

Annual Comprehensive Financial Report

For fiscal year ended
September 30, 2023

City of Corinth, Texas



CITY OF CORINTH, TX

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended September 30, 2023



Scott Campbell
City Manager

Department of
Finance & Administrative Services

Lee Ann Bunselmeyer
Director of Finance, Communication & Strategic Services

Dawn Taylor
Controller

Linda Thoms
Accounting Manager

CITY OF CORINTH, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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INTRODUCTORY SECTION





3300 Corinth Parkway · Corinth, TX · 940.498.3200

April 4, 2024

Honorable Mayor,
Members of the City Council
and Citizens
City of Corinth, Texas

The City Manager and the Finance department of the City of Corinth are pleased to submit the Annual Comprehensive Financial Report of the City of Corinth for the fiscal year ended September 30, 2023. The purpose of this report is to provide the council, staff, citizens of Corinth and other interested parties with detailed information reflecting the City's financial condition.

This report satisfies §103.001 of the Texas Local Government Code and was conducted in accordance with Section 9.12 of the City Charter. The Annual Comprehensive Financial Report (ACFR) consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The ACFR is organized into three sections: *Introductory*, *Financial* and *Statistical*. The *Introductory* section includes this transmittal letter, the City's organization chart, and a list of principal officials. The *Financial* section includes the auditors' report, Management's Discussion and Analysis, basic financial statements, required supplementary information, combining and individual fund financial statements and other supplemental information. The *Statistical* section includes selected financial and demographic information, generally presented on a multi-year basis. The information is presented in table format to assist the reader with a comparative analysis.

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

INDEPENDENT AUDIT

The City of Corinth's financial statements have been audited by Eide Bailly, LLP, a firm of licensed certified public accountants. The goal of the independent auditor is to provide reasonable assurance that the financial statements of the City of Corinth, for the fiscal year ended September 30, 2023, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Corinth's financial statements for the fiscal year ended September 30, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component in the financial section of this annual report.

PROFILE OF THE GOVERNMENT

The City of Corinth, which was incorporated on September 19, 1960, is located in the north central portion of Texas. This area of the state has proven to be one of the top growth areas in Texas and the United States. The City currently occupies a land area of 7.8 square miles. The City is empowered to levy a property tax on real property and certain personal property located within its boundaries. Corinth has operated under the council-manager form of government since May 6, 1999. This has become a popular form of government throughout the State of Texas. Policy-making and legislative authority are vested in the City Council consisting of the mayor and five other members. The City Council's primary responsibilities include passing ordinances, adopting the budget, appointing boards and committees, and hiring both the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the government, and for appointing the heads of the various City departments. The City Council is elected on a non-partisan, at-large basis. Council members serve two-year staggered terms, with three members elected on one of the two-year rotations, and the Mayor and two remaining members elected on the other two-year rotation.

The City of Corinth provides a full range of municipal services including general government, public safety (police, animal control, fire, and EMS), streets, parks and recreation, planning and zoning, code enforcement, and water/wastewater and drainage utilities. Water/wastewater and drainage services are provided through the public works department, which functions, in essence, as a department of the City and, therefore, has been included as an integral part of the City's financial statements.

Moving forward, the City seeks to reduce its dependence on property tax revenues and increase the amount of sales and use tax revenues in a judicious manner by encouraging lifestyle-focused developments that will create meaningful employment opportunities in live-work-play settings, offer extraordinary opportunities for commerce and result in sustainable revenues.

As Corinth continues to pioneer a new path and secure its vision for the future, its core values will remain rooted in its family-oriented traditions, and its commitment will remain anchored by achieving the highest quality of life possible for all its citizens.

LOCAL ECONOMY

Corinth's location, straddling the I-35E corridor in Denton County, is ideal for both businesses and residents, many of whom commute north to Denton or south to Lewisville or Dallas. Corinth maintains a small-town feel while having the advantages of nearby metro areas. The city's estimated population is 23,200. This estimate is based on the North Central Texas Council of Governments' population estimates.

Augmented by its high-performing schools, outstanding recreation facilities, open spaces, and remarkable demographics, Corinth is competitively positioned to attract investment well into the future. In July 2022, the City broke ground on the Commons at Agora on Corinth Parkway just east of I-35E. The multi-purpose public park and iconic community gathering place will be the catalyst for millions of dollars of private investment within a new city center known as "Agora at Corinth." Renowned real estate developers, Realty Capital Management,

Wolverine Interests, and Mansfield Multifamily Land LLC, have partnered with the City to introduce nearby lifestyle-oriented developments to the Corinth market. Realty Capital Management has plans to develop a mixed-use community that will transform the vacant southwest corner of I-35E and Corinth Parkway. The plans call for the construction of up to 312 residential units, 24,500 square feet of retail and restaurant spaces, a dual brand, 80-room hotel, and a linear parkway of formal open space that will become an icon for the development and the Corinth community. Beginning in 2024, Wolverine Interests will anchor the north side of the park with 300 residential units and 30,000 square feet of shops and restaurants. The five-story mixed-use project will feature the City's first multi-level parking garage serving the development's residents, shoppers, diners, and the public. Mansfield Multifamily Land LLC plans to construct an urban residential development consisting of 587 multifamily units in two phases. The first phase is anticipated to begin in 2024. Elsewhere in the City, other residential developers are investing in Corinth with 749 single family lots, 52 townhome lots, and 1,339 multifamily and condominium units either completed and ready for occupancy, under construction, or in the design stage. In all, these developments will accommodate approximately 7,000 new residents in Corinth.

Corinth continues to rely heavily on property tax to support its continuing operations, with the City being approximately 85% residential. Certified property values increased 13.46% for the 2023 tax year over the 2022 certified value.

Sales tax revenue is the second largest tax revenue source for the City's General Fund. All sales tax collections are reported by the Texas Comptroller of Public Accounts. The City is continuing to work to increase its sales tax base with the Corinth Economic Development Corporation, which receives the proceeds from a ½ cent sales tax enacted in 2003. Corinth is currently focused on encouraging commercial development and providing the infrastructure required to support it. Of the 8.25% tax, the State retains 6.25%. It distributes 1% to the City of Corinth, .25% to the Crime Control & Prevention District, .50% to the Economic Development Corporation, and .25% to the Fire Control, Prevention and Emergency Services District.

MAJOR INITIATIVES

The Embracing the Future – 2030 Strategic Plan outlines priorities set by City Council. Informed by long-range goals and master plans, this direction is brought to life through the city budget, department operations, and an adaptive strategic management system focused on delivering results and improving community outcomes. The budget provides the basis to achieve the vision of the City Council and the residents. The identified strategies and priorities are essential for the City to achieve its vision of becoming a community that is conveniently located, delivers outstanding services, engages its residents, and provides the right mix of high-quality retail, restaurants, and entertainment. This budget provides for investments in economic development, mobility, the transit-oriented development (TOD) district, infrastructure, quality development, regional cooperation, broadband, and employees, and recognizes that partnerships are essential to excellent service delivery. The Strategic Plan must be re-evaluated each year to ensure it is relevant to changing priorities. It is also important to provide updates on the Strategic Plan to monitor the effectiveness of the plan.

ATTRACTING QUALITY DEVELOPMENT

Strategic Goal: Enhance the quality of life for residents by attracting new residents and businesses to Corinth.

Planning: Staff performs a variety of services intended to protect, maintain, and develop an attractive, safe, and healthy community. We will continue to recommend strategic amendments and improvements to the City's Unified Development Code to be more reflective of today's market conditions and our desire for quality, sustainable development. With development pressure continuing to increase on the City's remaining, vacant tracts of land, staff will be facilitating multiple zoning, site plan, and platting applications for new residential neighborhoods, businesses, and mixed-use developments. The Department will continue to emphasize customer service to facilitate the timely review and approval of projects and improve communications with our customers, including more user-friendly information on the Department's web page. The City created a Residential Property Enhancement Program. This new partnership will provide aid to residential homeowners with a financial burden in maintaining older homes through reimbursable grants to assist with exterior home and fence repairs and provide a positive message to residents who may lack the physical and/or financial resources to make the repairs.

Economic Development: Encouraging development along the I-35E Corridor was one of the key goals, as was to continue to promote the Agora at Corinth to residents, brokers, developers, retailers, restaurants, and end-users as a unique destination to live, work, play, shop, eat, recreate, and educate. Planning efforts with developers and property owners will continue for the development and expansion of vacant/under-utilized properties within the City of Corinth. Other initiatives include administering and managing Tax Increment Reinvestment Zones (TIRZs) 2 and 3, building upon the Business Retention and Expansion function, and telling Corinth's unique story of progress and growth as a place to start, grow and build a business.

HEALTH & SAFETY

Strategic Goal: Being safe in our home and in our community to enjoy a sustainable environment, a healthy lifestyle, and cost-effective improvements to streets and critical infrastructure.

Public Safety: The City is fortunate to have two progressive public safety organizations that provide outstanding fire, rescue, and emergency medical services and police services to our community. The primary focuses for both organizations are the retention and recruitment of staff and mental health resiliency.

Utility System Operations: Although on an annual basis, the average usage of water is at a lower level, the water system must have the capacity to service residents and commercial businesses at a greater level to meet peak demands. To determine the utility capacity requirements, the number of connections and the size of each connection, in addition to the usage patterns of the customers, must be considered. It is anticipated that the utility system will expand by 1,000 connections each year for the next five years. Along with the growth, it is important for the utility to adopt a preventative maintenance program to ensure the overall health of the system. The budget incorporates water and wastewater rate increases to meet future facility needs and maintain the integrity of the system.

ORGANIZATIONAL DEVELOPMENT

Strategic goal: Focus is on improving the organization's capability through the alignment of strategy, structure, people, and management process.

Organizational Succession: Succession planning allows for identifying critical positions within the organization and develops action plans for individuals to assume those positions. This helps ensure business continuity and performance, particularly during times of shifting leadership and change. The budget begins transitioning the organization to implement succession planning to ensure continuity, identify critical positions, understand the organization's competency levels, recognize the potential and workforce development, and begin evaluating the workforce and departmental needs. This continues to be a priority for the organization.

Employee Retention and Recruitment: The City has outstanding employees. The goal of the organization is to reduce turnover by fostering a positive work atmosphere to promote engagement, showing appreciation to employees, providing competitive pay and benefits and a healthy work-life balance. Work will continue with supervisory training, staff development, and alignment of the values and organizational culture with an integrative and developmental focus with an emphasis to improve internal communication and coordination.

PROACTIVE GOVERNMENT

Strategic Goal: Providing a city government that works effectively and collaboratively - that is equitable, transparent, ethical, and innovative.

Asset Management Plan (AMP): The AMP was developed to support the City's vision for its asset management practice and programs. It provides key asset attribute data, including current composition of the City's infrastructure portfolio, inventory, replacement costs, and useful life, summarizes the physical health of the capital assets, enumerates the City's current capital spending framework, and outlines financial strategies to achieve fiscal sustainability in the long term while reducing and eventually eliminating funding gaps. The City identified over \$700 million invested in public assets – streets, utility lines, buildings, and equipment. Many of these assets were built in the 1980's and 90's with a life cycle of 40 to 50 years.

The City Council, by ordinance, adopted an asset management reserve fund to be funded through prior year surplus monies. The AMP forecasts a need of \$6 million per year. At a minimum, the American Water Works

Association guideline is to invest a minimum of an amount equal to the annual depreciation on the assets. Although this is a goal for the City, due to funding constraints the city evaluates funding levels each year.

Rate Stabilization Fund: The City also maintains a utility stabilization fund to provide a prudent contingency to absorb fluctuations in revenues and to stabilize water and wastewater rates. This is to be funded through prior year surplus of revenues over expenditures.

Information Technology: The Technology Services department strives to enhance the vitality and quality of life by empowering the employees, residents, visitors, and businesses through sustainable, reliable, efficient, and effective technology services, infrastructure, and smarter government. A Technology Steering Committee comprised of City staff reviewed projects and determined the best utilization of city resources to be invested in technology across the city departments. The following priorities were identified: cybersecurity, disaster recovery, and business intelligence.

REGIONAL COOPERATION

Strategic Goal: Reduce service costs for the residents through cost sharing for projects with common benefits with cities in the region.

Lake Cities: The City continues to participate in Lake Cities (Corinth, Hickory Creek, Lake Dallas, and Shady Shores) joint meetings and expand service delivery opportunities. The city also continues the multi-jurisdictional fiber optic network to improve government network infrastructure offering residential services with speeds of 1 gig to every home; the agreement between Corinth and Shady Shores with Town of Hickory Creek for animal shelter services; and delivering quality geographic information systems (GIS) services to Lake Cities Municipal Utility Authority through an interlocal agreement.

Intergovernmental Relations: It is important that the City establish and maintain intergovernmental relations with the following communities and/or organizations outside the Lake Cities: City of Denton, City of Lewisville, Denton County, Denton County Transportation Authority (DCTA), Denton ISD, Lake Dallas ISD, North Central Texas College, Lake Cities Municipal Utility Authority, Upper Trinity Regional Water District, and Texas Department of Transportation.

LONG-TERM FINANCIAL PLAN

The budget was developed in context of long-term financial plans. The plans anticipate funding needs and available revenues and forecast methods for matching future revenue and expenses. Plans have been developed for all the City's major operating funds. Each plan presents the fund over seven fiscal years: two previous years, the adopted "base year" budget and four projected years. There are several benefits to these plans. First, the plans give future councils a valuable perspective when considering budgets within each plan's five-year horizon. Second, the plans impart a measure of discipline on staff. The General Fund long-term plan assumes the City's property tax, sales tax, and all other revenues during the planning horizon will remain constant with conservative growth from 0% - 3%.

The City of Corinth continues its focus on maintaining or increasing reserve balances for emergencies to provide stability and flexibility for the organization. The reserve requirement was established at a level of 20% of budgeted expenditures for the General Fund and 25% of budgeted expenditures for both the Water/Wastewater Fund and the Storm Drainage Fund.

In March 2023, S&P Global Ratings raised its underlying rating (SPUR) to "AA+" from "AA" on the City's existing general obligation debt and certificates of obligation, and Moody's affirmed its "Aa2" rating. The rating agencies attributed their opinions to various factors surrounding the city's financial stability, growth and financial policies and practices.

BUDGETARY CONTROLS

The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by the City Manager and adopted by the City Council in accordance with policies and procedures established by State law, City Charter, and Council Ordinances. All departments of the City of Corinth are required to submit requests for appropriation to the City Manager based on a budget calendar issued annually. The City Manager uses these requests as the starting point for developing the proposed budget. The proposed budget is then presented to the City Council for review prior to approval and adoption. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, department (e.g., Public Works) and division (e.g., Parks & Recreation). Department Directors may make transfers of appropriations between divisions within a department. All transfers of appropriations between departments require the approval of the City Manager. Any changes to appropriations or transfers between funds require City Council approval. Budgetary comparison schedules are provided in this report in the required supplementary information subsection for the General Fund, and in the supplementary information subsection for other funds with legally adopted annual budgets.

CASH MANAGEMENT POLICIES AND PRACTICES

Funds of the City are invested in accordance with all applicable Texas statutes, the City's Investment Policy and any other approved, written administrative procedures. The five objectives of the City's investment activities, in order of priority, are as follows: Safety – Preservation and Safety of Principal, Liquidity, Diversification, Market Rate-of-Return (Yield) and Public Trust.

The Investment Policy is updated, reviewed and approved annually. The purpose of the Investment Policy is to set forth specific investment strategy guidelines for the City, in order to safeguard assets with a minimal amount of risk, while maintaining the necessary level of liquidity and maximizing the yield on investments. Accordingly, all the City's deposits are either insured by the Federal Deposit Insurance Corporation (FDIC) or are collateralized by governmental securities. The maturities of the investments range from 30 days to 36 months, with an average maturity of approximately 111 days. On September 30, 2023, the annualized yield on investments was 4.294%, compared to 1.184% for the same period in 2022. Cash and investments for the City at September 30, 2023, were \$59.3 million.

AWARDS AND ACKNOWLEDGEMENTS

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) to the City of Corinth for its annual comprehensive financial report for the fiscal year ended September 30, 2022. This was the fourteenth consecutive year that the City achieved this prestigious award. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, GFOA awarded a Distinguished Budget Presentation Award to the City for its annual budget document dated October 1, 2022. To qualify for the Distinguished Budget Presentation Award, the City's budget document must be proficient in several categories, including serving as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance department. We would like to express our appreciation for the assistance provided by our auditors, Eide Bailly, LLP. Credit must also be given to the Mayor and City Council for their unfailing support in maintaining the highest standards of professionalism in the management of the City of Corinth and its finances.

Respectfully submitted,



Scott Campbell
City Manager



Lee Ann Bunselmeyer
Director of Finance, Communication & Strategic
Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Corinth
Texas**

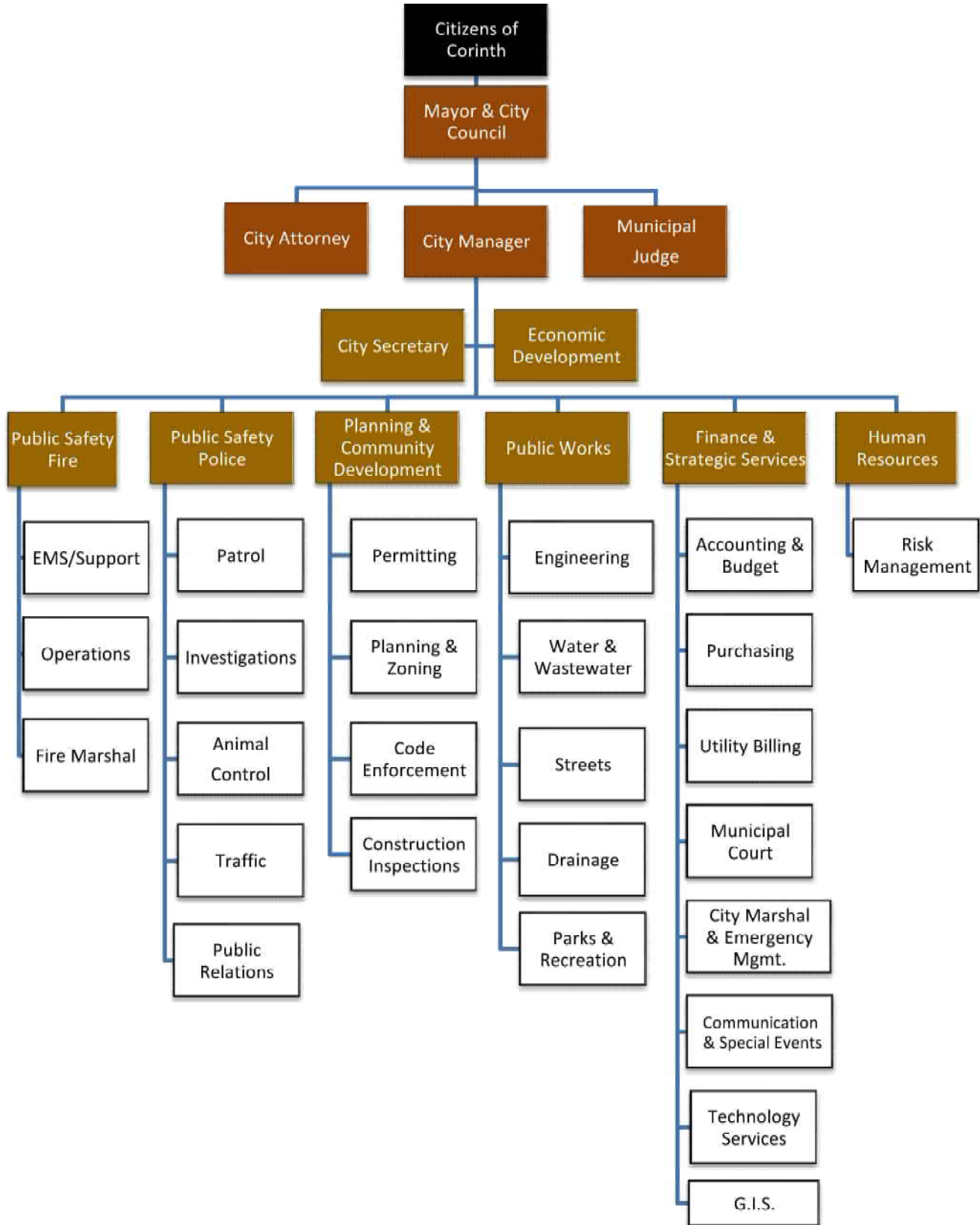
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO

ORGANIZATIONAL CHART



**City of Corinth, Texas
Elected and Appointed Officials**

Elected Officials:

Bill Heidemann
Mayor

Sam Burke
Mayor Pro Tem, Place I

Scott Garber
Council Place II

Steve Holzwarth
Council Place III

Tina Henderson
Council Place IV

Kelly Pickens
Council Place V

Appointed Officials:

Scott Campbell, City Manager

Lana Wylie, City Secretary

Elise Back, Director of Economic Development

Jerry Garner, Chief of Police

Lee Ann Bunselmeyer, Director of Finance, Communication and Strategic
Services

Glenn Barker, Director of Public Works, Parks and Recreation,
and Utility Operations

Melissa Dailey, Director of Development Services

Chad Thiessen, Fire Chief

Guadalupe Ruiz, Director of Human Resources

FINANCIAL SECTION





Independent Auditor's Report

To the Mayor and
Members of the City Council
City of Corinth, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Corinth, Texas (the City) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Corinth, Texas, as of September 30, 2023, 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.

Basis for Opinions

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

Adoption of New Accounting Standard

As discussed in Note 3 to the financial statements, the City has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the year ended September 30, 2023. As a result of implementing the standard, there was no effect on the governmental activities beginning net position as of October 1, 2022. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the 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.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Abilene, Texas
April 4, 2024

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**CITY OF CORINTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

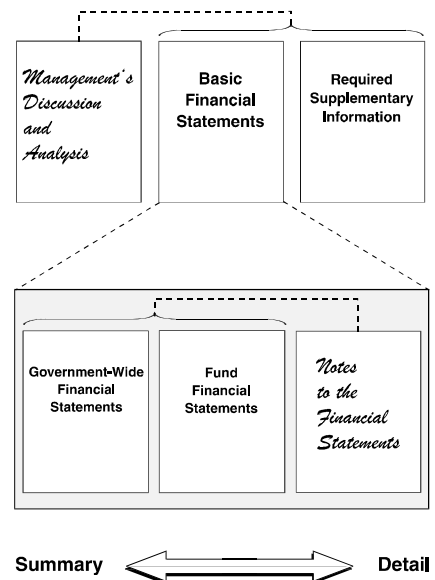
As management of the City of Corinth, (the "City") we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. The Management's Discussion and Analysis is designed to assist the reader in focusing on significant financial issues, to provide an overview of the City's financial activity, to identify changes in the City's financial position and to identify any material deviations from the financial plan. We encourage readers to consider the information presented here in conjunction with the accompanying Letter of Transmittal and the Basic Financial Statements.

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 \$86,144,425.
- Total net position increased \$6,554,170 from the prior year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$34,379,769, a decrease of \$5,218,788 compared to the prior year. Of the combined ending balances, \$7,504,530 or 22% is available for spending within the City's guidelines (*unassigned fund balance*).
- The City's unassigned fund balance for the General Fund was \$7,504,530 or 35% of total General Fund expenditures.
- Long-term liabilities increased to \$77,988,221 during fiscal year 2022-2023. The increase is due primarily to the issuance of bonds.

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

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the City, reporting operations in more detail than the government-wide statements.
- *The governmental funds* statements show how *general governmental* services were financed in the *short term*, as well as, what remains for future spending.
- *Proprietary fund* statements offer *short- and long-term* financial information about the activities the government that operate *like a business*.
- *Fiduciary fund* statements provide information about the financial relationships in which the City acts solely as a *trustee or agent* for the benefit of others to whom the resources in question belong.



**CITY OF CORINTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Figure 1 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of Management's Discussion and Analysis explains the structure and contents of each of the statements.

Government-wide financial statements. The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies.

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City 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 public safety, fire services, community services, planning and community development, public works, city administration, finance and administrative services and debt service. The business-type activities are the water and wastewater utility, which includes contracted garbage collection services, and the storm drainage utility.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also legally separate units -

Economic Development Corporation and Economic Development Foundation - as component units for which the City is financially accountable. Financial information for the component units is reported separately from the financial information presented for the primary government itself.

Figure 1. Major Feature of the City's Government-wide and Fund Financial Statements

Type of Statements	Government-wide	Fund Statements		
		Governmental	Proprietary Funds	Fiduciary Funds
Scope	Entire City's government (except fiduciary funds) and the City's component units	The activities of the City that are not proprietary or fiduciary	Activities the City operates similar to private businesses or self insurance funds	Instances in which the City is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures & changes in fund balance 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenues, expenditures & changes in fund net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both financial and capital, short-term and long-term; may contain capital assets
Type of inflow/outflow information	All revenue and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All revenue and expenses during year, regardless of when cash is received or paid	All revenue and expenses during year, regardless of when cash is received or paid

The government-wide financial statements can be found in the Basic Financial Statements section of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over

resources that have been segregated for specific activities or objectives. The City of Corinth, 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 two categories: governmental funds and proprietary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial

**CITY OF CORINTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as, on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental 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 of Corinth reports thirty-four 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 Fund, Debt Service Fund, 2019 CO Fund, 2020 CO Fund, 2021 CO Fund, 2023 CO Fund and COVID CARES Act Fund, which are major funds. Data from the non-major governmental funds are combined into a single aggregated presentation. Fund data for the non-major governmental funds are provided in the form of *combining statements* elsewhere in this report.

The City of Corinth adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found in the Basic Financial Statements section of this report.

Proprietary funds. The City of Corinth maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Corinth uses two enterprise funds to account for its water and wastewater operations and for its storm drainage utility.

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 Wastewater Fund and the Storm Drainage Fund, both of which are major funds of the City.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$86,144,425 at the close of the most recent fiscal year as shown in Table I.

By far, the largest portion of the City of Corinth's net position (\$63,235,424 or 73%) reflects its investment in capital assets (e.g., land, buildings, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The City of Corinth uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Corinth'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.

A portion of the City's net position (\$5,810,839 or 7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$17,098,162 or 20%) may be used to meet the City's ongoing obligations to citizens and creditors. The City currently has \$59,324,475 available in cash and investments that may be used to meet the City's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the City of Corinth reported positive balances in the government-wide as a whole and the business-type activities.

**CITY OF CORINTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
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City of Corinth's changes in fund balance. The City's governmental funds decreased fund balance by \$5,218,788. Net position, as part of the government-wide reports, is reported on a full-accrual basis. The reconciliation between the overall decrease to governmental fund balances and the \$4,413,705 net increase to governmental activities net position illustrates the differences in reporting between the modified-accrual basis used in the funds and full-accrual used at the government-wide level.

The following are the most significant factors in the reconciliation:

- Capital outlays are shown as expenditures in the fund financials statements, but they are shown as increases in capital assets in the government-wide statements.
- Repayments of principal on bonds, leases, subscription-based information technology arrangements, and notes are an expenditure in the governmental funds but not an expense in the statement of activities.
- Bond proceeds and bond transfers are reported as current resources in the governmental funds but are not reported as revenue in the statement of activities.
- Depreciation of capital assets is not reported in the funds.
- Donations/developer contributions do not constitute revenue in the funds but are reported as an increase to the net position.

Exhibit A-6 in the Basic Financial Statements section provides a detailed reconciliation between the statement of activities and the statement of revenues, expenditures, and changes in fund balances of governmental funds.

Governmental activities. Governmental activities increased the City's net position by \$4,413,705 as shown in Table II. Public safety, community services, public works, and planning and community development account for 80% of the expenses for the governmental activities. City administration, finance and administrative services and interest on long-term debt account for the remaining 20% of total expenses. These expenses were funded by revenues collected from a variety of sources. Property taxes produced \$16,033,365 or 47%, charges for services accounted for \$7,418,723 or 22%, sales tax received was \$3,425,043 or 10%, franchise taxes provided \$1,217,973 or 4%, capital grants and contributions provided \$1,571,878 or 5% and operating grants and contributions provided \$516,860 or 2% for the governmental activities. The remaining \$4,138,157 or 10% of revenue is made up of hotel occupancy tax, vehicle tax, investment income, gain on sale of capital assets, and other miscellaneous revenue and transfers. Figure 2 provides a graphic representation of the City's expenses and any directly related revenues by source.

