

City of Grapevine, Texas
Annual Comprehensive Financial Report
Fiscal Year Ended September 30, 2021





CITY OF GRAPEVINE, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2021

Prepared by: Fiscal Services Department

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CITY OF GRAPEVINE, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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INTRODUCTORY SECTION

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April 19, 2022

To the Honorable Mayor,
Members of the City Council, and
Citizens of the City of Grapevine, Texas

The Fiscal Services Department is pleased to submit the Annual Comprehensive Financial Report for the City of Grapevine, Texas (City). The City's management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, based upon a comprehensive framework of internal control that has been 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. To the best of our knowledge and belief, the enclosed data is accurate in all material respects. The data is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. To provide the reader a clear understanding of the City's financial activities, all necessary disclosures have been included.

The City Charter requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City. The City Charter specifies that independent accountants selected by the City Council conduct such audits. Pattillo, Brown & Hill, LLP was selected by the City Council to conduct this year's audit. The independent auditor's report on the basic financial statements is included in the financial section of this report. This report fulfills the requirement of state law which requires the City to file with the State an annual financial statement and audit opinion.

Pattillo, Brown & Hill, LLP has issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2021. The independent audit report is located at the front of the financial section of this report.

The Management's Discussion and Analysis (MD&A) is a narrative introduction, overview, and analysis to accompany the basic financial statements. The MD&A can be found immediately following the independent auditor's report. The letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.



Profile of the City

Incorporated in February 1907, Grapevine is a home rule city operating under a Council-Manager form of government. Policymaking and legislative authority are vested in the City Council, which consists of a Mayor and a six-member City Council. The City Manager is appointed by the City Council and is responsible for carrying out policies and for the daily management of the City. Council members serve three-year staggered terms, with two Council members elected each year. The Mayor is elected to serve a three-year term.

The City is located in the center of the Dallas/Fort Worth metropolitan area, twenty-one miles northwest of downtown Dallas and nineteen miles northeast of downtown Fort Worth. Three major freeways, State Hwy 114, State Hwy 121, and Interstate Hwy 635, intersect in the heart of Grapevine. The central location and highway system provide excellent access to area shopping, entertainment, and employment centers. The City is located in Northeast Tarrant County and is home to the Dallas/Fort Worth International Airport. Two-thirds of the airport properties are located within Grapevine city limits, and the City participates in a legislatively mandated revenue share agreement with the cities of Fort Worth and Dallas. The City is approximately thirty-five square miles and serves an approximate population of 54,000.

The City provides a full range of services, including police and fire protection, emergency ambulance service, planning and zoning, public improvements, water and sewer services, sanitation services, extensive parks and recreation facilities, library services, street and other public infrastructure maintenance and improvements, and general administrative services. Internal services including fleet operations, technology, and risk management are provided through the General Fund. Additionally, the City offers a 27-hole golf course, a very active economic development focus, and an aggressive marketing plan designed to promote the growth and development of industry and tourism within the City.

The City's Home Rule Charter provides for the submission of the budget to the City Council by the City Manager. At least sixty days and no more than ninety days before the beginning of the fiscal year, the City Manager must submit a proposed budget to the City Council. The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund and department, allowing the City Manager to approve the transfer of expenditures within a fund; however, transfers between funds require approval from the City Council. The Grapevine Code of Ordinances establishes a balanced budget provision for the General and Debt Service funds. Total estimated expenditures within these funds shall not exceed the total estimated resources; however, it does provide for disclosure when a deviation from a balanced budget is necessary. The budget may be amended, and appropriations altered in cases of public necessity, upon declaration of the City Council.

Component units are legally separate organizations that a primary government must include as a part of its financial reporting entity. The City has included financial statements for five blended component units due to their fiscal dependency on the primary government. The Tax Reinvestment Zones Numbers One and Two, the Crime Control and Protection District, the Grapevine 4B Economic Development Corporation, and the 4B Transit Fund, which accounts for local sales tax used to fund the City's participation in the commuter rail development project with the Fort Worth Transit Authority. The 4B Economic Development Fund accounts for a portion of the local sales tax, which is used to stimulate the local economy, promote new development, and spur redevelopment of other areas.

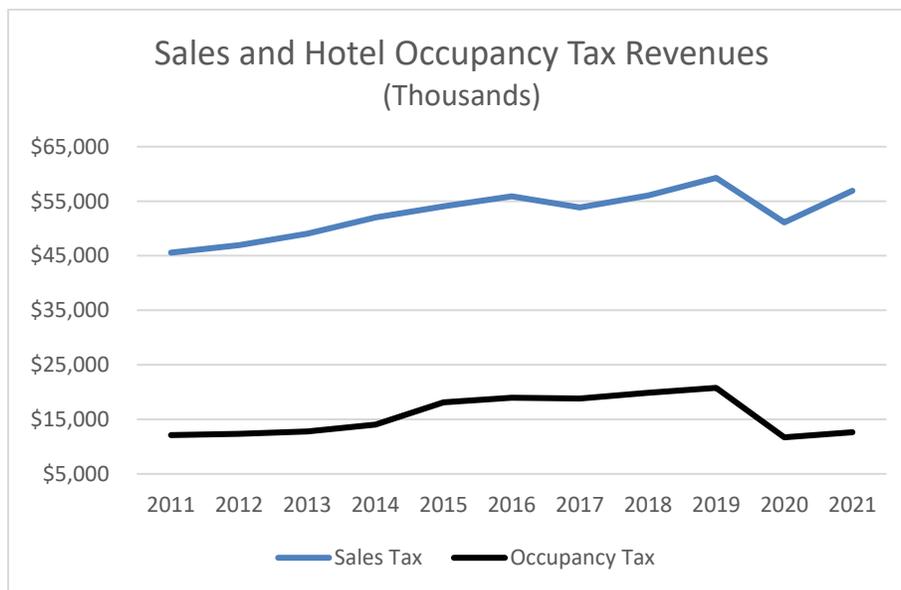
The Heritage Foundation is a legally separate organization that is a discretely presented component unit of the City. The Foundation was organized to promote the preservation, protection and economic development of Grapevine's physical and cultural heritage. Additional information on all six component units can be found in Note I in the notes to the financial statements.

Local Economy

During fiscal year 2021, the local economy started recovering from the economic effects of the COVID-19 pandemic. Festivals returned in this year after the cancellation last year due to the pandemic. The 37th Annual Main Street Fest “Reimagined,” and the 35th Annual GrapeFest – A Texas Wine Experience were held in May and September, respectively. These family friendly events brought visitors to downtown Grapevine for festival fun with live music and entertainment, shopping at local Main Street boutiques, galleries, and much more. Travel industry and businesses experienced significant increases in demand compared to the prior fiscal year, although the economic activity remained below pre-pandemic levels. Results are expected to improve throughout the upcoming fiscal years as businesses continue to recover from the effects of the pandemic. The City’s unemployment rate improved from 6% in fiscal year 2020 to 4% in fiscal year 2021, which was lower than the state’s unemployment rate of 5% for the same time.

Sales taxes, the single largest revenue stream for the City, increased 11% from the prior fiscal year confirming that the economy is recovering from the effects of the pandemic. Restaurants and stores around the City reopened for business and saw an increase in foot traffic as local economic activities continued to improve. Sales from tourism as well as retail sales from businesses located at the airport performed better than the prior fiscal year due to the rebound in air travel. Sales tax revenues over the last ten years are illustrated in the table below and reflect the rebound in the local economy.

The City’s hotel occupancy tax receipts increased 8% from the prior fiscal year. The hospitality and tourism industry rebounded from the effects of the pandemic due to increased demand in leisure and business travel. As tourism-related activities continue to recover, hotel occupancy tax revenues will correspondingly improve.



Long-term Financial Planning

The City Council establishes long term financial goals each year as a part of the budgeting process. For fiscal year 2021, the Council continued with the following goals:

- (1) Maintain financial stability and strong fiscal management
- (2) Sustain existing programs at high service levels
- (3) Provide a safe and secure community
- (4) Address future transportation needs

- (5) Continue to enhance tourism development
- (6) Invest in “Quality of Life” capital projects.

While the COVID-19 pandemic continued to have an impact on fiscal year 2021 results, the City was able to maintain financial stability and strong fiscal management. The General, Debt Service, Utility Enterprise, and Stormwater Drainage funds ended the fiscal year with fund balances that meet or exceed their reserve requirements.

As part of the commitment to the community’s safety, the City completed construction of several capital projects including two new fire stations, two fire station remodels, and a new Police Animal Shelter. In addition, a new 2021 fire truck was purchased to replace an end-of-life truck. The Police Department responded to 38,903 calls for service while the Fire Department responded to 2,432 calls for service and 4,264 ambulance runs.

Major Economic Initiatives and Community Development

Grapevine is home to many successful businesses as well as numerous wineries, fine dining, nationally ranked festivals, and select attractions and resorts. Its economic development efforts are designed to further increase visitors and tax revenues through projects that emphasize hospitality, entertainment, and retail uses. The City has earned the well-deserved reputation as one of the nation’s premier destinations by drawing fifteen million visitors annually. Grapevine also boasts exceptional commercial and office facilities that capitalize on the City’s central location in one of the top regions in the nation for business and close proximity to the one of the world’s busiest airports, providing ready access to major U.S. and international markets.

The City continues to experience construction growth although values declined from previous years due to COVID-19. In fiscal year 2021, construction values exceeded \$152 million, compared to \$157 million in fiscal year 2020. The largest categories in this fiscal year were \$42 million in new multifamily property, \$23 million in single family residences, and \$16 million in new commercial property, which accounted for approximately 54% of the construction values. A total of fifty-one single-family residential homes were permitted in fiscal year 2021 valued at \$23 million, which represents an increase of fifteen residences from the previous year.

In fiscal year 2006, the citizens of Grapevine overwhelmingly voted to approve the creation of an economic development fund for the primary purpose of providing commuter rail service to the City. Since that time, the City has worked closely with TEXRail to achieve this goal. On January 10, 2019, TEXRail commuter rail service began in Grapevine. TEXRail is a 27-mile commuter rail line that extends from downtown Fort Worth, across northeast Tarrant County, through North Richland Hills and Grapevine, and into DFW International Airport’s Terminal B. The Grapevine Main Station includes an observation tower, public plaza, parking garage, public meeting spaces, retail spaces, public art, Harvest Hall, and Third Rail entertainment venue. The public art located in the plaza, entitled “Peace Circle,” is an interpretation of a moment in time from a meeting of Republic of Texas President Sam Houston and 10 Native American chiefs/captains on the Grape Vine Prairie in 1843, and features eleven bronze larger than life statues. The entire project was completed and operational in fiscal year 2021.

The Dallas Area Rapid Transit (DART) Silver Line is a \$1.89 billion project that will add twenty-six miles of new rail between Plano and DFW International Airport. The Silver Line is expected to be completed in 2024 and will connect with TEXRail at the DFW North Station. The additional connectivity will help to further stimulate the local economy.

Southland Holdings, a major civil engineering firm with work across the state and region, relocated to Grapevine on six acres of land purchased in fiscal year 2020 and constructed an 80,000-sf office building. Their new offices opened on May 7, 2021, with over 150 employees.

Chicken N Pickle will open an entertainment complex in the City in late 2022. The complex will offer patrons a casual, chef-driven restaurant, and sports bar alongside pickleball courts and outdoor yard games. The new development will be located adjacent to Delaney Vineyards. The main dining area will include pavilions, multiple dining areas, and rooftop dining experience.

Awards and Acknowledgements

The City's Fiscal Services Department was awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its annual comprehensive financial report ("ACFR") for the fiscal year ended September 30, 2020. This was the 34th consecutive year that the City has received this prestigious award. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire Fiscal Services Department. We would also like to express our appreciation to other City department staff that provided information and contributed to the preparation of this report.

We would also like to thank the members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and professional manner.

Respectfully submitted by:

A handwritten signature in black ink, appearing to read "Greg Jordan". The signature is fluid and cursive, with a large initial "G" and "J".

Greg Jordan
Chief Financial Officer



Government Finance Officers Association

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

Presented to

**City of Grapevine,
Texas**

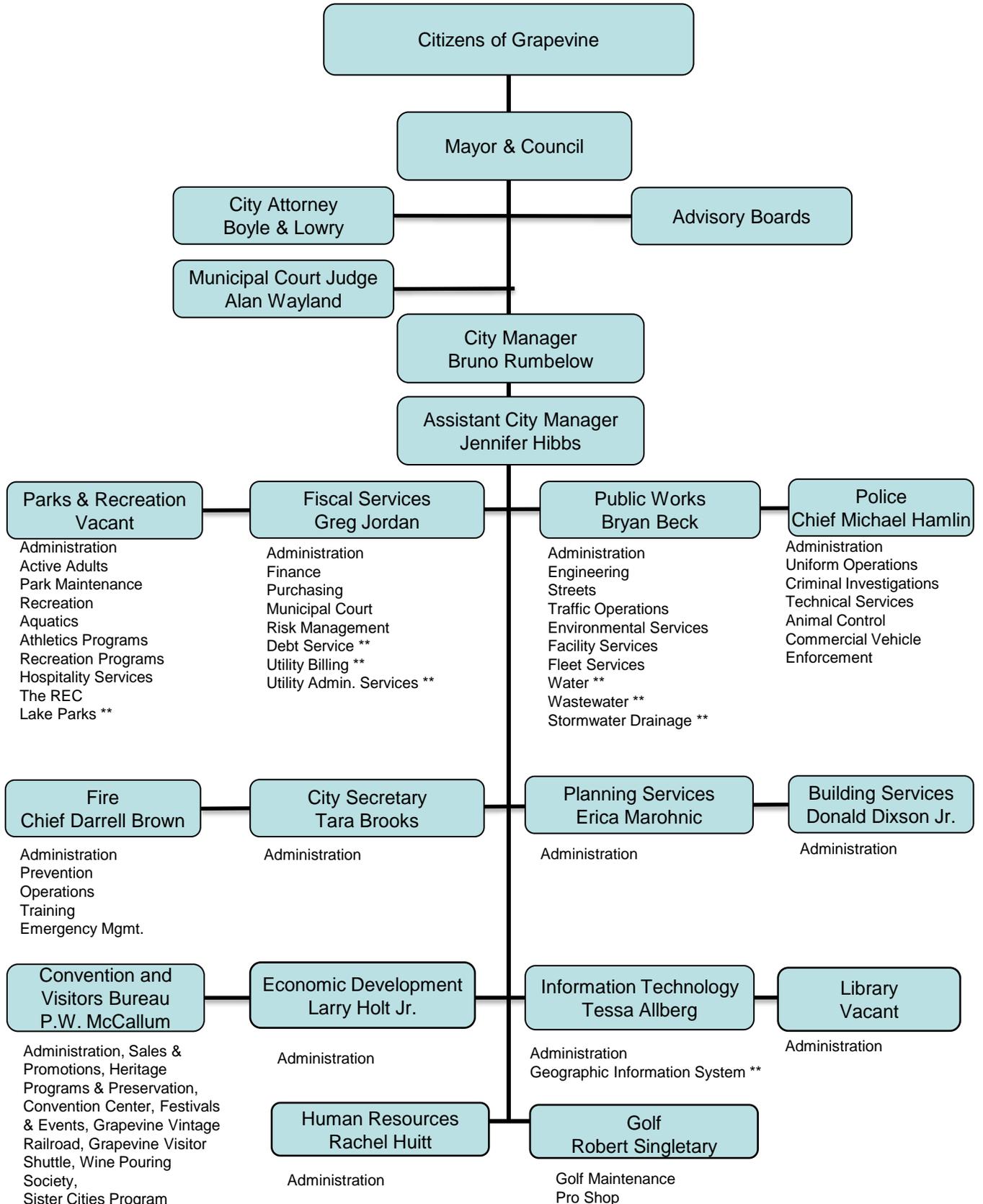
For its Annual Comprehensive
Financial Report
for the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO

City of Grapevine Organization Chart



CITY OF GRAPEVINE, TEXAS

ADMINISTRATIVE OFFICIALS

Bruno Rumbelow
City Manager

Jennifer Hibbs
Assistant City Manager

Matthew Boyle
City Attorney

Greg Jordan
Chief Financial Officer

Erica Marohnic
Director of Planning Services

Michael Hamlin
Chief of Police

Donald Dixson Jr.
Building Official

Vacant
Director of Parks and Recreation

P. W. McCallum
Executive Director, Convention & Visitors Bureau

Jeff Strawn
Managing Director of Financial Services

Gary W. Livingston
Management Services Director

Larry Holt Jr.
Director of Economic Development

Tara Brooks
City Secretary

Alan Wayland
Municipal Court Judge

Bryan Beck
Director of Public Works

Darrell Brown
Fire Chief

Vacant
Library Director

Robert Singletary
Director of Golf

Rachel Huitt
Human Resources Director

Tessa Allberg
Chief Technology Officer

Lance Wright
Purchasing Agent

Melanie Hill
Risk Management Director

CITY OF GRAPEVINE, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT

HOME RULE, COUNCIL-MANAGER FORM OF GOVERNMENT

William D. Tate
MAYOR

CITY COUNCIL

Darlene Freed, Mayor Pro Tem

Chris Coy

Leon Leal

Paul Slechta

Duff O'Dell

Sharron Rogers

Bruno Rumbelow
CITY MANAGER

Jennifer Hibbs
ASSISTANT CITY MANAGER

Greg Jordan
CHIEF FINANCIAL OFFICER

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the City Council
City of Grapevine, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Grapevine, Texas (the "City"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Grapevine, Texas, as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Emphasis of Matter – Change in Accounting Principle

As described in the notes to the financial statements, in fiscal year 2021 the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 19, 2022, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

Patillo, Brown & Hill, L.L.P.

Waco, Texas
April 19, 2022

**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

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Management's Discussion and Analysis

As management of the City of Grapevine (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, 2021. 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 i-v of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$435,728,014 (net position).
- The City's total net position increased by \$24,835,961 from operations. \$13,768,917 of this increase was attributable to governmental activities and an increase of \$11,067,044 was due to business-type activities.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$98,676,141, a decrease of \$15,243,068 from the prior year.
- At the end of the current fiscal year, total fund balance for the General Fund was \$11,582,854 or 20.3% of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

The *government-wide financial statements* 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 the City's assets, deferred outflows (inflows) of resources, and liabilities, 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 as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, culture and recreation, public works, transportation, tourism and economic development. The business-type activities of the City include water and sewer services and the lake enterprise activities (golf course).

The government-wide financial statements include not only the City itself (known as the *primary government*), but also include the Heritage Foundation, which is a legally separate entity for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The Tax Increment Reinvestment Zones Numbers One and Two, the Crime Control and Prevention District (Crime District), and the Grapevine 4B Economic Development Corporation, although legally separate, function for all practical purposes as departments of the City, and therefore have been included as an integral part of the primary government.

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *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, the reader may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 19 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Hotel Occupancy Tax Fund, Crime District Fund, 4B – Economic Development Fund, 4B – Transit Fund, Debt Service Fund, TIF #1 Capital Projects Fund and General Facilities and Equipment Fund, all of which are considered to be major funds.

Data from the other eleven governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

Proprietary Funds

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Lake Enterprise Fund, which are both considered to be major funds.

Fiduciary Funds

Fiduciary fund level financial statements include assets that are held in a trustee or fiduciary capacity and are therefore not available to support City programs; these funds are not included in the government-wide statements. The City has two types of fiduciary funds.

The Custodial Fund is used to account for assets held by the City in a custodial capacity for individuals, private organizations, and other governments. Custodial funds do not involve a formal trust agreement. The Private-purpose Trust Fund is used to report resources held in trust for the W.D. Tate Scholarship Fund. See Note I for additional information pertaining to fiduciary funds.

Notes to the financial statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information*. The required supplementary information section of this report includes budgetary comparison schedules for the General Fund and major special revenue funds with legally adopted budgets, which include the Hotel Occupancy Tax Fund, Crime District Fund, 4B Economic Development Fund, and 4B Transit Fund. This section of the report also includes schedules detailing the City's progress in funding its liabilities related to providing pension and OPEB benefits to its employees.

The combining and individual fund statements and schedules referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on the City's pension and OPEB plans.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2021, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$435,728,014.

CITY OF GRAPEVINE'S NET POSITION

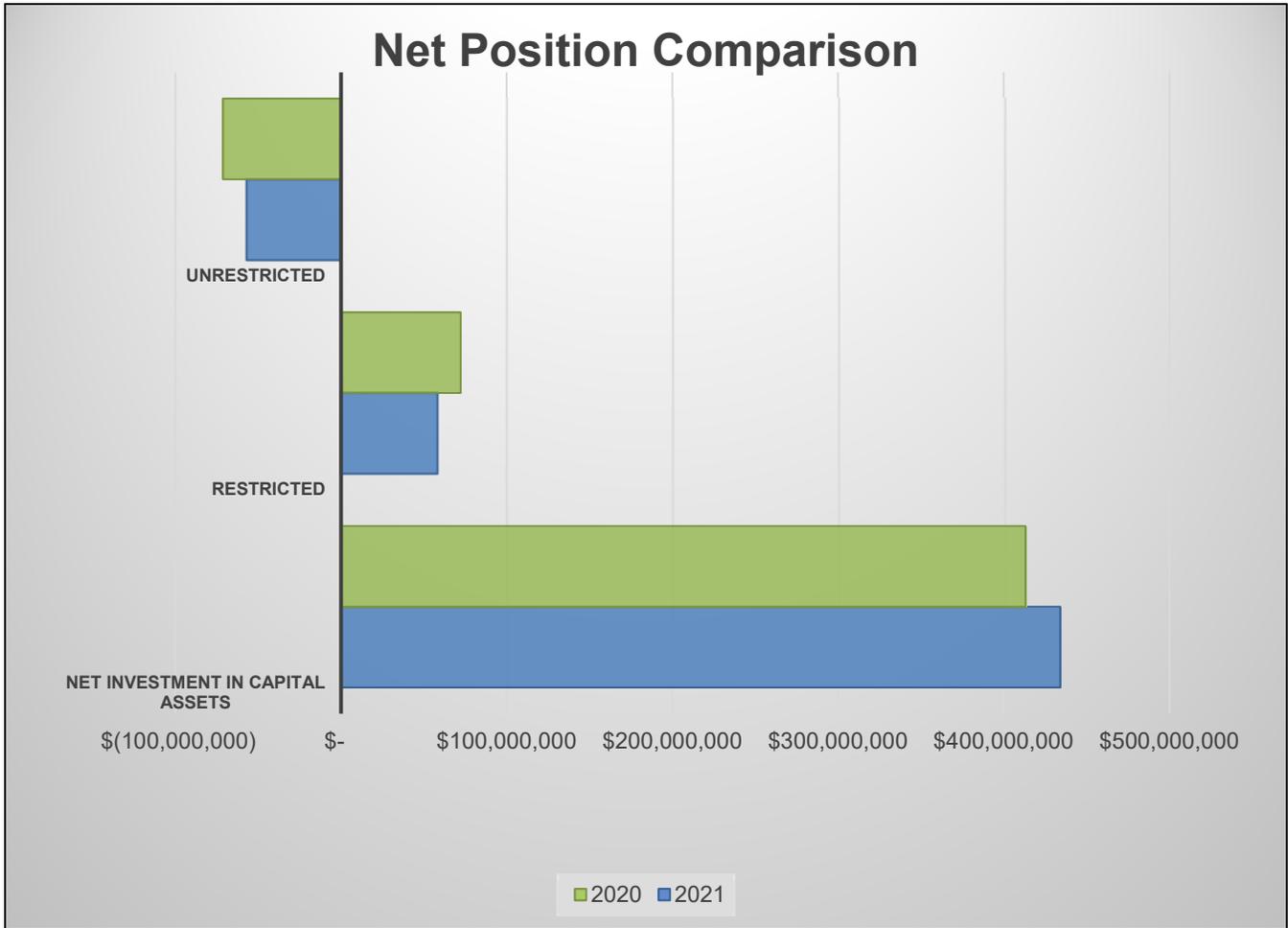
	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 131,062,122	\$ 137,636,759	\$ 28,269,240	\$ 26,612,507	\$ 159,331,362	\$ 164,249,266
Capital assets	<u>441,497,971</u>	<u>425,901,522</u>	<u>146,880,384</u>	<u>137,872,997</u>	<u>588,378,355</u>	<u>563,774,519</u>
Total assets	<u>572,560,093</u>	<u>563,538,281</u>	<u>175,149,624</u>	<u>164,485,504</u>	<u>747,709,717</u>	<u>728,023,785</u>
Deferred outflow s of resources	<u>23,688,821</u>	<u>16,210,158</u>	<u>2,396,998</u>	<u>1,733,305</u>	<u>26,085,819</u>	<u>17,943,463</u>
Long-term liabilities	277,065,025	269,230,027	19,686,795	20,040,171	296,751,820	289,270,198
Other liabilities	<u>19,995,677</u>	<u>22,837,219</u>	<u>3,344,778</u>	<u>2,832,957</u>	<u>23,340,455</u>	<u>25,670,176</u>
Total liabilities	<u>297,060,702</u>	<u>292,067,246</u>	<u>23,031,573</u>	<u>22,873,128</u>	<u>320,092,275</u>	<u>314,940,374</u>
Deferred inflow s of resources	<u>16,284,972</u>	<u>15,188,870</u>	<u>1,690,275</u>	<u>1,587,951</u>	<u>17,975,247</u>	<u>16,776,821</u>
Net position:						
Net investment						
in capital assets	292,356,763	279,795,020	141,818,801	133,348,566	434,175,564	413,143,586
Restricted	55,449,440	69,120,093	2,871,462	3,147,224	58,320,902	72,267,317
Unrestricted	<u>(64,902,963)</u>	<u>(76,422,790)</u>	<u>8,134,511</u>	<u>5,261,940</u>	<u>(56,768,452)</u>	<u>(71,160,850)</u>
Total net position	<u>\$ 282,903,240</u>	<u>\$ 272,492,323</u>	<u>\$ 152,824,774</u>	<u>\$ 141,757,730</u>	<u>\$ 435,728,014</u>	<u>\$ 414,250,053</u>

Current and other assets decreased in the governmental and business-type activities by \$4,917,904 from the prior year. Cash and investments decreased by \$13,623,627, partially offset by an increase in receivables primarily due to increases in sales tax and notes receivable. The decrease in cash and investments can largely be attributed to ongoing capital projects and the spending down of available bond proceeds for these projects.

Long-term liabilities for the City consist of bonds, contractual obligations, compensated absences, OPEB and pension liabilities. Debt service payments of almost \$11.5 million were made during the year to pay down the balances of bonds and contractual obligations. The City's pension liability decreased by \$4.3 million primarily as a result of net investment income and the City's OPEB liability increased by \$12.5 million as a result of many factors including a change in the discount rate from 2.95% to 2.04%.

The largest portion of the City's net position is its investment in capital assets of \$434,175,563 (e.g., land, building, equipment, improvements, construction in progress, and infrastructure), less any debt used to acquire capital assets still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. Restricted net position includes (1) use of impact fees for construction purposes (\$2,871,462), (2) debt service (\$22,149,669), (3) capital projects (\$26,632,135), (4) court security and technology (\$494,849), (5) public safety (\$790,844), (6) records preservation (\$13,408), (7) economic development (\$5,080,146), (8) culture and recreation (\$184,118), and (9) tourism (\$104,272).



