8,686	14	275
-	-	6,044	-	-
90	3,885	1,966,435	14	36,308
-	-	-	-	-
-	828	-	-	11,541
-	-	-	5,942	14,344
-	-	-	-	-
-	-	1,371,546	-	11,332
-	-	343,313	-	-
-	828	1,714,859	5,942	37,217
90	3,057	251,576	(5,928)	(909)
-	-	129,456	-	-
-	-	-	-	-
-	-	(10,000)	-	-
-	-	119,456	-	-
90	3,057	371,032	(5,928)	(909)
15,745	1,309	1,298,863	5,928	47,561
\$ 15,835	\$ 4,366	\$ 1,669,895	\$ -	\$ 46,652

City of Colleyville, Texas

Non-Major Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended September 30, 2020

Special Revenue

	Court Technology	Court Security	Grant Fund	Public Art	Juvenile Case Manager	Hotel Tax Fund
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113,691
Fines and forfeitures	17,444	17,357	-	-	62,024	-
Intergovernmental	29,904	8,879	-	-	-	-
Grants/contributions	-	-	261,376	-	-	-
Investment earnings	96	349	46	65	78	3,823
Miscellaneous	-	-	-	-	-	373
Total revenues	47,444	26,585	261,422	65	62,102	117,887
EXPENDITURES						
Current:						
General government	-	-	13,724	-	-	-
Fire and rescue	-	-	176,258	-	-	-
Leisure services	-	-	8,178	-	-	204,037
Municipal court	39,683	34,115	-	-	53,798	-
Police services	-	-	778	-	-	-
Capital outlay	-	-	131,621	-	-	14,418
Total expenditures	39,683	34,115	330,559	-	53,798	218,455
Excess (deficiency) of revenues over expenditures	7,761	(7,530)	(69,137)	65	8,304	(100,568)
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of property	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(462)	-	-	-
Total other financing sources (uses)	-	-	(462)	-	-	-
NET CHANGE IN FUND BALANCES	7,761	(7,530)	(69,599)	65	8,304	(100,568)
FUND BALANCES, BEGINNING OF YEAR	8,037	39,287	74,119	8,057	16,182	499,574
FUND BALANCES, END OF YEAR	\$ 15,798	\$ 31,757	\$ 4,520	\$ 8,122	\$ 24,486	\$ 399,006

Capital Projects

Colleyville Tomorrow	Parks Tomorrow	Park Land Dedication	Vehicle/ Equipment Replacement	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 2,065,396
-	-	-	-	96,825
-	-	-	-	42,655
-	-	-	-	667,369
30,453	10,212	17,705	13,982	105,955
-	-	48,654	-	64,499
<u>30,453</u>	<u>10,212</u>	<u>66,359</u>	<u>13,982</u>	<u>3,042,699</u>
-	-	-	85,714	143,666
-	-	-	-	188,627
-	-	-	-	383,397
-	-	-	-	127,596
-	-	-	15,248	1,399,504
-	-	287,354	796,520	1,696,792
<u>-</u>	<u>-</u>	<u>287,354</u>	<u>897,482</u>	<u>3,939,582</u>
<u>30,453</u>	<u>10,212</u>	<u>(220,995)</u>	<u>(883,500)</u>	<u>(896,883)</u>
-	-	-	76,395	205,851
-	-	-	524,706	524,706
-	-	-	-	(10,462)
<u>-</u>	<u>-</u>	<u>-</u>	<u>601,101</u>	<u>720,095</u>
<u>30,453</u>	<u>10,212</u>	<u>(220,995)</u>	<u>(282,399)</u>	<u>(176,788)</u>
<u>2,553,376</u>	<u>1,074,944</u>	<u>1,508,538</u>	<u>1,483,539</u>	<u>10,746,316</u>
<u>\$ 2,583,829</u>	<u>\$ 1,085,156</u>	<u>\$ 1,287,543</u>	<u>\$ 1,201,140</u>	<u>\$ 10,569,528</u>

City of Colleyville, Texas
 Crime District Fund
 Budgetary Comparison Schedule (GAAP Basis)
 For the Fiscal Year Ended September 30, 2020

Exhibit B-4

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes	\$ 2,133,183	\$ 2,133,183	\$ 1,951,705	\$ (181,478)
Investment earnings	8,000	8,000	14,730	6,730
Total revenues	<u>2,141,183</u>	<u>2,141,183</u>	<u>1,966,435</u>	<u>(174,748)</u>
EXPENDITURES				
Police services	1,862,744	1,862,744	1,371,546	491,198
Capital outlay	262,650	262,650	343,313	(80,663)
Total expenditures	<u>2,125,394</u>	<u>2,125,394</u>	<u>1,714,859</u>	<u>410,535</u>
Excess of revenues over expenditures	<u>15,789</u>	<u>15,789</u>	<u>251,576</u>	<u>235,787</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of property	-	-	129,456	129,456
Transfers out	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(10,000)</u>	<u>(10,000)</u>	<u>119,456</u>	<u>129,456</u>
Net change in fund balance	5,789	5,789	371,032	365,243
FUND BALANCE, beginning of year	<u>1,298,863</u>	<u>1,298,863</u>	<u>1,298,863</u>	<u>-</u>
FUND BALANCE, end of year	<u><u>\$ 1,304,652</u></u>	<u><u>\$ 1,304,652</u></u>	<u><u>\$ 1,669,895</u></u>	<u><u>\$ 365,243</u></u>

Agency Funds

The Agency Funds are used to account for resources held for others in a custodial capacity. The City maintains the following Agency Fund:

Employee Activity Fund – This fund is used to account for funds held by the City for the benefit of employees of the City.

Sesquicentennial Fund – This fund is used to account for funds held by the City for the benefit of the City of Colleyville's historical purposes.