**CITY OF CORINTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Figure 2: Program Revenues v. Expenses

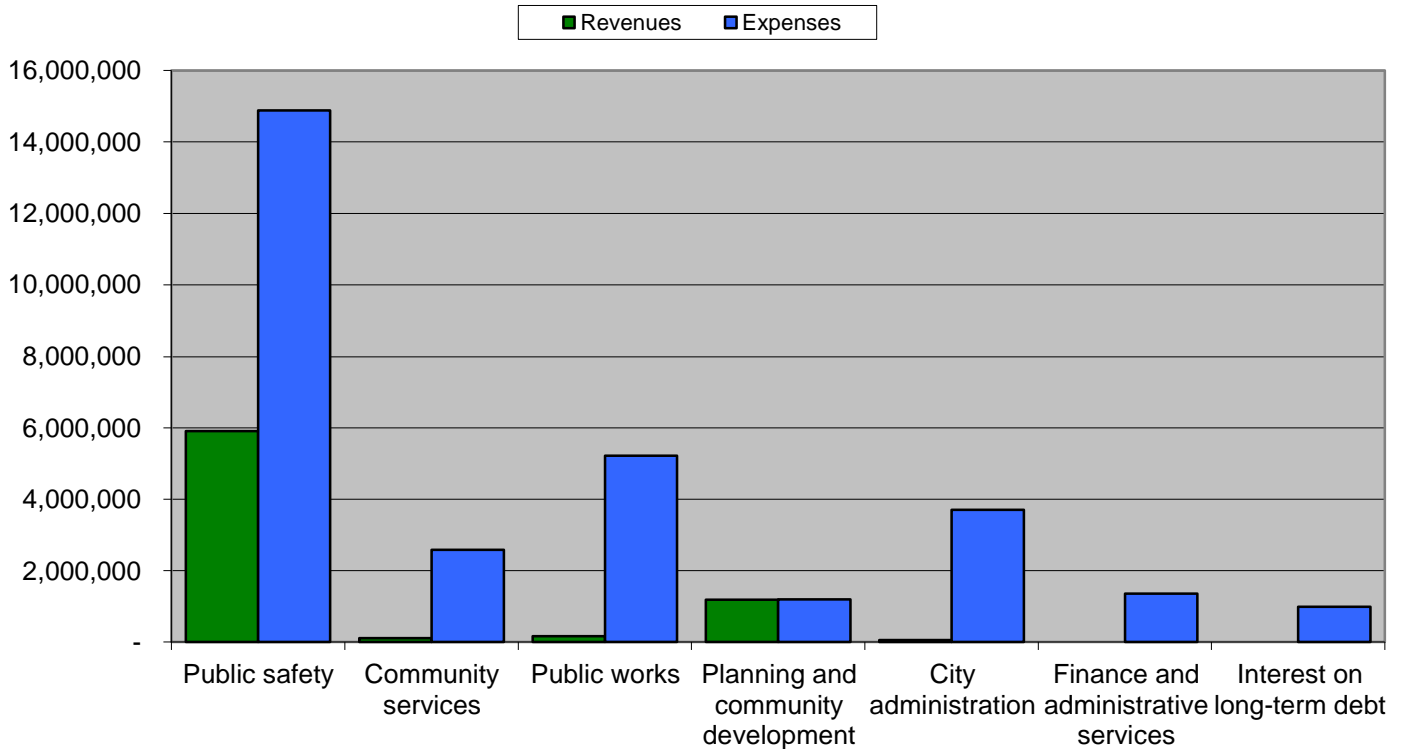


TABLE I

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current and other assets	\$ 43,862,277	\$ 49,347,297	\$ 23,434,950	\$ 18,099,534	\$ 67,297,227	\$ 67,446,831
Capital assets	78,855,918	65,294,097	32,351,936	30,434,457	111,207,854	95,728,554
Total assets	<u>122,718,195</u>	<u>114,641,394</u>	<u>55,786,886</u>	<u>48,533,991</u>	<u>178,505,081</u>	<u>163,175,385</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred loss from refunding	-	-	24,019	32,024	24,019	32,024
Deferred outflows - pension	4,900,440	1,425,234	639,358	224,144	5,539,798	1,649,378
Deferred outflows - OPEB	104,926	122,962	15,443	17,750	120,369	140,712
Total deferred outflows of resources	<u>5,005,366</u>	<u>1,548,196</u>	<u>678,820</u>	<u>273,918</u>	<u>5,684,186</u>	<u>1,822,114</u>
LIABILITIES						
Long-term liabilities outstanding	65,617,002	56,027,242	15,597,397	10,304,113	81,214,399	66,331,355
Other liabilities	12,660,495	12,735,830	3,618,713	3,045,309	16,279,208	15,781,139
Total liabilities	<u>78,277,497</u>	<u>68,763,072</u>	<u>19,216,110</u>	<u>13,349,422</u>	<u>97,493,607</u>	<u>82,112,494</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred gain on refunding	3,750	4,999	-	-	3,750	4,999
Deferred inflows - lease related	231,792	112,955	-	-	231,792	112,955
Deferred inflows - pension	68,161	2,738,699	9,402	379,061	77,563	3,117,760
Deferred inflows - OPEB	210,074	51,283	28,056	7,753	238,130	59,036
Total deferred inflows of resources	<u>513,777</u>	<u>2,907,936</u>	<u>37,458</u>	<u>386,814</u>	<u>551,235</u>	<u>3,294,750</u>
NET POSITION						
Net investment in capital assets	37,573,975	35,071,832	25,661,449	24,050,367	63,235,424	59,122,199
Restricted	3,684,712	4,052,217	2,126,127	1,779,473	5,810,839	5,831,690
Unrestricted	7,673,600	5,394,533	9,424,562	9,241,833	17,098,162	14,636,366
Total net position	<u>\$ 48,932,287</u>	<u>\$ 44,518,582</u>	<u>\$ 37,212,138</u>	<u>\$ 35,071,673</u>	<u>\$ 86,144,425</u>	<u>\$ 79,590,255</u>

**CITY OF CORINTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

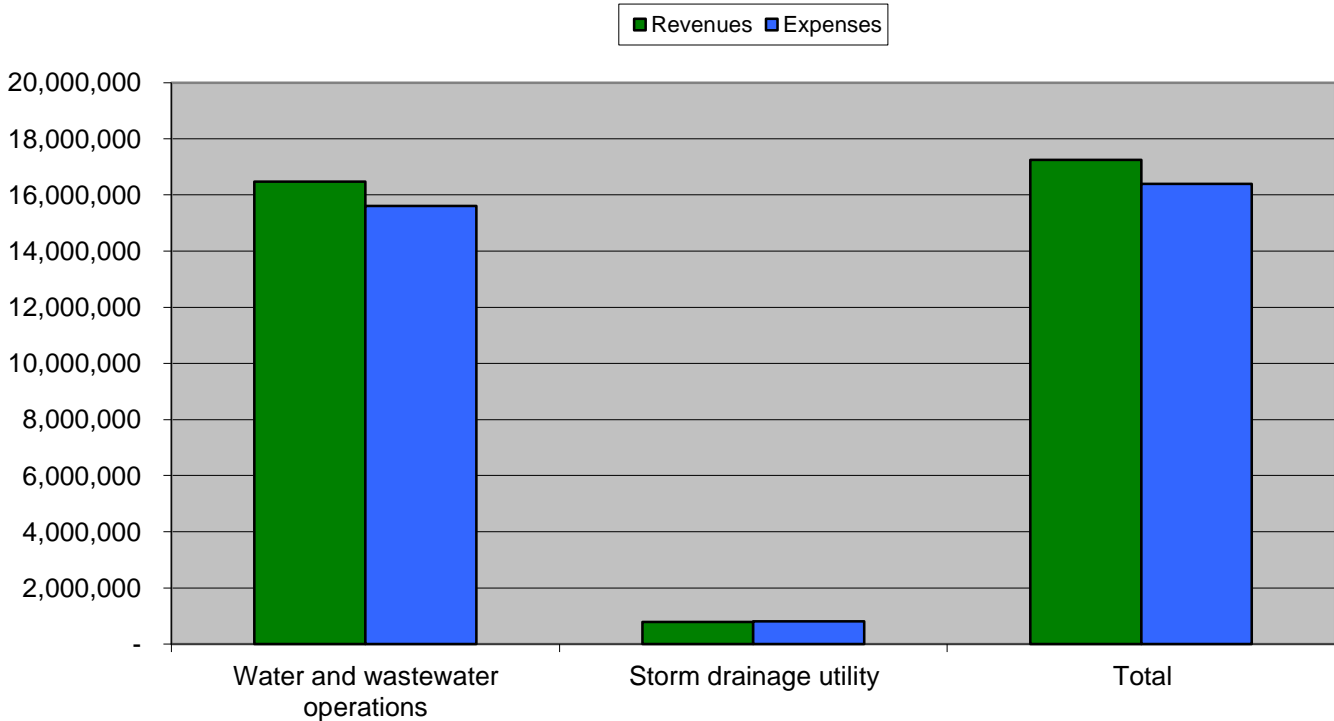
TABLE II

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues						
Charges for services	\$ 7,418,723	\$ 6,749,791	\$17,270,995	\$16,206,923	\$24,689,718	\$22,956,714
Operating grants and contributions	516,860	802,798	-	10,187	516,860	812,985
Capital grants and contributions	1,571,878	3,426,005	1,052,841	2,565,707	2,624,719	5,991,712
General revenues						
Property taxes	16,033,365	14,683,023	-	-	16,033,365	14,683,023
Sales taxes	3,425,043	3,091,696	-	-	3,425,043	3,091,696
Franchise taxes	1,217,973	1,283,833	-	-	1,217,973	1,283,833
Hotel taxes	119,539	109,825	-	-	119,539	109,825
Vehicle taxes	147,926	42,361	-	-	147,926	42,361
Miscellaneous	1,735,720	98,336	26,075	23,058	1,761,795	121,394
Investment interest	1,787,287	(53,482)	476,066	70,074	2,263,353	16,592
Gain on sale of capital assets	56,350	40,314	20,026	-	76,376	40,314
Total revenues	34,030,664	30,274,500	18,846,003	18,875,949	52,876,667	49,150,449
Expenses:						
Public safety	14,880,320	12,229,945	-	-	14,880,320	12,229,945
Community services	2,584,004	2,172,726	-	-	2,584,004	2,172,726
Public works	5,217,679	5,273,963	-	-	5,217,679	5,273,963
Planning and community development	1,190,610	864,967	-	-	1,190,610	864,967
City administration	3,693,108	4,482,255	-	-	3,693,108	4,482,255
Finance and administrative services	1,355,623	1,192,590	-	-	1,355,623	1,192,590
Interest on long-term debt	986,950	1,338,507	-	-	986,950	1,338,507
Water and wastewater	-	-	15,606,723	14,129,665	15,606,723	14,129,665
Storm drainage	-	-	807,480	660,768	807,480	660,768
Total expenses	29,908,294	27,554,953	16,414,203	14,790,433	46,322,497	42,345,386
Increase (decrease) in net position before transfers, contributions and special items						
	4,122,370	2,719,547	2,431,800	4,085,516	6,554,170	6,805,063
Net transfers	291,335	612,937	(291,335)	(612,937)	-	-
Increase (decrease) in net position	4,413,705	3,332,484	2,140,465	3,472,579	6,554,170	6,805,063
Net position - beginning	44,518,582	41,186,098	35,071,673	31,599,094	79,590,255	72,785,192
Net position - ending	\$48,932,287	\$44,518,582	\$37,212,138	\$35,071,673	\$86,144,425	\$79,590,255

Business-type activities. Business-type activities increased the City's net position by \$2,140,465 as shown in Table II. Developer contributions of \$295,000 and impact fees of \$757,841 contributed to the increase. Charges for services is a major revenue source in both the Water and Wastewater Fund and the Storm Drainage Fund, producing \$16,482,889 and \$788,106, respectively, in revenue. Charges for services accounted for 92% of the total business-type activities revenue. Contributions of assets arising from new property development within the City and capital grants totaled \$1,052,841 or 6% of total business-type activities revenue. The remaining 2% of total business-type activities revenue consisted of investment interest, other income, and gain on sale of capital assets.

Total revenue from water and wastewater sales and services was \$16,482,889; associated operating costs of water, wastewater treatment, operations, maintenance and other costs accounted for \$15,606,723 of the total business-type expenses of \$16,414,203. The remaining \$807,480 in expenses for business-type activities was associated with the storm drainage utility. Storm drainage utility fees brought in \$788,106 in revenue. The following chart (Figure 3) provides a graphic representation of the City's business-type expenses and any directly related revenues by source.

Figure 3: Program Revenues v. Expenses



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$34,379,769, a decrease of \$5,218,788 from the prior year. The net decrease in combined ending fund balances is due to the following: a net increase of \$2,352,247 in the General Fund, a net increase of \$387,482 in the Debt Service Fund, a net decrease of \$2,831,733 in the 2019 CO Fund due primarily to increased capital project activity, a net decrease of \$3,138,412 in the 2020 CO Fund due primarily to increased capital project activity, a net decrease of \$4,760,866 in the 2021 CO Fund due primarily to increased capital project activity, a net increase of \$6,044,076 in the 2023 CO Fund due to issuance of bonds, a net increase of \$92,928 in the COVID CARES Act Fund, and a net decrease of \$3,364,510 in other governmental funds due primarily to increased capital project activity.

Of the combined total governmental fund balances of \$34,379,769, \$7,504,530 reflects the General Fund *unassigned* fund balance, which is available for spending at the government's discretion. The fund balance that is designated as *restricted* is not available for new spending due to debt service amounts, specific programs amounts, and construction projects amounts of \$1,005,331, \$4,622,240, and \$17,666,758, respectively. The fund balance that is designated as *committed*, \$3,544,894 represents those amounts committed to liquidate contracts or encumbrances. The fund balance amount designated as *non-spendable* is for prepaid items, \$29,908, and inventories, \$6,108.

General Fund. The General Fund is the chief operating fund of the City of Corinth. At the end of the current fiscal year, *unassigned* fund balance of the General Fund was \$7,504,530 while total fund balance reached \$7,533,546.

**CITY OF CORINTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures for the fiscal year. Unassigned fund balance represents 34.8% of total General Fund expenditures, while total fund balance represents 34.9% of that same amount.

This year, in the General Fund, revenues were more than expected by a total of \$2,834,146. Property taxes, utility fees, traffic fines and forfeitures, police fees and permits, parks and recreation fees, and donations were less than budget by \$119,374, \$101,894, \$86,003, \$4,986, \$2,845, and \$8,445, respectively. Sales tax, franchise fees, development fees and permits, fire services, interest income, miscellaneous income, and charges for services were above budget by \$212,822, \$71,421, \$605,016, \$379,400, \$137,226, \$1,688,947, and \$62,861, respectively. While revenues were over budget by \$2,834,146, expenditures were over budget by \$165,535. The net effect at year end was an increase of \$2,253,887 of actual revenues over expenditures in the General Fund.

Debt Service Fund. As part of the budgetary process, the government enacts a dedicated property tax for debt service each fiscal year. The Debt Service Fund has a total fund balance of \$1,005,331, all of which is restricted for the payment of debt service.

2019 CO Fund. This fund is used to track revenues and expenditures related to the 2019 CO Debt Issuance. Funds will be used for acquiring and improving Quail Run realignment, Park Ridge, Elevated Storage Tank, and the Lake Sharon Road Extension.

2020 CO Fund. This fund is used to track revenues and expenditures related to the 2020 CO Debt Issuance. Funds will be used for acquiring NCTC Street, Lake Sharon Extension, Commons ROW and Drainage, Lynchburg Creek Flood Mitigation, TANKO Street Lights and Walton Street.

2021 CO Fund. This fund is used to track revenues and expenditures related to the 2021 CO Debt Issuance. Funds will be used for acquiring and improving North Corinth, Main, Agora and NCTC Streets.

2023 CO Fund. This fund is used to track revenues and expenditures related to the 2023 CO Debt Issuance. Funds will be used for improving Walton Drive and Shady Shores Drainage.

COVID CARES Act Fund. This fund is used to track revenues and expenditures related to the funding signed into law on March 11, 2021, designed to speed up the recovery from the pandemic and ongoing recession. These grant funds have been earmarked for equipment and infrastructure investments within the city.

Other Governmental Funds. The non-major governmental funds are the Crime Control and Prevention Fund, Street Maintenance Fund, Hotel-Motel Tax Fund, Keep Corinth Beautiful Fund, County Child Safety Fund, Special Revenue Fund, Municipal Court Security Fund, Municipal Court Technology Fund, Police Confiscation Fund – State, Parks Development Fund, Community Park Improvement Fund, Tree Mitigation Fund, Roadway Impact Fee Fund, Fire District Sales Tax Fund, Broadband Utility Fund, Reinvestment Zone #2, Short-term Rental Vehicle Tax Fund, Street Rehabilitation Fund, Reinvestment Zone #3, Governmental Capital Projects Fund, Vehicle Replacement Fund, LCFD Vehicle & Equipment Replacement Fund, Technology Equipment Replacement Fund, 2016 CO Fund, 2017 CO Fund, 2021A CO Fund, and LCFD Public Property Fund. Each of these funds is used to account for revenues and expenditures related to specific purposes.

- The Corinth Crime Control and Prevention District Fund accounts for a special sales tax of \$.0025 levied for crime control and prevention within the City. Sales tax collections were \$47,293 more than budgeted, interest earnings were more than budgeted by \$29,185 and expenditures were \$590,934 more than budgeted. Due to the positive variances in revenues the negative variances in expenditures, actual fund balance decreased \$10,391.
- The Fire District Sales Tax fund accounts for the collection of a special sales tax of \$.0025. Sales tax collections were less than budgeted by \$18,426, interest earnings were more than budgeted by \$11,264, miscellaneous income was more than budgeted by \$2,600 and expenditures were less than budgeted by \$33,424. These combined increased actual fund balance by \$9,676.

Proprietary funds. The City of Corinth's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City maintains two enterprise funds, the Water and Wastewater Fund and the Storm Drainage Fund.

**CITY OF CORINTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Water and Wastewater Fund assets of \$49,869,451 and deferred outflows of resources of \$607,005 exceeded liabilities of \$18,444,033 and deferred inflows of resources of \$34,128, reporting net position of \$31,998,295. Total net position increased \$1,968,367 for the fiscal year and unrestricted net position decreased to \$8,254,257 from \$8,291,918 for the prior fiscal year. The water and wastewater utility reported operating income of \$1,435,436 in fiscal year 2022-2023. The net non-operating revenues and expenses were (\$80,611), which included interest income, debt service interest, and miscellaneous income, as well as, gains on the sale of aging and obsolete capital assets at auction. The largest portion of the non-operating expenses was \$559,270 of interest expense.

Storm Drainage Fund assets of \$5,917,435 and deferred outflows of \$71,815 exceeded liabilities of \$772,077 and deferred inflows of resources of \$3,330, leaving total net position of \$5,213,843. Total net position increased \$172,098 for the fiscal year and unrestricted net position increased to \$1,170,305 from \$949,915 for the prior fiscal year. The storm drainage utility reported operating income of (\$4,305) in fiscal year 2022-2023. Net non-operating revenues and expenses were \$28,439, which includes \$43,508 in interest income and \$15,069 in interest expense.

GENERAL FUND BUDGETARY HIGHLIGHTS

For fiscal year 2022-2023, General Fund actual expenditures (including transfers) were \$23,437,294 compared to the final budget of \$23,271,759. The negative \$165,535 expenditure (including transfers) variance was due to reduced costs of \$149,821 in Public Safety, \$388,695 in Community Services, \$83,679 in Public Works, \$51,489 in Planning and Community Development, \$469,691 in City Administration and \$371 in Finance and Administrative Services, and increased costs of \$1,309,281 in Capital Outlay. Actual revenue (including transfers) was \$25,013,427 compared to the final budget of \$23,834,455. The \$1,178,972 positive revenue (including transfers) variance was due to increased revenue of \$212,822 for sales tax, \$71,421 for franchise fees, \$605,016 for development fees and permits, \$379,400 for fire services, \$137,226 for interest income, \$1,688,947 for miscellaneous income, \$62,861 for charges for services, along with decreased revenue of \$119,374 for property taxes, \$101,894 for utility fees, \$86,003 for traffic fines and forfeitures, \$4,986 for police fees and permits, \$2,845 for parks and recreation fees, \$8,445 for donations and \$1,655,174 for transfers in.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Corinth's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to \$111,207,854 (net of accumulated depreciation/amortization). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, infrastructure, right-to-use leased and right-to-use subscription-based information technology arrangement assets. The total change in the City's investment in capital assets for the current fiscal year represents purchases, retirements, construction in progress for infrastructure and transfers and adjustments.

**TABLE III
CAPITAL ASSETS AT YEAR-END**

	Governmental Activities		Business-Type Activities		TOTAL	
	2023	2022	2023	2022	2023	2022
Land	\$ 14,596,666	\$ 13,943,705	\$ 538,350	\$ 538,350	\$ 15,135,016	\$14,482,055
CIP	19,052,499	4,817,177	887,029	1,893,500	19,939,528	6,710,677
Buildings	12,992,476	12,881,056	1,395,479	1,358,880	14,387,955	14,239,936
Machinery and equipment	3,401,789	3,128,786	964,392	311,010	4,366,181	3,439,796
Infrastructure	25,576,054	28,207,015	28,268,735	26,149,306	53,844,789	54,356,321
Right-to-use leased assets	2,582,604	2,316,358	297,951	183,411	2,880,555	2,499,769
Right-to-use SBITA assets	653,830	-	-	-	653,830	-
Total capital assets	\$ 78,855,918	\$ 65,294,097	\$ 32,351,936	\$ 30,434,457	\$111,207,854	\$95,728,554

Additional information on the City's capital assets can be found in the notes to the financial statements in the Basic Financial Statements section of this report.

**CITY OF CORINTH, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$66,465,004, consisting of General Obligation Bonds and Certificates of Obligation. Debt can be reallocated among the Governmental and Business-Type Activities to reflect the amount of outstanding debt related to capital projects. All debt payments were made when due. Total outstanding debt increased by \$7,380,000 in fiscal year 2022-2023 due primarily to the issuance of bonds (see Note 6).

**TABLE IV
OUTSTANDING DEBT AT YEAR-END**

	Governmental Activities		Business-Type Activities		TOTAL	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 2,681,239	\$ 3,269,518	\$ 3,038,765	\$ 3,705,486	\$ 5,720,004	\$ 6,975,004
Certificates of Obligation	49,365,410	45,761,394	11,379,590	6,348,606	60,745,000	52,110,000
Total bonded debt	\$ 52,046,649	\$ 49,030,912	\$ 14,418,355	\$ 10,054,092	\$ 66,465,004	\$ 59,085,004

These amounts do not include net unamortized premiums/(discounts) of \$4,716,436 nor net deferred gain/(loss) on refunding of (\$20,270). Additional information on the City's long-term debt can be found in the Basic Financial Statements section of this report.

In March 2023, S&P Global Ratings raised its underlying rating (SPUR) to "AA+" from "AA" on the City's existing general obligation debt and certificates of obligation, and Moody's affirmed its "Aa2" rating. The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including the payment of principal and interest on general obligation long-term debt. The current ratio of tax-supported debt to certified assessed value of all taxable property is 2.05%.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City continues to rely heavily on property tax to support its continuing operations, with the City being approximately 85% residential. Certified property values increased 13.46% for the 2023 tax year over the 2022 certified value. Sales tax, the second largest tax revenue source for the General Fund during FY 2022-2023, also increased by 11.0% over the prior year's receipts. The City is focused on the implementation its Embracing the Future – 2030 Strategic Plan to achieve its vision of becoming a community that is conveniently located, delivers outstanding services, engages its residents, and provides the right mix of high-quality retail, restaurants, and entertainment. The City is focusing on its investments in economic development, mobility, the transit-oriented development (TOD) district, infrastructure, quality development, regional cooperation, broadband, and employees, and recognizes that partnerships are essential to excellent service delivery. Multiple developments, including mixed-used communities and residential developments, are currently underway or planned that will accommodate approximately 7,000 new residents in Corinth. As a result of these developments, the city expects a substantial increase in ad valorem and sales tax over the next few years.

The City Council approved a tax rate of \$0.54000 for fiscal year 2022-2023. General operations and maintenance will receive \$0.40200 of the total and the remaining \$0.13800 will fund long-term debt of the City.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Finance, City of Corinth, 3300 Corinth Parkway, Corinth, Texas, 76208.