For fiscal year-end 2021, the City is able to report positive balances in two categories of net position for the City as a whole. Unrestricted net position is a deficit for the governmental activities and in total for the City. This is due in part to the recognition of the net pension liability under the requirements of GASB Statement No. 68, the recognition of the net OPEB liability under GASB Statement No. 75, and also due to the fact that the City has a substantial amount of debt related to TIF #2 which is not capital related.

Analysis of the City's Operations

The following table provides a summary of the City's operations for the year ended September 30, 2021, and 2020:

CITY OF GRAPEVINE'S CHANGES IN NET POSITION

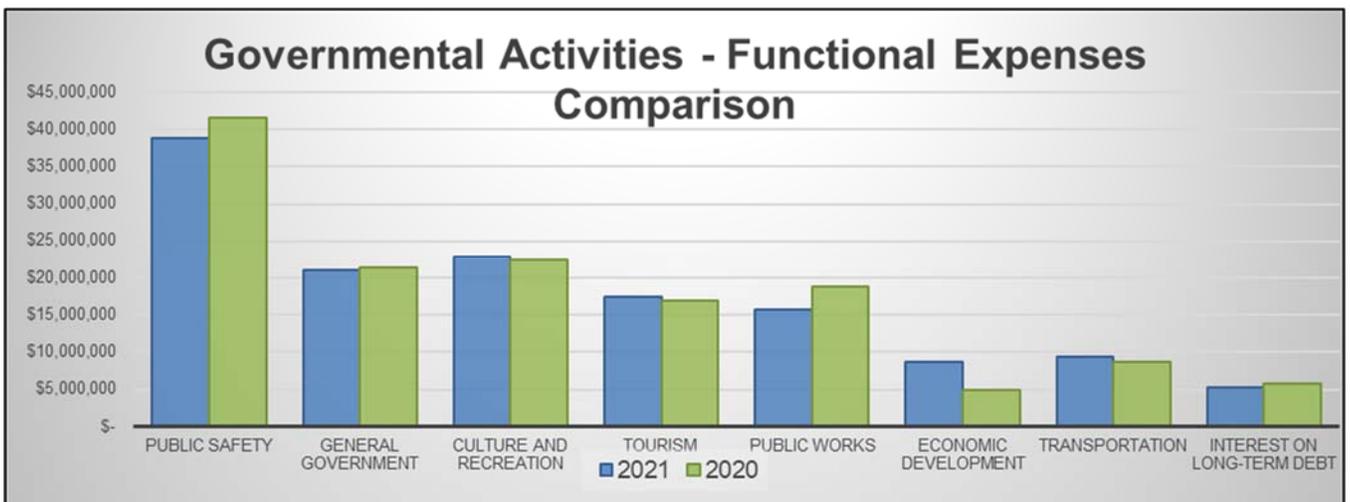
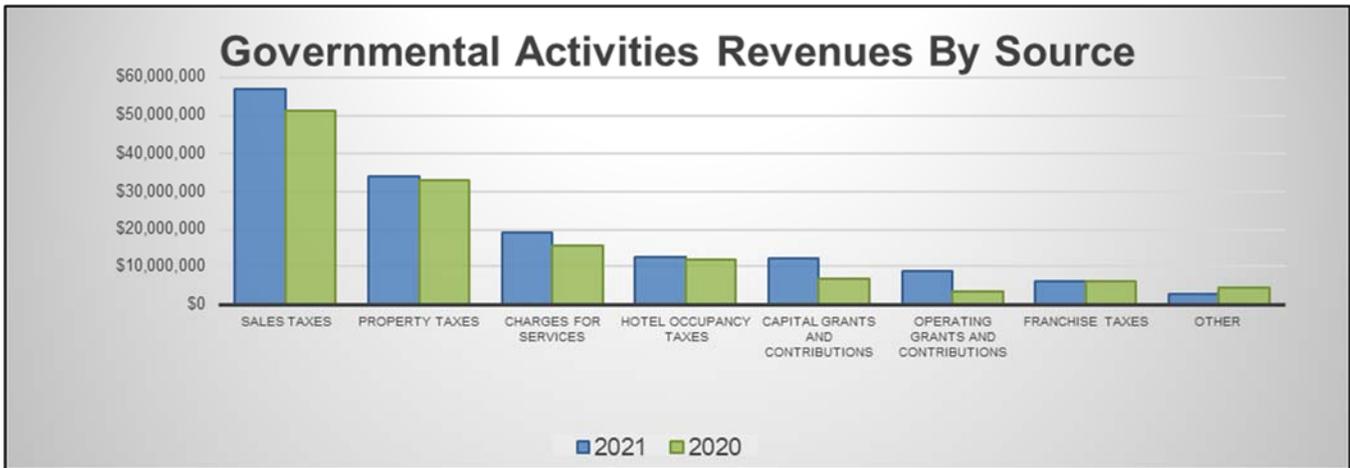
	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 19,139,898	\$ 15,420,184	\$ 33,151,053	\$ 30,280,788	\$ 52,290,951	\$ 45,700,972
Operating grants and contributions	8,887,856	3,576,140	-	-	8,887,856	3,576,140
Capital grants and contributions	12,213,609	6,732,982	8,128,733	3,714,288	20,342,342	10,447,270
General revenues:						
Property taxes	34,037,464	33,160,755	-	-	34,037,464	33,160,755
Hotel occupancy taxes	12,625,773	11,721,385	-	-	12,625,773	11,721,385
Sales taxes	56,914,190	51,111,959	-	-	56,914,190	51,111,959
Mixed beverage taxes	1,793,124	1,477,422	-	-	1,793,124	1,477,422
Franchise taxes	5,978,215	6,182,482	-	-	5,978,215	6,182,482
Investment earnings	26,472	1,893,007	25,266	295,942	51,738	2,188,949
Gain on sale of capital assets	711,133	226,500	236,757	-	947,890	226,500
Miscellaneous	263,502	864,931	-	-	263,502	864,931
Total revenues	<u>152,591,236</u>	<u>132,367,747</u>	<u>41,541,809</u>	<u>34,291,018</u>	<u>194,133,045</u>	<u>166,658,765</u>
Expenses:						
General government	20,933,648	21,449,315	-	-	20,933,648	21,449,315
Public safety	38,778,212	41,527,731	-	-	38,778,212	41,527,731
Culture and recreation	22,801,979	22,432,175	-	-	22,801,979	22,432,175
Public works	15,786,659	18,875,598	-	-	15,786,659	18,875,598
Transportation	9,367,306	8,642,110	-	-	9,367,306	8,642,110
Economic development	8,712,593	4,881,449	-	-	8,712,593	4,881,449
Tourism	17,559,893	16,982,374	-	-	17,559,893	16,982,374
Interest on long-term debt	5,288,645	5,822,973	-	-	5,288,645	5,822,973
Water and sewer	-	-	27,653,812	25,227,582	27,653,812	25,227,582
Lake enterprise	-	-	2,414,337	2,789,819	2,414,337	2,789,819
Total expenses	<u>139,228,935</u>	<u>140,613,725</u>	<u>30,068,149</u>	<u>28,017,401</u>	<u>169,297,084</u>	<u>168,631,126</u>
Increases in net position before extraordinary item and transfers						
	13,362,301	(8,245,978)	11,473,660	6,273,617	24,835,961	(1,972,361)
Transfers	<u>406,616</u>	<u>5,888,820</u>	<u>(406,616)</u>	<u>(5,888,820)</u>	<u>-</u>	<u>-</u>
Change in net position	13,768,917	(2,357,158)	11,067,044	384,797	24,835,961	(1,972,361)
Net position, beginning	272,492,323	275,545,490	141,757,730	141,157,827	414,250,053	416,703,317
Prior period adjustment	(3,358,000)	(696,009)	-	215,106	(3,358,000)	(480,903)
Net position, beginning (restated)	<u>269,134,323</u>	<u>274,849,481</u>	<u>141,757,730</u>	<u>141,372,933</u>	<u>410,892,053</u>	<u>416,222,414</u>
Net position, ending	<u>\$ 282,903,240</u>	<u>\$ 272,492,323</u>	<u>\$ 152,824,774</u>	<u>\$ 141,757,730</u>	<u>\$ 435,728,014</u>	<u>\$ 414,250,053</u>

Governmental activities – Governmental activities increased the City's net position by \$13,768,917 from operations. This increase can broadly be attributed to increases in general revenues such as sales taxes, hotel occupancy taxes, mixed beverage taxes as well as charges for services. These increases are directly related to the recovery from the 2020 economic impacts of COVID-19.

In addition to the increase in revenues discussed above, operating grant funds totaling \$3.4 million were received from the COVID-19 Coronavirus State and Local Fiscal Recovery Fund during 2021. Capital grants and contributions also increased by \$6 million representing a reimbursement due from the Grapevine Main project developer for capital contributions made by the City.

The City's operating expenses for 2021 decreased slightly by \$1,384,790 or 1%. Some functions such as public safety and public works reflect decreases in operating expenses which are offset by an increase in economic development. Public Safety expenses were down from FY20 resulting in lower salaries related to COVID-19 activities. Public Works decreases resulted from roof replacements, lighting and street improvements that were one-time projects completed in FY20. Economic development expenses increased as a result of a community distribution for capital projects to GCISD.

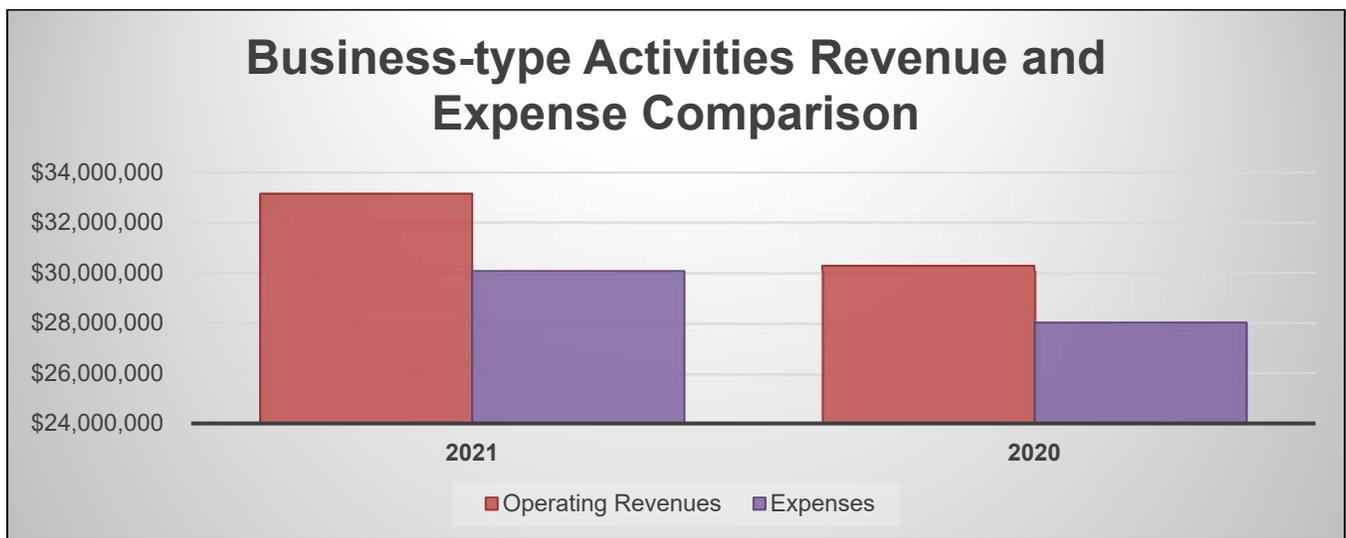
All functions that include personnel reflect increases in expenses related to the City's OPEB plan. A net of \$6.3 million in expenses related to the City's OPEB plan were allocated across the governmental activities. Additionally, insurance claims and premium cost increases for the fiscal year resulted in increased expenses in the general government function of approximately \$1.7 million.



Business-type activities – In total, the business-type activities increased the City's net position by \$11,067,044. Water and Sewer Utilities increased net position by \$9,111,409 while Lake Enterprise (golf) increased net position by \$1,955,635.

The change in net position for the business-type activities was impacted by the Water and Sewer Fund in the following ways: The City received donated assets valued at \$4.4 million as well as a \$1.7 million refund from Trinity River Authority for unused project funds. In addition, Water and Sewer fund had a decrease of \$4.0 million in transfers to other funds. Charges for water and sewer increased, rainfall during fiscal year 2021 was less compared to the prior year. This reduction in rainfall together with an increase in rates led to an increase in charges for services. This led to higher charges for services and also an increase in operating expenses related to the purchase, storage and treatment of water. Salary and benefit expense increased by approximately \$1.4 million as a result of increased OPEB expense allocations to the fund.

The Lake Enterprise Fund (golf course) had increased revenues due to the new Grapevine golf course facility which was completed in fiscal year 2021. As citizens and visitors continued to seek outdoor activities, the golf course saw higher than normal traffic. The Lake Enterprise Fund also saw a decrease in salary and benefits expenses of approximately \$0.4 million as a result of decreased OPEB expense allocations to the fund.



FINANCIAL ANALYSIS OF THE CITY’S FUNDS

Governmental funds – The focus of the City’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

As of the end of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$98,676,141, a decrease of \$15,243,068 compared with the prior year. Unassigned fund balance is \$9,804,934 (10.0%), which is available for spending at the City’s discretion. The remainder of fund balance is not available for new spending because it is (1) non-spendable (\$1,324,729) (2) restricted for debt service, capital projects, court security and technology, public safety, economic development, transportation, tourism, records preservation and culture and recreation programs (\$50,852,737) (3) committed for stormwater drainage and public arts (\$2,310,804) (4) or assigned for economic development, capital projects, tourism, public safety, culture and recreation programs, and OPEB plan contributions (\$34,382,937).

Significant changes in fund balances of major funds are as follows:

General Fund – The General Fund is the chief operating fund of the City. At the end of FY 2021, unassigned fund balance of the General Fund was \$10,093,330, while total fund balance equaled \$11,582,854. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 17.6% of total General Fund expenditures, while the total fund balance represents approximately 20.3% of that same amount.

The fund balance of the General Fund decreased by \$8,559 for FY 2021. Revenues increased in the General Fund from FY 2020 to FY 2021 by \$7,558,288. Property taxes increased in the General Fund by \$781,464 for FY 2021. This increase is primarily due to increases in property values and a slight increase in the M&O property tax rate. Sales taxes increased by \$2,832,020 as the City began to see recovery from the impacts of COVID-19. Intergovernmental revenue increased by \$3,661,681 due to the receipt of funds from the COVID-19 Coronavirus State and Local Fiscal Recovery Fund.

General Fund expenditures were relatively unchanged year over year. There were minor increases in General Government, Public Safety, Culture and Recreation and Public Works as the City began to return to pre COVID-19 operations. These increases were offset by a reduction of \$648,940 in Capital Outlay resulting from fewer land and machinery and equipment purchases.

Special Revenue – Hotel Occupancy Tax Fund – Fund balance in the Hotel Occupancy Tax Fund decreased for FY 2021 by \$763,367. This decrease can primarily be attributed to increased expenditures related to a return to normal operations associated with tourism which includes the two main festivals that were held in FY 2021 but not in FY 2020. Hotel occupancy taxes increased by \$904,388. Charges for services also increased by \$2,019,144, or 59.3%, primarily as a result of the return of train excursions and festivals.

Expenditures in the Hotel Occupancy Tax Fund increased from \$15,850,705 in FY 2020 to \$17,005,978 in FY 2021. As mentioned before, this increase was primarily attributed to a return to normal operations associated with festival activity.

Special Revenue – Crime District Fund – Fund balance of the Crime District Fund increased by \$2,838,553. As the economy began to improve from the impacts of COVID-19, sales tax revenues, which are the primary funding source of the Crime District Fund, increased by \$1,538,089. Expenditures in the Crime District Fund had a minimal increase of \$404,559.

Special Revenue – 4B – Economic Development – The 4B-Economic Development fund balance reflects a minimal decrease of \$4,999 over last fiscal year. Sales tax revenues increased by \$826,359 during the year due to improved economic conditions over FY 2020 caused by COVID- 19. Expenditures were down by \$302,977 primarily due a reduction in distributions during the year related to 380 agreements that the City has entered into. These distributions were approximately \$500,261 less than the previous fiscal year.

Special Revenue – 4B – Transit – The 4B-Transit ending fund balance was zero. Sales tax collected in this fund has been pledged to the Fort Worth Transit Authority (the "T"). Any sales tax collections in this fund, less half of the operating costs of the City’s visitor shuttle service, are distributed to the "T" to help fund commuter rail service in Grapevine. Sales taxes in this fund increased for the current period by almost \$605,763 because of improved economic conditions from FY 2020 due to the pandemic, and as the revenues in this fund increase, so do the corresponding expenditures.

Debt Service Fund – The total fund balance of \$6,681,805 in the Debt Service Fund is restricted for the payment of debt obligations. This balance has declined by \$607,791 and this is attributable to the City paying more in debt service expenditures for the year than was collected in property taxes to repay the debt.

Capital Projects – TIF #1 – The net decrease in fund balance for the TIF #1 capital projects fund for fiscal year 2021 was \$3,069,033. The property taxes and investment earnings collected in this fund for the year were \$1,211,112. Expenditures for the fund for the current year include \$4,280,145 in community distributions to GCISD.

Capital Projects – General Facilities and Equipment – The fund balance decreased \$21,055,278 from the prior year. The \$25,136,893 decrease in capital outlay from fiscal year 2020 relates to the substantial completion of the Grapevine Main, new fire stations, animal shelter, and golf clubhouse projects. Additionally, general obligation bonds of \$3,961,000 were issued in fiscal year 2021 to fund various capital projects and equipment.

Proprietary Funds – The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City’s business-type activities.

General Fund Budgetary Highlights

Significant amendment changes:

There were no changes to budgeted revenues or expenditures for the fiscal year 2021.

Significant budget variances:

General Fund revenues came in roughly 9% higher than budgeted. This is primarily the result of the City’s economic recovery as the COVID-19 pandemic subsides.

Expenditures came in near budgeted levels with approximately \$1M of additional expenditures. City costs for services accounted for the greatest increases due to a return of normal service levels. Quality of Life, capital equipment, and capital maintenance transfers remained within the General Fund to account for economic uncertainties related to COVID-19.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets—The City’s investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounted to \$588,378,355 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, intangible assets and construction in progress. The total net increase in the City’s investment in capital assets for the current fiscal year was \$23,603,836 (4%).

Major capital asset events during the current fiscal year included the following:

- Grapevine Main and Harvest Hall construction of \$8,421,219 was added to construction in progress.
- Construction for the rebuild/remodel of four fire stations of \$3,487,759 was added to construction in progress, and all four completed stations were transferred to building assets totaling \$20,315,772.
- Construction in progress additions of \$3,137,489 and \$1,303,576 were added for the new golf clubhouse and animal shelter, respectively.

- The acquisition of vehicles and equipment totaling \$3,928,679, including \$1,723,778 related to public safety, \$982,461 related to public works, \$544,057 related to culture and recreation, and \$640,613 related to golf was added in fiscal year 2021. Of this total amount, \$451,156 in vehicle purchases were in construction in progress at the end of fiscal year 2020 due to delayed delivery of vehicles and related equipment.
- Street construction of \$3,691,750 was added to construction in progress related to Dallas Road, and streets projects of \$937,075 were completed and transferred out of construction in progress, including improvements to Shady Brook Drive and Main Street lighting and intersection improvements.
- The Water and Sewer Fund completed \$3,781,982 in projects, which extended and improved the City's water and sewer system. Donated water and sewer assets totaled \$8,128,733.

CITY OF GRAPEVINE'S CAPITAL ASSETS AT YEAR-END

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	\$ 36,782,765	\$ 34,496,800	\$ 593,970	\$ 593,970	\$ 37,376,735	\$ 35,090,770
Right-of-way/easements	79,514,520	78,934,989	57,555,464	51,920,788	137,069,984	130,855,777
Construction in progress	112,602,574	112,876,261	1,927,349	2,501,786	114,529,923	115,378,047
Buildings	107,613,738	91,077,520	608,030	654,396	108,221,768	91,731,916
Improvements other than buildings	36,068,213	38,538,976	1,184,738	986,992	37,252,951	39,525,968
Machinery and equipment	14,765,182	14,719,274	2,365,216	1,711,539	17,130,398	16,430,813
Software	167,797	93,875	60,060	70,075	227,857	163,950
Water storage rights	-	-	-	9,972	-	9,972
Infrastructure	53,983,182	55,163,827	82,585,557	79,423,479	136,568,739	134,587,306
Total	\$ 441,497,971	\$ 425,901,522	\$ 146,880,384	\$ 137,872,997	\$ 588,378,355	\$ 563,774,519

Additional information on the City's capital assets can be found in Note V of the notes to the financial statements.

Long-term debt—At the end of the current fiscal year, the City had total bonded debt outstanding of \$171,448,157.

CITY OF GRAPEVINE'S OUTSTANDING BONDS AND NOTES PAYABLE AT YEAR-END

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 80,400,000	\$ 84,490,000	\$ -	\$ 455,000	\$ 80,400,000	\$ 84,945,000
Certificates of obligation	49,770,000	40,680,000	7,395,000	7,800,000	57,165,000	48,480,000
Revenue bonds	24,760,000	27,445,000	-	-	24,760,000	27,445,000
Contractual obligations	3,192,835	3,983,240	-	-	3,192,835	3,983,240
Tax notes	-	-	-	-	-	-
Premium on bonds issued	5,631,912	7,018,360	298,410	352,468	5,930,322	7,370,828
	\$ 163,754,747	\$ 163,616,600	\$ 7,693,410	\$ 8,607,468	\$ 171,448,157	\$ 172,224,068

Additional information on the City's long-term debt can be found in Note IX of the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In the fiscal year 2022 budget, total City revenues are budgeted at \$175 million, an increase of \$9 million (5%) from the previous year. The City also lowered the property tax rate to \$0.271811 per \$100 of valuation, which represents a 4% reduction from the fiscal year 2021 rate of \$0.282601.

General Fund expenditures have been increased in the fiscal year 2022 budget by 5% or \$3.4 million. Sales tax budgets have been increased 18% and the hotel occupancy tax budget has been increased by 2%.

The economy of the City of Grapevine and the Dallas-Fort Worth Metroplex is expected to continue to grow and rebuild as we recover from the COVID-19 pandemic. The City continues to focus on quality of life, economic development, and cultural, educational and recreational amenities for the community.

The General Fund reserve requirement is expected to remain at approximately 20% of budgeted expenditures for the fiscal year 2022. This meets the requirement of 20% of budgeted expenditures.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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 additional information, contact the Finance Division, City of Grapevine, 200 S. Main Street, Grapevine, Texas 76051.

**BASIC
FINANCIAL STATEMENTS**

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CITY OF GRAPEVINE, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Heritage Foundation
ASSETS				
Cash and investments	\$ 97,073,487	\$ 19,420,584	\$ 116,494,071	\$ 330,091
Receivables, net:				
Taxes	13,054,340	-	13,054,340	-
Accounts	4,343,054	3,243,804	7,586,858	-
Notes	6,500,230	-	6,500,230	-
Internal balances	52,186	(52,186)	-	-
Due from primary government	-	-	-	9,644
Due from other governments	8,636,951	-	8,636,951	-
Inventory	551,263	75,440	626,703	-
Accrued interest	77,145	10	77,155	-
Prepaid expenses	668,250	35,029	703,279	-
Deposits	105,216	-	105,216	-
Restricted assets:				
Cash and investments	-	5,546,559	5,546,559	-
Capital assets (net of accumulated depreciation):				
Non-depreciable	228,899,859	60,076,783	288,976,642	450,067
Depreciable	<u>212,598,112</u>	<u>86,803,601</u>	<u>299,401,713</u>	<u>662,981</u>
Total assets	<u>572,560,093</u>	<u>175,149,624</u>	<u>747,709,717</u>	<u>1,452,783</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	6,707,707	644,563	7,352,270	-
Deferred outflows related to OPEB	15,550,968	1,740,769	17,291,737	-
Deferred loss on bond refunding	<u>1,430,146</u>	<u>11,666</u>	<u>1,441,812</u>	<u>-</u>
Total deferred outflows of resources	<u>23,688,821</u>	<u>2,396,998</u>	<u>26,085,819</u>	<u>-</u>
LIABILITIES				
Accounts payable	6,640,805	1,921,020	8,561,825	4,840
Contracts and retainage payable	2,333,407	54,936	2,388,343	-
Accrued and other liabilities	3,865,833	305,953	4,171,786	-
Developer deposits	1,556,320	-	1,556,320	-
Customer deposits	79,936	-	79,936	-
Interest payable	588,650	31,526	620,176	-
Due to component unit	9,644	-	9,644	-
Due to other governments	187,872	-	187,872	-
Unearned revenue	4,733,210	-	4,733,210	7,768
Customer deposits	-	1,031,343	1,031,343	-
Noncurrent liabilities:				
Due in one year	13,281,178	498,526	13,779,704	-
Due in more than one year	<u>263,783,847</u>	<u>19,188,269</u>	<u>282,972,116</u>	<u>-</u>
Total liabilities	<u>297,060,702</u>	<u>23,031,573</u>	<u>320,092,275</u>	<u>12,608</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	8,371,081	804,398	9,175,479	-
Deferred inflows related to OPEB	<u>7,913,891</u>	<u>885,877</u>	<u>8,799,768</u>	<u>-</u>
Total deferred inflows of resources	<u>16,284,972</u>	<u>1,690,275</u>	<u>17,975,247</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	292,356,762	141,818,801	434,175,563	1,113,048
Restricted for:				
Use of impact fees	-	2,871,462	2,871,462	-
Debt service	22,149,669	-	22,149,669	-
Capital projects	26,632,135	-	26,632,135	-
Court security and technology	494,849	-	494,849	-
Public safety	790,844	-	790,844	-
Records preservation	13,408	-	13,408	-
Economic development	5,080,146	-	5,080,146	-
Culture and recreation	184,118	-	184,118	-
Tourism	104,272	-	104,272	-
Unrestricted	<u>(64,902,963)</u>	<u>8,134,511</u>	<u>(56,768,452)</u>	<u>327,127</u>
Total net position	<u>\$ 282,903,240</u>	<u>\$ 152,824,774</u>	<u>\$ 435,728,014</u>	<u>\$ 1,440,175</u>

The accompanying notes are an integral part of these financial statements.

