

2024

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED

SEPTEMBER 30, 2024



ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the

City of Gilmer, Texas

For the Year Ended September 30, 2024

Prepared by

Greg Hutson City Manager

Mary Bullock *City Secretary*



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INTRODUCTORY SECTION





May 9, 2025

The Honorable Mayor and City Council of the City of Gilmer

The Texas Local Government Code states that a municipality shall have its records and accounts audited annually and shall have annual financial statements prepared based on the audit. The Annual Comprehensive Financial Report (ACFR) of the City of Gilmer, Texas (the "City") for the year ended September 30, 2024, is hereby submitted to fulfill that requirement.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to gain an understanding of the City's financial affairs have been included. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

BrooksWatson & Co., PLLC, has issued an unmodified ("clean") opinion on the City of Gilmer's financial statements for the year ended September 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

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

PROFILES OF THE CITY

The City of Gilmer, founded in 1848, is the county seat of Upshur County. Gilmer is located 35 miles northeast of Tyler and 22 miles northwest of Longview. The city's namesake is Thomas W. Gilmer who died during the test firing of a new cannon on the USS *Princeton* on February 28, 1844. The City has a population of 5,100 within the Gilmer ISD school district. Gilmer ISD operates 1 elementary school, 1 intermediate school, 1 junior high, and 1 high school within city boundaries. The City of Gilmer operates under a council-manager form of government. The governing body is comprised of 2 at large elected council members, and 4 council members elected from their respective districts. The governing body is made up of a Mayor and six Council members. Length of office for all Council members and the Mayor are two-year staggered terms. The City Council appoints the City Manager, City Attorney, and Municipal Court Judge. All other staff members work either directly or indirectly under the direction of the City Manager.

The combined Financial Statements of the City of Gilmer include all governmental activities, business-type activities, organizations, and functions for which the City exercises significant oversight responsibility. The criteria considered in determining governmental activities to be reported within the City's combined financial statements are based upon and consistent with those set forth in Section 2100 of GASB's "Codification of Governmental Accounting and Financial

Reporting Standards". Based on this criterion the Gilmer Economic Development Corporation is included in this report as a component unit of the City of Gilmer.

The City Council appoints its boards and commissions, which do not meet the established criteria for inclusion in the reporting entity and are therefore excluded from this report. They are the following:

- 1. Planning & Zoning
- 2. Board of Adjustments
- 3. Airport Advisory Board
- 4. Park Advisory Board
- 5. Condemnation Board

Currently, the City Council serves in these capacities. The City provides services to its citizens that are considered necessary and meaningful and that can be provided by the City at a reasonable cost. Major service provided under general government and enterprise functions are: police and fire protection, water, wastewater, solid waste, street upkeep and maintenance, stormwater, and general administrative services. Other services include code enforcement, building inspection, animal control, and economic development. The City operates a municipal court as established by City ordinance.

LOCAL ECONOMY

The City of Gilmer, the Northeast Texas Region, and the State of Texas have experienced steady economic growth over the last several years with continued expansion expected. The population (area and city) is expected to increase over the next few years. As such, the number and types of businesses will increase within the city. Types of existing businesses supporting the local economy include manufacturing, feed stores, repair businesses, restaurants, convenience stores, motels, retail, and other service-oriented businesses. The City's major sources of revenue are sales and ad valorem property taxes which have seen steady improvements over the years.

City finances continue to improve with improving property tax collections as a result of higher property valuations, higher sales tax receipts, and improvement in other areas of city revenue. The city's property and sales tax receipts continue to improve year over year. Real estate sales and development continue to improve in and around Gilmer which should bode well for city finances in the future.

The area unemployment rate for FY 2024 ranged from a low of 4.2% in October 2023 to a high of 4.4% in September 2024. The state unemployment rate ending FY 2024 was 4.1%. The unemployment rate continues to improve as the city, county, and state, benefit from the influx of people and jobs into the state from around the country.

The City and area economic development groups continue to combine efforts to make Gilmer and the surrounding area a better place to live, work, and play. The Economic Development Corporation, Gilmer Industrial Foundation, Upshur Area Business Roundtable, and Gilmer Area Chamber of Commerce are committed to marketing the City's assets and encouraging business relocation, retention, and entrepreneurial activity. The City of Gilmer is seeing

continued growth and management believes we will continue to see increases in population and future development projects despite the economic headwinds we face in this state and country. The economic headwinds of higher inflation and interest rates will present challenges to the city; however, we feel we are in a good position financially to withstand such, due to conservative and sound financial policies

LONG-TERM FINANCIAL PLANNING

The City's overall financial position is sound. The reserves in all funds are adequate and will continue to increase over the next 2-4 years. Continued focus by management on cost containment and increased revenues are crucial toward meeting this ongoing objective. In addition, these reserves are monitored which is accomplished through continual refinement of long-range fund projections.

Improvements to water and sewer infrastructure are a multi-year process using CARES Act funds and ARPA funds allocated to the city in 2021 and 2022. Such improvements continue to be a top priority for city leadership and will significantly improve sustainability within the City.

FINANCIAL PROCEDURES AND BUDGETARY CONTROLS

The City's accounting records for general government are maintained on a modified accrual basis, with revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's water and sewer utility and other proprietary activities are maintained on the accrual basis. The budgetary process begins each year with the preparation of both current and proposed year revenue estimates by the City's financial management staff, and expenditure estimates by each City's division. Budgets are reviewed by the City Manager who submits a recommended budget to the City Council. The City Council approves all budget amendments.

MAJOR INITIATIVES

Major initiatives completed during the fiscal year include:

- Yamboree Park children's playground
- Abney Park children's playground
- Abney Park redevelopment
- 2023 Street Improvements
 - Polk St (W Tyler to Warren) w/curb & gutter repair
 - Montgomery St (RR to Montgomery St)
 - East Jefferson St (SH271 to N. Cypress)
- Wastewater plant/Mockingbird generator project
- Transfer switches at all wells for stationary & mobile generators
- Purchase of additional property at Airport

Projects currently in process and/or undertaken in this fiscal year include:

- Airport GPS approach activation (requires clearances & respective survey)
- Bar screen installation
- Security cameras for aprons at airport

Projects (short term & long term) in the planning stage include:

- Yamboree Park redevelopment
- Roosevelt Park redevelopment
- Security cameras on town square
- GISD sewer project
- Water storage tank maintenance
- Western Hills subdivision storm drainage

OTHER INFORMATION

ARPA (American Rescue Plan Act) funds received in 2021 and 2022 continue to be used for Sewer, Wastewater, Water, and drainage improvements. Additionally, the city has access to a TPWD grant received in 2022 in the amount of \$150,000 for Abney Park. The improvements to City parks continue and we are excited and looking forward to the day this project will be completed and the associated increase in quality of life for the residents of this community.