BASIC FINANCIAL STATEMENTS

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Corinth Economic Development Corporation	Corinth Economic Development Foundation
Assets					
Cash and cash equivalents	\$ 8,830,191	\$ 3,159,775	\$ 11,989,966	\$ 1,089,124	\$ -
Investments	30,017,104	17,317,405	47,334,509	2,891,575	-
Receivables (net of allowance)					
Accounts	4,978,966	2,860,782	7,839,748	222,028	-
Inventories	6,108	96,509	102,617	-	-
Prepaid items	29,908	479	30,387	-	-
Capital assets not being depreciated					
Land	14,596,666	538,350	15,135,016	1,216,400	1,805,903
Construction in progress	19,052,499	887,029	19,939,528	-	-
Capital assets (net of accumulated depreciation/amortization)					
Buildings	12,992,476	1,395,479	14,387,955	-	-
Machinery and equipment	3,401,789	964,392	4,366,181	-	-
Infrastructure	25,576,054	28,268,735	53,844,789	-	-
Right to use leased assets	2,582,604	297,951	2,880,555	-	-
Right to use SBITA assets	653,830	-	653,830	-	-
Total assets	<u>122,718,195</u>	<u>55,786,886</u>	<u>178,505,081</u>	<u>5,419,127</u>	<u>1,805,903</u>
Deferred Outflows of Resources					
Deferred loss from refunding	-	24,019	24,019	-	-
Deferred outflows - pension	4,900,440	639,358	5,539,798	67,692	-
Deferred outflows - OPEB	104,926	15,443	120,369	1,251	-
Total deferred outflows of resources	<u>5,005,366</u>	<u>678,820</u>	<u>5,684,186</u>	<u>68,943</u>	<u>-</u>
Liabilities					
Accounts payable	1,901,530	1,234,225	3,135,755	9,978	-
Accrued liabilities	347,877	31,434	379,311	1,398	-
Accrued interest payable	363,259	232,774	596,033	-	-
Municipal court bonds	9,484	-	9,484	-	-
Customer meter deposits	-	716,345	716,345	-	-
Other liabilities	2,557,607	-	2,557,607	-	-
Unearned revenues	2,084,972	-	2,084,972	-	-
Noncurrent liabilities					
Due within one year	5,395,766	1,403,935	6,799,701	1,016	-
Due in more than one year	56,730,786	14,457,734	71,188,520	-	-
Net pension liability	8,557,728	1,094,891	9,652,619	115,950	-
Total OPEB liability	328,488	44,772	373,260	3,881	-
Total liabilities	<u>78,277,497</u>	<u>19,216,110</u>	<u>97,493,607</u>	<u>132,223</u>	<u>-</u>

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

City of Corinth, Texas
Statement of Net Position (Exhibit A-1)
September 30, 2023

Deferred Inflows of Resources					
Deferred gain on refunding	3,750	-	3,750	-	-
Deferred inflows - lease related	231,792	-	231,792	-	-
Deferred inflows - pension	68,161	9,402	77,563	783	-
Deferred inflows - OPEB	210,074	28,056	238,130	2,700	-
Total deferred inflows of resources	<u>513,777</u>	<u>37,458</u>	<u>551,235</u>	<u>3,483</u>	<u>-</u>
Net Position					
Net investment in capital assets	37,573,975	25,661,449	63,235,424	1,216,400	1,805,903
Restricted for capital projects	347,061	2,126,127	2,473,188	-	-
Restricted for specific programs	2,646,434	-	2,646,434	-	-
Restricted for debt service	691,217	-	691,217	-	-
Restricted for economic development	-	-	-	4,135,964	-
Unrestricted	<u>7,673,600</u>	<u>9,424,562</u>	<u>17,098,162</u>	<u>-</u>	<u>-</u>
Total net position	<u><u>\$ 48,932,287</u></u>	<u><u>\$ 37,212,138</u></u>	<u><u>\$ 86,144,425</u></u>	<u><u>\$ 5,352,364</u></u>	<u><u>\$ 1,805,903</u></u>

	Program Revenue			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities				
Public safety	\$ 14,880,320	\$ 5,906,447	\$ -	\$ 1,571,878
Community services	2,584,004	109,498	12,055	-
Public works	5,217,679	170,717	-	-
Planning and community development	1,190,610	1,181,641	-	-
City administration	3,693,108	50,420	74,589	-
Finance and administrative services	1,355,623	-	-	-
Interest on long-term debt	986,950	-	430,216	-
Total governmental activities	<u>29,908,294</u>	<u>7,418,723</u>	<u>516,860</u>	<u>1,571,878</u>
Business-type activities				
Water and sewer	15,606,723	16,482,889	-	898,874
Storm drainage	807,480	788,106	-	153,967
Total business-type activities	<u>16,414,203</u>	<u>17,270,995</u>	<u>-</u>	<u>1,052,841</u>
Total primary government	<u>46,322,497</u>	<u>24,689,718</u>	<u>516,860</u>	<u>2,624,719</u>
Component units				
Corinth Economic Development Corporation	1,356,426	-	-	-
Corinth Economic Development Foundation	1,356,413	-	-	-
Total component units	<u>\$ 2,712,839</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General Revenues				
Taxes				
Property taxes				
Sales taxes				
Franchise taxes				
Hotel occupancy tax				
Vehicle tax				
Investment income (loss)				
Other income				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning				
Net position, ending				

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

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Corinth Economic Development Corporation	Corinth Economic Development Foundation
\$ (7,401,995)	\$ -	\$ (7,401,995)		
(2,462,451)	-	(2,462,451)		
(5,046,962)	-	(5,046,962)		
(8,969)	-	(8,969)		
(3,568,099)	-	(3,568,099)		
(1,355,623)	-	(1,355,623)		
<u>(556,734)</u>	<u>-</u>	<u>(556,734)</u>		
<u>(20,400,833)</u>	<u>-</u>	<u>(20,400,833)</u>		
-	1,775,040	1,775,040		
-	134,593	134,593		
<u>-</u>	<u>1,909,633</u>	<u>1,909,633</u>		
<u>(20,400,833)</u>	<u>1,909,633</u>	<u>(18,491,200)</u>		
			(1,356,426)	-
			<u>-</u>	<u>(1,356,413)</u>
			<u>(1,356,426)</u>	<u>(1,356,413)</u>
16,033,365	-	16,033,365	-	-
3,425,043	-	3,425,043	1,170,197	-
1,217,973	-	1,217,973	-	-
119,539	-	119,539	-	-
147,926	-	147,926	-	-
1,787,287	476,066	2,263,353	105,275	1,748
1,735,720	26,075	1,761,795	3,000	-
56,350	20,026	76,376	-	-
291,335	(291,335)	-	-	-
<u>24,814,538</u>	<u>230,832</u>	<u>25,045,370</u>	<u>1,278,472</u>	<u>1,748</u>
4,413,705	2,140,465	6,554,170	(77,954)	(1,354,665)
<u>44,518,582</u>	<u>35,071,673</u>	<u>79,590,255</u>	<u>5,430,318</u>	<u>3,160,568</u>
<u>\$ 48,932,287</u>	<u>\$ 37,212,138</u>	<u>\$ 86,144,425</u>	<u>\$ 5,352,364</u>	<u>\$ 1,805,903</u>

	General	Debt Service	2019 CO Fund	2020 CO Fund
Assets				
Cash and cash equivalents	\$ 70,885	\$ 761,786	\$ 73,458	\$ 503,858
Investments	7,626,183	244,927	7,365,757	5,195,476
Receivables (net of allowance)				
Property taxes	147,724	47,466	-	-
Sales taxes	444,600	-	-	-
Accounts	472	-	-	-
Interest	39,160	63	27	1,091
Warrants	2,118,631	-	-	-
Ambulance	978,476	-	-	-
Leases	-	-	-	-
Miscellaneous	342,659	-	-	-
Due from other governments	42,953	234	-	-
Inventories	6,108	-	-	-
Prepaid items	22,908	-	-	-
	<u>\$ 11,840,759</u>	<u>\$ 1,054,476</u>	<u>\$ 7,439,242</u>	<u>\$ 5,700,425</u>
Liabilities				
Accounts payable	\$ 781,424	\$ -	\$ 616,033	\$ 327,454
Accrued liabilities	267,104	-	-	-
Municipal court bonds	9,484	-	-	-
Other liabilities	1,129,004	-	515,649	57,849
Unearned revenue	-	-	-	-
Total liabilities	<u>2,187,016</u>	<u>-</u>	<u>1,131,682</u>	<u>385,303</u>
Deferred Inflows of Resources				
Lease related	-	-	-	-
Unavailable revenue	2,120,197	49,145	-	-
Total deferred inflows of resources	<u>2,120,197</u>	<u>49,145</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	29,016	-	-	-
Restricted	-	1,005,331	6,307,560	5,315,122
Committed	-	-	-	-
Unassigned	7,504,530	-	-	-
Total fund balances	<u>7,533,546</u>	<u>1,005,331</u>	<u>6,307,560</u>	<u>5,315,122</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,840,759</u>	<u>\$ 1,054,476</u>	<u>\$ 7,439,242</u>	<u>\$ 5,700,425</u>

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

City of Corinth, Texas
Balance Sheet – Governmental Funds (Exhibit A-3)
September 30, 2023

2021 CO Fund	2023 CO Fund	COVID CARES Act Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 638,804	\$ 2,161,009	\$ 4,620,391	\$ 8,830,191
-	5,379,381	-	4,205,380	30,017,104
-	-	-	-	195,190
-	-	-	194,569	639,169
-	-	-	-	472
-	25,891	-	10,743	76,975
-	-	-	-	2,118,631
-	-	-	-	978,476
-	-	-	233,416	233,416
-	-	-	350,791	693,450
-	-	-	-	43,187
-	-	-	-	6,108
-	-	-	7,000	29,908
<u>\$ -</u>	<u>\$ 6,044,076</u>	<u>\$ 2,161,009</u>	<u>\$ 9,622,290</u>	<u>\$ 43,862,277</u>
\$ -	\$ -	\$ 4,480	\$ 172,139	\$ 1,901,530
-	-	-	80,773	347,877
-	-	-	-	9,484
-	-	-	855,105	2,557,607
-	-	2,061,335	-	2,061,335
<u>-</u>	<u>-</u>	<u>2,065,815</u>	<u>1,108,017</u>	<u>6,877,833</u>
-	-	-	231,792	231,792
-	-	-	203,541	2,372,883
<u>-</u>	<u>-</u>	<u>-</u>	<u>435,333</u>	<u>2,604,675</u>
-	-	-	7,000	36,016
-	6,044,076	95,194	4,527,046	23,294,329
-	-	-	3,544,894	3,544,894
-	-	-	-	7,504,530
<u>-</u>	<u>6,044,076</u>	<u>95,194</u>	<u>8,078,940</u>	<u>34,379,769</u>
<u>\$ -</u>	<u>\$ 6,044,076</u>	<u>\$ 2,161,009</u>	<u>\$ 9,622,290</u>	<u>\$ 43,862,277</u>

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City of Corinth, Texas
 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position (Exhibit A-4)
 September 30, 2023

Total Fund Balances - Governmental Funds \$ 34,379,769

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. 78,855,918

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. As a result, these liabilities decrease net position:

Leases payable	(2,288,769)
SBITAs payable	(619,616)
Bonds payable	(55,645,143)
Notes payable	(2,020,168)
Accrued compensated absences	(1,552,856)

Deferred gain on bond refunding is not included in the governmental funds but is deferred and amortized in the government wide statements. (3,750)

Payables for bond interest which are not due in the current period are not reported in the fund financial statements but are included in the statement of net position. This results in a decrease in net position. (363,259)

Included in liabilities is the recognition of the City's net pension liability in the amount of \$8,557,727, a deferred inflow of resources of \$68,161 and a deferred outflow of resources of \$4,900,440. This results in a decrease in net position. (3,725,449)

Included in liabilities is the recognition of the City's total OPEB liability in the amount of \$328,488, a deferred inflow of resources of \$210,074, and a deferred outflow of resources of \$104,926. This results in a decrease in net position. (433,636)

Other adjustments are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting. Net property taxes receivable of \$201,996, net fines, fees and court costs receivable of \$999,159, net fees for ambulance receivables of \$904,288, franchise tax receivable for \$63,427, grant receivable of \$179,904, and net receivable for other items of \$472, were unavailable to pay for the current period expenditures and are deferred inflows in the governmental funds but are recognized as revenue in the government wide statements. This results in an increase in net position. 2,349,246

Net Position of Governmental Activities \$ 48,932,287

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

	General	Debt Service	2019 CO Fund	2020 CO Fund
Revenues				
Taxes				
Property	\$ 11,817,916	\$ 4,078,467	\$ -	\$ -
Sales	2,361,496	-	-	-
Hotel occupancy tax	-	-	-	-
Franchise	1,097,211	-	-	-
Vehicle	-	-	-	-
Escrow and impact fees	-	-	-	-
Utility fees	50,420	-	-	-
Traffic fines and forfeitures	618,272	-	-	-
Development fees and permits	1,181,641	-	-	-
Police fees and permits	585,798	-	-	-
Parks and recreation fees	85,155	-	-	-
Fire services	3,990,044	-	-	-
Donations	12,055	-	-	-
Investment income	181,226	52,696	426,173	357,175
Grants	-	-	-	-
Miscellaneous income	1,734,249	430,216	-	-
Charges for services	109,498	-	-	-
Total revenues	<u>23,824,981</u>	<u>4,561,379</u>	<u>426,173</u>	<u>357,175</u>
Expenditures				
Current				
Public safety	12,258,023	-	-	-
Community services	1,747,452	-	-	340,658
Public works	862,423	-	83,419	28,744
Planning and community development	1,108,543	-	-	-
City administration	3,025,619	-	-	-
Finance and administrative services	1,259,753	-	-	-
Debt service				
Principal	-	3,277,552	-	-
Interest	-	1,014,343	-	-
Issuance cost and fees	-	1,500	-	-
Capital outlay	1,309,281	-	3,474,487	3,126,185
Total expenditures	<u>21,571,094</u>	<u>4,293,395</u>	<u>3,557,906</u>	<u>3,495,587</u>
Excess (Deficiency) of Revenues over (under) Expenditures	2,253,887	267,984	(3,131,733)	(3,138,412)
Other Financing Sources (Uses)				
Bond proceeds	-	-	-	-
Premium on bonds issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Loan proceeds	56,512	-	-	-
Lease proceeds	182,516	-	-	-
Subscription IT proceeds	537,086	-	-	-
Transfers out	(1,866,200)	-	-	-
Transfers in	1,188,446	119,498	300,000	-
Total other financing sources (uses)	<u>98,360</u>	<u>119,498</u>	<u>300,000</u>	<u>-</u>
Net Change in Fund Balance	2,352,247	387,482	(2,831,733)	(3,138,412)
Fund Balance - October 1 (Beginning)	5,181,299	617,849	9,139,293	8,453,534
Fund Balance - September 30 (Ending)	<u>\$ 7,533,546</u>	<u>\$ 1,005,331</u>	<u>\$ 6,307,560</u>	<u>\$ 5,315,122</u>

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

City of Corinth, Texas

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (Exhibit A-5)
Year Ended September 30, 2023

2021 CO Fund	2023 CO Fund	COVID CARES Act Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 90,451	\$ 15,986,834
-	-	-	1,063,547	3,425,043
-	-	-	119,539	119,539
-	-	-	119,943	1,217,154
-	-	-	147,926	147,926
-	-	-	170,717	170,717
-	-	-	-	50,420
-	-	-	56,557	674,829
-	-	-	-	1,181,641
-	-	-	29,046	614,844
-	-	-	145,940	231,095
-	-	-	-	3,990,044
-	-	-	74,589	86,644
137,315	119,970	92,928	419,804	1,787,287
-	-	1,391,974	-	1,391,974
-	-	1,357	138,038	2,303,860
-	-	-	-	109,498
<u>137,315</u>	<u>119,970</u>	<u>1,486,259</u>	<u>2,576,097</u>	<u>33,489,349</u>
-	-	-	782,775	13,040,798
-	-	-	78,572	2,166,682
-	-	-	885,776	1,860,362
-	-	-	-	1,108,543
-	-	-	164,016	3,189,635
-	-	-	-	1,259,753
-	-	-	574,057	3,851,609
-	-	-	65,948	1,080,291
-	106,145	-	-	107,645
4,898,181	-	917,665	5,212,554	18,938,353
<u>4,898,181</u>	<u>106,145</u>	<u>917,665</u>	<u>7,763,698</u>	<u>46,603,671</u>
(4,760,866)	13,825	568,594	(5,187,601)	(13,114,322)
-	5,654,700	-	-	5,654,700
-	375,551	-	-	375,551
-	-	-	144,696	144,696
-	-	-	-	56,512
-	-	-	653,138	835,654
-	-	-	-	537,086
-	-	(475,666)	(1,819,005)	(4,160,871)
-	-	-	2,844,262	4,452,206
<u>-</u>	<u>6,030,251</u>	<u>(475,666)</u>	<u>1,823,091</u>	<u>7,895,534</u>
(4,760,866)	6,044,076	92,928	(3,364,510)	(5,218,788)
4,760,866	-	2,266	11,443,450	39,598,557
<u>\$ -</u>	<u>\$ 6,044,076</u>	<u>\$ 95,194</u>	<u>\$ 8,078,940</u>	<u>\$ 34,379,769</u>

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City of Corinth, Texas
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental
 Funds to the Statement of Activities (Exhibit A-6)
 Year Ended September 30, 2023

Net Change in Fund Balances - Total Governmental Funds		\$ (5,218,788)
Amounts reported for governmental activities in the statement of activities are different because:		
Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements.		18,954,634
The net book value of capital assets disposed reduces net position.		(88,346)
Depreciation and amortization are not recognized as an expenditure in governmental funds since it does not require the use of current financial resources.		(5,567,402)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Issuance of bonds	(5,654,700)	
Issuance of bond premium	(375,551)	
Issuance of leases	(835,654)	
Issuance of SBITAs	(537,086)	
Issuance of notes payable	(56,512)	
Bond principal repayments	2,638,963	
Lease principal repayment	879,409	
SBITA principal repayment	180,405	
Notes payable principal repayment	152,832	
Amortization of bond premium	313,301	
Amortization of deferred gain on bond refunding	<u>1,249</u>	
		(3,293,344)
Changes in long-term liabilities for compensated absences are not reported in the governmental funds but are included in the statement of activities.		(241,462)
Interest payable on long-term debt is accrued in the government-wide financial statements, whereas in the fund financial statements, interest expenditures are reported when due.		
The current year change in the interest accrual is a decrease in net position.		(113,564)
Certain pension expenditures that are recorded in the fund financial statements must be recorded as deferred outflows of resources. Contributions made after the measurement date caused the change in net position to increase in the amount of \$1,637,841. The City's unrecognized deferred inflows and outflows for TMRS as of the measurement date must be amortized and the City's pension expense must be recognized. These cause the change in net position to decrease in the amount of \$2,129,444.		(491,604)
Certain OPEB expenditures that are recorded in the fund financial statements must be recorded as deferred outflows of resources. Contributions made after the measurement date caused the change in net position to increase in the amount of \$29,986. The City's unrecognized deferred inflows and outflows for TMRS as of the measurement date must be amortized and the City's OPEB expense must be recognized. These cause the change in net position to decrease in the amount of \$41,370.		(11,384)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred inflows of resources as revenue, adjusting current year revenue to include the revenue earned from current year's tax levy, and eliminating interfund transactions. These adjustments result in an increase in net position.		<u>484,965</u>
Change in Net Position of Governmental Activities		<u>\$ 4,413,705</u>

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

	Enterprise Funds		
	Water and Sewer Fund	Storm Drainage Fund	Total Enterprise Funds
Assets			
Current assets			
Cash and cash equivalents	\$ 2,472,972	\$ 686,803	\$ 3,159,775
Investments	16,860,310	457,095	17,317,405
Receivables (net of allowance)			
Accounts	2,698,234	94,276	2,792,510
Interest	66,065	-	66,065
Miscellaneous	2,207	-	2,207
Inventories	87,586	8,923	96,509
Prepaid items	479	-	479
Total current assets	<u>22,187,853</u>	<u>1,247,097</u>	<u>23,434,950</u>
Noncurrent assets			
Capital assets			
Land	526,350	12,000	538,350
Construction in progress	288,450	598,579	887,029
Buildings	1,911,916	-	1,911,916
Machinery and equipment	1,550,978	371,210	1,922,188
Infrastructure	51,716,770	7,541,127	59,257,897
Right to use leased assets	371,167	30,571	401,738
Less accumulated amortization	(91,886)	(11,901)	(103,787)
Less accumulated depreciation	<u>(28,592,147)</u>	<u>(3,871,248)</u>	<u>(32,463,395)</u>
Total capital assets, net	<u>27,681,598</u>	<u>4,670,338</u>	<u>32,351,936</u>
Total assets	<u>49,869,451</u>	<u>5,917,435</u>	<u>55,786,886</u>
Deferred Outflows of Resources			
Deferred charge on refunding	20,770	3,249	24,019
Deferred outflows - pension	572,008	67,350	639,358
Deferred outflows - OPEB liability	14,227	1,216	15,443
Total deferred outflows of resources	<u>607,005</u>	<u>71,815</u>	<u>678,820</u>
Liabilities			
Current liabilities			
Accounts payable	1,222,384	11,841	1,234,225
Accrued liabilities	30,035	1,399	31,434
Accrued interest payable	229,261	3,513	232,774
Customer deposits	716,345	-	716,345
Current portion of leases	67,776	5,221	72,997
Current portion of compensated absences	73,802	2,729	76,531
Current portion of bonds	1,104,193	150,214	1,254,407
Total current liabilities	<u>3,443,796</u>	<u>174,917</u>	<u>3,618,713</u>

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

City of Corinth, Texas
Statement of Net Position – Proprietary Funds (Exhibit A-7)
September 30, 2023

Noncurrent liabilities			
Leases	122,835	2,697	125,532
Compensated absences	47,317	2,995	50,312
Net pension liability	978,358	116,533	1,094,891
Total OPEB liability	41,754	3,018	44,772
Bonds	13,809,973	471,917	14,281,890
Total noncurrent liabilities	<u>15,000,237</u>	<u>597,160</u>	<u>15,597,397</u>
Total liabilities	<u>18,444,033</u>	<u>772,077</u>	<u>19,216,110</u>
Deferred Inflows of Resources			
Deferred inflows - pension	8,615	787	9,402
Deferred inflows - OPEB	25,513	2,543	28,056
Total deferred inflows of resources	<u>34,128</u>	<u>3,330</u>	<u>37,458</u>
Net Position			
Net investment in capital assets	21,617,911	4,043,538	25,661,449
Restricted for capital projects	2,126,127	-	2,126,127
Unrestricted	8,254,257	1,170,305	9,424,562
Total net position	<u>\$ 31,998,295</u>	<u>\$ 5,213,843</u>	<u>\$ 37,212,138</u>

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City of Corinth, Texas
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds (Exhibit A-8)
Year Ended September 30, 2023

	Enterprise Funds		
	Water and Sewer Fund	Storm Drainage Fund	Total Enterprise Funds
Operating Revenues			
Charges for sales and services:			
Water sales	\$ 9,309,271	\$ -	\$ 9,309,271
Sewer disposal	5,040,384	-	5,040,384
Storm drainage fees	-	753,362	753,362
Garbage	1,202,221	-	1,202,221
Penalties and reconnect fees	183,320	-	183,320
Tap fees	688,657	-	688,657
Service fees	1,305	-	1,305
Inspections	57,731	34,744	92,475
Total Operating Revenues	<u>16,482,889</u>	<u>788,106</u>	<u>17,270,995</u>
Operating Expenses			
Wages and benefits	2,201,765	197,788	2,399,553
Professional services and contracts	1,732,446	117,635	1,850,081
Upper Trinity contract fees	7,367,564	-	7,367,564
Maintenance and operations	508,329	33,607	541,936
Supplies	85,917	8,694	94,611
Utilities and communication	548,542	2,882	551,424
Vehicles/equipment and fuel	301,042	30,142	331,184
Travel and training	32,013	1,519	33,532
Amortization	15,441	-	15,441
Depreciation	2,254,394	400,144	2,654,538
Total Operating Expenses	<u>15,047,453</u>	<u>792,411</u>	<u>15,839,864</u>
Operating Income	<u>1,435,436</u>	<u>(4,305)</u>	<u>1,431,131</u>
Nonoperating Revenues (Expenses)			
Interest income	432,558	43,508	476,066
Miscellaneous income (expense)	26,075	-	26,075
Gain on sale of capital assets	20,026	-	20,026
Interest expense	(559,270)	(15,069)	(574,339)
Total Nonoperating (Expenses) Revenues	<u>(80,611)</u>	<u>28,439</u>	<u>(52,172)</u>
Income Before Contributions and Transfers	<u>1,354,825</u>	<u>24,134</u>	<u>1,378,959</u>
Contributions and Transfers			
Special assessment - water and sewer impact fees	757,841	-	757,841
Capital contributions	141,033	153,967	295,000
Transfers in	10,846,025	231,855	11,077,880
Transfers out	(11,131,357)	(237,858)	(11,369,215)
Total Contributions and Transfers	<u>613,542</u>	<u>147,964</u>	<u>761,506</u>
Change in Net Position	1,968,367	172,098	2,140,465
Net Position, Beginning	<u>30,029,928</u>	<u>5,041,745</u>	<u>35,071,673</u>
Net Position, Ending	<u>\$ 31,998,295</u>	<u>\$ 5,213,843</u>	<u>\$ 37,212,138</u>

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

	Enterprise Funds		
	Water and Sewer Fund	Storm Drainage Fund	Total Enterprise Funds
Cash Flows from Operating Activities			
Receipts from customers	\$ 16,194,303	\$ 784,621	\$ 16,978,924
Payments to or on behalf of employees	(2,116,028)	(190,880)	(2,306,908)
Payments to Upper Trinity for contract fees	(7,367,564)	-	(7,367,564)
Payments to suppliers	(3,072,984)	(196,861)	(3,269,845)
Net Cash Provided by Operating Activities	<u>3,637,727</u>	<u>396,880</u>	<u>4,034,607</u>
Cash Flows from Noncapital Financing Activities			
Transfers out	(11,131,357)	(237,858)	(11,369,215)
Transfers in	10,846,025	231,855	11,077,880
Net Cash Used by Noncapital Financing Activities	<u>(285,332)</u>	<u>(6,003)</u>	<u>(291,335)</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition of capital assets	(4,150,607)	(141,851)	(4,292,458)
Issuance of bonds	5,325,300	-	5,325,300
Issuance of leases	128,545	-	128,545
Principal paid on bonds	(837,702)	(123,335)	(961,037)
Principal paid on leases	(69,642)	(8,970)	(78,612)
Interest paid on bonds	(155,870)	(34,757)	(190,627)
Proceeds from sale of assets	20,026	-	20,026
Special assessments- impact fees	757,841	-	757,841
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>1,017,891</u>	<u>(308,913)</u>	<u>708,978</u>
Cash Flows from Investing Activities			
Decrease (increase) in short-term investments	(7,145,311)	(20,215)	(7,165,526)
Interest received	396,294	43,508	439,802
Net Cash (Used) Provided by Investing Activities	<u>(6,749,017)</u>	<u>23,293</u>	<u>(6,725,724)</u>
Net Change in Cash and Cash Equivalents	(2,378,731)	105,257	(2,273,474)
Cash and Cash Equivalents, Beginning	<u>4,851,703</u>	<u>581,546</u>	<u>5,433,249</u>
Cash and Cash Equivalents, Ending	<u>\$ 2,472,972</u>	<u>\$ 686,803</u>	<u>\$ 3,159,775</u>

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

City of Corinth, Texas
Statement of Cash Flows – Proprietary Funds (Exhibit A-9)
Year Ended September 30, 2023

	Enterprise Funds		
	Water and Sewer Fund	Storm Drainage Fund	Total Enterprise Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating income (loss)	\$ 1,435,436	\$ (4,305)	\$ 1,431,131
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation and amortization	2,269,835	400,144	2,669,979
(Increase) decrease in accounts receivable	(340,101)	(3,485)	(343,586)
(Increase) decrease in inventories	(33,134)	(3,826)	(36,960)
(Increase) decrease in prepaid items	(479)	-	(479)
Increase (decrease) in accounts payable	168,918	1,444	170,362
Increase (decrease) in customer deposits	51,515	-	51,515
Increase (decrease) in accrued liabilities	85,737	6,908	92,645
Net Cash Provided by Operating Activities	<u>\$ 3,637,727</u>	<u>\$ 396,880</u>	<u>\$ 4,034,607</u>
Noncash Investing and Financing Activities			
Infrastructure contributed by developers	\$ 141,033	\$ 153,967	\$ 295,000

Note 1 - Reporting Entity

The City of Corinth, Texas (the City) is a municipal corporation governed by an elected mayor and five-member council. 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 are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The financial statements of the City have been prepared in conformity with accounting principles applicable to governmental units which are generally accepted in the United States of America. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The City's basic financial statements include the accounts of all its operations. The City evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the City's reporting entity, as set forth in GASB Statement No. 14, "The Financial Reporting Entity," as amended, include whether:

- the organization is legally separate (can sue and be sued in their own name),
- the City holds the corporate powers of the organization,
- the City appoints a voting majority of the organization's board,
- the City is able to impose its will on the organization,
- the organization has the potential to impose a financial benefit/burden on the City,
- there is fiscal dependency by the organization on the City.

The City also evaluated each legally separate, tax-exempt organization whose resources are used principally to provide support to the City to determine if its omission from the reporting entity would result in the financial statements which are misleading or incomplete. GASB Statement No. 39 requires inclusion of such an organization as a component unit when: 1) the economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the City, its component units or its constituents; and 2) the City or its component units is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) such economic resources are significant to the City.

Based on the criteria above, the City has the following component units:

Blended component units. The Corinth Crime Control and Prevention District (CCD) was organized under state law and serves all the citizens of the City and is financed by a one-quarter of one percent (.0025) sales and use tax for the support of crime reduction programs authorized by the City. The Fire District was organized under state law and serves all the citizens of the City and is financed by a one-quarter of one percent (.0025) sales and use tax for the support of fire control, prevention, and emergency services authorized by the City. The CCD and Fire District are governed by a board of directors, the members of which are appointed and serve at the discretion of the City Council. Because the CCD and Fire District boards are made up of the City Council, the CCD and Fire District meets the standard that the board is substantially the same as the City Council. The CCD and Fire District provide services entirely to the City. Therefore, the CCD and Fire District are reported as blended component units. The CCD and Fire District are reported as a special revenue funds and do not issue separate financial statements.

Discretely presented component units. The Corinth Economic Development Corporation (CEDC) was organized under state law for the purpose of promoting economic development. State statutes define projects that the corporation may fund. The CEDC is governed by a board of directors that are appointed by and serve at the discretion of the City Council. The CEDC is reported as a governmental fund and its accounts are maintained on the modified accrual basis of accounting. CEDC does not issue separate financial statements.

The Corinth Economic Development Foundation (CEDF) was organized as a nonprofit corporation to promote and enhance the economic and business community in the City of Corinth. The CEDF is governed by a board of directors that are appointed by and serve at the discretion of the City Council. The CEDF is reported as a governmental fund and its accounts are maintained on the modified accrual basis of accounting. CEDF does not issue separate financial statements.

Note 2 - Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as general revenue.

Separate financial statements are provided for governmental and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported in separate columns in the fund financial statements.

Note 3 - Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, franchise taxes, sales taxes, certain charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

- The **Debt Service Fund** is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
- The **2019 CO Fund** is used to account for the resources obtained from the issuance of the 2019 \$19,205,000 Combination Tax and Limited Surplus Revenue Certificates of Obligation.
- The **2020 CO Fund** is used to account for the resources obtained from the issuance of the 2020 \$9,260,000 Combination Tax and Limited Surplus Revenue Certificates of Obligation.
- The **2021 CO Fund** is used to account for the resources obtained from the issuance of the 2021 \$4,740,000 Combination Tax and Limited Surplus Revenue Certificates of Obligation.
- The **2023 CO Fund** is used to account for the resources obtained from the issuance of the 2023 \$5,654,700 Combination Tax and Limited Surplus Revenue Certificates of Obligation.
- The **COVID CARES Act Fund** is used to account for grant funding received from the CARES Act.