CITY OF GRAPEVINE, TEXAS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 20,933,648	\$ 2,066,027	\$ 6,998,854	\$ 1,133,614
Public safety	38,778,212	2,227,890	1,739,454	-
Culture and recreation	22,801,979	6,351,021	116,290	77,997
Public works	15,786,659	3,054,752	-	4,801,998
Transportation	9,367,306	14,036	33,258	6,200,000
Economic development	8,712,593	-	-	-
Tourism	17,559,893	5,426,172	-	-
Interest on long-term debt	5,288,645	-	-	-
Total governmental activities	<u>139,228,935</u>	<u>19,139,898</u>	<u>8,887,856</u>	<u>12,213,609</u>
Business-type activities:				
Water and sewer	27,653,812	29,309,066	-	8,128,733
Lake Enterprise	2,414,337	3,841,987	-	-
Total business-type activities	<u>30,068,149</u>	<u>33,151,053</u>	<u>-</u>	<u>8,128,733</u>
Total primary government	<u>\$ 169,297,084</u>	<u>\$ 52,290,951</u>	<u>\$ 8,887,856</u>	<u>\$ 20,342,342</u>
Component unit:				
Heritage Foundation	<u>\$ 103,622</u>	<u>\$ 20,909</u>	<u>\$ 105,848</u>	<u>\$ 2,893</u>

General revenues:

Taxes:
 Property
 Franchise
 Hotel occupancy
 Sales
 Mixed beverage
 Unrestricted investment income
 Gain on sale of capital assets
 Miscellaneous
Transfers
 Total general revenues and transfers

Change in net position

Net position - beginning
Prior period adjustment
Net position - beginning, as restated

Net position - ending

Net (Expense) Revenue and Changes in Net Position			Component
Primary Government			Unit
Governmental Activities	Business-type Activities	Total	Heritage Foundation
\$(10,735,153)	\$ -	\$(10,735,153)	\$ -
(34,810,868)	-	(34,810,868)	-
(16,256,671)	-	(16,256,671)	-
(7,929,909)	-	(7,929,909)	-
(3,120,012)	-	(3,120,012)	-
(8,712,593)	-	(8,712,593)	-
(12,133,721)	-	(12,133,721)	-
(5,288,645)	-	(5,288,645)	-
<u>(98,987,572)</u>	<u>-</u>	<u>(98,987,572)</u>	<u>-</u>
-	9,783,987	9,783,987	-
-	<u>1,427,650</u>	<u>1,427,650</u>	-
-	<u>11,211,637</u>	<u>11,211,637</u>	-
<u>\$(98,987,572)</u>	<u>\$ 11,211,637</u>	<u>\$(87,775,935)</u>	<u>\$ -</u>
			<u>26,028</u>
\$ 34,037,464	\$ -	\$ 34,037,464	\$ -
5,978,215	-	5,978,215	-
12,625,773	-	12,625,773	-
56,914,190	-	56,914,190	-
1,793,124	-	1,793,124	-
26,472	25,266	51,738	242
711,133	236,757	947,890	-
263,502	-	263,502	7,610
<u>406,616</u>	<u>(406,616)</u>	<u>-</u>	<u>-</u>
<u>112,756,489</u>	<u>(144,593)</u>	<u>112,611,896</u>	<u>7,852</u>
13,768,917	11,067,044	24,835,961	33,880
272,492,323	141,757,730	414,250,053	1,406,295
<u>(3,358,000)</u>	<u>-</u>	<u>(3,358,000)</u>	<u>-</u>
<u>269,134,323</u>	<u>141,757,730</u>	<u>410,892,053</u>	<u>1,406,295</u>
<u>\$ 282,903,240</u>	<u>\$ 152,824,774</u>	<u>\$ 435,728,014</u>	<u>\$ 1,440,175</u>

CITY OF GRAPEVINE, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	Special Revenue			
	General	Hotel Occupancy Tax	Crime District	4B-Economic Development
ASSETS				
Cash and investments	\$ 7,422,972	\$ 18,868,562	\$ -	\$ 11,880,088
Receivables (net of allowances for uncollectibles):				
Accounts	1,758,436	209,353	-	177,741
Taxes	6,046,745	1,339,810	2,718,885	890,185
Accrued interest	38	261	-	4
Notes	-	-	-	-
Inventory	548,608	2,655	-	-
Due from other funds	1,936,773	267,897	-	-
Due from other governments	3,878,435	-	19,180	-
Prepaid items	506,931	98,775	48,344	14,200
Deposits	5,216	100,000	-	-
Total assets	<u>22,104,154</u>	<u>20,887,313</u>	<u>2,786,409</u>	<u>12,962,218</u>
LIABILITIES				
Accounts payable	1,354,516	1,720,983	126,371	683,335
Accrued liabilities	2,688,387	312,210	803,182	12,359
Due to other funds	-	-	1,824,047	-
Due to component unit	-	9,644	-	-
Due to other governments	187,781	-	-	-
Unearned revenue	2,083,286	1,887,031	19,180	-
Developer deposits	-	-	-	-
Customer deposits	79,936	-	-	-
Total liabilities	<u>6,393,906</u>	<u>3,929,868</u>	<u>2,772,780</u>	<u>695,694</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	4,127,394	-	-	56,883
Total deferred inflows of resources	<u>4,127,394</u>	<u>-</u>	<u>-</u>	<u>56,883</u>
FUND BALANCES (DEFICITS)				
Nonspendable:				
Inventory	548,608	2,655	-	-
Prepaid items	506,931	98,775	48,344	14,200
Deposits	5,216	100,000	-	-
Restricted for:				
Debt service	-	-	-	1,402,400
Capital projects	-	-	-	-
Court security and technology	-	-	-	-
Economic development	-	-	-	1,269,491
Public safety	-	-	-	-
Records preservation	-	-	-	-
Tourism	-	104,272	-	-
Culture and recreation	-	-	-	-
Committed for:				
Stormwater drainage operations	-	-	-	-
Public arts	-	-	-	-
Assigned for:				
Economic development	-	-	-	9,523,550
Capital projects	-	-	-	-
Tourism	-	16,651,743	-	-
Culture and recreation	-	-	-	-
Public safety	-	-	-	-
OPEB	428,769	-	-	-
Unassigned	10,093,330	-	(34,715)	-
Total fund balances	<u>11,582,854</u>	<u>16,957,445</u>	<u>13,629</u>	<u>12,209,641</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 22,104,154</u>	<u>\$ 20,887,313</u>	<u>\$ 2,786,409</u>	<u>\$ 12,962,218</u>

The accompanying notes are an integral part of these financial statements.

Special Revenue		Capital Projects			Nonmajor Governmental Funds	Total Governmental Funds
4B-Transit	Debt Service	TIF #1	General Facilities and Equipment			
\$ -	\$ 6,693,367	\$ 6,533,214	\$ 14,328,214	\$ 31,200,876	\$ 96,927,293	
-	-	-	-	2,197,524	4,343,054	
1,845,920	212,795	-	-	-	13,054,340	
-	2	4	76,827	9	77,145	
-	-	-	6,500,230	-	6,500,230	
-	-	-	-	-	551,263	
-	-	-	-	-	2,204,670	
-	-	-	4,250,000	489,336	8,636,951	
-	-	-	-	-	668,250	
-	-	-	-	-	105,216	
<u>1,845,920</u>	<u>6,906,164</u>	<u>6,533,218</u>	<u>25,155,271</u>	<u>33,887,745</u>	<u>133,068,412</u>	
1,812,795	71,006	-	337,272	532,041	6,638,319	
-	-	-	-	49,695	3,865,833	
33,125	-	-	-	295,312	2,152,484	
-	-	-	-	-	9,644	
-	-	-	-	91	187,872	
-	-	-	8,333	735,380	4,733,210	
-	-	-	400,000	1,156,320	1,556,320	
-	-	-	-	-	79,936	
<u>1,845,920</u>	<u>71,006</u>	<u>-</u>	<u>745,605</u>	<u>2,768,839</u>	<u>19,223,618</u>	
-	153,353	-	10,311,691	519,332	15,168,653	
-	153,353	-	10,311,691	519,332	15,168,653	
-	-	-	-	-	551,263	
-	-	-	-	-	668,250	
-	-	-	-	-	105,216	
-	6,681,805	-	-	14,467,510	22,551,715	
-	-	2,689,312	9,432,931	9,477,891	21,600,134	
-	-	-	-	494,849	494,849	
-	-	3,843,906	-	-	5,113,397	
-	-	-	-	790,844	790,844	
-	-	-	-	13,408	13,408	
-	-	-	-	-	104,272	
-	-	-	-	184,118	184,118	
-	-	-	-	1,369,298	1,369,298	
-	-	-	-	941,506	941,506	
-	-	-	-	-	9,523,550	
-	-	-	4,665,044	2,879,498	7,544,542	
-	-	-	-	-	16,651,743	
-	-	-	-	229,528	229,528	
-	-	-	-	4,805	4,805	
-	-	-	-	-	428,769	
-	-	-	-	(253,681)	9,804,934	
<u>-</u>	<u>6,681,805</u>	<u>6,533,218</u>	<u>14,097,975</u>	<u>30,599,574</u>	<u>98,676,141</u>	
\$ <u>1,845,920</u>	\$ <u>6,906,164</u>	\$ <u>6,533,218</u>	\$ <u>25,155,271</u>	\$ <u>33,887,745</u>	\$ <u>133,068,412</u>	

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CITY OF GRAPEVINE, TEXAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

Total fund balances - governmental funds balance sheet	\$	98,676,141
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not reported in the funds.		441,497,971
Certain receivables will not be collected soon enough to pay for the current period's expenditures and are, therefore, reported as deferred inflows of resources in the funds:		
Property taxes		100,566
Property tax penalties and interest		208,667
Court fines and fees		151,959
Ambulance billing		106,466
Intergovernmental receivables		14,206,710
Other		394,285
An internal service fund is used to charge the cost of document management equipment acquisition and maintenance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities.		143,708
Accrued bond interest is not due and payable in the current period and, therefore, is not reported in the funds.	(	588,650)
Retainage payable is not due and payable in the current period and, therefore, is not reported in the funds.	(	2,333,407)
Long-term liabilities and deferred losses on bond refundings, reported as deferred outflows of resources, are not due and payable in the current period and, therefore, are not reported in the funds. A summary of these items are as follows:		
Long-term liabilities:		
General obligation bonds	(	82,543,081)
Certificates of obligations	(	52,121,086)
Contractual obligation	(	1,432,489)
Revenue bonds	(	25,810,256)
Contractual obligations-private placement	(	1,847,835)
Compensated absences	(	4,627,477)
Deferred outflows of resources:		
Deferred losses on bond refundings		1,430,146
Included in the items related to long-term liabilities is the recognition of the City's net pension liability. The net position related to pensions included a deferred outflows of resources in the amount of \$6,707,707, a deferred inflows of resources in the amount of \$8,371,081, and the net pension liability of \$29,445,281.	(	31,108,655)
Included in the items related to long-term liabilities is the recognition of the City's net OPEB liability. The net position related to OPEB included a deferred outflows of resources in the amount of \$15,550,968, a deferred inflows of resources in the amount of \$7,913,891, and the net OPEB liability of \$79,237,520.	(	71,600,443)
Net position of governmental activities	\$	<u>282,903,240</u>

CITY OF GRAPEVINE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue			
	General	Hotel Occupancy Tax	Crime District	4B-Economic Development
REVENUES				
Property taxes	\$ 13,521,636	\$ -	\$ -	\$ -
Hotel occupancy taxes	-	12,625,773	-	-
Sales taxes	28,590,889	-	14,039,776	4,699,128
Mixed beverage taxes	1,793,124	-	-	-
Franchise taxes	5,858,497	-	-	-
Licenses and permits	1,459,940	-	-	-
Intergovernmental	3,988,244	-	8,895	-
Charges for services	5,588,363	5,426,172	-	154,290
Fines and forfeitures	933,618	-	50,145	-
Investment income	10,607	107,593	494	9,056
Contributions	-	-	-	-
Miscellaneous	469,463	16,980	23,038	5,098
Total revenues	<u>62,214,381</u>	<u>18,176,518</u>	<u>14,122,348</u>	<u>4,867,572</u>
EXPENDITURES				
Current:				
General government	17,575,948	-	224,323	-
Public safety	16,505,107	-	17,844,823	-
Culture and recreation	14,218,244	-	-	-
Public works	8,746,656	-	-	-
Tourism	-	16,985,839	-	-
Economic development	-	-	-	2,908,736
Transportation	61,761	-	-	-
Capital outlay	85,576	18,223	118,004	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
Fiscal agent charges	4,335	1,916	-	-
Total expenditures	<u>57,197,627</u>	<u>17,005,978</u>	<u>18,187,150</u>	<u>2,908,736</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,016,754</u>	<u>1,170,540</u>	<u>(4,064,802)</u>	<u>1,958,836</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,872,309	278,852	6,903,355	22,981
Transfers out	(9,983,504)	(2,212,759)	-	(2,015,565)
Sale of capital assets	648,452	-	-	-
Refunding bonds issued	-	-	-	-
Bonds issued	-	-	-	-
Premium on issuance of bonds	-	-	-	-
Discount on issuance of refunding bonds	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Insurance recoveries	454,548	-	-	28,749
Total other financing sources and uses	<u>(5,008,195)</u>	<u>(1,933,907)</u>	<u>6,903,355</u>	<u>(1,963,835)</u>
NET CHANGE IN FUND BALANCES	8,559	(763,367)	2,838,553	(4,999)
FUND BALANCES, BEGINNING	11,574,295	17,720,812	(2,824,924)	12,214,640
PRIOR PERIOD ADJUSTMENT	-	-	-	-
FUND BALANCES, BEGINNING, RESTATE	<u>11,574,295</u>	<u>17,720,812</u>	<u>(2,824,924)</u>	<u>12,214,640</u>
FUND BALANCES, ENDING	<u>\$ 11,582,854</u>	<u>\$ 16,957,445</u>	<u>\$ 13,629</u>	<u>\$ 12,209,641</u>

The accompanying notes are an integral part of these financial statements.

Special Revenue		Capital Projects			Nonmajor Governmental Funds	Total Governmental Funds
4B-Transit	Debt Service	TIF #1	General Facilities and Equipment			
\$ -	\$ 13,110,052	\$ 1,203,247	\$ -	\$ 6,253,317	\$ 34,088,252	
-	-	-	-	-	12,625,773	
9,584,397	-	-	-	-	56,914,190	
-	-	-	-	-	1,793,124	
-	-	-	-	200,084	6,058,581	
-	-	-	-	-	1,459,940	
-	-	-	250,000	3,200,638	7,447,777	
-	-	-	214,632	4,611,080	15,994,537	
-	-	-	-	71,630	1,055,393	
63	7,434	7,865	12,267	28,587	183,966	
-	-	-	-	130,278	130,278	
-	4,693	-	110,000	21,320	650,592	
<u>9,584,460</u>	<u>13,122,179</u>	<u>1,211,112</u>	<u>586,899</u>	<u>14,516,934</u>	<u>138,402,403</u>	
-	-	-	557,186	131,789	18,489,246	
-	-	-	163,689	1,173,207	35,686,826	
-	-	-	-	3,842,018	18,060,262	
-	-	-	161	2,159,455	10,906,272	
-	-	-	-	191,448	17,177,287	
-	-	4,280,145	-	1,510,250	8,699,131	
9,305,545	-	-	-	-	9,367,306	
-	-	-	19,792,401	7,230,123	27,244,327	
-	9,505,000	-	-	2,035,405	11,540,405	
-	5,368,866	-	-	572,493	5,941,359	
-	217,505	-	30,248	53,753	301,506	
-	116,467	-	1,092	1,039	124,849	
<u>9,305,545</u>	<u>15,207,838</u>	<u>4,280,145</u>	<u>20,544,777</u>	<u>18,900,980</u>	<u>163,538,776</u>	
<u>278,915</u>	<u>(2,085,659)</u>	<u>(3,069,033)</u>	<u>(19,957,878)</u>	<u>(4,384,046)</u>	<u>(25,136,373)</u>	
-	2,399,369	-	-	7,023,414	20,500,280	
(301,833)	(1,120,006)	-	(1,730,648)	(2,303,129)	(19,667,444)	
-	-	-	-	-	648,452	
-	44,945,000	-	-	-	44,945,000	
-	-	-	3,680,129	6,539,871	10,220,000	
-	-	-	311,119	552,882	864,001	
-	(31,856)	-	-	-	(31,856)	
-	(44,714,639)	-	-	-	(44,714,639)	
-	-	-	-	4,214	487,511	
<u>(301,833)</u>	<u>1,477,868</u>	<u>-</u>	<u>2,260,600</u>	<u>11,817,252</u>	<u>13,251,305</u>	
(22,918)	(607,791)	(3,069,033)	(17,697,278)	7,433,206	(11,885,068)	
22,918	7,289,596	9,602,251	35,153,253	23,166,368	113,919,209	
-	-	-	(3,358,000)	-	(3,358,000)	
<u>22,918</u>	<u>7,289,596</u>	<u>9,602,251</u>	<u>31,795,253</u>	<u>23,166,368</u>	<u>110,561,209</u>	
<u>\$ -</u>	<u>\$ 6,681,805</u>	<u>\$ 6,533,218</u>	<u>\$ 14,097,975</u>	<u>\$ 30,599,574</u>	<u>\$ 98,676,141</u>	

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CITY OF GRAPEVINE, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Net change in fund balances - total governmental funds	\$(	11,885,068)
Amounts reported for governmental activities in the Statement of Activities are different because:		
The net revenue/(expense) of certain activities of internal service funds are reported with governmental activities. This is the change in net position of the internal service fund.	(	15,030)
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. This is the amount of capital outlay recorded in the current period.		30,882,660
Governmental funds do not recognize capital assets contributed by other entities. However, in the Statement of Activities, the acquisition cost of those assets is recognized as revenue, then depreciated over their estimated useful lives.		4,253,674
Depreciation on capital assets is reported in the Statement of Activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds.	(	14,325,809)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(	851,050)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Issuance of debt	(	11,282,506)
Repayment of principal of long-term debt		11,540,405
Amortization of:		
Premium on bond issuance		661,250
Loss on refunding	(	176,485)
Interest is accrued in the government-wide financial statements but not at the fund level. This represents the change in the accrual during the period.		167,949
Current year changes in certain long-term liabilities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences liability	(	72,921)
Net OPEB liability	(	6,264,253)
Net Pension liability		4,142,073
Retainage payable	(	2,208,629)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		<u>9,202,657</u>
Change in net position of governmental activities	<u>\$</u>	<u>13,768,917</u>

CITY OF GRAPEVINE, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Lake Enterprise	Total	Internal Service Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 19,419,984	\$ 600	\$ 19,420,584	\$ 146,194
Receivables, net	3,174,075	69,729	3,243,804	-
Accrued interest	10	-	10	-
Prepaid items	35,029	-	35,029	-
Inventory	-	75,440	75,440	-
Total current assets	<u>22,629,098</u>	<u>145,769</u>	<u>22,774,867</u>	<u>146,194</u>
Noncurrent assets:				
Restricted cash and investments:				
Bond construction	2,675,097	-	2,675,097	-
Impact fees	2,871,462	-	2,871,462	-
Total restricted cash and investments	<u>5,546,559</u>	<u>-</u>	<u>5,546,559</u>	<u>-</u>
Capital assets:				
Land	548,132	45,838	593,970	-
Easements	57,555,464	-	57,555,464	-
Construction in progress	1,904,497	22,852	1,927,349	-
Buildings	485,345	2,046,587	2,531,932	-
Improvements other than buildings	-	9,084,270	9,084,270	-
Infrastructure	140,223,039	-	140,223,039	-
Vehicles, machinery and equipment	4,547,275	1,750,894	6,298,169	115,612
Water storage rights	683,547	-	683,547	-
Computer software	70,102	-	70,102	60,608
Less accumulated depreciation	(61,734,083)	(10,353,375)	(72,087,458)	(45,179)
Net capital assets	<u>144,283,318</u>	<u>2,597,066</u>	<u>146,880,384</u>	<u>131,041</u>
Total noncurrent assets	<u>149,829,877</u>	<u>2,597,066</u>	<u>152,426,943</u>	<u>131,041</u>
Total assets	<u>172,458,975</u>	<u>2,742,835</u>	<u>175,201,810</u>	<u>277,235</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to				
pensions	468,126	176,437	644,563	-
Deferred outflows related to OPEB	1,385,284	355,485	1,740,769	-
Deferred loss on bond refunding	11,666	-	11,666	-
Total deferred outflows of resources	<u>1,865,076</u>	<u>531,922</u>	<u>2,396,998</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements.

CITY OF GRAPEVINE, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
(Continued)
SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Lake Enterprise	Total	Internal Service Fund
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 1,680,954	\$ 240,066	\$ 1,921,020	\$ 2,486
Accrued liabilities	219,618	86,335	305,953	-
Due to other funds	-	52,186	52,186	-
Accrued bond interest payable	31,526	-	31,526	-
Retainage payable	54,936	-	54,936	-
Compensated absences	42,119	31,407	73,526	-
Bonds payable	425,000	-	425,000	-
Customer deposits	<u>1,031,343</u>	<u>-</u>	<u>1,031,343</u>	<u>-</u>
Total current liabilities	<u>3,485,496</u>	<u>409,994</u>	<u>3,895,490</u>	<u>2,486</u>
Noncurrent liabilities:				
Bonds payable	7,268,410	-	7,268,410	-
Net OPEB liability	7,058,497	1,811,312	8,869,809	-
Net pension liability	2,054,962	774,511	2,829,473	-
Compensated absences	<u>126,358</u>	<u>94,219</u>	<u>220,577</u>	<u>-</u>
Total noncurrent liabilities	<u>16,508,227</u>	<u>2,680,042</u>	<u>19,188,269</u>	<u>-</u>
Total liabilities	<u>19,993,723</u>	<u>3,090,036</u>	<u>23,083,759</u>	<u>2,486</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to				
to pensions	584,210	220,188	804,398	-
Deferred inflows related to OPEB	<u>704,971</u>	<u>180,906</u>	<u>885,877</u>	<u>-</u>
Total deferred inflows of resources	<u>1,289,181</u>	<u>401,094</u>	<u>1,690,275</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	139,221,735	2,597,066	141,818,801	131,041
Restricted for:				
Impact fees	2,871,462	-	2,871,462	-
Unrestricted	<u>10,947,950</u>	<u>(2,813,439)</u>	<u>8,134,511</u>	<u>143,708</u>
Total net position	<u>\$ 153,041,147</u>	<u>\$ (216,373)</u>	<u>\$ 152,824,774</u>	<u>\$ 274,749</u>

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CITY OF GRAPEVINE, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Lake Enterprise	Total	Internal Service Fund
OPERATING REVENUES				
Charges for services	\$ 27,598,692	\$ 3,814,981	\$ 31,413,673	\$ 134,845
Miscellaneous	1,710,374	27,006	1,737,380	-
Total operating revenues	<u>29,309,066</u>	<u>3,841,987</u>	<u>33,151,053</u>	<u>134,845</u>
OPERATING EXPENSES				
Salaries and benefits	4,402,684	654,480	5,057,164	-
Water purchases, storage, and treatment	10,857,900	-	10,857,900	-
Refuse collections	2,436,435	-	2,436,435	-
Maintenance, repairs, and supplies	2,688,647	534,936	3,223,583	125,567
General and administrative	3,684,033	859,048	4,543,081	-
Depreciation	3,342,717	365,873	3,708,590	24,424
Total operating expenses	<u>27,412,416</u>	<u>2,414,337</u>	<u>29,826,753</u>	<u>149,991</u>
OPERATING INCOME (LOSS)	<u>1,896,650</u>	<u>1,427,650</u>	<u>3,324,300</u>	<u>(15,146)</u>
NONOPERATING REVENUES (EXPENSES)				
Gain on disposal of property	-	236,757	236,757	-
Loss on disposal of property	(5,089)	-	(5,089)	-
Investment income	25,266	-	25,266	116
Interest and fiscal agent charges	(236,307)	-	(236,307)	-
Total nonoperating revenues (expenses)	<u>(216,130)</u>	<u>236,757</u>	<u>20,627</u>	<u>116</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>1,680,520</u>	<u>1,664,407</u>	<u>3,344,927</u>	<u>(15,030)</u>
Capital contributions	8,128,733	426,220	8,554,953	-
Transfers in	1,120,006	-	1,120,006	-
Transfers out	(1,817,850)	(134,992)	(1,952,842)	-
Total capital contributions and transfers	<u>7,430,889</u>	<u>291,228</u>	<u>7,722,117</u>	<u>-</u>
CHANGE IN NET POSITION	9,111,409	1,955,635	11,067,044	(15,030)
TOTAL NET POSITION, BEGINNING	<u>143,929,738</u>	<u>(2,172,008)</u>	<u>141,757,730</u>	<u>289,779</u>
TOTAL NET POSITION, ENDING	<u>\$ 153,041,147</u>	<u>\$ (216,373)</u>	<u>\$ 152,824,774</u>	<u>\$ 274,749</u>

The accompanying notes are an integral part of these financial statements.

CITY OF GRAPEVINE, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Lake Enterprise	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 29,790,717	\$ 3,803,778	\$ 33,594,495	\$ -
Receipts from interfund charges for document management services	-	-	-	134,845
Cash paid to employees	(3,586,304)	(1,471,725)	(5,058,029)	-
Cash paid to suppliers for goods and services	(18,666,810)	(1,753,760)	(20,420,570)	(124,664)
Net cash provided by operating activities	<u>7,537,603</u>	<u>578,293</u>	<u>8,115,896</u>	<u>10,181</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal paid on capital debt	(860,000)	-	(860,000)	-
Interest paid on capital debt	(260,006)	-	(260,006)	-
Acquisition and construction of capital assets	(3,542,243)	(683,101)	(4,225,344)	(78,656)
Proceeds from the sale of assets	<u>-</u>	<u>240,400</u>	<u>240,400</u>	<u>-</u>
Net cash used by capital and related financing activities	<u>(4,662,249)</u>	<u>(442,701)</u>	<u>(5,104,950)</u>	<u>(78,656)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received on investments and cash equivalents	<u>25,290</u>	<u>-</u>	<u>25,290</u>	<u>116</u>
Net cash provided by investing activities	<u>25,290</u>	<u>-</u>	<u>25,290</u>	<u>116</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer in	1,120,006	-	1,120,006	-
Transfer out	(1,817,850)	(134,992)	(1,952,842)	-
Net cash used by noncapital financing activities	<u>(697,844)</u>	<u>(134,992)</u>	<u>(832,836)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,202,800	600	2,203,400	(68,359)
CASH AND CASH EQUIVALENTS, BEGINNING	<u>22,763,743</u>	<u>-</u>	<u>22,763,743</u>	<u>214,553</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 24,966,543</u>	<u>\$ 600</u>	<u>\$ 24,967,143</u>	<u>\$ 146,194</u>

(Including \$5,546,559 of restricted cash and cash equivalents in the Water and Sewer Fund)

CITY OF GRAPEVINE, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(Continued)

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Lake Enterprise	Total	Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income	\$ 1,896,650	\$ 1,427,650	\$ 3,324,300	\$(15,146)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	3,342,717	365,873	3,708,590	24,424
(Increase) decrease in assets:				
Customer receivable	82,898	(38,209)	44,689	-
Prepaid items	546,283	-	546,283	-
Due from other funds	396,400	-	396,400	-
Inventories	-	(2,685)	(2,685)	-
Increase (decrease) in liabilities:				
Accounts payable	453,922	80,953	534,875	903
Accrued liabilities	24,556	8,195	32,751	-
Other liabilities	-	(438,044)	(438,044)	-
Customer deposits	2,353	-	2,353	-
Net OPEB liability	1,071,769	(812,622)	259,147	-
Net pension liability	(272,575)	(34,614)	(307,189)	-
Compensated absences	(7,370)	21,796	14,426	-
Total adjustments	<u>5,640,953</u>	<u>(849,357)</u>	<u>4,791,596</u>	<u>25,327</u>
Net cash provided by operating activities	<u>\$ 7,537,603</u>	<u>\$ 578,293</u>	<u>\$ 8,115,896</u>	<u>\$ 10,181</u>
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Contributions of capital assets	\$ 8,128,733	\$ 426,220	\$ 8,554,953	\$ -

CITY OF GRAPEVINE, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021

	Private-Purpose Trust Fund	Custodial Fund
ASSETS		
Cash and cash equivalents	\$ 14,492	\$ 178,137
Total assets	14,492	178,137
LIABILITIES		
Accounts payable	-	106
Total liabilities	-	106
NET POSITION		
Restricted for scholarships	14,492	-
Restricted for individuals and organizations	-	178,031
Total net position	\$ 14,492	\$ 178,031

CITY OF GRAPEVINE, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Private-Purpose Trust Fund	Custodial Fund
ADDITIONS		
Investment earnings:		
Interest, dividends, and other	\$ 11	\$ 165
Total investments earnings	11	165
Collections on behalf of employees	-	38,070
Total additions	11	38,235
DEDUCTIONS		
Payments on-behalf of employees	-	27,909
Total deductions	-	27,909
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	11	10,326
NET POSITION, BEGINNING	-	-
PRIOR PERIOD ADJUSTMENT	14,481	167,705
NET POSITION, BEGINNING, RESTATED	14,481	167,705
NET POSITION, ENDING	\$ 14,492	\$ 178,031

The accompanying notes are an integral part of these financial statements.

