



## **CITY OF SNYDER, TEXAS**

Comprehensive Annual Financial Report

For the Year Ended September 30, 2019

Prepared by: Finance Department  
Patricia Warren  
Director of Finance

**CITY OF SNYDER, TEXAS**  
**Comprehensive Annual Financial Report**  
**Year Ended September 30, 2019**

**Table of Contents**

	<u>Exhibit</u>	<u>Page</u>
<b>INTRODUCTORY SECTION</b>		
Letter of Transmittal		i
GFOA Certificate of Achievement		v
City Organizational Chart		vi
Principal Officials		vii
<b>FINANCIAL SECTION</b>		
Independent Auditor's Report		1
Management's Discussion and Analysis		3
<b><u>Basic Financial Statements</u></b>		
Government-wide Financial Statements:		
Statement of Net Position	A-1	11
Statement of Activities	A-2	12
Fund Financial Statements:		
Balance Sheet – Governmental Funds	B-1	13
Reconciliation of Balance Sheet – Governmental Funds to the Statement of Net Position		
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	B-2	15
Reconciliation of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities		
Statement of Revenues, Expenditures and Changes in Fund Balances – General Fund		
Budget and Actual	B-3	17
Statement of Net Position – Proprietary Funds	B-4	18
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	B-5	20
Statement of Cash Flows - Proprietary Funds	B-6	21
Notes to Financial Statements		23
<b><u>Required Supplementary Information</u></b>		
Schedule of Changes in Net Pension Liability and Related Ratios - TMRS		50
Schedule of Employer Contributions – TMRS		51
Schedule of Changes in Total OPEB Liability and Related Ratios - TMRS		52
Notes to Required Supplementary Information		53
<b><u>Combining and Individual Fund Statements and Schedules</u></b>		
Special Revenue Fund:		
Combining Balance Sheet – Nonmajor Governmental Funds	C-1	54
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds	C-2	55
Schedule of Revenues, Expenditures and Changes in Fund Balances – Motel Tax Budget and Actual	C-3	56
Schedule of Revenues, Expenditures and Changes in Fund Balances – Tax Increment Financing- Budget and Actual	C-4	57
General Fund:		
Schedule of Revenues - Budget and Actual	D-1	58
Schedule of Expenditures - Budget and Actual	D-2	59

**CITY OF SNYDER, TEXAS**  
**Comprehensive Annual Financial Report**  
**Year Ended September 30, 2019**

Table of Contents (cont'd)

	<u>Exhibit</u>	<u>Page</u>
<b>Enterprise Funds:</b>		
<b>Water and Sewer:</b>		
Schedule of Revenues and Expenses- Budget and Actual	E-1	63
Schedule of Expenses - Budget and Actual	E-2	64
<b>Sanitation:</b>		
Schedule of Revenues and Expenses- Budget and Actual	E-3	66
Schedule of Expenses - Budget and Actual	E-4	67
<b><u>Capital Assets Used in the Operation of Governmental Funds</u></b>		
Comparative Schedules by Source	F-1	68
Schedule by Function and Activity	F-2	69
Schedule of Changes by Function and Activity	F-3	70
<b>STATISTICAL SECTION</b>		
Net Position by Component	71	
Changes in Net Position	72	
Fund Balances of Governmental Funds	74	
Changes in Fund Balances of Governmental Funds	75	
Tax Revenues by Source, Governmental Funds	77	
Assessed and Estimated Actual Value of Taxable Property	78	
Property Tax Rates, Direct and Overlapping Governments	79	
Principal Property Taxpayers	80	
Property Tax Levies and Collections	81	
Taxable Sales by Category	82	
Ratios of Outstanding Debt by Type	83	
Ratios of General Bonded Debt Outstanding	84	
Direct and Overlapping Governmental Activities Debt	85	
Legal Debt Margin Information	86	
Pledged Revenue Coverage	87	
Demographic and Economic Statistics	88	
Principal Employers, Current Year and Nine Years Ago	89	
Full-time Equivalent City Government Employees by Function	90	
Operating Indicators by Function	91	
Capital Asset Statistics by Function	92	



# THE CITY OF SNYDER, TEXAS

P.O. Box 1341 • 1925 24th Street • 79550-1341  
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March 13, 2020

Honorable Mayor, Members of the City Council,  
and City Manager, and Citizens of the City of Snyder

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Snyder for the fiscal year ended September 30, 2019.

This report consists of management's representations concerning the finances of the City of Snyder. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Snyder has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Snyder's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Snyder's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Snyder's financial statements have been audited by Eide Bailly LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Snyder for the fiscal year ended September 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Snyder's financial statements for the fiscal year ended September 30, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

## Profile of the Government

The City of Snyder, incorporated in 1907, is in the northwestern part of the state. The City of Snyder currently occupies a land area of 8.73 square miles and serves a population of 11,320. The City of Snyder is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of Snyder is a home rule city that operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and six other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the government's manager and attorney. The government's manager is responsible for carrying out the policies and ordinances of the governing council,

for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve two-year staggered terms, with four single-member district council members elected every two years, and the mayor and two at-large council members elected every two years also.

The City of Snyder provides a full range of services, including police and fire protection; animal control; the maintenance of highways, streets, and other infrastructure; water and sewer services; and sanitation services. The City of Snyder is also financially accountable for the Development Corporation of Snyder, which is funded by the City's additional sales tax of 3/8% to be used for economic development. The Development Corporation is reported separately within the City of Snyder's financial statements.

The annual budget serves as the foundation for the City of Snyder's financial planning and control. All agencies of the City of Snyder are required to submit requests for appropriation to the government's manager on or before the first Monday in May each year. The government's manager uses these requests as the starting point for developing a proposed budget. The government's manager then presents this proposed budget to the council for review prior to August 1. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 1. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the City Manager's approval. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as Exhibit B-3 as part of the basic financial statements for the governmental funds.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Snyder operates.

**Local economy.** Snyder is approximately 100 miles from four major cities: Lubbock, Abilene, Midland and San Angelo. The Price Daniel State Prison is now in its twenty-ninth year of operation. This facility has provided employment for approximately 224 full time people. The Texas Department of Criminal Justice operates the Snyder Distribution Center, a distribution site for multiple prisons in the West Texas area. Snyder is also supported by the wind energy. Snyder and Scurry County are already home to a section of the second largest wind farm in the United States, the Roscoe Wind Farm. There are six wind farms located in the local area. There are approximately 400 wind turbines in the surrounding area, which would provide enough electricity to support 140,000 homes. Ranching and cotton farming also continue to employ a large part of the population.

The sales tax received for the fiscal year ending 2019 was 11.32% more than the budgeted amount. The actual amount received was \$184,744 more from 2018. An increase in the local oil industry and the additional wind farm has played a huge part in the higher sales tax revenue and the unemployment rate decreasing. Motel occupancy tax increased 1.82% compared to the previous year. Property valuations were approximately 5.67% higher than 2018. The tax rate increased to .4700 per \$100 on property taxes. The water sales in the enterprise fund did increase this year, less restrictions on watering account for this increase.

There are sixteen hotels in Snyder with a total of eight hundred rooms. An increase in motel occupancy tax reflects the increase in our local economy. Snyder is the home to five different banking institutions; Community Bank of Snyder, West Texas State Bank, Prosperity Bank, Aim Bank and First Bank and Trust.

The water supplier for the City of Snyder is the Colorado River Municipal Water District; the main source of water for Snyder is Lake Thomas. The lake is currently 24% full. CRMWD currently has more water in storage than has been recorded before. This lake offers boating, fishing and camping for this area.

The City adopted a Comprehensive Plan that articulates a vision for the future of a community and outlines a set of goals, objectives, and actions to achieve the desired vision. The comprehensive plan provides Snyder with the roadmap for the future.

The City of Snyder and Spectra Solar have partnered together to build the first solar farm in this area. The solar farm is located behind the waste water plant and will provide electricity to this plant. The completion of a second plant located close to the water treatment plant was completed in 2019.

Snyder is fortunate to have an assisted living facility with 30 apartments along with a new facility for memory care that will house 15 apartments for patients with Alzheimer's disease.

A new automobile dealership recently moved into their new building. Another new dealership is in the process of reopening in Snyder.

The U.S. Corp of Engineers is conducting a study on Deep Creek for a flood plan for the City of Snyder.

A new building located at the City Barn was completed. This 3,000 square foot building will house offices, a break room and meeting rooms for the street department, sanitation, water and sewer line crew.

The Texas Department of Transportation has awarded a grant to the City of Snyder to replace a bridge located on 27<sup>th</sup> St. TX Dot has also awarded a grant providing sidewalks to connect two school campuses on West 37<sup>th</sup> St.

The Economic Development Corporation developed a \$2.9 million-dollar industrial rail park in 2012. This investment attracted W.L. Plastics to open their sixth North American location in Snyder. Additional acreage is available in the rail park. The Economic Development Corporation has sold eleven industrial lots to potential new companies in Snyder's Industrial Park.

The region (which includes the City of Snyder and the surrounding unincorporated area within the same county) has an employed labor force of approximately 5,948 with an unemployment rate of 3.7%. If the current level of services is to be maintained, the City will need to explore new methods of obtaining financial resources.

**Long-term financial planning.** The governing council awarded contracts for the replacement of the cast iron water lines, and for the construction of two new water storage tanks. These projects have been completed. They are being funded with \$9,000,000 Certificate of Obligation that was issued in 2013.

The phase IV water line replacement was completed in 2019. The renovations of the two water plants have been completed. These improvements will provide an additional 4.5 million gallons of water a day to the City of Snyder.

There are currently plans for additional capital improvements projects for the Water Plant, Wastewater Plant, and sewer and water line for the upcoming Fiscal Year.

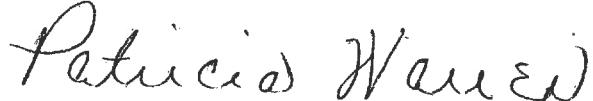
#### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financing Reporting to the City of Snyder for its comprehensive annual financial report for the fiscal year ending September 30, 2018. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. I would also like to thank the Mayor and City Council for their interest and unfailing support for maintaining the highest standards of professionalism in the management of the City of Snyder's finances.

Respectfully submitted,

A handwritten signature in black ink that reads "Patricia Warren". The signature is fluid and cursive, with "Patricia" on the top line and "Warren" on the bottom line.

Patricia Warren

Finance Director



Government Finance Officers Association

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

Presented to

**City of Snyder  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2018**

*Christopher P. Monill*

Executive Director/CEO

CITY OF SNYDER, TEXAS  
ORGANIZATIONAL CHART

MAYOR & COUNCIL (7) ----- BOARDS AND COMMISSIONS

----- CITY MANAGER (1)  
----- SECRETARY (1)

----- FINANCE (1)  
----- HUMAN RESOURCES/RISK MANAGEMENT (1)  
----- SENIOR CLERK (1)  
----- LABORER (1)

----- PLANNING & ZONING (1)  
----- INSPECTOR (2)

----- MUNICIPAL COURT (1)  
----- SENIOR CLERK (1)  
----- CLERK 2 (1)

----- CITY SECRETARY/RECORDS MANAGEMENT (1)  
----- SENIOR CLERK/DEPUTY CITY SECRETARY (1)

----- INFORMATION TECHNOLOGY/PURCHASING (1)

----- POLICE (25)

----- ANIMAL CONTROL (2)

----- FIRE (11)

----- PUBLIC WORKS (1)  
----- STREETS (5)  
----- SANITATION COLLECTION (5)  
----- LANDFILL (5)  
----- SANITARY SEWER (2)  
----- WATER DISTRIBUTION (2)  
----- INTERNAL SERVICE (1)

----- WATER & WASTEWATER (1)  
----- SEWAGE TREATMENT (3)  
----- WATER PRODUCTION (6)

----- UTILITY (1)  
----- SENIOR CLERK (1)  
----- CLERK (2)  
----- METER CREW (2)

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

## **CITY OF SNYDER, TEXAS**

### **Principal Officers**

#### **City Council**

    Tony Wofford, Mayor  
    Stephen Highfield, Mayor Pro-Tem  
    Vernon Clay, Councilmember  
    Tom Strayhorn, Councilmember  
    Bill Harris, Councilmember  
    Steve Rich, Councilmember  
    Terry Martin, Councilmember

#### **Administrative Staff**

    Merle Taylor, City Manager  
    Patricia Warren, Director of Finance  
    Shai Green, City Secretary  
    Bryan Haggard, Police Chief  
    Perry Westmoreland, Fire Chief  
    Eli Torress, Public Works Director  
    Underwood Law Firm, City Attorney



## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying financial statements of governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Snyder, Texas (the City), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Snyder, Texas as of September 30, 2019 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension and OPEB information on pages 3 through 10 and 50 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

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

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

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

*Prior-Year Comparative Information*

We have previously audited the City's 2018 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information in our report dated April 30, 2019. In our opinion, the summarized comparative information presented herein for the water and sewer and sanitation funds as of and for the year ended September 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Abilene, Texas  
March 13, 2020

**CITY OF SNYDER, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the City of Snyder, we offer readers of the City of Snyder's financial statements this narrative overview and analysis of the financial activities of the City of Snyder for the fiscal year ended September 30, 2019. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### **Financial Highlights**

#### **Entity-Wide**

- The assets and deferred outflows of resources of the City of Snyder exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$22,904 (*net position*). Of this amount, \$4,946 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$864. \$1,263 of this increase is from governmental activities and a decrease of \$399 from the business-type activities.

#### **Fund Statements**

- As of the close of the current fiscal year, the City of Snyder's governmental funds reported combined ending fund balances of \$8,752, an increase of \$952 in comparison with the prior year. Approximately 84.98% of this total amount, \$7,436, is unassigned and *available for spending* at the government's discretion, and 15.02% is non-spendable for prepaid items, inventories, and advances to other funds, committed to economic development through Chapter 380 agreements, fire truck purchase, or restricted for various purposes.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,441 or 97% of total general fund expenditures, excluding capital outlay.
- The City of Snyder's total bond debt decreased by \$425 (4.12%) during the current fiscal year.

#### **Overview of the Financial Statements**

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

#### ***Government-Wide Financial Statements***

The *statement of net position* presents information on all the City of Snyder's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the remainder reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Snyder is improving or deteriorating.

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

Both government-wide financial statements distinguish functions of the City of Snyder that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Snyder include general government, public safety, public works, and culture and recreation. The business-type activities of the City of Snyder include Water and Sewer and Sanitation services.

The government-wide financial statements can be found on pages 11-12 of this report.

**CITY OF SNYDER, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FUND FINANCIAL STATEMENTS**

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

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

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

The City of Snyder maintains three individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund which is considered to be a major fund. Individual fund data for the nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The governmental fund financial statements can be found on pages 13-16 of this report.

The City of Snyder adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget on page 17.

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

Enterprise funds provide the same type of information as the government-wide financial statements, only in more detail. The enterprise fund financial statements provide separate information for the Water and Sewer Authority and for the sanitation operation, both of which are major funds of the City of Snyder. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. The City only has one internal service fund.

The basic proprietary fund financial statements can be found on pages 18-22 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-49 of this report.

**CITY OF SNYDER, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Snyder's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 50-53 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Additional schedules related to major governmental and business-type funds are also included as supplementary information. Combining and individual fund statements and schedules can be found on pages 54-92 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Snyder, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$22,904 at the close of the most recent fiscal year.

By far the largest portion of the City of Snyder's net position (77%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are outstanding. The City of Snyder uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Snyder's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**CITY OF SNYDER'S Net Position**

	Governmental Activities		Business Type Activities		Total	
	2018	2019	2018	2019	2018	2019
Current and other assets	\$ 8,681	\$ 9,626	\$ 4,731	\$ 4,981	\$ 13,412	\$ 14,607
Capital assets	4,337	4,622	25,878	24,864	30,215	29,486
Total assets	13,018	14,248	30,609	29,845	43,627	44,093
Deferred outflows of resources	464	1,705	182	314	646	2,019
Long-term liabilities outstanding	1,443	3,336	15,167	15,048	16,610	18,384
Other liabilities	1,665	1,609	2,020	2,258	3,685	3,867
Total liabilities	3,108	4,945	17,187	17,306	20,295	22,251
Deferred inflows of resources	1,351	722	587	235	1,938	957
Net investment in capital assets	4,337	4,622	13,388	13,001	17,725	17,623
Restricted	256	335	-	-	256	335
Unrestricted	4,430	5,329	(371)	(383)	4,059	4,946
Total net position	<u>\$ 9,023</u>	<u>\$ 10,286</u>	<u>\$ 13,017</u>	<u>\$ 12,618</u>	<u>\$ 22,040</u>	<u>\$ 22,904</u>

The remaining balance of *unrestricted net position*, \$4,946 may be used to meet the government's ongoing obligations to citizens and creditors.

The government's net position increased by \$864 during the current fiscal year.

**CITY OF SNYDER, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CITY OF SNYDER'S Changes in Net Position**

	Governmental Activities		Business Type Activities		Total	
	2018	2019	2018	2019	2018	2019
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 2,009	\$ 1,749	\$ 9,651	\$ 9,834	\$ 11,660	\$ 11,583
Operating grants and Contributions	109	106	-	-	108	106
Capital grants and Contributions	-	-	-	-	-	-
General revenues:						
Property taxes	2,438	2,608	-	-	2,438	2,608
Other taxes	3,659	3,832	-	-	3,659	3,832
Other	130	838	417	97	547	935
Total revenues	8,345	9,133	10,068	9,931	18,413	19,064
<b>Expenses:</b>						
General Government	2,193	1,982	-	-	2,193	1,982
Public Safety	3,780	3,784	-	-	3,780	3,784
Public Works	1,204	1,600	-	-	1,204	1,600
Culture and recreation	495	504	-	-	495	504
Water and sewer	-	-	7,097	7,586	7,097	7,586
Sanitation	-	-	2,822	2,744	2,822	2,744
Total expenses	7,672	7,870	9,919	10,330	17,591	18,200
Change in net position	673	1,263	149	(399)	823	864
Net Position - beginning of year	<u>8,350</u>	<u>9,023</u>	<u>12,868</u>	<u>13,017</u>	<u>21,218</u>	<u>22,040</u>
Net Position - ending of year	<u><u>\$ 9,023</u></u>	<u><u>\$ 10,286</u></u>	<u><u>\$ 13,017</u></u>	<u><u>\$ 12,618</u></u>	<u><u>\$ 22,040</u></u>	<u><u>\$ 22,904</u></u>

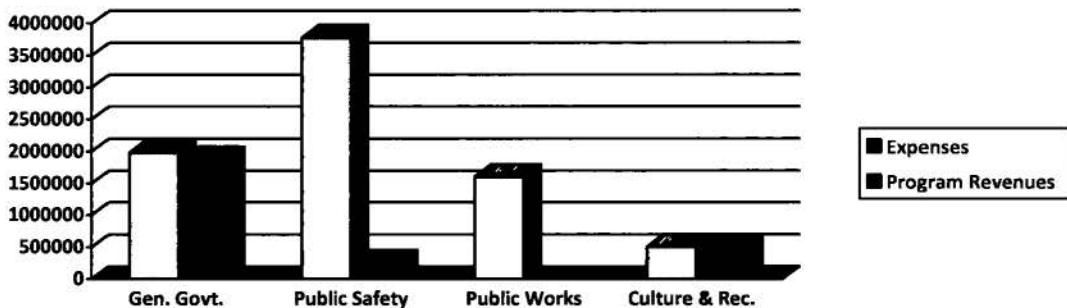
**GOVERNMENTAL ACTIVITIES**

Governmental activities increased the City of Snyder's net position by \$1,263. Key elements of this increase are as follows:

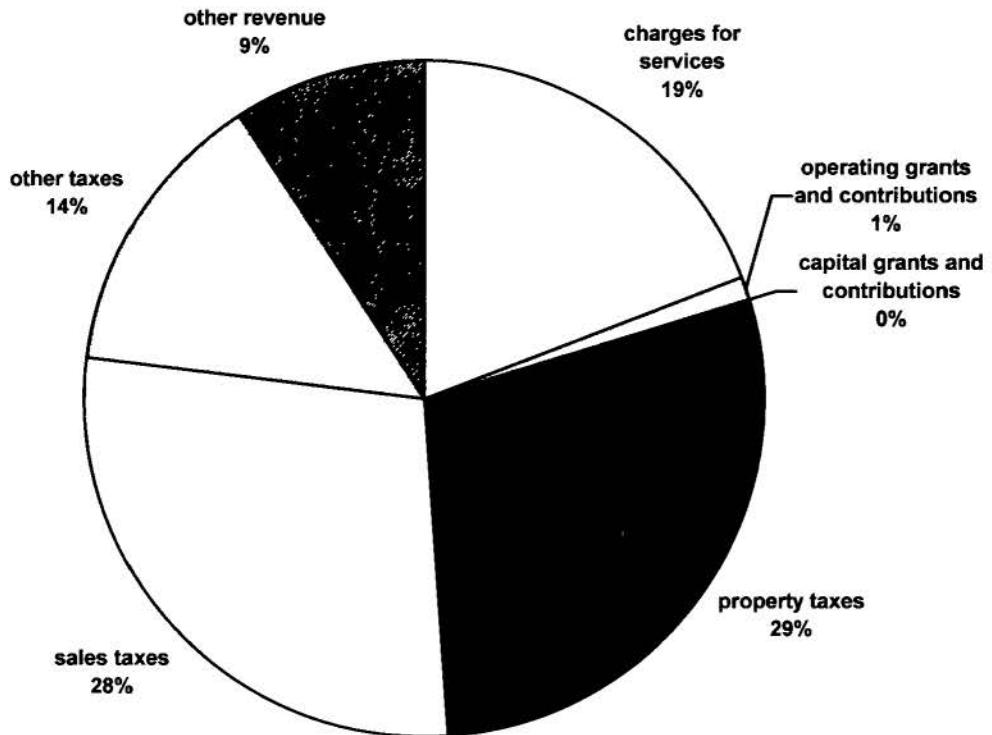
- Charges for services decreased \$260 or 13% a result of a decrease in licenses and permits issued.
- Property taxes increased \$170 or 7% from prior year. Property tax rates increased from .4410 to .4700 per One Hundred Dollars from 2018 to 2019. Sales taxes increased \$185 or 8% from prior year, because of the change in the local economy within the oil industry.
- Miscellaneous revenue increased \$708 due to proceeds from insurance of \$377 and gain on sale of capital assets of \$155.
- Public safety expenses were 48.06% of the City's governmental expenses. Public safety expenses increased \$4 from the prior year.
- Public works expenses increased \$396 or 32.63% from prior year due to an increase in maintenance including the completion of the 37<sup>th</sup> St. project.