Lastly, the preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff. I would like to express my appreciation to all members of the departments who assisted and contributed to the preparation of this report. Due credit is also given to the Mayor and City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitte

Greg Hutson City Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

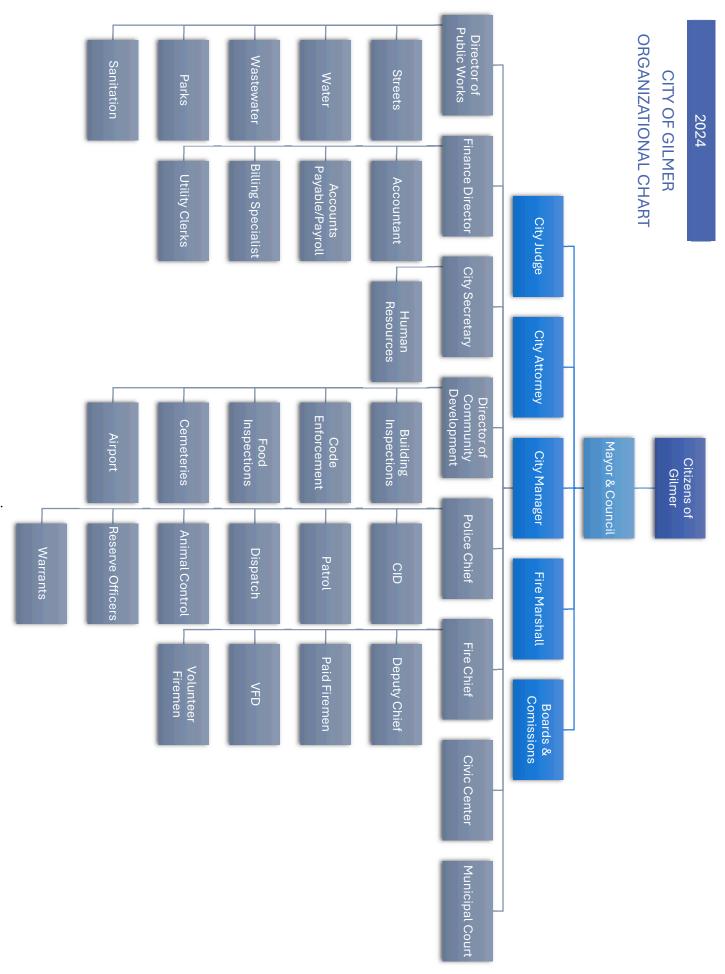
City of Gilmer Texas

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

September 30, 2023

Christophen P. Morrill

Executive Director/CEO



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City of Gilmer, Texas ELECTED AND APPOINTED OFFICIALS September 30, 2024

City Council

Tim Marshall	Mayor
Jerry Webb	Council Member, District 1
Marty Jordan	Council Member, District 2
Edwin P. Herrmann	Council Member, District 3
Jasmine McDowell	Council Member, District 4
Michael Chevalier	Council Member, At-Large
Jarom Tefteller	Council Member, At-Large

Appointed Officials

Greg Hutson Mary Bullock City Manager City Secretary



FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Gilmer, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Gilmer, Texas, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 City of Gilmer, Texas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

¹⁴⁹⁵⁰ Heathrow Forest Pkwy | Suite 530 | Houston, TX 77032 | Tel: 281.907.8788 | Fax: 888.875.0587 | www.BrooksWatsonCPA.com

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 one year after the date that the financial statements are issued.

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 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, 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.

Emphasis of Matter

As discussed in Note V.F. to the financial statements, due to various corrections, the City restated beginning net position/fund balance within the general fund, component unit, governmental activities, water and sewer fund, airport fund, and business-type activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Brook Watson & Co.

BrooksWatson & Company, PLLC Certified Public Accountants Houston, Texas May 9, 2025



MANAGEMENT'S DISCUSSION AND ANALYSIS



City of Gilmer, Texas MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) September 30, 2024

As management of the City of Gilmer, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iv of this report.

Financial Highlights

- The City's total combined net position was \$28,822,674 at September 30, 2024. Of this, \$6,565,270 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$9,632,351, a decrease of \$821,335 compared to the previous year.
- As of the end of the year, the unassigned fund balance of the general fund was \$3,378,456 or 76% of total general fund expenditures.
- The City had an overall increase in net position of \$533,774, which is primarily due to new investments and reduction of long-term debt obligations in the current year.

Overview of the Financial Statements

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

Government-Wide Statements

The government-wide 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 financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are

reported 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 that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, treasurer/finance, streets, fire operations, police operation, municipal court, parks, community, lake, council, contingency, civic center. The business-type activities of the City include a water and sewer, sanitation, and airport operations.

FUND FINANCIAL STATEMENTS

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial 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 year. Such information may be useful in evaluating the City'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 Gilmer, Texas maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and parks capital projects fund are considered to be major funds. Fund data for the remaining nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City of Gilmer, Texas adopts an annual appropriated budget for its general, debt service, certain special revenue, and utility funds. A budgetary comparison schedule has been provided for the general fund, debt service fund, parks capital projects fund, PD seizure fund, USDA revolving loan fund, and civic center fund to demonstrate compliance with all governmental funds for which the City adopted a fiscal year 2024 budget.

Proprietary Funds

The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water distribution, wastewater collection/treatment, water construction, and airport operations. The proprietary fund financial statements provide separate information for the water and sewer, sanitation, and airport funds. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

Component Units

The City maintains the accounting and financial statements for one component unit. The Gilmer Economic Development Corporation ("GEDC") is a discretely presented component unit displayed on the government-wide financial statements.

Notes to Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* (RSI) concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds and budgetary schedules are presented immediately following the required supplementary information on pension.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position over time, may serve as a useful indicator of the City's financial position. For the City of Gilmer, Texas, assets and deferred outflows exceeded liabilities and deferred inflows by \$28,822,674 as of September 30, 2024.

The largest portion of the City's net position, \$16,295,924, reflects its investments in capital assets (e.g., land, city hall, police station, streets, and drainage systems, as well as the public works facilities), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in 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 assets themselves cannot be used to liquidate these liabilities.

Total current and other assets decreased by \$1,138,481 primarily as a result of a decrease of cash on hand, which was used to invest in new capital improvements and payoff long-term debt obligations in the current year.

Total capital assets for governmental activities increased by \$738,917 due to the initiation of the Abney Park construction project and Yamboree Park improvements in the current year.

Total long-term liabilities for the primary government decreased by \$1,436,432 due to a significant decrease in the City's net pension liability and continued debt payoffs in the current year.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

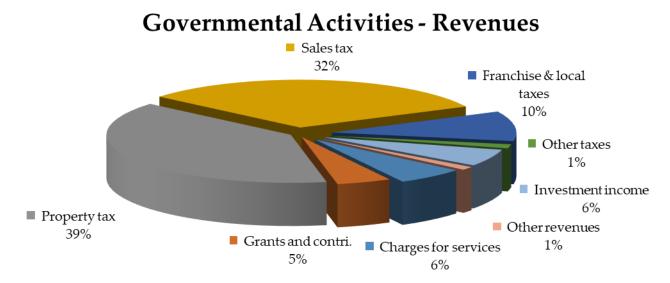
	2024					2023						
	Governmental		Business-Type					Governmental		Business-Type		
	Activities			Activities		Total		Activities		Activities		Total
Current and												
other assets	\$	10,021,954	\$	4,804,807	\$	14,826,761	\$	10,711,069	\$	5,254,173	\$	15,965,242
Capital assets, net		9,583,971		17,269,133		26,853,104		8,845,054		17,198,244		26,043,298
Total Assets		19,605,925		22,073,940		41,679,865		19,556,123		22,452,417		42,008,540
Deferred Outflows		613,807		345,740		959,547		834,727		469,142		1,303,869
Other liabilities		792,386		1,060,064		1,852,450		706,523		1,037,419		1,743,942
Long-term liabilities	5	7,568,677		4,224,389		11,793,066		8,228,562		5,000,936		13,229,498
Total Liabilities		8,361,063		5,284,453		13,645,516		8,935,085		6,038,355		14,973,440
Deferred Inflows		99,231		71,991		171,222		38,898		11,171		50,069
Nat Desition.												
Net Position:												
Net investment												
in capital assets		3,317,833		12,978,091		16,295,924		7,962,844		12,685,690		20,648,534
Restricted		5,870,250		91,230		5,961,480		2,700,374		90,562		2,790,936
Unrestricted		2,571,355		3,993,915		6,565,270		753,649		4,095,781		4,849,430
Total Net Position	\$	11,759,438	\$	17,063,236	\$	28,822,674	\$	11,416,867	\$	16,872,033	\$	28,288,900