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CITY OF GRAPEVINE, TEXAS

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Grapevine (“City”) is a municipal corporation incorporated under Article XI of the Texas Constitution (Home Rule Amendment). The City operates under a Council-Manager form of government and provides such services as are authorized by its charter to advance the welfare, health, safety, and convenience of its citizens.

The accounting and reporting policies of the City relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. The following represents the more significant accounting and reporting policies and practices used by the City.

A. Reporting Entity

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City’s operations and are appropriately presented as funds of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the City.

Based on these criteria, the financial information of the following entities has been blended or discretely presented within the financial statements.

Blended Component Units

Grapevine Tax Increment Financing District Reinvestment Zone Number One and Two (the “TIFs”) were formed to finance and make public improvements under the authority of the Tax Increment Financing Act. The TIFs are governed by two separate boards of directors that are substantively the same as the City Council. The chairman of the board is also designated by the City Council. The City is obligated for the debts of both TIFs.

The Grapevine Crime Control and Prevention District (Crime District) was established to account for the accumulation and use of sales tax proceeds designated for crime reduction programs. One-half (1/2) cent of local sales and use tax within the district funds the Crime District. The Board of Directors of the Crime Control and Prevention District is substantively the same as the City Council. The City is entitled to and can otherwise access all the resources of the Crime District.

The Grapevine 4B Economic Development Corporation consists of two funds. The 4B Transit Fund accounts for funds designated for Grapevine’s participation in the commuter rail development project with the Fort Worth Transit Authority (the “T”). The 4B Economic Development Fund accounts for funds used to stimulate the local economy, development, and redevelopment opportunities. One-half (1/2) cent local sales and use tax within the City funds these two blended component units. Three eighths (3/8th) of one cent of the local sales tax is used to fund the 4B Transit Fund. One eighth (1/8th) of one cent of the local sales tax is used to fund the 4B Economic Development Fund. The Board of Directors of the Grapevine 4B Economic Development Corporation include citizens as members but is substantively the same as the City Council. The City is entitled to and can otherwise access all the resources of the Grapevine 4B Economic Development Corporation.

Separate financial statements for the TIF funds, Crime Control and Prevention District, the 4B Transit Fund, and the 4B Economic Development Fund are not prepared.

Discretely Presented Component Unit

Grapevine Heritage Foundation (the "Foundation") is a Texas nonprofit corporation governed by a 9-member board of directors appointed by the City Council, which includes a City Council member and the Director of the City's Convention and Visitor's Bureau. The Foundation's operating budget is subject to the approval of the City Council. The City is able to impose its will on the Foundation. The board is not substantively the same as the City Council. The Foundation does not provide services to the City.

Separate financial statements are not prepared for the Heritage Foundation.

B. Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) 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 the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (public safety, culture and recreation, tourism, etc.) or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund based 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. The non-major funds are aggregated in a separate column in the fund financial statements. The non-major funds are detailed in the supplementary information section of this report.

The City's fiduciary funds are presented in the fund financial statements by type. Since these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories, as well as the fiduciary funds (by category). Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

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

The government-wide and fiduciary fund 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 related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund level 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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. In applying the susceptible to accrual concept to intergovernmental revenue, the legal and contractual requirements of the numerous individual programs are used as guidance. Generally, monies must be expended on a specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. Ad valorem taxes are recognized as revenues in the year for which they are levied. Sales taxes, franchise taxes, hotel occupancy taxes, charges for services and fines are recognized as revenue as earned, when measurable and available. Licenses, permits, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until received. Investment earnings are recorded as earned since they are measurable and available.

All proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. 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 water and sewer and municipal golf course are charges to customers for sales and services. Operating expenses for the enterprise 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 non-operating revenues and expenses.

During operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column. However, interfund services provided and used are not eliminated in the process of consolidation.

Governmental Funds

The focus of governmental fund measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the major governmental funds of the City:

The City reports the following major governmental funds:

The **General Fund** accounts for several of the City's primary services (general administration, police administration, fire, public works, libraries, culture and recreation, etc.) and is the primary operating fund of the City.

The **Hotel Occupancy Tax Fund** is a special revenue fund that accounts for all hotel occupancy tax revenues that are restricted by state statute and can only be used on expenditures related to tourism activities. Additional local revenues generated through tourism activities are accumulated in this fund and are assigned for use on expenditures related to tourism.

The **Crime District Fund** is a special revenue fund that accounts for the accumulation and use of sales tax restricted for crime reduction programs.

The **4-B Economic Development Fund** accounts for the accumulation of sales tax restricted for economic development projects and local funds assigned by the City to stimulate the local economy, development, and redevelopment.

The **4B Transit Fund** is a special revenue fund that accounts for the accumulation of sales tax restricted to fund the City's participation in the commuter rail development project with the Fort Worth Transit Authority (the "T").

The **Debt Service Fund** is used to account for the accumulation of restricted property tax resources levied for the payment of general long-term debt principal, interest, and related costs of governmental funds.

The **Tax Increment Financing (TIF) #1 Capital Projects Fund** is used to account for capital acquisition and construction, economic incentives, and other expenditures authorized by the TIF #1 Board of Directors.

The **General Facilities and Equipment Fund** is a capital projects fund used to account for the general financing, acquisition, construction and improvements of the City's buildings and capital equipment.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows, which is similar to businesses. The following is a description of the major proprietary funds of the City:

The **Water and Sewer Fund** accounts for the operation of the City's water and sewer utility activities including administration, operation and maintenance of the water and sewer system, and billing and collection activities. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted, if necessary, to ensure integrity of the fund.

The **Lake Enterprise Fund** includes the operations of the City's municipal golf course.

The **Internal Service Fund** accounts for revenues and expenses related to document management services provided to parties inside the City on a cost-reimbursement basis. Because the principal users of the internal services are accounted for in the City's governmental activities, this fund is included in the "Governmental Activities" column of the government-wide financial statements.

Fiduciary Funds

The **Private-purpose Trust Fund** is used to account for investments and interest for the benefit of the W.D. Tate Scholarship fund. The benefits are dedicated to recipients in accordance with the benefit terms. The donations and other contributions received by the City do not belong to the City and cannot be spent to further the City's own objectives.

The **Custodial Fund** is used to account for assets held, not in a trust, by the City in a custodial capacity for individuals, private organizations, or other governments.

D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. *Cash and cash equivalents*

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

2. *Investments*

Investments of the City are reported at fair value, except for the position in investment pools. Investment pools are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

3. *Property Taxes and Other Receivables*

The City's property tax is levied each October 1, on the assessed value listed as of the prior January 1 for all real property located in the City. The appraisal of property within the City is the responsibility of the Central Appraisal Districts of Dallas, Denton, and Tarrant Counties as required by legislation passed by the Texas Legislature. The Appraisal Districts are required under such legislation to assess all property within their Appraisal District on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The assessed value upon which the completed tax year 2020 levy was based was approximately \$9,306,071,773. The value of property within the Appraisal District must be reviewed every five years; however, the City may, at its own expense, require annual reviews of appraised values. The City may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action.

General property taxes are limited by the Texas Constitution to \$2.50 per \$100 of assessed valuation. The combined tax rate to finance maintenance and operations and debt service for the year ended September 30, 2021, was \$0.282601 per \$100 of assessed valuation.

Property taxes attach as an enforceable lien on property as of January 1 following the levy date. Taxes are due by January 31 following the levy date. Property taxes levied for 2021 are recorded as receivables, net of estimated uncollectibles. The collections during 2021 and those considered "available" at year-end are recognized as revenues in 2021. The City considers property taxes available if they are collected within 60 days after year-end. Prior year levies were recorded using these same principles. The remaining receivables are reflected as deferred inflows of resources in the fund financial statements.

Property taxes are imposed nonexchange revenues. Assets from imposed nonexchange transactions are recorded when the entity has enforceable legal claim to the asset, or when the entity receives resources, whichever comes first. The enforceable legal claim date for property taxes is the assessment date. The assessment date has been designated in the enabling legislation as October 1.

4. *Inventories and Prepaid Items*

Inventories are valued at average cost on a first-in, first-out basis. Inventories in the General Fund are recorded using the consumption method (i.e., recorded as an expenditure when used rather than when purchased).

Prepaid items are payments made by the City in the current year to provide services occurring in the subsequent fiscal year. A corresponding portion of fund balance is shown as nonexpendable in governmental funds to indicate it is not available for other subsequent expenditures. Prepaid items are defined as payments of greater than \$5,000 that benefit future periods. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. *Restricted Assets*

Certain proceeds of the City’s general obligation bonds and certificates of obligation are classified as restricted assets on the balance sheet because their use is limited by applicable bond restrictions. Also included in restricted assets are impact fees, which are restricted for use in infrastructure projects.

6. *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, other than infrastructure, are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Infrastructure assets are defined by the City as assets costing in excess of \$50,000 that have an estimated useful life in excess of two years. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost at the date of donation. 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.

Depreciation has been provided on a straight-line basis over the estimated useful lives of the assets.

The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	7-40
Water and sewer system	30-50
General infrastructure	20-30
Improvements other than buildings	10-20
Machinery and equipment	3-10
Water storage rights	40
Other intangibles	3-20
Motor vehicles	3-10

7. *Deferred Inflows and Outflows of Resources*

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

- Deferred loss on debt refundings – A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension and OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Changes in actuarial assumptions and other inputs included in determining the pension and OPEB liability – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Differences between expected and actual economic experience for the City’s pension and OPEB plan – These effects on the pension and OPEB liability are deferred and amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of fund balance that applies to a future period(s) and, therefore, will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item that arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet.

In addition, the City has deferred inflows of resources that are required to be reported on the Statements of Net Position under the full accrual basis of accounting. Deferred inflows of resources reported in the Statements of Net Position are as follows:

- Differences between expected and actual economic experience for the City's pension and OPEB plans – These effects on the total pension liability are deferred and amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).
- Changes in actuarial assumptions and other inputs included in determining the OPEB liability – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Difference in projected and actual earnings on pension and OPEB assets – This difference is deferred and amortized over a closed five-year period.

8. *Compensated Absences*

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. Employees are reimbursed upon termination for accumulated vacation and only non-exempt employees are reimbursed for compensatory time. The liabilities for these amounts are accrued as they are incurred in the government-wide and proprietary fund financial statements. Employees are not reimbursed upon termination for accumulated sick leave.

9. *Long-term Debt*

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

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

10. *Pensions*

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources, and pension expense, City specific information about its fiduciary net position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from 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.

11. *Other Postemployment Benefits (OPEB)*

The City provides eligible employees with certain postemployment health and life insurance benefits that meet the criteria of a defined benefit OPEB plan under Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The City has placed assets in trust to pay the obligations of the plan with the Public Agencies Retirement Services (PARS). Because plan assets are pooled by PARS with those of other plans for investment, the City's plan meets the criteria of an agent multiple-employer plan under GASB Statement No. 75.

The City has not established a formal funding policy and there is no actuarially determined contribution. Therefore, for purposes of measuring the net OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the City for benefits due and payable that are not reimbursed by plan assets. Information regarding the City's net OPEB liability is obtained from a report prepared by a consulting actuary, Gabriel Roeder Smith & Company, in compliance with GASB Statement No. 75.

12. *Fund Balance Classification*

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

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has, by resolution, authorized the City Manager to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover the gap between estimated revenue and appropriations in the subsequent year's budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

13. *Fund balance flow assumptions*

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

14. *Net position flow assumption*

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

15. *Future financial reporting requirements*

The City has reviewed GASB pronouncements that become effective in future years and notes the following statements are applicable to the City.

Statement No. 87, *Leases* – This statement changes the recognition requirements for certain lease assets and liabilities for leases that are currently classified as operating leases. This statement will become effective for the City in fiscal year 2022.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* – The objectives of this statement are to (1) enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement will become effective for the City in fiscal year 2022.

Statement No. 91, *Conduit Debt Obligations* - The Statement provides a single method of reporting conduit debt obligation by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB 91 will be implemented by the City in fiscal year 2023 and the impact has not yet been determined.

Statement No. 92, *Omnibus 2020* – The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. GASB 92 will be implemented by the City in fiscal year 2022 and the impact has not yet been determined.

Statement No. 93, *Replacement of Interbank Offered Rates* – Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)-most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. GASB 93 will be implemented by the City in fiscal year 2022 and the impact has not yet been determined.

Statement No. 94, *Public-Private and Public-Private Partnerships and Availability Payment Arrangements* – The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). GASB 94 will be implemented by the City in fiscal year 2023 and the impact has not yet been determined.

Statement No. 96, *Subscription-Based Technology Arrangements* – this Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. GASB 96 will be implemented by the City in fiscal year 2023 and the impact has not yet been determined.

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32.* – The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. GASB 97 will be implemented by the City in fiscal year 2022 and the impact has not yet been determined.

II. CASH AND INVESTMENTS

As of September 30, 2021, the City had the following cash and investments:

	9/30/2021	Percent of Total Portfolio	Weighted Average Maturity (Days)
Primary government			
Cash and cash equivalents:			
Cash deposits - City	\$ 4,139,771		
Certificates of deposit	3,995,329	3%	146
Total cash and cash equivalents	<u>8,135,100</u>		
Investment pools:			
TexPool	5,125,871	4%	37
TexPool Prime	23,520,925	20%	48
LOGIC	<u>85,451,363</u>	73%	59
Total investment pools	<u>114,098,159</u>		
Total cash and investments of the primary government	<u>\$ 122,233,259</u>		
Portfolio weighted average maturity (days)			59
Discretely Presented Component Unit			
Cash deposits	<u>\$ 330,091</u>		
Total cash and investments of the reporting entity	<u>\$ 122,563,350</u>		

Reconciliation to the basic financial statements. The cash and investments as of September 30, 2021, are reported in the financial statements as follows:

Government-wide Statement of Net Position:	
Governmental activities	\$ 97,073,487
Business-type activities	24,967,143
Discretely presented component unit	330,091
Fiduciary Funds Statement of Net Position:	
Private Purpose Trust Fund	14,492
Custodial Fund	<u>178,137</u>
Total cash and investments	<u>\$ 122,563,350</u>

Investment pools are not categorized as to investment risk since specific securities relating to the City cannot be identified. Under the TexPool Participation Agreement, administrative and investment services to TexPool and TexPool Prime are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accountants. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool and TexPool Prime.

Under the LOGIC Participation Agreement, administrative and investment services to LOGIC are provided by Hilltop Securities, Inc. and JP Morgan Asset Management, Inc. as co-administrators. The administrators settle all trades for LOGIC and secure and value its assets every day. The fair value of the City's position in these pools is the same as the value of the pool shares. As of September 30, 2021, the City's investments in LOGIC, TexPool and TexPool Prime were all rated AAAM by Standard & Poor's.

TexPool, TexPool Prime and LOGIC each have a redemption notice period of one day and may redeem daily. The investment pools' authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

Interest Rate Risk. In accordance with its investment policy, the City minimizes the risk that the interest earnings and the fair value of investments in the portfolio will fall due to changes in general interest rates, by:

- a. Structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
- b. Investing operating funds primarily in certificates of deposit, shorter-term securities, money market mutual funds, or local government investment pools functioning as money market mutual funds.
- c. Diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

Credit Risk. In accordance with its investment policy, the City minimizes credit risk, the risk of loss due to the failure of the issuer or backer of the investment by:

- a. Limiting investments to the safest types of investments.
- b. Pre-qualifying the financial institutions and broker/dealers with which the City will do business.
- c. Diversifying the investment portfolio so that potential losses on individual issuers will be minimized.

Concentration of Credit Risk. The City's investment policy allows up to 100% to be invested in U. S. Treasury Bills/Notes/Bonds, and U. S. Agencies and Instrumentalities.

Custodial Credit Risk. State statutes require that all City deposits in financial institutions be fully collateralized by U. S. Government obligations or obligations of the State of Texas or its agencies. The City's deposits were fully collateralized by government securities or had a letter of credit issued by the Federal Home Loan Bank as required by State statutes as of September 30, 2021.

III. RECEIVABLES

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

	Accrued Interest	Taxes	Accounts	Notes	Gross Receivables	Less Allowance for Uncollectibles	Total
General	\$ 38	\$ 7,278,611	\$ 2,737,756	\$ -	\$ 10,016,405	\$(2,211,186)	\$ 7,805,219
Hotel Occupancy	261	1,339,810	224,341	-	1,564,412	(14,988)	1,549,424
Crime District	-	2,718,885	-	-	2,718,885	-	2,718,885
4B - Economic Development	4	890,185	177,741	-	1,067,930	-	1,067,930
4B - Transit	-	1,845,920	-	-	1,845,920	-	1,845,920
Debt Service	2	1,427,865	-	-	1,427,867	(1,215,070)	212,797
TIF #1 Capital Projects	4	-	-	-	4	-	4
General Facilities and Equipment	76,827	-	-	6,500,230	6,577,057	-	6,577,057
Nonmajor governmental funds	9	-	2,197,524	-	2,197,533	-	2,197,533
Water and Sewer	10	-	3,279,526	-	3,279,536	(105,451)	3,174,085
Lake Enterprise	-	-	69,729	-	69,729	-	69,729
Total	\$ 77,155	\$ 15,501,276	\$ 8,686,617	\$ 6,500,230	\$ 30,765,278	\$(3,546,695)	\$ 27,218,583

IV. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021, was as follows:

Primary Government

	Beginning Balance	Transfers and Additions	Transfers and Retirements	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 34,496,800	\$ 2,285,965	\$ -	\$ 36,782,765
Right of way	78,934,989	579,531	-	79,514,520
Construction in progress	112,876,261	23,902,957	(24,176,644)	112,602,574
Total assets not being depreciated	226,308,050	26,768,453	(24,176,644)	228,899,859
Capital assets, being depreciated:				
Buildings	124,973,156	20,939,942	(1,740,165)	144,172,933
Improvement other than buildings	60,638,977	543,825	-	61,182,802
Machinery and equipment	43,620,037	3,478,676	(1,486,974)	45,611,739
Computer software	133,207	94,113	-	227,320
Infrastructure	140,421,956	3,614,063	-	144,036,019
Total capital assets being depreciated	369,787,333	28,670,619	(3,227,139)	395,230,813
Less accumulated depreciation:				
Buildings	(33,895,636)	(3,235,364)	571,805	(36,559,195)
Improvement other than buildings	(22,100,001)	(3,014,588)	-	(25,114,589)
Machinery and equipment	(28,900,763)	(3,285,383)	1,339,589	(30,846,557)
Computer software	(39,332)	(20,191)	-	(59,523)
Infrastructure	(85,258,129)	(4,794,708)	-	(90,052,837)
Total accumulated depreciation	(170,193,861)	(14,350,234)	1,911,394	(182,632,701)
Total capital assets being depreciated, net	199,593,472	14,320,385	(1,315,745)	212,598,112
Governmental activities capital assets, net	\$ 425,901,522	\$ 41,088,838	\$(25,492,389)	\$ 441,497,971

	Beginning Balance	Transfers and Additions	Transfers and Retirements	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 593,970	\$ -	\$ -	\$ 593,970
Easements	51,920,788	5,634,676	-	57,555,464
Construction in progress	2,501,786	3,245,375	(3,819,812)	1,927,349
Total assets not being depreciated	<u>55,016,544</u>	<u>8,880,051</u>	<u>(3,819,812)</u>	<u>60,076,783</u>
Capital assets, being depreciated:				
Buildings	2,591,188	-	(59,256)	2,531,932
Improvement other than buildings	8,622,265	468,709	(6,704)	9,084,270
Machinery and equipment	5,349,405	1,013,921	(65,158)	6,298,168
Water storage rights	683,547	-	-	683,547
Computer software	70,102	-	-	70,102
Infrastructure	134,041,200	6,181,839	-	140,223,039
Total capital assets being depreciated	<u>151,357,707</u>	<u>7,664,469</u>	<u>(131,118)</u>	<u>158,891,058</u>
Less accumulated depreciation:				
Buildings	(1,936,792)	(42,723)	55,613	(1,923,902)
Improvement other than buildings	(7,635,273)	(270,962)	6,704	(7,899,531)
Machinery and equipment	(3,637,866)	(355,157)	60,070	(3,932,953)
Water storage rights	(673,574)	(9,973)	-	(683,547)
Computer software	(27)	(10,015)	-	(10,042)
Infrastructure	(54,617,722)	(3,019,760)	-	(57,637,482)
Total accumulated depreciation	<u>(68,501,254)</u>	<u>(3,708,590)</u>	<u>122,387</u>	<u>(72,087,457)</u>
Total capital assets being depreciated, net	<u>82,856,453</u>	<u>3,955,879</u>	<u>(8,731)</u>	<u>86,803,601</u>
Business-type activities capital assets, net	<u>\$ 137,872,997</u>	<u>\$ 12,835,930</u>	<u>\$(3,828,543)</u>	<u>\$ 146,880,384</u>

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

Governmental activities:	
General government	\$ 1,518,615
Public safety	2,233,279
Public works	5,398,958
Culture and recreation	4,448,144
Tourism	751,238
Total depreciation expense - governmental activities	<u>\$ 14,350,234</u>
Business-type activities:	
Water and sewer	\$ 3,342,717
Lake Enterprise	365,873
Total depreciation expense - business-type activities	<u>\$ 3,708,590</u>

Water storage rights of \$683,547 (net of accumulated amortization of \$683,547) represent rights in the Federal Reservoir at Lake Grapevine purchased through a long-term contract with the federal government and are recorded at cost, with amortization being recorded using the straight-line method over the initial term of the contract of 40 years.

	Beginning Balance	Transfers and Additions	Transfers and Retirements	Ending Balance
Discretely Presented Component Unit:				
Capital assets, not being depreciated:				
Land	\$ 450,067	\$ -	\$ -	\$ 450,067
Total assets not being depreciated	<u>450,067</u>	<u>-</u>	<u>-</u>	<u>450,067</u>
Capital assets, being depreciated:				
Building	1,031,174	-	-	1,031,174
Improvements other than building	945,651	25,000	-	970,651
Vehicles and equipment	<u>31,275</u>	<u>-</u>	<u>-</u>	<u>31,275</u>
Total capital assets being depreciated	<u>2,008,100</u>	<u>25,000</u>	<u>-</u>	<u>2,033,100</u>
Less accumulated depreciation:				
Building	(370,898)	(26,419)	-	(397,317)
Improvements other than building	(940,977)	(550)	-	(941,527)
Vehicles and equipment	<u>(31,275)</u>	<u>-</u>	<u>-</u>	<u>(31,275)</u>
Total accumulated depreciation	<u>(1,343,150)</u>	<u>(26,969)</u>	<u>-</u>	<u>(1,370,119)</u>
Total capital assets being depreciated, net	<u>664,950</u>	<u>(1,969)</u>	<u>-</u>	<u>662,981</u>
Discretely presented component unit capital assets, net	<u>\$ 1,115,017</u>	<u>\$ (1,969)</u>	<u>\$ -</u>	<u>\$ 1,113,048</u>

Construction Commitments

The City has active construction commitments as of September 30, 2021, totaling \$16,112,990. This includes building projects, street construction and improvements of existing streets, and repair and maintenance of existing water and sewer systems.

Project	Commitment
Streets and drainage projects	\$ 4,223,732
Water and wastewater projects	5,215,839
Fiber optic cable project	1,242,968
Golf Clubhouse	83,649
Grapevine Main	5,253,925
Parks projects	<u>92,877</u>
Total	<u>\$ 16,112,990</u>

The commitments for buildings, streets and drainage construction will be funded from unexpended general obligation and certificates of obligation bond proceeds. Water and wastewater projects will be funded from unexpended certificates of obligation and revenue bond proceeds and operations.

V. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2021, is as follows:

Due to/from Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Grants Fund	\$ 36,475
	Crime District Fund	1,824,047
	Lake Enterprise Fund	52,186
	Nonmajor Governmental	<u>24,065</u>
	Total General Fund	<u>1,936,773</u>
Hotel Occupancy Tax	Nonmajor Governmental	234,772
	4B-Transit	<u>33,125</u>
		<u>267,897</u>
	Total	<u>\$ 2,204,670</u>

Interfund balances for all the funds are created by short-term deficiencies in cash position in the individual fund. It is anticipated that the balances will be repaid in one year or less. Similar transactions such as this also exist between the primary government and the City's discretely presented component unit. The balances due to and due from component unit and primary government as of September 30, 2021, consisted of the following:

Receivable	Payable	Amount
Component unit - Heritage Foundation	Primary Government - Hotel Occupancy Tax Fund	\$ <u>9,644</u>

Interfund Transfers

A summary of interfund transfers by fund type is as follows:

Transfers in	Transfers out	Amount	Total
General Fund	Hotel Occupancy Tax Fund	\$ 1,213,537	
	4-B Economic Development	353,046	
	Nonmajor Governmental	352,884	
	Water and Sewer Fund	1,817,850	
	Lake Enterprise Fund	<u>134,992</u>	
Total General Fund			\$ 3,872,309
Hotel Occupancy Tax Fund	4B-Transit Fund		278,852
Crime District Fund	General Facilities & Equipment	1,390,053	
	Nonmajor Governmental	<u>5,513,302</u>	
			6,903,355
Debt Service Fund	Hotel Occupancy Tax Fund	998,850	
	4-B Economic Development	<u>1,400,519</u>	
Total Debt Service			2,399,369
4B-Economic Development Fund	4B-Transit Fund		22,981
Nonmajor Governmental	General Fund	4,470,202	
	4B-Economic Development	262,000	
	Hotel Occupancy Tax Fund	372	
	General Facilities & Equipment	340,595	
	Nonmajor Governmental	<u>1,950,245</u>	
Total nonmajor governmental			7,023,414
Water and Sewer Fund	Debt Service Fund		<u>1,120,006</u>
Total			\$ <u>21,620,286</u>

Interfund transfers are primarily made by the City for the following reasons:

- Budgeted transfers to the General Fund from other funds for operating and administrative allocations.
- Operating transfer from the 4B-Transit Fund to the Hotel Occupancy Tax Fund for visitor shuttle services.
- Transfers to the Debt Service Fund to pay for self-supporting debt service expenditures.
- Transfers to the Crime District Fund from the General Fund is a budgeted transfer to cover additional costs that are in excess of sales tax collections.
- Transfers from the Debt Service Fund to the Water and Sewer Fund were made to pay debt recorded in the Water and Sewer Fund.