**CITY OF SNYDER, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Expenses and Program Revenues – Governmental Activities**



**Revenues by Source – Governmental Activities**

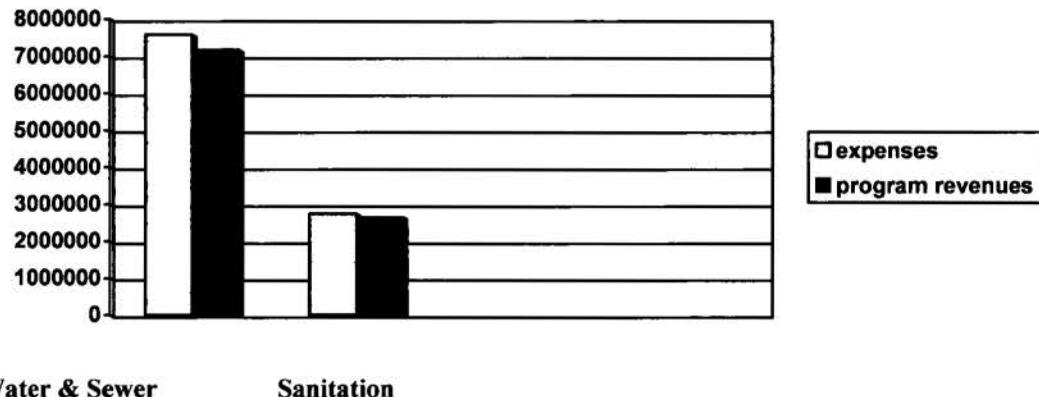


**CITY OF SNYDER, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

### BUSINESS-TYPE ACTIVITIES

Business-type activities decreased the City of Snyder's net position by \$399. Key elements of this decrease are as follows.

- Business type total revenues decreased by less than 2.0% and expenditures increased by 4.14% or \$799.



### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

**Governmental funds.** The focus of the City of Snyder's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Snyder's financing requirements. Unassigned *fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Snyder's governmental funds reported combined ending fund balances of \$8,752, an increase of \$952 in comparison with the prior year. Approximately 84.98% of this total amount, \$7,437, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is made up of \$327 in *nonspendable fund balance* for prepaid items, inventories, and an advance to other funds, \$335 restricted for various purposes and \$290 committed to economic development through Chapter 380 agreements, and \$363 committed to the emergency purchase of a fire truck.

The general fund is the chief operating fund of the City of Snyder. At the end of the current fiscal year, unassigned fund balance of the general fund was \$7,441 while total fund balance reached \$8,476. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 97% of total general fund expenditures, while total fund balance represents 110% of that same amount. There were no major variances between the original and final budget.

The fund balance of the City of Snyder's general fund increased by \$864 during the current fiscal year and increased \$857 in the prior fiscal year.

- Budgeted sales tax was increased by 4.55% from fiscal year 2018 due to the increase in the local oil industry. Actual sales tax increased 11.32% from budgeted amount in 2019.
- General fund expenditures increased 9.66% from fiscal year 2018 due to completion of the 37<sup>th</sup> St project.

**CITY OF SNYDER, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Proprietary funds.** The City of Snyder's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Fund at the end of the year amounted to (\$926), and those for the Sanitation Fund amounted to \$544. The net decrease in unrestricted net position for the Water and Sewer Fund was (\$355) and the net increase for the Sanitation Fund was \$343. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City of Snyder's business-type activities.

#### **General Fund Budgetary Highlights**

Actual revenues and other financing sources were higher than final budgeted revenues by \$995 and actual expenditures were \$132 higher than final budgeted expenditures.

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

- Sales tax \$260 above budget, ad valorem taxes were \$259 above budget. The increase in the local economy has had a positive impact on the sales tax. Increase in the tax rate from .4410/\$100 in 2018 to .4700/\$100 in 2019 increased ad valorem taxes.
- Other financing sources above budget \$521, due to an increase in proceeds from insurance and proceeds from sale of equipment.

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

- Police was \$195 below budget due to the number of openings within the police department.
- Public works \$363 over budget as result of the completion of resurfacing 37<sup>th</sup> Street.

#### **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** The City of Snyder's investment in capital assets for its governmental and business type activities as of September 30, 2019, amounts to \$29,486 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

**CITY OF SNYDER'S Capital Assets**  
(net of depreciation)

	Governmental Activities		Business Type Activities		Total	
	2018	2019	2018	2019	2018	2019
Land	\$ 553	\$ 553	\$ 307	\$307	\$ 860	\$ 860
Buildings	1,032	996	4,807	5,012	5,839	6,008
Improvements other than buildings	1,115	1,116	15,751	15,941	16,916	17,057
Machinery and equipment	1,586	1,957	4,126	3,604	5,712	5,561
Construction in progress			887		887	
Total	\$4,337	\$4,622	\$25,878	\$24,864	\$30,215	\$29,486

Significant purchases made by the City was a new software system along with new hardware for the police department, and one new police vehicle, a new fire truck and pickup for the fire department, a new water truck for the street department. Additional improvements were also made at the wastewater treatment plant, and the completion of the water treatment plant renovation, along with the completion of Phase 4 water line replacement. Additional information on the City of Snyder's capital assets can be found in note III.C on pages 30-33 of this report.

**CITY OF SNYDER, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

***LONG-TERM DEBT***

**Long-term debt.** At the end of the current fiscal year, the City of Snyder had bond debt outstanding of \$9,885. Of this amount, \$9,885 comprises debt backed by the full faith and credit of the government. These bonds are paid by revenues of the Water and Sewer Funds.

The City of Snyder's total debt decreased by \$425 (4.30%) during the current fiscal year. The key factors in this decrease were principal payments of \$425.

The City of Snyder maintains a "AA-" rating from Standard & Poor's for its revenue and tax certificates of obligation debt.

Additional information on the City of Snyder's long-term debt can be found in note III.F on pages 34-37 of this report.

***ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES***

- The unemployment rate for the City of Snyder is currently 3.7 percent. This is above the state's average unemployment rate of 3.4 percent and the same as the national average rate of 3.7 percent.
- Inflationary trends in the region compare favorably to national indexes.

All of these factors were considered in preparing the City of Snyder's budget for the 2020 fiscal year.

The budget for general fund total revenue for fiscal year 2019 is \$8,224. This is an increase of 9.06% from fiscal year 2019. The property tax rate is .4800 for fiscal year 2020. The minimum charge for water increased from \$33.66 /2000 gal to \$39.31 /2000 gal. Sanitation rates increased the minimum monthly charge from \$24.15 to \$29.15.

**Requests for Information**

This financial report is designed to provide a general overview of the City of Snyder's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, P.O. Box 1341, City of Snyder, Texas, 79550.

**CITY OF SNYDER, TEXAS**  
**Statement of Net Position**  
**September 30, 2019**

	Primary Government			Component Unit		
	Governmental Activities		Business-type Activities	Total	DCOS	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 7,104,462	\$ 584,766	\$ 7,689,228	\$ 665,279		
Investments	800,000	700,000	1,500,000		446,378	
Receivables (net of allowance)	1,297,118	1,194,055	2,491,173		222,585	
Due from primary government	-	-	-		148,381	
Internal balances	299,995	(299,995)	-		-	
Inventories	53,183	117,479	170,662		-	
Prepaid items	15,423	-	15,423		-	
Restricted assets:						
Cash and cash equivalents	55,395	684,486	739,881		452,519	
Investments	-	2,000,469	2,000,469		-	
Capital assets (net of accumulated depreciation)						
Nondepreciable	553,153	306,521	859,674		702,281	
Depreciable	4,069,273	24,557,529	28,626,802		2,396,823	
<b>Total assets</b>	<b>14,248,002</b>	<b>29,845,310</b>	<b>44,093,312</b>		<b>5,034,246</b>	
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows for pension and OPEB	1,705,212	313,787	2,018,999		45,039	
<b>Total deferred outflows of resources</b>	<b>1,705,212</b>	<b>313,787</b>	<b>2,018,999</b>		<b>45,039</b>	
<b>LIABILITIES</b>						
Accounts payable and other liabilities	1,460,706	1,553,341	3,014,047		8,316	
Accrued interest payable	-	33,744	33,744		-	
Due to component unit	148,381	-	148,381		-	
Customer meter deposits	-	671,581	671,581		-	
Noncurrent liabilities:						
Due within one year	31,466	646,010	677,476		350,968	
Due in more than one year	3,304,903	14,401,794	17,706,697		2,120,379	
<b>Total liabilities</b>	<b>4,945,456</b>	<b>17,306,470</b>	<b>22,251,926</b>		<b>2,479,663</b>	
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows for pension and OPEB	721,890	234,547	956,437		510	
<b>Total deferred inflows of resources</b>	<b>721,890</b>	<b>234,547</b>	<b>956,437</b>		<b>510</b>	
<b>NET POSITION</b>						
Net investment in capital assets	4,622,426	13,000,678	17,623,104		1,087,402	
Restricted for:						
Public safety	55,395	-	55,395		-	
Debt service	-	-	-		322,212	
Tax Increment Financing	279,293	-	279,293		-	
Unrestricted	5,328,754	(382,598)	4,946,156		1,189,498	
<b>Total net position</b>	<b>\$ 10,285,868</b>	<b>\$ 12,618,080</b>	<b>\$ 22,903,948</b>		<b>\$ 2,599,112</b>	

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

**CITY OF SNYDER, TEXAS**  
**Statement of Activities**  
**For the Year ended September 30, 2019**

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

**CITY OF SNYDER, TEXAS**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2019**

	<b>General</b>	<b>Nonmajor Governmental</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,825,187	\$ 279,275	\$ 7,104,462
Investments	800,000	-	800,000
Receivables (net of allowance)	1,128,022	169,096	1,297,118
Advance to other funds	299,995	-	299,995
Prepaid items	15,423	-	15,423
Inventories	12,053	-	12,053
Restricted cash and cash equivalents	55,395	-	55,395
Total assets	<u>\$ 9,136,075</u>	<u>\$ 448,371</u>	<u>\$ 9,584,446</u>
<b>LIABILITIES</b>			
Cash overdraft	\$ -	\$ 3,471	\$ 3,471
Accounts payable	230,216	168,989	399,205
Due to component unit	148,381	-	148,381
Total liabilities	<u>378,597</u>	<u>172,460</u>	<u>551,057</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue- property taxes	<u>281,073</u>	<u>-</u>	<u>281,073</u>
<b>FUND BALANCES</b>			
Nonspendable for:			
Prepaid items	15,423	-	15,423
Inventories	12,053	-	12,053
Advance to other funds	299,995	-	299,995
Restricted for various purposes	55,395	279,293	334,688
Committed for economic development	289,933	-	289,933
Committed for fire truck purchase	362,681	-	362,681
Unassigned	7,440,925	(3,382)	7,437,543
Total fund balances	<u>8,476,405</u>	<u>275,911</u>	<u>8,752,316</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 9,136,075</u>	<u>\$ 448,371</u>	<u>\$ 9,584,446</u>

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

**CITY OF SNYDER, TEXAS**  
**Reconciliation of the Balance Sheet of**  
**Governmental Funds to the Statement of Net Position**  
**September 30, 2019**

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Total Fund Balances - Governmental Funds	\$ 8,752,316
Amounts reported for governmental activities in the statement of net position (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. At the beginning of the year, the cost of these assets was \$11,046,478 and the accumulated depreciation was \$7,712,584. The net effect of the beginning balance of the net investment in capital assets in the governmental activities is an increase to net position.	3,333,894
Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of including capital outlays of \$891,576 is to increase net position.	891,576
Depreciation expense is not reflected in the governmental funds, but is recorded in the government-wide financial statements as an expense and an increase to accumulated depreciation. The net effect of the current year depreciation expense of \$554,495 is to decrease net position.	(554,495)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds. Deferred inflows of resources for property tax revenue and fines revenue of \$281,073 is recognized in the government-wide financial statements. This results in an increase in net position.	281,073
Related to the City's net pension liability are deferred outflows of resources of \$1,666,782 and deferred inflows of resources of \$711,035, whose effect is to increase net position.	955,747
Related to the City's OPEB liability are deferred outflows of resources of \$18,142 and deferred inflows of resources of \$10,762, whose effect is to increase net position.	7,380
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(125,647)
Net pension liability	(2,968,717)
Total OPEB liability	(194,381)
Internal service funds are used by management to charge the costs of the central garage to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. This results in a net decrease to net position.	(92,878)
Net Position of Governmental Activities	<u>\$ 10,285,868</u>

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

**CITY OF SNYDER, TEXAS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended September 30, 2019**

<b>REVENUES</b>	<b>General</b>	<b>Nonmajor Governmental</b>	<b>Total Governmental Funds</b>
Taxes:			
Property	\$ 2,532,197	\$ 88,197	\$ 2,620,394
Sales	2,560,295	-	2,560,295
Franchise	742,434	-	742,434
Alcoholic beverage	26,402	-	26,402
Occupancy	-	504,265	504,265
Licenses and permits	124,415	-	124,415
Intergovernmental	106,617	-	106,617
Charges for services	1,461,883	-	1,461,883
Fines and forfeitures	149,934	-	149,934
Interest	140,557	-	140,557
Miscellaneous	159,993	-	159,993
<b>Total Revenues</b>	<b>8,004,727</b>	<b>592,462</b>	<b>8,597,189</b>
<b>EXPENDITURES</b>			
Current:			
General government	1,960,413	-	1,960,413
Public safety	4,091,647	-	4,091,647
Public works	1,620,594	-	1,620,594
Culture and recreation	-	504,265	504,265
<b>Total Expenditures</b>	<b>7,672,654</b>	<b>504,265</b>	<b>8,176,919</b>
Excess of revenues over expenditures	332,073	88,197	420,270
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from insurance	376,891	-	376,891
Proceeds from sale of equipment	154,885	-	154,885
<b>Total other financing sources and uses</b>	<b>531,776</b>	<b>-</b>	<b>531,776</b>
Net change in fund balances	863,849	88,197	952,046
Fund balances -- beginning	7,612,556	187,714	7,800,270
<b>Fund balances -- ending</b>	<b>\$ 8,476,405</b>	<b>\$ 275,911</b>	<b>\$ 8,752,316</b>

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

**CITY OF SNYDER, TEXAS**  
**Reconciliation of Statement of Revenues, Expenditures and Changes**  
**In Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended September 30, 2019**

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Net Change in Fund Balances - Governmental Funds	\$ 952,046
Amounts reported for governmental activities in the statement of activities (A-2) are different because:	
Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of including capital outlays of \$891,576 is to increase net position.	891,576
Depreciation expense is not reflected in the governmental funds, but is recorded in the government-wide financial statements as an expense and an increase to accumulated depreciation. The net effect of the current year depreciation expense of \$554,495 is to decrease net position.	(554,495)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the net increase in compensated absences payable.	(13,626)
Internal service funds are used by management to charge the costs of the central garage to individual funds. The change in net position of the internal service funds are included in governmental activities in the statement of activities. This increases net position.	11,259
Certain expenditures for the pension that are recorded to the fund financial statements must be recorded as deferred outflows of resources. Contributions made after the measurement date caused the change in net position to increase. The City's share of the unrecognized deferred inflows and outflows for TMRS as of the measurement date must be amortized and the City's proportionate share of the pension expense must be recognized. These cause the change in net position to decrease. The net effect is a decrease in net position.	(6,721)
Various other reclassifications are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds. This adjustment is to recognize the net change in 'unavailable' revenue. This adjustment results in a decrease in net position.	(6,238)
Certain OPEB expenditures that are recorded in the fund financial statements must be recorded as deferred outflows of revenues. Contributions made after the measurement date caused the change in net position to increase. The City's share of the unrecognized deferred inflows and outflows for TMRS as of the measurement date must be amortized and the City's OPEB expense must be recognized. The net effect is a decrease in net position.	(10,762)
Change in net position of governmental activities	<u>\$ 1,263,039</u>

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

**CITY OF SNYDER, TEXAS**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended September 30, 2019**

REVENUES	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	
	Original	Final	Actual Amounts		
			Original	Final	
Taxes:					
Property	\$ 2,273,160	\$ 2,273,160	\$ 2,532,197	\$ 259,037	
Sales	2,300,000	2,300,000	2,560,295	260,295	
Franchise	746,000	746,000	742,434	(3,566)	
Alcoholic beverage	20,000	20,000	26,402	6,402	
Licenses and permits	70,940	70,940	124,415	53,475	
Intergovernmental	161,970	161,970	106,617	(55,353)	
Charges for services	1,498,890	1,498,890	1,461,883	(37,007)	
Fines and forfeitures	170,000	170,000	149,934	(20,066)	
Interest	90,000	90,000	140,557	50,557	
Miscellaneous	199,050	199,050	159,993	(39,057)	
Total Revenues	<u>7,530,010</u>	<u>7,530,010</u>	<u>8,004,727</u>	<u>474,717</u>	
<b>EXPENDITURES</b>					
Current:					
General government:					
Administration	286,820	286,820	278,370	8,450	
Finance and personnel	369,630	361,130	359,852	1,278	
Planning and zoning	253,985	253,985	278,087	(24,102)	
Municipal court	328,240	333,240	324,445	8,795	
Community services	369,115	371,315	356,469	14,846	
City secretary/records	190,420	191,720	198,435	(6,715)	
IT/purchasing	145,505	145,505	164,755	(19,250)	
Total general government	<u>1,943,715</u>	<u>1,943,715</u>	<u>1,960,413</u>	<u>(16,698)</u>	
Public safety:					
Police	2,643,290	2,517,717	2,322,064	195,653	
Animal control	166,545	166,545	163,951	2,594	
Fire	1,468,495	1,536,145	1,479,499	56,646	
Fire Marshall	119,280	119,280	126,133	(6,853)	
Total public safety	<u>4,397,610</u>	<u>4,339,687</u>	<u>4,091,647</u>	<u>248,040</u>	
Public works:					
Street maintenance	<u>1,199,685</u>	<u>1,257,608</u>	<u>1,620,594</u>	<u>(362,986)</u>	
Total expenditures	<u>7,541,010</u>	<u>7,541,010</u>	<u>7,672,654</u>	<u>(131,644)</u>	
Excess (deficit) of revenues over expenditures	(11,000)	(11,000)	332,073	343,073	
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from insurance	5,000	5,000	376,891	371,891	
Proceeds from sale of equipment	6,000	6,000	154,885	148,885	
Total other financing sources and uses	<u>11,000</u>	<u>11,000</u>	<u>531,776</u>	<u>520,776</u>	
Net change in fund balances	-	-	863,849	863,849	
Fund balances - beginning, restated	<u>7,612,556</u>	<u>7,612,556</u>	<u>7,612,556</u>	<u>-</u>	
Fund balances - ending	<u>\$ 7,612,556</u>	<u>\$ 7,612,556</u>	<u>\$ 8,476,405</u>	<u>\$ 863,849</u>	

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

CITY OF SNYDER, TEXAS  
Statement of Net Position  
Proprietary Funds  
September 30, 2019

ASSETS	Business-type Activities - Enterprise Funds						Governmental Activities-Internal Service Fund	
	(memo only)		(memo only)		Totals			
	Water & Sewer Current Year	Water & Sewer Prior Year	Sanitation Current Year	Sanitation Prior Year	Current Year			
Current assets:								
Cash and cash equivalents	\$ 303,839	\$ 299,099	\$ 280,927	\$ -	\$ 584,766	\$ -		
Investments	400,000	400,000	300,000	500,000	700,000			
Interest receivable	-	1,534	-	19,075	-			
Accounts receivable, net	869,501	785,743	324,554	300,628	1,194,055			
Inventories	114,907	183,197	2,572	5,395	117,479	41,130		
Restricted cash	671,581	658,487	-	-	671,581			
Restricted investments	-	-	-	-	-			
Total current assets	2,359,828	2,328,060	908,053	825,098	3,267,881	41,130		
Noncurrent assets:								
Restricted cash	-	-	12,905	10,656	12,905			
Restricted investments	-	-	2,000,469	1,990,231	2,000,469			
Capital assets:								
Land	185,765	185,765	120,756	120,756	306,521			
Buildings	9,851,224	9,851,224	479,605	479,605	10,330,829	914,233		
Improvements other than buildings	27,384,850	25,568,284	3,845,813	3,845,813	31,230,663			
Machinery and equipment	6,112,542	6,037,462	5,257,207	4,980,023	11,369,749	358,586		
Construction in progress	-	886,887	-	-	-			
Less accumulated depreciation	(21,578,468)	(19,948,856)	(6,795,244)	(6,128,624)	(28,373,712)	(321,369)		
Total capital assets (net of accumulated depreciation)	21,955,913	22,580,766	2,908,137	3,297,573	24,864,050	951,450		
Total noncurrent assets	21,955,913	22,580,766	4,921,511	5,298,460	26,877,424	951,450		
Total assets	24,315,741	24,908,826	5,829,564	6,123,558	30,145,305	992,580		
<b>DEFERRED OUTFLOW OF RESOURCES</b>								
Deferred outflows of resources	136,891	104,940	176,896	77,744	313,787	20,288		
Total deferred outflows of resources	136,891	104,940	176,896	77,744	313,787	20,288		

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

CITY OF SNYDER, TEXAS  
Statement of Net Position  
Proprietary Funds  
September 30, 2019

