



CITY OF WACO, TEXAS

FOR YEAR ENDED
September 30, 2024

2024

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

Annual Comprehensive Financial Report
of the



City of Waco, Texas

Prepared by the
Fiscal Management Services Department
Year Ended September 30, 2024

City of Waco, Texas
Annual Comprehensive Financial Report
Year Ended September 30, 2024

MAYOR

Jim Holmes

CITY COUNCIL

Darius Ewing, Mayor Pro Tem
Andrea Barefield
Alice Rodriguez
Josh Borderud
George Chase

CITY MANAGER

Bradley Ford

DEPUTY CITY MANAGER

Deidra Emerson

ASSISTANT CITY MANAGERS

Paul Cain
Ryan Holt
Lisa Blackmon

CHIEF FINANCIAL OFFICER

Blu Kostelich



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Introductory Section





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February 18, 2025

To the Honorable Mayor, Members of the City Council and Residents of the
City of Waco, Texas:

The Annual Comprehensive Financial Report (ACFR) of the City of Waco (the City) for the fiscal year ended September 30, 2024, including the independent auditor's report, is hereby submitted. This ACFR is published to provide the Mayor and City Council, City staff, our citizens, our bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Section 14 of the City Charter requires an annual audit by independent certified public accountants. The Waco City Council has selected the accounting firm of Weaver and Tidwell, L.L.P. to perform this service. In addition to meeting the requirements set forth in the City Charter, the audit also was designed to meet the requirements of the federal Single Audit Act and related U. S. Office of Management and Budget Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and "frequently asked questions ("FAQs") and other guidance issued by the U.S. Department of the Treasury.

Weaver and Tidwell L.L.P., Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Waco's financial statements for the year ended September 30, 2024. The independent auditor's report is presented in the financial section of this report.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984; the Single Audit Act Amendments of 1996, Uniform Guidance, and the *Texas Grant Management Standards* of the State of Texas. As a part of the City's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state award programs, as well as to determine that the City has complied with applicable laws and regulations. The independent auditor's reports related specifically to the single audit are included in separate single audit reports.

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

Profile of Waco

Waco is the 24th largest city in Texas and the county seat of McLennan County, which has an area of more than 1,000 square miles. Historically, the City has been a trade and agricultural center for the Central Texas region. Efforts by the community's leadership over the past several years have led to diversification in the regional economy, a major factor contributing to significant improvement in growth and development.

The City of Waco operates under a Council-Manager form of government. Policy-making and legislative authority are vested in the City Council consisting of the Mayor and five Council Members. The City Council is responsible

for, among other things, passing ordinances, adopting the budget, appointing citizens to boards and committees and hiring the City Manager, City Attorney, Municipal Judge, and City Secretary. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City government, and for hiring the heads of the various departments.

Council Members are elected by single-member districts on a non-partisan basis to serve two year terms. The Mayor is elected at-large and serves no more than three two-year terms. Elections for the position of Mayor and two Council Member positions are held in even-numbered years while elections for three Council Member positions are held in odd-numbered years.

The City provides the following services as authorized by its charter: public safety, highways and streets, health and social services, cultural and recreational services, public improvements, planning and zoning, and general administrative services. In addition to general government activities, the City provides water, wastewater and solid waste services, a municipal airport, a public transit system and a convention center. The City also is financially accountable for two legally separate entities, all of which are reported separately within the City's financial statements. Additional information on these legally separate entities can be found in the notes to the financial statements. (See Note I.A.)

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual, appropriated budgets are adopted for the General Fund, Health Programs Fund and General Obligation Debt Fund. All annual appropriations lapse at fiscal year-end. Also, project length financial plans are employed for all Capital Projects Funds and the Grants Fund.

The City Manager presented the proposed operating budget to the City Council on August 6, 2024, for the fiscal year 2024-2025. The operating budget includes proposed expenditures and the means of financing them. A public hearing is conducted to obtain taxpayer comments. The fiscal year 2024-2025 budget was legally enacted through passage of a resolution on August 27, 2024.

Factors Affecting Financial Condition

Local Economy

Waco is the most populous city near the geographic center of Texas' population and is often referred to as the "Heart of Texas." At the confluence of the Bosque River and the 890-mile Brazos River, Waco lies between the three largest cities in the state: 90 miles south of Dallas, 200 miles northwest of Houston and 180 miles northeast of San Antonio. It is less than 100 miles from the state capital of Austin. The City sits on the rich southern agricultural Blackland Prairie on the east and cattle country of the rolling Grand Prairie on the west.

The central location in the state makes the City commercially attractive as a logistics hub. Waco straddles the major north/south route of Interstate Highway 35, "the Main Street of Texas," which stretches from Laredo at the Mexican border to Duluth, Minnesota in the north. The "port-to-plains" route of State Highway 6 crosses Waco east to west, leading from the Gulf Coast to the West Texas High Plains.

Economic experts predict a bright future for Waco because of the diversification of the manufacturing industry, influx of high technology companies, a booming tourist trade, stability in the financial sector, availability of diverse higher education opportunities and steady population growth. Waco will continue to attract new industry because the City provides a high-quality labor force, attractive real estate opportunities, favorable tax treatment and abundant natural resources.

Waco's top ten taxpayers include a candy manufacturer, a soft drink bottler, an aircraft components manufacturer, an eye care products manufacturer, one retail shopping center, an electric utility, a natural gas utility, a paint and coatings manufacturer, construction equipment manufacturer, and an online retailer. Seven of the top ten employers are education, government, or healthcare related.

The educational sector contributes significantly to the City's economic stability. Waco is the home of Baylor University (Baylor), a private university with a student enrollment of approximately 20,800. Baylor offers more

than 126 undergraduate degree programs, 80 master's degree programs and 47 doctoral programs. McLennan Community College (MCC) is a public, two-year college with an enrollment of over 7,700 students. MCC offers a comprehensive range of educational programs including associate's degree programs, workforce development training and continuing education courses. Additionally, several bachelor's degree programs are available on the MCC campus through partnerships with four-year state universities. With an enrollment of over 4,300, Texas State Technical College offers associate's degrees and certificates in over 50 programs of study, preparing a workforce to meet the demands of industry and business.

The Waco Metropolitan Statistical Area (MSA) covers 1,834 square miles. The City encompasses 101 square miles, including 14 square miles of water, within the Waco corporate limits. The average Waco MSA labor force grew from 137,483 in October 2023 to 141,159 by September 2024. Total employment at the beginning of fiscal year 2024 - 2025 was 135,942 while the unemployment rate was 3.7%.

Unassigned fund balance in the General Fund (29.0% of fiscal year 2024 budgeted revenues) exceeds the financial management policy guidelines set by the City Council. In fiscal year 2020, the City Council established a guideline of 28% designed to protect the City's creditworthiness as well as its financial position from unforeseeable emergencies.

The City's five-year Capital Improvement Program is a plan for both long-term and short-term capital needs. Debt payments are structured to provide that capital assets funded by debt have a longer life than the debt associated with those assets.

Relevant Financial Policies

In addition to the General Fund balance financial policy mentioned above, the City also strives to maintain a positive unrestricted net position in the City's water, wastewater, solid waste, and drainage funds to provide sufficient reserves for emergencies and revenue shortfalls--establishing minimum working capital 30% of annual revenues and 2% of tangible capital assets of the fund as reported in the most recently audited Annual Comprehensive Financial Report (ACFR). The working capital percentages as compared to the required minimum working capital at September 30, 2024, for the water, wastewater, solid waste, and drainage funds were 166%, 171%, 134%, and 186%, respectively.

Financial Information

Information on the City's general accounting policies and budgetary controls is provided in the Notes to the Financial Statements.

FY 2024 Initiatives & Accomplishments

In 2024, the City Council renewed their commitment to the following strategic goals for the City of Waco:

- Facilitate Economic Development
- Create a Culture of Equity and Inclusion
- Provide a Safe and Resilient City
- Improve Infrastructure
- Build a High Performing Government
- Enhance Quality of Life
- Support Sustainability

These goals illuminate the paths toward realization of the City Council's vision for Waco:

Our home: where everyone belongs and thrives while moving forward together.

Waco continues to see tremendous growth and economic success. In 2024, Real Per Capita Income hit \$51,468 annually. The City of Waco Economic Development Strategic Plan guides our path forward as we continue to

facilitate economic development within the City and diversify the local economy. Significant projects and accomplishments supporting Economic Development include:

- Floyd Casey Redevelopment continues: this project will create a minimum total investment of \$100 million by the developer and builders and will contain a minimum of 240 single family lots consisting of 26 Brownstones, 72 Zero Lot Lines, 47 Cottages, 20 Urban Residential Type 1, 60 Urban Residential Type 2, 10 Landmark residential, and 5 heritage residential.
- Completion of the new Magnolia Headquarters: Magnolia operates multiple business lines in Waco and has 530 existing employees. The relocation of their corporate headquarters creates 75 additional full-time jobs paying at least \$15 per hour, with an overall average wage of not less than \$42,000 and offering health insurance benefits.
- The City continues working on re-envisioning its downtown with a proposed redevelopment that will bring over \$2 billion in investment.
- Tourism development and attraction continues to thrive in Waco.
 - The City of Waco signed an agreement in December 2024 with ASM Global to privatize management of the Waco Convention Center. This partnership will drive building and catering revenues and increase bookings at the facility. Waco Convention Center staff were redeployed to other departments to fill vacancies based on employees' strengths and experience, allowing full retention of City employees unless they chose to stay with the Convention Center through ASM Global.
 - The Cameron Park Zoo was listed as one of TripAdvisor's Top 10 Zoos in Texas and among the Top 50 Zoos in the United States.

A culture of equity and inclusion remains a constant focus of the City organization. Accomplishments under this goal to date include:

- Continuation of the Disparity Study to determine that all firms or businesses have equal access to contracting opportunities on the City's contracts and associated subcontracts and recommend strategies to ensure full and fair competition in Waco.
- Continued employee participation in Race Equity Institute training.
- Introduced service animal signage and conducted specialized training to foster an inclusive workplace.
- Established an Employee Engagement Team to strengthen communication and collaboration across the organization.
- Continued the City's bilingual pay program, which rewards employees who frequently utilize bilingual skills.

A safe and resilient city safeguards its residents and visitors from crimes, disaster, and other potential dangers and threats and creates an environment that fosters energy, enthusiasm, and excitement. Accomplishments in public safety include:

- The Waco Police Department has seen the lowest violent and non-violent crimes reporting in over two decades. The year 2024 is projected to have an overall decrease of 11% compared to 2023. This year, we are projected to end the year with the lowest overall crime numbers since 2000. These reductions are attributed to the hard work and dedication of all Waco Police Officers, our Professional Staff and our community members. These results show that we are "Better Together" and "Safer Together" when everyone works collaboratively.
- Pet Circle Regional Animal Center has proudly upheld its no-kill status, achieving over a 90% live exit rate while caring for approximately 4,000 animals annually.
- SpayStreet Waco program, continued funding thousands of low-cost spay and neuter surgeries, along with microchips and vaccines, providing critical resources for Waco residents.

- The center successfully transitioned to managing all shelter operations, including rescue, foster care, and adoptions, ensuring a more comprehensive and streamlined approach to serving animals and the community.
- 42 new Ford Police Interceptor Utility models were received. By the end of 2024, 25 units had been fitted and placed in Police Patrol service.
- The Waco Fire Department added two Lucas Device automatic chest compression devices to assist with cardio-pulmonary resuscitation (CPR) efforts. These devices allow for near-perfect chest compressions and increase survivability rates for cardiac arrest patients.
- The Waco Fire Department completed a transition to Fluorine-Free Foam (F3) at Waco Regional Airport and on other vehicles. The process allowed for the proper removal of aqueous film-forming foam (AFFF) and its Per- and poly-fluoroalkyl substances (PFAS) properties, which are known carcinogens, the decontamination of apparatus, and proper disposal of the AFFF. The foam concentrate was replaced with a non-toxic F3 Foam. The Waco Regional Airport was the first Federal Aviation Administration (FAA) indexed airport to become PFAS-free with the transition. This is a major milestone in our battle against occupational cancer.
- The Waco Fire Department took delivery of three Spartan Fire Engines, replacing two units and adding a new Engine for Fire Station 15, slated to open in March 2025.
- The Waco Fire Department was awarded an Assistance to Firefighter's Grant (AFG) for \$254,444, allowing the purchase of 28 Ward No-Smoke Filters to be attached to large apparatus exhaust systems. These systems nearly eliminate harmful emissions from exhaust and reduce exposure to carcinogens.

Waco continues to invest in the improvement of infrastructure. During Fiscal Year 2023-2024, the City invested over \$210 million in capital investments included:

- \$49 million for street rehabilitation and street preservation
- \$107 million in water & wastewater system improvements.
- \$27.3 million for Solid Waste investments
- \$13.7 million for Airport projects
- \$21.8 million in a downtown parking garage
- \$12 million in Park improvements

The City continues to make great strides under the goal to Build a High Performing Government as City leadership evaluates operations and procedures with an eye towards strategic planning. In 2024, successes within this goal included:

- Continued Utilization of the City's mywacoshop.com via Shopify to enable ecommerce for key City departments.
- Active management of the purchase card (credit card) program resulted in a rebate of \$268,870.43. \$21,274.39 over last year's rebate.
- The MyWaco App hit over 10,300 downloads, allowing residents to effortlessly submit requests while enabling the city to provide timely follow-ups with an over 90% closure rate.

Key successes in Enhancing Quality of Life in Waco include:

- In 2024 the Cameron Park Zoo opened the Penguin Shores exhibit featuring African penguins and black footed-cats
- The Cameron Park Zoo substantially completed The Education Center and Veterinary Hospital Complex located at the front of the zoo and will expand programming for educational programming, health care, and training programs offered by the zoo.
- Grand opening of Baylor's Foster Pavilion in Downtown Waco along the Brazos River. The venue will host Baylor Basketball, concerts, and other public events.

- Produced annual community events such as the Brazos Nights concert series, Fourth on the Brazos celebration and Waco Wonderland festival, which generated a combined attendance of more than 60,000.
- The City of Waco Parks Department earned recognition by the Texas Festivals and Events Association with 7 gold awards.
- Facilitated outdoor event permits for more than 150 community events and parades, including the Waco Ironman 70.3 race, Texas Food Truck Showdown, Juneteenth Parade, the Disc Golf Pro Tour, and the Waco Rowing Regatta.
- Improved the online resource connecting pet owners with their lost pets. This platform streamlines the process of reuniting families, which helped result in hundreds of successful pet returns in 2023-2024.
- Created and distributed 52 weekly electronic newsletters and increased subscriptions from 768 in 2023 to 2489 in 2024 .
- The Office of Neighborhood Engagement staff attended 122 Neighborhood Association meetings and events.
- 15 Neighborhood Grants awarded to Neighborhood Associations for a total of \$74,857

Through innovative programs focusing on greenhouse gas reductions, local climate adaptation, energy production, efficiency, resiliency and community sustainability, the Division of Sustainability and Resiliency collaborates with executive leadership and other departments to make Waco a great place to live, work, and play while enhancing the environment, quality-of-life, and our economic vitality. Efforts to support sustainability include:

- Waco Transit System completed a Fleet Transition Study to explore and analyze costs, benefits, timeline, and risks of various low/zero emission fleet propulsion options and was awarded \$3,133,129 in Competitive Grant funds for the procurement of four battery electric buses, and four charging stations.
- Completed a fleet study that included recommendations for fleet replacement, rightsizing & sustainability analysis, and steps to add electric vehicles to the fleet.
- Received and put in service eight electric vehicles and four electric model transport carts, supporting sustainability goals.
- Partnered with Baylor University to receive a \$1,000,000 National Science Award for an innovative waste-to-energy pilot project, a separate pilot facility is under construction and should be completed early 2025.
- The City conducted feasibility studies for a solar utility facility on City's closed landfill sites and the potential of converting landfill gas to energy. The study concluded the future feasibility of a facility depending on electrical utility rates.
- The City is collaborating with the State of Texas Department of Housing and Community Affairs, the City is a subrecipient of a grant for \$3M for strategies for weatherization for low income housing units. An additional agreement with Harris County has provided a grant for Solar For All as part of a coalition of Texas entities.
- In collaboration with the Geo-Technology Research Institute ("GTRI"), located at the Houston Advanced Research Center, the City received, as a subrecipient of GTRI, a Community Change Grant funded by the U.S. Environmental Protection Agency, in an amount not to exceed \$3,228,009, for the continued implementation of the lead abatement program, a tree planting program, a composting bucket program, expansion of a community garden program, and other related programs.

Awards and Acknowledgements

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 Waco for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2023. This was the 42nd consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish

an easily readable and efficiently organized ACFR that satisfies both generally accepted accounting principles and applicable program requirements.

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

The City has also received the Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2023. To qualify for the Distinguished Budget Presentation Award, the City's budget document had to be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

The preparation of this report would not have been possible without the skill, effort and dedication of the City staff. We wish to thank all City departments for their assistance in providing the data necessary to prepare this report.

We also acknowledge the thorough, professional, and courteous manner in which our independent auditors, Weaver and Tidwell L.L.P., conducted the audit.

In closing, without the leadership and unfailing support for maintaining the highest standards of professionalism in the management of the City's finances of the governing body of the City of Waco, preparation of this report would not have been possible.

Respectfully submitted,



Bradley Ford
City Manager



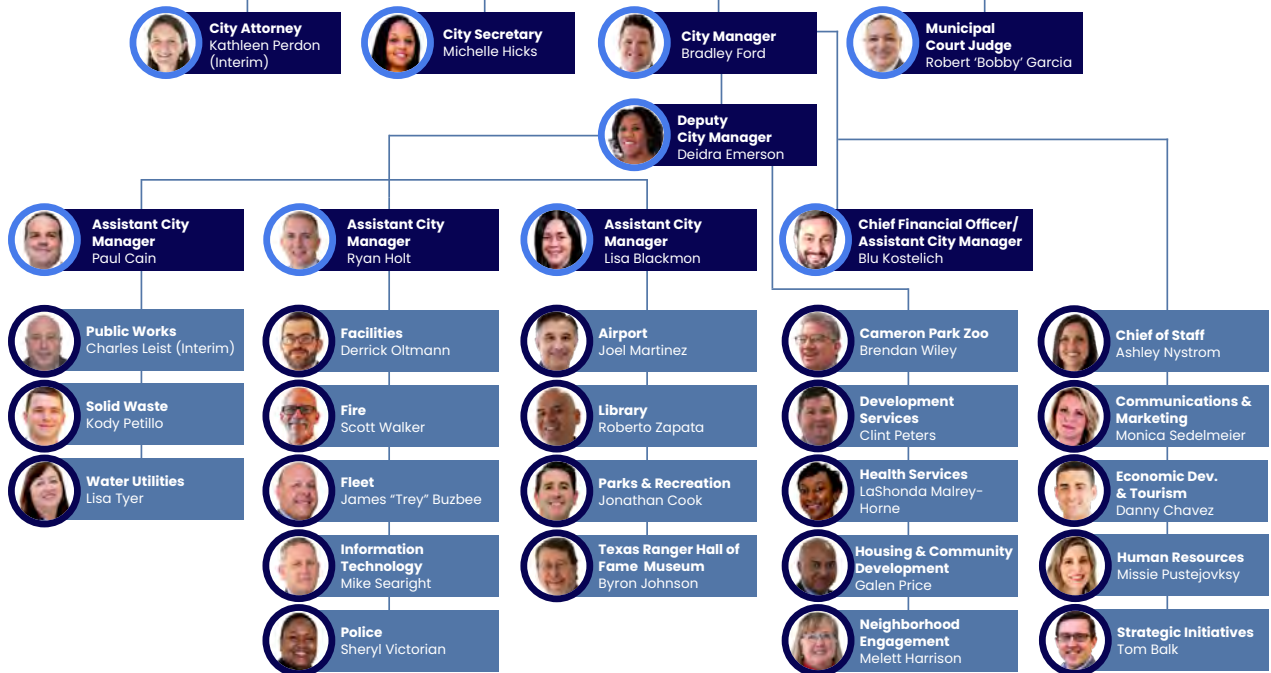
D. Blu Kostelich
Assistant City Manager/Chief Financial Officer



Collin Boothe
Managing Director of Finance



Mayor Jim Holmes
 Andrea Barefield, District 1
 Alice Rodriguez, District 2
 Josh Borderud, District 3
 Darius Ewing, District 4
 George Chase, District 5





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**City of Waco
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morill

Executive Director/CEO





Financial Section





2300 North Field Street, Suite 1000
Dallas, Texas 75201
972-490-1970

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
The City of Waco, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the 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 Waco, Texas (City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, and the General Fund statement of revenues, expenditures, and changes in fund balance – budget and actual for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

Weaver and Tidwell, LLP.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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



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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

Supplementary 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 accompanying combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



FINANCIAL SECTION

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report February 18, 2025 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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 18, 2025





MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Waco (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024. 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 12 through 18 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources as of September 30, 2024 by \$1,071,673,765 (net position). Of this amount, \$217,604,412 (unrestricted net position) may be used to meet the City's ongoing obligations to residents and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net position increased by \$55,651,143.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$423,832,104. The fund balance components are nonspendable - \$1,556,040, restricted - \$270,627,350, committed - \$68,548,888, assigned - \$3,617,431 and unassigned - \$79,482,395. The City Council approves the amounts reported as committed and assigned.
- As of September 30, 2024, unassigned fund balance for the General Fund was \$79,482,395 or 39.25% of the Fiscal Year 2025 budgeted general fund revenues.

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 41 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 and liabilities, and deferred inflows/outflows of resources, with the difference 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 works, public safety, culture and recreation, public health, and housing and community development. The business-type activities of the City include water, wastewater, solid waste, airport, convention services, Ranger Hall of Fame, Cameron Park Zoo, transit services, Cottonwood Creek Golf Course, and drainage.

The government-wide financial statements can be found on pages 41 - 45 of this report.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City can be divided into three categories - governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus 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 funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Beginning on page 46 of this report, information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the general fund, street improvement fund, grants fund and Tax Increment Fund No. 1 which are considered major funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance. Data from all other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining and individual fund statements and schedules elsewhere in this report.

Proprietary funds - The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for water, wastewater, solid waste, airport, convention services, Ranger Hall of Fame, Cameron Park Zoo, transit services, Cottonwood Creek Golf Course operations, and drainage.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for its risk management, employee health insurance, engineering, fleet services, information technology (IT), and proprietary vehicle and equipment replacement. These internal service functions have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the business-type financial statements, only in more detail. The basic proprietary fund financial statements which begin on page 59 of this report provide separate information for the water, wastewater, solid waste, and Cameron Park Zoo enterprise funds since these are considered to be major funds of the City. Data from the other enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor enterprise funds is provided in the form of combining and individual fund statements and schedules elsewhere in this report. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining and individual fund statements and schedules elsewhere in this report.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of these funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position can be found on pages 64 and 65 of this report.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 66 through 110 of this report.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's changes in its net pension liability, related pension contributions, and changes in total OPEB liability. Required supplementary information can be found on pages 113 through 117 of this report. The combining and individual fund statements and schedules are presented immediately following the required supplementary information beginning on page 122 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the government's financial position. In the case of the City of Waco, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,071,673,765 as of September 30, 2024.

The largest portion of the City's net position (\$716,704,758) reflects its net investment in capital assets (e.g., land, building, equipment, improvements, museum collections, construction in progress, infrastructure, water rights, lease assets, and subscription assets), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide service to residents; consequently, these assets are not available for future spending. Although the City's investment in its capital 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.

Net Position

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	\$ 504,312,539	\$ 411,494,514	\$ 465,374,286	\$ 426,444,266	\$ 969,686,825	\$ 837,938,780
Capital assets	569,402,209	492,556,278	761,065,599	658,421,042	1,330,467,808	1,150,977,320
Total assets	1,073,714,748	904,050,792	1,226,439,885	1,084,865,308	2,300,154,633	1,988,916,100
Total deferred outflows of resources	35,783,924	46,328,324	6,369,353	8,802,447	42,153,277	55,130,771
Liabilities						
Long-term liabilities	556,279,882	374,924,171	625,432,035	498,268,170	1,181,711,917	873,192,341
Other liabilities	51,238,568	91,041,620	29,311,081	57,909,510	80,549,649	148,951,130
Total liabilities	607,518,450	465,965,791	654,743,116	556,177,680	1,262,261,566	1,022,143,471
Total deferred inflows of resources	4,359,608	1,810,174	4,012,971	4,070,604	8,372,579	5,880,778
Net position:						
Net investment in capital assets	263,232,937	315,202,560	453,471,821	389,242,050	716,704,758	704,444,610
Restricted	136,718,122	76,753,494	646,473	591,295	137,364,595	77,344,789
Unrestricted	97,669,555	90,647,097	119,934,857	143,586,126	217,604,412	234,233,223
Total net position	\$ 497,620,614	\$ 482,603,151	\$ 574,053,151	\$ 533,419,471	\$ 1,071,673,765	\$ 1,016,022,622

A portion of the City's net position (\$137,364,595) represents resources that are subject to external restriction on how they may be used. The remaining balance (\$217,604,412) of unrestricted net position may be used to meet the City's ongoing obligation to residents and creditors in accordance with the City's fund designation and fiscal policies.

As of September 30, 2024, 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. The same situation held true for the prior fiscal year.

The government's net position increased by \$55,651,143 during the current fiscal year.

FINANCIAL SECTION

Analysis of the City's operations - The following table provides a summary of the City's operations for the year ended September 30, 2024. Governmental activities increased the City's net position by \$15,017,463 and represented 27% of the total increase. Business-type activities increased the City's net position by \$40,633,680 and represented 73% of the total increase.

Changes in Net Position

	Year Ended September 30,					
	2024			2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 8,066,981	\$ 171,407,415	\$ 179,474,396	\$ 10,720,420	\$ 163,565,083	\$ 174,285,503
Operating grants and contributions	22,984,108	7,162,759	30,146,867	22,518,303	12,476,167	34,994,470
Capital grants and contributions	2,880,439	32,915,851	35,796,290	3,695,505	25,428,101	29,123,606
General revenues:						
Ad valorem taxes	118,658,528	-	118,658,528	105,558,497	-	105,558,497
Sales taxes	56,850,723	-	56,850,723	55,744,974	-	55,744,974
Franchise taxes	15,738,949	-	15,738,949	16,429,419	-	16,429,419
Hotel/motel taxes	-	7,377,490	7,377,490	-	6,475,224	6,475,224
Other taxes	1,754,254	-	1,754,254	1,649,254	-	1,649,254
Investment earnings	34,210,328	9,070,775	43,281,103	24,779,322	5,543,789	30,323,111
Miscellaneous	19,088,808	-	19,088,808	3,767,602	-	3,767,602
Total revenues	280,233,118	227,934,290	508,167,408	244,863,296	213,488,364	458,351,660
Expenses:						
General government	61,917,035	-	61,917,035	28,879,531	-	28,879,531
Public works	11,708,174	-	11,708,174	17,445,123	-	17,445,123
Public safety	126,122,559	-	126,122,559	100,583,942	-	100,583,942
Culture and recreation	31,728,304	-	31,728,304	23,824,505	-	23,824,505
Housing and community development	12,821,501	-	12,821,501	11,548,298	-	11,548,298
Public health	12,982,639	-	12,982,639	11,137,890	-	11,137,890
Interest on long-term debt	13,405,263	-	13,405,263	6,720,892	-	6,720,892
Water	-	59,521,920	59,521,920	-	50,540,255	50,540,255
Wastewater	-	45,859,765	45,859,765	-	44,333,232	44,333,232
Solid waste	-	32,789,099	32,789,099	-	30,736,959	30,736,959
Cameron Park Zoo	-	9,295,746	9,295,746	-	8,715,345	8,715,345
Airport	-	5,364,331	5,364,331	-	5,790,586	5,790,586
Convention services	-	9,116,651	9,116,651	-	7,892,219	7,892,219
Ranger Hall of Fame	-	2,133,447	2,133,447	-	1,976,635	1,976,635
Transit services	-	8,769,586	8,769,586	-	8,229,764	8,229,764
Cottonwood Creek Golf Course	-	3,032,383	3,032,383	-	2,963,035	2,963,035
Drainage	-	5,947,862	5,947,862	-	5,309,266	5,309,266
Total expenses	270,685,475	181,830,790	452,516,265	200,140,181	166,487,296	366,627,477
Increase in net position before transfers	9,547,643	46,103,500	55,651,143	44,723,115	47,001,068	91,724,183
Transfers	5,469,820	(5,469,820)	-	(11,442,655)	11,442,655	-
Increase in net position	15,017,463	40,633,680	55,651,143	33,280,460	58,443,723	91,724,183
Net position, beginning of year	482,603,151	533,419,471	1,016,022,622	449,322,691	474,975,748	924,298,439
Net position, end of year	\$ 497,620,614	\$ 574,053,151	\$ 1,071,673,765	\$ 482,603,151	\$ 533,419,471	\$ 1,016,022,622

Governmental activities - Key elements of the change in governmental net position include:

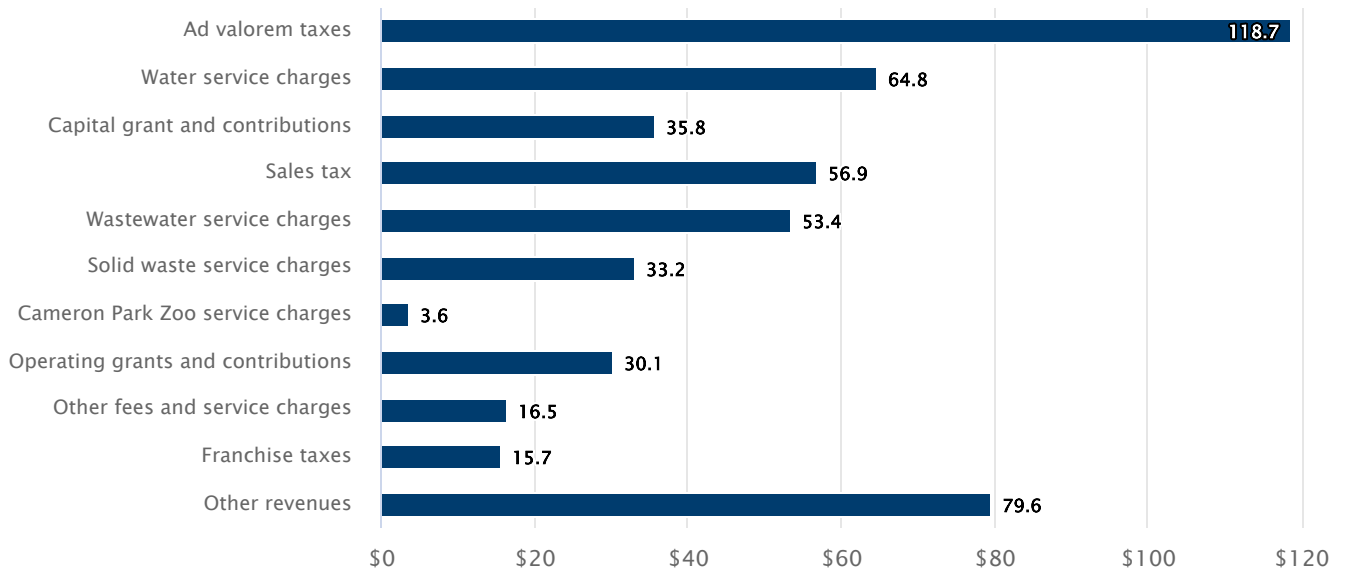
- Overall, governmental revenues increased by \$35.4 million (14.4%). Ad valorem taxes reflected an increase of \$13.1 million (12.4%), primarily as a result of growth in the property tax base. Sales taxes reported an increase of \$1.1 million (2.0%) reflecting continued growth in economic activities and the impacts of inflation on the costs of goods and services. Charges for services reported a decrease of \$2.7 million (24.8%). Operating grants reported an increase of \$0.5 million (2.1%). In addition, a decrease in capital grants of \$0.8 million (22.1%) was seen due to less developer contributed assets and one-time contributions for capital assets. Investment earnings increased \$9.4 million (38.1%) primarily due to an increase in interest rates and the maturity of older investments that had interest rates below market rates resulting in significant unrealized losses in the previous year.
- Overall, governmental expenses increased \$70.5 million (35.2%). A 3% salary increase for all eligible employees was included in Fiscal Year (FY) 2023-24. The increase year over year is a result of the City's focus on investing in public safety as 23 new positions were approved to be added as part of the budget. The City also continued to invest in maintaining roadways to reduce future capital needs to allow a focus on those areas that need more significant improvements. As expected, significant fluctuations in pension expense may occur in response to changes in fair value of plan assets and the total pension liability.

Business-type activities - Key elements of the increase in business-type net position include:

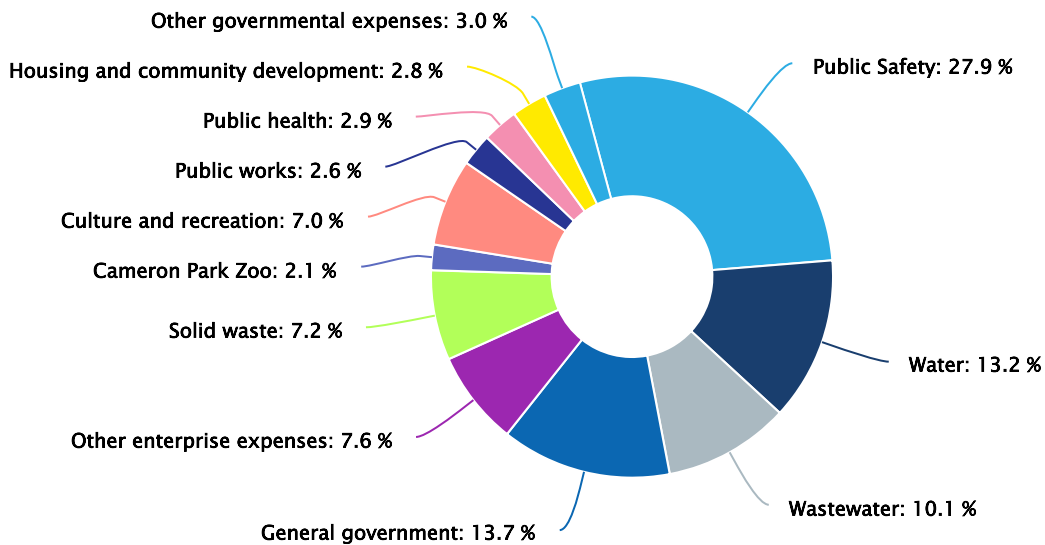
- Charges for services increased by almost \$7.8 million (4.8%) as compared to prior year due to an increase in rates to help spur conservation efforts by shifting more of the increase to be volume based. The change in revenue for the four major funds follows: decrease for water (\$0.5 million) , increase for wastewater (\$5.8 million) , increase for solid waste (\$0.8 million) , and an decrease for Cameron Park Zoo (\$0.1 million) Critical infrastructure needs continue to be a significant factor contributing to changes in rates. The other nonmajor enterprise funds reported a combined net increase of (\$1.8 million) due to rate increases with the Drainage fund. A positive indicator of growth in the economy was the increased \$0.9 million (13.9%) in hotel/motel taxes. Operating grants reported a decrease of \$5.3 million (42.6%) primarily in the Airport Fund due to CARES act funding being used for operating activities in prior years and capital grants and contributions increased \$7.5 million (29.4%) due to increased development activity. Airport reported a decrease of \$0.4 million for capital grants due to FAA funding and CARES grant funding decreasing. Investment earnings increased \$3.5 million (63.6%) primarily due to an increase in interest rates and the maturity of older investments that had interest rates below market rates resulting in significant unrealized losses in the previous year.
- Total expenses increased \$15.3 million (9.2%). The increase was primarily due to increased personnel costs as a result of the 3% salary increase and general cost increases. Depreciation and amortization expense increased by \$0.6 million as the city continues to invest in capital assets..

FINANCIAL SECTION

Revenues by Source (in \$ millions)



Expenses by Activity (Percent of Total)



Financial Analysis Of The Government's Funds

Governmental funds - The focus of the City of Waco'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.

At the end of the current fiscal year, the City of Waco's governmental funds reported combined ending fund balances of \$423,832,104. Approximately 0.4% (\$1,556,040) of this total amount constitutes nonspendable fund balance. Nonspendable fund balance represents net resources that cannot be spent because of their form or because they must remain intact. Included in this component are inventories, real estate held for sale and permanent funds. Approximately 63.9% (\$270,627,350) of the total fund balance is classified as restricted. Restricted fund balance reflects resources that are subject to externally enforceable legal restrictions. This classification includes debt service, capital projects, and special revenue funds such as tax increment zones. Approximately 16.2% (\$68,548,888) of the fund balance is reported as committed. Committed fund balances represent resources whose use has a self-imposed limitation imposed by the City Council and would require formal action to remove or modify the commitment. This classification includes resources that have been committed for economic development initiatives, capital projects and public health. Approximately 0.9% (\$3,617,431) of the fund balance is reported as assigned which reflects the City's intended use of resources. These intended uses are approved by the City Manager and Finance Director based upon direction of the City Council. The remainder of the fund balance of \$79,482,395 (18.8%) is reported as unassigned. Refer to page 73 of this report for a more detailed presentation of governmental fund balances.

The City Council approved an amendment to the City's financial management policy statement to provide for general fund unassigned fund balance to be maintained at 28% of the next year's budgeted revenues. Unassigned general fund balance at the end of the current fiscal year is 29.0% of 2025 budgeted revenues. The fund balance of the general fund at the end of the current year reported an increase of \$2.9 million. Total revenues in the general fund increased \$10,508,863 as compared to the prior year and were \$5,105,437 more than the final budget. Key factors in general fund revenue are as follows:

- Increases of approximately 9.8 million dollars in property tax revenues resulted primarily from growth in net assessed taxable values of approximately 16.3%. Property taxes represented approximately 44% of total general fund revenues.
- Sales tax revenue reported an increase of almost 1.1 million dollars as compared to prior year, with actual amounts exceeding the amount originally budgeted for the fiscal year by approximately 1.7 million dollars. This increase was the result of increased wages, economic growth, and increases in costs for goods and services. This revenue source represents 29% of total general fund revenues.
- Gross receipts fees decreased by \$639,378 as compared to prior year. Approximately 8% of total general fund revenues came from gross receipts fees.
- Investment earnings which totaled 10.4 million dollars in fiscal year 2024 increased 2.8 million dollars from the prior year due to the increase in interest rates and the maturity of older investments that had a lower than market rate which reduced the reduction in investment earnings when reporting investments at fair market value. Approximately 5.3% of total general fund revenues came from investment earnings.

The Street Improvement Fund, primarily generates its revenues from annual bond issues intended to fund street improvements. Proceeds from the bond issue in fiscal year 2024 totaled \$17.2 million, a decrease of \$8.6 million. Transfers in decreased \$1.0 million compared to fiscal year 2023. Expenditures for the fund decreased by \$1.6 million to \$26.8 million. Overall fund balance, which is split between restricted (\$61.2 million) and committed (\$2.9 million) fund balance, decreased by \$6.7 million to \$64 million.

The Grants Fund generates the majority (98.8%) of its revenues from federal and state grants. Intergovernmental revenues increased by \$2.2 million. Generally, revenues in this fund fluctuate from one year to the next, based on timing of expenditures which are usually offset by revenues as most grants are on the reimbursement basis,

and grant awards received by the City. Fund balance for the grants fund increased \$0.5 million from the prior year primarily related to the Texas Department of Transportation grants. Total fund balance was more than \$2.2 million with all of it being restricted for specific purposes.

The Tax Increment Fund No. 1 Fund generates the majority (70.0%) of its revenues from a property tax increment based on the member governments of the zone. Property tax revenues increased \$0.6 million due to property tax base growth. Proceeds from bond issuances in fiscal year 2024 totaled \$41.7 million for activities related to the RiverFront Development including a new parking garage adjacent to the new Foster Pavilion, street improvements, and improvements to the downtown Riverwalk. Overall fund balance, which is entirely restricted for tax increment zone activities, increased \$10.9 million to \$77.0 million.

Proprietary funds - The City's proprietary fund statements beginning on page 59 of this report provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the respective major proprietary funds are water - \$46,646,725, wastewater - \$43,006,413, solid waste - \$5,915,092, and Cameron Park Zoo - \$4,860,216. These funds recognized changes in total net position during 2024 as follows: water - \$10,316,930, wastewater - \$20,244,024, solid waste - \$1,337,758 and Cameron Park Zoo - \$7,748,482.

General Fund budgetary highlights - The difference between the original budget and the final amended budget for appropriations was a net increase of \$4,381,293. The primary differences can be briefly summarized as follows:

Total increases to the budget were \$28,289,052 with many of these related to capital needs. The budget increases are as follows:

- \$16,702,081 increase for Street Maintenance
- \$1,025,000 to increase information technology CIP
- \$6,298,898 to increase Economic Development CIP.
- \$257,482 increase for Traffic Services Maintenance
- \$217,732 to increase purchased professional & technical services.

Funding for the increases was provided primarily by general fund unassigned fund balance in excess of policy requirements.

For a more detailed presentation of the actual General Fund operations compared to both the original and final budget for fiscal year 2024, refer to the General Fund Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual on pages 50 to 58 of this report.

Capital Assets

The City of Waco's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to \$1,330,467,808 (net of accumulated depreciation/amortization).

This investment in capital assets includes land, building, machinery and equipment, improvements other than buildings, museum collections, water rights, infrastructure, lease assets, subscription assets and construction work in progress. Major capital asset events occurring during the current fiscal year included the following:

- Capitalized approximately \$107.9 million for various water, drainage and wastewater systems projects and developer contributions.
- Capitalized \$49.5 million in street infrastructure and developer contributions.
- Capitalized \$21.8 million for a new downtown parking garage.

Capital Assets

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	\$ 98,643,919	\$ 96,896,160	\$ 25,468,483	\$ 25,457,581	\$ 124,112,402	\$ 122,353,741
Buildings	108,571,964	94,520,386	120,975,854	98,905,344	229,547,818	193,425,730
Improvements other than buildings	91,882,337	91,225,547	875,917,580	808,095,046	967,799,917	899,320,593
Machinery and equipment	92,963,771	83,098,511	82,084,636	78,645,390	175,048,407	161,743,901
Museum collections	-	-	2,657,924	2,657,924	2,657,924	2,657,924
Infrastructure	446,499,856	415,203,882	-	-	446,499,856	415,203,882
Construction work in progress	135,804,882	95,939,209	106,369,668	68,226,134	242,174,550	164,165,343
Water rights	-	-	36,792,490	36,792,490	36,792,490	36,792,490
Lease assets, right-of use	4,037,963	3,248,375	388,344	622,645	4,426,307	3,871,020
Subscription-based IT arrangements	1,218,399	1,368,699	-	-	1,218,399	1,368,699
Less: accumulated depreciation and amortization	(410,220,882)	(388,944,491)	(489,589,380)	(460,981,512)	(899,810,262)	(849,926,003)
Total capital assets	<u>\$ 569,402,209</u>	<u>\$ 492,556,278</u>	<u>\$ 761,065,599</u>	<u>\$ 658,421,042</u>	<u>\$ 1,330,467,808</u>	<u>\$ 1,150,977,320</u>

Additional information on the City's capital assets can be found in Note IV on pages 83 - 85 of this report.

Debt Administration

At the end of the current fiscal year, the City of Waco had total bonded debt, leases, subscriptions, notes payable and capital financing agreement obligations of \$1,021,607,692 . Of this amount, \$1,003,515,721 represents bonded debt backed by the full faith and credit of the government. The \$3,063,180 capital financing obligation is for new fire trucks. The lease obligations are for various equipment and facilities used for city operations.

Bonds and Notes Payable

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
General obligation certificates	\$ 409,187,137	\$ 283,713,891	\$ 594,328,584	\$ 500,625,483	\$ 1,003,515,721	\$ 784,339,374
Lease obligations	1,781,045	1,669,122	36,326	282,791	1,817,371	1,951,913
SBITAs	589,903	944,760	-	-	589,903	944,760
Notes payable	11,530,076	14,313,701	1,091,441	1,122,766	12,621,517	15,436,467
Capital financing agreement obligation	3,063,180	3,550,183	-	-	3,063,180	3,550,183
	<u>\$ 426,151,341</u>	<u>\$ 304,191,657</u>	<u>\$ 595,456,351</u>	<u>\$ 502,031,040</u>	<u>\$ 1,021,607,692</u>	<u>\$ 806,222,697</u>

During the 2024 fiscal year, the City issued \$246,255,000 (including \$43,585,000 taxable) in combination tax and revenue certificates of obligation. The proceeds will be used to pay the cost of (1) construction, expansion, renovation, restoration and repair of and improvements to City fire stations, including in each case the acquisition of land and rights-of-way in connection therewith; (2) construction and acquisition of, and improvements to, City streets, including traffic control systems, traffic safety improvements, landscaping, and street lighting, bridges, sidewalks, utility relocation and drainage improvement facilities, including in each case the acquisition of land and rights-of-way in connection therewith; (3) construction, acquisition, restoration, and improvement of parks and recreational facilities, including in each case the acquisition of land and rights-of-way in connection therewith;

(4) the acquisition of vehicles, fire-fighting equipment and other equipment for authorized City purposes; (5) improvements to the City’s sanitary sewer system and facilities, including in each case the acquisition of land and rights-of-way in connection therewith; (6) improvements to the City’s waterworks system and facilities, including in each case the acquisition of land and rights-of-way in connection therewith; (7) construction, acquisition, and improvement of the City’s solid waste disposal system, facilities and equipment; (8) construction, acquisition, and improvement of City sidewalks, including in each case the acquisition of land and rights-of-way in connection therewith; (9) construction, acquisition, and improvement of City parking structures, including in each case the acquisition of land and rights-of-way in connection therewith; (10) renovation, improvement and equipment of existing animal shelter facilities; and (11) professional services incurred in connection with items (1) through (10), and to pay the costs incurred in connection with the issuance.

The City also issued \$28,890,000 of general obligation refunding bonds which were used to refund existing general obligation debt. This current refunding was undertaken to reduce total debt service payments by \$1,920,000 over the next eleven years, resulting in an economic gain of \$1,183,102.

Additional information on the City of Waco’s long-term debt can be found in Note IV on pages 94 to 99 of this report.

The City’s bond ratings are listed below:

	Moody’s Investors Service	Standard And Poor’s
General Obligation Bonds	Aa1	AA+

Economic Factors and Next Year’s Budgets and Rates

This budget builds upon the foundation from the Fiscal Year 2024 budget development, in which we saw a new focus on equity, policing, and economic development strategies. In this budget you will see a continued alignment to Council’s established priorities. In the current financial climate, staff and Council worked together to build a budget that limits increases to monthly City tax and utility service bills for homeowners. The average homeowner will see less than a dollar a day (64 cents) increase in their total tax and utility bill (\$233.75 annually).

As our City continues to grow, so do the demands on our core services of public safety, streets, and utilities. The FY25 adopted budget has postponed the Capital Improvement Program (CIP) until after the start of the fiscal year. In the 1st Quarter, City staff convened to identify and develop projects for the CIP, focusing on areas that would benefit the City’s population. Following this internal planning, the staff then met with the City Council to present the proposed list of projects for approval. This process ensures that improvements align with community needs and that the City has adequate funding to move forward with the selected projects once they receive formal endorsement.

This FY25 budget includes a net increase of .0051 new FTEs. This overall increase includes positions added during FY24 and for FY25 and vacant positions removed during FY24. There were 15 new Animal Services positions added for FY25. These positions are critical as the City grows and staff strives to accomplish the goals of the Council.

The City’s outstanding workforce understands that public service is a career dedicated to serving others. As a personnel-driven service provider, 59% of the General Fund operating budget is dedicated to employee compensation and benefits. In response to the fiscal climate nationwide, this year we aggressively pursued compensation and benefits enhancements to ensure the City of Waco remains an employer of choice. This budget includes a 3% general salary increase across the board and additional salary enhancements within our public safety departments for civilian and sworn personnel.

The City has a competitive health benefits program available for employees and their dependents. The Human Resources Department, in conjunction with the benefits consultant, has worked this year to change insurance providers to mitigate costs while still providing the competitive and excellent plan design that our employees

are accustomed to. The City's portion of the shared health insurance cost will increase 9.7% and City employees' share will increase 6.5%.

The City participates in the Texas Municipal Retirement System (TMRS) for full-time employees. TMRS calculates the City's required contributions based on an actuarial formula that looks at the City's pension liabilities compared to its pension assets. The City has budgeted an 18.04% contribution for FY25 to help reduce the overall liability and maintain financial stability and establish a 30% reoccurring Cost of Living Adjustment (COLA) for retired city employees. The City's participation in the TMRS system provides a financially sound pension for employees, which is very different from self-funded pensions for some major cities.

The budget keeps the tax rate the same as the prior year at 75.50 cents per \$100 of property valuation. The operations & maintenance portion of the tax rate is 60.4652 cents, and the debt service portion is 15.0348 cents per \$100 of property valuation.

The budget continues efforts to adjust fees to better align the costs of the services to the fees charged. The Cottonwood Creek Golf Course proposes to increase cart fees and fees for club rentals. In addition, this budget proposes increases in fire inspection fees for improvements that have environmental, health, and safety impacts. The budget also includes increases to some parks and recreation fees such as facility rentals, downtown banner installation, and field rental fees. Finally, there are new fees for solid waste, public health, permit renewal, development inspections, and animal services.

There are several changes to the water, wastewater, and solid waste fees. This budget increases the residential rates for Solid Waste from \$19.11 to \$20.52 per month. The water rates for customers who use 8,000 gallons of water a month or less have increased from \$46.77 to \$47.37 per month. This approach will incentivize water conservation and continues our approach to an equitable billing structure. Wastewater rates increased by 3% over last year. The municipal drainage fee will remain at the rate of \$6.55 for FY24-25 per equivalent residential unit (ERU) which is in line with the originally adopted fee schedule for the new municipal drainage utility.

The adopted fiscal year 2025 General Fund revenue budget decreased by nearly \$1.2 million or -0.6% compared to the adopted fiscal year 2024 budget. This is primarily due to a decrease in the transfers from surplus account by \$7.0 million. This decrease was offset by increases in property and sales tax revenues by \$1.6 million and \$1.3 million, respectively.

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 Blu Kostelich, Chief Financial Officer, PO Box 2570, Waco, Texas 76702-2570, or call (254) 750-5694.