The City reports the following major proprietary fund types:

- **Water and Sewer Fund** – The Water and Sewer Fund provides water and wastewater services to the residents and businesses of Corinth. The activities supporting the delivery of services are accounted for in this fund, including operations and maintenance, administration, billing, financing and debt service. The Water and Sewer Fund is financed and operated in a manner similar to private business enterprises, where the determination of net income is necessary or useful to sound financial administration.
- **Storm Drainage Fund** – The Storm Drainage Utility Fund is used to protect the public health and safety from damage caused by surface water overflows, and surface water stagnation and pollution within the city.

Additionally, the City reports the following fund types:

- Nonmajor special revenue funds account for specific revenue sources that are legally restricted to expenditures for specialized purposes or committed for special projects.
- Nonmajor capital projects funds are used to account for acquisition and construction of major capital facilities (other than those accounted for within the City's proprietary funds) and vehicle replacement funds. Capital projects are funded primarily through certificates of obligation.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The Water and Sewer Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses include cost of sales and services, administrative expenses and depreciation expense on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Implementation of GASB Statement No. 96

As of October 1, 2022, the City adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA). The implementation of this standard establishes that a SBITA results in a right to use subscription IT asset -an intangible asset - and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The Statement requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provisions of the contract. The effect of the implementation of this standard had no effect on beginning net position. The additional disclosures required by this standard are included in Note 6.

Note 4 - Assets, Liabilities, and Net Position or Equity

Cash and Cash Equivalents

For purposes of the statement of cash flows for the proprietary fund types, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investments

Investments for the City and CEDC are reported at fair value (generally based on quoted market prices), except for the positions in TexPool and TexSTAR. In accordance with state law, TexPool and TexSTAR operate in conformity with the requirements of the Securities and Exchange Commission's (SEC) Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended.

Accordingly, TexPool and TexSTAR qualify as 2a-7 like pools and are reported at amortized cost. The Pools are subject to regulatory oversight by the State Comptroller, although they are not registered with the SEC.

Fair Value Measurements

Fair value accounting requires characterization of the inputs used to measure fair value into three-level fair value hierarchy as follows:

- Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.
- Level 2 inputs are observable inputs other than quoted prices included within Level 1 that are for similar assets or liabilities. U.S. government-backed securities are valued using Level 2 inputs that are based on market data obtained from independent sources.
- Level 3 inputs are unobservable inputs for an asset or liability either directly or indirectly.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles. The allowance totaled \$1,728,594 for General Fund, \$8,091 for Debt Service Fund, \$62,380 for Water and Sewer Fund and \$180 for Storm Drainage Fund.

Inventory

Inventory is valued at cost using the first-in, first-out (FIFO) method. Inventories consist of expendable supplies held for consumption or the construction of plant and equipment. Inventories are recorded as expenditures when consumed rather than when purchased.

Pensions

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

OPEB

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. The City has a deferred charge on bond refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City has deferred outflows of resources related to pensions as described in Note 7. The City also has deferred outflows of resources related to its Supplemental Death Benefits Plan as described in Note 8.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has four items that qualify for reporting in this category. The first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, fines, ambulance services and other items. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is deferred inflows related to leases where the City is the lessor and is reported in the governmental funds balance sheet and statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on the straight-line basis over the term of the lease. The City also has deferred inflows of resources related to pensions as described in Note 7 and related to its Supplemental Death Benefits Plan as described in Note 8.

Capital Assets

Capital assets, which include property, plant and equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements as well as the proprietary fund financial statements. Capital assets 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 one year. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the government chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend asset lives, are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. Other property, plant, equipment, and infrastructure of the City, as well as the component units, are depreciated using the straight-line method over the following useful lives:

Buildings	40 years
Land improvements	10-20 years
Machinery and equipment	5-20 years
Office and computer equipment	3-10 years
Water and Wastewater system infrastructure	20-40 years
Storm drainage system infrastructure	20-40 years
Streets	20-50 years
Park equipment	10-20 years

Right to use leased assets are recognized at the lease commencement date and represent the City's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 17 months to 10 years.

Right to use subscription IT assets are recognized at the subscription commencement date and represent City's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years.

Lease Receivables

Lease receivables are recorded by the City as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the City charges the lessee.

Long-term Obligations

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

In the fund financial statements, governmental fund types 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 are reported as debt service expenditures.

Lease liabilities represent the City's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the City.

Compensated Absences

Accumulated earned but unused vacation, holiday, compensatory time and sick leave are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time and sick pay benefits. Eligible employees are reimbursed upon separation from service for accumulated vacation, holiday, sick pay; non-exempt employees are reimbursed for vacation, holiday, compensatory time and sick leave.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from these estimates.

Property Taxes

Property is appraised and a lien on such property becomes enforceable as of January 1st of each year. Taxes are levied on and payable the following October 1. Taxes become delinquent February 1 of the following year and are subject to interest and penalty charges. The City is permitted by the State of Texas to levy taxes up to \$2.50 per \$100 of assessed valuation for general government services and for the payment of principal and interest on general long-term debt. The combined current tax rate to finance general government services, including debt service for the fiscal year ended September 30, 2023, was \$.54 per \$100 of assessed valuation.

Fund Balance

The City classifies governmental fund balance in accordance with Government Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*:

- *Nonspendable* fund balance includes fund balance that cannot be spent either because it is not spendable form or because of legal or contractual constraints. The City had \$6,108 and \$22,908 in nonspendable fund balance for inventory and prepaid items, respectively, in the General Fund, and \$7,000 in nonspendable fund balance for prepaid items in Hotel Motel Tax at September 30, 2023.
- *Restricted* fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Debt service fund balance restricted for the retirement of funded indebtedness totaled \$1,005,331 as of September 30, 2023. Fund balance restricted for future capital projects included the 2019 CO Fund, 2020 CO Fund, 2023 CO Fund, 2016 CO Fund, and 2021A CO Fund and totaled \$6,307,560, \$5,315,122, \$6,044,076, \$96,796, and \$1,531,949 respectively. Special revenue fund balance restricted for specific programs included COVID CARES Act, Crime Control and Prevention, Hotel Motel Tax, Keep Corinth Beautiful, County Child Safety Special Revenue, Municipal Court Security, Municipal Court Technology, Police Confiscation – State, Parks Development, Community Park Improvement, Tree Mitigation, Roadway Impact Fee, Fire District, Broadband Utility, Reinvestment Zone #2, Short-term Rental Vehicle Tax, and Reinvestment Zone #3 totaled \$95,194, \$789,256, \$161,472, \$31,680, \$46,468, \$720, \$127,482, \$50,107, \$16,410, \$236,026, \$31,518, \$227,441, \$347,061, \$299,565, \$188,358, \$95,361, \$195,695, and \$53,681, respectively, as of September 30, 2023.

Committed fund balance is established and modified by a resolution from City Council, the City's highest level of decision-making authority, and can be used only for the specified purposes determined by the Council's resolution. Special revenue fund balance committed for specific programs consisted of fund balance committed to special revenue and Street Rehabilitation totaling \$183,779 and \$453,761, respectively, as of September 30, 2023. Capital project fund balances committed for future projects included the Governmental Capital Projects, Vehicle Replacement, LCFD Vehicle and Equipment Replacement, Tech Equipment Replacement, and LCFD Public Property and totaled \$1,446,326, \$309,340, \$210,926, \$610,988, and \$329,774, respectively, as of September 30, 2023.

- *Assigned* fund balance includes the portion of net resources for which an intended use has been established by the City Council or the City Official authorized to do so by the City Council. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds, other than the General Fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund but does not meet the criteria to be classified as restricted or committed. The Council has authorized the City Manager to assign fund balance.
- *Unassigned* fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications, as well as negative unassigned fund balance in other governmental funds.

Minimum fund balance policy

The City Council has adopted a financial policy to maintain an unassigned fund balance in the general fund equal to 20% of expenditures and in the water and sewer fund and storm drainage fund equal to 25% of expenses. The City considers a balance of less than 15% to be cause for concern, barring unusual or deliberate circumstances. In the event that the unassigned fund balance is calculated to be less than the policy stipulates, the City shall plan to adjust budget resources in subsequent fiscal years to restore the balance.

Flow Assumptions

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned, then unassigned fund balance.

Note 5 - Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the General Fund; Crime Control and Prevention, Street Maintenance, Hotel/Motel Tax, Keep Corinth Beautiful, County Child Safety, Municipal Court Security, Municipal Court Technology, Police Confiscation - State, Parks Development, Community Park Improvement, Tree Mitigation, Roadway Impact Fee, Fire District, Broadband Utility, Reinvestment Zone #2, Short-term Rental Vehicle Tax, Street Rehabilitation and Reinvestment Zone #3 special revenue funds; and the Debt Service fund. The capital projects funds are appropriated on a project-length basis. Other special revenue funds do not have appropriated budgets since other means control the use of these resources (i.e. grant awards and city council resolutions) and sometimes span a period of more than one fiscal year.

The appropriated budget is prepared by fund, functional department and division. Transfers of appropriations between divisions within a department may be initiated by staff and approved by the Director. Transfers between functional departments require the approval of the Director, Budget Manager, and Finance Director. Transfers between funds may require Council approval. All transfers of appropriations require the approval of the City Manager. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The City Manager may approve all budget amendments that alter department or operating appropriations. Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments).

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget.

Note 6 - Detailed Notes on All Funds

Cash and Investments

Custodial Credit Risk. Cash deposits of the City, CEDC and CEDF at September 30, 2023, were entirely secured by FDIC insurance and pledged collateral held by the City’s agent bank.

State statutes authorize the City to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) Texas local government investment pools; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (a) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or (b) secured by obligations that are described by (1) – (4); (6) and reverse repurchase agreements not to exceed 90 days to stated maturity.

Following are the City’s investments at September 30, 2023, including classification by level, within the fair value hierarchy:

Primary Government

<u>Investment Pools</u>	<u>Reported Value</u>	<u>Level</u>	<u>S&P Rating</u>	<u>Weighted Average Maturity</u>	<u>Withdrawal or Liquidity Restrictions</u>		
					<u>Less than 1 Year</u>	<u>1 - 5</u>	<u>More than 5 Years</u>
TexSTAR	\$ 29,236,610	N/A	AAAm	< 60 days	None		
<u>Investment Maturity in Years</u>							
<u>Other Investments</u>					<u>Less than 1 Year</u>	<u>1 - 5</u>	<u>More than 5 Years</u>
U.S. Government Backed Securities	18,097,899	Level 2	AA+	\$ 5,610,348	\$ 12,487,551	\$ -	
Total Investments	<u>\$ 47,334,509</u>			<u>\$ 5,610,348</u>	<u>\$ 12,487,551</u>	<u>\$ -</u>	

CEDC

<u>Investment Pools</u>	<u>Reported Value</u>	<u>Level</u>	<u>S&P Rating</u>	<u>Weighted Average Maturity</u>	<u>Withdrawal or Liquidity Restrictions</u>		
					<u>Less than 1 Year</u>	<u>1 - 5</u>	<u>More than 5 Years</u>
TexPool	\$ 2,072,027	N/A	AAAm	< 60 days	None		
<u>Investment Maturity in Years</u>							
<u>Other Investments</u>					<u>Less than 1 Year</u>	<u>1 - 5</u>	<u>More than 5 Years</u>
Money market	819,548	Level 1	N/A	\$ 819,548	\$ -	\$ -	
Total Investments	<u>\$ 2,891,575</u>			<u>\$ 819,548</u>	<u>\$ -</u>	<u>\$ -</u>	

Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool. TexPool is subject to annual review by an independent auditor consistent with the Public Funds Investment Act. Audited financial statements of the Pool are available at First Public, 12008 Research Blvd., Austin, Texas 78759. In addition, TexPool is subject to review by the State Auditor's Office and by the Internal Auditor of the Comptroller's Office.

The Texas Short Term Asset Reserve Program (TexSTAR) has been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. These two acts provide for the creation of public funds investment pools (including TexSTAR) and authorize eligible governmental entities to invest their public funds through the investment pools. TexSTAR is administered by JP Morgan Investment Management, Inc. and First Southwest.

Interest Rate Risk. In accordance with its investment policy, the City manages its exposure to decline in fair value of securities by limiting the City to securities with maturities not to exceed 36 months from date of purchase. The City also manages the weighted average days to maturity for the operating funds portfolio to less than 365 days, and the reserve, special project and capital project funds to less than 365 days. The CEDC limits weighted average days to maturity for the operating funds portfolio to less than 270 days.

The City and CEDC invest in the public funds investment pools listed above, which have specified maximum weighted average maturities for their investment portfolios. The maximum weighted average maturity (WAM) of TexPool investment portfolios cannot exceed 60 days. TexSTAR also maintains a portfolio maximum WAM of 60 days.

Credit Risk. State law and City policy limit investments in local government investment pools to those rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service. As of September 30, 2023, the City's investments in TexPool and TexSTAR were both rated AAAM by Standard & Poor's.

Concentration of Credit Risk. The City's investment policy limits the investment portfolio by the following:

Investment	Maximum % of Portfolio
U.S. Treasury Obligations	100%
U.S. Government Agency Securities and Instrumentalities	100%
Authorized Local Government Investment Pool	75%
Local Government Obligations	10%
Fully Collateralized Certificates of Deposit	50%
Fully Collateralized Repurchase Agreements	25%
SEC-Regulated No-Load Money Market Mutual Fund	50%
U.S. Treasury and Agency Callables	30%

Capital Assets

A summary of changes in capital assets follows:

	(Restated) Beginning Balance	Additions	Transfers	Retirements	Ending Balance
Governmental activities					
Capital assets, not being depreciated					
Land	\$ 13,943,705	\$ 652,961	\$ -	\$ -	\$ 14,596,666
Construction in progress	4,817,177	14,559,484	(324,162)	-	19,052,499
Total assets not being depreciated	<u>18,760,882</u>	<u>15,212,445</u>	<u>(324,162)</u>	<u>-</u>	<u>33,649,165</u>
Capital assets, being depreciated:					
Buildings	17,585,710	620,978	14,185	-	18,220,873
Machinery and equipment	9,919,948	1,121,177	236,618	542,985	10,734,758
Infrastructure	108,049,419	530,108	73,359	127,945	108,524,941
Total capital assets being depreciated	<u>135,555,077</u>	<u>2,272,263</u>	<u>324,162</u>	<u>670,930</u>	<u>137,480,572</u>
Less accumulated depreciation					
Buildings	4,704,654	523,743	-	-	5,228,397
Machinery and equipment	6,791,162	1,056,347	-	514,540	7,332,969
Infrastructure	79,842,404	3,234,428	-	127,945	82,948,887
Total accumulated depreciation	<u>91,338,220</u>	<u>4,814,518</u>	<u>-</u>	<u>642,485</u>	<u>95,510,253</u>
Total capital assets being depreciated, net	<u>44,216,857</u>	<u>(2,542,255)</u>	<u>324,162</u>	<u>28,445</u>	<u>41,970,319</u>
Right to use leased assets, being amortized:					
Buildings	236,587	-	-	-	236,587
Machinery and equipment	2,729,338	925,792	-	48,379	3,606,751
Infrastructure	126,959	-	-	126,959	-
Total right to use leased assets, being amortized:	<u>3,092,884</u>	<u>925,792</u>	<u>-</u>	<u>175,338</u>	<u>3,843,338</u>
Less accumulated amortization					
Buildings	47,317	47,317	-	-	94,634
Machinery and equipment	695,680	518,799	-	48,379	1,166,100
Infrastructure	33,529	33,529	-	67,058	-
Total accumulated amortization	<u>776,526</u>	<u>599,645</u>	<u>-</u>	<u>115,437</u>	<u>1,260,734</u>
Total right to use leased assets being amortized, net	<u>2,316,358</u>	<u>326,147</u>	<u>-</u>	<u>59,901</u>	<u>2,582,604</u>
Right to use SBITA assets, being amortized:					
-	262,935	544,134	-	-	807,069
Less accumulated amortization	-	153,239	-	-	153,239
Net right to use SBITA assets	<u>262,935</u>	<u>390,895</u>	<u>-</u>	<u>-</u>	<u>653,830</u>
Total leased and subscription IT assets, net	<u>2,579,293</u>	<u>64,748</u>	<u>-</u>	<u>59,901</u>	<u>2,584,140</u>
Governmental activities capital assets, net	<u>\$ 65,557,032</u>	<u>\$ 13,387,232</u>	<u>\$ -</u>	<u>\$ 88,346</u>	<u>\$ 78,855,918</u>

City of Corinth, Texas
Notes to Financial Statements
September 30, 2023

	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
Business-type activities					
Capital assets, not being depreciated					
Land	\$ 538,350	\$ -	\$ -	\$ -	\$ 538,350
Construction in progress	1,893,500	106,666	(1,113,137)	-	887,029
Total assets not being depreciated	<u>2,431,850</u>	<u>106,666</u>	<u>(1,113,137)</u>	<u>-</u>	<u>1,425,379</u>
Capital assets, being depreciated:					
Buildings	1,781,226	128,190	2,500	-	1,911,916
Machinery and equipment	1,438,431	847,988	-	364,231	1,922,188
Infrastructure	54,772,627	3,374,633	1,110,637	-	59,257,897
Total capital assets being depreciated	<u>57,992,284</u>	<u>4,350,811</u>	<u>1,113,137</u>	<u>364,231</u>	<u>63,092,001</u>
Less accumulated depreciation					
Buildings	422,346	94,091	-	-	516,437
Machinery and equipment	1,127,421	194,606	-	364,231	957,796
Infrastructure	28,623,321	2,365,841	-	-	30,989,162
Total accumulated depreciation	<u>30,173,088</u>	<u>2,654,538</u>	<u>-</u>	<u>364,231</u>	<u>32,463,395</u>
Total capital assets being depreciated, net	<u>27,819,196</u>	<u>1,696,273</u>	<u>1,113,137</u>	<u>-</u>	<u>30,628,606</u>
Right to use leased assets, being amortized:					
Machinery and equipment	274,600	129,981	-	2,843	401,738
Total right to use leased assets, being amortized:	<u>274,600</u>	<u>129,981</u>	<u>-</u>	<u>2,843</u>	<u>401,738</u>
Less accumulated amortization					
Machinery and equipment	91,189	15,441	-	2,843	103,787
Total accumulated amortization	<u>91,189</u>	<u>15,441</u>	<u>-</u>	<u>2,843</u>	<u>103,787</u>
Total right to use leased assets being amortized, net	<u>183,411</u>	<u>114,540</u>	<u>-</u>	<u>-</u>	<u>297,951</u>
Business activities capital assets, net	<u>\$ 30,434,457</u>	<u>\$ 1,917,479</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,351,936</u>
CEDC					
Capital assets, not being depreciated					
Land	\$ 4,313,348	\$ -	\$ -	\$ 3,096,948	\$ 1,216,400
Total assets not being depreciated	<u>4,313,348</u>	<u>-</u>	<u>-</u>	<u>3,096,948</u>	<u>1,216,400</u>
CEDC capital assets, net	<u>\$ 4,313,348</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,096,948</u>	<u>\$ 1,216,400</u>
CEDF					
Capital assets, not being depreciated					
Land	\$ 3,087,601	\$ -	\$ -	\$ 1,281,698	\$ 1,805,903
Total assets not being depreciated	<u>3,087,601</u>	<u>-</u>	<u>-</u>	<u>1,281,698</u>	<u>1,805,903</u>
CEDF capital assets, net	<u>\$ 3,087,601</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,281,698</u>	<u>\$ 1,805,903</u>

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

Governmental activities		
Public safety	\$	1,313,589
Community services		377,127
Public works		3,336,172
Planning and community development		35,197
City administration		446,583
Finance and administrative services		58,734
Total depreciation/amortization expense - Governmental activities	<u>\$</u>	<u>5,567,402</u>
Business-type activities		
Water and sewer	\$	2,269,835
Storm drainage		400,144
Total depreciation/amortization expense - Business-type activities	<u>\$</u>	<u>2,669,979</u>

Lessee Activities

The City entered into various lease agreements as lessee for the use of buildings, machinery and equipment, and infrastructure. As of September 30, 2023, the value of the lease liability was \$2,487,298. The City is required to make monthly or annual principal and interest payments through November 2028. The lease liability was valued using a discount rate ranging from 0.25% to 6.63% as determined by the City's management based on the City's estimated incremental borrowing rate.

Lessor Activities

The City has accrued a receivable for one land lease and two infrastructure leases. The remaining receivable for these leases was \$233,416 for the year ended September 30, 2023. Deferred inflows related to these leases were \$231,792 as of September 30, 2023. The interest rate on the leases ranged from 0.64% – .901%. Final receipt is expected in fiscal year 2028.

Subscription IT Activities

As of September 30, 2023, the value of the SBITA liability was \$619,616. The City is required to make annual principal and interest payments through November 2027. The lease liability was valued using a discount rate ranging from 2.36% to 3.269% as determined by the City's management based on the City's estimated incremental borrowing rate.

Interfund Transfers

The composition of interfund transfers in/out as of September 30, 2023, is as follows:

Fund	Transfers In	Transfers Out	Purpose
General	\$ 1,188,446	\$ 1,866,200	Administrative Transfer, Contributions to Vehicle and Equipment Replacement
Debt Service	119,498	-	Administrative Transfer
2019 CO Street	300,000	-	Capital Projects Reallocation
COVID CARES Act	-	475,666	Administrative Transfer
Other Governmental	2,844,262	1,819,005	Contributions to Capital Projects/Budgetary Transfers
Water and Sewer	10,846,025	11,131,357	Administrative Transfer, Capital Improvements, Contributions to Vehicle and Equipment Replacement
Storm Drainage	231,855	237,858	Administrative Transfer, Capital Improvements, Contributions to Vehicle and Equipment Replacement
	<u>\$ 15,530,086</u>	<u>\$ 15,530,086</u>	

Long-term Obligations

Long-term obligations of the City's governmental activities consist of general obligation bonds, certificates of obligation, lease liabilities and notes payable. Sources of retirement of general obligation bond and certificates of obligation are provided from ad valorem tax. Governmental activities long-term obligations are paid by the debt service fund.

Long-term obligations of the City's business-type activities consist of general obligation bonds, certificates of obligation and lease liabilities. Business-type activities long-term obligations are serviced by revenue from the Water and Sewer and Storm Drainage systems.

Compensated absences, net pension liability and total OPEB liability are paid from the fund out of which an employee is regularly paid, primarily the General Fund, Water and Sewer Fund, Storm Drainage Fund and CEDC.

Governmental activity lease payments are currently being made from the General Fund, the Crime Control and Prevention Fund, the Broadband Utility Fund, and the LCFD Vehicle and Equipment Replacement Fund.

The following is a summary of changes in long-term obligations for the year ended September 30, 2023:

	(Restated) Beginning Balance	Transfers/ Additions	Retirements	Ending Balance	Due Within One Year
Governmental activities					
Certificates of obligation	\$ 45,761,394	\$ 5,654,700	\$ (2,050,684)	\$ 49,365,410	\$ 2,222,607
General obligation bonds	3,269,518	-	(588,279)	2,681,239	621,091
Bond premiums/discounts (net)	3,536,244	375,551	(313,301)	3,598,494	313,301
Compensated absences	1,311,394	1,794,727	(1,553,265)	1,552,856	1,082,071
Lease obligation	2,332,524	835,654	(879,409)	2,288,769	671,456
SBITA obligation	262,935	537,086	(180,405)	619,616	208,928
Notes payable	2,116,488	56,512	(152,832)	2,020,168	276,312
Total governmental activities	<u>\$ 58,590,497</u>	<u>\$ 9,254,230</u>	<u>\$ (5,718,175)</u>	<u>\$ 62,126,552</u>	<u>\$ 5,395,766</u>
Business-type activities					
Certificates of obligation	\$ 6,348,606	\$ 5,325,300	\$ (294,316)	\$ 11,379,590	\$ 392,393
General obligation bonds	3,705,486	-	(666,721)	3,038,765	703,909
Bond premiums/discounts (net)	922,312	353,735	(158,105)	1,117,942	158,105
Compensated absences	96,971	107,600	(77,728)	126,843	76,531
Lease obligation	148,596	128,545	(78,612)	198,529	72,997
Total business type activities	<u>11,221,971</u>	<u>5,915,180</u>	<u>(1,275,482)</u>	<u>15,861,669</u>	<u>1,403,935</u>
Primary government	<u>\$ 69,812,468</u>	<u>\$ 15,169,410</u>	<u>\$ (6,993,657)</u>	<u>\$ 77,988,221</u>	<u>\$ 6,799,701</u>
CEDC					
Compensated absences	\$ 20,408	\$ 21,212	\$ (40,604)	\$ 1,016	\$ 1,016
	<u>\$ 20,408</u>	<u>\$ 21,212</u>	<u>\$ (40,604)</u>	<u>\$ 1,016</u>	<u>\$ 1,016</u>

The following is a schedule of the General Obligation and Certificates of Obligation bonds:

	Date of Issue	Amount of Original Issue	Interest Rate	Maturity Date	Governmental Amount Outstanding 9/30/2023	Business Type Amount Outstanding 9/30/2023
Certificates of Obligation	4/21/2016	\$ 13,275,000	2.00%-5.00%	2/15/2036	\$ 10,017,505	\$ 1,087,495
General Obligation	7/6/2017	14,240,000	2.00%-5.00%	2/15/2027	2,681,239	3,038,761
Certificates of Obligation	7/6/2017	4,855,000	2.00%-5.00%	2/15/2037	2,840,178	1,269,826
Certificates of Obligation	3/7/2019	19,205,000	2.75%-5.00%	2/15/2039	13,943,027	3,696,973
Certificates of Obligation	10/22/2020	9,260,000	2.00%-4.00%	2/15/2040	8,515,000	-
Certificates of Obligation	1/21/2021	4,740,000	1.70%-4.00%	2/15/2041	4,445,000	-
Certificates of Obligation	10/21/2021	4,285,000	2.20%-4.00%	2/15/2041	3,950,000	-
Certificates of Obligation	4/13/2023	10,980,000	5%	2/15/2033	5,654,700	5,325,300
					<u>\$ 52,046,649</u>	<u>\$ 14,418,355</u>

The annual requirements to retire general long-term debt, including interest, as of September 30, 2023 are as follows:

Fiscal Year	Principal	Interest	Total Requirements
2024	\$ 2,843,698	\$ 1,874,224	\$ 4,717,922
2025	3,052,944	1,670,915	4,723,859
2026	3,174,871	1,542,292	4,717,163
2027	3,323,818	1,395,831	4,719,649
2028	2,719,753	1,254,225	3,973,978
2029-2033	15,355,681	4,531,874	19,887,555
2034-2038	15,708,789	1,921,723	17,630,512
2039-2043	5,867,095	290,339	6,157,434
Total	<u>\$ 52,046,649</u>	<u>\$ 14,481,423</u>	<u>\$ 66,528,072</u>

The annual requirements to retire enterprise activity debt, including interest, as of September 30, 2023 are as follows:

Fiscal Year	Principal	Interest	Total Requirements
2024	\$ 1,096,302	\$ 668,941	\$ 1,765,243
2025	1,232,056	535,151	1,767,207
2026	1,285,129	476,980	1,762,109
2027	1,351,182	413,135	1,764,317
2028	560,247	365,767	926,014
2029-2033	3,204,319	1,425,381	4,629,700
2034-2038	3,566,211	732,625	4,298,836
2039-2043	2,122,909	193,634	2,316,543
Total	<u>\$ 14,418,355</u>	<u>\$ 4,811,614</u>	<u>\$ 19,229,969</u>

The annual requirements to retire lease obligations, including interest, as of September 30, 2023 are as follows:

Fiscal Year	Principal	Interest	Total Requirements
2024	\$ 744,453	\$ 57,791	\$ 802,244
2025	625,037	53,746	678,783
2026	547,982	13,667	561,649
2027	313,436	7,455	320,891
2028	256,390	2,199	258,589
Total	<u>\$ 2,487,298</u>	<u>\$ 134,858</u>	<u>\$ 2,622,156</u>

The annual requirements to retire SBITA obligations, including interest, as of September 30, 2023 are as follows:

Fiscal Year	Principal	Interest	Total Requirements
2024	\$ 208,928	\$ 11,034	\$ 219,962
2025	188,868	10,592	199,460
2026	123,662	5,493	129,155
2027	98,158	2,320	100,478
Total	<u>\$ 619,616</u>	<u>\$ 29,439</u>	<u>\$ 649,055</u>

The annual requirements to retire notes payable, including interest, as of September 30, 2023 are as follows:

Fiscal Year	Principal	Interest	Total Requirements
2024	\$ 274,284	\$ 58,496	\$ 332,780
2025	299,229	33,550	332,779
2026	284,352	30,151	314,503
2027	154,957	26,675	181,632
2028	158,513	23,119	181,632
2029-2033	848,833	59,325	908,158
Total	<u>\$ 2,020,168</u>	<u>\$ 231,316</u>	<u>\$ 2,251,484</u>

Note 7 - Defined Benefit Pension Plan

Plan Description

The City participates as one of 901 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

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

Benefits Provided

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

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

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

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	114
Inactive employees entitled to but not yet receiving benefits	167
Active employees	169
Total	450

Contributions

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

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 15.03% and 15.03% in calendar years 2022 and 2023, respectively. The City's contributions to TMRS for the year ended September 30, 2023, were \$2,102,987, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.65% per year
Investment rate of return	6.75% net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 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 Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Global Public Equity	35.00%	7.70%
Core Fixed Income	6.00%	4.90%
Non-Core Fixed Income	20.00%	8.70%
Other Public and Private Markets	12.00%	8.10%
Real Estate	12.00%	5.80%
Hedge Funds	5.00%	6.90%
Private Equity	10.00%	11.80%
Total	<u>100.00%</u>	

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

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Entity-Wide			
Balance at 12/31/2021	\$ 53,612,546	\$ 51,416,427	\$ 2,196,119
Changes for the year:			
Service cost	2,310,175	-	2,310,175
Interest	3,645,292	-	3,645,292
Change in benefit terms	-	-	-
Difference between expected and actual experience	627,730	-	627,730
Change in assumptions	-	-	-
Contributions - employer	-	1,884,823	(1,884,823)
Contributions - employee	-	879,868	(879,868)
Net investment income	-	(3,760,221)	3,760,221
Benefit payments, including refunds of contributions	(1,526,622)	(1,526,622)	-
Administrative expense	-	(32,478)	32,478
Other changes	-	38,755	(38,755)
Net changes	<u>5,056,575</u>	<u>(2,515,875)</u>	<u>7,572,450</u>
Balance at 12/31/2022	<u>\$ 58,669,121</u>	<u>\$ 48,900,552</u>	<u>\$ 9,768,569</u>

Primary Government	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
	Balance at 12/31/2021	\$ 53,020,024	\$ 50,853,325
Changes for the year:			
Service cost	2,282,754	-	2,282,754
Interest	3,602,023	-	3,602,023
Change in benefit terms	-	-	-
Difference between expected and actual experience	620,279	-	620,279
Change in assumptions	-	-	-
Contributions - employer	-	1,862,451	(1,862,451)
Contributions - employee	-	869,424	(869,424)
Net investment income	-	(3,715,588)	3,715,588
Benefit payments, including refunds of contributions	(1,508,501)	(1,508,501)	-
Administrative expense	-	(32,092)	32,092
Other changes	-	34,941	(34,941)
Net changes	4,996,555	(2,489,365)	7,485,920
Balance at 12/31/2022	\$ 58,016,579	\$ 48,363,960	\$ 9,652,619

CEDC	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
	Balance at 12/31/2021	\$ 592,522	\$ 563,102
Changes for the year:			
Service cost	27,421	-	27,421
Interest	43,269	-	43,269
Change in benefit terms	-	-	-
Difference between expected and actual experience	7,451	-	7,451
Change in assumptions	-	-	-
Contributions - employer	-	22,372	(22,372)
Contributions - employee	-	10,444	(10,444)
Net investment income	-	(44,633)	44,633
Benefit payments, including refunds of contributions	(18,121)	(18,121)	-
Administrative expense	-	(386)	386
Other changes	-	3,814	(3,814)
Net changes	60,020	(26,510)	86,530
Balance at 12/31/2022	\$ 652,542	\$ 536,592	\$ 115,950

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

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability (asset)	\$ 19,646,051	\$ 9,768,569	\$ 1,836,440
Reported by Governmental Activities	17,210,869	8,557,728	1,608,808
Reported by Business-Type Activities	2,201,989	1,094,891	205,834
Reported by Component Unit, CEDC	233,193	115,950	21,798
	<u>\$ 19,646,051</u>	<u>\$ 9,768,569</u>	<u>\$ 1,836,440</u>

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

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

For the year ended September 30, 2023, the City recognized pension expense of \$2,671,422.

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Entity-Wide		Primary Government		CEDC	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 582,977	\$ 78,346	\$ 576,057	\$ 77,563	\$ 6,920	\$ 783
Changes in actuarial assumptions	-	-	-	-	-	-
Difference between projected and actual investment earnings	3,386,672	-	3,345,341	-	41,331	-
Contributions subsequent to the measurement date	1,637,841	-	1,618,400	-	19,441	-
Total	<u>\$ 5,607,490</u>	<u>\$ 78,346</u>	<u>\$ 5,539,798</u>	<u>\$ 77,563</u>	<u>\$ 67,692</u>	<u>\$ 783</u>

\$1,637,841 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, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	Entity-Wide	Primary Govt	CEDC
2024	\$ 396,655	\$ 391,816	\$ 4,839
2025	1,049,308	1,036,508	12,800
2026	999,174	986,986	12,188
2027	1,446,166	1,428,525	17,641
	<u>\$ 3,891,303</u>	<u>\$ 3,843,835</u>	<u>\$ 47,468</u>

Note 8 - Other Post Employment Benefits

Plan Description

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

Benefits Provided

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of \$7,500. As the SDBF covers both active and retiree employees, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan. Texas Local Government Code Section 177.001 assigns the authority to establish and amend benefit provisions to the City Council. At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	69
Inactive employees entitled to but not yet receiving benefits	31
Active employees	<u>169</u>
Total	269

Contributions

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

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

	2023
Employer rate	0.29%
Employer contributions	\$ 34,934

Actuarial Assumptions

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5%
Salary increases	3.50% to 11.50%, including inflation
Discount rate	4.05%

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

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

Actuarial assumptions used in the December 31, 2022 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2014 through December 31, 2018.

The SDBF program is treated as an unfunded OPEB plan because the SDBF trust covers both actives and retirees and the assets are not segregated for these groups. A discount rate of 4.05% was based on the Fidelity Index's 20-Year Municipal GO AA Index as of December 31, 2022.

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

At September 30, 2023, the City reported a total OPEB liability of \$377,141 measured at December 31, 2022. For the year ended September 30, 2023, the City recognized OPEB expense of \$35,429.

As of December 31, 2022, the discount rate used in the development of the total OPEB liability was 4.05% compared to 1.84% as of December 31, 2021.

Changes in the total OPEB liability for the measurement year ended December 31, 2022 are as follows:

Changes in Total OPEB Liability	Total OPEB Liability		
	Entity-Wide	Primary Government	CEDC
Balance at December 31, 2021	\$ 565,895	\$ 559,857	\$ 6,038
Changes for the year:			
Service cost	44,979	44,731	248
Interest on total OPEB liability	10,757	10,646	111
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(13,120)	(12,985)	(135)
Effect of assumption changes or inputs	(223,873)	(221,569)	(2,304)
Benefit payments*	(7,497)	(7,420)	(77)
Balance as of December 31, 2022	<u>\$ 377,141</u>	<u>\$ 373,260</u>	<u>\$ 3,881</u>

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

Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.05%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.05%) or 1 percentage point higher (5.05%) than the current rate.

	1% Decrease in Discount Rate (3.05%)	Discount Rate (4.05%)	1% Increase in Discount Rate (5.05%)
City's total OPEB liability	\$ 461,582	\$ 377,141	\$ 312,669
Reported by Governmental Activities	402,036	328,488	272,333
Reported by Business-Type Activities	54,796	44,772	37,118
Reported by Component Unit, CEDC	4,750	3,881	3,218
	<u>\$ 461,582</u>	<u>\$ 377,141</u>	<u>\$ 312,669</u>

At December 31, 2022, the City reported its deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Entity-Wide		Primary Government		CEDC	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 6,322	\$ 47,108	\$ 6,257	\$ 46,623	\$ 65	\$ 485
Changes in actuarial assumptions	85,312	193,722	84,435	191,507	877	2,215
Contributions subsequent to the measurement date	29,986	-	29,677	-	309	-
Total	<u>\$ 121,620</u>	<u>\$ 240,830</u>	<u>\$ 120,369</u>	<u>\$ 238,130</u>	<u>\$ 1,251</u>	<u>\$ 2,700</u>

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ended September 30, 2024 in the amount of \$29,986. The other net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB, excluding contributions made subsequent to the measurement date, will be recognized in OPEB expense as follows:

Year Ended September 30:	Entity-Wide	Primary Govt	CEDC
2024	\$ (21,833)	\$ (21,608)	\$ (225)
2025	(24,539)	(24,286)	(253)
2026	(27,865)	(27,578)	(287)
2027	(34,661)	(34,304)	(357)
2028	(38,739)	(38,339)	(400)
Thereafter	(1,559)	(1,339)	(220)
	<u>\$ (149,196)</u>	<u>\$ (147,454)</u>	<u>\$ (1,742)</u>

Note 9 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City's risk management program encompasses obtaining workers compensation and property and liability insurance through Texas Municipal League (TML) Intergovernmental Risk Pool, a public entity risk pool for the benefit of governmental units located within the state. TML Intergovernmental Risk Pool ("Pool") is considered a self-sustaining risk pool that provides coverage for its members. The City's contributions to the Pool are limited to the amount of premiums as calculated at the beginning of each fund year. Premiums reflect the claims experience to date of the City. The Pool's liability is limited to the coverage that the City elects as stated in the Pool's Declarations of Coverage for that fund year. The City has not had any significant reduction in insurance coverage and the amounts of insurance settlements have not exceeded insurance coverage for any of the last three years.

Note 10 - Commitments and Contingencies

The City participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

Estimated costs to complete significant construction projects in progress at year-end totaled approximately \$23,343,245.

Upper Trinity Regional Water District (UTRWD)

On June 26, 1995, the City entered into a 30-year contract with Upper Trinity Regional Water District (UTRWD) and other participating political members to develop a regional water system for providing retail utility service to the Denton County area.

The contract included, among other things, a commitment by the City to 2.0 million gallons of water per day demand. On February 4, 1999 the City amended the contract with Upper Trinity to increase the demand from 2.0 million gallons per day to 5.5 million gallons per day. On September 2, 1999, due to continued growth, the City entered into the third contract amendment with Upper Trinity increasing the demand to 7.5 million gallons per day. The City also currently maintains a contract with the Upper Trinity Regional Water District for treatment of wastewater flows up to 1.608 million gallons per day.

The current demand capacity of 7.5 million gallons per day provides the City with three (3) weighted votes as a member of the Upper Trinity Board. The City has one appointed member to the Upper Trinity Board of Directors and one appointed member to the Upper Trinity Customer Advisory Committee. Under agreements with the UTRWD, all participating and contract entities share in the cost of administering the District and in the cost of planning for future programs and services of the District.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Corinth, Texas
 Budgetary Comparison Schedule – General Fund (Exhibit B-1)
 Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property	\$ 11,937,290	\$ 11,937,290	\$ 11,817,916	\$ (119,374)
Sales	2,148,674	2,148,674	2,361,496	212,822
Franchise	1,025,790	1,025,790	1,097,211	71,421
Utility fees	152,314	152,314	50,420	(101,894)
Traffic fines and forfeitures	704,275	704,275	618,272	(86,003)
Development fees and permits	576,625	576,625	1,181,641	605,016
Police fees and permits	590,784	590,784	585,798	(4,986)
Parks and recreation fees	88,000	88,000	85,155	(2,845)
Fire services	3,610,644	3,610,644	3,990,044	379,400
Donations	20,500	20,500	12,055	(8,445)
Interest income	44,000	44,000	181,226	137,226
Grants	-	-	-	-
Miscellaneous income	45,302	45,302	1,734,249	1,688,947
Charges for services	46,637	46,637	109,498	62,861
Total revenues	<u>20,990,835</u>	<u>20,990,835</u>	<u>23,824,981</u>	<u>2,834,146</u>
Expenditures				
Current				
Public safety	12,188,090	12,407,844	12,258,023	149,821
Community services	2,142,636	2,136,147	1,747,452	388,695
Public works	951,936	946,102	862,423	83,679
Planning and community development	1,165,109	1,160,032	1,108,543	51,489
City administration	4,078,676	3,495,310	3,025,619	469,691
Finance and administrative services	1,109,350	1,260,124	1,259,753	371
Capital outlay	-	-	1,309,281	(1,309,281)
Total expenditures	<u>21,635,797</u>	<u>21,405,559</u>	<u>21,571,094</u>	<u>(165,535)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(644,962)</u>	<u>(414,724)</u>	<u>2,253,887</u>	<u>2,668,611</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	2,529,729	982,173	-	(982,173)
Loan proceeds	-	-	56,512	56,512
Lease proceeds	-	-	182,516	182,516
Subscription IT proceeds	-	-	537,086	537,086
Transfers out	(1,293,386)	(1,866,200)	(1,866,200)	-
Transfers in	1,221,348	2,843,620	1,188,446	(1,655,174)
Total Financing Sources (Uses)	<u>2,457,691</u>	<u>1,959,593</u>	<u>98,360</u>	<u>(1,861,233)</u>
Net Change in Fund Balance	1,812,729	1,544,869	2,352,247	807,378
Fund Balance -				
October 1 (Beginning)	<u>5,181,299</u>	<u>5,181,299</u>	<u>5,181,299</u>	<u>-</u>
Fund Balance -				
September 30 (Ending)	<u>\$ 6,994,028</u>	<u>\$ 6,726,168</u>	<u>\$ 7,533,546</u>	<u>\$ 807,378</u>

	Year Ended December 31, 2022	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019
Total Pension Liability				
Service cost	\$ 2,310,175	\$ 2,195,301	\$ 2,139,635	\$ 1,974,459
Interest on total pension liability	3,645,292	3,351,329	3,106,077	2,830,658
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	627,730	257,440	(308,779)	51,976
Change of assumptions	-	-	-	202,141
Benefit payments/refunds of contributions	(1,526,622)	(1,486,392)	(1,176,404)	(946,673)
Net change in total pension liability	5,056,575	4,317,678	3,760,529	4,112,561
Total pension liability, beginning	53,612,546	49,294,868	45,534,339	41,421,778
Total pension liability, ending (a)	<u>\$ 58,669,121</u>	<u>\$ 53,612,546</u>	<u>\$ 49,294,868</u>	<u>\$ 45,534,339</u>
Fiduciary Net Position				
Contributions - Employer	\$ 1,884,823	\$ 1,882,874	\$ 1,838,580	\$ 1,708,397
Contributions - Employee	879,868	831,553	812,683	754,021
Net investment income	(3,760,221)	5,799,034	3,035,308	5,153,390
Benefit payments/refunds of contributions	(1,526,622)	(1,486,392)	(1,176,404)	(946,673)
Administrative expenses	(32,478)	(26,791)	(19,611)	(29,078)
Other	38,755	184	(765)	(874)
Net change in fiduciary net position	(2,515,875)	7,000,462	4,489,791	6,639,183
Fiduciary net position, beginning	51,416,427	44,415,965	39,926,174	33,286,991
Fiduciary net position, ending (b)	<u>\$ 48,900,552</u>	<u>\$ 51,416,427</u>	<u>\$ 44,415,965</u>	<u>\$ 39,926,174</u>
Net pension liability (asset), ending = (a) - (b)	<u>9,768,569</u>	<u>2,196,119</u>	<u>4,878,903</u>	<u>5,608,165</u>
Fiduciary net position as a percentage of total pension liability	83.35%	95.90%	90.10%	87.68%
Covered payroll	\$ 12,494,184	\$ 11,879,334	\$ 11,553,105	\$ 10,771,734
Net pension liability as a percentage of covered payroll	78.18%	18.49%	42.23%	52.06%

Note: The information from this schedule corresponds with the period covered as of the Plan's measurement dates of December 31. Plan information was unavailable prior to 2014. Ten years will ultimately be displayed.

City of Corinth, Texas
Schedule of Changes in Net Pension Liability and Related Ratios –
Texas Municipal Retirement System (Exhibit B-2)
Year Ended September 30, 2023

Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
\$ 1,740,727	\$ 1,674,666	\$ 1,636,649	\$ 1,614,486	\$ 1,444,400
2,631,469	2,468,757	2,244,189	2,163,512	1,994,674
-	-	-	-	-
(461,003)	(628,235)	409,560	(356,486)	(293,384)
-	-	-	(252,429)	-
<u>(1,207,565)</u>	<u>(1,067,764)</u>	<u>(897,171)</u>	<u>(783,303)</u>	<u>(854,227)</u>
<u>2,703,628</u>	<u>2,447,424</u>	<u>3,393,227</u>	<u>2,385,780</u>	<u>2,291,463</u>
<u>38,718,150</u>	<u>36,270,726</u>	<u>32,877,499</u>	<u>30,491,719</u>	<u>28,200,256</u>
<u>\$ 41,421,778</u>	<u>\$ 38,718,150</u>	<u>\$ 36,270,726</u>	<u>\$ 32,877,499</u>	<u>\$ 30,491,719</u>
\$ 1,521,211	\$ 1,412,999	\$ 1,372,064	\$ 1,415,503	\$ 1,209,444
673,954	642,690	650,021	648,976	604,376
(999,066)	3,942,063	1,730,262	35,841	1,263,034
<u>(1,207,565)</u>	<u>(1,067,764)</u>	<u>(897,171)</u>	<u>(783,303)</u>	<u>(854,227)</u>
(19,289)	(20,406)	(19,521)	(21,823)	(13,183)
<u>(1,008)</u>	<u>(1,034)</u>	<u>(1,052)</u>	<u>(1,078)</u>	<u>(1,084)</u>
<u>(31,763)</u>	<u>4,908,548</u>	<u>2,834,603</u>	<u>1,294,116</u>	<u>2,208,360</u>
<u>33,318,754</u>	<u>28,410,206</u>	<u>25,575,603</u>	<u>24,281,487</u>	<u>22,073,127</u>
<u>\$ 33,286,991</u>	<u>\$ 33,318,754</u>	<u>\$ 28,410,206</u>	<u>\$ 25,575,603</u>	<u>\$ 24,281,487</u>
<u>8,134,787</u>	<u>5,399,396</u>	<u>7,860,520</u>	<u>7,301,896</u>	<u>6,210,232</u>
80.36%	86.05%	78.33%	77.79%	79.63%
\$ 9,627,913	\$ 9,181,285	\$ 8,967,939	\$ 9,252,068	\$ 8,633,945
84.49%	58.81%	87.65%	78.92%	71.93%

City of Corinth, Texas
 Schedule of Employer Contributions – Texas Municipal Retirement System (Exhibit B-3)
 Year Ended September 30, 2023

Year Ending September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2014	\$ 1,188,806	\$ 1,188,806	\$ -	\$ 8,633,945	13.77%
2015	1,326,450	1,326,450	-	8,806,738	15.06%
2016	1,380,260	1,380,260	-	9,118,563	15.14%
2017	1,400,433	1,400,433	-	8,994,707	15.57%
2018	1,489,711	1,489,711	-	9,428,968	15.80%
2019	1,661,825	1,661,825	-	10,402,206	15.98%
2020	1,842,075	1,842,075	-	11,512,971	16.00%
2021	1,858,514	1,858,514	-	11,721,580	15.86%
2022	1,950,232	1,950,232	-	12,789,899	15.25%
2023	2,102,987	2,102,987	-	13,432,635	15.66%

Note: The information from this schedule corresponds with the City's fiscal years ended September 30.

City of Corinth, Texas
Schedule of Changes in Total OPEB Liability and Related Ratios –
Supplemental Death Benefits Plan (Exhibit B-4)
Year Ended September 30, 2023

	Year Ended December 31, 2022	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
Total OPEB Liability						
Service cost	\$ 44,979	\$ 41,578	\$ 33,504	\$ 22,621	\$ 22,144	\$ 18,363
Interest on total OPEB liability	10,757	10,559	11,886	13,334	10,940	10,314
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(13,120)	(9,779)	(25,772)	(43,060)	25,487	-
Change of assumptions	(223,873)	19,951	76,774	76,718	(27,870)	28,959
Benefit payments	(7,497)	(7,128)	(2,311)	(2,154)	(1,926)	(1,836)
Net change in total OPEB liability	(188,754)	55,181	94,081	67,459	28,775	55,800
Total OPEB liability, beginning	565,895	510,714	416,633	349,174	320,399	264,599
Total OPEB liability, ending	<u>\$ 377,141</u>	<u>\$ 565,895</u>	<u>\$ 510,714</u>	<u>\$ 416,633</u>	<u>\$ 349,174</u>	<u>\$ 320,399</u>
Covered payroll	\$ 12,494,184	\$ 11,879,334	\$ 11,553,105	\$ 10,771,734	\$ 9,627,913	\$ 9,181,285
Total OPEB liability as a percentage of covered payroll	3.02%	4.76%	4.42%	3.87%	3.63%	3.49%

Note: The information from this schedule corresponds with the period covered as of the Plan's measurement dates of December 31. Plan information was unavailable prior to 2017. Ten years will ultimately be displayed.

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

Note A: Net Pension Liability – Texas Municipal Retirement System

Assumptions

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

Valuation date	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	23 years
Asset valuation method	10-year smoothed market; 12% soft corridor
Inflation	2.50%
Salary increases	3.50% to 11.50%, including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City’s plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 – 2018.
Mortality	<p>Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.</p> <p>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.</p>

Notes:

There were no benefit changes during the year.

Note B: Total OPEB Liability – Texas Municipal Retirement System

Summary of actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.50%
Discount rate*	4.05%
Salary increases	3.50% to 11.50%, including inflation
Retirees' share- benefit-related costs	\$0
 Administrative expenses	 All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
 Mortality rate- service retirees	 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
 Mortality rate- disabled retirees	 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

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

* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" as of December 31, 2022.

Note C: Budgetary Process

The official budget was prepared for adoption for the General Fund. The following procedures are followed in establishing the budgetary data reflected in the required supplementary information:

- a. Prior to the beginning of the fiscal year, the City prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. A meeting of the City Council is then called for the purpose of adopting the proposed budget. At least ten days' public notice of the meeting must have been given.
- c. Prior to the start of the fiscal year, the budget is legally enacted through passage of a resolution by the City Council.
- d. Once a budget is approved, it can be amended only by approval of a majority of the members of the City Council.
- e. As required by law, such amendments are made before the fact, are reflected in the official minutes of the City Council and are not made after fiscal year end.
- f. All budget amendments received appropriate approval.
- g. All budget appropriations lapse at year end.

City of Corinth, Texas
Combining Balance Sheet – Nonmajor Governmental Funds (Exhibit C-1)
September 30, 2023

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and cash equivalents	\$ 2,321,542	\$ 2,298,849	\$ 4,620,391
Investments	1,753,593	2,451,787	4,205,380
Receivables (net of allowance)			
Sales taxes	194,569	-	194,569
Interest	10,743	-	10,743
Leases	233,416	-	233,416
Miscellaneous	334,772	16,019	350,791
Prepaid items	7,000	-	7,000
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 4,855,635</u>	<u>\$ 4,766,655</u>	<u>\$ 9,622,290</u>
Liabilities			
Accounts payable	\$ 94,069	\$ 78,070	\$ 172,139
Accrued liabilities	80,773	-	80,773
Other liabilities	702,619	152,486	855,105
Unearned revenue	-	-	-
Total liabilities	<u>877,461</u>	<u>230,556</u>	<u>1,108,017</u>
Deferred Inflows of Resources			
Lease related	231,792	-	231,792
Unavailable revenue	203,541	-	203,541
Total deferred inflows of resources	<u>435,333</u>	<u>-</u>	<u>435,333</u>
Fund Balances			
Nonspendable	7,000	-	7,000
Restricted	2,898,301	1,628,745	4,527,046
Committed	637,540	2,907,354	3,544,894
Total fund balances	<u>3,542,841</u>	<u>4,536,099</u>	<u>8,078,940</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,855,635</u>	<u>\$ 4,766,655</u>	<u>\$ 9,622,290</u>

City of Corinth, Texas
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Governmental Funds (Exhibit C-2)
Year Ended September 30, 2023

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes			
Property	\$ 90,451	\$ -	\$ 90,451
Sales	1,063,547	-	1,063,547
Hotel occupancy tax	119,539	-	119,539
Franchise	119,943	-	119,943
Vehicle	147,926	-	147,926
Escrow and impact fees	170,717	-	170,717
Traffic fines and forfeitures	56,557	-	56,557
Police fees and permits	29,046	-	29,046
Parks and recreation fees	145,940	-	145,940
Donations	13,429	61,160	74,589
Interest income	166,649	253,155	419,804
Miscellaneous income	138,038	-	138,038
Total revenues	<u>2,261,782</u>	<u>314,315</u>	<u>2,576,097</u>
Expenditures			
Current			
Public safety	782,775	-	782,775
Community services	76,780	1,792	78,572
Public works	873,778	11,998	885,776
City administration	89,882	74,134	164,016
Debt service			
Principal	217,956	356,101	574,057
Interest	21,409	44,539	65,948
Capital outlay	1,231,409	3,981,145	5,212,554
Total expenditures	<u>3,293,989</u>	<u>4,469,709</u>	<u>7,763,698</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(1,032,207)	(4,155,394)	(5,187,601)
Other Financing Sources (Uses)			
Proceeds from sale of capital assets	-	144,696	144,696
Lease proceeds	653,138	-	653,138
Transfers out	(990,796)	(828,209)	(1,819,005)
Transfers in	813,457	2,030,805	2,844,262
Total Other Financing Sources (Uses)	<u>475,799</u>	<u>1,347,292</u>	<u>1,823,091</u>
Net Change in Fund Balance	(556,408)	(2,808,102)	(3,364,510)
Fund Balance - October 1 (Beginning)	4,099,249	7,344,201	11,443,450
Fund Balance - September 30 (Ending)	<u>\$ 3,542,841</u>	<u>\$ 4,536,099</u>	<u>\$ 8,078,940</u>

	Crime Control & Prevention	Street Maintenance	Hotel Motel Tax
Assets			
Cash and cash equivalents	\$ 187,288	\$ -	\$ 223,471
Investments	576,534	-	-
Receivables (net of allowance)			
Sales taxes	99,844	-	-
Interest	-	-	-
Leases	-	-	-
Miscellaneous	-	-	18,349
Prepaid items	-	-	7,000
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 863,666</u>	<u>\$ -</u>	<u>\$ 248,820</u>
Liabilities			
Accounts payable	\$ 74,410	\$ -	\$ -
Accrued liabilities	-	-	80,348
Other liabilities	-	-	-
Total liabilities	<u>74,410</u>	<u>-</u>	<u>80,348</u>
Deferred Inflows of Resources			
Lease related	-	-	-
Unavailable revenue	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Nonspendable	-	-	7,000
Restricted	789,256	-	161,472
Committed	-	-	-
Total fund balances	<u>789,256</u>	<u>-</u>	<u>168,472</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 863,666</u>	<u>\$ -</u>	<u>\$ 248,820</u>

City of Corinth, Texas
Combining Balance Sheet – Nonmajor Special Revenue Funds (Exhibit C-3)
September 30, 2023

Keep Corinth Beautiful	County Child Safety	Special Revenue	Municipal Court Security	Municipal Court Technology
\$ 36,680	\$ 22,047	\$ 113,194	\$ 127,482	\$ 50,107
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	24,846	275,686	-	-
-	-	-	-	-
<u>\$ 36,680</u>	<u>\$ 46,893</u>	<u>\$ 388,880</u>	<u>\$ 127,482</u>	<u>\$ 50,107</u>
\$ -	\$ -	\$ 840	\$ -	\$ -
-	425	-	-	-
5,000	-	-	-	-
<u>5,000</u>	<u>425</u>	<u>840</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	203,541	-	-
-	-	<u>203,541</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
31,680	46,468	720	127,482	50,107
-	-	183,779	-	-
<u>31,680</u>	<u>46,468</u>	<u>184,499</u>	<u>127,482</u>	<u>50,107</u>
<u>\$ 36,680</u>	<u>\$ 46,893</u>	<u>\$ 388,880</u>	<u>\$ 127,482</u>	<u>\$ 50,107</u>