LIABILITIES	Business-type Activities - Enterprise Funds						Governmental Activities-Internal Service Fund	
	(memo only)		(memo only)		Totals			
	Water & Sewer Current Year	Water & Sewer Prior Year	Sanitation Current Year	Sanitation Prior Year	Current Year			
Current liabilities:								
Cash overdraft	\$ 1,248,471	\$ 653,835	-	\$ 231,851	\$ 1,248,471	\$ 1,034,656		
Accounts payable	260,804	341,164	44,066	26,981	304,870	23,373		
Accrued compensated absences	7,774	8,110	5,703	3,472	13,477	54		
Retainage payable	-	71,817	-	-	-	-		
Payable from restricted assets:								
Customer meter deposits	671,581	658,487	-	-	671,581	-		
Certificates of obligation payable	435,000	425,000	-	-	435,000	-		
Municipal lease agreement payable	197,533	192,079	-	-	197,533	-		
Accrued interest payable	33,744	35,287	-	-	33,744	-		
Total current liabilities	<u>2,854,907</u>	<u>2,385,779</u>	<u>49,769</u>	<u>262,304</u>	<u>2,904,676</u>	<u>1,058,083</u>		
Noncurrent liabilities:								
Accrued compensated absences	23,321	24,330	17,108	10,415	40,429	161		
Certificates of obligation payable	9,559,083	10,003,758	-	-	9,559,083	-		
Municipal lease agreement payable	1,671,756	1,869,288	-	-	1,671,756	-		
Advances from other funds-General	299,995	423,308	-	-	299,995	-		
Net pension liability	659,433	335,015	373,510	211,696	1,032,943	45,730		
Total OPEB liability	56,187	55,598	28,022	27,728	84,209	1,679		
Landfill closure/post closure care	-	-	2,013,374	2,000,887	2,013,374	-		
Total noncurrent liabilities	<u>12,269,775</u>	<u>12,711,297</u>	<u>2,432,014</u>	<u>2,250,726</u>	<u>14,701,789</u>	<u>47,570</u>		
Total liabilities	<u>15,124,682</u>	<u>15,097,076</u>	<u>2,481,783</u>	<u>2,513,030</u>	<u>17,606,465</u>	<u>1,105,653</u>		
DEFERRED INFLOW OF RESOURCES								
Deferred inflows of resources	161,962	397,341	72,585	189,989	234,547	93		
Total deferred inflows of resources	161,962	397,341	72,585	189,989	234,547	93		
NET POSITION								
Net investment in capital assets	10,092,541	10,090,641	2,908,137	3,297,573	13,000,678	951,450		
Unrestricted	(926,553)	(571,292)	543,955	200,710	(382,598)	(1,044,328)		
Total net position	<u>\$ 9,165,988</u>	<u>\$ 9,519,349</u>	<u>\$ 3,452,092</u>	<u>\$ 3,498,283</u>	<u>\$ 12,618,080</u>	<u>\$ (92,878)</u>		

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

**CITY OF SNYDER, TEXAS**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended September 30, 2019**

	<b>Business-type Activities - Enterprise Funds</b>					<b>Governmental Activities - Internal Service Fund</b>	
	<b>(memo only)</b>		<b>(memo only)</b>				
	<b>Water &amp; Sewer Current Year</b>	<b>Water &amp; Sewer Prior Year</b>	<b>Sanitation Current Year</b>	<b>Sanitation Prior Year</b>	<b>Totals</b>		
<b>Operating Revenues:</b>							
Water sales	\$ 5,129,486	\$ 5,104,238	-	\$ 5,129,486	\$ -		
Sewer charges	1,589,931	1,536,830	-	-	1,589,931		
Charges for billing & collections	383,958	424,667	-	-	383,958	456,808	
Sanitation charges	-	-	1,966,399	1,885,355	1,966,399		
Landfill gate fees	-	-	573,842	516,813	573,842		
Water & sewer taps	7,440	12,800	-	-	7,440		
Plumbing permits & inspections	8,985	9,691	-	-	8,985		
Other services	<u>59,329</u>	<u>59,171</u>	<u>114,376</u>	<u>101,329</u>	<u>173,705</u>	<u>2,954</u>	
Total operating revenues	<u>7,179,129</u>	<u>7,147,397</u>	<u>2,654,617</u>	<u>2,503,497</u>	<u>9,833,746</u>	<u>459,762</u>	
<b>Operating Expenses:</b>							
Personnel services	1,332,442	1,300,806	716,907	642,572	2,049,349	68,204	
Supplies	358,425	324,651	227,383	206,689	585,808	254,888	
Maintenance	572,224	316,003	167,624	134,906	739,848	13,658	
Services	3,046,243	2,866,603	888,003	953,169	3,934,246	27,881	
Sundry charges	42,219	52,198	50,260	53,091	92,479	1,410	
Non capitalized equipment	3,367	3,840	1,908	622	5,275	1,972	
Depreciation	<u>1,807,133</u>	<u>1,787,751</u>	<u>691,631</u>	<u>831,192</u>	<u>2,498,764</u>	<u>80,490</u>	
Total operating expenses	<u>7,162,053</u>	<u>6,651,852</u>	<u>2,743,716</u>	<u>2,822,241</u>	<u>9,905,769</u>	<u>448,503</u>	
Operating income (loss)	17,076	495,545	(89,099)	(318,744)	(72,023)	11,259	
<b>Nonoperating revenues (expenses):</b>							
Investment earnings	43,265	21,186	39,908	48,165	83,173		
Interest and fees expense	(423,883)	(445,076)	-	-	(423,883)		
Gain on sale of assets	11	-	3,000	347,500	3,011		
Proceeds from insurance	10,170	241	-	-	10,170		
Total nonoperating revenues (expenses)	<u>(370,437)</u>	<u>(423,649)</u>	<u>42,908</u>	<u>395,665</u>	<u>(327,529)</u>		
<b>Capital grant contributions</b>							
Change in net position	(353,361)	71,896	(46,191)	76,921	(399,552)	11,259	
Total net position - beginning	<u>9,519,349</u>	<u>9,447,453</u>	<u>3,498,283</u>	<u>3,421,362</u>	<u>13,017,632</u>	<u>(104,137)</u>	
Total net position - ending	<u>\$ 9,165,988</u>	<u>\$ 9,519,349</u>	<u>\$ 3,452,092</u>	<u>\$ 3,498,283</u>	<u>\$ 12,618,080</u>	<u>\$ (92,878)</u>	

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

**CITY OF SNYDER, TEXAS**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended September 30, 2019**

	<b>Business-type Activities - Enterprise Funds</b>					<b>Governmental Activities-Internal Service Funds</b>	
	(memo only)		(memo only)				
	<b>Water &amp; Sewer Current Year</b>	<b>Water &amp; Sewer Prior Year</b>	<b>Sanitation Current Year</b>	<b>Sanitation Prior Year</b>	<b>Totals</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from customers and users	\$ 6,724,507	\$ 6,767,654	\$ 2,630,691	\$ 2,508,513	\$ 9,355,198	\$ 2,954	
Receipts from interfund services provided	383,958	424,667	-	-	383,958	456,808	
Payments to suppliers	(3,073,157)	(2,335,524)	(918,826)	(928,649)	(3,991,983)	(281,280)	
Payments to employees	(1,276,110)	(1,358,130)	(762,431)	(671,605)	(2,038,541)	(77,012)	
Payments for interfund services used	(1,033,208)	(1,033,208)	(383,958)	(424,667)	(1,417,166)	-	
Net cash provided by operating activities	<u>1,725,990</u>	<u>2,465,459</u>	<u>565,476</u>	<u>483,592</u>	<u>2,291,466</u>	<u>101,470</u>	
<b>CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES</b>							
Interfund loans advanced (paid)	(123,313)	(120,272)	-	-	(123,313)	-	
Increase (decrease) in cash overdrafts	594,636	3,004	(231,851)	231,851	362,785	(72,340)	
Net cash (used in ) provided by noncapital financing activities	<u>471,323</u>	<u>(117,268)</u>	<u>(231,851)</u>	<u>231,851</u>	<u>239,472</u>	<u>(72,340)</u>	
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Purchases of capital assets	(1,182,280)	(1,248,727)	(302,194)	(1,294,508)	(1,484,474)	(29,130)	
Proceeds from sale of capital assets	11	-	3,000	347,500	3,011	-	
Proceeds from insurance	10,170	241	-	-	10,170	-	
Principal paid on certificates of obligation	(626,753)	(601,774)	-	-	(626,753)	-	
Interest paid on debt obligations	(425,426)	(456,228)	-	-	(425,426)	-	
Net cash used in capital and related financing activities	<u>(2,224,278)</u>	<u>(2,306,488)</u>	<u>(299,194)</u>	<u>(947,008)</u>	<u>(2,523,472)</u>	<u>(29,130)</u>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Proceeds from sales and maturities of investments	-	-	189,762	(10,761)	189,762	-	
Interest received	44,799	20,413	58,983	35,199	103,782	-	
Net cash provided by investing activities	<u>44,799</u>	<u>20,413</u>	<u>248,745</u>	<u>24,438</u>	<u>293,544</u>	<u>-</u>	

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

**CITY OF SNYDER, TEXAS**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended September 30, 2019**

	<b>Business-type Activities - Enterprise Funds</b>					<b>Governmental Activities-Internal Service Funds</b>	
	(memo only)		(memo only)				
	<b>Water &amp; Sewer</b>	<b>Water &amp; Sewer</b>	<b>Sanitation</b>	<b>Sanitation</b>			
	<b>Current Year</b>	<b>Prior Year</b>	<b>Current Year</b>	<b>Prior Year</b>	<b>Totals</b>		
Net increase (decrease) in cash and cash equivalents	\$ 17,834	\$ 62,116	\$ 283,176	\$ (207,127)	\$ 301,010	\$ -	
Cash and cash equivalents, October 1 (including restricted cash)	957,586	895,470	10,656	217,783	968,242	-	
Cash and cash equivalents, September 30 (including restricted cash)	<u>\$ 975,420</u>	<u>\$ 957,586</u>	<u>\$ 293,832</u>	<u>\$ 10,656</u>	<u>\$ 1,269,252</u>	<u>\$ -</u>	
 <b>Reconciliation of Operating Income to net cash provided by operating activities:</b>							
Operating income	\$ 17,076	\$ 495,545	\$ (89,099)	\$ (318,744)	\$ (72,023)	\$ 11,259	
Adjustments to reconcile operating income to net cash provided (used) by operating activities:							
Depreciation expense	1,807,133	1,787,752	691,631	831,192	2,498,764	80,490	
(Increase) decrease in accounts receivable	(83,758)	(12,396)	(23,926)	5,016	(107,684)	-	
(Increase) decrease in inventories	68,290	(27,840)	2,823	(2,475)	71,113	(413)	
Increase (decrease) in retainage payable	(71,817)	71,817	-	-	(71,817)	-	
Increase (decrease) in customer deposits	13,094	57,320	-	-	13,094	-	
Increase (decrease) in accounts payable/ cash overdrafts	(80,360)	150,585	17,084	(13,020)	(63,276)	18,942	
Increase (decrease) in accrued liabilities	56,332	(57,324)	(45,524)	(29,033)	10,808	(8,808)	
Increase in landfill closure/post closure cost	-	-	12,487	10,656	12,487	-	
Total adjustments	<u>\$ 1,708,914</u>	<u>\$ 1,969,914</u>	<u>\$ 654,575</u>	<u>\$ 802,336</u>	<u>\$ 2,363,489</u>	<u>\$ 90,211</u>	
Net cash provided by operating activities	<u>\$ 1,725,990</u>	<u>\$ 2,465,459</u>	<u>\$ 565,476</u>	<u>\$ 483,592</u>	<u>\$ 2,291,466</u>	<u>\$ 101,470</u>	

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

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

<u>Note</u>	<u>Page</u>
I. Summary of Significant Accounting Policies	23
A. Reporting Entity	23
B. Government-Wide and Fund Financial Statements	23
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	24
D. Assets, Liabilities, and Net Position or Equity	25
II. Stewardship, Compliance, and Accountability	28
A. Budgetary Information	28
III. Detailed Notes on All Funds	29
A. Deposits and Investments	29
B. Receivables	30
C. Capital Assets	30
D. Interfund Balances	33
E. Restricted Assets	33
F. Long-Term Debt	34
IV. Other Information	37
A. Risk Management	37
B. Contingent Liabilities	37
C. Landfill Closure Costs	38
D. Texas Municipal Retirement System	38
E. Fund Balance	47
F. Reinvestment Zones	48
G. Tax Abatements	48
H. Subsequent Event	49

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**I. Summary of Significant Accounting Policies**

The accounting and reporting policies of the City of Snyder, Texas, (City) included in the accompanying basic financial statements conform to the generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

**A. Reporting Entity** The City of Snyder is a municipal corporation governed by an elected mayor and six-member council. As required by generally accepted accounting principles, these financial statements present the City as the primary government and a component unit for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City. The discretely presented component unit has a September 30 year-end.

**Discretely Presented Component Unit**

Development Corporation of Snyder. The City adopted (through the election process) an optional sales tax (3/8%) for economic development purposes and the Corporation was established to administer these funds. The Corporation is a non-profit corporation specifically governed by the Texas Development Corporation Act of 1979, as amended. The City is able to impose its will on the organization and DCOS has the potential to impose a financial benefit/burden on the City. The purpose of the Development Corporation of Snyder, Inc. (herein known as DCOS) is to promote, assist, and enhance economic development. The five-member Board of Directors is appointed by the Mayor, with the approval of the Council. The Board is regularly accountable to the City Council for all activities undertaken by them or on their behalf. The Corporation is presented as a governmental fund type.

Complete financial statements for the DCOS may be obtained at the entity's administrative offices:

Development Corporation of Snyder  
3610 College Ave., Ste. A  
Snyder, TX 79549

**B. Government-Wide and Fund Financial Statements**

**Government-wide financial statements.** The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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

**Fund financial statements.** The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types".

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**I. Summary of Significant Accounting Policies (continued)**

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

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

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

Property taxes, franchise taxes, licenses, interest revenue and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, if available. Sales taxes collected and held by the state at year-end on behalf of the City also are recognized as revenue. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

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

The government reports the following major proprietary funds:

*Water and Sewer Fund* – This fund accounts for the provision of water and sewer services to the residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, billing and collections.

*Sanitation Fund* – This fund accounts for the provision of garbage collection and disposal, including landfill operations for the residents of the City and some residents of the County.

Additionally, the City reports the following nonmajor fund types:

*Special Revenue Funds* – Special Revenue Funds, a governmental fund type, are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are restricted, committed or assigned to expenditures for specified purposes.

*Internal Service Funds* – Internal Service Funds, a proprietary fund type, are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost-reimbursement basis. The internal service fund of the City is the Central Garage Fund.

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

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**I. Summary of Significant Accounting Policies (continued)**

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

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

When an expense is incurred for purposes for which both restricted and unrestricted net position is available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities, and Net Position or Equity**

***I. Deposits and Investments***

Cash includes amounts that are subject to immediate use by the entity. Examples of cash are as follows:

- a. Cash on hand
- b. Cash on (demand) deposit with financial institutions that can be withdrawn without prior notice or penalty.
- c. Other deposits or cash management pools that have characteristics similar to demand deposit accounts (that is, additional funds may be deposited to the account at any time and withdrawals can be made at any time without prior notice or penalty.)

Cash equivalents are short-term, highly liquid investments that have both of the following characteristics:

- a. Investments that are readily convertible to known amounts of cash.
- b. Investments that mature in such a short period of time (generally original maturity of three months or less from the date of purchase) that their values are effectively immune from changes in interest rates.

State statutes authorize the City to invest in 1) obligations of the U.S. or its agencies and instrumentalities; 2) obligations of the State of Texas or its agencies; 3) other obligations guaranteed by the U.S. or the State of Texas or their agencies and instrumentalities; 4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than "A" or its equivalent; 5) guaranteed or secured certificates of deposit issued by state or national banks domiciled in Texas, savings banks domiciled in Texas, or state or federal credit unions domiciled in Texas; 6) fully collateralized repurchase agreements; and 7) other securities as described in the Texas Local Government Code, Chapter 2256, Public Funds Investment Act. The City is authorized by its governing body to invest in all instruments authorized by the State statutes. Investments in public funds investment pools and certificates of deposit are reported at amortized cost.

***2. Receivables and Payables***

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**I. Summary of Significant Accounting Policies (continued)**

Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

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

All trade and property tax receivables are shown net of an allowance for uncollectibles.

The City's property tax is levied each October 1, and payable before the first day of February, on 100 percent of assessed value listed for all real and personal property (business property) located in the City. Assessed values are established by the Scurry County Tax Appraisal District and certified by the Board of Equalization.

Property tax revenues are recognized in the fund financial statements when they become available. Available means collected within the current period and the amount expected to be collected soon after year-end to pay liabilities of the current period not to exceed 60 days. The amount of taxes collected in the period 60 days after year-end were recorded as revenues. The balance of taxes receivable, net of allowance, is reported as deferred inflows of resources. Property taxes attach as an enforceable lien on property as of January 1.

***3. Inventories and Prepaid Items***

Inventory is valued at cost in the governmental funds and at the lower of cost or net realizable value in the proprietary funds. All inventory purchases are recorded as inventory acquisitions (current assets) at the time of purchase. For all funds, the expenditure or expense is recognized when inventory is issued or consumed. Inventory in the General Fund consists of expendable supplies held for consumption.

Prepaid items, recorded in both government-wide and fund financial statements, are goods or services that are paid for in advance and are applicable to future accounting periods. Using the consumption method, prepaid items are recorded as expenditures (governmental fund types) or expenses (proprietary fund types) as the goods or services are used. On the government-wide statement of activities, consumption of prepaid items is recorded as an expense.

Inventories and prepaid items reported in the General Fund and other governmental funds are offset by nonspendable fund balance, which indicates that these items do not represent available expendable resources even though they are a component of current assets.

***4. Restricted Assets***

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Funds set aside to cover landfill closure and post closure costs and customer deposits are also classified as restricted assets. Certain proceeds of the general fund are classified as restricted cash and cash equivalents on the governmental funds for fund balance that is restricted for various public safety purposes.

***5. Capital Assets***

Capital assets, which include property, plant, equipment, infrastructure and all other tangible and intangible assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. Infrastructure acquired beginning in 2004 has been capitalized. Infrastructure acquired prior to this date has not been capitalized. All capital assets are valued at their historical cost or estimated historical cost if actual historical cost is not available. Donated assets are reported at their acquisition value on the date donated. The capitalization threshold for capital assets is \$1,000. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**I. Summary of Significant Accounting Policies (continued)**

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest was capitalized during the fiscal year ended September 30, 2019.

Depreciable capital assets are depreciated using the straight-line method over the asset's estimated useful life as follows:

Buildings and improvements	25-50 years
Improvements other than buildings	10-50 years
Machinery and equipment	3-10 years

**6. Deferred Outflows/Inflows of Resources**

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has items that qualify for reporting in this category. They include the unavailable revenue from property taxes and fines. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also has deferred inflows reported in the statement of net position related to the City's pension and OPEB liability with the TMRS.

**7. Pension**

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

**8. OPEB**

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

**9. Compensated Absences**

Vested or accumulated vacation leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**I. Summary of Significant Accounting Policies (continued)**

***10. Long-term Obligations***

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

***11. Comparative Data***

Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of those funds.

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended September 30, 2018, from which the summarized information was derived.

**II. Stewardship, Compliance, and Accountability**

**A. Budgetary information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual appropriated budgets are adopted for the governmental and proprietary fund types. All annual appropriations lapse at fiscal year-end. Encumbrances represent commitments related to unperformed contracts for goods or services.

Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in all funds. Encumbrances outstanding at year-end are closed and re-budgeted in the following year.

Prior to August 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. The City Council holds public hearings and may add to, subtract from or change appropriations. Any changes in the budget must be within the revenue's reserves estimated as available by the City Manager or the revenue estimates must be changed by an affirmative vote of a majority of the City Council.

Prior to September 30, the budget is legally enacted through passage of an ordinance which appropriates totals by fund. Upon written recommendation of the City Manager, the Council may at any time transfer any unencumbered appropriation balance or any portion thereof within a department, office or agency to another department, office or agency. Any supplemental appropriations must be offset by an equal increase in estimated revenues. Management may amend line item budgeted amounts within a department without seeking the approval of the Council. Expenditures exceeded appropriations in the General and Motel Tax Special Revenue funds by \$131,644 and \$79,265, respectively.

**Deficit Fund Equity**

The hourly rate charged for services performed by the internal service central garage fund is intended to result in a break-even operation which is reflected in the current year income. The net position is a deficit \$92,878 at September 30, 2019.

Motel tax fund revenue is remitted to the Chamber of Commerce and Western Texas College. Fund balance of the motel tax fund is a deficit \$3,382 at September 30, 2019.

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**III. Detailed Notes on All Funds**

**A. Deposits and Investments**

*Custodial credit risk- deposits.* The City's deposits in financial institutions were entirely covered by federal depository insurance and by securities held by the pledging bank's agent for the City in the City's name. The City's investment policy requires that time deposits be collateralized by U.S. Treasury Obligations.

At year end, DCOS' deposits in financial institutions were undersecured by \$13,556. At September 30, 2019, the City and DCOS had the following investments, all maturing within one year:

	City	DCOS
	Amortized Cost	Amortized Cost
Tex Pool	\$ 1,866,441	\$ -
Certificates of Deposit	<u>3,500,469</u>	<u>446,378</u>
	<u>\$ 5,366,910</u>	<u>\$ 446,378</u>
Reported as cash and cash equivalents	\$ 1,866,441	\$ -
Reported as investments	1,500,000	446,378
Reported as restricted investments	<u>2,000,469</u>	<u>-</u>
	<u>\$ 5,366,910</u>	<u>\$ 446,378</u>

Investments included on the statement of net position represent certificates of deposit that have a maturity of more than 90 days.

*Interest rate risk.* The City's investment policy does not currently limit the weighted average maturity of its investment portfolio; however, the City's time deposits all mature in staggered proportions within six months after yearend. TexPool manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 90 days.

*Credit risk –* State law limits investments in public funds investment pools to those rated no lower than AAA or AAAm or an equivalent rating by at least one nationally recognized rating service. As of September 30, 2019, the City's investment in TexPool was rated AAAm by Standard & Poor's, the highest rating a local government investment pool can achieve. Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool.

*Concentration of credit risk.* The City's investment policy does not limit investments in any one issuer except that the investment portfolio shall be diversified by security type and institution.