City of Colleyville, Texas**Exhibit C-1**Employee Activity Fund and Sesquicentennial Fund
Statement of Changes in Assets and Liabilities
September 30, 2020

	Employee Activity Fund	Sesquicentennial Fund	Total
ASSETS			
Cash and cash equivalents	\$ 3,570	\$ 18,598	\$ 22,168
Investments	-	3,323	3,323
TOTAL ASSETS	\$ 3,570	\$ 21,921	\$ 25,491
LIABILITIES			
Due to other agencies and individuals	\$ 3,570	\$ 21,921	\$ 25,491
TOTAL LIABILITIES	\$ 3,570	\$ 21,921	\$ 25,491

City of Colleyville, Texas

Exhibit C-2

Employee Activity Fund and Sesquicentennial Fund
 Combing Statement of Changes in Assets and Liabilities
 For the Fiscal Year Ended September 30, 2020

	Employee Activity Fund			
	Balance 10/1/2019	Additions	Deletions	Balance 9/30/2020
ASSETS				
Cash and cash equivalents	\$ 2,565	\$ 3,602	\$ (2,597)	\$ 3,570
Accounts receivable	3	-	(3)	-
TOTAL ASSETS	\$ 2,568	\$ 3,602	\$ (2,600)	\$ 3,570
LIABILITIES				
Due to other agencies and individuals	\$ 2,568	\$ 3,602	\$ (2,600)	\$ 3,570
TOTAL LIABILITIES	\$ 2,568	\$ 3,602	\$ (2,600)	\$ 3,570
	Sesquicentennial Fund			
	Balance 10/1/2019	Additions	Deletions	Balance 9/30/2020
ASSETS				
Cash and cash equivalents	\$ 18,296	\$ 318	\$ (16)	\$ 18,598
Investments	3,293	29	-	3,323
Accounts receivable	23	-	(23)	-
TOTAL ASSETS	\$ 21,612	\$ 347	\$ (39)	\$ 21,921
LIABILITIES				
Due to other agencies and individuals	\$ 21,612	\$ 347	\$ (39)	\$ 21,921
TOTAL LIABILITIES	\$ 21,612	\$ 347	\$ (39)	\$ 21,921
	Total Agency Funds			
	Balance 10/1/2019	Additions	Deletions	Balance 9/30/2020
ASSETS				
Cash and cash equivalents	\$ 20,861	\$ 3,920	\$ (2,613)	\$ 22,168
Investments	3,293	29	-	3,323
Accounts receivable	26	-	(26)	-
TOTAL ASSETS	\$ 24,180	\$ 3,949	\$ (2,639)	\$ 25,491
LIABILITIES				
Due to other agencies and individuals	\$ 24,180	\$ 3,949	\$ (2,639)	\$ 25,491
TOTAL LIABILITIES	\$ 24,180	\$ 3,949	\$ (2,639)	\$ 25,491

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Statistical Section

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Statistical Section

This part of the City of Colleyville comprehensive annual financial report present 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:

Financial Trends Information..... 106

These schedules contain trend information intended to help the reader understand how the City's financial position has changed over time.

Revenue Capacity Information 112

These schedules contain information intended to help the reader assess the City's most significant revenue source, property taxes.

Debt Capacity Information 117

These schedules contain information intended to assist users in understanding and assessing the City's current levels of outstanding debt and the ability to issue additional debt.

Demographic and Economic Information 122

These schedules provide demographic and economic indicators intended to help the readers understand the socioeconomic environment within which the City's financial activities take place.

Operating Information 125

These schedules provide contextual information about the City's operations and resources intended to assist readers in using financial statement information to understand and assess the City's economic condition.

City of Colleyville, Texas
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year				
	2011	2012	2013	2014	2015
Governmental activities					
Net investment in capital assets	\$ 83,166,142	\$ 83,211,988	\$ 84,414,252	\$ 89,754,051	\$ 98,958,693
Restricted for:					
Debt service	1,106,893	1,159,092	857,143	831,073	744,295
Court Security and technology	153,420	91,637	101,411	109,766	154,901
Grant programs	23,208	21,116	16,489	9,190	9,844
Leisure services	201,184	207,736	207,770	224,064	233,472
Economic development	1,863,900	1,998,845	2,277,373	2,733,995	2,975,894
Police	994,913	1,143,454	1,223,271	1,403,502	1,485,735
Unrestricted	24,265,699	27,752,287	27,113,566	30,119,775	34,519,503
Total governmental activities net position	\$ 111,775,359	\$ 115,586,155	\$ 116,211,275	\$ 125,185,416	\$ 139,082,337
Business-type activities					
Net investment in capital assets	\$ 38,892,098	\$ 38,395,708	\$ 39,269,943	\$ 41,567,161	\$ 44,823,618
Restricted for:					
Debt service	662,050	-	-	-	-
Unrestricted	10,111,776	12,332,238	13,702,724	14,827,594	15,260,882
Total business-type activities net position	\$ 49,665,924	\$ 50,727,946	\$ 52,972,667	\$ 56,394,755	\$ 60,084,500
Primary government					
Net investment in capital assets	\$ 122,058,240	\$ 121,607,696	\$ 123,684,195	\$ 131,321,212	\$ 143,782,311
Restricted for:					
Debt service	1,768,943	1,159,092	857,143	831,073	744,295
Court Security and technology	153,420	91,637	101,411	109,766	154,901
Grant programs	23,208	21,116	16,489	9,190	9,844
Leisure services	201,184	207,736	207,770	224,064	233,472
Economic development	1,863,900	1,998,845	2,277,373	2,733,995	2,975,894
Streets and drainage	-	-	-	-	-
Police	994,913	1,143,454	1,223,271	1,403,502	1,485,735
Unrestricted	34,377,475	40,084,525	40,816,290	44,947,369	49,780,385
Total primary governmental net position	\$ 161,441,283	\$ 166,314,101	\$ 169,183,942	\$ 181,580,171	\$ 199,166,837

Source: Comprehensive Annual Financial Report

Table 1

Fiscal Year				
2016	2017	2018	2019	2020
\$ 97,982,160	\$ 99,881,334	\$ 100,382,597	\$ 101,081,404	\$ 106,590,088
692,093	612,641	1,936,893	1,476,905	1,116,977
215,142	158,853	74,767	63,506	72,041
10,751	11,530	1,554	74,119	4,520
233,290	353,561	564,555	612,500	509,204
3,456,897	4,221,531	4,471,253	4,150,118	4,479,889
1,485,771	1,560,027	1,455,308	1,318,021	1,693,079
36,767,262	35,773,373	35,878,519	35,780,949	35,586,831
<u>\$ 140,843,366</u>	<u>\$ 142,572,850</u>	<u>\$ 144,765,446</u>	<u>\$ 144,557,522</u>	<u>\$ 150,052,629</u>
\$ 44,010,618	\$ 44,123,735	\$ 43,560,389	\$ 42,652,195	\$ 44,311,565
-	-	-	-	-
17,263,830	19,185,890	22,400,538	24,441,942	24,163,534
<u>\$ 61,274,448</u>	<u>\$ 63,309,625</u>	<u>\$ 65,960,927</u>	<u>\$ 67,094,137</u>	<u>\$ 68,475,099</u>
\$ 141,992,778	\$ 144,005,069	\$ 143,942,986	\$ 143,733,599	\$ 150,901,653
692,093	612,641	1,936,893	1,476,905	1,116,977
215,142	158,853	74,767	63,506	72,041
10,751	11,530	1,554	74,119	4,520
233,290	353,561	564,555	612,500	509,204
3,456,897	4,221,531	4,471,253	4,150,118	4,479,889
-	-	-	-	-
1,485,771	1,560,027	1,455,308	1,318,021	1,693,079
54,031,092	54,959,263	58,279,057	60,222,891	59,750,365
<u>\$ 202,117,814</u>	<u>\$ 205,882,475</u>	<u>\$ 210,726,373</u>	<u>\$ 211,651,659</u>	<u>\$ 218,527,728</u>