(continued on the following page)

	Police Confiscation- State	Parks Development	Community Park Improvement
Assets			
Cash and cash equivalents	\$ 22,870	\$ 236,026	\$ 31,518
Investments	-	-	-
Receivables (net of allowance)			
Sales taxes	-	-	-
Interest	-	-	-
Leases	-	-	-
Miscellaneous	-	-	-
Prepaid items	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 22,870</u>	<u>\$ 236,026</u>	<u>\$ 31,518</u>
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-
Other liabilities	6,460	-	-
Total liabilities	<u>6,460</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources			
Lease related	-	-	-
Unavailable revenue	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	16,410	236,026	31,518
Committed	-	-	-
Total fund balances	<u>16,410</u>	<u>236,026</u>	<u>31,518</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 22,870</u>	<u>\$ 236,026</u>	<u>\$ 31,518</u>

City of Corinth, Texas
Combining Balance Sheet – Nonmajor Special Revenue Funds (Exhibit C-3)
September 30, 2023

Tree Mitigation	Roadway Impact Fee	Fire District	Broadband Utility	Reinvestment Zone #2	Short-term Rental Vehicle Tax
\$ 227,441	\$ 33,949	\$ 40,340	\$ 183,082	\$ 95,361	\$ 183,244
-	994,990	182,069	-	-	-
-	-	94,725	-	-	-
-	10,531	-	212	-	-
-	-	-	233,416	-	-
-	-	-	3,440	-	12,451
-	-	-	-	-	-
<u>\$ 227,441</u>	<u>\$ 1,039,470</u>	<u>\$ 317,134</u>	<u>\$ 420,150</u>	<u>\$ 95,361</u>	<u>\$ 195,695</u>
\$ -	\$ 1,250	\$ 17,569	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	691,159	-	-	-	-
-	692,409	17,569	-	-	-
-	-	-	231,792	-	-
-	-	-	-	-	-
-	-	-	231,792	-	-
-	-	-	-	-	-
227,441	347,061	299,565	188,358	95,361	195,695
-	-	-	-	-	-
<u>227,441</u>	<u>347,061</u>	<u>299,565</u>	<u>188,358</u>	<u>95,361</u>	<u>195,695</u>
<u>\$ 227,441</u>	<u>\$ 1,039,470</u>	<u>\$ 317,134</u>	<u>\$ 420,150</u>	<u>\$ 95,361</u>	<u>\$ 195,695</u>

(continued on the following page)

City of Corinth, Texas
Combining Balance Sheet – Nonmajor Special Revenue Funds (Exhibit C-3)
September 30, 2023

	Street Rehabilitation	Reinvestment Zone #3	Total Nonmajor Special Revenue Funds
Assets			
Cash and cash equivalents	\$ 453,761	\$ 53,681	\$ 2,321,542
Investments	-	-	1,753,593
Receivables (net of allowance)			
Sales taxes	-	-	194,569
Interest	-	-	10,743
Leases	-	-	233,416
Miscellaneous	-	-	334,772
Prepaid items	-	-	7,000
Total assets	\$ 453,761	\$ 53,681	\$ 4,855,635
Liabilities			
Accounts payable	\$ -	\$ -	\$ 94,069
Accrued liabilities	-	-	80,773
Other liabilities	-	-	702,619
Total liabilities	-	-	877,461
Deferred Inflows of Resources			
Lease related	-	-	231,792
Unavailable revenue	-	-	203,541
Total deferred inflows of resources	-	-	435,333
Fund Balances			
Nonspendable	-	-	7,000
Restricted	-	53,681	2,898,301
Committed	453,761	-	637,540
Total fund balances	453,761	53,681	3,542,841
Total liabilities, deferred inflows of resources and fund balances	\$ 453,761	\$ 53,681	\$ 4,855,635

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	Crime Control & Prevention	Street Maintenance	Hotel Motel Tax
Revenues			
Taxes			
Property	\$ -	\$ -	\$ -
Sales	542,636	-	-
Hotel occupancy tax	-	-	119,539
Franchise	-	-	-
Vehicle	-	-	-
Escrow and impact fees	-	-	-
Traffic fines & forfeitures	-	-	-
Police fees & permits	-	-	-
Parks & recreation fees	-	-	-
Donations	-	-	-
Interest income	31,449	13,558	9,315
Miscellaneous income	-	-	-
Total revenues	<u>574,085</u>	<u>13,558</u>	<u>128,854</u>
Expenditures			
Current			
Public safety	281,287	-	-
Community services	-	-	-
Public works	-	753,202	-
City administration	-	-	44,997
Capital outlay	716,962	-	92,346
Debt service			
Principal	217,956	-	-
Interest	21,409	-	-
Total expenditures	<u>1,237,614</u>	<u>753,202</u>	<u>137,343</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(663,529)	(739,644)	(8,489)
Other Financing Sources (Uses)			
Lease proceeds	653,138	-	-
Transfers out	-	(29,959)	(58,372)
Transfers in	-	-	-
Total Other Financing Sources (Uses)	<u>653,138</u>	<u>(29,959)</u>	<u>(58,372)</u>
Net Change in Fund Balance	(10,391)	(769,603)	(66,861)
Fund Balance - October 1 (Beginning)	<u>799,647</u>	<u>769,603</u>	<u>235,333</u>
Fund Balance - September 30 (Ending)	<u>\$ 789,256</u>	<u>\$ -</u>	<u>\$ 168,472</u>

City of Corinth, Texas
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Exhibit C-4)
Year Ended September 30, 2023

Keep Corinth Beautiful	County Child Safety	Special Revenue	Municipal Court Security	Municipal Court Technology
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	21,147	19,217	16,193
-	29,046	-	-	-
-	-	-	-	-
-	-	7,525	-	-
1,272	1,069	14,184	4,406	1,633
-	-	131,171	-	-
<u>1,272</u>	<u>30,115</u>	<u>174,027</u>	<u>23,623</u>	<u>17,826</u>
-	26,782	17,944	-	-
-	-	26,781	-	-
-	-	11,327	-	-
7,536	-	-	-	-
-	-	54,763	-	-
-	-	-	-	-
-	-	-	-	-
<u>7,536</u>	<u>26,782</u>	<u>110,815</u>	<u>-</u>	<u>-</u>
(6,264)	3,333	63,212	23,623	17,826
-	-	-	-	-
-	-	(102,465)	(15,000)	-
-	-	3,000	-	-
<u>-</u>	<u>-</u>	<u>(99,465)</u>	<u>(15,000)</u>	<u>-</u>
(6,264)	3,333	(36,253)	8,623	17,826
<u>37,944</u>	<u>43,135</u>	<u>220,752</u>	<u>118,859</u>	<u>32,281</u>
<u>\$ 31,680</u>	<u>\$ 46,468</u>	<u>\$ 184,499</u>	<u>\$ 127,482</u>	<u>\$ 50,107</u>

(continued on the following page)

	Police Confiscation- State	Parks Development	Community Park Improvement
Revenues			
Taxes			
Property	\$ -	\$ -	\$ -
Sales	-	-	-
Hotel occupancy tax	-	-	-
Franchise	-	-	-
Vehicle	-	-	-
Escrow and impact fees	-	-	-
Traffic fines & forfeitures	-	-	-
Police fees & permits	-	-	-
Parks & recreation fees	-	-	10,720
Donations	-	5,904	-
Interest income	512	8,512	1,104
Miscellaneous income	4,267	-	-
Total revenues	<u>4,779</u>	<u>14,416</u>	<u>11,824</u>
Expenditures			
Current			
Public safety	-	-	-
Community services	-	-	-
Public works	-	-	-
City administration	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	4,779	14,416	11,824
Other Financing Sources (Uses)			
Lease proceeds	-	-	-
Transfers out	-	(205,000)	-
Transfers in	-	55,000	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(150,000)</u>	<u>-</u>
Net Change in Fund Balance	4,779	(135,584)	11,824
Fund Balance - October 1 (Beginning)	<u>11,631</u>	<u>371,610</u>	<u>19,694</u>
Fund Balance - September 30 (Ending)	<u>\$ 16,410</u>	<u>\$ 236,026</u>	<u>\$ 31,518</u>

City of Corinth, Texas
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Exhibit C-4)
Year Ended September 30, 2023

Tree Mitigation	Roadway Impact Fee	Fire District	Broadband Utility	Reinvestment Zone #2	Short-term Rental Vehicle Tax
\$ -	\$ -	\$ -	\$ -	\$ 37,477	\$ -
-	-	520,911	-	-	-
-	-	-	-	-	-
-	-	-	119,943	-	-
-	-	-	-	-	147,926
-	170,717	-	-	-	-
-	-	-	-	-	-
135,220	-	-	-	-	-
-	-	-	-	-	-
14,968	17,773	12,264	7,868	2,581	4,789
-	-	2,600	-	-	-
<u>150,188</u>	<u>188,490</u>	<u>535,775</u>	<u>127,811</u>	<u>40,058</u>	<u>152,715</u>
-	-	456,762	-	-	-
49,999	-	-	-	-	-
-	9,250	-	-	-	-
-	-	-	37,349	-	-
-	328,001	39,337	-	-	-
-	-	-	-	-	-
<u>49,999</u>	<u>337,251</u>	<u>496,099</u>	<u>37,349</u>	<u>-</u>	<u>-</u>
100,189	(148,761)	39,676	90,462	40,058	152,715
-	-	-	-	-	-
(300,000)	(250,000)	(30,000)	-	-	-
-	451,299	-	-	-	-
<u>(300,000)</u>	<u>201,299</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
(199,811)	52,538	9,676	90,462	40,058	152,715
<u>427,252</u>	<u>294,523</u>	<u>289,889</u>	<u>97,896</u>	<u>55,303</u>	<u>42,980</u>
<u>\$ 227,441</u>	<u>\$ 347,061</u>	<u>\$ 299,565</u>	<u>\$ 188,358</u>	<u>\$ 95,361</u>	<u>\$ 195,695</u>

(continued on the following page)

City of Corinth, Texas
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Exhibit C-4)
Year Ended September 30, 2023

	Street Rehabilitation	Reinvestment Zone #3	Total Nonmajor Special Revenue Funds
Revenues			
Taxes			
Property	\$ -	\$ 52,974	\$ 90,451
Sales	-	-	1,063,547
Hotel occupancy tax	-	-	119,539
Franchise	-	-	119,943
Vehicle	-	-	147,926
Escrow and impact fees	-	-	170,717
Traffic fines & forfeitures	-	-	56,557
Police fees & permits	-	-	29,046
Parks & recreation fees	-	-	145,940
Donations	-	-	13,429
Interest income	18,685	707	166,649
Miscellaneous income	-	-	138,038
Total revenues	<u>18,685</u>	<u>53,681</u>	<u>2,261,782</u>
Expenditures			
Current			
Public safety	-	-	782,775
Community services	-	-	76,780
Public works	99,999	-	873,778
City administration	-	-	89,882
Capital outlay	-	-	1,231,409
Debt service			
Principal	-	-	217,956
Interest	-	-	21,409
Total expenditures	<u>99,999</u>	<u>-</u>	<u>3,293,989</u>
Excess (Deficiency) of Revenues over Expenditures	(81,314)	53,681	(1,032,207)
Other Financing Sources (Uses)			
Lease proceeds	-	-	653,138
Transfers out	-	-	(990,796)
Transfers in	304,158	-	813,457
Total Other Financing Sources (Uses)	<u>304,158</u>	<u>-</u>	<u>475,799</u>
Net Change in Fund Balance	222,844	53,681	(556,408)
Fund Balance - October 1 (Beginning)	<u>230,917</u>	<u>-</u>	<u>4,099,249</u>
Fund Balance - September 30 (Ending)	<u>\$ 453,761</u>	<u>\$ 53,681</u>	<u>\$ 3,542,841</u>

City of Corinth, Texas
 Crime Control and Prevention Fund Budgetary Comparison Schedule (Exhibit C-5)
 Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Sales	\$ 495,343	\$ 495,343	\$ 542,636	\$ 47,293
Interest income	2,264	2,264	31,449	29,185
Total revenues	<u>497,607</u>	<u>497,607</u>	<u>574,085</u>	<u>76,478</u>
Expenditures				
Current				
Public safety	250,272	315,890	281,287	34,603
Capital outlay	129,500	63,882	716,962	(653,080)
Debt service				
Principal	266,908	266,908	217,956	48,952
Interest	-	-	21,409	(21,409)
Total expenditures	<u>646,680</u>	<u>646,680</u>	<u>1,237,614</u>	<u>(590,934)</u>
Other Financing Sources (Uses)				
Lease proceeds	-	-	653,138	(653,138)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>653,138</u>	<u>(653,138)</u>
Net Change in Fund Balance	(149,073)	(149,073)	(10,391)	138,682
Fund Balance -				
October 1 (Beginning)	<u>799,647</u>	<u>799,647</u>	<u>799,647</u>	<u>-</u>
Fund Balance -				
September 30 (Ending)	<u>\$ 650,574</u>	<u>\$ 650,574</u>	<u>\$ 789,256</u>	<u>\$ 138,682</u>

City of Corinth, Texas
Street Maintenance Fund Budgetary Comparison Schedule (Exhibit C-6)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Interest income	\$ 750	\$ 750	\$ 13,558	\$ 12,808
Total revenues	<u>750</u>	<u>750</u>	<u>13,558</u>	<u>12,808</u>
Expenditures				
Current				
Public works	686,435	782,994	753,202	29,792
Total expenditures	<u>686,435</u>	<u>782,994</u>	<u>753,202</u>	<u>29,792</u>
Other Financing Sources (Uses)				
Transfers out	-	-	(29,959)	(29,959)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(29,959)</u>	<u>(29,959)</u>
Net Change in Fund Balance	(685,685)	(782,244)	(769,603)	12,641
Fund Balance -				
October 1 (Beginning)	<u>769,603</u>	<u>769,603</u>	<u>769,603</u>	<u>-</u>
Fund Balance -				
September 30 (Ending)	<u>\$ 83,918</u>	<u>\$ (12,641)</u>	<u>\$ -</u>	<u>\$ 12,641</u>

City of Corinth, Texas
Hotel Motel Tax Fund Budgetary Comparison Schedule (Exhibit C-7)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Hotel occupancy tax	\$ 93,750	\$ 93,750	\$ 119,539	\$ 25,789
Interest income	1,500	1,500	9,315	7,815
Total revenues	<u>95,250</u>	<u>95,250</u>	<u>128,854</u>	<u>33,604</u>
Expenditures				
Current				
City administration	36,878	52,532	44,997	7,535
Capital outlay	108,000	92,346	92,346	-
Total expenditures	<u>144,878</u>	<u>144,878</u>	<u>137,343</u>	<u>7,535</u>
Excess (Deficiency) of Revenues over Expenditures	(49,628)	(49,628)	(8,489)	41,139
Other Financing Sources (Uses)				
Transfers out	<u>(58,372)</u>	<u>(58,372)</u>	<u>(58,372)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(58,372)</u>	<u>(58,372)</u>	<u>(58,372)</u>	<u>-</u>
Net Change in Fund Balance	(108,000)	(108,000)	(66,861)	41,139
Fund Balance - October 1 (Beginning)	<u>235,333</u>	<u>235,333</u>	<u>235,333</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 127,333</u>	<u>\$ 127,333</u>	<u>\$ 168,472</u>	<u>\$ 41,139</u>

City of Corinth, Texas
 Keep Corinth Beautiful Fund Budgetary Comparison Schedule (Exhibit C-8)
 Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Donations	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Interest income	-	-	1,272	1,272
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>1,272</u>	<u>(3,728)</u>
Expenditures				
Current				
City administration	8,325	8,325	7,536	789
Total expenditures	<u>8,325</u>	<u>8,325</u>	<u>7,536</u>	<u>789</u>
Net Change in Fund Balance	(3,325)	(3,325)	(6,264)	(2,939)
Fund Balance -				
October 1 (Beginning)	<u>37,944</u>	<u>37,944</u>	<u>37,944</u>	<u>-</u>
Fund Balance -				
September 30 (Ending)	<u>\$ 34,619</u>	<u>\$ 34,619</u>	<u>\$ 31,680</u>	<u>\$ (2,939)</u>

City of Corinth, Texas
County Child Safety Fund Comparison Schedule (Exhibit C-9)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Police fees and permits	\$ 29,000	\$ 29,000	\$ 29,046	\$ 46
Interest income	-	-	1,069	1,069
Total revenues	<u>29,000</u>	<u>29,000</u>	<u>30,115</u>	<u>1,115</u>
Expenditures				
Current				
Public safety	<u>28,820</u>	<u>28,820</u>	<u>26,782</u>	<u>2,038</u>
Total expenditures	<u>28,820</u>	<u>28,820</u>	<u>26,782</u>	<u>2,038</u>
Net Change in Fund Balance	180	180	3,333	3,153
Fund Balance -				
October 1 (Beginning)	<u>43,135</u>	<u>43,135</u>	<u>43,135</u>	<u>-</u>
Fund Balance -				
September 30 (Ending)	<u>\$ 43,315</u>	<u>\$ 43,315</u>	<u>\$ 46,468</u>	<u>\$ 3,153</u>

City of Corinth, Texas
Municipal Court Security Fund Budgetary Comparison Schedule (Exhibit C-10)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Traffic fines and forfeitures	\$ 15,000	\$ 15,000	\$ 19,217	\$ 4,217
Interest income	-	-	4,406	4,406
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>23,623</u>	<u>8,623</u>
Expenditures				
Current				
Community services	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	15,000	15,000	23,623	8,623
Other Financing Sources (Uses)				
Transfers out	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
Net Change in Fund Balance	-	-	8,623	8,623
Fund Balance - October 1 (Beginning)	<u>118,859</u>	<u>118,859</u>	<u>118,859</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 118,859</u>	<u>\$ 118,859</u>	<u>\$ 127,482</u>	<u>\$ 8,623</u>

City of Corinth, Texas
Municipal Court Technology Fund Comparison Schedule (Exhibit C-11)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Traffic fines and forfeitures	\$ 15,000	\$ 15,000	\$ 16,193	\$ 1,193
Interest income	-	-	1,633	1,633
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>17,826</u>	<u>2,826</u>
Expenditures				
Current				
Community services	15,000	15,000	-	15,000
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Net Change in Fund Balance	-	-	17,826	17,826
Fund Balance -				
October 1 (Beginning)	<u>32,281</u>	<u>32,281</u>	<u>32,281</u>	<u>-</u>
Fund Balance -				
September 30 (Ending)	<u>\$ 32,281</u>	<u>\$ 32,281</u>	<u>\$ 50,107</u>	<u>\$ 17,826</u>

City of Corinth, Texas
 Police Confiscation Fund – State – Budgetary Comparison Schedule (Exhibit C-12)
 Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Interest income	\$ -	\$ -	\$ 512	\$ 512
Miscellaneous income	27,594	27,594	4,267	(23,327)
Total revenues	<u>27,594</u>	<u>27,594</u>	<u>4,779</u>	<u>(22,815)</u>
Expenditures				
Current				
Public safety	27,594	27,594	-	27,594
Total expenditures	<u>27,594</u>	<u>27,594</u>	<u>-</u>	<u>27,594</u>
Net Change in Fund Balance	-	-	4,779	4,779
Fund Balance -				
October 1 (Beginning)	<u>11,631</u>	<u>11,631</u>	<u>11,631</u>	<u>-</u>
Fund Balance -				
September 30 (Ending)	<u>\$ 11,631</u>	<u>\$ 11,631</u>	<u>\$ 16,410</u>	<u>\$ 4,779</u>

City of Corinth, Texas
Parks Development Fund Budgetary Comparison Schedule (Exhibit C-13)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Donations	\$ -	\$ -	\$ 5,904	\$ 5,904
Interest income	-	-	8,512	8,512
Total revenues	<u>-</u>	<u>-</u>	<u>14,416</u>	<u>14,416</u>
Expenditures				
Current				
Community services	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	-	-	14,416	14,416
Other Financing Sources (Uses)				
Transfers in	55,000	55,000	55,000	-
Transfers out	<u>(205,000)</u>	<u>(205,000)</u>	<u>(205,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Net Change in Fund Balance	(150,000)	(150,000)	(135,584)	14,416
Fund Balance - October 1 (Beginning)	<u>371,610</u>	<u>371,610</u>	<u>371,610</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 221,610</u>	<u>\$ 221,610</u>	<u>\$ 236,026</u>	<u>\$ 14,416</u>

City of Corinth, Texas
Community Park Improvement Fund Budgetary Comparison Schedule (Exhibit C-14)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Parks and recreation fees	\$ 7,500	\$ 7,500	\$ 10,720	\$ 3,220
Interest income	-	-	1,104	1,104
Total revenues	<u>7,500</u>	<u>7,500</u>	<u>11,824</u>	<u>4,324</u>
Expenditures				
Current				
Community services	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	7,500	7,500	11,824	4,324
Fund Balance -				
October 1 (Beginning)	<u>19,694</u>	<u>19,694</u>	<u>19,694</u>	<u>-</u>
Fund Balance -				
September 30 (Ending)	<u>\$ 27,194</u>	<u>\$ 27,194</u>	<u>\$ 31,518</u>	<u>\$ 4,324</u>

City of Corinth, Texas
 Tree Mitigation Fund Budgetary Comparison Schedule (Exhibit C-15)
 Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Parks & recreation fees	\$ -	\$ -	\$ 135,220	\$ 135,220
Interest income	1,500	1,500	14,968	13,468
Total revenues	<u>1,500</u>	<u>1,500</u>	<u>150,188</u>	<u>148,688</u>
Expenditures				
Current				
Community services	50,000	50,000	49,999	1
Capital Outlay	300,000	-	-	-
Total expenditures	<u>350,000</u>	<u>50,000</u>	<u>49,999</u>	<u>1</u>
Excess (Deficiency) of Revenues over Expenditures	(348,500)	(48,500)	100,189	148,689
Other Financing Sources (Uses)				
Transfers out	-	(300,000)	(300,000)	-
Total Other Financing Sources (Uses)	-	(300,000)	(300,000)	-
Net Change in Fund Balance	(348,500)	(348,500)	(199,811)	148,689
Fund Balance - October 1 (Beginning)	<u>427,252</u>	<u>427,252</u>	<u>427,252</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 78,752</u>	<u>\$ 78,752</u>	<u>\$ 227,441</u>	<u>\$ 148,689</u>

City of Corinth, Texas
Roadway Impact Fee Fund Budgetary Comparison Schedule (Exhibit C-16)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Escrow and impact fees	\$ -	\$ -	\$ 170,717	\$ 170,717
Interest income	-	-	17,773	17,773
Total revenues	<u>-</u>	<u>-</u>	<u>188,490</u>	<u>188,490</u>
Expenditures				
Public works	29,650	29,650	9,250	20,400
Capital Outlay	-	330,000	328,001	1,999
Total expenditures	<u>29,650</u>	<u>359,650</u>	<u>337,251</u>	<u>22,399</u>
Excess (Deficiency) of Revenues over Expenditures	(29,650)	(359,650)	(148,761)	210,889
Other Financing Sources (Uses)				
Transfers in	-	-	451,299	451,299
Transfers out	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>201,299</u>	<u>451,299</u>
Net Change in Fund Balance	(279,650)	(609,650)	52,538	662,188
Fund Balance - October 1 (Beginning)	<u>294,523</u>	<u>294,523</u>	<u>294,523</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 14,873</u>	<u>\$ (315,127)</u>	<u>\$ 347,061</u>	<u>\$ 662,188</u>

City of Corinth, Texas
 Fire District Fund Budgetary Comparison Schedule (Exhibit C-17)
 Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Sales	\$ 539,337	\$ 539,337	\$ 520,911	\$ (18,426)
Interest income	1,000	1,000	12,264	11,264
Miscellaneous income	-	-	2,600	2,600
Total revenues	<u>540,337</u>	<u>540,337</u>	<u>535,775</u>	<u>(4,562)</u>
Expenditures				
Current				
Public safety	502,523	490,185	456,762	33,423
Capital outlay	27,000	39,338	39,337	1
Total expenditures	<u>529,523</u>	<u>529,523</u>	<u>496,099</u>	<u>33,424</u>
Excess (Deficiency) of Revenues over Expenditures	10,814	10,814	39,676	28,862
Other Financing Sources (Uses)				
Transfers out	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Net Change in Fund Balance	(19,186)	(19,186)	9,676	28,862
Fund Balance - October 1 (Beginning)	<u>289,889</u>	<u>289,889</u>	<u>289,889</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 270,703</u>	<u>\$ 270,703</u>	<u>\$ 299,565</u>	<u>\$ 28,862</u>

City of Corinth, Texas
Broadband Utility Fund Budgetary Comparison Schedule (Exhibit C-18)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Franchise	\$ 110,500	\$ 110,500	\$ 119,943	\$ 9,443
Interest income	-	-	7,868	7,868
Total revenues	<u>110,500</u>	<u>110,500</u>	<u>127,811</u>	<u>17,311</u>
Expenditures				
City administration	<u>126,800</u>	<u>126,800</u>	<u>37,349</u>	<u>89,451</u>
Total expenditures	<u>126,800</u>	<u>126,800</u>	<u>37,349</u>	<u>89,451</u>
Excess (Deficiency) of Revenues over Expenditures	(16,300)	(16,300)	90,462	106,762
Other Financing Sources (Uses)				
Lease proceeds	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(16,300)	(16,300)	90,462	106,762
Fund Balance - October 1 (Beginning)	<u>97,896</u>	<u>97,896</u>	<u>97,896</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 81,596</u>	<u>\$ 81,596</u>	<u>\$ 188,358</u>	<u>\$ 106,762</u>

City of Corinth, Texas
 Reinvestment Zone #2 Fund Budgetary Comparison Schedule (Exhibit C-19)
 Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property	\$ 37,477	\$ 37,477	\$ 37,477	\$ -
Interest income	-	-	2,581	2,581
Total revenues	<u>37,477</u>	<u>37,477</u>	<u>40,058</u>	<u>2,581</u>
Expenditures				
Current				
City administration	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	37,477	37,477	40,058	2,581
Fund Balance -				
October 1 (Beginning)	<u>55,303</u>	<u>55,303</u>	<u>55,303</u>	<u>-</u>
Fund Balance -				
September 30 (Ending)	<u>\$ 92,780</u>	<u>\$ 92,780</u>	<u>\$ 95,361</u>	<u>\$ 2,581</u>

City of Corinth, Texas
Short-term Rental Vehicle Tax Fund Budgetary Comparison Schedule (Exhibit C-20)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Vehicle	\$ 81,000	\$ 81,000	\$ 147,926	\$ 66,926
Interest income	-	-	4,789	4,789
Total revenues	<u>81,000</u>	<u>81,000</u>	<u>152,715</u>	<u>71,715</u>
Expenditures				
Current				
City administration	<u>28,074</u>	<u>28,074</u>	-	<u>28,074</u>
Total expenditures	<u>28,074</u>	<u>28,074</u>	-	<u>28,074</u>
Net Change in Fund Balance	52,926	52,926	152,715	99,789
Fund Balance -				
October 1 (Beginning)	<u>42,980</u>	<u>42,980</u>	<u>42,980</u>	<u>-</u>
Fund Balance -				
September 30 (Ending)	<u>\$ 95,906</u>	<u>\$ 95,906</u>	<u>\$ 195,695</u>	<u>\$ 99,789</u>

City of Corinth, Texas
Street Rehabilitation Fund Budgetary Comparison Schedule (Exhibit C-21)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Interest income	\$ -	\$ -	\$ 18,685	\$ 18,685
Total revenues	<u>-</u>	<u>-</u>	<u>18,685</u>	<u>18,685</u>
Expenditures				
Current				
Public works	100,000	100,000	99,999	1
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>99,999</u>	<u>1</u>
Excess (Deficiency) of Revenues over Expenditures	(100,000)	(100,000)	(81,314)	18,686
Other Financing Sources (Uses)				
Transfers in	304,158	304,158	304,158	-
Total Other Financing Sources (Uses)	<u>304,158</u>	<u>304,158</u>	<u>304,158</u>	<u>-</u>
Net Change in Fund Balance	204,158	204,158	222,844	18,686
Fund Balance - October 1 (Beginning)	<u>230,917</u>	<u>230,917</u>	<u>230,917</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 435,075</u>	<u>\$ 435,075</u>	<u>\$ 453,761</u>	<u>\$ 18,686</u>