**CITY OF SNYDER, TEXAS**

Notes to Financial Statements

September 30, 2019

**III. Detailed Notes on All Funds (continued)**

**B. Receivables**

Receivables in the fund financial statements at September 30, 2019 consist of the following:

	General Fund	Water & Sewer Fund	Sanitation Fund	Nonmajor & Other Funds	Total
Delinquent Taxes Receivable	\$ 165,232	\$ -	\$ -	\$ -	\$ 165,232
Less: Allowance for Uncollectibles	<u>(44,894)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,894)</u>
Delinquent Taxes Receivable, net	<u>120,338</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,338</u>
 Sales Tax Receivable	 593,525	 -	 -	 -	 593,525
Franchise Tax Receivable	200,439	-	-	-	200,439
Other Receivables	212,964	869,501	324,554	169,096	1,576,115
Accrued Interest Receivable	<u>756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>756</u>
 Total Receivables, Net	 <u>1,128,022</u>	<u>\$ 869,501</u>	<u>\$ 324,554</u>	<u>\$ 169,096</u>	<u>\$ 2,491,173</u>

Receivables for DCOS consist of \$148,381 from the primary government for sales tax, and \$222,585 in notes receivables from businesses.

**C. Capital Assets**

<b>Governmental Activities:</b>	<b>Beginning Balance</b>	<b>Additions/ Completions</b>	<b>Retirements/ Adjustments</b>	<b>Ending Balance</b>
<b>Capital assets, not being depreciated:</b>				
Land	\$ 553,153	\$ -	\$ -	\$ 553,153
Construction in progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets, not being depreciated	<u>553,153</u>	<u>-</u>	<u>-</u>	<u>553,153</u>
<b>Capital assets, being depreciated:</b>				
Buildings	1,588,174	29,128	-	1,617,302
Improvements other than buildings	3,615,407	-	-	3,615,407
Machinery and equipment	<u>6,544,849</u>	<u>891,576</u>	<u>(342,288)</u>	<u>7,094,137</u>
Total capital assets, being depreciated	<u>11,748,430</u>	<u>920,704</u>	<u>(342,288)</u>	<u>12,326,846</u>
<b>Less accumulated depreciation for:</b>				
Buildings	543,055	64,985	-	608,040
Improvements other than buildings	2,627,160	49,523	-	2,676,683
Machinery and equipment	<u>4,794,661</u>	<u>520,477</u>	<u>(342,288)</u>	<u>4,972,850</u>
Total accumulated depreciation	<u>7,964,876</u>	<u>634,985</u>	<u>(342,288)</u>	<u>8,257,573</u>
Total capital assets being depreciated, net	<u>3,783,554</u>	<u>285,719</u>	<u>-</u>	<u>4,069,273</u>
 Governmental activities capital assets, net	 <u>\$ 4,336,707</u>	<u>\$ 285,719</u>	<u>\$ -</u>	<u>\$ 4,622,426</u>

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**III. Detailed Notes on All Funds (continued)**

<b>Business-Type Activities:</b>	<u>Beginning Balance</u>	<u>Additions/Completions</u>	<u>Retirements/Adjustments</u>	<u>Ending Balance</u>
<b>Water and sewer activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 185,765	\$ -	\$ -	\$ 185,765
Construction in progress	886,887	879,198	(1,766,085)	-
Total capital assets, not being depreciated	1,072,652	879,198	(1,766,085)	185,765
Capital assets, being depreciated:				
Buildings	9,851,224	-	-	9,851,224
Improvements other than buildings	25,568,284	1,816,566	-	27,384,850
Machinery and equipment	6,037,462	252,601	(177,521)	6,112,542
Total capital assets, being depreciated	41,456,970	2,069,167	(177,521)	43,348,616
Less accumulated depreciation for:				
Buildings	7,369,150	405,710	-	7,774,860
Improvements other than buildings	8,475,408	843,080	-	9,318,488
Machinery and equipment	4,104,298	558,343	(177,521)	4,485,120
Total accumulated depreciation	19,948,856	1,807,133	(177,521)	21,578,468
Total capital assets being depreciated, net	21,508,114	262,034	-	21,770,148
Water and sewer activities capital assets, net	\$ 22,580,766	\$ 1,141,232	\$ (1,766,085)	\$ 21,955,913
<b>Sanitation activities:</b>	<u>Beginning Balance</u>	<u>Additions/Completions</u>	<u>Retirements/Adjustments</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 120,756	\$ -	\$ -	\$ 120,756
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	120,756	-	-	120,756
Capital assets, being depreciated:				
Buildings	479,605	-	-	479,605
Improvements other than buildings	3,845,813	-	-	3,845,813
Machinery and equipment	4,980,023	302,195	(25,011)	5,257,207
Total capital assets, being depreciated	9,305,441	302,195	(25,011)	9,582,625
Less accumulated depreciation for:				
Buildings	267,516	11,544	-	279,060
Improvements other than buildings	3,074,536	136,034	-	3,210,570
Machinery and equipment	2,786,572	544,053	(25,011)	3,305,614
Total accumulated depreciation	6,128,624	691,631	(25,011)	6,795,244
Total capital assets being depreciated, net	3,176,817	(389,436)	-	2,787,381
Sanitation activities capital assets, net	\$ 3,297,573	\$ (389,436)	\$ -	\$ 2,908,137

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**III. Detailed Notes on All Funds (continued)**

Total Business-Type Activities:	Beginning Balance	Additions/ Completions	Retirements/ Adjustments	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 306,521	\$ -	\$ -	\$ 306,521
Construction in progress	886,887	879,198	(1,766,085)	-
Total capital assets, not being depreciated	1,193,408	879,198	(1,766,085)	306,521
Capital assets, being depreciated:				
Buildings	10,330,829	-	-	10,330,829
Improvements other than buildings	29,414,097	1,816,566	-	31,230,663
Machinery and equipment	11,017,485	554,796	(202,532)	11,369,749
Total capital assets, being depreciated	50,762,411	2,371,362	(202,532)	52,931,241
Less accumulated depreciation for:				
Buildings	7,636,666	417,254	-	8,053,920
Improvements other than buildings	11,549,944	979,114	-	12,529,058
Machinery and equipment	6,890,870	1,102,396	(202,532)	7,790,734
Total accumulated depreciation	26,077,480	2,498,764	(202,532)	28,373,712
Total capital assets being depreciated, net	24,684,931	(127,402)	-	24,557,529
Business-Type activities capital assets, net	\$ 25,878,339	\$ 751,796	\$ (1,766,085)	\$ 24,864,050

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

**Governmental activities:**

General government	\$ 51,954
Public safety	328,356
Public works	174,185
Capital assets held by the government's internal	
service fund are charged to the various	
functions based on their usage of assets	80,490
Total depreciation expense – governmental activities	\$ 634,985

**Business-type activities:**

Water and sewer	\$ 1,807,133
Sanitation	691,631
Total depreciation expense – business-type activities	\$ 2,498,764

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**III. Detailed Notes on All Funds (continued)**

**Discretely presented component unit**

<b>Development Corporation of Snyder:</b>	<b>Beginning Balance</b>	<b>Additions/ Completions</b>	<b>Retirements/ Adjustments</b>	<b>Ending Balance</b>
<b>Capital assets, not being depreciated:</b>				
Land	\$ 698,781	\$ -	\$ -	\$ 698,781
Construction in progress	-	3,500	-	3,500
Total capital assets, not being depreciated	<u>698,781</u>	<u>3,500</u>	<u>-</u>	<u>702,281</u>
<b>Capital assets, being depreciated:</b>				
Buildings and improvements	3,080,729	-	-	3,080,729
Furniture and equipment	201,971	-	-	201,971
Total capital assets, being depreciated	<u>3,282,700</u>	<u>-</u>	<u>-</u>	<u>3,282,700</u>
<b>Less accumulated depreciation for:</b>				
Buildings and improvements	614,563	122,888	-	737,451
Furniture and equipment	116,681	31,745	-	148,426
Total accumulated depreciation	<u>731,244</u>	<u>154,633</u>	<u>-</u>	<u>885,877</u>
Total capital assets being depreciated, net	<u>2,551,456</u>	<u>(154,633)</u>	<u>-</u>	<u>2,396,823</u>
DCOS capital assets, net	<u>\$ 3,250,237</u>	<u>\$ (151,133)</u>	<u>\$ -</u>	<u>\$ 3,099,104</u>

**D. Interfund Balances**

The General fund loaned the Water and Sewer fund \$850,000 at 2.5% interest, payable monthly in the amount of \$11,040.79, to assist with the cost of renovations to the water plant. The loan matures January 1, 2022. At September 30, 2019, the interfund loan totaled \$299,995.

**E. Restricted Assets**

Restricted assets in the proprietary fund financial statements at September 30, 2019 consist of the following:

<b>Water &amp; sewer fund</b>	
Customer deposits	\$ 671,581
	<u>\$ 671,581</u>
<b>Sanitation fund:</b>	
Landfill closure/post closure	\$ 2,013,374
	<u>\$ 2,013,374</u>

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**III. Detailed Notes on All Funds (continued)**

**F. Long-Term Debt**

**Changes in long-term liabilities**

Long-term liability activity for the year ended September 30, 2019 was as follows:

	October 1, 2018	Increase	Decrease	September 30, 2019	Due Within One year
<b>Governmental Type Activities:</b>					
Compensated absences	\$ 112,021	\$ 23,411	\$ (9,570)	\$ 125,862	\$ 31,466
Net pension liability	1,137,401	1,877,046	-	3,014,447	-
OPEB liability	194,005	2,055	-	196,060	-
Governmental activity					
Long-term liabilities	<u>\$ 1,443,427</u>	<u>\$ 1,902,512</u>	<u>\$ (9,570)</u>	<u>\$ 3,336,369</u>	<u>\$ 31,466</u>
<b>Business Type Activities:</b>					
Revenue bonds	\$ 10,310,000	\$ -	\$ (425,000)	\$ 9,885,000	\$ 435,000
Unamortized bond premiums	118,758	-	(9,675)	109,083	-
Municipal lease purchase	2,061,367	-	(192,078)	1,869,289	197,533
Closure/postclosure care	2,000,887	12,487	-	2,013,374	-
Compensated absences	46,327	14,179	(6,600)	53,906	13,477
Net pension liability	546,711	486,232	-	1,032,943	-
OPEB liability	83,326	883	-	84,209	-
Business-type activity					
Long-term liabilities	<u>\$ 15,167,376</u>	<u>\$ 513,781</u>	<u>\$ (633,353)</u>	<u>\$ 15,047,804</u>	<u>\$ 646,010</u>

For the governmental activities, the general fund has typically been used to liquidate the liability for compensated absences, net pension liability and OPEB liability.

**Revenue bonds**

The annual requirements to retire all revenue bonds outstanding as of September 30, 2019 including interest payments are as follows:

Fiscal Year Ending	September 30	Principal	Interest	Total
	2020	\$ 435,000	\$ 345,317	\$ 780,317
	2021	445,000	331,177	776,177
	2022	455,000	316,374	771,374
	2023	470,000	300,893	770,893
	2024	485,000	284,622	769,622
	2025-2029	2,940,000	1,152,358	4,092,358
	2030-2034	<u>4,655,000</u>	<u>453,739</u>	<u>5,108,739</u>
		<u>\$ 9,885,000</u>	<u>\$ 3,184,480</u>	<u>\$ 13,069,480</u>

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**III. Detailed Notes on All Funds (continued)**

A summary of Revenue Bonds outstanding at September 30, 2019 follows:

\$3,495,000, 2010 Combination Tax and Surplus Revenue Certificates of Obligation due in annual installments of \$165,000 to \$295,000 through March 1, 2025; interest at 0.75 – 4.0%; payable from income derived from the water and sewer enterprise fund; tax revenues serve as collateral	\$ 1,615,000
\$9,000,000, 2013 Combination Tax and Surplus Revenue Certificates of Obligation due in annual installments of \$180,000 to \$1,005,000 through March 1, 2034; interest at 3 – 4.0%; payable from income derived from the water and sewer enterprise fund; tax revenues serve as collateral	<u>\$ 8,270,000</u>
Total outstanding Revenue Bonds	<u>\$ 9,885,000</u>

The Certificates of Obligation are payable from income derived from the water and sewer enterprise fund. Annual principal and interest payments on the certificates are expected to require approximately 42% of pledged revenues. For the current year, total principal and interest paid and available water and sewer revenues were \$783,765 and \$1,870,217, respectively.

**Municipal lease agreement**

In August 2012, the City acquired \$2,985,314 in energy-saving equipment for use in the Water and Sewer enterprise fund through a lease purchase agreement. Related amortization expense is included in depreciation expense. The annual requirements to retire the municipal lease agreement outstanding as of September 30, 2019 including interest payments are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total
2020	\$ 197,533	\$ 51,331	\$ 248,864
2021	203,144	45,722	248,866
2022	208,912	39,952	248,864
2023	214,846	34,019	248,865
2024	220,947	27,918	248,865
2025-2028	<u>823,907</u>	<u>47,117</u>	<u>871,024</u>
	<u>\$ 1,869,289</u>	<u>\$ 246,059</u>	<u>\$ 2,115,348</u>

A summary of the Municipal Lease Agreement outstanding at September 30, 2019 follows:

\$2,985,314, Municipal Lease Purchase Agreement due in semi-annual installments of \$40,246 to \$122,702 through February 2028; interest at 2.82%; payable from income derived from the water and sewer enterprise fund	<u>\$1,869,289</u>
Total outstanding Municipal Lease Agreement	<u>\$1,869,289</u>

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**III. Detailed Notes on All Funds (continued)**

**Discretely Presented Component Unit**

The following is a summary of long-term debt activity of the Development Corporation of Snyder for the fiscal year ended September 30, 2019:

	October 1, 2018	Increase	Decrease	September 30, 2019	Due Within One year
Notes payable	\$ 711,119	\$ -	\$ (401,045)	\$ 310,074	\$ 115,251
Sales Tax Bond, Taxable Series 2018	2,236,233	-	(224,531)	2,011,702	235,717
Net pension liability	51,880	88,485	-	140,365	-
OPEB liability	9,109	97	-	9,206	-
<b>Long-term liabilities</b>	<b>\$ 3,008,341</b>	<b>\$ 88,582</b>	<b>\$ (625,576)</b>	<b>\$ 2,471,347</b>	<b>\$ 350,968</b>

The annual requirements to retire notes payable of the Development Corporation of Snyder as of September 30, 2019 including interest payments are as follows:

Fiscal Year Ending		Principal	Interest	Total
September 30		\$	\$	\$
2020	\$ 115,251	\$ -	\$ 115,251	
2021	115,251	-	115,251	
2022	79,572	-	79,572	
	<b>\$ 310,074</b>	<b>\$ -</b>	<b>\$ 310,074</b>	

**Notes Payable**

In November 2012, DCOS entered into two agreements with Big Country Electric Cooperative to provide services in order to develop 74 acres of the Rail Park. The Corporation agreed to reimburse Big Country \$740,000 and \$300,000 through a non-interest-bearing note. The note is payable in One Hundred eight (108) monthly installments of \$6,852 and \$2,752.29 each and a One Hundred Ninth (109<sup>th</sup>) final installment of remaining principal and interest, if any. The first installment was due June 20, 2013 and subsequent installments are due on or before the same day of each month thereafter until the principal amount (and any default interest) is paid in full of the final installment of principal and any default interest being due on or before June 20, 2022. The outstanding balance of this note is \$310,074.

In December 17, 2015, DCOS entered into an agreement with the United States Department of Agriculture (USDA) through the intermediary relending program. The DCOS agreed to reimburse the USDA \$194,638 with an interest-bearing note of 1.0%. In 2017, two additional draws of \$49,000 and \$63,362 were made, and the DCOS became fully drawn on the USDA IRP commitment totaling \$370,000. The note is payable in thirty (30) annual installments of \$10,233 and a final installment of remaining principal and interest, if any. The first installment is due December 17, 2016 and subsequent installments are due on or before the same day of each year thereafter until the principal amount (and any default interest) is paid in full. The final installment of principal and any default interest is due on or before December 17, 2046. The note was retired in the current year.

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**III. Detailed Notes on All Funds (continued)**

**Bond Payable**

In March 29, 2018, DCOS issued Sales Tax Revenue Refunding Bond, Taxable Series 2018 in the amount of \$2,345,000 to refund the Office of the Governor Economic Development and Tourism Division note payable. The interest rate is 4.5%. The first payment begins May 1, 2018 in the amount of \$26,850.96 until maturity in February 1, 2027. The outstanding balance of this bond is \$2,011,702. The bond is payable solely from the pledged sales and use tax revenues of DCOS. Annual principal and interest payments on the bond are expected to require approximately 40.7% of pledged revenues. For the current year, total principal and interest paid and total sales and use tax revenues were \$321,379 and \$896,314, respectively.

Fiscal Year Ending September 30	Principal	Interest	Total
2020	\$ 235,717	\$ 86,495	\$ 322,212
2021	246,546	75,666	322,212
2022	257,872	64,340	322,212
2023	269,718	52,493	322,211
2024	282,109	40,102	322,211
2025-2027	<u>719,740</u>	<u>42,242</u>	<u>761,982</u>
	<u>\$ 2,011,702</u>	<u>\$ 361,338</u>	<u>\$ 2,373,040</u>

**Conduit Debt Obligations**

In December 2011, DCOS issued Industrial Development Revenue Bonds, Series 2011A and 2011B, in the amounts of \$7.5 million and \$2.5 million, to provide funds to WL Plastics Corporation ("Corporation") to finance the construction and equipping of a manufacturing facility to be in the City. The bonds are secured by the property financed and are payable solely from payments received from Corporation on the underlying mortgage loans. Neither DCOS, the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

**IV. Other Information**

**A. Risk Management**

The City's insurance protection includes multi-peril coverage for building and valuable papers, general liability, auto general liability coverage for bodily injury and property damage, public officials' liability, police liability, volunteer fire and police reserve accidental death and disability, and airport bodily injury and property damage.

The City is fully insured by the Texas Municipal League (TML). The City purchases worker's compensation insurance and is a tax paying employer for unemployment insurance. Medical benefits are provided through a fully funded Intergovernmental Employee Benefits Pool administered by the Texas Municipal League.

**B. Contingent Liabilities**

The City participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government.

## **CITY OF SNYDER, TEXAS**

### Notes to Financial Statements

September 30, 2019

#### **IV. Other Information (continued)**

As of September 30, 2019, no significant amounts of grant expenditures are open to grantor review, and the City believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City.

In the ordinary course of business, the City may at times be involved in lawsuits pending against the City. In the opinion of management, any liabilities resulting from such litigation would not have a material adverse effect on the City's financial statements.

#### **C. Landfill Closure Costs**

State and federal laws and regulations require that the City of Snyder place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post closure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and post closure care costs is \$2,013,374 as of September 30, 2019, which is based on 15.72% usage (filled) of the landfill. It is estimated that an additional \$2,499,300 will be recognized as closure and post closure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2155). The current estimated total cost of the landfill closure and post closure care (\$4,512,674) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of September 30, 2019. However, the actual cost of closure and post closure care may be different due to inflation, changes in technology, or changes in landfill laws and regulations.

The City of Snyder is required by state and federal laws and regulations to make annual contributions to finance closure and post closure care. The City began using the landfill on July 1, 1995, and therefore, the first annual contribution was not made until Fiscal Year 1995 – 1996. Investments of \$2,013,374 are held for these purposes. These investments are reported as restricted assets. It is anticipated that future inflation costs will be financed in part from earnings on investments. The remaining portion of anticipated future installation costs (including inadequate earnings on investments, if any) and additional costs that may arise from changes in post closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

#### **D. Defined Benefit Pension Plan**

##### Plan Description

The City participates as one of 887 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 comprehensive annual financial report (CAFR) that can be obtained at [www.tmrs.com](http://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.

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**IV. Other Information (continued)**

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

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, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	57
Inactive employees entitled to but not yet receiving benefits	57
Active employees	79
<b>Total</b>	<b>193</b>

Contributions

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

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 13.67% and 15.74% in calendar years 2019 and 2018, respectively. The City's contributions to TMRS for the year ended September 30, 2019, were \$701,442 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2018, 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, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.00% per year
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females.