Statement of Activities:

The following table provides a summary of the City's changes in net position:

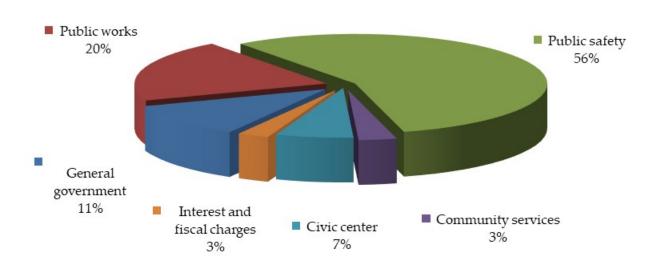
	For the Yea	r Ended Septemb	er 30, 2024	For the Year Ended September 30, 2023					
			Total			Total			
	Governmental Business-Type		Primary	Governmental	Business-Type	Primary			
	Activities	Activities	Government	Activities	Activities	Government			
Revenues									
Program revenues:									
Charges for services	\$ 350,974	\$ 3,493,179	\$ 3,844,153	\$ 337,069	\$ 3,392,924	\$ 3,729,993			
Grants and contri.	279,253	100,000	379,253	532,003	539,837	1,071,840			
General revenues:									
Property tax	2,294,740	-	2,294,740	2,215,150	-	2,215,150			
Sales tax	1,848,345	-	1,848,345	1,832,085	-	1,832,085			
Franchise & local taxes	589,277	-	589,277	537,131	-	537,131			
Other taxes	81,023	-	81,023	77,589	-	77,589			
Investment income	335,684	60,174	395,858	228,538	15,175	243,713			
Other revenues	65,709		65,709	56,321	11,544	67,865			
Total Revenues	5,845,005	3,653,353	9,498,358	5,815,886	3,959,480	9,775,366			
Expenses									
General government	573,729	-	573,729	679,557	-	679,557			
Public works	1,049,788	-	1,049,788	944,580	-	944,580			
Public safety	2,898,019	-	2,898,019	2,816,309	-	2,816,309			
Community services	165,593	-	165,593	174,556	-	174,556			
Civic center	337,494	-	337,494	309,638	-	309,638			
Interest and fiscal charges	137,090	-	137,090	183,561	-	183,561			
Water & sewer	-	2,473,089	2,473,089	-	2,293,898	2,293,898			
Sanitation	-	1,113,928	1,113,928	-	995,773	995,773			
Airport		215,854	215,854		257,531	257,531			
Total Expenses	5,161,713	3,802,871	8,964,584	5,108,201	3,547,202	8,655,403			
Change in Net Position									
Before Transfers	683,292	(149,518)	533,774	707,685	412,278	1,119,963			
Transfers in (out)	(340,721)	340,721		(81,929)	81,929				
Total	(340,721)	340,721	-	(81,929)	81,929	-			
Change in Net Position	342,571	191,203	533,774	625,756	494,207	1,119,963			
Beginning Net Position	11,416,867	16,872,033	28,288,900	10,791,111	16,377,826	27,168,937			
Ending Net Position	\$ 11,759,438	\$ 17,063,236	\$ 28,822,674	\$ 11,416,867	\$ 16,872,033	\$ 28,288,900			

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.



For the year ended September 30, 2024, revenues from governmental activities totaled \$5,845,005. Overall revenues increased by \$29,119 or 1%. Property tax is the City's largest revenue source, experiencing a slight increase of \$79,590, or 4%. Grants and contributions decreased by \$252,750, or 48%, due to nonrecurring capital contributions received in the prior year. Franchise and local taxes increased by \$52,146, or 10%, primarily due to greater sanitation and waste removal taxes received in the current year. Investment income increased by \$107,146, or 47%, due to the realization of greater interest rates and an increase in interest bearing accounts over the course of the year. All other revenues remained relatively stable when compared to the prior year.

This graph shows the governmental function expenses of the City:

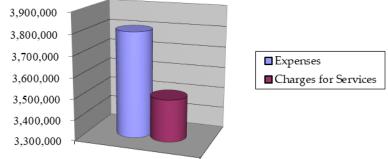


Governmental Activities - Expenses

For the year ended September 30, 2024, expenses for governmental activities totaled \$5,161,713. This represents a modest increase of \$53,512, or 1%, compared to the prior year. The City's largest functional expense is police operation of \$2,898,019 and increased by \$81,710, or 3%. General government decreased by \$105,828, or 16%, due to the reduction in professional services and capital depreciation. Public works increase by \$105,208, or 11%, due to the change in employee wages and allocation of pension inputs being greater than the prior year. The Civic Center had an increase of \$27,856, or 9%, due to additional events when compared to last year. Interest and fiscal charges reduced by \$46,471, or 25%, consistent with the debt service schedule for ongoing obligations. All other expenses remained relatively stable when compared to the prior year.

Business-type activities are shown comparing operating costs to revenues generated by related services.

Business-Type Activities - Revenues and Expenses



For the year ended September 30, 2024, charges for services by business-type activities totaled \$3,493,179. This represents a slight increase of \$100,255, or 3%. Grants and contributions decreased by \$439,837, or 81%, due to nonrecurring contributions for the Highland Forest subdivision in the prior year. Investment income increased by \$44,999, or over 100%, primarily due to greater interest bearing accounts and realization of higher interest rates.

Total expenses increased by \$255,669, or 7%, which is primarily due to greater depreciation, personnel costs related to new hires and general wage increases, nonrecurring property damage repairs, and commercial and residential contractual sanitation related expenses in the current year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

<u>Governmental Funds</u> - The focus of the City's governmental funds is to provide information of nearterm inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the year.

As of the end of the year the general fund reflected a total fund balance of \$3,633,135. The general fund decreased by \$13,385. This is a direct result of expenditures and transfers out of the fund exceeding current year revenues.

The debt service fund reflected a fund balance of \$42,747, a slight decrease of \$43,215, which is primarily due to less than expected revenues received in the current year.

The parks capital projects fund reflected a fund balance of \$5,802,775. The fund balance decreased by \$770,275 due to the utilization of available cash for capital outlay expenditures.

<u>Proprietary Funds</u> - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

GENERAL FUND BUDGETARY HIGHLIGHTS

There was a positive budget variance of \$762,638 before other financing sources and uses, with a total positive budget variance of \$605,937 in the general fund after other financing sources and uses. Actual revenues exceeded budgeted revenues by \$555,345. Total actual expenditures were \$207,293 under budget. Expenditures exceeding appropriations at the legal level of control by \$16,076, \$11,833, and \$1,039 for general government, streets, and parks, respectively. All other expenditures were less than budgeted.