City of Corinth, Texas
 Reinvestment Zone #3 Fund Budgetary Comparison Schedule (Exhibit C-22)
 Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property	\$ 52,974	\$ 52,974	\$ 52,974	\$ -
Interest income	-	-	707	707
Total revenues	<u>52,974</u>	<u>52,974</u>	<u>53,681</u>	<u>707</u>
Expenditures				
Current				
City administration	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	52,974	52,974	53,681	707
Net Change in Fund Balance	52,974	52,974	53,681	707
Fund Balance - October 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 52,974</u>	<u>\$ 52,974</u>	<u>\$ 53,681</u>	<u>\$ 707</u>

City of Corinth, Texas
Debt Service Fund Budgetary Comparison Schedule (Exhibit C-23)
Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property	\$ 4,102,290	\$ 4,102,290	\$ 4,078,467	\$ (23,823)
Interest Income	-	-	52,696	52,696
Miscellaneous	430,216	430,216	430,216	-
Total revenues	<u>4,532,506</u>	<u>4,532,506</u>	<u>4,561,379</u>	<u>28,873</u>
Expenditures				
Debt Service:				
Principal	2,638,964	2,638,964	3,277,552	(638,588)
Interest	1,858,043	1,858,043	1,014,343	843,700
Bond fees	10,000	10,000	1,500	8,500
Total expenditures	<u>4,507,007</u>	<u>4,507,007</u>	<u>4,293,395</u>	<u>213,612</u>
Excess (Deficiency) of Revenues over Expenditures	<u>25,499</u>	<u>25,499</u>	<u>267,984</u>	<u>242,485</u>
Other Financing Sources (Uses)				
Transfers in	100,000	100,000	119,498	19,498
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>100,000</u>	<u>119,498</u>	<u>19,498</u>
Net Change in Fund Balance	125,499	125,499	387,482	261,983
Fund Balance - October 1 (Beginning)	<u>617,849</u>	<u>617,849</u>	<u>617,849</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 743,348</u>	<u>\$ 743,348</u>	<u>\$ 1,005,331</u>	<u>\$ 261,983</u>

	<u>Governmental Capital Projects</u>	<u>Vehicle Replacement</u>	<u>LCFD Vehicle and Equipment Replacement</u>	<u>Tech Equipment Replacement</u>
Assets				
Cash and cash equivalents	\$ 689,527	\$ 293,321	\$ 210,926	\$ 636,208
Investments	808,341	-	-	-
Receivables (net of allowance)				
Miscellaneous	-	16,019	-	-
	<u>-</u>	<u>16,019</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,497,868</u>	<u>\$ 309,340</u>	<u>\$ 210,926</u>	<u>\$ 636,208</u>
Liabilities				
Accounts payable	\$ 51,149	\$ -	\$ -	\$ 25,220
Other liabilities	393	-	-	-
Total liabilities	<u>51,542</u>	<u>-</u>	<u>-</u>	<u>25,220</u>
Fund Balances				
Restricted	-	-	-	-
Committed	1,446,326	309,340	210,926	610,988
Total fund balances	<u>1,446,326</u>	<u>309,340</u>	<u>210,926</u>	<u>610,988</u>
Total Liabilities and Fund Balances	<u>\$ 1,497,868</u>	<u>\$ 309,340</u>	<u>\$ 210,926</u>	<u>\$ 636,208</u>

City of Corinth, Texas
Combining Balance Sheet – Nonmajor Capital Projects Funds (Exhibit C-24)
September 30, 2023

2016 CO Fund	2017 CO Fund	2021A CO Fund	LCFD Public Property	Total Nonmajor Capital Projects Funds
\$ 96,796	\$ -	\$ 42,297	\$ 329,774	\$ 2,298,849
-	-	1,643,446	-	2,451,787
-	-	-	-	16,019
<u>\$ 96,796</u>	<u>\$ -</u>	<u>\$ 1,685,743</u>	<u>\$ 329,774</u>	<u>\$ 4,766,655</u>
\$ -	\$ -	\$ 1,701	\$ -	\$ 78,070
-	-	152,093	-	152,486
-	-	153,794	-	230,556
96,796	-	1,531,949	-	1,628,745
-	-	-	329,774	2,907,354
<u>96,796</u>	<u>-</u>	<u>1,531,949</u>	<u>329,774</u>	<u>4,536,099</u>
<u>\$ 96,796</u>	<u>\$ -</u>	<u>\$ 1,685,743</u>	<u>\$ 329,774</u>	<u>\$ 4,766,655</u>

	Governmental Capital Projects	Vehicle Replacement	LCFD Vehicle and Equipment Replacement	Tech Equipment Replacement
Revenues				
Donations	\$ 60,000	\$ -	\$ -	\$ 1,160
Interest income	61,483	11,534	8,700	23,907
Total revenues	<u>121,483</u>	<u>11,534</u>	<u>8,700</u>	<u>25,067</u>
Expenditures				
Current				
Community services	1,792	-	-	-
Public works	11,998	-	-	-
City administration	-	-	-	74,134
Debt service				
Principal	-	-	356,101	-
Interest	-	-	44,539	-
Capital outlay	1,173,273	188,539	-	42,507
Total expenditures	<u>1,187,063</u>	<u>188,539</u>	<u>400,640</u>	<u>116,641</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,065,580)</u>	<u>(177,005)</u>	<u>(391,940)</u>	<u>(91,574)</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	143,709	-	987
Transfers out	(453,001)	-	-	-
Transfers in	1,357,814	50,000	350,001	272,990
Total Other Financing Sources (Uses)	<u>904,813</u>	<u>193,709</u>	<u>350,001</u>	<u>273,977</u>
Net Change in Fund Balance	(160,767)	16,704	(41,939)	182,403
Fund Balance - October 1 (Beginning)	<u>1,607,093</u>	<u>292,636</u>	<u>252,865</u>	<u>428,585</u>
Fund Balance - September 30 (Ending)	<u>\$ 1,446,326</u>	<u>\$ 309,340</u>	<u>\$ 210,926</u>	<u>\$ 610,988</u>

City of Corinth, Texas
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Capital Projects (Exhibit C-25)
Year Ended September 30, 2023

2016 CO Fund	2017 CO Fund	2021A CO Fund	LCFD Public Property	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ -	\$ -	\$ 61,160
4,652	1,482	129,436	11,961	253,155
<u>4,652</u>	<u>1,482</u>	<u>129,436</u>	<u>11,961</u>	<u>314,315</u>
-	-	-	-	1,792
-	-	-	-	11,998
-	-	-	-	74,134
-	-	-	-	356,101
-	-	-	-	44,539
35,504	93,727	2,447,595	-	3,981,145
<u>35,504</u>	<u>93,727</u>	<u>2,447,595</u>	<u>-</u>	<u>4,469,709</u>
<u>(30,852)</u>	<u>(92,245)</u>	<u>(2,318,159)</u>	<u>11,961</u>	<u>(4,155,394)</u>
-	-	-	-	144,696
(300,000)	(75,208)	-	-	(828,209)
-	-	-	-	2,030,805
<u>(300,000)</u>	<u>(75,208)</u>	<u>-</u>	<u>-</u>	<u>1,347,292</u>
(330,852)	(167,453)	(2,318,159)	11,961	(2,808,102)
427,648	167,453	3,850,108	317,813	7,344,201
<u>\$ 96,796</u>	<u>\$ -</u>	<u>\$ 1,531,949</u>	<u>\$ 329,774</u>	<u>\$ 4,536,099</u>

	<u>Corinth Economic Development Corporation</u>	<u>Corinth Economic Development Foundation</u>	<u>Total Discretely Presented Component Units</u>
Assets			
Cash and cash equivalents	\$ 1,089,125	\$ -	\$ 1,089,125
Investments	2,891,575	-	2,891,575
Receivables (net of allowance)			
Sales taxes	<u>222,028</u>	<u>-</u>	<u>222,028</u>
Total assets	<u><u>\$ 4,202,728</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,202,728</u></u>
Liabilities			
Accounts payable	\$ 9,979	\$ -	\$ 9,979
Accrued liabilities	<u>2,414</u>	<u>-</u>	<u>2,414</u>
Total liabilities	<u><u>12,393</u></u>	<u><u>-</u></u>	<u><u>12,393</u></u>
Fund Balances			
Restricted for economic development	<u>4,190,335</u>	<u>-</u>	<u>4,190,335</u>
Total fund balances	<u><u>4,190,335</u></u>	<u><u>-</u></u>	<u><u>4,190,335</u></u>
Total liabilities and fund balances	<u><u>\$ 4,202,728</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,202,728</u></u>

City of Corinth, Texas
Reconciliation of the Balance Sheet of Component Units to the Statement of Net Position (Exhibit C-27)
September 30, 2023

	Corinth Economic Development Corporation	Corinth Economic Development Foundation
Total Fund Balances - Component Units (CU)	\$ 4,190,335	\$ -
Amounts reported for CU in the statement of net position are different because:		
Capital assets used in CU are not current financial resources and therefore are not reported in the balance sheet.	1,216,400	1,805,903
Included in liabilities is the recognition of the CU's net pension liability in the amount of \$115,950, a deferred inflow of resources of \$783 and a deferred outflow of resources of \$67,692. This results in a decrease in net position.	(49,041)	-
Included in liabilities is the recognition of the CU's total OPEB liability in the amount of \$3,881, a deferred inflow of resources of \$2,700, and a deferred outflow of resources of \$1,251. This results in a decrease in net position.	(5,330)	-
Net Position of Component Units	<u>\$ 5,352,364</u>	<u>\$ 1,805,903</u>

City of Corinth, Texas

Statement of Revenues, Expenditures and Changes in Fund Balances – Component Units (Exhibit C-28)
Year Ended September 30, 2023

	<u>Corinth Economic Development Corporation</u>	<u>Corinth Economic Development Foundation</u>	<u>Total Discretely Presented Component Units</u>
Revenues			
Taxes			
Sales	\$ 1,170,197	\$ -	\$ 1,170,197
Interest income	105,275	1,748	107,023
Miscellaneous income	3,000	-	3,000
Total revenues	<u>1,278,472</u>	<u>1,748</u>	<u>1,280,220</u>
Expenditures			
Current			
Planning and community development	<u>1,349,783</u>	<u>1,356,413</u>	<u>2,706,196</u>
Total expenditures	<u>1,349,783</u>	<u>1,356,413</u>	<u>2,706,196</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(71,311)</u>	<u>(1,354,665)</u>	<u>(1,425,976)</u>
Other Financing Sources (Uses)			
Proceeds from sale of capital assets	<u>3,096,948</u>	<u>1,281,698</u>	<u>4,378,646</u>
Total other financing sources (uses)	<u>3,096,948</u>	<u>1,281,698</u>	<u>4,378,646</u>
Net Change in Fund Balance	3,025,637	(72,967)	2,952,670
Fund Balance - October 1 (Beginning)	<u>1,164,698</u>	<u>72,967</u>	<u>1,237,665</u>
Fund Balance - September 30 (Ending)	<u>\$ 4,190,335</u>	<u>\$ -</u>	<u>\$ 4,190,335</u>

City of Corinth, Texas
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Component Units to
 the Statement of Activities (Exhibit C-29)
 Year Ended September 30, 2023

	Corinth Economic Development Corporation	Corinth Economic Development Foundation
Net Change in Fund Balances - Component Units (CU)	\$ 3,025,637	\$ (72,967)
Amounts reported for CU in the statement of activities are different because:		
The net book value of capital assets disposed reduces net position.	(3,096,948)	(1,281,698)
Certain pension expenditures that are recorded in the fund financial statements must be recorded as deferred outflows of resources. Contributions made after the measurement date caused the change in net position to increase in the amount of \$18,715. CU's share of the unrecognized deferred inflows and outflows for TMRS as of the measurement date must be amortized and CU's pension expense must be recognized. These cause the change in net position to decrease in the amount of \$25,210.	(6,495)	-
Certain OPEB expenditures that are recorded in the fund financial statements must be recorded as deferred outflows of resources. Contributions made after the measurement date caused the change in net position to increase in the amount of \$343. CU's share of the unrecognized deferred inflows and outflows for TMRS as of the measurement date must be amortized and CU's OPEB expense must be recognized. These cause the change in net position to decrease in the amount of \$491.	(148)	-
Change in Net Position of Component Units	\$ (77,954)	\$ (1,354,665)



STATISTICAL SECTION

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STATISTICAL SECTION

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

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. (Tables D-1 – D-5)

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes. (Tables D-6 – D-12)

Debt Capacity

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. (Tables D-13 – D-16)

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand how the City's financial activities take place and to help make comparisons over time and with other governments. (Tables D-17 – D-19)

Operating Information

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs. (Tables D-20 – D-21)

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

CITY OF CORINTH, TEXAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Unaudited)

	2014	2015	2016
Governmental Activities			
Net Investment in Capital Assets	\$ 36,991,003	\$ 37,162,807	\$ 35,967,465
Restricted	4,078,719	1,066,371	1,759,359
Unrestricted	4,522,015	1,767,508	1,817,109
Total Governmental Activities Net Position	<u>\$ 45,591,737</u>	<u>\$ 39,996,686</u>	<u>\$ 39,543,933</u>
 Business-type Activities			
Net Investment in Capital Assets	\$ 21,552,151	\$ 21,568,651	\$ 21,537,921
Restricted	-	645,963	647,502
Unrestricted	6,250,406	4,856,975	4,285,029
Total Business-Type Activities Net Position	<u>\$ 27,802,557</u>	<u>\$ 27,071,589</u>	<u>\$ 26,470,452</u>
 Primary Government			
Net Investment in Capital Assets	\$ 58,543,154	\$ 58,731,458	\$ 57,505,386
Restricted	4,078,719	1,712,334	2,406,861
Unrestricted	10,772,421	6,624,483	6,102,138
Total Primary Government Net Position	<u>\$ 73,394,294</u>	<u>\$ 67,068,275</u>	<u>\$ 66,014,385</u>

Note:
Governmental Activities:
2015 restated for implementation of GASB 68

Business-type Activities:
2015 restated for implementation of GASB 68

TABLE D-1

2017	2018	2019	2020	2021	2022	2023
\$ 35,025,019	\$ 35,039,143	\$ 33,452,733	\$ 34,592,990	\$ 33,285,776	\$ 35,071,832	\$ 37,573,975
2,600,794	2,830,975	3,031,918	3,314,583	4,223,592	4,052,217	3,684,712
3,328,479	3,038,070	3,584,935	4,478,248	3,676,730	5,394,533	7,673,600
\$ 40,954,292	\$ 40,908,188	\$ 40,069,586	\$ 42,385,821	\$ 41,186,098	\$ 44,518,582	\$ 48,932,287
\$ 21,633,740	\$ 23,453,132	\$ 24,556,072	\$ 23,942,064	\$ 23,198,149	\$ 24,050,367	\$ 25,661,449
1,127,099	1,295,181	1,162,172	792,236	1,183,413	1,779,473	2,126,127
5,523,850	5,059,830	5,471,344	5,572,010	7,217,532	9,241,833	9,424,562
\$ 28,284,689	\$ 29,808,143	\$ 31,189,588	\$ 30,306,310	\$ 31,599,094	\$ 35,071,673	\$ 37,212,138
\$ 56,658,759	\$ 58,492,275	\$ 58,008,805	\$ 58,535,054	\$ 56,483,925	\$ 59,122,199	\$ 63,235,424
3,727,893	4,126,156	4,194,090	4,106,819	5,407,005	5,831,690	5,810,839
8,852,329	8,097,900	9,056,279	10,050,258	10,894,262	14,636,366	17,098,162
\$ 69,238,981	\$ 70,716,331	\$ 71,259,174	\$ 72,692,131	\$ 72,785,192	\$ 79,590,255	\$ 86,144,425

CITY OF CORINTH, TEXAS

EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(Unaudited)

Expenses	2014	2015	2016	2017
Governmental Activities:				
Public Safety	\$ 8,558,062	\$ 8,937,222	\$ 9,331,392	\$ 10,464,824
Community Services	1,735,618	1,855,018	1,734,299	1,533,030
Public Works	4,655,417	4,661,909	4,471,115	4,534,197
Planning & Community Development	715,554	860,549	1,013,413	857,360
City Administration	1,854,669	1,873,459	2,032,778	1,940,255
Finance and Administrative Services	665,351	746,482	878,384	888,324
Interest on Long-Term Debt	702,883	613,346	747,838	844,665
Total Governmental Activities Expenses	18,887,554	19,547,985	20,209,219	21,062,655
Business-Type Activities:				
Water and sewer	10,645,670	11,107,570	12,157,058	12,098,839
Storm drainage	571,624	540,217	525,740	517,412
Total Business-Type Activities Expenses	11,217,294	11,647,787	12,682,798	12,616,251
Total Primary Government Expenses	\$ 30,104,848	\$ 31,195,772	\$ 32,892,017	\$ 33,678,906
Program Revenues				
Governmental Activities:				
Charges for Services:				
Public Safety	\$ 3,595,280	\$ 3,516,328	\$ 3,960,494	\$ 3,934,109
Community Services	377,982	230,940	206,560	210,498
Public Works	111,242	209,723	59,205	156,559
Planning & Community Development	488,706	647,336	540,906	1,200,712
City Administration	94,979	92,142	105,401	93,302
Operating Grants & Contributions	284,954	299,613	189,114	97,506
Capital Grants & Contributions	-	380,748	332,872	1,630,239
Total Governmental Activities Program	4,953,143	5,376,830	5,394,552	7,322,925
Business-Type Activities:				
Charges for Services:				
Water & Wastewater	10,648,512	10,991,068	11,047,722	11,332,588
Storm Water Utility	680,128	692,943	703,783	727,197
Operating Grants & Contributions	-	-	-	-
Capital Grants & Contributions	176,068	607,013	1,448,393	2,997,195
Total Business-Type Activities Program	11,504,708	12,291,024	13,199,898	15,056,980
Total Primary Government Program	\$ 16,457,851	\$ 17,667,854	\$ 18,594,450	\$ 22,379,905
Net (Expense)/Revenue				
Governmental Activities	\$ (13,934,411)	\$ (14,171,155)	\$ (14,814,667)	\$ (13,739,730)
Business-Type Activities	287,414	643,237	517,100	2,440,729
Total Primary Government Net Expense	\$ (13,646,997)	\$ (13,527,918)	\$ (14,297,567)	\$ (11,299,001)

Note:

2015 restated for implementation of GASB 68.

TABLE D-2

2018	2019	2020	2021	2022	2023
\$ 12,945,976	\$ 13,272,969	\$ 11,917,879	\$ 12,059,685	\$ 12,229,945	\$ 14,880,320
1,511,542	1,445,580	1,612,246	2,062,111	2,172,726	2,584,004
1,595,297	2,915,701	4,425,877	4,076,489	5,273,963	5,217,679
1,034,510	1,169,750	1,229,618	1,041,345	864,967	1,190,610
2,128,443	2,660,731	2,592,272	5,612,646	4,482,255	3,693,108
886,880	1,026,613	1,105,611	987,844	1,192,590	1,355,623
828,591	1,201,636	1,126,076	1,886,621	1,338,507	986,950
20,931,239	23,692,980	24,009,579	27,726,741	27,554,953	29,908,294
12,342,091	12,540,351	13,227,342	13,184,689	14,129,665	15,606,723
560,241	664,736	678,058	665,081	660,768	807,480
12,902,332	13,205,087	13,905,400	13,849,770	14,790,433	16,414,203
\$ 33,833,571	\$ 36,898,067	\$ 37,914,979	\$ 41,576,511	\$ 42,345,386	\$ 46,322,497
\$ 3,351,543	\$ 4,557,446	\$ 3,533,674	\$ 3,991,353	\$ 5,090,198	\$ 5,906,447
234,622	353,124	102,516	261,673	217,686	109,498
207,711	554,556	203,658	211,992	248,416	170,717
749,678	475,134	664,502	671,772	1,096,154	1,181,641
83,042	54,317	100,472	130,063	97,337	50,420
277,286	370,016	1,528,396	713,760	802,798	516,860
1,266,428	810,401	1,258,616	1,437,849	3,426,005	1,571,878
6,170,310	7,174,994	7,391,834	7,418,462	10,978,594	9,507,461
13,152,059	12,250,426	12,662,764	14,020,111	15,360,377	16,482,889
719,458	727,497	737,609	731,067	846,546	788,106
-	-	-	50,935	10,187	-
937,813	1,320,436	1,073,307	975,552	2,565,707	1,052,841
14,809,330	14,298,359	14,473,680	15,777,665	18,782,817	18,323,836
\$ 20,979,640	\$ 21,473,353	\$ 21,865,514	\$ 23,196,127	\$ 29,761,411	\$ 27,831,297
\$ (14,760,929)	\$ (16,517,986)	\$ (16,617,745)	\$ (20,308,279)	\$ (16,576,359)	\$ (20,400,833)
1,906,998	1,093,272	568,280	1,927,895	3,992,384	1,909,633
\$ (12,853,931)	\$ (15,424,714)	\$ (16,049,465)	\$ (18,380,384)	\$ (12,583,975)	\$ (18,491,200)

CITY OF CORINTH, TEXAS

GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(Unaudited)

Net (Expense)/Revenue	2014	2015	2016	2017
Governmental Activities	\$ (13,934,411)	\$ (14,171,155)	\$ (14,814,667)	\$ (13,739,730)
Business-Type Activities	287,414	643,237	517,100	2,440,729
Total Primary Government Net Expense	(13,646,997)	(13,527,918)	(14,297,567)	(11,299,001)

General Revenues and Other Changes in Net Position

Governmental Activities:

Taxes				
Property Taxes	8,674,195	9,291,409	9,663,535	10,629,143
Sales Taxes	1,822,924	1,889,020	2,023,059	2,253,805
Franchise Taxes	1,039,646	1,074,217	1,068,910	1,073,789
Hotel Occupancy Taxes	-	67,833	79,007	77,673
Vehicle Taxes	-	-	-	-
Miscellaneous	13,925	45,685	237,674	204,231
Investment Earnings	53,968	55,043	87,433	228,971
Gain (Loss) on sale of Capital Assets	-	14,712	43,222	3,497
Special Item Outflow	-	-	-	-
Transfers	1,082,783	778,956	1,159,074	678,980
Total Governmental Activities	12,687,441	13,216,875	14,361,914	15,150,089

Business-Type Activities:

Miscellaneous	10,216	(391)	4,741	7,600
Investment Earnings	29,280	18,423	26,328	43,692
Gain (Loss) on sale of Capital Assets	-	5,333	9,768	1,196
Transfers	(1,082,783)	(778,956)	(1,159,074)	(678,980)
Total Business-Type Activities	(1,043,287)	(755,591)	(1,118,237)	(626,492)
Total Primary Government	\$ 11,644,154	\$ 12,461,284	\$ 13,243,677	\$ 14,523,597

Change in Net Position

Governmental Activities	(1,246,970)	(954,280)	(452,753)	1,410,359
Business-Type Activities	(755,873)	(112,354)	(601,137)	1,814,237
Total Primary Government	\$ (2,002,843)	\$ (1,066,634)	\$ (1,053,890)	\$ 3,224,596

Note:

Hotel Occupancy Tax was reported previously in the Sales Tax category.
This information is presented using the accrual basis of accounting.

TABLE D-3

	2018	2019	2020	2021	2022	2023
\$	(14,760,929)	\$ (16,517,986)	\$ (16,617,745)	\$ (20,308,279)	\$ (16,576,359)	\$ (20,400,833)
	1,906,998	1,093,272	568,280	1,927,895	3,992,384	1,909,633
	(12,853,931)	(15,424,714)	(16,049,465)	(18,380,384)	(12,583,975)	(18,491,200)
	10,587,532	11,514,505	12,974,859	14,134,421	14,683,023	16,033,365
	2,370,316	2,463,471	2,635,407	2,743,610	3,091,696	3,425,043
	1,120,653	1,083,553	1,195,130	1,048,013	1,283,833	1,217,973
	61,181	82,835	71,707	77,878	109,825	119,539
	-	-	-	577	42,361	147,926
	251,014	(806)	10,436	23,831	98,336	1,735,720
	57,042	455,456	335,182	104,170	(53,482)	1,787,287
	94,205	-	54,204	199,726	40,314	56,350
	-	-	-	-	-	-
	498,018	80,370	1,657,055	776,330	612,937	291,335
	15,039,961	15,679,384	18,933,980	19,108,556	19,908,843	24,814,538
	94,664	28,674	1,269	3,038	23,058	26,075
	6,748	263,798	203,839	44,066	70,074	476,066
	42,141	76,071	389	94,115	-	20,026
	(498,018)	(80,370)	(1,657,055)	(776,330)	(612,937)	(291,335)
	(354,465)	288,173	(1,451,558)	(635,111)	(519,805)	230,832
\$	14,685,496	\$ 15,967,557	\$ 17,482,422	\$ 18,473,445	\$ 19,389,038	\$ 25,045,370
	279,032	(838,602)	2,316,235	(1,199,723)	3,332,484	4,413,705
	1,552,533	1,381,445	(883,278)	1,292,784	3,472,579	2,140,465
\$	1,831,565	\$ 542,843	\$ 1,432,957	\$ 93,061	\$ 6,805,063	\$ 6,554,170

CITY OF CORINTH, TEXAS*FUND BALANCES OF GOVERNMENTAL FUNDS**LAST TEN FISCAL YEARS**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**(Unaudited)*

General Fund	2014	2015	2016	2017
Non-Spendable	\$ 222,652	\$ 244,486	\$ 439,146	\$ 195,750
Unassigned	3,587,445	3,482,449	3,295,962	5,243,056
Total General Fund	\$ 3,810,097	\$ 3,726,935	\$ 3,735,108	\$ 5,438,806

All Other Governmental Funds

Non-Spendable	\$ -	\$ -	\$ -	\$ -
Restricted	1,143,608.00	1,155,506.00	13,370,197.00	14,479,349.00
Committed	4,067,270	2,946,280	2,623,387	2,703,352
Unassigned	(579,436)	(480,444)	(442,236)	(298,848)
Total all other Governmental Funds	\$ 4,631,442	\$ 3,621,342	\$ 15,551,348	\$ 16,883,853

TABLE D-4

2018	2019	2020	2021	2022	2023
\$ 251,776	\$ 155,611	\$ 143,205	\$ 24,854	\$ 17,727	\$ 29,016
5,184,229	4,929,660	6,278,671	4,333,241	5,163,572	7,504,530
\$ 5,436,005	\$ 5,085,271	\$ 6,421,876	\$ 4,358,095	\$ 5,181,299	\$ 7,533,546
\$ -	\$ -	\$ -	\$ -	\$ 14,200	\$ 7,000
5,873,511.00	16,539,952.00	19,529,962.00	31,322,723.00	31,064,231.00	23,294,329
3,156,896	3,485,998	3,570,833	3,897,165	3,338,827	3,544,894
(389,299)	-	(234,548)	-	-	-
\$ 8,641,108	\$ 20,025,950	\$ 22,866,247	\$ 35,219,888	\$ 34,417,258	\$ 26,846,223

CITY OF CORINTH, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(Unaudited)

Revenues	2014	2015	2016	2017
Taxes	\$ 11,538,485	\$ 12,329,258	\$ 12,807,008	\$ 14,034,768
Licenses, Fees and Permits	903,407	1,050,172	797,332	1,557,520
Fines & Penalties	723,174	682,284	712,852	619,747
Charges for Services	2,826,329	3,132,880	3,159,963	3,063,911
Investment Earnings	53,967	55,043	87,433	204,231
Donations	89,514	96,633	186,220	94,185
Other Revenues	82,083	123,070	292,949	324,855
Total Revenues	16,216,959	17,469,340	18,043,757	19,899,217
Expenditures				
Public Safety	9,422,471	9,167,774	9,702,983	9,234,496
Community Services	2,405,814	1,765,661	1,507,526	1,353,153
Public Works	1,483,829	2,600,403	1,721,981	1,086,857
Planning & Community Development	718,253	871,281	981,151	874,835
City Administration	1,636,334	1,766,937	2,173,809	1,777,956
Finance and Administrative Services	652,321	732,037	862,114	862,354
Capital Outlay	-	-	3,727,303	4,958,837
Debt Service				
Principal	1,892,482	1,836,489	1,806,587	1,542,615
Interest	694,004	627,358	784,585	1,109,103
Bond Issuance Costs	-	-	-	232,870
Total Expenditures	18,905,508	19,367,940	23,268,039	23,033,076
Other Financing Sources (Uses)				
Bonds Issued	-	-	17,116,713	13,017,245
Payments to Escrow Agent	-	-	(1,179,213)	(7,542,236)
Bond Premium/Discount	-	-	-	-
Lease Proceeds	-	-	-	-
Loan Proceeds	-	-	-	-
Subscription IT Proceeds	-	-	-	-
Sale of Capital Assets	839,890	26,382	65,887	16,073
Transfers In/Out	1,082,783	778,956	1,159,074	678,980
Total Other Financing Sources (Uses)	1,922,673	805,338	17,162,461	6,170,062
Net Change in Fund Balances	\$ (765,876)	\$ (1,093,262)	\$ 11,938,179	\$ 3,036,203
Debt service as a percentage of noncapital expenditures	16.04%	15.03%	15.45%	16.30%