City of Colleyville, Texas
Changes in Net Position, Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year				
	2011	2012	2013	2014	2015
Expenses					
Governmental activities:					
General government	\$ 2,715,154	\$ 3,125,214	\$ 4,075,001	\$ 4,103,928	\$ 4,676,185
Community development and engineering	1,402,669	1,397,839	1,429,755	1,613,311	1,582,461
Fire	4,421,496	4,321,929	4,529,225	4,625,036	5,264,026
Leisure services	4,191,960	4,124,619	4,106,822	3,776,068	4,042,252
Maintenance	412,513	400,306	494,545	575,696	684,301
Municipal court	303,839	319,445	586,709	501,604	522,422
Police	4,878,055	4,579,570	4,961,444	5,019,343	5,681,698
Streets and drainage	3,657,591	3,073,530	5,322,510	4,128,365	4,404,701
Interest on long-term debt	849,390	780,029	724,458	717,045	536,161
Total governmental activities expenses	<u>22,832,667</u>	<u>22,122,481</u>	<u>26,230,469</u>	<u>25,060,396</u>	<u>27,394,207</u>
Business-type activities:					
Water and sewer	12,009,187	12,258,587	12,544,530	13,238,893	14,055,232
Drainage	742,160	723,994	707,647	571,886	833,599
Interest on long-term debt	-	-	-	-	-
Total business-type activities expenses	<u>12,751,347</u>	<u>12,982,581</u>	<u>13,252,177</u>	<u>13,810,779</u>	<u>14,888,831</u>
Total primary government expenses	<u>\$ 35,584,014</u>	<u>\$ 35,105,062</u>	<u>\$ 39,482,646</u>	<u>\$ 38,871,175</u>	<u>\$ 42,283,038</u>
Program revenues					
Governmental activities:					
Charges for Services:					
General government	\$ 97,234	\$ 28,408	\$ 15,000	\$ 15,000	\$ 17,500
Community development	868,363	1,146,518	927,690	1,387,329	1,587,038
Fire and rescue	305,882	335,308	308,339	377,021	327,264
Leisure services	1,213,167	520,433	501,260	510,991	503,098
Municipal court	970,143	1,015,804	1,271,095	1,268,447	1,474,485
Police	70,709	81,056	70,513	71,022	75,415
Streets and drainage	296,350	338,845	316,338	347,565	802,551
Operating grants and contributions	822,056	490,069	468,361	486,689	450,559
Capital grants and contributions	405,347	381,308	1,158,050	5,943,465	7,712,266
Total governmental activities program revenues	<u>5,049,251</u>	<u>4,337,749</u>	<u>5,036,646</u>	<u>10,407,529</u>	<u>12,950,176</u>
Business-type activities:					
Charges for services:					
Water and sewer	14,355,418	14,034,600	14,661,491	14,789,641	15,800,163
Drainage	903,089	918,323	928,863	939,868	948,565
Capital grants and contributions	168,365	169,464	876,660	2,707,835	2,362,261
Total business-type activities program revenues	<u>15,426,872</u>	<u>15,122,387</u>	<u>16,467,014</u>	<u>18,437,344</u>	<u>19,110,989</u>
Total primary government program revenues	<u>\$ 20,476,123</u>	<u>\$ 19,460,136</u>	<u>\$ 21,503,660</u>	<u>\$ 28,844,873</u>	<u>\$ 32,061,165</u>
Net (expenses) revenue					
Governmental activities	\$ (17,783,416)	\$ (17,784,732)	\$ (21,193,823)	\$ (14,652,867)	\$ (14,444,031)
Business-type activities	2,675,525	2,139,806	3,214,837	4,626,565	4,222,158
Total primary government net expenses	<u>\$ (15,107,891)</u>	<u>\$ (15,644,926)</u>	<u>\$ (17,978,986)</u>	<u>\$ (10,026,302)</u>	<u>\$ (10,221,873)</u>
General revenues and other changes in net position					
Governmental activities:					
Taxes:					
Property taxes	\$ 12,414,948	\$ 12,414,457	\$ 12,497,692	\$ 12,950,832	\$ 13,493,621
Franchise taxes	2,031,268	2,207,463	2,074,731	2,172,801	2,319,723
Sales taxes	5,056,597	5,495,730	5,902,557	6,472,195	6,705,914
Other	80,731	65,808	68,592	98,160	107,977
Interest on investments	95,822	108,192	77,269	39,697	100,843
Gain (Loss) on sale of capital assets	-	147,969	-	810,020	-
Transfers	858,879	1,081,868	1,112,540	1,180,292	1,178,590
Miscellaneous	55,454	74,041	85,562	61,643	82,873
Total governmental activities	<u>20,593,699</u>	<u>21,595,528</u>	<u>21,818,943</u>	<u>23,785,640</u>	<u>23,989,541</u>
Business-type activities:					
Interest on investments	38,674	4,084	38,987	23,655	52,480
Gain (Loss) on sale of capital assets	-	-	103,437	40,814	5,062
Transfers	(858,879)	(1,081,868)	(1,112,540)	(1,180,292)	(1,178,590)
Miscellaneous	-	-	-	-	-
Total business-type activities	<u>(820,205)</u>	<u>(1,077,784)</u>	<u>(970,116)</u>	<u>(1,115,823)</u>	<u>(1,121,048)</u>
Total primary government	<u>\$ 19,773,494</u>	<u>\$ 20,517,744</u>	<u>\$ 20,848,827</u>	<u>\$ 22,669,817</u>	<u>\$ 22,868,493</u>
Change in net position					
Governmental activities	\$ 2,810,283	\$ 3,810,796	\$ 625,120	\$ 9,132,773	\$ 9,545,510
Business-type activities	1,855,320	1,062,022	2,244,721	3,510,742	3,101,110
Total primary government	<u>\$ 4,665,603</u>	<u>\$ 4,872,818</u>	<u>\$ 2,869,841</u>	<u>\$ 12,643,515</u>	<u>\$ 12,646,620</u>