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$9,583,971 in a variety of capital assets and infrastructure, net of accumulated depreciation. Depreciation is included with the governmental capital assets as required by GASB Statement No. 34. The City's business-type activities funds had invested \$17,269,133 in a variety of capital assets and infrastructure, net of accumulated depreciation.

Major capital asset events during the current year include the following:

- Abney Park improvements totaling \$517,214.
- Yamboree Park improvements for \$358,000.
- Street improvements for \$413,674.
- Installed a fence at the airport for \$106,634.
- Made sewer line improvements totaling \$54,153.
- Made water line improvements totaling \$78,695.
- Installed three aerators for \$110,580.
- Purchased new pumps totaling \$169,716.
- Purchased a new generator for the WWTP for \$99,042.
- Installed an AC unit at the airport for \$29,994.

More detailed information about the City's capital assets is presented in note IV. C to the financial statements.

LONG-TERM DEBT

At the end of the current year, the City had total governmental bonds outstanding of \$5,801,055 after making \$402,781 in principal payments on outstanding debt. Within business-type activities, the City paid \$672,218 in principal payments for the \$4,158,947 of outstanding certificates of obligation bonds in the current year. More detailed information about the City's long-term liabilities is presented in note IV.F to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Mayor and City Council are committed to maintaining and improving the overall wellbeing of the City of Gilmer, Texas and improving services provided to their public citizens. The City is budgeting conservatively for the upcoming year and planning to maintain similar services.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City of Gilmer, Texas's finances for all those with an interest in the City's finances. Questions concerning this report or requests for additional financial information should be directed to the City Secretary, 110 Buffalo St. Gilmer, Texas 75644



City of Gilmer, Texas

STATEMENT OF NET POSITION (Page 1 of 2) September 30, 2024

				Component Unit
				Gilmer
		Economic		
	Governmental	Business-Type		Development
	Activities	Activities	Total	Corporation
Assets				
Current assets:				
Cash and cash equivalents	\$ 7,741,410	\$ 1,976,032	\$ 9,717,442	\$ 1,937,691
Investments	1,675,676	2,250,643	3,926,319	493,879
Receivables, net	544,495	582,350	1,126,845	153,154
Lease receivable-current	-	4,306	4,306	-
Due from component unit	10,994	-	10,994	-
Internal balances	49,379	(49,379)	-	-
Total Current Assets	10,021,954	4,763,952	14,785,906	2,584,724
Lease receivable-noncurrent	-	40,855	40,855	-
Capital assets:				
Non-depreciable	2,947,488	5,597,996	8,545,484	-
Net depreciable capital assets	6,636,483	11,671,137	18,307,620	1,508,994
Total Noncurrent Assets	9,583,971	17,309,988	26,893,959	1,508,994
Total Assets	19,605,925	22,073,940	41,679,865	4,093,718
Deferred Outflows of Resources				
Pension outflows - TMRS	589,301	185,736	775,037	-
Pension outflows - TESRS	21,781	-	21,781	-
OPEB outflows	2,725	852	3,577	-
Deferred charge on refunding	-	159,152	159,152	52,158
Total Deferred Outflows of Resources	613,807	345,740	959,547	52,158

City of Gilmer, Texas

STATEMENT OF NET POSITION (Page 2 of 2)

September 30, 2024

							Gilmer	
		Prima	ry Governmen	t		Economic		
Go	vernmental	Bu	siness-Type				Development	
	Activities		Activities	Total			Corporation	
\$	68,208	\$	134,804	\$	203,012	\$	-	
	140,005		56,556		196,561		-	
	20,697		-		20,697		5,672	
	4,500		-		4,500		-	
	-		161,587		161,587		-	
	-		-		-		10,994	
	137,544		12,440		149,984		-	
	421,432		694,677		1,116,109		130,000	
	792,386		1,060,064		1,852,450		146,666	
	5,973,674		3,750,768		9,724,442		1,125,000	
	15,283		1,382		16,665		-	
	1,373,156		429,359		1,802,515		-	
	69,412		-		69,412		-	
	137,152		42,880		180,032		-	
			4,224,389		11,793,066		1,125,000	
5	8,361,063		5,284,453		13,645,516		1,271,666	
	74,489		23,291		97,780		-	
	134		-		134		-	
	24,608		7,694		32,302		-	
	-		41,006		41,006		-	
5	99,231		71,991		171,222		-	
	3,317,833		12,978,091		16,295,924		253,994	
	42,747		91,230		133,977		-	
	5,802,775		-		5,802,775		-	
	22,600		-		22,600		-	
			-		2,128		-	
			3,993,915				2,620,216	
1 \$	11,759,438	\$	17,063,236	\$	28,822,674	\$	2,874,210	
		140,005 20,697 4,500 - - - 137,544 421,432 5 792,386 5,973,674 15,283 1,373,156 69,412 137,152 5 7,568,677 5 8,361,063 - 74,489 134 24,608 - - 99,231 3,317,833 42,747 5,802,775 22,600 2,128 2,571,355	Governmental Activities But Activities \$ 68,208 \$ \$ 68,208 \$ 140,005 20,697 4,500 - - - 137,544 421,432 - - - - 137,544 421,432 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -	Governmental Activities Business-Type Activities \$ 68,208 \$ 134,804 140,005 56,556 20,697 - 4,500 - 4,500 - 137,544 12,440 421,432 694,677 - - 137,544 12,440 421,432 694,677 - - 137,544 12,440 421,432 694,677 - - 137,544 1,060,064 5,973,674 3,750,768 15,283 1,382 1,373,156 429,359 69,412 - - 137,152 42,880 5,284,453 5,86,677 4,224,389 8,361,063 5,284,453 74,489 23,291 134 - 24,608 7,694 - 41,006 99,231 71,991 42,747 91,230	Governmental Activities Business-Type Activities \$ 68,208 \$ 134,804 \$ \$ 68,208 \$ 134,804 \$ \$ 68,208 \$ 134,804 \$ \$ 68,208 \$ 134,804 \$ \$ 140,005 56,556 20,697 - \$ 161,587 - - - \$ 700 - - 161,587 - - - - - \$ 792,386 1,060,064 - - \$ 5,973,674 3,750,768 - - \$ 5,973,674 3,750,768 - - \$ 5,973,674 3,750,768 - - \$ 5,973,674 3,750,768 - - \$ 7,588,677 4,224,880 - - \$ 7,568,677 4,224,389 - - \$ 9,231 <td>Governmental Activities Business-Type Activities Total \$ 68,208 \$ 134,804 \$ 203,012 140,005 56,556 196,561 20,697 - 20,697 4,500 - 4,500 - 161,587 161,587 137,544 12,440 149,984 421,432 694,677 1,116,109 5 792,386 1,060,064 1,852,450 5,973,674 3,750,768 9,724,442 15,283 1,382 16,665 1,373,156 429,359 1,802,515 69,412 - 69,412 137,152 42,880 180,032 5 7,568,677 4,224,389 11,793,066 5 8,361,063 5,284,453 13,645,516 74,489 23,291 97,780 134 - 134 24,608 7,694 32,302 - 41,006 41,006 41,006 1,025,924 42,747</td> <td>Governmental Activities Business-Type Activities Total \$ 68,208 \$ 134,804 \$ 203,012 \$ 140,005 \$ 56,556 196,561 20,697 - 20,697 - $20,697$ 4,500 - 4,500 - $4,500$ - 161,587 161,587 - - 137,544 12,440 149,984 $421,432$ 694,677 1,116,109 5 792,386 1,060,064 1,852,450 - - 5,973,674 3,750,768 9,724,442 15,283 1,382 16,665 1,373,156 429,359 1,802,515 - 69,412 - 69,412 - 69,412 - 69,412 - 137,152 42,2880 180,032 - - - 7,568,677 4,224,389 11,793,066 - - - 6 74,489 23,291 97,780 - - 41,006 41,006 - 5</td>	Governmental Activities Business-Type Activities Total \$ 68,208 \$ 134,804 \$ 203,012 140,005 56,556 196,561 20,697 - 20,697 4,500 - 4,500 - 161,587 161,587 137,544 12,440 149,984 421,432 694,677 1,116,109 5 792,386 1,060,064 1,852,450 5,973,674 3,750,768 9,724,442 15,283 1,382 16,665 1,373,156 429,359 1,802,515 69,412 - 69,412 137,152 42,880 180,032 5 7,568,677 4,224,389 11,793,066 5 8,361,063 5,284,453 13,645,516 74,489 23,291 97,780 134 - 134 24,608 7,694 32,302 - 41,006 41,006 41,006 1,025,924 42,747	Governmental Activities Business-Type Activities Total \$ 68,208 \$ 134,804 \$ 203,012 \$ 140,005 \$ 56,556 196,561 20,697 - 20,697 - $20,697$ 4,500 - 4,500 - $4,500$ - 161,587 161,587 - - 137,544 12,440 149,984 $421,432$ 694,677 1,116,109 5 792,386 1,060,064 1,852,450 - - 5,973,674 3,750,768 9,724,442 15,283 1,382 16,665 1,373,156 429,359 1,802,515 - 69,412 - 69,412 - 69,412 - 69,412 - 137,152 42,2880 180,032 - - - 7,568,677 4,224,389 11,793,066 - - - 6 74,489 23,291 97,780 - - 41,006 41,006 - 5	