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**IV. Other Information (continued)**

In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Actuarial assumptions used in the December 31, 2018, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation. After the Asset Allocation Study analysis and experience investigation study, the Board amended the long-term expected rate of return on pension plan investments from 7% to 6.75%. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

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

Asset Class	Target Allocation	Long- Term Expected Real Rate of Return
U.S. Equities	17.50%	4.30%
International Equity	17.50%	6.10%
Core Fixed Income	10.00%	1.00%
Non-Core Fixed Income	20.00%	3.39%
Real Return	10.00%	3.78%
Real Estate	10.00%	4.44%
Absolute Return	10.00%	3.56%
Private Equity	5.00%	7.75%
<b>Total</b>	<b>100.00%</b>	

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

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**IV. Other Information (continued)**

*Changes in the Net Pension Liability:*

<b>Entity-Wide</b>	Increase (Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a) - (b)
Balance at 12/31/2017	\$ 30,876,966	\$ 29,140,974	\$ 1,735,992
Changes for the year:			
Service Cost	838,303	-	838,303
Interest	2,053,977	-	2,053,977
Changes of benefit terms	-	-	-
Difference between expected/actual experience	(201,765)	-	(201,765)
Changes of assumptions	-	-	-
Contributions - employer	-	781,713	(781,713)
Contributions - employee	-	347,226	(347,226)
Net investment income	-	(872,435)	872,435
Benefit payments, including refunds			
of employee contributions	(1,733,665)	(1,733,665)	-
Administrative expense	-	(16,870)	16,870
Other changes	-	(882)	882
Net changes	956,850	(1,494,913)	2,451,763
Balance at 12/31/2018	<u>\$ 31,833,816</u>	<u>\$ 27,646,061</u>	<u>\$ 4,187,755</u>
Increase (Decrease)			
Plan			
<b>Primary Government</b>	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a) - (b)
	\$ 29,893,349	\$ 28,209,237	\$ 1,684,112
Balance at 12/31/2017	\$ 29,893,349	\$ 28,209,237	\$ 1,684,112
Changes for the year:			
Service Cost	808,040	-	808,040
Interest	1,979,828	-	1,979,828
Difference between expected and actual experience	-	-	-
Contributions - employer	(194,481)	-	(194,481)
Contributions - employee	-	753,493	(753,493)
Net investment income	-	334,691	(334,691)
Benefit payments, including refunds			
of employee contributions	(1,671,080)	(1,671,104)	24
Administrative expense	-	(16,261)	16,261
Other changes	-	(850)	850
Net changes	922,307	(1,440,971)	2,363,278
Balance at 12/31/2018	<u>\$ 30,815,656</u>	<u>\$ 26,768,266</u>	<u>\$ 4,047,390</u>

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**IV. Other Information (continued)**

DCOS	Increase (Decrease)		
	Plan		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2017	\$ 983,617	\$ 931,737	\$ 51,880
<b>Changes for the year:</b>			
Service Cost	30,263	-	30,263
Interest	74,149	-	74,149
Changes of benefit terms	-	-	-
Difference between expected/actual experience	(7,284)	-	(7,284)
Changes of assumptions	-	-	-
Contributions - employer	-	28,220	(28,220)
Contributions - employee	-	12,535	(12,535)
Net investment income	-	(31,495)	31,495
Benefit payments, including refunds			
of employee contributions	(62,585)	(62,561)	(24)
Administrative expense	-	(609)	609
Other changes	-	(32)	32
Net changes	<u>34,543</u>	<u>(53,942)</u>	<u>88,485</u>
Balance at 12/31/2018	<u><u>\$ 1,018,160</u></u>	<u><u>\$ 877,795</u></u>	<u><u>\$ 140,365</u></u>

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

	1% Decrease in Discount Rate 5.75%	Discount Rate 6.75%	1% Increase in Discount Rate 7.75%
	\$ 8,452,460	\$ 4,187,755	\$ 686,541
City's net pension liability (asset)	<u><u>\$ 8,452,460</u></u>	<u><u>\$ 4,187,755</u></u>	<u><u>\$ 686,541</u></u>
Reported by Governmental Activities	6,084,284	3,014,447	494,189
Reported by Business-Type Activities	<u>2,084,866</u>	<u>1,032,943</u>	<u>169,341</u>
Reported by Primary Government	8,169,151	4,047,390	663,530
Reported by Component Unit, DCOS	<u>283,309</u>	<u>140,365</u>	<u>23,011</u>
	<u><u>\$ 8,452,460</u></u>	<u><u>\$ 4,187,755</u></u>	<u><u>\$ 686,541</u></u>

*Pension Plan Fiduciary Net Position:* Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at [www.tmrss.com](http://www.tmrss.com).

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

For the year ended September 30, 2019, the City recognized pension expense of \$694,475 (\$669,474 Primary Government, \$25,001 DCOS).

At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**IV. Other Information (continued)**

<b>Entity-Wide</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual economic experience	\$ 11,151	\$ 940,921
Changes in actual assumptions	-	-
Differences between projected and actual investment earnings	1,509,902	-
Contributions subsequent to the measurement date	515,965	-
<b>Total</b>	<b>\$ 2,037,018</b>	<b>\$ 940,921</b>
Reported by Governmental Activities	\$ 1,686,912	\$ 711,035
Reported by Business-Type Activities	305,926	229,886
Reported by Component Unit	44,180	-
<b>Total</b>	<b>\$ 2,037,018</b>	<b>\$ 940,921</b>
 <b>Primary Government</b>		
<b>Primary Government</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual economic experience	\$ 10,750	\$ 940,921
Changes in actual assumptions	-	-
Differences between projected and actual investment earnings	1,484,698	-
Contributions subsequent to the measurement date	497,390	-
<b>Total</b>	<b>\$ 1,992,838</b>	<b>\$ 940,921</b>
 <b>DCOS</b>		
<b>DCOS</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual economic experience	\$ 401	\$ -
Changes in actual assumptions	-	-
Differences between projected and actual investment earnings	25,204	-
Contributions subsequent to the measurement date	18,575	-
<b>Total</b>	<b>\$ 44,180</b>	<b>\$ -</b>

\$515,965 (\$497,390 Primary Government; \$18,575 DCOS) reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Primary		
	Entity-Wide	Government	DCOS
September 30:			
2020	\$ 119,835	\$ 115,521	\$ 4,314
2021	(227,445)	(219,257)	(8,188)
2022	119,851	115,536	4,315
2023	567,891	542,727	25,164
<b>Total</b>	<b>\$ 580,132</b>	<b>\$ 554,527</b>	<b>\$ 25,605</b>

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**IV. Other Information (continued)**

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, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

The City's membership in the SDBF plan at December 31, 2018 consisted of the following:

Inactive employees currently receiving benefits	43
Inactive employees entitled to but not yet receiving benefits	19
Active employees	<u>79</u>
Total	141

Membership counts for inactive employees currently receiving or entitled to but not yet receiving benefits will differ from GASB 68 as they include only those eligible for a SDBF benefit (i.e. excludes beneficiaries, non-vested terminations due a refund, etc.).

Contributions

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

The SDBF program is voluntary and employers can cease participation by adopting an ordinance before November 1 of any year to be effective the following January 1. Therefore, the funding policy of the program is to ensure that adequate resources are available to meet all insurance benefit payments for the upcoming year. It is not the intent of the funding policy to pre-fund retiree term life insurance during employees' entire careers. The City's contribution, which equaled the required contribution, was as follows for the year ended September 30, 2019:

Employer Rate	0.23%
Employer Contributions	\$ 10,709

Actuarial Assumptions

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5%
Salary increases	3.50% to 10.5%, including inflation
Discount rate	3.71%

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**IV. Other Information (continued)**

Mortality rates for service retirees were based on the RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Mortality rates for disabled retirees were based on the RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a three-year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

Actuarial assumptions used in the December 31, 2017 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014.

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 3.71% was based on the 20-Year Municipal GO AA Index as of December 31, 2018.

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

At September 30, 2019, the City reported a total OPEB liability of \$289,475 measured at December 31, 2018. For the year ended September 30, 2019, the City recognized OPEB expense of \$22,509 (\$22,192 Primary Government; \$317 DCOS).

As of December 31, 2018, the discount rate used in the development of the total OPEB liability was 3.71% compared to 3.31% as of December 31, 2017.

Changes in the total OPEB liability for the measurement year ended December 31, 2018:

	Total OPEB Liability		
	Entity-Wide	Primary Government	DCOS
Balance at 12/31/17	\$ 286,440	\$ 277,331	\$ 9,109
<b>Changes for the year</b>			
Service cost	11,905	11,534	371
Interest on total OPEB Liability	9,645	9,344	301
Changes of benefit terms	-	-	-
Differences between expected/actual experience	3,241	3,140	101
Changes in assumptions or other inputs	(19,772)	(19,158)	(614)
Benefit payments*	<u>(1,984)</u>	<u>(1,922)</u>	<u>(62)</u>
Net Changes	<u>3,035</u>	<u>2,938</u>	<u>97</u>
Total OPEB Liability - end of year	<u><u>\$ 289,475</u></u>	<u><u>\$ 280,269</u></u>	<u><u>\$ 9,206</u></u>

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

**Discount Rate Sensitivity Analysis**

The following presents the total OPEB liability of the City calculated using the discount rate of 3.71%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.71%) or 1 percentage point higher (4.71%) than the current rate.

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**IV. Other Information (continued)**

	1% Decrease in Discount Rate (2.71%)	Current Discount Rate (3.71%)	1% Increase in Discount Rate (4.71%)
Total OPEB liability	\$ 343,151	\$ 289,475	\$ 247,372
Reported by Governmental Activities	232,414	196,060	167,544
Reported by Business-Type Activities	99,823	84,209	71,961
Reported by Primary Government	<u>332,238</u>	<u>280,269</u>	<u>239,505</u>
Reported by Component Unit, DCOS	10,913	9,206	7,867
	<u><u>\$ 343,151</u></u>	<u><u>\$ 289,475</u></u>	<u><u>\$ 247,372</u></u>

At December 31, 2018, the City reported its deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<b>Entity-Wide</b>	<b>Deferred Outflows of Resources</b>		<b>Deferred Inflows of Resources</b>
	\$	\$	\$
Differences between expected and actual economic experience	\$ 2,627	\$ -	-
Changes in actual assumptions	13,416	16,027	16,027
Contributions subsequent to the measurement date	10,977	-	-
<b>Total</b>	<u><u>\$ 27,020</u></u>	<u><u>\$ 16,027</u></u>	<u><u>\$ 16,027</u></u>
Reported by Governmental Activities	\$ 18,299	\$ 10,855	10,855
Reported by Business-Type Activities	7,862	4,662	4,662
Reported by Component Unit	859	510	510
<b>Total</b>	<u><u>\$ 27,020</u></u>	<u><u>\$ 16,027</u></u>	<u><u>\$ 16,027</u></u>
<b>Primary Government</b>	<b>Deferred Outflows of Resources</b>		<b>Deferred Inflows of Resources</b>
	\$	\$	\$
Differences between expected and actual economic experience	\$ 2,545	\$ -	-
Changes in actual assumptions	12,981	15,517	15,517
Contributions subsequent to the measurement date	10,635	-	-
<b>Total</b>	<u><u>\$ 26,161</u></u>	<u><u>\$ 15,517</u></u>	<u><u>\$ 15,517</u></u>
<b>DCOS</b>	<b>Deferred Outflows of Resources</b>		<b>Deferred Inflows of Resources</b>
	\$	\$	\$
Differences between expected and actual economic experience	\$ 82	\$ -	-
Changes in actual assumptions	435	510	510
Contributions subsequent to the measurement date	342	-	-
<b>Total</b>	<u><u>\$ 859</u></u>	<u><u>\$ 510</u></u>	<u><u>\$ 510</u></u>

**CITY OF SNYDER, TEXAS**  
**Notes to Financial Statements**  
September 30, 2019

**IV. Other Information (continued)**

Deferred outflows of resources related to OPEB resulting from contribution subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ended September 30, 2020 in the amount of \$10,977 (\$10,635 Primary Government; \$342 DCOS). The other net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB, excluding contributions made subsequent to the measurement date, will be recognized in OPEB expense as follows:

Year Ended	Primary		
September 30:	Entity-Wide	Government	DCOS
2020	\$ 959	\$ 928	\$ 31
2021	959	928	31
2022	959	928	31
2023	(1,985)	(1,926)	(59)
Thereafter	(876)	(849)	(27)
Total	\$ <u>16</u>	\$ <u>9</u>	\$ <u>7</u>

**E. Fund Balance**

The City classifies governmental fund balances in the following categories:

*Nonspendable* fund balance includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain intact such as the principal of an endowment. The City has nonspendable fund balance of \$15,423 for prepaid items, \$12,053 for inventories, and \$299,995 for advances to other funds as of September 30, 2019.

*Restricted* fund balance includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation.

Municipal court	\$ 32,207
LEOSE police	3,272
LEOSE fire	750
Building security	12,791
Court efficiency	6,375
TIF Reinvestment Zone No. 1	<u>279,273</u>
Restricted fund balance	\$ <u>334,668</u>

*Committed* fund balance includes the portion of net resources upon which the City Council, the City's highest level of decision-making authority, has imposed limitations on use. Committed funds can be used only for the specific purposes are determined by a formal action of the City Council in the form of a resolution. Commitments may be changed or lifted only by the Council taking the same formal action that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements. The City has \$289,933 in fund balance committed for Chapter 380 agreements at September 30, 2019. The City has \$362,681 in fund balances committed to the purchase of a fire truck.

*Assigned* fund balance includes the portion of net resources for which an intended use has been established by the City Council or the City Manager authorized to do so by the City Council. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal.

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**IV. Other Information (continued)**

In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund.

*Unassigned* fund balance includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification. The City had \$7,436,419 in unassigned fund balance at September 30, 2019.

The City has established a general fund minimum fund balance policy. It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund equivalent to no less than three months of operating expenses.

The City will typically use restricted, committed and/or assigned fund balance, in that order, prior to using unassigned fund balance, but it reserves the right to deviate from this general strategy when appropriate.

**F. Reinvestment Zones**

In December 2011, the City approved the creation of Tax Abatement Reinvestment Zone Number Two ("Zone #2"). The City also approved a seven-year, 100% property tax abatement to WL Plastics Corporation for property in Zone #2. There was no financial activity for Zone #2 in fiscal year 2019.

In November 2013, the City Council approved the creation of Tax Increment Financing (TIF) Reinvestment Zone Number 1 ("Zone #1"). 65% of the ad valorem taxes received from property within the zone will go into a special revenue TIF fund that will be used for economic development within the zone. Zone #1 is reported as a nonmajor special revenue fund.

**G. Tax Abatements**

Tax abatements result from agreements entered into by the reporting government, as well as those that are initiated by other governments, which reduce the reporting government's tax revenues.

The City enters into economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the City. These programs rebate property, sales and hotel occupancy taxes and also include incentive payments and reductions in fees that are not tied to taxes. The City's economic development agreements are authorized under Chapter 380 of the Texas Local Government Code and Chapters 311 (Tax Increment Financing Act) and 312 (Property Redevelopment and Tax Abatement Act) of the Texas Tax Code. Recipients generally commit to building or remodeling real property and related infrastructure, redeveloping properties, expanding operations or bringing targeted business to the City. Agreements generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

The City has two categories of economic development agreements:

General Economic Development – The City enters into various agreements under Chapter 380 of the Texas Local Government Code and Chapter 312 (Property Redevelopment and Tax Abatement Act) of the Texas Tax Code to stimulate economic development. Agreements rebate a percentage of property, sales or hotel occupancy taxes received by the City or make lump sum payments for infrastructure reimbursements. For fiscal year 2019, the City rebated \$61,420 in property taxes and did not make any infrastructure incentive payments.

**CITY OF SNYDER, TEXAS**  
Notes to Financial Statements  
September 30, 2019

**IV. Other Information (continued)**

Tax Increment Reinvestment Zone – In November 2013, the City Council approved the creation of Tax Increment Financing (TIF) Reinvestment Zone Number 1 (“Zone #1”) under Chapter 311 of the Texas Tax Code to stimulate economic development in designated areas. 65% of the ad valorem taxes received from property within the zone will go into a special revenue TIF fund that will be used for economic development within the zone. For fiscal year 2019, Zone #1 received \$88,197 of property tax increment.

**H. Subsequent Event**

On November 1, 2019 the City issued \$3,975,000 in certificates of obligation for construction for Water and Sewer activities.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF SNYDER, TEXAS**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Texas Municipal Retirement System**  
**For the Year Ended September 30, 2019**

	Measurement Date Year Ended December 31, 2014	Measurement Date Year Ended December 31, 2015	Measurement Date Year Ended December 31, 2016	Measurement Date Year Ended December 31, 2017	Measurement Date Year Ended December 31, 2018
<b>Total Pension Liability</b>					
Service cost	\$ 671,639	\$ 781,297	\$ 832,584	\$ 851,201	\$ 838,303
Interest on total pension liability	1,875,915	1,974,321	1,972,230	2,068,491	2,053,977
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	201,255	(447,552)	39,512	(1,547,464)	(201,765)
Changes in assumptions	-	92,493	-	-	-
Benefit payments, including refunds of employee contributions	(1,397,701)	(1,397,981)	(1,427,151)	(1,427,946)	(1,733,665)
Net change in total pension liability	<u>1,351,108</u>	<u>1,002,578</u>	<u>1,417,175</u>	<u>(55,718)</u>	<u>956,850</u>
Total pension liability, beginning	<u>27,161,823</u>	<u>28,512,931</u>	<u>29,515,509</u>	<u>30,932,684</u>	<u>30,876,966</u>
Total pension liability, ending (a)	<u>\$ 28,512,931</u>	<u>\$ 29,515,509</u>	<u>\$ 30,932,684</u>	<u>\$ 30,876,966</u>	<u>\$ 31,833,816</u>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	\$ 807,274	\$ 790,410	\$ 793,194	\$ 793,816	\$ 781,713
Contributions - employee	319,081	335,732	344,653	352,360	347,226
Net investment income	1,355,840	36,552	1,655,043	3,580,797	(872,435)
Benefit payments, including refunds of employee contributions	(1,397,701)	(1,397,981)	(1,427,151)	(1,427,946)	(1,733,665)
Administrative expenses	(14,158)	(22,266)	(18,711)	(18,575)	(16,870)
Other	(1,164)	(1,099)	(1,008)	(941)	(882)
Net change in plan fiduciary net position	<u>1,069,172</u>	<u>(258,652)</u>	<u>1,346,020</u>	<u>3,279,509</u>	<u>(1,494,913)</u>
Plan fiduciary net position, beginning	<u>23,704,925</u>	<u>24,774,097</u>	<u>24,515,445</u>	<u>25,861,465</u>	<u>29,140,974</u>
Plan fiduciary net position, ending (b)	<u>\$ 24,774,097</u>	<u>\$ 24,515,445</u>	<u>\$ 25,861,465</u>	<u>\$ 29,140,974</u>	<u>\$ 27,646,061</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 3,738,834</u>	<u>\$ 5,000,064</u>	<u>\$ 5,071,219</u>	<u>\$ 1,735,992</u>	<u>\$ 4,187,755</u>
Plan fiduciary net position as a percentage of total pension liability	86.89%	83.06%	83.61%	94.38%	86.84%
Covered payroll	\$ 4,558,297	\$ 4,796,177	\$ 4,923,619	\$ 5,033,713	\$ 4,960,371
Net pension liability as a percentage of covered payroll	82.02%	104.25%	103.00%	34.49%	84.42%

Note: A full 10-year schedule will be displayed as it becomes available.

**CITY OF SNYDER, TEXAS**  
**Schedule of Employer Contributions**  
**Texas Municipal Retirement System**  
**For the Year Ended September 30, 2019**

Fiscal Year Ending	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2015	\$ 789,146	\$ 789,146	\$ -	\$ 4,696,337	16.80%
2016	796,144	796,444	-	4,943,785	16.11%
2017	779,635	773,741	5,894	4,882,328	15.85%
2018	771,191	790,149	(18,958)	4,947,708	15.97%
2019	701,442	701,442	-	4,873,388	14.39%

Note: A full 10-year schedule will be displayed as it becomes available

**Notes to Required Supplementary Information**

Assumptions

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

Valuation date	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	27 years
Asset valuation method	10-year smoothed market; 15% soft corridor
Inflation	2.50%
Salary increases	3.50% to 10.50%, including inflation
Investment rate of return	6.75%
Retirement age	Experience -based table of rates that are specific to the City's plan of benefits. Last year updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.
Mortality	RP-2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other Information

There were no benefit changes during the year.

**CITY OF SNYDER, TEXAS**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
**Texas Municipal Retirement System**  
**For the Year Ended September 30, 2019**

	Measurement Date Year Ended December 31, 2017	Measurement Date Year Ended December 31, 2018
<b>Total OPEB Liability</b>		
Service cost	\$ 10,067	\$ 11,905
Interest on total OPEB liability	9,509	9,645
Changes of benefit terms	-	-
Differences between expected and actual experience	-	3,241
Changes in assumptions or other inputs	21,596	(19,772)
Benefit payments	(2,517)	(1,984)
Net change in total OPEB liability	<u>38,655</u>	<u>3,035</u>
 Total OPEB liability, beginning	 247,785	 286,440
<b>Total OPEB liability, ending</b>	<b>\$ 286,440</b>	<b>\$ 289,475</b>
 Covered payroll	 \$ 5,033,713	 \$ 4,960,371
 Total OPEB liability as a percentage of covered payroll	 5.69%	 5.84%

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

Note: A full 10-year schedule will be displayed as it becomes available

**CITY OF SNYDER, TEXAS**  
**Notes to Required Supplementary Information**  
**September 30, 2019**

**Note B: Total OPEB Liability – Texas Municipal Retirement System**

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

<b>Valuation date</b>	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.
<b>Actuarial cost method</b>	Entry age normal
<b>Inflation</b>	2.5%
<b>Discount rate</b>	3.71%
<b>Salary increases</b>	3.50% to 10.5%, including inflation
<b>Retirement age</b>	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the 2010 – 2014.
<b>Mortality</b>	RP-2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Motel Tax Fund – This fund is used to account for the tax upon the occupancy of any sleeping room furnished by any hotel, where the occupancy is the rate of \$2 or more per day.

Tax Increment Financing – This fund is used to account for 65% of the ad valorem taxes collected within the Tax Increment Financing Reinvestment Zone No. 1.

**CITY OF SNYDER, TEXAS**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**September 30, 2019**

	<b>Special Revenue</b>		<b>Total</b>
	<b>Motel Tax Fund</b>	<b>Tax Increment Financing</b>	<b>Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 279,275	\$ 279,275
Accounts receivable, net	<u>169,078</u>	<u>18</u>	<u>169,096</u>
<b>Total assets</b>	<b><u>169,078</u></b>	<b><u>279,293</u></b>	<b><u>448,371</u></b>
<b>LIABILITIES</b>			
Cash overdraft	\$ 3,471	\$ -	\$ 3,471
Accounts payable	<u>168,989</u>	<u>-</u>	<u>168,989</u>
<b>Total liabilities</b>	<b><u>172,460</u></b>	<b><u>-</u></b>	<b><u>172,460</u></b>
<b>FUND BALANCES</b>			
Restricted for various purposes	- -	279,293	279,293
Unassigned	<u>(3,382)</u>	<u>-</u>	<u>(3,382)</u>
<b>Total fund balances</b>	<b><u>(3,382)</u></b>	<b><u>279,293</u></b>	<b><u>275,911</u></b>
<b>Total liabilities and fund balances</b>	<b><u>169,078</u></b>	<b><u>279,293</u></b>	<b><u>448,371</u></b>

**CITY OF SNYDER, TEXAS**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2019**

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	<b>Special Revenue</b>		<b>Total</b>
	<b>Motel Tax Fund</b>	<b>Tax Increment Financing</b>	<b>Nonmajor Governmental Funds</b>
	<hr/>	<hr/>	<hr/>
<b>REVENUES</b>			
Occupancy tax	\$ 504,265	\$ -	\$ 504,265
Property taxes	-	88,197	88,197
Total revenues	<hr/> <u>504,265</u>	<hr/> <u>88,197</u>	<hr/> <u>592,462</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Culture and recreation	<u>504,265</u>	<u>-</u>	<u>504,265</u>
Total expenditures	<hr/> <u>504,265</u>	<hr/> <u>-</u>	<hr/> <u>504,265</u>
Net change in fund balances	-	88,197	88,197
Fund balances - beginning	<u>(3,382)</u>	<u>191,096</u>	<u>187,714</u>
Fund balances - ending	<u>\$ (3,382)</u>	<u>\$ 279,293</u>	<u>\$ 275,911</u>

**CITY OF SNYDER, TEXAS**  
**Motel Tax Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Occupancy tax	\$ 425,000	\$ 425,000	\$ 504,265	\$ 79,265
Total revenues	<u>425,000</u>	<u>425,000</u>	<u>504,265</u>	<u>79,265</u>
<b>EXPENDITURES</b>				
Culture and recreation	425,000	425,000	504,265	(79,265)
Total expenditures	<u>425,000</u>	<u>425,000</u>	<u>504,265</u>	<u>(79,265)</u>
Net change in fund balance	-	-	-	-
Fund balances - beginning	<u>(3,382)</u>	<u>(3,382)</u>	<u>(3,382)</u>	<u>-</u>
Fund balances - ending	<u>\$ (3,382)</u>	<u>\$ (3,382)</u>	<u>\$ (3,382)</u>	<u>\$ -</u>

**CITY OF SNYDER, TEXAS**  
**Tax Increment Financing Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 76,405	\$ 76,405	\$ 88,197	\$ 11,792
Total revenues	76,405	76,405	88,197	11,792
<b>EXPENDITURES</b>				
General government	76,405	76,405	-	76,405
Total expenditures	76,405	76,405	-	76,405
Net change in fund balance	-	-	88,197	88,197
Fund balances - beginning	191,096	191,096	191,096	-
Fund balances - ending	\$ 191,096	\$ 191,096	\$ 279,293	\$ 88,197

**Supplementary Individual Fund Financial Statements and Schedules**

**General Fund**

These supplementary statements and schedules are included to provide management and readers additional information for financial analysis.