BASIC FINANCIAL STATEMENTS



Statement of Net Position
September 30, 2024

	Primary Government			Waco Health Facilities Development Corporation
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and investments	\$ 478,936,439	\$ 143,742,656	\$ 622,679,095	\$ 34,669
Receivables (net of allowances for uncollectibles):				
Accounts	4,164,836	24,407,530	28,572,366	-
Special assessments	4,888	-	4,888	-
Taxes	13,077,038	-	13,077,038	-
Leases	1,119,350	3,689,367	4,808,717	-
Intergovernmental receivable	2,945,410	3,628,896	6,574,306	-
Prepaid expense	350,000	1,432,197	1,782,197	-
Accrued interest receivable	-	-	-	-
Internal balances	1,832,832	(1,832,832)	-	-
Due from others as fiscal agent	-	-	-	-
Inventories	1,631,493	1,896,458	3,527,951	-
Restricted cash and investments	-	288,410,014	288,410,014	-
Notes receivable	183,996	-	183,996	-
Real estate held for resale	66,257	-	66,257	-
Capital assets not being depreciated:				
Land	98,643,919	25,468,483	124,112,402	-
Museum collections	-	2,657,924	2,657,924	-
Construction in progress	135,804,882	106,369,668	242,174,550	-
Capital assets, net of accumulated depreciation and amortization:				
Buildings	60,586,955	59,237,300	119,824,255	-
Machinery and equipment	28,917,455	23,238,537	52,155,992	-
Improvements other than buildings	37,329,252	525,659,058	562,988,310	-
Infrastructure	205,512,685	-	205,512,685	-
Water rights	-	18,395,874	18,395,874	-
Lease asset	1,995,635	38,755	2,034,390	-
Subscription-based information technology arrangements	611,426	-	611,426	-
Total assets	1,073,714,748	1,226,439,885	2,300,154,633	34,669
Deferred outflows of resources				
Deferred losses on refundings of debt	240,028	637,970	877,998	-
Deferred outflows on pension liability	35,207,075	5,731,383	40,938,458	-
Deferred outflows on OPEB liability	336,821	-	336,821	-
Total deferred outflows of resources	\$ 35,783,924	\$ 6,369,353	\$ 42,153,277	\$ -

See accompanying notes to financial statements

Statement of Net Position September 30, 2024

	Primary Government			Waco Health Facilities Development Corporation
	Governmental Activities	Business-type Activities	Total	
Liabilities				
Accounts payable	\$ 22,594,491	\$ 3,226,741	\$ 25,821,232	\$ -
Accrued liabilities	8,201,470	6,941,541	15,143,011	-
Accrued interest payable	3,459,276	4,426,481	7,885,757	-
Unearned revenue	15,347,949	820,966	16,168,915	-
Escrow funds	469,856	-	469,856	-
Customer deposits	1,165,526	-	1,165,526	-
Advanced deposits from Baylor University	-	-	-	-
Liabilities payable from restricted assets	-	13,895,352	13,895,352	-
Noncurrent liabilities:				
Due within one year	59,539,811	35,567,849	95,107,660	-
Due in more than one year	496,740,071	589,864,186	1,086,604,257	-
Total liabilities	<u>607,518,450</u>	<u>654,743,116</u>	<u>1,262,261,566</u>	-
Deferred inflows of resources				
Deferred gains on refundings of debt	-	-	-	-
Deferred inflows on pension liability	2,640,794	429,897	3,070,691	-
Deferred inflows on OPEB liability	629,131	-	629,131	-
Deferred inflows on leases	1,089,683	3,583,074	4,672,757	-
Total deferred inflows of resources	<u>4,359,608</u>	<u>4,012,971</u>	<u>8,372,579</u>	-
Net position				
Net investment in capital assets	263,232,937	453,471,821	716,704,758	-
Restricted for:				
Tax increment financing/public improvement district	120,049,962	-	120,049,962	-
Housing and community development	517,975	-	517,975	-
Culture and recreation	178,481	-	178,481	-
Public safety	3,848,844	-	3,848,844	-
Public works	456,244	-	456,244	-
Communications and Marketing	2,115,426	-	2,115,426	-
Debt service	487,284	-	487,284	-
Parks and cemetery care - nonexpendable	345,172	-	345,172	-
Capital projects	8,718,734	646,473	9,365,207	-
Unrestricted	97,669,555	119,934,857	217,604,412	34,669
Total net position	<u>\$ 497,620,614</u>	<u>\$ 574,053,151</u>	<u>\$ 1,071,673,765</u>	<u>\$ 34,669</u>

See accompanying notes to financial statements



**Statement of Activities
Year Ended September 30, 2024**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ (61,917,035)	\$ 4,144,846	\$ 13,683,540	\$ -
Public works	(11,708,174)	-	-	2,880,439
Public safety	(126,122,559)	2,903,346	1,513,068	-
Culture and recreation	(31,728,304)	1,018,789	-	-
Housing and community development	(12,821,501)	-	2,468,581	-
Public health	(12,982,639)	-	5,318,919	-
Interest on long-term debt	(13,405,263)	-	-	-
Total governmental activities	<u>(270,685,475)</u>	<u>8,066,981</u>	<u>22,984,108</u>	<u>2,880,439</u>
Business-type activities:				
Water	(59,521,920)	64,797,774	-	9,453,216
Wastewater	(45,859,765)	53,354,464	1,363,215	13,351,083
Solid waste	(32,789,099)	33,182,170	16,589	-
Cameron Park Zoo	(9,295,746)	3,583,760	-	7,222,098
Airport	(5,364,331)	1,015,424	697,317	1,689,781
Convention services	(9,116,651)	1,794,192	37	-
Ranger Hall of Fame	(2,133,447)	645,282	-	-
Transit services	(8,769,586)	2,314,838	5,085,601	89,637
Cottonwood Creek Golf Course	(3,032,383)	2,449,168	-	-
Drainage	(5,947,862)	8,270,343	-	1,110,036
Total business-type activities	<u>(181,830,790)</u>	<u>171,407,415</u>	<u>7,162,759</u>	<u>32,915,851</u>
Total primary government	<u>\$ (452,516,265)</u>	<u>\$ 179,474,396</u>	<u>\$ 30,146,867</u>	<u>\$ 35,796,290</u>
Component Units:				
Waco Health Facilities Development Corporation	-	-	-	-
Total component units	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:
Taxes:
 Property
 Property tax increment financing
 Sales
 Franchise
 Hotel/motel
 Other
Unrestricted investment earnings
Miscellaneous
Transfers
Total general revenues and transfers
Change in net position
Net position, beginning of year
Net position, end of year

See accompanying notes to financial statements

Net Revenues (Expenses) and Changes in Net Position

Primary Government		Waco Health Facilities Development Corporation	
Governmental Activities	Business-type Activities	Total	
\$ (44,088,649)	\$ -	\$ (44,088,649)	\$ -
(8,827,735)	-	(8,827,735)	-
(121,706,145)	-	(121,706,145)	-
(30,709,515)	-	(30,709,515)	-
(10,352,920)	-	(10,352,920)	-
(7,663,720)	-	(7,663,720)	-
(13,405,263)	-	(13,405,263)	-
<u>(236,753,947)</u>	<u>-</u>	<u>(236,753,947)</u>	<u>-</u>
-	14,729,070	14,729,070	-
-	22,208,997	22,208,997	-
-	409,660	409,660	-
-	1,510,112	1,510,112	-
-	(1,961,809)	(1,961,809)	-
-	(7,322,422)	(7,322,422)	-
-	(1,488,165)	(1,488,165)	-
-	(1,279,510)	(1,279,510)	-
-	(583,215)	(583,215)	-
-	3,432,517	3,432,517	-
-	29,655,235	29,655,235	-
<u>\$ (236,753,947)</u>	<u>\$ 29,655,235</u>	<u>\$ (207,098,712)</u>	<u>\$ -</u>
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 105,874,767	\$ -	\$ 105,874,767	\$ -
12,783,761	-	12,783,761	-
56,850,723	-	56,850,723	-
15,738,949	-	15,738,949	-
-	7,377,490	7,377,490	-
1,754,254	-	1,754,254	-
34,210,328	9,070,775	43,281,103	1,878
19,088,808	-	19,088,808	-
5,469,820	(5,469,820)	-	-
<u>251,771,410</u>	<u>10,978,445</u>	<u>262,749,855</u>	<u>1,878</u>
15,017,463	40,633,680	55,651,143	1,878
482,603,151	533,419,471	1,016,022,622	32,791
<u>\$ 497,620,614</u>	<u>\$ 574,053,151</u>	<u>\$ 1,071,673,765</u>	<u>\$ 34,669</u>

See accompanying notes to financial statements

Balance Sheet
Governmental Funds
September 30, 2024

	General Fund	Street Improvement Fund	Grants Fund	Tax Increment Fund No. 1	Total Nonmajor Funds	Total Governmental Funds
Assets						
Cash and investments	\$ 100,683,317	\$ 69,526,753	\$ 16,939,661	\$ 81,395,561	\$ 181,197,789	\$ 449,743,081
Receivables, net of allowances:						
Accounts	3,714,129	-	236,511	307	130,095	4,081,042
Special assessments	-	-	-	-	4,888	4,888
Taxes	12,488,958	-	-	-	588,080	13,077,038
Notes	-	-	183,996	-	-	183,996
Leases	1,119,350	-	-	-	-	1,119,350
Advances to other funds	-	-	-	-	168,368	168,368
Intergovernmental receivable	10,091	-	1,726,576	-	1,208,743	2,945,410
Inventory	641,907	-	-	-	562,801	1,204,708
Real estate held for resale	6,160	-	60,097	-	-	66,257
Due from other funds	3,082,623	-	154,932	-	2,760,401	5,997,956
Total assets	\$ 121,746,535	\$ 69,526,753	\$ 19,301,773	\$ 81,395,868	\$ 186,621,165	\$ 478,592,094
Liabilities						
Accounts payable	5,430,315	5,453,730	522,653	3,856,760	6,669,183	21,932,641
Accrued liabilities	5,045,078	23,561	66,258	424,581	1,718,906	7,278,384
Unearned revenue	50,039	-	15,297,910	-	-	15,347,949
Due to other funds	643,772	-	1,246,224	154,932	2,760,401	4,805,329
Deposits	1,165,526	-	-	-	-	1,165,526
Escrow funds	323,546	-	-	-	145,772	469,318
Total liabilities	12,658,276	5,477,291	17,133,045	4,436,273	11,294,262	50,999,147
Deferred inflows of resources						
Unavailable revenue:						
Property taxes	2,003,413	-	-	-	473,385	2,476,798
Court fines	189,474	-	-	-	-	189,474
Special assessments	-	-	-	-	4,888	4,888
Leases	1,089,683	-	-	-	-	1,089,683
Total deferred inflows of resources	3,282,570	-	-	-	478,273	3,760,843
Fund balances						
Nonspendable:						
Inventory	641,907	-	-	-	562,801	1,204,708
Parks and cemetery care	-	-	-	-	345,172	345,172
Real estate held for resale	6,160	-	-	-	-	6,160
Restricted for:						
Capital projects	-	61,158,637	-	-	81,814,497	142,973,134
Culture and recreation	-	-	115,121	-	63,360	178,481
Debt service	-	-	-	-	487,284	487,284
Housing and community development	-	-	517,975	-	-	517,975
Communications and marketing	2,115,426	-	-	-	-	2,115,426
Public works	-	-	456,244	-	-	456,244
Public safety	-	-	879,388	-	2,969,456	3,848,844
Tax increment zone activities	-	-	-	76,959,595	41,708,106	118,667,701
Waco Public Improvement District	-	-	-	-	1,382,261	1,382,261
Committed to:						
Capital projects	-	2,890,825	-	-	-	2,890,825
Economic development	20,168,820	-	-	-	40,828,776	60,997,596
Public health	-	-	200,000	-	4,460,467	4,660,467
Assigned to:						
Culture and recreation	-	-	-	-	226,450	226,450
Economic development	3,390,981	-	-	-	-	3,390,981
Housing and community development	-	-	-	-	-	-
Other	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Subsequent year's budget appropriation	-	-	-	-	-	-
Unassigned	79,482,395	-	-	-	-	79,482,395
Total fund balances	105,805,689	64,049,462	2,168,728	76,959,595	174,848,630	423,832,104
Total liabilities, deferred inflows of resources, and fund balances	\$ 121,746,535	\$ 69,526,753	\$ 19,301,773	\$ 81,395,868	\$ 186,621,165	\$ 478,592,094

See accompanying notes to financial statements

**Reconciliation of the Balance Sheet to the Statement of Net Position
September 30, 2024**

Amounts reported for governmental activities in the statements of net position are different because:

Total fund balances - governmental funds (page 48)	\$ 423,832,104
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	566,255,493
Other long-term assets are not available to pay for current-period expenditures and, therefore, deferred in the funds.	2,671,160
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	24,418,079
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(519,556,222)</u>
Net position of governmental activities (page 45)	<u>\$ 497,620,614</u>

See accompanying notes to financial statements

FINANCIAL SECTION

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds Year Ended September 30, 2024

	General Fund	Street Improvement Fund	Grants Fund	Tax Increment Fund No. 1	Total Nonmajor Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 143,963,953	\$ -	\$ -	\$ 9,414,291	\$ 23,293,528	\$ 176,671,772
Special assessments	-	-	-	-	881,284	881,284
Business and occupation fees	15,738,949	-	-	-	-	15,738,949
Permits, licenses and fees	2,783,495	-	-	-	1,101,242	3,884,737
Fines	1,447,428	-	-	-	571,181	2,018,609
Charges for services	1,144,846	-	-	-	1,018,789	2,163,635
Investment earnings	10,388,427	-	44,926	3,877,271	11,546,782	25,857,406
Contributions	910,720	12,500	-	-	492,218	1,415,438
Intergovernmental	2,573,743	-	16,125,321	-	5,482,888	24,181,952
Program income	-	-	40,431	-	226,726	267,157
Other	16,609,902	-	104,204	161,363	2,213,339	19,088,808
Total revenues	195,561,463	12,500	16,314,882	13,452,925	46,827,977	272,169,747
Expenditures:						
Current:						
General government	38,641,278	-	597,697	12,517,421	1,962,593	53,718,989
Public works	250,395	-	2,482,682	-	-	2,733,077
Public safety	96,684,600	-	2,952,903	-	297,109	99,934,612
Culture and recreation	18,359,432	-	-	-	3,895,066	22,254,498
Housing and community development	845,961	-	11,411,910	-	-	12,257,871
Public health	-	-	-	-	11,385,073	11,385,073
Debt service:						
Principal	-	-	-	2,783,626	11,097,186	13,880,812
Interest and fiscal charges	-	-	-	200,578	12,143,254	12,343,832
Bond issuance costs	-	-	-	-	861,309	861,309
Capital outlay	-	26,818,344	-	31,466,295	38,975,779	97,260,418
Total expenditures	154,781,666	26,818,344	17,445,192	46,967,920	80,617,369	326,630,491
Excess (deficiency) of revenues over expenditures	40,779,797	(26,805,844)	(1,130,310)	(33,514,995)	(33,789,392)	(54,460,744)
Other financing sources (uses):						
Refunding bonds issued	-	-	-	-	9,798,600	9,798,600
Payment to refunded bond escrow agent	-	-	-	-	(9,718,067)	(9,718,067)
Premium on refunding bonds	-	-	-	-	345,777	345,777
General obligation bonds issued	-	17,176,885	-	36,947,945	74,786,570	128,911,400
Premium on general obligation bonds	-	1,421,115	-	4,797,055	3,523,264	9,741,434
Capital asset financing	-	-	-	-	183,169	183,169
Financing of leases	1,158	-	-	-	161,956	163,114
Financing of Subscriptions	-	-	-	-	-	-
Transfers in	6,293,047	2,500,000	1,698,176	4,782,806	53,418,279	68,692,308
Transfers out	(44,175,763)	(912,484)	(108,623)	(2,146,559)	(15,923,945)	(63,267,374)
Total other financing sources (uses)	(37,881,558)	20,185,516	1,589,553	44,381,247	116,575,603	144,850,361
Net change in fund balances	2,898,239	(6,620,328)	459,243	10,866,252	82,786,211	90,389,617
Fund balances, beginning of year	102,907,450	70,669,790	1,709,485	66,093,343	92,062,419	333,442,487
Fund balances, end of year	\$ 105,805,689	\$64,049,462	\$2,168,728	\$76,959,595	\$ 174,848,630	\$ 423,832,104

See accompanying notes to financial statements

**Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended September 30, 2024**

Amounts reported for governmental activities in the Statement of Activities (pages 44 - 45) are different because:

Net change in fund balances - total governmental funds (page 48)	\$ 90,389,617
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 by which capital outlay exceeded depreciation in the current period.	73,445,759
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, transfers, trade-ins, and donations) is to increase net position.	2,896,582
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(255,290)
When leases in which the City is the lessee are used in governmental activities, an expenditure and other financing source are recorded in the governmental funds for the amount of present value of the future lease; however, in the statement of activities, the present value of the future lease is recognized as a lease, right-of-use asset and a liability, and amortized over the lease term. Further, lease payments are recorded as expenses in the governmental funds and are recorded as a reduction of the liability in Governmental Activities.	485,380
When subscriptions used in governmental activities, an expenditure and other financing source are recorded in the governmental funds for the amount of present value of the future subscription; however, in the statement of activities, the present value of the future subscription is recognized as a subscription asset and a liability, and amortized over the lease term. Further, subscription payments are recorded as expenses in the governmental funds and are recorded as a reduction of the liability in Governmental Activities.	134,289
The issuance of long-term debt (e.g., bonds, notes payable) 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 and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(125,051,583)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(35,304,028)
Internal service funds are used by management to charge the costs of certain services to individual funds. The change in net position of internal service funds is reported with governmental activities.	<u>8,276,737</u>
Change in net position of governmental activities (pages 44 - 45)	<u>\$ 15,017,463</u>

See accompanying notes to financial statements

**General Fund Statement of Revenue, Expenditures,
& Changes in Fund Balance -
Budget and Actual
Year Ended September 30, 2024
(With Comparative Actual Amounts for Year Ended September 30, 2023)**

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
	Original	Final			
Revenue					
Taxes:					
Sales tax income	\$ 55,140,406	\$ 55,140,406	\$ 56,850,723	\$ 1,710,317	\$ 55,744,974
Property taxes	89,497,214	89,497,214	86,403,579	(3,093,635)	76,638,544
Interest and penalty on taxes	550,000	550,000	709,651	159,651	703,042
Total taxes	145,187,620	145,187,620	143,963,953	(1,223,667)	133,086,560
Business and occupation fees:					
Occupation taxes	110,987	110,987	27,564	(83,423)	78,656
Gross receipts taxes	17,461,038	17,461,038	15,711,385	(1,749,653)	16,350,763
Total business and occupation fees	17,572,025	17,572,025	15,738,949	(1,833,076)	16,429,419
Permits, licenses and fees:					
Building permits	1,482,853	1,482,853	1,522,206	39,353	1,774,506
Plumbing permits	409,313	409,313	391,062	(18,251)	432,903
Electrical permits	526,427	526,427	526,227	(200)	588,413
Heating and air conditioning licenses	242,257	242,257	179,300	(62,957)	193,779
Fire inspection fees	84,818	84,818	74,158	(10,660)	83,001
Cab permits	733	733	1,100	367	1,100
Open air/street vending	5,938	5,938	11,130	5,192	11,645
Sign permits	28,954	28,954	32,012	3,058	34,960
Subdivision fees	39,236	39,236	46,300	7,064	42,496
Total permits, licenses and fees	2,820,529	2,820,529	2,783,495	(37,034)	3,162,803
Fines:					
Court fines	1,362,256	1,362,256	1,367,179	4,923	1,313,913
Auto impound fees	91,243	91,243	80,249	(10,994)	90,108
Total fines	1,453,499	1,453,499	1,447,428	(6,071)	1,404,021
Charges for services:					
Recreation	60,400	60,400	140,077	79,677	1,069,450
Weed mowing	81,444	81,444	152,276	70,832	148,019
Library fees	134,200	134,200	87,069	(47,131)	78,139
Animal pick up	-	-	1,158	1,158	(88)
Animal shelter fees	459,016	459,016	538,111	79,095	480,444
Grounds maintenance	59,600	59,600	59,600	-	59,600
Graphics	70,000	70,000	90,859	20,859	91,828
Police security	63,119	63,119	75,696	12,577	48,760
Airport services	-	-	-	-	887,705
Total charges for services	927,779	927,779	1,144,846	217,067	2,863,857
Interest on investments	4,040,000	4,040,000	10,388,427	6,348,427	7,567,725
Contributions	696,300	814,520	910,720	96,200	707,260
Intergovernmental	2,104,899	2,104,899	2,573,743	468,844	2,762,665

See accompanying notes to financial statements

**General Fund Statement of Revenue, Expenditures,
& Changes in Fund Balance -
Budget and Actual
Year Ended September 30, 2024
(With Comparative Actual Amounts for Year Ended September 30, 2023)**

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
	Original	Final			
Revenues (continued)					
Other:					
Indirect expense reimbursements	12,886,293	12,886,293	13,134,825	248,532	10,859,185
False alarm fines	15,300	15,300	4,550	(10,750)	1,400
BSC civil penalties	3,561	3,561	-	(3,561)	59,401
Rents from real estate	309,075	309,075	358,792	49,717	392,141
Miscellaneous revenue	1,387,326	1,387,326	1,786,598	399,272	4,167,362
Sale of real estate	-	-	130,431	130,431	1,510
Sale of other scrap	10,000	10,000	89,744	79,744	19,974
Zoning applications	78,600	78,600	86,000	7,400	95,650
Commission from sale of mixed drinks	800,000	800,000	901,361	101,361	872,970
Commission on municipal court fines	45,000	45,000	57,305	12,305	53,678
Commission on concessions	-	-	1,492	1,492	473,338
Lease revenues	-	-	58,804	58,804	71,681
Total other	15,535,155	15,535,155	16,609,902	1,074,747	17,068,290
Total revenue	190,337,806	190,456,026	195,561,463	5,105,437	185,052,600
Expenditures					
General government					
Administrative services:					
Salaries and wages	3,144,994	3,144,994	2,855,993	289,001	2,632,150
Employee benefits	881,493	881,493	876,417	5,076	695,309
Purchased professional/technical services	248,403	279,123	382,993	(103,870)	164,986
Purchased property services	70,575	70,575	41,190	29,385	55,205
Maintenance	4,600	4,600	15,186	(10,586)	17,324
Other purchased services	422,842	422,842	462,681	(39,839)	365,795
Supplies	119,994	119,994	246,827	(126,833)	207,947
Capital expenditures	-	34,366	35,067	(701)	8,366
Other	238,618	466,344	72,813	393,531	77,990
Total administrative services	5,131,519	5,424,331	4,989,167	435,164	4,225,072
City secretary:					
Salaries and wages	474,461	474,461	481,718	(7,257)	412,515
Employee benefits	183,270	183,270	182,570	700	149,172
Purchased professional/technical services	103,533	103,533	77,237	26,296	49,520
Purchased property services	63	63	30	33	-
Maintenance	39,572	39,572	86,171	(46,599)	5,142
Other purchased services	42,686	42,686	62,448	(19,762)	40,293
Supplies	119,267	119,267	74,815	44,452	102,371
Capital expenditures	-	-	-	-	32,467
Total city secretary	962,852	962,852	964,989	(2,137)	791,480
Finance services:					
Salaries and wages	2,918,444	2,918,444	2,723,707	194,737	2,182,777
Employee benefits	1,058,845	1,058,845	997,019	61,826	708,825
Purchased professional/technical services	142,070	142,070	429,645	(287,575)	138,595
Purchased property services	38,633	38,633	64,686	(26,053)	123,294
Maintenance	168,142	168,142	46,231	121,911	43,051
Other purchased services	137,606	137,606	79,100	58,506	98,651
Supplies	56,235	56,235	59,095	(2,860)	34,288
Other	81,039	81,039	75,064	5,975	77,427
Total finance services	4,601,014	4,601,014	4,474,547	126,467	3,406,908

(Continued)

See accompanying notes to financial statements

FINANCIAL SECTION

**General Fund Statement of Revenue, Expenditures,
& Changes in Fund Balance -
Budget and Actual**

Year Ended September 30, 2024

(With Comparative Actual Amounts for Year Ended September 30, 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
	Original	Final			
Expenditures (continued)					
General government (continued)					
Legal services:					
Salaries and wages	1,315,105	1,315,105	1,360,982	(45,877)	1,209,935
Employee benefits	426,929	426,929	425,600	1,329	355,709
Purchased professional/technical services	4,450	4,450	27,768	(23,318)	612
Purchased property services	-	-	5,870	(5,870)	19,696
Maintenance	2,310	2,310	-	2,310	640
Other purchased services	47,434	47,434	39,186	8,248	53,052
Supplies	44,905	44,905	25,467	19,438	14,918
Other	-	-	302	(302)	-
Total legal services	1,841,133	1,841,133	1,885,175	(44,042)	1,654,562
Development services:					
Salaries and wages	3,508,041	3,473,041	2,797,471	675,570	2,626,573
Employee benefits	1,332,948	1,332,948	1,127,018	205,930	964,034
Purchased professional/technical services	878,911	1,244,661	1,174,905	69,756	656,388
Purchased property services	136,895	136,895	125,562	11,333	117,476
Maintenance	42,448	42,448	12,675	29,773	16,723
Other purchased services	204,122	204,122	148,838	55,284	114,240
Supplies	144,091	144,091	134,645	9,446	121,569
Capital expenditures	-	-	-	-	110,078
Other	61,715	61,715	102,155	(40,440)	88,403
Total development services	6,309,171	6,639,921	5,623,269	1,016,652	4,815,484
Human resources:					
Salaries and wages	1,555,199	1,555,199	1,526,503	28,696	1,312,355
Employee benefits	652,832	652,832	617,926	34,906	473,852
Purchased professional/technical services	55,268	55,268	32,793	22,475	50,042
Purchased property services	270	270	33,287	(33,017)	143,908
Maintenance	2,623	2,623	3,524	(901)	6,509
Other purchased services	231,917	227,163	185,807	41,356	155,988
Supplies	54,046	54,046	32,917	21,129	12,850
Other	-	-	2,294	(2,294)	-
Total human resources	2,552,155	2,547,401	2,435,051	112,350	2,155,504
Communications and marketing:					
Salaries and wages	1,210,378	1,210,378	1,196,885	13,493	1,076,292
Employee benefits	451,060	451,060	445,563	5,497	358,963
Purchased professional/technical services	95,040	95,040	27,319	67,721	25,581
Purchased property services	-	-	-	-	5,780
Maintenance	45,881	45,881	29,685	16,196	60,594
Other purchased services	38,346	38,346	318,506	(280,160)	57,309
Supplies	69,790	76,229	101,302	(25,073)	83,534
Capital expenditures	50,000	50,000	29,133	20,867	-
Other	29,500	29,500	8,718	20,782	7,687
Total communications and marketing	1,989,995	1,996,434	2,157,111	(160,677)	1,675,740
Information technology services:					
Purchased professional/technical services	-	80,105	69,310	10,795	52,695
Purchased property services	-	-	-	-	120,006
Maintenance	-	-	-	-	2,201
Other purchased services	-	-	-	-	54
Capital expenditures	-	40,978	-	40,978	437,325
Total information technology services	-	121,083	69,310	51,773	612,281

(Continued)

See accompanying notes to financial statements

**General Fund Statement of Revenue, Expenditures,
& Changes in Fund Balance -
Budget and Actual
Year Ended September 30, 2024
(With Comparative Actual Amounts for Year Ended September 30, 2023)**

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
	Original	Final			
Expenditures (continued)					
General government (continued)					
General services:					
Salaries and wages	1,690,773	1,690,773	1,642,256	48,517	1,892,212
Employee benefits	704,273	704,273	686,420	17,853	742,893
Purchased professional/technical services	1,058,597	1,005,307	778,746	226,561	1,253,411
Purchased property services	17,655	17,655	13,732	3,923	16,337
Maintenance	1,513,596	1,592,887	1,287,005	305,882	887,378
Other purchased services	118,005	118,005	81,161	36,844	151,278
Supplies	298,846	298,196	283,877	14,319	343,478
Capital expenditures	-	124,333	120,623	3,710	-
Other	-	-	5,478	(5,478)	-
Total general services	5,401,745	5,551,429	4,899,298	652,131	5,286,987
Office of economic development:					
Salaries and wages	437,478	437,478	564,606	(127,128)	427,255
Employee benefits	146,589	146,589	180,484	(33,895)	128,813
Purchased professional/technical services	15,131	14,381	53,774	(39,393)	82,797
Purchased property services	87,265	87,265	65,990	21,275	65,990
Maintenance	-	-	-	-	170
Other purchased services	36,798	36,798	105,311	(68,513)	40,366
Supplies	31,786	31,786	44,241	(12,455)	43,828
Other	-	-	1,856	(1,856)	-
Total office of economic development	755,047	754,297	1,016,262	(261,965)	789,219
Economic development:					
Purchased professional/technical services	537,037	802,849	87,711	715,138	278,692
Other	2,750,000	2,750,000	1,105,741	1,644,259	1,658,610
Total economic development	3,287,037	3,552,849	1,193,452	2,359,397	1,937,302
Economic development incentive:					
Purchased professional/technical services	4,000,000	4,000,000	1,625,198	2,374,802	875,000
Total economic development incentive	4,000,000	4,000,000	1,625,198	2,374,802	875,000
Contributions:					
McLennan County	209,000	209,000	226,473	(17,473)	192,575
HOTRMHMR	65,000	65,000	65,000	-	39,322
H. O. T. Council of Governments	-	-	9,510	(9,510)	-
The Advocacy Center	92,000	92,000	90,935	1,065	82,388
Greater Waco Chamber	336,000	361,000	361,000	-	250,000
Central Texas African American Chamber	175,000	175,000	175,000	-	125,000
Cen-Tex Hispanic Chamber	175,000	175,000	175,000	-	125,000
City Center Waco	164,000	307,227	307,227	-	-
Central Texas Senior Ministry	40,000	40,000	40,000	-	40,000
Economic development grants	2,000,000	2,000,000	387,793	1,612,207	212,592
McLennan County Appraisal District	921,004	921,004	1,090,573	(169,569)	826,211

(Continued)

See accompanying notes to financial statements

**General Fund Statement of Revenue, Expenditures,
& Changes in Fund Balance -
Budget and Actual
Year Ended September 30, 2024
(With Comparative Actual Amounts for Year Ended September 30, 2023)**

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
	Original	Final			
Expenditures (continued)					
General government (continued)					
Contributions: (continued)					
Greater Waco Collective Impact Initiative	100,000	141,667	116,665	25,002	58,333
Greater Waco Sports Commission	100,000	100,000	99,997	3	75,000
Historic Waco Foundation/Arts-Historic					
Agencies	35,000	35,000	43,750	(8,750)	29,250
Creative Waco	470,000	704,825	469,700	235,125	372,600
MCIF	60,000	120,000	120,000	-	50,000
Mission Waco	-	-	-	-	3,272
Campus Town	-	-	-	-	7,250
Total contributions	<u>4,942,004</u>	<u>5,446,723</u>	<u>3,778,623</u>	<u>1,668,100</u>	<u>2,488,793</u>
Miscellaneous:		217,732			
Salaries and wages	-	-	-	-	8,925
Employee benefits	50,000	50,000	19,863	30,137	1,909,155
Purchased professional/technical services	2,347,047	2,564,779	2,531,735	33,044	552,129
Maintenance	1,399	1,399	726	673	3,100
Other purchased services	129,866	129,866	129,961	(95)	371
Supplies	27,588	27,588	27,475	113	6,207
Capital expenditures	-	-	53	(53)	946,572
Other	1,230,000	1,630,000	820,013	809,987	454,748
Total miscellaneous	<u>3,785,900</u>	<u>4,403,632</u>	<u>3,529,826</u>	<u>873,806</u>	<u>3,881,207</u>
Total general government	<u>45,559,572</u>	<u>47,843,099</u>	<u>38,641,278</u>	<u>9,201,821</u>	<u>34,595,539</u>
Public works					
Streets:					
Salaries and wages	-	-	-	-	2,476,002
Employee benefits	-	-	-	-	1,030,482
Purchased professional/technical services	-	252,269	115,829	136,440	2,213,442
Purchased property services	-	-	-	-	29,451
Maintenance	-	-	-	-	891,490
Other purchased services	-	-	-	-	133,326
Supplies	-	-	56	(56)	899,819
Capital expenditures	-	134,510	134,510	-	1,310,820
Total streets	<u>-</u>	<u>386,779</u>	<u>250,395</u>	<u>136,384</u>	<u>8,984,832</u>
Total public works	<u>-</u>	<u>386,779</u>	<u>250,395</u>	<u>136,384</u>	<u>8,984,832</u>
Public safety					
Municipal court:					
Salaries and wages	925,604	925,604	729,486	196,118	823,905
Employee benefits	364,802	364,802	306,728	58,074	300,266
Purchased professional/technical services	124,883	124,883	90,870	34,013	92,341
Purchased professional/technical services	-	-	-	-	2,966
Maintenance	82,115	82,115	55,998	26,117	80,974
Other purchased services	25,382	25,382	19,540	5,842	11,995
Supplies	79,462	79,462	60,893	18,569	66,830
Other	13,000	13,000	15,515	(2,515)	13,614
Total municipal court	<u>1,615,248</u>	<u>1,615,248</u>	<u>1,279,030</u>	<u>336,218</u>	<u>1,392,891</u>

(Continued)

See accompanying notes to financial statements

**General Fund Statement of Revenue, Expenditures,
& Changes in Fund Balance -
Budget and Actual
Year Ended September 30, 2024
(With Comparative Actual Amounts for Year Ended September 30, 2023)**

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
	Original	Final			
Expenditures (continued)					
Public safety (continued)					
Emergency management services:					
Salaries and wages	401,310	401,310	342,730	58,580	370,357
Employee benefits	155,696	155,696	139,295	16,401	131,879
Purchased professional/technical services	216,478	181,178	154,070	27,108	151,186
Purchased property services	9,067	9,067	-	9,067	-
Maintenance	662,365	815,642	762,981	52,661	364,948
Other purchased services	99,880	84,144	54,933	29,211	32,190
Supplies	357,855	503,727	238,641	265,086	91,258
Other	81,343	81,343	80,042	1,301	189,338
Total emergency management services	<u>1,983,994</u>	<u>2,232,107</u>	<u>1,772,692</u>	<u>459,415</u>	<u>1,331,156</u>
Fire services:					
Salaries and wages	22,832,305	22,832,305	24,647,536	(1,815,231)	22,081,755
Employee benefits	8,994,944	8,994,944	9,412,529	(417,585)	7,836,161
Purchased professional/technical services	640,382	640,382	704,046	(63,664)	416,529
Purchased property services	109,946	109,946	99,597	10,349	87,757
Maintenance	809,085	823,785	1,042,543	(218,758)	638,562
Other purchased services	1,335,740	1,305,564	1,249,868	55,696	1,130,670
Supplies	1,495,104	1,495,104	1,195,371	299,733	1,372,788
Capital expenditures	-	191,833	191,833	-	487,119
Other	-	-	632	(632)	-
Total fire services	<u>36,217,506</u>	<u>36,393,863</u>	<u>38,543,955</u>	<u>(2,150,092)</u>	<u>34,051,341</u>
Police services:					
Salaries and wages	34,234,310	34,234,310	28,457,536	5,776,774	30,247,193
Employee benefits	12,965,569	12,965,569	12,813,726	151,843	10,695,720
Purchased professional/technical services	3,535,469	3,580,371	3,382,252	198,119	3,107,436
Purchased property services	209,307	209,307	202,457	6,850	210,032
Maintenance	1,800,218	1,877,712	1,932,330	(54,618)	1,276,605
Other purchased services	1,602,740	1,602,740	1,654,842	(52,102)	1,778,505
Supplies	2,834,160	2,977,178	2,687,017	290,161	2,593,489
Capital expenditures	650,000	1,498,029	442,289	1,055,740	88,108
Other	1,505	1,505	20,442	(18,937)	1,465
Total police services	<u>57,833,278</u>	<u>58,946,721</u>	<u>51,592,891</u>	<u>7,353,830</u>	<u>49,998,553</u>
Traffic services:					
Salaries and wages	-	-	-	-	1,036,918
Employee benefits	-	-	-	-	442,470
Purchased professional/technical services	-	57,627	105,955	(48,328)	570,283
Purchased property services	-	-	-	-	2,932
Maintenance	-	257,482	92,482	165,000	665,729
Other purchased services	-	-	-	-	55,433

(Continued)

See accompanying notes to financial statements

FINANCIAL SECTION

**General Fund Statement of Revenue, Expenditures,
& Changes in Fund Balance -
Budget and Actual**

Year Ended September 30, 2024

(With Comparative Actual Amounts for Year Ended September 30, 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
	Original	Final			
Expenditures (continued)					
Public safety (continued)					
Traffic services: (continued)					
Supplies	-	-	2,950	(2,950)	777,357
Total traffic services	-	315,109	201,387	113,722	3,551,122
Animal services:					
Salaries and wages	1,470,753	1,470,753	1,384,846	85,907	1,110,164
Employee benefits	635,983	635,983	610,456	25,527	439,692
Purchased professional/technical services	537,958	537,958	704,715	(166,757)	517,525
Purchased property services	25,052	25,052	35,974	(10,922)	44,159
Maintenance	77,160	77,160	57,670	19,490	72,322
Other purchased services	86,193	86,193	99,353	(13,160)	107,866
Supplies	553,324	553,324	400,204	153,120	401,342
Capital expenditures	-	-	-	-	73,983
Other expenses	1,000	1,000	1,427	(427)	-
Total animal services	3,387,423	3,387,423	3,294,645	92,778	2,767,053
Total public safety	101,037,449	102,890,471	96,684,600	6,205,871	93,092,116
Culture & recreation					
Library services:					
Salaries and wages	2,468,504	2,468,504	2,347,200	121,304	2,169,581
Employee benefits	948,424	948,424	919,808	28,616	804,668
Purchased professional/technical services	774,436	774,436	927,028	(152,592)	790,242
Purchased property services	33,301	33,301	68,284	(34,983)	238,565
Maintenance	68,344	68,344	18,434	49,910	53,145
Other purchased services	160,836	160,836	119,515	41,321	90,173
Supplies	1,038,369	1,037,967	997,641	40,326	1,018,303
Other	1,800	1,800	2,972	(1,172)	2,053
Total library services	5,494,014	5,493,612	5,400,882	92,730	5,166,730
Parks:					
Salaries and wages	5,071,136	4,653,025	4,626,340	26,685	4,379,820
Employee benefits	2,306,269	2,242,437	2,177,646	64,791	1,935,676
Purchased professional/technical services	1,989,130	2,065,682	2,133,469	(67,787)	1,884,637
Purchased property services	1,004,187	1,004,187	1,087,148	(82,961)	940,032
Maintenance	1,075,413	1,075,413	643,013	432,400	858,362
Other purchased services	274,789	269,789	316,851	(47,062)	260,116
Supplies	930,817	1,013,700	1,210,820	(197,120)	1,270,664
Capital expenditures	56,000	201,875	196,186	5,689	214,552
Other	6,736	6,736	13,710	(6,974)	229,325
Total parks	12,714,477	12,532,844	12,405,183	127,661	11,973,184
Recreation services:					
Salaries and wages	136,394	136,394	134,450	1,944	1,211,285
Employee benefits	58,520	58,520	57,594	926	370,716
Purchased professional/technical services	175,604	175,604	233,672	(58,068)	655,266
Maintenance	4,695	4,695	5,846	(1,151)	34,109
Other purchased services	157,003	157,003	108,800	48,203	290,703

(Continued)

See accompanying notes to financial statements

**General Fund Statement of Revenue, Expenditures,
& Changes in Fund Balance -
Budget and Actual
Year Ended September 30, 2024
(With Comparative Actual Amounts for Year Ended September 30, 2023)**

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
	Original	Final			
Expenditures (continued)					
Culture & recreation (continued)					
Recreation Services: (continued)					
Supplies	12,914	12,914	13,005	(91)	310,049
Capital expenditures	-	-	-	-	17,880
Other	-	-	-	-	19,129
Total recreation services	<u>545,130</u>	<u>545,130</u>	<u>553,367</u>	<u>(8,237)</u>	<u>2,909,137</u>
Total culture & recreation	<u>18,753,621</u>	<u>18,571,586</u>	<u>18,359,432</u>	<u>212,154</u>	<u>20,049,051</u>
Housing & community development					
Housing services:					
Salaries and wages	596,305	596,305	448,837	147,468	366,502
Employee benefits	204,441	204,441	165,527	38,914	118,436
Purchased professional/technical services	88,410	128,410	102,413	25,997	70,034
Purchased property services	86,677	86,677	86,492	185	85,661
Maintenance	2,417	2,417	2,422	(5)	92
Other purchased services	49,024	49,024	26,787	22,237	27,527
Supplies	12,947	12,947	8,610	4,337	5,595
Other expenses	35,000	35,000	4,873	30,127	65,837
Total housing services	<u>1,075,221</u>	<u>1,115,221</u>	<u>845,961</u>	<u>269,260</u>	<u>739,684</u>
Total housing & community development	<u>1,075,221</u>	<u>1,115,221</u>	<u>845,961</u>	<u>269,260</u>	<u>739,684</u>
Total expenditures	<u>166,425,863</u>	<u>170,807,156</u>	<u>154,781,666</u>	<u>16,025,490</u>	<u>157,461,222</u>
Excess (deficiency) of revenues over expenditures	<u>23,911,943</u>	<u>19,648,870</u>	<u>40,779,797</u>	<u>21,130,927</u>	<u>27,591,378</u>
Other Financing Sources (Uses):					
Transfers in:					
Abandoned Motor Vehicles	50,000	50,000	50,000	-	50,000
Revenue in lieu of property taxes	6,243,046	6,243,046	6,243,047	1	5,905,216
Total transfers in	<u>6,293,046</u>	<u>6,293,046</u>	<u>6,293,047</u>	<u>1</u>	<u>5,955,216</u>
Transfers out:					
Street improvements:					
Street Maintenance	-	(16,702,081)	(17,177,248)	(475,167)	(3,510,000)
Street cash CIP	(2,500,000)	(2,500,000)	(2,500,000)	-	(3,524,482)
Capital improvements:					
Facilities cash CIP	-	-	-	-	(2,630,428)
Parks cash CIP	-	-	-	-	(317,502)
Cameron Park Zoo	(5,884,822)	(5,884,822)	(5,884,822)	-	(3,446,770)
Rolling stock	(2,803,173)	(2,803,173)	(2,803,172)	1	(2,018,173)
Equipment replacement cash CIP	(81,713)	(81,713)	(81,713)	-	(70,630)
Cottonwood Creek Golf Course	(500,000)	(500,000)	(500,000)	-	(500,000)
Airport services	(52,499)	(52,499)	(52,499)	-	-
Health services	(3,863,148)	(3,863,148)	(3,863,148)	-	(3,863,148)
Ranger Hall of Fame	(1,100,000)	(1,100,000)	(1,100,000)	-	(1,100,000)
Information Technology CIP	-	(1,025,000)	(1,025,000)	-	-
Economic Development CIP	-	(6,298,898)	(6,298,898)	-	-
Information Technology	-	-	(13,923)	(13,923)	-
Parks Performance	(2,198,269)	(2,198,269)	(2,198,269)	-	-
Special Projects Reserve	-	-	-	-	(6,000,000)
Grant (police)	(216,000)	(216,000)	(627,071)	(411,071)	(365,475)
Grant (MPO)	(50,000)	(50,000)	(50,000)	-	(50,000)
Total transfers out	<u>(19,249,624)</u>	<u>(43,275,603)</u>	<u>(44,175,763)</u>	<u>(900,160)</u>	<u>(27,396,608)</u>

(Continued)

See accompanying notes to financial statements


FINANCIAL SECTION

**General Fund Statement of Revenue, Expenditures,
& Changes in Fund Balance -
Budget and Actual**

Year Ended September 30, 2024

(With Comparative Actual Amounts for Year Ended September 30, 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget	2023 Actual Amounts
	Original	Final			
Other Financing Sources (Uses): (continued)					
Financing of leases	-	-	1,158	1,158	189,225
Financing of Subscriptions	-	-	-	-	768,816
Total other financing sources (uses)	<u>(12,956,578)</u>	<u>(36,982,557)</u>	<u>(37,881,558)</u>	<u>(899,001)</u>	<u>(20,483,351)</u>
Net change in fund balances	10,955,365	(17,333,687)	2,898,239	20,231,926	7,108,027
Fund balance, beginning of year	<u>75,694,581</u>	<u>74,196,613</u>	<u>102,907,450</u>	<u>28,710,837</u>	<u>95,799,423</u>
Fund balance, end of year	<u>\$ 86,649,946</u>	<u>\$ 56,862,926</u>	<u>\$ 105,805,689</u>	<u>\$ 48,942,763</u>	<u>\$ 102,907,450</u>

See accompanying notes to financial statements

Statement of Net Position
Proprietary Funds
September 30, 2024

	Business-type Activities					Governmental Activities	
	Water Fund	Wastewater Fund	Solid Waste Fund	Cameron Park Zoo Fund	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
Assets							
Current assets:							
Cash and investments	\$ 51,255,561	\$ 42,773,684	\$ 21,821,692	\$ 6,172,669	\$ 21,719,050	\$ 143,742,656	\$ 29,193,358
Due from other funds	-	-	-	-	171,935	171,935	471,837
Accounts receivable, net of allowances	9,726,855	8,081,474	3,406,912	1,064,476	2,127,813	24,407,530	83,794
Lease receivable	20,845	-	-	-	337,747	358,592	-
Intergovernmental receivable	130,159	1,416,084	-	-	2,082,653	3,628,896	-
Restricted cash and investments	5,858,401	2,149,854	-	-	-	8,008,255	-
Prepaid expense	729,169	344,008	317,989	-	41,031	1,432,197	350,000
Inventories	527,497	43,291	-	203,513	1,122,157	1,896,458	426,785
Total current assets	68,248,487	54,808,395	25,546,593	7,440,658	27,602,386	183,646,519	30,525,774
Noncurrent assets:							
Restricted cash and investments	101,084,324	136,596,490	33,175,610	-	9,545,335	280,401,759	-
Lease receivable	706,035	-	-	-	2,624,740	3,330,775	-
Advances to other funds	525,336	-	-	-	-	525,336	-
Capital assets:							
Land	4,305,908	7,703,403	9,777,989	-	3,681,183	25,468,483	38,800
Buildings	11,166,659	21,820,904	1,379,037	21,724,668	64,884,587	120,975,855	928,436
Improvements other than buildings	444,543,780	313,516,384	30,434,158	19,181,068	68,242,191	875,917,581	118,289
Machinery and equipment	12,410,095	15,476,187	31,830,748	1,286,940	21,080,665	82,084,635	3,240,150
Museum collections	-	-	-	-	2,657,924	2,657,924	-
Construction work in progress	26,355,755	31,525,669	26,561,566	17,660,518	4,266,160	106,369,668	35,601
Lease, right-of-use assets	-	-	-	-	388,344	388,344	2,605,558
Subscription-based information technology arrangement	-	-	-	-	-	-	447,724
Intangible water rights	36,792,490	-	-	-	-	36,792,490	-
Less: accumulated depreciation and amortization	(209,200,836)	(114,741,384)	(51,351,997)	(25,813,856)	(88,481,308)	(489,589,381)	(4,267,840)
Total noncurrent assets	428,689,546	411,897,653	81,807,111	34,039,338	88,889,821	1,045,323,469	3,146,718
Total assets	496,938,033	466,706,048	107,353,704	41,479,996	116,492,207	1,228,969,988	33,672,492
Deferred outflows of resources							
Deferred losses on refundings of debt	597,669	40,301	-	-	-	637,970	-
Deferred outflows on pension liability	2,456,307	1,637,538	1,637,538	-	-	5,731,383	-
Total deferred outflows of resources	3,053,976	1,677,839	1,637,538	-	-	6,369,353	-
Total assets and deferred outflows of resources	499,992,009	468,383,887	108,991,242	41,479,996	116,492,207	1,235,339,341	33,672,492

See accompanying notes to financial statements

FINANCIAL SECTION

	Business-type Activities					Governmental Activities	
	Water Fund	Wastewater Fund	Solid Waste Fund	Cameron Park Zoo Fund	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
Liabilities							
Current liabilities:							
Accounts payable	1,243,713	945,796	448,161	169,482	419,589	3,226,741	661,850
Accrued liabilities	1,002,431	1,213,439	558,140	1,710,867	2,456,664	6,941,541	923,086
Unearned revenue	-	-	-	20,328	800,638	820,966	-
Due to other funds	-	-	-	-	1,836,399	1,836,399	-
Compensated absences payable	825,809	340,358	518,354	336,948	401,104	2,422,573	522,781
Lease liability	-	-	-	-	36,387	36,387	525,715
Subscription liability	-	-	-	-	-	-	82,623
Bonds payable	14,310,000	11,515,000	3,045,000	-	420,000	29,290,000	-
Notes payable	32,716	-	-	-	-	32,716	-
Net pension liability	1,622,645	1,081,764	1,081,764	-	-	3,786,173	-
Accrued interest payable	1,814,856	1,925,376	595,263	-	90,986	4,426,481	-
Refundable contracts	-	-	-	-	-	-	-
Escrow funds	-	-	-	-	-	-	538
Estimated claims and judgments	-	-	-	-	-	-	5,285,819
Current liabilities payable from restricted assets:							
Accounts payable	2,667,360	2,149,854	5,772,927	-	114,170	10,704,311	-
Customer deposits	3,191,041	-	-	-	-	3,191,041	-
Total Current Liabilities	26,710,571	19,171,587	12,019,609	2,237,625	6,575,937	66,715,329	8,002,412
Noncurrent liabilities:							
Refundable contracts	992,808	192,542	-	-	-	1,185,350	-
Estimated landfill closure and post-closure care costs	-	-	8,090,852	-	-	8,090,852	-
Advances from other funds	-	-	-	-	693,704	693,704	-
Compensated absences payable	1,315,731	264,961	835,136	342,817	373,514	3,132,159	475,873
Lease liability	-	-	-	-	-	-	719,201
Subscription liability	-	-	-	-	-	-	56,927
Bonds payable	249,057,303	248,466,908	53,766,138	-	13,748,235	565,038,584	-
Notes payable	1,058,725	-	-	-	-	1,058,725	-
Net pension liability	4,867,936	3,245,290	3,245,290	-	-	11,358,516	-
Total noncurrent liabilities	257,292,503	252,169,701	65,937,416	342,817	14,815,453	590,557,890	1,252,001
Total liabilities	284,003,074	271,341,288	77,957,025	2,580,442	21,391,390	657,273,219	9,254,413
Deferred inflows of resources							
Deferred inflows on pension liability	184,241	122,828	122,828	-	-	429,897	-
Deferred gains on refundings of debt	-	-	-	-	-	-	-
Deferred inflows on leases	695,276	-	324	-	2,887,474	3,583,074	-
Total deferred inflows of resources	879,517	122,828	123,152	-	2,887,474	4,012,971	-
Total liabilities and deferred inflows of resources	284,882,591	271,464,116	78,080,177	2,580,442	24,278,864	661,286,190	9,254,413
Net position							
Net investment in capital assets	168,462,693	153,913,358	24,995,973	34,039,338	72,060,459	453,471,821	1,681,118
Restricted for							
Capital projects	-	-	-	-	646,473	646,473	-
Unrestricted	46,646,725	43,006,413	5,915,092	4,860,216	19,506,411	119,934,857	22,736,961
Total net position	\$ 215,109,418	\$ 196,919,771	\$ 30,911,065	\$ 38,899,554	\$ 92,213,343	\$ 574,053,151	\$ 24,418,079

See accompanying notes to financial statements

**Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended September 30, 2024**

	Business-type Activities					Governmental Activities	
	Water Fund	Wastewater Fund	Solid Waste Fund	Cameron Park Zoo Fund	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
Operating revenues:							
Charges for services	\$ 64,370,168	\$ 52,047,020	\$ 32,978,078	\$ 3,001,394	\$ 13,638,850	\$ 166,035,510	\$ 44,979,338
Net merchandise sales	-	-	-	473,035	907,122	1,380,157	-
Contributions	-	-	-	-	62,192	62,192	-
Other	427,606	1,307,444	204,092	109,331	1,881,083	3,929,556	396,535
Total operating revenues	64,797,774	53,354,464	33,182,170	3,583,760	16,489,247	171,407,415	45,375,873
Operating expenses:							
Salaries and wages	7,767,483	5,198,828	6,552,057	3,265,052	8,972,712	31,756,132	6,719,654
Employee benefits	5,367,165	3,560,634	4,401,315	1,456,943	3,155,725	17,941,782	2,960,376
Purchased professional/technical services	4,072,893	3,465,200	3,925,128	484,803	5,070,585	17,018,609	4,169,440
Purchased property services	187,947	129,168	25,062	752,740	496,178	1,591,095	109,713
Maintenance	5,872,993	5,090,954	4,599,216	264,548	1,479,131	17,306,842	3,525,820
Other purchased services	1,621,361	1,175,770	431,727	299,479	4,155,672	7,684,009	3,020,414
Supplies	7,250,907	4,115,219	2,638,505	1,127,343	2,090,076	17,222,050	515,018
Other	7,176,055	4,552,565	5,350,279	248,130	2,774,514	20,101,543	23,201,942
Depreciation/Amortization	13,446,556	11,629,580	3,241,712	1,396,708	5,765,070	35,479,626	1,237,798
Total operating expenses	52,763,360	38,917,918	31,165,001	9,295,746	33,959,663	166,101,688	45,460,175
Operating income (loss)	12,034,414	14,436,546	2,017,169	(5,711,986)	(17,470,416)	5,305,727	(84,302)
Nonoperating revenues (expenses):							
Investment earnings	3,195,736	2,875,620	1,483,939	353,734	1,161,746	9,070,775	8,352,922
Other income	-	5,686	-	-	2,418	8,104	1,122
Hotel/motel tax	-	-	-	-	7,377,490	7,377,490	-
Intergovernmental revenues	-	1,357,529	16,589	-	5,780,537	7,154,655	-
Interest expense and fiscal charges	(6,311,302)	(6,503,721)	(1,446,489)	-	(390,773)	(14,652,285)	(37,891)
Bond issuance costs	(314,667)	(358,560)	(177,609)	-	-	(850,836)	-
Gain (loss) on disposal of capital assets	(132,591)	(79,566)	-	-	(13,824)	(225,981)	-
Total nonoperating revenues (expenses)	(3,562,824)	(2,703,012)	(123,570)	353,734	13,917,594	7,881,922	8,316,153
Income (loss) before contributions and transfers	8,471,590	11,733,534	1,893,599	(5,358,252)	(3,552,822)	13,187,649	8,231,851
Capital contributions	9,453,216	13,351,083	-	7,222,098	2,889,454	32,915,851	-
Transfers in	-	-	-	5,884,822	1,802,499	7,687,321	59,317
Transfers out	(7,607,876)	(4,840,593)	(555,841)	(186)	(152,645)	(13,157,141)	(14,431)
Changes in net position	10,316,930	20,244,024	1,337,758	7,748,482	986,486	40,633,680	8,276,737
Total net position, beginning of year	204,792,488	176,675,747	29,573,307	31,151,072	91,226,857	533,419,471	16,141,342
Total net position, end of year	\$215,109,418	\$196,919,771	\$ 30,911,065	\$ 38,899,554	\$ 92,213,343	\$574,053,151	\$ 24,418,079

See accompanying notes to financial statements

Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2024

	Business-type Activities - Enterprise Funds					Governmental Activities	
	Water Fund	Wastewater Fund	Solid Waste Fund	Cameron Park Zoo Fund	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:							
Cash received from customers	\$ 63,396,364	\$ 50,247,888	\$ 32,986,900	\$ 4,375,477	\$ 16,492,012	\$ 167,498,641	\$ 45,376,456
Cash paid to suppliers for goods and services	(26,502,436)	(23,657,410)	(16,679,039)	(3,051,910)	(15,164,652)	(85,055,447)	(33,168,514)
Cash paid to employees for services	(10,564,104)	(7,319,769)	(9,272,810)	(4,505,514)	(12,160,624)	(43,822,821)	(9,564,688)
Net cash provided by (used for) operating activities	26,329,824	19,270,709	7,035,051	(3,181,947)	(10,833,264)	38,620,373	2,643,254
Cash flows from noncapital financing activities:							
Intergovernmental revenue	488,076	260,581	16,589	-	8,016,780	8,782,026	-
Other nonoperating income	-	5,686	-	-	-	5,686	-
Hotel/motel tax	-	-	-	-	7,377,490	7,377,490	-
Passenger facility charges	-	-	-	-	2,357	2,357	-
Transfers from other funds	-	-	-	5,884,822	2,332,292	8,217,114	(12)
Transfers to other funds	(7,594,486)	(4,835,356)	(549,056)	-	(2,006,189)	(14,985,087)	(119,920)
Net cash provided by (used for) noncapital financing activities	(7,106,410)	(4,569,089)	(532,467)	5,884,822	15,722,730	9,399,586	(119,932)
Cash flows from capital and related financing activities:							
Aquisition of capital assets	(22,585,342)	(38,496,843)	(21,102,289)	(20,806,622)	(9,867,290)	(112,858,386)	(456,594)
Principal and interest payments for lease assets	-	(125)	-	(13)	1,634,430	1,634,292	(673,016)
Principal and interest payments for SBITAs	-	-	-	-	-	-	(226,914)
Proceeds from sale of debt	55,609,761	63,350,413	27,279,729	-	-	146,239,903	-
Capital contributions	1,539,849	1,702,188	-	7,222,098	(1,791)	10,462,344	-
Payments in lieu of drainage facilities	-	-	-	-	1,898	1,898	-
Principal paid on debt	(28,748,718)	(17,300,000)	(1,730,000)	-	(359,897)	(48,138,615)	-
Interest paid on debt	(8,447,104)	(8,302,486)	(1,607,633)	-	(603,668)	(18,960,891)	-
Net cash provided by (used for) capital and related financing activities	(2,631,554)	953,147	2,839,807	(13,584,537)	(9,196,318)	(21,619,455)	(1,356,524)
Cash flows from investing activities:							
Investment earnings	3,194,610	2,875,620	1,483,939	353,734	1,161,746	9,069,649	8,352,922
Net cash provided by (used for) investing activities	3,194,610	2,875,620	1,483,939	353,734	1,161,746	9,069,649	8,352,922
Net increase (decrease) in cash and cash equivalents	19,786,470	18,530,387	10,826,330	(10,527,928)	(3,145,106)	35,470,153	9,519,720
Cash and cash equivalents, beginning of year	138,726,483	162,989,641	44,170,972	16,700,597	32,348,721	394,936,414	19,673,638
Cash and cash equivalents, end of year	<u>\$ 158,512,953</u>	<u>\$ 181,520,028</u>	<u>\$ 54,997,302</u>	<u>\$ 6,172,669</u>	<u>\$ 29,203,615</u>	<u>\$ 430,406,567</u>	<u>\$ 29,193,358</u>

See accompanying notes to financial statements

**Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2024**

	Business-type Activities - Enterprise Funds						Governmental
	Water Fund	Wastewater Fund	Solid Waste Fund	Cameron Park Zoo Fund	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:							
Operating income (loss)	\$ 12,034,414	\$ 14,436,546	\$ 2,017,169	\$ (5,711,986)	\$ (17,470,416)	\$ 5,305,727	\$ (84,302)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Provision for uncollectible accounts receivable	208,530	197,802	197,459	-	5,529	609,320	-
Depreciation/Amortization	13,446,556	11,629,580	3,241,712	1,396,708	5,765,071	35,479,627	1,237,797
Other nonoperating income	-	-	-	-	875	875	-
Changes in assets and liabilities:							
Decrease (increase) in assets:							
Accounts receivable	(1,109,357)	(3,304,378)	(392,749)	791,717	(118,744)	(4,133,511)	960
Prepaid items	(522,291)	(344,008)	(317,989)	-	(41,031)	(1,225,319)	-
Inventory	(47,287)	(18,765)	-	149,579	9,539	93,066	4,103
Lease receivable	27,720	-	6,499	-	407,427	441,646	-
Increase (decrease) in liabilities:							
Accounts payable	6,484	373,133	153,045	(980,182)	49,778	(397,742)	170,417
Accrued liabilities	242,814	896,412	216,684	975,561	854,201	3,185,672	(11,186)
Unearned revenue	-	-	-	-	202,914	202,914	-
Estimated landfill closure and post-closure care costs	-	-	285,596	-	-	285,596	-
Compensated absences payable	443,246	6,798	215,906	196,656	(65,574)	797,032	82,374
Net pension liability	2,127,298	1,418,198	1,418,198	-	-	4,963,694	-
Customer deposits	(491,481)	-	-	-	-	(491,481)	-
Estimated claims and judgments	-	(6,020,609)	-	-	-	(6,020,609)	1,243,091
Deferred inflow on leases	(36,822)	-	(6,479)	-	(432,833)	(476,134)	-
Refundable Contracts	-	-	-	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ 26,329,824</u>	<u>\$ 19,270,709</u>	<u>\$ 7,035,051</u>	<u>\$ (3,181,947)</u>	<u>\$ (10,833,264)</u>	<u>\$ 38,620,373</u>	<u>\$ 2,643,254</u>
Noncash investing, capital, and financing activities:							
Contributions of capital assets	7,913,368	11,648,895	-	-	-	19,562,263	-
Proceeds of refunding bonds used for bond issuance costs and payment to escrow agent	14,537,393	6,954,650	-	-	-	21,492,043	-
Lease, right-of-use assets	-	-	-	-	1,110,036	1,110,036	966,559
Subscription assets	-	-	-	-	-	-	-

Additionally, variances in capital contributions per the statement of revenues, expenses and changes in net position - proprietary funds as compared to capital contributions from capital and related financing activities and noncash investing, capital and financing activities result from changes in the following items: intergovernmental accounts receivable, accounts payable and accrued liabilities related to capital items.