See Notes to Financial Statements.														Total Component Unit Activities	Development Corp.	Gilmer Economic	Component Unit	Total Primary Government	Total Business-Type Activities	Airport	Sanitation	Water & sewer	Business-Type Activities	Total Governmental Activities	Interest and fiscal charges	Civic center	Community services	Public safety	Public works	General government	Governmental Activities		
														÷	\$		ĺ	÷					ĺ							÷			
			Beginning		Tot									464,713	464,713			8,964,584	3,802,871	215,854	1,113,928	2,473,089		5,161,713	137,090	337,494	165,593	2,898,019	1,049,788	573,729			
Begin		Chang	, Net Pc		al Gene	Tran	ç	In ,	、 म	1 (0	H	Та	Gene	÷	\$			÷												÷			
Beginning Net Position, as adjusted Ending Net Position		Change to financial reporting entity (blended to discrete)	Beginning Net Position, as previously reported	Change	Total General Revenues and Transfers	Transfers:	Other revenues	Investment income	Franchise and local taxes	Sales tax	Property tax	Taxes	General Revenues:		1			3,844,153	3,493,179	79,667	1,134,281	2,279,231		350,974	ı	ı	63,721	186,994	ı	100,259		STATE! For the Yea	City c
iition, as ing Net	Error c	l reporti ended to	eviously	in Net	es and T		00	ome	d local ta	:			S:	æ	\$			\$												æ		MENT r Ende	of Gi
t Position, as adjusted Ending Net Position	Error correction	ncial reporting entity (blended to discrete)	reported	Change in Net Position	ransfers				axes					ı	,			379,253	100,000	100,000	·	ı		279,253	ı	·	ı	ı	ı	279,253		STATEMENT OF ACTIVITIES r the Year Ended September 30, 2	City of Gilmer,
11,416,867 \$ 11,759,438	291,917	(2,317,283)	13,442,233	342,571	4,874,057	(340,721)	65,709	335,684	589,277	1,848,345	2,294,740							(4,531,486)		1		1		(4, 531, 486)	(137,090)	(337,494)	(101,872)	(2,711,025)	(1,049,788)	\$ (194,217)		STATEMENT OF ACTIVITIES For the Year Ended September 30, 2024	Texas
÷																														æ			
16,872,033 17,063,236	(435,950)	I	17,307,983	191,203	400,895	340,721		60,174			ı							(209,692)	(209,692)	(36,187)	20,353	(193,858)		1	ı		ı	ı					
\$																														÷			
28,288,900 28,822,674	(144,033)	(2,317,283)	30,750,216	533,774	5,274,952		65,709	395,858	589,277	1,848,345	2,294,740							(4,741,178)	(209,692)	(36,187)	20,353	(193,858)		(4,531,486)	(137,090)	(337,494)	(101,872)	(2,711,025)	(1,049,788)	(194,217)			
÷														æ	\$															÷	Con		
2,399,455 2,874,210	82,172	2,317,283	I	474,755	939,468	ı	1	15,295	,	924,173	I			464,713	464,713			ı	1	ı		1		1	ı	ı	ı	ı	ı	ı	Component Unit		

City of Gilmer, Texas BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2024

	General Fund	De	bt Service Fund	Pr	Parks Capital ojects Fund	Jonmajor vernmental Funds	Go	Total overnmental Funds
Assets	 				<u> </u>	 		
Cash and cash equivalents	\$ 1,721,411	\$	42,747	\$	5,802,775	\$ 174,477	\$	7,741,410
Investments	1,675,676		-		-	-		1,675,676
Receivables, net	491,145		53,350		-	-		544,495
Due from other funds	49,379		-		-	2,634		52,013
Due from component unit	10,994		-		-	-		10,994
Total Assets	\$ 3,948,605	\$	96,097	\$	5,802,775	\$ 177,111	\$	10,024,588
<u>Liabilities</u>						 		
Accounts payable	\$ 64,816	\$	-	\$	-	\$ 3,392	\$	68,208
Accrued liabilities	119,980		-		-	20,025		140,005
Due to other funds	2,634		-		-	-		2,634
Unearned revenue	4,500		-		-	-		4,500
Total Liabilities	191,930		-		-	 23,417		215,347
Deferred Inflows of Resources								
Unavailable revenue-property taxes	123,540		53 <i>,</i> 350		-	-		176,890
Total Deferred Inflows of Resources	 123,540		53,350		-	 -		176,890
Fund Balances								
Restricted for:								
Debt service	-		42,747		-	-		42,747
Captial projects	-		-		5,802,775	-		5,802,775
Public safety	-		-		-	22,600		22,600
Civic center	-		-		-	2,128		2,128
USDA revolving loan	-		-		-	128,966		128,966
Committed for:								
Other purposes	254,679		-		-	-		254,679
Unassigned	3,378,456		-		-	-		3,378,456
Total Fund Balances	 3,633,135		42,747		5,802,775	153,694		9,632,351
Total Liabilities, Deferred Inflows of								
Resources, and Fund Balances	\$ 3,948,605	\$	96,097	\$	5,802,775	\$ 177,111	\$	10,024,588
See Notes to Financial Statements								