Source: Comprehensive Annual Financial Report

Table 2

Fiscal Year				
2016	2017	2018	2019	2020
\$ 4,449,317	\$ 4,881,741	\$ 5,330,690	\$ 5,791,827	\$ 5,788,907
1,558,750	1,672,823	1,387,909	1,398,052	1,609,571
4,783,421	5,524,975	5,690,454	6,192,307	6,437,928
4,701,443	4,987,965	4,271,760	4,710,673	4,569,933
689,861	1,243,614	738,834	770,762	729,754
448,420	606,269	595,879	575,098	579,980
5,734,116	6,093,309	6,634,046	6,749,202	7,204,613
5,150,390	3,578,365	4,009,383	6,181,453	4,647,801
614,159	408,268	334,839	300,840	240,231
<u>28,129,877</u>	<u>28,997,329</u>	<u>28,993,794</u>	<u>32,670,214</u>	<u>31,808,718</u>
13,995,038	14,779,262	15,257,125	15,463,642	17,054,796
563,268	646,145	740,994	863,826	730,346
-	-	-	-	-
<u>14,558,306</u>	<u>15,425,407</u>	<u>15,998,119</u>	<u>16,327,468</u>	<u>17,785,142</u>
<u>\$ 42,688,183</u>	<u>\$ 44,422,736</u>	<u>\$ 44,991,913</u>	<u>\$ 48,997,682</u>	<u>\$ 49,593,860</u>
\$ 15,075	\$ 338,857	\$ 35,684	\$ 29,800	\$ 14,488
1,356,581	1,148,293	1,447,081	1,361,965	1,399,114
387,705	340,630	378,019	397,646	397,612
505,203	553,633	563,228	521,448	228,218
1,306,924	1,181,280	1,110,960	1,123,157	1,095,647
93,566	98,859	101,662	93,495	75,993
794,169	634,918	758,952	579,408	323,883
514,845	507,616	614,794	771,681	2,346,529
319,541	1,302,174	406,094	369,126	3,756,508
<u>5,293,609</u>	<u>6,106,260</u>	<u>5,416,474</u>	<u>5,247,726</u>	<u>9,637,992</u>
15,499,159	15,956,329	17,332,891	16,057,020	16,845,727
954,642	985,636	1,001,180	1,011,428	1,007,514
43,104	481,413	277,639	188,749	1,244,335
<u>16,496,905</u>	<u>17,423,378</u>	<u>18,611,710</u>	<u>17,257,197</u>	<u>19,097,576</u>
<u>\$ 21,790,514</u>	<u>\$ 23,529,638</u>	<u>\$ 24,028,184</u>	<u>\$ 22,504,923</u>	<u>\$ 28,735,568</u>
\$ (22,836,268)	\$ (22,891,069)	\$ (23,577,320)	\$ (27,422,488)	\$ (22,170,726)
1,938,599	1,997,971	2,613,591	929,729	1,312,434
<u>\$ (20,897,669)</u>	<u>\$ (20,893,098)</u>	<u>\$ (20,963,729)</u>	<u>\$ (26,492,759)</u>	<u>\$ (20,858,292)</u>
\$ 13,790,347	\$ 14,548,461	\$ 15,471,246	\$ 15,676,533	\$ 16,075,481
2,206,890	2,105,881	1,982,578	2,086,683	8,248,647
7,252,963	7,304,507	7,578,861	7,584,353	1,874,032
106,607	263,587	351,715	350,411	198,861
142,343	148,933	315,611	967,396	544,752
51,849	17,000	51,620	14,116	250,601
895,668	63,319	-	270,403	250,030
150,630	168,865	126,859	89,869	223,429
<u>24,597,297</u>	<u>24,620,553</u>	<u>25,878,490</u>	<u>27,039,764</u>	<u>27,665,833</u>
76,014	100,525	-	455,178	256,811
71,003	-	-	-	18,980
(895,668)	(63,319)	(260,238)	(270,403)	(250,030)
-	-	183,685	18,706	42,767
<u>(748,651)</u>	<u>37,206</u>	<u>(76,553)</u>	<u>203,481</u>	<u>68,528</u>
<u>\$ 23,848,646</u>	<u>\$ 24,657,759</u>	<u>\$ 25,801,937</u>	<u>\$ 27,243,245</u>	<u>\$ 27,734,361</u>
\$ 1,761,029	\$ 1,729,484	\$ 2,301,170	\$ (382,724)	\$ 5,495,107
1,189,948	2,035,177	2,537,038	1,133,210	1,380,962
<u>\$ 2,950,977</u>	<u>\$ 3,764,661</u>	<u>\$ 4,838,208</u>	<u>\$ 750,486</u>	<u>\$ 6,876,069</u>

City of Colleyville, Texas

Fund Balances, Governmental Funds
(Modified Accrual Basis of Accounting)
Last Ten Fiscal Years
(Unaudited)

Table 3

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General fund										
Nonspendable	\$ 2,147	\$ 132,664	\$ 1,759	\$ 1,269	\$ 2,119	\$ 9,388	\$ 11,152	\$ -	\$ 1,291	\$ 818
Committed	706,942	813,536	813,536	813,536	813,536	796,438	682,156	659,712	655,546	655,546
Unassigned	10,223,232	11,762,625	11,006,716	10,080,617	8,736,746	8,719,620	8,866,760	8,991,999	9,102,499	12,614,900
Total general fund	\$ 10,932,321	\$ 12,708,825	\$ 11,822,011	\$ 10,895,422	\$ 9,552,401	\$ 9,525,446	\$ 9,560,068	\$ 9,651,711	\$ 9,759,336	\$ 13,271,264
All other governmental funds										
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	4,425,532	4,702,200	4,757,937	5,383,007	5,689,356	6,162,352	6,998,697	7,265,412	7,063,130	7,884,736
Committed	12,395,726	14,385,628	14,695,028	18,982,072	20,988,217	22,372,620	22,853,666	23,874,535	25,421,317	22,934,331
Assigned	1,148,548	954,818	910,611	765,908	812,939	996,929	1,119,062	1,445,725	1,507,341	1,255,097
Unassigned	-	-	(4,975)	-	-	-	-	-	-	-
Unassigned, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 17,969,806	\$ 20,042,646	\$ 20,358,601	\$ 25,130,987	\$ 27,490,512	\$ 29,531,901	\$ 30,971,425	\$ 32,585,672	\$ 33,991,788	\$ 32,074,164

Source: Comprehensive Annual Financial Report

Notes: Includes encumbrances and prepaid items.

