CITY OF SCHERTZ, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024

OFFICIALS ISSUING REPORT

Steve Williams
City Manager

James Walters
Director of Finance

CITY OF SCHERTZ, TEXAS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

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INTRODUCTORY SECTION

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SCHERTZ | COMMUNITY SERVICE OPPORTUNITY

March 18, 2025

To the Honorable Mayor, City Council, and the Citizens of Schertz:

State law requires that local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) and audited in accordance with generally accepted auditing standards in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Schertz for the fiscal year ended September 30, 2024.

This report consists of management's representations concerning the finances of the City of Schertz. 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 Schertz 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 Schertz's financial statements in conformity with U.S. GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Schertz 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 Schertz's financial statements have been audited by Pattillo, Brown & Hill, 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 Schertz for the fiscal year ended September 30, 2024, 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 Schertz's financial statements for the fiscal year ended September 30, 2024, are fairly presented in conformity with U.S. GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires 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 Schertz's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Schertz, incorporated in 1958, is located in the central part of Texas, which is considered to be a top growth area in the state, and one of the top growth areas in the country. The City of Schertz currently occupies a land area of 32.21 square miles with a population of 43,239 in 2023 according to the US Census Bureau. The City of Schertz is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statue to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing body.

The City of Schertz has operated under the council-manager form of government since November 30, 1972. Policymaking and legislative authority are vested in a City Council consisting of the Mayor and seven at-large councilmembers. The City Council is responsible for establishing public policy on City matters by the passage of appropriate ordinances and resolutions. The City Manager is responsible for overseeing the day-to-day operations of the government, implementing policy established by City Council, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve three-year staggered terms, with two council members elected every three years and then three council members elected the final three years in the cycle. The mayor is elected to serve a three-year term.

The City of Schertz provides a full range of services, including police and fire protection, EMS services, library services, the construction and maintenance of streets, recreational facilities, cultural events, and water and sewer services.

The annual budget and five-year forecast serve as the foundation for the City of Schertz's financial planning and control. All city departments are required to submit requests for appropriation to the City Manager by June of each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents the proposed budget to the council for review in early August. The council then holds public hearings and community meetings on the proposed budget and to adopt a final budget by September 30th. The fiscal year for Schertz is from October 1 through September 30. The appropriated budget is prepared by each department (e.g. police). The City Manager may make transfers of appropriations within a department. The City Manager may make transfers between departments and funds with City Council 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 on pages 55-56 as part of the required supplementary information.

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 Schertz operates.

Local economy.
Economic growth in Schertz remained strong in 2024. The surrounding metro area saw growth evidenced by the Federal Reserve Bank of Dallas reporting the San Antonio Business-Cycle Index increase 2.17% year over year for September 2024. This Index has decreased below its long term trend and continues to indicate economic expansion, however the rate of expansion is slowing as markets had started to expect an economic downturn nationwide. As of September 2024, the unemployment rate for Texas was 4.1% and San Antonio-New Braunfels area was lower at 3.8%**.** Schertz mirrors the local area unemployment rate still indicating full employment.

As another indicator of economic growth, the City of Schertz realized a **2.3% increase year-over-year** in sales tax collections during the fiscal year. The City's average longer-term growth is 7.2% which indicates the City has maintained its previous growth from the recent years and continued its growth above historic averages. This data mirrors the slowdown seen in the Business Cycle index for the local economy is growing but at a reduced rate.

The Schertz economy may be starting to pick back up as new residential construction was strong in 2024, more than doubling the amount of permit revenue on new home construction from 2023 and new commercial permit revenue grew 22.4%. Development indicates population growth and business growth could improve the Schertz economy in the coming years.

Industrial development continued along IH 35 with an additional 773,343 sq ft of spec industrial space under construction at 22867 IH 35. Other development includes Royal Manufacturing Phase III for an additional 196,560 sq ft of industrial space.

A new retail development has begun with the Schertz Sation Shopping Center, the first major retail development in 20 years. The development at Cibolo Valley Drive and IH 35 will include 250,0000 sq ft of shopping anchored by Home Depot and several restaurants and serve-related businesses.

Long-term financial planning. The community approved bond propositions in November 2010 for quality of life projects which included an aquatics facility, improvements to the baseball fields and soccer fields, building a new animal adoption facility, and improvements to Main Street. The only remaining project are the Main Street improvements, which is currently in the planning and engineering phase.

In November 2021, the City placed 1 bond proposition before voters totally $15.45 million for Fire Station number 4 which passed. The funds for the new fire station were issued in 2022 and the fire engine and the land have been purchased with engineering and design for the building are underway.

Current Year Budget Initiatives. For FY 2024-25, the city had $700,000 in non-discretionary items that include utility costs and IT upgrades for Police and Public Safety to maintain Federal security guidelines.

Expanded programs included a pay increases for employees totaling $1.3 million based on rising public sector wages, performance, and tenure.

There were 6 new positions approved in the Water & Sewer Fund, 3 in EMS, and no positions in the General Fund. The Water & Sewer Fund was approved for 5 Water/Wastewater Worker I positions and a Meter Technician. EMS was approved for 2 paramedics and a Battalion Chief.

Other initiatives include $3,000,000 transfer to the capital project fund for infrastructure projects and $480,000 for equipment replacements in Water & Sewer including a minidump truck and worker vehicles.

Financial Information:

Internal Control. Management is responsible for establishing and maintaining internal controls designed to ensure that assets of the City are protected from loss, theft or misuse and to provide adequate accounting information compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB), the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA). The internal control system is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of an internal control should not exceed the benefits derived from the internal control. The City utilizes financial accounting software which is designed with a system of internal controls. These controls are continually being reevaluated to provide reasonable, but not absolute, assurances.

Budget Controls. The City also utilizes budgetary controls. Legally expenditures cannot exceed the appropriated amount. The objective of these budgetary controls is to ensure compliance with the adopted budget approved by the City Council as mandated by the city charter and state law. The levels of budgetary control are established at the line-item basis and at the fund level. Staff believes these controls help monitor and direct approved expenditures to a level within the budget parameters which directly results in a strong financial performance.

Financial Results. Assets and fund balances continue to grow as the City grows and financial results remain strong. While additional debt was issued during the year, Staff closely monitors and plans the amount of issuance to keep steady debt ratios per capita, per revenue, and per operations tax rate to the debt tax rate. Examples of these ratios can be found in the Statistical Section on pages 105-110. A more detailed summary of the City's Financial Performance is available in the Management Discussion and Analysis section on page 4.

Independent Audit. Every year an independent audit is performed of the general ledger, accounts, financial records, and transactions of all city departments. The audit is completed by an independent certified public accounting firm selected by the City Council. The City is in compliance with this requirement and the independent auditor's report by Pattillo, Brown & Hill, LLP. Certified Public Accountants, has been included in this report.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Schertz for its annual comprehensive financial report for the fiscal year ended September 30, 2023. This was the 38th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we will be 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. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report.

In conclusion, we would have none of the success we have enjoyed without the assistance of each and every staff member, as well as the support and strategic direction from the Mayor and the City Council during the strategic planning, pre-budget, and budget approval process.

Respectfully submitted,

Steve Williams
City Manager

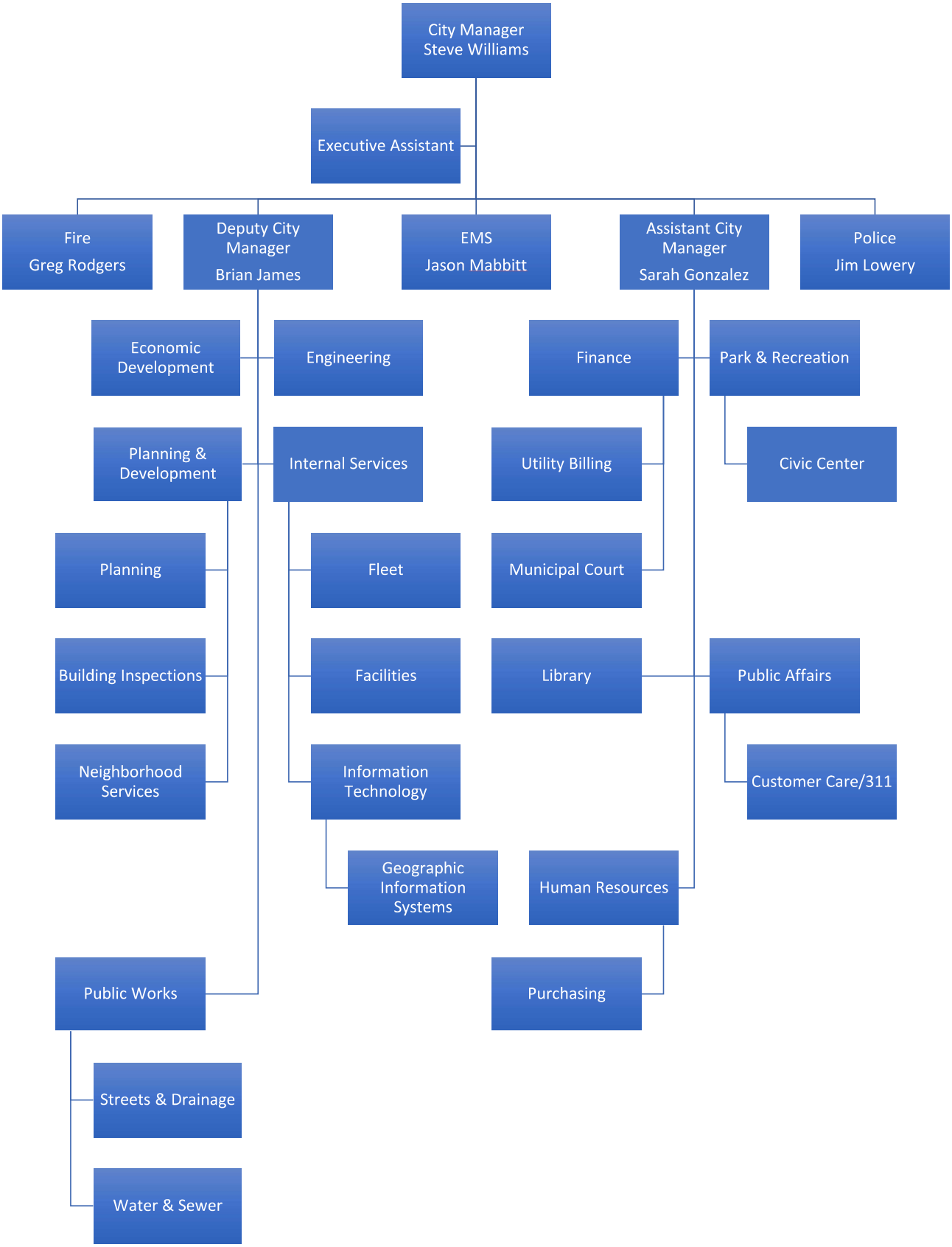
James P. Walters
Finance Director

CITY OF SCHERTZ, TEXAS

CITY OFFICIALS

MAYOR	RALPH GUTIERREZ
MAYOR PRO-TEM	ROBERT WESTBROOK
CITY COUNCIL	MARK E. DAVIS
	MICHELLE WATSON
	PAUL MACALUSO
	TIFFANY GIBSON
	ROBERT WESTBROOK
	ALLISON HEYWARD
	TIM BROWN
CITY MANAGER	STEVE WILLIAMS
DIRECTOR OF FINANCE	JAMES WALTERS
CITY ATTORNEY	DAN SANTEE

City of Schertz Organization Chart
FY 2023-2024



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Schertz
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

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PATTILLO, BROWN & HILL, L.L.P.
401 West State Highway 6
Waco, Texas 76710
254.772.4901 | pbhcpa.com

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Schertz, Texas (the "City"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Schertz-Seguin Local Government Corporation, which represents 10.6 percent and 12.6 percent, respectively, of the assets and net position of the Water and Sewer Fund, and 10.4 percent and 12.5 percent, respectively, of the assets and net position of the business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Schertz-Seguin Local Government Corporation, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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

AICPA
GAQC Member

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Summarized Comparative Information

We have previously audited the City of Schertz, Texas' fiscal year 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 17, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and OPEB information 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.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual comprehensive financial report (ACFR). The other information comprises the introductory section and statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2025, on our consideration of the City of Schertz, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Schertz, Texas' internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 17, 2025

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MANAGEMENT'S
DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Schertz, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Schertz for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

The assets and deferred outflows of the City of Schertz exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $373,837,780 (net position). Of this amount, $48,225,235 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.

The City's total net position increased by $28,702,437. This was less than the increase of $48,390,437 in the prior year due to reduced revenue from capital contributions.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $112,876,964, an increase of $30,183,161 in comparison with the prior year. The primary cause of this increase was an increase in property and sales tax revenues that exceeded expenditure growth.

At the end of the fiscal year, the combined total of the General Fund assigned and unassigned fund balances was $14,942,520 which is 33.75% of the general fund expenditures not including capital outlay. The fund balance policy is to reserve at least a 26% balance.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving 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 of the government-wide financial statements distinguish functions of the City of Schertz 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 Schertz include general government, public safety, streets and parks, health, and culture and recreation. The business-type activities of the City of Schertz include a water and sewer department and an emergency medical services department.

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 Schertz, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City of Schertz can be divided into two categories: governmental and proprietary.

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 is useful in evaluating a government's near-term financing requirements.

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

The City of Schertz maintains fifteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the debt service fund, the economic development corporation, the capital projects fund, and the American Recovery Plan Act fund, all of which are considered to be major funds. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds. The City of Schertz maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Schertz uses enterprise funds to account for its water and sewer department and for its emergency medical services department. The City also maintains an internal service fund to account for internal charges for medical premiums.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer department and for the emergency medical services department, both of which are considered to be major funds of the City of Schertz, as well as the internal service fund.

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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budgetary schedule. The City of Schertz adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget. The economic development corporation also adopts an annual budget, and a comparison schedule for it also is provided in the required supplementary information.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

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 Schertz, assets and deferred outflows exceeded liabilities and deferred inflows by $373,837,780 at the close of the most recent fiscal year. The largest portion of the City's total net position (72%) reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding, plus bond proceeds that have not yet been spent. The City of Schertz uses these capital assets to provide services to citizens; consequently, these assets are not available for operational type of future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's total net position (15%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $48,225,235, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Schertz is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

City of Schertz's Net Position
Government-Wide

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	$ 125,153,191	$ 97,512,162	$ 66,639,490	$ 64,573,716	$191,792,681	$162,085,878
Capital assets	194,684,599	194,268,903	144,205,606	135,961,908	338,890,205	330,230,811
Total assets	319,837,790	291,781,065	210,845,096	200,535,624	530,682,886	492,316,689
Deferred outflows of resources	7,156,736	9,428,168	2,348,408	3,008,848	9,505,144	12,437,016
Current liabilities	17,855,465	18,488,692	8,146,445	9,086,822	26,001,910	27,575,514
Long-term liabilities	107,487,141	96,863,509	31,131,477	33,494,784	138,618,618	130,358,293
Total liabilities	125,342,606	115,352,201	39,277,922	42,581,606	164,620,528	157,933,807
Deferred inflows of resources	1,355,792	1,334,836	373,930	349,719	1,729,722	1,684,555
Net position:						
Net investment in capital assets	142,891,901	136,442,093	125,867,091	114,831,425	268,758,992	251,273,518
Restricted	50,212,797	40,311,118	6,640,756	6,640,756	56,853,553	46,951,874
Unrestricted	7,191,430	7,768,985	41,033,805	39,140,966	48,225,235	46,909,951
Total net position	$ 200,296,128	$184,522,196	$ 173,541,652	$160,613,147	$373,837,780	$345,135,343

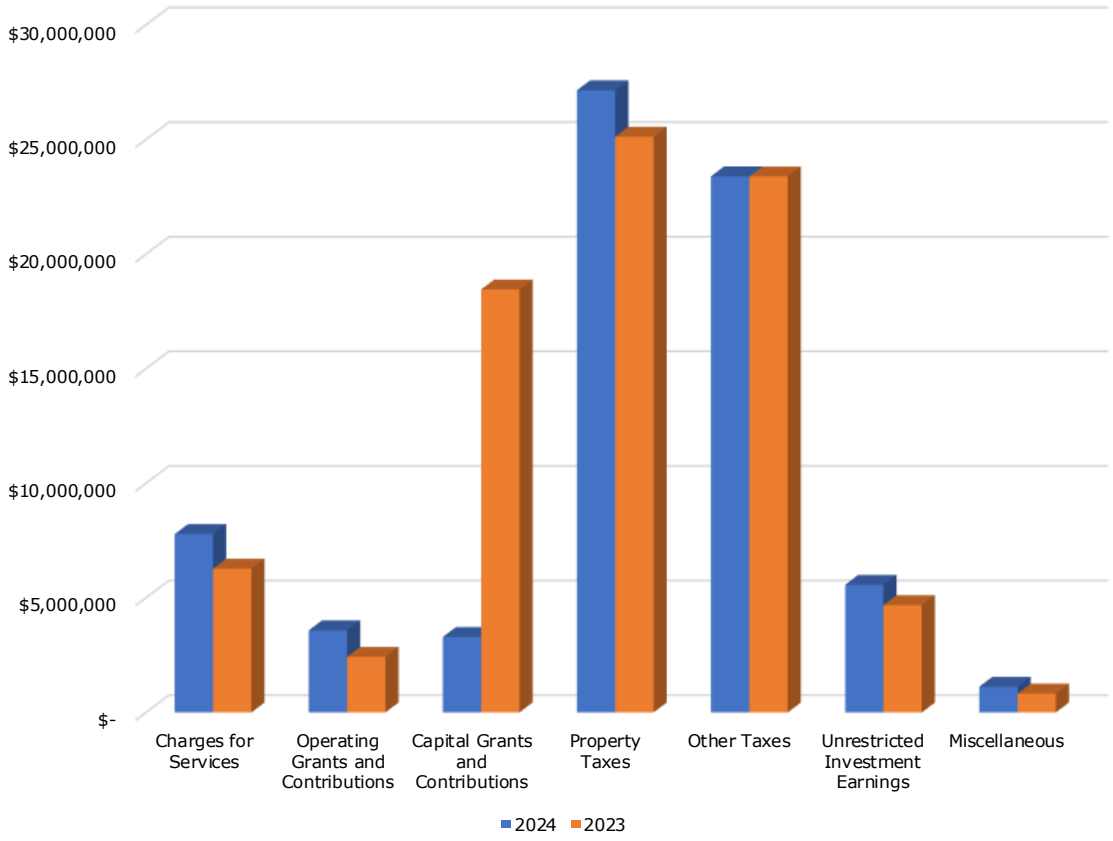
The government's net position increased by $28,702,437 during the current fiscal year. The primary cause for the increase was increased revenues; the City recognized approximately $11.7 million of capital contribution revenue related to dedicated infrastructure assets and also experienced sharp increases in property and sales taxes. These increases stem from the City's continued rapid population growth; continued new housing and business developments resulted in increased assessed value for property taxes and resulted in the creation of infrastructure that was dedicated to the City. The related population increases resulted in increased economic activity that increased sales tax revenues.

The following table indicates changes in net position for governmental and business-type activities followed by graphs displaying total revenues and expenses by type:

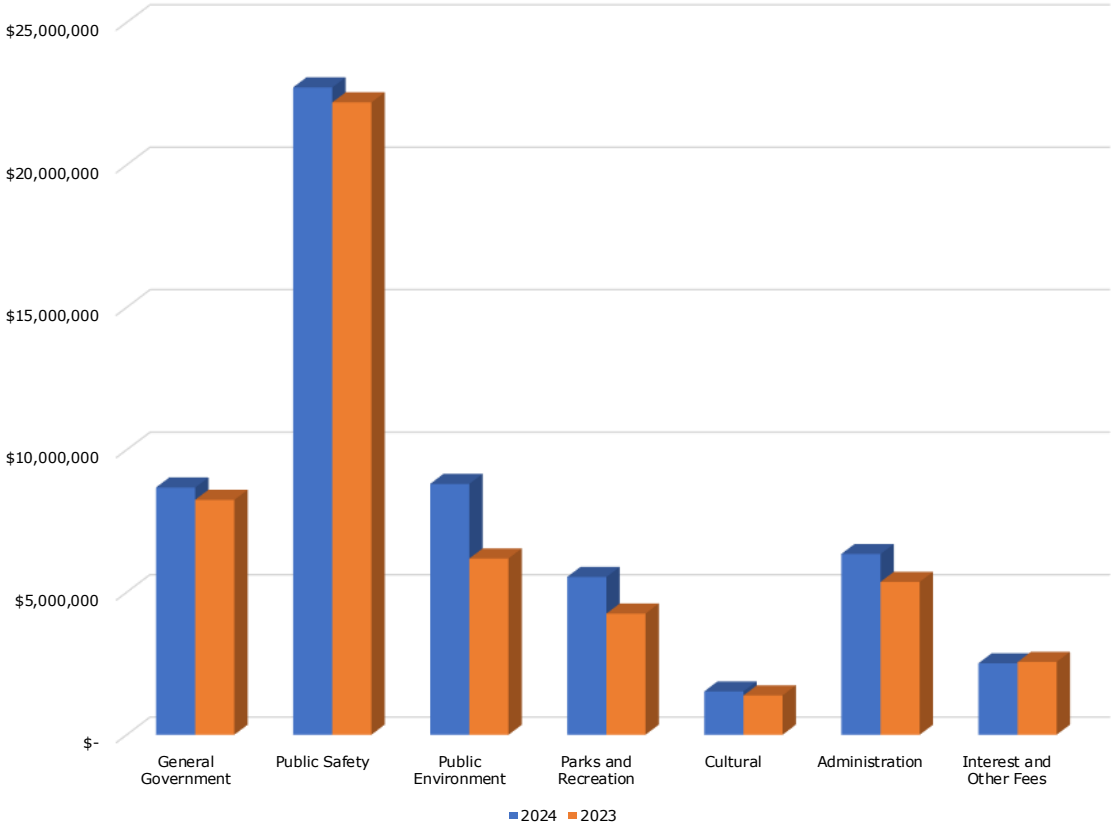
City of Schertz's Changes in Net Position
Government-Wide

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 7,782,686	$ 6,267,868	$ 42,793,475	$ 41,093,604	$ 50,576,161	$ 47,361,472
Operating grants & contributions	3,579,794	2,425,937	-	-	3,579,794	2,425,937
Capital contributions	3,293,373	18,456,911	8,431,343	14,180,619	11,724,716	32,637,530
General revenues:						
Property taxes	27,147,745	25,118,429	-	-	27,147,745	25,118,429
Other taxes	23,393,401	23,388,656	-	-	23,393,401	23,388,656
Investment earnings	5,569,055	4,678,690	4,535,559	1,927,277	10,104,614	6,605,967
Miscellaneous	1,119,844	820,465	974,786	479,479	2,094,630	1,299,944
Total revenues	71,885,898	81,156,956	56,735,163	57,680,979	128,621,061	138,837,935
Expenses:						
General government	8,678,145	8,244,956	-	-	8,678,145	8,244,956
Public safety	22,719,864	22,195,399	-	-	22,719,864	22,195,399
Public environment	8,802,846	6,188,351	-	-	8,802,846	6,188,351
Parks and recreation	5,539,108	4,253,278	-	-	5,539,108	4,253,278
Cultural	1,520,759	1,380,793	-	-	1,520,759	1,380,793
Administration	6,343,146	5,363,700	-	-	6,343,146	5,363,700
Interest and other fees	2,508,098	2,555,917	-	-	2,508,098	2,555,917
Water and sewer	-	-	32,088,184	30,088,159	32,088,184	30,088,159
EMS	-	-	11,718,474	10,176,945	11,718,474	10,176,945
Total expenses	56,111,966	50,182,394	43,806,658	40,265,104	99,918,624	90,447,498
Increase in net position before transfers	15,773,932	30,974,562	12,928,505	17,415,875	28,702,437	48,390,437
Transfers	-	591	-	(591)	-	-
Change in net position	15,773,932	30,975,153	12,928,505	17,415,284	28,702,437	48,390,437
Net position - beginning of year	184,522,196	153,547,043	160,613,147	143,197,863	345,135,343	296,744,906
Net position - end of year	$ 200,296,128	$184,522,196	$173,541,652	$160,613,147	$373,837,780	$345,135,343