City of Gilmer, Texas RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS September 30, 2024

Fund Balances - Total Governmental Funds	\$ 9,632,351
Adjustments for the Statement of Net Position:	
Capital assets used in governmental activities are not current financial	
resources and, therefore, not reported in the governmental funds.	
Capital assets - non-depreciable	2,947,488
Capital assets - net depreciable	6,636,483
Other long-term assets are not available to pay for current-period	
expenditures and, therefore, are deferred in the governmental funds.	
Property tax receivable	176,890
Deferred outflows (inflows) of resources represent a consumption (acquisition) of	
net position that applies to a future period)s) and is not recognized as an an outflow	
(inflow) of resources (expense/expenditure) (revenues) until then.	
Pension outflows - TMRS	589,301
Pension inflows - TMRS	(74,489)
Pension outflows - TESRS	21,781
Pension inflows - TESRS	(134)
OPEB outflows	2,725
OPEB inflows	(24,608)
Some liabilities, including bonds payable and deferred charges	
are not reported as liabilities in the governmental funds.	
Accrued interest	(20,697)
Premiums on bonds payable	(575,115)
Compensated absences payable	(152,827)
Non-current liabilities due in one year	(421,432)
Non-current liabilities due in more than one year	(5,398,559)
Net pension liability - TMRS	(1,373,156)
Net pension liability - TESRS	(69,412)
OPEB liability	 (137,152)
Net Position of Governmental Activities	\$ 11,759,438

City of Gilmer, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

For the Year Ended September 30, 2024

	General Fund	Debt Service Fund	Parks Capital Projects Fund	EDC	Nonmajor Governmental Funds	Total Governmental Funds
<u>Revenues</u>	Tunu	1 unu	1 lojeets 1 ultu		Tunus	T unus
Property tax	\$ 1,706,108	\$ 562,874	\$ -	\$ -	\$ -	\$ 2,268,982
Sales tax	1,848,345	-	-	-	-	1,848,345
Franchise and local taxes	589,277	-	-	-	-	589,277
Other taxes	81,023	-	-	-	-	81,023
Penalty and interest	29,288	-	-	-	-	29,288
Intergovernmental revenue	279,253	-	-	-	-	279,253
License and permits	70,971	-	-	-	-	70,971
Fines and forfeitures	186,994	-	-	-	-	186,994
Rents and royalties	13,212	-	-	-	50,509	63,721
Investment income	54,541	352	279,485	-	1,306	335,684
Other revenues	56,731	-	-	-	8,978	65,709
Total Revenues	4,915,743	563,226	279,485	-	60,793	5,819,247
<u>Expenditures</u>	·	i	i		·	- <u> </u>
Current:						
General government	384,840	3,625	-	-	1,156	389,621
Treasurer/finance	142,654	-	-	-	-	142,654
Streets	365,649	-	-	-	-	365,649
Fire operations	844,350	-	-	-	-	844,350
Police operation	1,761,884	-	-	-	-	1,761,884
Municipal court	91,633	-	-	-	-	91,633
Parks	71,628	-	-	-	-	71,628
Community	165,259	-	-	-	-	165,259
Lake	2,788	-	-	-	-	2,788
Council	29,155	-	-	-	-	29,155
Contingency	599,648	-	-	-	-	599,648
Civic center	-	-	-	-	200,435	200,435
Debt service:						
Principal	-	402,781	-	-	5,912	408,693
Interest and fiscal charges	-	175,982	-	-	722	176,704
Capital outlay	-	-	1,049,760	-	-	1,049,760
Total Expenditures	4,459,488	582,388	1,049,760	-	208,225	6,299,861
Revenues Over (Under)						
Expenditures	456,255	(19,162)	(770,275)	-	(147,432)	(480,614)
Other Financing Sources (Uses)						
Transfers in	47,052	363,720	-	-	152,972	563,744
Transfers (out)	(516,692)	(387,773)	-	-	-	(904,465)
Total Other Financing Sources						
(Uses)	(469,640)	(24,053)	-	-	152,972	(340,721)
Net Change in Fund Balances	(13,385)	(43,215)	(770,275)	-	5,540	(821,335)
Beginning fund balances, as						
previously reported	3,446,128	85,962	6,573,050	1,849,146	148,154	12,102,440
1 1 1	5,440,120	03,702	0,070,000	1,049,140	140,104	12,102,440
Change to financial reporting						
entity (blended to discrete)	-	-	-	(1,849,146)	-	(1,849,146)
Error correction	200,392	-	-	-	-	200,392
Beginning fund balances,						
as adjusted	3,646,520	85,962	6,573,050	-	148,154	10,453,686
Ending Fund Balances	\$ 3,633,135	\$ 42,747	\$ 5,802,775	\$ -	\$ 153,694	\$ 9,632,351
See Notes to Financial Statements.						

City of Gilmer, Texas

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended September 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:	
Net changes in fund balances - total governmental funds \$	(821,335)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated	
useful lives and reported as depreciation expense.	
Capital outlay	1,384,431
Depreciation expense	(655,514)
Revenues in the statement of activities that do not provide current financial	
resources are not reported as revenues in the funds.	
Property taxes	25,758
Special assessments	
Some expenses reported in the statement of activities do not require the use of current	
financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences	(6,236)
Accrued interest	2,530
Pension expense - TMRS	(7,576)
Pension expense - TESRS	(28,667)
OPEB expense	3,403
Amortization of debt premium	37,084
The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) 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 they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	

Principal payments		 408,693
	Change in Net Position of Governmental Activities	\$ 342,571
tos to Financial Statements		

City of Gilmer, Texas STATEMENT OF NET POSITION PROPRIETARY FUNDS September 30, 2024

	Water & Sewer	Sanitation	Airport	Total Business-Type Activities
Assets				
Current Assets				
Cash and cash equivalents	\$ 1,436,152	\$ 272,356	\$ 267,524	\$ 1,976,032
Investments	1,991,065	259,578	-	2,250,643
Accounts receivables, net	374,407	204,733	3,210	582,350
Lease receivable-current	-	-	4,306	4,306
Total Current Assets	3,801,624	736,667	275,040	4,813,331
<u>Noncurrent Assets</u> Lease receivable-noncurrent	-	-	40,855	40,855
Capital assets: Non-depreciable	1 211 202	220 484	1 022 120	5 507 006
-	4,344,392	230,484	1,023,120	5,597,996
Net depreciable capital assets Total Noncurrent Assets	10,402,213	-	1,268,924	11,671,137
	14,746,605	230,484	2,332,899	17,309,988
Total Assets	18,548,229	967,151	2,607,939	22,123,319
Deferred Outflows of Resources	450 450			150 150
Deferred charge on refuding	159,152	-	-	159,152
Pension outflows	185,736	-	-	185,736
OPEB outflows	852			852
Total Def. Outflows of Resources	345,740			345,740
<u>Liabilities</u> <u>Current Liabilities</u>				
Accounts payable	\$ 41,699	\$ 87,121	\$ 5,984	\$ 134,804
Accrued liabilities	56,556	φ 07,121	φ 0,004	¢ 154,604 56,556
Due to other funds		49,379		49,379
Customer deposits	161,167		420	161,587
Compensated absences-current	12,440	-		12,440
Long term debt-current	694,677	-	_	694,677
Total Current Liabilities	966,539	136,500	6,404	1,109,443
	,00,007	100,000	0,101	1,107,110
Noncurrent Liabilities	2 750 769			2 750 769
Long term debt-noncurrent	3,750,768 1,382	-	-	3,750,768
Compensated absences-noncurrent Net pension liability	429,359	-	-	1,382 429,359
OPEB liability	42,880	-	-	42,880
Total Liabilities	5,190,928	136,500	6,404	5,333,832
Deferred Inflows of Resources	0,190,920	100,000	0,101	0,000,002
Pension inflows	23,291			22 201
OPEB inflows	23,291 7,694	-	-	23,291 7,694
Lease related	7,094	-	41,006	41,006
Total Def. Inflows of Resources	30,985		41,006	71,991
	30,985		41,000	/1,991
<u>Net Position</u>		000 404	0.000.044	10.070.001
Net investment in capital assets	10,455,563	230,484	2,292,044	12,978,091
Restricted for debt service	91,230		-	91,230
Unrestricted	3,125,263	600,167	268,485	3,993,915
Total Net Position	\$ 13,672,056	\$ 830,651	\$ 2,560,529	\$ 17,063,236