The City implemented GASB 54 in 2011

City of Colleyville, Texas
Changes In Fund Balances, Governmental Funds
(Modified Accrual Basis of Accounting)
Last Ten Fiscal Years
(Unaudited)

Table 4

	Fiscal Year					Fiscal Year				
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES										
Taxes	\$ 19,627,734	\$ 20,235,012	\$ 20,541,466	\$ 21,747,244	\$ 22,620,506	\$ 23,367,715	\$ 24,159,016	\$ 25,615,191	\$ 25,887,789	\$ 26,580,500
Licenses, permits and fees	923,590	1,130,426	857,135	1,090,012	1,303,710	1,337,928	1,049,673	1,237,198	1,141,959	974,336
Capital improvement fees	281,260	322,498	300,900	333,496	785,992	766,398	612,134	744,465	568,533	315,183
Charges for services	998,221	1,051,899	1,000,954	1,043,821	1,217,654	1,023,202	1,218,194	1,601,117	1,442,807	1,356,673
Fines and forfeitures	1,694,993	1,030,439	1,321,927	1,577,564	1,571,510	1,398,579	1,485,658	858,709	806,572	728,418
Interest	95,823	110,550	77,269	39,697	100,842	142,330	148,909	315,611	967,396	550,796
Intergovernmental	541,709	124,056	76,506	556,954	1,377,763	224,367	668,469	950,817	854,005	856,720
Grants/Contributions	602,401	406,789	487,066	918,613	981,282	421,497	449,130	328,598	667,736	2,062,719
Miscellaneous	70,453	89,041	100,562	76,643	97,873	165,642	183,889	127,626	85,935	313,260
Total revenues	24,836,184	24,500,710	24,763,785	27,384,044	30,057,132	28,847,658	29,975,072	31,779,332	32,422,732	33,738,605
EXPENDITURES										
General government	2,383,276	2,753,457	3,171,582	3,746,619	4,126,132	4,036,395	4,166,735	4,784,205	4,046,459	4,447,211
Community development	1,397,256	1,396,259	1,429,574	1,606,589	1,524,342	1,623,972	1,511,400	1,349,824	1,369,857	1,642,331
Fire	3,972,053	3,888,225	4,062,535	4,174,745	4,618,103	4,568,639	4,870,759	4,942,939	5,492,430	6,046,058
Police	4,596,862	4,304,710	4,670,639	4,707,315	5,143,662	5,393,431	3,295,197	5,754,470	5,969,109	6,442,739
Leisure services	3,177,878	3,049,908	3,035,583	2,702,313	2,996,371	3,588,611	727,986	3,282,853	3,631,342	3,518,790
Streets and drainage	2,052,298	1,388,970	3,597,965	2,055,631	2,407,780	3,148,848	543,129	1,798,352	3,940,447	2,369,362
Municipal court	302,666	319,084	586,911	501,027	508,566	461,393	5,498,406	595,879	575,098	579,980
Maintenance	405,911	394,830	489,685	570,011	662,480	690,007	1,515,283	701,424	744,107	670,108
Capital outlay	2,510,027	2,515,115	2,668,074	3,250,508	6,268,273	2,373,025	4,421,734	4,950,202	3,141,571	5,194,206
Debt service										
Principal retirement	2,259,004	2,007,585	2,246,921	1,342,586	1,459,693	1,467,094	2,151,212	2,201,206	2,148,690	1,584,683
Interest and fiscal charges	838,320	757,594	697,140	716,228	524,414	563,660	420,477	375,647	312,988	255,859
Total expenditures	23,895,551	22,775,737	26,656,609	25,373,572	30,239,816	27,915,075	29,122,318	30,737,001	31,372,098	32,751,327
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	940,633	1,724,973	(1,892,824)	2,010,472	(182,684)	932,583	852,754	1,042,331	1,050,634	987,278
OTHER FINANCING SOURCES (USES)										
Bonds issued	2,945,000	-	-	-	-	-	-	-	-	-
Refunding bonds	-	-	-	7,330,000	-	6,225,000	-	-	-	-
Capital lease	-	894,534	209,425	-	-	-	541,073	356,459	-	-
Sale of capital assets	7,098	147,969	-	925,033	20,598	95,796	17,000	50,651	14,116	326,996
Premium on bond issue	6,561	-	-	-	-	239,163	-	-	-	-
Payments to escrow	(3,012,910)	-	-	(7,600,000)	-	(6,373,776)	-	-	-	-
Transfers in	2,458,396	3,893,584	4,189,380	7,355,334	6,497,252	5,665,493	4,552,668	5,160,716	5,212,289	2,275,198
Transfers out	(1,599,517)	(2,811,716)	(3,076,840)	(6,175,042)	(5,318,662)	(4,769,825)	(4,489,349)	(4,900,478)	(4,941,886)	(2,025,168)
Total other financing sources (uses)	804,628	2,124,371	1,321,965	1,835,325	1,199,188	1,081,851	621,392	667,348	284,519	577,026
NET CHANGE IN FUND BALANCES	\$ 1,745,261	\$ 3,849,344	\$ (570,859)	\$ 3,845,797	\$ 1,016,504	\$ 2,014,434	\$ 1,474,146	\$ 1,709,679	\$ 1,335,153	\$ 1,564,304
Debt service as a percentage of noncapital expenditures	14.5%	13.6%	12.3%	9.3%	8.3%	8.0%	10.4%	10.0%	8.7%	6.7%

Source: Comprehensive Annual Financial Report

City of Colleyville, Texas

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Table 5

Fiscal Year	Estimated Market Value		Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property	Personal Property			
2011	3,893,965,729	94,783,903	252,156,911	3,724,557,389	0.35590
2012	3,923,274,993	93,472,439	276,338,109	3,730,446,941	0.35590
2013	3,973,653,709	92,906,015	295,979,344	3,775,194,699	0.35590
2014	4,110,956,030	94,096,963	305,274,674	3,909,272,694	0.35590
2015	4,290,260,905	101,386,687	311,122,707	4,091,303,521	0.35590
2016	4,454,110,130	112,948,913	295,992,599	4,204,340,103	0.35590
2017	5,276,637,668	110,675,076	314,305,247	4,588,707,342	0.33910
2018	5,784,914,251	155,608,995	398,722,284	5,065,743,299	0.33383
2019	5,995,502,975	165,783,371	414,329,132	5,456,363,643	0.32080
2020	6,407,168,658	175,745,491	444,673,050	5,839,829,017	0.30681

Source: Tarrant Appraisal District

Note: Property in Tarrant County is reassessed once every two years. The Appraisal District assesses property at 100 percent of actual value for residential and personal. Tax rates are per \$100 of assessed value.