See accompanying notes to financial statements

**FINANCIAL SECTION****Statement of Fiduciary Net Position
September 30, 2024**

	<u>Custodial Funds</u>
Assets	
Cash and investments	\$ 4,569,602
Accounts receivable	136,977
Intergovernmental receivable	<u>694,796</u>
Total assets	<u>5,401,375</u>
Liabilities	
Accounts payable	9,678
Accrued liabilities	<u>272,684</u>
Total liabilities	<u>282,362</u>
Net position	
Restricted for other organizations and governments	<u>5,119,013</u>
Total net position	<u>\$ 5,119,013</u>

See accompanying notes to financial statements

Statement of Changes in Fiduciary Net Position
Year Ended September 30, 2024

	<u>Custodial Funds</u>
Additions	
Charges for services	\$ 115,522
Public improvement assessments	1,571,878
Investment earnings	251,623
Intergovernmental revenue	1,790,896
Other	4,185
Total additions	<u>3,734,104</u>
 Deductions	
Salaries and wages	841,730
Employee benefits	162,499
Purchased professional/technical services	207,994
Maintenance	98,164
Other purchased services	113,883
Supplies	170,396
Other	1,943,817
Total deductions	<u>3,538,483</u>
 Net increase (decrease) in fiduciary net position	195,621
 Net position, beginning	<u>4,923,392</u>
Net position, ending	<u>\$ 5,119,013</u>

See accompanying notes to financial statements

I. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Waco, Texas (the City) is a municipal corporation governed by an elected mayor and a five-member Council. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government. All fiduciary activities are reported only in the fund financial statements.

Discretely presented component units - The following discretely presented component units are included in the reporting entity of the City:

The *Waco Health Facilities Development Corporation* (the WHFDC) was created in 1983 under the Health Facilities Development Act as a public, nonprofit corporation for the purpose of issuing obligations in order to finance all or part of the cost of one or more health facilities to assist with the maintenance of public health. The WHFDC is governed by five members who are appointed by the City Council and may only be removed with cause. Additionally, the WHFDC is prohibited from issuing bonded debt without the approval of the City Council. The WHFDC does not issue separate financial statements.

Although WHFDC does not issue separate financial statements, the entity's governmental activity is reported in its respective single fund and all information is presented within the government-wide financial statements.

Fiduciary component unit - The following fiduciary component unit is included as a custodial fund of the City:

The authorization to create a Tourism Public Improvement District was granted by the Texas State Legislature through HB 1474 on June 14, 2019. The *Waco Tourism Public Improvement District* (WTPID) was created by the Waco City Council by Resolution 2020-513 on August 4, 2020, for the purpose of generating additional funding to increase tourism and hotel stays in Waco hotels. The WTPID is funded by a 2% assessment on hotels with 75 or more rooms within the city limits of Waco, Texas. The 2% assessment is charged on actual overnight stays at these hotels.

On September 15, 2020, the Waco City Council approved a contract with the Waco Tourism Public Improvement District Corporation (WTPIDC) to manage the funds generated by the special assessment. The WTPIDC is a Texas nonprofit corporation governed by nine directors who represent a cross-section of included hotels in terms of size, brand, and demographics. The Director of Conventions and Tourism is an ex-officio on the board.

Activities of the Waco Tourism Public Improvement District are guided by a Service and Assessment Plan which is reviewed and adopted by the Waco City Council each year. Separately issued financial reports for the WTPID may be obtained from the WTPID administrator via the website at wacotpid.com.



I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of the 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. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. *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 accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*.

The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus*, and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

The proprietary and fiduciary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting* for reporting its assets and liabilities.

I. Summary of Significant Accounting Policies (continued)

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

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The *general fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *street improvement fund* is used to account primarily for bond proceeds used for capital improvements to the City's street infrastructure.

The *grants fund* is used to account for governmental grant activity of the City beyond those accounted for in other funds.

The *tax increment fund no. 1* is used to account for activity of the tax increment district, Reinvestment Zone Number One.

The City reports the following non-major governmental funds:

The *special revenue funds* account for proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The *debt service funds* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *capital project funds* account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

The *permanent funds* account for private donations and endowments whereby interest earnings are restricted in accordance with the endowment terms.

The City reports the following major proprietary funds:

The *water fund* accounts for the activities of the City's water services.

The *wastewater fund* accounts for the activities of the City's sewer services.

The *solid waste fund* accounts for the activities of the City's sanitation services.

The *Cameron Park Zoo fund* accounts for the activities of the City's zoo.

The City reports the following non-major proprietary funds:

The *non-major proprietary funds* consist of enterprise funds, which are used to account for operations, other than the major proprietary funds listed above, and are operated in a manner similar to private business enterprises.

Additionally, the City reports the following fund types:



I. Summary of Significant Accounting Policies (continued)

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

Internal service funds account for insurance/risk management services, health insurance, fleet services, engineering services, information technology services, and vehicle and equipment replacement services provided to other departments or agencies of the government on a cost reimbursement basis.

Fiduciary funds - custodial funds account for receipts and disbursements for the Urban Renewal Agency, the Heart of Texas Housing Finance Corporation, Waco Public Improvement District No. 2, Rural Transit Services, and Waco Tourism Public Improvement District.

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 functions 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 revenues. Likewise, general revenues include all taxes.

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

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Deposits and Investments

The City considers all highly liquid investments (including restricted assets) in money market mutual funds, demand deposits, certificates of deposit, repurchase agreements, commercial paper, and U.S. Treasury bills with an original maturity of three months or less to be cash equivalents. For the purposes of the statements of cash flows, all pooled cash and investments are considered to be cash equivalents. Maturities in excess of three months when purchased may be deposited or withdrawn by the proprietary funds at any time without prior notice or penalty, therefore having the characteristics of demand deposits.

State statutes authorize the City to invest in U. S. Treasury and agency securities, commercial paper, money market mutual funds, repurchase agreements, and government investment pools.

Investments for the City, as well as for its component units, are reported at fair value. The City invests in local government investment pools (LGIPs) that were created to function as money market mutual funds within appropriate state laws and regulations. Each of these LGIPs seeks to maintain a constant \$1.00 net asset value per share.

The City utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The City determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market.

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.
- Level 2 Inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

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 not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 90 days are estimated to be uncollectible and comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 9.42% of outstanding property taxes as of September 30, 2024.

Property taxes are levied on October 1 and attach as an enforceable lien on property as of January 31. Statements are mailed on October 1, or as soon thereafter as possible, and are due upon receipt. All unpaid taxes become delinquent if not paid before February 1 of the following year.

Inventories and Prepaid Items

All inventories are valued using the average cost method. Inventories of governmental funds are recorded as expenditures 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.

Restricted Assets

Certain proceeds of the enterprise fund bonds and certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure (e.g., roads, bridges, and similar items), and water rights 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 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

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 useful lives:

Assets	Years
Landfill improvements	3-5
Buildings	20-50
Water rights	35
Improvements	5-50
Equipment	5-20
Infrastructure	7-74

Pensions

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

Other Post-Employment Benefits (“OPEB”)

The fiduciary net position of the City’s defined benefit life insurance plan (OPEB Plan) has been determined using the flow of economic resources measurement focus and the full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and information about assets, liabilities and additions to/deductions from the OPEB Plan’s net position. Benefit payments are recognized when due and payable in accordance with benefit terms. There are no investments as this is a pay-as-you-go plan.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government wide and proprietary fund financial statements. For governmental activities and proprietary funds, a liability is reported for a portion of accumulated sick leave when it is probable that the government will make termination payments. A liability for compensated

I. Summary of Significant Accounting Policies (continued)**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)**

absences is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term Obligations

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

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

Leases

In the government-wide financial statements and proprietary fund types in the fund financial statements, lease obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. In addition, the government-wide financial statements and proprietary fund types in the fund financial statements report the lease assets which are amortized over the life of the contract.

In the fund financial statements, governmental fund types recognize an other financing source - financing of leases during the current period when a new lease whereby the City is the lessee is entered into. When the City is the lessor of an asset, the lease receivable is reported on the governmental fund financial statements, proprietary fund types fund financial statements, and the government-wide financial statements at the present value of future lease payments. The lease receivable is offset by a deferred inflow of resources. The lease receivable is reduced as payments are received and the deferred inflow of resources is amortized over the contract period using the applicable borrowing rate of the City at the time the lease contract is entered into.

Subscriptions

In the government-wide financial statements and proprietary fund types in the fund financial statements, subscription obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. In addition, the government-wide financial statements and proprietary fund types in the fund financial statements report the subscription assets which are amortized over the life of the contract.

Fund Balance

In the fund financial statements, governmental fund balances classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the City Council through a resolution. Assigned fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed. Assignments are also approved by the City Council through a resolution. Unassigned fund balance 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.

I. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

For the classification of governmental fund balances, the City considers the order of expenditures to be made from the most restrictive first when more than one classification is available. The order of spending available resources is as follows: restricted, committed, assigned, and unassigned.

The City Council has adopted Financial Management Policy Statements that include the policy to strive to maintain the general fund unassigned fund balance at 28% of budgeted revenues. General fund unassigned fund balance at September 30, 2024 was 39.2% of fiscal year 2025 budgeted revenues.

The following detail of fund balances by classification is shown for major and nonmajor governmental funds:

	General Fund	Street Improvement Fund	Grants Fund	Tax Increment Fund No. 1	Other Funds	Total
Fund balances:						
Nonspendable:						
Inventory	\$ 641,907	\$ -	\$ -	\$ -	\$ 562,801	\$ 1,204,708
Real estate held for resale	6,160	-	-	-	-	6,160
Parks and cemetery care	-	-	-	-	345,172	345,172
Restricted for:						
Communications and Marketing activities	2,115,426	-	-	-	-	2,115,426
Debt service activities	-	-	-	-	487,284	487,284
Capital projects activities	-	61,158,637	-	-	81,814,497	142,973,134
Tax increment zone activities	-	-	-	76,959,595	41,708,106	118,667,701
Housing and community development activities	-	-	517,975	-	-	517,975
Public works activities	-	-	456,244	-	-	456,244
Public safety activities	-	-	879,388	-	2,969,456	3,848,844
Culture and recreation activities	-	-	115,121	-	63,360	178,481
Waco Public Improvement District activities	-	-	-	-	1,382,261	1,382,261
Committed to:						
Economic development activities	20,168,820	-	-	-	40,828,776	60,997,596
Capital projects activities	-	2,890,825	-	-	-	2,890,825
Public health services	-	-	200,000	-	4,460,467	4,660,467
Assigned to:						
Economic development activities	3,390,981	-	-	-	-	3,390,981
Culture and recreation activities	-	-	-	-	226,450	226,450
Unassigned	79,482,395	-	-	-	-	79,482,395
					\$	
	<u>\$105,805,689</u>	<u>\$ 64,049,462</u>	<u>\$ 2,168,728</u>	<u>\$76,959,595</u>	<u>174,848,630</u>	<u>\$ 423,832,104</u>

Net Position

In the government-wide and proprietary fund financial statements, net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated as a condition of the gift instrument, that the principal is to be maintained in perpetuity, and invested for the purpose of producing present and future income. The City is subject to the State of Texas Uniform Prudent Management of institutional Funds Act (UPMIFA) in relation to endowment funds.

I. Summary of Significant Accounting Policies (continued)***D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)***

Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.



II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$519,556,222 difference are as follows:

Serial bonds and certificates of obligation	\$ (388,880,000)
Less: deferred charge on refunding (to be amortized as interest expense)	240,028
Plus: issuance premium (to be amortized as interest expense)	(20,307,137)
Capital financing agreement	(3,063,180)
Accrued interest payable	(3,459,276)
Compensated absences	(23,647,412)
Net pension liability and pension related deferred outflows/inflows of \$35,207,073 (to be amortized as pension expense)	(60,465,386)
Refundable contracts	(80,007)
Arbitrage payable	(4,684,018)
Contracts payable	(830,000)
Lease Liability	(536,130)
Subscription Liability	(450,353)
Net other post-employment benefit (OPEB) liability and related deferred outflows/inflows of \$174,038 (to be amortized as OPEB expense)	(1,863,275)
Notes Payable	<u>(11,530,076)</u>
 Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	 <u>\$ (519,556,222)</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains, “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.” The details of this \$77,718,113 difference are as follows:

Capital outlay	\$ 98,134,303
Depreciation expense	<u>(20,416,190)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 77,718,113</u>

Another element of that reconciliation states, “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, transfers and donations) is to increase net position.” The details of this \$2,896,582 difference are as follows:

II. Reconciliation of Government-wide and Fund Financial Statements (continued)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities (continued)

Donations and transfers of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources	\$ 2,896,582
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 2,896,582</u>

Another element of that reconciliation states, "Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds." The details of this \$255,290 difference are as follows:

Court fines	\$ 29,373
Property taxes	<u>(284,663)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (255,290)</u>

Another element of that reconciliation states, "The issuance of long-term debt (e.g., bonds, notes payable) 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 these amounts are deferred and amortized in the statement of activities." The details of this \$125,051,583 difference are as follows:

Issuance of general obligation debt	\$ (138,710,000)
Plus: premium on issuance	(10,087,211)
Principal repayments:	
General obligation debt	20,475,000
Capital financing agreement	487,003
Note payable	<u>2,783,625</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (125,051,583)</u>

Another element of that reconciliation states, "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this \$35,304,028 difference are as follows:

OPEB liability	\$ 9,930
Compensated absences	(1,718,639)
Net pension liability	(30,491,274)
Accrued interest	(1,061,431)
Arbitrage Payable	(4,684,018)
Amortization of deferred charge on refunding	240,028
Amortization of bond premiums	<u>2,401,376</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (35,304,028)</u>



II. Reconciliation of Government-wide and Fund Financial Statements (continued)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities (continued)

Another element of that reconciliation states, “When leases in which the City is the lessee are used in governmental activities, an expenditure is recorded in the governmental funds for the amount of present value of the future lease; however, in the statement of activities, the present value of the future lease is recognized as a lease, right-of-use asset and amortized over the lease term.” The details of this \$485,380 difference are as follows:

Lease Principal Payments	\$ 485,380
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>485,380</u>

Another element of that reconciliation states, “When Subscriptions in which the City is the lessee are used in governmental activities, an expenditure is recorded in the governmental funds for the amount of present value of the future subscription; however, in the statement of activities, the present value of the future subscription is recognized as a subscription asset and amortized over the agreement term.” The details of this \$134,289 difference are as follows:

Subscription Principal Payments	\$ 134,289
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>134,289</u>

III. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Annual, appropriated budgets are adopted for the general fund, health fund and general obligation debt fund. All annual appropriations lapse at fiscal year- end. Project-length financial plans are adopted for all capital projects funds including the street improvement fund and the grants fund.

Prior to August 5, 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. A public hearing is conducted to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage of a resolution.

Expenditures may not legally exceed appropriations at the fund level for each legally adopted annual budget. The City Council made supplemental budgetary appropriation changes during the fiscal year. In addition, transfer of appropriations between funds requires the approval of the City Council. The reported budgetary data has been revised for these amendments legally authorized during the year.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

IV. Detail Notes on All Funds

A. Deposits and Investments

As of September 30, 2024, the City has U.S. Federal agency securities of \$113,553,900, U.S. Treasury Obligations of \$372,881,477, General Municipal Obligations of \$12,649,135, Commercial Paper of \$14,655,110, and Certificate of Deposit of \$24,116,986 which are valued using quoted market prices (Level 1).

As of September 30, 2024, the City had the following investments:

	<u>Total investments</u>	<u>Percent of Portfolio</u>	<u>Weighted Average Maturity (in Years)</u>
Investments reported at amortized cost:			
Texas Local Government Investment Pool (Tex Pool)	\$ 270,421,230	29.55%	0.08
Texas Local Government Investment Pool (TexPool Prime)	42,787,863	4.68%	0.11
Texas Short-Term Asset Reserve (TexSTAR)	<u>10,919,267</u>	<u>1.19%</u>	<u>0.07</u>
 Total local government investment pools	 324,128,360	 35.42%	 -
Money market mutual funds	50,800,473	5.55%	0.09
Collateralized bank savings accounts	2,287,687	0.25%	-
Certificate of Deposit	24,116,986	2.64%	1.73
Investments reported at fair value:			
U.S. Federal agency securities	113,553,900	12.41%	1.45
U.S. Treasury Obligations	372,881,477	40.75%	0.68
General Municipal Obligations	12,649,135	1.38%	0.59
Commercial Paper	<u>14,655,110</u>	<u>1.60%</u>	<u>0.53</u>
 Total investments	 <u>\$ 915,073,128</u>	 <u>100.00%</u>	 <u>0.53</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City manages its exposure to declines in fair value by limiting the maturities of its investments as follows: maturities of U. S. Treasury obligations, U. S. Federal agency securities and repurchase agreements cannot exceed three years. Further, the weighted average maturity of the City’s pooled operating portfolio shall at no time exceed one year with the calculation to include all portfolio securities, bank and savings account deposits and local government pools and money fund holdings. The weighted average maturity for the City’s pooled operating portfolio pursuant to this calculation was 0.44 years as of September 30, 2024.

Credit Risk

For an investment, credit risk is the risk that an investment issuer or other counterparty to an investment will not fulfill obligations. Texas Government Code Chapter 2256, Public Funds Investment Act, restricts the types of investments in which the City may invest.

IV. Detail Notes on All Funds (continued)

A. Deposits and Investments (continued)

The City’s investment policy addresses credit quality by further restricting authorized investments to the following:

- U.S. Treasury obligations
- Other obligations of the U. S. Government guaranteed by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States
- U.S. Federal agency securities
- Repurchase agreements and flexible repurchase agreements, collateralized by U.S. Treasury obligations or U.S. federal agency securities, or by pass through mortgage-backed securities issued by the U.S. federal agencies
- Money market mutual funds rated not less than AAAM by Standard & Poor’s, Aaa by Moody’s or AAA/VI+ by Fitch
- Depository Certificates of Deposit guaranteed by the FDIC. Deposits in excess of the FDIC insured amount are secured in accordance with City of Waco Policy
- Local Government Investment Pools rated not less than AAAM by Standard & Poor’s, Aaa by Moody’s or AAA/VI+ by Fitch
- Fully insured or collateralized depository interest bearing banking accounts of any bank in Texas to include fully FDIC insured money market account spread programs
- Debt obligations of any US state, agency, city, county, or other political sub-divisions of any US state rated as to investment quality by a nationally recognized investment rating agency firm not less than A or equivalent, with a stated maximum maturity of three years.
- Commercial paper that has a stated maturity of 270 days or fewer from the date of its issuance; and rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies; or one nationally recognized credit rating agency and fully secured by an irrevocable letter of credit (LOC) issued by a bank organized and existing under the laws of the United States or any state.

The City’s investments in TexPool and TexSTAR are rated AAAM by Standard & Poor’s; and U. S. Federal agency securities are rated Aaa by Moody’s, and AA+ by Standard and Poor’s.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the magnitude of a government’s investments in the securities of a single issuer. The City’s investment policy includes an investment objective of seeking diversification to avoid unreasonable risk. More than 5% of the City’s investments at September 30, 2024 were in securities of the following issuers:

U.S. Agency Issuer	Fair Value	Percent of Portfolio
United States Treasury	\$ 372,881,477	40.69%
Federal Home Loan Bank	55,919,236	6.10%

IV. Detail Notes on All Funds (continued)

A. Deposits and Investments (continued)

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. City policy requires all deposits to be fully secured in accordance with the Texas Government Code, Chapter 2257, by either surety bonds, letters of credit of the United States or its agencies and instrumentalities, or by eligible securities held by an independent third-party custodian.

For an investment, custodial credit risk is the risk that in the event of the failure of the counter-party, the City would not be able to recover the value of its investment or collateralized securities that are in the possession of an outside third party. The City’s investment policy requires that the purchase of investment securities be settled on a delivery versus payment basis and that ownership of all securities be perfected in the name of the City.

Reconciliation of Cash and Investments

Carrying amount of deposits and cash on hand	\$ 620,252
Carrying amount of investments	<u>915,073,128</u>
 Total	 <u>\$ 915,693,380</u>
 Cash and investments - governmental activities	 \$ 478,936,439
Cash and investments - business-type activities	143,742,656
Restricted cash and investments - business-type activities	288,410,014
Component units	34,669
Custodial funds	<u>4,569,602</u>
 Total	 <u>\$ 915,693,380</u>

The City issues certificates of obligation to fund capital projects for governmental and business-type activities. Interest earnings on the majority of unspent proceeds of all certificates of obligation are accounted for in the capital projects fund.

Local Government Investment Pools

TexPool. The Comptroller of Public Accounts (the Comptroller) is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company (the Trust Company) which is authorized to operate TexPool. Federated Investors, Inc. provides asset management services to TexPool. Additionally, the Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. There are no maximum transaction amounts and withdrawals from TexPool may be made daily. TexPool uses amortized cost rather than fair value to report net assets to compute share prices.

TexPool Prime. The Comptroller of Public Accounts (the Comptroller) is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company (the Trust Company) which is authorized to operate TexPool Prime. Federated Investors, Inc. provides asset management services to TexPool Prime. Additionally, the Comptroller has established an advisory board composed of both participants in TexPool Prime and other persons who do not have a business relationship with TexPool Prime. The advisory board members review the investment policy and management fee structure. There are no maximum transaction

**IV. Detail Notes on All Funds (continued)****A. Deposits and Investments (continued)**

amounts and withdrawals from TexPool Prime may be made daily. TexPool Prime uses amortized cost rather than fair value to report net assets to compute share prices.

TexSTAR. TexSTAR is a Texas public funds investment pool that is co-administered by J.P. Morgan Asset Management and Hilltop Securities Inc. TexSTAR is managed by a five-member governing board comprised of three representatives of eligible governmental entities and one member designated by each of the co-administrators.

There are no maximum transaction amounts and withdrawals from TexSTAR may be made daily. TexSTAR uses amortized cost rather than the fair value to report net assets to compute share prices.

IV. Detail Notes on All Funds (continued)

B. Receivables

Receivables as of year-end for the City’s individual major funds and nonmajor, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Street Improvement Fund	Grants Fund	Tax Increment Fund No. 1	Water	Wastewater	Solid Waste	Cameron Park Zoo Fund	Nonmajor and Other Funds	Total
Receivables:										
Taxes	\$ 12,660,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	735,539	\$ 13,395,548
Accounts	13,160,234	-	236,511	307	12,606,378	9,574,894	4,851,534	1,064,476	2,300,755	43,795,089
Special assessments	-	-	-	-	-	-	-	-	4,888	4,888
Intergovernmental	10,091	-	1,726,576	-	130,159	1,416,084	-	-	3,291,396	6,574,306
Leases	1,119,350	-	-	-	726,880	-	-	-	2,962,487	4,808,717
Notes	-	-	183,996	-	-	-	-	-	-	183,996
Gross receivables	26,949,684	-	2,147,083	307	13,463,417	10,990,978	4,851,534	1,064,476	9,295,065	68,762,544
Less: allowance for uncollectibles	9,617,156	-	-	-	2,879,523	1,493,420	1,444,622	-	106,512	15,541,233
Net total receivables	<u>\$ 17,332,528</u>	<u>\$ -</u>	<u>\$ 2,147,083</u>	<u>\$ 307</u>	<u>\$ 10,583,894</u>	<u>\$ 9,497,558</u>	<u>\$ 3,406,912</u>	<u>\$ 1,064,476</u>	<u>\$ 9,188,553</u>	<u>\$ 53,221,311</u>

Revenues of the water, wastewater, solid waste, and the nonmajor enterprise fund -drainage - funds are reported net of uncollectible amounts. Total uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to water sales	\$ 208,530
Uncollectibles related to wastewater charges	146,897
Uncollectibles related to solid waste charges	197,459
Uncollectibles related to drainage charges	<u>5,529</u>
Total uncollectibles of the current fiscal year	<u>\$ 558,415</u>

IV. Detail Notes on All Funds (continued)

C. Capital Assets

Capital asset activity for the year ended September 30, 2024 was as follows:

	Primary Government			Balance September 30, 2024
	Balance October 1, 2023	Increases	Decreases	
Governmental activities:				
Capital assets, not being depreciated or amortized:				
Land	\$ 96,896,160	\$ 1,747,759	\$ -	\$ 98,643,919
Construction in progress	95,939,209	82,377,265	(42,511,592)	135,804,882
Total capital assets not being depreciated or amortized	192,835,369	84,125,024	(42,511,592)	234,448,801
Capital assets, being depreciated and amortized:				
Buildings	94,520,386	14,051,578	-	108,571,964
Machinery and equipment	83,098,511	11,056,188	(1,190,928)	92,963,771
Improvements other than buildings	91,225,547	656,790	-	91,882,337
Infrastructure	415,203,882	31,295,974	-	446,499,856
Right-to-use Buildings	1,432,395	-	(348,382)	1,084,013
Right-to-use Computer equipment	1,629,544	1,191,010	(214,997)	2,605,557
Right-to-use Other equipment	186,436	161,957	-	348,393
Subscription-based information technology arrangements	1,368,699	125,141	(275,441)	1,218,399
Total capital assets being depreciated and amortized	688,665,400	58,538,638	(2,029,748)	745,174,290
Less accumulated depreciation and amortization:				
Buildings	44,168,553	3,816,456	-	47,985,009
Machinery and equipment	59,826,355	5,384,975	(1,165,014)	64,046,316
Improvements other than buildings	51,233,428	3,319,657	-	54,553,085
Infrastructure	231,927,055	9,060,116	-	240,987,171
Right-to-use Buildings	654,634	364,170	(348,381)	670,423
Right-to-use Computer equipment	649,204	718,424	(213,201)	1,154,427
Right-to-use Other equipment	122,392	95,086	-	217,478
Subscription-based information technology arrangements	362,870	456,974	(212,871)	606,973
Total accumulated depreciation and amortization	388,944,491	23,215,858	(1,939,467)	410,220,882
Total capital assets being depreciated and amortized, net	299,720,909	35,322,780	(90,281)	334,953,408
Total governmental activities capital assets	\$ 492,556,278	\$ 119,447,804	\$ (42,601,873)	\$ 569,402,209

IV. Detail Notes on All Funds (continued)

C. Capital Assets

	Balance October 1, 2023	Increases	Decreases	Balance September 30, 2024
Business-type activities:				
Capital assets, not being depreciated or amortized:				
Land	\$ 25,457,581	\$ 10,902	\$ -	\$ 25,468,483
Construction in progress	68,226,134	96,505,532	(58,361,998)	106,369,668
Museum collections	2,657,924	-	-	2,657,924
Total capital assets not being depreciated or amortized	<u>96,341,639</u>	<u>96,516,434</u>	<u>(58,361,998)</u>	<u>134,496,075</u>
Capital assets, being depreciated or amortized:				
Buildings	98,905,344	22,070,510	-	120,975,854
Machinery and equipment	78,645,202	7,117,137	(3,677,703)	82,084,636
Improvements other than buildings	808,095,046	85,050,586	(17,228,052)	875,917,580
Water rights - impound fee	36,792,490	-	-	36,792,490
Right-to-use Computer equipment	224,130	-	(224,130)	-
Right-to-use Other equipment	-	-	-	-
Right-to-use Buildings	161,914	-	-	161,914
Right-to-use Vehicles	236,601	-	(10,171)	226,430
Total capital assets being depreciated and amortized	<u>1,023,060,727</u>	<u>114,238,233</u>	<u>(21,140,056)</u>	<u>1,116,158,904</u>
Less accumulated depreciation and amortization:				
Buildings	57,787,232	3,951,322	-	61,738,554
Machinery and equipment	56,322,412	6,182,037	(3,658,350)	58,846,099
Improvements other than buildings	329,209,385	24,158,889	(3,109,752)	350,258,522
Water rights - impound fee	17,348,657	1,047,959	-	18,396,616
Right-to-use Computer equipment	93,297	-	(93,297)	-
Right-to-use Other equipment	-	-	-	-
Right-to-use Buildings	73,032	53,329	-	126,361
Right-to-use Vehicles	147,309	86,090	(10,171)	223,228
Total accumulated depreciation and amortization	<u>460,981,324</u>	<u>35,479,626</u>	<u>(6,871,570)</u>	<u>489,589,380</u>
Total capital assets being depreciated and amortized, net	<u>562,079,403</u>	<u>78,758,607</u>	<u>(14,268,486)</u>	<u>626,569,524</u>
Total business-type activities capital assets	<u>\$ 658,421,042</u>	<u>\$ 175,275,041</u>	<u>\$ (72,630,484)</u>	<u>\$ 761,065,599</u>



IV. Detail Notes on All Funds (continued)

C. Capital Assets (continued)

Depreciation/Amortization expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 1,897,125
Public works	10,077,831
Public safety	5,511,071
Culture and recreation	5,583,753
Public health	<u>146,078</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 23,215,858</u>
Business-type activities:	
Water	\$ 13,516,265
Wastewater	11,685,348
Solid waste	3,255,654
Cameron Park Zoo	1,396,708
Airport	3,218,005
Convention services	922,752
Ranger Hall of Fame	163,386
Transit services	841,299
Cottonwood Creek Golf Course	129,682
Drainage	<u>350,527</u>
Total depreciation and amortization expense - business-type activities	<u>\$ 35,479,626</u>

Construction commitments

The City has active construction projects as of September 30, 2024. At year-end the City’s commitments with contractors are as follows:

Project	Spent to Date	Remaining Commitments
Street projects	\$ 68,283,000	\$ 26,559,098
Water projects	26,355,755	12,384,113
Wastewater projects	24,896,293	11,393,423
Solid waste	26,561,566	9,235,754
Other projects	<u>96,077,937</u>	<u>43,309,059</u>
 Total	 <u>\$ 242,174,551</u>	 <u>\$ 102,881,447</u>

IV. Detail Notes on All Funds (continued)

C. Capital Assets (continued)

Annually, the city calculates its net investment in capital assets. The following table demonstrates the calculation for the major funds of the city and the internal service funds:

	Governmental Activities	Business-Type Activities	Water Fund	Wastewater Fund	Solid Waste Fund	Cameron Park Zoo Fund	Non-Major Enterprise Funds	Governmental Activities Internal Service Funds
Capital assets, net of accumulated depreciation/ amortization	\$ 569,402,209	\$ 761,065,599	\$ 326,373,851	\$ 275,301,163	\$ 48,631,501	\$ 34,039,338	\$ 76,719,746	\$ 3,146,718
Less: Bonds Payable	(388,880,000)	(569,710,000)	(251,090,000)	(249,540,000)	(56,140,000)	-	(12,940,000)	-
Plus: Unspent bond proceeds	119,822,049	288,410,014	106,942,725	138,746,344	33,175,610	-	9,545,335	-
Plus: Deferred losses on refundings of debt	240,028	637,970	597,669	40,301	-	-	-	-
Less: Lease Liabilities	(1,781,046)	(36,387)	-	-	-	-	(36,387)	(1,244,916)
Less: Subscriptions Liabilities	(589,903)	-	-	-	-	-	-	(139,550)
Less: Refundable Contracts	(80,007)	(1,185,350)	(992,808)	(192,542)	-	-	-	-
Less: Notes Payable	(11,530,076)	(1,091,441)	(1,091,441)	-	-	-	-	-
Less: Unamortized Premium/ Discount	(20,307,137)	(24,618,584)	(12,277,303)	(10,441,908)	(671,138)	-	(1,228,235)	-
Less: Capital Financing Agreement (Fire Trucks)	(3,063,180)	-	-	-	-	-	-	-
Less; Defecit Adjustments	-	-	-	-	-	-	-	(81,134)
Net Investment in Capital Assets	\$ 263,232,937	\$ 453,471,821	\$ 168,462,693	\$ 153,913,358	\$ 24,995,973	\$ 34,039,338	\$ 72,060,459	\$ 1,681,118

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of September 30, 2024 is as follows:

Due to/from other funds

Receivable Fund	Payable Fund	Amount
General	Grants	\$ 1,246,224
General	Nonmajor business-type	1,836,399
Grants	Tax Increment Fund No. 1	154,932
Nonmajor business-type	General	171,935
Internal service	General	471,837
Nonmajor governmental	Nonmajor governmental	2,760,401
		<u>\$ 6,641,728</u>

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Advances to/from other funds

Receivable Fund	Payable Fund	Amount
Water	Nonmajor business-type	\$ 525,336
Nonmajor governmental	Nonmajor business-type	168,368
		<u>\$ 693,704</u>

IV. Detail Notes on All Funds (continued)

D. Interfund Receivables, Payables and Transfers (continued)

All advances resulted from loans to Cottonwood Creek Golf Course Fund made for operating and capital improvements since the City took over management responsibilities. Amounts are not expected to be paid within the next fiscal year.

Interfund transfers

	Transfers in								Total
	General	Street Improvement	Grants	Tax Increment Fund No. 1	Cameron Park Zoo	Nonmajor Governmental	Nonmajor Enterprise	Internal Service	
Transfers out:									
General	\$ -	\$ 2,500,000	\$ 677,069	\$ -	\$ 5,884,822	\$ 33,447,448	\$ 1,652,499	\$ 13,925	\$ 44,175,763
Street Improvement	-	-	912,484	-	-	-	-	-	912,484
Grants	-	-	108,623	-	-	-	-	-	108,623
Tax Increment Fund No. 1	-	-	-	-	-	2,146,559	-	-	2,146,559
Water	4,226,686	-	-	-	-	3,367,800	-	13,390	7,607,876
Wastewater	1,467,556	-	-	-	-	3,367,800	-	5,237	4,840,593
Solid waste	548,805	-	-	-	-	-	-	7,036	555,841
Cameron Park Zoo	-	-	-	-	-	-	-	186	186
Nonmajor governmental	50,000	-	-	4,782,806	-	11,088,672	-	2,467	15,923,945
Nonmajor enterprise	-	-	-	-	-	-	150,000	2,645	152,645
Internal service	-	-	-	-	-	-	-	14,431	14,431
Total transfers	\$ 6,293,047	\$ 2,500,000	\$ 1,698,176	\$ 4,782,806	\$ 5,884,822	\$ 53,418,279	\$ 1,802,499	\$ 59,317	\$ 76,438,946

Transfers are used to (1) move revenues from the fund responsible for collecting them to the fund responsible for expending them as required by statute or budget, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (4) move unspent interest earnings on certificates of obligation from the capital projects fund to enterprise funds. Additionally, transfers from the internal service fund are for charge adjustments in accordance with the City’s financial management policy.

In the year ended September 30, 2024, the City made payments from various funds to the general fund in lieu of taxes. The City reported these payments as transfers. Transfers were made from the following funds in the following amounts.

Water	\$ 4,226,686
Wastewater	1,467,556
Solid waste	<u>548,805</u>
Total payments in lieu of taxes	\$ <u>6,243,047</u>

IV. Detail Notes on All Funds (continued)

E. Leases

City as Lessee

The City has entered into various lease agreements for the right of use for computer equipment, other machinery and equipment, buildings and vehicles. The leases have interest rates that range from 0.2133% to 3.3050%. The related lease assets and lease liabilities are presented as amounts equal to the present value of lease payments that are payable during the remaining lease term. The lease asset is amortized on a straight-line basis over the term of the lease. The lease terms range from 1-7 years.

Future principal and interest payments required to be made through maturity for all lease liabilities as of September 30, 2024 are as follows:

Year ended September 30	Principal	Interest	Total
Governmental activities:			
2025	\$ 765,032	\$ 33,392	\$ 798,424
2026	509,063	20,204	529,267
2027	312,930	8,480	321,410
2028	194,020	2,941	196,961
Total governmental activities	<u>\$ 1,781,045</u>	<u>\$ 65,017</u>	<u>\$ 1,846,062</u>
Business-type activities:			
2025	\$ 36,326	\$ 275	\$ 36,601
Total business-type activities	<u>\$ 36,326</u>	<u>\$ 275</u>	<u>\$ 36,601</u>
Primary government:			
2025	\$ 801,358	\$ 33,667	\$ 835,025
2026	509,063	20,204	529,267
2027	312,930	8,480	321,410
2028	194,020	2,941	196,961
Total primary government	<u>\$ 1,817,371</u>	<u>\$ 65,292</u>	<u>\$ 1,882,663</u>

City as Lessor

The City leases properties to other entities such as land, buildings and infrastructure. The interest rates range from 0.2477% to 5.3799%. The related receivables and deferred inflows of resources are presented as amounts equal to the present value of lease payments expected to be received during the lease term. The deferred inflows of resources are amortized as lease revenue on a straight-line basis over the lease term. The total amount of lease revenue and lease related interest revenue recognized in the current reporting period is \$608,677.

Principal and interest payments scheduled to be received from lease receivables for all future periods are as follows:



IV. Detail Notes on All Funds (continued)

E. Leases

Year ended September 30	Principal	Interest	Total
Governmental activities:			
2025	\$ 25,164	\$ 20,038	\$ 45,202
2026	22,541	19,661	42,202
2027	20,423	19,297	39,720
2028	22,232	18,937	41,169
2029	23,666	18,539	42,205
2030-2034	123,118	86,425	209,543
2035-2039	148,412	74,593	223,005
2040-2044	131,341	60,912	192,253
2045-2049	54,655	53,645	108,300
2050-2054	59,996	48,304	108,300
2055-2059	62,508	42,472	104,980
2060-2064	63,350	36,650	100,000
2065-2069	69,541	30,459	100,000
2070-2074	76,337	23,663	100,000
2075-2079	83,797	16,203	100,000
2080-2084	91,987	8,013	100,000
2085-2088	29,264	736	30,000
Total governmental activities	\$ 1,108,332	\$ 578,547	\$ 1,686,879

Reconciliation to Statement of Net Position

Total Principal	Accrued Interest Receivable	Total Receivable per Statement of Net Position
\$ 1,108,332	\$ 11,018	\$ 1,119,350

Year ended September 30	Principal	Interest	Total
Business-type activities			
2025	\$ 355,276	\$ 48,986	\$ 404,262
2026	301,182	45,804	346,986
2027	243,509	42,749	286,258
2028	200,753	40,150	240,903
2029	190,411	37,849	228,260
2030-2034	755,211	162,422	917,633
2035-2039	841,380	108,592	949,972
2040-2044	405,702	52,469	458,171
2045-2049	347,387	20,360	367,747
2050-2054	45,240	605	45,845
Total business-type activities	\$ 3,686,051	\$ 559,986	\$ 4,246,037

IV. Detail Notes on All Funds (continued)

E. Leases

	Reconciliation to Statement of Net Position - Business-type activities		
	Total Principal	Accrued Interest Receivable	Total Receivable per Statement of Net Position
Current portion - proprietary funds			
Water fund	\$ 17,081	\$ 3,764	\$ 20,845
Nonmajor funds			
Airport fund	341,657	2,386	271,789
Ranger Hall of Fame	676	10	686
Transit services fund	64,778	494	65,272
Total nonmajor funds	<u>407,111</u>	<u>2,890</u>	<u>337,747</u>
Total current portion - proprietary funds	<u>424,192</u>	<u>6,654</u>	<u>358,592</u>
Noncurrent portion - proprietary funds			
Water fund	706,035	-	706,035
Nonmajor funds			
Airport fund	2,529,173	-	2,529,173
Ranger Hall of Fame	2,509	-	2,509
Transit services fund	93,058	-	93,058
Total nonmajor funds	<u>2,624,740</u>	<u>-</u>	<u>2,624,740</u>
Total noncurrent portion - proprietary funds	<u>3,330,775</u>	<u>-</u>	<u>3,330,775</u>
Total business-type activities	<u>\$ 3,754,967</u>	<u>\$ 6,654</u>	<u>\$ 3,689,367</u>



IV. Detail Notes on All Funds (continued)

E. Leases

Year ended September 30

Total primary government:

	Principal	Interest	Total
2025	\$ 380,440	\$ 69,024	\$ 449,464
2026	323,723	65,465	389,188
2027	263,932	62,046	325,978
2028	222,985	59,087	282,072
2029	214,077	56,388	270,465
2030-2034	878,329	248,847	1,127,176
2035-2039	989,792	183,185	1,172,977
2040-2044	537,043	113,381	650,424
2045-2049	402,042	74,005	476,047
2050-2054	105,236	48,909	154,145
2055-2059	62,508	42,472	104,980
2060-2064	63,350	36,650	100,000
2065-2069	69,541	30,459	100,000
2070-2074	76,337	23,663	100,000
2075-2079	83,797	16,203	100,000
2080-2084	91,987	8,013	100,000
2085-2088	29,264	736	30,000
	<u>\$ 4,794,383</u>	<u>\$ 1,138,533</u>	<u>\$ 5,932,916</u>

Reconciliation to Statement of Net Position

	Total Principal	Accrued Interest Receivable	Total Receivable per Statement of Net Position
Governmental activities	\$ 1,108,332	\$ 11,018	\$ 1,119,350
Business-type activities			
Water fund	723,116	3,764	726,880
Nonmajor funds			
Airport fund	2,870,830	2,386	2,800,962
Ranger Hall of Fame	3,185	10	3,195
Transit services fund	157,836	494	158,330
	<u>3,754,967</u>	<u>6,654</u>	<u>3,689,367</u>
Total business-type activities			
Total primary government	<u>\$ 4,863,299</u>	<u>\$ 17,672</u>	<u>\$ 4,808,717</u>

IV. Detail Notes on All Funds (continued)

E. Leases

Regulated Leases

The City and American Airlines, Inc. entered into an Airline Use and Lease Agreement for use of facilities located at Waco Regional Airport for the purpose of conducting an air transportation business. The initial noncancellable term of the lease ends March 31, 2025 and can be extended to March 30, 2027 upon mutual agreement of both parties. The agreement provides for fixed monthly payments for the exclusive use of counter space, administrative areas, and baggage/storage areas. Variable joint use fees are also charged for the number of passengers using the facility, the number of times the airline uses the passenger loading bridges, and the total landed weight from all airline flights. Total fixed payments and variable payments received in the current year are listed below.

Fixed payments	\$ 23,456
Variable payments	5,258
Total payments	<u>\$ 28,714</u>

The future minimum lease payments from this regulated lease are listed below.

Year ended September 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Regulated leases			
2025	\$ 23,072	\$ 384	\$ 23,456
2026	23,376	197	23,573
2027	<u>11,817</u>	<u>28</u>	<u>11,845</u>
Total regulated leases	<u>\$ 58,265</u>	<u>\$ 609</u>	<u>\$ 58,874</u>

IV. Detail Notes on All Funds (continued)

F. SBITA

Subscription-based Information Technology Arrangements

The City has entered into subscription-based information technology arrangements (SBITAs) for the right to use software. The interest rates range from 2.4500% to 3.3310%. The related SBITA assets and SBITA liabilities are presented as amounts equal to the present value of payments that are payable during the remaining term. The SBITA asset is amortized on a straight-line basis over the term of the SBITA. The SBITA terms range from 1-5 years.

The total of the City’s subscription assets are recorded at a cost of \$1,218,399, less accumulated amortization of \$606,973.

The future subscription payments under SBITA agreements are as follows :

Year ended September 30			
Governmental Activities	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 288,543	\$ 17,407	\$ 305,950
2026	177,167	9,050	186,217
2027	<u>124,194</u>	<u>4,084</u>	<u>128,278</u>
Total	<u>\$ 589,904</u>	<u>\$ 30,541</u>	<u>\$ 620,445</u>

IV. Detail Notes on All Funds (continued)

G. Long-term debt

Capital financing agreement

The City acquired certain capital assets during 2021 for governmental activities through a capital financing agreement with Bank of America Public Capital Corp. The agreement, which is paid from the General Fund, provides for 10 annual payments of \$534,913 at an interest rate of 1.3495%. The assets acquired through this agreement are as follows:

	Cost	Accumulated Depreciation	Net Book Value
Governmental activities:			
Fire trucks	\$ 5,000,000	\$ 625,000	\$ 4,375,000
Total	<u>\$ 5,000,000</u>	<u>\$ 625,000</u>	<u>\$ 4,375,000</u>

Annual debt service requirements to maturity for this capital financing agreement are as follows:

Year Ending September 30,	Principal	Interest
2025	\$ 493,575	\$ 41,338
2026	500,236	34,677
2027	506,987	27,926
2028	513,829	21,084
2029	520,763	14,150
2030	527,790	7,123
Total	<u>\$ 3,063,180</u>	<u>\$ 146,298</u>

General obligation bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenue.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as five-year to thirty-year serial bonds with approximately equal amounts of debt service each year. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental activities	1.50% - 6.00%	\$ 365,725,000
Governmental activities - refunding	2.00% - 5.00%	23,155,000
Business-type activities	1.50% - 6.00%	486,110,000
Business-type activities - refunding	2.00% - 5.00%	83,600,000
		<u>\$ 958,590,000</u>

IV. Detail Notes on All Funds (continued)

G. Long-term debt (continued)

Annual debt service requirements to maturity for general obligation bonds are as follows:

September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 12,215,000	\$ 17,427,006	\$ 29,290,000	\$ 23,105,264
2026	13,075,000	16,195,459	29,060,000	21,161,376
2027	13,550,000	15,552,434	30,150,000	19,833,118
2028	13,245,000	14,909,584	31,310,000	18,495,356
2029	14,745,000	14,259,959	31,270,000	17,159,014
2030-2034	80,325,000	61,164,368	157,310,000	67,892,498
2035-2039	87,705,000	44,162,819	126,210,000	41,216,430
2040-2044	71,355,000	27,135,956	55,730,000	24,930,119
2045-2049	48,940,000	14,269,792	29,145,000	16,601,298
2050-2054	33,725,000	3,333,525	50,235,000	6,662,380
Total	<u>\$ 388,880,000</u>	<u>\$ 228,410,902</u>	<u>\$ 569,710,000</u>	<u>\$ 257,056,853</u>

IV. Detail Notes on All Funds (continued)

G. Long-term Debt (continued)

Notes payable

The City entered agreements with Baylor University during 2022 to purchase land for \$15,221,017. The transaction was closed during 2023. The agreement provided that the City would pay \$300,000 cash at closing, and make 5 annual payments of \$2,984,203, with no interest accruing on the unpaid principal balance. Interest is imputed at 1.40% over the term of the agreement.

Year Ending September 30,	Note Payable	
	Principal	Interest
2025	\$ 2,822,632	\$ 161,571
2026	2,862,186	122,017
2027	2,902,294	81,910
2028	2,942,964	41,240
Total	<u>\$ 11,530,076</u>	<u>\$ 406,738</u>

The City has entered into an agreement with the City of West, Texas to supply water for 40 years pursuant to an agreed-upon rate structure. As part of the agreement, the City purchased a pump station and water transmission line for \$12,814 monthly for 18 years and \$6,632 monthly for 22 years. Interest is imputed at 4.35% over the term of the agreement.

Year Ending September 30,	Note Payable	
	Principal	Interest
2025	\$ 32,716	\$ 46,866
2026	34,169	45,413
2027	35,687	43,895
2028	37,272	42,310
2029	38,927	40,655
2030-2034	222,154	175,755
2035-2039	276,067	121,843
2040-2044	343,063	54,847
2045	71,386	1,563
Total	<u>\$ 1,091,441</u>	<u>\$ 573,147</u>



IV. Detail Notes on All Funds (continued)

G. Long-term Debt (continued)

Other long-term debt information

Proceeds from general obligation bonds are subject to arbitrage rebate regulations. Estimated rebatable arbitrage has been recorded as a reduction to interest on investments.

During 1985, the City entered into a development agreement which provided that the City repay \$830,000 for public improvements at an interest rate not to exceed 8%. Repayment of principal and accrual of interest will not begin until revenue is received from the area designated in the development agreement. Annual requirements will be based on the revenue generated from future developments, which cannot be reasonably estimated at September 30, 2024.

There is no specific maximum debt limit established by law for the City; therefore, the limit is governed by the City's ability to levy and collect taxes. The City's maximum legal rate is \$1.85 per \$100 valuation; the tax rate for the current fiscal year is \$0.755000 per \$100 valuation.

The various bond obligations contain certain financial limitations and restrictions. The ordinances authorizing the issuance of general obligation bonds created an interest and sinking fund (general debt service fund). The ordinances require the City to ascertain a rate and amount of tax which will be sufficient to pay interest as it comes due and provide a reserve fund which is adequate to meet principal as it matures. The City is in compliance with all such significant financial restrictions.

Refundable contracts

The City maintains a policy of refunding to subdivision developers certain costs for the construction of water and wastewater improvements and streets and drainage facilities, applicable to single family housing developments. The policy was created to encourage the construction of single family residences within the corporate limits of the City. Amounts under contract which have not yet been refunded of \$1,265,357 have been recorded as a liability in the accompanying statement of net position.

IV. Detail Notes on All Funds (continued)

G. Long-term Debt (continued)

Changes in long-term liabilities

Long-term liability activity (shown in thousands of dollars) for the year ended September 30, 2024 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Bonds payable:					
General obligation bonds	\$ 270,645	\$ 138,710	\$ 20,475	\$ 388,880	\$ 12,215
Plus: premium on bonds	13,069	10,064	2,826	20,307	-
Total bonds payable	<u>283,714</u>	<u>148,774</u>	<u>23,301</u>	<u>409,187</u>	<u>12,215</u>
Other long-term liabilities:					
Capital financing agreement	3,550	-	487	3,063	494
Contracts payable	830	-	-	830	-
Notes payable	14,314	-	2,784	11,530	2,823
Arbitrage payable	-	4,684	-	4,684	-
Refundable contracts	80	-	-	80	-
Estimated claims and judgments	4,043	22,154	20,911	5,286	5,286
Lease liabilities	1,669	1,218	1,106	1,781	765
Subscription liabilities	945	-	355	590	289
Compensated absences	22,844	10,941	9,139	24,646	14,018
Net pension liability	75,459	35,207	17,634	93,032	23,257
OPEB liability	1,593	65	87	1,571	393
Total other long-term liabilities	<u>125,327</u>	<u>74,269</u>	<u>52,503</u>	<u>147,093</u>	<u>47,325</u>
Governmental activity long-term liabilities	<u>\$ 409,041</u>	<u>\$ 223,043</u>	<u>\$ 75,804</u>	<u>\$ 556,280</u>	<u>\$ 59,540</u>

IV. Detail Notes on All Funds (continued)

G. Long-term Debt (continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 480,815	\$ 136,435	\$ 47,540	\$ 569,710	\$ 29,290
Plus: premium on bonds	19,810	9,993	5,184	24,619	-
Total bonds payable	<u>500,625</u>	<u>146,428</u>	<u>52,724</u>	<u>594,329</u>	<u>29,290</u>
Other long-term liabilities:					
Refundable contracts	1,185	-	-	1,185	-
Estimated claims and judgments	6,021	-	6,021	-	-
Estimated landfill closure	7,805	286	-	8,091	-
Note payable	1,123	-	32	1,091	33
Lease liabilities	283	-	247	36	36
Compensated absences	4,758	2,824	2,027	5,555	2,423
Net pension liability	12,284	5,731	2,870	15,145	3,786
Total other long-term liabilities	<u>33,459</u>	<u>8,841</u>	<u>11,197</u>	<u>31,103</u>	<u>6,278</u>
Business-type activity long-term liabilities	<u>\$ 534,084</u>	<u>\$ 155,269</u>	<u>\$ 63,921</u>	<u>\$ 625,432</u>	<u>\$ 35,568</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$998,654, \$5,285,819, \$1,244,916, \$139,550 of internal service funds' compensated absences, estimated claims and judgments, leases, and subscriptions respectively, are included in the above governmental amounts. Also, for the governmental activities, compensated absences, net pension liability, other post-employment benefits, and leases are generally liquidated by the general fund. Refundable contracts are liquidated by the street and drainage refundable contracts debt service fund.