VI. DEFERRED INFLOWS OF RESOURCES

As of September 30, 2021, deferred inflows of resources reported in the governmental funds for unavailable revenues are as follows:

	General	4B-Economic Development	Debt Service	General Facilities and Equipment	Nonmajor Governmental	Total
Property taxes	\$ 49,042	\$ -	\$ 51,524	\$ -	\$ -	\$ 100,566
Property tax penalties and interest	106,838	-	101,829	-	-	208,667
Court fines and fees	151,959	-	-	-	-	151,959
Ambulance billing	106,466	-	-	-	-	106,466
Intergovernmental	3,430,143	-	-	10,233,368	426,075	14,089,586
Other	282,946	56,883	-	78,323	93,257	511,409
Total	<u>\$ 4,127,394</u>	<u>\$ 56,883</u>	<u>\$ 153,353</u>	<u>\$ 10,311,691</u>	<u>\$ 519,332</u>	<u>\$ 15,168,653</u>

VII. LEASES

Operating Leases

Lake Parks

The City entered into a 25-year lease agreement with the United States Corps of Engineers to operate and maintain approximately 770 acres of property at Lake Grapevine. The City is required to pay the cost to maintain and operate the property with revenues generated from park operations. The term of the operating lease is from October 2004 through September 2029. The agreement covers the park areas of Meadowmere Park, Oak Grove Park and Silver Lake Park (“Vineyards”).

The City entered into another 25-year lease agreement with the United State Corps of Engineers to operate and maintain an additional 44.5 acres at Lake Grapevine referred to as Rockledge Park. The term of this operating lease is from March 2009 through March 2034.

Gaylord Texan Resort and Convention Center

The City leased property from the United States Corps of Engineers and subsequently entered into a sublease agreement with the Gaylord Texan Resort and Convention Center (Gaylord) on March 18, 1994, for a portion of the leased property. The contract is for 49 years and rent payment is \$1 per year. The project opened on April 4, 2004, with 1,511 room convention hotel and over 400,000 square feet of convention, meeting, exhibit and related amenities and support facilities. In subsequent years, The City and Gaylord entered various addendums pertaining to the United States Corps of Engineers leased property. Gaylord completed and opened its \$120 million Vineyard Tower expansion in summer of 2018. This project increased the number of rooms by 303 and provided 86,000 square feet of additional meeting space. This ranks Gaylord as the nation’s second-largest non-gaming convention hotel when measured by total self-contained exhibit and meeting space.

Cowboys Golf Course

The City entered into a 50-year sublease agreement with the Cowboys Golf Course in 1999. The Cowboys Golf course management company’s lease fee is 3% of Cowboys’ gross revenues from operations.

VIII. LONG-TERM LIABILITIES

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.

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

In 2021, taxable \$44,945,000 Series 2021 General Obligation Refunding Bonds were issued with maturities ranging from \$625,000 to \$4,780,000. The Series 2021 General Obligation Refunding Bonds were publicly sold and are repaid from the Debt Service Fund. The purpose of the taxable bonds was to refund certain outstanding ad valorem tax obligations of the City for debt service savings and for payment of the costs of issuance of the taxable bonds.

A summary of the terms of general obligation bonds outstanding and their corresponding allocations to the governmental and business-type activities as of September 30, 2021, follows:

General Obligation Bonds	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding
Governmental activities:					
2010 General Obligation Refunding Bonds	08/05/2010	\$ 6,560,000	4.000%	02/15/2022	\$ 480,000
2012 General Obligation Refunding Bonds	12/01/2012	8,060,000	2.000% - 2.125%	02/15/2027	1,410,000
2013 General Obligation Bonds	06/15/2013	65,805,000	0.000% - 5.000%	02/15/2023	6,185,000
2015 General Obligation Refunding Bonds	02/26/2015	14,695,000	3.000%	02/15/2026	1,255,000
2017 General Obligation Refunding Bonds	02/21/2017	1,365,000	2.000% - 3.000%	02/15/2027	860,000
2019 General Obligation Refunding and Improvement Bonds	07/09/2019	28,860,000	3.000% - 4.000%	02/15/2039	25,265,000
2021 General Obligation Refunding Bonds	09/02/2021	44,945,000	1.000% - 2.000%	02/15/2033	44,945,000
Total general obligation bonds outstanding					<u>\$ 80,400,000</u>

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

Year Ending September 30,	Governmental Activities	
	Publicly Sold	
	Principal	Interest
2022	\$ 6,220,000	\$ 1,814,132
2023	5,940,000	1,595,543
2024	5,840,000	1,399,143
2025	6,030,000	1,248,116
2026	6,220,000	1,108,186
2027-2031	29,725,000	3,800,835
2032-2036	16,015,000	1,309,373
2037-2041	4,410,000	200,850
Total	<u>\$ 80,400,000</u>	<u>\$ 12,476,178</u>

Certificates of Obligation

The City also issued certificates of obligation to finance the acquisition and construction of capital assets including certain capital improvement projects, municipal facilities, and machinery and equipment.

In 2021, tax-exempt \$10,220,000 Series 2021 Combination Tax and Revenue Certificates of Obligation were issued with maturities ranging from \$375,000 to \$645,000. The Series 2021 Combination Tax and Revenue Certificates of Obligation were publicly sold and will be repaid from the Debt Service Fund. Proceeds from the sale of the Certificates will be used for ongoing capital projects, purchase of vehicles and other equipment, and paying the costs incurred in connection with the issuance of the Certificates.

The City had the following certificates of obligation outstanding as of September 30, 2021:

Certificates of Obligation	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding
Governmental activities:					
2015 Combination Tax and Revenue Certificates of Obligation	02/26/2015	2,000,000	2,000,000	02/15/2035	\$ 1,065,000
2017 Combination Tax and Revenue Certificates of Obligation	02/21/2017	9,535,000	9,535,000	02/15/2037	7,630,000
2018 Combination Tax and Revenue Certificates of Obligation	05/15/2018	32,310,000	32,310,000	02/15/2038	30,855,000
2021 Combination Tax and Revenue Certificates of Obligation	09/02/2021	10,220,000	10,220,000	02/15/2041	<u>10,220,000</u>
					<u>49,770,000</u>
Business-type activities:					
2015 Combination Tax and Revenue Certificates of Obligation	02/26/2015	9,720,000	2.250% - 4.500%	02/15/2035	<u>7,395,000</u>
					<u>\$ 57,165,000</u>

Annual debt service requirements to maturity for certificates of obligation of the primary government are as follows:

Year Ending September 30,	Governmental Activities		Business-type Activities	
	Publicly Sold		Publicly Sold	
	Principal	Interest	Principal	Interest
2022	\$ 2,290,000	\$ 1,743,725	\$ 425,000	\$ 242,075
2023	2,130,000	1,664,375	430,000	231,919
2024	2,225,000	1,564,863	440,000	219,944
2025	2,340,000	1,456,513	460,000	206,444
2026	2,475,000	1,342,075	460,000	191,493
2027-2031	13,865,000	4,957,756	2,715,000	656,006
2032-2036	16,080,000	2,495,553	2,465,000	154,541
2037-2041	<u>8,365,000</u>	<u>331,121</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 49,770,000</u>	<u>\$ 15,555,981</u>	<u>\$ 7,395,000</u>	<u>\$ 1,902,422</u>

Contractual Obligations

The City has issued contractual obligations to finance the acquisition of certain capital equipment. These obligations are issued pursuant to the Constitution of the State of Texas, including particularly Subchapter A of Chapter 271, Texas Local Government Code (the Public Property Finance Act), and constitute direct obligations of the City of Grapevine, Texas, payable from a continuing ad valorem tax levied on all taxable property within the City.

The City had the following Public Property Finance (“PPF”) contractual obligations outstanding as of September 30, 2021:

Contractual Obligations	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding
Governmental activities:					
2012 Public Property Finance Contractual Obligations	12/04/2012	\$ 1,225,000	1.500% - 2.250%	02/15/2027	\$ 570,000
2015 Public Property Finance Contractual Obligations	01/01/2015	3,070,000	4.000%	02/15/2026	775,000
2018 Public Property Finance Contractual Obligations	03/06/2018	2,500,000	3.950%	03/01/2028	<u>1,847,835</u>
					<u>\$ 3,192,835</u>

Contractual obligation debt service requirements to maturity are as follows:

Year Ending September 30,	Governmental Activities		Governmental Activities	
	Publicly Sold		Private Placement	
	Principal	Interest	Principal	Interest
2022	\$ 585,000	\$ 32,575	\$ 234,309	\$ 72,989
2023	155,000	19,688	243,564	63,734
2024	165,000	14,906	253,185	54,113
2025	165,000	9,969	263,186	44,113
2026	175,000	4,875	273,582	33,717
2027-2031	100,000	1,125	580,009	34,588
Total	<u>\$ 1,345,000</u>	<u>\$ 83,138</u>	<u>\$ 1,847,835</u>	<u>\$ 303,254</u>

Revenue Bonds

On May 15, 2018, the City issued Sales Tax Revenue Refunding Bonds, Series 2018, to refund the existing Sales Tax Revenue Bonds, Series 2014. The Sales Tax Revenue Refunding Bonds, Series 2018, were issued by the Grapevine 4B Economic Development Corporation, a blended component unit of the City, pursuant to Chapters 501, 502, and 505, Texas Local Government Code. These bonds are special obligations of the City, payable from a secured lien on and pledge of certain pledged revenues which include the proceeds of $\frac{1}{4}$ of the $\frac{1}{2}$ cent sales and use tax levied within the City for the benefit of the Grapevine 4B Economic Development Corporation.

As of September 30, 2021, the remaining balances for principal and interest on the debt are \$14,385,000 and \$3,795,591, respectively. Annual debt service requirements through February 15, 2034, do not exceed \$1,500,000 per year. Sales tax revenue collections in the 4B-Economic Development Fund were \$4,699,128.

A reserve fund is required to be maintained as security for the payment of the sales tax revenue refunding bonds. The reserve fund is required to be funded in an amount equal to the maximum annual principal and interest required for the bonds. The reserve is currently funded at \$1,402,400, which meets the reserve requirements.

On June 6, 2000, the City issued Combination Tax and Tax Increment Revenue Certificates of Obligation, Series 2000. These bonds were subsequently refunded with Combination Tax and Tax Increment Reinvestment Zone Revenue Refunding Bonds, Series 2005A, and with Combination Tax and Tax Increment Reinvestment Zone Revenue Refunding Bonds, Series 2015A. The Combination Tax and Tax Increment Reinvestment Zone #2 Revenue Refunding Bonds, Series 2015A, were issued pursuant to the Constitution and the general laws of the State of Texas, including particularly, Chapter 1207, Texas Government Code and Section 9.26 of the City's Home Rule Charter, and are direct obligations of the City, payable from a combination of the levy and collection of a continuing ad valorem tax levied on all taxable property within the City and a subordinate lien on an pledge of the tax increments deposited in the tax increment fund established for TIF #2.

As of September 30, 2021, the remaining principal and interest on the bonds was \$10,375,000 and \$1,132,350, respectively. Principal and interest payments for the fiscal year were \$1,810,000 and \$490,600. Tax increment revenues for TIF #2 for the current year were \$6,263,301. The outstanding revenue bonds have a final maturity of August 15, 2026.

A summary of the terms of the revenue bonds outstanding for the governmental activities as of September 30, 2021, is as follows:

Revenue Bonds	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding
Governmental activities:					
2015 A Combination Tax and TIRZ #2 Revenue Refunding Bonds	01/23/2015	\$20,565,000	3.000% - 5.000%	08/15/2026	\$ 10,375,000
2018 Sales Tax Revenue Refunding Bonds	04/17/2018	16,930,000	3.000% - 4.000%	02/15/2034	14,385,000
Total revenue bonds outstanding					<u>\$ 24,760,000</u>

Annual debt service requirements for the revenue bonds are as follows:

Year Ending September 30,	Governmental Activities	
	Publicly Sold	
	Principal	Interest
2022	\$ 2,795,000	\$ 898,994
2023	2,920,000	776,794
2024	3,050,000	649,019
2025	3,150,000	556,453
2026	3,245,000	459,619
2027-2031	5,650,000	1,345,862
2032-2036	<u>3,950,000</u>	<u>241,200</u>
Total	<u>\$ 24,760,000</u>	<u>\$ 4,927,941</u>

The following is a summary of long-term liability transactions of the City for the year ended September 30, 2021:

	Balance 9/30/2020	Increases	Reductions	Balance 9/30/2021	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 84,490,000	\$ 44,945,000	\$(49,035,000)	\$ 80,400,000	\$ 6,220,000
Certificates of obligation	40,680,000	10,220,000	(1,130,000)	49,770,000	2,290,000
Contractual obligations	1,910,000	-	(565,000)	1,345,000	585,000
Contractual obligations - private placement	2,073,240	-	(225,405)	1,847,835	234,309
Revenue bonds	27,445,000	-	(2,685,000)	24,760,000	2,795,000
Premium on bond issues	7,018,360	864,001	(2,221,043)	5,661,318	-
Discount on bond issues	-	(31,856)	2,450	(29,406)	-
Total bonds and notes payable	<u>163,616,600</u>	<u>55,997,145</u>	<u>(55,858,998)</u>	<u>163,754,747</u>	<u>12,124,309</u>
Net OPEB liability	67,583,973	11,653,547	-	79,237,520	-
Net pension liability	33,474,898	-	(4,029,617)	29,445,281	-
Compensated absences	<u>4,554,556</u>	<u>2,623,729</u>	<u>(2,550,808)</u>	<u>4,627,477</u>	<u>1,156,869</u>
Total governmental activities long-term liabilities	<u>\$ 269,230,027</u>	<u>\$ 70,274,421</u>	<u>\$(62,439,423)</u>	<u>\$ 277,065,025</u>	<u>\$ 13,281,178</u>

The liability for compensated absences and the pension and OPEB-related liabilities are paid from the General Fund, Crime District Fund, and enterprise funds based on the assignment of an employee at termination.

	Balance 9/30/2020	Increases	Reductions	Balance 9/30/2021	Due Within One Year
Business-type activities:					
Water and sewer obligations:					
General obligation bonds	\$ 455,000	\$ -	\$(455,000)	\$ -	\$ -
Certificates of obligation	7,800,000	-	(405,000)	7,395,000	425,000
Premium on bond issues	352,468	-	(54,058)	298,410	-
Total water and sewer bonds payable	<u>8,607,468</u>	<u>-</u>	<u>(914,058)</u>	<u>7,693,410</u>	<u>425,000</u>
Net OPEB liability	8,022,595	847,214	-	8,869,809	-
Net pension liability	3,130,431	-	(300,958)	2,829,473	-
Compensated absences	<u>279,677</u>	<u>173,157</u>	<u>(158,731)</u>	<u>294,103</u>	<u>73,526</u>
Total business-type activities long-term liabilities	<u>\$ 20,040,171</u>	<u>\$ 1,020,371</u>	<u>\$(1,373,747)</u>	<u>\$ 19,686,795</u>	<u>\$ 498,526</u>

IX. DEFINED BENEFIT PENSION PLAN

Plan Description. The City of Grapevine participates as one of 895 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 benefit is calculated based on the sum of the Member’s contributions, with interest, and 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.

Starting in 2005, the City of Grapevine granted an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount which considers salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest until retirement. At retirement, the benefit is calculated as if the sum of the employee’s accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, initiated in 1998, the City of Grapevine provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years to any age, or 5 years at age 60 and above
Updated service credit	100% repeating, transfers
Annuity increase to retirees	70% of CPI, repeating

Employees covered by benefit terms

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

Inactive employees or beneficiaries currently receiving benefits	454
Inactive employees entitled to but not yet receiving benefits	285
Active employees	<u>592</u>
Total	<u><u>1,331</u></u>

Contributions. Member contribution rates in TMRS are either 5%, 6%, or 7% of the Member’s total compensation, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contributions 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.

Employees for the City of Grapevine were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rate for the City of Grapevine were 18.82% and 18.53% in calendar years 2021 and 2020, respectively. The City's contributions to TMRS for the year ended September 30, 2021, were \$8,857,579 and were equal to the required contributions.

Net Pension Liability. The City's Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

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

Inflation	2.50% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees 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 Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014, to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rate (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates return for each major asset class in fiscal year 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30%	5.30%
Core Fixed Income	10%	1.25%
Non-Core Fixed Income	20%	4.14%
Real Return	10%	3.85%
Real Estate	10%	4.00%
Absolute Return	10%	3.48%
Private Equity	10%	7.75%
Total	100%	

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 Members. 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 12/31/2019	\$ 303,673,126	\$ 267,067,797	\$ 36,605,329
Changes for the year:			
Service cost	8,865,558	-	8,865,558
Interest	20,359,202	-	20,359,202
Difference between expected and actual experience	(1,320,295)	-	(1,320,295)
Changes of assumptions	-	-	-
Contributions - employer	-	8,775,571	(8,775,571)
Contributions - employee	-	3,315,113	(3,315,113)
Net investment income	-	20,280,650	(20,280,650)
Benefit payments, including refunds of employee contributions	(12,976,187)	(12,976,187)	-
Administrative expense	-	(131,176)	131,176
Other changes	-	(5,118)	5,118
Net changes	<u>14,928,278</u>	<u>19,258,853</u>	<u>(4,330,575)</u>
Balance at 12/31/2020	<u>\$ 318,601,404</u>	<u>\$ 286,326,650</u>	<u>\$ 32,274,754</u>

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

	1% Decrease in Discount Rate (5.75%)	Current Single Discount Rate Assumption (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability (asset)	\$ 76,451,912	\$ 32,274,754	\$(4,109,876)

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, 2021, the City recognized pension expense of \$4,473,755, which is allocated to the governmental and business-type activities in the amounts of \$4,081,549 and \$392,206, respectively.

As of September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow s of Resources	Deferred Inflow s of Resources
Differences between expected and actual economic experience	\$ 371,941	\$ 1,584,509
Changes in actuarial assumptions	117,323	-
Difference between projected and actual investment earnings	-	7,590,970
Contributions subsequent to the measurement date	6,863,006	-
Total	<u>\$ 7,352,270</u>	<u>\$ 9,175,479</u>

\$6,863,006 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended September 30,	
2022	\$(3,287,695)
2023	(114,230)
2024	(4,653,924)
2025	(630,366)
Total	<u>\$(8,686,215)</u>

X. OTHER POSTEMPLOYMENT BENEFITS

Post-retirement Health Care Benefits

Plan Description.

The City provides certain health care and life insurance benefits through an agent, multiple-employer, defined benefit OPEB plan, under City ordinance, for all full and part-time employees that meet eligibility requirements. Eligible individuals include retired employees who have satisfied the requirement as defined by the Texas Municipal Retirement System and their dependents that were covered prior to retirement. The requirement as defined by the Texas Municipal Retirement System is any age with 20 years of service or 5 years of service for age 60 and above. City Council members that serve three terms will be classified as retired employees when they leave office.

Retirees pay premiums for coverage in the OPEB programs. There is not a maximum employer paid premium amount (capped benefit). Active employees do not contribute to the retiree health care plan. Retirees are eligible for benefits immediately upon retirement. If the employee returns to work for an employer that offers health coverage, they become ineligible for the City's plan and cannot rejoin the City's health plan at a later date.

Benefits Provided

Retirees are eligible for medical, dental, vision, and prescription insurance until they become Medicare eligible. Retirees are also eligible for a \$20,000 life insurance policy. Once Medicare eligible, retirees are eligible for dental, vision, and life insurance only. At that time, the City medical plan will no longer be available. The City supplements 70% of the premium to all retirees who either (1) retire after the age of 65 or (2) are covered pre-Medicare in the retiree medical program. Spouses of retirees will receive the City supplement if they have been on the plan for one year prior to retirement.

If an active employee passes away, the spouse and dependents will become eligible for retiree coverage if (1) the employee was eligible for retirement as defined by the Texas Municipal Retirement System; and (2) the employee had dependent coverage at the time of death. Coverage will continue under the plan if monthly retiree premiums are paid by the specified due date, until dependents are no longer considered eligible dependents as defined by the plan, until the covered dependent becomes Medicare eligible, or until a surviving spouse remarries.

For the fiscal year ended September 30, 2021, the City's contributions to the plan were \$1,730,980, which was equal to benefit payments.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	238
Active members	599
Total	837

Actuarial Methods and Assumptions

Significant methods and assumptions were as follows:

Actuarial Valuation Date	12/31/2020
Actuarial Cost Method	Individual Entry Age Normal
Discount Rate	2.04% as of December 31, 2020
Inflation Rate	2.50%
Salary Increases	3.50% to 11.50%, including inflation
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2018 as conducted for the Texas Municipal Retirement System (TMRS)
Mortality	For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables to account for future mortality improvements.
Participation Rates	For health care coverage: 85% for retirees who are at least 50 years old at retirement and 65% for retirees who are younger than 50 years old at retirement; For life insurance: 85% regardless of age at retirement
Health care cost trend rates	Pre-65 Medical: Initial rate of 7.00% declining to an ultimate rate of 4.25% after 13 years; Post-65 Medical Subsidy: Increases with inflation; Dental: 4.00%; Vision: 3.00%
Note:	The long-term investment return assumption was changed from 6.75% to 6.25%. The Single Discount Rate changed from 2.95% as of December 31, 2019 to 2.04% as of December 31, 2020.

Projections of health benefits are based on the plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

There is no separately issued audited benefit plan report available for the City's OPEB plan.

Discount Rate

A single discount rate of 2.04% was used to measure the total OPEB liability. This single discount rate was based on the municipal bond rates as of the measurement date. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" based on the daily rate closest to but not later than the measurement date.

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 6.25%.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.04%) in measuring the net OPEB liability.

	1% Decrease in Discount Rate (1.04%)	Discount Rate (2.04%)	1% Increase in Discount Rate (3.04%)
City's net OPEB liability	\$ 102,364,655	\$ 88,107,329	\$ 76,517,535

Healthcare Cost Trend Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the Net OPEB liability.

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
City's net OPEB liability	\$ 74,842,275	\$ 88,107,329	\$ 105,164,557

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources Related to OPEBs

As of September 30, 2021, the City reported a liability of \$88,107,329 for its net OPEB liability. The net OPEB liability was determined by an actuarial valuation as of December 31, 2020. For the year ended September 30, 2021, the City recognized OPEB expense of \$8,208,067, which is allocated to governmental and business-type activities in the amounts of \$7,381,757 and \$826,310, respectively. There were no changes of benefit terms that affected measurement of the net OPEB liability during the measurement period.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at 12/31/2019	\$ 77,878,304	\$ 2,271,736	75,606,568
Changes for the year:			
Service cost	4,841,226	-	4,841,226
Interest	2,339,946	-	2,339,946
Difference between expected and actual experience	(3,113,851)	-	(3,113,851)
Changes of assumptions	10,638,856	-	10,638,856
Contributions - employer	-	1,957,430	(1,957,430)
Net investment income	-	261,069	(261,069)
Benefit payments	(1,957,430)	(1,957,430)	-
Administrative expense	-	(13,083)	13,083
Net changes	<u>12,748,747</u>	<u>247,986</u>	<u>12,500,761</u>
Balance at 12/31/2020	<u>\$ 90,627,051</u>	<u>\$ 2,519,722</u>	<u>\$ 88,107,329</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.95% to 2.04%. As of September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow s of Resources	Deferred Inflow s of Resources
Differences between expected and actual economic experience	\$ 94,471	\$ 3,686,187
Changes in actuarial assumptions	15,863,118	4,975,339
Difference between projected and actual investment earnings	-	138,242
Contributions subsequent to the measurement date	1,334,148	-
Total	<u>\$ 17,291,737</u>	<u>\$ 8,799,768</u>

\$1,334,148 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date are due to benefit payments the City paid with own assets and will be recognized as a reduction of the net OPEB liability for the year ending September 30, 2022.

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

For the Year Ended September 30,	
2022	\$ 1,166,711
2023	1,172,606
2024	1,139,181
2025	695,405
2026	1,552,992
Thereafter	<u>1,430,926</u>
Total	<u>\$ 7,157,821</u>

XI. COMMITMENTS AND CONTINGENCIES

The City is a defendant in several pending lawsuits. City management estimates, based on the advice of legal counsel, that the potential claims against the City, in excess of insurance coverage, would not materially affect the basic financial statements of the City.

The City participates in several federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability that may arise as the result of these audits is not believed to be estimable or probable.

XII. TAX ABATEMENTS

The City enters into economic development agreements designed to promote development and redevelopment within the City, spur economic improvement, stimulate commercial activity, generate additional sales tax, and enhance the property tax base and economic vitality of the City. The City's economic development agreements are authorized under Chapter 380 of the Texas Local Government Code, Chapter 311 (Tax Increment Financing Act) and Chapter 312 (Property Redevelopment and Tax Abatement) of the Texas Tax Code. The economic development agreements are designed to support the creation of new businesses, the expansion and retention of existing businesses within the City, and the attraction of companies that offer high impact jobs and share the community's values. Recipients may be eligible to receive economic assistance based on the employment, economic or community impact of the project requesting assistance. Recipients generally commit to building or remodeling real property and related infrastructure, redeveloping properties, expanding operations, or bringing targeted business to the City. Agreements generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

The City has the following categories of economic development agreements:

- General Economic Development – The City enters into various agreements under Chapter 380 of the Texas Local Government Code to stimulate economic development. Agreements may rebate a flat amount or a percentage of hotel occupancy taxes or sales taxes received by the City, may result in fee reductions such as utility charges or building inspection or permit fees, or make lump sum payments to offset moving expenses, tenant finish-outs, demolition costs, infrastructure reimbursements, redevelopment costs, or other expenses. For fiscal year 2021, the City rebated \$4,061,689 in taxes, made incentive payments of \$96,540 under these agreements.
- Tax Increment Financing – The City has adopted two Tax Increment Financing zones (“TIFs”) under Chapter 311 of the Texas Tax Code. The City enters into economic development and infrastructure reimbursement agreements which earmark TIF revenues for payment to developers and represent obligations over the life of the TIF or until the terms of the agreements have been met. Additionally, the City enters into general economic development agreements under Chapter 380 of the Texas Local Government Code, which are funded with TIF resources. The City made \$5,790,396 in payments for TIF obligations.