City of Colleyville, Texas

Direct and Overlapping Property Tax Rates (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table 6

Fiscal Year	City Direct Rates			Overlapping Rates							
	Operating/ General Rate	General Obligation Debt Service	Total Direct	Birdville Independent School District	Carroll Independent School District	Grapevine- Colleyville School District	Hurst-Eules Bedford School District	Keller Independent School District	Tarrant County	Tarrant County College District	Tarrant County Hospital District
2011	0.29758	0.05832	0.35590	1.42500	1.415000	1.290000	1.288200	1.530600	0.264000	0.13764	0.227897
2012	0.30881	0.04709	0.35590	1.43500	1.415100	1.320100	1.414000	1.540000	0.264000	0.14897	0.227897
2013	0.31385	0.04205	0.35590	1.43500	1.400000	1.320100	1.407500	1.540000	0.264000	0.14897	0.227897
2014	0.32442	0.03148	0.35590	1.43500	1.400000	1.320100	1.387500	1.540000	0.264000	0.14950	0.227897
2015	0.33461	0.02129	0.35590	1.43500	1.400000	1.320100	1.375000	1.540000	0.264000	0.14950	0.227897
2016	0.33624	0.01966	0.35590	1.45390	1.395000	1.320100	1.350000	1.540000	0.264000	0.14950	0.227897
2017	0.32191	0.01722	0.33913	1.45390	1.390000	1.396700	1.316000	1.520000	0.254000	0.14473	0.227897
2018	0.31600	0.01783	0.33383	1.45390	1.385000	1.396700	1.263000	1.520000	0.244000	0.14006	0.224429
2019	0.30376	0.01704	0.32080	1.45390	1.380000	1.396700	1.273000	1.510000	0.234000	0.13607	0.224429
2020	0.29043	0.01638	0.30681	1.38390	1.300000	1.326700	1.220000	1.408300	0.234000	0.13017	0.224429

Source: Tarrant Appraisal District

Notes: Overlapping rates are those of local and county governments that apply to property owners within the City of Colleyville, Texas. Not all school district overlapping rates apply to all Colleyville property owners because the City is served by five different independent school districts; for example, although the county property tax rates apply to all City property owners, the Grapevine-Colleyville Independent School District rates apply only to the approximately two-thirds of City property owners whose property is located within that school district's geographic boundaries.

City of Colleyville, Texas
Principal Property Tax Payers
Current Year and Five Years Ago
(Unaudited)

Table 7

2020			2015		
Taxpayer	Taxable Assessed	Percentage of	Taxpayer	Taxable Assessed	Percentage of
	Value	Total City Taxable Assessed Value ^a		Value	Total City Taxable Assessed Value ^b
1 SVAP III TC Colleyville LLC	\$ 46,364,260	0.79%	Velocis Colleyville LP	\$ 26,210,380	0.64%
2 KRG Colleyville LLC	28,813,000	0.49%	Oncor Electric Delivery Co LLC	16,678,083	0.41%
3 Oncor Electric Delivery Co LLC	19,847,303	0.34%	Toll Dallas TX LLC	12,557,166	0.31%
4 LTF Real Estate MP I LLC	13,685,000	0.23%	Lifetime Fitness Real Estate	12,304,570	0.30%
5 Welltower Inc	11,090,843	0.19%	AC Village Park Partners LLC	10,903,756	0.27%
6 Colleyville Lofts Venture LLC	9,900,000	0.17%	USMC Colleyville LLC	10,057,253	0.25%
7 Atmos Energy/Mid Tex Division	9,436,990	0.16%	Wal-Mart Real Estate Business Trust	8,487,901	0.21%
8 Colleyville Lodging LLC	7,965,476	0.14%	RCC Village Properties LTD	8,142,369	0.20%
9 Mainvue TX LLC	7,044,412	0.12%	Colleyville Riverwalk LP	5,925,000	0.14%
10 Eagle-Colleyville Towne Square	6,977,649	0.12%	Robert & Cynthia McCormick	4,396,800	0.11%
Total	\$ 161,124,933	2.75%	Total	\$ 115,663,278	2.84%
Total assessed valuation	5,839,829,017	100.00%	Total assessed valuation	4,091,303,521	100.00%

Source: Tarrant Appraisal District

^a Taxpayers are assessed on January 1, 2019 (2019 tax year) for the 2020 fiscal year.

^b Taxpayers are assessed on January 1, 2014 (2014 tax year) for the 2015 fiscal year.

City of Colleyville, Texas
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Table 8

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	13,183,932	13,063,575	99.09%	111,584	13,175,159	99.93%
2012	13,163,735	13,082,029	99.38%	77,390	13,159,419	99.97%
2013	13,291,462	13,207,902	99.37%	77,946	13,285,848	99.96%
2014	13,722,602	13,681,269	99.70%	33,625	13,714,894	99.94%
2015	14,305,704	14,242,584	99.56%	53,287	14,295,871	99.93%
2016	14,675,127	14,612,632	99.57%	38,169	14,650,801	99.83%
2017	15,508,345	15,423,832	99.46%	48,978	15,472,810	99.77%
2018	16,651,773	16,590,832	99.63%	40,152	16,590,832	99.63%
2019	16,902,499	16,847,431	99.70%	58,840	16,877,275	99.85%
2020	17,317,428	17,220,445	99.44%	-	17,220,445	99.44%

Source: Tarrant County Tax Office

City of Colleyville, Texas
Principal Water Customers
Current Year and Nine Years Ago
(Unaudited)

Table 9

Taxpayer	2020		2011	
	Water Usage	Percentage of Total City Water Usage	Water Usage	Percentage of Total City Water Usage
City Government	30,277,800	1.30%	57,689,200	2.62%
School District	23,583,400	1.00%	50,102,700	2.28%
Homeowners Assoc	22,184,800	1.00%	27,466,600	1.25%
Shopping Center	21,242,200	0.90%	11,122,300	0.51%
Fitness Center	11,369,800	0.50%	10,930,700	0.50%
Cemetery	11,369,800	0.50%	6,075,800	0.28%
Irrigation	6,472,500	0.30%	-	- %
Radio Broadcasting	4,012,800	0.20%	-	- %
Car Wash	3,339,900	0.10%	-	- %
Grocery Store	3,224,000	0.10%	-	- %
Total	137,077,000	5.90%	163,387,300	7.44%

Notes: City chose not to include the exact names to protect the customers confidentiality.