H. Restricted Assets

The balances of the restricted asset accounts in the enterprise funds are as follows:

Customer deposits	\$ 3,191,041
Bond construction account	284,594,600
Capital grants and contributions	624,373
Total restricted assets	<u>\$ 288,410,014</u>

IV. Detail Notes on All Funds (continued)

I. Risk Management

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance and participates in a joint self-insured program. The City has established the insurance fund and health insurance fund (internal services funds) to account for and finance its risk management activities. All funds participate in these programs and make payments to these funds based on actuarial estimates of the amounts needed to pay prior and current-year claims and to establish reserves for catastrophic losses. The reserves for catastrophic losses were approximately \$4,600,000 at September 30, 2024.

Liabilities of the funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, federal and state mandated programs, changes in legal doctrines, damage awards (including frequency and amount of payouts), and economic and social trends. Accordingly, claims are reevaluated periodically to consider the effects of such factors.

The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate.

The insurance fund provides coverage for up to a maximum of \$750,000 for each non-civil service workers' compensation claim and \$600,000 for each civil service workers' compensation claim. The City purchases commercial insurance for workers' compensation claims in excess of coverage provided by the fund. For general liability claims prior to fiscal year 2002, the insurance fund provided coverage for up to \$250,000 for each individual and \$500,000 aggregate for general liability claims and up to \$100,000 for each property damage claim. Beginning with fiscal year 2002, the insurance fund participates in a joint self-insured program for each general liability or property damage claim. The City purchases coverage for claims in excess of \$50,000. The commercial liability coverage limits are \$1,000,000 per occurrence for general liability with a \$2,000,000 annual aggregate, except for law enforcement liability for which the limits are \$5,000,000 per occurrence and \$10,000,000 annual aggregate. The coverage limits for the City's property are: \$10,000,000 aggregate for automobile catastrophe, \$591,971,000 aggregate for real and personal property, \$15,239,790 aggregate for mobile equipment and \$5,000,000 per accident for boiler and machinery.

Effective January 1, 2006, the City began to self-insure for health insurance claims. The City purchases unlimited stop-loss protection for individual claims exceeding \$250,000. Additionally, the City purchases \$1,000,000 of aggregate protection for claims exceeding 125% of expected annual claims.

There have been no claim settlements in excess of the insurance and stop loss coverages that have been procured in 2024, 2023, or 2022. Changes in the amounts of estimated unpaid liability, workers' compensation and health insurance claims during the past two years are as follows (shown in thousands of dollars):

	2024	2023
Unpaid claims, beginning of fiscal year	\$ 10,064	\$ 6,548
Incurred claims (including IBNRs)	29,992	24,692
Claim payments	(20,797)	(21,176)
Unpaid claims, end of fiscal year	<u>\$ 19,259</u>	<u>\$ 10,064</u>

IV. Detail Notes on All Funds (continued)

J. Contingent Liabilities

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

There are currently several claims and lawsuits pending against the City. It is the opinion of the City Attorney and management that there is no pending litigation against the City that, if decided against the City, would have a material adverse effect upon the operations of the City or that would exceed the contingency amounts set aside for such purpose.

K. Commitments

The City Council has approved \$1,047,306 to be refunded to subdivision developers for certain costs for the construction of water improvements once applicable contract requirements are met. During 2015, the City Council determined that the City shall not enter into any new water refund contracts for any subdivisions or developments for which construction plans had not been submitted to the City by May 12, 2015.

During 2022, the City Council approved project/financing plan amendments and agreements committing funds from Tax Increment Reinvestment Zone Number One (the Zone) to provide partial funding of \$34,000,000 to fund land acquisition and to incentivize the location of the new Paul and Alejandra Foster Basketball Pavilion mixed-use entertainment facility in the downtown riverfront. This funding, will be provided by tax increment revenue, is expected to be provided as follows:

Year	Amount
2025	\$ 6,740,000
2026	6,740,000
2027	6,740,000
2028	6,740,000
Total	\$ 26,960,000

IV. Detail Notes on All Funds (continued)

L. *Postemployment Benefits Other Than Pensions (OPEB)*

Benefits provided. The City administers a single-employer defined benefit life insurance plan. The plan provides \$2,500 of life insurance to each qualified retiree. Optional \$3,500 or \$5,000 in life insurance is available at the retiree’s expense. According to the City’s personnel policy, retirees who have retired under the Texas Municipal Retirement System (TMRS) with a minimum of twenty years of service are eligible for postretirement life insurance benefits. No assets are accumulated in a trust that meets the criteria in GASB Statement 75.

Employees covered by benefit terms. At December 31, 2023, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	646
Active plan members	1,599
	2,245

Total OPEB Liability

The actuarial valuation was performed as of December 31, 2023.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date:	December 31, 2022
Methods and Assumptions:	
Actuarial Cost Method	Individual Entry-Age Normal
Discount Rate	3.77% as of December 31, 2023
Inflation	2.50%
Salary Increases	3.60% to 11.85%, including inflation
Demographic Assumptions	Based on the 2023 experience study conducted for the Texas Municipal Retirement System (TMRS). For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used, with male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP-2021 table to account for future mortality improvements.
Mortality	
Participation Rates	100% of eligible retirees will choose to receive the employer paid life benefit; 40% of those with coverage are assumed to elect optional coverage of \$5,000.
Other Information:	
Notes	Changes of assumptions reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2023	3.77%
2022	4.05%
2021	1.84%
2020	2.00%
2019	2.75%

IV. Detail Notes on All Funds (continued)

L. Postemployment Benefits Other Than Pensions (OPEB) (continued)

The discount rate was based on the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at 12/31/2022	\$ 1,592,554
Changes for the year:	
Service cost	11,237
Interest	63,445
Difference between expected and actual experience of the total OPEB liability	(119,800)
Changes in assumptions or other inputs	86,796
Benefit payments	<u>(63,267)</u>
Net changes	<u>(21,589)</u>
Balance at 12/31/2023	<u>\$ 1,570,965</u>

Sensitivity for the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City calculated using a discount rate of 3.77%, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77%) or 1-percentage-point higher (4.77%) than the current discount rate:

	1% Decrease (2.77%)	Discount Rate (3.77%)	1% Increase (4.77%)
Total OPEB liability	<u>\$ 1,866,479</u>	<u>\$ 1,570,965</u>	<u>\$ 1,341,748</u>

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

For the year ended September 30, 2024, the City recognized OPEB expense of \$57,101. At September 30, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 29,251	\$ 101,765
Changes in assumptions or other inputs	259,093	527,366
Contributions subsequent to the measurement date	<u>48,477</u>	<u>-</u>
Totals	<u>\$ 336,821</u>	<u>\$ 629,131</u>

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$48,477 will be recognized as a reduction of the OPEB liability for the year ended September 30, 2025.

IV. Detail Notes on All Funds (continued)

L. *Postemployment Benefits Other Than Pensions (OPEB) (continued)*

Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Measurement Year Ended December 31,	
2024	\$ (7,923)
2025	(68,026)
2026	(117,869)
2027	(134,173)
2028	(11,952)
Thereafter	(844)
	\$ (340,787)

M. *Defined Benefit Pension Plan*

Plan Description

The City participates as one of 934 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at tmrs.com.

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

Benefits Provided

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

At retirement, the member’s benefit is calculated based on the sum of the member’s contributions with interest, the city-financed monetary credits with interest. The retiring member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the total member contributions and interest.

Employees covered by benefit terms:

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries current receiving benefits	1,236
Inactive employees entitled to but not yet receiving benefits	831
Active employees	1,599
	3,666

Contributions

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

IV. Detail Notes on All Funds (continued)

M. Defined Benefit Pension Plan (continued)

Employees for the City of Waco were required to contribute 7.0% of their annual compensation during the fiscal year. The contribution rates for the City of Waco were 13.67% and 13.92% in calendar years 2023 and 2024, respectively. The City’s contributions to TMRS for the year ended September 30, 2024 were \$23,046,166 and were in excess of the required contributions.

Net Pension Liability

The City’s Net Pension Liability (NPL) was measured as of December 31, 2023 and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total Pension Liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of 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. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for active, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rate (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2024 are summarized in the following table:

IV. Detail Notes on All Funds (continued)

M. Defined Benefit Pension Plan (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.00%	6.70%
Core Fixed Income	6.00%	4.70%
Non-Core Fixed Income	20.00%	8.00%
Other Public and Private Markets	12.00%	8.00%
Real Estate	12.00%	7.60%
Hedge Funds	5.00%	6.40%
Private Equity	10.00%	11.60%
Total	100.00%	

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

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2022	\$ 597,993,610	\$ 510,250,714	\$ 87,742,896
Changes for the year:			
Service cost	18,536,748	-	18,536,748
Interest	42,575,528	-	42,575,528
Change in benefit terms including substantively automatic status	40,409,900	-	40,409,900
Difference between expected and actual experience	8,825,128	-	8,825,128
Changes of assumptions	(4,175,257)	-	(4,175,257)
Contributions - employer	-	18,812,825	(18,812,825)
Contributions - employee	-	8,344,517	(8,344,517)
Net investment income	-	58,959,569	(58,959,569)
Benefit payments, including refunds of employee contributions	(33,846,649)	(33,846,649)	-
Administrative expense	-	(375,699)	375,699
Other changes	-	(2,625)	2,625
Net changes	72,325,398	51,891,938	20,433,460
Balance at December 31, 2023	\$ 670,319,008	\$ 562,142,652	\$ 108,176,356



IV. Detail Notes on All Funds (continued)

M. Defined Benefit Pension Plan (continued)

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

	1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
City's net pension liability (asset)	\$ 192,226,575	\$ 108,176,356	\$ 38,057,831

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at tmrs.com.

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

For the year ended September 30, 2024, the City recognized pension expense of \$58,507,478.

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,298,368	\$ -
Changes in actuarial assumptions	-	3,070,691
Net difference between projected and actual earnings on pension plan investments	14,129,705	-
Contributions subsequent to the measurement date	17,510,385	-
Total	<u>\$ 40,938,458</u>	<u>\$ 3,070,691</u>

\$17,510,385 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Year Ended December 31:	
2024	\$ 6,537,112
2025	6,930,486
2026	11,793,310
2027	(4,903,526)
2028	-
Thereafter	-
	<u>\$ 20,357,382</u>

IV. Detail Notes on All Funds (continued)

N. Fire and Police One-half Pay Pension

The City funded on a pay-as-you-go basis and administered a one-half single employer defined benefit pension plan for employees who were not eligible to participate when TMRS was adopted. Any policeman, fireman or fire alarm operator employed by the City prior to September 12, 1950, and their named dependents are entitled to benefits under this plan. Employees were able to retire after 25 years of service. The City Council passed an ordinance for pension pay equal to one-half of the salary for each employee at the time of retirement.

There is one retired firemen’s dependents remaining under this plan.

An actuarial valuation has not been performed on this plan due to its small relative size. The estimated unfunded liability based on the present value of future benefits with a 3.81 percent interest rate assumption (the prevailing 20-year municipal bond rate as of the measurement date) is \$17,586 at September 30, 2024.

These benefits are budgeted and recorded in the general fund as expenditures in the year paid. Total costs of these paid benefits for the three years ended September 30, are as follows:

2024	\$	10,548
2023		18,444
2022		18,444

O. Deferred Compensation Plans

The City offers its employees deferred compensation plans, considered to be a defined contribution pension plan, created in accordance with Internal Revenue Code Section 457. The plans, available to employees at their option, permits participants to defer a portion of their salary until future years. In fiscal year 2024, the City contributed \$20,000 which was the City’s required contribution amount. Employees are immediately vested in their contributions and those that the City is required to contribute towards in accordance with Internal Revenue Code Section 457 requirements. The City does not report any liability related to the plan beyond the annual contribution; there is no assurance on available funds upon an employee’s retirement or termination. The deferred compensation is not available to participants until termination, retirement, death, or an unforeseeable emergency.

The City’s fiduciary responsibility for the plan is that of exercising “due care” in selecting a third-party administrator. Federal legislation requires that Section 457 plan assets be held in trust for employees; therefore, employee assets held in Section 457 plan assets are held in trust for employees. Employee assets held in Section 457 plans are not the property of the City and are not subject to claims of the City’s general creditors.

P. Solid Waste Landfill Closure and Post-closure Care Cost

State and federal laws and regulations require that the City place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post-closure care costs is based on the amount of usage of the landfill to date. The estimated liability for landfill closure and post-closure care costs included in accrued liabilities is \$8,090,852 as of September 30, 2024, which is based on 93.57% usage (filled) of the landfill. It is estimated that an additional \$556,117 will be recognized as closure and post-closure care expenses between the date of the statement of net position and the date the landfill is expected to be filled to capacity (2025). The estimated total current cost of the landfill closure and post closure care \$8,646,969 is based on the amount that would be paid if

IV. Detail Notes on All Funds (continued)

P. Solid Waste Landfill Closure and Post-closure Care Cost (continued)

all equipment, facilities, and services required to close, monitor and maintain the landfill were acquired as of September 30, 2024. However, the actual cost of closure and postclosure care may change due to inflation, changes in technology, or changes in landfill laws and regulations.

Q. Related Organization

Waco Education Finance Corporation is a related organization to which the City appoints board members but for which the City has no significant financial accountability.

R. Tax Abatements

Property tax abatements

The City of Waco negotiates property tax abatements on an individual basis. All abatements are governed by Section 312 of the Texas Tax Code and the City of Waco Guidelines and Policy Statement which are revised and adopted every two years in accordance with state law. These guidelines permit the City to abate property taxes for a variety of economic development purposes such as business relocation, retention, and expansion and include abatements for real and personal property improvements.

City guidelines generally limit abatements to periods of five to seven years. Abatements may be granted for 5% to 90% of taxable values through a direct reduction of the applicant’s property tax bill based upon the location of the property, square footage of the property, and/or the type of economic development commitments made to the City. Each abatement is supported by an agreement that enumerates the criteria under which compliance will be assessed annually and the manner in which tax revenue may be recaptured if the stated criteria are not met. Examples of compliance requirements and related commitments by recipients include addition of total minimum number of full-time jobs and minimum number of jobs for residents of the City as well as property improvement values.

The City has not made any commitments as part of the agreements other than to reduce taxes, and they are not subject to any tax abatement agreements entered into by other governmental entities or by component units. Gross dollar amounts by which the City’s tax revenues were reduced during the fiscal year as a result of tax abatement agreements were as follows:

Abatement Program	Abatements Granted
Commercial -real property	\$ 41,646,749
Commercial -personal property	8,123,597
Residential	3,382,946
	<u>\$ 53,153,292</u>

Sales Tax and Hotel Occupancy Tax Abatements

Pursuant to Chapter 380 of the Local Government Code, the City has entered into agreements with commercial and industrial businesses to promote economic development and stimulate business and commercial activity in the City by granting rebates of City sales taxes and hotel occupancy taxes generated by agreed upon development projects. These agreements have been entered for periods ranging from 5 to 15 years, and for various percentages of City sales taxes and hotel occupancy taxes generated. As of September 30, 2024, the City has accrued \$260,310 for estimated rebates payable under these agreements.

IV. Detail Notes on All Funds (continued)**S. Authoritative Pronouncements Not Yet Effective**

This summary of pronouncements issued by the Governmental Accounting Standards Board (GASB) which may impact the City but are not yet effective follows. The City has not yet determined the effects of the adoption of these pronouncements on the financial statements.

GASB Statement No. 101, *Compensated Absences* (issued June 2022) - the objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this statement are effective for the City's financial statements for the fiscal year beginning on October 1, 2024.

GASB Statement No. 102, *Certain Risk Disclosures* (issued December 2023) - the objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this statement are effective for the City's financial statements for the fiscal year beginning on October 1, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements* - The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement will become effective for reporting periods beginning after June 15, 2025 and the impact has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* - The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be presented separately in the note disclosures, including right-to-use assets related to leases, Subscription-Based Information Technology Arrangements, and public-private or public-public partnerships. Other intangible assets are also required to be presented separately by major class. Additional disclosures have also been required for capital assets held for sale. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.





REQUIRED SUPPLEMENTAL INFORMATION



**Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Measurement Dates**

	December 31,			
	2023	2022	2021	2020
Total Pension Liability				
Service cost	\$ 18,536,748	\$ 15,578,411	\$ 14,106,380	\$ 13,485,534
Interest (on the Total Pension Liability)	42,575,528	38,004,152	36,620,216	35,331,031
Change in benefit terms including substantively automatic status	40,409,900	-	-	-
Difference between expected and actual experience	8,825,128	5,491,169	772,515	467,755
Change in assumptions	(4,175,257)	-	-	-
Benefit payments, including refunds of employee contributions	(33,846,649)	(32,630,782)	(30,833,961)	(30,157,451)
Net change in Total Pension Liability	72,325,398	26,442,950	20,665,150	19,126,869
Total Pension Liability - beginning	597,993,610	571,550,660	550,885,510	531,758,641
Total Pension Liability - ending (a)	\$ 670,319,008	\$ 597,993,610	\$ 571,550,660	\$ 550,885,510
Plan Fiduciary Net Position				
Contributions - employer	\$ 18,812,825	\$ 15,866,907	\$ 14,376,751	\$ 13,774,969
Contributions - employee	8,344,517	7,404,082	6,709,917	6,432,786
Net investment income	58,959,569	(40,859,607)	65,741,181	36,300,324
Benefit payments, including refunds of employee contributions	(33,846,649)	(32,630,782)	(30,833,961)	(30,157,451)
Administrative expense	(375,699)	(353,988)	(304,437)	(235,076)
Other	(2,625)	422,413	2,085	(9,170)
Net change in Plan Fiduciary Net Position	51,891,938	(50,150,975)	55,691,536	26,106,382
Plan Fiduciary Net Position - Beginning	510,250,714	560,401,689	504,710,153	478,603,771
Plan Fiduciary Net Position - ending (b)	\$ 562,142,652	\$ 510,250,714	\$ 560,401,689	\$ 504,710,153
Net Pension Liability - ending (a) - (b)	\$ 108,176,356	\$ 87,742,896	\$ 11,148,971	\$ 46,175,357
Plan Fiduciary Net Position as a percentage of Total Pension Liability	83.86%	85.33%	98.05%	91.62%
Covered payroll	\$ 119,207,380	\$ 105,759,750	\$ 95,831,384	\$ 91,738,327
Net Pension Liability as a percentage of covered payroll	90.75%	82.96%	11.63%	50.33%

See accompanying independent auditor's report.

FINANCIAL SECTION

	2019	2018	2017	2016	2015	2014
\$	12,631,699	\$ 12,098,625	\$ 11,780,852	\$ 11,202,475	\$ 10,455,324	\$ 9,662,721
	33,835,653	32,475,392	31,314,896	30,078,486	29,600,291	28,296,862
	-	-	-	-	-	-
	2,546,787	2,542,969	(378,999)	280,568	(2,438,332)	1,770,413
	1,426,701	-	-	-	7,544,258	-
	(27,270,560)	(27,192,449)	(24,173,783)	(22,893,267)	(22,685,162)	(20,326,595)
	23,170,280	19,924,537	18,542,966	18,668,262	22,476,379	19,403,401
	508,588,361	488,663,824	470,120,858	451,452,596	428,976,217	409,572,816
\$	<u>531,758,641</u>	<u>\$ 508,588,361</u>	<u>\$ 488,663,824</u>	<u>\$ 470,120,858</u>	<u>\$ 451,452,596</u>	<u>\$ 428,976,217</u>
\$	13,084,126	\$ 12,489,042	\$ 11,357,317	\$ 9,928,219	\$ 9,928,219	\$ 10,444,097
	6,105,921	5,828,911	5,705,023	5,284,986	5,284,986	5,371,982
	65,178,854	(13,303,463)	54,977,759	569,868	569,868	21,154,751
	(27,270,560)	(27,192,449)	(24,173,783)	(22,685,162)	(22,685,162)	(20,326,595)
	(368,538)	(257,236)	(284,984)	(347,125)	(347,125)	(220,877)
	(11,069)	(13,441)	(14,442)	(17,145)	(17,145)	(18,160)
	56,718,734	(22,448,636)	47,566,890	(7,266,359)	(7,266,359)	16,405,198
	421,885,037	444,333,673	396,766,783	378,957,802	386,224,161	369,818,963
\$	<u>478,603,771</u>	<u>\$ 421,885,037</u>	<u>\$ 444,333,673</u>	<u>\$ 371,691,443</u>	<u>\$ 378,957,802</u>	<u>\$ 386,224,161</u>
\$	53,154,870	\$ 86,703,324	\$ 44,330,151	\$ 98,429,415	\$ 72,494,794	\$ 42,752,056
	90.00%	82.95%	90.93%	79.06%	83.94%	90.03%
\$	87,115,165	\$ 83,209,253	\$ 81,079,501	\$ 75,489,706	\$ 75,489,706	\$ 76,730,734
	61.02%	104.20%	54.67%	130.39%	96.03%	55.72%

**Schedule of Pension Contributions
Last Ten Fiscal Years Ended**

	September 30,			
	2024	2023	2022	2021
Actuarially determined contribution	\$ 17,820,303	\$ 15,867,291	\$ 14,671,341	\$ 14,212,473
Contributions in relation to the actuarially determined contribution	23,046,166	17,399,086	15,306,766	14,660,849
Contribution deficiency (excess)	\$ (5,225,864)	\$ (1,531,795)	\$ (635,425)	\$ (448,376)
Covered payroll	\$ 119,232,446	\$ 116,073,817	\$ 101,735,595	\$ 97,364,217
Contributions as a percentage of covered payroll	19.33%	14.99%	15.05%	15.06%

Notes to Schedule of Pension Contributions

Valuation Date:

Note Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85%, including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022 Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality	
Other Information	Adopted 30% non-retroactive repeating COLA.

See accompanying independent auditor's report.



FINANCIAL SECTION

2020	2019	2018	2017	2016	2015
\$ 12,999,559	\$ 12,034,470	\$ 11,797,668	\$ 10,942,485	\$ 9,918,113	\$ 9,999,116
13,700,810	12,836,559	12,249,630	10,942,485	9,918,113	9,999,116
\$ (701,251)	\$ (802,089)	\$ (451,962)	\$ -	\$ -	\$ -
\$ 91,247,898	\$ 85,461,415	\$ 82,982,040	\$ 79,821,678	\$ 76,215,914	\$ 75,315,307
15.01%	15.02%	14.76%	13.71%	13.01%	13.28%

**Schedule of Changes in Total OPEB Liability and Related Ratios
Last Ten Measurement Dates**

	December 31,			
	2023	2022	2021	2020
Total OPEB liability				
Service cost	\$ 11,237	\$ 32,122	\$ 29,183	\$ 19,735
Interest	63,445	43,143	44,710	52,625
Difference between expected and actual experience	(119,800)	(1,965)	26,125	(265)
Changes in assumptions or other inputs	86,796	(782,005)	63,449	302,958
Benefit payments	(63,267)	(54,787)	(56,632)	(59,206)
Net change in Total OPEB Liability	(21,589)	(763,492)	106,835	315,847
Total OPEB Liability - beginning	1,592,554	2,356,046	2,249,211	1,933,364
Total OPEB Liability - ending	\$ 1,570,965	\$ 1,592,554	\$ 2,356,046	\$ 2,249,211
Covered-employee payroll	\$ 119,260,837	\$ 105,998,966	\$ 96,929,150	\$ 91,635,627
Total OPEB liability as a percentage of covered-employee payroll	1.32%	1.50%	2.43%	2.45%

Notes to Schedule of Changes in Total OPEB Liability and Related Ratios

Valuation Date:	December 31, 2022										
Methods and Assumptions:											
Actuarial Cost Method	Individual Entry-Age Normal										
Discount Rate	3.77% as of December 31, 2023										
Inflation	2.50%										
Salary Increases	3.60% to 11.85%, including inflation										
Demographic Assumptions	Based on the 2023 experience study conducted for the Texas Municipal Retirement System (TMRS). For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used, with male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP-2021 table to account for future mortality improvements.										
Mortality	100% of eligible retirees will choose to receive the employer paid life benefit; 40% of those with coverage are assumed to elect optional coverage of \$5,000.										
Participation Rates											
Other Information:											
Notes	Changes of assumptions reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:										
	<table border="0"> <tr> <td>2023</td> <td>3.77%</td> </tr> <tr> <td>2022</td> <td>4.05%</td> </tr> <tr> <td>2021</td> <td>1.84%</td> </tr> <tr> <td>2020</td> <td>2.00%</td> </tr> <tr> <td>2019</td> <td>2.75%</td> </tr> </table>	2023	3.77%	2022	4.05%	2021	1.84%	2020	2.00%	2019	2.75%
2023	3.77%										
2022	4.05%										
2021	1.84%										
2020	2.00%										
2019	2.75%										

For the December 31, 2023 measurement date, the demographic and salary increase assumptions were updated to reflect the 2023 TMRS experience study, and participation rates were updated to reflect plan experience.

For the December 31, 2021 measurement date, the participation rates were updated to better reflect plan experience.

For the December 31, 2019 measurement date, the demographic assumptions were updated to reflect the 2019 TMRS Experience Study.

There are no assets accumulated in a trust to pay related benefits.

The City implemented GASB Statement No. 75, Accounting and Financial Reporting/or Postemployment Benefits Other than Pensions, effective October 1, 2017. Information for years prior to 2017 is not available.

See accompanying independent auditor's report.



FINANCIAL SECTION

2019		2018		2017	
\$	14,881	\$	14,881	\$	11,106
	53,178		53,178		55,396
	(563)		(563)		-
	(112,575)		(112,575)		137,980
	(53,608)		(53,608)		(53,860)
	(98,687)		(98,687)		150,622
	1,625,961				1,475,339
\$	1,527,274	\$	(98,687)	\$	1,625,961
\$	83,209,248	\$	83,209,248	\$	76,362,199
	1.84%		-0.12%		2.13%



COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES







General Fund



**Comparative Balance Sheets
Governmental Funds
September 30, 2024 and 2023**

	General Fund	
	2024	2023
Assets		
Cash and investments	\$ 100,683,317	\$ 95,060,976
Accounts receivable, net of allowance	3,714,129	3,535,443
Taxes receivable, net of allowance	12,488,958	12,154,573
Leases receivable, net of allowance	1,119,350	1,157,031
Intergovernmental receivable	10,091	16,653
Inventory	641,907	1,117,009
Real estate held for resale	6,160	6,160
Due from other funds	3,082,623	4,839,671
Total assets	\$ 121,746,535	\$ 117,887,516
Liabilities		
Accounts payable	5,430,315	4,579,878
Accrued liabilities	5,045,078	4,577,674
Unearned revenue	50,039	50,039
Due to other funds	643,772	1,053,645
Deposits	1,165,526	921,609
Escrow funds	323,546	318,649
Total liabilities	12,658,276	11,501,494
Deferred inflow of resources		
Unavailable revenue - property taxes	2,003,413	2,184,905
Unavailable revenue - court fines	189,474	160,101
Unavailable revenue - leases	1,089,683	1,133,566
Total deferred inflows of resources	3,282,570	3,478,572
Total liabilities and deferred inflows of resources	15,940,846	14,980,066
Fund balance (deficit)		
Nonspendable:		
Inventory	641,907	1,117,009
Real estate held for resale	6,160	6,160
Restricted for:		
Communications and marketing	2,115,426	1,912,417
Committed to:		
Economic development	20,168,820	17,793,635
Assigned to:		
Culture and recreation	-	217,980
Economic development	3,390,981	11,233,433
Housing and community development	-	284,163
Other	-	1,685,142
Public safety	-	1,892,908
Public works	-	443,104
Subsequent year's budget appropriation of fund balances	-	7,340,656
Unassigned	79,482,395	58,980,843
Total fund balance (deficit)	105,805,689	102,907,450
Total liabilities, deferred inflows of resources, and fund balance	\$ 121,746,535	\$ 117,887,516

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
Years Ended September 30, 2024 and 2023**

	General Fund	
	2024	2023
Revenues:		
Taxes	\$ 143,963,953	\$ 133,086,560
Business and occupation fees	15,738,949	16,429,419
Permits, licenses and fees	2,783,495	3,162,803
Fines	1,447,428	1,404,021
Charges for services	1,144,846	2,863,857
Investment earnings	10,388,427	7,567,725
Contributions	910,720	707,260
Intergovernmental	2,573,743	2,762,665
Other	16,609,902	17,068,290
Total revenues	195,561,463	185,052,600
Expenditures:		
Current:		
General government	38,641,278	34,595,539
Public works	250,395	8,984,832
Public safety	96,684,600	93,092,116
Culture and recreation	18,359,432	20,049,051
Housing and community development	845,961	739,684
Total expenditures	154,781,666	157,461,222
Excess of revenues over expenditures	40,779,797	27,591,378
Other financing sources (uses):		
Financing of leases	1,158	189,225
Financing of Subscriptions	-	768,816
Transfers in	6,293,047	5,955,216
Transfers out	(44,175,763)	(27,396,608)
Total other financing sources(uses)	(37,881,558)	(20,483,351)
Net change in fund balance	2,898,239	7,108,027
Fund balance, beginning of year	102,907,450	95,799,423
Fund balance, end of year	\$ 105,805,689	\$ 102,907,450

See accompanying independent auditor's report.





Street Improvement Fund



Comparative Balance Sheets
Governmental Funds
September 30, 2024 and 2023

	<u>Street Improvement Fund</u>	
	<u>2024</u>	<u>2023</u>
Assets		
Cash and investments	\$ 69,526,753	\$ 75,110,573
Total assets	<u>\$ 69,526,753</u>	<u>\$ 75,110,573</u>
Liabilities		
Accounts payable	5,453,730	4,424,668
Accrued liabilities	23,561	16,115
Total liabilities	<u>5,477,291</u>	<u>4,440,783</u>
Deferred inflow of resources		
Total deferred inflows of resources	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>5,477,291</u>	<u>4,440,783</u>
Fund balance (deficit)		
Nonspendable:		
Restricted for:		
Capital projects	61,158,637	64,645,493
Committed to:		
Capital projects	<u>2,890,825</u>	<u>6,024,297</u>
Total fund balance (deficit)	<u>64,049,462</u>	<u>70,669,790</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 69,526,753</u>	<u>\$ 75,110,573</u>

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
Years Ended September 30, 2024 and 2023**

	Street Improvement Fund	
	2024	2023
Revenues:		
Contributions	\$ 12,500	\$ -
Total revenues	12,500	-
Expenditures:		
Current:		
Capital outlay	26,818,344	28,374,155
Total expenditures	26,818,344	28,374,155
Excess of revenues over expenditures	(26,805,844)	(28,374,155)
Other financing sources (uses):		
General obligation bonds issued	17,176,885	25,000,454
Premium on general obligation bonds	1,421,115	-
Premiums on general obligation bonds	-	734,546
Transfers in	2,500,000	3,524,482
Transfers out	(912,484)	(16,301)
Total other financing sources(uses)	20,185,516	29,243,181
Net change in fund balance	(6,620,328)	869,026
Fund balance, beginning of year	70,669,790	69,800,764
Fund balance, end of year	\$ 64,049,462	\$ 70,669,790

See accompanying independent auditor's report.





Grants Fund



**Sub-Combining Comparative Balance Sheets
Grants Fund
September 30, 2024
(With Comparative Totals for September 30, 2023)**

	HUD Home Program	HUD Community Development Block Grant	HUD Lead Hazard
Assets			
Cash and investments	\$ 27,511	\$ 696,076	\$ -
Accounts receivable, net of allowances	-	233,055	-
Due from other funds	-	-	-
Notes receivable	92,472	91,524	-
Intergovernmental receivable	12,904	136,039	-
Real estate held for resale	-	60,097	-
Total assets	\$ 132,887	\$ 1,216,791	\$ -
Liabilities			
Accounts payable	6,946	55,038	-
Accrued liabilities	1,394	4,272	-
Unearned revenue	-	-	-
Due to other funds	-	-	-
Escrow funds	-	-	-
Total liabilities	8,340	59,310	-
Fund balances (deficits)			
Restricted for:			
Culture and recreation	-	-	-
Housing and community development	124,547	384,675	-
Public works	-	-	-
Public safety	-	772,806	-
Tax increment zone activities	-	-	-
Waco Public Improvement District	-	-	-
Committed to:			
Public health	-	-	-
Total fund balances (deficits)	124,547	1,157,481	-
Total liabilities and fund balances	\$ 132,887	\$ 1,216,791	\$ -

See accompanying independent auditor's report.

Fire LEOSE	Justice Assistance Grant 2022	Police LEOSE	HUD EDI Grant	Grande Clear Source Cable Ordinance	COVID American Rescue Plan	HUD Continuum of Care
\$ 2,043	\$ -	\$ 50,798	\$ 8,753	\$ 85,374	\$ 15,332,636	\$ -
-	-	3,104	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	4,065
-	-	-	-	-	-	-
<u>\$ 2,043</u>	<u>\$ -</u>	<u>\$ 53,902</u>	<u>\$ 8,753</u>	<u>\$ 85,374</u>	<u>\$ 15,332,636</u>	<u>\$ 4,065</u>
-	-	1,012	-	-	218,987	392
-	-	-	-	-	7,738	-
-	-	-	-	-	15,105,911	-
-	-	-	-	-	-	3,673
-	-	-	-	-	-	-
-	-	1,012	-	-	15,332,636	4,065
-	-	-	-	85,374	-	-
-	-	-	8,753	-	-	-
-	-	-	-	-	-	-
2,043	-	52,890	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,043</u>	<u>-</u>	<u>52,890</u>	<u>8,753</u>	<u>85,374</u>	<u>-</u>	<u>-</u>
<u>\$ 2,043</u>	<u>\$ -</u>	<u>\$ 53,902</u>	<u>\$ 8,753</u>	<u>\$ 85,374</u>	<u>\$ 15,332,636</u>	<u>\$ 4,065</u>

(continued)

See accompanying independent auditor's report.

**Sub-Combining Comparative Balance Sheets
Grants Fund
September 30, 2024
(With Comparative Totals for September 30, 2023)**

	Hazmat Program	TWC Childcare Services	Opiod Settlement Fund	HUD HMIS Grant 22	HUD HMIS Grant 23
Assets					
Cash and investments	\$ 51,649	\$ -	\$ 191,999	\$ -	\$ -
Accounts receivable, net of allowances	-	-	-	-	-
Due from other funds	-	-	-	-	-
Notes receivable	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	43,542
Real estate held for resale	-	-	-	-	-
Total assets	\$ 51,649	\$ -	\$ 191,999	\$ -	\$ 43,542
Liabilities					
Accounts payable	-	-	-	-	5,020
Accrued liabilities	-	-	-	-	-
Unearned revenue	-	-	191,999	-	-
Due to other funds	-	-	-	-	38,522
Escrow funds	-	-	-	-	-
Total liabilities	-	-	191,999	-	43,542
Fund balances (deficits)					
Restricted for:					
Culture and recreation	-	-	-	-	-
Housing and community development	-	-	-	-	-
Public works	-	-	-	-	-
Public safety	51,649	-	-	-	-
Tax increment zone activities	-	-	-	-	-
Waco Public Improvement District	-	-	-	-	-
Committed to:					
Public health	-	-	-	-	-
Total fund balances (deficits)	51,649	-	-	-	-
Total liabilities and fund balances	\$ 51,649	\$ -	\$ 191,999	\$ -	\$ 43,542

See accompanying independent auditor's report.

SHSP 2023	STEP Compre- hensive	TXDOT MPO FHWA	CJD Family Violence 2023-2024	CJD Family Violence 2024-2025	Bridge Investment Program	Tx Anti-Gang Grant 2023-2024	Tx Anti-Gang Grant 2024-2025
\$ -	\$ -	\$ -	\$ 6,878	\$ -	\$ 200,000	\$ -	\$ -
-	-	-	-	-	-	352	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1	212,519	-	11,490	-	252,892	46,999
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 212,519</u>	<u>\$ 6,878</u>	<u>\$ 11,490</u>	<u>\$ 200,000</u>	<u>\$ 253,244</u>	<u>\$ 46,999</u>
-	-	1,824	-	-	-	4,579	27,605
-	-	13,213	6,878	-	-	-	1,851
-	-	-	-	-	-	-	-
-	1	112,117	-	11,490	-	248,665	17,543
-	-	-	-	-	-	-	-
-	1	127,154	6,878	11,490	-	253,244	46,999
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	85,365	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	200,000	-	-
-	-	85,365	-	-	200,000	-	-
<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 212,519</u>	<u>\$ 6,878</u>	<u>\$ 11,490</u>	<u>\$ 200,000</u>	<u>\$ 253,244</u>	<u>\$ 46,999</u>

(continued)

See accompanying independent auditor's report.

**Sub-Combining Comparative Balance Sheets
Grants Fund
September 30, 2024
(With Comparative Totals for September 30, 2023)**

	Library Memorial Fund	Justice Assistance Grant 2023	TXDOT Cedar Ridge	TXDOT TASA Elm
Assets				
Cash and investments	\$ 29,747	\$ -	\$ 40,250	\$ -
Accounts receivable, net of allowances	-	-	-	-
Due from other funds	-	-	-	154,932
Notes receivable	-	-	-	-
Intergovernmental receivable	-	-	161,000	620,196
Real estate held for resale	-	-	-	-
Total assets	\$ 29,747	\$ -	\$ 201,250	\$ 775,128
Liabilities				
Accounts payable	-	-	201,250	-
Accrued liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	620,196
Escrow funds	-	-	-	-
Total liabilities	-	-	201,250	620,196
Fund balances (deficits)				
Restricted for:				
Culture and recreation	29,747	-	-	-
Housing and community development	-	-	-	-
Public works	-	-	-	154,932
Public safety	-	-	-	-
Tax increment zone activities	-	-	-	-
Waco Public Improvement District	-	-	-	-
Committed to:				
Public health	-	-	-	-
Total fund balances (deficits)	29,747	-	-	154,932
Total liabilities and fund balances	\$ 29,747	\$ -	\$ 201,250	\$ 775,128

See accompanying independent auditor's report.

TXDOT Indian Springs	COPS Hiring	TXDOT MKT Trail	MPO Safe Streets for All	Total 2024	Total 2023
\$ 215,947	\$ -	\$ -	\$ -	\$ 16,939,661	\$ 25,363,870
-	-	-	-	236,511	200,209
-	-	-	-	154,932	154,932
-	-	-	-	183,996	131,893
-	164,108	1,116,344	60,821	1,726,576	1,886,394
-	-	-	-	60,097	60,097
<u>\$ 215,947</u>	<u>\$ 164,108</u>	<u>\$ 1,116,344</u>	<u>\$ 60,821</u>	<u>\$ 19,301,773</u>	<u>\$ 27,797,395</u>
-	-	-	-	522,653	586,284
-	30,912	-	-	66,258	63,333
-	-	-	-	15,297,910	24,290,978
-	133,196	1,116,344	60,821	1,246,224	1,147,315
-	-	-	-	-	-
-	<u>164,108</u>	<u>1,116,344</u>	<u>60,821</u>	<u>17,133,045</u>	<u>26,087,910</u>
-	-	-	-	115,121	126,072
-	-	-	-	517,975	489,657
215,947	-	-	-	456,244	254,197
-	-	-	-	879,388	839,559
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	200,000	-
<u>215,947</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,168,728</u>	<u>1,709,485</u>
<u>\$ 215,947</u>	<u>\$ 164,108</u>	<u>\$ 1,116,344</u>	<u>\$ 60,821</u>	<u>\$ 19,301,773</u>	<u>\$ 27,797,395</u>

See accompanying independent auditor's report.

FINANCIAL SECTION

Sub-Combining Comparative Schedules of Revenues, Expenditures, and Changes in Fund Balances Grants Fund For the Year Ended September 30, 2024 (With Comparative Totals for the Year Ended September 30, 2023)

	HUD Home Program	HUD Community Development Block Grant	HUD Lead Hazard	Fire LEOSE
Revenues:				
Investment earnings	\$ -	\$ 43,184	\$ -	\$ -
Intergovernmental	561,388	1,472,480	240,531	-
Program income	7,360	32,846	-	-
Other	-	34,365	-	-
Total revenues	<u>568,748</u>	<u>1,582,875</u>	<u>240,531</u>	<u>-</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	63,897	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Housing and community development	607,671	1,438,084	240,531	-
Total expenditures	<u>607,671</u>	<u>1,501,981</u>	<u>240,531</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(38,923)</u>	<u>80,894</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Financing of Leases	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(38,923)	80,894	-	-
Fund balances, beginning of year - previously stated	163,470	1,076,587	-	2,043
Changes within reporting entity	-	-	-	-
Fund balances, beginning of year - adjusted	163,470	1,076,587	-	2,043
Fund balances, end of year	<u>\$ 124,547</u>	<u>\$ 1,157,481</u>	<u>\$ -</u>	<u>\$ 2,043</u>

See accompanying independent auditor's report.

Justice Assistance Grant 2022	Police LEOSE	HUD EDI Grant	Grande Clear Source Cable Ordinance	COVID American Rescue Plan	HUD Continuum of Care
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23,280	32,736	-	-	8,830,666	21,829
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,280</u>	<u>32,736</u>	<u>-</u>	<u>-</u>	<u>8,830,666</u>	<u>21,829</u>
-	-	-	-	-	-
23,280	6,560	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	8,830,666	21,829
<u>23,280</u>	<u>6,560</u>	<u>-</u>	<u>-</u>	<u>8,830,666</u>	<u>21,829</u>
-	26,176	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	26,176	-	-	-	-
-	26,714	8,753	85,374	-	-
-	-	-	-	-	-
-	26,714	8,753	85,374	-	-
<u>\$ -</u>	<u>\$ 52,890</u>	<u>\$ 8,753</u>	<u>\$ 85,374</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

FINANCIAL SECTION

Sub-Combining Comparative Schedules of Revenues, Expenditures, and Changes in Fund Balances Grants Fund For the Year Ended September 30, 2024 (With Comparative Totals for the Year Ended September 30, 2023)

	Hazmat Program	TWC Childcare Services	Opiod Settlement Fund	HUD HMIS Grant 22	HUD HMIS Grant 23	SHSP 2023	STEP Comprehensive
Revenues:							
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	193,671	-	4,549	57,436	80,525	109,713
Program income	-	-	-	225	-	-	-
Other	-	-	-	-	17,248	-	-
Total revenues	<u>-</u>	<u>193,671</u>	<u>-</u>	<u>4,774</u>	<u>74,684</u>	<u>80,525</u>	<u>109,713</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	80,525	149,434
Public works	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Housing and community development	-	193,671	-	4,774	74,684	-	-
Total expenditures	<u>-</u>	<u>193,671</u>	<u>-</u>	<u>4,774</u>	<u>74,684</u>	<u>80,525</u>	<u>149,434</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,721)</u>
Other financing sources (uses):							
Financing of Leases	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	39,721
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,721</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year - previously stated	51,649	-	-	-	-	-	-
Changes within reporting entity	-	-	-	-	-	-	-
Fund balances, beginning of year - adjusted	<u>51,649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 51,649</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

TXDOT MPO FHWA	CJD Family Violence 2023-2024	CJD Family Violence 2024-2025	Bridge Investment Program	Tx Anti-Gang Grant 2023-2024	Tx Anti-Gang Grant 2024-2025
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
577,136	47,237	11,491	-	716,479	46,999
-	-	-	-	-	-
50,000	-	-	-	-	-
<u>627,136</u>	<u>47,237</u>	<u>11,491</u>	<u>-</u>	<u>716,479</u>	<u>46,999</u>
582,413	-	-	-	-	-
-	108,354	16,415	-	716,479	46,999
-	-	-	-	-	-
-	-	-	-	-	-
<u>582,413</u>	<u>108,354</u>	<u>16,415</u>	<u>-</u>	<u>716,479</u>	<u>46,999</u>
<u>44,723</u>	<u>(61,117)</u>	<u>(4,924)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
50,000	61,117	4,924	200,000	-	-
(108,623)	-	-	-	-	-
<u>(58,623)</u>	<u>61,117</u>	<u>4,924</u>	<u>200,000</u>	<u>-</u>	<u>-</u>
(13,900)	-	-	200,000	-	-
99,265	-	-	-	-	-
-	-	-	-	-	-
99,265	-	-	-	-	-
<u>\$ 85,365</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,000</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

FINANCIAL SECTION

Sub-Combining Comparative Schedules of Revenues, Expenditures, and Changes in Fund Balances Grants Fund For the Year Ended September 30, 2024 (With Comparative Totals for the Year Ended September 30, 2023)

	Library Memorial Fund	Justice Assistance Grant 2023	TXDOT Cedar Ridge	TXDOT TASA Elm
Revenues:				
Investment earnings	\$ 1,742	\$ -	\$ -	\$ -
Intergovernmental	-	74,916	161,000	-
Program income	-	-	-	-
Other	2,591	-	-	-
Total revenues	<u>4,333</u>	<u>74,916</u>	<u>161,000</u>	<u>-</u>
Expenditures:				
Current:				
General government	15,284	-	-	-
Public safety	-	74,916	-	-
Public works	-	-	201,250	-
Culture and recreation	-	-	-	-
Housing and community development	-	-	-	-
Total expenditures	<u>15,284</u>	<u>74,916</u>	<u>201,250</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,951)</u>	<u>-</u>	<u>(40,250)</u>	<u>-</u>
Other financing sources (uses):				
Financing of Leases	-	-	-	-
Transfers in	-	-	40,250	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>40,250</u>	<u>-</u>
Net change in fund balances	<u>(10,951)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year - previously stated	40,698	-	-	154,932
Changes within reporting entity	-	-	-	-
Fund balances, beginning of year - adjusted	<u>40,698</u>	<u>-</u>	<u>-</u>	<u>154,932</u>
Fund balances, end of year	<u>\$ 29,747</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 154,932</u>

See accompanying independent auditor's report.

TXDOT Indian Springs	COPS Hiring	TXDOT MKT Trail	MPO Safe Streets for All	Totals	
				2024	2023
\$ -	\$ -	\$ -	\$ -	\$ 44,926	\$ 31,008
-	525,033	1,825,146	511,080	16,125,321	13,884,825
-	-	-	-	40,431	59,670
-	-	-	-	104,204	261,385
<u>-</u>	<u>525,033</u>	<u>1,825,146</u>	<u>511,080</u>	<u>16,314,882</u>	<u>14,236,888</u>
-	-	-	-	597,697	521,114
-	1,046,341	-	619,703	2,952,903	1,852,952
-	-	2,281,432	-	2,482,682	1,596,048
-	-	-	-	-	-
-	-	-	-	11,411,910	10,697,275
<u>-</u>	<u>1,046,341</u>	<u>2,281,432</u>	<u>619,703</u>	<u>17,445,192</u>	<u>14,667,389</u>
<u>-</u>	<u>(521,308)</u>	<u>(456,286)</u>	<u>(108,623)</u>	<u>(1,130,310)</u>	<u>(430,501)</u>
-	-	-	-	-	-
215,947	521,308	456,286	108,623	1,698,176	432,600
-	-	-	-	(108,623)	(5,564)
<u>215,947</u>	<u>521,308</u>	<u>456,286</u>	<u>108,623</u>	<u>1,589,553</u>	<u>427,036</u>
<u>215,947</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>459,243</u>	<u>(3,465)</u>
-	-	-	-	1,709,485	1,712,950
-	-	-	-	-	-
-	-	-	-	1,709,485	1,712,950
<u>\$ 215,947</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,168,728</u>	<u>\$ 1,709,485</u>

See accompanying independent auditor's report.





Tax Increment Fund No. 1



Comparative Balance Sheets
Governmental Funds
September 30, 2024 and 2023

	<u>Tax Increment Fund No. 1</u>	
	<u>2024</u>	<u>2023</u>
Assets		
Cash and investments	\$ 81,395,561	\$ 75,145,245
Accounts receivable, net of allowance	307	307
Tax receivable, net of allowance	-	90,802
Total assets	<u><u>\$ 81,395,868</u></u>	<u><u>\$ 75,236,354</u></u>
Liabilities		
Accounts payable	3,856,760	8,402,136
Accrued liabilities	424,581	585,943
Due to other funds	154,932	154,932
Total liabilities	<u><u>4,436,273</u></u>	<u><u>9,143,011</u></u>
Fund balance (deficit)		
Restricted for:		
Tax increment zone activities	76,959,595	66,093,343
Total fund balance (deficit)	<u><u>76,959,595</u></u>	<u><u>66,093,343</u></u>
Total liabilities and fund balance	<u><u>\$ 81,395,868</u></u>	<u><u>\$ 75,236,354</u></u>

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Years Ended September 30, 2024 and 2023**

	Tax Increment Fund No. 1	
	2024	2023
Revenues:		
Property taxes	\$ 9,414,291	\$ 8,840,350
Investment earnings	3,877,271	2,681,143
Other	161,363	-
Total revenues	13,452,925	11,521,493
Expenditures:		
Current:		
Capital expenditures	31,466,295	33,397,855
General government	12,517,421	7,454,366
Bond issuance costs	-	380,833
Debt service:		
Principal	2,783,626	-
Interest and fiscal charges	200,578	-
Total expenditures	46,967,920	41,233,054
Excess (deficiency) of revenues over (under) expenditures	(33,514,995)	(29,711,561)
Other financing sources (uses):		
General obligation bonds issued	36,947,945	40,480,000
Premiums on general obligation bonds	4,797,055	45,833
Capital asset financing	-	14,313,701
Transfers in	4,782,806	-
Transfers out	(2,146,559)	(2,630,428)
Total other financing uses	44,381,247	52,209,106
Net change in fund balances	10,866,252	22,497,545
Fund balances, beginning of year	66,093,343	43,595,798
Fund balances, end of year	\$ 76,959,595	\$ 66,093,343

See accompanying independent auditor's report.





Nonmajor Governmental Funds

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

Debt Service Funds are used to account for the accumulation of resources and payment of debt for governmental funds.

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

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.



**Combining Governmental Balance Sheet
Nonmajor Governmental Funds
September 30, 2024
(With Comparative Totals for September 30, 2023)**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds	
					2024	2023
Assets						
Cash and investments	\$ 60,657,979	\$ 372,589	\$ 119,822,049	\$ 345,172	\$ 181,197,789	\$ 95,031,994
Accounts receivable, net of allowances	130,095	-	-	-	130,095	23,872
Due from other funds	-	-	2,760,401	-	2,760,401	3,614,580
Special assessments	4,888	-	-	-	4,888	11,474
Taxes receivable, net of allowance	-	588,080	-	-	588,080	601,989
Advances to other funds	-	-	168,368	-	168,368	168,368
Intergovernmental receivable	1,208,743	-	-	-	1,208,743	1,089,674
Inventory	562,801	-	-	-	562,801	-
Total assets	\$ 62,564,506	\$ 960,669	\$ 122,750,818	\$ 345,172	\$ 186,621,165	\$ 100,541,951
Liabilities						
Accounts payable	1,951,232	-	4,717,951	-	6,669,183	2,560,074
Accrued liabilities	370,979	-	1,347,927	-	1,718,906	1,609,600
Due to other funds	-	-	2,760,401	-	2,760,401	3,614,580
Escrow funds	145,772	-	-	-	145,772	113,834
Total liabilities	2,467,983	-	8,826,279	-	11,294,262	7,898,088
Deferred inflows of resources						
Unavailable revenue-property taxes	-	473,385	-	-	473,385	569,970
Unavailable revenue-special assessments	4,888	-	-	-	4,888	11,474
Total deferred inflows of resources	4,888	473,385	-	-	478,273	581,444
Total liabilities and deferred inflows of resources	2,472,871	473,385	8,826,279	-	11,772,535	8,479,532
Fund balances (deficits)						
Nonspendable:						
Inventory	562,801	-	-	-	562,801	-
Parks and cemetery care	-	-	-	345,172	345,172	332,430
Restricted for:						
Capital projects	8,718,734	-	73,095,763	-	81,814,497	38,671,077
Culture and recreation	63,360	-	-	-	63,360	53,968
Debt service	-	487,284	-	-	487,284	969,001
Public safety	2,969,456	-	-	-	2,969,456	2,622,815
Tax increment zone activities	41,708,106	-	-	-	41,708,106	1,382,540
Waco Public Improvement District	1,382,261	-	-	-	1,382,261	1,423,812
Committed to:						
Capital projects	-	-	40,828,776	-	40,828,776	42,186,943
Public health	4,460,467	-	-	-	4,460,467	4,419,833
Assigned to:						
Culture and recreation	226,450	-	-	-	226,450	-
Total fund balances (deficits)	60,091,635	487,284	113,924,539	345,172	174,848,630	92,062,419
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 62,564,506	\$ 960,669	\$ 122,750,818	\$ 345,172	\$ 186,621,165	\$ 100,541,951

See accompanying independent auditor's report.

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2024
(With Comparative Totals for Year Ended September 30, 2023)**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Totals	
					2024	2023
Revenues:						
Taxes	\$ 3,369,470	\$ 19,924,058	\$ -	\$ -	\$ 23,293,528	\$ 19,062,204
Special assessments	881,284	-	-	-	881,284	776,425
Permits, licenses and fees	1,101,242	-	-	-	1,101,242	1,205,613
Fines	571,181	-	-	-	571,181	473,479
Charges for services	1,018,789	-	-	-	1,018,789	-
Investment earnings	1,224,446	142,102	10,167,492	12,742	11,546,782	10,474,278
Contributions	300	-	491,918	-	492,218	202,696
Intergovernmental	5,154,197	-	328,691	-	5,482,888	5,449,554
Program income	226,726	-	-	-	226,726	176,612
Other	1,911,339	-	302,000	-	2,213,339	965,439
Total revenues	15,458,974	20,066,160	11,290,101	12,742	46,827,977	38,786,300
Expenditures:						
Current:						
General government	1,962,593	-	-	-	1,962,593	727,987
Public safety	297,109	-	-	-	297,109	43,833
Culture and recreation	3,895,066	-	-	-	3,895,066	-
Public health	11,385,073	-	-	-	11,385,073	11,066,013
Debt service:						
Principal	-	11,097,186	-	-	11,097,186	10,060,000
Interest and fiscal charges	-	12,143,254	-	-	12,143,254	7,448,292
Bond issuance costs	-	861,309	-	-	861,309	407,422
Capital outlay	16,896,512	-	22,079,267	-	38,975,779	27,245,738
Total expenditures	34,436,353	24,101,749	22,079,267	-	80,617,369	56,999,285
Excess (deficiency) of revenues over (under) expenditures	(18,977,379)	(4,035,589)	(10,789,166)	12,742	(33,789,392)	(18,212,985)
Other financing sources (uses):						
Refunding bonds issued	-	9,798,600	-	-	9,798,600	-
Payment to refunded bond escrow agent	-	(9,718,067)	-	-	(9,718,067)	-
Premium on refunding bonds	-	345,777	-	-	345,777	-
General obligation bonds issued	37,100,000	-	37,686,570	-	74,786,570	33,509,546
Premium on general obligation bonds	-	797,834	2,725,430	-	3,523,264	1,397,073
Capital asset financing	-	183,169	-	-	183,169	-
Financing of lease	161,956	-	-	-	161,956	-
Transfers in	28,806,026	2,146,559	22,465,694	-	53,418,279	22,605,220
Transfers out	(97,134)	-	(15,826,811)	-	(15,923,945)	(13,916,748)
Total other financing sources (uses)	65,970,848	3,553,872	47,050,883	-	116,575,603	43,595,091
Net change in fund balances	46,993,469	(481,717)	36,261,717	12,742	82,786,211	25,382,106
Fund balances, beginning of year - previously stated	13,098,166	969,001	77,662,822	332,430	92,062,419	110,276,111
Change within reporting entity	-	-	-	-	-	(43,595,798)
Fund balances, beginning of year - Adjusted	13,098,166	969,001	77,662,822	332,430	92,062,419	66,680,313
Fund balances, end of year	\$ 60,091,635	\$ 487,284	\$ 113,924,539	\$ 345,172	\$ 174,848,630	\$ 92,062,419

See accompanying independent auditor's report.