**CITY OF SNYDER, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES COMPARED TO BUDGET (GAAP BASIS)**  
**Year Ended September 30, 2019**  
**With Comparative Actual Amounts for Year Ended September 30, 2018**

	2019			2018
	Budget	Actual	Variance-Favorable (Unfavorable)	Actual
<b>Taxes:</b>				
Sales Taxes	\$ 2,300,000	\$ 2,560,295	\$ 260,295	\$ 2,375,541
Ad valorem Taxes	2,273,160	2,532,197	259,037	2,360,736
Franchise Taxes	746,000	742,434	(3,566)	763,170
Liquor Taxes	<u>20,000</u>	<u>26,402</u>	<u>6,402</u>	<u>24,981</u>
<b>Total Taxes</b>	<b><u>5,339,160</u></b>	<b><u>5,861,328</u></b>	<b><u>522,168</u></b>	<b><u>5,524,428</u></b>
<b>Licenses and Permits</b>	<b><u>70,940</u></b>	<b><u>124,415</u></b>	<b><u>53,475</u></b>	<b><u>75,328</u></b>
<b>Intergovernmental:</b>				
LEOSE - Police	2,015	1,306	(709)	1,901
School Resource Officer	112,105	63,055	(49,050)	85,593
Emergency Management	33,000	33,774	774	7,823
Texas Seat Belt - Grant	4,370	-	(4,370)	3,814
Juvenile Case Manager Fee	9,800	7,800	(2,000)	8,710
LEOSE - Fire	<u>680</u>	<u>682</u>	<u>2</u>	<u>678</u>
<b>Total Intergovernmental</b>	<b><u>161,970</u></b>	<b><u>106,617</u></b>	<b><u>(55,353)</u></b>	<b><u>108,519</u></b>
<b>Charges for Services:</b>				
Administrative Fees	1,415,030	1,370,974	(44,056)	1,406,776
Municipal Court Fees	61,860	86,346	24,486	82,846
Other Charges	<u>22,000</u>	<u>4,563</u>	<u>(17,437)</u>	<u>7,214</u>
<b>Total Charges for Services</b>	<b><u>1,498,890</u></b>	<b><u>1,461,883</u></b>	<b><u>(37,007)</u></b>	<b><u>1,496,836</u></b>
<b>Fines and Forfeitures</b>	<b><u>170,000</u></b>	<b><u>149,934</u></b>	<b><u>(20,066)</u></b>	<b><u>189,896</u></b>
<b>Miscellaneous:</b>				
Interest	90,000	140,557	50,557	118,708
Proceeds from insurance	5,000	376,891	371,891	9,700
Miscellaneous	<u>205,050</u>	<u>314,878</u>	<u>109,828</u>	<u>319,640</u>
<b>Total Miscellaneous</b>	<b><u>300,050</u></b>	<b><u>832,326</u></b>	<b><u>532,276</u></b>	<b><u>448,048</u></b>
<b>Transfer from Reserves</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Revenues</b>	<b><u>\$ 7,541,010</u></b>	<b><u>\$ 8,536,503</u></b>	<b><u>\$ 995,493</u></b>	<b><u>\$ 7,843,055</u></b>

**EXHIBIT D-2**  
**(1 of 4)**

**CITY OF SNYDER, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)**  
**Year Ended September 30, 2019**  
**With Comparative Actual Amounts for Year Ended September 30, 2018**

	2019		Variance- Favorable (Unfavorable)	2018		
	Budget	Actual		Actual		
<b>GENERAL GOVERNMENT:</b>						
<b>Administration:</b>						
Personnel Services	\$ 249,280	\$ 247,619	\$ 1,661	\$ 246,332		
Supplies	4,150	3,770	380	3,934		
Maintenance	3,060	4,066	(1,006)	2,425		
Services	26,830	21,023	5,807	18,059		
Sundry Charges	3,500	1,545	1,955	2,817		
Non capitalized equipment	-	347	(347)	-		
Capital Outlay	-	-	-	2,682		
<b>Totals</b>	<b>286,820</b>	<b>278,370</b>	<b>8,450</b>	<b>276,249</b>		
<b>Finance:</b>						
Personnel Services	293,680	284,226	9,454	328,894		
Supplies	4,050	3,837	213	3,939		
Maintenance	23,300	23,361	(61)	20,782		
Services	44,150	43,894	256	42,553		
Sundry Charges	3,750	3,834	(84)	2,911		
Non capitalized equipment	700	700	-	569		
Capital Outlay	-	-	-	-		
<b>Totals</b>	<b>369,630</b>	<b>359,852</b>	<b>9,778</b>	<b>399,648</b>		
<b>Planning &amp; Zoning</b>						
Personnel Services	211,575	219,015	(7,440)	278,306		
Supplies	5,820	4,797	1,023	4,959		
Maintenance	10,495	11,571	(1,076)	12,618		
Services	17,220	12,429	4,791	16,540		
Sundry Charges	7,525	30,275	(22,750)	172,828		
Non capitalized equipment	-	-	-	-		
Capital Outlay	1,350	-	1,350	2,682		
<b>Totals</b>	<b>253,985</b>	<b>278,087</b>	<b>(24,102)</b>	<b>487,933</b>		
<b>Municipal Court:</b>						
Personnel Services	260,155	263,233	(3,078)	252,276		
Supplies	4,800	3,021	1,779	2,947		
Maintenance	17,905	19,007	(1,102)	13,859		
Services	29,060	29,285	(225)	29,084		
Sundry Charges	13,720	4,068	9,652	55,864		
Non capitalized equipment	-	1,267	(1,267)	340		
Capital Outlay	2,600	4,564	(1,964)	4,221		
<b>Totals</b>	<b>328,240</b>	<b>324,445</b>	<b>3,795</b>	<b>358,591</b>		

**EXHIBIT D-2**  
(2 of 4)

**CITY OF SNYDER, TEXAS**  
GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)  
Year Ended September 30, 2019  
With Comparative Actual Amounts for Year Ended September 30, 2018

	2019		2018	
	Budget	Actual	Variance-Favorable (Unfavorable)	Actual
<b>Community Services:</b>				
Personnel Services	\$ -	\$ -	\$ -	\$ -
Supplies	16,760	6,944	9,816	1,524
Maintenance	2,285	26,156	(23,871)	3,913
Services	344,955	314,871	30,084	374,554
Sundry Charges	5,115	8,498	(3,383)	4,828
Non capitalized equipment	-	-	-	-
Capital Outlay	-	-	-	-
<b>Totals</b>	<b>369,115</b>	<b>356,469</b>	<b>12,646</b>	<b>384,819</b>
<b>City Secretary/Records</b>				
Personnel Services	162,785	163,979	(1,194)	160,774
Supplies	1,850	1,265	585	1,500
Maintnenace	6,845	7,631	(786)	6,673
Services	6,940	8,796	(1,856)	7,098
Sundry Charges	800	692	108	728
Non capitalized equipment	-	-	-	-
Capital Outlay	11,200	16,072	(4,872)	-
<b>Totals</b>	<b>190,420</b>	<b>198,435</b>	<b>(8,015)</b>	<b>176,773</b>
<b>IT/Purchasing</b>				
Personnel Services	94,765	96,732	(1,967)	95,317
Supplies	1,550	1,261	289	1,129
Maintenance	20,200	32,777	(12,577)	28,015
Services	6,765	9,150	(2,385)	4,627
Sundry Charges	5,925	6,098	(173)	847
Non capitalized equipment	300	612	(312)	246
Capital Outlay	16,000	18,125	(2,125)	12,608
<b>Totals</b>	<b>145,505</b>	<b>164,755</b>	<b>(19,250)</b>	<b>142,789</b>
<b>TOTAL GENERAL GOVERNMENT</b>	<b>1,943,715</b>	<b>1,960,412</b>	<b>(16,698 )</b>	<b>2,226,801</b>

**CITY OF SNYDER, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)**  
**Year Ended September 30, 2019**  
**With Comparative Actual Amounts for Year Ended September 30, 2018**

	2019		2018	
	Budget	Actual	Variance-Favorable (Unfavorable)	Actual
<b>PUBLIC SAFETY:</b>				
Police:				
Personnel Services	\$ 2,069,845	\$ 1,764,284	\$ 305,561	\$ 1,908,007
Supplies	81,400	86,189	(4,789)	86,115
Maintenance	69,015	110,416	(41,401)	65,747
Services	100,970	65,083	35,887	95,849
Sundry Charges	111,160	70,474	40,686	97,284
Non capitalized equipment	-	1,775	(1,775)	10,470
Capital Outlay	210,900	223,843	(12,943)	107,066
<b>Totals</b>	<b>2,643,290</b>	<b>2,322,064</b>	<b>321,226</b>	<b>2,370,538</b>
Animal Control:				
Personnel Services	122,050	126,939	(4,889)	143,159
Supplies	17,150	14,055	3,095	12,871
Maintenance	7,100	4,451	2,649	4,078
Services	13,675	12,071	1,604	12,055
Sundry Charges	6,570	5,142	1,428	5,655
Non capitalized equipment	-	1,293	(1,293)	-
Capital Outlay	-	-	-	1,400
<b>Totals</b>	<b>166,545</b>	<b>163,951</b>	<b>2,594</b>	<b>179,218</b>
Fire:				
Personnel Services	829,735	816,309	13,426	805,435
Supplies	85,820	75,722	10,098	45,095
Maintenance	65,965	53,886	12,079	63,442
Services	101,875	80,407	21,468	98,466
Sundry Charges	23,900	18,551	5,349	25,122
Non capitalized equipment	-	2,739	(2,739)	537
Capital Outlay	361,200	431,885	(70,685)	43,413
<b>Totals</b>	<b>1,468,495</b>	<b>1,479,499</b>	<b>(11,004)</b>	<b>1,081,510</b>

**CITY OF SNYDER, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)**  
**Year Ended September 30, 2019**  
**With Comparative Actual Amounts for Year Ended September 30, 2018**

	2019		2018	
	Budget	Actual	Variance-Favorable (Unfavorable)	Actual
<b>Fire Marshall:</b>				
Personnel Services	\$ 102,200	\$ 110,281	\$ (8,081)	\$ 113,657
Supplies	6,980	6,719	261	5,965
Maintenance	1,900	1,088	812	2,577
Services	2,650	2,448	202	1,354
Sundry Charges	5,550	4,478	1,072	3,171
Non capitalized equipment	-	1,119	(1,119)	-
<b>Totals</b>	<b>119,280</b>	<b>126,133</b>	<b>(6,853)</b>	<b>126,724</b>
<b>TOTAL PUBLIC SAFETY</b>	<b>4,397,610</b>	<b>4,091,647</b>	<b>305,963</b>	<b>3,757,990</b>
<b>PUBLIC WORKS:</b>				
Street Maintenance:				
Personnel Services	441,770	394,200	47,570	432,327
Supplies	67,060	92,617	(25,557)	70,367
Maintenance	206,465	617,721	(411,256)	139,808
Services	257,290	294,116	(36,826)	334,380
Sundry Charges	30,600	22,953	7,647	32,367
Non capitalized equipment	-	1,901	(1,901)	-
Capital Outlay	196,500	197,087	(587)	2,728
<b>Totals</b>	<b>1,199,685</b>	<b>1,620,595</b>	<b>(420,910)</b>	<b>1,011,977</b>
<b>TOTAL PUBLIC WORKS</b>	<b>1,199,685</b>	<b>1,620,595</b>	<b>(420,910)</b>	<b>1,011,977</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 7,541,010</b>	<b>\$ 7,672,654</b>	<b>\$ (131,645)</b>	<b>\$ 6,996,768</b>

**Supplementary Individual Fund Financial Statements and Schedules**

**Enterprise Funds**

These supplementary statements and schedules are included to provide management and readers additional information for financial analysis.

**CITY OF SNYDER, TEXAS**  
**WATER AND SEWER ENTERPRISE FUND**  
**SCHEDULE OF REVENUES AND EXPENSES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**Year Ended September 30, 2019**  
**With Comparative Actual Amounts for Year Ended September 30, 2018**

	2019			2018
	Final Budget	Actual	Variance- Favorable (Unfavorable)	Actual
	Final Budget	Actual	Variance- Favorable (Unfavorable)	
<b>Revenues:</b>				
Water sales	\$ 5,110,000	\$ 5,129,486	\$ 19,486	\$ 5,104,238
Sewer charges	1,620,000	1,589,931	(30,069)	1,536,830
Charges for billing & collections	449,670	383,958	(65,712)	424,667
Water taps	21,000	5,000	(16,000)	6,750
Sewer taps	14,000	2,440	(11,560)	6,050
Plumbing permits & inspections	8,400	8,985	585	9,691
Miscellaneous	53,250	59,329	6,079	59,171
Interest	7,000	43,265	36,265	21,186
Proceeds from insurance	10,000	10,170	170	241
Grants	-	-	-	-
Gain (loss) on sale of assets	-	11	11	-
 Total Revenues	 7,293,320	 7,232,575	 (60,745)	 7,168,824
<b>Expenses:</b>				
Personnel services	1,402,300	1,332,442	69,858	1,300,806
Supplies	417,435	358,425	59,010	324,651
Maintenance	458,170	572,224	(114,054)	316,003
Services	2,820,240	3,046,243	(226,003)	2,866,603
Sundry charges	90,830	42,219	48,611	52,198
Non capitalized equipment	2,800	3,367	(567)	3,840
Depreciation	1,869,150	1,807,133	62,017	1,787,751
Interest expense	425,425	423,883	1,542	445,076
 Total Expenses	 7,486,350	 7,585,936	 (99,586)	 7,096,928
 Net Income (Loss)	 \$ (193,030)	 \$ (353,361)	 \$ (160,331)	 \$ 71,896

**CITY OF SNYDER, TEXAS**  
**WATER AND SEWER ENTERPRISE FUND**  
**SCHEDULE OF EXPENSES COMPARED TO BUDGET**  
**Year Ended September 30, 2019**  
**With Comparative Actual Amounts for Year Ended September 30, 2018**

	2019		Variance- Favorable (Unfavorable)	2018		
	Final Budget	Actual		Actual		
<b>SEWER:</b>						
<b>Sanitary Sewer:</b>						
Personnel Services	\$ 162,775	\$ 142,740	\$ 20,035	\$ 134,595		
Supplies	82,985	48,154	34,831	34,157		
Maintenance	23,865	33,145	(9,280)	14,991		
Services	94,475	84,087	10,388	81,246		
Sundry Charges	9,690	9,689	1	7,897		
Non capitalized equipment	-	350	(350)	280		
Depreciation	<u>92,940</u>	<u>92,208</u>	<u>732</u>	<u>95,018</u>		
<b>Totals</b>	<b><u>466,730</u></b>	<b><u>410,373</u></b>	<b><u>56,357</u></b>	<b><u>368,184</u></b>		
<b>Sewage Treatment:</b>						
Personnel Services	218,750	237,296	(18,546)	222,920		
Supplies	46,000	43,574	2,426	41,940		
Maintenance	79,295	102,300	(23,005)	52,170		
Services	297,670	343,967	(46,297)	258,645		
Sundry Charges	8,700	6,014	2,686	6,306		
Non capitalized equipment	-	218	(218)	364		
Depreciation	<u>280,730</u>	<u>278,632</u>	<u>2,098</u>	<u>274,189</u>		
<b>Totals</b>	<b><u>931,145</u></b>	<b><u>1,012,001</u></b>	<b><u>(80,856)</u></b>	<b><u>856,534</u></b>		
<b>WATER:</b>						
<b>Water Production:</b>						
Personnel Services	437,410	452,190	(14,780)	406,481		
Supplies	151,300	171,154	(19,854)	175,592		
Maintenance	182,320	183,118	(798)	136,305		
Services	1,996,305	2,094,134	(97,829)	2,088,049		
Sundry Charges	25,800	15,800	10,000	25,227		
Non capitalized equipment	-	1,045	(1,045)	3,029		
Depreciation	<u>539,720</u>	<u>520,634</u>	<u>19,086</u>	<u>501,010</u>		
<b>Totals</b>	<b><u>3,332,855</u></b>	<b><u>3,438,075</u></b>	<b><u>(105,220)</u></b>	<b><u>3,335,693</u></b>		

**CITY OF SNYDER, TEXAS**  
**WATER AND SEWER ENTERPRISE FUND**  
**SCHEDULE OF EXPENSES COMPARED TO BUDGET**  
**Year Ended September 30, 2019**  
**With Comparative Actual Amounts for Year Ended September 30, 2018**

	2019		2018	
	Final Budget	Actual	Variance- Favorable (Unfavorable)	Actual
<b>Water Distribution:</b>				
Personnel Services	\$ 166,400	\$ 151,372	\$ 15,028	\$ 134,595
Supplies	98,150	56,470	41,680	36,254
Maintenance	81,640	194,961	(113,321)	51,502
Services	205,430	323,284	(117,854)	211,552
Sundry Charges	8,740	5,089	3,651	5,696
Non capitalized equipment	-	920	(920)	-
Depreciation	<u>590,155</u>	<u>553,814</u>	<u>36,341</u>	<u>553,853</u>
<b>Totals</b>	<b><u>1,150,515</u></b>	<b><u>1,285,910</u></b>	<b><u>(135,395)</u></b>	<b><u>993,452</u></b>
<b>Utility Department:</b>				
Personnel Services	416,965	348,844	68,121	402,215
Supplies	39,000	39,073	(73)	36,708
Maintenance	91,050	58,700	32,350	61,035
Services	226,360	200,771	25,589	227,111
Sundry Charges	37,900	5,627	32,273	7,072
Non capitalized equipment	2,800	834	1,966	167
Depreciation	<u>365,605</u>	<u>361,845</u>	<u>3,760</u>	<u>363,681</u>
<b>Totals</b>	<b><u>1,179,680</u></b>	<b><u>1,015,694</u></b>	<b><u>163,986</u></b>	<b><u>1,097,989</u></b>
<b>Non-Operating:</b>				
Interest and fees	425,425	423,883	1,542	445,076
Bond issuance costs	-	-	-	-
<b>Totals</b>	<b><u>425,425</u></b>	<b><u>423,883</u></b>	<b><u>1,542</u></b>	<b><u>445,076</u></b>
<b>TOTAL EXPENSES</b>	<b><u>\$ 7,486,350</u></b>	<b><u>\$ 7,585,936</u></b>	<b><u>\$ (99,586)</u></b>	<b><u>\$ 7,096,928</u></b>

**CITY OF SNYDER, TEXAS**  
**SANITATION ENTERPRISE FUND**  
**SCHEDULE OF REVENUES AND EXPENSES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**Year Ended September 30, 2019**  
With Comparative Actual Amounts for Year Ended September 30, 2018

	2019		Variance-Favorable (Unfavorable)	2018
	Final Budget	Actual		Actual
<b>Revenues:</b>				
Sanitation charges	\$ 1,950,000	\$ 1,966,399	\$ 16,399	\$ 1,885,355
Landfill gate fees	800,000	573,842	(226,158)	516,813
Roll-off containers	53,000	88,623	35,623	90,184
Miscellaneous	3,000	25,753	22,753	11,145
Proceeds from insurance	-	-	-	-
Interest	28,000	39,908	11,908	48,165
Grant - COG	-	-	-	-
Gain (loss) on sale of asset	<u>65,000</u>	<u>3,000</u>	<u>(62,000)</u>	<u>347,500</u>
<b>Total Revenues</b>	<b>2,899,000</b>	<b>2,697,525</b>	<b>(201,475)</b>	<b>2,899,162</b>
<b>Expenses:</b>				
Personnel	741,130	716,907	24,223	642,572
Supplies	220,700	227,383	(6,683)	206,689
Maintenance	123,155	167,624	(44,469)	134,906
Services	1,022,885	888,003	134,882	953,169
Sundry charges	59,580	50,260	9,320	53,091
Non capitalized equipment	-	1,908	(1,908)	622
Depreciation	<u>713,330</u>	<u>691,631</u>	<u>21,699</u>	<u>831,192</u>
<b>Total Expenses</b>	<b><u>2,880,780</u></b>	<b><u>2,743,716</u></b>	<b><u>137,064</u></b>	<b><u>2,822,241</u></b>
<b>Net Income (Loss)</b>	<b><u>\$ 18,220</u></b>	<b><u>\$ (46,191)</u></b>	<b><u>\$ (64,411)</u></b>	<b><u>\$ 76,921</u></b>