City of Gilmer, Texas STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS

For the Year Ended September 30, 2024

	Water & Sewer	Sanitation	Airport	Total Business-Type Activities		
Operating Revenues						
Water sales	\$ 1,417,714	\$ -	\$ -	\$ 1,417,714		
Sewer revenue	791,403	-	-	791,403		
Sanitation services	-	1,120,790	-	1,120,790		
Penalties and reconnect fees	32,312	13,491	-	45,803		
License and permits	785	-	-	785		
Other revenue	37,017		79,667	116,684		
Total Operating Revenues	2,279,231	1,134,281	79,667	3,493,179		
Operating Expenses						
Personnel	672,623	-	-	672,623		
Utilities	824,650	-	7,733	832,383		
Contractual services	-	1,113,928	6,587	1,120,515		
WWTP services	276,042	-	-	276,042		
Airport	-	-	58,008	58,008		
Depreciation	573,353		143,526	716,879		
Total Operating Expenses	2,346,668	1,113,928	215,854	3,676,450		
Operating Income (Loss)	(67,437)	20,353	(136,187)	(183,271)		
Nonoperating Revenues (Expenses)						
Investment income	50,596	9,578	-	60,174		
Interest expense	(126,421)			(126,421)		
Total Nonoperating Revenues						
(Expenses)	(75,825)	9,578		(66,247)		
Income (Loss) Before						
Contributions and Transfers	(143,262)	29,931	(136,187)	(249,518)		
Capital contributions	-	-	100,000	100,000		
Transfers in	387,773	-	-	387,773		
Transfers (out)	(22,052)	(25,000)	-	(47,052)		
Total Transfers	365,721	(25,000)	100,000	440,721		
Change in Net Position	222,459	4,931	(36,187)	191,203		
Beginning net position, as						
previously reported	13,436,239	825,720	3,046,024	17,307,983		
Error correction	13,358	-	(449,308)	(435,950)		
Beginning net position, as adjusted	13,449,597	825,720	2,596,716	16,872,033		
Ending Net Position	\$ 13,672,056	\$ 830,651	\$ 2,560,529	\$ 17,063,236		

City of Gilmer, Texas STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 1 of 2) For the Year Ended September 30, 2024

						See Notes to Financial Statements.
\$ 1,976,032	524	\$ 267,524	272,356	æ	\$ 1,436,152	Ending Cash and Cash Equivalents
3,993,493	264	232,264	541,100		3,220,129	Beginning cash and cash equivalents
(2,017,461)	35,260	35,	(268,744)	-	(1,783,977)	Net Increase (Decrease) in Cash and Cash Equivalents
(1,379,095)	1		(250,000)		(1,129,095)	Net Cash Provided (Used) by Investing Activities
(132,797)	ī		ı		(132,797)	Interest paid on long-term debt
(1,306,472)	ı		(259,578)	_	(1,046,894)	Reaquisition (purchase) of investments
60,174	ı		9,578		50,596	<u>Cash Flows from Investing Activities</u> Interest on investments
(1,459,985)	259)	(114,259)			(1,345,726)	Net Cash Provided (Used) by Capital and Related Financing Activities
(672,218)	ı		I		(672,218)	Principal paid on capital debt
(787,767)	259)	(114,259)	ı		<u>ities</u> (673,508)	Cash Flows from Capital and Related Financing Activities Purchase of capital assets
440,721	100,000	100,	(25,000)		365,721	Net Cash Provided (Used) by Noncapital Financing Activities
(47,052)	ī		(25,000)		(22,052)	Transfers to other funds
387,773	ï		ı		387,773	Transfers from other funds
100,000	000	100,000	ı		1	Cash Flows from Noncapital Financing Activities Grant Proceeds
380,898	49,519	49,	6,256		325,123	Net Cash Provided (Used) by Operating Activities
(2,505,038)	(66,344)	(66,	(1,115,056)	(1,	(1,323,638)	Payments to suppliers and contractors
	1 0					Payments to employees
\$ 3,536,252	863	\$ 115.863	1.121.312	÷ -1	\$ 2.299.077	<u>Cash Flows from Operating Activities</u> Receipts from customers
Total Business-Type Activities	ŧ.	Airport	Sanitation	Sani	Water	

PROPRIETARY FUNDS (Page 2 of 2) For the Year Ended September 30, 2024 STATEMENT OF CASH FLOWS **City of Gilmer, Texas**

Net Cash Provided (Used) by Operating Activities	Compensated absences	OPEB liability	Net pension liability	Customer deposits	Due to other funds	Accounts payable and accrued liab.	Increase (Decrease) in:	Deferred inflows - lease related	Deferred inflows - OPEB	Deferred inflows - pension	Deferred outflows - OPEB	Deferred outflows - pension	Accounts receivable	(Increase) Decrease in:	Changes in Operating Assets and Liabilities:	Depreciation	income to net cash provided:	Adjustments to reconcile operating	Operating Income (Loss)	to Net Cash Provided by Operating Activities	Reconciliation of Operating Income	
\$ 325,123	(1,806)	6,345	(89,598)	5,248	(259,107)	36,161		ı	(3,477)	23,291	(48)	87,600	14,598			573,353			\$ (67,437)			Water
÷																			÷			s
6,256	1	ı	ı	ı	835	(1,963)		ı	ı	ı	ı	ı	(12,969)			ı			20,353			Sanitation
\$	1																		$\mathbf{\hat{v}}$			
49,519	1	ı	ı	170	ı	5,984		41,006	ı	ı	ı	ı	(4,980)			143,526			(136,187)			Airport
÷	1																		\$			Bu
380,898	(1,806)	6,345	(89,598)	5,418	(258,272)	40,182		41,006	(3,477)	23,291	(48)	87,600	(3,351)			716,879			(183,271)			Total Business-Type Activities

See Notes to Financial Statements.



I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Gilmer, Texas (the "City") was incorporated in 1846 and adopted a "Home Rule Charter", which provided for a "Council-Manager" form of government. A Mayor and six Council members are elected by voters of the City at large for two-year terms. The City Manager is appointed by a majority vote of the City Council. The City Manager is the head of the administrative departments of the City and is the supervisor of all administrative officers, employees, directors, and department heads. Departments and agencies of the City submit budget requests to the City Manager.