Nonmajor Special Revenue Funds

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

Tax Increment Funds – These funds are used to account for the governmental activities of two tax increment districts – Reinvestment Zone Number Three, and Reinvestment Zone Number Four.

Health Programs Fund – This fund is used to account for the activities of the City’s health programs operated within McLennan County. Financing is provided from patients’ fees, assessments from other governments, and other miscellaneous revenues and federal and state awards.

Waco Public Improvement District No. 1 Fund – This fund was created by the government as a means of authorizing the City to undertake improvements and services to a designated geographic area in the central business district/central city.

Abandoned Motor Vehicle Fund – This fund is used to account for the activities of the City for handling abandoned motor vehicles picked up by the Police Department and sold at public auction. Article 1436-2, Section 5 of the Penal Code and Ordinance Number 2858, Section 28-42 control the handling of abandoned motor vehicles. Financing is provided from the sale of abandoned motor vehicles at public auction.

Police Forfeitures Fund – This fund is used to account for the receipt and expenditure of revenues derived from crime seizures that are for police purposes.

Court Local Municipal Jury Fund – This fund is used to account for the receipt and expenditure of revenues from court fines restricted for jury reimbursements or jury services.

Court Local Truancy Prevention and Diversion Fund – This fund is used to account for the receipt and expenditure of revenues from court fines restricted for juvenile case managers.

Court Security Fund – This fund is used to account for the receipt and expenditure of revenues from court fines restricted for court security.

Court Technology Fund – This fund is used to account for the receipt and expenditure of revenues from court fines restricted for court technology.

Hamilton Memorial Fund – This fund is used to account for earnings from principal used for improvements to Cameron Park.

Miss Nellie’s Park Maintenance Fund – This fund is used to account for earnings from principal used to maintain Miss Nellie’s Pretty Place.

Street Maintenance Fund – This fund is used to account for receipts and expenditures related to maintaining streets.

Parks Performance Fund – This fund is used to account for receipts and expenditures related to the city’s parks.



**Nonmajor Special Revenue Funds
Combining Balance Sheets
September 30, 2024
(With Comparative Totals for September 30, 2023)**

	Tax Increment Fund No. 3	Tax Increment Fund No. 4
Assets		
Cash and investments	\$ 490,132	\$ 41,274,930
Accounts receivable, net of allowances	-	-
Taxes receivable, net of allowance	-	-
Special assessments receivable	-	-
Intergovernmental receivable	-	-
Inventory	-	-
Total assets	\$ 490,132	\$ 41,274,930
Liabilities		
Accounts payable	-	-
Accrued liabilities	-	56,956
Escrow funds	-	-
Total liabilities	-	56,956
Deferred inflows of resources		
Unavailable revenue-special assessments	-	-
Total deferred inflows of resources	-	-
Total liabilities and deferred inflows of resources	-	56,956
Fund balances (deficits)		
Nonspendable:		
Inventory	-	-
Restricted for:		
Capital Projects	-	-
Culture and recreation	-	-
Public safety	-	-
Tax increment zone activities	490,132	41,217,974
Waco Public Improvement District	-	-
Committed to:		
Public health	-	-
Assigned:		
Culture and recreation	-	-
Total fund balances (deficits)	490,132	41,217,974
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 490,132	\$ 41,274,930

(continued)

See accompanying independent auditor's report.

Health Programs Fund	Waco Public Improvement District No. 1 Fund	Abandoned Motor Vehicle Fund	Police Forfeitures Fund	Court Local Municipal Jury Fund
\$ 3,816,178	\$ 1,449,254	\$ 1,846,581	\$ 647,639	\$ 3,659
121,355	8,740	-	-	-
-	-	-	-	-
-	4,888	-	-	-
1,208,743	-	-	-	-
-	-	-	-	-
<u>\$ 5,146,276</u>	<u>\$ 1,462,882</u>	<u>\$ 1,846,581</u>	<u>\$ 647,639</u>	<u>\$ 3,659</u>
393,344	75,733	358	2,280	-
146,693	-	-	-	-
145,772	-	-	-	-
<u>685,809</u>	<u>75,733</u>	<u>358</u>	<u>2,280</u>	<u>-</u>
-	4,888	-	-	-
-	4,888	-	-	-
685,809	80,621	358	2,280	-
-	-	-	-	-
-	-	-	-	-
-	-	1,846,223	645,359	3,659
-	-	-	-	-
-	1,382,261	-	-	-
4,460,467	-	-	-	-
-	-	-	-	-
<u>4,460,467</u>	<u>1,382,261</u>	<u>1,846,223</u>	<u>645,359</u>	<u>3,659</u>
<u>\$ 5,146,276</u>	<u>\$ 1,462,882</u>	<u>\$ 1,846,581</u>	<u>\$ 647,639</u>	<u>\$ 3,659</u>

See accompanying independent auditor's report.

Nonmajor Special Revenue Funds
Combining Balance Sheets
September 30, 2024
(With Comparative Totals for September 30, 2023)

	Court Local Truancy Prevention and Diversion Fund	Court Security Fund
Assets		
Cash and investments	\$ 183,141	\$ 120,487
Accounts receivable, net of allowances	-	-
Taxes receivable, net of allowance	-	-
Special assessments receivable	-	-
Intergovernmental receivable	-	-
Inventory	-	-
Total assets	\$ 183,141	\$ 120,487
Liabilities		
Accounts payable	-	-
Accrued liabilities	-	-
Escrow funds	-	-
Total liabilities	-	-
Deferred inflows of resources		
Unavailable revenue-special assessments	-	-
Total deferred inflows of resources	-	-
Total liabilities and deferred inflows of resources	-	-
Fund balances (deficits)		
Nonspendable:		
Inventory	-	-
Restricted for:		
Capital projects	-	-
Culture and recreation	-	-
Public safety	183,141	120,487
Tax increment zone activities	-	-
Waco Public Improvement District	-	-
Committed to:		
Public health	-	-
Assigned to:		
Culture and recreation	-	-
Total fund balances (deficits)	183,141	120,487
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 183,141	\$ 120,487

See accompanying independent auditor's report.

Hamilton Memorial Fund	Miss Nellie's Park Maintenance Fund	Street Maintenance Fund	Parks Performance Fund	Totals	
				2024	2023
\$ 22,899	\$ 40,461	\$ 10,266,977	\$ 324,547	\$ 60,657,979	\$ 12,972,866
-	-	-	-	130,095	23,872
-	-	-	-	-	10,571
-	-	-	-	4,888	11,474
-	-	-	-	1,208,743	1,089,674
-	-	464,687	98,114	562,801	-
<u>\$ 22,899</u>	<u>\$ 40,461</u>	<u>\$ 10,731,664</u>	<u>\$ 422,661</u>	<u>\$ 62,564,506</u>	<u>\$ 14,108,457</u>
-	-	-	-	-	-
-	-	1,426,232	52,778	1,951,232	590,369
-	-	122,011	45,319	370,979	294,614
-	-	-	-	145,772	113,834
-	-	1,548,243	98,097	2,467,983	998,817
-	-	-	-	-	-
-	-	-	-	4,888	11,474
-	-	-	-	4,888	11,474
-	-	1,548,243	98,097	2,472,871	1,010,291
-	-	-	-	-	-
-	-	464,687	98,114	562,801	-
-	-	8,718,734	-	8,718,734	3,195,198
22,899	40,461	-	-	63,360	53,968
-	-	-	-	2,969,456	2,622,815
-	-	-	-	41,708,106	1,382,540
-	-	-	-	1,382,261	1,423,812
-	-	-	-	-	-
-	-	-	-	4,460,467	4,419,833
-	-	-	-	-	-
-	-	-	226,450	226,450	-
<u>22,899</u>	<u>40,461</u>	<u>9,183,421</u>	<u>324,564</u>	<u>60,091,635</u>	<u>13,098,166</u>
<u>\$ 22,899</u>	<u>\$ 40,461</u>	<u>\$ 10,731,664</u>	<u>\$ 422,661</u>	<u>\$ 62,564,506</u>	<u>\$ 14,108,457</u>

See accompanying independent auditor's report.

FINANCIAL SECTION

Combining Statements of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Special Revenue Funds Year Ended September 30, 2024 (With Comparative Totals for September 30, 2023)

	Tax Increment Fund No. 3	Tax Increment Fund No. 4
Revenues:		
Property taxes	\$ 282,765	\$ 3,086,705
Special assessments	-	-
Permits, licenses and fees	-	-
Fines	-	-
Charges for services	-	-
Investment earnings	18,544	709,276
Contributions	-	-
Intergovernmental	-	-
Program income	-	-
Other	-	-
Total revenues	<u>301,309</u>	<u>3,795,981</u>
Expenditures:		
Current:		
General government	-	871,724
Public safety	-	-
Public works	-	-
Culture and recreation	-	-
Housing and community development	-	-
Public health	-	-
Capital outlay	-	-
Debt Service:		
Interest and fiscal charges	-	-
Total expenditures	<u>-</u>	<u>871,724</u>
Excess (deficiency) of revenues over (under) expenditures	<u>301,309</u>	<u>2,924,257</u>
Other financing sources (uses):		
Proceeds from debt	-	37,100,000
Financing of lease	-	-
Transfers in	-	-
Transfers out	-	-
Total other financing sources (uses)	<u>-</u>	<u>37,100,000</u>
Net change in fund balances	301,309	40,024,257
Fund balances, beginning of year	188,823	1,193,717
Fund balances, end of year	<u>\$ 490,132</u>	<u>\$ 41,217,974</u>

See accompanying independent auditor's report.

Health Programs Fund	Waco Public Improvement District No. 1 Fund	Abandoned Motor Vehicle Fund	Police Forfeitures Fund	Court Local Municipal Jury Fund
\$ -	\$ -	\$ -	\$ -	\$ -
-	881,284	-	-	-
1,101,242	-	-	-	-
-	-	438,100	-	923
-	-	-	-	-
257,340	89,874	-	31,873	-
-	-	-	-	-
5,044,723	-	-	-	-
226,726	-	-	-	-
934,995	78,160	-	90,696	-
<u>7,565,026</u>	<u>1,049,318</u>	<u>438,100</u>	<u>122,569</u>	<u>923</u>
-	1,090,869	-	-	-
-	-	253,830	18,547	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
11,385,073	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>11,385,073</u>	<u>1,090,869</u>	<u>253,830</u>	<u>18,547</u>	<u>-</u>
<u>(3,820,047)</u>	<u>(41,551)</u>	<u>184,270</u>	<u>104,022</u>	<u>923</u>
-	-	-	-	-
-	-	-	-	-
3,863,148	-	-	-	-
(2,467)	-	(50,000)	-	-
<u>3,860,681</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>
40,634	(41,551)	134,270	104,022	923
4,419,833	1,423,812	1,711,953	541,337	2,736
<u>\$ 4,460,467</u>	<u>\$ 1,382,261</u>	<u>\$ 1,846,223</u>	<u>\$ 645,359</u>	<u>\$ 3,659</u>

See accompanying independent auditor's report.

FINANCIAL SECTION

Combining Statements of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Special Revenue Funds Year Ended September 30, 2024 (With Comparative Totals for September 30, 2023)

	Court Local Truancy Prevention and Diversion Fund	Court Security Fund	Court Technology Fund
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Special assessments	-	-	-
Permits, licenses and fees	-	-	-
Fines	46,172	46,876	39,110
Charges for services	-	-	-
Investment earnings	-	-	-
Contributions	-	-	-
Intergovernmental	-	-	-
Program income	-	-	-
Other	-	-	-
Total revenues	<u>46,172</u>	<u>46,876</u>	<u>39,110</u>
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	5,554	19,178
Public works	-	-	-
Culture and recreation	-	-	-
Housing and community development	-	-	-
Public health	-	-	-
Capital outlay	-	-	-
Debt Service:			
Interest and fiscal charges	-	-	-
Total expenditures	<u>-</u>	<u>5,554</u>	<u>19,178</u>
Excess (deficiency) of revenues over (under) expenditures	<u>46,172</u>	<u>41,322</u>	<u>19,932</u>
Other financing sources (uses):			
Proceeds from debt	-	-	-
Financing of lease	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	46,172	41,322	19,932
Fund balances, beginning of year	136,969	79,165	150,655
Fund balances, end of year	<u>\$ 183,141</u>	<u>\$ 120,487</u>	<u>\$ 170,587</u>

See accompanying independent auditor's report.

Hamilton Memorial Fund	Miss Nellie's Park Maintenance Fund	Street Maintenance Fund	Parks Performance Fund	Totals	
				2024	2023
\$ -	\$ -	\$ -	\$ -	\$ 3,369,470	\$ 1,395,644
-	-	-	-	881,284	776,425
-	-	-	-	1,101,242	1,205,613
-	-	-	-	571,181	473,479
-	-	-	1,018,789	1,018,789	473,479
1,782	7,610	108,147	-	1,224,446	294,415
-	-	-	300	300	-
-	-	-	109,474	5,154,197	5,139,119
-	-	-	-	226,726	171,562
-	-	76,646	730,842	1,911,339	965,439
<u>1,782</u>	<u>7,610</u>	<u>184,793</u>	<u>1,859,405</u>	<u>15,458,974</u>	<u>10,421,696</u>
-	-	-	-	1,962,593	727,987
-	-	-	-	297,109	43,833
-	-	-	-	-	-
-	-	-	3,895,066	3,895,066	-
-	-	-	-	-	-
-	-	-	-	11,385,073	11,066,013
-	-	16,896,512	-	16,896,512	314,802
-	-	-	-	-	-
-	-	16,896,512	3,895,066	34,436,353	12,152,635
<u>1,782</u>	<u>7,610</u>	<u>(16,711,719)</u>	<u>(2,035,661)</u>	<u>(18,977,379)</u>	<u>(1,730,939)</u>
-	-	-	-	37,100,000	-
-	-	-	161,956	161,956	-
-	-	22,744,609	2,198,269	28,806,026	7,373,148
-	-	(44,667)	-	(97,134)	(164,911)
-	-	22,699,942	2,360,225	65,970,848	7,208,237
1,782	7,610	5,988,223	324,564	46,993,469	5,477,298
21,117	32,851	3,195,198	-	13,098,166	7,620,868
<u>\$ 22,899</u>	<u>\$ 40,461</u>	<u>\$ 9,183,421</u>	<u>\$ 324,564</u>	<u>\$ 60,091,635</u>	<u>\$ 13,098,166</u>

See accompanying independent auditor's report.





Tax Increment Fund No. 3



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Tax Increment Fund No. 3	
	2024	2023
Assets		
Cash and investments	\$ 490,132	\$ 195,148
Total assets	\$ 490,132	\$ 195,148
Liabilities		
Accrued Liabilities	-	6,325
Total liabilities	-	6,325
Fund balance (deficit)		
Restricted for:		
Tax increment zone activities	490,132	188,823
Total fund balances	490,132	188,823
Total liabilities, deferred inflows of resources, and fund balance	\$ 490,132	\$ 195,148

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Tax Increment Fund No. 3	
	2024	2023
Revenues:		
Property taxes	\$ 282,765	\$ 99,110
Investment earnings	18,544	3,935
Intergovernmental	-	13,846
Total revenues	301,309	116,891
Expenditures:		
Current:		
General government	-	-
Total expenditures	-	-
Excess (deficiency) of revenues over expenditures	301,309	116,891
Net change in fund balance	301,309	116,891
Fund balance, beginning of year	188,823	71,932
Fund balance, end of year	\$ 490,132	\$ 188,823

See accompanying independent auditor's report.





Tax Increment Fund No. 4



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Tax Increment Fund No. 4	
	2024	2023
Assets		
Cash and investments	\$ 41,274,930	\$ 1,240,102
Taxes receivable, net of allowances	-	10,571
Total assets	\$ 41,274,930	\$ 1,250,673
Liabilities		
Accrued Liabilities	56,956	56,956
Total liabilities	56,956	56,956
Fund balance (deficit)		
Restricted for:		
Tax increment zone activities	41,217,974	1,193,717
Total fund balances	41,217,974	1,193,717
Total liabilities, deferred inflows of resources, and fund balance	\$ 41,274,930	\$ 1,250,673

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Tax Increment Fund No. 4	
	2024	2023
Revenues:		
Property taxes	\$ 3,086,705	\$ 1,296,534
Investment earnings	709,276	11,510
Intergovernmental	-	-
Total revenues	3,795,981	1,308,044
Expenditures:		
Current:		
General government	871,724	114,327
Total expenditures	871,724	114,327
Excess (deficiency) of revenues over expenditures	2,924,257	1,193,717
Other financing sources (uses):		
Proceeds from debt	37,100,000	-
Total other financing sources (uses)	37,100,000	-
Net change in fund balance	40,024,257	1,193,717
Fund balance, beginning of year	1,193,717	-
Fund balance, end of year	\$ 41,217,974	\$ 1,193,717

See accompanying independent auditor's report.





Health Programs Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Health Programs Fund	
	2024	2023
Assets		
Cash and investments	\$ 3,816,178	\$ 3,891,100
Accounts receivable, net of allowances	121,355	15,132
Intergovernmental receivable	1,208,743	1,089,674
Total assets	\$ 5,146,276	\$ 4,995,906
Liabilities		
Accounts payable	393,344	336,166
Accrued liabilities	146,693	126,073
Escrow funds	145,772	113,834
Total liabilities	685,809	576,073
Fund balance (deficit)		
Committed to:		
Public health	4,460,467	4,419,833
Total fund balance (deficit)	4,460,467	4,419,833
Total liabilities and fund balance	\$ 5,146,276	\$ 4,995,906

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Years Ended September 30, 2024 and 2023**

	Health Programs Fund	
	2024	2023
Revenues:		
Permits, licenses and fees	\$ 1,101,242	\$ 1,205,613
Investment earnings	257,340	193,536
Intergovernmental	5,044,723	5,125,273
Program income	226,726	171,562
Other	934,995	827,844
Total revenues	7,565,026	7,523,828
Expenditures:		
Current:		
Public health	11,385,073	11,066,013
Total expenditures	11,385,073	11,066,013
Excess (deficiency) of revenues over expenditures	(3,820,047)	(3,542,185)
Other financing sources (uses):		
Transfers in	3,863,148	3,863,148
Transfers out	(2,467)	(114,911)
Total other financing sources (uses)	3,860,681	3,748,237
Net change in fund balance	40,634	206,052
Fund balance, beginning of year	4,419,833	4,213,781
Fund balance, end of year	\$ 4,460,467	\$ 4,419,833

See accompanying independent auditor's report.





Waco Public Improvement
District No. 1 Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Waco Public Improvement District No. 1 Fund	
	2024	2023
Assets		
Cash and investments	\$ 1,449,254	\$ 1,530,319
Accounts receivable, net of allowance	8,740	8,740
Special assessments receivable	4,888	11,474
Total assets	\$ 1,462,882	\$ 1,550,533
Liabilities		
Accounts payable	75,733	115,247
Total liabilities	75,733	115,247
Deferred Inflows of Resources		
Unavailable revenue - special assessments	4,888	11,474
Total deferred inflows of resources	4,888	11,474
Total liabilities and deferred inflows of resources	80,621	126,721
Fund Balance		
Restricted for:		
Waco Public Improvement District	1,382,261	1,423,812
Total fund balance (deficit)	1,382,261	1,423,812
Total liabilities, deferred inflows of resources, and fund balance	\$ 1,462,882	\$ 1,550,533

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Waco Public Improvement District No. 1 Fund	
	2024	2023
Revenues:		
Special assessments taxes	\$ 881,284	\$ 776,425
Investment earnings	89,874	60,284
Other	78,160	75,725
Total revenues	1,049,318	912,434
Expenditures:		
Current:		
General government	1,090,869	613,660
Total expenditures	1,090,869	613,660
Excess (deficiency) of revenues over expenditures	(41,551)	298,774
Net change in fund balance	(41,551)	298,774
Fund balance, beginning of year	1,423,812	1,125,038
Fund balance, end of year	\$ 1,382,261	\$ 1,423,812

See accompanying independent auditor's report.





Abandoned Motor Vehicle Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Abandoned Motor Vehicle Fund	
	2024	2023
Assets		
Cash and investments	\$ 1,846,581	\$ 1,712,262
Total assets	\$ 1,846,581	\$ 1,712,262
Liabilities		
Accounts payable	358	309
Total liabilities	358	309
Fund Balance (deficit)		
Restricted for:		
Public safety	1,846,223	1,711,953
Total fund balance	1,846,223	1,711,953
Total liabilities and fund balance	\$ 1,846,581	\$ 1,712,262

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Abandoned Motor Vehicle Fund	
	2024	2023
Revenues:		
Auto impound fees	\$ 438,100	\$ 351,648
Total revenues	438,100	351,648
Expenditures:		
Current:		
Public safety	253,830	17,420
Total expenditures	253,830	17,420
Excess (deficiency) of revenues over expenditures	184,270	334,228
Other financing sources (uses):		
Transfers out	(50,000)	(50,000)
Total other financing sources (uses)	(50,000)	(50,000)
Net change in fund balance	134,270	284,228
Fund balance, beginning of year	1,711,953	1,427,725
Fund balance, end of year	\$ 1,846,223	\$ 1,711,953

See accompanying independent auditor's report.





Police Forfeitures Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Police Forfeitures Fund	
	2024	2023
Assets		
Cash and investments	\$ 647,639	\$ 543,617
Total assets	\$ 647,639	\$ 543,617
Liabilities		
Accounts payable	2,280	2,280
Total liabilities	2,280	2,280
Fund Balance (deficit)		
Restricted for:		
Public safety	645,359	541,337
Total fund balance (deficit)	645,359	541,337
Total liabilities and fund balance	\$ 647,639	\$ 543,617

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Police Forfeitures Fund	
	2024	2023
Revenues:		
Investment earnings	\$ 31,873	\$ 18,723
Other	90,696	61,870
Total revenues	122,569	80,593
Expenditures:		
Current:		
Public safety	18,547	153
Total expenditures	18,547	153
Excess (deficiency) of revenues over expenditures	104,022	80,440
Other financing sources (uses):		
Net change in fund balance	104,022	80,440
Fund balance, beginning of year	541,337	460,897
Fund balance, end of year	\$ 645,359	\$ 541,337

See accompanying independent auditor's report.





Court Local Municipal Jury
Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Court Local Municipal Jury Fund	
	2024	2023
Assets		
Cash and investments	\$ 3,659	\$ 2,736
Total assets	\$ 3,659	\$ 2,736
 Fund Balance (deficit)		
Restricted for:		
Public safety	3,659	2,736
Total fund balance	\$ 3,659	\$ 2,736

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Court Local Municipal Jury Fund	
	2024	2023
Revenues:		
Fines	\$ 923	\$ 833
Total revenues	923	833
Expenditures:		
Current:		
Public safety	-	-
Total expenditures	-	-
Excess (deficiency) of revenues over expenditures	923	833
Net change in fund balance	923	833
Fund balance, beginning of year	2,736	1,903
Fund balance, end of year	\$ 3,659	\$ 2,736

See accompanying independent auditor's report.





Court Local Truancy
Prevention and Diversion
Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Court Local Truancy Prevention and Diversion Fund	
	2024	2023
Assets		
Cash and investments	\$ 183,141	\$ 136,969
Total assets	\$ 183,141	\$ 136,969
 Fund Balance		
Restricted for:		
Public safety	183,141	136,969
Total fund balance (deficit)	\$ 183,141	\$ 136,969

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	<u>Court Local Truancy Prevention and Diversion Fund</u>	
	<u>2024</u>	<u>2023</u>
Revenues:		
Fines	\$ 46,172	\$ 41,683
Total revenues	<u>46,172</u>	<u>41,683</u>
Expenditures:		
Current:		
Public safety	-	-
Total expenditures	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>46,172</u>	<u>41,683</u>
Net change in fund balance	46,172	41,683
Fund balance, beginning of year	136,969	95,286
Fund balance, end of year	<u>\$ 183,141</u>	<u>\$ 136,969</u>

See accompanying independent auditor's report.





Court Security Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Court Security Fund	
	2024	2023
Assets		
Cash and investments	\$ 120,487	\$ 79,598
Total assets	<u>\$ 120,487</u>	<u>\$ 79,598</u>
Liabilities		
Accounts payable	-	433
Total liabilities	<u>-</u>	<u>433</u>
Fund Balance		
Restricted for:		
Public safety	120,487	79,165
Total fund balance (deficit)	<u>120,487</u>	<u>79,165</u>
Total fund balance (deficit)	<u>\$ 120,487</u>	<u>\$ 79,598</u>

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Court Security Fund	
	2024	2023
Revenues:		
Fines	\$ 46,876	\$ 43,043
Total revenues	46,876	43,043
Expenditures:		
Current:		
Public safety	5,554	4,855
Total expenditures	5,554	4,855
Excess of revenues over expenditures	41,322	38,188
 Other financing sources (uses):		
Net change in fund balance	41,322	38,188
Fund balance, beginning of year	79,165	40,977
Fund balance, end of year	\$ 120,487	\$ 79,165

See accompanying independent auditor's report.





Court Technology Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Court Technology Fund	
	2024	2023
Assets		
Cash and investments	\$ 171,094	\$ 150,835
Total assets	\$ 171,094	\$ 150,835
Liabilities		
Accounts payable	507	180
Total liabilities	507	180
Fund Balance (deficit)		
Restricted for:		
Public safety	170,587	150,655
Total fund balance	170,587	150,655
Total liabilities and fund balance	\$ 171,094	\$ 150,835

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Court Technology Fund	
	2024	2023
Revenues:		
Fines	\$ 39,110	\$ 36,272
Total revenues	39,110	36,272
Expenditures:		
Current:		
Public safety	19,178	21,405
Total expenditures	19,178	21,405
Excess (deficiency) of revenues over expenditures	19,932	14,867
Net change in fund balance	19,932	14,867
Fund balance, beginning of year	150,655	135,788
Fund balance, end of year	\$ 170,587	\$ 150,655

See accompanying independent auditor's report.





Hamilton Memorial Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Hamilton Memorial Fund	
	2024	2023
Assets		
Cash and investments	\$ 22,899	\$ 21,117
Total assets	\$ 22,899	\$ 21,117
Fund Balance		
Restricted for:		
Culture and recreation	22,899	21,117
Total fund balance (deficit)	\$ 22,899	\$ 21,117

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Hamilton Memorial Fund	
	2024	2023
Revenues:		
Investment earnings	\$ 1,782	\$ 1,220
Other	-	-
Total revenues	1,782	1,220
Expenditures:		
Current:		
Culture and recreation	-	-
Total expenditures	-	-
Excess (deficiency) of revenues over expenditures	1,782	1,220
Net change in fund balance	1,782	1,220
Fund balance, beginning of year	21,117	19,897
Fund balance, end of year	\$ 22,899	\$ 21,117

See accompanying independent auditor's report.





Miss Nellie's Park
Maintenance Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Miss Nellie's Park Maintenance Fund	
	<u>2024</u>	<u>2023</u>
Assets		
Cash and investments	\$ 40,461	\$ 32,851
Total assets	<u>\$ 40,461</u>	<u>\$ 32,851</u>
Fund balance (deficit)		
Restricted for:		
Culture and recreation	40,461	32,851
Total fund balance (deficit)	<u>\$ 40,461</u>	<u>\$ 32,851</u>

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Miss Nellie's Park Maintenance Fund	
	<u>2024</u>	<u>2023</u>
Revenues:		
Investment earnings	\$ 7,610	\$ 5,207
Total revenues	<u>7,610</u>	<u>5,207</u>
Expenditures:		
Current:		
Culture and recreation	-	-
Total expenditures	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,610</u>	<u>5,207</u>
Other financing sources:		
Transfers in	-	-
Total other financing sources	<u>-</u>	<u>-</u>
Net change in fund balance	7,610	5,207
Fund balance, beginning of year	32,851	27,644
Fund balance, end of year	<u>\$ 40,461</u>	<u>\$ 32,851</u>

See accompanying independent auditor's report.





Street Maintenance Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Street Maintenance Fund	
	2024	2023
Assets		
Cash and investments	\$ 10,266,977	\$ 3,436,212
Inventories	464,687	-
Total assets	\$ 10,731,664	\$ 3,436,212
Liabilities		
Accounts payable	1,426,232	135,754
Accrued liabilities	122,011	105,260
Total liabilities	1,548,243	241,014
Fund balance (deficit)		
Nonspendable:		
Inventory	464,687	-
Restricted for:		
Capital Projects	8,718,734	3,195,198
Total fund balance (deficit)	9,183,421	3,195,198
Total liabilities and fund balance	\$ 10,731,664	\$ 3,436,212

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Street Maintenance Fund	
	2024	2023
Revenues:		
Investment earnings	\$ 108,147	\$ -
Other	76,646	-
Total revenues	184,793	-
Expenditures:		
Capital Outlay	16,896,512	314,802
Total expenditures	16,896,512	314,802
Excess (deficiency) of revenues over (under) expenditures	(16,711,719)	(314,802)
Other financing sources:		
Transfers in	22,744,609	3,510,000
Transfers out	(44,667)	-
Total other financing sources	22,699,942	3,510,000
Net change in fund balance	5,988,223	3,195,198
Fund balance, beginning of year	3,195,198	-
Fund balance, end of year	\$ 9,183,421	\$ 3,195,198

See accompanying independent auditor's report.





Parks Performance Fund



**Comparative Balance Sheets
Nonmajor Special Revenue Funds
September 30, 2024 and 2023**

	Parks Performance Fund	
	2024	2023
Assets		
Cash and investments	\$ 324,547	\$ -
Inventory	98,114	-
Total assets	\$ 422,661	\$ -
Liabilities		
Accounts payable	52,778	-
Accrued liabilities	45,319	-
Total liabilities	98,097	-
Fund balance (deficit)		
Nonspendable:		
Inventory	98,114	-
Assigned:		
Culture and recreation	226,450	-
Total fund balance (deficit)	324,564	-
Total liabilities and fund balance	\$ 422,661	\$ -

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Special Revenue Funds
Years Ended September 30, 2024 and 2023**

	Parks Performance Fund	
	2024	2023
Revenues:		
Charges for services	\$ 1,018,789	\$ -
Contributions	300	-
Intergovernmental	109,474	-
Other	730,842	-
Total revenues	1,859,405	-
Expenditures:		
Culture and Recreation	3,895,066	-
Debt service:		
Interest and fiscal charges	-	-
Total expenditures	3,895,066	-
Excess (deficiency) of revenues over (under) expenditures	(2,035,661)	-
Other financing sources:		
Financing of lease	161,956	-
Transfers in	2,198,269	-
Total other financing sources	2,360,225	-
Net change in fund balance	324,564	-
Fund balance, beginning of year	-	-
Fund balance, end of year	\$ 324,564	\$ 3,195,198

See accompanying independent auditor's report.





Nonmajor Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources and payment of debt for governmental funds.

Street and Drainage Refundable Contracts Fund - This fund is used to account for the accumulation of resources and payment of street and drainage refundable contracts.

General Obligation Debt Fund - This fund is used to account for the accumulation of resources and payment of general obligation principal and interest from governmental resources.



Comparative Balance Sheets
Nonmajor Debt Service Funds
September 30, 2024
(with Comparative Totals for September 30, 2023)

	Street and Drainage Refundable Contracts Fund	General Obligation Debt	Totals	
			2024	2023
Assets				
Cash and investments	\$ 4,204	\$ 368,385	\$ 372,589	\$ 947,553
Taxes receivable	-	588,080	588,080	591,418
Total assets	\$ 4,204	\$ 956,465	\$ 960,669	\$ 1,538,971
 Deferred inflows of resources				
Unavailable revenue - property taxes	-	473,385	473,385	569,970
Total deferred inflows of resources	-	473,385	473,385	569,970
 Fund balances (deficits)				
Restricted for:				
Debt service	4,204	483,080	487,284	969,001
Total fund balances (deficits)	4,204	483,080	487,284	969,001
 Total deferred inflows of resources and fund balances	\$ 4,204	\$ 956,465	\$ 960,669	\$ 1,538,971

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
Years Ended September 30, 2024 and 2023**

	Street and Drainage Refundable Contracts Fund	General Obligation Debt Fund	Totals	
			2024	2023
Revenues:				
Taxes	\$ -	\$ 19,924,058	\$ 19,924,058	\$ 17,666,560
Investment earnings	-	142,102	142,102	85,426
Total revenues	-	20,066,160	20,066,160	17,751,986
Expenditures:				
Current				
Debt service:				
Principal	-	11,097,186	11,097,186	10,060,000
Interest and fiscal charges	-	12,143,254	12,143,254	7,448,292
Bond issuance costs	-	861,309	861,309	407,422
Total expenditures	-	24,101,749	24,101,749	17,915,714
Excess (deficiency) of revenues over expenditures	-	(4,035,589)	(4,035,589)	(163,728)
Other financing sources (uses):				
Refunding bonds issued	-	9,798,600	9,798,600	-
Payment to refunded bond escrow agent	-	(9,718,067)	(9,718,067)	-
Premium on refunding bonds	-	345,777	345,777	-
General obligation bonds issued	-	-	-	-
Premium on general obligation bonds	-	797,834	797,834	412,518
Capital Asset Financing	-	183,169	183,169	-
Transfers in	-	2,146,559	2,146,559	-
Total other financing sources (uses)	-	3,553,872	3,553,872	412,518
Net change in fund balances	-	(481,717)	(481,717)	248,790
Fund balances, beginning of year	4,204	964,797	969,001	720,211
Fund balances, end of year	\$ 4,204	\$ 483,080	\$ 487,284	\$ 969,001

See accompanying independent auditor's report.

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Obligation Debt Fund
For the Year Ended September 30, 2024
(With Comparative Totals for the Year Ended September 30, 2023)**

	Budgeted Amounts		2024	Variance with	2023
	Original	Final	Actual Amounts	Final Budget	Actual Amounts
Revenues:					
Property taxes	\$ 20,574,623	\$ 20,574,623	\$ 19,924,058	\$ (650,565)	\$ 17,666,560
Investment earnings	3,000	3,000	142,102	139,102	85,426
Total revenues	20,577,623	20,577,623	20,066,160	(511,463)	17,751,986
Expenditures:					
Debt service:					
Principal	10,375,000	10,375,000	11,097,186	(722,186)	10,060,000
Interest and fiscal charges	12,323,528	12,323,528	12,143,254	180,274	7,448,292
Bond issuance costs	-	-	861,309	(861,309)	407,422
Total expenditures	22,698,528	22,698,528	24,101,749	(1,403,221)	17,915,714
Excess (deficiency) of revenues under expenditures	(2,120,905)	(2,120,905)	(4,035,589)	(1,914,684)	(163,728)
Other financing sources (uses):					
Refunding bonds issued	-	-	9,798,600	9,798,600	-
Payment to refunded bond escrow agent	-	-	(9,718,067)	(9,718,067)	-
Premium on refunding bonds	-	-	345,777	345,777	-
General obligation bonds issued	-	-	-	-	-
Premium on general obligation bonds	-	-	797,834	797,834	412,518
Capital Asset Financing	-	-	183,169	183,169	-
Transfers in	2,041,100	2,041,100	2,146,559	105,459	-
Total other financing sources (uses)	2,041,100	2,041,100	3,553,872	1,512,772	412,518
Net change in fund balance	(79,805)	(79,805)	(481,717)	(401,912)	248,790
Fund balances, beginning of year	852,306	852,306	964,797	112,491	716,007
Fund balances, end of year	\$ 772,501	\$ 772,501	\$ 483,080	\$ (289,421)	\$ 964,797

See accompanying independent auditor's report.



Nonmajor 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.

Capital Improvement Fund - This fund is used to account for the acquisition/renovation of buildings, rolling stock, computer equipment, and other City purposes.

Equipment Replacement Fund - This fund is used to account for funding for future equipment replacement.

Special Projects Reserve Fund - This fund will be utilized to help fulfill and achieve the strategic goals and objectives outlined by the Mayor and City Council to build a high performing government and improve infrastructure.

2020-2024 Bond Issue Fund - This fund is used to account for the acquisition of materials and equipment for City buildings and other City purposes.

2019 Bond Issue Fund - This fund is used to account for the acquisition of materials and equipment for City buildings and other City purposes.

2018 Bond Issue Fund - This fund is used to account for the acquisition of materials and equipment for City buildings and other City purposes.

2017 Bond Issue Fund - This fund is used to account for the acquisition of materials and equipment for City buildings and other City purposes.

Impact Fee Fund - This fund is used to account for the 11 roadway service area impact fees which the City began collecting on June 1, 2021.



**Combining Balance Sheet
Nonmajor Capital Projects Funds
September 30, 2024
(With Comparative Totals for September 30, 2023)**

	Capital Improvement Fund	Equipment Replacement Fund	Special Projects Reserve Fund	2020-2024 Bond Issue Fund
Assets				
Cash and investments	\$ 25,074,043	\$ 1,697,010	\$ 13,340,814	\$ 74,129,468
Due from other funds	2,760,401	-	-	-
Advance to other funds	168,368	-	-	-
Total assets	\$ 28,002,812	\$ 1,697,010	\$ 13,340,814	\$ 74,129,468
Liabilities:				
Accounts payable	1,281,277	-	33,525	3,371,847
Accrued liabilities	671,749	-	56,941	619,237
Due to other funds	-	-	-	-
Total liabilities	1,953,026	-	90,466	3,991,084
Fund Balances:				
Restricted for:				
Capital projects	168,368	-	-	70,138,384
Committed for:				
Capital projects	25,881,418	1,697,010	13,250,348	-
Total fund balances	26,049,786	1,697,010	13,250,348	70,138,384
Total liabilities and fund balances	\$ 28,002,812	\$ 1,697,010	\$ 13,340,814	\$ 74,129,468

See accompanying independent auditor's report.

2019 Bond Issue Fund	2018 Bond Issue Fund	2017 Bond Issue Fund	Impact Fees	Totals	
				2024	2023
\$ 4,150,681	\$ 274,706	\$ 410,262	\$ 745,065	\$ 119,822,049	\$ 80,779,145
-	-	-	-	2,760,401	3,614,580
-	-	-	-	168,368	168,368
<u>\$ 4,150,681</u>	<u>\$ 274,706</u>	<u>\$ 410,262</u>	<u>\$ 745,065</u>	<u>\$ 122,750,818</u>	<u>\$ 84,562,093</u>
-	1,163	30,139	-	\$ 4,717,951	\$ 1,969,705
-	-	-	-	1,347,927	1,314,986
2,536,601	223,800	-	-	2,760,401	3,614,580
<u>2,536,601</u>	<u>224,963</u>	<u>30,139</u>	<u>-</u>	<u>8,826,279</u>	<u>6,899,271</u>
1,614,080	49,743	380,123	745,065	73,095,763	35,475,879
-	-	-	-	40,828,776	42,186,943
<u>1,614,080</u>	<u>49,743</u>	<u>380,123</u>	<u>745,065</u>	<u>113,924,539</u>	<u>77,662,822</u>
<u>\$ 4,150,681</u>	<u>\$ 274,706</u>	<u>\$ 410,262</u>	<u>\$ 745,065</u>	<u>\$ 122,750,818</u>	<u>\$ 84,562,093</u>

See accompanying independent auditor's report.

FINANCIAL SECTION

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Capital Projects Funds For the Year Ended September 30, 2024 (With Comparative Totals for the Year Ended September 30, 2023)

	Capital Improvement Fund	Equipment Replacement Fund	Special Projects Reserve Fund	2020-2024 Bond Issue Fund
Revenues:				
Investment earnings	\$ 1,997.00	\$ -	\$ -	\$ 8,905,389.00
Intergovernmental	-	-	328,691	-
Other	-	-	302,000	-
Total revenues	<u>1,997</u>	<u>-</u>	<u>630,691</u>	<u>8,905,389</u>
Expenditures:				
Capital outlay	5,804,280	-	4,325,458	11,367,830
Total expenditures	<u>5,804,280</u>	<u>-</u>	<u>4,325,458</u>	<u>11,367,830</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,802,283)</u>	<u>-</u>	<u>(3,694,767)</u>	<u>(2,462,441)</u>
Other financing sources (uses):				
General obligation bonds issued	-	-	-	37,686,570
Premium on general obligation bonds	-	-	-	2,725,430
Capital financing agreement proceeds	-	-	-	-
Transfers in	22,339,314	126,380	-	-
Transfers out	-	-	(14,326,811)	-
Total other financing sources (uses)	<u>22,339,314</u>	<u>126,380</u>	<u>(14,326,811)</u>	<u>40,412,000</u>
Net change in fund balances	16,537,031	126,380	(18,021,578)	37,949,559
Fund balances, beginning of year - previously stated	9,512,755	1,570,630	31,271,926	32,188,825
Changes within reporting entity	-	-	-	-
Fund balances, beginning of year - adjusted	9,512,755	1,570,630	31,271,926	32,188,825
Fund balances, end of year	<u>\$ 26,049,786</u>	<u>\$ 1,697,010</u>	<u>\$ 13,250,348</u>	<u>\$ 70,138,384</u>

See accompanying independent auditor's report.

2019 Bond Issue Fund	2018 Bond Issue Fund	2017 Bond Issue Fund	Impact Fees	Totals	
				2024	2023
\$ 891,071.00	\$ 320,452.00	\$ 25,422.00	\$ 23,161.00	\$ 10,167,492	\$ 10,085,721
-	-	-	491,918	491,918	202,696
-	-	-	-	328,691	310,434
-	-	-	-	302,000	5,050
<u>891,071</u>	<u>320,452</u>	<u>25,422</u>	<u>515,079</u>	<u>11,290,101</u>	<u>10,603,901</u>
<u>496,077</u>	<u>1,163</u>	<u>84,459</u>	<u>-</u>	<u>22,079,267</u>	<u>26,930,936</u>
<u>496,077</u>	<u>1,163</u>	<u>84,459</u>	<u>-</u>	<u>22,079,267</u>	<u>26,930,936</u>
<u>394,994</u>	<u>319,289</u>	<u>(59,037)</u>	<u>515,079</u>	<u>(10,789,166)</u>	<u>(16,327,035)</u>
-	-	-	-	37,686,570	33,509,546
-	-	-	-	2,725,430	984,555
-	-	-	-	-	-
-	-	-	-	22,465,694	15,232,072
<u>(1,017,000)</u>	<u>(450,000)</u>	<u>(33,000)</u>	<u>-</u>	<u>(15,826,811)</u>	<u>(13,751,837)</u>
<u>(1,017,000)</u>	<u>(450,000)</u>	<u>(33,000)</u>	<u>-</u>	<u>47,050,883</u>	<u>35,974,336</u>
<u>(622,006)</u>	<u>(130,711)</u>	<u>(92,037)</u>	<u>515,079</u>	<u>36,261,717</u>	<u>19,647,301</u>
<u>2,236,086</u>	<u>180,454</u>	<u>472,160</u>	<u>229,986</u>	<u>77,662,822</u>	<u>58,015,521</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,236,086</u>	<u>180,454</u>	<u>472,160</u>	<u>229,986</u>	<u>77,662,822</u>	<u>58,015,521</u>
<u>\$ 1,614,080</u>	<u>\$ 49,743</u>	<u>\$ 380,123</u>	<u>\$ 745,065</u>	<u>\$ 113,924,539</u>	<u>\$ 77,662,822</u>

See accompanying independent auditor's report.





Nonmajor Permanent Funds

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

Rosemound Cemetery Perpetual Fund - This fund is used to account for funds previously provided by the sale of cemetery lots.

Hamilton Memorial Fund - This fund is used to account for funds provided by a private donor. Income from this fund is to be used for improvements to Cameron Park.

Miss Nellie's Park Endowment Fund - This fund is used to account for funds provided by a private donor. Income from this fund is to be used to maintain Miss Nellie's Pretty Place.



Combining Balance Sheet
Nonmajor Permanent Funds
September 30, 2024
(With Comparative Totals for September 30, 2023)

	Rosemound Cemetery Perpetual Fund	Hamilton Memorial Fund	Miss Nellie's Park Endowment Fund	Totals	
				2024	2023
Assets					
Cash and investments	\$ 235,172	\$ 10,000	\$ 100,000	\$ 345,172	\$ 332,430
Total assets	\$ 235,172	\$ 10,000	\$ 100,000	\$ 345,172	\$ 332,430
Fund balances (deficits)					
Nonspendable:					
Parks and cemetery care	235,172	10,000	100,000	345,172	332,430
Total fund balances (deficits)	\$ 235,172	\$ 10,000	\$ 100,000	\$ 345,172	\$ 332,430

See accompanying independent auditor's report.

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Permanent Funds
For the Year Ended September 30, 2024
(With Comparative Totals for Year Ended September 30, 2023)**

	Rosemound Cemetery Perpetual Fund	Hamilton Memorial Fund	Miss Nellie's Park Endowment Fund	Totals	
				2024	2023
Revenues:					
Investment earnings	\$ 12,742	\$ -	\$ -	\$ 12,742	\$ 8,717
Total revenues	<u>12,742</u>	<u>-</u>	<u>-</u>	<u>12,742</u>	<u>8,717</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,742</u>	<u>-</u>	<u>-</u>	<u>12,742</u>	<u>8,717</u>
Net change in fund balances	12,742	-	-	12,742	8,717
Fund balances, beginning of year	222,430	10,000	100,000	332,430	323,713
Fund balances, end of year	<u>\$ 235,172</u>	<u>\$ 10,000</u>	<u>\$ 100,000</u>	<u>\$ 345,172</u>	<u>\$ 332,430</u>

See accompanying independent auditor's report.





Major Enterprise Funds

Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City has decided that the determination of revenue earned, costs incurred and/or net income is necessary for management accountability.

Water Fund- This fund is used to account for the activities necessary for the provision of water services.

Wastewater Fund - This fund is used to account for the activities necessary for the provision of sewer services.

Solid Waste Fund - This fund is used to account for the activities necessary for the provision of sanitation services.

Cameron Park Zoo Fund - This fund is used to account for the operations of the zoo.







Water Fund



**Comparative Statement of Net Position
Major Enterprise Funds
September 30, 2024 and 2023**

	Water Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 51,255,561	\$ 53,540,551
Accounts receivable, net of allowances	9,726,855	8,826,028
Lease receivable	20,845	27,721
Intergovernmental receivable	130,159	618,235
Restricted cash and investments	5,858,401	6,651,481
Prepaid expense	729,169	206,878
Inventory	527,497	480,210
Total current assets	68,248,487	70,351,104
Noncurrent assets:		
Restricted cash and investments	101,084,324	78,534,451
Lease receivable	706,035	725,753
Advances to other funds	525,336	525,336
Capital assets:		
Land	4,305,908	4,305,908
Buildings	11,166,659	11,166,659
Improvements other than buildings	444,543,780	412,754,296
Machinery & equipment	12,410,095	11,879,468
Construction work in progress	26,355,755	30,772,327
Lease, right-of-use assets	-	104,594
Intangible water rights	36,792,490	36,792,490
Less: accumulated depreciation and amortization	(209,200,836)	(197,956,197)
Total capital assets	326,373,851	309,819,545
Total noncurrent assets	428,689,546	389,605,085
Total assets	496,938,033	459,956,189
Deferred outflows of resources:		
Deferred losses on refundings of debt	597,669	1,153,612
Deferred outflows on pension liability	2,456,307	3,173,357
Total deferred outflows of resources	3,053,976	4,326,969
Total assets and deferred outflows of resources	\$ 499,992,009	\$ 464,283,158

See accompanying independent auditor's report.

**Comparative Statement of Net Position
Major Enterprise Funds
September 30, 2024 and 2023**

	Water Fund	
	2024	2023
Liabilities		
Current liabilities:		
Accounts payable	\$ 1,243,713	\$ 1,237,229
Accrued liabilities	1,002,431	759,617
Compensated absences payable	825,809	894,743
Lease liability	-	23,781
Bonds payable	14,310,000	14,180,000
Notes payable	32,716	31,325
Net pension liability	1,622,645	-
Accrued interest payable	1,814,856	1,853,176
Current liabilities payable from restricted assets:		
Accounts payable	2,667,360	2,971,530
Customer deposits	3,191,041	3,682,522
Total current liabilities	26,710,571	25,633,923
Noncurrent liabilities:		
Refundable contracts	992,808	992,808
Compensated absences payable	1,315,731	803,551
Lease liabilities	-	20,343
Bonds payable	249,057,303	224,947,959
Notes payable	1,058,725	1,091,441
Net pension liability	4,867,936	5,264,574
Total noncurrent liabilities	257,292,503	233,120,676
Total liabilities	284,003,074	258,754,599
Deferred inflows of resources:		
Deferred inflows on pension liability	184,241	-
Deferred inflows on leases	695,276	736,071
Total deferred inflows of resources	879,517	736,071
Total liabilities and deferred inflows of resources	284,882,591	259,490,670
Net Position		
Net investment in capital assets	168,462,693	154,871,432
Unrestricted	46,646,725	49,921,056
Total net position	\$ 215,109,418	\$ 204,792,488

See accompanying independent auditor's report.

FINANCIAL SECTION

Comparative Statement of Revenues, Expenses and Changes in Net Position Major Enterprise Funds Years Ended September 30, 2024 and 2023

	Water Fund	
	2024	2023
Operating revenues:		
Charges for services	\$ 64,370,168	\$ 64,875,489
Other	427,606	403,208
Total operating revenue	<u>64,797,774</u>	<u>65,278,697</u>
Operating expenses:		
Salaries and wages	7,767,483	6,972,755
Employee benefits	5,367,165	3,146,367
Purchased professional/technical services	4,072,893	2,703,143
Purchased property services	187,947	212,113
Maintenance	5,872,993	4,259,841
Other purchased services	1,621,361	1,176,455
Supplies	7,250,907	6,520,502
Other	7,176,055	6,389,275
Depreciation/amortization	13,446,556	12,886,541
Total operating expenses	<u>52,763,360</u>	<u>44,266,992</u>
Operating income	<u>12,034,414</u>	<u>21,011,705</u>
Nonoperating revenue (expenses)		
Investment earnings	3,195,736	2,110,571
Intergovernmental revenue	-	23,745
Interest expense and fiscal charges	(6,311,302)	(6,053,359)
Bond issuance costs	(314,667)	(190,625)
Gain (loss) on disposal of capital assets	(132,591)	(29,279)
Total nonoperating revenue (expenses)	<u>(3,562,824)</u>	<u>(4,138,947)</u>
Income before contributions and transfers	8,471,590	16,872,758
Capital contributions	9,453,216	5,842,502
Transfers in	-	7
Transfers out	(7,607,876)	(4,106,963)
Change in net position	<u>10,316,930</u>	<u>18,608,304</u>
Total net position, beginning of year	204,792,488	186,184,184
Total net position, end of year	<u>\$ 215,109,418</u>	<u>\$ 204,792,488</u>

See accompanying independent auditor's report.

Comparative Statement of Cash Flows
Major Enterprise Funds
Years Ended September 30, 2024 and 2023

	Water Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 63,396,364	\$ 63,280,488
Cash paid to suppliers for goods and services	(26,502,436)	(20,674,860)
Cash paid to employees for services	(10,564,104)	(9,734,061)
Net cash provided by operating activities	26,329,824	32,871,567
Cash flows from noncapital financing activities:		
Intergovernmental revenue	488,076	35,086
Transfer from other funds	-	7
Transfer to other funds	(7,594,486)	(4,106,970)
Net cash used for noncapital financing activities	(7,106,410)	(4,071,877)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(22,585,342)	(20,020,746)
Principal and interest payments for lease assets	-	(31,546)
Proceeds from sale of debt	55,609,761	28,500,052
Capital Contributions	1,539,849	130,152
Principal paid on debt	(28,748,718)	(13,016,535)
Interest paid on debt	(8,447,104)	(7,934,543)
Bond issuance costs	(314,667)	-
Net cash used for capital and related financing activities	(2,946,221)	(12,373,166)
Cash flows from investing activities:		
Investment earnings	3,194,610	2,110,571
Net cash provided by investing activities	3,194,610	2,110,571
Net increase in cash and cash equivalents	19,471,803	18,537,095
Cash and cash equivalents, beginning of year	138,726,483	120,189,388
Cash and cash equivalents, end of year	\$ 158,198,286	\$ 138,726,483
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	12,034,414	21,011,705
Adjustments to reconcile operating income to net cash provided by operating activities:		
Provision for uncollectible accounts receivable	208,530	75,744
Depreciation/amortization	13,446,556	12,886,541
Other nonoperating income	-	-
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	(1,109,357)	(2,173,433)
Prepaid items	(522,291)	114,318
Inventory	(47,287)	(67,005)
Lease receivable	27,720	26,208
Increase (decrease) in liabilities:		
Accounts payable	6,484	529,685
Accrued liabilities	242,814	48,488
Compensated absences payable	443,246	132,021
Net pension liability	2,127,298	220,454
Customer deposits	(491,481)	110,071
Deferred inflow-leases	(36,822)	(36,797)
Refundable Contracts	-	(6,433)
Net cash provided by operating activities	\$ 26,329,824	\$ 32,871,567
Schedule of Noncash capital and related financing activities:		
Contributions of capital assets	\$ 7,913,368	\$ 5,712,350
Proceeds of refunding bonds used for bond issuance costs and payment to escrow agent	14,537,393	-
Lease, right-of-use assets	-	10,848

See accompanying independent auditor's report.