XIII. RISK MANAGEMENT

The City purchases a fully insured program for property and casualty insurance coverage through Travelers Insurance and workers’ compensation coverage through Texas Municipal League. The City is insured at the following limits:

<u>Policy</u>	<u>Limits</u>	<u>Deductible</u>
General liability	\$1,000,000 per occurrence/\$2,000,000 aggregate	\$10,000
Automobile liability	\$1,000,000 per occurrence	\$0
Automobile physical damage	Actual cash value	\$1,000
Excess liability	\$10,000,000 per occurrence/\$10,000,000 aggregate	\$0
Property	\$250,562,582	varies by peril
Workers' compensation	Statutory/employers' liability	\$1,000,000

Risk Management oversees the City’s self-insured employee health plan and retiree health plans. UMR is the third-party administrator for the employee and pre-65 retiree health plans. Claims and other plan administration services are performed by UMR. All participating funds make payments to the General Fund for their portion of property and casualty and health plan cost.

Financial responsibility in a self-insured funding arrangement is on the City, the risk of losses exceeding an affordable threshold is transferred to an insurance company through the purchase of stop-loss insurance with Stealth Partner Group. Stop-loss insurance protects the City from plan claims costs exceeding a specified deductible during the plan year.

Specific Excess Loss Insurance

The City has specific excess loss insurance to cover specific claims incurred by plan participants. The City has a \$250,000 specific deductible for each medical plan member. The specific benefit period reimbursement maximum under this coverage is unlimited per covered person.

Aggregate Excess Loss Insurance

The City also has coverage for aggregate claims incurred under the self-insured health plan. Under this coverage, aggregate claims in excess of an estimate annual aggregate attachment point of \$9,505,503 would be covered up to an aggregate benefit period reimbursement maximum of \$1,000,000.

The City establishes the insurance claim liability based on estimates of the ultimate cost of claims reported but unsettled and of claims incurred but not reported. Any claims incurred and not reported are not believed to be significant to the City's financial statements. Activity for the last two years is as follows:

	<u>2021</u>	<u>2020</u>
Claims payable, beginning of year	\$ 788,072	\$ 694,451
Current year claims and changes in estimates	10,038,172	10,190,154
Payments on claims	<u>(10,125,981)</u>	<u>(10,096,533)</u>
Claims payable at end of year	<u>\$ 700,263</u>	<u>\$ 788,072</u>

XIV. IMPACT FEES

The City records impact fees received in excess of the cost of physical connection to the water and sewer system as revenues. Corresponding cash is recorded as a restricted asset for future expansion of the water and sewer system.

XV. WATER AND SEWER CONTRACTS

The City has separate contracts with the Trinity River Authority of Texas ("TRA") for the purchase of treated water and for the transportation, treatment, and disposal of wastewater. The contracts require the City to pay varying amounts based on the costs associated with water purchased and wastewater transported and/or treated and disposed. The costs include the City's proportionate share of TRA's operating and maintenance expenses, related debt service costs, plus certain other miscellaneous charges. The City also purchases water from the City of Dallas-Water Utilities and Dallas County Park Cities Municipal Utilities District.

Payments during 2021 for the purchase of treated water were \$8,767,563 and payments made for the transportation, treatment, and disposal of wastewater by TRA were \$2,090,337. If the City were unable to fulfill its obligations under the contracts, the only liability for future payment would be its proportionate share of debt service requirements. In addition, the City does not retain an ongoing financial interest in TRA and has no representation on the TRA Board; therefore, the TRA contracts are not considered to be joint venture agreements.

XVI. PRIOR PERIOD ADJUSTMENT

In the General Facilities and Equipment Fund and the Governmental Activities column in the government-wide financial statements, a prior period adjustment was recorded to decrease beginning equity by \$3,358,000. This adjustment was made to account for expenditures (expenses) that should have been recorded in prior years.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

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CITY OF GRAPEVINE, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Property taxes	\$ 13,494,517	\$ 13,494,517	\$ 13,521,636	\$ 27,119
Sales taxes	24,581,761	24,581,761	28,590,889	4,009,128
Mixed beverage taxes	1,899,934	1,899,934	1,793,124	(106,810)
Franchise taxes	6,906,950	6,906,950	5,858,497	(1,048,453)
Licenses and permits	1,587,296	1,587,296	1,459,940	(127,356)
Intergovernmental	339,094	339,094	3,988,244	3,649,150
Charges for services	6,459,500	6,459,500	5,588,363	(871,137)
Fines and forfeitures	1,362,500	1,362,500	933,618	(428,882)
Investment income	130,500	130,500	10,607	(119,893)
Miscellaneous	411,434	411,434	469,463	58,029
Total revenues	<u>57,173,486</u>	<u>57,173,486</u>	<u>62,214,381</u>	<u>5,040,895</u>
EXPENDITURES				
Current:				
General government	16,427,881	16,528,073	17,575,948	(1,047,875)
Public safety	16,600,171	16,600,171	16,505,107	95,064
Culture and recreation	13,809,752	13,809,752	14,218,244	(408,492)
Public works	9,154,845	9,154,845	8,746,656	408,189
Transportation	-	-	61,761	(61,761)
Capital outlay	115,000	139,000	85,576	53,424
Debt service:				
Fiscal agent charges	-	-	4,335	(4,335)
Total expenditures	<u>56,107,649</u>	<u>56,231,841</u>	<u>57,197,627</u>	<u>(965,786)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>1,065,837</u>	<u>941,645</u>	<u>5,016,754</u>	<u>4,075,109</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,229,234	4,229,234	3,872,309	(356,925)
Transfers out	(5,363,892)	(5,363,892)	(9,983,504)	(4,619,612)
Sale of capital assets	25,700	25,700	648,452	622,752
Insurance recoveries	130,000	130,000	454,548	324,548
Total other financing sources (uses)	<u>(978,958)</u>	<u>(978,958)</u>	<u>(5,008,195)</u>	<u>(4,029,237)</u>
NET CHANGE IN FUND BALANCES	86,879	(37,313)	8,559	45,872
FUND BALANCES, BEGINNING	<u>11,574,295</u>	<u>11,574,295</u>	<u>11,574,295</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 11,661,174</u>	<u>\$ 11,536,982</u>	<u>\$ 11,582,854</u>	<u>\$ 45,872</u>

The accompanying notes are an integral part of this schedule.

CITY OF GRAPEVINE, TEXAS
HOTEL OCCUPANCY TAX
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes	\$ 14,350,413	\$ 14,350,413	\$ 12,625,773	\$(1,724,640)
Charges for services	8,210,691	8,210,691	5,426,172	(2,784,519)
Investment income	230,100	230,100	107,593	(122,507)
Miscellaneous	20,000	20,000	16,980	(3,020)
Total revenues	<u>22,811,204</u>	<u>22,811,204</u>	<u>18,176,518</u>	<u>(4,634,686)</u>
EXPENDITURES				
Current:				
Tourism	22,849,293	22,863,561	16,985,839	5,877,722
Capital outlay	-	-	18,223	(18,223)
Debt Service:				
Fiscal agent charges	-	-	1,916	(1,916)
Total expenditures	<u>22,849,293</u>	<u>22,863,561</u>	<u>17,005,978</u>	<u>5,857,583</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>(38,089)</u>	<u>(52,357)</u>	<u>1,170,540</u>	<u>1,222,897</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	464,141	464,141	278,852	(185,289)
Transfers out	(2,212,387)	(2,212,387)	(2,212,759)	(372)
Total other financing sources (uses)	<u>(1,748,246)</u>	<u>(1,748,246)</u>	<u>(1,933,907)</u>	<u>(185,661)</u>
NET CHANGE IN FUND BALANCES	(1,786,335)	(1,800,603)	(763,367)	1,037,236
FUND BALANCES, BEGINNING	<u>17,720,812</u>	<u>17,720,812</u>	<u>17,720,812</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 15,934,477</u>	<u>\$ 15,920,209</u>	<u>\$ 16,957,445</u>	<u>\$ 1,037,236</u>

The accompanying notes are an integral part of this schedule.

CITY OF GRAPEVINE, TEXAS
CRIME DISTRICT
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes	\$ 12,290,880	\$ 12,290,880	\$ 14,039,776	\$ 1,748,896
Intergovernmental	-	-	8,895	8,895
Fines and forfeitures	111,900	111,900	50,145	(61,755)
Investment income	35,000	35,000	494	(34,506)
Miscellaneous	<u>6,500</u>	<u>6,500</u>	<u>23,038</u>	<u>16,538</u>
Total revenues	<u>12,444,280</u>	<u>12,444,280</u>	<u>14,122,348</u>	<u>1,678,068</u>
EXPENDITURES				
Current:				
General government	189,513	189,513	224,323	(34,810)
Public safety	17,487,592	17,668,469	17,844,823	(176,354)
Capital outlay	<u>-</u>	<u>-</u>	<u>118,004</u>	<u>(118,004)</u>
Total expenditures	<u>17,677,105</u>	<u>17,857,982</u>	<u>18,187,150</u>	<u>(329,168)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>(5,232,825)</u>	<u>(5,413,702)</u>	<u>(4,064,802)</u>	<u>1,348,900</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>5,363,892</u>	<u>5,363,892</u>	<u>6,903,355</u>	<u>1,539,463</u>
Total other financing sources (uses)	<u>5,363,892</u>	<u>5,363,892</u>	<u>6,903,355</u>	<u>1,539,463</u>
NET CHANGE IN FUND BALANCES	131,067	(49,810)	2,838,553	2,888,363
FUND BALANCES, BEGINNING	<u>(2,824,924)</u>	<u>(2,824,924)</u>	<u>(2,824,924)</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$(2,693,857)</u>	<u>\$(2,874,734)</u>	<u>\$ 13,629</u>	<u>\$ 2,888,363</u>

The accompanying notes are an integral part of this schedule.

CITY OF GRAPEVINE, TEXAS
4B - ECONOMIC DEVELOPMENT
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes	\$ 3,653,721	\$ 3,653,721	\$ 4,699,128	\$ 1,045,407
Charges for services	-	-	154,290	154,290
Investment income	110,000	110,000	9,056	(100,944)
Miscellaneous	-	-	5,098	5,098
Total revenues	<u>3,763,721</u>	<u>3,763,721</u>	<u>4,867,572</u>	<u>1,103,851</u>
EXPENDITURES				
Current:				
Economic development	<u>2,071,998</u>	<u>2,073,623</u>	<u>2,908,736</u>	<u>(835,113)</u>
Total expenditures	<u>2,071,998</u>	<u>2,073,623</u>	<u>2,908,736</u>	<u>(835,113)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>1,691,723</u>	<u>1,690,098</u>	<u>1,958,836</u>	<u>268,738</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	22,981	22,981
Transfers out	(1,691,723)	(1,691,723)	(2,015,565)	(323,842)
Insurance recoveries	-	-	28,749	28,749
Total other financing sources (uses)	<u>(1,691,723)</u>	<u>(1,691,723)</u>	<u>(1,963,835)</u>	<u>(272,112)</u>
NET CHANGE IN FUND BALANCES	-	(1,625)	(4,999)	(3,374)
FUND BALANCES, BEGINNING	<u>12,214,640</u>	<u>12,214,640</u>	<u>12,214,640</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 12,214,640</u>	<u>\$ 12,213,015</u>	<u>\$ 12,209,641</u>	<u>\$ (3,374)</u>

The accompanying notes are an integral part of this schedule.

CITY OF GRAPEVINE, TEXAS
4B - TRANSIT
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Sales taxes	\$ 9,218,161	\$ 9,218,161	\$ 9,584,397	\$ 366,236
Investment income	<u>10,000</u>	<u>10,000</u>	<u>63</u>	<u>(9,937)</u>
Total revenues	<u>9,228,161</u>	<u>9,228,161</u>	<u>9,584,460</u>	<u>356,299</u>
EXPENDITURES				
Current:				
Transportation	<u>8,754,020</u>	<u>8,754,020</u>	<u>9,305,545</u>	<u>(551,525)</u>
Total expenditures	<u>8,754,020</u>	<u>8,754,020</u>	<u>9,305,545</u>	<u>(551,525)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>474,141</u>	<u>474,141</u>	<u>278,915</u>	<u>(195,226)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(464,141)</u>	<u>(464,141)</u>	<u>(301,833)</u>	<u>162,308</u>
Total other financing sources (uses)	<u>(464,141)</u>	<u>(464,141)</u>	<u>(301,833)</u>	<u>162,308</u>
NET CHANGE IN FUND BALANCE	10,000	10,000	(22,918)	(32,918)
FUND BALANCE, BEGINNING	<u>22,918</u>	<u>22,918</u>	<u>22,918</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 32,918</u>	<u>\$ 32,918</u>	<u>\$ -</u>	<u>\$ (32,918)</u>

The accompanying notes are an integral part of this schedule.

CITY OF GRAPEVINE, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS - TEXAS MUNICIPAL RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Plan Year	<u>2014</u>	<u>2015</u>
A. Total pension liability		
Service Cost	\$ 6,509,572	\$ 7,082,668
Interest (on the total pension liability)	15,338,396	16,144,617
Difference between expected and actual experience	(1,847,827)	(1,393,602)
Changes of assumptions	-	(77,299)
Benefit payments, including refunds of employee contributions	<u>(8,121,165)</u>	<u>(9,417,307)</u>
Net change in total pension liability	11,878,976	12,339,077
Total pension liability - beginning	<u>219,925,733</u>	<u>231,804,709</u>
Total pension liability - ending (a)	<u>\$ 231,804,709</u>	<u>\$ 244,143,786</u>
B. Plan fiduciary net position		
Contributions - employer	\$ 6,975,288	\$ 7,547,081
Contributions - employee	2,583,406	2,769,765
Net investment income	10,365,590	284,606
Benefit payments, including refunds of employee contributions	(8,121,165)	(9,417,307)
Administrative expense	(108,213)	(173,344)
Other	<u>(8,897)</u>	<u>(8,562)</u>
Net change in plan fiduciary net position	11,686,009	1,002,239
Plan fiduciary net position - beginning	<u>181,182,907</u>	<u>192,868,916</u>
Plan fiduciary net position - ending (b)	<u>192,868,916</u>	<u>193,871,155</u>
C. Net pension liability - ending (a) - (b)	<u>\$ 38,935,793</u>	<u>\$ 50,272,631</u>
D. Plan fiduciary net position as a percentage of total pension liability	83.20%	79.41%
E. Covered payroll	\$ 36,690,944	\$ 39,260,910
F. Net pension liability as a percentage of covered payroll	106.12%	128.05%

Note: GASB Statement No. 68 requires 10 years of data to be provided in this schedule. As of September 30, 2021, only 7 years are included and additional years will be added in the future as the information becomes available.

2016	2017	2018	2019	2020
\$ 7,293,298	\$ 7,724,236	\$ 8,129,774	\$ 8,579,543	\$ 8,865,558
16,410,412	17,301,746	18,265,311	19,238,959	20,359,202
(1,109,085)	(772,200)	(1,201,653)	659,154	(1,320,295)
-	-	-	207,921	-
<u>(9,346,450)</u>	<u>(9,863,833)</u>	<u>(10,499,198)</u>	<u>(11,488,595)</u>	<u>(12,976,187)</u>
13,248,175	14,389,949	14,694,234	17,196,982	14,928,278
<u>244,143,786</u>	<u>257,391,961</u>	<u>271,781,910</u>	<u>286,476,144</u>	<u>303,673,126</u>
<u>\$ 257,391,961</u>	<u>\$ 271,781,910</u>	<u>\$ 286,476,144</u>	<u>\$ 303,673,126</u>	<u>\$ 318,601,404</u>
\$ 7,526,300	\$ 7,958,051	\$ 8,375,515	\$ 8,626,976	\$ 8,775,571
2,764,119	2,922,684	3,093,341	3,250,584	3,315,113
13,104,905	28,801,972	(7,113,672)	35,749,292	20,280,650
(9,346,450)	(9,863,833)	(10,499,198)	(11,488,595)	(12,976,187)
(147,973)	(149,230)	(137,452)	(201,910)	(131,176)
<u>(7,972)</u>	<u>(7,564)</u>	<u>(7,184)</u>	<u>(6,064)</u>	<u>(5,118)</u>
13,892,929	29,662,080	(6,288,650)	35,930,283	19,258,853
<u>193,871,155</u>	<u>207,764,084</u>	<u>237,426,164</u>	<u>231,137,514</u>	<u>267,067,797</u>
<u>207,764,084</u>	<u>237,426,164</u>	<u>231,137,514</u>	<u>267,067,797</u>	<u>286,326,650</u>
<u>\$ 49,627,877</u>	<u>\$ 34,355,746</u>	<u>\$ 55,338,630</u>	<u>\$ 36,605,329</u>	<u>\$ 32,274,754</u>
80.72%	87.36%	80.68%	87.95%	89.87%
\$ 39,444,551	\$ 41,752,627	\$ 44,087,711	\$ 46,426,097	\$ 47,358,751
125.82%	82.28%	125.52%	78.85%	68.15%

CITY OF GRAPEVINE, TEXAS
SCHEDULE OF PENSION CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>
Actuarial determined contribution	\$ 6,911,778	\$ 7,193,830	\$ 7,395,291
Contributions in relation to the actuarially determined contribution	<u>6,911,778</u>	<u>7,193,830</u>	<u>7,395,291</u>
Contribution deficiency (excess)	-	-	-
Covered payroll	36,595,511	37,658,091	38,748,515
Contributions as a percentage of covered payroll	18.89%	19.10%	19.09%

Notes to Schedule of Contributions

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31st and become effective in January, 13 months and a day 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	25 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Other Information	There were no benefit changes during the year.

Note: GASB Statement No. 68 requires 10 years of data to be provided in this schedule. As of September 30, 2021, only 8 years are included and additional years will be added in the future as the information becomes available.

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$	7,815,149	\$ 8,334,727	\$ 8,735,515	\$ 8,848,797	\$ 8,857,579
	<u>7,815,149</u>	<u>8,334,727</u>	<u>8,735,515</u>	<u>8,848,797</u>	<u>8,857,579</u>
	-	-	-	-	-
	41,002,879	43,861,106	45,272,727	47,716,819	47,270,943
	19.06%	19.00%	19.30%	18.54%	18.74%

CITY OF GRAPEVINE, TEXAS
SCHEDULE OF CHANGES IN NET OPEB LIABILITY
AND RELATED RATIOS
POST-RETIREMENT HEALTH CARE BENEFIT PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Plan Year	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
A. Total OPEB liability				
Service Cost	\$ 2,883,770	\$ 3,547,117	\$ 3,955,532	\$ 4,841,226
Interest (on the total OPEB liability)	2,452,440	2,423,640	2,606,795	2,339,946
Difference between expected and actual experience	209,342	(1,065,868)	(528,026)	(3,113,851)
Changes of assumptions	4,730,475	(8,510,968)	6,316,707	10,638,856
Benefit payments	<u>(1,821,839)</u>	<u>(1,687,035)</u>	<u>(1,471,310)</u>	<u>(1,957,430)</u>
Net change in total OPEB liability	8,454,188	(5,293,114)	10,879,698	12,748,747
Total OPEB liability - beginning	<u>63,837,532</u>	<u>72,291,720</u>	<u>66,998,606</u>	<u>77,878,304</u>
Total OPEB liability - ending (a)	<u>\$ 72,291,720</u>	<u>\$ 66,998,606</u>	<u>\$ 77,878,304</u>	<u>\$ 90,627,051</u>
B. Plan fiduciary net position				
Employer Contributions	\$ 2,821,839	\$ 2,187,035	\$ 1,971,310	\$ 1,957,430
Net investment income	63,643	(77,518)	304,042	261,069
Benefit payments	(1,821,839)	(1,687,035)	(1,471,310)	(1,957,430)
Administrative expense	(2,315)	(6,401)	(9,715)	(13,083)
Net change in plan fiduciary net position	1,061,328	416,081	794,327	247,986
Plan fiduciary net position - beginning	<u>-</u>	<u>1,061,328</u>	<u>1,477,409</u>	<u>2,271,736</u>
Plan fiduciary net position - ending (b)	<u>1,061,328</u>	<u>1,477,409</u>	<u>2,271,736</u>	<u>2,519,722</u>
C. Net OPEB liability - ending (a) - (b)	<u>\$ 71,230,392</u>	<u>\$ 65,521,197</u>	<u>\$ 75,606,568</u>	<u>\$ 88,107,329</u>
D. Plan fiduciary net position as a percentage of total OPEB liability	1.47%	2.21%	2.92%	2.78%
E. Covered-employee payroll	\$ 41,752,627	\$ 44,087,895	\$ 46,426,087	\$ 47,352,845
F. Net OPEB liability as a percentage of Covered-employee payroll	170.60%	148.61%	162.85%	186.07%

Notes to Schedule:

GASB Statement No. 75 requires 10 years of data to be provided in this schedule. As of September 30, 2021, only 4 years are included. Additional years will be added in the future as the information becomes available.

The long-term expected investment return assumption was changed from 6.75 to 6.25 in 2021

The demographic assumptions were updated to reflect the 2019 TMRS Experience Study and the health care trend rates were updated to reflect the repeal of the excise tax on high-cost employer health plans.

Included in the changes of assumptions was a change in the discount rate from 2.95% to 2.04% in 2021.

CITY OF GRAPEVINE, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Budgets

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

- (1) Prior to August 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) Prior to September 15, the budget is legally enacted through passage of an ordinance.
- (4) The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council, after public hearings. Total expenditures may not exceed appropriations at the individual fund level.
- (5) Budgets are legally adopted for the General Fund, Hotel Occupancy Tax Fund, the Crime District Fund, the 4B – Economic Development Fund, the 4B – Transit Fund, the Debt Service Fund and Enterprise Funds. Budgetary control is maintained at the fund level.
- (6) Budgets for the General, Hotel Occupancy Tax, Crime District, 4-B Economic Development Fund, 4B–Transit Fund, and Debt Service Fund are adopted in accordance with generally accepted accounting principles. Budget amounts are as amended by the City Council and adjusted for transfers of budgeted amounts between departments within any fund, authorized by the City Manager.
- (7) Budgetary comparison schedules are presented as required supplementary information for the General Fund and for each major special revenue fund. Capital Projects Funds have not been presented as such funds are budgeted over the life of the respective project and not on an annual basis. Accordingly, formal budgetary integration of these funds is not employed and comparison of actual results of operations to budgetary data for such funds is not presented.
- (8) The budgetary comparison schedules included in the required supplementary information present a comparison of budgetary data to actual results of operations for the General Fund, Hotel Occupancy Tax Fund, Crime District Fund, 4-B Economic Development Fund, and 4B–Transit Fund. A comparison of budgetary data to actual results of operations for the Debt Service Fund is presented as supplementary information.

2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended September 30, 2021, expenditures exceeded appropriations in the following funds by the following amounts:

- General Fund - \$965,786
- Crime District Fund - \$329,168
- 4B – Economic Development Fund - \$835,113
- 4B–Transit Fund - \$551,525.

The overages were covered by available fund balance.

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**COMBINING AND INDIVIDUAL
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues that are restricted in nature for a special purpose limited by state law and management intentions for expenditures.

Special Revenue Fund – to account for revenues that are restricted in name for a special purpose limited by state law and management intentions for expenditures. These funds include monies for state and federal forfeitures, library and parks programs and police in-service training.

Lake Parks Fund – is a special revenue fund that accounts for the operations of the City's Parks and Recreation Department at Grapevine Lake.

Storm Drainage Fund – to account for revenues from a special fee that is restricted to finance the maintenance, repair, and construction of drainage facilities.

DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

Tax Increment Financing (TIF) #2 Fund – to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of TIF #2.

CAPITAL PROJECTS FUNDS

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

Grant Fund – accounts for capital grants awarded to the City that are used for the acquisition and construction of major capital facilities.

Parks Open Space and Recreation Fund – used to account for the financing, acquisition, construction and improvement of parks and public recreation facilities.

Tax Increment Financing (TIF) #2 Fund – established for the financing, acquisition and construction of the infrastructure surrounding Gaylord Texas Resort and Convention Center.

Streets Fund – is used to account for the construction of improvements to various streets, drainage, and sidewalk projects.

Street Maintenance and Capital Replacement Fund – to account for resources provided and expended on street maintenance and capital replacements.

Capital Acquisition Fund – to account for financial resources for the replacement and acquisition of capital assets.

Quality of Life Fund – to account for capital projects as designated by the City Council.