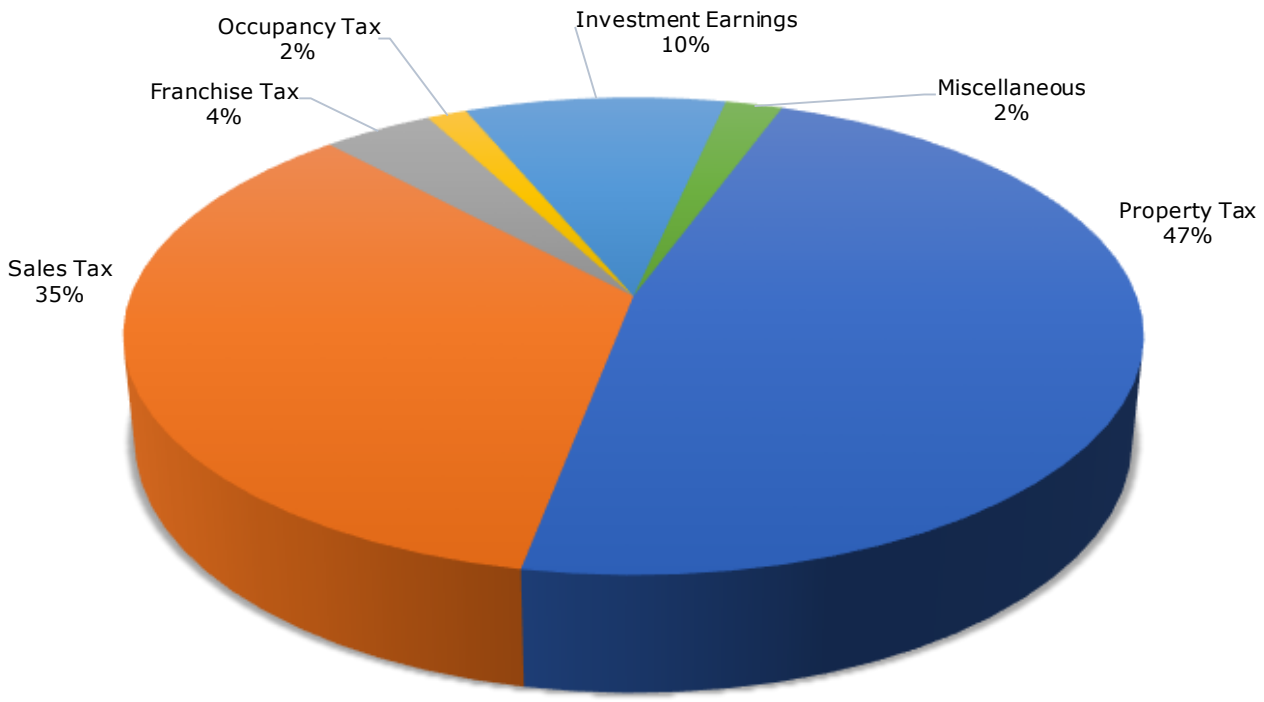
TOTAL REVENUES – GOVERNMENT-WIDE



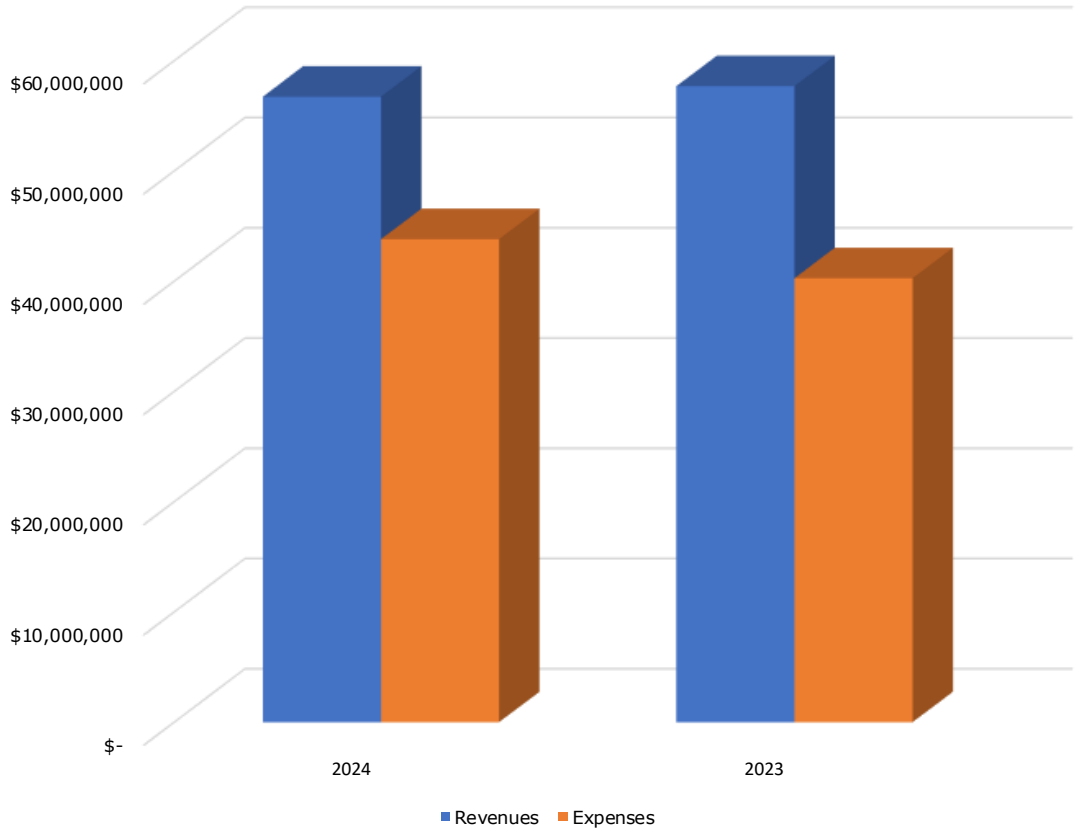
TOTAL EXPENSES – GOVERNMENT-WIDE



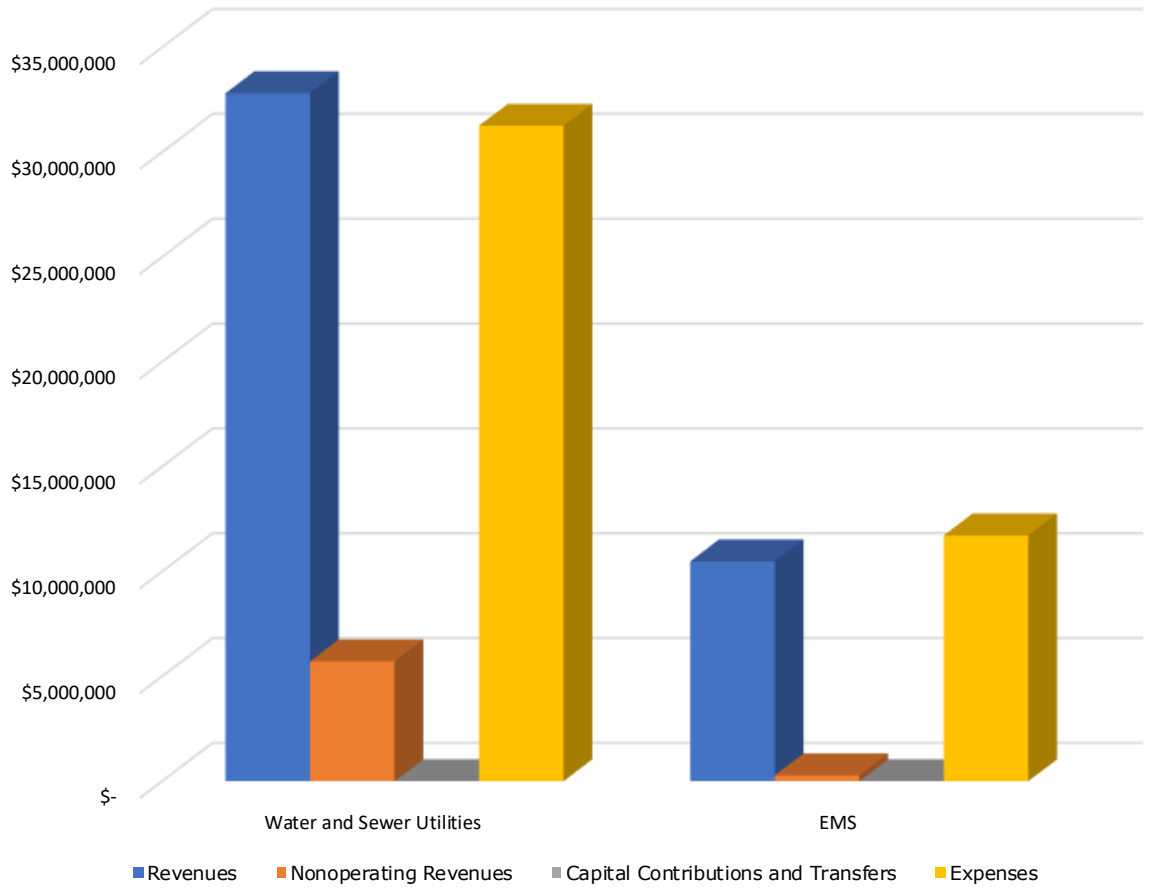
GENERAL REVENUE BY SOURCE – GOVERNMENTAL ACTIVITIES



TOTAL REVENUES AND EXPENSES – BUSINESS-TYPE ACTIVITIES



BUSINESS-TYPE REVENUES AND EXPENSES



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $112,876,964. Of this total amount, $11,072,251 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is non-spendable, restricted, committed, or assigned to indicate that it is not available for new spending because it has already been committed to pay debt service, for capital improvement projects, and other assigned purposes.

The general fund is the chief operating fund of the City of Schertz. At the end of the current fiscal year, unassigned fund balance of the general fund was $11,338,745, while total fund balance was $17,947,703, a decrease of $1,289,913 from the prior year. Overall, the decrease was caused by budgeted increases in public safety expenditures that were partially offset by increases in investment earnings, property, and sales tax revenues. 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 25.61% of total general fund expenditures, not including capital outlay.

The debt service fund has a total fund balance of $2,029,913, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year in the debt service fund was $916,055. This increase was due to regular principal and interest payments on long-term debt exceeding interest and sinking property tax revenue during the year. Over time, however, the debt service fund has sufficient cash and equivalents on hand to remain liquid if tax revenues decrease.

The capital projects fund has a total fund balance of $41,543,633, an increase of $18,790,451. This was caused by the issuance of the City's Series 2024 Certificates of Obligation.

The Economic Development Fund presents the activities of the Schertz Economic Development Corporation (the "EDC"), which promotes economic development activities using a portion of the City's sales tax revenue. At year end, the EDC fund reported an ending fund balance of $40,323,196, which is an increase of $7,327,362 compared to the prior year. The primary cause of this change was sales tax revenue growing faster than expenditures.

The American Rescue Plan Act Fund has a total fund balance of $814,392, which consists of interest earned on the $7,816,119 received from the Coronavirus Local Fiscal Recovery Fund grant program. Amounts not spent as of year-end are presented as unearned revenue until spent in accordance with the terms of the grant agreement in future years.

Proprietary funds. The City'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 $41,286,917 and those for the Schertz EMS fund amounted to a deficit of $253,112, which are 132% and 2% of fund operating costs, respectively.

The water and sewer fund reported an increase in net position of $7.6 million. Approximately three quarters of this increase related to revenue recognized for contributed infrastructure assets; the remaining portion of the increase was from operating income, which was consistent with the prior year. Management's intent is to accumulate operating surplus to fund construction of new water and sewer infrastructure in future years with less reliance on bonded debt.

The Schertz EMS fund decreased net position by $1,877,201. Expenses increased by approximately $2.1 million compared to the prior year. Revenues were consistent to the prior year as a result of approximately the same number of ambulance runs in the prior year. Expenses increased primarily from increased salaries that resulted from the compensation study discussed previously.

General Fund Budgetary Highlights

The general fund expenditures were $1,282,031 less than the $47,322,463 budget. Overall activity in the General Fund increased during the current year as the City emerged from the COVID-19 pandemic, although the amount of growth was less than expected. Revenues were $734,613 less than budgeted, primarily due to property tax revenue increasing less than expected. Overall, ending fund balance in the general fund was $2,101,414 higher than budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to $338,890,205 (net of accumulated depreciation), including several projects in progress from voter approved bonds.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 15,450,585	$ 15,214,261	$ 2,415,103	$ 2,415,102	$ 17,865,688	$ 17,629,363
Water rights	-	-	70,245	70,245	70,245	70,245
Buildings and improvements	67,671,372	53,420,797	3,725,152	3,725,152	71,396,524	57,145,949
Machinery, equipment, and vehicles	19,506,533	16,277,025	7,895,394	7,339,679	27,401,927	23,616,704
Infrastructure	175,820,607	175,473,306	143,743,449	137,700,969	319,564,056	313,174,275
Construction in progress	14,956,054	22,189,761	35,493,424	29,149,047	50,449,478	51,338,808
Accumulated depreciation	(98,720,552)	(88,306,247)	(49,137,161)	(44,438,286)	(147,857,713)	(132,744,533)
TOTALS	$194,684,599	$194,268,903	$144,205,606	$135,961,908	$338,890,205	$330,230,811

Significant capital asset activity for the year included improvements to streets and infrastructure of $6.2 million and construction projects of $7.2 million.

Additional information on the City's capital assets can be found in note II.F. to the basic financial statements.

LONG TERM DEBT

At the end of the current fiscal year, the City of Schertz had total long-term debt outstanding of $122,484,521. The related principal and interest payment for the bonds are backed by an annual ad valorem tax levied against all taxable property within the City. The City of Schertz maintains an "AA+" rating from Standard and Poor's.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	$ 46,395,000	$ 50,790,000	$ 2,750,000	$ 3,525,000	$ 49,145,000	$ 54,315,000
Certificates of obligation	42,275,000	24,565,000	21,150,000	22,005,000	63,425,000	46,570,000
Financing arrangements	54,614	81,921	163,843	245,764	218,457	327,685
Premium on bonds	5,763,094	5,133,058	1,954,620	2,086,300	7,717,714	7,219,358
Compensated absences	1,405,718	1,259,918	572,632	498,709	1,978,350	1,758,627
Totals	$ 95,893,426	$ 81,829,897	$ 26,591,095	$ 28,360,773	$ 122,484,521	$ 110,190,670

Total debt increased compared to the prior year due to the issuance of the City's Series 2024 Certificates of Obligation.

Additional information on the City's long-term debt can be found in note II.G. to the basic financial statements.

Economic Factors and Next Year's Budgets and Rates

At the end of the fiscal year, the assigned and unassigned fund balance in the general fund decreased to $15.0 million from $15.5 million. There was a decrease in fund balance budgeted of $2.5 million in the original adopted budget but due to the above expected performance of taxes collected and interlocal agreement updates combined with savings in streets made up $2 million. The City of Schertz has appropriated $2.5 million of the fund balance for spending in the 2025 fiscal year budget in accordance to the City's fund balance policy in an effort to reduce the fund balance level. The approved tax rate decreased to $0.4872 from $0.4950 per $100 of valuation.

Each year the City updates its five-year budgeting forecast and has implemented a long-term debt model to assist management in making informed financial decisions that will impact the community now and in the future. The City's property tax base continues to expand at around 3% per year while the long term sales taxes are growing at 7% annually.

During the Fiscal year of 2023-24, the City and the Schertz Economic Development Corporation (SEDC) partnered for a study to determine the feasibility of extending a sewer line through this region known as the Town Creek Sewershed which is the area north of IH 35, along the City's border with Garden Ridge and New Braunfels. The plan was completed and the SEDC partnered with two companies to construct this sewer line.

Boomerang and Lovett, both Houston companies, are planning two projects to construct over 800,000 square feet of warehouse and cold storage in the area of FM 2252. These projects will extend the sewer from their projects to a manhole and existing sewer at Abby Road. This project to extend nearly 6,600 linear feet of 24-inch sewer line. In 2024-25 staff is planning for a second project to complete the second leg of over 9,000 linear feet of sewer for this watershed, finally providing service to the entire region. There are a lot of exciting things happening and on the horizon in Schertz.

Other development along IH 35 includes construction starting on buildings 2, 4, 5, and 6 at 22867 IH 35 that will be a combined 773,343 sq ft of industrial spec space and Royal Manufacturing starting Phase III for an additional 196,560 sq ft of industrial space.

For nearly two years, Schertz has worked on finalizing an agreement with Merit Real Estate for the development of the Schertz Station Shopping Center, Schertz' first major retail development in 20 years. The SEDC partnered with developers of that area to assist with public infrastructure for the extension of Ripps Kreusler Rd, and some signalization improvements on Cibolo Valley Drive and IH 35 access Rd. The development at that location will make way for a 250,000 square feet shopping center anchored by a Home Depot and several restaurants and service-related businesses. Some of the businesses coming to the center, CAVA, Chipolte, Panera, Jersey Mikes and Dave's Hot Chicken have been actively recruited by the city for many years. In addition, Portillo's Restaurant, the Chicago icon that was founded in 1963 will make its first appearance into the San Antonio market with a store in the Schertz Station. This development promises cranes on the horizon and ribbon cuttings for many years to come.

For residential development, City also has a 300 unit residential multifamily apartment complex totaling 383,481sq ft. In addition to having the highest annual revenue on new residential building permits since 2015.

Overall, the City of Schertz continues to be an extremely attractive option as a center for logistics and distribution being along the west side IH 35 where the current industrial development is centered with residential and residential businesses located along the east side. Continued development reinforces the City's projection of continued growth in both the residential and commercial sectors of 3% and 7%, respectively.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, City of Schertz, 1400 Schertz Parkway, Schertz, Texas 78154.

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BASIC
FINANCIAL STATEMENTS

CITY OF SCHERTZ, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 112,611,161	$ 24,837,104	$ 137,448,265
Investments	4,829,710	1,222,270	6,051,980
Internal balances	732,091	(732,091)	-
Receivables, net of allowances:			
Taxes	4,630,649	-	4,630,649
Accounts and other	1,242,882	8,590,258	9,833,140
Accrued interest	-	6,324	6,324
Inventories	285,571	231,031	516,602
Restricted assets:			
Cash and cash equivalents	110,791	10,275,888	10,386,679
Service concession arrangement receivable:			
Due within one year	90,909	-	90,909
Due in more than one year	619,427	-	619,427
Investment in joint venture	-	22,208,706	22,208,706
Capital assets:			
Land	15,450,585	2,415,103	17,865,688
Water rights	-	70,245	70,245
Buildings and improvements	67,671,372	3,725,152	71,396,524
Equipment and vehicles	19,506,533	7,895,394	27,401,927
Infrastructure	175,820,607	143,743,449	319,564,056
Construction in progress	14,956,054	35,493,424	50,449,478
Accumulated depreciation	(98,720,552)	(49,137,161)	(147,857,713)
Total Assets	319,837,790	210,845,096	530,682,886
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on debt refunding	392,195	-	392,195
OPEB related	472,800	164,140	636,940
Pension related	6,291,741	2,184,268	8,476,009
Total Deferred Outflows of Resources	7,156,736	2,348,408	9,505,144

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

CITY OF SCHERTZ, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	$ 2,539,257	$ 4,153,880	$ 6,693,137
Accrued liabilities	777,467	289,202	1,066,669
Retainage payable	6,893	718,963	725,856
Due to other governments	50,043	-	50,043
Unearned revenue	6,544,945	302,260	6,847,205
Accrued interest payable	438,634	154,964	593,598
Customer deposits	33,027	600,837	633,864
Noncurrent liabilities:			
Due within one year:			
Compensated absences	281,144	114,526	395,670
Total OPEB liability	86,507	29,892	116,399
Service concession arrangement	55,241	-	55,241
Long-term debt	7,042,307	1,781,921	8,824,228
Due in more than one year:			
Compensated absences	1,124,574	458,106	1,582,680
Total OPEB liability	2,214,732	769,014	2,983,746
Net pension liability	16,326,037	5,667,815	21,993,852
Service concession arrangement	376,397	-	376,397
Long-term debt	87,445,401	24,236,542	111,681,943
Total Liabilities	125,342,606	39,277,922	164,620,528
DEFERRED INFLOWS OF RESOURCES			
Deferred service concession arrangement	278,698	-	278,698
OPEB related	972,045	337,461	1,309,506
Pension related	105,049	36,469	141,518
Total Deferred Inflows of Resources	1,355,792	373,930	1,729,722
NET POSITION			
Net investment in capital assets	142,891,901	125,867,091	268,758,992
Restricted for:			
Police and municipal court	920,715	-	920,715
PEG capital fees	136,899	-	136,899
Tourism development	3,439,858	-	3,439,858
Economic development	41,137,588	-	41,137,588
Parks and tree mitigation	1,777,495	-	1,777,495
Debt service	1,786,712	-	1,786,712
Scholarships and other purposes	1,013,530	-	1,013,530
Construction	-	6,640,756	6,640,756
Unrestricted	7,191,430	41,033,805	48,225,235
Total Net Position	$ 200,296,128	$ 173,541,652	$ 373,837,780

CITY OF SCHERTZ, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2024

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 8,678,145	$ 418,302	$ 1,563,245	$ -
Public safety	22,719,864	4,068,931	2,011,463	-
Public environment	8,802,846	2,038,419	-	3,293,373
Parks and recreation	5,539,108	932,437	-	-
Cultural	1,520,759	324,597	5,086	-
Administration	6,343,146	-	-	-
Interest	2,508,098	-	-	-
Total Governmental Activities	56,111,966	7,782,686	3,579,794	3,293,373
Business-type activities:				
Water and sewer	32,088,184	32,562,394	-	8,431,343
EMS	11,718,474	10,231,081	-	-
Total Business-Type Activities	43,806,658	42,793,475	-	8,431,343
Total Primary Government	$ 99,918,624	$ 50,576,161	$ 3,579,794	$ 11,724,716

General revenues:
- Taxes:
  - Ad valorem
  - Sales
  - Franchise fees
  - Hotel/motel
  - Mixed drink
- Investment earnings
- Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (6,696,598)	$ -	$ (6,696,598)
(16,639,470)	-	(16,639,470)
(3,471,054)	-	(3,471,054)
(4,606,671)	-	(4,606,671)
(1,191,076)	-	(1,191,076)
(6,343,146)	-	(6,343,146)
(2,508,098)	-	(2,508,098)
(41,456,113)	-	(41,456,113)
-	8,905,553	8,905,553
-	(1,487,393)	(1,487,393)
-	7,418,160	7,418,160
(41,456,113)	7,418,160	(34,037,953)
27,147,745	-	27,147,745
20,095,955	-	20,095,955
2,354,657	-	2,354,657
849,265	-	849,265
93,524	-	93,524
5,569,055	4,535,559	10,104,614
1,119,844	974,786	2,094,630
57,230,045	5,510,345	62,740,390
15,773,932	12,928,505	28,702,437
184,522,196	160,613,147	345,135,343
$ 200,296,128	$ 173,541,652	$ 373,837,780

CITY OF SCHERTZ, TEXAS

BALANCE SHEET
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2024

	General Fund	Capital Projects Fund	Debt Service Fund
ASSETS			
Cash and cash equivalents	$ 14,004,790	$ 41,622,628	$ 2,029,913
Investments	2,499,161	-	-
Receivables (net of allowances)			
Taxes	3,293,402	-	195,433
Accounts and other	1,134,923	-	-
Due from other funds	1,376,444	-	-
Inventory	285,571	-	-
Restricted assets:			
Cash and cash equivalents	110,791	-	-
Total Assets	22,705,082	41,622,628	2,225,346
LIABILITIES			
Accounts payable	2,446,518	78,995	-
Accrued salaries and benefits	777,467	-	-
Retainage payable	-	-	-
Customer deposits	33,027	-	-
Due to other governments	50,043	-	-
Due to other funds	-	-	-
Unearned revenues	31,498	-	-
Total Liabilities	3,338,553	78,995	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues	1,418,826	-	195,433
Total Deferred Inflows of Resources	1,418,826	-	195,433
FUND BALANCES			
Nonspendable for:			
Inventory	285,571	-	-
Restricted for:			
Police and public safety/municipal court	409,637	-	-
Municipal court	715,579	-	-
PEG capital fees	136,899	-	-
Capital improvement	-	37,654,911	-
Debt service	-	-	2,029,913
Tourism development	-	-	-
Parks and tree mitigation	-	-	-
Historical Committee and library	-	-	-
Economic development	-	-	-
Animal control	47,461	-	-
Scholarships	149,097	-	-
Committed for:			
Capital Projects	-	3,888,722	-
Civic Center/SIED	1,260,939	-	-
Assigned for:			
Property replacement	1,007,626	-	-
Subsequent year's budget	2,596,149	-	-
Unassigned	11,338,745	-	-
Total Fund Balances	17,947,703	41,543,633	2,029,913
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 22,705,082	$ 41,622,628	$ 2,225,346