Wastewater Fund



**Comparative Statement of Net Position
Major Enterprise Funds
September 30, 2024 and 2023**

	Wastewater Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 42,773,684	\$ 49,950,099
Accounts receivable, net of allowance	8,081,474	4,974,898
Intergovernmental receivable	1,416,084	319,136
Restricted cash and investments	2,149,854	1,565,992
Prepaid expense	344,008	-
Inventory	43,291	24,526
Total current assets	54,808,395	56,834,651
Noncurrent assets:		
Restricted cash and investments	136,596,490	111,473,550
Capital assets:		
Land	7,703,403	7,703,403
Buildings	21,820,904	21,820,904
Improvements other than buildings	313,516,384	283,989,727
Equipment	15,476,187	15,389,256
Construction work in progress	31,525,669	12,437,775
Lease, right-of-use assets	-	38,680
Less: accumulated depreciation and amortization	(114,741,384)	(105,079,389)
Total capital assets	275,301,163	236,300,356
Total noncurrent assets	411,897,653	347,773,906
Total assets	466,706,048	404,608,557
Deferred outflows of resources:		
Deferred losses on refundings of debt	40,301	244,338
Deferred outflows on pension liability	1,637,538	2,115,570
Total deferred outflows of resources	1,677,839	2,359,908
Total assets and deferred outflows of resources	\$ 468,383,887	\$ 406,968,465

See accompanying independent auditor's report.

**Comparative Statement of Net Position
Major Enterprise Funds
September 30, 2024 and 2023**

	Wastewater Fund	
	2024	2023
Liabilities		
Current liabilities:		
Accounts payable	\$ 945,796	\$ 572,664
Accrued liabilities	1,213,439	317,027
Compensated absences payable	340,358	422,532
Lease liability	-	8,166
Bonds payable	11,515,000	10,560,000
Net pension liability	1,081,764	-
Accrued interest payable	1,925,376	1,977,908
Estimated claims and judgments payable	-	6,020,609
Current liabilities payable from restricted assets:		
Accounts payable	2,149,854	1,565,992
Total current liabilities	19,171,587	21,444,898
Noncurrent liabilities:		
Refundable contracts	192,542	192,542
Compensated absences payable	264,961	175,989
Lease liability	-	6,368
Bonds payable	248,466,908	204,963,205
Net pension liability	3,245,290	3,509,716
Total noncurrent liabilities	252,169,701	208,847,820
Total liabilities	271,341,288	230,292,718
Deferred inflows of resources		
Deferred inflows on pension liability	122,828	-
Total deferred inflows of resources	122,828	-
Total liabilities and deferred inflows of resources	271,464,116	-
Net Position		
Net investment in capital assets	153,913,358	133,853,955
Restricted for		
Unrestricted	43,006,413	42,821,792
Total net position	\$ 196,919,771	\$ 176,675,747

See accompanying independent auditor's report.

FINANCIAL SECTION

Comparative Statement of Revenue, Expenses and Changes in Net Position Major Enterprise Funds Years Ended September 30, 2024 and 2023

	Wastewater Fund	
	2024	2023
Operating revenues:		
Charges for services	\$ 52,047,020	\$ 46,631,885
Other	1,307,444	901,076
Total operating revenues	<u>53,354,464</u>	<u>47,532,961</u>
Operating expenses:		
Salaries and wages	5,198,828	4,721,751
Employee benefits	3,560,634	2,134,954
Purchased professional/technical services	3,465,200	2,468,239
Purchased property services	129,168	96,874
Maintenance	5,090,954	3,540,399
Other purchased services	1,175,770	569,690
Supplies	4,115,219	3,665,367
Other	4,552,565	9,536,813
Depreciation/amortization	11,629,580	11,627,960
Total operating expenses	<u>38,917,918</u>	<u>38,362,047</u>
Operating income	<u>14,436,546</u>	<u>9,170,914</u>
Nonoperating revenue (expenses)		
Investment earnings	2,875,620	1,795,404
Other income	5,686	16,301
Intergovernmental revenue	1,357,529	20,777
Interest expense and fiscal charges	(6,503,721)	(5,521,560)
Bond issuance costs	(358,560)	(291,880)
Gain (loss) on disposal of capital assets	(79,566)	(157,745)
Total nonoperating revenue (expenses)	<u>(2,703,012)</u>	<u>(4,138,703)</u>
Income (loss) before contributions and transfers	11,733,534	5,032,211
Capital Contributions	13,351,083	5,042,438
Transfers in	-	3
Transfers out	(4,840,593)	(1,275,286)
Change in net position	<u>20,244,024</u>	<u>8,799,366</u>
Total net position, beginning of year	<u>176,675,747</u>	<u>167,876,381</u>
Total net position, end of year	<u>\$ 196,919,771</u>	<u>\$ 176,675,747</u>

See accompanying independent auditor's report.

**Comparative Statement of Cash Flows
Major Enterprise Funds
Years Ended September 30, 2024 and 2023**

	<u>Wastewater Fund</u>	
	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash received from customers	\$ 50,247,888	\$ 47,259,766
Cash paid to suppliers for goods and services	(23,657,410)	(16,883,032)
Cash paid to employees for services	(7,319,769)	(6,641,641)
Net cash provided by operating activities	<u>19,270,709</u>	<u>23,735,093</u>
Cash flows from noncapital financing activities:		
Intergovernmental revenue	260,581	31,413
Contributions	-	-
Other nonoperating income	5,686	-
Hotel/motel tax	-	-
Passenger facility charges	-	-
Transfers from other funds	-	3
Transfers to other funds	(4,835,356)	(1,275,289)
Net cash used for noncapital financing activities	<u>(4,569,089)</u>	<u>(1,243,873)</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(38,496,843)	(12,432,104)
Principal and interest payments for lease assets	(125)	(12,695)
Principal and interest payments for SBITAs	-	-
Proceeds from sale of debt	63,350,413	43,200,000
Capital Contributions	1,702,188	245,490
Impact Fees	-	-
Payments in lieu of drainage facilities	-	-
Principal paid on capital debt	(17,300,000)	(9,445,000)
Interest paid on capital debt	(8,302,486)	(6,462,557)
Net cash provided by capital and related financing activities	<u>953,147</u>	<u>15,093,134</u>
Cash flows from investing activities:		
Investment earnings	2,875,620	1,795,404
Net cash provided by investing activities	<u>2,875,620</u>	<u>1,795,404</u>
Net increase in cash and cash equivalents	18,530,387	39,379,758
Cash and cash equivalents, beginning of year	162,989,641	123,609,883
Cash and cash equivalents, end of year	<u>\$ 181,520,028</u>	<u>\$ 162,989,641</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	14,436,546	9,170,914
Adjustments to reconcile operating income to net cash provided by operating activities:		
Provision for uncollectible accounts receivable	197,802	65,565
Depreciation/amortization	11,629,580	11,627,960
Other nonoperating income	-	16,301
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	(3,304,378)	(355,061)
Prepaid expenses	(344,008)	30,849
Inventory	(18,765)	18,106
Lease receivable	-	-
Increase (decrease) in liabilities:		
Accounts payable	373,133	283,134
Accrued liabilities	896,412	(282,554)
Unearned revenue	-	-
Estimated landfill closure and post-closure care costs	-	-
Compensated absences payable	6,798	37,130
Net pension liability	1,418,198	146,968
Customer deposits	-	-
Estimate claims and judgments payable	(6,020,609)	2,975,781
Deferred inflow on leases	-	-

See accompanying independent auditor's report.



FINANCIAL SECTION

Refundable Contracts	-	-
Net cash provided by operating activities	<u>\$ 19,270,709</u>	<u>\$ 23,735,093</u>
Schedule of Noncash capital, and related financing activities:		
Contribution of capital assets	\$ 11,648,895	\$ 4,796,948
Proceeds of refunding bonds used for bond issuance costs and payment to escrow agent	6,954,650	-
Lease, right-of-use assets	-	4,987
Subscription assets	-	-

Additionally, variances in capital contributions per the statement of revenues, expenses and changes in net position - proprietary funds as compared to capital contributions from capital and related financing activities and noncash investing, capital and financing activities result from changes in the following items: intergovernmental accounts receivable, accounts payable and accrued liabilities related to capital items.

See accompanying independent auditor's report.





Solid Waste Fund



**Comparative Statements of Net Position
Major Enterprise Funds
September 30, 2024 and 2023**

	Solid Waste Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 21,821,692	\$ 22,182,462
Accounts receivable, net of allowance	3,406,912	3,211,622
Lease receivable	-	6,499
Restricted cash and investments	-	171,294
Prepaid expense	317,989	-
Total current assets	25,546,593	25,571,877
Noncurrent assets:		
Restricted cash and investments	33,175,610	21,817,216
Capital assets:		
Land	9,777,989	9,777,989
Buildings	1,379,037	1,379,037
Improvements other than buildings	30,434,158	29,842,875
Equipment	31,830,748	29,390,410
Construction work in progress	26,561,566	5,313,513
Lease, right-of-use assets	-	51,643
Less: Accumulated depreciation and amortization	(51,351,997)	(50,556,415)
Total capital assets	48,631,501	25,199,052
Total noncurrent assets	81,807,111	47,016,268
Total assets	107,353,704	72,588,145
 Deferred outflows of resources		
Deferred outflows on pension liability	1,637,538	2,115,570
Total deferred outflows of resources	1,637,538	2,115,570
Total assets and deferred outflows of resources	\$ 108,991,242	\$ 74,703,715

See accompanying independent auditor's report.

FINANCIAL SECTION

	Solid Waste Fund	
	2024	2023
Liabilities		
Current Liabilities:		
Accounts payable	\$ 448,161	\$ 295,116
Accrued liabilities	558,140	341,456
Compensated absences payable	518,354	561,284
Lease liability	-	10,528
Bonds payable	3,045,000	1,730,000
Net pension liability	1,081,764	-
Accrued interest payable	595,263	552,639
Current liabilities payable from restricted assets:		
Accounts payable	5,772,927	171,294
Total current liabilities	<u>12,019,609</u>	<u>3,662,317</u>
Noncurrent Liabilities:		
Refundable contracts		
Estimated landfill closure and post-closure care costs	8,090,852	7,805,256
Compensated absences payable	835,136	576,300
Lease liability	-	12,448
Bonds payable	53,766,138	29,550,145
Net pension liability	3,245,290	3,509,716
Total noncurrent liabilities	<u>65,937,416</u>	<u>41,453,865</u>
Total liabilities	<u>77,957,025</u>	<u>45,116,182</u>
Deferred inflows of resources		
Deferred inflows on pension liability	122,828	-
Deferred gains on refundings of debt	-	7,423
Deferred inflows on leases	324	6,803
Total deferred inflows of resources	<u>123,152</u>	<u>14,226</u>
Total liabilities and deferred inflows of resources	<u>78,080,177</u>	<u>45,130,408</u>
Net position		
Net investment in capital assets	24,995,973	15,877,018
Unrestricted	5,915,092	13,696,289
Total net position	<u>\$ 30,911,065</u>	<u>\$ 29,573,307</u>

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenses and Changes in Net Position
Major Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Solid Waste Fund	
	2024	2023
Operating revenue:		
Charges for services	\$ 32,978,078	\$ 32,237,664
Other	204,092	157,141
Total operating revenues	33,182,170	32,394,805
Operating expenses:		
Salaries and wages	6,552,057	5,965,409
Employee benefits	4,401,315	2,810,104
Purchased professional/technical services	3,925,128	3,131,232
Purchased property services	25,062	21,650
Maintenance	4,599,216	3,584,559
Other purchased services	431,727	577,622
Supplies	2,638,505	2,891,506
Other	5,350,279	6,679,941
Depreciation/amortization	3,241,712	3,420,574
Total operating expenses	31,165,001	29,082,597
Operating income	2,017,169	3,312,208
Nonoperating revenue (expenses):		
Investment earnings	1,483,939	764,074
Intergovernmental revenue	16,589	12,454
Interest expense and fiscal charges	(1,446,489)	(702,309)
Bond issuance cost	(177,609)	(191,146)
Gain (loss) on disposal of capital assets	-	(760,907)
Total nonoperating revenue (expenses)	(123,570)	(877,834)
Income (loss) before contributions and transfers	1,893,599	2,434,374
Transfers out	(555,841)	(522,977)
Change in net position	1,337,758	1,911,397
Total net position, beginning of year	29,573,307	27,661,910
Total net position, end of year	\$ 30,911,065	\$ 29,573,307

See accompanying independent auditor's report.

**Comparative Statement of Cash Flows
Major Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Solid Waste Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 32,986,900	\$ 32,021,353
Cash paid to suppliers for goods and services	(16,679,039)	(16,044,303)
Cash paid to employees for services	(9,272,810)	(8,535,809)
Net cash provided by operating activities	7,035,051	7,441,241
Cash flows from noncapital financing activities:		
Intergovernmental revenue	16,589	12,454
Contributions	-	-
Other nonoperating income	-	-
Hotel/motel tax	-	-
Passenger facility charges	-	-
Transfers from other funds	-	-
Transfers to other funds	(549,056)	(522,977)
Net cash used for noncapital financing activities	(532,467)	(510,523)
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(21,102,289)	(5,780,544)
Principal and interest payments for lease assets	-	(21,646)
Principal and interest payments for SBITAs	-	-
Proceeds from sale of debt	27,279,729	18,184,447
Capital contributions	-	-
Impact Fees	-	-
Payments in lieu of drainage facilities	-	-
Principal paid on debt	(1,730,000)	(1,760,000)
Interest paid on debt	(1,607,633)	(506,490)
Net cash provided by capital and related financing activities	2,839,807	10,115,767
Cash flows from investing activities:		
Investment earnings	1,483,939	764,074
Net cash provided by investing activities	1,483,939	764,074
Net increase in cash and cash equivalents	10,826,330	17,810,559
Cash and cash equivalents, beginning of year	44,170,972	26,360,413
Cash and cash equivalents, end of year	\$ 54,997,302	\$ 44,170,972
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	2,017,169	3,312,208
Adjustments to reconcile operating income to net cash provided by operating activities:		
Provision for uncollectible accounts receivable	197,459	22,287
Depreciation/amortization	3,241,712	3,420,574
Other nonoperating income	-	-
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	(392,749)	(397,022)
Prepaid items	(317,989)	-
Inventory	-	-
Lease receivable	6,499	6,478
Increase (decrease) in liabilities:		
Accounts payable	153,045	77,060
Accrued liabilities	216,684	66,410
Unearned revenue	-	-
Estimated landfill closure and post-closure care costs	285,596	733,225
Compensated absences payable	215,906	59,531
Net pension liability	1,418,198	146,969

See accompanying independent auditor's report.

Customer deposits	-	-
Estimated claims and judgments	-	-
Deferred inflow on leases	<u>(6,479)</u>	<u>(6,479)</u>
Refundable Contracts	-	-
Net cash provided by operating activities	<u>\$ 7,035,051</u>	<u>\$ 7,441,241</u>
Noncash investing, capital, and financing activities:		
Contributions of capital assets	\$ -	\$ -
Lease, right-of-use assets	-	29,761
Subscription assets	-	-

See accompanying independent auditor's report.





Cameron Park Zoo Fund



**Comparative Statement of Net Position
Major Enterprise Funds
September 30, 2024 and 2023**

	Cameron Park Zoo Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 6,172,669	\$ 16,700,597
Accounts receivable, net of allowances	1,064,476	1,856,193
Inventories	203,513	353,092
Total current assets	7,440,658	18,909,882
Noncurrent assets:		
Capital assets:		
Buildings	21,724,668	10,447,289
Improvements other than buildings	19,181,068	19,110,331
Equipment	1,286,940	1,053,902
Construction in progress	17,660,518	8,443,850
Lease, right-of-use assets	-	1,001
Less: accumulated depreciation and amortization	(25,813,856)	(24,426,031)
Total capital assets	34,039,338	14,630,342
Total noncurrent assets	34,039,338	14,630,342
Total assets	41,479,996	33,540,224
Liabilities		
Current liabilities:		
Accounts payable	169,482	1,149,664
Accrued liabilities	1,710,867	735,307
Unearned Revenue	20,328	20,328
Compensated absences payable	336,948	372,169
Lease liability	-	244
Total current liabilities	2,237,625	2,277,712
Noncurrent liabilities:		
Compensated absences payable	342,817	110,940
Lease liability	-	500
Total noncurrent liabilities	342,817	111,440
Total liabilities	2,580,442	2,389,152
Net Position		
Net investment in capital assets	34,039,338	14,629,598
Unrestricted	4,860,216	16,521,474
Total net position	\$ 38,899,554	\$ 31,151,072

See accompanying independent auditor's report.

**Comparative Statements of Revenue, Expenses and Changes in Net Position
Major Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Cameron Park Zoo Fund	
	2024	2023
Operating revenue:		
Charges for services	\$ 3,001,394	\$ 2,513,995
Net merchandise sales	473,035	733,455
Contributions	-	24,739
Other	109,331	437,656
Total operating revenue	3,583,760	3,709,845
Operating expenses:		
Salaries and wages	3,265,052	2,898,354
Employee benefits	1,456,943	1,185,165
Purchased professional/technical services	484,803	445,404
Purchased property services	752,740	1,638,699
Maintenance	264,548	159,848
Other purchased services	299,479	218,413
Supplies	1,127,343	994,198
Other	248,130	88,035
Depreciation and amortization	1,396,708	1,087,216
Total operating expenses	9,295,746	8,715,332
Operating income (loss)	(5,711,986)	(5,005,487)
Nonoperating revenues (expenses)		
Investment earnings	353,734	117,343
Other income	-	49,823
Interest expense and fiscal charges	-	(13)
Total nonoperating revenues (expenses)	353,734	167,153
Income (loss) before contributions and transfers	(5,358,252)	(4,838,334)
Capital contributions	7,222,098	10,509,803
Transfers in	5,884,822	15,748,607
Transfers out	(186)	-
Change in net position	7,748,482	21,420,076
Total net position, beginning of year	31,151,072	9,730,996
Total net position, end of year	\$ 38,899,554	\$ 31,151,072

See accompanying independent auditor's report.

**Comparative Statements of Cash Flows
Major Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Cameron Park Zoo Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 4,375,477	\$ 2,011,863
Cash paid to suppliers for goods and services	(3,051,910)	(1,951,292)
Cash paid to employees for services	(4,505,514)	(4,032,081)
Net cash provided by (used for) operating activities	(3,181,947)	(3,971,510)
Cash flows from noncapital financing activities:		
Other nonoperating income	-	49,823
Transfers from other funds	5,884,822	15,748,607
Net cash provided by (used for) noncapital financing activities	5,884,822	15,798,430
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(20,806,622)	(7,814,015)
Principal and interest payments for lease assets	(13)	(187)
Capital contributions	7,222,098	10,509,803
Interest paid on debt	-	(13)
Net cash provided by (used for) capital and related financing activities	(13,584,537)	2,695,588
Cash flows from investing activities:		
Investment earnings	353,734	117,343
Net cash provided by investing activities	353,734	117,343
Net increase (decrease) in cash and cash equivalents	(10,527,928)	14,639,851
Cash and cash equivalents, beginning of year	16,700,597	2,060,746
Cash and cash equivalents, end of year	\$ 6,172,669	\$ 16,700,597
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	(5,711,986)	(5,005,487)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation/ amortization	1,396,708	1,087,216
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	791,717	(1,673,244)
Prepaid items		
Inventory	149,579	(88,832)
Lease receivable		
Increase (decrease) in liabilities:		
Accounts payable	(980,182)	1,098,254
Accrued liabilities	975,561	609,903
Unearned Revenues	-	(24,738)
Compensated absences payable	196,656	25,418
Net cash provided by (used for) operating activities	(3,181,947)	(3,971,510)
Noncash investing, capital, and financing activities:		
Contributions of capital assets	-	228,111
Lease, right-of-use assets	-	1,001

See accompanying independent auditor's report.

Noncash investing, capital, and financing activities:

Additionally, variances in capital contributions per the statement of revenues, expenses and changes in net position - proprietary funds as compared to capital contributions from capital and related financing activities and noncash investing, capital and financing activities result from changes in the following items: intergovernmental accounts receivable, accounts payable and accrued liabilities related to capital items.

See accompanying independent auditor's report.





Nonmajor Enterprise Funds

Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City has decided that the determination of revenue earned, costs incurred and/or net income is necessary for management accountability.

Airport Fund - This fund is used to account for the provision of passenger and freight air services to the residents of the City and surrounding areas.

Convention Services Fund - This fund is used to account for the provision of convention facilities.

Ranger Hall of Fame Fund - This fund is used to account for the provision of this facility to the public.

Transit Services Fund - This fund is used to account for the provision of public transit services to the residents of the City.

Cottonwood Creek Golf Course Fund - This fund is used to account for the provision of this facility to the public.

Drainage (Stormwater) Utility Fund - This fund is used to account for the provision of services for maintenance and improvements to the City's drainage system and other stormwater program activities.



**Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2024
(With Comparative Totals for September 30, 2024)**

	Airport Fund	Convention Services Fund	Ranger Hall of Fame Fund
Assets			
Current assets:			
Cash and investments	\$ 1,636,434	\$ 11,433,238	\$ 791,924
Due from other funds	-	-	-
Accounts receivable, net of allowances	78,920	679,576	714
Lease receivable	271,789	-	686
Intergovernmental receivable	763,440	-	-
Restricted cash and investments	-	-	-
Prepaid expense	-	-	-
Inventories	-	32,294	110,421
Total current assets	2,750,583	12,145,108	903,745
Noncurrent assets:			
Restricted cash and investments	-	-	624,373
Lease receivable	2,529,173	-	2,509
Capital assets:			
Land	2,977,470	-	-
Buildings	26,419,062	27,182,675	3,754,060
Improvements other than buildings	51,185,937	555,845	418,768
Equipment	2,394,808	1,670,203	525,568
Museum collections	-	-	2,657,924
Construction work in progress	1,609,671	79,474	-
Lease, right-of-use assets, net of accumulated amortization	-	-	-
Less: accumulated depreciation	(48,121,005)	(16,497,026)	(2,621,961)
Total capital assets	36,465,943	12,991,171	4,734,359
Total noncurrent assets	38,995,116	12,991,171	5,361,241
Total assets	41,745,699	25,136,279	6,264,986
Liabilities			
Current liabilities:			
Accounts payable	113,331	91,542	10,266
Accrued liabilities	53,955	612,502	31,196
Unearned revenue	501,517	219,621	-
Due to other funds	-	-	-
Compensated absences payable	69,206	117,760	81,089
Lease liability	-	-	-
Bonds payable	-	-	-
Accrued interest payable	-	-	-
Current liabilities payable from restricted assets:			
Accounts payable	-	-	-
Total current liabilities	738,009	1,041,425	122,551
Noncurrent liabilities:			
Advances from other funds	-	-	-
Compensated absences payable	-	78,077	140,214
Lease liability	-	-	-
Bonds payable	-	-	-
Total noncurrent liabilities	-	78,077	140,214
Total liabilities	738,009	1,119,502	262,765
Deferred inflows of resources:			
Deferred inflows on leases	2,727,487	-	3,144
Total deferred inflows of resources	2,727,487	-	3,144
Total liabilities and deferred inflows of resources	3,465,496	1,119,502	265,909
Net position			
Net investment in capital assets	36,465,943	12,991,171	5,358,732
Restricted for:			

See accompanying independent auditor's report.

Capital projects	522,189	-	124,284
Unrestricted	<u>1,292,071</u>	<u>11,025,606</u>	<u>516,061</u>
Total net position	<u>\$ 38,280,203</u>	<u>\$ 24,016,777</u>	<u>\$ 5,999,077</u>

See accompanying independent auditor's report.

FINANCIAL SECTION

Transit Services Fund	Cottonwood		Totals	
	Creek Golf Course Fund	Drainage (Stormwater) Utility Fund	2024	2023
\$ -	\$ 2,872,582	\$ 4,984,872	\$ 21,719,050	\$ 21,976,580
171,935	-	-	171,935	701,728
349,171	-	1,019,432	2,127,813	2,014,598
65,272	-	-	337,747	530,699
1,319,213	-	-	2,082,653	4,459,103
-	-	-	-	-
-	-	41,031	41,031	-
708,367	271,075	-	1,122,157	1,131,696
<u>2,613,958</u>	<u>3,143,657</u>	<u>6,045,335</u>	<u>27,602,386</u>	<u>30,814,404</u>
-	-	8,920,962	9,545,335	12,432,887
93,058	-	-	2,624,740	2,839,215
423,284	-	280,429	3,681,183	3,670,281
6,815,401	713,389	-	64,884,587	54,091,455
244,951	2,017,246	13,819,444	68,242,191	62,397,817
14,123,638	1,573,219	793,229	21,080,665	20,932,354
-	-	-	2,657,924	2,657,924
1,199,735	-	1,377,280	4,266,160	11,258,669
-	226,430	161,914	388,344	426,539
(16,484,357)	(3,955,940)	(801,019)	(88,481,308)	(82,963,292)
<u>6,322,652</u>	<u>574,344</u>	<u>15,631,277</u>	<u>76,719,746</u>	<u>72,471,747</u>
<u>6,415,710</u>	<u>574,344</u>	<u>24,552,239</u>	<u>88,889,821</u>	<u>87,743,849</u>
<u>9,029,668</u>	<u>3,718,001</u>	<u>30,597,574</u>	<u>116,492,207</u>	<u>118,558,253</u>
61,798	85,158	57,494	419,589	1,087,740
83,011	1,604,393	71,607	2,456,664	2,007,911
79,500	-	-	800,638	597,724
1,836,399	-	-	1,836,399	3,692,356
-	81,447	51,602	401,104	490,329
-	-	36,387	36,387	150,081
-	-	420,000	420,000	360,000
-	-	90,986	90,986	139,714
-	-	114,170	114,170	57,161
<u>2,060,708</u>	<u>1,770,998</u>	<u>842,246</u>	<u>6,575,937</u>	<u>8,583,016</u>
-	693,704	-	693,704	693,704
-	155,223	-	373,514	349,863
-	-	-	-	50,332
-	-	13,748,235	13,748,235	14,334,174
-	848,927	13,748,235	14,815,453	15,428,073
<u>2,060,708</u>	<u>2,619,925</u>	<u>14,590,481</u>	<u>21,391,390</u>	<u>24,011,089</u>
156,843	-	-	2,887,474	3,320,307
156,843	-	-	2,887,474	3,320,307
<u>2,217,551</u>	<u>2,619,925</u>	<u>14,590,481</u>	<u>24,278,864</u>	<u>27,331,396</u>
6,322,652	574,344	10,347,617	72,060,459	70,010,047
-	-	-	646,473	591,295
<u>489,465</u>	<u>523,732</u>	<u>5,659,476</u>	<u>19,506,411</u>	<u>20,625,515</u>

See accompanying independent auditor's report.

<u>\$ 6,812,117</u>	<u>\$ 1,098,076</u>	<u>\$ 16,007,093</u>	<u>\$ 92,213,343</u>	<u>\$ 91,226,857</u>
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See accompanying independent auditor's report.

**Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
Year Ended September 30, 2024
(With Comparative Totals for the Year Ended September 30, 2023)**

	Airport Fund	Convention Services Fund	Ranger Hall of Fame Fund
Operating revenues:			
Charges for services	\$ 495,029	\$ 1,211,622	\$ 443,425
Net merchandise sales	-	377,648	174,816
Contributions	-	42,404	19,788
Other	520,395	162,518	7,253
Total operating revenues	<u>1,015,424</u>	<u>1,794,192</u>	<u>645,282</u>
Operating expenses:			
Salaries and wages	671,249	1,563,582	980,954
Employee benefits	304,430	709,295	390,228
Purchased professional/technical services	720,004	658,531	266,605
Purchased property services	24,466	53,020	11,087
Maintenance	102,922	330,147	128,489
Other purchased services	143,798	3,118,575	73,004
Supplies	179,560	348,299	77,589
Other	-	1,412,450	42,105
Depreciation/amortization	3,218,005	922,752	163,386
Total operating expenses	<u>5,364,434</u>	<u>9,116,651</u>	<u>2,133,447</u>
Operating income (loss)	<u>(4,349,010)</u>	<u>(7,322,459)</u>	<u>(1,488,165)</u>
Nonoperating revenues (expenses):			
Investment earnings	136,778	571,698	75,496
Other income	2,357	37	-
Hotel/motel tax	-	7,377,490	-
Contributions	-	-	-
Intergovernmental revenue	694,960	-	-
Interest expense and fiscal charges	103	-	-
Bond issuance cost	-	-	-
Gain (loss) on disposal of capital assets	-	-	-
Total nonoperating revenues (expenses)	<u>834,198</u>	<u>7,949,225</u>	<u>75,496</u>
Income (loss) before contributions and transfers	(3,514,812)	626,766	(1,412,669)
Capital contributions	1,689,781	-	-
Transfers in	52,499	-	1,250,000
Transfers out	(210)	(152,055)	-
Change in net position	<u>(1,772,742)</u>	<u>474,711</u>	<u>(162,669)</u>
Total net position, beginning of year - previously stated	<u>40,052,945</u>	<u>23,542,066</u>	<u>6,161,746</u>
Changes within reporting entity	-	-	-
Total net position, beginning of year - adjusted	<u>40,052,945</u>	<u>23,542,066</u>	<u>6,161,746</u>
Total net position, end of year	<u>38,280,203</u>	<u>24,016,777</u>	<u>5,999,077</u>

See accompanying independent auditor's report.

Transit Services Fund	Cottonwood Creek Golf Course Fund	Drainage (Stormwater) Utility Fund	Totals	
			2024	2023
\$ 1,140,810	\$ 2,077,621	\$ 8,270,343	\$ 13,638,850	\$ 11,706,845
-	354,658	-	907,122	882,886
-	-	-	62,192	46,790
1,174,028	16,889	-	1,881,083	2,005,128
<u>2,314,838</u>	<u>2,449,168</u>	<u>8,270,343</u>	<u>16,489,247</u>	<u>14,641,649</u>
3,680,815	659,358	1,416,754	8,972,712	8,269,814
906,428	280,397	564,947	3,155,725	2,784,819
479,606	835,653	2,110,186	5,070,585	4,232,352
23,535	372,031	12,039	496,178	781,282
711,030	192,831	13,712	1,479,131	1,343,881
567,675	86,311	166,309	4,155,672	3,245,429
1,055,991	309,746	118,891	2,090,076	1,910,827
503,207	64,585	752,167	2,774,514	3,995,857
841,299	215,772	403,856	5,765,070	5,191,010
<u>8,769,586</u>	<u>3,016,684</u>	<u>5,558,861</u>	<u>33,959,663</u>	<u>31,755,271</u>
<u>(6,454,748)</u>	<u>(567,516)</u>	<u>2,711,482</u>	<u>(17,470,416)</u>	<u>(17,113,622)</u>
1,188	145,965	230,621	1,161,746	756,396
24	-	-	2,418	7,126
-	-	-	7,377,490	6,475,224
-	-	-	-	60,567
5,085,577	-	-	5,780,537	12,353,067
-	(1,875)	(389,001)	(390,773)	(393,433)
-	-	-	-	-
-	(13,824)	-	(13,824)	(12,800)
<u>5,086,789</u>	<u>130,266</u>	<u>(158,380)</u>	<u>13,917,594</u>	<u>19,246,147</u>
(1,367,959)	(437,250)	2,553,102	(3,552,822)	2,132,525
89,637	-	1,110,036	2,889,454	3,972,791
-	500,000	-	1,802,499	1,750,000
(12)	-	(368)	(152,645)	(150,736)
<u>(1,278,334)</u>	<u>62,750</u>	<u>3,662,770</u>	<u>986,486</u>	<u>7,704,580</u>
<u>8,090,451</u>	<u>1,035,326</u>	<u>12,344,323</u>	<u>91,226,857</u>	<u>93,253,273</u>
-	-	-	-	(9,730,996)
<u>8,090,451</u>	<u>1,035,326</u>	<u>12,344,323</u>	<u>91,226,857</u>	<u>83,522,277</u>
<u>6,812,117</u>	<u>1,098,076</u>	<u>16,007,093</u>	<u>92,213,343</u>	<u>91,226,857</u>

See accompanying independent auditor's report.

**Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2024
(With Comparative Totals for September 30, 2023)**

	Airport Fund	Convention Services Fund	Ranger Hall of Fame Fund
Cash flows from operating activities:			
Cash received from customers	\$ 1,149,680	\$ 1,849,161	\$ 644,558
Cash paid to suppliers for goods and services	(1,124,115)	(5,381,695)	(612,387)
Cash paid to employees for services	(1,037,208)	(2,290,216)	(1,338,244)
Net cash provided by (used for) operating activities	(1,011,643)	(5,822,750)	(1,306,073)
Cash flows from noncapital financing activities:			
Intergovernmental revenue	1,173,597	-	-
Contributions	-	-	-
Hotel/motel tax	-	7,377,490	-
Passenger facility charges	2,357	-	-
Other nonoperating income	-	-	-
Transfers from other funds	52,499	-	1,250,000
Transfers to other funds	(210)	(150,000)	-
Net cash provided by (used for) noncapital financing activities	1,228,243	7,227,490	1,250,000
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(3,643,900)	(35,180)	(7,478)
Principal paid on debt	103	-	-
Interest paid on debt	-	-	-
Proceeds from sale of debt	-	-	-
Payment of bond issuance costs	-	-	-
Payments in lieu of drainage facilities	1,898	-	-
Principal payments for lease assets	1,689,781	-	-
Capital contributions	(1,791)	-	-
Proceeds from insurance recoveries	-	-	-
Net cash provided by (used for) capital and related financing activities	(1,953,909)	(35,180)	(7,478)
Cash flows from investing activities:			
Investment earnings	136,778	571,698	75,496
Net cash provided by (used for) investing activities	136,778	571,698	75,496
Net increase (decrease) in cash and cash equivalents	(1,600,531)	1,941,258	11,945
Cash and cash equivalents, beginning of year	3,236,965	9,491,980	1,404,352
Cash and cash equivalents, end of year	\$ 1,636,434	\$ 11,433,238	\$ 1,416,297

See accompanying independent auditor's report.

Transit Services Fund	Cottonwood Creek Golf Course Fund	Drainage (Stormwater) Utility Fund	Totals	
			2024	2023
\$ 2,389,046	\$ 2,449,169	\$ 8,010,398	\$ 16,492,012	\$ 14,480,404
(3,336,480)	(1,479,392)	(3,230,583)	(15,164,652)	(14,881,107)
(4,567,441)	(907,737)	(2,019,778)	(12,160,624)	(10,880,014)
<u>(5,514,875)</u>	<u>62,040</u>	<u>2,760,037</u>	<u>(10,833,264)</u>	<u>(11,280,717)</u>
6,843,183	-	-	8,016,780	10,602,325
-	-	-	-	60,567
-	-	-	7,377,490	6,475,074
-	-	-	2,357	7,126
24	-	-	24	-
529,793	500,000	-	2,332,292	4,259,558
(1,855,979)	-	-	(2,006,189)	(150,736)
<u>5,517,021</u>	<u>500,000</u>	<u>-</u>	<u>15,722,754</u>	<u>21,253,914</u>
(92,971)	(269,979)	(5,817,782)	(9,867,290)	(6,812,761)
-	-	(360,000)	(359,897)	-
-	-	(603,668)	(603,668)	(493,452)
-	-	-	-	2,690,056
-	-	-	-	-
-	-	-	1,898	-
89,637	(91,200)	(53,788)	1,634,430	(144,243)
-	-	-	(1,791)	2,731,746
-	-	-	-	-
<u>(3,334)</u>	<u>(361,179)</u>	<u>(6,835,238)</u>	<u>(9,196,318)</u>	<u>(2,028,654)</u>
1,188	145,965	230,621	1,161,746	756,396
<u>1,188</u>	<u>145,965</u>	<u>230,621</u>	<u>1,161,746</u>	<u>756,396</u>
-	346,826	(3,844,580)	(3,145,082)	8,700,939
-	2,525,756	17,750,414	34,409,467	25,708,528
<u>\$ -</u>	<u>\$ 2,872,582</u>	<u>\$ 13,905,834</u>	<u>\$ 31,264,385</u>	<u>\$ 34,409,467</u>

See accompanying independent auditor's report.

FINANCIAL SECTION

	Airport Fund	Convention Services Fund	Ranger Hall of Fame Fund
Reconciliation of operating income (loss)			
to net cash used for operating activities:			
Operating income (loss)	(4,349,010)	(7,322,459)	(1,488,165)
Adjustment to reconcile operating income (loss)			
to net cash used for operating activities:			
Provision for uncollectible accounts receivable	-	-	-
Depreciation/Amortization	3,218,005	922,752	163,386
Other nonoperating income	-	-	875
Changes in assets and liabilities:			
Decrease (increase) in assets:			
Accounts receivable	(6,553)	82,451	(714)
Lease receivable	341,940	-	675
Inventory	-	28,134	(11,920)
Prepaid Assets	-	-	-
Increase (decrease) in liabilities			
Accounts payable	(14,894)	34,041	(1,949)
Accrued liabilities	-	483,194	1,402
Deferred inflow-leases	(367,248)	-	(685)
Unearned revenue	227,646	(27,482)	-
Compensated absences payable	(61,529)	(23,381)	31,022
Net cash provided by (used for) operating activities	<u>(1,011,643)</u>	<u>(5,822,750)</u>	<u>(1,306,073)</u>
Noncash investing, capital and financing activities:			
Contributions of capital assets	-	-	-
Lease, right-of-use assets	-	-	-

Additionally, variances in capital contributions per the statement of revenues, expenses and changes in net position - proprietary funds as compared to capital contributions from capital and related financing activities and noncash investing, capital and financing activities result from changes in the following item: intergovernmental accounts receivables, accounts payable and accrued liabilities related to capital items.

See accompanying independent auditor's report.

Transit Services Fund	Cottonwood Creek Golf Course Fund	Drainage (Stormwater) Utility Fund	Totals	
			2024	2023
(6,454,748)	(567,516)	2,711,482	(17,470,416)	(17,113,622)
-	-	5,529	5,529	11,918
841,299	215,773	403,856	5,765,071	5,191,010
-	-	-	875	-
71,546	-	(265,474)	(118,744)	(416,571)
64,812	-	-	407,427	118,633
(5,058)	(1,617)	-	9,539	(190,578)
-	-	(41,031)	(41,031)	7,600
4,235	56,163	(27,818)	49,778	130,405
25,189	329,409	15,007	854,201	709,861
(64,900)	-	-	(432,833)	(145,640)
2,750	-	-	202,914	270,167
-	29,828	(41,514)	(65,574)	146,100
<u>(5,514,875)</u>	<u>62,040</u>	<u>2,760,037</u>	<u>(10,833,264)</u>	<u>(11,280,717)</u>
-	-	1,110,036	1,110,036	1,246,045
-	-	-	-	28,023

See accompanying independent auditor's report.





Airport Fund



Airport Fund
Comparative Statements of Net Position
September 30, 2024 and 2023

	Airport Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 1,636,434	\$ 3,236,965
Accounts receivable, net of allowances	78,920	72,367
Lease receivable	271,789	465,125
Intergovernmental receivable	763,440	1,382,284
Total current assets	2,750,583	5,156,741
Noncurrent assets:		
Lease receivable	2,529,173	2,677,777
Capital assets:		
Land	2,977,470	2,977,470
Buildings	26,419,062	15,625,930
Improvements other than buildings	51,185,937	50,983,937
Equipment	2,394,808	2,394,808
Construction work in progress	1,609,671	9,956,267
Lease, right-of-use assets	-	7,748
Less: accumulated depreciation and amortization	(48,121,005)	(44,904,791)
Total capital assets	36,465,943	37,041,369
Total noncurrent assets	38,995,116	39,719,146
Total assets	41,745,699	44,875,887
Liabilities		
Current liabilities:		
Accounts payable	113,331	847,029
Accrued liabilities	53,955	470,722
Unearned revenue	501,517	273,871
Compensated absences payable	69,206	69,960
Lease liability	-	1,977
Total current liabilities	738,009	1,663,559
Noncurrent liabilities:		
Compensated absences payable	-	60,775
Lease liability	-	3,873
Total noncurrent liabilities	-	64,648
Total liabilities	738,009	1,728,207
Deferred inflows of resources:		
Deferred inflows on leases	2,727,487	3,094,735
Total deferred inflows of resources	2,727,487	3,094,735
Total liabilities and deferred inflows of resources	3,465,496	4,822,942
Net Position:		
Net Investment in capital assets	36,465,943	37,035,519
Restricted for:		
Capital projects	522,189	480,799
Unrestricted	1,292,071	2,536,627
Total net position	\$ 38,280,203	\$ 40,052,945

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Airport Fund	
	2024	2023
Operating revenues:		
Charges for services	\$ 495,029	\$ 428,126
Other	520,395	553,692
Total operating revenues	1,015,424	981,818
Operating expenses:		
Salaries and wages	671,249	685,832
Employee benefits	304,430	269,276
Purchased professional/technical services	720,004	445,342
Purchased property services	24,466	24,925
Maintenance	102,922	285,205
Other purchased services	143,798	103,305
Supplies	179,560	165,522
Other	-	927,603
Depreciation/amortization	3,218,005	2,854,458
Total operating expenses	5,364,434	5,761,468
Operating income (loss)	(4,349,010)	(4,779,650)
Nonoperating revenues (expenses):		
Investment earnings	136,778	179,151
Other Income	2,357	7,126
Contributions	-	3,000
Intergovernmental Revenue	694,960	7,187,083
Interest expense and fiscal charges	103	(29,118)
Total nonoperating revenues (expenses)	834,198	7,347,242
Income (loss) before contributions and transfers	(3,514,812)	2,567,592
Capital contributions	1,689,781	2,133,052
Transfers in	52,499	-
Transfers out	(210)	-
Change in net position	(1,772,742)	4,700,644
Total net position, beginning of year	40,052,945	35,352,301
Total net position, end of year	\$ 38,280,203	\$ 40,052,945

See accompanying independent auditor's report.

**Comparative Statements of Cash Flows
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Airport Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 1,149,680	\$ 1,127,267
Cash paid to suppliers for goods and services	(1,124,115)	(1,932,722)
Cash paid to employees for services	(1,037,208)	(923,854)
Net cash provided by (used for) operating activities	(1,011,643)	(1,729,309)
Cash flows from noncapital financing activities:		
Intergovernmental revenue	1,173,597	7,187,083
Contributions	-	3,000
Passenger facility charges	2,357	7,126
Transfer from other funds	52,499	-
Transfer to other funds	(210)	-
Net cash provided by (used for) noncapital financing activities	1,228,243	7,197,209
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(3,643,900)	(4,658,690)
Interest paid on debt	103	(29,118)
Principal and interest payments for lease assets	1,898	(1,898)
Capital contributions	1,689,781	2,133,052
Proceeds from disposal of Capital Assets	(1,791)	-
Net cash provided by (used for) capital and related financing activities	(1,953,909)	(2,556,654)
Cash flows from investing activities:		
Investment earnings	136,778	179,151
Net cash provided by investing activities	136,778	179,151
Net increase (decrease) in cash and cash equivalents	(1,600,531)	3,090,397
Cash and cash equivalents, beginning of year	3,236,965	146,568
Cash and cash equivalents, end of year	\$ 1,636,434	\$ 3,236,965
Reconciliation of operating income (loss) to net cash used for operating activities:		
Operating income (loss)	(4,349,010)	(4,779,650)
Adjustments to reconcile operating loss to net cash provided (used) by for operating activities:		
Depreciation/amortization	3,218,005	2,854,458
Other nonoperating income		-
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	(6,553)	(40,121)
Lease receivable	341,940	53,565
Increase (decrease) in liabilities:		
Accounts payable	(14,894)	20,904
Accrued liabilities	-	2,144
Deferred inflow-leases	(367,248)	(80,053)
Unearned revenue	227,646	212,057
Compensated absences payable	(61,529)	27,387
Net cash provided by (used for) operating activities	(1,011,643)	(1,729,309)
Noncash investing, capital, and related financing activities:		
Contributions of capital assets	-	-
Lease, right-of-use assets,	-	7,748

Noncash investing, capital, and financing activities:

Additionally, variances in capital contributions per the statement of revenues, expenses and changes in net position - proprietary funds as compared to capital contributions from capital and related financing activities and noncash investing, capital and financing activities result from changes in the following items: intergovernmental accounts receivable, account payable and accrued liabilities related to capital items.

See accompanying independent auditor's report.



Convention Services Fund



**Comparative Statement of Net Position
Nonmajor Services Funds
September 30, 2024 and 2023**

	Convention Services Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 11,433,238	\$ 9,491,980
Accounts receivable, net of allowances	679,576	762,027
Inventories	32,294	60,428
Total current assets	12,145,108	10,314,435
Noncurrent assets:		
Capital assets:		
Buildings	27,182,675	27,182,675
Improvements other than buildings	555,845	555,845
Equipment	1,670,203	1,792,607
Construction in progress	79,474	44,294
Lease, right-of-use assets	-	9,320
Less: Accumulated depreciation and amortization	(16,497,026)	(15,697,066)
Total capital assets	12,991,171	13,887,675
Total noncurrent assets	12,991,171	13,887,675
Total assets	25,136,279	24,202,110
Liabilities		
Current liabilities:		
Accounts payable	91,542	57,501
Accrued liabilities	612,502	129,308
Unearned revenue	219,621	247,103
Compensated absences payable	117,760	150,717
Lease liability	-	2,256
Total current liabilities	1,041,425	586,885
Noncurrent liabilities:		
Compensated absences payable	78,077	68,501
Lease liability	-	4,658
Total noncurrent liabilities	78,077	73,159
Total liabilities	1,119,502	660,044
Net Position		
Net investment capital assets	12,991,171	13,880,761
Unrestricted	11,025,606	9,661,305
Total net position	\$ 24,016,777	\$ 23,542,066

See accompanying independent auditor's report.

**Comparative Statements of Revenue, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Convention Services Fund	
	2024	2023
Operating revenue:		
Charges for services	\$ 1,211,622	\$ 1,137,364
Net merchandise sales	377,648	370,366
Contributions	42,404	46,790
Other	162,518	48,737
Total operating revenue	1,794,192	1,603,257
Operating expenses:		
Salaries and wages	1,563,582	1,448,987
Employee benefits	709,295	645,590
Purchased professional/technical services	658,531	771,624
Purchased property services	53,020	49,689
Maintenance	330,147	290,337
Other purchased services	3,118,575	2,275,134
Supplies	348,299	357,817
Other	1,412,450	1,125,114
Depreciation/amortization	922,752	915,099
Total operating expenses	9,116,651	7,879,391
Operating income (loss)	(7,322,459)	(6,276,134)
Nonoperating revenues (expenses):		
Investment earnings	571,698	339,078
Other income	37	-
Hotel/motel tax	7,377,490	6,475,224
Interest expense and fiscal charges	-	(28)
Gain (loss) on disposal of capital assets	-	(12,800)
Total nonoperating revenues (expenses)	7,949,225	6,801,474
Income (loss) before contributions and transfers	626,766	525,340
Transfers out	(152,055)	(150,217)
Change in net position	474,711	375,123
Total net position, beginning of year	23,542,066	23,166,943
Total net position, end of year	\$ 24,016,777	\$ 23,542,066

See accompanying independent auditor's report.

**Comparative Statements of Cash Flows
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Convention Services Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 1,849,161	\$ 1,628,275
Cash paid to suppliers for goods and services	(5,381,695)	(4,796,643)
Cash paid to employees for services	(2,290,216)	(2,012,989)
Net cash provided by (used for) operating activities	(5,822,750)	(5,181,357)
Cash flows from noncapital financing activities:		
Hotel/motel tax	7,377,490	6,475,074
Transfer to other funds	(150,000)	(150,217)
Net cash provided by (used for) noncapital financing activities	7,227,490	6,324,857
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(35,180)	(229,750)
Interest paid on debt	-	(28)
Principal payments for lease assets	-	(1,809)
Net cash provided by (used for) capital and related financing activities	(35,180)	(231,587)
Cash flows from investing activities:		
Investment earnings	571,698	339,078
Net cash provided by investing activities	571,698	339,078
Net increase (decrease) in cash and cash equivalents	1,941,258	1,250,991
Cash and cash equivalents, beginning of year	9,491,980	8,240,989
Cash and cash equivalents, end of year	\$ 11,433,238	\$ 9,491,980
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	(7,322,459)	(6,276,134)
Adjustments to reconcile operating income (loss) to net cash provided (used for) operating activities:		
Depreciation/ amortization	922,752	915,099
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	82,451	(40,583)
Lease receivable		
Inventory	28,134	15,357
Prepaid Assets		
Increase (decrease) in liabilities:		
Accounts payable	34,041	(486)
Accrued liabilities	483,194	68,242
Deferred inflow-leases		
Unearned revenue	(27,482)	65,360
Compensated absences payable	(23,381)	71,788
Net cash provided by (used for) operating activities	(5,822,750)	(5,181,357)
Noncash investing, capital, and financing activities:		
Lease, right-of-use assets	-	9,320

See accompanying independent auditor's report.



Ranger Hall of Fame Fund



**Comparative Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2024 and 2023**

	Ranger Hall of Fame Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 791,924	\$ 666,710
Accounts receivable, net of allowance	714	-
Lease receivable	686	679
Inventory	110,421	98,501
Total current assets	903,745	765,890
Noncurrent assets:		
Restricted cash and investments	624,373	737,642
Lease receivable	2,509	3,191
Capital assets:		
Buildings	3,754,060	3,754,060
Improvements other than buildings	418,768	418,768
Equipment	525,568	518,090
Museum collections	2,657,924	2,657,924
Less: Accumulated depreciation and amortization	(2,621,961)	(2,458,575)
Total capital assets	4,734,359	4,890,267
Total noncurrent assets	5,361,241	5,631,100
Total assets	6,264,986	6,396,990
Liabilities		
Current liabilities:		
Accounts payable	10,266	11,340
Accrued liabilities	31,196	29,794
Compensated absences payable	81,089	91,572
Total current liabilities	122,551	132,706
Noncurrent liabilities:		
Compensated absences payable	140,214	98,709
Total noncurrent liabilities	140,214	98,709
Total liabilities	262,765	231,415
Deferred inflows of resources:		
Deferred inflows on leases	3,144	3,829
Total deferred inflows of resources	3,144	3,829
Total liabilities and deferred inflows of resources	265,909	235,244
Net Position		
Net investment in capital assets	5,358,732	5,627,909
Restricted for:		
Capital projects	124,284	110,496
Unrestricted	516,061	423,341
Total net position	\$ 5,999,077	\$ 6,161,746

See accompanying independent auditor's report.

**Comparative Statements of Revenue, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Ranger Hall of Fame Fund	
	2024	2023
Operating revenue:		
Charges for services	\$ 443,425	\$ 440,619
Net merchandise sales	174,816	148,254
Contributions	19,788	-
Other	7,253	12,693
Total operating revenue	645,282	601,566
Operating expenses:		
Salaries and wages	980,954	991,530
Employee benefits	390,228	356,239
Purchased professional/technical services	266,605	268,707
Purchased property services	11,087	9,311
Maintenance	128,489	7,671
Other purchased services	73,004	60,665
Supplies	77,589	94,600
Other	42,105	24,287
Depreciation/amortization	163,386	163,625
Total operating expenses	2,133,447	1,976,635
Operating income (loss)	(1,488,165)	(1,375,069)
Nonoperating revenues (expenses):		
Investment earnings	75,496	51,879
Contributions	-	57,567
Total nonoperating revenues (expenses)	75,496	109,446
Income (loss) before contributions and transfers	(1,412,669)	(1,265,623)
Transfers in	1,250,000	1,250,000
Transfers out	-	(164)
Change in net position	(162,669)	(15,787)
Total net position, beginning of year	6,161,746	6,177,533
Total net position, end of year	\$ 5,999,077	\$ 6,161,746

See accompanying independent auditor's report.

**Comparative Statements of Cash Flows
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Ranger Hall of Fame Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 644,558	\$ 619,556
Cash paid to suppliers for goods and services	(612,387)	(459,089)
Cash paid to employees for services	(1,338,244)	(1,343,448)
Net cash provided by (used for) operating activities	(1,306,073)	(1,182,981)
Cash flows from noncapital financing activities:		
Contributions	-	57,567
Transfers from other funds	1,250,000	1,250,000
Transfers to other funds	-	(164)
Net cash provided by (used for) noncapital financing activities	1,250,000	1,307,403
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(7,478)	(34,309)
Principal and interest payments for lease assets	-	160
Net cash provided by (used for) capital and related financing activities	(7,478)	(34,149)
Cash flows from investing activities:		
Investment earnings	75,496	51,879
Net cash provided by investing activities	75,496	51,879
Net increase (decrease) in cash and cash equivalents	11,945	142,152
Cash and cash equivalents, beginning of year	1,404,352	1,262,200
Cash and cash equivalents, end of year	\$ 1,416,297	\$ 1,404,352
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	(1,488,165)	(1,375,069)
Adjustments to reconcile operating loss to net cash provided (used) by for operating activities:		
Depreciation/amortization	163,386	163,625
Other nonoperating income	875	-
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	(714)	18,000
Lease receivable	675	669
Inventory	(11,920)	(753)
Increase (decrease) in liabilities:		
Accounts payable	(1,949)	3,539
Accrued liabilities	1,402	3,373
Deferred inflow-leases	(685)	(686)
Compensated absences payable	31,022	4,321
Net cash provided by (used for) operating activities	(1,306,073)	(1,182,981)
Noncash investing, capital, and financing activities:		
Contributions of capital assets	-	-

See accompanying independent auditor's report.



Transit Services Fund



**Comparative Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2024 and 2023**

	Transit Services Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ -	\$ -
Due from other funds	171,935	701,728
Accounts receivable, net of allowances	349,171	420,717
Lease receivable	65,272	64,895
Intergovernmental receivable	1,319,213	3,076,819
Inventory	708,367	703,309
Total current assets	2,613,958	4,967,468
Noncurrent assets:		
Lease receivables	93,058	158,247
Capital assets:		
Land	423,284	423,284
Buildings	6,815,401	6,815,401
Improvements other than buildings	244,951	244,951
Equipment	14,123,638	14,030,667
Construction work in progress	1,199,735	1,199,735
Lease, right-of-use assets	-	755
Less: accumulated depreciation and amortization	(16,484,357)	(15,643,246)
Total capital assets	6,322,652	7,071,547
Total noncurrent assets	6,415,710	7,229,794
Total assets	9,029,668	12,197,262
Liabilities		
Current liabilities:		
Accounts payable	61,798	57,563
Accrued liabilities	83,011	57,822
Unearned revenue	79,500	76,750
Due to other funds	1,836,399	3,692,356
Lease liability	-	200
Total current liabilities	2,060,708	3,884,691
Noncurrent liabilities:		
Lease liability	-	377
Total noncurrent liabilities	-	377
Total liabilities	2,060,708	3,885,068
Deferred inflows of resources:		
Deferred inflows on leases	156,843	221,743
Total deferred inflows of resources	156,843	221,743
Total liabilities and deferred inflows of resources	2,217,551	4,106,811
Net Position		
Net Investment in capital assets	6,322,652	7,070,970
Unrestricted	489,465	1,019,481
Total net position	\$ 6,812,117	\$ 8,090,451

See accompanying independent auditor's report.