CITY OF GRAPEVINE, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	Special Revenue			Debt Service	Capital Projects
	Special Revenue	Storm Drainage	Lake Parks	TIF #2	Grant
ASSETS					
Cash	\$ 2,845,759	\$ 1,467,524	\$ 840,818	\$ 12,615,298	\$ -
Receivables:					
Accounts, net	15,467	156,179	25,216	1,852,208	-
Accrued interest	1	-	-	5	-
Due from other governments	-	-	-	-	450,535
Total assets	<u>2,861,227</u>	<u>1,623,703</u>	<u>866,034</u>	<u>14,467,511</u>	<u>450,535</u>
LIABILITIES					
Liabilities:					
Accounts payable	7,991	11,487	186,945	-	-
Accrued and other liabilities	501	29,389	19,245	1	559
Due to other funds	-	-	-	-	271,247
Due to other governments	91	-	-	-	-
Unearned revenue	69,201	-	659,844	-	6,335
Developer deposits	-	-	-	-	-
Total liabilities	<u>77,784</u>	<u>40,876</u>	<u>866,034</u>	<u>1</u>	<u>278,141</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	426,075
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>426,075</u>
FUND BALANCES (DEFICITS)					
Restricted:					
Capital projects	336,816	213,529	-	-	-
Court security and technology	494,849	-	-	-	-
Public safety	790,844	-	-	-	-
Records preservation	13,408	-	-	-	-
Debt service	-	-	-	14,467,510	-
Culture and recreation	181,203	-	-	-	-
Committed for:					
Stormwater drainage operations	-	1,369,298	-	-	-
Public arts	941,506	-	-	-	-
Assigned for:					
Capital projects	-	-	-	-	-
Culture and recreation	20,012	-	-	-	-
Public safety	4,805	-	-	-	-
Unassigned	-	-	-	-	(253,681)
Total fund balances (deficits)	<u>2,783,443</u>	<u>1,582,827</u>	<u>-</u>	<u>14,467,510</u>	<u>(253,681)</u>
 Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,861,227</u>	<u>\$ 1,623,703</u>	<u>\$ 866,034</u>	<u>\$ 14,467,511</u>	<u>\$ 450,535</u>

Capital Projects

Parks Open Space and Recreation	TIF #2	Streets	Street Maintenance and Capital Replacement	Capital Acquisition	Quality of Life	Total Other Governmental Funds
\$ 312,430	\$ 2,294,239	\$ 5,977,061	\$ -	\$ 2,050,182	\$ 2,797,565	\$ 31,200,876
-	-	-	89,998	-	58,456	2,197,524
-	-	1	-	1	1	9
-	-	-	38,801	-	-	489,336
<u>312,430</u>	<u>2,294,239</u>	<u>5,977,062</u>	<u>128,799</u>	<u>2,050,183</u>	<u>2,856,022</u>	<u>33,887,745</u>
-	-	244,955	65,933	-	14,730	532,041
-	-	-	-	-	-	49,695
-	-	-	24,065	-	-	295,312
-	-	-	-	-	-	91
-	-	-	-	-	-	735,380
<u>99,999</u>	<u>-</u>	<u>1,056,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,156,320</u>
<u>99,999</u>	<u>-</u>	<u>1,301,276</u>	<u>89,998</u>	<u>-</u>	<u>14,730</u>	<u>2,768,839</u>
-	-	-	38,801	-	54,456	519,332
-	-	-	38,801	-	54,456	519,332
-	2,294,239	4,675,786	-	1,957,521	-	9,477,891
-	-	-	-	-	-	494,849
-	-	-	-	-	-	790,844
-	-	-	-	-	-	13,408
-	-	-	-	-	-	14,467,510
2,915	-	-	-	-	-	184,118
-	-	-	-	-	-	1,369,298
-	-	-	-	-	-	941,506
-	-	-	-	92,662	2,786,836	2,879,498
209,516	-	-	-	-	-	229,528
-	-	-	-	-	-	4,805
-	-	-	-	-	-	(253,681)
<u>212,431</u>	<u>2,294,239</u>	<u>4,675,786</u>	<u>-</u>	<u>2,050,183</u>	<u>2,786,836</u>	<u>30,599,574</u>
<u>\$ 312,430</u>	<u>\$ 2,294,239</u>	<u>\$ 5,977,062</u>	<u>\$ 128,799</u>	<u>\$ 2,050,183</u>	<u>\$ 2,856,022</u>	<u>\$ 33,887,745</u>

CITY OF GRAPEVINE, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue			Debt Service	Capital Projects
	Special Revenue	Storm Drainage	Lake Parks	TIF #2	Grant
REVENUES					
Property taxes	\$ -	\$ -	\$ -	\$ 6,253,317	\$ -
Franchise taxes	200,084	-	-	-	-
Charges for services	160,529	1,504,793	2,915,572	-	-
Fines and forfeitures	71,630	-	-	-	-
Intergovernmental	11,076	-	-	-	1,142,357
Contributions	130,278	-	-	-	-
Investment income	2,118	1,419	-	9,984	583
Miscellaneous	<u>1,750</u>	<u>448</u>	<u>7,501</u>	<u>-</u>	<u>-</u>
Total revenues	<u>577,465</u>	<u>1,506,660</u>	<u>2,923,073</u>	<u>6,263,301</u>	<u>1,142,940</u>
EXPENDITURES					
Current:					
General government	28,018	-	-	-	-
Public safety	125,359	-	-	-	994,498
Culture and recreation	78,081	-	2,788,657	-	112,977
Public works	-	1,003,844	-	-	-
Tourism	-	-	-	-	91,114
Economic development	-	-	-	1,510,250	-
Capital outlay	90,343	580,614	101,319	-	71,847
Debt service:					
Principal	-	-	-	1,810,000	-
Interest	-	-	-	490,600	-
Bond issuance costs	-	-	-	-	-
Fiscal agent charges	-	-	-	-	-
Total expenditures	<u>321,801</u>	<u>1,584,458</u>	<u>2,889,976</u>	<u>3,810,850</u>	<u>1,270,436</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>255,664</u>	<u>(77,798)</u>	<u>33,097</u>	<u>2,452,451</u>	<u>(127,496)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	372	-	4,463,346	-	6,856
Transfers out	(244,134)	(108,750)	-	-	-
Bonds issued	-	-	-	-	-
Premium on issuance of bonds	-	-	-	-	-
Insurance recoveries	-	-	-	-	-
Total other financing sources (uses)	<u>(243,762)</u>	<u>(108,750)</u>	<u>4,463,346</u>	<u>-</u>	<u>6,856</u>
NET CHANGE IN FUND BALANCES	11,902	(186,548)	4,496,443	2,452,451	(120,640)
FUND BALANCES, BEGINNING	<u>2,771,541</u>	<u>1,769,375</u>	<u>(4,496,443)</u>	<u>12,015,059</u>	<u>(133,041)</u>
FUND BALANCES, ENDING	<u>\$ 2,783,443</u>	<u>\$ 1,582,827</u>	<u>\$ -</u>	<u>\$ 14,467,510</u>	<u>\$ (253,681)</u>

Capital Projects

Parks Open Space and Recreation	TIF #2	Streets	Street Maintenance and Capital Replacement	Capital Acquisition	Quality of Life	Total Other Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,253,317
-	-	-	-	-	-	200,084
-	-	30,186	-	-	-	4,611,080
-	-	-	-	-	-	71,630
-	-	2,013,947	33,258	-	-	3,200,638
-	-	-	-	-	-	130,278
228	2,418	3,139	1,418	3,899	3,381	28,587
-	-	-	-	-	11,621	21,320
<u>228</u>	<u>2,418</u>	<u>2,047,272</u>	<u>34,676</u>	<u>3,899</u>	<u>15,002</u>	<u>14,516,934</u>
-	-	-	103,771	-	-	131,789
-	-	-	51,302	2,048	-	1,173,207
-	-	-	493,256	312,167	56,880	3,842,018
-	-	105,215	1,050,396	-	-	2,159,455
-	-	-	-	100,334	-	191,448
-	-	-	-	-	-	1,510,250
-	-	4,141,605	301,164	1,562,781	380,450	7,230,123
-	-	-	-	-	225,405	2,035,405
-	-	-	-	-	81,893	572,493
-	-	40,473	-	13,280	-	53,753
-	731	-	-	308	-	1,039
-	<u>731</u>	<u>4,287,293</u>	<u>1,999,889</u>	<u>1,990,918</u>	<u>744,628</u>	<u>18,900,980</u>
<u>228</u>	<u>1,687</u>	<u>(2,240,021)</u>	<u>(1,965,213)</u>	<u>(1,987,019)</u>	<u>(729,626)</u>	<u>(4,384,046)</u>
-	-	262,000	2,290,840	-	-	7,023,414
-	-	-	-	(1,950,245)	-	(2,303,129)
-	-	4,924,182	-	1,615,689	-	6,539,871
-	-	416,291	-	136,591	-	552,882
-	-	-	4,214	-	-	4,214
-	-	<u>5,602,473</u>	<u>2,295,054</u>	<u>(197,965)</u>	<u>-</u>	<u>11,817,252</u>
228	1,687	3,362,452	329,841	(2,184,984)	(729,626)	7,433,206
<u>212,203</u>	<u>2,292,552</u>	<u>1,313,334</u>	<u>(329,841)</u>	<u>4,235,167</u>	<u>3,516,462</u>	<u>23,166,368</u>
<u>\$ 212,431</u>	<u>\$ 2,294,239</u>	<u>\$ 4,675,786</u>	<u>\$ -</u>	<u>\$ 2,050,183</u>	<u>\$ 2,786,836</u>	<u>\$ 30,599,574</u>

CITY OF GRAPEVINE, TEXAS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes	\$ 13,070,000	\$ 13,070,000	\$ 13,110,052	\$ 40,052
Investment income	150,000	150,000	7,434	(142,566)
Miscellaneous	-	-	4,693	4,693
Total revenues	<u>13,220,000</u>	<u>13,220,000</u>	<u>13,122,179</u>	<u>(97,821)</u>
EXPENDITURES				
Debt service:				
Principal	10,205,000	10,205,000	9,505,000	700,000
Interest	5,414,369	5,414,369	5,368,866	45,503
Bond issuance costs	-	217,505	217,505	-
Fiscal agent charges	-	116,467	116,467	-
Total expenditures	<u>15,619,369</u>	<u>15,953,341</u>	<u>15,207,838</u>	<u>745,503</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>(2,399,369)</u>	<u>(2,733,341)</u>	<u>(2,085,659)</u>	<u>647,682</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,387,064	2,399,369	2,399,369	-
Transfers out	-	-	(1,120,006)	(1,120,006)
Refunding bonds issued	-	44,945,000	44,945,000	-
Discount on issuance of refunding bonds	-	(31,856)	(31,856)	-
Payment to refunded bond escrow agent	-	(44,714,639)	(44,714,639)	-
Total other financing sources (uses)	<u>2,387,064</u>	<u>2,597,874</u>	<u>1,477,868</u>	<u>(1,120,006)</u>
NET CHANGE IN FUND BALANCE	<u>(12,305)</u>	<u>(135,467)</u>	<u>(607,791)</u>	<u>(472,324)</u>
FUND BALANCE, BEGINNING	<u>7,289,596</u>	<u>7,289,596</u>	<u>7,289,596</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 7,277,291</u>	<u>\$ 7,154,129</u>	<u>\$ 6,681,805</u>	<u>\$ (472,324)</u>

STATISTICAL SECTION

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STATISTICAL SECTION

This part of the City of Grapevine, Texas' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

	Page
Financial Trends	76 – 85
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	86 – 93
These schedules contain information to help the reader assess the City's most significant local revenue sources. Sales tax is the City's most significant revenue source. Sales tax revenue information available to the City is in Tables 5 and 6. Information about principal sales tax revenue payers is confidential under Texas statutes and is not provided. Additionally, information about the City's second most significant local revenue source, property taxes, is provided.	
Debt Capacity	94 – 101
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	102 – 105
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	106 – 111
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

CITY OF GRAPEVINE, TEXAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands)
(accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
Governmental activities:				
Net investment in capital assets	\$ 88,342	\$ 114,212	\$ 139,392	\$ 176,133
Restricted	71,909	78,377	74,312	71,932
Unrestricted	<u>14,469</u>	<u>(3,570)</u>	<u>(10,147)</u>	<u>(21,047)</u>
Total governmental activities net position	<u>\$ 174,720</u>	<u>\$ 189,019</u>	<u>\$ 203,557</u>	<u>\$ 227,018</u>
Business-type activities:				
Net investment in capital assets	\$ 70,171	\$ 74,750	\$ 77,872	\$ 104,296
Restricted	8,969	8,032	2,612	2,649
Unrestricted	<u>10,530</u>	<u>6,912</u>	<u>11,590</u>	<u>8,094</u>
Total business-type activities net position	<u>\$ 89,670</u>	<u>\$ 89,694</u>	<u>\$ 92,074</u>	<u>\$ 115,039</u>
Primary government:				
Net investment in capital assets	\$ 158,513	\$ 188,962	\$ 217,264	\$ 280,429
Restricted	80,878	86,409	76,924	74,581
Unrestricted	<u>24,999</u>	<u>3,342</u>	<u>1,443</u>	<u>(12,953)</u>
Total primary government net position	<u>\$ 264,390</u>	<u>\$ 278,713</u>	<u>\$ 295,631</u>	<u>\$ 342,057</u>

TABLE 1

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 176,591	\$ 214,481	\$ 226,572	\$ 241,514	\$ 279,795	\$ 292,357
78,219	73,872	80,078	95,251	69,120	55,449
(14,043)	(26,090)	(68,706)	(61,220)	(76,423)	(64,903)
<u>\$ 240,767</u>	<u>\$ 262,263</u>	<u>\$ 237,944</u>	<u>\$ 275,545</u>	<u>\$ 272,492</u>	<u>\$ 282,903</u>
\$ 126,510	\$ 122,775	\$ 125,604	\$ 131,141	\$ 133,349	\$ 141,819
3,205	3,467	4,187	3,714	3,147	2,871
<u>8,507</u>	<u>10,548</u>	<u>11,817</u>	<u>6,303</u>	<u>5,262</u>	<u>8,135</u>
<u>\$ 138,222</u>	<u>\$ 136,790</u>	<u>\$ 141,608</u>	<u>\$ 141,158</u>	<u>\$ 141,758</u>	<u>\$ 152,825</u>
\$ 303,101	\$ 337,256	\$ 352,175	\$ 372,654	\$ 413,144	\$ 434,176
81,424	77,339	84,265	98,965	72,267	58,320
(5,536)	(15,542)	(56,889)	(54,917)	(71,161)	(56,768)
<u>\$ 378,989</u>	<u>\$ 399,053</u>	<u>\$ 379,551</u>	<u>\$ 416,702</u>	<u>\$ 414,250</u>	<u>\$ 435,728</u>

CITY OF GRAPEVINE, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands)
(accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
EXPENSES				
Governmental activities:				
General government	\$ 18,370	\$ 18,602	\$ 16,348	\$ 18,944
Public safety	28,264	28,309	30,039	31,305
Culture and recreation	27,954	29,578	31,549	15,617
Public works	11,056	12,216	13,689	12,817
Transportation	7,789	8,620	11,275	9,223
Economic development	4,040	3,609	1,405	10,036
Tourism	-	-	-	16,966
Interest on long-term debt	4,590	4,095	6,029	6,013
Total governmental activities expenses	<u>102,063</u>	<u>105,029</u>	<u>110,334</u>	<u>120,921</u>
Business-type activities:				
Water and sewer	18,372	18,807	19,763	19,691
Lake Enterprise	3,053	3,156	2,764	2,850
Total business-type activities expenses	<u>21,425</u>	<u>21,963</u>	<u>22,527</u>	<u>22,541</u>
Total primary government expenses	<u>\$ 123,488</u>	<u>\$ 126,992</u>	<u>\$ 132,861</u>	<u>\$ 143,462</u>
PROGRAM REVENUES				
Governmental activities:				
Fees, fines, and charges for services:				
General government	\$ 2,547	\$ 2,013	\$ 1,992	\$ 1,723
Public safety	3,736	3,971	4,109	3,705
Culture and recreation	10,099	10,012	10,531	4,322
Public works	1,418	1,486	1,504	1,448
Transportation	-	-	-	-
Tourism	-	-	-	7,327
Operating grants and contributions	1,124	526	275	1,381
Capital grants and contributions	810	108	203	1,609
Total governmental activities program revenues	<u>19,734</u>	<u>18,116</u>	<u>18,614</u>	<u>21,515</u>
Business-type activities:				
Charges for services:				
Water and sewer	20,481	20,185	23,667	22,434
Lake Enterprise	3,079	3,120	3,017	2,214
Capital grants and contributions	-	-	-	4,896
Total business-type activities program revenues	<u>23,560</u>	<u>23,305</u>	<u>26,684</u>	<u>29,544</u>
Total primary government program revenues	<u>\$ 43,294</u>	<u>\$ 41,421</u>	<u>\$ 45,298</u>	<u>\$ 51,059</u>

TABLE 2

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 21,301	\$ 20,417	\$ 19,231	\$ 18,382	\$ 21,449	\$ 20,934
31,686	35,651	35,954	38,472	41,528	38,778
18,354	21,087	19,597	21,341	22,432	22,802
13,590	16,585	16,826	17,930	18,876	15,787
9,600	9,078	9,467	10,047	8,642	9,367
15,976	9,757	14,954	5,122	4,881	8,713
18,526	20,507	21,561	23,886	16,982	17,560
5,480	5,332	5,174	5,312	5,823	5,289
<u>134,513</u>	<u>138,414</u>	<u>142,764</u>	<u>140,493</u>	<u>140,613</u>	<u>139,230</u>
20,498	20,926	22,411	23,901	25,228	27,654
3,256	3,242	3,217	4,159	2,790	2,414
<u>23,754</u>	<u>24,168</u>	<u>25,628</u>	<u>28,060</u>	<u>28,018</u>	<u>30,068</u>
\$ <u>158,267</u>	\$ <u>162,582</u>	\$ <u>168,392</u>	\$ <u>168,553</u>	\$ <u>168,631</u>	\$ <u>169,298</u>
\$ 2,735	\$ 2,155	\$ 1,962	\$ 2,050	\$ 1,495	\$ 2,066
3,789	2,198	1,663	2,200	2,183	2,228
4,526	6,003	6,340	4,394	5,258	6,351
1,495	3,367	3,449	3,674	3,078	3,055
-	-	-	-	-	14
7,721	7,840	7,882	7,635	3,407	5,426
383	1,079	2,200	993	3,576	8,888
<u>9,549</u>	<u>8,171</u>	<u>5,007</u>	<u>23,230</u>	<u>6,733</u>	<u>12,214</u>
<u>30,198</u>	<u>30,813</u>	<u>28,503</u>	<u>44,176</u>	<u>25,730</u>	<u>40,241</u>
23,824	24,663	28,267	28,267	27,224	29,309
2,816	3,174	3,131	3,131	3,057	3,842
<u>17,981</u>	<u>1,803</u>	<u>4,984</u>	<u>4,984</u>	<u>3,714</u>	<u>8,129</u>
<u>44,621</u>	<u>29,640</u>	<u>36,382</u>	<u>36,382</u>	<u>33,995</u>	<u>41,280</u>
\$ <u>74,819</u>	\$ <u>60,453</u>	\$ <u>64,885</u>	\$ <u>80,558</u>	\$ <u>59,725</u>	\$ <u>81,521</u>

CITY OF GRAPEVINE, TEXAS
CHANGES IN NET POSITION
(continued)
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands)
(accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
NET (EXPENSE) REVENUES				
Governmental activities	\$(82,329)	\$(86,913)	\$(91,720)	\$(99,406)
Business-type activities	2,135	1,342	4,158	7,003
Total primary government net expense	<u>(80,194)</u>	<u>(85,571)</u>	<u>(87,562)</u>	<u>(92,403)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes:				
Property	32,048	29,979	30,917	30,903
Franchise	6,356	6,618	6,785	6,824
Hotel occupancy	12,327	12,772	14,025	18,103
Sales	46,932	49,047	52,020	54,060
Mixed beverage	1,051	1,159	1,567	1,648
Investment earnings	286	159	120	266
Gain on sale of capital assets	-	-	262	1,490
Miscellaneous	170	6	23	11
Transfers	<u>1,677</u>	<u>1,471</u>	<u>1,661</u>	<u>1,424</u>
Total governmental activities	<u>100,847</u>	<u>101,211</u>	<u>107,380</u>	<u>114,729</u>
Business-type activities:				
Investment earnings	68	152	20	43
Gain on sale of capital assets	-	-	-	-
Transfers	<u>(1,677)</u>	<u>(1,471)</u>	<u>(1,661)</u>	<u>(1,424)</u>
Total business-type activities	<u>(1,609)</u>	<u>(1,319)</u>	<u>(1,641)</u>	<u>(1,381)</u>
Total primary government	<u>99,238</u>	<u>99,892</u>	<u>105,739</u>	<u>113,348</u>
CHANGE IN NET POSITION				
Governmental activities	18,518	14,298	15,658	15,323
Business-type activities	<u>526</u>	<u>23</u>	<u>2,517</u>	<u>5,629</u>
Total primary government	<u>\$ 19,044</u>	<u>\$ 14,321</u>	<u>\$ 18,175</u>	<u>\$ 20,952</u>

TABLE 2

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$(104,316)	\$(107,602)	\$(114,261)	\$(96,317)	\$(114,883)	\$(98,989)
20,868	5,472	10,754	5,850	5,977	11,212
<u>(83,448)</u>	<u>(102,130)</u>	<u>(103,507)</u>	<u>(90,467)</u>	<u>(108,906)</u>	<u>(87,777)</u>
31,617	26,027	28,561	30,849	33,161	34,037
6,818	6,602	7,145	6,898	6,182	5,978
18,965	18,801	19,875	20,767	11,721	12,626
55,884	53,854	56,029	59,298	51,112	56,914
1,710	1,733	1,793	2,146	1,477	1,793
887	1,523	2,737	3,784	1,893	26
4,144	1,605	262	2,076	227	711
204	579	331	420	865	264
<u>(2,164)</u>	<u>3,199</u>	<u>3,020</u>	<u>6,951</u>	<u>5,889</u>	<u>407</u>
<u>118,065</u>	<u>113,923</u>	<u>119,753</u>	<u>133,189</u>	<u>112,527</u>	<u>112,756</u>
148	306	580	650	296	25
-	-	-	-	-	237
<u>2,164</u>	<u>(3,199)</u>	<u>(3,020)</u>	<u>(6,951)</u>	<u>(5,889)</u>	<u>(407)</u>
<u>2,312</u>	<u>(2,893)</u>	<u>(2,440)</u>	<u>(6,301)</u>	<u>(5,593)</u>	<u>(145)</u>
<u>120,377</u>	<u>111,030</u>	<u>117,313</u>	<u>126,888</u>	<u>106,934</u>	<u>112,612</u>
13,748	6,323	5,492	36,872	(2,356)	13,768
<u>23,182</u>	<u>2,578</u>	<u>8,314</u>	<u>(451)</u>	<u>384</u>	<u>11,067</u>
<u>\$ 36,930</u>	<u>\$ 8,901</u>	<u>\$ 13,806</u>	<u>\$ 36,421</u>	<u>\$(1,972)</u>	<u>\$ 24,835</u>

CITY OF GRAPEVINE, TEXAS
FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands)
(modified accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
General fund:				
Nonspendable*	\$ 653	\$ 659	\$ 600	\$ 553
Assigned	-	-	-	-
Unassigned	<u>11,742</u>	<u>11,303</u>	<u>12,318</u>	<u>13,402</u>
Total general fund	<u>\$ 12,395</u>	<u>\$ 11,962</u>	<u>\$ 12,918</u>	<u>\$ 13,955</u>
All other governmental funds:				
Nonspendable	32	22	38	145
Restricted	89,559	167,799	144,841	123,249
Committed	3,779	2,721	1,831	1,567
Assigned	11,262	8,720	15,831	31,129
Unassigned	<u>(11,165)</u>	<u>(76,407)</u>	<u>(1,123)</u>	<u>(1,477)</u>
Total all other governmental funds	<u>\$ 93,467</u>	<u>\$ 102,855</u>	<u>\$ 161,418</u>	<u>\$ 154,613</u>

Note:

* Includes inventory, advances to other funds, and prepaid items.

TABLE 3

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 779	\$ 943	\$ 1,303	\$ 1,209	\$ 893	\$ 1,061
-	-	1,401	901	429	429
<u>12,753</u>	<u>11,452</u>	<u>12,852</u>	<u>12,186</u>	<u>10,252</u>	<u>10,093</u>
<u>\$ 13,532</u>	<u>\$ 12,395</u>	<u>\$ 15,556</u>	<u>\$ 14,296</u>	<u>\$ 11,574</u>	<u>\$ 11,583</u>
322	1,153	566	155	316	264
99,110	93,285	111,728	104,007	73,429	50,853
2,007	2,242	2,632	2,770	2,366	2,311
48,712	42,036	28,026	39,943	34,049	33,954
(3,769)	(5,076)	(3,106)	(4,491)	(7,815)	(288)
<u>\$ 146,382</u>	<u>\$ 133,640</u>	<u>\$ 139,846</u>	<u>\$ 142,384</u>	<u>\$ 102,345</u>	<u>\$ 87,093</u>

CITY OF GRAPEVINE, TEXAS
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands)
(modified accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
REVENUES				
Taxes:				
Property	\$ 32,147	\$ 28,326	\$ 33,470	\$ 30,931
Hotel occupancy	12,326	12,772	14,025	18,103
Sales	46,932	49,047	52,020	54,060
Mixed beverage	1,051	1,159	1,567	1,648
Franchise	6,356	6,618	6,785	6,824
Licenses and permits	1,542	1,248	1,337	1,527
Intergovernmental	1,012	1,175	430	974
Charges for services	13,572	13,286	13,755	14,681
Fines and forfeitures	2,017	2,258	2,413	2,100
Contributions	194	162	169	304
Interest and miscellaneous	<u>1,192</u>	<u>731</u>	<u>872</u>	<u>872</u>
Total revenues	<u>118,341</u>	<u>116,782</u>	<u>126,843</u>	<u>132,024</u>
EXPENDITURES				
General government	13,979	13,714	15,611	17,878
Public safety	25,539	25,674	27,215	28,672
Culture and recreation	24,832	26,202	27,707	12,931
Public works	6,061	7,037	8,335	8,077
Transportation	7,789	8,620	11,275	9,223
Economic development	4,543	3,609	1,405	10,036
Tourism	-	-	-	16,179
Capital outlay	9,446	17,011	53,121	24,476
Debt service:				
Principal	11,164	11,462	12,664	14,477
Interest and fiscal charges	4,564	3,864	6,695	6,405
Payment to refunded bond escrow agent	-	-	-	22,812
Bond issuance costs	-	-	-	358
Other	<u>25</u>	<u>394</u>	<u>269</u>	<u>21</u>
Total expenditures	<u>107,942</u>	<u>117,587</u>	<u>164,297</u>	<u>171,545</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 10,399</u>	<u>\$ (805)</u>	<u>\$ (37,454)</u>	<u>\$ (39,521)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	78,640	19,500	35,065
Premium(discount) on issuance of debt	-	3,455	-	3,757
Payment to refunded bond escrow agent	-	(7,834)	-	(13,643)
Sale of capital assets	112	204	250	6,110
Insurance recoveries	-	-	-	800
Transfers in	15,244	19,768	18,507	17,248
Transfers out	<u>(13,568)</u>	<u>(18,297)</u>	<u>(16,846)</u>	<u>(15,585)</u>
Total other financing sources (uses)	<u>1,788</u>	<u>75,936</u>	<u>21,411</u>	<u>33,752</u>
NET CHANGE IN FUND BALANCES	<u>\$ 12,187</u>	<u>\$ 75,131</u>	<u>\$ (16,043)</u>	<u>\$ (5,769)</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	<u>15.7%</u>	<u>14.7%</u>	<u>17.5%</u>	<u>30.2%</u>

TABLE 4

Fiscal Year						
2016	2017	2018	2019	2020	2021	
\$ 31,650	\$ 25,991	\$ 28,350	\$ 30,883	\$ 33,150	\$ 34,088	
18,965	18,801	19,875	20,767	11,721	12,626	
55,884	53,854	56,029	59,298	51,112	56,914	
1,710	1,733	1,793	2,146	1,477	1,793	
6,662	6,602	7,064	6,618	6,408	6,059	
1,745	1,883	1,604	1,969	1,345	1,460	
1,356	1,939	2,270	1,736	22,071	7,448	
15,568	17,308	17,973	16,152	12,544	15,995	
1,967	1,968	1,736	1,662	1,125	1,055	
253	370	318	233	124	130	
2,861	2,630	4,429	4,726	2,810	835	
<u>138,621</u>	<u>133,079</u>	<u>141,441</u>	<u>146,190</u>	<u>143,887</u>	<u>138,403</u>	
19,768	18,543	17,018	16,010	17,979	18,489	
27,803	30,441	32,240	34,490	36,886	35,687	
14,731	16,686	18,451	17,173	18,583	18,060	
7,938	10,526	11,367	11,600	12,720	10,906	
9,600	9,078	9,467	10,047	8,642	9,367	
15,976	9,757	16,639	5,109	4,851	8,699	
17,702	19,735	20,335	22,414	15,649	17,177	
33,576	32,596	30,029	45,994	58,610	27,244	
16,099	13,018	12,059	12,564	12,759	11,540	
6,234	5,850	5,974	6,001	6,550	5,941	
1	-	17,025	6,077	-	302	
73	127	392	171	-	-	
10	120	47	141	135	125	
<u>169,511</u>	<u>166,477</u>	<u>191,043</u>	<u>187,791</u>	<u>193,364</u>	<u>163,537</u>	
\$ (30,890)	\$ (33,398)	\$ (49,602)	\$ (41,601)	\$ (49,477)	\$ (25,134)	
3,070	10,900	51,740	5,395	-	55,165	
192	590	1,265	1,973	-	832	
-	(1,391)	-	-	-	(44,715)	
13,856	5,406	311	4,439	1,471	648	
540	649	66	63	53	488	
21,735	56,144	46,963	24,310	22,063	20,500	
(17,764)	(52,781)	(43,943)	(17,357)	(16,174)	(19,667)	
<u>21,629</u>	<u>19,517</u>	<u>56,402</u>	<u>18,823</u>	<u>7,413</u>	<u>13,251</u>	
\$ (9,261)	\$ (13,881)	\$ 6,800	\$ (22,778)	\$ (42,064)	\$ (11,883)	
<u>16.5%</u>	<u>14.1%</u>	<u>11.5%</u>	<u>13.0%</u>	<u>14.2%</u>	<u>13.2%</u>	

CITY OF GRAPEVINE, TEXAS
TAXABLE SALES BY CATEGORY
LAST TEN FISCAL YEARS
(Amounts Expressed in Thousands)

Function/Program	Fiscal Year			
	2012	2013	2014	2015
Agriculture/forestry/fishing/hunting	\$ -	\$ -	\$ 414	\$ 514
Utilities	-	-	-	-
Construction	32,162	38,720	46,112	49,895
Manufacturing	157,519	157,403	164,251	164,726
Wholesale trade	245,838	266,052	276,437	285,962
Retail trade	849,825	897,364	930,931	921,231
Transportation/warehousing	11,810	13,751	12,539	13,467
Information	42,137	49,559	58,753	68,853
Finance/insurance	993	804	808	808
Professional/scientific/technical	18,966	20,321	28,112	26,370
Real estate/rental/leasing	36,597	46,875	52,312	61,550
Management of companies/enterprises	-	-	-	-
Admin/support/waste mgmt/remediation svcs	47,264	47,117	60,296	76,038
Educational services	2,762	1,931	1,079	645
Health care/social assistance	2,999	2,961	2,028	1,735
Arts/entertainment/recreation	24,811	24,592	27,313	16,310
Accomodation/food service	477,342	472,830	522,296	572,882
Other services (except public administration)	24,250	33,721	38,588	47,645
Unclassified	-	-	-	8
Total	\$ <u>1,975,275</u>	\$ <u>2,073,999</u>	\$ <u>2,222,269</u>	\$ <u>2,308,639</u>
City direct sales tax rate	2.0%	2.0%	2.0%	2.0%

Source: Texas Comptroller

(1) Only two quarters of information were available for the fiscal year.