Source: City utility billing records

City of Colleyville, Texas
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Table 10

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation	Sales Tax Revenue	Capital Leases	Premium	Water and Sewer Revenue	Drainage Revenue	Capital Leases	Premium			
	Bonds	Bonds			Bonds	Bonds					
2011	11,510,000	8,245,000	972,170	5,905	3,600,000	1,550,000	-	99,756	25,982,831	13045.69%	1,137
2012	9,975,000	7,930,000	1,709,120	5,249	2,850,000	1,345,000	-	89,780	23,904,149	12002.00%	1,042
2013	8,675,000	7,600,000	1,301,624	4,593	2,085,000	1,135,000	-	79,805	20,881,022	10484.12%	904
2014	7,660,000	7,330,000	974,038	-	1,310,000	915,000	-	69,830	18,258,868	9092.07%	769
2015	6,920,000	6,935,000	649,345	-	850,000	690,000	-	59,854	16,104,199	8019.14%	676
2016	8,550,000	6,525,000	362,251	239,163	505,000	585,000	-	49,878	16,816,292	8373.73%	696
2017	7,125,000	6,105,000	597,110	238,957	155,000	475,000	-	24,939	14,721,006	7096.58%	598
2018	5,665,000	5,680,000	637,365	235,299	-	365,000	-	-	12,582,664	6065.75%	503
2019	4,155,000	5,235,000	443,675	225,279	-	250,000	-	-	10,308,954	4969.66%	406
2020	3,110,000	4,775,000	358,747	208,716	-	125,000	-	-	8,577,463	4055.06%	334

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

^aSee Table 14 for personal income and population data.

City of Colleyville, Texas
 Ratio of General Bonded Debt Outstanding
 Last Ten Fiscal Years
 (Unaudited)

Table 11

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property ^a	Per Capita ^b
	General Obligation Bonds	Less: Available Debt Service Funds	Total		
2011	11,510,000	1,106,893	10,403,107	0.28%	503
2012	9,933,921	1,159,092	8,774,829	0.24%	433
2013	8,639,056	857,143	7,781,913	0.21%	374
2014	7,660,000	831,073	6,828,927	0.17%	323
2015	6,920,000	744,295	6,175,705	0.15%	290
2016	8,550,000	692,093	7,857,907	0.19%	353
2017	7,363,957	612,641	6,751,316	0.15%	299
2018	5,665,000	697,975	4,967,025	0.10%	227
2019	4,155,000	844,867	3,310,133	0.06%	164
2020	3,110,000	1,188,908	1,921,092	0.03%	121

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

^a See Table 5 for property value data.

^b See Table 14 for population data.

City of Colleyville, Texas

Direct and Overlapping Governmental Activities Debt

As of September 30, 2020

(Unaudited)

Table 12

Governmental Unit	Gross Bonded Debt	Percentage of Debt Applicable to Area	Share of Overlapping Debt
Debt repaid with property taxes			
Birdville Independent School District	\$ 440,974,599	0.07%	\$ 308,682
Carroll Independent School District	346,705,000	0.37%	1,282,809
Grapevine-Colleyville Independent School District	399,400,437	22.76%	90,903,539
Hurst-Euless-Bedford Independent School District	364,720,000	1.58%	5,762,576
Keller Independent School District	992,714,060	3.50%	34,744,992
Tarrant County	240,445,000	2.96%	7,117,172
Tarrant County College District	264,175	3.17%	8,374
Tarrant County Hospital District	16,135,000	2.96%	477,596
Subtotal, overlapping debt			140,605,740
City of Colleyville (direct debt)	3,468,747	100.00%	3,468,747
Total direct and overlapping debt			\$ 144,074,487

Source: Debt outstanding data provided by each school district and county.

Percentage of debt provided by the Municipal Advisory Council of Texas.

City of Colleyville, Texas
Pledged-Revenue Coverage
Last Ten Fiscal Years
(Unaudited)

Water and Sewer System Revenue Bonds					
Fiscal Year	Total Revenues ^a	Less: Operating Expenses ^b	Net Available Revenue	Annual Requirement ^c	Times Coverage
2011	14,391,910	10,120,678	4,271,232	977,819	4.37
2012	13,986,067	10,395,517	3,590,550	827,947	4.34
2013	14,802,351	10,707,017	4,095,334	823,430	4.97
2014	14,852,535	11,331,749	3,520,786	819,137	4.30
2015	15,856,242	12,043,267	3,812,975	490,100	7.78
2016	15,638,670	11,965,525	3,673,145	365,325	10.05
2017	16,045,635	12,673,136	3,372,499	359,900	9.37
2018	17,648,886	13,468,257	4,180,629	157,325	26.57
2019	15,167,016	13,779,337	1,387,679	-	N/A
2020	16,418,116	15,154,408	1,263,708	-	N/A

^a Includes operating and non-operating revenues.

^b Includes operating expenses minus depreciation plus transfers out.

^c Includes principal and interest.

Table 13

Fiscal Year	Drainage Revenue Bonds					Sales Tax Bonds		
	Total Revenues ^a	Less: Operating Expenses ^b	Net Available Revenue	Annual Requirement ^c	Times Coverage	Sales Tax Increment	Annual Requirement ^c	Times Coverage
2011	905,271	551,049	354,222	211,142	1.68	1,319,517	644,195	2.05
2012	908,387	531,705	376,682	256,244	1.47	1,426,909	646,588	2.21
2013	930,427	541,598	388,829	251,733	1.54	1,534,635	648,365	2.37
2014	941,416	416,957	524,459	255,398	2.05	1,673,351	138,390	12.09
2015	959,833	700,939	258,894	252,847	1.02	1,725,809	600,416	2.87
2016	966,687	414,619	552,068	127,121	4.34	1,864,084	603,824	3.09
2017	996,855	493,796	503,059	128,391	3.92	1,872,563	601,872	3.11
2018	1,036,297	599,534	436,763	124,574	3.51	1,949,370	594,704	3.28
2019	1,036,849	677,196	359,652	125,000	2.88	1,944,792	602,176	3.23
2020	1,034,662	691,758	342,904	125,000	2.74	2,096,882	600,752	3.49

City of Colleyville, Texas
 Demographic and Economic Statistics
 Last Ten Calendar Years
 (Unaudited)

Table 14

Fiscal Year	Estimated Population ^a	Personal Income	Per Capita		Unemployment Rate ^c
			Personal Income	School Enrollment ^b	
2011	22,860	199,168	65,516	13,514	8.3%
2012	22,950	199,168	65,516	13,378	6.2%
2013	23,090	199,168	65,516	13,513	6.0%
2014	23,740	200,822	66,060	13,751	5.0%
2015	23,830	200,822	66,060	13,824	4.0%
2016	24,230	200,822	66,060	13,830	4.1%
2017	24,630	207,438	68,236	13,972	3.4%
2018	25,010	207,438	66,301	13,882	2.8%
2019	25,370	207,438	72,927	14,042	2.1%
2020	25,700	211,525	76,635	13,970	3.2%