**Comparative Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Transit Services Fund	
	2,024	2,023
Operating revenues:		
Charges for services	\$ 1,140,810	\$ 985,892
Other	1,174,028	1,384,209
Total operating revenues	2,314,838	2,370,101
Operating expenses:		
Salaries and wages	3,680,815	3,309,948
Employee benefits	906,428	818,063
Purchased professional/technical services	479,606	623,036
Purchased property services	23,535	27,127
Maintenance	711,030	589,625
Other purchased services	567,675	696,400
Supplies	1,055,991	922,432
Other	503,207	480,560
Depreciation	841,299	762,549
Total operating expenses	8,769,586	8,229,740
Operating loss	(6,454,748)	(5,859,639)
Nonoperating revenues (expenses):		
Investment earnings	1,188	1,603
Other income	24	-
Intergovernmental revenue	5,085,577	5,165,984
Interest expense and fiscal charges	-	(24)
Total nonoperating revenues	5,086,789	5,167,563
Income before capital contributions and transfers	(1,367,959)	(692,076)
Capital contributions	89,637	598,694
Transfers out	(12)	-
Change in net position	(1,278,334)	(93,382)
Total net positon, beginning of year	8,090,451	8,183,833
Total net position, end of year	\$ 6,812,117	\$ 8,090,451

See accompanying independent auditor's report.

**Comparative Statements of Cash Flows
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Transit Services Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 2,389,046	\$ 2,255,609
Cash paid to suppliers for goods and services	(3,336,480)	(3,474,764)
Cash paid to employees for services	(4,567,441)	(4,138,097)
Net cash provided by (used for) operating activities	(5,514,875)	(5,357,252)
Cash flows from noncapital financing activities:		
Intergovernmental revenue	6,843,183	3,415,242
Other nonoperating income	24	-
Transfer from other funds	529,793	2,509,558
Transfer to other funds	(1,855,979)	-
Net cash provided by (used for) noncapital financing activities	5,517,021	5,924,800
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(92,971)	(1,167,644)
Interest paid on debt	-	(24)
Principal and interest payments for lease assets	-	(177)
Capital contributions	89,637	598,694
Net cash provided by (used for) capital and related financing activities	(3,334)	(569,151)
Cash flows from investing activities:		
Investment earnings	1,188	1,603
Net cash provided by (used for) investing activities	1,188	1,603
Cash and cash equivalents, beginning of year	-	-
Cash and cash equivalents, end of year	\$ -	\$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	(6,454,748)	(5,859,639)
Adjustments to reconcile operating loss to net cash provided (used) by for operating activities:		
Depreciation/amortization	841,299	762,549
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	71,546	(106,740)
Lease receivable	64,812	64,399
Inventory	(5,058)	(162,242)
Increase (decrease) in liabilities:		
Accounts payable	4,235	28,473
Accrued liabilities	25,189	(11,901)
Deferred inflow-leases	(64,900)	(64,901)
Unearned revenue	2,750	(7,250)
Net cash provided by (used for) operating activities	(5,514,875)	(5,357,252)
Noncash capital, and related financing activities:		
Lease, right-of-use assets,	-	754

See accompanying independent auditor's report.



Cottonwood Creek Golf
Course Fund



**Comparative Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2024 and 2023**

	Cottonwood Creek Golf Course Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 2,872,582	\$ 2,525,756
Inventory	271,075	269,458
Total current assets	3,143,657	2,795,214
Noncurrent assets:		
Capital assets:		
Buildings	713,389	713,389
Improvements other than buildings	2,017,246	2,017,246
Equipment	1,573,219	1,426,916
Construction work in progress	-	-
Lease, right-of-use assets	226,430	236,601
Less: accumulated depreciation and amortization	(3,955,940)	(3,860,190)
Total capital assets	574,344	533,962
Total noncurrent assets	574,344	533,962
Total assets	3,718,001	3,329,176
Liabilities		
Current liabilities:		
Accounts payable	85,158	28,995
Accrued liabilities	1,604,393	1,274,984
Compensated absences payable	81,447	84,964
Lease liability	-	89,325
Total current liabilities	1,770,998	1,478,268
Noncurrent liabilities:		
Advances from other funds	693,704	693,704
Compensated absences payable	155,223	121,878
Total noncurrent liabilities	848,927	815,582
Total liabilities	2,619,925	2,293,850
Net position		
Net investment in capital assets	574,344	444,637
Unrestricted	523,732	590,689
Total net position	\$ 1,098,076	\$ 1,035,326

See accompanying independent auditor's report.

**Comparative Statements of Revenue, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Cottonwood Creek Golf Course Fund	
	2024	2023
Operating revenue:		
Charges for services	\$ 2,077,621	\$ 2,044,078
Net merchandise sales	354,658	364,266
Other	16,889	5,797
Total operating revenue	<u>2,449,168</u>	<u>2,414,141</u>
Operating expenses:		
Salaries and wages	659,358	549,569
Employee benefits	280,397	226,503
Purchased professional/technical services	835,653	785,292
Purchased property services	372,031	658,773
Maintenance	192,831	146,531
Other purchased services	86,311	67,399
Supplies	309,746	270,318
Other	64,585	48,476
Depreciation and amortization	215,772	204,611
Total operating expenses	<u>3,016,684</u>	<u>2,957,472</u>
Operating income (loss)	<u>(567,516)</u>	<u>(543,331)</u>
Nonoperating revenues (expenses):		
Investment earnings	145,965	78,228
Interest expense and fiscal charges	(1,875)	(5,563)
Gain (loss) on disposal of capital assets	(13,824)	-
Total nonoperating revenues	<u>130,266</u>	<u>72,665</u>
Income (loss) before contributions and transfers	<u>(437,250)</u>	<u>(470,666)</u>
Transfers in	500,000	500,000
Change in net position	<u>62,750</u>	<u>29,334</u>
Total net position, beginning of year	<u>1,035,326</u>	<u>1,005,992</u>
Total net position, end of year	<u>\$ 1,098,076</u>	<u>\$ 1,035,326</u>

See accompanying independent auditor's report.

**Comparative Statements of Cash Flows
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Cottonwood Creek Golf Course Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 2,449,169	\$ 2,414,141
Cash paid to suppliers for goods and services	(1,479,392)	(1,399,463)
Cash paid to employees for services	(907,737)	(760,874)
Net cash provided by (used for) operating activities	62,040	253,804
Cash flows from noncapital financing activities:		
Transfer from other funds	500,000	500,000
Net cash provided by (used for) noncapital financing activities	500,000	500,000
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(269,979)	(86,191)
Interest paid on debt	-	(5,563)
Principal and interest payments for lease assets	(91,200)	(85,636)
Net cash provided by (used for) capital and related financing activities	(361,179)	(177,390)
Cash flows from investing activities:		
Investment earnings	145,965	78,228
Net cash provided by investing activities	145,965	78,228
Net increase (decrease) in cash and cash equivalents	346,826	654,642
Cash and cash equivalents, beginning of year	2,525,756	1,871,114
Cash and cash equivalents, end of year	\$ 2,872,582	\$ 2,525,756
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	(567,516)	(543,331)
Adjustments to reconcile operating loss to net cash provided (used) by for operating activities:		
Depreciation/amortization	215,773	204,611
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Inventory	(1,617)	(42,940)
Prepaid Assets	-	7,600
Increase (decrease) in liabilities:		
Accounts payable	56,163	(10,400)
Accrued liabilities	329,409	629,483
Compensated absences payable	29,828	8,781
Net cash provided by (used for) operating activities	62,040	253,804
Noncash investing, capital and financing activities:		

See accompanying independent auditor's report.



Drainage (Stormwater) Utility Fund



**Comparative Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2024 and 2023**

	Drainage (Stormwater) Utility Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 4,984,872	\$ 6,055,169
Accounts receivable, net of allowance	1,019,432	759,487
Prepaid expense	41,031	-
Total current assets	6,045,335	6,814,656
Noncurrent assets:		
Restricted cash and investments	8,920,962	11,695,245
Capital assets:		
Land	280,429	269,527
Improvements other than buildings	13,819,444	8,177,070
Equipment	793,229	769,266
Construction work in progress	1,377,280	58,373
Lease, right-of-use assets	161,914	172,115
Less: Accumulated depreciation and amortization	(801,019)	(399,424)
Total capital assets	15,631,277	9,046,927
Total noncurrent assets	24,552,239	20,742,172
Total assets	30,597,574	27,556,828
Deferred outflows of resources		
Deferred outflows on pension liability	-	-
Total deferred outflows of resources	-	-
Total assets and deferred outflows of resources	30,597,574	27,556,828
Liabilities		
Current Liabilities:		
Accounts payable	57,494	85,312
Accrued liabilities	71,607	45,281
Compensated absences payable	51,602	93,116
Lease liability	36,387	56,323
Bonds payable	420,000	360,000
Accrued interest payable	90,986	139,714
Current liabilities payable from restricted assets:		
Accounts payable	114,170	57,161
Total current liabilities	842,246	836,907
Noncurrent Liabilities:		
Lease liability	-	41,424
Bonds payable	13,748,235	14,334,174
Total noncurrent liabilities	13,748,235	14,375,598
Total liabilities	14,590,481	15,212,505
Deferred inflows of resources		
Total deferred inflows of resources	-	-
Total liabilities and deferred inflows of resources	14,590,481	15,212,505
Net position		
Net investment in capital assets	10,347,617	5,950,251
Unrestricted	5,659,476	6,394,072
Total net position	\$ 16,007,093	\$ 12,344,323

See accompanying independent auditor's report.

**Comparative Statements of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Drainage (Stormwater) Utility Fund	
	<u>2024</u>	<u>2023</u>
Operating revenue:		
Charges for services	\$ 8,270,343	\$ 6,670,766
Total operating revenues	<u>8,270,343</u>	<u>6,670,766</u>
Operating expenses:		
Salaries and wages	1,416,754	1,283,948
Employee benefits	564,947	469,148
Purchased professional/technical services	2,110,186	1,338,351
Purchased property services	12,039	11,457
Maintenance	13,712	24,512
Other purchased services	166,309	42,526
Supplies	118,891	100,138
Other	752,167	1,389,817
Depreciation/amortization	403,856	290,668
Total operating expenses	<u>5,558,861</u>	<u>4,950,565</u>
Operating income	<u>2,711,482</u>	<u>1,720,201</u>
Nonoperating revenue (expenses):		
Investment earnings	230,621	106,457
Interest expense and fiscal charges	(389,001)	(358,700)
Total nonoperating revenue (expenses)	<u>(158,380)</u>	<u>(252,243)</u>
Income (loss) before contributions and transfers	2,553,102	1,467,958
Capital contribution	1,110,036	1,241,045
Transfers out	(368)	(355)
Changes in net position	<u>3,662,770</u>	<u>2,708,648</u>
Total net position, beginning of year	<u>12,344,323</u>	<u>9,635,675</u>
Total net position, end of year	<u>\$ 16,007,093</u>	<u>\$ 12,344,323</u>

See accompanying independent auditor's report.

**Comparative Statements of Cash Flows
Nonmajor Enterprise Funds
Years Ended September 30, 2024 and 2023**

	Drainage (Stormwater) Utility Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 8,010,398	\$ 6,435,557
Cash paid to suppliers for goods and services	(3,230,583)	(2,818,427)
Cash paid to employees for services	(2,019,778)	(1,700,752)
Net cash provided by operating activities	2,760,037	1,916,378
Cash flows from noncapital financing activities:		
Transfer to other funds	-	(355)
Net cash provided by (used for) noncapital financing activities	-	(355)
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(5,817,782)	(636,177)
Principal paid on debt	(360,000)	-
Interest paid on debt	(603,668)	(54,883)
Proceeds from sale of debt	-	2,690,056
Payment of bond issuance costs	-	(458,719)
Principal and interest payments for lease assets	(53,788)	-
Net cash used for capital and related financing activities	(6,835,238)	1,540,277
Cash flows from investing activities:		
Investment earnings	230,621	106,457
Net cash provided by investing activities	230,621	106,457
Net increase in cash and cash equivalents	(3,844,580)	3,562,757
Cash and cash equivalents, beginning of year	17,750,414	14,187,657
Cash and cash equivalents, end of year	\$ 13,905,834	\$ 17,750,414
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	2,711,482	1,720,201
Adjustments to reconcile operating income to net cash provided by operating activities:		
Provision for uncollectible accounts receivable	5,529	11,918
Depreciation/amortization	403,856	290,668
Changes in assets and liabilities:		
Decrease (increase) in assets:		
Accounts receivable	(265,474)	(247,127)
Prepaid Assets	(41,031)	-
Increase (decrease) in liabilities:		
Accounts payable	(27,818)	88,375
Accrued liabilities	15,007	18,520
Compensated absences payable	(41,514)	33,823
Net cash provided by (used for) operating activities	2,760,037	1,916,378
Schedule of Noncash capital and related financing activities:		
Contributions of capital assets	1,110,036	1,241,045
Lease, right-of-use assets,	-	10,201

See accompanying independent auditor's report.



Internal Service Funds

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

Risk Management (Insurance) Fund - This fund is used to account for insurance and risk management activities of the City, other than health insurance.

Employee Health Insurance Fund - This fund is used to account for health insurance activities of the City.

Engineering Fund - This fund is used to account for engineering services to other City departments.

Fleet Services Fund - This fund is used to account for the repair and maintenance of motor vehicles for other City departments.

Information Technology Fund - This fund is used to account for the Information Technology products and services for other City departments.

Proprietary Vehicle & Equipment Replacement Fund - This fund is used to account for the replacement of vehicles and equipment in proprietary funds.



**Combining Statement of Net Position
Internal Service Funds
September 30, 2024
(With Comparative Totals for September 30, 2023)**

	Risk	Employee	Engineering	Fleet	Information	Proprietary	Totals	
	Management	Health				Vehicle &		
	Fund	Insurance	Fund	Fund	Technology	Equipment	2024	2023
	Fund	Fund	Fund	Fund	Fund	Fund		
Assets								
Current assets:								
Cash and investments	\$ 11,023,040	\$ 4,499,466	\$ 462,260	\$ 103,521	\$ 793,042	\$ 12,312,029	\$ 29,193,358	\$ 19,673,638
Accounts receivable, net of allowance	83,794	-	-	-	-	-	83,794	84,754
Prepaid asset	-	350,000	-	-	-	-	350,000	350,000
Due from other funds	-	471,837	-	-	-	-	471,837	351,917
Inventories	-	-	-	426,785	-	-	426,785	430,888
Total current assets	11,106,834	5,321,303	462,260	530,306	793,042	12,312,029	30,525,774	20,891,197
Noncurrent assets:								
Capital assets:								
Land	-	-	24,400	14,400	-	-	38,800	38,800
Buildings	-	-	-	920,153	8,283	-	928,436	920,153
Improvements other than buildings	-	-	-	118,289	-	-	118,289	118,289
Equipment	90,353	-	1,073,823	1,175,867	900,107	-	3,240,150	2,740,881
Lease, right-of-use assets	-	-	-	-	2,605,558	-	2,605,558	1,396,236
Subscription-based information technology arrangement	-	217,561	-	-	230,163	-	447,724	572,864
Construction in progress	-	-	-	-	35,601	-	35,601	103,901
Less: accumulated depreciation and amortization	(45,767)	(108,780)	(639,352)	(1,868,692)	(1,605,249)	-	(4,267,840)	(3,247,998)
Total capital assets	44,586	108,781	458,871	360,017	2,174,463	-	3,146,718	2,643,126
Total noncurrent assets	44,586	108,781	458,871	360,017	2,174,463	-	3,146,718	2,643,126
Total assets	11,151,420	5,430,084	921,131	890,323	2,967,505	12,312,029	33,672,492	23,534,323

See accompanying independent auditor's report.

**Combining Statement of Net Position
Internal Service Funds
September 30, 2024
(With Comparative Totals for September 30, 2023)**

	Risk	Employee	Engineering	Fleet	Information	Proprietary	Totals	
	Management	Health				Vehicle &		
	Fund	Insurance	Fund	Services	Technology	Equipment	2024	2023
	Fund	Fund	Fund	Fund	Fund	Fund		
Liabilities								
Current liabilities:								
Accounts payable	312,309	10,767	69,239	120,520	149,015	-	661,850	491,433
Accrued liabilities	145,389	547,274	73,888	60,356	96,179	-	923,086	934,272
Compensated absences payable	2,564	-	175,563	140,544	204,110	-	522,781	630,228
Lease liability	-	-	-	-	525,715	-	525,715	313,418
Subscriptions	-	54,954	-	-	27,669	-	82,623	220,545
Escrow funds	-	-	538	-	-	-	538	538
Estimated claims and judgments payable	3,796,819	1,489,000	-	-	-	-	5,285,819	4,042,728
Total current liabilities	4,257,081	2,101,995	319,228	321,420	1,002,688	-	8,002,412	6,633,162
Noncurrent liabilities:								
Compensated absences payable	-	-	(41,288)	89,189	427,972	-	475,873	286,052
Lease liability	-	-	-	-	719,201	-	719,201	334,194
Subscriptions	-	56,927	-	-	-	-	56,927	139,573
Total noncurrent liabilities	-	56,927	(41,288)	89,189	1,147,173	-	1,252,001	759,819
Total liabilities	4,257,081	2,158,922	277,940	410,609	2,149,861	-	9,254,413	7,392,981
Net position								
Net investment in capital assets	44,586	-	458,871	360,017	817,644	-	1,681,118	1,638,029
Unrestricted	6,849,753	3,271,162	184,320	119,697	-	12,312,029	22,736,961	14,503,313
Total net position	\$ 6,894,339	\$ 3,271,162	\$ 643,191	\$ 479,714	\$ 817,644	\$ 12,312,029	\$ 24,418,079	\$ 16,141,342

See accompanying independent auditor's report.

FINANCIAL SECTION

**Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended September 30, 2024
(With Comparative Totals for Year Ended September 30, 2023)**

	Risk Management Fund	Employee Health Insurance Fund	Engineering Fund	Fleet Services Fund	Information Technology Fund	Proprietary Equipment & Vehicle Replacement Fund	Totals	
							2024	2023
Operating revenues:								
Charges for services	\$ 7,631,788	\$ 19,121,392	\$ 4,460,822	\$ 3,119,691	\$ 9,715,489	\$ 930,156	\$ 44,979,338	\$ 39,548,715
Other	190,231	-	3,840	378	202,086	-	396,535	196,631
Total operating revenues	7,822,019	19,121,392	4,464,662	3,120,069	9,917,575	930,156	45,375,873	39,745,346
Operating expenses:								
Salaries and wages	452,142	80,525	1,727,877	1,720,457	2,738,653	-	6,719,654	6,028,635
Employee benefits	175,651	26,552	933,786	719,275	1,105,112	-	2,960,376	2,184,006
Purchased professional/technical services	444,799	1,769,797	1,358,267	128,180	468,397	-	4,169,440	3,269,555
Purchased property services	-	12,168	68,040	29,505	-	-	109,713	76,205
Maintenance	6,824	-	99,493	47,091	3,372,412	-	3,525,820	1,877,430
Other purchased services	2,425,867	110	87,017	59,828	447,592	-	3,020,414	2,235,013
Supplies	4,414	17,865	101,407	89,073	302,259	-	515,018	1,062,908
Other	3,936,675	18,217,291	187,698	385,608	474,670	-	23,201,942	22,091,046
Depreciation/Amortization	12,739	54,390	98,625	79,098	992,946	-	1,237,798	803,987
Total operating expenses	7,459,111	20,178,698	4,662,210	3,258,115	9,902,041	-	45,460,175	39,628,785
Operating income (loss)	362,908	(1,057,306)	(197,548)	(138,046)	15,534	930,156	(84,302)	116,561
Nonoperating revenues (expenses):								
Investment earnings	553,359	216,940	19,809	279	12,209	7,550,326	8,352,922	3,999,701
Other Income	74	-	1,017	31	-	-	1,122	-
Interest expense and fiscal charges	-	(4,016)	-	-	(33,875)	-	(37,891)	(25,678)
Gain (Loss) on disposal of capital assets	-	-	-	-	-	-	-	(10,400)
Total nonoperating revenues (expenses)	553,433	212,924	20,826	310	(21,666)	7,550,326	8,316,153	3,963,623
Income (loss) before contributions and transfers	916,341	(844,382)	(176,722)	(137,736)	(6,132)	8,480,482	8,231,851	4,080,184
Capital contributions	-	-	-	-	-	-	-	-
Transfers in	7,019	-	-	-	52,298	-	59,317	5,853
Transfers out	(1,066)	-	(6,260)	(86)	(7,019)	-	(14,431)	(377)
Change in net position	922,294	(844,382)	(182,982)	(137,822)	39,147	8,480,482	8,276,737	4,085,660
Total net position, beginning of year	5,972,045	4,115,544	826,173	617,536	778,497	3,831,547	16,141,342	12,055,682
Total net position, end of year	\$ 6,894,339	\$ 3,271,162	\$ 643,191	\$ 479,714	\$ 817,644	\$ 12,312,029	\$24,418,079	\$16,141,342

See accompanying independent auditor's report.

**Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2024
(With Comparative Totals for Year Ended September 30, 2023)**

	Risk Management Fund	Employee Health Insurance Fund	Engineering Fund	Fleet Services Fund	Information Technology Fund	Proprietary Vehicle & Equipment Replacement Fund	Totals	
							2024	2023
Cash flows from operating activities:								
Cash received from customers	\$ 7,822,019	\$19,121,392	\$ 4,464,662	\$ 3,120,652	\$ 9,917,575	\$ 930,156	\$45,376,456	\$39,493,549
Cash paid to suppliers for goods and services	(5,681,475)	(19,722,788)	(1,980,630)	(721,997)	(5,061,624)	-	(33,168,514)	(30,060,045)
Cash paid to employees for services	(656,140)	(106,494)	(2,854,284)	(2,321,469)	(3,626,301)	-	(9,564,688)	(7,739,625)
Net cash provided by (used for) operating activities	1,484,404	(707,890)	(370,252)	77,186	1,229,650	930,156	2,643,254	1,693,879
Cash flows from noncapital financing activities:								
Transfers from other funds	-	-	-	-	(12)	-	(12)	5,853
Transfers to other funds	-	(119,920)	-	-	-	-	(119,920)	(42,836)
Net cash provided by (used for) noncapital financing activities	-	(119,920)	-	-	(12)	-	(119,932)	(36,983)
Cash flows from capital and related financing activities:								
Acquisition of capital assets	-	-	(31,425)	(57,241)	(367,928)	-	(456,594)	(1,078,432)
Interest paid on debt	-	-	-	-	-	-	-	(13,498)
Principal payments for lease assets	-	-	-	-	(673,016)	-	(673,016)	(518,816)
Principal payments for SBITAs	-	(57,939)	-	-	(168,975)	-	(226,914)	(216,558)
Net cash provided by (used for) capital and related financing activities	-	(57,939)	(31,425)	(57,241)	(1,209,919)	-	(1,356,524)	(1,827,304)
Cash flows from investing activities:								
Investment earnings	553,359	216,940	19,809	279	12,209	7,550,326	8,352,922	3,999,701
Net cash provided by (used for) investing activities	553,359	216,940	19,809	279	12,209	7,550,326	8,352,922	3,999,701
Net increase (decrease) in cash and cash equivalents	2,037,763	(668,809)	(381,868)	20,224	31,928	8,480,482	9,519,720	3,829,293

See accompanying independent auditor's report.

FINANCIAL SECTION

Cash and cash equivalents, beginning of year	8,985,277	5,168,275	844,128	83,297	761,114	3,831,547	19,673,638	15,844,345
Cash and cash equivalents, end of year	<u>\$11,023,040</u>	<u>\$ 4,499,466</u>	<u>\$ 462,260</u>	<u>\$ 103,521</u>	<u>\$ 793,042</u>	<u>\$ 12,312,029</u>	<u>\$29,193,358</u>	<u>\$19,673,638</u>

Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:

Operating income (loss)	362,908	(1,057,306)	(197,548)	(138,046)	15,534	930,156	(84,302)	116,562
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:								
Provision for uncollectible accounts receivable	-	-	-	-	-	-	-	-
Depreciation/amortization	12,739	54,390	98,624	79,098	992,946	-	1,237,797	803,987
Changes in assets and liabilities:								
Decrease (increase) in assets:								
Inventory	-	-	-	4,103	-	-	4,103	(131,988)
Accounts receivable	-	-	-	960	-	-	960	(84,754)
Prepaid items	-	-	-	-	-	-	-	(350,000)
Lease receivable	-	-	-	-	-	-	-	-
Increase (decrease) in liabilities:								
Accounts payable	252,295	1,501	(78,707)	11,988	(16,660)	-	170,417	200,428
Accrued liabilities	(37,793)	(22,475)	14,609	14,107	20,366	-	(11,186)	139,819
Compensated absences payable	(32,836)	-	(207,230)	104,976	217,464	-	82,374	459,861
Estimated claims and judgments	927,091	316,000	-	-	-	-	1,243,091	539,964
Net cash provided by (used for) operating activities	<u>1,484,404</u>	<u>(707,890)</u>	<u>(370,252)</u>	<u>77,186</u>	<u>1,229,650</u>	<u>930,156</u>	<u>2,643,254</u>	<u>1,693,879</u>

Noncash investing, capital and financing activities:

Lease, right-of-use assets	\$ -	\$ -	\$ -	\$ -	\$ 966,559	\$ -	\$ 966,559	\$ 1,462,069
Subscription assets	-	-	-	-	-	-	-	455,905

See accompanying independent auditor's report.



Risk Management Fund



**Comparative Statement of Net Position
Internal Service Funds
September 30, 2024 and 2023**

	Risk Management Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 11,023,040	\$ 8,985,277
Accounts receivable, net of allowance	83,794	83,794
Total current assets	11,106,834	9,069,071
Noncurrent assets:		
Capital assets:		
Equipment	90,353	90,353
Lease, right-of-use assets	-	5,720
Subscription-based information technology arrangement	-	125,140
Less: accumulated depreciation and amortization	(45,767)	(96,075)
Total capital assets	44,586	125,138
Total noncurrent assets	44,586	125,138
Total assets	11,151,420	9,194,209
Liabilities		
Current liabilities:		
Accounts payable	312,309	60,014
Accrued liabilities	145,389	183,182
Compensated absences payable	2,564	35,400
Lease liability	-	1,395
Subscriptions	-	69,589
Estimated claims and judgments payable	3,796,819	2,869,728
Total current liabilities	4,257,081	3,219,308
Noncurrent liabilities:		
Lease liability	-	2,856
Total noncurrent liabilities	-	2,856
Total liabilities	4,257,081	3,222,164
Net position		
Net investment in capital assets	44,586	51,298
Unrestricted	6,849,753	5,920,747
Total net position	6,894,339	5,972,045

See accompanying independent auditor's report.

**Comparative Statement of Revenues, Expenditures, and Changes in Net Position
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Risk Management Fund	
	2024	2023
Operating revenues:		
Charges for services	\$ 7,631,788	\$ 5,245,904
Other	190,231	29,589
Total operating revenues	7,822,019	5,275,493
Operating expenses:		
Salaries and wages	452,142	331,686
Employee benefits	175,651	123,116
Purchased professional/technical services	444,799	503,180
Maintenance	6,824	60,869
Other purchased services	2,425,867	1,939,435
Supplies	4,414	7,576
Other	3,936,675	2,554,069
Depreciation/amortization	12,739	69,416
Total operating expenses	7,459,111	5,589,347
Operating income (loss)	362,908	(313,854)
Nonoperating revenues (expenses):		
Investment earnings	553,359	341,791
Other Income	74	-
Interest expense and fiscal charges	-	(2,239)
Total nonoperating revenues (expenses)	553,433	339,552
Income (loss) before contributions and transfers	916,341	25,698
Transfers in	7,019	4,740
Transfers out	(1,066)	-
Change in net position	922,294	30,438
Total net position, beginning of year	5,972,045	5,941,607
Total net position, end of year	\$ 6,894,339	\$ 5,972,045

See accompanying independent auditor's report.

**Comparative Statement of Cash Flows
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Risk Management Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 7,822,019	\$ 5,191,699
Cash paid to suppliers for goods and services	(5,681,475)	(4,589,747)
Cash paid to employees for services	(656,140)	(443,430)
Net cash provided by (used for) operating activities	1,484,404	158,522
Cash flows from noncapital financing activities:		
Transfers from other funds	-	4,740
Net cash provided by (used for) noncapital financing activities	-	4,740
Principal payments for lease assets	-	(1,544)
Principal payments for SBITAs	-	(57,714)
Cash flows from investing activities:		
Investment earnings	553,359	341,791
Net cash provided by (used for) investing activities	553,359	341,791
Net increase (decrease) in cash and cash equivalents	2,037,763	382,100
Cash and cash equivalents, beginning of year	8,985,277	8,603,177
Cash and cash equivalents, end of year	\$ 11,023,040	\$ 8,985,277
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	362,908	(313,854)
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation and amortization	12,739	69,416
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	-	(83,794)
Increase (decrease) in liabilities:		
Accounts payable	252,295	6,070
Accrued liabilities	(37,793)	36,398
Compensated absences payable	(32,836)	(1,678)
Estimated claims and judgments payable	927,091	445,964
Net cash provided by (used for) operating activities	\$ 1,484,404	\$ 158,522
Noncash investing, capital, and financing activities:		
Lease, right-of-use assets	\$ -	\$ 5,720
Subscription assets	-	62,570

See accompanying independent auditor's report.



Employee Health Insurance Fund



**Comparative Statement of Net Position
Internal Service Funds
September 30, 2024 and 2023**

	Employee Health Insurance Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 4,499,466	\$ 5,168,275
Prepaid expense	350,000	350,000
Due from other funds	471,837	351,917
Total current assets	5,321,303	5,870,192
Noncurrent assets:		
Capital assets:		
Subscription-based information technology arrangement	217,561	217,561
Less: accumulated depreciation and amortization	(108,780)	(54,390)
Total capital assets	108,781	163,171
Total noncurrent assets	108,781	163,171
Total assets	5,430,084	6,033,363
Liabilities		
Current liabilities:		
Accounts payable	10,767	9,266
Accrued liabilities	547,274	569,749
Lease liability		
Subscriptions	54,954	53,779
Estimated claims and judgments payable	1,489,000	1,173,000
Total current liabilities	2,101,995	1,805,794
Noncurrent liabilities:		
Lease liability		
Subscriptions	56,927	112,025
Total noncurrent liabilities	56,927	112,025
Total liabilities	2,158,922	1,917,819
Net position		
Unrestricted	3,271,162	4,115,544
Total net position	\$ 3,271,162	\$ 4,115,544

See accompanying independent auditor's report.

**Comparative Statement of Revenues, Expenditures, and Changes in Net Position
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	<u>Employee Health Insurance Fund</u>	
	<u>2024</u>	<u>2023</u>
Operating revenues:		
Charges for services	\$ 19,121,392	\$ 19,666,946
Total operating revenues	<u>19,121,392</u>	<u>19,666,946</u>
Operating expenses:		
Salaries and wages	80,525	63,676
Employee benefits	26,552	18,783
Purchased professional/technical services	1,769,797	722,316
Purchased property services	12,168	608
Other purchased services	110	-
Supplies	17,865	13,959
Other	18,217,291	18,509,891
Total operating expenses	<u>20,178,698</u>	<u>19,383,623</u>
Operating income (loss)	<u>(1,057,306)</u>	<u>283,323</u>
Nonoperating revenues (expenses):		
Investment earnings	216,940	147,373
Interest expense and fiscal charges	(4,016)	(6,183)
Total nonoperating revenues (expenses)	<u>212,924</u>	<u>141,190</u>
Income (loss) before contributions and transfers	<u>(844,382)</u>	<u>424,513</u>
Change in net position	<u>(844,382)</u>	<u>424,513</u>
Total net position, beginning of year	<u>4,115,544</u>	<u>3,691,031</u>
Total net position, end of year	<u>\$ 3,271,162</u>	<u>\$ 4,115,544</u>

See accompanying independent auditor's report.

**Comparative Statement of Cash Flows
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Employee Health Insurance Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 19,121,392	\$ 19,666,946
Cash paid to suppliers for goods and services	(19,722,788)	(19,486,295)
Cash paid to employees for services	(106,494)	(82,354)
Net cash provided by (used for) operating activities	(707,890)	98,297
Cash flows from noncapital financing activities:		
Transfers to other funds	(119,920)	(42,459)
Net cash provided by (used for) noncapital financing activities	(119,920)	(42,459)
Cash flows from capital and related financing activities:		
Interest paid on debt	-	(6,183)
Principal payments for SBITAs	(57,939)	(51,757)
Net cash used for capital and related financing activities	(57,939)	(57,940)
Cash flows from investing activities:		
Investment earnings	216,940	147,373
Net cash provided by (used for) investing activities	216,940	147,373
Net increase (decrease) in cash and cash equivalents	(668,809)	145,271
Cash and cash equivalents, beginning of year	5,168,275	5,023,004
Cash and cash equivalents, end of year	\$ 4,499,466	\$ 5,168,275
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	(1,057,306)	283,323
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation and amortization	54,390	54,390
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Prepaid Items	-	(350,000)
Increase (decrease) in liabilities:		
Accounts payable	1,501	5,899
Accrued liabilities	(22,475)	10,685
Estimated claims and judgments payable	316,000	94,000
Net cash provided by (used for) operating activities	\$ (707,890)	\$ 98,297
Noncash investing, capital, and financing activities:		
Subscription assets	-	163,171

See accompanying independent auditor's report.



Engineering Fund



**Comparative Statement of Net Position
Internal Service Funds
September 30, 2024 and 2023**

	Engineering Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 462,260	\$ 844,128
Total current assets	462,260	844,128
Noncurrent assets:		
Capital assets:		
Land	24,400	24,400
Equipment	1,073,823	1,059,740
Lease, right-of-use assets	-	87,228
Less: Accumulated depreciation and amortization	(639,352)	(574,529)
Total capital assets	458,871	596,839
Total noncurrent assets	458,871	596,839
Total assets	921,131	1,440,967
Liabilities		
Current liabilities:		
Accounts payable	69,239	147,946
Accrued liabilities	73,888	59,279
Compensated absences payable	175,563	260,691
Lease liability	-	21,938
Escrow funds	538	538
Total current liabilities	319,228	490,392
Noncurrent liabilities:		
Compensated absences payable	(41,288)	80,814
Lease liability	-	43,588
Total noncurrent liabilities	(41,288)	124,402
Total liabilities	277,940	614,794
Net Position		
Net investment in capital assets	458,871	531,313
Unrestricted	184,320	294,860
Total Net Position	\$ 643,191	\$ 826,173

See accompanying independent auditor's report.

**Comparative Statement of Revenues, Expenditures, and Changes in Net Position
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Engineering Fund	
	2024	2023
Operating revenue:		
Charges for services	\$ 4,460,822	\$ 3,942,550
Other	3,840	138,072
Total operating revenue	4,464,662	4,080,622
Operating expenses:		
Salaries and wages	1,727,877	1,869,127
Employee benefits	933,786	695,130
Purchased professional/technical services	1,358,267	1,449,182
Purchased property services	68,040	56,557
Maintenance	99,493	121,106
Other purchased services	87,017	95,646
Supplies	101,407	153,347
Other	187,698	400,014
Depreciation/amortization	98,625	103,658
Total operating expenses	4,662,210	4,943,767
Operating income (loss)	(197,548)	(863,145)
Nonoperating revenues (expenses):		
Investment earnings	19,809	64,199
Other Income	1,017	-
Interest expense and fiscal charges	-	(1,008)
Gain (Loss) on disposal of capital assets	-	(5,403)
Total nonoperating revenues (expenses)	20,826	57,788
Income (loss) before contributions and transfers	(176,722)	(805,357)
Capital contributions	-	-
Transfers In	-	-
Transfers out	(6,260)	(377)
Change in net position	(182,982)	(805,734)
Total net position, beginning of year,	826,173	1,631,907
Total net position, end of year	\$ 643,191	\$ 826,173

See accompanying independent auditor's report.

**Comparative Statement of Cash Flows
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Engineering Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 4,464,662	\$ 3,942,550
Cash paid to suppliers for goods and services	(1,980,630)	(2,197,153)
Cash paid to employees for services	(2,854,284)	(2,525,589)
Net cash provided by operating activities	(370,252)	(780,192)
Cash flows from noncapital financing activities:		
Transfer to other funds	-	(377)
Net cash provided by noncapital financing activities	-	(377)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(31,425)	(377,968)
Principal Payments for lease assets	-	(22,341)
Net cash used for capital and related financing activities	(31,425)	(400,309)
Cash flows from investing activities:		
Investment earnings	19,809	64,199
Net cash provided by investing activities	19,809	64,199
Net increase (decrease) in cash and cash equivalents	(381,868)	(1,116,679)
Cash and cash equivalents, beginning of year	844,128	1,960,807
Cash and cash equivalents, end of year	\$ 462,260	\$ 844,128
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	(197,548)	(863,145)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation/amortization	98,624	103,658
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Increase (decrease) in liabilities:		
Accounts payable	(78,707)	(62,356)
Accrued liabilities	14,609	2,983
Compensated absences payable	(207,230)	38,668
Net cash used in operating activities	(370,252)	(780,192)
Noncash investing, capital, and financing activities:		
Lease, right-of-use assets	-	87,227

See accompanying independent auditor's report.



Fleet Service Fund



**Comparative Statement of Net Position
Internal Service Funds
September 30, 2024 and 2023**

	Fleet Services Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 103,521	\$ 83,297
Accounts receivable, net of allowance	-	960
Prepaid asset	-	-
Due from other funds	-	-
Inventory	426,785	430,888
Total current assets	530,306	515,145
Noncurrent assets:		
Capital assets:		
Land	14,400	14,400
Buildings	920,153	920,153
Improvements other than buildings	118,289	118,289
Equipment	1,175,867	1,118,626
Lease, right-of-use assets	-	1,043
Subscription-based information technology arrangement	-	-
Construction in progress	-	-
Less: Accumulated depreciation and amortization	(1,868,692)	(1,789,790)
Total capital assets	360,017	382,721
Total noncurrent assets	360,017	382,721
Total assets	890,323	897,866
Liabilities		
Current liabilities:		
Accounts payable	120,520	108,532
Accrued liabilities	60,356	46,249
Compensated absences payable	140,544	124,757
Lease liability	-	271
Subscriptions	-	-
Escrow funds	-	-
Estimated claims and judgments payable	-	-
Total current liabilities	321,420	279,809
Noncurrent liabilities:		
Compensated absences payable	89,189	-
Lease liability	-	521
Subscriptions	-	-
Total noncurrent liabilities	89,189	521
Total liabilities	410,609	280,330
Net Position		
Net investment in capital assets	360,017	381,929
Unrestricted	119,697	235,607
Total net position	\$ 479,714	\$ 617,536

See accompanying independent auditor's report.

**Comparative Statement of Revenues, Expenditures, and Changes in Net Position
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Fleet Services Fund	
	2024	2023
Operating revenue:		
Charges for services	\$ 3,119,691	\$ 2,608,166
Other	378	5,720
Total operating revenue	3,120,069	2,613,886
Operating expenses:		
Salaries and wages	1,720,457	1,417,239
Employee benefits	719,275	544,911
Purchased professional/technical services	128,180	275,011
Purchased property services	29,505	18,039
Maintenance	47,091	42,138
Other purchased services	59,828	33,741
Supplies	89,073	80,016
Other	385,608	297,451
Depreciation/amortization	79,098	86,112
Total operating expenses	3,258,115	2,794,658
Operating income (loss)	(138,046)	(180,772)
Nonoperating revenues (expenses):		
Investment earnings	279	7,202
Other Income	31	-
Interest expense and fiscal charges	-	(31)
Gain (Loss) on disposal of capital assets	310	7,171
Total nonoperating revenues (expenses)	310	7,171
Income (loss) before contributions and transfers	(137,736)	(173,601)
Transfers out	(86)	-
Change in net position	(137,822)	(173,601)
Total net position, beginning of year	617,536	791,137
Total net position, end of year	\$ 479,714	\$ 617,536

See accompanying independent auditor's report.

**Comparative Statement of Cash Flows
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Fleet Service Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 3,120,652	\$ 2,607,205
Cash paid to suppliers for goods and services	(721,997)	(773,582)
Cash paid to employees for services	(2,321,469)	(1,953,897)
Net cash provided by (used for) operating activities	77,186	(120,274)
Cash flows from noncapital financing activities:		
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(57,241)	(60,706)
Principal payments for lease assets	-	(282)
Net cash used for capital and related financing activities	(57,241)	(60,988)
Cash flows from investing activities:		
Investment earnings	279	7,202
Net cash provided by investing activities	279	7,202
Net increase (decrease) in cash and cash equivalents	20,224	(174,060)
Cash and cash equivalents, beginning of year	83,297	257,357
Cash and cash equivalents, end of year	\$ 103,521	\$ 83,297
Reconciliation of operating loss to net cash provided by (used for) operating activities:		
Operating loss	(138,046)	(180,771)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation	79,098	86,112
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Inventory	4,103	(131,988)
Accounts receivable	960	(960)
Increase (decrease) in liabilities:		
Accounts payable	11,988	85,140
Accrued liabilities	14,107	13,940
Compensated absences payable	104,976	8,253
Net cash provided by (used for) operating activities	\$ 77,186	\$ (120,274)
Noncash investing, capital, and financing activities:		
Lease, right-of-use assets	\$ -	\$ 1,043

See accompanying independent auditor's report.



Information Technology Fund



**Comparative Statement of Net Position
Internal Service Funds
September 30, 2024 and 2023**

	Information Technology Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 793,042	\$ 761,114
Accounts receivable, net of allowance	-	-
Prepaid asset	-	-
Due from other funds	-	-
Inventory	-	-
Total current assets	793,042	761,114
Noncurrent assets:		
Capital assets:		
Land	-	-
Buildings	8,283	-
Improvements other than buildings	-	-
Equipment	900,107	472,162
Lease, right-of-use assets	2,605,558	1,302,245
Subscription-based information technology arrangement	230,163	230,163
Construction in progress	35,601	103,901
Less: Accumulated depreciation and amortization	(1,605,249)	(733,214)
Total capital assets	2,174,463	1,375,257
Total noncurrent assets	2,174,463	1,375,257
Total assets	2,967,505	2,136,371
Liabilities		
Current liabilities:		
Accounts payable	149,015	165,675
Accrued liabilities	96,179	75,813
Compensated absences payable	204,110	209,380
Lease liability	525,715	289,814
Subscriptions	27,669	97,177
Escrow funds	-	-
Estimated claims and judgments payable	-	-
Total current liabilities	1,002,688	837,859
Noncurrent liabilities:		
Compensated absences payable	427,972	205,238
Lease liability	719,201	287,229
Subscriptions	-	27,548
Total noncurrent liabilities	1,147,173	520,015
Total liabilities	2,149,861	1,357,874
Net Position		
Net investment in capital assets	817,644	673,489
Unrestricted	-	105,008
Total net position	\$ 817,644	\$ 778,497

See accompanying independent auditor's report.

**Comparative Statement of Revenues, Expenditures, and Changes in Net Position
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Information Technology Fund	
	2024	2023
Operating revenue:		
Charges for services	\$ 9,715,489	7,691,364
Other	202,086	23,250
Total operating revenue	9,917,575	7,714,614
Operating expenses:		
Salaries and wages	2,738,653	2,346,907
Employee benefits	1,105,112	802,066
Purchased professional/technical services	468,397	319,866
Purchased property services	-	1,001
Maintenance	3,372,412	1,653,317
Other purchased services	447,592	166,191
Supplies	302,259	808,010
Other	474,670	329,621
Depreciation/amortization	992,946	490,411
Total operating expenses	9,902,041	6,917,390
Operating income (loss)	15,534	797,224
Nonoperating revenues (expenses):		
Investment earnings	12,209	1,374
Interest expense and fiscal charges	(33,875)	(16,217)
Gain (Loss) on disposal of capital assets	-	(4,997)
Total nonoperating revenues (expenses)	(21,666)	(19,840)
Income (loss) before contributions and transfers	(6,132)	777,384
Transfers in	52,298	1,113
Transfers out	(7,019)	-
Change in net position	39,147	778,497
Total net position, beginning of year	778,497	-
Total net position, end of year	\$ 817,644	\$ 778,497

See accompanying independent auditor's report.

**Comparative Statement of Cash Flows
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Information Technology Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 9,917,575	\$ 7,691,364
Cash paid to suppliers for goods and services	(5,061,624)	(3,013,268)
Cash paid to employees for services	(3,626,301)	(2,734,355)
Net cash provided by operating activities	1,229,650	1,943,741
Cash flows from noncapital financing activities:		
Transfers from other funds	(12)	1,113
Net cash provided by noncapital financing activities	(12)	1,113
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(367,928)	(576,063)
Interest paid on debt	-	(7,315)
Principal payments for lease assets	(673,016)	(494,649)
Principal payments for SBITAs	(168,975)	(107,087)
Net cash provided by capital and related financing activities	(1,209,919)	(1,185,114)
Cash flows from investing activities:		
Investment earnings	12,209	1,374
Net cash provided by investing activities	12,209	1,374
Net increase (decrease) in cash and cash equivalents	31,928	761,114
Cash and cash equivalents, beginning of year	761,114	-
Cash and cash equivalents, end of year	\$ 793,042	\$ 761,114
Reconciliation of operating loss to net cash used for operating activities:		
Operating income	15,534	797,224
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation/Amortization	992,946	490,411
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Increase (decrease) in liabilities:		
Accounts payable	(16,660)	165,675
Accrued liabilities	20,366	75,813
Compensated absences payable	217,464	414,618
Net cash used for operating activities	\$ 1,229,650	\$ 1,943,741
Noncash investing, capital, and financing activities:		
Lease, right-of-use assets	\$ 966,559	\$ 1,368,079
Subscription assets	-	230,164

See accompanying independent auditor's report.



Proprietary Vehicle &
Equipment Replacement
Fund



**Comparative Statement of Net Position
Internal Service Funds
September 30, 2024 and 2023**

	Proprietary Vehicle & Equipment Replacement Fund	
	2024	2023
Assets		
Current assets:		
Cash and investments	\$ 12,312,029	\$ 3,831,547
Total current assets	12,312,029	3,831,547
Total assets	12,312,029	3,831,547
Liabilities		
Total liabilities	-	-
Net Position		
Unrestricted	12,312,029	3,831,547
Total net position	\$ 12,312,029	\$ 3,831,547

See accompanying independent auditor's report.

**Comparative Statement of Revenues, Expenditures, and Changes in Net Position
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Proprietary Vehicle & Equipment Replacement Fund	
	2024	2023
Operating revenue:		
Charges for services	\$ 930,156	393,785
Total operating revenue	930,156	393,785
Operating expenses:		
Operating income (loss)	930,156	393,785
Nonoperating revenues (expenses):		
Investment earnings	7,550,326	3,437,762
Total nonoperating revenues (expenses)	7,550,326	3,437,762
Income (loss) before contributions and transfers	8,480,482	3,831,547
Change in net position	8,480,482	3,831,547
Total net position, beginning of year	3,831,547	-
Total net position, end of year	\$ 12,312,029	\$ 3,831,547

See accompanying independent auditor's report.

**Comparative Statement of Cash Flows
Internal Service Funds
For the Years Ended September 30, 2024 and 2023**

	Proprietary Vehicle & Equipment Replacement Fund	
	2024	2023
Cash flows from operating activities:		
Cash received from customers	\$ 930,156	\$ 393,785
Net cash provided by operating activities	930,156	393,785
Cash flows from noncapital financing activities:		
Cash flows from capital and related financing activities:		
Cash flows from investing activities:		
Investment earnings	7,550,326	3,437,762
Net cash provided by investing activities	7,550,326	3,437,762
Net increase (decrease) in cash and cash equivalents	8,480,482	3,831,547
Cash and cash equivalents, beginning of year	3,831,547	-
Cash and cash equivalents, end of year	\$ 12,312,029	\$ 3,831,547
Reconciliation of operating loss to net cash used for operating activities:		
Operating income	930,156	393,785
Adjustments to reconcile operating loss to net cash used for operating activities:		
Provision for uncollectible accounts receivable		
Changes in assets and liabilities:		
(Increase) decrease in assets:		
Increase (decrease) in liabilities:		
Estimated claims and judgments		
Net cash provided by operating activities	930,156	393,785

See accompanying independent auditor's report.



Custodial Funds

Urban Renewal Agency Fund - This fund is used to account for receipts and disbursements related to land sales for the Urban Renewal Agency.

Heart of Texas Housing Finance Corporation Fund - This fund is used to account for receipts and disbursements for the Heart of Texas Housing Finance Corporation established as a mechanism to issue tax-exempt debt.

Waco Public Improvement District No. 2 Fund - This fund is used to account for receipts and disbursements of funds on behalf of property owners related to drainage infrastructure improvements in the District.

Rural Transit Services Fund - This fund is used to account for receipts and disbursements under the terms of an interlocal agreement with McLennan County Rural Transit District to provide public transportation within McLennan County.

Waco Tourism Public Improvement District - This fund is used to account for receipts and disbursements for the Waco Tourism Public Improvement District established to market and promote Waco as a tourism destination.



**Combining Statement of Fiduciary Net Position
Custodial Funds
September 30, 2024**

	Urban Renewal Agency Fund	Heart of Texas Housing Finance Corporation Fund	Waco Public Improvement District No. 2 Fund	Rural Transit Services Fund	Waco Tourism Public Improvement District Fund	Totals
Assets						
Cash and investments	\$ 67,067	\$ 3,627,433	\$ -	\$ 739,936	\$ 135,166	\$ 4,569,602
Accounts receivable	-	-	-	-	136,977	136,977
Intergovernmental receivable	-	-	-	694,796	-	694,796
Notes receivable	-	-	-	-	-	-
Capital assets, net	-	-	-	-	-	-
Total assets	<u>67,067</u>	<u>3,627,433</u>	<u>-</u>	<u>1,434,732</u>	<u>272,143</u>	<u>5,401,375</u>
Liabilities						
Accounts payable	-	-	-	9,678	-	9,678
Accrued liabilities	-	-	-	788	271,896	272,684
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,466</u>	<u>271,896</u>	<u>282,362</u>
Net position						
Restricted for other organizations and governments	67,067	3,627,433	-	1,424,266	247	5,119,013
Total net position	<u>\$ 67,067</u>	<u>\$ 3,627,433</u>	<u>\$ -</u>	<u>\$ 1,424,266</u>	<u>\$ 247</u>	<u>\$ 5,119,013</u>

See accompanying independent auditor's report.

**Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
Year Ended September 30, 2024**

	Urban Renewal Agency Fund	Heart of Texas Housing Finance Corporation Fund	Waco Public Improvement District No. 2 Fund	Rural Transit Services Fund	Waco Tourism Public Improvement District Fund	Totals
Additions						
Charges for services	\$ -	\$ -	\$ -	\$ 115,522	\$ -	\$ 115,522
Public improvement assessments	-	-	-	-	1,571,878	1,571,878
Investment earnings	3,634	196,092	-	51,897	-	251,623
Intergovernmental revenue	-	-	-	1,790,896	-	1,790,896
Other	-	-	-	4,185	-	4,185
Total additions	3,634	196,092	-	1,962,500	1,571,878	3,734,104
Deductions						
Salaries and wages	-	-	-	841,730	-	841,730
Employee benefits	-	-	-	162,499	-	162,499
Purchased professional/ technical services	-	-	39,818	168,176	-	207,994
Maintenance	-	-	-	98,164	-	98,164
Other purchased services	-	-	-	113,883	-	113,883
Supplies	-	-	-	170,396	-	170,396
Other	-	50,000	-	322,186	1,571,631	1,943,817
Total deductions	-	50,000	39,818	1,877,034	1,571,631	3,538,483
Net increase (decrease) in fiduciary net position	3,634	146,092	(39,818)	85,466	247	195,621
Net position, beginning	63,433	3,481,341	39,818	1,338,800	-	4,923,392
Net position, ending	\$ 67,067	\$ 3,627,433	\$ -	\$ 1,424,266	\$ 247	\$ 5,119,013

See accompanying independent auditor's report.





Statistical Section







Statistical Section

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements and not disclosures says about the City's overall financial health.

Financial Trends (Tables I through IV) - These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity (Tables V through VIII) - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity (Tables IX through XII) - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information (Tables XIII through XIV) - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information (Tables XV through XVII) - These schedules contain service and infrastructure data to help the reader understand how the information in live City's financial report relates to the services the City provides and the activities it performs.