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

Economic Development Corporation	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 36,851,691	$ 7,334,732	$ 10,767,407	$ 112,611,161
2,330,549	-	-	4,829,710
1,141,814	-	-	4,630,649
7,949	-	100,010	1,242,882
-	-	-	1,376,444
-	-	-	285,571
-	-	-	110,791
40,332,003	7,334,732	10,867,417	125,087,208
8,807	-	4,937	2,539,257
-	-	-	777,467
-	6,893	-	6,893
-	-	-	33,027
-	-	-	50,043
-	-	644,353	644,353
-	6,513,447	-	6,544,945
8,807	6,520,340	649,290	10,595,985
-	-	-	1,614,259
-	-	-	1,614,259
-	-	-	285,571
-	-	511,078	920,715
-	-	-	715,579
-	-	-	136,899
-	-	4,654,797	42,309,708
-	-	-	2,029,913
-	-	3,439,858	3,439,858
-	-	1,777,495	1,777,495
-	-	101,393	101,393
40,323,196	814,392	-	41,137,588
-	-	-	47,461
-	-	-	149,097
-	-	-	3,888,722
-	-	-	1,260,939
-	-	-	1,007,626
-	-	-	2,596,149
-	-	(266,494)	11,072,251
40,323,196	814,392	10,218,127	112,876,964
$ 40,332,003	$ 7,334,732	$ 10,867,417	$ 125,087,208

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CITY OF SCHERTZ, TEXAS

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2024

Total Fund Balances - Governmental Funds	$	112,876,964
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.		194,684,599
Bonds payable and accrued compensated absences will not be liquidated with current financial resources and, therefore, have not been included in the fund financial statements.		(90,130,332)
Interest payable on long-term debt is accrued in the government-wide financial statements, whereas in the fund financial statements, interest expenditures are reported when due.		(438,634)
Premiums on bond issuances and deferred losses on bond refunding are recorded as other financing sources and uses when paid in the fund financial statements but are capitalized and amortized in the government-wide financial statements over the life of the bonds.		
Premiums		(5,763,094)
Deferred loss		392,195
Receivables from grants, property taxes and fines and fees are not available soon enough to pay for the current period's expenditures and are, therefore, deferred in the fund financial statements.		1,614,259
Included in the items related to debt is the recognition of the City's net pension liability, total OPEB liability, and related deferred outflows and inflows of resources.		
Net pension liability		(16,326,037)
Deferred outflows related to pensions		6,291,741
Deferred inflows related to pensions		(105,049)
Total OPEB liability		(2,301,239)
Deferred outflows related to OPEB		472,800
Deferred inflows related to OPEB		(972,045)
Net Position of Governmental Activities	$	200,296,128

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

CITY OF SCHERTZ, TEXAS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Capital Projects Fund	Debt Service Fund
REVENUES			
Taxes	$ 34,041,974	$ -	$ 8,917,461
Permits and fees	2,627,370	-	-
Service fees	2,339,769	-	-
Fines and fees	366,823	-	-
Intergovernmental	2,940,640	-	-
Investment earnings	1,251,166	1,379,778	195,912
Miscellaneous	897,538	-	221,136
Total Revenues	44,465,280	1,379,778	9,334,509
EXPENDITURES			
Current:			
General government	7,106,636	-	-
Public safety	23,365,331	-	-
Public environment	2,518,012	-	-
Parks and recreation	4,161,603	-	-
Cultural	1,429,406	-	-
Administration	5,688,426	-	-
Capital outlay	1,771,018	2,497,812	-
Debt service:			
Principal	-	-	5,850,000
Interest and fiscal charges	-	-	2,667,861
Bond issue costs	-	163,613	5,000
Total Expenditures	46,040,432	2,661,425	8,522,861
Excess (Deficiency) of Revenues Over Expenditures	(1,575,152)	(1,281,647)	811,648
OTHER FINANCING SOURCES (USES)			
Issuance of bonds	-	19,165,000	-
Premium on issuance of bonds	-	998,613	-
Transfers in	285,239	12,892	104,407
Transfers out	-	(104,407)	-
Total Other Financing Sources (Uses)	285,239	20,072,098	104,407
NET CHANGE IN FUND BALANCE	(1,289,913)	18,790,451	916,055
FUND BALANCES - BEGINNING	19,237,616	22,753,182	1,113,858
FUND BALANCES - ENDING	$ 17,947,703	$ 41,543,633	$ 2,029,913

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

Economic Development Corporation	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 6,698,059	$ -	$ 849,265	$ 50,506,759
-	-	1,001,518	3,628,888
-	-	1,502,262	3,842,031
-	-	224,151	590,974
-	694,541	378,480	4,013,661
1,868,124	414,711	459,364	5,569,055
1,101	-	69	1,119,844
8,567,284	1,109,252	4,415,109	69,271,212
384,286	-	56,535	7,547,457
-	-	43,544	23,408,875
-	-	81,429	2,599,441
-	-	-	4,161,603
-	-	16,880	1,446,286
557,505	-	80,265	6,326,196
-	694,541	111,961	5,075,332
-	-	-	5,850,000
-	-	-	2,667,861
-	-	-	168,613
941,791	694,541	390,614	59,251,664
7,625,493	414,711	4,024,495	10,019,548
-	-	-	19,165,000
-	-	-	998,613
-	-	-	402,538
(298,131)	-	-	(402,538)
(298,131)	-	-	20,163,613
7,327,362	414,711	4,024,495	30,183,161
32,995,834	399,681	6,193,632	82,693,803
$ 40,323,196	$ 814,392	$ 10,218,127	$ 112,876,964

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CITY OF SCHERTZ, TEXAS

RECONCILIATION OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Net Changes in Fund Balances - Governmental Funds	$ 30,183,161
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the governmental activities statement of activities, that cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	10,830,001
Depreciation expense	(10,414,305)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Property taxes	25,404
Court fines	(704,091)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities.	
Repayment of principal of long-term debt	6,245,884
Amortization of loss on refunding	(57,272)
Current year changes in certain long-term liabilities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Issuance of bonds	(19,165,000)
Premium on issuance of bonds	(998,613)
Compensated Absences	(145,800)
Net pension liability	66,799
Total OPEB liability	(109,307)
Interest payable on long-term debt is accrued in the government-wide financial statements, whereas in the fund financial statements, interest expenditures are reported when due.	17,071
Change in Net Position of Governmental Activities	$ 15,773,932

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

CITY OF SCHERTZ, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

SEPTEMBER 30, 2024

	Business-Type Activities Enterprise Funds		
	Water and Sewer System	Schertz EMS	Total Enterprise Funds
ASSETS			
Current assets:			
Cash and cash equivalents	$ 24,836,633	$ 471	$ 24,837,104
Investments	1,222,270	-	1,222,270
Accounts receivable, net of allowance:			
Customer accounts	3,933,498	4,656,760	8,590,258
Accrued interest	6,324	-	6,324
Inventory	109,750	121,281	231,031
Total Current Assets	30,108,475	4,778,512	34,886,987
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	10,275,888	-	10,275,888
Investment in joint ventures	22,208,706	-	22,208,706
Capital assets:			
Land	2,415,103	-	2,415,103
Water rights	70,245	-	70,245
Buildings and improvements	3,630,652	94,500	3,725,152
Machinery, equipment, and vehicles	3,794,513	4,100,881	7,895,394
Infrastructure	143,743,449	-	143,743,449
Construction in progress	35,493,424	-	35,493,424
Less: accumulated depreciation	(46,665,904)	(2,471,257)	(49,137,161)
Total Noncurrent Assets	174,966,076	1,724,124	176,690,200
Total Assets	205,074,551	6,502,636	211,577,187
DEFERRED OUTFLOWS OF RESOURCES			
Related to OPEB	46,433	117,707	164,140
Related to pension	617,900	1,566,368	2,184,268
Total Deferred Outflows of Resources	664,333	1,684,075	2,348,408

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

CITY OF SCHERTZ, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

SEPTEMBER 30, 2024

	Business-Type Activities Enterprise Funds		
	Water and Sewer System	Schertz EMS	Total Enterprise Fund
LIABILITIES			
Current liabilities:			
Accounts payable	$ 3,721,077	$ 432,803	$ 4,153,880
Accrued liabilities	79,108	210,094	289,202
Retainage payable	718,963	-	718,963
Customer deposits	600,837	-	600,837
Accrued interest	154,964	-	154,964
Due to other funds	-	732,091	732,091
Unearned revenue	300,000	2,260	302,260
Current portion of long-term liabilities:			
Compensated absences	27,940	86,586	114,526
Total OPEB liability	8,495	21,397	29,892
Long-term debt	1,700,000	81,921	1,781,921
Total Current Liabilities	7,311,384	1,567,152	8,878,536
Noncurrent liabilities:			
Compensated absences	111,761	346,345	458,106
Total OPEB liability	217,505	551,509	769,014
Net pension liability	1,603,351	4,064,464	5,667,815
Long-term debt	24,154,620	81,922	24,236,542
Total Noncurrent Liabilities	26,087,237	5,044,240	31,131,477
Total Liabilities	33,398,621	6,611,392	40,010,013
DEFERRED INFLOWS OF RESOURCES			
Related to OPEB	95,464	241,997	337,461
Related to pension	10,316	26,153	36,469
Total Deferred Inflows of Resources	105,780	268,150	373,930
Net investment in capital assets	124,306,810	1,560,281	125,867,091
Restricted for construction	6,640,756	-	6,640,756
Unrestricted	41,286,917	(253,112)	41,033,805
Total Net Position	$ 172,234,483	$ 1,307,169	$ 173,541,652

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CITY OF SCHERTZ, TEXAS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities Enterprise Funds		
	Water and Sewer System	Schertz EMS	Total Enterprise Funds
OPERATING REVENUES			
Fees charged to users	$ 32,041,277	$ 10,231,081	$ 42,272,358
Other charges	46,362	-	46,362
Miscellaneous	724,281	250,505	974,786
Total Operating Revenues	32,811,920	10,481,586	43,293,506
OPERATING EXPENSES			
Personnel services	3,425,187	8,901,006	12,326,193
General and administrative	3,422,149	898,961	4,321,110
Contractual services	19,137,379	761,544	19,898,923
Supplies and maintenance	678,498	683,702	1,362,200
Depreciation	4,593,817	473,261	5,067,078
Total Operating Costs	31,257,030	11,718,474	42,975,504
Operating Income (Loss)	1,554,890	(1,236,888)	318,002
NON-OPERATING REVENUES (EXPENSES)			
Investment revenue	4,511,317	24,242	4,535,559
Rent revenue	474,755	-	474,755
Interest expense	(831,154)	-	(831,154)
Total Non-Operating Revenues (Expenses)	4,154,918	24,242	4,179,160
Income before contributions and transfers	5,709,808	(1,212,646)	4,497,162
Capital contributions - impact fees	2,388,863	-	2,388,863
Capital contributions - dedicated assets	6,042,480	-	6,042,480
CHANGE IN NET POSITION	14,141,151	(1,212,646)	12,928,505
NET POSITION - BEGINNING	158,093,332	2,519,815	160,613,147
NET POSITION - END OF YEAR	$ 172,234,483	$ 1,307,169	$ 173,541,652

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

CITY OF SCHERTZ, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities Enterprise Funds		
	Water and Sewer System	Schertz EMS	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	$ 32,184,917	$ 10,019,047	$ 42,203,964
Cash paid to employees for services	(3,408,428)	(8,635,878)	(12,044,306)
Cash paid to suppliers for goods and services	(26,955,306)	(2,094,320)	(29,049,626)
Net Cash Provided By Operating Activities	1,821,183	(711,151)	1,110,032
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers from other funds	91,499	732,091	823,590
Net Cash Used in Non-Capital Financing Activities	91,499	732,091	823,590
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES			
Capital contributions - impact fees	2,388,863	-	2,388,863
Interest paid on long-term debt	(956,469)	-	(956,469)
Principal paid on long-term debt	(1,630,000)	(81,921)	(1,711,921)
Net Cash Used in Capital and Related Financing Activities	(6,800,048)	(747,777)	(7,547,825)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	(38,473)	-	(38,473)
Payments from rentals	474,755	-	474,755
Interest and investment earnings	4,511,317	24,242	4,535,559
Net Cash Provided By (Used in) Investing Activities	4,947,599	24,242	4,971,841
Net (Decrease) Increase in Cash and Cash Equivalents	60,233	(702,595)	(642,362)
Cash and cash equivalents at beginning of year:			
Cash and cash equivalents	21,699,922	703,066	22,402,988
Restricted cash and cash equivalents	13,352,366	-	13,352,366
	35,052,288	703,066	35,755,354
Cash and cash equivalents at end of year			
Cash and cash equivalents	24,836,633	471	24,837,104
Restricted cash and cash equivalents	10,275,888	-	10,275,888
	$ 35,112,521	$ 471	$ 35,112,992

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

CITY OF SCHERTZ, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities Enterprise Funds		
	Water and Sewer System	Schertz EMS	Total Enterprise
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	$ 1,554,890	$ (1,236,888)	$ 318,002
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	4,593,817	473,261	5,067,078
Change in investment in joint venture	(2,615,430)	-	(2,615,430)
Decrease (increase) in accounts receivable	(409,065)	(463,364)	(872,429)
Decrease (increase) in inventory	16,886	(22,280)	(5,394)
Decrease (increase) in inventory	219,527	416,896	636,423
Decrease (increase) in accounts receivable	7,540	10,114	17,654
Increase (decrease) in accounts payable	(1,118,736)	272,167	(846,569)
Increase (decrease) in accrued liabilities	28,596	-	28,596
Increase (decrease) in customer deposits	(24,012)	-	(24,012)
Increase (decrease) in unearned revenue	(193,926)	825	(193,101)
Increase (decrease) in compensated absences	(2,195)	76,118	73,923
Increase (decrease) in net pension liability	(240,739)	(302,856)	(543,595)
Increase (decrease) in deferred OPEB inflows	(1,765)	11,733	9,968
Increase (decrease) in deferred pension inflows	3,717	10,526	14,243
Increase (decrease) in total OPEB liability	2,078	42,597	44,675
Net cash provided by operating activities	$ 1,821,183	$ (711,151)	$ 1,110,032
SCHEDULE OF NON-CASH CAPITAL ACTIVITIES			
Developer contributions of capital assets	6,042,480	-	6,042,480
Total non-cash capital activities	$ 6,042,480	$ -	$ 6,042,480

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Schertz is a municipal corporation governed by an elected mayor and seven-member council. The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below:

A. Reporting Entity

Component Units - As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations; thus, data from these units are be combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government. The City reports the following component unit:

Schertz Economic Development Corporation - The Corporation was organized for the purpose of promoting economic development in order to eliminate unemployment and underemployment and to promote and encourage employment and public welfare of, for, and on behalf of the City. The board of directors consists of seven (7) members appointed by the city council. The City is financially accountable for the Corporation because the city council approves the Corporation's budget and appoints all board members. For financial reporting purposes, the SEDC is reported as a blended component unit due to the City having operational responsibility for the component unit, and that any debt issued by SEDC would be expected to be paid using City resources. Thus, SEDC is presented as a special revenue fund within the City's financial statements. Complete financial statements for the Schertz Economic Development Corporation may be obtained from City Hall.

Joint Ventures - A joint venture is a legally separate entity that results from a contractual arrangement and that is owned, operated, or governed by two or more participating governments. The following entities meet the criteria as joint ventures. Separate financial statements for these entities may be obtained at City Hall.

Schertz/Seguin Local Government Corporation - is a public, nonprofit corporation organized to aid, assist, and act on behalf of the cities of Schertz and Seguin in acquiring, constructing, maintaining, and operating a water utility system. The participating governments have an ongoing financial responsibility to fund the operation of the corporation through either purchase of services or by subsidizing the operations.

Cibolo Valley Local Government Corporation - is a public, nonprofit corporation organized July 28, 2011 to aid, assist, and act on behalf of the cities of Cibolo, Converse and Schertz in acquiring, constructing, maintaining, and operating a water utility system. The participating governments have an ongoing financial responsibility to fund the operation of the corporation through either purchase of services or by subsidizing the operations.

B. Government-Wide and Fund Financial Statements

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

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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 thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Nonexchange revenues that are measurable but not available are recorded as unavailable revenue (a deferred inflow of resources). These revenues are generally property taxes and warrants outstanding. 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.

Exchange revenues (payments for services) received in advance of the service being provided are recorded as unearned revenue.

The City reports the following major governmental funds:

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

The Capital Projects Fund accounts for the acquisition and construction of major capital facilities financed from bond proceeds, grants, and transfers from other funds.

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

The Economic Development Corporation collects sales taxes to support business development and expansion within the City.

The American Rescue Plan Act Fund records revenue and expenditures related to the City's COVID-19 funding from the American Rescue Plan Act.

The City reports the following major enterprise funds:

The Water and Sewer System Fund accounts for the water and sewer services provided to the citizens through user charges.

The EMS Fund accounts for the emergency medical services provided to the citizens of the City and other participating governments through user charges.

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

Amounts reported as program revenues include 1) charges to customers or applications for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes and investment earnings.

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 enterprise fund and the EMS enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand and demand deposits. Cash is reported as restricted when it has restrictions on its use narrower than the purpose of the fund in which it is reported. This can result in differences in presentation between fund statements and government-wide statements.

For purposes of the statement of cash flows, the City considers cash and other investments with maturities of three months or less from the date of purchase to be cash and cash equivalents.

E. Investments

The City is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas of the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated of not less than "AA" or its equivalent; (5) certificates of deposit issued by state and national banks domiciled in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, or secured by obligations mentioned above; and (6) fully collateralized direct repurchase agreements having a defined termination date. In addition, the City is authorized to invest in local government investment pools. The investment pools operate in accordance with appropriate state laws and regulations and have regulatory oversight from the Texas Public Funds Investment Act Sec. 2256.0016.

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

The City categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quotes prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

F. Receivables and Payables

Activities between the funds that are representative of inter-fund loans outstanding at the end of the fiscal year are referred to as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Accounts receivables are reported net of allowances for uncollectible accounts. The allowance account represents management's estimate of uncollectible accounts based upon experience and historical trends.

Property taxes for the City are levied each October 1 on the taxable value as of the preceding January 1, the date a lien attaches, for all taxable real and personal property located in the City. Taxes are due by January 31 following the October 1 assessment date and become delinquent on February 1, at which time they begin accruing penalty and interest. The enforceable legal claim date for property taxes is the assessment date; therefore, the City did not record a receivable for accrual of future taxes at year end. Accordingly, no current taxes receivable are reported. Delinquent taxes have been reported in the financial statements net of the allowance for uncollectible taxes. Tax revenues are recognized as they become available. Accordingly, an amount equal to taxes not yet available has been reported as unavailable revenue (a deferred inflow of resources) at the government fund level.

G. Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

H. Restricted Assets

Certain proceeds from bonds, resources set aside for their repayment, and other restrictive agreements are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants and/or contractual arrangements.

I. Capital Assets

Capital assets, which include land, buildings and improvements, machinery, equipment, vehicles, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. When capital assets are purchased, they are capitalized and depreciated in the government-wide financial statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

Capital assets are valued at cost where historical records are available and at an estimated cost where no records exist. Donated capital assets, donated works of art and similar items received as part of a service concession arrangement are reported at acquisition value, rather than fair value.

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

Capital assets are depreciated over their useful lives on a straight-line basis as follows:

Assets	Use Lives (Years)
Buildings and improvements	10 - 50
Machinery, equipment, and vehicles	2 - 20
Infrastructure	15 - 30

J. Deferred Inflows/Outflows of Resources

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

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

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

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

- Changes in actuarial assumptions and other inputs – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

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

- Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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

- Changes in actuarial assumptions and other inputs – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

K. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and compensatory time benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation and compensatory time pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The general fund, water and sewer fund and the EMS fund are used to liquidate compensated absences.

L. Pensions

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

M. Other Post-Employment Benefits (OPEB)

Supplemental Death Benefits Fund. For purposes of measuring the total Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF) OPEB liability, related deferred outflows and inflows of resources, and expense, City specific information about its total TMRS SDBF liability and additions to/deductions from the City's total TMRS SDBF liability have been determined on the same basis as they are reported by TMRS. The TMRS SDBF expense and deferred (inflows)/outflows of resources related to TMRS SDBF, primarily result from changes in the components of the total TMRS SDBF liability. Most changes in the total TMRS SDBF liability will be included in TMRS SDBF expense in the period of the change. For example, changes in the total TMRS SDBF liability resulting from current-period service cost, interest on the TOL, and changes of benefit terms are required to be included in TMRS SDBF expense immediately. Changes in the total TMRS SDBF liability that have not been included in TMRS SDBF expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to TMRS SDBF.

Retiree Health Insurance. For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the City for benefits due and payable that are not reimbursed by plan assets. Information regarding the City's total OPEB liability is obtained from a report prepared by a consulting actuary, Gabriel Roeder Smith & Company.

N. 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, discounts, and losses on defeasance are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Losses on defeasance are reported as deferred outflows of resources. Bond issuance costs are expensed as incurred.

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

O. Fund Balance

Fund balances in governmental funds are classified as follows:

Nonspendable - Represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid items) or legally required to remain intact.

Restricted - Represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed - Represents amounts that can only be used for a specific purpose because of a formal action by the government's highest level of decision-making authority: an ordinance adopted by City Council prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned - Represents amounts which the City intends to use for a specific purpose but do not meet the criteria of restricted or committed. The City Council may make assignments through formal documentation in the minutes. The City Council authorized (by way of policy) the City Manager to also make assignments. The City Manager's assignments do not require formal action; however, the City Manager has not assigned any funds at this time.

Unassigned - Represents the residual balance that may be spent on any other purpose of the City. Only the General Fund reports positive unassigned fund balances; if another fund were to have unassigned fund balance, it would be in the event of a deficit.

When an expenditure is incurred for a purpose in which multiple classifications are available, the City considers restricted balances spent first, committed second, and assigned third.

P. Net Position

Net position represents the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed by creditors, grantors, or laws or regulations of other governments.

Q. Estimates

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

R. Deficit Equity

At September 30, 2024, the City has a deficit unassigned fund balance of $266,464 in the Grant Fund. This deficit is due to timing differences between expenditures and reimbursements of grant funds.

S. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the American rescue plan act fund, library advisory board fund, grant special revenue fund, police department forfeiture special revenue fund and the capital projects fund, which adopts project-length budgets.

II. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Cash, Cash Equivalents and Investments

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

	Reported Value	Weighted Average Maturity (days)	Fair Value Measurements Using - Level 2
Investment type:			
LOGIC	$ 39,529,875	48	$ -
Lone Star Investment Pool	29,060,228	21	-
Texas CLASS	72,231,881	34	-
Certificates of Deposit	4,529,802	79	-
U.S. Agency Securities	1,522,178	487	1,522,178
Subtotal	146,873,964		$ 1,522,178
Plus: depository and petty cash	960,980		
Total cash and investments	$ 147,834,944		

LOGIC, Lone Star Investment Pool and Texas CLASS are recorded as cash equivalents in the financial statements. All of the pools have redemption notice periods of one day and may redeem daily. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pools' liquidity.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs other than quoted market prices for similar assets; Level 3 inputs are significant unobservable inputs. All of the County's fair value investments were valued using either documented trade history in exact security pricing, option-adjusted discounted cash flow, or present value of expected future cash flow pricing models (Level 2 inputs).