^aNorth Central Texas Council of Governments

^bGrapevine-Colleyville Independent School District

^cTexas Workforce Commission

City of Colleyville, Texas
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

Table 15

2020			2011		
Employer	Employees	Percentage of Total City Employment	Employer	Employees	Percentage of Total City Employment
Grapevine Colleyville ISD	611	5.90%	Grapevine Colleyville ISD	698	6.84%
Market Street	345	3.33%	Market Street	369	3.62%
Lifetime Fitness	250	2.41%	Lifetime Fitness	230	2.26%
City of Colleyville	206	1.99%	City of Colleyville	192	1.88%
Covenant Christian Academy	130	1.26%	Covenant Christian Academy	107	1.05%
Whole Foods Market	125	1.21%	TGW Insurance	95	0.93%
Albertsons	118	1.14%	Albertsons	80	0.78%
LaHacienda Ranch	100	0.97%	LaHacienda Ranch	75	0.74%
Walmart Neighborhood Market	72	0.70%	Mac's Steak and Seafood	64	0.63%
US Memory Care	60	0.58%	Sonshine Academy	60	0.59%
Total	2,017	19.47%	Total	1,970	19.32%
Total Colleyville Daytime Employees	10,358		Total Colleyville Daytime Employees	10,198	

Source: City of Colleyville Economic Development

City of Colleyville, Texas

Full-Time Equivalent City Government Employees by Function/Program Last Ten Fiscal Years (Unaudited)

Table 16

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Management services	4.00	4.00	4.00	4.00	4.00	3.75	5.00	4.20	3.20	3.20
Finance/court	6.00	6.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
Planning	2.00	2.00	2.00	4.00	3.00	4.00	4.00	4.00	4.00	4.00
Building	4.00	3.00	3.00	3.50	5.00	5.00	5.00	5.00	5.00	5.00
Other	11.00	11.00	13.00	11.63	13.52	14.14	12.14	12.80	11.80	11.80
Police										
Officers	38.00	39.00	40.00	41.00	42.50	43.00	43.00	41.00	41.00	44.00
Civilians	6.00	6.00	6.00	6.50	7.00	6.50	6.00	8.00	8.00	6.73
Fire										
Firefighters and officers	33.00	35.00	36.00	38.00	41.00	41.00	41.00	40.00	40.00	43.00
Civilians	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.50
Other public works										
Engineering	4.50	3.00	3.00	4.05	3.95	4.75	2.75	2.75	2.75	2.75
Other	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00
Streets	10.00	10.00	7.00	8.35	8.35	8.35	8.35	8.35	8.35	8.85
Parks and recreation	16.00	16.00	16.00	15.75	15.00	15.00	17.00	17.00	16.00	16.00
Library	11.50	11.50	12.00	13.00	13.63	13.00	13.00	13.00	12.50	12.50
Colleyville Center	4.50	4.50	3.50	4.00	4.50	4.50	4.00	4.00	4.00	4.00
Water/wastewater	24.00	24.50	23.00	24.68	25.03	24.23	25.60	24.70	24.70	24.70
Drainage	6.00	6.00	7.00	6.00	6.00	6.41	6.41	6.20	6.20	6.20
Total	184.50	185.50	187.50	196.46	204.48	205.63	206.25	204.50	201.00	205.23

Source: City budget

City of Colleyville, Texas
Operating Indicators by Function/Program
Last Ten Fiscal Years
(Unaudited)

Table 17

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Building permits issued	104	155	103	108	181	182	136	169	111	82
Building inspections conducted	6,737	8,310	8,292	7,807	7,307	8,940	10,666	11,981	10,519	7,321
Police										
Physical arrests	666	653	632	863	800	918	602	715	491	190
Calls for service	27,254	48,076	61,270	58,522	51,537	43,492	34,437	33,765	30,296	51,364
Traffic violations	11,354	11,980	11,766	19,955	21,450	20,790	13,016	15,832	12,804	4,603
Fire										
Emergency responses	830	724	557	627	694	1,783	1,768	1,758	1,797	1,779
Ambulance calls	765	803	829	950	959	1,037	967	1,000	1,004	939
Inspections	397	342	306	317	363	400	361	239	386	352
Other public works										
Street resurfacing (miles)	6.2	1.0	4.0	1.7	3.7	10.9	6.8	6.0	21.9	7.0
Parks and recreation										
Athletic field participants	4,378	3,946	4,287	4,315	4,434	4,302	4,517	4,386	4,570	2,500
Community center rentals	410	404	398	412	452	376	405	320	314	0
Library										
Volumes in collection	62,997	65,740	69,736	74,525	77,664	80,452	82,182	71,188	70,161	74,939
Total volumes borrowed	235,238	244,613	250,737	234,667	228,160	222,128	227,252	237,124	234,477	145,218
Water										
Customers	9,103	9,285	9,396	9,507	9,631	9,858	9,987	10,215	10,422	10,487
Average daily consumption (thousands of gallons)	7,928	7,217	6,785	6,539	6,451	5,889	6,355	6,508	6,794	7,274
Peak daily consumption (thousands of gallons)	18,935	18,707	17,052	15,204	19,866	15,724	12,434	15,830	14,616	17,562
Wastewater										
Customers	8,457	8,603	8,731	8,817	8,905	9,071	9,270	9,444	9,453	9,619

Source: City departments

City of Colleyville, Texas
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

Table 18

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	13	12	12	12	13	13	13	13	13	13
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Public works										
Streets (miles)	282	282	282	283	283	283	289	289	289	289
Streetlights	1,169	1,169	1,175	1,175	1,227	1,269	1,269	1,338	1,338	1,338
Traffic signals	2	2	2	2	2	2	2	2	2	2
Parks and recreation										
Acreage	224	224	224	224	224	225	225	225	225	225
Playgrounds	6	6	6	6	6	7	7	7	7	7
Baseball/softball diamond	9	9	9	9	9	9	9	9	9	9
Soccer fields	14	14	14	14	14	14	14	14	14	14
Community center	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	195	201	202	204	205	206	206	206	206	206
Fire hydrants	1,362	1,389	1,389	1,403	1,422	1,507	1,517	1,521	1,529	1,529
Storage capacity (thousands of gallons)	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500
Wastewater										
Sanitary sewer (miles)	162	169	170	172	172	179	180	180	180	180
Storm sewers (miles)	58	64	58	60	67	69	70	70	70	70

Source: City departments

^aBaseball, softball, soccer and multipurpose fields combined through 2014