TABLE 5

Fiscal Year					
2016	2017	2018	2019	2020	2021 (1)
\$ 91	\$ 253	\$ -	\$ -	\$ 149	\$ -
-	-	120	505	461	345
53,763	44,852	65,213	75,647	66,912	33,869
161,142	160,782	166,863	196,104	167,165	77,018
299,679	300,261	322,482	327,975	336,547	222,806
931,679	939,436	945,789	944,368	849,535	501,960
12,455	12,587	9,951	10,423	10,477	4,785
68,143	42,752	40,091	35,698	22,347	10,782
885	1,190	1,691	887	826	556
31,957	31,074	35,317	33,102	39,206	23,338
63,637	66,687	67,963	63,727	52,785	22,244
-	-	2,719	3,029	2,598	1,213
55,143	54,579	49,130	42,620	46,499	22,336
634	383	364	436	536	105
1,784	1,574	1,494	1,554	1,283	802
22,103	26,622	28,611	28,966	21,321	10,474
586,562	593,030	625,298	675,407	456,088	197,031
49,898	38,372	37,280	38,357	35,960	24,714
-	-	-	-	-	-
<u>\$ 2,339,555</u>	<u>\$ 2,314,434</u>	<u>\$ 2,400,376</u>	<u>\$ 2,478,805</u>	<u>\$ 2,110,695</u>	<u>\$ 1,154,378</u>
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

CITY OF GRAPEVINE, TEXAS
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS

TABLE 6

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>State of Texas</u>
2012	2.00%	6.25%
2013	2.00%	6.25%
2014	2.00%	6.25%
2015	2.00%	6.25%
2016	2.00%	6.25%
2017	2.00%	6.25%
2018	2.00%	6.25%
2019	2.00%	6.25%
2020	2.00%	6.25%
2021	2.00%	6.25%

Source: City Budget Office and Texas Comptroller

CITY OF GRAPEVINE, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands)

TABLE 7

Fiscal Year	Estimated Market Value		Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property	Personal Property			
2012	\$ 7,111,827	\$ 2,005,549	\$ 3,205,119	\$ 5,912,257	0.3480
2013	7,373,725	2,169,614	3,311,568	6,231,771	0.3457
2014	7,744,617	2,141,161	3,421,500	6,464,278	0.3425
2015	7,972,445	2,437,129	3,816,444	6,593,130	0.3324
2016	8,127,156	2,620,115	3,874,106	6,873,165	0.3284
2017	9,369,452	2,705,089	4,462,148	7,612,393	0.2893
2018	9,911,677	3,033,390	4,586,943	8,358,124	0.2893
2019	10,450,709	3,316,173	4,760,485	9,006,397	0.2893
2020	11,430,947	3,416,886	5,069,749	9,778,084	0.2843
2021	11,592,137	3,915,491	5,281,076	10,226,552	0.2826

Source: Grapevine/Colleyville ISD Tax Assessor

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

TABLE 8

Fiscal Year	City Direct Rates			Overlapping Rates				Total Direct and Overlapping Rates
	Operating/General Rate	Debt Service	Total Direct Rate	Junior College	School District	Hospital District	County	
2012	\$ 0.1423	\$ 0.2057	\$ 0.3480	\$ 0.1490	\$ 1.3100	\$ 0.2280	\$ 0.2640	\$ 2.2990
2013	0.1357	0.2100	0.3457	0.1490	1.3201	0.2279	0.2640	2.3067
2014	0.1314	0.2111	0.3425	0.1490	1.3201	0.2279	0.2640	2.3035
2015	0.1274	0.2050	0.3324	0.1495	1.3201	0.2279	0.2640	2.2939
2016	0.1421	0.1863	0.3284	0.1495	1.3201	0.2279	0.2640	2.2899
2017	0.1265	0.1628	0.2893	0.1447	1.3967	0.2279	0.2540	2.3126
2018	0.1347	0.1545	0.2893	0.1401	1.3967	0.2244	0.2440	2.2945
2019	0.1306	0.1587	0.2893	0.1361	1.3967	0.2244	0.2340	2.2805
2020	0.1416	0.1427	0.2843	0.1302	1.3267	0.2244	0.2340	2.1995
2021	0.1435	0.1391	0.2826	0.1302	1.3031	0.2244	0.2340	2.1743

Source: Tarrant County Appraisal District

Note: Tax rate limitations imposed by the Home Rules Section of the Texas Constitution, Article II, Section 5, provide that a maximum tax rate of \$2.50 per \$100 valuation may be imposed in any one year. No provisions are made limiting the amount of this \$2.50 tax rate that can be used for debt service.

CITY OF GRAPEVINE, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited) (Amounts Expressed in Thousands)

Taxpayer	FY 2021	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
American Airlines Inc/Envoy Air Inc	\$ 1,129,685	11.05%
Opryland Hotel	289,567	2.83%
Grapevine Mills Mall LP	220,200	2.15%
Great Wolf Lodge Grapevine LLC	126,350	1.24%
Fund Riverwalk LLC	111,400	1.09%
Amazon.com Services Inc	96,900	0.95%
WMCI Dallas IX LLC	91,522	0.89%
Oncor Electric Delivery Co., Llc.	90,953	0.89%
Silver Oaks LP	80,500	0.79%
Spirit Airlines Inc	76,419	0.75%
Total	<u>\$ 2,313,496</u>	<u>22.62%</u>

Source: Grapevine/Colleyville ISD Tax Assessor

TABLE 9

Taxpayer	FY 2012	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
American Airlines Inc	\$ 286,037	4.84%
Gaylord Texan Resort and Convention Center	273,332	4.62%
Grapevine Mills, Ltd. Partnership	191,333	3.24%
CAE Simuflite/Simuflite Training Unit	100,625	2.12%
Great Wolf Lodge	125,279	1.70%
Rackspace US, Inc.	62,000	1.05%
A & B Properties, Inc., etal	51,552	0.87%
Chesapeake Operating	49,569	0.84%
Oncor Electric Delivery Co., LLC.	40,411	0.68%
Verde Riverwalk Apts II, LP	40,000	0.68%
Total	<u>\$ 1,220,138</u>	<u>20.64%</u>

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CITY OF GRAPEVINE, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands)

TABLE 10

Fiscal Year Ended	Taxes Levied for the Fiscal Year			Collections Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	Original Levy	Adjustments	Adjusted Levy	Amount	Percentage of Levy Collected		Amount	Percentage of Levy
2012	\$ 21,325	\$ (4)	\$ 21,321	\$ 21,211	99.48%	\$ 93	\$ 21,304	99.92%
2013	21,543	(75)	21,468	21,364	99.52%	88	21,452	99.93%
2014	21,739	108	21,847	21,804	99.80%	32	21,836	99.95%
2015	22,249	(232)	22,017	21,952	99.70%	52	22,004	99.94%
2016	21,506	1,064	22,570	22,498	99.68%	50	22,548	99.90%
2017	21,669	290	21,959	21,905	99.75%	32	21,937	99.90%
2018	23,387	770	24,157	24,023	99.45%	111	24,134	99.90%
2019	25,711	355	26,066	25,946	99.54%	13	25,959	99.59%
2020	27,136	660	27,796	27,532	99.05%	11	27,543	99.09%
2021	27,568	1,332	28,900	28,674	99.22%	-	28,674	99.22%

Source: Grapevine/Colleyville ISD Tax Assessor

CITY OF GRAPEVINE, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands, excluding
Percentage of Personal Income and Per Capita)

Fiscal Year	Governmental Activities				
	General Obligation Bonds	Certificates of Obligation	Contractual Obligations	Revenue Bonds	Tax Notes
2012	\$ 40,355	\$ 49,569	\$ 1,225	\$ -	\$ 3,605
2013	102,690	44,459	1,200	-	6,297
2014	100,952	41,325	1,130	19,500	4,514
2015	93,376	13,618	4,317	39,030	3,107
2016	88,200	14,065	4,224	36,855	2,529
2017	80,718	21,286	3,692	34,630	1,934
2018	73,200	51,470	5,645	34,153	1,209
2019	96,587	43,645	4,878	31,480	612
2020	88,523	42,303	4,088	28,703	-
2021	82,543	52,121	3,280	25,810	-

* See Table 17 for personal income and population data.

TABLE 11

Business-type Activities			Total Primary Government Debt	Percentage of Personal Income	Per Capita*
Water and Sewer Obligations	General Obligation Bonds	Certificates of Obligation			
\$ 790	\$ 9,923	\$ -	\$ 105,467	6.16%	\$ 2,197
-	10,962	-	165,608	8.89%	3,380
-	9,556	-	176,977	9.26%	3,612
-	7,579	10,097	171,124	8.32%	3,492
-	2,551	8,902	157,326	7.16%	3,147
-	2,388	8,902	153,550	6.83%	3,011
-	1,892	8,901	176,470	7.85%	3,394
-	1,025	8,476	186,703	8.11%	3,523
-	556	8,051	172,224	6.85%	3,191
-	72	7,621	171,448	6.45%	3,175

CITY OF GRAPEVINE, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Thousands except
Percentage of Actual Taxable Value of Property and Per Capita)

Fiscal Year	Governmental Activities					Business-type Activities	
	General Obligation Bonds	Certificates of Obligation	Contractual Obligations	Tax Notes	Total	General Obligation Bonds	Certificates of Obligation
2012	\$ 40,355	\$ 49,569	\$ 1,225	\$ -	\$ 91,149	\$ 9,895	\$ -
2013	102,690	44,459	1,200	4,015	152,364	10,845	-
2014	100,952	41,325	1,130	3,488	146,895	9,556	-
2015	93,376	13,618	4,317	2,935	114,246	7,579	10,097
2016	88,200	14,065	4,224	2,373	108,862	2,551	8,902
2017	80,718	21,286	3,692	1,796	107,492	2,388	8,902
2018	73,200	51,470	5,645	1,209	131,524	1,892	8,901
2019	96,587	43,645	4,878	612	145,722	1,025	8,476
2020	88,523	42,303	4,088	-	134,914	556	8,051
2021	82,543	52,121	3,280	-	137,944	72	7,621

^a See Table 7 for property value data.

^b See Table 17 for population data.

TABLE 12

Resources Restricted For Debt Service	Net Bonded Debt	Percentage of Actual Taxable Value of Property ^a	Per Capita ^b
\$ 28,858	\$ 72,186	1.22%	\$ 1,504
29,051	134,158	2.15%	2,738
20,985	135,466	2.10%	2,765
19,603	112,319	1.70%	2,292
17,938	102,377	1.49%	2,048
16,087	102,695	1.35%	2,014
9,829	132,488	1.59%	2,548
18,050	137,173	1.52%	2,588
20,258	123,263	1.26%	2,284
23,270	145,638	1.42%	2,697

CITY OF GRAPEVINE, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2021
(Unaudited)

TABLE 13

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt Repaid with Property Taxes:			
Carroll Independent School District	\$ 329,880,000	5.63%	\$ 18,572,244
Coppell Independent School District	351,914,091	2.25%	7,918,067
Dallas County	116,665,000	0.10%	116,665
Dallas County Community College District	115,750,000	0.10%	115,750
Dallas County Hospital District	575,530,000	0.10%	575,530
Dallas County Schools	16,679,652	0.10%	16,680
Denton County	571,605,000	less than .01%	-
Grapevine-Colleyville Independent School District	362,388,775	55.51%	201,162,009
Northwest Independent School District	1,223,981,739	0.17%	2,080,769
Tarrant County	213,675,000	5.19%	11,089,733
Tarrant County College District	255,995,000	5.19%	13,286,141
Tarrant County Hospital District	14,495,000	5.19%	<u>752,291</u>
Subtotal overlapping debt			255,685,879
Total direct - City of Grapevine	\$ 163,754,747	100.00%	<u>163,754,747</u>
Direct and Overlapping Debt			<u>\$ 419,440,626</u>
Total Direct and Overlapping Debt % of A.V.		4.10%	
Total Direct and Overlapping Debt per Capita		<u>\$ 7,767</u>	

The percentage of overlapping debt applicable is estimated using taxable assessed property values.

Source: Municipal Advisory Council of Texas

CITY OF GRAPEVINE, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

TABLE 14

Tax rate limitations imposed by the Home Rules Section of the Texas Constitution, Article II, Section 5, provide that a maximum tax rate of \$2.50 per \$100 valuation may be imposed in any one year.

CITY OF GRAPEVINE, TEXAS
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

TABLE 15

(Unaudited) (Amounts Expressed in Thousands, except for Coverage)

Fiscal Year	4B Economic Development Fund					Coverage
	Total Revenues ^a	Less: Operating Expenses ^b	Net Available Revenue	Principal and Interest Payments		
2014	\$ 3,772	\$ 492	\$ 3,280	\$ 443	7.40	
2015	3,983	1,430	2,553	1,594	1.60	
2016	4,170	3,224	946	1,595	0.59	
2017	4,062	2,167	1,895	1,593	1.19	
2018	4,256	1,918	2,338	1,593	1.47	
2019	4,394	1,642	2,752	1,396	1.97	
2020	3,873	3,518	355	1,401	0.25	
2021	4,699	3,262	1,437	1,401	1.03	

Notes: ^a Includes tax revenues only

^b Includes transfers out.

Debt was issued in FY 2014, so prior year data is not applicable.

CITY OF GRAPEVINE, TEXAS
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

TABLE 16

(Unaudited) (Amounts Expressed in Thousands, except for Coverage)

Tax Increment Financing District Reinvestment Zone Number Two					
Fiscal Year	Total Revenues ^a	Less: Operating Expenses ^b	Net Available Revenue	Principal and Interest Payments	Coverage
2012	\$ 5,736	\$ 1,548	\$ 4,188	\$ 2,672	1.57
2013	3,637	2,283	1,354	2,679	0.51
2014	5,878	2,446	3,432	2,681	1.28
2015	4,246	2,678	1,568	2,683	0.58
2016	4,416	2,714	1,702	2,273	0.75
2017	4,697	1,410	3,287	2,282	1.44
2018	4,818	1,410	3,408	2,281	1.49
2019	5,806	1,430	4,376	2,287	1.91
2020	6,296	1,510	4,786	2,296	2.08
2021	6,253	1,510	4,743	2,301	2.06

Notes: ^a Includes tax revenues only
^b Includes transfers out.

Source: Grapevine Tax Increment Financing District Reinvestment Zone Number Two Basic Financial Statements

CITY OF GRAPEVINE, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(Unaudited) (Amounts Expressed in Thousands except for
Median Age and Unemployment Rate)

TABLE 17

Calendar Year	(1) Estimated Population	(1) Personal Income	(1) Personal Income Per Capita	(1) Median Age	(2) School Enrollment	(3) Unemployment Rate
2012	48	\$ 1,711	\$ 36	35	14	5.6%
2013	49	1,862	38	38	14	5.1%
2014	49	1,911	39	38	14	4.7%
2015	49	2,058	42	39	14	3.3%
2016	50	2,197	42	39	14	3.6%
2017	51	2,252	44	39	14	3.4%
2018	52	2,249	44	39	14	3.3%
2019	53	2,303	45	39	14	3.0%
2020	54	2,515	47	38	14	6.3%
2021	54	2,659	49	39	14	4.5%

Sources: (1) Estimate from City Economic Development Dept staff; Neilsen/Clarita's Report
(2) Grapevine/Colleyville ISD
(3) ESRI

CITY OF GRAPEVINE, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited) (Amounts Expressed in Thousands except for
Percentage of Total City Employment)

TABLE 18

2021			2012		
Employer	Employees	Percentage of of Total City Employment (1)	Employer	Employees	Percentage of of Total City Employment
DFW International Airport	14.3	28.77%	DFW International Airport	16.0	53.57%
Gaylord Texan Resort and Convention Center	2.0	4.02%	Gaylord Texan Resort and Convention Center	1.8	1.61%
Grapevine/Colleyville ISD	2.0	4.02%	Grapevine/Colleyville ISD	1.6	1.46%
GameStop Corporation	1.4	2.82%	United Parcel Service	1.2	1.07%
Baylor, Scott & White	0.8	1.61%	Baylor Medical Center	1.0	0.89%
City of Grapevine	0.7	1.41%	Game Stop	0.6	0.54%
Great Wolf Lodge	0.6	1.21%	City of Grapevine	0.5	0.49%
Kubota Tractor Corp	0.5	1.01%	Hilton DFW	0.4	0.36%
Pavestone Co	0.4	0.80%	Pavestone Mfg	0.4	0.36%
American Warranty Svc	<u>0.3</u>	<u>0.60%</u>	Wal-Mart/Sams (250-500)	<u>0.3</u>	<u>0.27%</u>
	<u>23.0</u>	<u>46.27%</u>		<u>23.8</u>	<u>60.62%</u>

Total Employees 2021: 49,712

Sources: City of Grapevine Economic Development Department, ESRI

CITY OF GRAPEVINE, TEXAS
FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Whole Numbers)

Function/Program	2012	2013	2014	2015	2016	2017
General government and administration	54	55	55	60	60	60
Public safety	234	237	238	240	240	252
Development services	15	15	15	15	15	15
Culture and recreational	106	111	114	126	132	135
Water and sewer	59	59	60	59	59	59
Golf course	19	19	19	20	19	19
Public works	<u>60</u>	<u>61</u>	<u>61</u>	<u>61</u>	<u>61</u>	<u>62</u>
Total	<u>546</u>	<u>556</u>	<u>562</u>	<u>581</u>	<u>586</u>	<u>602</u>

Source: Human Resources Department

TABLE 19

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
59	58	58	58
253	252	253	253
15	15	15	15
135	136	141	141
59	59	59	59
19	19	19	19
<u>62</u>	<u>62</u>	<u>62</u>	<u>62</u>
<u>602</u>	<u>601</u>	<u>607</u>	<u>607</u>

CITY OF GRAPEVINE, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Whole Numbers)

Function/Program	Fiscal Year			
	2012	2013	2014	2015
General Government:				
City Secretary:				
Ordinances prepared	68	61	74	72
Resolutions prepared	97	114	89	92
Fiscal Services:				
Invoices processed	18,567	18,719	17,410	17,556
Ratio of ACH/checks	1.06	27.48	47.50	49.60
Public safety:				
Police:				
Calls for service	67,634	58,680	44,266	53,372
Traffic citations	23,817	21,447	24,441	19,138
Criminal offenses	1,366	3,219	2,948	2,743
Fire:				
Fire runs	5,135	5,156	5,101	5,588
Ambulance runs	3,026	3,541	3,614	3,715
Municipal Court:				
Cases filed	25,860	23,855	24,298	19,012
Cultural and recreational:				
Parks & Recreation:				
Recreation center membership-family	4,658	4,677	2,731	9,856
Recreation center membership-individual	2,861	2,852	2,502	5,227
Athletic league registrants- youth	7,014	6,126	6,250	5,324
Athletic league registrants- adult	10,536	9,588	9,248	7,720
Public swim attendance	38,274	48,680	46,120	75,245
% Campground occupancy rate	61.00	63.00	61.00	53.00
Total acres maintained	1,662	1,662	1,662	1,677
Library:				
Volumes	186,817	197,377	204,206	252,227
Annual circulation	316,236	303,622	293,434	301,522

Note:

(1) Starting in FY 20, all memberships are individual memberships.

Source: City Departments

TABLE 20

Fiscal Year					
2016	2017	2018	2019	2020	2021
90	84	88	87	70	55
106	106	100	35	21	18
19,098	18,944	17,075	16,690	16,586	14,803
53.60	58.80	57.10	55.73	53.30	59.20
52,613	47,751	43,402	41,059	39,006	38,903
14,566	13,269	11,705	13,574	6,736	5,002
2,812	2,740	2,570	2,664	4,658	4,468
5,905	6,161	6,026	6,192	1,832	2,432
4,893	4,432	4,047	4,291	4,008	4,264
16,398	15,578	14,088	13,574	8,275	6,784
11,512	12,126	12,273	9,969	N/A (1)	N/A (1)
4,660	5,687	4,748	4,046	12,869	13,676
6,860	1,450	1,500	3,472	3,200	4,344
7,370	5,746	5,092	1,863	1,900	4,075
101,774	106,359	98,192	92,436	92,436	93,706
13.83	70.99	71.65	41.81	56.20	70.43
1,677	1,677	1,740	1,556	2,635	2,960
259,203	234,546	230,284	274,810	279,817	281,161
307,662	345,429	342,303	355,594	343,714	313,712

CITY OF GRAPEVINE, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Whole Numbers)

Function/Program	Fiscal Year			
	2012	2013	2014	2015
Public works:				
Development services:				
Permits issued	3,982	3,877	4,500	4,139
Streets:				
Square yard of overlay completed	92,604	53,167	75,555	82,202
Linear feet of gutter wedge milled	15,123	72,713	45,792	43,359
Linear feet of curb and gutter replaced	4,015	3,969	944	300
Number of blocks crack sealed	205	257	174	133
Square feet of concrete rehab	39,002	47,813	96,068	15,706
Tourism:				
Convention and visitor bureau:				
Nash farm attendance	7,158	8,468	13,500	14,588
Main street days attendance	150,292	139,770	148,260	154,032
Grapefest attendance	262,322	262,910	266,170	263,832
Water and sewer:				
Number of water connections	14,460	14,517	14,476	14,564
Average daily consumption MG (water)	10.74	10.40	9.35	9.40
System capacity - MG (Water)	27	27	27	27
Number of sewer connections	13,103	13,315	13,387	13,452
Number of refuse customers	11,911	11,964	12,110	12,175
Sewer system capacity (MGD)	8	8	8	8
Lake Enterprise:				
Numbers of golfers, annually	67,555	71,706	68,368	48,689

Source: City Departments

(2) These events were cancelled due to the COVID-19 pandemic.

TABLE 20

Fiscal Year					
2016	2017	2018	2019	2020	2021
4,340	4,369	4,501	4,410	4,306	4,034
98,693	79,238	66,432	61,957	62,200	78,638
50,034	48,404	37,540	27,972	37,564	21,578
3,926	1,605	3,812	4,187	7,602	3,297
179	149	174	117	175	260
28,735	49,069	27,112	47,708	70,523	42,763
11,566	14,868	11,759	15,085	11,210	17,283
178,672	169,560	168,480	141,570	- (2)	20,000
260,151	268,180	260,001	261,000	- (2)	100,000
14,665	14,732	14,788	14,869	14,887	14,954
9.30	9.21	9.45	7.75	8.55	8.60
27	27	27	27	27	27
13,570	13,632	13,696	13,766	13,797	13,853
12,272	12,318	12,394	12,416	12,446	12,489
8	8	8	8	8	8
55,913	64,424	64,382	62,510	63,815	80,479

CITY OF GRAPEVINE, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited) (Amounts Expressed in Whole Numbers)

Function/Program	Fiscal Year				
	2012	2013	2014	2015	2016
Police:					
Stations	2	2	2	2	2
Patrol units	32	35	35	35	35
Motorcycle Units	8	8	8	8	8
Fire:					
Stations	5	5	5	5	5
Fire engines/trucks	9	10	10	10	10
EMS trucks	4	5	5	5	5
Public works:					
Streets - paved (miles)	208	208	208	208	208
Traffic signals	75	75	75	75	75
Parks and recreation:					
Acreage*	1,662	1,662	1,522	1,677	1,677
Playgrounds	35	36	37	37	37
Swimming pools	2	2	2	3	3
Splash parks	2	2	2	2	2
Tennis courts	8	8	8	8	8
Recreation centers	1	1	1	1	1
Senior centers	1	1	1	1	1
Libraries	1	1	1	1	1
Golf Courses	1	1	1	1	1
Water:					
Water mains (miles)	280	290	292	293	295
Wastewater:					
Sanitary sewers (miles)	221	224	225	226	228

Source: City departments

*Golf course included and land leased from Corp. of Engineers

TABLE 21

Fiscal Year				
2017	2018	2019	2020	2021
2	2	2	2	2
35	35	37	34	31
8	8	8	8	8
5	5	5	5	5
10	10	10	11	11
5	5	5	5	5
208	211	211	212	197
75	76	76	78	78
1,677	1,556	1,556	2,635	2,960
37	32	36	36	36
3	3	3	3	3
2	3	3	3	5
8	8	8	12	12
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
295	300	305	306	324
228	226	227	228	251

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