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investment portfolio to highly liquid investments to meet unanticipated cash requirements, and/or to redeploy cash into other investments expected to outperform current holdings.
Credit Risk. State law limits investments in certificates of deposit to guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor or the National Credit Union Share Insurance Fund, or its successor and investment pools continuously rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service. The City's investment policy does not further limit its investment choices. As of September 30, 2024, the City's investments in the pooled investment funds were rated AAAm by Standard & Poor's. The City has also invested in debt securities provided by the Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Farm Credit Banks, and U.S Treasury Notes. As of September 30, 2024, the City's investments in debt securities were rated BBB+ by Standard & Poor's.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned. As of September 30, 2024, the City's cash and cash equivalents (including certificates of deposit, and component unit holdings) were fully collateralized by the City's depository by a combination of pledged collateral and FDIC insurance. All collateral is held in the City's name.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the government securities owned by the City are held by its agent in the City's name.

Restricted Cash - Cash is restricted in the Proprietary fund for construction projects, impact fees and customer deposits.

B. Property Taxes

Taxes are levied on and payable as of October 1. The City has contracted with the Guadalupe County Tax Assessor-Collector to collect taxes on its behalf. Current taxes become delinquent February 1. Current year delinquent taxes not paid by July 1 are turned over to attorneys for collection action.

The City is permitted by the Constitution of the State of Texas to levy taxes up to $2.50 per $100 of taxable assessed valuation for all governmental purposes. Pursuant to a decision of the Attorney General of the State of Texas, up to $1.50 per $100 of assessed valuation may be used for the payment of long-term debt. The combined tax rate to finance general governmental services, including the payment of principal and interest on long-term debt for the year ended September 30, 2024, was $0.4990 per $100 of assessed value.

However, the City may not adopt a tax rate that exceeds the tax rate calculated in accordance with the Texas Property Tax Code without holding a public hearing. The Property Tax Code subjects an increase in the effective tax rate to a referendum election, if petitioned by registered voters, when the effective tax rate increase is more than 3.5% of the previous year's effective tax rate.

Property taxes are recorded as receivables and unearned revenues at the time the taxes are assessed. In governmental funds, revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in the time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with generally accepted accounting principles have been recognized as revenue. In the government-wide financial statements, the entire levy is recognized as revenue, net of estimated uncollectible amounts (if any), at the levy date.

C. Receivables

Receivables as September 30, 2024 for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities				Business-type Activities	
	General Fund	Economic Development	Debt Service	Nonmajor Funds	Water and Sewer Fund	Schertz EMS
Receivables:						
Property taxes	$ 442,546	$ -	$ 207,907	$ -	$ -	$ -
Sales tax	2,283,629	1,141,814	-	-	-	-
Occupancy taxes	-	-	-	100,010	-	-
Franchise taxes	572,349	-	-	-	-	-
Customers	-	-	-	-	3,712,290	9,589,341
Court fines	2,463,962	-	-	-	-	-
Other	160,557	7,949	-	-	364,093	-
Gross receivables	5,923,043	1,149,763	207,907	100,010	4,076,383	9,589,341
Less: allowance for uncollectible accounts	(1,494,718)	-	(12,474)	-	(142,885)	(4,932,581)
Net receivables	$ 4,428,325	$ 1,149,763	$ 195,433	$ 100,010	$ 3,933,498	$ 4,656,760

D. Deferred Inflows and Outflows of Resources

Governmental funds report unavailable revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of unavailable revenue and unavailable revenue reported in the governmental funds were as follows:

	Unavailable
General Fund	
Delinquent property taxes receivable	$ 415,993
Court fines	1,002,833
Total General Fund	1,418,826
Debt Service Fund	
Delinquent property taxes receivable	195,433
Total Debt Service Fund	195,433
Total Governmental Funds	$ 1,614,259

Additionally, the proprietary funds and governmental activities statements of net position report various deferred outflows and inflows of resources, primarily due to pensions and OPEB, that are summarized by column. The following table presents the disaggregated amounts.

	Governmental Activities	Business-type Activities		Totals
		Water/ Sewer	EMS	
Deferred outflows:				
Charge on refunding	$ 392,195	$ 5,965	$ -	$ 398,160
Related to pensions	6,291,741	617,900	1,566,368	8,476,009
Related to OPEB - SDBF	150,518	14,782	37,473	202,773
Related to OPEB - Retiree Health Plan	322,282	31,651	80,234	434,167
Total deferred outflow	$ 7,156,736	$ 670,298	$ 1,684,075	$ 9,511,109
Deferred inflows:				
Service concession arrangement	$ 278,698	$ -	$ -	$ 278,698
Related to pensions	105,049	10,316	26,153	141,518
Related to OPEB - SDBF	276,823	27,187	68,917	372,927
Related to OPEB - Retiree Health plan	695,222	68,277	173,080	936,579
Total deferred inflow	$ 1,355,792	$ 105,780	$ 268,150	$ 1,729,722

E. Interfund Balances and Transfers

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

Due From	Due To	Amount	Purpose
Schertz EMS	General	$ 732,091	Short-term pool cash loan
Nonmajor Governmental	General	644,353	Short-term pool cash loan

The following schedule briefly summarizes the City's transfer activity for the year ending September 30, 2024:

Transfer From	Transfer To	Amount	Purpose
Economic Development Corporation	General	$ 285,239	Funding for various capital projects
Economic Development Corporation	Capital Projects	12,892	Funding for various capital projects
Capital Projects	Debt Service	104,407	Suplement funds sources

F. Capital Assets

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

	Beginning Balance	Additions	Reclassifications/ Retirements	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 15,214,261	$ 236,324	$ -	$ 15,450,585
Construction in progress	22,189,761	6,917,581	(14,151,288)	14,956,054
Total capital assets not being depreciated	37,404,022	7,153,905	(14,151,288)	30,406,639
Capital assets being depreciated:				
Buildings and improvements	53,420,797	99,287	14,151,288	67,671,372
Machinery, equipment, and vehicles	16,277,025	3,229,508	-	19,506,533
Street and infrastructure	175,473,306	347,301	-	175,820,607
Total assets being depreciated	245,171,128	3,676,096	14,151,288	262,998,512
Less accumulated depreciation for:				
Buildings and improvements	(21,750,015)	(3,636,002)	-	(25,386,017)
Machinery, equipment, and vehicles	(10,555,924)	(1,214,065)	-	(11,769,989)
Street and infrastructure	(56,000,308)	(5,564,238)	-	(61,564,546)
Total accumulated depreciation	(88,306,247)	(10,414,305)	-	(98,720,552)
Total capital assets being depreciated, net	156,864,881	(6,738,209)	14,151,288	164,277,960
Governmental activities capital assets, net	$ 194,268,903	$ 415,696	$ -	$ 194,684,599

	Beginning Balance	Additions	Reclassifications/ Retirements	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 2,415,103	$ -	$ -	$ 2,415,103
Water rights	70,245	-	-	70,245
Construction in progress	29,149,047	6,344,377	-	35,493,424
Total capital assets, not being depreciated	31,634,395	6,344,377	-	37,978,772
Capital assets being depreciated:				
Buildings and improvements	3,725,152	-	-	3,725,152
Machinery, equipment, and vehicles	7,339,679	923,919	(368,204)	7,895,394
Infrastructure	137,700,969	6,042,480	-	143,743,449
Total assets being depreciated	148,765,800	6,966,399	(368,204)	155,363,995
Less accumulated depreciation for:				
Buildings and improvements	(1,437,563)	(163,917)	-	(1,601,480)
Machinery, equipment, and vehicles	(6,403,573)	(730,168)	368,204	(6,765,537)
Infrastructure	(36,597,151)	(4,172,993)	-	(40,770,144)
Total accumulated depreciation	(44,438,287)	(5,067,078)	368,204	(49,137,161)
Total capital assets being depreciated, net	104,327,513	1,899,321	-	106,226,834
Business-type activities capital assets, net	$ 135,961,908	$ 8,243,698	$ -	$ 144,205,606

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

Governmental activities:	
General government	$ 1,089,121
Public safety	1,678,411
Public environment	6,194,882
Parks and recreation	1,375,252
Cultural	65,704
Administration	10,935
Total	$ 10,414,305
Business-type activities:	
Water and sewer system	$ 4,593,817
EMS	473,261
Total	$ 5,067,078
Total Depreciation	$ 15,481,383

G. Long-Term Debt

The City issues a variety of long-term debt instruments in order to acquire and/or construct major capital facilities and equipment for governmental activities. These instruments include general obligation bonds, certificates of obligation, and tax notes. These debt obligations are secured primarily by future property tax revenues. In some cases, these bonds are also secured by a pledge of net revenues from the utility system, emergency medical services and economic development sales taxes. However, the amount of the formal pledge is generally limited to $1,000. Proprietary operating revenues for the year exceeded $43.2 million and sales tax revenue was $20 million.

Additionally, certain obligations that were marketed as private placements have been separately identified; however, the terms of these obligations are not significantly different than other obligations and do not have substantive acceleration clauses. Should the City default on these bonds, any registered owner of the obligations is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring the City to make payment.

Changes in long-term debt for the year ending September 30, 2024 are as follows:

	Beginning Balance	Issued	Refunded/ Retired	Ending Balance	Amount Due Within One Year
Governmental activities:					
General Obligation Bonds	$ 46,045,000	$ -	$ (3,415,000)	$ 42,630,000	$ 2,845,000
Certificates of Obligation	24,565,000	19,165,000	(1,455,000)	42,275,000	3,160,000
General Obligation Bonds- Private Placement	4,745,000	-	(980,000)	3,765,000	1,010,000
Premium from Debt	5,133,058	998,613	(368,577)	5,763,094	-
Financing Arrangement	81,921	-	(27,307)	54,614	27,307
Compensated Absences	1,259,918	649,767	(503,967)	1,405,718	281,144
Total governmental	$ 81,829,897	$ 20,813,380	$ (6,749,851)	$ 95,893,426	$ 7,323,451
Business-type activities:					
General Obligation Bonds	$ 3,095,000	$ -	$ (560,000)	$ 2,535,000	$ 595,000
Certificates of Obligation	22,005,000	-	(855,000)	21,150,000	890,000
General Obligation Bonds- Private Placement	430,000	-	(215,000)	215,000	215,000
Unamortized Premium	2,086,300	-	(131,680)	1,954,620	-
Financing Arrangement	245,764	-	(81,921)	163,843	81,921
Compensated Absences	498,709	273,407	(199,484)	572,632	114,526
Total business-type	$ 28,360,773	$ 273,407	$ (2,043,085)	$ 26,591,095	$ 1,896,447

Prior Year Refunding of Debt

The City defeased certain outstanding bonds by placing proceeds of new bonds in irrevocable trusts to provide for all future debt service payments. Accordingly, the respective trust accounts and liability for the defeased bonds are not included in the City's financial statements. As of September 30, 2024, the City does not have bonds considered defeased and outstanding.

A summary of the terms of long-term debt outstanding at September 30, 2024, is as follows:

	Issue Amount	Maturity	Rate	Balance
Governmental Activities				
General Obligation Bonds				
2014 Series, Refunding	8,450,000	2030	2.0% - 4.0%	$ 5,475,000
2015 Series, Refunding	4,185,000	2031	2.0% - 3.25%	1,140,000
2016 Series	5,880,000	2036	2.0% - 4.0%	3,830,000
2017 Series	3,935,000	2037	2.0% - 4.0%	2,825,000
2018 Series, Refunding	5,830,000	2033	3.125% - 5%	3,985,000
2020 Series, Refunding	7,555,000	2036	1.5% - 4%	4,690,000
2021 Series, Refunding	4,070,000	2033	2% - 4%	3,360,000
2022 Series	18,535,000	2042	4% - 5%	17,325,000
Private Placement obligations				
2007 Series GO	6,000,000	2027	4.07%	1,200,000
2018 Series GO Refunding	6,035,000	2028	2.12%	2,565,000
Certificates of Obligation				
2016 Series A	2,375,000	2036	2.0% - 4.0%	1,025,000
2016 Series B	1,475,000	2036	3.0% - 3.75%	1,000,000
2017 Series	4,935,000	2037	3.0% - 3.75%	2,880,000
2018 Series	4,845,000	2038	3.0% - 5.0%	3,405,000
2019 Series	4,015,000	2039	2.5% - 5%	2,690,000
2022 Series	4,740,000	2042	2% - 5%	4,385,000
2022 Series A	8,265,000	2042	4% - 5%	7,725,000
2024 Series	19,165,000	2044	4% - 5%	19,165,000
Total Governmental Long-Term Obligations				$ 88,670,000

	Issue Amount	Maturity	Rate	Balance
Business-type Activities				
General Obligation Bonds				
2018 Series, Refunding	2,740,000	2026	3.125% - 5%	$ 885,000
2021 Series, Refunding	1,945,000	2033	2% - 3%	1,650,000
Certificates of Obligation				
2018 Series	5,595,000	2028	3.0% - 5.0%	4,395,000
2019 Series	3,480,000	2039	2.5% - 5%	2,820,000
2022 Series	4,650,000	2042	2% - 5%	4,340,000
2022 Series A	10,265,000	2042	1.5% - 5%	9,595,000
Private Placement obligations				
2013 Series GO Refunding	2,130,000	2025	2.58%	215,000
Total Business-Type Long-Term Obligations				$ 23,900,000

Annual future debt service requirements of bonded debt as of September 30, 2024, are as follows:

Governmental activities:

Year Ended September 30,	General Obligation Bonds			Certificates of Obligation		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 2,845,000	$ 1,539,229	$ 4,384,229	$ 3,160,000	$ 1,610,435	$ 4,770,435
2026	2,970,000	1,438,288	4,408,288	3,050,000	1,539,069	4,589,069
2027	3,090,000	1,291,038	4,381,038	1,750,000	1,428,331	3,178,331
2028	3,510,000	1,167,513	4,677,513	1,820,000	1,347,931	3,167,931
2029	3,540,000	1,038,322	4,578,322	1,910,000	1,264,756	3,174,756
2030-2034	14,895,000	3,548,668	18,443,668	10,860,000	5,002,316	15,862,316
2035-2039	7,880,000	1,765,256	9,645,256	11,585,000	2,645,244	14,230,244
2040-2044	3,900,000	588,900	4,488,900	8,140,000	720,275	8,860,275
Total	$ 42,630,000	$ 12,377,214	$ 55,007,214	$ 42,275,000	$ 15,558,357	$ 57,833,357

Year Ended September 30,	Private Placement Debt		
	General Obligation Bonds		
	Principal	Interest	Total
2025	$ 1,010,000	$ 88,758	$ 1,098,758
2026	1,035,000	59,428	1,094,428
2027	1,060,000	29,274	1,089,274
2028	660,000	6,996	666,996
Total	$ 3,765,000	$ 184,456	$ 3,949,456

Business-type activities:

Year Ended September 30,	General Obligation Bonds			Certificates of Obligation		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 595,000	$ 78,825	$ 673,825	$ 890,000	$ 803,813	$ 1,693,813
2026	615,000	50,200	665,200	945,000	759,138	1,704,138
2027	175,000	32,150	207,150	985,000	712,263	1,697,263
2028	180,000	25,950	205,950	1,035,000	664,463	1,699,463
2029	190,000	20,400	210,400	1,085,000	615,088	1,700,088
2030-2034	780,000	31,475	811,475	6,160,000	2,325,069	8,485,069
2035-2039	-	-	-	7,010,000	1,089,147	8,099,147
2040-2044	-	-	-	3,040,000	163,084	3,203,084
Total	$ 2,535,000	$ 239,000	$ 2,774,000	$ 21,150,000	$ 7,132,065	$ 28,282,065

Year Ended September 30,	Private Placement Debt		
	General Obligation Bonds		
	Principal	Interest	Total
2025	$ 215,000	$ 2,774	$ 217,774
Total	$ 215,000	$ 2,774	$ 217,774

Financing Arrangements

The City enters into various agreements to finance machinery and equipment; they are classified as financing arrangements due to the title of the financed assets transferring to the City. Therefore, capital assets and a related financing arrangement obligation have been recorded at the present value of the future minimum payments at the inception date. This private placement debt is secured by the purchased equipment.

Future minimum payments on the financing arrangements are as follows:

Year Ended September 30,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 27,307	$ 819	$ 28,126	$ 81,921	$ 2,458	$ 84,379
2026	27,307	819	28,126	81,922	2,458	84,379
Total	$ 54,614	$ 1,638	$ 56,252	$ 163,843	$ 4,916	$ 168,758

H. Net Pension and Total OPEB Liabilities and Expenses

Amounts are aggregated into a single net pension liability and total OPEB liability, and expenses for certain columns. Below is the detail of net pension liability and total OPEB liability and expenses for governmental and business-type activities.

	Governmental Activities	Business-type Activities		Totals
		Water/ Sewer	EMS	
Net pension liability	$ 16,326,037	$ 1,603,351	$ 4,064,464	$ 21,993,852
Total OPEB liability:				
Due within one year:				
TMRS SDBF	$ 12,057	$ 1,184	$ 2,862	$ 16,103
Retiree health plan	74,450	7,311	18,535	100,296
Total due within one year	86,507	8,495	21,397	116,399
Due in more than one year:				
TMRS SDBF	624,415	61,321	155,591	841,327
Retiree health plan	1,590,317	156,184	395,918	2,142,419
Total due in more than one year	2,214,732	217,505	551,509	2,983,746
Total OPEB liability	$ 2,301,239	$ 226,000	$ 572,906	$ 3,100,145

	Governmental Activities	Business-type Activities		Totals
		Water/ Sewer	EMS	
Pension expense	$ 3,874,984	$ 380,556	$ 964,701	$ 5,220,241
OPEB expense:				
TMRS SDBF	37,503	3,683	9,337	50,523
Retiree Health Plan	174,665	17,153	43,484	235,302
Total OPEB expense	$ 212,168	$ 20,836	$ 52,821	$ 285,825

III. OTHER INFORMATION

A. Retirement Plan

Plan Description. The City of Schertz participates as one of 934 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 Service Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

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

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

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven 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 City grants monetary credits for service rendered of a theoretical amount equal to two times what would have been contributed by the employee, with interest. Monetary credits, also known as the matching ratio, are 200% of the employee's accumulated contributions and are only payable in the form of an annuity. Beginning in 2008, the City granted an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount that takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, initiated in 2008, the City provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

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

Inactive employees or beneficiaries currently receiving benefits	158
Inactive employees entitled to but not yet receiving benefits	326
Active employees	394
Total	878

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

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 16.40% and 16.81% in calendar years 2023 and 2024, respectively. The City's contributions to TMRS for the year ended September 30, 2024 were $5,206,428 and were equal to the required contributions.

Net Pension Liability. The City's Net Pension Liability (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The net pension liability is typically liquidated through the General Fund and Enterprise Funds.

Actuarial Assumptions

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

Inflation	2.50% per year
Overall payroll growth	2.75% per year
Investment rate of return	6.75% net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements subject to the 3% floor.

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

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.00%	7.70%
Core fixed income	6.00%	4.90%
Non-core fixed income	20.00%	8.70%
Other Public and Private Markets	12.00%	8.10%
Real estate	12.00%	5.80%
Hedge Funds	5.00%	6.90%
Private Equity	10.00%	11.80%
Total	100.0%	

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.

The below schedule presents the changes in the Net Pension Liability as of December 31, 2023:

	Increase (Decease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at 12/31/2022	$ 103,138,378	$ 78,352,223	$ 24,786,155
Changes for the year:			
Service cost	4,835,113	-	4,835,113
Interest	7,004,394	-	7,004,394
Difference between expected and actual experience	820,236	-	820,236
Change in assumptions	(133,135)	-	(133,135)
Contributions - employer	-	4,384,538	(4,384,538)
Contributions - employee	-	1,896,896	(1,896,896)
Net investment income	-	9,095,570	(9,095,570)
Benefit payments, including refunds of employee contributions	(3,574,272)	(3,574,272)	-
Administrative expense	-	(57,691)	57,691
Other changes	-	(402)	402
Net changes	8,952,336	11,744,639	(2,792,303)
Balance at 12/31/2023	$ 112,090,714	$ 90,096,862	$ 21,993,852

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%)
Net pension liability	$ 40,198,160	$ 21,993,852	$ 7,264,962

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions. For the year ended September 30, 2024, the City recognized pension expense of $5,220,241. Also, as of September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 2,429,435	$ 37,516
Changes in actuarial assumptions	10,134	104,002
Difference between projected and actual investment earnings	1,961,371	-
Contributions subsequent to the measurement date	4,075,069	-
Total	$ 8,476,009	$ 141,518

$4,075,069 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended September 30,	
2025	$ 1,393,514
2026	1,521,367
2027	2,020,199
2028	(675,658)

B. Other Post-Employment Benefits

The City participates in two defined-benefit other post-employment benefit (OPEB) plans: the Texas Municipal Retirement System Supplemental Death Benefits Fund (TMRS SDBF), and its own single-employer retiree health plan. Both are described in detail below.

The total OPEB liabilities of both plans are typically liquidated through the General Fund and Enterprise Funds.

TMRS Supplemental Death Benefits Fund

Plan Description. The City voluntarily participates in a single-employer other postemployment benefit (OPEB) plan administered by TMRS. The Plan is a group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). The Plan is established and administered in accordance with the TMRS Act identically to the City's pension plan. SDBF includes coverage for both active and retired members, and assets are commingled for the payment of such benefits. Therefore, the Plan does not qualify as an OPEB Trust in accordance with paragraph 4 of GASB Statement No. 75.

Benefits Provided. The SDBF provides group-term life insurance to City employees who are active members in TMRS, including or not including retirees. The City Council opted into this program via an ordinance, and may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

Payments from this fund are similar to group-term life insurance benefits and are paid to the designated beneficiaries upon the receipt of an approved application for payment. 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 employment benefit and is a fixed amount of $7,500.

Membership in the plan at December 31, 2023, the valuation and measurement date, consisted of:

Inactive employees or beneficiaries currently receiving benefits	125
Inactive employees entitled to but not yet receiving benefits	79
Active employees	394
Total	598

Contributions. The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation, which was 0.22% for 2024 and 2023, of which 0.06% represented the retiree-only portion for each year, as a percentage of annual covered payroll. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. The City's contributions to the SDBF for the year ended September 30, 2024, were $18,684 representing contributions for both active and retiree coverage, which equaled the required contributions each year.

Total OPEB Liability. The Total OPEB Liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and inputs:

Measurement year ended December 31,	2023
Inflation rate	2.50%
Discount rate	3.77%
Actuarial cost method	Entry Age Normal Method
Projected salary increases	3.60% to 11.85% including inflation
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality Rates - Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality Rates - Disabled Retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. Inforward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

Changes in assumptions reflect the annual change in the municipal bond rate. The actuarial assumptions used in the December 31, 2023, valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Discount Rate. 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. As such, a single discount rate of 3.77% was used to measure the total OPEB liability. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.77%) in measuring the total OPEB liability.

	1% Decrease in Discount Rate (2.77%)	Discount Rate (3.77%)	1% Increase in Discount Rate (4.77%)
Total SDB OPEB Liability	$ 1,047,274	$ 857,430	$ 711,542

Changes in the Total OPEB Liability. Total City's Total OPEB Liability (TOL), based on the above actuarial factors, as of December 31, 2023, the measurement and actuarial valuation date, was calculated as follows:

	Total OPEB Liability
Balance at 12/31/2022	$ 763,943
Changes for the year:	
Service cost	37,901
Interest	31,378
Difference between expected and actual experience	(5,407)
Changes of assumptions or other inputs	45,858
Benefit payments, including refunds of employee contributions	(16,243)
Net changes	93,487
Balance at 12/31/2023	$ 857,430

Changes in assumptions and other inputs reflect a change in the discount rate from 4.05% to 3.77%.

OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB. For the year ended September 30, 2024, the City recognized OPEB expense of $50,523. Also, as of September 30, 2024, the City reported deferred outflows and inflows of resources related to the TMRS OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 15,610	$ 41,298
Changes in actuarial assumptions	172,618	331,629
Contributions subsequent to the measurement date	14,545	-
Total	$ 202,773	$ 372,927

$14,545 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to the TMRS OPEB will be recognized in OPEB expense in future periods as follows:

For the Year Ended September 30,	
2025	$ (24,033)
2026	(30,186)
2027	(39,022)
2028	(60,290)
2029	(34,619)
Thereafter	3,451

City of Schertz Retiree Health Other Post-Employment Benefit Plan

In addition to the TMRS OPEB, The City administers a single employer defined benefit healthcare plan for retirees, established under legal authority of the City Charter. The City is the only employer participating in the Plan. The Plan does not issue a publicly available financial report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The City provides post-employment benefits for eligible participants enrolled in City-sponsored plans. The benefits are provided in the form of an implicit rate subsidy where the City contributes towards the retiree health premiums before achieving Medicare eligibility. While the Plan offers retiree only rates, a very small implicit liability still exists. Membership in the plan as of December 31, 2023, the valuation date, consisted of:

Inactive employees or beneficiaries currently receiving benefits	8
Inactive employees entitled to but not yet receiving benefits	-
Active employees	376
Total	384

Current active employees must be eligible for service retirement under the Texas Municipal Retirement System. To attain this eligibility active employees must be at least age 60 with 5 years of service or have at least 20 years of employment with a City participating in TMRS.. When a regular, full-time employee retires, they are eligible to maintain their coverage in the City's group health coverage. The City does not provide an explicit subsidy for retiree medical insurance. The liability for the City is due to the implicit rate.

The City made no direct contributions for monthly premiums. The retirees pay 100% of the monthly premiums which range based on the type of plan from $5 for retiree only to $1,737 for a retiree and their family.

The City's Retiree Health OPEB Liability (TOL) as of December 31, 2023, was calculated as follows:

	Total OPEB Liability
Balance at 12/31/2022	$ 2,245,759
Changes for the year:	
Service cost	207,231
Interest	93,119
Difference between expected and actual experience	28,527
Changes of assumptions or other inputs	(231,625)
Benefit payments, including refunds of employee contributions	(100,296)
Net changes	(3,044)
Balance at 12/31/2023	$ 2,242,715

Changes of assumptions reflect a change in the discount rate from 4.05% as of December 31, 2022, to 3.77% as of December 31, 2023. Additionally, the demographic and salary increase assumptions were updated to reflect the 2023 TMRS Experience Study, and both the participation assumption and health care trend rates assumptions were updated to reflect the plan's anticipated experience.

The following presents the TOL of the City, calculated using the discount rate of 3.77% as well as what the City's TOL would be if it were calculated using a discount rate that is 1-percentage point lower (2.77%) and 1-percentage point higher (4.77%) than the current rate:

	1% Decrease in Discount Rate (2.77%)	Discount Rate (3.77%)	1% Increase in Discount Rate (4.77%)
Total OPEB liability - retiree health	$ 2,457,825	$ 2,242,715	$ 2,047,267

The following presents what the total OPEB liability of the City would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trends:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability - retiree health	$ 1,985,880	$ 2,242,715	$ 2,545,770

For the year ended September 30, 2024, the City recognized OPEB expense of $235,302. Also, as of September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 126,921	$ 169,253
Changes in actuarial assumptions	256,412	767,326
Contributions subsequent to the measurement date	50,834	-
Total	$ 434,167	$ 936,579

$50,834 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to the City's Retiree Health OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30,	
2024	$ (65,049)
2025	(65,049)
2026	(65,049)
2027	(73,327)
2028	(66,442)
Thereafter	(218,330)

C. Joint Ventures

Schertz/Seguin Local Government Corporation

The Schertz/Seguin Local Government Corporation is a public, nonprofit corporation organized to aid, assist, and act on behalf of the cities of Schertz and Seguin in acquiring, constructing, maintaining, and operating a water utility system. The participating governments have an ongoing financial responsibility to fund the operation of the corporation through either purchase of services or by subsidizing the operations. Payments to the corporation are generally for the purchase of water treatment and for covering the Corporation's debt service requirements; they are reflected as "operating expenses" in the water and sewer fund and totaled $4,128,161 for the year ended September 30, 2024. Separate financial statements for the Schertz/Seguin Local Government Corporation may be obtained from the City of Seguin, 210 East Gonzales Street, Seguin, Texas 78156.

The City of Schertz is jointly liable, together with the City of Seguin, for operating deficits and long-term debt of the Schertz/Seguin Local Government Corporation. The Corporation had net revenue bonds outstanding in the amount of $150,143,684 (as of September 30, 2023, the most recent year for which information is available) to provide funds to build, improve, extend, enlarge and repair the Corporation's utility system, fund a reserve, and pay the costs of bond issuance. The bond resolution pledges intergovernmental contract revenues from the cities of Schertz and Seguin (the participating governments) to bond holders. Under the intergovernmental water supply contract, the participating governments are unconditionally obligated to pay their respective shares of annual contract revenue bond debt service from the operation of their respective utility systems.

The organizing documents for the Corporation provide that, in the event of dissolution, the net assets of the Corporation will be equally divided among the Cities of Schertz and Seguin. As such, the City's net investment in the joint venture has been recorded in the Water and Sewer Fund in the amount of $21,186,897. This amount reflects the City's portion of the net position of SSLGC as of September 30, 2023, the most recent fiscal year for which information is available.

Cibolo Valley Local Government Corporation

The Cibolo Valley Local Government Corporation (CVLGC) is a public, nonprofit corporation organized to aid, assist, and act on behalf of the cities of Schertz and Cibolo in acquiring, constructing, maintaining, and operating a water utility system. The participating governments have an ongoing financial responsibility to fund the operation of the corporation through either purchase of services or by subsidizing the operations. Payments to the corporation are generally for the purchase of water treatment and for covering the Corporation's debt service requirements; they are reflected as "operating expenses" in the water and sewer fund and totaled $300,000 for the year ended September 30, 2024. Separate financial statements for the CVLGC may be obtained from the City of Schertz, 1400 Schertz Parkway, Schertz, Texas 78154.

The City of Schertz is jointly liable, together with the City of Cibolo, for operating deficits and long-term debt of CVLGC. In the event of dissolution, the net assets of the Corporation will be equally divided among the Cities of Schertz and Cibolo. As such, the City's net investment in the joint venture has been recorded in the Water and Sewer Fund in the amount of $1,021,809 as of September 30, 2024.

D. Commitments and Contingencies

Tax Increment Financing (the "Zone")

The City is a principal in the City of Schertz Tax Increment Reinvestment Zone #2, pursuant to Chapter 311 of the Texas Tax Code. Under the terms of the Zone agreement, the City of Schertz, Bexar County, and San Antonio River Authority are funding infrastructure improvements through tax increment financing to the Sedona Development Project.

At the time the Zone was created, the property tax base was "frozen" and increment taxes resulting from the increases to property tax base are being used to finance Zone improvements. The total projected cost is a combined figure of $45,000,000. Project costs of the developer will be funded up to 100% of the tax increment generated by the City of Schertz, Bexar County, and San Antonio River Authority (SARA). The City of Schertz (combined with SARA) have committed up to $32,186,700 of the total $45,000,000. The Zone has a statutory termination date of December 31, 2041. The TIRZ has collected $6,981,398 from taxing entities (net of administrative reimbursements) and remitted $5,325,000 to the developer as of September 30, 2024.

380 Agreements

The Chapter 380 Incentive program, authorized by Chapter 380 of the Texas Local Government Code, enables the City of Schertz to provide grants or reimbursements from the City's general fund. To become eligible for Chapter 380 Incentives, projects must: create at least of $100 million in new real and personal property; or generate at least $35 million in gross sales that is subject to the collection of local sales and use tax. Businesses that have a 380 Incentive agreement with the City are eligible to receive a reimbursement of taxes paid for the year if they have met the requirements outlined in the agreement by a certain date each year. For the fiscal year ended September 30, 2024, the City did not reimburse any property taxes paid under the terms of a Chapter 380 agreement.

Economic Development Incentive Agreements

The City of Schertz Economic Development Corporation (the SEDC) negotiates economic development incentive agreement on behalf of the SEDC and the City of Schertz (the City) on an individual basis. As of September 30, 2024, the City had nine active incentive agreements.

On May 2, 2017, the City and the Corporation approved the Schertz Incentive Policy which outlines the City's primary tools to attract commercial investment and promote economic development. Projects are selected on a case-by-case basis in accordance current policy and state laws at the discretion of the governing body. All incentive agreements are formalized through a performance agreement with specified terms and recapture criteria.

The SEDC Incentive program, authorized by Chapters 501, 502 and 505 of the Texas Local Government Code, enables the Corporation to fund allowable projects from the collection of one-half of one percent of sales tax proceeds collected in the City of Schertz. In accordance with state law, the SEDC Incentive Policy establishes grants and loans for businesses that create Primary Jobs for the following categories: Existing Businesses (3 years of operation within City), Small Businesses (fewer than 50 full-time jobs or annual sales less than $10 million), Large Impact Businesses (Up to $100 million in taxable property), and Extra-Large Businesses (over $100 million in taxable property).

The City and Corporation's outstanding incentive agreement grants are as follows:

	FY 2023-24 Amt.	Est. Remaining Grant
SEDC - LGC 501.101 (Bolster Primary Jobs):		
Ace Mart	$ 33,985	$ -
Caterpillar Hydra	25,000	25,000
Caterpillar Aquos	-	361,559
Schertz RE	25,000	1,633,870
Mile Hi	-	2,167,364
Totals	$ 83,985	$ 4,187,793
SEDC - LGC 501.103 (Infrastructure):		
Core 5	$ -	$ 350,000
Kellum	-	350,000
Schertz 312	-	2,500,000
Mob	-	40,000
Boom Connect	-	6,500,000
Schertz Station	-	8,000,000
Palapas Johns	-	154,100
Freckles	-	50,000
Totals	$ -	$ 17,944,100

Service Concession Arrangement

The City entered into an agreement with Young Men's Christian Association of Greater San Antonio ("YMCA"), under which YMCA will operate and collect user fees from the Natatorium and Outdoor Pools through 2037. YMCA will pay the city $100,000 annually over the course of the arrangement to cover costs of debt service related to the facility; the present value of these installment payments is estimated to be $710,336. The City will approve the rates and services that YMCA will provide, however, YMCA will retain all revenues earned from the operation of the Natatorium. The YMCA will remit all revenues received from operating the Outdoor Pools to the City with the exception of revenues earned from YMCA specific programs.

The City reports the Outdoor Pools and related equipment as capital assets recorded at historical cost. The City reports a receivable in the amount of $710,336 on the government-wide statements at year-end pursuant to the service concession arrangement, and a deferred inflow of $278,698 for the present value of maintenance costs estimated over the life of the Service Concession arrangement. The balance of these two amounts is recorded as a deferred inflow of resources.

Litigation

The City is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the City's liability in these cases, if decided adversely to the City, will not have a material effect on the City's financial position.

Cibolo Creek Municipal Authority

The Cibolo Creek Municipal Authority (CCMA) provides sewage treatment for the area in and around the City. In fiscal year 2014, the City entered into an agreement with CCMA to construct a sewage treatment facility in the southern portion of the City to primarily serve citizens of the City but also neighboring Cities and future development. Because the City would be the primary customer at this time, the agreement stipulates that the City will pay all future debt service on the bonds issued by CCMA to finance the project. During the fiscal year the City of Cibolo joined the CCMA and will begin sharing costs of the project. Should additional members join, the City's share of the costs would be reduced.

Future commitments to CCMA are as follows:

Year Ended September 30,	
2025	$ 714,050
2026	710,850
2027	717,200
2028	712,650
2029	712,650
2030-2034	3,568,200
2035-2039	3,569,000
2040-2043	2,858,800
2044	712,400
Total	$ 14,275,800

Construction Commitments

The City of Schertz has entered into commitments for various projects as follows:

Primary Government:	Estimated Project Cost to City	Expended to Date	Estimated Future Commitment
Governmental Activities:			
FM 78 and Main Street	$ 25,668,537	$ 2,442,331	$ 23,226,206
FM 2252 Water Relocation	275,000	247,054	27,946
SCADA Upgrade	189,000	43,489	145,511
Lookout Rd Signalization	60,000	-	60,000
Lookout Rd Reconstruction	5,710,000	-	5,710,000
Fire Station 4	12,297,056	360,878	11,936,178
Badge Access Upgrade	477,313	440,801	36,512
Great N Trail 2	160,000	80,937	79,063
Energy Efficient Projects	1,264,323	14,323	1,250,000
Total Governmental Commitments	46,101,229	3,629,813	42,471,416
Business-Type Activities:			
Woman Hollering WasteWater	12,724,305	11,696,303	1,028,002
Corbett Ground Storage	8,606,911	4,644,216	3,962,695
Riata Lift Station	2,791,680	416,766	2,374,914
E Live Oak - IH35 24" Line	6,299,350	1,327,060	4,972,290
FM1518 Utility Relocation	10,600,000	10,179,575	420,425
Loop Lines Project 1	825,000	134,388	690,612
Total Business-Type Activities	41,847,246	28,398,308	13,448,938
Total Estimated Future Commitments	$ 87,948,475	$ 32,028,121	$ 55,920,354

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City contracts with the Texas Municipal League Intergovernmental Risk Pool, a public entity risk pool currently operating as a common risk management and insurance program providing insurance coverage in the following areas: general liability, automobile liability and physical damage, law enforcement liability, worker's compensation, real and personal property, mobile equipment, and errors and omissions liability. TML is a multi-employer group that provides for a combination of risk sharing among pool participants and stop loss coverage. Contributions are set annually by the provider. Liability by the City is generally limited to the contributed amounts. There were no significant increases or decreases in coverage from the prior year. For the past three fiscal years, no claims or settlements have exceeded deductible amounts.

E. New Accounting Guidance

Significant new accounting guidance issued by the Governmental Accounting Standards Board (GASB) not yet implemented by the City include the following:

GASB Statement No. 101, *Compensated Absences* - The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement will become effective for reporting periods beginning after December 15, 2023, and the impact has not yet been determined.

GASB Statement No. 102, *Certain Risk Disclosures* – The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. This Statement will become effective for reporting periods beginning after June 15, 2024, and the impact has not yet been determined.

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

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

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REQUIRED
SUPPLEMENTARY INFORMATION

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
REVENUES				
Taxes	$ 35,380,000	$ 35,299,242	$ 34,041,974	$ (1,257,268)
Permits and fees	1,428,420	2,413,420	2,627,370	213,950
Service fees	1,940,844	2,140,844	2,339,769	198,925
Fines and fees	402,980	402,980	366,823	(36,157)
Intergovernmental	2,356,000	3,156,000	2,940,640	(215,360)
Investment earnings	1,200,000	1,200,000	1,251,166	51,166
Miscellaneous	587,407	587,407	897,538	310,131
Total Revenues	43,295,651	45,199,893	44,465,280	(734,613)
EXPENDITURES				
General government:				
Council	151,565	151,565	140,502	11,063
City manager	977,360	999,288	1,137,261	(137,973)
Municipal court	447,441	447,441	421,103	26,338
311 customer service	138,257	150,006	150,511	(505)
Planning & zoning	450,686	450,686	443,834	6,852
Legal	90,000	140,000	138,639	1,361
City secretary	240,733	267,971	247,316	20,655
Nondepartmental	2,231,529	1,806,310	1,953,880	(147,570)
Public affairs	674,912	674,912	632,389	42,523
Engineering	1,371,896	1,371,896	1,169,769	202,127
Economic development	526,840	526,840	401,155	125,685
Citizens assistance	317,666	317,666	309,556	8,110
Special events	45,000	45,000	54,404	(9,404)
Total General Government	7,663,885	7,349,581	7,200,319	149,262
Public safety:				
Police department	13,798,202	14,445,017	14,231,945	213,072
Fire department	8,385,016	9,185,016	9,028,890	156,126
Inspection	1,370,411	1,370,411	1,302,905	67,506
Total Public Safety	23,553,629	25,000,444	24,563,740	436,704
Public environment:				
Streets	2,720,161	3,373,851	2,502,886	870,965
Total Public Environment	2,720,161	3,373,851	2,502,886	870,965
Parks and recreation:				
Parks	2,384,461	2,624,215	2,821,887	(197,672)
Pools	594,552	669,552	671,771	(2,219)
Community/Civic Center	576,841	692,841	682,924	9,917
Total Parks and Recreation	3,555,854	3,986,608	4,176,582	(189,974)
Cultural:				
Library	1,386,218	1,436,902	1,429,406	7,496
Total Cultural	1,386,218	1,436,902	1,429,406	7,496

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
EXPENDITURES (CONTINUED)				
Administration:				
Information technology	3,355,379	3,382,118	3,378,929	3,189
Human resources	854,880	914,880	887,441	27,439
Finance	792,929	792,929	775,346	17,583
Purchasing & asset management	328,466	328,466	250,623	77,843
Building maintenance	2,062,642	2,162,134	2,123,596	38,538
Fleet service	1,486,000	1,790,387	1,944,815	(154,428)
Interfund charges	(3,195,837)	(3,195,837)	(3,193,251)	(2,586)
Total Administration	5,684,459	6,175,077	6,167,499	7,578
Total Expenditures	44,564,206	47,322,463	46,040,432	1,282,031
Excess of revenues over expenditures	(1,268,555)	(2,122,570)	(1,575,152)	547,418
OTHER FINANCING SOURCES (USES)				
Transfers in	9,000	9,000	285,239	276,239
Transfers out	(1,277,757)	(1,277,757)	-	1,277,757
Total Other Financing Sources (Uses)	(1,268,757)	(1,268,757)	285,239	1,553,996
NET CHANGE IN FUND BALANCE	(2,537,312)	(3,391,327)	(1,289,913)	2,101,414
FUND BALANCE - BEGINNING	19,237,616	19,237,616	19,237,616	-
FUND BALANCE - ENDING	$ 16,700,304	$ 15,846,289	$ 17,947,703	$ 2,101,414

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT CORPORATION

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
REVENUES				
Taxes	$ 7,092,000	$ 7,092,000	$ 6,698,059	$ (393,941)
Investment income	1,315,000	1,315,000	1,868,124	553,124
Miscellaneous	-	-	1,101	1,101
Total Revenues	8,407,000	8,407,000	8,567,284	159,183
EXPENDITURES				
Current:				
General government	3,716,870	3,716,870	384,286	3,332,584
Administration	618,183	618,183	557,505	60,678
Total Expenditures	4,335,053	4,335,053	941,791	3,393,262
Excess of revenues over expenditures	4,071,947	4,071,947	7,625,493	3,553,546
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(298,131)	(298,131)
Total Other Financing Sources (Uses)	-	-	(298,131)	(298,131)
NET CHANGE IN FUND BALANCE	4,071,947	4,071,947	7,327,362	3,255,415
FUND BALANCE - BEGINNING	32,995,834	32,995,834	32,995,834	-
FUND BALANCE - ENDING	$ 37,067,781	$ 37,067,781	$ 40,323,196	$ 3,255,415

Budgetary Information - The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The City maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provision embodied in the annual appropriated budget approved by the City Council and as such is a good management control device. Annual budgets are adopted for the general fund, debt service fund, economic development corporation fund, hotel occupancy tax fund, park fund, tree mitigation, police forfeiture fund, library advisory board fund, and the historical committee fund. Project-length financial plans are adopted for capital projects funds.

Budgetary preparation and control are exercised at the department level. Actual expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end.

For the fiscal year ended September 30, 2024, actual expenditures did not exceed budgeted expenditures at the fund level for any of the City's funds.

Encumbrance accounting, in which appropriations are recorded as budgetary expenditures, is not utilized by the City.

CITY OF SCHERTZ, TEXAS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Measurement Date December 31,	**2023**	**2022**	**2021**	**2020**
Total pension liability				
Service cost	$ 4,835,113	$ 4,576,714	$ 4,211,795	$ 3,761,994
Interest on total pension liability	7,004,394	6,323,215	5,766,957	5,326,206
Difference between expected and actual experience	820,236	2,387,281	1,060,260	(154,592)
Change of assumptions	(133,135)	-	-	-
Benefit payments/refunds of contributions	(3,574,272)	(3,075,473)	(2,885,733)	(2,372,023)
Net Change in Total Pension Liability	8,952,336	10,211,737	8,153,279	6,561,585
Total Pension Liability, Beginning	103,138,378	92,926,641	84,773,362	78,211,777
Total Pension Liability, Ending (a)	$ 112,090,714	$ 103,138,378	$ 92,926,641	$ 84,773,362
Plan fiduciary net position				
Contributions - employer	$ 4,384,538	$ 4,133,310	$ 3,831,461	$ 3,327,434
Contributions - employee	1,896,896	1,783,798	1,643,398	1,474,466
Net investment income	9,095,570	(5,958,648)	9,113,755	4,760,749
Benefit payments/refunds of contributions	(3,574,272)	(3,075,473)	(2,885,733)	(2,372,023)
Administrative expenses	(57,691)	(51,455)	(42,101)	(30,767)
Other	(402)	61,401	288	(1,200)
Net Change in Fiduciary Position	11,744,639	(3,107,067)	11,661,068	7,158,659
Fiduciary Net Position, Beginning	78,352,223	81,459,290	69,798,222	62,639,563
Fiduciary Net Position, Ending (b)	90,096,862	78,352,223	81,459,290	69,798,222
Net pension liability = (a)-(b)	$ 21,993,852	$ 24,786,155	$ 11,467,351	$ 14,975,140
Fiduciary Net Position as a Percentage of Total Pension Liability	80.38%	75.97%	87.66%	82.34%
Covered Payroll	$ 27,072,303	$ 25,497,946	$ 23,477,118	$ 21,063,794
Net Pension Liability as a Percentage of Covered Payroll	81.24%	97.21%	48.84%	71.09%

2019	2018	2017	2016	2015	2014
$ 3,421,878	$ 3,301,265	$ 3,073,538	$ 2,855,745	$ 2,724,337	$ 2,558,743
4,898,478	4,505,483	4,111,517	3,763,562	3,556,428	3,245,266
(108,478)	34,393	416,585	139,216	120,434	(122,286)
263,015	-	-	-	59,193	-
(2,244,447)	(1,914,159)	(1,843,774)	(1,581,272)	(1,570,211)	(1,068,487)
6,230,446	5,926,982	5,757,866	5,177,251	4,890,181	4,613,236
71,981,331	66,054,349	60,296,483	55,119,232	50,229,051	45,615,815
$ 78,211,777	$ 71,981,331	$ 66,054,349	$ 60,296,483	$ 55,119,232	$ 50,229,051
$ 3,163,340	$ 3,033,936	$ 2,793,644	$ 2,627,335	$ 2,542,565	$ 2,403,929
1,380,585	1,326,518	1,232,232	1,152,864	1,095,260	1,077,097
8,093,416	(1,540,890)	5,999,805	2,602,572	53,742	1,841,586
(2,244,447)	(1,914,159)	(1,843,774)	(1,581,272)	(1,570,211)	(1,068,487)
(45,681)	(29,768)	(31,080)	(29,385)	(32,727)	(19,219)
(1,373)	(1,554)	(1,575)	(1,583)	(1,616)	(1,580)
10,345,840	874,083	8,149,252	4,770,531	2,087,013	4,233,326
52,293,723	51,419,640	43,270,388	38,499,857	36,412,844	32,179,518
62,639,563	52,293,723	51,419,640	43,270,388	38,499,857	36,412,844
$ 15,572,214	$ 19,687,608	$ 14,634,709	$ 17,026,095	$ 16,619,375	$ 13,816,207
80.09%	72.65%	77.84%	71.76%	69.85%	72.49%
$ 19,722,641	$ 18,896,766	$ 17,603,310	$ 16,478,620	$ 15,648,114	$ 15,389,154
78.96%	104.19%	83.14%	103.32%	106.21%	89.78%

CITY OF SCHERTZ, TEXAS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Fiscal Year Ended September 30,	**2024**	**2023**	**2022**	**2021**
Actuarially determined contribution	$5,206,428	$4,349,322	$4,245,872	$3,700,948
Contributions in relation to the actuarially determined contribution	5,206,428	4,349,322	4,245,872	3,700,948
Contribution deficiency (excess)	-	-	-	-
Covered payroll	31,140,466	26,535,541	26,163,046	22,879,083
Contributions as a percentage of covered payroll	16.72%	16.39%	16.23%	16.18%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31st and become effective on January 1st, 13 months and a day later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	22 Years
Asset valuation method	10 year smoothed market; 12% soft corridor
Inflation	2.5%
Salary increases	3.60% to 11.85% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2013 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municpal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information: There were no benefit changes during the year.