**CITY OF SNYDER, TEXAS**  
**SANITATION ENTERPRISE FUND**  
**SCHEDULE OF EXPENSES COMPARED TO BUDGET**  
Year Ended September 30, 2019  
With Comparative Actual Amounts for Year Ended September 30, 2018

	2019			2018
	Final Budget	Actual	Variance- Favorable (Unfavorable)	Actual
<b>Collection:</b>				
Personnel Services	\$ 318,760	\$ 297,913	\$ 20,847	\$ 224,958
Supplies	106,700	109,394	(2,694)	96,715
Maintenance	55,480	42,808	12,672	68,786
Services	408,980	362,114	46,866	380,310
Sundry Charges	19,480	17,056	2,424	21,387
Non capitalized Equipment	-	656	(656)	-
Depreciation	<u>189,380</u>	<u>169,758</u>	<u>19,622</u>	<u>185,696</u>
<b>Total Expenses</b>	<b><u>1,098,780</u></b>	<b><u>999,699</u></b>	<b><u>99,081</u></b>	<b><u>977,852</u></b>
<b>Landfill:</b>				
Personnel Services	422,370	418,994	3,376	417,614
Supplies	114,000	117,989	(3,989)	109,976
Maintenance	67,675	124,816	(57,141)	66,119
Services	613,905	525,889	88,016	572,859
Sundry Charges	40,100	33,204	6,896	31,704
Non capitalized Equipment	-	1,252	(1,252)	622
Depreciation	<u>523,950</u>	<u>521,873</u>	<u>2,077</u>	<u>645,496</u>
<b>Total Expenses</b>	<b><u>1,782,000</u></b>	<b><u>1,744,017</u></b>	<b><u>37,983</u></b>	<b><u>1,844,390</u></b>
<b>Interest expense</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>TOTAL EXPENSES</b>	<b><u>\$ 2,880,780</u></b>	<b><u>\$ 2,743,716</u></b>	<b><u>\$ 137,064</u></b>	<b><u>\$ 2,822,242</u></b>

**CITY OF SNYDER, TEXAS**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Comparative Schedules by Source<sup>1</sup>**  
**September 30, 2019 and 2018**

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Governmental funds capital assets:	<u>2019</u>	<u>2018</u>
Land	\$ 553,153	\$ 553,153
Buildings	703,071	703,073
Improvements Other than Buildings	3,615,406	3,615,407
Machinery and Equipment	<u>6,735,551</u>	<u>6,174,846</u>
Total governmental funds capital assets	<u>\$ 11,607,181</u>	<u>\$ 11,046,479</u>

Investments in governmental funds capital assets by source:

General fund	\$ 11,607,181	\$ 11,046,479
Total governmental funds capital assets	<u>\$ 11,607,181</u>	<u>\$ 11,046,479</u>

<sup>1</sup>This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

**CITY OF SNYDER, TEXAS**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule By Function and Activity<sup>1</sup>**  
**September 30, 2019**

Function and Activity	Land	Buildings	Improvements Other than Buildings	Machinery and Equipment	Total
<b>General Government:</b>					
Manager	\$ -	\$ 1,812	\$ -	\$ 40,867	\$ 42,679
City Clerk/Finance	-	-	-	16,808	16,808
Records / City Secretary	-	-	-	71,023	71,023
Data Processing	-	-	-	101,553	101,553
Community Service/Council	389,937	399,835	496,536	113,594	1,399,903
Municipal Court	-	-	-	36,437	36,437
<b>Total general government</b>	<b>389,937</b>	<b>401,647</b>	<b>496,536</b>	<b>380,282</b>	<b>1,668,403</b>
<b>Public Safety:</b>					
Police	-	25,260	-	1,878,137	1,903,397
Animal Control	-	135,051	-	97,067	232,118
Fire	-	137,317	-	2,586,839	2,724,156
Inspection	-	-	-	56,802	56,802
<b>Total public safety</b>	<b>-</b>	<b>297,628</b>	<b>-</b>	<b>4,618,845</b>	<b>4,916,473</b>
<b>Public Works:</b>					
Street system	163,216	3,797	3,118,870	1,736,422	5,022,305
<b>Total public works</b>	<b>163,216</b>	<b>3,797</b>	<b>3,118,870</b>	<b>1,736,422</b>	<b>5,022,305</b>
<b>Total governmental funds capital assets</b>	<b>\$ 553,153</b>	<b>\$ 703,072</b>	<b>\$ 3,615,406</b>	<b>\$ 6,735,549</b>	<b>\$ 11,607,181</b>

<sup>1</sup>This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

**CITY OF SNYDER, TEXAS**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes by Function and Activity<sup>1</sup>**  
**For the Year Ended September 30, 2019**

<b>Function and Activity</b>	<b>Governmental Funds Capital</b>				<b>Governmental Funds Capital</b>	
	<b>Assets October 1, 2018</b>	<b>Additions</b>	<b>Deductions</b>		<b>Assets September 30, 2019</b>	
<b>General Government:</b>						
Manager	\$ 43,429	\$ -	\$ 249	\$	43,180	
Finance	11,554	-			11,554	
Accounting/Personnel	24,115	-	-		24,115	
Records	48,671	16,072	1,065		63,678	
Data Processing	94,144	18,125	-		112,269	
Community Service/Council	1,310,512	-	-		1,310,513	
Municipal Court	47,447	4,564	-		52,011	
<b>Total general government</b>	<b>1,579,872</b>	<b>38,761</b>	<b>1,314</b>		<b>1,617,320</b>	
<b>Public Safety:</b>						
Police	1,663,627	223,843	25,276		1,862,195	
Animal Control	251,737	-	-		251,737	
Fire	2,473,507	431,885	102,592		2,802,800	
Inspection	72,919	-	16,544		56,375	
<b>Total public safety</b>	<b>4,461,790</b>	<b>655,728</b>	<b>144,412</b>		<b>4,973,107</b>	
<b>Public Works:</b>						
Street system	5,004,817	197,087	185,150		5,016,754	
<b>Total public works</b>	<b>5,004,817</b>	<b>197,087</b>	<b>185,150</b>		<b>5,016,754</b>	
<b>Total governmental funds capital assets</b>	<b>\$ 11,046,479</b>	<b>\$ 891,576</b>	<b>\$ 330,876</b>		<b>\$ 11,607,181</b>	

<sup>1</sup>This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

# Statistical Section

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

Contents	Page
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	71
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the government's most significant local revenue source, the sales tax.	77
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	83
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	87
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	90

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

**City of Snyder, Texas**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 2,662,052	\$ 2,705,813	\$ 2,932,876	\$ 3,126,495	\$ 3,241,249	\$ 3,717,131	\$ 3,779,532	\$ 4,314,365	\$ 4,336,707	\$ 4,622,426
Restricted	38,875	28,940	-	-	63,556	82,633	112,347	171,441	255,987	334,688
Unrestricted	5,269,815	5,496,272	6,057,594	6,842,848	7,896,426	5,893,694	5,621,007	4,033,394	4,430,135	5,328,754
<b>Total governmental activities net position</b>	<b>\$ 7,970,742</b>	<b>\$ 8,231,025</b>	<b>\$ 8,990,470</b>	<b>\$ 9,969,343</b>	<b>\$ 11,201,231</b>	<b>\$ 9,693,458</b>	<b>\$ 9,512,886</b>	<b>\$ 8,519,200</b>	<b>\$ 9,022,829</b>	<b>\$ 10,285,866</b>
 <b>Business-type activities</b>										
Net investment in capital assets	\$ 10,278,269	\$ 10,405,374	\$ 10,174,101	\$ 10,384,788	\$ 12,112,688	\$ 13,620,030	\$ 14,849,708	\$ 12,852,474	\$ 13,388,214	\$ 13,000,678
Unrestricted	2,931,718	2,820,996	4,259,152	3,851,239	2,367,658	(348,277)	(1,618,150)	88,828	(370,582)	(382,598)
<b>Total business-type activities net position</b>	<b>\$ 13,209,987</b>	<b>\$ 13,226,370</b>	<b>\$ 14,433,253</b>	<b>\$ 14,236,027</b>	<b>\$ 14,480,346</b>	<b>\$ 13,271,753</b>	<b>\$ 13,231,558</b>	<b>\$ 12,941,302</b>	<b>\$ 13,017,632</b>	<b>\$ 12,618,080</b>
 <b>Primary government</b>										
Net investment in capital assets	\$ 12,940,321	\$ 13,111,187	\$ 13,106,977	\$ 13,511,283	\$ 15,353,937	\$ 17,337,161	\$ 18,629,240	\$ 17,166,839	\$ 17,724,921	\$ 17,623,104
Restricted	38,875	28,940	--	--	63,556	82,633	112,347	171,441	255,987	334,688
Unrestricted	8,201,533	8,317,268	10,316,746	10,694,087	10,264,084	5,545,417	4,002,857	4,122,222	4,059,553	4,946,156
<b>Total primary government net position</b>	<b>\$ 21,180,729</b>	<b>\$ 21,457,395</b>	<b>\$ 23,423,723</b>	<b>\$ 24,205,370</b>	<b>\$ 25,681,577</b>	<b>\$ 22,965,211</b>	<b>\$ 22,744,444</b>	<b>\$ 21,460,502</b>	<b>\$ 22,040,461</b>	<b>\$ 22,903,948</b>

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

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

**Expenses**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Governmental activities										
General government	\$ 1,462,938	\$ 1,613,685	\$ 1,584,187	\$ 1,851,500	\$ 1,879,404	\$ 2,347,070	\$ 2,252,281	\$ 2,477,557	\$ 2,193,133	\$ 1,982,364
Public safety	2,889,310	3,334,049	3,262,081	3,378,246	3,691,936	3,634,361	4,207,512	4,011,884	3,780,316	3,784,243
Public works	988,021	1,057,328	1,074,849	1,197,706	902,713	1,230,913	1,061,527	1,521,418	1,203,857	1,600,075
Culture and recreation	249,666	330,846	409,941	433,360	432,968	438,425	355,908	409,911	495,243	504,265
Total governmental activities expenses	<u>5,589,935</u>	<u>6,335,907</u>	<u>6,331,058</u>	<u>6,860,812</u>	<u>6,907,021</u>	<u>7,650,769</u>	<u>7,877,228</u>	<u>8,420,770</u>	<u>7,672,549</u>	<u>7,870,947</u>
Business-type activities										
Water and sewer	4,453,234	4,840,082	5,359,047	5,959,164	6,570,359	6,686,015	7,019,673	6,983,993	6,651,852	7,162,053
Sanitation	2,143,949	2,478,742	2,473,142	2,678,390	2,409,061	2,811,828	2,948,316	2,913,815	2,822,241	2,743,716
Interest expense	139,842	55,728	147,973	214,530	435,359	500,505	484,479	465,003	445,076	423,883
Total business-type activities expenses	<u>6,737,025</u>	<u>7,374,552</u>	<u>7,980,162</u>	<u>8,852,084</u>	<u>9,414,779</u>	<u>9,998,348</u>	<u>10,452,468</u>	<u>10,362,811</u>	<u>9,919,169</u>	<u>10,329,652</u>
Total primary government expenses	<u><u>\$ 12,326,960</u></u>	<u><u>\$ 13,710,459</u></u>	<u><u>\$ 14,311,220</u></u>	<u><u>\$ 15,712,896</u></u>	<u><u>\$ 16,321,800</u></u>	<u><u>\$ 17,649,117</u></u>	<u><u>\$ 18,329,696</u></u>	<u><u>\$ 18,783,581</u></u>	<u><u>\$ 17,591,718</u></u>	<u><u>\$ 18,200,599</u></u>
<b>Program Revenues</b>										
Governmental activities										
Charges for services:										
General government	\$ 694,770	\$ 1,050,803	\$ 1,034,499	\$ 1,278,267	\$ 1,357,010	\$ 1,580,185	\$ 1,477,484	\$ 1,374,720	\$ 1,847,090	\$ 1,597,557
Public safety	102,716	110,432	107,594	108,867	108,421	143,898	158,744	149,967	162,808	151,906
Public works	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Other activities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	93,355	88,371	127,482	328,534	125,681	142,942	134,256	131,150	108,519	106,617
Capital grants and contributions	-	-	496,536	-	23,000	23,000	-	-	-	-
Total governmental activities program revenues	<u>\$ 890,841</u>	<u>\$ 1,249,606</u>	<u>\$ 1,766,111</u>	<u>\$ 1,715,668</u>	<u>\$ 1,614,112</u>	<u>\$ 1,890,025</u>	<u>\$ 1,770,484</u>	<u>\$ 1,655,837</u>	<u>\$ 2,118,417</u>	<u>\$ 1,856,080</u>
Business-type activities										
Charges for services										
Water and sewer	\$ 4,642,289	\$ 5,397,767	\$ 6,023,918	\$ 5,999,504	\$ 6,592,796	\$ 6,601,615	\$ 6,908,227	\$ 7,150,421	\$ 7,147,397	\$ 7,179,129
Sanitation	2,018,784	2,251,576	2,312,820	2,680,803	2,852,578	2,779,075	2,765,491	2,722,754	2,503,496	2,654,617
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	27,000	252,092	37,908	-	-	23,740	516,708	23,393	-	-
Total business-type activities program revenues	<u>6,688,073</u>	<u>7,901,435</u>	<u>8,374,646</u>	<u>8,680,307</u>	<u>9,445,374</u>	<u>9,404,430</u>	<u>10,190,426</u>	<u>9,896,568</u>	<u>9,650,893</u>	<u>9,833,746</u>
Total primary government program revenues	<u><u>\$ 7,578,914</u></u>	<u><u>\$ 9,151,041</u></u>	<u><u>\$ 10,140,757</u></u>	<u><u>\$ 10,395,975</u></u>	<u><u>\$ 11,059,486</u></u>	<u><u>\$ 11,294,455</u></u>	<u><u>\$ 11,960,910</u></u>	<u><u>\$ 11,552,405</u></u>	<u><u>\$ 11,769,310</u></u>	<u><u>\$ 11,689,826</u></u>

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

Net (expense) revenue	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities	\$ (4,699,094)	\$ (5,086,301)	\$ (4,564,947)	\$ (5,145,144)	\$ (5,292,909)	\$ (5,760,744)	\$ (6,106,744)	\$ (6,764,929)	\$ (5,554,133)	\$ (6,014,867)
Business-type activities	(48,952)	526,883	394,484	(171,777)	30,595	(593,918)	(262,042)	(466,243)	(268,275)	(495,906)
Total primary government net expense	<u>\$ (4,748,046)</u>	<u>\$ (4,559,418)</u>	<u>\$ (4,170,463)</u>	<u>\$ (5,316,921)</u>	<u>\$ (5,262,314)</u>	<u>\$ (6,354,662)</u>	<u>\$ (6,368,786)</u>	<u>\$ (7,231,172)</u>	<u>\$ (5,822,408)</u>	<u>\$ (6,510,773)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Taxes										
Property taxes	\$ 1,499,673	\$ 1,667,672	\$ 1,761,229	\$ 1,895,078	\$ 1,961,319	\$ 2,173,091	\$ 2,447,999	\$ 2,414,445	\$ 2,437,856	\$ 2,607,612
Sales taxes	1,951,708	2,375,209	2,511,844	3,069,630	3,255,941	2,710,301	2,000,496	2,031,217	2,375,541	2,560,295
Franchise taxes	699,926	842,262	757,649	758,122	816,773	778,439	742,578	745,505	763,172	742,434
Alcoholic beverage	6,112	5,384	5,359	11,903	12,082	11,461	9,595	12,191	24,981	26,402
Hotel/motel occupancy taxes	259,601	327,731	371,089	435,612	432,968	439,227	352,564	409,911	495,243	504,265
Investment earnings	21,791	23,901	23,223	24,677	24,012	49,732	44,837	61,524	118,708	140,557
Gain on sale of capital assets	-	(1,479)	(98)	4,977	21,702	-	142,008	35,000	1,328	154,885
Miscellaneous	-	-	-	-	-	9,408	186,096	61,449	9,700	541,456
Total governmental activities	<u>\$ 4,438,811</u>	<u>\$ 5,240,680</u>	<u>\$ 5,430,295</u>	<u>\$ 6,199,999</u>	<u>\$ 6,524,797</u>	<u>\$ 6,171,659</u>	<u>\$ 5,926,173</u>	<u>\$ 5,771,242</u>	<u>\$ 6,226,529</u>	<u>\$ 7,277,906</u>
<b>Business-type activities</b>										
Investment earnings	33,311	31,296	13,206	14,588	55,934	60,969	47,092	38,125	69,351	83,173
Miscellaneous	-	-	-	-	-	-	27,455	81,162	241	10,170
Gain on sales of capital assets	(741)	1,456	171,424	4,300	249,106	185,000	147,300	56,700	347,500	3,011
Total business-type activities	<u>\$ 32,570</u>	<u>\$ 32,752</u>	<u>\$ 184,630</u>	<u>\$ 18,888</u>	<u>\$ 305,040</u>	<u>\$ 245,969</u>	<u>\$ 221,847</u>	<u>\$ 175,987</u>	<u>\$ 417,092</u>	<u>\$ 96,354</u>
Total primary government	<u>\$ 4,471,381</u>	<u>\$ 5,273,432</u>	<u>\$ 5,614,925</u>	<u>\$ 6,218,887</u>	<u>\$ 6,829,837</u>	<u>\$ 6,417,628</u>	<u>\$ 6,148,020</u>	<u>\$ 5,947,229</u>	<u>\$ 6,643,621</u>	<u>\$ 7,374,260</u>
<b>Change in Net Position</b>										
Governmental activities	\$ (260,283)	\$ 154,379	\$ 865,349	\$ 1,054,855	\$ 1,231,888	\$ 410,915	\$ (180,571)	\$ (993,687)	\$ 672,396	\$ 1,263,039
Business-type activities	(16,382)	559,635	579,114	(152,889)	335,635	(347,949)	(40,195)	(290,256)	148,817	(399,552)
Total primary government	<u>\$ (276,665)</u>	<u>\$ 714,014</u>	<u>\$ 1,444,463</u>	<u>\$ 901,966</u>	<u>\$ 1,567,523</u>	<u>\$ 62,966</u>	<u>\$ (220,766)</u>	<u>\$ (1,283,943)</u>	<u>\$ 821,213</u>	<u>\$ 863,487</u>

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

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018 *</b>	<b>2019</b>
<b>General Fund</b>										
Nonspendable	\$ 232	\$ 232	\$ 233	\$ 230	\$ 67	\$ 833	\$ 696	\$ 574	\$ 460	\$ 327
Restricted	-	-	-	-	64	79	61	57	65	55
Committed	-	-	-	251	506	400	295	290	290	653
Unassigned	3,921	4,574	5,518	6,328	7,623	7,077	7,183	6,080	6,797	7,441
<b>Total general fund</b>	<b>\$ 4,153</b>	<b>\$ 4,806</b>	<b>\$ 5,751</b>	<b>\$ 6,809</b>	<b>\$ 8,260</b>	<b>\$ 8,389</b>	<b>\$ 8,235</b>	<b>\$ 7,001</b>	<b>\$ 7,612</b>	<b>\$ 8,476</b>
<b>All other governmental funds</b>										
Restricted						\$ 3	\$ 51	\$ 114	\$ 191	\$ 279
Unreserved, reported in:						(3)	(4)	(4)	(4)	(3)
Special revenue funds	\$ 39	\$ -	\$ -	\$ (1)	\$ (1)	-	-	-	-	-
<b>Total other governmental funds</b>	<b>\$ 39</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1)</b>	<b>\$ (1)</b>	<b>\$ 3</b>	<b>\$ 48</b>	<b>\$ 110</b>	<b>\$ 187</b>	<b>\$ 276</b>

Note: The substantial increase in unassigned fund balance is explained in the Management's Discussion and Analysis.

\* Increase to fund balance was an increase to revenue and a decrease in expenses. The street department was unable to begin a street improvement project that was budgeted. Received a rebate check from Oncor for solar energy.