**Net Position by Component
(Unaudited)
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	2015	2016	2017	2018
Governmental activities				
Net investment in capital assets	\$ 183,090,881	\$ 195,340,533	\$ 206,699,045	\$ 216,259,979
Restricted	20,655,062	23,224,157	28,463,123	36,749,778
Unrestricted	30,545,855	29,764,431	30,980,557	40,300,435
Total governmental activities net position	<u>\$ 234,291,798</u>	<u>\$ 248,329,121</u>	<u>\$ 266,142,725</u>	<u>\$ 293,310,192</u>
Business-type activities				
Net investment in capital assets	\$ 214,329,030	\$ 218,895,017	\$ 224,211,909	\$ 231,095,661
Restricted	1,370,154	700,480	867,925	943,463
Unrestricted	63,820,011	68,398,739	73,188,454	81,336,611
Total business-type activities net position	<u>\$ 279,519,195</u>	<u>\$ 287,994,236</u>	<u>\$ 298,268,288</u>	<u>\$ 313,375,735</u>
Primary government				
Net investment in capital assets	\$ 397,419,911	\$ 414,235,550	\$ 430,910,954	\$ 447,355,640
Restricted	22,025,216	23,924,637	29,331,048	37,693,241
Unrestricted	94,365,866	98,163,170	104,169,011	121,637,046
Total primary government net position	<u>\$ 513,810,993</u>	<u>\$ 536,323,357</u>	<u>\$ 564,411,013</u>	<u>\$ 606,685,927</u>

Source: Annual Comprehensive Financial Reports

Table I

FISCAL YEAR					
2019	2020	2021	2022	2023	2024
\$ 227,983,027	\$ 243,043,416	\$ 262,466,289	\$ 291,986,241	\$ 315,202,560	\$ 263,232,937
43,936,163	48,213,632	51,245,572	49,999,974	76,753,494	136,718,122
<u>52,477,775</u>	<u>63,521,354</u>	<u>84,846,861</u>	<u>107,336,476</u>	<u>90,647,097</u>	<u>97,669,555</u>
<u>\$ 324,396,965</u>	<u>\$ 354,778,402</u>	<u>\$ 398,558,722</u>	<u>\$ 449,322,691</u>	<u>\$ 482,603,151</u>	<u>\$ 497,620,614</u>
\$ 245,071,453	\$ 285,558,323	\$ 311,977,431	\$ 351,255,892	\$ 389,242,050	\$ 453,471,821
1,057,103	1,006,408	1,082,677	899,971	591,295	646,473
<u>82,532,465</u>	<u>93,792,994</u>	<u>108,526,315</u>	<u>122,819,885</u>	<u>143,586,126</u>	<u>119,934,857</u>
<u>\$ 328,661,021</u>	<u>\$ 380,357,725</u>	<u>\$ 421,586,423</u>	<u>\$ 474,975,748</u>	<u>\$ 533,419,471</u>	<u>\$ 574,053,151</u>
\$ 473,054,480	\$ 528,601,739	\$ 574,443,720	\$ 643,242,133	\$ 704,444,610	\$ 716,704,758
44,993,266	49,220,040	52,328,249	50,899,945	77,344,789	137,364,595
<u>135,010,240</u>	<u>157,314,348</u>	<u>193,373,176</u>	<u>230,156,361</u>	<u>234,233,223</u>	<u>217,604,412</u>
<u>\$ 653,057,986</u>	<u>\$ 735,136,127</u>	<u>\$ 820,145,145</u>	<u>\$ 924,298,439</u>	<u>\$ 1,016,022,622</u>	<u>\$ 1,071,673,765</u>

**Changes in Net Position
(Unaudited)
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	2015	2016	2017	2018
Expenses				
Governmental activities:				
General government	\$ 15,012,962	\$ 17,591,625	\$ 21,961,388	\$ 23,161,022
Public works	12,767,308	12,385,381	13,531,718	13,738,063
Public safety	64,796,679	71,900,506	77,631,982	76,378,833
Culture and recreation	16,510,993	17,575,724	18,409,985	18,085,607
Public health	7,269,988	7,853,838	7,974,445	7,991,534
Housing and community development	2,704,824	2,421,277	2,499,865	2,220,964
Interest on long-term debt	3,155,598	2,784,644	2,724,381	2,942,299
Total governmental activities expenses	122,218,352	132,512,995	144,733,764	144,518,322
Business-type activities:				
Water	32,457,155	34,485,785	36,237,977	37,944,429
Wastewater	18,964,527	22,024,527	22,369,323	23,339,837
Solid waste	15,223,615	15,458,545	16,437,794	17,150,662
Airport	3,496,581	3,821,305	3,948,697	3,833,773
Convention services	4,074,149	4,301,096	4,524,677	4,855,004
Ranger Hall of Fame	1,333,639	1,444,823	1,333,563	1,390,759
Cameron Park Zoo	4,595,845	4,777,181	5,232,360	5,342,574
Transit services	8,188,525	8,640,336	8,360,490	7,902,796
Cottonwood Creek Golf Course	1,707,982	1,821,529	1,852,186	2,044,411
Drainage	-	-	-	-
Total business-type activities expenses	90,042,018	96,775,127	100,297,067	103,804,245
Total primary government expenses	212,260,370	229,288,122	245,030,831	248,322,567
Program Revenues				
Governmental activities:				
Charges for services:				
General government	243,883	271,051	282,226	383,837
Public works	3,188	2,057	972	1,315
Public safety	5,373,858	5,995,911	5,211,330	5,167,028
Culture and recreation	1,279,331	1,294,784	1,574,384	1,792,366
Housing and community development	-	-	-	-
Public health	1,158,100	1,181,667	1,248,994	1,179,052
Operating grants and contributions	9,564,905	9,550,112	9,365,279	10,748,885
Capital grants and contributions	6,952,118	7,269,459	9,608,784	11,861,689
Total governmental activities program revenues	24,575,383	25,565,041	27,291,969	31,134,172

Table II

		FISCAL YEAR									
		2019	2020	2021	2022	2023	2024				
\$	21,418,706	\$	24,927,532	\$	25,498,744	\$	37,898,024	\$	28,879,531	\$	61,917,035
	15,263,962		16,663,378		17,613,038		13,192,410		17,445,123		11,708,174
	81,605,115		82,482,836		79,691,854		82,716,607		100,583,942		126,122,559
	20,036,504		18,281,256		18,044,204		19,340,512		23,824,505		31,728,304
	9,205,925		8,941,058		9,604,109		10,151,107		11,548,298		12,821,501
	2,904,350		2,752,409		5,617,611		6,574,493		11,137,890		12,982,639
	3,149,200		3,303,458		3,789,974		4,657,397		6,720,892		13,405,263
	<u>153,583,762</u>		<u>157,351,927</u>		<u>159,859,534</u>		<u>174,530,550</u>		<u>200,140,181</u>		<u>270,685,475</u>
	39,841,010		41,071,141		40,438,161		43,736,573		50,540,255		59,521,920
	27,232,626		29,284,437		30,142,967		36,827,351		44,333,232		45,859,765
	20,867,979		21,389,352		22,960,146		23,722,537		30,736,959		32,789,099
	4,333,238		5,001,016		5,370,976		5,170,896		8,715,345		9,295,746
	5,684,576		4,380,349		3,315,097		5,414,985		5,790,586		5,364,331
	1,404,669		1,517,423		1,631,553		1,597,859		7,892,219		9,116,651
	5,357,572		6,003,814		5,879,107		6,764,818		1,976,635		2,133,447
	8,234,983		7,754,706		7,246,662		7,810,717		8,229,764		8,769,586
	2,094,332		1,903,771		1,911,463		2,102,667		2,963,035		3,032,383
	-		-		116,493		3,467,729		5,309,266		5,947,862
	<u>115,050,985</u>		<u>118,306,009</u>		<u>119,012,625</u>		<u>136,616,132</u>		<u>166,487,296</u>		<u>181,830,790</u>
	268,634,747		275,657,936		278,872,159		311,146,682		366,627,477		452,516,265
	435,415		336,898		348,566		3,224,862		3,448,932		4,144,846
	790		1,035		-		-		-		-
	4,915,802		4,647,611		5,832,062		3,573,643		3,594,522		2,903,346
	1,688,278		657,512		1,313,651		1,897,583		2,143,986		1,018,789
	-		-		-		182,053		155,495		-
	1,247,897		1,116,427		1,209,651		1,421,816		1,377,485		-
	11,527,188		22,262,586		16,122,738		18,455,983		22,518,303		22,984,108
	8,561,177		4,689,356		14,300,491		22,773,022		3,695,505		2,880,439
	<u>28,376,547</u>		<u>33,711,425</u>		<u>39,127,159</u>		<u>51,528,962</u>		<u>36,934,228</u>		<u>33,931,528</u>

(Continued)

**Changes in Net Position
(Unaudited)
(Continued)**

	2015	2016	2017	2018
Business-type activities:				
Charges for services:				
Water	\$ 37,773,754	\$ 39,693,677	\$ 43,474,418	\$ 48,925,791
Wastewater	20,827,643	23,376,856	27,826,441	30,079,874
Solid waste	17,704,519	18,860,966	19,052,864	19,776,330
Airport	1,093,157	1,118,487	1,134,454	967,939
Convention services	1,317,100	1,402,912	1,568,402	1,736,312
Ranger Hall of Fame	490,917	559,262	654,740	721,386
Cameron Park Zoo	1,615,849	1,963,610	2,223,777	2,074,281
Transit services	3,775,380	4,112,010	3,606,218	3,232,108
Cottonwood Creek Golf Course	1,511,944	1,618,596	1,643,950	1,604,672
Drainage	-	-	-	-
Operating grants and contributions	3,566,046	3,734,120	4,031,927	3,738,719
Capital grants and contributions	3,459,180	6,998,128	3,654,269	1,048,602
Total business-type activities program revenues	<u>93,135,489</u>	<u>103,438,624</u>	<u>108,871,460</u>	<u>113,906,014</u>
Total primary government program revenues	<u>117,710,872</u>	<u>129,003,665</u>	<u>136,163,429</u>	<u>145,040,186</u>
Net (Expense)/Revenue				
Governmental activities	(97,642,969)	(106,947,954)	(117,441,795)	(113,384,150)
Business-type activities	3,093,471	6,663,497	8,574,393	10,101,769
Total primary government net expense	<u>(94,549,498)</u>	<u>(100,284,457)</u>	<u>(108,867,402)</u>	<u>(103,282,381)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property taxes	55,028,271	58,427,545	63,095,312	68,192,298
Tax increment financing tax	6,296,710	7,750,330	10,234,498	12,674,713
Sales taxes	35,813,531	37,371,461	38,135,659	39,017,059
Franchise taxes	13,762,575	13,734,655	14,238,292	14,916,497
Other taxes	871,076	910,456	1,063,684	1,148,309
Unrestricted investment earnings	476,804	855,366	1,644,507	4,092,426
Miscellaneous	1,214,952	1,450,460	1,702,214	1,162,457
Gain on disposal of capital assets	-	-	3,420,000	-
Transfers	2,537,789	485,004	1,721,233	462,783
Total governmental activities	<u>116,001,708</u>	<u>120,985,277</u>	<u>135,255,399</u>	<u>141,666,542</u>
Business-type activities:				
Hotel/motel taxes	2,707,056	3,204,122	3,724,543	4,270,253
Unrestricted investment earnings	289,580	378,946	462,647	1,198,208
Special item: Gain on termination of WMARSS agreement	-	-	-	-
Transfers	(2,537,789)	(485,004)	(1,721,233)	(462,783)
Total business-type activities	<u>458,847</u>	<u>3,098,064</u>	<u>2,465,957</u>	<u>5,005,678</u>
Total primary government	<u>116,460,555</u>	<u>124,083,341</u>	<u>137,721,356</u>	<u>146,672,220</u>
Change in Net Position				
Governmental activities	18,358,739	14,037,323	17,813,604	28,282,392
Business-type activities	3,552,318	9,761,561	11,040,350	15,107,447
Total primary government	<u>\$ 21,911,057</u>	<u>\$ 23,798,884</u>	<u>\$ 28,853,954</u>	<u>\$ 43,389,839</u>

Source: Annual Comprehensive Financial Reports

Note: In fiscal year 2015, the City implemented the provisions of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27," and the changes are reported prospectively.



Table II
(continued)

						FISCAL YEAR
2019	2020	2021	2022	2023	2024	
\$ 50,287,352	\$ 53,110,881	\$ 52,448,798	\$ 60,465,793	\$ 65,278,697	\$ 64,797,774	
34,435,075	38,309,365	42,245,415	44,246,666	47,532,961	53,354,464	
20,435,913	21,881,584	23,137,315	27,657,212	32,394,805	33,182,170	
1,317,810	967,466	1,022,426	1,198,799	3,709,845	3,583,760	
1,795,841	853,499	498,987	1,284,486	988,944	1,015,424	
752,273	381,521	495,975	545,315	1,603,257	1,794,192	
2,085,321	1,711,401	3,344,779	3,329,794	601,566	645,282	
3,123,994	2,547,859	2,228,232	2,759,798	2,370,101	2,314,838	
1,762,884	1,590,021	1,749,668	2,138,556	2,414,141	2,449,168	
-	-	-	5,784,296	6,670,766	8,270,343	
4,028,788	6,773,559	7,190,824	6,995,722	12,476,167	7,162,759	
3,182,243	6,358,716	21,233,196	31,328,186	25,428,101	32,915,851	
<u>123,207,494</u>	<u>134,485,872</u>	<u>155,595,615</u>	<u>187,734,623</u>	<u>201,469,351</u>	<u>211,486,025</u>	
<u>151,584,041</u>	<u>168,197,297</u>	<u>194,722,774</u>	<u>239,263,585</u>	<u>238,403,579</u>	<u>245,417,553</u>	
(125,207,215)	(123,640,502)	(120,732,375)	(123,001,588)	(163,205,953)	(236,753,947)	
8,156,509	16,179,863	36,582,990	51,118,491	34,982,055	29,655,235	
<u>(117,050,706)</u>	<u>(107,460,639)</u>	<u>(84,149,385)</u>	<u>(71,883,097)</u>	<u>(128,223,898)</u>	<u>(207,098,712)</u>	
74,555,736	77,783,241	82,999,797	87,615,776	95,322,503	105,874,767	
14,172,237	14,042,607	13,322,983	13,588,785	10,235,994	12,783,761	
40,610,169	41,033,102	48,720,357	54,078,904	55,744,974	56,850,723	
14,590,418	14,480,403	14,523,390	16,424,001	16,429,419	15,738,949	
1,273,129	1,168,421	1,368,393	1,468,276	1,649,254	1,754,254	
7,976,252	3,990,302	669,398	(4,681,366)	24,779,322	34,210,328	
3,349,070	2,989,133	2,834,269	3,417,510	3,767,602	19,088,808	
-	-	-	-	-	-	
<u>(233,023)</u>	<u>(1,465,270)</u>	<u>74,108</u>	<u>1,853,671</u>	<u>(11,442,655)</u>	<u>5,469,820</u>	
<u>156,293,988</u>	<u>154,021,939</u>	<u>164,512,695</u>	<u>173,765,557</u>	<u>196,486,413</u>	<u>251,771,410</u>	
4,617,066	3,138,696	4,519,547	6,120,368	6,475,224	7,377,490	
2,278,688	1,143,224	200,269	(1,995,863)	5,543,789	9,070,775	
-	29,769,651	-	-	-	-	
233,023	1,465,270	(74,108)	(1,853,671)	11,442,655	(5,469,820)	
<u>7,128,777</u>	<u>35,516,841</u>	<u>4,645,708</u>	<u>2,270,834</u>	<u>23,461,668</u>	<u>10,978,445</u>	
<u>163,422,765</u>	<u>189,538,780</u>	<u>169,158,403</u>	<u>176,036,391</u>	<u>219,948,081</u>	<u>262,749,855</u>	
31,086,773	30,381,437	43,780,320	50,763,969	33,280,460	15,017,463	
15,285,286	51,696,704	41,228,698	53,389,325	58,443,723	40,633,680	
<u>\$ 46,372,059</u>	<u>\$ 82,078,141</u>	<u>\$ 85,009,018</u>	<u>\$ 104,153,294</u>	<u>\$ 91,724,183</u>	<u>\$ 55,651,143</u>	

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

	2015	2016	2017	2018
General Fund				
Nonspendable:				
Advances to other funds	\$ -	\$ -	\$ -	\$ -
Inventory	849,594	925,826	855,118	962,267
Real estate held for resale	6,160	6,160	6,160	6,160
Restricted for:				
Communications and Marketing	751,247	971,345	1,006,021	1,271,408
Culture and recreation	755,927	365,900	-	-
Public safety	119,629	-	-	-
Economic development	-	-	-	-
Committed to:				
Economic development	9,722,702	10,288,673	10,645,045	10,933,118
Culture and recreation	-	-	-	-
Assigned to:				
Capital improvements	4,810,928	11,891,042	14,880,555	17,425,920
Economic development	5,740,957	4,753,144	4,491,067	7,354,149
Housing and community development	142,117	3,822	-	44,600
Public works	352,180	300,048	109,472	240,959
Public safety	189,501	237,645	507,585	753,506
Culture and recreation	150,601	141,888	129,850	130,993
Subsequent year's budget appropriation	7,108,799	2,140,199	2,868,343	3,588,211
Other	220,123	268,004	264,776	416,224
Unreserved/Unassigned	23,392,619	23,778,234	25,058,680	26,964,901
Total General Fund	\$ 54,313,084	\$ 56,071,930	\$ 60,822,672	\$ 70,092,416

Table III

FISCAL YEAR						
2019	2020	2021	2022	2023	2024	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
963,711	1,025,496	874,629	958,731	1,117,009	641,907	
6,160	6,160	6,160	6,160	6,160	6,160	
1,318,309	1,471,560	1,636,663	1,805,112	1,912,417	2,115,426	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
13,688,936	14,496,364	16,025,074	14,520,304	17,793,635	20,168,820	
-	-	-	-	-	-	
25,476,197	12,917,754	-	-	-	-	
8,274,949	3,958,032	6,493,032	6,493,032	11,233,433	3,390,981	
-	-	32,899	-	284,163	-	
566,574	245,706	365,062	951,973	443,104	-	
699,653	757,889	694,975	1,618,899	1,892,908	-	
340,878	8,236	163,113	68,132	217,980	-	
4,403,230	7,979,534	1,293,553	2,121,810	7,340,656	-	
1,045,887	1,138,853	1,118,170	4,116,731	1,685,142	-	
30,539,334	48,089,822	64,102,649	63,138,539	58,980,843	79,482,395	
<u>\$ 87,323,818</u>	<u>\$ 92,095,406</u>	<u>\$ 92,805,979</u>	<u>\$ 95,799,423</u>	<u>\$ 102,907,450</u>	<u>\$ 105,805,689</u>	

(Continued)

**Fund Balances of Governmental Funds
(Unaudited)
(Continued)**

	2015	2016	2017	2018
All Other Governmental Funds:				
Nonspendable:				
Parks and cemetery care	\$ 466,997	\$ 366,560	\$ 368,115	\$ 371,797
Real estate held for sale	46,705	-	-	-
Inventory	131,805	138,360	85,685	-
Restricted for:				
Debt service	491,257	598,145	528,707	675,525
Capital projects	7,184,956	4,631,102	12,754,861	29,469,813
Tax increment zone activities	13,579,596	16,822,186	22,732,032	31,067,768
Housing and community development	2,059,972	2,037,017	1,570,574	1,314,573
Public works	-	-	-	-
Public safety	1,442,749	1,224,262	1,208,289	1,556,260
Culture and recreation	450,821	347,288	581,442	191,804
Waco Public Improvement District	716,835	755,292	888,323	906,377
Committed to :				
Capital projects	15,665,156	13,223,176	14,236,424	14,241,431
Economic Development	-	-	-	-
Public health	820,811	1,050,924	1,741,422	2,417,446
Assigned to :				
Culture and recreation	-	-	-	-
Total all other governmental funds	\$ 43,057,660	\$ 41,194,312	\$ 56,695,874	\$ 82,212,794

Source: Annual Comprehensive Financial Reports

Notes: In fiscal year 2015, the City implemented the provisions of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27," and the changes are reported prospectively.

Table III

						FISCAL YEAR
2019	2020	2021	2022	2023	2024	
\$ 378,209	\$ 381,019	\$ 326,896	\$ 323,713	\$ 332,430	\$ 345,172	
-	-	-	1,975,000	-	-	
-	-	-	-	-	562,801	
742,629	600,472	1,303,947	720,211	969,001	487,284	
35,639,375	50,835,124	55,153,344	79,875,567	103,316,570	142,973,134	
37,977,473	42,551,716	44,304,621	43,667,730	67,475,883	118,667,701	
325,423	246,965	296,952	380,219	489,657	517,975	
1,142,535	636,582	678,759	463,657	254,197	456,244	
1,568,647	1,658,699	2,285,587	2,906,311	3,462,374	3,848,844	
153,891	169,374	180,414	172,880	180,040	178,481	
1,006,241	1,148,686	1,034,429	1,125,038	1,423,812	1,382,261	
12,465,309	20,797,066	37,279,317	45,965,718	48,211,240	2,890,825	
-	-	-	-	-	40,828,776	
2,514,105	3,240,719	3,390,803	4,213,781	4,419,833	4,660,467	
-	-	-	-	-	226,450	
<u>\$ 93,913,837</u>	<u>\$ 122,266,422</u>	<u>\$ 146,235,069</u>	<u>\$ 181,789,825</u>	<u>\$ 230,535,037</u>	<u>\$ 318,026,415</u>	

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

	2015	2016	2017	2018
Revenues:				
Taxes:				
Sales	\$ 35,813,531	\$ 37,371,461	\$ 38,135,659	\$ 39,017,059
Property	60,851,059	65,630,088	72,678,709	80,168,586
Interest and penalty	598,772	620,805	620,791	636,115
Special assessments	326,760	358,421	482,959	535,505
Business and occupation fees	13,762,575	13,734,655	14,238,292	14,916,497
Permits, licenses and fees	2,454,494	2,739,022	2,618,623	2,482,683
Fines	2,506,051	2,569,317	2,054,255	1,883,191
Charges for services	1,749,690	1,834,544	1,939,164	2,104,779
Investment earnings	436,017	825,795	1,574,399	3,921,246
Contributions	3,490,258	1,419,645	1,244,774	861,550
Intergovernmental	9,968,503	9,175,975	11,344,302	9,590,294
Program income	289,272	298,107	222,053	246,593
Other	10,971,694	11,238,248	11,080,269	12,156,194
Total revenues	<u>143,218,676</u>	<u>147,816,083</u>	<u>158,234,249</u>	<u>168,520,292</u>
Expenditures:				
General government	22,826,332	25,611,309	28,421,391	30,108,527
Public works	1,405,812	1,879,964	1,643,939	5,119,496
Public safety	62,557,857	67,172,300	70,051,351	73,673,507
Culture and recreation	13,543,825	13,427,467	17,688,310	14,216,289
Housing and community development	2,897,236	2,370,097	2,576,675	2,908,249
Public health	7,247,059	7,533,938	7,588,586	7,906,760
Capital outlay	14,758,838	26,453,338	13,884,468	11,595,064
Debt service:				
Principal	5,585,000	5,895,000	6,685,000	6,660,000
Interest and fiscal charges	3,437,349	3,283,750	3,240,961	3,440,471
Bond issuance costs	250,679	99,402	84,655	140,293
Total expenditures	<u>134,509,987</u>	<u>153,726,565</u>	<u>151,865,336</u>	<u>155,768,656</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,708,689</u>	<u>(5,910,482)</u>	<u>6,368,913</u>	<u>12,751,636</u>
Other financing sources (uses):				
General obligation bonds issued	1,695,000	3,805,000	11,465,000	19,840,000
Refunding bonds issued	34,125,000	1,945,000	-	-
Capital leases	-	-	-	-
Premiums on general obligation bonds	57,044	334,219	451,335	1,180,056
Capital Asset Financing	-	-	-	-
Premiums on refunding bonds	6,804,247	136,375	-	-
Payments to refunded bond escrow agent	(40,676,302)	(2,055,353)	-	-
Financing of leases	-	-	-	-
Financing of subscriptions	-	-	-	-
Transfers in	26,296,892	23,677,980	22,351,642	13,552,009
Transfer out	(23,695,073)	(22,037,241)	(20,384,586)	(12,537,037)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources	<u>4,606,808</u>	<u>5,805,980</u>	<u>13,883,391</u>	<u>22,035,028</u>
Net change in fund balances	<u>\$ 13,315,497</u>	<u>\$ (104,502)</u>	<u>\$ 20,252,304</u>	<u>\$ 34,786,664</u>
Debt service as a percentage of noncapital expenditures	7.49%	7.24%	7.31%	7.04%

Source: Annual Comprehensive Financial Reports

STATISTICAL SECTION

Table IV

						FISCAL YEAR
2019	2020	2021	2022	2023	2024	
\$ 40,610,169	\$ 41,033,102	\$ 48,720,357	\$ 54,078,904	\$ 55,744,974	\$ 56,850,723	
87,622,628	91,162,296	95,591,126	100,511,311	104,541,098	119,111,398	
613,463	805,160	603,571	719,799	703,042	709,651	
560,432	630,654	644,776	650,962	776,425	881,284	
14,590,418	14,480,403	14,523,390	16,424,001	16,429,419	15,738,949	
2,957,028	2,967,430	3,690,136	4,156,782	4,368,416	3,884,737	
2,055,628	1,650,016	1,931,290	2,162,661	1,877,500	2,018,609	
2,101,940	1,921,824	2,273,973	2,542,795	2,863,857	2,163,635	
7,640,582	3,823,044	642,351	(4,482,730)	20,754,154	25,857,406	
1,072,378	829,925	766,646	9,035,418	909,956	1,415,438	
9,435,004	19,950,651	14,745,342	17,804,486	22,097,044	24,181,952	
194,820	227,685	189,218	239,688	236,282	267,157	
16,217,373	14,253,903	15,344,110	17,454,355	18,295,114	19,088,808	
<u>185,671,863</u>	<u>193,736,093</u>	<u>199,666,286</u>	<u>221,298,432</u>	<u>249,597,281</u>	<u>272,169,747</u>	
30,851,658	38,971,422	42,716,357	52,465,669	43,299,006	53,718,989	
7,051,885	7,926,213	10,464,167	8,754,888	10,580,880	2,733,077	
75,754,565	80,011,063	77,816,545	86,635,797	94,988,901	99,934,612	
15,201,353	15,196,451	14,325,034	16,484,711	20,049,051	22,254,498	
3,250,335	2,925,409	5,658,410	7,287,352	11,436,959	12,257,871	
8,944,992	8,813,617	9,765,137	10,677,502	11,066,013	11,385,073	
25,302,918	21,821,248	37,837,873	43,836,723	89,017,748	97,260,418	
6,555,000	7,590,000	8,780,000	9,585,000	10,060,000	13,880,812	
4,016,921	4,553,085	5,144,979	5,482,871	7,448,292	12,343,832	
203,758	123,993	160,006	489,287	788,255	861,309	
<u>177,133,385</u>	<u>187,932,501</u>	<u>212,668,508</u>	<u>241,699,800</u>	<u>298,735,105</u>	<u>326,630,491</u>	
8,538,478	5,803,592	(13,002,222)	(20,401,368)	(49,137,824)	(54,460,744)	
18,560,000	26,210,000	28,960,000	46,285,000	98,990,000	128,911,400	
9,365,000	-	3,155,000	1,585,000	-	9,798,600	
-	-	5,000,000	-	-	-	
1,583,439	2,551,941	1,230,197	7,902,360	2,177,452	9,741,434	
-	-	-	-	14,313,701	183,169	
1,065,159	-	350,193	241,411	-	345,777	
(10,434,176)	-	(3,539,057)	(1,816,002)	-	(9,718,067)	
-	-	-	2,681,107	189,225	163,114	
-	-	-	-	768,816	-	
18,871,120	31,572,912	37,465,729	36,593,973	32,517,518	68,692,308	
(18,616,575)	(33,014,272)	(34,940,626)	(34,523,281)	(43,965,649)	(63,267,374)	
-	-	-	-	-	-	
<u>20,393,967</u>	<u>27,320,581</u>	<u>37,681,436</u>	<u>58,949,568</u>	<u>104,991,063</u>	<u>144,850,361</u>	
\$ 28,932,445	\$ 33,124,173	\$ 18,210,656	\$ 38,548,200	\$ 55,853,239	\$ 90,389,617	
7.09%	7.77%	8.35%	8.88%	9.11%	11.47%	

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

Category	2024	2023	2022	2021
Real - residential single family	\$ 8,943,753,153	\$ 8,008,709,786	\$ 6,158,778,179	\$ 5,440,236,061
Real - residential multi-family	1,837,006,587	1,659,006,599	1,324,406,224	1,309,440,113
Real - platted lots & residential inventory	344,052,684	352,743,836	254,291,978	260,120,813
Real - acreage, land only	188,473,201	116,433,143	106,943,005	106,653,807
Real - improved farm & ranch	2,097,200	54,234,666	47,294,190	44,260,405
Real - commercial & industrial	4,330,499,311	3,703,053,676	3,036,988,519	3,082,168,132
Real and tangible personal - utilities	299,413,219	281,756,517	260,021,256	245,410,126
Tangible personal - business	3,198,715,290	2,379,902,490	2,136,033,509	2,001,638,910
Tangible personal - other	6,474,200	4,673,250	3,261,760	3,099,232
Total market value	<u>19,150,484,845</u>	<u>16,560,513,963</u>	<u>13,328,018,620</u>	<u>12,493,027,599</u>
Less total exemptions	<u>3,443,544,409</u>	<u>3,050,317,604</u>	<u>1,477,887,129</u>	<u>1,293,119,298</u>
Taxable assessed value	<u>\$ 15,706,940,436</u>	<u>\$ 13,510,196,359</u>	<u>\$ 11,850,131,491</u>	<u>\$ 11,199,908,301</u>
Total direct tax rate per \$ 100 of taxable assessed value	<u>0.755000</u>	<u>0.760000</u>	<u>0.767282</u>	<u>0.776232</u>
Estimated actual taxable value	<u>\$ 19,150,484,845</u>	<u>\$ 16,560,513,963</u>	<u>\$ 13,328,018,620</u>	<u>\$ 12,493,027,599</u>
Taxable assessed value as a percentage of actual taxable value	82.0%	81.6%	88.9%	89.6%

Source: McLennan County Appraisal District, except total direct tax rates which were obtained from the City of Waco Office of Management and Budget.

Table V

						FISCAL YEAR
2020	2019	2018	2017	2016	2015	
\$ 5,045,208,989	\$ 4,689,727,622	\$ 4,103,208,707	\$ 3,666,787,394	\$ 3,442,331,305	\$ 3,330,608,637	
1,204,270,853	1,156,809,421	1,036,321,000	854447458	710,274,847	600,033,734	
254,696,041	241,199,487	225,165,345	216,913,884	179,995,100	192,366,941	
101,075,715	95,061,274	75,960,194	77,014,810	69022094	74,636,662	
49,625,414	47,626,117	41,117,522	34,974,967	29,242,020	32,499,555	
2,931,146,517	2,831,537,753	2,652,184,099	2,444,560,582	2,221,110,921	2,051,472,009	
229,487,770	217,987,430	202,093,432	192,815,272	202,959,032	177,491,413	
2,131,366,180	2,037,021,720	1,940,142,010	1,926,700,880	1,844,415,017	1,724,904,133	
2,699,122	2,370,660	2,334,390	2,325,700	2,406,350	2,424,330	
<u>11,949,576,601</u>	<u>11,319,341,484</u>	<u>10,278,526,699</u>	<u>9,416,540,947</u>	<u>8,701,756,686</u>	<u>8,186,437,414</u>	
<u>1,254,695,579</u>	<u>1,253,765,578</u>	<u>1,073,765,249</u>	<u>943,172,583</u>	<u>939,650,349</u>	<u>916,313,922</u>	
<u>\$ 10,694,881,022</u>	<u>\$ 10,065,575,906</u>	<u>\$ 9,204,761,450</u>	<u>\$ 8,473,368,364</u>	<u>\$ 7,762,106,337</u>	<u>\$ 7,270,123,492</u>	
<u>0.776232</u>	<u>0.776232</u>	<u>0.776232</u>	<u>0.776232</u>	<u>0.776232</u>	<u>0.776232</u>	
<u>\$ 11,949,576,601</u>	<u>\$ 11,319,341,484</u>	<u>\$ 10,278,526,699</u>	<u>\$ 9,416,540,947</u>	<u>\$ 8,701,756,686</u>	<u>\$ 8,186,437,414</u>	
89.5%	88.9%	89.6%	90.0%	89.2%	88.8%	

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

Fiscal Year	City Direct Rates			Waco Independent School District	China Spring Independent School District	La Vega Independent School District	McLennan Community College
	Operating/General	Debt Service	Total Direct				
2015	0.646744	0.129488	0.776232	1.353240	1.538834	1.465000	0.149530
2016	0.653858	0.122374	0.776232	1.400000	1.516068	1.459000	0.149724
2017	0.662094	0.114138	0.776232	1.400000	1.421381	1.422100	0.148898
2018	0.660723	0.115509	0.776232	1.302450	1.387194	1.413532	0.150346
2019	0.673581	0.102651	0.776232	1.410000	1.358720	1.394040	0.147696
2020	0.665656	0.110576	0.776232	1.302450	1.294110	1.290269	0.147696
2021	0.646729	0.129503	0.776232	1.263953	1.257416	1.299955	0.149782
2022	0.640394	0.126888	0.767282	1.244640	1.265760	1.261350	0.149782
2023	0.619238	0.140762	0.760000	1.241869	1.174065	1.188151	0.139074
2024	0.614409	0.140591	0.755000	1.028587	1.021380	1.007507	0.128509

Note: A typical property tax bill would consist of City, school district, community college, and county taxes.

Table VI

Overlapping Rates						
McLennan County	Connally Independent School District	Midway Independent School District	Bosqueville Independent School District	Lorena Independent School District	Robinson Independent School District	McGregor Independent School District
0.535293	1.274394	1.320000	1.478175	1.640000	1.510000	1.355000
0.535293	1.281628	1.320000	1.507102	1.640000	1.510000	1.355000
0.525293	1.251212	1.320000	1.441544	1.579090	1.470000	1.333800
0.505293	1.374409	1.320000	1.429973	1.554090	1.406135	1.330000
0.485293	1.367955	1.320000	1.379229	1.534000	1.406135	1.330000
0.485293	1.266457	1.250000	1.322389	1.435210	1.286700	1.276100
0.468719	1.234741	1.236400	1.233088	1.332666	1.26093	1.167280
0.425000	1.215509	1.164300	1.178300	1.200310	1.172632	1.112970
0.376355	1.087309	1.124600	1.147299	1.164540	1.124384	1.037681
0.329805	0.980300	0.939200	1.204180	0.956775	0.946640	0.875120

**Principal Property Taxpayers
(Unaudited)
Current Year and Nine Years Ago**

Fiscal year 2024

Taxpayers	Taxable Assessed Value	Percentage of Total Taxable Assessed Valuation
Amazon.com Services, Inc	\$ 232,194,160	1.48%
Refresco Beverages U.S. Inc.	145,769,375	0.93%
USRE Diana LLC	142,888,190	0.91%
Mars Chocolate North America LLC	119,770,590	0.76%
Sherwin Williams Co Inc.	94,952,727	0.60%
L-3 Communications Integrated Systems L.P.	93,284,320	0.59%
Oncor Electric Delivery Co. L.L.C.	91,348,335	0.58%
Atmos Energy/Mid-Tex	81,695,720	0.52%
Caterpillar Logistics Inc.	77,318,742	0.49%
Allergan, Inc.	71,308,390	0.45%
Total	<u>\$ 1,150,530,549</u>	<u>7.31%</u>

Source: McLennan County Appraisal District

Table VII

Fiscal year 2015

Taxpayers	Taxable Assessed Value	Percentage of Total Taxable Assessed Valuation
Mars Snackfood US L.L.C.	\$ 106,799,646	1.47%
Coca Cola Company	98,357,980	1.35%
L-3 Communications Integrated Systems L.P.	76,263,750	1.05%
Allergan, Inc.	62,045,624	0.85%
Oncor Electric Delivery Co.	57,638,637	0.79%
Inland Western Waco Central, L.P.	53,760,400	0.74%
Caterpillar Logistics Services, Inc.	46,083,695	0.63%
Associated Hygienic Products, L.L.C.	45,990,038	0.63%
CBL/Richland Mall, L.P.	42,291,560	0.58%
Tractor Supply Company of Texas, L.L.P.	41,891,099	0.58%
Total	<u>\$ 631,122,429</u>	<u>8.67%</u>

**Property Tax Levies and Collections
(Unaudited)
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Tax Levy for City Operations and Debt</u>	<u>City Tax Levy for Tax Increment Financing</u>	<u>Total Tax Levy for Fiscal Year</u>	<u>Adjustments to Levy in Subsequent Years</u>
2015	54,676,069	1,792,277	56,468,346	(216,148)
2016	58,055,153	2,224,388	60,279,541	(354,190)
2017	62,891,323	3,094,279	65,985,602	(842,663)
2018	67,536,896	3,506,068	71,042,964	(294,767)
2019	73,976,108	3,864,376	77,840,484	(662,300)
2020	79,178,817	3,942,081	83,120,898	(836,914)
2021	83,297,493	4,479,412	87,776,905	(1,524,732)
2022	86,705,114	4,474,925	91,180,039	(289,709)
2023	95,104,883	6,532,304	101,637,187	(873,937)
2024	104,491,486	11,105,303	115,596,789	

Source: McLennan County Tax Office

Table VIII

Adjusted Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections	
	Amount	Percentage of Adjusted Levy	Delinquent Tax Collections	Amount	Percentage of Adjusted Levy
56,252,198	55,622,582	98.87	546,577	56,162,546	99.84
59,925,351	59,465,589	99.22	369,675	59,828,211	99.84
65,142,939	64,907,474	99.64	126,033	65,025,023	99.82
70,748,197	70,504,465	99.64	116,207	70,609,390	99.80
77,178,184	76,906,987	99.61	115,408	77,006,764	99.78
82,283,984	81,374,389	98.80	714,480	82,070,917	99.74
86,252,173	85,785,642	98.92	547,284	86,177,271	99.91
90,890,330	90,303,169	99.04	346,996	90,601,038	99.68
100,763,250	100,535,745	98.92	225,446	100,761,191	100.00
115,596,789	114,337,550	98.91	-	114,337,550	98.91

**Ratio of Outstanding Debt by Type
(Unaudited)
Last Ten Fiscal Years**

Governmental Activities

Fiscal Year	General Obligation Bonds ⁽¹⁾	Capital Financing Agreement	General Obligation Bonds ⁽²⁾	Contracts Payable	Leases Payable	Subscriptions Payable	Refundable Contracts	Notes Payable	General Obligation Bonds
2015	86,321,896	-	370,000	830,000	-	-	80,007	968,532	223,050,091
2016	83,778,284	-	345,000	830,000	-	-	80,007	(399,199)	295,326,024
2017	88,004,702	-	285,000	830,000	-	-	80,007	645,688	314,046,707
2018	92,942,378	-	8,505,000	830,000	-	-	80,007	484,266	343,297,379
2019	105,635,153	-	8,100,000	830,000	-	-	80,007	322,844	370,491,773
2020	125,567,359	-	7,560,000	830,000	-	-	80,007	161,422	381,685,431
2021	146,044,918	4,504,822	6,505,000	830,000	-	-	80,007	-	405,489,590
2022	191,241,487	4,030,702	3,615,000	830,000	1,984,527	-	80,007	-	435,667,951
2023	237,798,891	3,550,183	45,915,000	830,000	1,669,122	944,760	80,007	14,313,701	500,625,483
2024	289,107,137	3,063,180	120,080,000	830,000	1,781,045	589,904	80,007	11,530,076	594,328,583

Note 1: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Note 2: Personal income information is not available at the City level. In lieu of this ratio, the percentage of total debt to actual taxable value of property is provided.

⁽¹⁾ Includes unamortized premium.

⁽²⁾ General obligation bonds payable from tax increment financing sources.

⁽³⁾ See Table V for property value data.

Source: Estimated population provided by the City of Waco Planning Office.

Table IX

Business-Type Activities					Percentage of Actual Taxable		
Notes Payable	Leases Payable	Refundable Contracts	Contracts Payable	Total Primary Government	Value of Property ⁽³⁾	Population of City	Per Capita
1,825,882	-	1,572,435	-	315,018,843	4.33%	130,533	2,413
1,750,105	-	1,513,751	1,306,512	385,736,793	4.97%	132,889	2,903
1,670,963	-	1,615,828	845,390	408,024,285	4.82%	135,557	3,010
1,588,306	-	1,390,948	345,841	449,464,125	0.0488	137,048	3,280
1,501,978	-	1,354,489	-	488,316,244	0.0485	139,236	3,507
1,411,816	-	1,284,371	-	518,580,406	5.15%	138,486	3,745
1,317,649	-	1,191,783	-	565,963,769	5.62%	139,982	4,043
1,219,301	439,878	1,191,783	-	640,300,636	4.80%	143,984	4,574
1,122,766	282,791	1,185,350	-	808,318,054	4.88%	144,816	5,614
1,091,441	36,326	1,185,350	-	1,023,703,049	5.35%	146,241	7,000

Table X

**Ratio of General Bonded Debt Outstanding
(Unaudited)
Last Ten Fiscal Years**

Fiscal Year	General Bonded Debt Outstanding ⁽¹⁾	Less: Amounts Available in Debt Service Fund	Less: Self-Supporting Debt Outstanding	Total	Percentage of Actual Taxable Value of Property ⁽²⁾	Population of City ⁽³⁾	Per Capita
2015	309,741,987	259,739	223,420,091	86,062,157	1.18%	130,533	659
2016	379,449,308	310,501	295,671,024	83,467,783	1.08%	132,889	628
2017	402,336,409	(640,100)	314,331,707	88,644,802	1.05%	135,557	654
2018	444,744,757	104,018	351,802,379	92,838,360	1.01%	137,048	677
2019	484,226,926	120,072	378,591,773	105,515,081	1.05%	139,236	758
2020	514,812,790	-	389,245,431	125,567,359	1.17%	138,486	907
2021	558,039,508	546,081	411,994,590	145,498,837	1.30%	139,982	1,039
2022	630,524,438	-	439,282,951	191,241,487	1.60%	143,984	1,366
2023	784,339,374	-	549,514,109	234,825,265	1.96%	144,816	1,631
2024	1,003,515,720	-	719,775,553	283,740,167	1.48%	146,241	1,940

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

⁽¹⁾ General bonded debt of both governmental and business-type activities, including unamortized premium, paid from property tax levy and revenues of the Water Fund, Wastewater Fund, Solid Waste Fund and Tax Increment Fund No. 1.

⁽²⁾ See Table V for property value data.

⁽³⁾ See Table IX for population data.

Table XI

**Direct and Overlapping Governmental Activities Debt
(Unaudited)
September 30, 2024**

Taxing Authority	Debt Outstanding	Estimated Percentage Applicable ⁽¹⁾	Estimated Share of Debt Overlapping Debt
Debt repaid with property taxes:			
Waco Independent School District	\$ 449,280,000	95.07%	\$ 427,130,496
Bosqueville Independent School District	24,455,000	75.80%	18,536,890
McLennan Community College	38,150,000	54.09%	20,635,335
McLennan County	85,055,000	54.09%	46,006,250
Midway Independent School District	160,070,000	55.62%	89,030,934
LaVega Independent School District	122,236,337	44.97%	54,969,681
China Spring Independent School District	74,439,986	47.90%	35,656,753
Connally Independent School District	5,710,000	13.20%	753,720
Lorena Independent School District	<u>21,369,122</u>	3.40%	<u>726,550</u>
Subtotal, overlapping debt	<u>\$ 980,765,445</u>		<u>\$ 693,446,609</u>
City direct debt:			
City of Waco direct debt	\$ 300,637,213	100.00%	\$ 300,637,213
Tax increment financing	120,080,000	100.00%	120,080,000
Capital Financing Agreement	3,063,180	100.00%	3,063,180
Leases Payable	1,781,045	100.00%	1,781,045
Subscriptions Payable	589,904	100.00%	589,904
Other	<u>910,007</u>	100.00%	<u>910,007</u>
Subtotal, direct debt	<u>\$ 427,061,349</u>		<u>\$ 427,061,349</u>
Total direct and overlapping debt	<u>\$ 1,407,826,794</u>		<u>\$ 1,120,507,958</u>

(1) The percentage of overlapping debt applicable is estimated using taxable assessed values that were obtained from the McLennan County Appraisal District. Applicable percentages were estimated by determining the portion of the taxing authorities' taxable assessed values that are within the City's boundaries and dividing it by the taxing authorities' total taxable assessed values.

Sources: McLennan County Appraisal District and the Municipal Advisory Council of Texas as of September 30, 2024.

**Pledged-Revenue Coverage
(Unaudited)
Last Ten Fiscal Years**

Fiscal Year			Water and
	Gross Revenue ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Revenue Available for Debt Service
2015 ⁽⁴⁾	59,514,895	36,477,205	23,037,690
2016 ⁽⁴⁾	64,908,762	37,994,953	26,913,809
2017 ⁽⁴⁾	72,367,283	39,791,567	32,575,716
2018 ⁽⁴⁾	80,691,818	40,693,841	39,997,977
2019 ⁽⁴⁾	86,515,694	45,386,875	41,128,819
2020 ⁽⁴⁾	93,579,089	46,837,592	46,741,497
2021 ⁽⁴⁾	95,855,770	46,796,680	49,059,090
2022 ⁽⁴⁾	103,663,756	48,372,698	55,291,058
2023 ⁽⁴⁾	116,717,633	58,114,538	58,603,095
2024 ⁽⁴⁾	124,223,594	66,605,142	57,618,452

⁽¹⁾ Total revenue including interest.

⁽²⁾ Total operating expenses exclusive of depreciation.

⁽³⁾ Includes principal and interest of general obligation bonds reported in the water and wastewater funds.

⁽⁴⁾ Although City has no outstanding revenue bonds, a limited pledge (not to exceed \$1,000) of surplus revenues of the City's water and wastewater system is used for security for certificates of obligation.

Source: Annual Comprehensive Financial Reports

Table XII

Wastewater Funds

Debt Service Requirements ⁽³⁾			Coverage
Principal	Interest	Total	
11,085,000	8,363,187	19,448,187	138.39%
11,555,000	8,142,857	19,697,857	165.38%
13,715,000	11,827,630	25,542,630	156.59%
15,955,000	11,139,566	27,094,566	151.80%
17,900,000	12,511,654	30,411,654	153.70%
19,615,000	13,589,334	33,204,334	147.75%
20,775,000	13,339,808	34,114,808	162.07%
22,365,000	14,337,381	36,702,381	150.65%
24,740,000	16,941,869	41,681,869	140.60%
25,825,000	19,763,246	45,588,246	126.39%



Table XIII

**Demographic and Economic Statistics
(Unaudited)
Last Ten Fiscal Years**

Fiscal Year	Waco Metropolitan Statistical Area (MSA) Population	Waco MSA Personal Income (thousands of dollars)	Waco MSA Per Capita Personal Income	Median Age	Unemployment Rate
2015	262,361	9,713,471	37,023	28.7	4.10%
2016	265,207	10,012,971	37,755	28.2	4.00%
2017	268,696	10,549,900	39,263	28.8	3.30%
2018	271,942	11,103,700	40,831	28.6	3.20%
2019	273,920	11,428,760	41,723	28.9	3.10%
2020	277,005	12,576,979	43,403	N/A	5.50%
2021	280,485	13,783,247	49,151	29.5	4.10%
2022	283,885	14,137,044	49,798	29.1	3.40%
2023	285,869	15,302,108	53,528	28.8	4.10%
2024	N/A	N/A	N/A	N/A	3.70%

N/A Not available

Sources: Estimated population and personal income information provided by the Bureau of Economic Analysis' Interactive Data application. Personal income information not available at the City level. Median age provided by the 2015 through 2023 American Community Surveys. Unemployment rates provided by the Bureau of Labor Statistics. The 2024 rate is as of September.

**Principal Employers
(Unaudited)
Current Year and Nine Years Ago**

Fiscal Year 2024

Employer	Employees	Percentage of Total City Employment
Baylor University	4,034	2.86%
Baylor Scott & White Health	2,711	1.92%
Waco Independent School District	2,373	1.68%
H-E-B	2,000	1.42%
City of Waco	1,639	1.16%
Midway ISD	1,484	1.05%
Ascension Healthcare	1,396	0.99%
Dept of Veterans Affairs Regional Office	1,395	0.99%
L3Harris	1,178	0.83%
Wal-Mart	1,174	0.83%
Total	19,384	13.73%

N/A Not available

Source: Greater Waco Chamber of Commerce and the Bureau of Labor Statistics

Table XIV

Fiscal Year 2015		
Employer	Employees	Percentage of Total City Employment
Baylor University	2,675	2.29%
Waco Independent School District	2,500	2.14%
Providence Healthcare Network	2,397	2.05%
L-3 Communications	2,300	1.97%
Hillcrest Health System	1,800	1.54%
Wal-Mart Stores	1,656	1.42%
City of Waco	1,506	1.29%
H.E.B. Stores	1,500	1.29%
Midway Independent School District	1,067	0.91%
Sanderson Farms Inc.	1,041	0.89%
Total	18,442	15.79%

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

Function:	2015	2016	2017	2018
General Government	147.80	160.48	163.43	166.15
Public Works	57.00	53.00	46.00	42.05
Public Safety	622.95	620.12	618.23	628.32
Culture and Recreation	185.41	188.22	189.90	190.22
Housing and Community Development	20.19	19.62	19.04	18.38
Public Health	81.50	80.50	81.50	81.50
Water	123.25	123.68	123.31	119.80
Wastewater/WMARSS	72.75	73.32	74.83	76.34
Solid Waste	93.50	90.00	91.39	90.08
Airport	13.52	13.52	13.40	12.40
Convention Services	35.70	34.95	34.96	34.95
Ranger Hall of Fame	15.50	15.50	15.14	15.13
Cameron Park Zoo	51.36	51.36	50.82	48.95
Cottonwood Creek Golf Course	13.00	13.00	13.00	13.00
Drainage	NA	NA	NA	NA
Insurance/Risk Management	6.00	6.00	5.00	5.00
Engineering	24.00	23.00	25.90	30.11
Fleet Services	27.00	27.00	29.00	28.95
Total	1,590.43	1,593.27	1,594.85	1,601.32

General Government:

City Manager's Office, Office of Management and Budget, Animal Shelter, City Secretary, Finance, Purchasing, Information Technology, Legal, Planning, Human Resources, Communications and Marketing, Facilities

Public Works:

Streets and Street Reconstruction

Public Safety:

Municipal Court, Inspections, Traffic, Emergency Management, Fire, Police

Culture and Recreation:

Library, Parks and Recreation

Housing:

Housing, Neighborhoods, Community Development

Source: City of Waco Office of Management and Budget

Table XV

FISCAL YEAR					
2019	2020	2021	2022	2023	2024
168.60	168.60	191.64	210.35	207.40	238.20
39.05	41.05	44.05	43.36	44.68	47.67
630.95	637.95	643.18	636.82	660.84	683.84
189.86	189.86	189.86	179.21	170.78	179.05
19.78	19.78	19.78	34.00	3.40	5.92
87.20	88.20	88.20	89.20	43.00	37.11
120.49	120.49	120.49	124.16	124.66	124.14
76.51	76.51	76.51	82.84	85.34	88.33
90.72	90.72	91.28	98.00	102.00	119.00
12.40	12.40	12.40	12.40	12.40	12.40
34.95	34.95	34.95	34.95	34.95	34.95
15.13	15.13	15.125	17.13	17.13	18.13
58.65	61.58	61.58	62.36	62.36	63.58
13.00	13.00	13.00	11.00	11.00	11.00
NA	NA	NA	9.31	22.61	20.62
4.00	4.00	4.00	3.00	8.00	8.00
32.18	32.18	32.18	30.16	40.00	40.00
28.95	28.95	28.95	28.95	28.95	30.95
<u>1,622.40</u>	<u>1,635.35</u>	<u>1,667.17</u>	<u>1,707.20</u>	<u>1,679.50</u>	<u>1,762.89</u>

**Operating Indicators by Function
(Unaudited)
Last Ten Fiscal Years**

Function:	2015	2016	2017	2018
Public Safety				
Police				
Number of Sworn Employees - Budgeted	247	249	253	253
Number of Traffic Citations	13,626	10,903	10,682	11,918
Number of Class "C" Citations	2,432	2,642	2,005	1,845
Calls Dispatched	114,494	109,785	102,938	97,239
Fire				
Number of Sworn Employees - Budgeted	204	204	204	204
Number of Fire Responses	9,424	9,208	13,336	15,369
Public Works				
Street Resurfacing (miles)	9.96	23.32	37.70	11.70
Culture and Recreation				
Parks and Recreation				
Number of Teams in Athletic Leagues	283	254	352	367
Number of Participants in Track/Field Events	311	324	288	315
Number of Participants in After School	4,941	4,532	4,779	3,267
Library				
Physical Volumes in Collection	345,903	326,883	336,667	324,082
Electronic Collection	38,936	39,837	11,541	5,591
Water				
Number of Water Connections	45,042	45,914	46,543	46,691
Average Daily Water Consumption (gallons)	27,645,000	26,502,074	26,374,910	26,933,400
Maximum Storage Capacity (gallons)	42,150,000	42,150,000	42,150,000	42,150,000
Solid Waste				
Refuse Collected (tons)	59,596	58,732	60,494	79,756
Bulky/Brush Pickups (tons)	14,397	13,599	13,931	12,870
Recyclables Collected (tons)	3,422	3,104	2,618	3,420
Golf Course				
Number of Paid Rounds Played	38,571	37,881	39,878	43,079

N/A Not available

Source: City of Waco Departments

Table XVI

FISCAL YEAR					
2019	2020	2021	2022	2023	2024
253	260	267	266	294	295
15,152	12,819	12,140	15,890	16,043	18,821
2,184	1,667	1,180	1,299	1,370	1,530
102,503	102,438	95,698	99,541	94,665	91,427
204	204	204	210	221	221
19,010	19,662	19,451	20,198	21,753	21,386
50.74	115.00	23.84	29.00	9.50	20.01
378	0	164	303	310	326
342	0	333	392	412	350
2,994	0	331	1,996	2,087	2,160
337,566	363,903	372,026	359,806	373,051	373,913
6,137	7,460	8,547	8,772	9,811	11,368
47,964	48,531	49,217	50,094	50,633	51,344
26,494,200	26,350,000	25,330,000	29,114,600	26,241,244	23,701,193
44,025,000	43,565,000	43,565,000	43,565,000	43,565,000	43,565,000
79,417	63,569	80,296	130,006	125,246	113,796
13,191	4,258	4,285	4,738	3,541	3,428
4,275	4,084	3,612	3,707	3,590	3,318
40,884	40,527	40,024	45,059	49,583	48,152

**Capital Asset Statistics by Function
(Unaudited)
Last Ten Fiscal Years**

	2015	2016	2017	2018
Function:				
Public safety				
Police:				
Stations	1	1	1	1
Staffed substations	2	2	2	2
Patrol units - equipped for arrest use	74	80	90	71
Fire stations	14	14	13	13
Highways and streets				
Streets - paved (miles)	605	609	612	620
Traffic control signals	198	182	182	197
Traffic beacons and flashers	116	100	106	100
Culture and recreation				
Parks acreage	1,266	1,266	1,655	1,655
Parks	56	56	56	56
Swimming pools	1	1	3	3
Tennis courts	29	29	29	28
Community centers	5	5	6	6
Water				
Water mains (miles)	1,042	1,051	1,076	1,087
Fire hydrants	5,457	5,522	5,663	5,744
Maximum daily capacity (thousands of gallons)	75,000	75,000	75,000	75,000
Wastewater				
Sanitary sewers (miles)	852	866	874	884
Storm sewers (miles)	358	362	367	371
Maximum daily capacity (thousands of gallons)	46,500	46,500	46,500	46,500

N/A Not available

Source: City of Waco Departments

Table XVII

						FISCAL YEAR
2019	2020	2021	2022	2023	2024	
1	1	1	1	1	1	
2	2	2	2	2	2	
76	76	76	76	83	83	
13	13	13	13	13	13	
624	628	630	637	639	643	
190	185	187	198	181	208	
85	95	104	96	92	102	
1,655	1,748	1,687	1,780	1,780	1,780	
56	66	66	68	68	68	
3	3	3	4	1	1	
28	30	30	30	8	8	
6	6	6	7	6	6	
1,091	1,110	1,120	1,140	1,148	1,158	
5,778	5,851	5,929	6,027	6,049	6,029	
75,000	75,000	75,000	75,000	75,000	75,000	
887	891	902	915	920	933	
372	384	392	399	401	406	
46,500	46,500	46,500	46,500	46,500	46,500	