2020	2019	2018	2017	2016	2015
$ 3,235,479	$ 3,129,413	$ 2,971,592	$ 2,756,511	$ 2,592,593	$ 2,487,856
3,235,479	3,129,413	2,971,592	2,756,511	2,592,593	2,487,856
-	-	-	-	-	-
20,401,412	19,520,269	18,605,654	17,347,849	16,175,988	15,486,735
15.86%	16.03%	15.97%	15.89%	16.03%	16.06%

CITY OF SCHERTZ, TEXAS

SCHEDULE OF CHANGES IN TMRS OTHER POST-EMPLOYMENT BENEFIT LIABILITY
AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Measurement Date December 31,	**2023**	**2022**	**2021**	**2020**
Total OPEB liability				
Service cost	$ 37,901	$ 73,900	$ 70,429	$ 50,554
Interest on total OPEB liability	31,378	21,768	21,248	22,915
Differences in actuarial experience	(5,407)	(7,347)	(1,360)	(4,382)
Change of assumptions	45,858	(462,756)	42,012	158,118
Benefit payments	(16,243)	(15,290)	(11,739)	(4,213)
Net change in total OPEB liability	93,487	(389,725)	120,590	222,992
Total OPEB liability, beginning	763,943	1,153,668	1,033,078	810,086
Total OPEB liability, ending (a)	$ 857,430	$ 763,943	$ 1,153,668	$ 1,033,078
Covered-employee payroll	$27,072,303	$25,497,946	$23,477,118	$21,063,794
Total OPEB liability as a percentage of covered-employee payroll	3.17%	3.00%	4.91%	4.90%

Note: 10 years of data is required to be provided in this schedule. As of year-end, all years are not available. Additional years will be added in the future as the information becomes available.

NOTES TO SCHEDULE

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31st and become effective on January 1st, 13 months and a day later.

Methods and Assumptions Used to Determine Contribution Rates:

Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate	4.05%
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year setforward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the 3% floor.
Other information	No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75 to pay related benefits.

2019	2018	2017
$ 33,528	$ 37,794	$ 29,926
26,904	21,182	20,123
(105,282)	86,276	-
148,494	(54,027)	57,257
(3,945)	(3,779)	(3,521)
99,699	87,446	103,785
710,387	622,941	519,156
$ 810,086	$ 710,387	$ 622,941
$19,722,641	$18,896,766	$17,603,310
4.11%	3.76%	3.54%

CITY OF SCHERTZ, TEXAS

SCHEDULE OF CHANGES IN CITY RETIREE HEALTH OTHER POST-EMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Measurement Date December 31,	**2023**	**2022**	**2021**	**2020**
Total OPEB liability				
Service cost	$ 207,231	$ 230,479	$ 161,830	$ 141,084
Interest on total OPEB liability	93,119	48,122	50,064	60,561
Difference in actuarial experience	28,527	(4,764)	134,106	4,341
Change of assumptions	(231,625)	(495,992)	(191,684)	161,146
Benefit payments	(100,296)	(64,389)	(88,569)	(64,499)
Net change in total OPEB liability	(3,044)	(286,544)	65,747	302,633
Total OPEB liability, beginning	2,245,759	2,532,303	2,466,556	2,163,923
Total OPEB liability, ending (a)	$ 2,242,715	$ 2,245,759	$ 2,532,303	$ 2,466,556
Covered-employee payroll	$ 26,795,229	$ 25,255,936	$ 23,290,477	$ 20,870,983
Total OPEB liability as a percentage of covered-employee payroll	8.37%	8.89%	10.87%	11.82%

Note: 10 years of data is required to be provided in this schedule. As of year-end, all years are not available. Additional years will be added in the future as the information becomes available.

NOTES TO SCHEDULE

Valuation Date:	December 31, 2023
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial cost method	Individual entry-age
Discount rate	3.77% as of December 31, 2023
Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Demographic assumptions	Based on the 2023 experience study conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used, with male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP-2021 table to account for future mortality improvements.
Health care trend rates	Initial rate of 7.20% declining to an ultimate rate of 4.25% after 15 years.
Participation rates	For all non-Medicare retirees, 25% if retiring from age 50 to 64.
Other information	The discount rate changed from 4.05% as of December 31, 2022 to 3.77% as of December 31, 2023.
	No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75 to pay related benefits.

2019	2018	2017
$ 125,648	$ 121,821	$ 107,517
78,646	67,947	69,435
(343,086)	14,962	-
275,398	(81,106)	96,092
(59,401)	(57,530)	(42,189)
77,205	66,094	230,855
2,086,718	2,020,624	1,789,769
$ 2,163,923	$ 2,086,718	$ 2,020,624
$ 19,521,924	$ 18,974,951	$ 16,068,891
11.08%	11.00%	12.57%

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SUPPLEMENTARY INFORMATION

Comparative Schedules – Governmental Funds

General Fund
Economic Development Corporation
Debt Service Fund
Capital Projects Fund
American Recovery Program Act Fund

Combining Statements and Individual Fund Schedules - Nonmajor Governmental Funds

Hotel Occupancy Fund - will account for proceeds of hotel occupancy taxes to be used strictly for those kinds of programs that promote the tourism industry.

Park Fund - will account for revenues from developers' fees (in lieu of park land dedication), grants, and donations and is designed to monitor and manage improvement of the City's park system.

Tree Mitigation Fund - will account for revenues from permits, grants and donations to preserve and replace trees in the City.

Treasury Forfeitures Fund - will account for revenue received from drug related cases in conjunction with other law enforcement agencies within the jurisdiction of the U.S. Treasury department.

Justice Forfeitures Fund - will account for revenue received from drug related cases in conjunction with other law enforcement agencies within the jurisdiction of the US Department of Justice.

State Forfeitures Fund - will account for revenue received from drug related cases in conjunction with other law enforcement agencies within the jurisdiction of the State Forfeiture Program.

Grant Fund - will account for revenue and expenditures related to federal and state grant programs.

Library Advisory Board - to account for certain fees generated at the library to be used by the Board for general improvements to the Library.

Historical Committee Fund - will account for funds received for the preservation of the history of the City.

Capital Recovery Roadways Fund - to account for a fee assessed for capital recovery on new construction.

CITY OF SCHERTZ, TEXAS

COMPARATIVE BALANCE SHEETS
GENERAL FUND

SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024	2023
ASSETS		
Cash and cash equivalents	$ 14,004,790	$ 16,338,407
Investments	2,499,161	2,438,934
Receivables (net of allowances)		
Taxes	3,293,402	3,352,850
Accounts and other	1,134,923	1,840,329
Due from other funds	1,376,444	644,353
Inventory	285,571	342,248
Restricted assets:		
Cash and cash equivalents	110,791	598,112
Total Assets	22,705,082	25,555,233
LIABILITIES		
Accounts payable	2,446,518	3,522,925
Accrued salaries and benefits	777,467	529,285
Customer deposits	33,027	6,652
Due to other governments	50,043	31,357
Due to other funds	-	91,499
Unearned revenues	31,498	52,765
Total Liabilities	3,338,553	4,234,483
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues	1,418,826	2,083,134
Total Deferred Inflows of Resources	1,418,826	2,083,134
FUND BALANCES		
Nonspendable for:		
Inventory	285,571	342,248
Restricted for:		
Police and public safety/municipal court	409,637	355,469
Municipal court	715,579	786,902
PEG capital fees	136,899	884,536
Animal control	47,461	44,690
Scholarships	149,097	149,097
Committed for:		
Civic Center/CIED	1,260,939	1,155,078
Assigned for:		
Property replacement	1,007,626	954,151
Subsequent year's budget	2,596,149	2,564,504
Unassigned	11,338,745	12,000,941
Total Fund Balances	17,947,703	19,237,616
Total Liabilities, Deferred inflows of Resources, and Fund Balances	$ 22,705,082	$ 25,555,233

CITY OF SCHERTZ, TEXAS

COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED 2023)

	2024	2023
REVENUES		
Taxes	$ 34,041,974	$ 33,136,640
Permits and fees	2,627,370	2,077,759
Service fees	2,339,769	2,124,689
Fines and fees	366,823	448,805
Intergovernmental	2,940,640	2,319,760
Investment earnings	1,251,166	1,050,211
Miscellaneous	897,538	636,278
Total Revenues	44,465,280	41,794,142
EXPENDITURES		
Current:		
General government	7,106,636	6,943,385
Public safety	23,365,331	19,492,971
Public environment	2,518,012	1,782,809
Parks and recreation	4,161,603	3,134,333
Cultural	1,429,406	1,277,825
Administration	5,688,426	4,538,699
Capital outlay	1,771,018	1,584,157
Total Expenditures	46,040,432	38,754,179
Excess (Deficiency) of Revenues Over Expenditures	(1,575,152)	3,039,963
OTHER FINANCING SOURCES (USES)		
Transfers in	285,239	-
Transfers out	-	(869,246)
Total Other Financing Sources (Uses)	285,239	(869,246)
NET CHANGE IN FUND BALANCE	(1,289,913)	2,170,717
FUND BALANCES - BEGINNING	19,237,616	17,066,899
FUND BALANCES - ENDING	$ 17,947,703	$ 19,237,616

CITY OF SCHERTZ, TEXAS

COMPARATIVE BALANCE SHEETS

ECONOMIC DEVELOPMENT CORPORATION

SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024	2023
ASSETS		
Cash and cash equivalents	$ 36,851,691	$ 29,560,533
Investments	2,330,549	2,253,041
Receivables, net of allowances:		
Taxes	1,141,814	1,183,053
Accounts and other	7,949	7,949
Total Assets	40,332,003	33,004,576
LIABILITIES		
Accounts payable	8,807	8,742
Total Liabilities	8,807	8,742
FUND BALANCES		
Restricted for:		
Economic development	40,323,196	32,995,834
Total Fund Balances	40,323,196	32,995,834
Total Liabilities and Fund Balances	$ 40,332,003	$ 33,004,576

CITY OF SCHERTZ, TEXAS

COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ECONOMIC DEVELOPMENT CORPORATION

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED 2023)

	2024	2023
REVENUES		
Taxes	$ 6,698,059	$ 6,548,941
Investment earnings	1,868,124	1,262,346
Miscellaneous	1,101	-
Total Revenues	8,567,284	7,811,287
EXPENDITURES		
Current:		
General government	384,286	264,776
Administration	557,505	593,805
Total Expenditures	941,791	858,581
Excess of Revenues Over Expenditures	7,625,493	6,952,706
OTHER FINANCING SOURCES (USES)		
Transfers out	(298,131)	-
Total Other Financing Sources (Uses)	(298,131)	-
NET CHANGE IN FUND BALANCE	7,327,362	6,952,706
FUND BALANCES - BEGINNING	32,995,834	26,043,128
FUND BALANCES - ENDING	$ 40,323,196	$ 32,995,834

CITY OF SCHERTZ, TEXAS

COMPARATIVE BALANCE SHEETS
DEBT SERVICE FUND

SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024	2023
ASSETS		
Cash and cash equivalents	$ 2,029,913	$ 1,159,250
Receivables, net of allowances:		
Taxes	195,433	164,420
Total Assets	2,225,346	1,323,670
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues	195,433	209,812
Total Deferred Inflows of Resources	195,433	209,812
FUND BALANCES		
Restricted for:		
Debt service	2,029,913	1,113,858
Total Fund Balances	2,029,913	1,113,858
Total Deferred Inflows of Resources and Fund Balances	$ 2,225,346	$ 1,323,670

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DEBT SERVICE FUND
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Original Budget	Final Budget	2024 Actual Amounts	Variance With Final Budget Positive (Negative)	2023 Actual Amounts
REVENUES					
Property taxes	$ 9,050,000	$ 9,050,000	$ 8,917,461	$ (132,539)	$ 7,710,299
Investment income	185,000	185,000	195,912	10,912	105,398
Miscellaneous	100,000	100,000	221,136	121,136	181,935
Total Revenue	9,335,000	9,335,000	9,334,509	(491)	7,997,632
EXPENDITURES					
Debt service:					
Principal	5,850,000	5,850,000	5,850,000	-	5,850,000
Interest and fiscal charges	2,667,947	2,667,947	2,667,861	86	2,893,986
Bond issue costs	84,800	84,800	5,000	79,800	4,200
Total Expenditures	8,602,747	8,602,747	8,522,861	79,886	8,748,186
Excess (Deficiency) of Revenues over Expenditures	732,253	732,253	811,648	(80,377)	(750,554)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	104,407	104,407	3
Total Other Financing Sources (Uses)	-	-	104,407	104,407	3
NET CHANGE IN FUND BALANCE	732,253	732,253	916,055	183,802	(750,551)
FUND BALANCE - BEGINNING	1,113,858	1,113,858	1,113,858	-	1,864,409
FUND BALANCE - ENDING	$ 1,846,111	$ 1,846,111	$ 2,029,913	$ 183,802	$ 1,113,858

CITY OF SCHERTZ, TEXAS

COMPARATIVE BALANCE SHEETS
CAPITAL PROJECTS FUND

SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024	2023
ASSETS		
Cash and cash equivalents	$ 41,622,628	$ 23,012,099
Total Assets	41,622,628	23,012,099
LIABILITIES		
Accounts payable	78,995	253,110
Retainage payable	-	5,807
Total Liabilities	78,995	258,917
FUND BALANCES		
Restricted for:		
Capital improvement	37,654,911	19,318,324
Committed for:		
Capital projects	3,888,722	3,434,858
Total Fund Balances	41,543,633	22,753,182
Total Liabilities and Fund Balance	$ 41,622,628	$ 23,012,099

CITY OF SCHERTZ, TEXAS

COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARTIVE TOTALS FOR THE YEAR ENDED 2023)

	2024	2023
REVENUES		
Intergovernmental	$ -	$ 201,621
Investment earnings	1,379,778	1,601,296
Total Revenues	1,379,778	1,802,917
EXPENDITURES		
Capital outlay	2,497,812	21,307,128
Debt service:		
Bond issue costs	163,613	-
Total Expenditures	2,661,425	21,307,128
Excess (Deficiency) of Revenues Over Expenditures	(1,281,647)	(19,504,211)
OTHER FINANCING SOURCES (USES)		
Issuance of debt	19,165,000	-
Premium on issuance of debt	998,613	-
Transfers in	12,892	850,880
Transfers out	(104,407)	(3)
Total Other Financing Sources (Uses)	20,072,098	850,877
NET CHANGE IN FUND BALANCE	18,790,451	(18,653,334)
FUND BALANCES - BEGINNING	22,753,182	41,406,516
FUND BALANCES - ENDING	$ 41,543,633	$ 22,753,182

CITY OF SCHERTZ, TEXAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2024

	Special Revenue Funds			
	Hotel Occupancy Fund	Park Fund	Tree Mitigation	Treasury Forfeitures
ASSETS				
Cash and cash equivalents	$ 3,339,848	$ 542,123	$ 1,238,872	$ 201,329
Accounts receivable, net of allowance	100,010	-	-	-
Total Assets	3,439,858	542,123	1,238,872	201,329
LIABILITIES				
Accounts payable	-	-	3,500	-
Due to other funds	-	-	-	-
Total Liabilities	-	-	3,500	-
FUND BALANCES				
Restricted for:				
Tourism development	3,439,858	-	-	-
Parks and tree mitigation	-	542,123	1,235,372	-
Police forfeiture	-	-	-	201,329
Roadways	-	-	-	-
Historical Committee and library	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	3,439,858	542,123	1,235,372	201,329
Total Liabilities and Fund Balances	$ 3,439,858	$ 542,123	$ 1,238,872	$ 201,329

Special Revenue Funds					Capital Projects Fund	
Justice Forfeitures	State Forfeitures	Grant Fund	Library Advisory Board	Historical Committee Fund	Capital Recovery Roadways	Total Nonmajor Governmental Funds
$ 230,722	$ 79,027	$ 377,859	$ 75,962	$ 26,868	$ 4,654,797	$ 10,767,407
-	-	-	-	-	-	100,010
230,722	79,027	377,859	75,962	26,868	4,654,797	10,867,417
-	-	-	-	1,437	-	4,937
-	-	644,353	-	-	-	644,353
-	-	644,353	-	1,437	-	649,290
-	-	-	-	-	-	3,439,858
-	-	-	-	-	-	1,777,495
230,722	79,027	-	-	-	-	511,078
-	-	-	-	-	4,654,797	4,654,797
-	-	-	75,962	25,431	-	101,393
-	-	(266,494)	-	-	-	(266,494)
230,722	79,027	(266,494)	75,962	25,431	4,654,797	10,218,127
$ 230,722	$ 79,027	$ 377,859	$ 75,962	$ 26,868	$ 4,654,797	$ 10,867,417

CITY OF SCHERTZ, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds			
	Hotel Occupancy Fund	Park Fund	Tree Mitigation	Treasury Forfeiture
REVENUES				
Occupancy tax	$ 849,265	$ -	$ -	$ -
Permits and fees	-	446,138	555,380	-
Service fees	-	-	-	-
Fines and fees	-	-	-	195,925
Intergovernmental	-	-	-	-
Investment earnings	154,833	8,975	62,728	-
Miscellaneous	-	-	-	-
Total Revenues	1,004,098	455,113	618,108	195,925
EXPENDITURES				
Current:				
General government	52,318	-	-	-
Public safety	-	-	-	-
Public environment	-	-	81,429	-
Cultural	-	-	-	-
Administration	80,265	-	-	-
Capital outlay	48,071	-	-	-
Total Expenditures	180,654	-	81,429	-
NET CHANGE IN FUND BALANCES	823,444	455,113	536,679	195,925
FUND BALANCES - BEGINNING	2,616,414	87,010	698,693	5,404
FUND BALANCES - ENDING	$ 3,439,858	$ 542,123	$ 1,235,372	$ 201,329

Special Revenue Funds					Capital Projects Fund	
Justice Forfeitures	State Forfeitures	Grant Fund	Library Advisory Board	Historical Committee Fund	Capital Recovery Roadways	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ 849,265
-	-	-	-	-	-	1,001,518
-	-	-	19,008	215	1,483,039	1,502,262
23,519	4,707	-	-	-	-	224,151
-	-	378,480	-	-	-	378,480
11,312	-	-	4,115	-	217,401	459,364
-	-	-	69	-	-	69
34,831	4,707	378,480	23,192	215	1,700,440	4,415,109
-	-	-	-	4,217	-	56,535
43,544	-	-	-	-	-	43,544
-	-	-	-	-	-	81,429
-	-	-	16,880	-	-	16,880
-	-	-	-	-	-	80,265
-	-	-	6,585	-	57,305	111,961
43,544	-	-	23,465	4,217	57,305	390,614
(8,713)	4,707	378,480	(273)	(4,002)	1,643,135	4,024,495
239,435	74,320	(644,974)	76,235	29,433	3,011,662	6,193,632
$ 230,722	$ 79,027	$ (266,494)	$ 75,962	$ 25,431	$ 4,654,797	$ 10,218,127

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HOTEL OCCUPANCY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Original Budget	Final Budget	2024 Actual Amounts	Variance With Final Budget Positive (Negative)	2023 Actual Amounts
REVENUES					
Occupancy tax	$ 800,000	$ 800,000	$ 849,265	$ 49,265	$ 1,059,808
Investment earnings	101,500	101,500	154,833	53,333	92,825
Total Revenues	901,500	901,500	1,004,098	102,598	1,152,633
EXPENDITURES					
Current:					
General government	180,600	137,600	52,318	85,282	107,656
Administration	80,265	80,265	80,265	-	69,915
Capital outlay	-	43,000	48,071	(5,071)	5,266
Total Expenditures	260,865	260,865	180,654	80,211	182,837
NET CHANGE IN FUND BALANCE	640,635	640,635	823,444	182,809	969,796
FUND BALANCE - BEGINNING	2,616,414	2,616,414	2,616,414	-	1,646,618
FUND BALANCE - ENDING	$ 3,257,049	$ 3,257,049	$ 3,439,858	$ 182,809	$ 2,616,414

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARK FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Original Budget	Final Budget	2024 Actual Amounts	Variance With Final Budget Positive (Negative)	2023 Actual Amounts
REVENUES					
Licenses and permits	$ 100,000	$ 100,000	$ 446,138	$ 346,138	$ 203,500
Investment earnings	-	-	8,975	8,975	9,057
Total Revenues	100,000	100,000	455,113	355,113	212,557
EXPENDITURES					
Capital outlay	100,000	100,000	-	100,000	387,068
Total Expenditures	100,000	100,000	-	100,000	387,068
NET CHANGE IN FUND BALANCE	-	-	455,113	255,113	(174,511)
FUND BALANCE - BEGINNING	87,010	87,010	87,010	-	261,521
FUND BALANCE - ENDING	$ 87,010	$ 87,010	$ 542,123	$ 455,113	$ 87,010

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TREE MITITGATION FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Original Budget	Final Budget	2024 Actual Amounts	Variance With Final Budget Positive (Negative)	2023 Actual Amounts
REVENUES					
Licenses and permits	$ 50,000	$ 50,000	$ 555,380	$ 505,380	$ 48,065
Investment earnings	35,750	35,750	62,728	26,978	35,600
Total Revenues	85,750	85,750	618,108	532,358	83,665
EXPENDITURES					
Current:					
Parks and recreation	75,000	75,000	81,429	(6,429)	93,032
Total Expenditures	75,000	75,000	81,429	(6,429)	93,032
NET CHANGE IN FUND BALANCE	10,750	10,750	536,679	525,929	(9,367)
FUND BALANCE - BEGINNING	698,693	698,693	698,693	-	708,060
FUND BALANCE - ENDING	$ 709,443	$ 709,443	$ 1,235,372	$ 525,929	$ 698,693

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
TREASURY FORFEITURES FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024	2023
REVENUES		
Fines and fees	$ 195,925	$ -
Total Revenues	195,925	-
EXPENDITURES		
Total Expenditures	-	-
NET CHANGE IN FUND BALANCE	195,925	-
FUND BALANCE - BEGINNING	5,404	5,404
FUND BALANCE - ENDING	$ 201,329	$ 5,404

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
JUSTICE FORFEITURES FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024	2023
REVENUES		
Fines and fees	$ 23,519	$ 141,539
Investment earnings	11,312	8,305
Total Revenues	34,831	149,844
EXPENDITURES		
Current:		
Public safety	43,544	44,982
Total Expenditures	43,544	44,982
NET CHANGE IN FUND BALANCE	(8,713)	104,862
FUND BALANCE - BEGINNING	239,435	134,573
FUND BALANCE - ENDING	$ 230,722	$ 239,435

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

STATE FORFEITURES FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024	2023
REVENUES		
Fines and fees	$ 4,707	$ 69,541
Total Revenues	4,707	69,541
EXPENDITURES		
Total Expenditures	-	-
NET CHANGE IN FUND BALANCE	4,707	69,541
FUND BALANCE - BEGINNING	74,320	4,779
FUND BALANCE - ENDING	$ 79,027	$ 74,320

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPEDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LIBRARY ADVISORY BOARD

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Original Budget	Final Budget	2024 Actual Amounts	Variance With Final Budget Positive (Negative)	2023 Actual Amounts
REVENUES					
Service fees	$ 20,000	$ 20,000	$ 19,008	$ (992)	$ 20,318
Investment earnings	1,200	1,200	4,115	2,915	3,463
Miscellaneous	-	-	69	69	8
Total Revenues	21,200	21,200	23,192	1,992	23,789
EXPENDITURES					
Current:					
Cultural	22,200	22,200	16,880	5,320	17,123
Capital outlay	7,000	7,000	6,585	415	-
Total Expenditures	29,200	29,200	23,465	5,735	17,123
NET CHANGE IN FUND BALANCE	(8,000)	(8,000)	(273)	7,727	6,666
FUND BALANCE - BEGINNING	76,235	76,235	76,235	-	69,569
FUND BALANCE - ENDING	$ 68,235	$ 68,235	$ 75,962	$ 7,727	$ 76,235