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

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Revenues</b>										
Taxes	\$ 4,417	\$ 5,218	\$ 5,407	\$ 6,171	\$ 6,479	\$ 6,112	\$ 5,455	\$ 5,597	\$ 6,096	\$ 6,454
Licenses and permits	23	30	34	146	56	144	37	74	75	124
Intergovernmental	93	88	127	106	126	143	134	131	109	107
Charges for services	641	966	945	1,069	1,150	1,299	1,332	1,220	1,497	1,462
Fines and forfeitures	103	110	108	108	108	144	159	150	190	150
Interest	20	23	22	24	24	50	45	62	119	140
Contributions and donations	-	-	497	223	23	23	-	-	-	-
Miscellaneous	42	55	55	63	151	137	267	80	329	160
<b>Total Revenues</b>	<b>5,339</b>	<b>6,490</b>	<b>7,195</b>	<b>7,910</b>	<b>8,117</b>	<b>8,052</b>	<b>7,429</b>	<b>7,314</b>	<b>8,415</b>	<b>8,597</b>
<b>Expenditures</b>										
General government	1,446	1,474	1,438	1,731	1,826	2,310	2,158	2,358	2,205	1,921
Public safety	2,896	2,816	2,744	2,914	3,370	3,334	3,743	3,501	3,606	3,436
Public works	934	915	892	1,063	793	1,101	914	1,316	1,011	1,424
Culture and recreation	250	331	410	433	433	438	356	410	495	504
Capital outlay	362	302	806	639	512	745	537	997	175	892
Debt service										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Other charges	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>5,888</b>	<b>5,838</b>	<b>6,290</b>	<b>6,780</b>	<b>6,934</b>	<b>7,928</b>	<b>7,708</b>	<b>8,582</b>	<b>7,492</b>	<b>8,177</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(549)</b>	<b>652</b>	<b>905</b>	<b>1,130</b>	<b>1,183</b>	<b>124</b>	<b>(279)</b>	<b>(1,268)</b>	<b>923</b>	<b>420</b>

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

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Other financing sources (uses)</b>										
Proceeds from sale of assets	(1)	(1)	-	5	22	9	-	35	1	155
Proceeds from insurance	-	-	-	-	-	-	169	62	10	377
Transfers in	-	-	-	-	246	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>5</b>	<b>268</b>	<b>9</b>	<b>169</b>	<b>97</b>	<b>11</b>	<b>532</b>
<b>Net change in fund balances</b>	<b>\$ (550)</b>	<b>\$ 651</b>	<b>\$ 905</b>	<b>\$ 1,135</b>	<b>\$ 1,451</b>	<b>\$ 133</b>	<b>\$ (110)</b>	<b>\$ (1,171)</b>	<b>\$ 934</b>	<b>\$ 952</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

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

Fiscal Year	Property	Sales & Use	Occupancy	Franchise	Alcoholic Beverage	Total
2010	\$ 1,500	\$ 1,952	\$ 260	\$ 700	\$ 6	\$ 4,418
2011	1,668	2,375	328	842	5	5,218
2012	1,761	2,512	371	758	5	5,407
2013	1,895	3,070	436	758	12	6,171
2014	1,961	3,256	433	817	12	6,479
2015	2,173	2,710	439	778	12	6,112
2016	2,349	2,000	353	743	10	5,455
2017	2,398	2,031	410	746	12	5,597
2018	2,438	2,376	495	763	25	6,097
2019	2,620	2,560	504	742	26	6,452

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

<b>Fiscal Year Ended</b>	<b>Total Assessed</b>	<b>Less: Tax Exempt Real Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value<sup>1</sup> as a Percentage of Actual Value</b>
2010	\$ 336,212,168	\$ 10,236,424	\$ 325,975,744	0.4310	\$ 325,975,744	103.14%
2011	332,838,865	4,636,829	328,202,036	0.4445	328,202,036	101.41%
2012	343,818,578	1,696,835	342,121,743	0.4445	342,121,743	100.50%
2013	365,340,602	14,487,492	350,853,110	0.4445	350,853,110	104.13%
2014	385,179,707	4,232,603	380,947,104	0.4445	380,947,104	101.11%
2015	463,792,092	10,728,810	453,063,282	0.4387	453,063,282	102.37%
2016	472,053,602	8,833,423	463,220,179	0.4410	463,220,179	101.91%
2017	462,576,991	3,965,258	458,611,733	0.4410	458,611,733	100.86%
2018	463,732,398	3,965,258	459,767,140	0.4410	459,767,140	100.86%
2019	490,690,666	4,875,981	485,814,685	0.4700	485,814,685	101.00%

Source: Scurry County Appraisal District

Note: Assessed values are determined as of January 1, and relate to taxes levied on the first day of the following fiscal year.

Assessed value is equal to 100% of estimated value. All property is assessed the same rate regardless of real or personal property, commercial, residential, or industrial.

<sup>1</sup>Includes tax-exempt property.

**City of Snyder, Texas**  
**Property Tax Rates<sup>1</sup>**  
**Direct and Overlapping<sup>2</sup> Governments**  
**Last Ten Fiscal Years**

Fiscal Year	Overlapping Tax Rates												Total Direct & Overlapping Rates			
	City of Snyder Tax Rate			Scurry County			S I S D			Western Texas College			Scurry County Hospital			
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	
2010	0.4310	0.000	0.4310	0.3375	0.0435	0.3810	1.0400	0.1240	1.1640	0.1523	0.0000	0.1523	0.2700	0.0000	0.2700	2.3983
2011	0.4445	0.000	0.4445	0.3559	0.0430	0.3989	1.0400	0.1240	1.1640	0.2114	0.0000	0.2114	0.2700	0.0000	0.2700	2.4888
2012	0.4445	0.000	0.4445	0.2790	0.0346	0.3136	1.0400	0.1240	1.1640	0.1858	0.0000	0.1858	0.2100	0.0000	0.2100	2.3179
2013	0.4445	0.000	0.4445	0.2790	0.0346	0.3136	1.0400	0.1240	1.1640	0.1858	0.0000	0.2000	0.2064	0.0000	0.2064	2.3285
2014	0.4387	0.000	0.4387	0.2841	0.0287	0.3128	1.0400	0.1240	1.1640	0.2457	0.0000	0.2457	0.2064	0.0000	0.2064	2.3676
2015	0.4387	0.000	0.4387	0.2843	0.0357	0.3200	1.0400	0.1240	1.1640	0.3275	0.0000	0.3275	0.2538	0.0000	0.2538	2.5040
2016	0.4410	0.000	0.4410	0.3800	0.0000	0.3800	1.0400	0.1240	1.1640	0.3300	0.0000	0.3300	0.2803	0.0144	0.2947	2.6097
2017	0.4410	0.000	0.4410	0.3800	0.0000	0.3800	1.0400	0.1240	1.1640	0.3300	0.0000	0.3300	0.2774	0.0146	0.2920	2.6070
2018	0.4410	0.000	0.4700	0.3382	0.0816	0.4498	1.0400	0.0780	1.1180	0.3112	0.0000	0.3112	0.2788	0.0147	0.2935	2.6425
2019	0.4700	0.000	0.4800	0.3382	0.0816	0.4498	0.9700	0.0630	1.0330	0.2655	0.0000	0.3112	0.2301	0.0121	0.2421	2.5161

Source: Scurry County Tax Collector, Snyder Independent School District, and Western Texas College

<sup>1</sup>Tax rate is per \$100 of taxable assessed value

<sup>2</sup>Overlapping rates are those of local and county governments that apply to property owners within the City of Snyder. Not all overlapping rates apply to all City of Snyder property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

The Hospital District's M&O is included in with Scurry County in 2009. Their rate was 0.2700 and they had no debt service.

**City of Snyder, Texas**  
**Principal Property Taxpayers**  
**Fiscal Year End 2019 and 2010**  
*(amounts expressed in thousands)*

<b>Taxpayer</b>	<b>2019</b>			<b>2010</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>
Baker Hughes Oilfield Solution	\$ 7,741	1	1.6%			
Walmart Real Estate Business TR	6,800	2	1.4%			
Enterprise Fleet Management, Inc.	4,731	3	1.0%			
Oncor Electric Delivery Co.	4,471	4	1.0%	6,076	4	1.8%
Wilson Motors	4,422	5	0.9%			
Walmart Stores Texas LP	4,162	6	0.8%	2,738	6	0.8%
Sterling Mgm. Co. of New Mexico LLC	4,150	7	0.8%			
Gravity Oilfield Services	4,137	8	0.8%			
Leu emergu Services, Inc.	4,028	9	0.8%			
BSNF Railway Company	3,773	10	0.8%			
CUDD Pumping Service				3,919	1	1.2%
H I E Hotel LLC				3,866	2	1.2%
Centrilift Baker Hughes				3,606	3	1.1%
Spirit SPE US				3,059	5	0.9%
Weatherford Drilling				2,613	7	0.8%
Southwestern Bell				2,424	8	0.7%
Mathies Investments, LLC				2,422	9	0.7%
Grimmett Bros. Inc.				2,205	10	0.7%
<b>Totals</b>	<b>\$ 48,415</b>		<b>9.9%</b>	<b>\$ 32,928</b>		<b>9.9%</b>

Source: Scurry County Appraisal District

**City of Snyder, Texas**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended</b>	<b>Total Tax Levy for Fiscal Year</b>	<b>Collections within the Fiscal Year of the Levy</b>			<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>		
		<b>Amount</b>	<b>Percentage of Levy</b>	<b>Amount</b>		<b>Amount</b>	<b>Percentage of Levy</b>	
2010	\$ 1,618,718	\$ 1,431,099	88.41%	\$ 184,371	\$ 1,615,470	99.8%		
2011	1,719,293	1,569,380	91.28%	146,498	1,715,878	99.8%		
2012	1,719,042	1,676,668	97.54%	37,941	1,714,609	99.7%		
2013	1,822,737	1,781,214	97.72%	39,687	1,820,901	99.9%		
2014	1,918,640	1,875,104	97.73%	33,010	1,908,114	99.5%		
2015	2,150,281	2,102,723	97.79%	22,062	2,124,785	98.8%		
2016	2,353,019	2,280,256	96.91%	66,962	2,347,218	99.8%		
2017	2,380,231	2,245,243	94.33%	97,271	2,342,514	98.4%		
2018	2,570,098	2,322,535	90.37%	74,728	2,322,535	90.4%		
2019	2,771,114	2,437,856	87.97%	-	2,437,856	88.0%		

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Construction	\$ 6,444	\$ 7,441	\$ 7,759	\$ 8,695	\$ 10,010	\$ 6,578	\$ 5,961	\$ 5,961	\$ 4,365	3,730
Mining/Quarrying/Oil & Gas Extraction	588,193	703,643	733,093	510,406	773,350	478,059	91,514	303,206	235,236	8,790
Manufacturing	85,262	13,818	16,898	21,513	19,919	15,337	9,502	15,572	12,845	11,772
Wholesale Trade	8,341	12,003	11,730	12,167	13,330	7,441	3,918	5,588	4,031	4,888
Transportation/Warehousing	70	123	56	130	35	14	13	6	-	400
Retail Trade	66,797	73,668	78,338	82,832	88,604	80,363	73,346	77,510	40,419	43,161
Information	3,292	3,765	4,005	4,315	4,737	4,805	4,765	4,418	2,519	2,796
Finance/Insurance	41	92	130	1,947	77	112	86	58	42	54
Real Estate/Rental/Leasing	4,215	5,096	6,508	8,336	8,664	3,717	1,731	1,731	920	1,416
Professional/Scientific/Technical Services	354	557	561	626	1,081	683	823	992	506	522
Admin/Support/Waste mgmt/Remediation Serv	1,274	1,157	762	681	1,034	849	701	794	446	418
Educational Services	9	6	3	2	3	1	-	-	-	-
Health Care/Social Assistance	238	150	186	126	322	384	412	406	179	214
Arts/Entertainment/Recreation	120	109	308	431	432	329	275	247	136	212
Accomodation/Food Services	17,044	18,293	20,077	21,445	22,184	21,824	20,181	21,360	11,760	12,131
Other Services (except Public Administration)	7,934	8,717	9,535	9,692	9,758	8,825	7,960	8,114	4,506	4,301
<b>Total</b>	<b>\$ 789,628</b>	<b>\$ 848,638</b>	<b>\$ 889,949</b>	<b>\$ 683,344</b>	<b>\$ 953,540</b>	<b>\$ 629,321</b>	<b>\$ 221,188</b>	<b>\$ 445,963</b>	<b>\$ 317,910</b>	<b>\$ 94,805</b>
City direct sales tax	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

Source. State Comptroller of Texas  
 (information available for current year is only for first two quarters )

**City of Snyder, Texas**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands, except per capita amount)**

<b>Fiscal Year</b>	<b>Governmental Activities</b>		<b>Business-Type Activities</b>			<b>Total Primary Government</b>	<b>Percentage of Personal Income<sup>1</sup></b>	<b>Per Capita<sup>1</sup></b>
	<b>General Obligation Bonds</b>	<b>Capital Leases</b>	<b>Water Sewer Bonds</b>	<b>Capital Leases</b>				
2010	-	-	\$ 5,812	\$ -	\$ 5,812	5,812	2.59%	\$ 519
2011	-	-	5,063	-	-	5,063	2.25%	452
2012	-	-	4,304	2,985	-	7,289	2.68%	639
2013	-	-	3,514	2,945	-	6,459	2.38%	567
2014	-	-	12,172	2,778	-	14,950	5.60%	1,335
2015	-	-	11,678	2,606	-	14,284	5.28%	1,257
2016	-	-	11,268	2,430	-	13,698	4.81%	1,164
2017	-	-	10,853	2,248	-	13,101	4.61%	1,113
2018	-	-	10,429	2,061	-	12,490	4.56%	1,103
2019	-	-	9,994	1,869	-	11,863	4.33%	1,048

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

<sup>1</sup>See the Schedule of Demographic and Economic Statistics for personal income and population data.  
 Details regarding the City's outstanding debt can be found in the notes section page 34.

**City of Snyder, Texas**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands, except per capita amount)**

<b>Fiscal Year</b>	<b>General Obligations Bonds</b>	<b>Percentage of Estimated Actual Taxable Value<sup>1</sup> of Property</b>	<b>Per Capita<sup>2</sup></b>
2010	-	0.00%	-
2011	-	0.00%	-
2012	-	0.00%	-
2013	-	0.00%	-
2014	-	0.00%	-
2015	-	0.00%	-
2016	-	0.00%	-
2017	-	0.00%	-
2018	-	0.00%	-
2019	-	0.00%	-

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

<sup>1</sup>See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

<sup>2</sup> Population data can be found in the Schedule of Demographic and Economic Statistics

**City of Snyder, Texas**  
**Direct and Overlapping Governmental Activities Debt**  
**As of September 30, 2019**  
*(amounts expressed in thousands)*

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable<sup>1</sup></b>	<b>Estimated Share of Overlapping Debt</b>
<b>Debt repaid with property taxes:</b>			
City of Snyder direct debt	\$ -	100.00%	\$ -
Scurry County	12,005	24.32%	2,920
Scurry County JCD	10,685	24.32%	2,599
Snyder Independent School District	18,333	27.35%	5,014
Scurry County Hospital District	<u>720</u>	24.32%	<u>175</u>
Total direct and overlapping debt	<u><u>\$ 41,743</u></u>		<u><u>\$ 10,708</u></u>

**Sources:**

- Assessed value data used to estimate applicable percentages provided by the Scurry County Appraisal District.
- Debt outstanding data provided by the individual entities.

**Note:**

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

<sup>1</sup>The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the governments boundaries and dividing it by the county's total taxable assessed value.

**City of Snyder, Texas**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
*(amounts expressed in thousands)*

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Debt Limit	\$ 34,645	\$ 33,748	\$ 34,552	\$ 36,534	\$ 38,518	\$ 46,679	\$ 47,205	\$ 46,258	\$ 46,373	\$ 49,069
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 34,645</u>	<u>\$ 33,748</u>	<u>\$ 34,552</u>	<u>\$ 36,534</u>	<u>\$ 38,518</u>	<u>\$ 46,679</u>	<u>\$ 47,205</u>	<u>\$ 46,258</u>	<u>\$ 46,373</u>	<u>\$ 49,069</u>
Total net debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Legal Debt Margin Calculation for Fiscal Year 2019**

Taxable Assessed Value	\$ 485,815
Add Back: exempt property	4,875
Total Assessed Value	<u>\$ 490,690</u>
Debt limit (10% of total assessed value)	49,069
Debt applicable to limit:	
General obligation bonds	-
Legal debt margin	<u>\$ 49,069</u>

Note: Under state finance law, the City of Snyder's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**City of Snyder, Texas**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

**Water & Sewer Revenue Bonds**

<b>Fiscal Year</b>	<b>Water &amp; Sewer Charges and Other</b>		<b>Less: Operating Expenses</b>	<b>Net Available Revenue</b>	<b>Debt Service</b>		
	<b>Principal</b>	<b>Interest</b>			<b>Coverage</b>		
2010	\$ 4,647,640	\$ 3,617,898	\$ 1,029,742	\$ 325,000	\$ 42,218	2.80	
2011	5,399,028	4,055,157	1,343,871	755,000	188,560	1.42	
2012	6,012,799	4,188,779	1,824,020	755,000	138,303	2.04	
2013	5,957,620	4,780,613	1,177,007	785,000	116,281	1.31	
2014	6,602,087	5,122,274	1,479,813	465,000	327,237	1.87	
2015	6,625,686	5,296,161	1,329,525	485,000	408,948	1.49	
2016	6,930,358	5,564,019	1,366,339	400,000	394,753	1.72	
2017	7,211,379	5,208,371	2,003,008	405,000	383,564	2.54	
2018	7,156,024	4,864,101	2,291,923	415,000	365,995	2.93	
2019	7,225,131	5,354,920	1,870,211	425,000	358,765	2.39	

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Water & Sewer Charges and Other includes investment earnings but not tap fees. Operating expenses do not include interest or depreciation.

**City of Snyder, Texas**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population</b>	<b>(in thousands)</b>		<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
		<b>Personal Income</b>	<b>Per Capita Personal Income</b>				
2010	11,202	\$ 224,813	\$ 20,069	34.5	5,066		6.42%
2011	11,202	224,813	20,069	34.5	5,027		5.40%
2012	11,400	271,913	23,852	33.9	7,216		4.30%
2013	11,400	271,913	23,852	33.6	7,573		4.60%
2014	11,202	267,190	23,852	33.0	5,017		3.20%
2015	11,368	270,297	23,777	33.0	5,039		4.10%
2016	11,768	284,715	24,194	36.0	5,037		6.70%
2017	11,768	284,185	24,149	36.0	4,763		3.40%
2018	11,320	273,876	24,194	34.4	4,784		3.60%
2019	11,320	273,876	24,194	34.4	4,613		3.70%

Data Sources: U.S. Census, Snyder Independent School District, Western Texas College, Texas Workforce Commission.

Note: Population, median age, education level information and personal income are based on 2010 census.

Unemployment rate information is an adjusted yearly average. School enrollment is based on the census as of September 30.

**City of Snyder, Texas**  
**Principal Employers**  
**Fiscal Year End 2019 and 2010**

<u>Employer</u>	<b>2019</b>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment<sup>1</sup></u>
Snyder ISD	375	1	8.13%
Texas Department of Corrections	365	2	7.91%
Gravity Energy	300	3	6.50%
T & L Construction	298	4	6.46%
Kinder Morgan	250	5	5.42%
Cogdell Memorial Hospital	230	6	4.98%
E.D. Walton Construction	225	7	4.88%
Grimmet Brothers Contractors	220	8	4.77%
Patterson-UTI	220	9	4.77%
United Supermarket	200	10	4.33%
<b>Total</b>	<b>2,683</b>		<b>50.02%</b>

<u>Employer</u>	<b>2010</b>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Snyder ISD	349	1	2.12%
Texas Department of Corrections	339	2	2.06%
Kinder Morgan CO2 Co.	250	3	1.52%
Cogdell Memorial Hospital	220	4	1.34%
United Supermarket	200	5	1.22%
Scurry County	150	6	0.91%
BJ Services	150	7	0.91%
Walton Construction	130	8	0.79%
Western Texas College	120	9	0.73%
Key Energy Services	120	10	0.73%
<b>Total</b>	<b>2,028</b>		<b>12.33%</b>

Source: Texas Workforce Commission

**City of Snyder, Texas**  
**Full-time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>GENERAL FUND</b>										
Administration	2	2	2	2	2	2	2	2	2	2
Finance	2	2	2	4	4	4	4	4	4	3
Planning & Zoning	2	2	2	2	3	3	3	3	3	2
Municipal Court	3	3	3	3	3	3	3	3	3	3
Accounting	3	3	2	0	0	0	0	0	0	0
Data Processing	2	2	2	1	1	1	1	1	1	1
City Sec./Records Management	2	2	0	0	2	2	2	2	2	2
Police	22	22	22	22	23	27	25	25	25	25
Animal Control	3	3	3	3	3	3	3	3	3	2
Fire	10	10	10	10	10	10	11	11	11	11
Street	4	4	4	4	4	5	6	6	6	6
<b>Total General Fund</b>	<b>53</b>	<b>53</b>	<b>52</b>	<b>51</b>	<b>55</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>57</b>
<b>WATER &amp; SEWER</b>										
Sanitary Sewer	2	2	2	2	2	2	2	2	2	2.5
Wastewater Treatment	5	5	5	5	5	3	3	3	3	3
Treatment - Water	5	5	5	5	5	6	6	6	6	6
Distribution - Water	2	2	2	2	2	3	2	2	2	2.5
Utility	7	7	6	6	6	6	6	6	6	6
<b>Total Water &amp; Sewer Fund</b>	<b>21</b>	<b>21</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>20</b>
<b>SANITATION</b>										
Sanitation/Collection	5	5	5	5	5	6	6	6	6	5
Sanitation/Landfill	6	6	6	6	6	5	5	5	5	5
<b>Total Sanitation Fund</b>	<b>11</b>	<b>10</b>								
<b>INTERNAL SERVICE</b>										
Central Garage	1	1	1	1	1	1	1	1	1	1
<b>Total Central Garage</b>	<b>1</b>									
<b>TOTAL</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>87</b>	<b>92</b>	<b>91</b>	<b>91</b>	<b>91</b>	<b>88</b>

Source: City of Snyder Human Resources Office

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

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Physical arrests	812	868	535	478	588	478	731	616	634	1,021
Traffic violations	6,157	4,829	6,434	5,601	5,299	4,949	3,781	2,050	1,572	1,602
Fire										
Number of calls answered	393	550	372	439	452	463	500	412	520	490
Inspections	115	87	63	113	72	77	153	56	51	80
Public Education Programs	-	-	-	-	-	21	25	28	10	12
Highways and streets										
Street resurfacing (blocks)			80	100	-	50	-	163	-	-
Sanitation										
Refuse collected (tons/day)	144	114	117	150	175	175	170	162	153	162
Recyclables collected (tons/mo)	20	29	27	27	24	25	20	21	21	22
Water										
New connections	1,033	1,156	1,325	1,510	1,561	1,723	1,736	1,882	2,000	2,144
Water mains breaks	55	82	33	25	48	80	32	18	25	19
Average daily consumption (millions of gallons)	2	2	2	2	2	2	2	2	2	2
Wastewater										
Average daily sewage treatment (thousands of gallons)	1,184	984	923	991	1,400	1,454	1,454	1,221	1,156	1,311

Sources: Various government departments.

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

<b>Function</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	20	21	21	21	21	22	22	22	22	22
Fire stations	1	1	1	1	1	1	1	1	1	1
Sanitation										
Collection trucks	6	6	6	6	6	6	6	6	6	6
Highways and streets										
Streets (miles)	111	111	111	111	111	111	111	111	111	111
Streetlights	1,180	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177
Traffic signals (controlled by City)	-	-	-	-	-	-	-	-	-	-
Culture and recreation										
Parks acreage	126	126	126	126	126	126	126	126	126	126
Swimming pools	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	91	91	91	91	91	91	91	91	91	91
Fire hydrants	334	424	424	424	424	424	424	424	424	424
Maximum daily capacity (thousands of gallons)	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Sewer										
Sanitary sewers (miles)	87	87	87	87	87	87	87	87	87	87
Storm sewers (miles)	2	2	2	2	2	2	2	2	2	2
Maximum daily treatment capacity (thousands of gallons)	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310

Sources: Various city departments.