TABLE D-5

	2018	2019	2020	2021	2022	2023
\$	14,100,926	\$ 15,198,411	\$ 16,817,677	\$ 17,920,034	\$ 19,206,995	\$ 20,896,496
	1,170,581	1,366,719	957,010	809,723	769,490	784,327
	758,997	1,240,152	1,194,517	1,652,731	2,062,724	2,248,717
	3,325,163	2,709,304	2,679,874	2,677,496	3,750,448	3,990,044
	251,014	455,456	335,182	104,170	(53,482)	1,787,287
	1,542,462	556,586	1,095,664	1,026,011	268,493	86,644
	352,973	410,223	1,479,848	687,888	2,620,452	3,695,834
	21,502,116	21,936,851	24,559,772	24,878,053	28,625,120	33,489,349
	10,620,034	10,441,255	10,668,378	11,369,753	11,818,589	13,040,798
	1,428,385	1,447,632	1,457,005	1,707,219	1,854,570	2,166,682
	886,891	1,151,389	1,356,060	902,612	2,187,128	1,860,362
	1,040,104	1,129,699	1,205,791	1,056,555	910,582	1,108,543
	2,114,840	2,526,410	2,391,519	5,405,038	4,242,803	3,189,635
	893,640	1,014,807	1,108,038	1,023,014	1,251,734	1,259,753
	7,965,300	2,649,662	4,394,655	6,686,444	9,596,163	18,938,353
	1,375,785	1,769,461	2,044,146	1,840,158	3,367,285	3,851,609
	1,064,269	981,456	1,474,914	1,583,270	1,558,389	1,080,291
	10,440	164,276	1,314	360,010	131,743	107,645
	27,399,688	23,276,047	26,101,820	31,934,073	36,918,986	46,603,671
	-	10,754,800	-	14,000,000	4,285,000	5,654,700
	-	-	-	-	-	-
	-	608,543	-	1,048,911	344,235	375,551
	-	800,928	267,714	533,120	536,024	835,654
	-	-	-	-	2,176,669	56,512
	-	-	-	-	-	537,086
	182,498	128,663	54,204	206,211	359,575	144,696
	(2,373,559)	80,370	5,397,032	1,557,638	612,937	291,335
	(2,191,061)	12,373,304	5,718,950	17,345,880	8,314,440	7,895,534
\$	(8,088,633)	\$ 11,034,108	\$ 4,176,902	\$ 10,289,860	\$ 20,574	\$ (5,218,788)
	13.22%	13.59%	16.28%	13.60%	18.06%	17.84%

CITY OF CORINTH, TEXAS**TABLE D-6***TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS**LAST TEN FISCAL YEARS*

Fiscal Year	Property Tax	Sales, Hotel & Vehicle Tax	Franchise Tax	Total
2014	8,675,915	1,822,924	1,039,646	11,538,485
2015	9,298,188	1,956,853	1,074,217	12,329,258
2016	9,636,032	2,102,066	1,068,910	12,807,008
2017	10,629,501	2,331,478	1,073,789	14,034,768
2018	10,548,776	2,431,497	1,120,653	14,100,926
2019	11,568,552	2,546,306	1,083,553	15,198,411
2020	12,957,698	2,707,114	1,152,865	16,817,677
2021	14,047,742	2,822,065	1,050,227	17,920,034
2022	14,701,837	3,243,882	1,261,276	19,206,995
2023	15,986,834	3,692,508	1,217,154	20,896,496
Percent Change 2014-2023	84.27%	102.56%	17.07%	81.10%

CITY OF CORINTH, TEXAS

TABLE D-7

*ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS*

Fiscal Year	Residential Property	Commercial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Taxable Assessed Value as a Percent of Actual Taxable Value
2014	1,221,191,136	295,352,467	85,760,821	1,430,782,782	0.60489	1,430,782,782	100.00%
2015	1,267,097,852	326,129,542	59,168,386	1,534,059,008	0.59489	1,652,395,780	92.84%
2016	1,348,410,542	385,457,523	95,347,173	1,638,520,892	0.58489	1,770,835,524	92.53%
2017	1,479,545,576	425,594,137	105,756,559	1,799,383,154	0.58193	1,969,484,281	91.36%
2018	1,610,439,701	484,323,152	142,108,059	1,952,654,794	0.53686	2,143,695,625	91.09%
2019	1,771,534,525	537,621,735	149,874,977	2,159,281,283	0.53000	2,348,254,444	91.95%
2020	1,899,769,993	605,143,541	158,782,796	2,346,130,738	0.54500	2,592,331,676	90.50%
2021	2,141,070,040	587,392,141	202,150,348	2,526,311,833	0.57817	2,894,333,831	87.28%
2022	2,403,201,893	801,538,908	276,156,508	2,928,584,293	0.56700	3,476,760,264	84.23%
2023	2,440,063,605	809,056,895	276,446,508	2,972,673,992	0.54000	3,428,431,830	86.71%

Source: Denton Central Appraisal District

CITY OF CORINTH, TEXAS

TABLE D-8

*DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS*

Fiscal Year	City Property Tax Rate			Overlapping Rates		
	O & M Tax Rate	General Obligation Debt Service	Total Tax Rate	Denton ISD	Lake Dallas ISD	Denton County
2014	0.46143	0.14346	0.60489	1.53000	1.67000	0.28490
2015	0.45143	0.14346	0.59489	1.54000	1.67000	0.27220
2016	0.44143	0.14346	0.58489	1.54000	1.67000	0.26200
2017	0.44298	0.13895	0.58193	1.54000	1.67000	0.24841
2018	0.42791	0.10895	0.53686	1.54000	1.67000	0.23780
2019	0.42711	0.10289	0.53000	1.54000	1.67000	0.22560
2020	0.43211	0.11289	0.54500	1.47000	1.56830	0.22528
2021	0.43923	0.13894	0.57817	2.40760	1.55030	0.22499
2022	0.42700	0.14000	0.56700	1.36200	1.50030	0.233086
2023	0.40200	0.13800	0.54000	1.34460	1.44900	0.217543

CITY OF CORINTH, TEXAS

TABLE D-9

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
Oxford 2181 Inc	42,000,000	1	1.41%			
Millennium Place LP	34,003,859	2	1.14%			
Boulevard 2010 LLC	31,700,000	3	1.07%			
Denton County Electric Coop	28,937,676	4	0.97%	22,469,020	1	1.46%
IRBY Company	27,464,510	5	0.92%			
Oncor Electric Delivery Co	18,003,194	6	0.61%			
Tower Ridge Corinth 1, Ltd.	17,461,253	7	0.59%	7,332,178	7	0.48%
Meritage Homes of Texas LLC	16,944,404	8	0.57%			
Atmos Energy/Mid-Tex Distribution	14,943,680	9	0.50%			
DATCU	13,460,000	10	0.45%			
Lelege Long Lake LP				7,109,960	8	0.46%
S. Corinth Apts LLC, dba The Blvd				17,000,000	2	1.11%
MPT of Corinth, LP				13,798,266	3	0.90%
HD Supply Utilities LTD #3430				11,942,073	4	0.78%
Texas NHI Investors LLC				8,888,342	5	0.58%
Utter Properties, LLC				8,712,098	6	0.57%
2-10 Properties LLC				5,980,000	9	0.39%
Utter, Bill				5,925,963	10	0.39%
Total	\$ 244,918,576		8.24%	\$ 109,157,900		7.12%

CITY OF CORINTH, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

TABLE D-10

Fiscal Year Ended September 30	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2014	8,663,332	8,630,897	99.63%	29,985	8,660,882	99.97%
2015	9,187,621	9,160,871	99.71%	22,959	9,183,830	99.96%
2016	9,594,646	9,568,054	99.72%	22,344	9,590,398	99.96%
2017	10,467,690	10,432,195	99.66%	31,432	10,463,627	99.96%
2018	10,503,022	10,472,993	99.71%	24,257	10,497,250	99.95%
2019	11,487,858	11,458,626	99.75%	21,471	11,480,097	99.93%
2020	12,930,801	12,883,707	99.64%	33,772	12,917,479	99.90%
2021	14,109,671	14,010,541	99.30%	76,972	14,087,513	99.84%
2022	14,638,847	14,568,605	99.52%	31,618	14,600,223	99.74%
2023	15,935,084	15,849,908	99.47%	-	15,849,908	99.47%

Note:

Current year original tax levy net of supplements and adjustments in current tax year.
 Collections in subsequent years are net of supplements and adjustments in subsequent years.

Source: Denton County Tax Office

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

TABLE D-11

Fiscal Year	Corinth Direct Sales Tax Rate	Corinth Street Maintenance Sales Tax	Economic Development Sec. 4(B) Sales Tax	Corinth Crime Control & Prevention Sales Tax	Fire Control, Prevention & Emergency Management Sales Tax
2014	1.00%	0.25%	0.50%	0.25%	-
2015	1.00%	0.25%	0.50%	0.25%	-
2016	1.00%	0.25%	0.50%	0.25%	-
2017	1.00%	0.25%	0.50%	0.25%	-
2018	1.00%	0.25%	0.50%	0.25%	-
2019	1.00%	0.25%	0.50%	0.25%	-
2020	1.00%	0.25%	0.50%	0.25%	-
2021	1.00%	0.25%	0.50%	0.25%	0.25%
2022	1.00%	-	0.50%	0.25%	0.25%
2023	1.00%	-	0.50%	0.25%	0.25%

Note:

The City elected for the Street Maintenance Sales Tax to lapse in December 2020. The City enacted special legislation providing to created a Fire Control, Prevention, and Emergency Management Sales Tax District under Local Government Code Chapter 344. The creation was approved by voters in November 2020. The effective date of tax began April 1, 2021.

Source: City of Corinth Finance department

CITY OF CORINTH, TEXAS
TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS

	2014	2015	2016	2017
Construction	2,318,987	4,309,632	4,700,702	3,994,986
Manufacturing	626,667	481,999	753,527	614,605
Utilities	109,928,880	110,581,672	104,636,898	115,420,823
Wholesale Trade	3,088,654	7,617,017	7,302,049	10,649,928
Retail Trade	27,888,328	29,287,734	30,504,049	33,210,828
Other Services	7,243,623	7,228,816	7,686,622	7,466,146
Other	24,648,881	25,034,737	25,575,315	27,498,369
Total	175,744,020	184,541,607	181,159,162	198,855,685
Direct Sales Tax Rate	1.00%	1.00%	1.00%	1.00%

Note:

Due to a reporting lag from the State Comptroller's Office, sales tax for 2023 reports only the first two quarters.

Source: Texas State Comptroller

TABLE D-12

2018	2019	2020	2021	2022	2023
2,328,556	3,216,574	4,266,051	4,849,391	7,005,697	2,413,672
1,253,393	2,049,745	555,049	500,469	740,838	362,517
125,970,925	129,198,459	120,700,668	140,030,608	201,929,194	85,166,500
8,692,469	7,471,542	3,201,080	4,483,597	4,566,053	2,161,070
34,016,051	35,351,416	33,016,709	39,611,848	43,058,951	22,547,246
8,497,374	8,194,907	6,579,265	7,634,313	7,958,039	4,373,828
34,467,334	35,624,160	34,155,321	43,257,603	47,193,198	25,036,607
215,226,102	221,106,803	202,474,143	240,367,829	312,451,970	142,061,440
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

CITY OF CORINTH, TEXAS

TABLE D-13

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt			Percent of Actual Taxable Value of Property	Per Capita General Bonded Debt	Other Governmental Activities Debt		
	General Obligation Bonds	Certificates of Obligation/Tax Notes	Total Tax Supported Debt			Lease Obligations	Notes Payable	Subscription IT Obligations
2014	5,738,000	8,021,998	13,759,998	0.96%	661	758,058	-	
2015	4,611,500	7,388,904	12,000,404	0.78%	573	683,391	-	
2016	3,458,925	20,102,388	23,561,313	1.44%	1,118	1,298,191	-	
2017	7,809,874	18,335,001	26,144,875	1.45%	1,229	1,381,618	-	
2018	6,663,408	15,470,001	22,133,409	1.13%	1,038	1,217,298	-	
2019	5,458,611	26,134,070	31,592,681	1.46%	1,448	2,332,394	-	
2020	4,424,982	31,995,399	36,420,381	1.55%	1,644	2,085,345	-	
2021	3,829,672	46,900,428	50,730,100	2.01%	2,158	2,145,728	-	
2022	3,269,518	45,761,394	49,030,912	1.67%	2,150	2,332,524	2,116,488	
2023	2,681,239	52,963,904	55,645,143	1.87%	2,453	2,288,769	2,020,168	619,616

Fiscal Year	Business-Type Activities				Total Primary Government	Per Capita Primary Government	Percent of Personal Income
	General Obligation Bonds	Certificates of Obligation	Total	Lease Obligations			
2014	1,307,000	9,898,002	11,205,002	-	25,723,058	1,235	3.30%
2015	1,063,500	9,341,096	10,404,596	-	23,088,391	1,102	2.87%
2016	816,075	8,752,609	9,568,684	-	34,428,188	1,633	4.15%
2017	7,885,126	2,628,570	10,513,696	-	38,040,189	1,789	4.46%
2018	6,801,595	2,800,000	9,601,595	-	32,952,302	1,546	3.80%
2019	5,791,392	11,240,931	17,032,323	170,237	51,127,635	2,343	5.63%
2020	5,015,020	8,732,684	13,747,704	151,982	52,405,412	2,365	5.95%
2021	4,340,332	7,693,835	12,034,167	217,538	65,127,533	2,770	6.62%
2022	3,705,486	6,348,606	10,054,092	148,596	63,682,612	2,793	6.67%
2023	3,038,765	12,497,532	15,536,297	198,529	76,308,522	3,364	6.92%

Note:

General Obligation and Certificates of Obligation balances are presented net of original issuance discounts and premiums.

Source: City of Corinth Finance department

CITY OF CORINTH, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

TABLE D-14

Fiscal Year	General Obligation Bonds	Certificate Obligation Bonds	Premiums, Discounts	Less: Amounts Available in Debt Service Fund	Total	Percent of Actual Taxable Value of Property	Per Capita
2014	7,045,000	17,920,000	348,423	328,036	24,985,387	1.75%	1,200
2015	5,675,000	16,730,000	316,667	224,420	22,497,247	1.36%	1,073
2016	4,275,000	28,854,997	2,177,412	347,254	34,960,155	1.97%	1,659
2017	15,695,000	20,963,571	3,892,908	390,681	40,160,798	2.04%	1,888
2018	13,465,003	18,270,001	3,575,294	299,194	35,011,104	1.63%	1,642
2019	11,250,003	37,375,001	4,290,028	342,713	52,572,319	2.24%	2,409
2020	9,440,002	40,728,083	3,918,081	368,852	53,717,314	2.07%	2,424
2021	8,170,004	54,594,263	4,549,263	546,169	66,767,361	2.31%	2,840
2022	6,975,004	52,110,000	4,458,556	617,849	62,925,711	1.81%	2,760
2023	5,720,004	60,745,000	4,716,436	1,005,331	70,176,109	2.05%	3,093

Note:

General Obligation and Certificates of Obligation balances are presented net of original issuance discounts and premiums.

Source: City of Corinth Finance department

CITY OF CORINTH, TEXAS

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018
Debt Limit	\$ 143,078,278	\$ 165,239,578	\$ 163,852,059	\$ 179,938,315	\$ 195,265,479
Total Net Debt Applicable to Limit	24,636,963	22,180,581	32,782,746	33,639,319	31,435,810
Legal Debt Margin	\$ 118,441,315	\$ 143,058,997	\$ 131,069,313	\$ 146,298,996	\$ 163,829,669
Total Net Debt Applicable to the Limit					
As a Percentage of Debt Limit	17.22%	13.42%	20.01%	18.69%	16.10%

TABLE D-15

2019	2020	2021	2022	2023
\$ 215,928,128	\$ 234,613,074	\$ 252,631,183	\$ 292,858,429	\$ 297,267,399
48,282,291	45,881,152	62,177,544	62,270,779	69,170,778
\$ 167,645,837	\$ 188,731,922	\$ 190,453,639	\$ 230,587,650	\$ 228,096,621

22.36% 19.56% 24.61% 21.26% 23.27%

Assessed Value	\$ 2,972,673,992
Debt Limit (10% of Assessed Value)	297,267,399
Debt Applicable to Limit:	
Total Debt Outstanding	70,176,109
Less: Amount Set Aside for Repayment of Debt	<u>1,005,331</u>
Total Net Debt applicable to Limit	<u>69,170,778</u>
Legal Debt Margin	<u>\$ 228,096,621</u>

CITY OF CORINTH, TEXAS
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT

TABLE D-16

Governmental Unit	Debt Outstanding	Estimated Percent Applicable (1)	Estimated Share of Direct & Overlapping Debt
Debt Repaid With Property Taxes			
Denton Co.	\$ 624,655,000	1.99%	\$ 12,430,635
Denton ISD	2,150,181,665	5.30%	\$ 113,959,628
Lake Dallas ISD	169,696,798	46.31%	\$ 78,586,587
Subtotal, Overlapping Debt			204,976,850
City Direct Debt (2)			60,224,080
Total Direct and Overlapping Debt			\$ 265,200,930
Total Direct and Overlapping Debt % of AV			8.92%
Total Direct and Overlapping Debt per Capita			\$ 11,690

Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and business of the City of Corinth. This process recognizes that, when considering the City of Corinth's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

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

(2) Does not include self-supporting debt.

Source: Compiled by Hilltop Securities Inc. using data from the Municipal Advisory Council of Texas

CITY OF CORINTH, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

TABLE D-17

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population [1]	20,824	20,957	21,078	21,269	21,320	21,819	22,160	23,508	22,800	22,687
Median Household Income [2]	106,877	109,543	112,169	114,412	117,180	120,142	113,483	98,475	102,185	106,283
Per Capita Personal Income	37,411	38,372	39,357	40,144	40,683	41,616	39,723	41,865	46,714	48,602
Median Age	36	36	36	36	36	37	37.5	37.7	37.6	37.7
Education Level [3]										
School Enrollment	3,490	3,582	3,408	3,514	3,547	3,506	3,541	4,091	3,291	3,283
High school graduate or higher	97%	97%	97%	96%	96%	93%	92.9%	93.1%	93.4%	93.6%
Bachelor's degree or higher	42%	42%	40%	40%	40%	39%	41.7%	41.8%	42.7%	46.7%
Unemployment [4]	4.40%	4.40%	3.80%	3.10%	2.90%	3.00%	6.60%	5.60%	2.80%	2.30%

[1] The figures for 2019 are an estimate based on current trends.

[2] These figures are based on Catalyst Commercial and current trends.

[3] The school enrollment (Denton / Lake Dallas ISD) figures are based on numbers provided by the Texas Education Agency (TEA) for 2013-2017. The figures for 2018-2022 are estimated based on current enrollment.

[4] The unemployment figures shown above are for Denton County, as calculated by the Labor Market and Career Information (LMCI) Department of the Texas Workforce Commission.

Source: City of Corinth Economic Development

TABLE D-18

CITY OF CORINTH, TEXAS

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

	2023			2014		
	Employees	Rank	Percent of Total City Employment	Employees	Rank	Percent of Total City Employment
CoServ	530	1	4.30%	350	1	8.07%
City of Corinth	190	2	1.54%	162	3	3.74%
Denton ISD [1]	179	3	1.45%			
North Central Texas College [1]	174	4	1.41%	200	2	4.61%
Lake Dallas ISD [1]	166	5	1.35%	80	7	1.85%
Denton Area Teachers Credit Union	158	6	1.28%			
Bill Utter Ford	112	7	0.91%	150	4	3.46%
Huffines Kia and Subaru	104	8	0.84%			
Albertsons	100	9	0.81%	100	5	2.31%
Metroplex Cabinets	96	10	0.78%			
HD Supply Utilities 60				60	8	1.38%
Orr Nissan				100	6	2.31%
McClain's RV Ft. Worth Inc.				60	9	1.38%
Oakmont Country Club				58	10	1.34%
Total	1,809		14.67%	1,320		30.45%

Note:

[1] These figures reflect the total number of employees at the school district facilities in Corinth.

Source: City of Corinth Economic Development

CITY OF CORINTH, TEXAS

TABLE D-19

FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
City Administration	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	3.00	3.00
Police	32.00	33.00	34.00	35.00	35.00	37.00	39.00	39.00	39.00	39.00
Animal Control	1.50	1.50	1.50	2.00	2.00	-	-	-	-	-
Lake Cities Fire Department	41.00	41.00	41.00	44.00	53.00	53.00	53.00	53.00	53.00	55.00
Streets	7.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Fleet Maintenance	2.00	2.00	2.00	-	-	-	-	-	-	-
Community Development	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Planning	5.00	5.00	5.00	5.00	6.00	6.00	6.00	5.00	4.00	5.00
Municipal Court	5.00	5.00	4.00	4.00	4.00	4.00	5.00	4.00	4.00	4.00
City Marshal	-	-	-	-	-	-	-	1.00	1.50	1.00
Parks & Recreation	16.00	16.00	14.00	9.00	11.00	11.00	11.00	9.00	9.00	7.00
Finance	7.50	7.50	7.50	7.50	6.50	6.50	7.00	6.50	7.00	7.50
Human Resources	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Technology Services	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	9.00	9.00
Facilities Management	-	-	-	-	-	-	-	-	-	1.00
Communications	-	-	-	-	-	-	-	2.00	2.00	2.50
Water/Wastewater Fund										
Utility Administration	-	-	-	-	-	-	-	-	-	2.00
Water/Wastewater	21.00	22.00	22.00	19.00	19.00	19.00	19.00	18.00	21.00	19.00
Engineering	-	-	-	4.00	4.00	4.00	4.00	4.50	5.50	5.50
Utility Billing	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00
Storm Drainage Fund	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Corinth Economic Development Corp.	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00
Crime Control District Fund	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Child Safety Program Fund	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	0.75
Hotel Motel Fund	-	-	-	-	-	-	0.50	0.50	0.50	-
Short Term Vehicle Rental Tax Fund	-	-	-	-	-	-	-	-	-	2.00
Court Security Fund	-	0.50	0.50	-	-	-	-	-	-	-
Total	162.50	163.00	163.00	162.00	174.00	174.00	178.00	178.00	185.25	190.25

CITY OF CORINTH, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

TABLE D-20

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
New Single Family Home Building Permits	23	47	53	63	75	39	49	68	64	246
New Commercial Building Permits	4	5	7	13	4	9	2	4	2	-
Police										
Physical Arrests	304	329	426	513	458	290	427	366	467	281
Parking Violations	7	22	-	-	-	-	-	-	3	-
Traffic Violations	7,436	7,196	6,013	6,573	7,158	5,848	4,526	4,224	7,442	5,942
Fire										
Emergency Responses	3,164	3,372	3,475	3,237	3,246	3,546	3,467	4,060	4,201	4,260
Structure Fires Extinguished	21	18	37	26	34	43	46	29	37	41
Inspections	434	204	403	403	490	641	655	355	539	478
Other Public Works										
Street Resurfacing (miles)	<1	<1	<1	<1	<1	<1	<1	<1	<1	-
Square Yards of Street Repair	-	-	-	-	-	-	-	98.0	224.0	253.0
Potholes Repaired	77	244	126	96	226	200	96	139	48	38
Parks and Recreation										
Classes offered (hours)	437	310	72	68	60	72	32	72	80	96
Participants	3,822	6,609	320	224	208	315	120	80	280	224
Special events (hours)	3,432	2,699	3,530	3,378	3,773	3,197	107	24	40	80
Class Participants	5,185	2,394	3,375	3,209	3,315	3,040	122	60	44	44
Association Participants	18,806	29,792	26,766	21,012	-	-	-	-	-	-
Athletic League Participants	22,944	7,936	-	-	-	-	-	-	-	-
Recreation center Participants	4,862	2,510	-	-	-	-	-	-	-	-
Water										
New Connections	26	56	44	105	125	65	67	70	83	255
Water Main Breaks	9	8	6	5	7	5	6	10	6	35
Average Daily Consumption (millions of gallons billed)	3.16	3.54	2.56	2.51	2.69	2.23	2.61	2.71	2.81	3.41
Peak Demand (millions of gallons pumped)	6.01	6.71	6.84	5.79	7.81	5.99	6.76	8.79	7.07	7.61
Wastewater										
New Connections	23	51	35	92	116	57	59	65	83	250
Average Daily Sewage Treatment (MGD)										
Upper Trinity Regional Water District	1.06	1.19	1.40	1.24	1.27	1.35	1.45	1.36	1.36	1.41
City of Denton (estimate)	0.29	0.20	0.25	0.78	0.26	0.25	0.33	0.29	0.30	0.30

Note:
 In FY 2011, the City changed the methodology for reporting street repairs from miles to square yards.
 In FY 2012, the City started managing the baseball programs so athletic participation was added to be able to track City program participation.
 In FY 2015, the City turned over the baseball program to the Softball Association.

The City of Denton bills the City of Corinth based on one sewage flow meter and two areas based on connection counts. Flows are based on estimates.

Source: Various City of Corinth departments

CITY OF CORINTH, TEXAS

TABLE D-21

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	18	18	18	18	18	18	16	16	16	18
Fire Stations	2	2	2	2	3	3	3	3	3	3
Other Public Works										
Streets (miles) [1]	88.99	88.99	88.99	92.37	92.43	92.66	93.20	93.70	92.90	93.48
Highways (miles) [2]	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29	6.29
Traffic Signals	8	8	8	8	8	8	8	8	8	8
Parks and Recreation										
Acreage	184	184	184	184	184	184	184	184	184	184
Playgrounds	11	11	11	11	11	11	11	14	12	12
Baseball/Softball Fields	9	9	9	9	9	9	9	9	9	9
Soccer/Football Fields	8	8	8	8	8	8	9	8	7	9
Recreation Centers [3]	2	2	1	1	-	-	-	-	-	-
Trails (miles)	12.74	12.74	12.74	12.74	12.74	12.74	12.74	12.74	12.74	12.74
Water										
Connections	6,831	6,977	7,016	7,113	7,203	7,279	7,337	7,279	7,347	7,556
Water Mains (miles)	111.77	112.70	113.48	115.17	117.70	120.20	120.64	120.97	124.54	125.62
Fire Hydrants	826	836	855	883	896	927	939	961	1,003	1,020
Storage Capacity (millions of gallons)	6.00	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Subscribed Capacity, UTRWD (MGD)	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Wastewater										
Connections	6,573	6,705	6,736	6,818	6,903	6,979	7,098	7,163	7,297	7,357
Sanitary Sewers (miles)	98.09	98.30	98.99	102.19	102.34	103.17	103.77	105.10	107.46	107.21
Storm Sewers (miles)	38.71	39.80	40.59	41.49	41.66	42.70	43.30	44.65	46.67	47.10
Treatment Capacity, UTRWD (MGD) [4]	4.82	4.82	4.82	4.82	4.82	4.82	4.82	4.83	4.83	4.83

Note:

[1] The reduction in streets is due to the elimination of unpaved streets from the database.

[2] The increase in highways is due to the addition of the northbound and southbound roadways which is maintained by TXDOT.

[3] The decrease is due to no longer using the Crownover Middle School Building for recreation activities.

[4] The City of Denton bills the City of Corinth based on one sewage flow meter and two areas based on connection count;

UTRWD uses a take-or-pay system of billing in which the member city (Corinth) purchases peak capacity.

UTRWD data is corrected per original contracts.

Source: Various City of Corinth departments