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HISTORICAL COMMITTEE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Original Budget	Final Budget	2024 Actual Amounts	Variance With Final Budget Positive (Negative)	2023 Actual Amounts
REVENUES					
Sale of merchandise	$ 1,000	$ 1,000	$ 215	$ (785)	$ 199
Miscellaneous	-	-	-	-	2,244
Total Revenues	1,000	1,000	215	(785)	2,443
EXPENDITURES					
Current:					
General government	9,250	9,250	4,217	5,033	9,159
Total Expenditures	9,250	9,250	4,217	5,033	9,159
Excess of Revenues Over Expenditures	(8,250)	(8,250)	(4,002)	4,248	(6,716)
OTHER FINANCING SOURCES (USES)					
Transfers in	10,750	10,750	-	(10,750)	9,161
Total Other Financing Sources (Uses)	10,750	10,750	-	(10,750)	9,161
NET CHANGE IN FUND BALANCE	2,500	2,500	(4,002)	(6,502)	2,445
FUND BALANCE - BEGINNING	29,433	29,433	29,433	-	26,988
FUND BALANCE - ENDING	$ 31,933	$ 31,933	$ 25,431	$ (6,502)	$ 29,433

CITY OF SCHERTZ, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
CAPITAL RECOVERY ROADWAYS

FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024	2023
REVENUES		
Service fees	$ 1,483,039	$ 661,078
Investment earnings	217,401	133,917
Total Revenues	1,700,440	794,995
EXPENDITURES		
Capital outlay	57,305	342,687
Total Expenditures	57,305	342,687
NET CHANGE IN FUND BALANCE	1,643,135	452,308
FUND BALANCE - BEGINNING	3,011,662	2,559,354
FUND BALANCE - ENDING	$ 4,654,797	$ 3,011,662

STATISTICAL SECTION

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STATISTICAL SECTION
(Unaudited)

This part of the City of Schertz, Texas Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents **Page**

Financial Trends
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 88 – 97

Revenue Capacity
These schedules contain information to help the reader assess the City's most significant local revenue sources. 98 – 104

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 105 – 113

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 114 – 115

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. 116 – 123

CITY OF SCHERTZ, TEXAS

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2015	2016	2017	2018
Governmental activities				
Net investment in capital assets	$ 68,125,738	$ 74,237,004	$ 84,537,238	$ 89,266,885
Restricted	13,343,280	17,095,325	20,437,116	23,391,047
Unrestricted	1,640,519	2,231,341	1,673,567	2,351,236
Total Governmental Activities Net Position	$ 83,109,537	$ 93,563,670	$ 106,647,921	$ 115,009,168
Business-type activities				
Net investment in capital assets	$ 59,625,205	$ 64,210,231	$ 70,361,035	$ 64,871,629
Restricted	-	-	10,565,463	12,626,526
Unrestricted	14,243,922	15,737,470	20,781,291	20,870,671
Total Business-Type Activities Net Position	$ 73,869,127	$ 79,947,701	$ 101,707,789	$ 98,368,826
Primary government				
Net investment in capital assets	$ 127,750,943	$ 138,447,235	$ 154,898,273	$ 154,138,514
Restricted	13,343,280	17,095,325	20,437,116	23,391,047
Unrestricted	15,884,441	17,968,811	22,454,858	35,848,433
Total Primary Government Net Position	$ 156,978,664	$ 173,511,371	$ 197,790,247	$ 213,377,994

TABLE 1

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 89,869,766	$ 88,959,102	$ 98,444,714	$ 109,746,340	$ 136,442,093	$ 142,891,901
28,088,355	28,664,438	28,342,438	32,745,688	40,311,118	50,212,797
2,920,717	4,157,801	10,744,127	11,055,015	7,768,985	7,191,430
$ 120,878,838	$ 121,781,341	$ 137,531,279	$ 153,547,043	$ 184,522,196	$ 200,296,128
$ 68,271,075	$ 75,969,319	$ 83,941,882	$ 94,997,863	$ 114,831,425	$ 125,867,091
13,232,638	15,071,599	5,408,320	5,408,320	6,640,756	6,640,756
33,254,008	30,570,717	39,406,798	42,791,680	39,140,966	41,033,805
$ 114,757,721	$ 121,611,635	$ 128,757,000	$ 143,197,863	$ 160,613,147	$ 173,541,652
$ 158,140,841	$ 164,928,421	$ 182,386,596	$ 204,744,203	$ 251,273,518	$ 268,758,992
41,320,993	43,736,037	33,750,758	38,154,008	46,951,874	56,853,553
36,174,725	34,728,518	50,150,925	53,846,695	46,909,951	48,225,235
$ 235,636,559	$ 243,392,976	$ 266,288,279	$ 296,744,906	$ 345,135,343	$ 373,837,780

CITY OF SCHERTZ, TEXAS

CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2015	2016	2017	2018
Expenses				
Governmental activities:				
General government	$ 6,443,227	$ 6,557,778	$ 6,253,926	$ 7,421,918
Public safety	10,836,712	12,141,968	13,061,120	13,899,278
Public environment	3,876,644	4,147,653	4,460,540	4,930,723
Parks and recreation	2,164,604	2,034,964	2,859,974	2,707,292
Cultural	892,194	954,871	1,004,747	1,042,085
Health	470,468	570,204	776,494	724,780
Administration	1,845,877	1,954,276	3,052,102	3,067,983
Interest and other fees	2,226,635	2,240,783	2,355,714	2,125,687
Total Governmental Activities Expenses	28,756,361	30,602,497	33,824,617	35,919,746
Business-type activities:				
Water and sewer	18,440,959	20,269,111	21,346,078	23,579,854
EMS	4,719,526	5,004,110	6,006,178	6,110,407
Total Business-Type Activities Expenses	23,160,485	25,273,221	27,352,256	29,690,261
Total Primary Government Expenses	51,916,846	55,875,718	61,176,873	65,610,007
Program Revenues				
Governmental activities:				
Charges for services:				
General government	1,840,547	1,507,252	874,737	1,013,698
Public safety	2,603,476	2,415,537	4,131,548	4,104,911
Public environment	-	-	-	-
Parks and recreation	794,003	788,727	544,460	640,231
Cultural	325,178	326,079	330,412	313,668
Health	26,744	30,308	29,742	27,930
Operating grants and contributions	336,252	342,485	552,878	776,942
Capital grants and contributions	5,509,530	6,227,664	10,043,483	4,744,489
Total Governmental Activities Program Revenues	11,435,730	11,638,052	16,507,260	11,621,869
Business-type activities:				
Charges for services:				
Water and sewer	20,700,369	22,003,794	25,390,713	27,099,237
EMS	4,415,126	5,921,223	6,366,894	6,092,559
Capital grants and contributions	4,158,552	2,831,126	6,111,474	3,132,348
Total Business-Type Activities Program Revenues	29,274,047	30,756,143	37,869,081	36,324,144
Total Primary Government Program Revenues	40,709,777	42,394,195	54,376,341	47,946,013
Net (expense) revenue:				
Governmental activities	(17,320,631)	(18,964,445)	(17,317,357)	(24,297,877)
Business-type activities	6,113,562	5,482,922	10,516,825	6,633,883
Total Primary Government Net Expense	$ (11,207,069)	$ (13,481,523)	$ (6,800,532)	$ (17,663,994)

TABLE 2

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 6,534,013	$ 10,310,363	$ 7,298,193	$ 7,093,652	$ 8,244,956	$ 8,678,145
15,448,886	16,575,191	19,008,871	19,580,703	22,195,399	22,719,864
5,495,192	8,825,099	5,364,408	8,545,834	6,188,351	8,802,846
3,022,278	3,012,134	3,395,458	3,543,978	4,253,278	5,539,108
1,119,650	1,089,564	1,087,975	1,168,815	1,380,793	1,520,759
516,890	596,288	-	-	-	-
3,853,255	3,419,407	4,360,229	4,455,947	5,363,700	6,343,146
2,196,180	2,028,065	1,797,520	2,490,474	2,555,917	2,508,098
38,186,344	45,856,111	42,312,654	46,879,403	50,182,394	56,111,966
25,608,390	24,349,219	25,280,964	27,833,986	30,088,159	32,088,184
6,529,631	6,051,296	7,784,670	8,234,500	10,176,945	11,718,474
32,138,021	30,400,515	33,065,634	36,068,486	40,265,104	43,806,658
70,324,365	76,256,626	75,378,288	82,947,889	90,447,498	99,918,624
947,538	836,246	651,211	686,470	470,879	418,302
3,177,329	3,276,129	3,079,945	3,922,957	4,067,387	4,068,931
138,920	850,201	902,712	798,955	661,078	2,038,419
484,495	331,174	528,886	652,727	753,302	932,437
311,575	299,944	285,792	310,859	315,222	324,597
21,101	26,304	-	-	-	-
692,042	2,113,673	1,925,939	3,970,029	2,425,937	3,579,794
1,319,793	531,096	7,959,576	6,987,788	18,456,911	3,293,373
7,092,793	8,264,767	15,334,061	17,329,785	27,150,716	14,655,853
27,333,475	29,709,279	27,724,929	30,677,566	31,589,783	32,562,394
6,596,618	6,114,891	7,709,027	9,420,909	9,503,821	10,231,081
1,975,524	292,408	6,935,191	6,143,957	14,180,619	8,431,343
35,905,617	36,116,578	42,369,147	46,242,432	55,274,223	51,224,818
42,998,410	44,381,345	57,703,208	63,572,217	82,424,939	65,880,671
(31,093,551)	(37,591,344)	(26,978,593)	(29,549,618)	(23,031,678)	(41,456,113)
3,767,596	5,716,063	9,303,513	10,173,946	15,009,119	7,418,160
$ (27,325,955)	$ (31,875,281)	$ (17,675,080)	$ (19,375,672)	$ (8,022,559)	$ (34,037,953)

CITY OF SCHERTZ, TEXAS

CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2015	2016	2017	2018
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Ad valorem	$ 14,139,037	$ 15,131,997	$ 16,166,006	$ 17,018,950
Sales	10,315,125	10,921,489	10,844,503	12,668,555
Franchise fees	2,263,783	2,250,815	2,208,373	2,393,182
Hotel/motel	563,734	544,871	499,466	520,424
Mixed drink	43,656	43,073	42,699	43,395
Investment income	56,820	187,847	448,408	909,985
Miscellaneous	197,881	309,275	182,754	283,496
Transfers	(42,235)	29,211	9,399	19,186
Total Governmental Activities	27,537,801	29,418,578	30,401,608	33,857,173
Business-type activities:				
Interest and investment earnings	47,728	102,642	211,466	532,367
Miscellaneous	344,731	522,221	475,733	453,374
Transfers	42,235	(29,211)	(9,399)	(19,186)
Total Business-Type Activities	434,694	595,652	677,800	966,555
Total Primary Government	27,972,495	30,014,230	31,079,408	34,823,728
Change in Net Position				
Governmental activities	10,217,170	10,454,133	13,084,251	9,559,296
Business-type activities	6,548,256	6,078,574	11,194,625	7,600,438
Total Primary Government	$ 16,765,426	$ 16,532,707	$24,278,876	$ 17,159,734

Source: City financial statements

TABLE 2

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 19,151,005	$ 19,844,912	$ 21,463,804	$ 22,495,628	$ 25,118,429	$ 27,147,745
12,506,879	14,432,152	16,838,731	18,075,733	19,646,841	20,095,955
2,357,150	2,305,225	2,305,108	2,574,041	2,593,660	2,354,657
514,679	268,946	518,921	804,132	1,059,808	849,265
60,518	70,139	68,730	83,391	88,347	93,524
1,470,258	804,674	104,613	709,898	4,678,690	5,569,055
984,257	767,779	1,408,270	1,138,775	820,465	1,119,844
(81,525)	-	-	(316,216)	-	-
36,963,221	38,493,827	42,708,177	45,565,382	54,006,240	57,230,045
855,216	431,555	68,354	314,546	1,927,277	4,535,559
267,788	706,296	754,268	675,739	479,479	974,786
81,525	-	-	316,216	-	-
1,204,529	1,137,851	822,622	1,306,501	2,406,756	5,510,345
38,167,750	39,631,678	43,530,799	46,871,883	56,412,996	62,740,390
5,869,670	902,503	15,729,584	16,015,764	30,975,153	15,773,932
4,972,125	6,853,914	10,126,135	11,480,447	17,415,284	12,928,505
$ 10,841,795	$ 7,756,417	$ 25,855,719	$ 27,496,211	$ 48,390,437	$ 28,702,437

CITY OF SCHERTZ, TEXAS

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2015	2016	2017	2018
General fund				
Non-spendable	$ 117,084	$ 220,503	$ 98,263	$ 94,876
Restricted	1,748,374	1,929,636	1,994,905	2,027,125
Committed	-	-	-	-
Assigned	785,005	752,503	854,198	3,080,557
Unassigned	7,280,240	8,509,467	9,976,169	12,548,013
Total general fund	$ 9,930,703	$ 11,412,109	$ 12,923,535	$ 17,750,571
All other governmental funds				
Restricted	$ 21,191,968	$ 27,252,908	$ 35,721,031	$ 37,772,240
Committed	-	342,519	454,376	454,376
Assigned	6,657	6,743	-	-
Unassigned	-	-	-	-
Total all other governmental funds	$ 21,198,625	$ 27,602,170	$ 36,175,407	$ 38,226,616

Source: Balance Sheets - Governmental Funds in City's ACFRs.

TABLE 3

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 131,925	$ 114,787	$ 162,463	$ 182,186	$ 342,248	$ 285,571
2,196,037	1,996,357	2,151,411	2,260,350	2,220,694	1,458,673
-	687,780	907,676	1,021,594	1,155,078	1,260,939
5,580,626	1,972,479	1,501,398	1,356,230	3,518,655	3,603,775
9,228,612	12,197,575	11,755,619	12,246,539	12,000,941	11,338,745
$ 17,137,200	$ 16,968,978	$ 16,478,567	$ 17,066,899	$ 19,237,616	$ 17,947,703
$ 39,009,399	$ 32,024,252	$ 33,329,710	$ 69,222,391	$ 60,666,303	$ 91,307,033
687,779	4,071,942	7,985,798	5,543,146	3,888,722	3,888,722
-	-	-	-	-	-
-	(2,071,518)	(675,043)	(648,630)	(644,974)	(266,494)
$ 39,697,178	$ 34,024,676	$ 40,640,465	$ 74,116,907	$ 63,910,051	$ 94,929,261

CITY OF SCHERTZ, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2015	2016	2017	2018
Revenues				
Taxes	$ 27,348,297	$ 28,865,727	$ 29,720,578	$ 32,632,702
Permits and fees	1,731,302	1,493,336	2,540,045	2,557,056
Service fees	1,797,151	1,789,321	2,132,299	2,159,193
Fines and fees	1,534,588	1,441,474	1,217,621	1,049,989
Intergovernmental	393,607	401,494	397,073	609,131
Other revenue	689,805	1,741,436	1,897,153	1,761,285
Total Revenues	33,494,750	35,732,788	37,904,769	40,769,356
Expenditures				
Current:				
General government	5,582,441	5,657,998	5,394,918	6,327,133
Public safety	10,158,401	11,048,767	11,870,636	12,728,222
Public environment	952,663	1,007,326	1,128,979	1,136,052
Parks and recreation	1,658,197	1,528,356	1,885,915	1,697,872
Cultural	821,146	869,162	921,870	955,153
Health	404,008	480,175	672,934	628,054
Administration	2,056,646	2,015,573	2,912,855	3,015,239
Capital outlay	2,314,668	10,192,398	5,492,196	7,708,625
Debt service:				
Principal	3,918,008	4,040,975	4,473,174	4,744,116
Interest and fiscal charges	2,112,746	1,896,911	2,113,679	2,099,190
Bond issue costs	7,992	449,358	214,280	129,417
Payment to refund agent	-	-	-	-
Total Expenditures	29,986,916	39,186,999	37,081,436	41,169,073
Excess of Revenues Over (Under) Expenditures	3,507,834	(3,454,211)	823,333	(399,717)
Other Financing Sources (Uses)				
Bond & debt issuances	245,000	10,750,000	8,870,000	4,887,829
Refunding bond issuance	-	4,185,000	-	6,035,000
Premium (discount) on bond issue	-	590,432	381,931	269,212
Payment to refund agent	-	(4,215,482)	-	(6,159,623)
Transfer in	989,120	863,583	438,803	777,487
Transfer out	(1,031,355)	(834,371)	(429,404)	(758,302)
Net Other Financing Sources (Uses)	202,765	11,339,162	9,261,330	5,051,603
Net Change in Fund Balances	$ 3,710,599	$ 7,884,951	$ 10,084,663	$ 4,651,886
Debt Service as a Percentage of Noncapital Expenditures	21.3%	20.5%	20.4%	22.2%

Source: Statement of Revenues, Expenditures, and Changes in Fund Balance for Governmental Funds.

TABLE 4

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 34,590,008	$ 36,802,913	$ 41,150,087	$ 43,905,170	$ 48,455,688	$ 50,506,759
1,635,461	1,807,264	1,812,895	2,341,493	2,329,324	3,628,888
2,070,293	2,583,598	2,540,995	2,953,707	2,806,284	3,842,031
953,614	880,657	643,482	754,558	659,885	590,974
1,057,681	951,604	4,582,874	4,247,523	3,061,631	4,013,661
2,454,515	1,572,473	1,512,883	1,848,673	5,499,155	6,688,899
42,761,572	44,598,509	52,243,216	56,051,124	62,811,967	69,271,212
5,881,647	10,364,369	6,580,915	6,515,632	7,324,976	7,547,457
13,985,443	15,366,593	18,107,418	19,098,373	19,579,764	23,408,875
1,112,041	1,270,894	1,382,185	1,766,558	1,782,809	2,599,441
2,393,487	2,102,083	2,534,679	2,659,914	3,227,365	4,161,603
1,018,109	1,044,891	1,059,984	1,159,024	1,294,948	1,446,286
498,871	589,616	-	-	-	-
3,795,233	3,353,634	4,459,223	4,597,488	5,202,419	6,326,196
9,083,572	9,276,886	5,215,256	13,096,740	24,142,094	5,075,332
4,565,000	4,929,544	4,955,000	4,805,000	5,850,000	5,850,000
2,069,215	2,136,523	1,801,467	1,779,157	2,893,986	2,667,861
189,082	4,200	140,140	558,911	4,200	168,613
5,489,912	-	-	-	-	-
50,081,612	50,439,233	46,236,267	56,036,797	71,302,561	59,251,664
(7,320,040)	(5,840,724)	6,006,949	14,327	(8,490,594)	10,019,548
4,620,000	-	136,535	31,540,000	-	19,165,000
5,225,000	-	7,555,000	4,070,000	-	-
640,115	-	629,992	3,200,544	-	998,613
-	-	(8,223,452)	(4,443,881)	-	-
120,503	4,500,169	6,395,386	3,339,565	869,840	402,538
(202,028)	(4,500,169)	(6,375,032)	(3,655,781)	(869,249)	(402,538)
10,403,590	-	118,429	34,050,447	591	20,163,613
$ 3,083,550	$ (5,840,724)	$ 6,125,378	$ 34,064,774	$ (8,490,003)	$ 30,183,161
17.3%	16.2%	19.9%	17.1%	30.3%	17.6%

CITY OF SCHERTZ, TEXAS

GOVERNMENTAL FUNDS TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year	Property Tax	Sales & Use Tax	Franchise Tax	Mixed Beverage
2015	$ 14,161,999	$ 10,315,125	$ 2,263,783	$ 43,553
2016	15,105,480	10,921,489	2,250,815	43,072
2017	16,125,537	10,844,503	2,208,373	42,668
2018	17,007,148	12,668,555	2,393,182	43,384
2019	19,150,782	12,506,879	2,357,150	60,518
2020	19,726,451	14,432,152	2,305,225	70,139
2021	21,418,597	16,838,731	2,305,108	68,730
2022	22,367,873	18,075,733	2,574,041	83,391
2023	25,067,032	19,646,841	2,593,660	88,347
2024	27,122,341	20,095,955	2,354,657	93,524

TABLE 5

Bingo	Hotel Occupancy	Total
$ 103	$ 563,734	$ 27,348,297
1	544,870	28,865,727
31	499,466	29,720,578
11	520,424	32,632,704
24	514,679	34,590,032
24	268,946	36,802,937
24	518,921	41,150,111
24	804,132	43,905,194
-	1,059,808	48,455,688
-	849,265	50,515,742

CITY OF SCHERTZ, TEXAS **TABLE 6**

TOTAL WATER AND SEWER CONSUMPTION AND RATES

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Total Water & Sewer Consumption (In Gallons)	Water & Sewer Base Rate	Water & Sewer Initial Rate Per 1,000 Gallons
2024	2,425,608,700	42.35	8.41
2023	2,363,742,000	40.85	8.13
2022	1,700,418,300	39.04	7.79
2021	1,629,336,300	38.15	6.97
2020	1,982,664,200	38.15	6.97
2019	1,622,930,500	37.15	6.84
2018	1,583,312,400	35.61	6.53
2017	1,583,462,300	34.35	6.21
2016	1,509,250,000	30.11	5.73
2015	1,472,948,300	26.54	5.43

*Source: Schertz Utility System

CITY OF SCHERTZ, TEXAS **TABLE 7**

PRINCIPAL WATER AND SEWER CONSUMERS

LAST TEN FISCAL YEARS

	2024			2015		
TAXPAYERS	Total Water Consumption (In Gallons)	Rank	Percentage of Total City Water Consumption	Total Water Consumption (In Gallons)	Rank	Percentage of Total City Water Consumption
City of Cibolo	15,596,800	1	0.64%			
WHC Schertz Apts, LLC	14,016,600	2	0.47%			
Ranger Excavating	11,362,000	3	0.45%			
Crossvine Master Community	10,860,900	4	0.39%			
Sycamore Creek Apartments	9,379,300	5	0.33%	9,908,400	4	
Comal ISD School	8,121,500	8	0.33%			
Pecan Grove TxLLC	8,072,100	9	0.33%	7,717,900	8	0.50%
Homestead Residential Master	7,712,300	10	0.32%			0.00%
Caterpillar Inc				15,705,500	1	1.01%
Schertz 1518				11,373,500	2	0.73%
Beck Readymix				9,916,200	3	0.64%
SYSCO				8,754,100	5	0.56%
Big Time Management Properties				8,497,800	6	0.55%
Sebastian Apartments				8,002,100	7	0.52%
City of Schertz (Ball Park)				7,271,400	9	0.47%
Caterpillar Inc				6,426,400	10	0.41%
TOTAL	85,121,500		3.27%	93,573,300		5.39%
Total City Water Consumption	2,425,608,700			1,552,387,300		

*Source: Schertz Utility System

CITY OF SCHERTZ, TEXAS **TABLE 8**

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(UNAUDITED)

	City Direct Rates			Overlapping School Districts	
Fiscal Year	Basic Rate	Debt Service	Total	Schertz-Cibolo-Universal City ISD	Comal ISD
2024	0.3324	0.1548	0.4872	1.1392	1.2746
2023	0.3470	0.1480	0.4950	1.3246	1.2746
2022	0.3517	0.1604	0.5121	1.3950	1.2920
2021	0.3470	0.1651	0.5121	1.4106	1.2757
2020	0.3496	0.1650	0.5146	1.4200	1.3200
2019	0.3497	0.1649	0.5146	1.4900	1.3200
2018	0.3248	0.1662	0.4910	1.4900	1.3900
2017	0.3168	0.1743	0.4911	1.4700	1.3900
2016	0.3159	0.1752	0.4911	1.4900	1.3900
2015	0.3164	0.1810	0.4974	1.4900	1.3900

	Overlapping Counties					
	Bexar					
Fiscal Year	Bexar County	Hospital District	River Authority	Community College District	Comal County	Guadalupe County
2024	0.2763	0.2762	0.0184	0.1492	0.2262	0.2731
2023	0.2624	0.2762	0.0184	0.1492	0.2847	0.3439
2022	0.2763	0.2762	0.0186	0.1492	0.3140	0.3799
2021	0.2624	0.2762	0.0186	0.1492	0.3224	0.3854
2020	0.2774	0.2762	0.0186	0.1492	0.3224	0.3319
2019	0.2774	0.2762	0.0186	0.1492	0.2952	0.3319
2018	0.2928	0.2762	0.0173	0.1492	0.3078	0.3799
2017	0.2928	0.2762	0.0173	0.1492	0.2928	0.3851
2016	0.2929	0.2762	0.0173	0.1492	0.2929	0.3851
2015	0.2929	0.2762	0.0178	0.1492	0.2929	0.3941

*Source: Guadalupe, Bexar, and Comal Appraisal Districts

CITY OF SCHERTZ, TEXAS **TABLE 9**

PRINCIPAL PROPERTY OF TAX PAYERS

CURRENT YEAR AND NINE YEARS AGO

	2024			2015		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
SYSCO Central Texas	$ 156,322,530	1	2.32%	$ 100,587,449	2	3.31%
Sun Life Assurance Company of Canada	112,840,728	2	1.67%			
Caterpillar Inc.	106,594,902	3	1.58%	157,733,450	1	5.19%
Amazon Com Services Inc	80,229,218	4	1.19%			
Rebublic Beverage Company	68,123,480	5	1.01%	48,082,040	3	1.58%
HGIT Schertz Parkway LP	61,550,582	6	0.91%			
Eastgroup Properties LP	43,686,637	7	0.65%			
WHC Schertz Apts LLC	35,174,800	8	0.52%			
DG Industrial Portfolio II Property Owner LF	32,374,472	9	0.48%			
AR AMZ 1150 Schwab RD LLC	28,910,120	10	0.43%			
San Antonio MTA LP				23,253,974	4	0.77%
GE Oil & Gas Inc.				19,500,000	5	0.64%
Visionary Properties				18,058,140	6	0.59%
Wal-Mart Real Estate Business Trust				12,459,300	7	0.41%
H.E.Butt Grocery Co.				11,301,240	8	0.37%
EM Limited Partnership				9,875,405	9	0.33%
Case Cameron LLC				5,878,860	10	0.19%
Totals	$ 725,807,469		10.77%	$ 406,729,858		13.39%
Total Taxable Assessed Value	$ 6,740,344,392			$ 3,037,267,611		

*Source: Guadalupe, Bexar, and Comal Appraisal Districts

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CITY OF SCHERTZ, TEXAS **TABLE 10**

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected Within Fiscal Year of Levy		Collections In Subsequent Years	Total Collections To Date	
		Amount	% of Levy		Amount	% of Levy
2024	$ 28,354,039	$ 28,023,427	98.83%	-	$ 28,023,427	98.83%
2023	26,144,518	25,757,953	98.52%	57,110	25,815,063	98.74%
2022	22,951,478	22,775,565	99.23%	110,107	22,885,672	99.71%
2021	22,011,090	21,787,625	98.98%	24,329	21,811,954	99.10%
2020	20,854,329	20,758,493	99.54%	82,648	20,841,141	99.94%
2019	19,922,568	19,825,244	99.51%	91,224	19,916,468	99.97%
2018	18,010,824	17,899,825	99.38%	74,732	17,974,557	99.80%
2017	17,356,822	17,241,556	99.34%	74,366	17,314,231	99.75%
2016	16,238,180	16,160,248	99.52%	59,084	16,218,083	99.88%
2015	14,793,867	14,738,760	99.63%	45,622	14,783,490	99.93%

CITY OF SCHERTZ, TEXAS

TAXABLE ASSESSED VALUE

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30,	Taxable Value January 1,	Residential Property	Commercial Property
2024	2023	$ 4,664,462,438	$ 2,345,387,513
2023	2022	4,734,929,478	2,047,253,554
2022	2021	3,618,134,708	1,317,486,482
2021	2020	3,060,963,760	1,505,592,717
2020	2019	3,004,686,341	1,613,615,732
2019	2018	2,860,333,982	1,401,636,211
2018	2017	2,049,067,806	2,344,365,139
2017	2016	1,895,085,016	2,269,590,522
2016	2015	1,702,601,947	2,087,223,204
2015	2014	1,568,651,309	1,793,803,709

*Taxable Assessed Value is before any applicable freeze adjustments.

Source: Bexar, Comal and Guadalupe County Appraisal Districts.

Tax-Exempt Property	Other Property	Total Taxable Assessed Value*	Total Direct Tax Rate
$ (386,038,551)	$ 222,037,649	$ 7,617,926,151	$ 0.4872
(784,132,143)	742,293,503	6,740,344,392	0.4950
(961,929,765)	232,196,469	4,205,887,894	0.5121
(716,028,336)	276,109,231	4,126,637,372	0.5121
(716,028,336)	250,185,870	4,152,459,607	0.5146
(621,773,006)	260,571,835	3,900,769,022	0.5146
(757,265,921)	146,860,809	3,783,027,833	0.4911
(649,173,041)	132,002,406	3,647,504,903	0.4911
(544,328,535)	130,353,515	3,375,850,131	0.4974
(460,271,461)	135,084,054	3,037,267,611	0.4974

CITY OF SCHERTZ, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

	Governmental Activities				Business-Type Activities	
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Tax Notes	Financing Arrangement	Revenue Bonds	Certificates of Obligation
2024	$ 49,860,745	$ 44,612,349	$ -	$ 54,614	$ -	$ 22,590,898
2023	54,504,618	25,983,440	-	81,921	-	23,529,237
2022	58,837,302	27,869,333	-	109,228	-	24,216,388
2021	40,390,000	14,200,000	155,000	136,535	-	10,655,000
2020	44,620,000	15,415,000	345,000	25,695	-	11,200,000
2019	48,320,000	16,235,000	530,000	25,699	-	12,330,000
2018	52,752,896	13,636,966	715,000	34,264	-	13,211,178
2017	56,613,614	9,011,415	1,230,000	25,147	-	8,174,779
2016	56,352,272	4,057,189	1,740,000	58,321	-	8,331,966
2015	53,410,128	277,801	1,210,000	91,495	-	8,946,153

Business-Type Activities					
General Obligation Bonds	Financing Arrangement	Tax Notes	Total Primary Government	Percent of Gross Income	Per Capita
$ 3,263,722	$ 163,843	$ -	$ 120,546,171	6.73%	2,742
4,087,062	245,764	-	108,432,042	5.82%	2,521
5,111,592	327,685	-	116,471,528	5.24%	2,729
2,895,000	475,121	-	68,906,656	4.25%	1,628
3,685,000	134,662	150,000	75,575,357	4.50%	1,799
4,445,000	199,421	460,000	82,545,120	5.60%	1,932
2,127,657	289,553	765,000	83,532,514	5.98%	2,028
2,533,626	92,721	1,065,000	78,746,302	6.22%	1,996
3,014,595	162,262	1,360,000	75,076,605	6.39%	1,979
3,490,564	231,803	1,640,000	69,297,944	5.99%	1,830

CITY OF SCHERTZ, TEXAS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

	General Bonded Debt Outstanding					
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Less: Amounts Available for Debt Service	Total	Percentage of Actual Taxable Value of Property	Per Capita
2024	$ 53,124,467	$ 67,203,247	$ (1,786,712)	$ 118,541,002	1.56%	$ 2,742
2023	58,591,680	49,512,677	(867,965)	107,236,392	1.59%	2,493
2022	63,948,894	52,085,721	(1,550,080)	114,484,535	2.72%	2,683
2021	43,285,000	24,855,000	(934,899)	67,205,101	1.63%	1,587
2020	46,223,908	15,801,473	(1,051,874)	60,973,507	1.47%	1,481
2019	54,687,960	16,834,029	(1,084,908)	70,437,081	1.81%	1,785
2018	54,880,553	13,636,966	(809,427)	67,708,092	1.86%	1,785
2017	59,147,240	9,011,415	(924,989)	67,233,666	1.99%	1,776
2016	59,366,867	4,057,189	(813,306)	62,610,750	2.06%	1,716
2015	56,900,692	277,801	(847,178)	56,331,315	2.05%	1,568

Population	Taxable Assessed Value
43,239	$ 7,617,926,151
43,010	6,740,344,392
42,673	4,205,887,894
42,337	4,306,840,068
42,000	4,152,459,607
41,948	3,900,769,022
41,182	3,647,504,903
39,453	3,375,850,131
37,938	3,037,267,611
37,865	2,752,562,574

CITY OF SCHERTZ, TEXAS **TABLE 14**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

CURRENT YEAR

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Alamo CCD	$ 809,962,090	0.38%	$ 3,077,856
Bexar County	2,207,225,000	0.38%	8,387,455
Bexar County Hospital District	1,168,200,000	0.38%	4,439,160
Comal County	121,175,000	3.59%	4,350,183
Comal ISD	1,049,362,848	3.98%	41,764,641
East Central ISD	101,935,155	3.34%	3,404,634
Guadalupe County	13,145,000	18.29%	2,404,221
Judson ISD	552,986,085	0.03%	165,896
Schertz-Cibolo-Universal ISD	374,839,507	46.55%	174,487,790
Subtotal, Overlapping Debt			242,481,835
City Governmental Activities Direct Debt			94,527,708
TOTAL NET OVERLAPPING DEBT			$ 337,009,543

NOTES: The overlapping debt was received from the Municipal Advisory Council of Texas. Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

Overlapping debt is the proportionate share of the debts of local jurisdictions located wholly or in part within the limits of the City of Shertz. This schedule is intended to demonstrate the total debt that the City of Shertz property tax payers will be expected to repay. The amount of debt applicable to the City of Schertz is computed by (a) determining what portion of total assessed value of the overlapping jurisdiction lies within the limits of the City and (b) applying this percentage to the total governmental activities debt of the overlapping jurisdiction.

CITY OF SCHERTZ, TEXAS **TABLE 15**

DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

Assessed Value, 2023 Tax Roll		$ 6,740,344,392
Debt Limit - Texas statues do not provide a legal debt limit for cities; however, through accepted practice a practical "economic" debt limit is considered to be 10% of the assessed value.		$ 674,034,439
Amount of Applicable Debt:		
General Bonded Debt	$ 94,527,708	
Less Debt Service Net Position	(867,965)	93,659,743
Debt Margin		$ 580,374,696
Total Net Debt as a Percentage of Debt Margin		16.14%

	Fiscal Year			
	2019	2020	2021	2022
Assessed Value	$3,900,769,022	$4,152,459,607	$4,070,815,340	$6,740,344,392
Debt Limit	390,076,902	415,245,961	407,081,534	674,034,439
Total Net Debt Applicable to Limit	66,019,954	61,318,507	53,946,636	74,600,814
Total Debt Margin	$ 324,056,948	$ 353,927,454	$ 353,134,898	$ 599,433,625

	2016	2017	2018
Assessed Value	$3,375,850,131	$3,647,504,903	$3,783,027,833
Debt Limit	337,585,013	364,750,490	378,302,783
Total Net Debt Applicable to Limit	61,181,169	65,792,916	66,329,699
Total Debt Margin	$ 276,403,844	$ 298,957,574	$ 311,973,084

	2013	2014	2015
Assessed Value	$2,600,365,551	$2,752,562,574	$3,037,267,611
Debt Limit	260,036,555	275,256,257	303,726,761
Total Net Debt Applicable to Limit	60,499,568	56,803,499	53,424,303
Total Debt Margin	$ 199,536,987	$ 218,452,758	$ 250,302,458

CITY OF SCHERTZ, TEXAS **TABLE 16**

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

	Water Revenue Bonds					
				Debt Service		
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2024	$ 32,811,920	$ 31,257,030	$ 1,554,890	$ 1,630,000	$ 967,183	0.60
2023	31,283,976	29,200,652	2,083,324	1,580,000	1,017,794	0.80
2022	30,876,559	24,362,098	6,514,461	1,180,000	912,019	3.11
2021	28,030,614	22,231,246	5,799,368	1,856,953	515,413	2.44
2020	29,735,911	24,032,772	5,703,139	1,961,953	612,643	2.22
2019	27,246,250	22,622,986	4,623,264	1,845,132	561,880	1.92
2018	27,099,237	20,802,263	6,296,974	1,671,134	391,609	3.05
2017	25,390,713	18,697,162	6,693,551	1,554,541	368,390	3.48
2016	22,003,794	17,603,487	4,400,307	1,441,741	417,346	2.37
2015	20,700,369	15,916,597	4,783,772	1,448,407	428,912	2.55

NOTE: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. Operating expenses do not include the depreciation, interest, or amortization expenses.

CITY OF SCHERTZ, TEXAS **TABLE 17**

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
2024	43,239	$ 1,790,872,902	$ 41,418	42.0	16.0	15,758	3.2%
2023	43,010	1,734,335,240	40,324	39.0	15.9	15,573	3.6%
2022	42,673	1,656,664,147	38,822	37.9	15.9	15,877	3.3%
2021	42,337	1,611,714,563	38,069	37.6	16.2	15,887	3.9%
2020	42,000	1,651,272,000	39,316	37.4	16.2	15,675	5.1%
2019	41,948	1,473,255,708	35,121	38.0	16.2	15,925	2.7%
2018	41,182	1,396,481,620	33,910	37.3	15.9	15,817	3.2%
2017	39,453	1,266,046,770	32,090	37.2	15.9	15,497	3.8%
2016	37,938	1,175,319,240	30,980	36.9	15.8	15,460	3.4%
2015	37,865	1,157,835,970	30,578	36.1	15.6	15,009	3.2%

Sources: Population, personal income, median age and education level informaiton provided by City Economic Development Corporation. School enrollment provided by Schertz-Cibolo-Universal City Independent School District. Unemployment data provided by Texas Workforce Commission.

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CITY OF SCHERTZ, TEXAS **TABLE 18**

TOP TEN PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

	2024		2015	
Employer	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
Schertz-Cibolo-Universal City ISD	2,032	8.70%	1,810	10.46%
Amazon	800	3.43%	1,073	6.20%
Sysco Central Texas, Inc	800	3.43%	837	4.84%
FedEx Ground - Doerr Lane, Schertz	650	2.78%		
Republic National Distributing Company	600	2.57%	382	2.21%
Brandt Companies	500	2.14%	437	2.53%
City of Schertz	480	2.06%	341	1.97%
Visionworks	403	1.73%		
Hollingsworth Logistics Group	400	1.71%		
H.E.B Grocery Co.	350	1.50%	350	2.02%
GE Oil & Gas			600	3.47%
Wal-mart Stores			323	1.87%
HVHC			400	2.31%
TOTAL	7,015	30.05%	6,553	37.88%

Source: City Economic Development Corporation

CITY OF SCHERTZ, TEXAS

FULL-TIME EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

	Full-Time Equivalent Employees as of September 30,			
Function	2015	2016	2017	2018
General Government				
City Manager	6	5	5	5
Municipal Court	6	6	6	6
Customer Relations	5	5	5	5
Planning and Zoning	3	4	4	4
General Services	13	-	-	-
City Secretary	2	2	2	2
Public Affairs	4	4	4	5
Records Management	1	1	1	-
Schertz Magazine	2	2	2	-
Engineer	3	7	7	7
GIS	2	2	2	2
Information Technology	6	6	7	8
Human Resources	4	5	5	5
Finance	8	8	8	8
Purchasing	3	3	3	3
Fleet Service	6	6	6	6
Building Maintenance	3	-	-	-
Facility Services	-	16	16	17
Public Safety				
Police	75	78	81	86
Fire	33	36	39	45
Inspections	9	8	8	11
Marshal Services	8	8	5	-
Health				
Animal Control	7	8	8	7
Environmental Health	-	3	3	4
Parks and Culture				
Parks	9	9	10	12
Pools	-	-	-	-
Event Facilities	1	1	1	1
Library	14	14	14	15
Public Environment				
Streets	14	14	14	14
Public Works				
Public Works	6	4	4	4
Business Office	10	10	10	10
Water and Sewer	16	16	16	19
Drainage	8	6	6	8
EMS	37	39	41	45
Economic Development	4	4	4	4
TOTAL	328	340	347	368

Source: City Adopted Budgets

Full-Time Equivalent Employees as of September 30,					
2019	2020	2021	2022	2023	2024
5	5	5	5	5	4
4	4	4	4	4	4
3	3	3	3	2.5	2.5
3	3	4	4	4	4
-	-	-	-	0	0
2	2	2	2	2	3
5	5	4	4	4	3
-	-	-	-	0	0
-	-	-	-	0	0
7	8	8	8	10	11
2	2	2	2	3	3
8	8	8	8	9	9
5	5	5	5	5	5
7	7	7	7	7	7
3	3	3	3	3	3
7	8	8	8	9	9
-	-	-	-	0	0
10	10	11	11	11	11
86	87	88	90	94	95
45	46	46	46	50	53
12	12	12	12	14	14
-	-	-	-	0	0
7	8	9	9	9	9
4	4	5	5	6	6
11	11	11	11	15	16
-	-	-	-	0	0
5	5	6	6	6.5	6.5
14	14	14	14	15	15
14	17	17	17	17	17
4	4	4	4	4	4
9	9	9	9	9	10
19	19	21	21	21	21
8	8	8	8	8	8
45	45	55	55	65	70
4	4	4	4	4	4
358	366	383	384	416	427

CITY OF SCHERTZ, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

	Fiscal Year			
Function	2015	2016	2017	2018
General Government				
Building Project Permits Issued	3,087	5,919	4,800	5,251
Food Establishment Permits	135	145	201	181
Food Establishment Inspection	136	153	133	211
Foster/Adoption Inspections	22	21	21	18
Schertz Magazine				
Number of Magazines printed	180,000	180,000	180,000	180,000
Police				
CFS	36,138	39,064	34,428	45,190
Arrests	595	603	423	624
Traffic Violations	12,306	8,960	8,001	11,359
Accidents	2,040	2,119	2,057	2,244
Fire				
Number of Rescue/Other Responses	2,167	2,327	2,758	3,055
Number of Fire Responses	99	67	86	161
Number of Inspections	698	440	519	562
Number of Training Classes Conductec	150	460	340	600
Number of Pre-Plan Inspections	980	867	922	788
EMS				
Requests for Transport	9,286	9,723	9,956	10,059
Actual Transports	6,118	6,123	6,201	6,165
EMT Students	84	89	90	90
Marshal's Office				
Warrants Issues	3,798	2,587	2,816	1,598
Warrants Cleared	3,691	3,492	2,822	2,022
Parks				
Facility Reservations	275	240	251	248
Community and Civic Centers				
Civic Center Reservations	478	483	590	516
Community Center Reservations	455	370	455	381
North Community Center Reservations	209	185	230	235
Animal Services				
Number of Animals Handled	1,304	1,313	1,283	926
Number of Adoptions	357	410	348	319
Number of Return to Owners	213	205	228	218
Number of Transfers	296	316	326	297
Library				
Annual Circulation	394,766	399,622	385,206	414,790
Library Visits	259,413	255,109	235,428	258,695
Library Program Attendance	13,825	15,282	16,814	16,945
Registered Users	31,138	30,702	31,432	30,806

Fiscal Year					
2019	2020	2021	2022	2023	2024
4,748	2,993	4,474	4,000	3,500	4,000
55	189	159	173	172	189
96	209	192	142	146	237
8	10	11	5	9	0
180,000	187,500	189,700	191,700	192,000	192,000
41,327	57,149	29,007	32,170	30,667	32,622
603	527	416	326	355	456
12,541	8,326	6,980	6,504	5,924	5,159
2,304	1,752	2,076	2,341	2,085	2,143
3,804	3,953	4,837	4,895	4,994	5,296
100	108	205	232	182	234
528	500	548	547	674	599
804	763	770	632	1,032	698
865	814	848	324	320	1,007
10,759	10,713	12,251	13,520	14,495	14,997
6,738	6,549	7,444	8,332	9,154	9,612
90	84	123	154	136	141
2,036	1,738	2,095	1,708	1,083	810
1,834	664	1,451	1,373	4,243	877
241	75	237	294	334	441
441	293	353	354	416	430
326	193	291	299	276	299
188	92	153	197	196	199
1,157	1,015	1,070	1,125	1,217	1,275
366	450	329	371	419	377
233	335	284	252	279	228
227	188	152	205	202	317
447,379	254,643	281,659	359,272	397,156	411,073
237,821	102,297	91,291	157,428	194,260	223,391
18,412	6,524	2,541	11,357	14,700	19,686
33,104	31,296	30,291	29,612	28,734	30,788

CITY OF SCHERTZ, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

	Fiscal Year			
Function	2015	2016	2017	2018
Water				
New Connections	369	213	303	235
Water Main Breaks	45	45	45	50
Total Consumption (hundreds of gallor	14,757,134	16,097,931	15,222,373	15,833,124
Daily Average Consumption (thousands of gallons)	40,431	43,942	41,705	43,378
Peak Daily Consumption (thousands of gallons)	8,385	10,985	11,000	9,083
Total Customers	13,570	13,877	14,124	14,678
Average Use Per Connection	5,135	5,352	5,244	5,294
Sewer				
Total Customers	12,058	12,282	12,398	12,866
Facilities Maintenance				
Number of Buildings Maintained	21	21	21	25
Square Footage	234,202	234,202	234,202	245,218

Source: Various City Department

Fiscal Year					
2019	2020	2021	2022	2023	2024
300	357	342	291	460	257
52	65	38	64		63
17,602,330	19,766,870	16,171,200	21,606,589	23,637,420	19,724,748
48,225	54,155	59,377	59,190	64,760	54,040
11,094	14,011	9,160	8,429	14,309	10,730
16,434	13,683	15,524	15,719	15,869	16,504
4,587	5,600	101,955	133,143	5,156	1,195
12,853	13,112	10,879	11,954	13,016	14,181
26	27	26	28	24	24
257,218	257,218	257,218	257,218	273,970	273,970

CITY OF SCHERTZ, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

	Fiscal Year			
Function	2015	2016	2017	2018
Police				
Stations	1	1	1	1
Police Vehicles	48	50	64	69
Fire				
Stations	2	2	2	3
Training Facility	-	-	-	-
Fire Vehicles	16	16	16	18
EMS				
Ambulances	9	9	8	8
Marshal's Office				
Vehicles	7	7	7	7
Streets				
Streets, paved (miles)	149	153	159	153
Streets, unpaved (miles)	5	5	5	5
Sidewalks (miles)				
Parks and Recreation				
Parks - Developed	14	15	20	21
Parks - Undeveloped	9	10	4	4
Playground	18	19	19	19
Swimming Pools	2	2	4	4
Baby Pools	2	2	2	2
Baseball/Softball Diamonds	15	15	15	15
Soccer Fields	12	12	12	12
Community Centers	4	4	4	4
Splash Pads				
Animal Services				
Control Vehicle	3	4	3	4
Library				
Facility	1	1	1	1
Volumes in Collection	113,085	97,412	107,382	110,266
Water				
Number of Reservoirs	-	-	-	-
Number of Pump Stations	5	5	5	5
Water Mains (miles)	210	213	221	225
Sewer				
Sanitary Sewers (miles)	96	98	110	113
Storm Sewers (miles)	12	12	12	14
Facilites Services				
Vehicles	6	6	6	11
Fleet				
Generators	4	4	4	7
Vehicles & Equipment	NA	NA	NA	384

Source: Various City Department
Notes: No Capital Asset indicators are available for the General Government or EMS function.

Fiscal Year					
2019	2020	2021	2022	2023	2024
1	1	1	1	1	1
68	72	66	76	90	97
3	3	3	3	3	3
-	-	-	-	-	-
19	20	20	24	24	25
9	9	10	11	12	13
7	7	7	3	NA	NA
165	165	168	172	180	182
5	5	5	5	5	5
21	21	21	21	21	21
4	4	5	5	5	5
20	21	21	36	36	36
4	4	4	3	3	3
2	2	2	1	1	1
15	15	15	15	15	15
12	12	12	12	12	12
4	4	4	4	4	4
				2	2
4	6	6	8	8	8
1	1	1	1	1	1
150,972	139,447	149,965	155,715	160,533	170,265
-	-	-	-	-	-
5	6	7	6	6	6
228	229	231	236	246	251
116	116	120	124	133	142
14	14	15	16	17	18
11	10	8	10	9	10
10	7	8	11	11	13
352	341	376	373	420	428

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