The City provides the following services: public safety (police, fire, and emergency medical services); water and sewer services; solid waste collection and disposal (contract); airport services; public works; transportation; culture and recreation; municipal courts; economic development/tourism; and general government.

As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The Gilmer Economic Corporation ("GEDC") is legally separate and presented as a discretely presented component unit. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Discretely Presented Component Unit

Gilmer Economic Development Corporation

Gilmer Economic Development Corporation is a nonprofit organization organized in accordance with the Texas Development Corporation Act of 1979. It is a Type A Economic Development Corporation governed by the Texas Local Government Code Chapters 501 and 504, and it is operated exclusively for the purpose of benefitting and accomplishing public purposes for the City of Gilmer community. The City Council appoints the governing board of the EDC. The EDC is funded by a one-half cent sales tax which is received by the City from the State and is passed to the corporation. All sales tax revenues produced by the EDC are pledged to debt service on Sales Tax and Revenue Bonds. The scope of public service of the EDC benefits the City and its citizens and is operated within the geographic boundaries of the City. Since the EDC's governing body is not substantively the same as the governing body of the primary government, does not provide services entirely, or almost entirely to the primary government, nor does it maintain debt of any type that are repaid using City resources, it has been reported as a discretely presented component unit.

Separate financial statements are not prepared. However, additional financial information for the EDC may be obtained from the City's Finance Department.

B. Basis of Presentation - Government-Wide and Fund Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds and the proprietary funds.

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

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category; governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

General Fund

The *general fund* is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and other taxes, franchise fees, licenses and permits, fines and forfeitures, penalties and interest and intergovernmental revenues. Expenditures include general government, public safety, public works, streets, culture and recreation, municipal courts, community and economic development. The general service fund is considered a major fund for reporting purposes.

Debt Service Fund

The debt service fund is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of governmental funds. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

Parks Capital Projects Fund

The City's capital projects fund accounts for the acquisition and construction of the government's various park projects throughout the City, other than those financed by proprietary funds. The parks capital projects fund is considered a major fund for reporting purposes.

The City reports the following enterprise funds:

Water and Sewer, Sanitation, and Airport Funds

These *enterprise funds* are used to account for the operations that provide water and wastewater collection, wastewater treatment operations, and airport operations. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges. The water and sewer, sanitation, and airport funds are considered major funds for reporting purposes.

Additionally, the government reports the following fund types:

Special Revenue Funds

The City accounts for resources restricted to, or designated for, specific purposes in a special revenue fund. These funds consist of the PD seizure, civic center, and USDA revolving loan funds.

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

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

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

reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

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

The proprietary, pension and other postemployment benefit trust, and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds have no measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities.

D. Assets, Deferred Outflows/Inflows, Liabilities, and Fund Equity or Net Position

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, Accounting and Reporting for Certain Investments and External Investment Pools, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as LOGIC, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code. In summary, the City is authorized to invest in the following:

Direct obligations of the U.S. Government Fully collateralized certificates of deposit and money market accounts Statewide investment pools

2. Fair Value Measurement

The City has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds are offset by a fund balance nonspendable account in the applicable governmental fund to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of any allowance for uncollectible amounts.

4. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Penalties are calculated after February 1 up to the date collected. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

5. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). The inventories are valued at the lower of cost or market using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government, as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful years.

	Estimated
Asset Description	Useful Life
Infrastructure	25 - 50 years
Buildings	10 - 60 years
Land improvements	60 - 100 years
Machinery and equipment	5 - 12 years
Heavy equipment	10 – 20 years
Vehicles	4 – 7 years
Computer equipment	3 – 5 years

7. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on

refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, fines, and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

8. Net Position Flow Assumptions

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

9. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through the following spending constraints:

• Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.

- Restricted fund balance amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed Fund Balance represents amounts that can only be used for a specific purpose because of a formal action by the City's City Council. Committed amounts cannot be used for any other purpose unless the City Council removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the City Council. Commitments are typically accomplished by a formal action or resolution by the City Council. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- Assigned Fund Balance represents amounts which the City intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the City Council or by an official or body to which the City Council delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the City itself.
- Unassigned fund balance amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. 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.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

11. Compensated Absences

It is the City's policy to permit employees to accumulate certain earned but unused benefits. Amounts accumulated may be paid to employees upon termination of employment or during employment in accordance with the City's personnel policy. The estimated amount that will be paid as compensation for services provided is recorded as a liability in the general fund. All eligible time is accrued when incurred in the government-wide and proprietary fund financial statements.

It is the City's policy to liquidate compensated absences with future revenues rather than with currently available expendable resources. Accordingly, the City's governmental funds recognize accrued compensated absences when it is paid.

12. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums, and discounts are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount.

Assets acquired under the terms of leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

13. 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

14. Pensions

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

15. Other Postemployment Benefits ("OPEB")

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. 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 on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

16. Leases

Lessor: The City is a lessor for noncancellable leases for the use of their airport land and facilities. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease

receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

17. Subscription-Based Information Technology Arrangements

The City has noncancellable subscription-based information technology arrangements (SBITAs) to finance the use of information technology software. The City would recognize a liability (the "subscription liability") and an intangible, right-to-use subscription asset (the "subscription asset") in the financial statements. The City's SBITAs to report are immaterial to the financial statements as a whole and are not recognized as a subscription liability or a subscription asset.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, "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. Also,

governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general, debt service, and civic center. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control, as defined by the City Charter, is the department level for all funds. No funds can be transferred or added to a budgeted item without Council approval. Appropriations lapse at the end of the year. Several supplemental budget appropriations were made during the year.

A. Expenditures Over Appropriations

For the year ended, expenditures, including transfers out, exceeded appropriations at the legal level of control and as follows:

General Fund:	
General government	\$ 16,076
Streets	11,833
Parks	1,039
Debt Service Fund:	
General Government	\$ 625
Transfers (out)	388,950
Civic Center:	
Civic center	\$ 4,279
Principal	17

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of September 30, 2024, the primary government had the following investments:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	\$ 147	0.13
Certificates of deposit	3,926,319	1.07
Total fair value	\$ 3,926,466	
Portfolio weighted average maturity		0.60

As of September 30, 2024, the discretely presented component unit had the following investments:

		Weighted
		Average Maturity
Investment Type	Value	(Years)
Certificates of deposit	\$ 493,879	1.25
Total fair value	\$ 493,879	
Portfolio weighted average maturity		1.25

Interest rate risk In accordance with its investment policy, the City manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

Credit risk The City's policy requires that investment pools must be rated no lower than 'AAA' or 'AAA-m' and that government obligation investments such as municipal bonds be rated no lower than 'A'. Bankers' acceptances must be issued in the United States and carry a rating of 'Al'/'Pl' as provided by two of the top nationally recognized rating agencies. As of September 30, 2024, the City's investments in investment pools were rated 'AAAm' by Standard & Poor's and municipal bonds were rated not less than 'AA' by Standard & Poor's. All other investments are guaranteed (either express or implied) by the full faith and credit of the U.S. Government or the issuing U.S. agency. These investments were rated not less than 'AAA' by both Moody's and 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 City's deposits may not be returned to it. State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities

that have a market value of not less than the principal amount of the deposits. As of September 30, 2024, the market values of pledged securities and FDIC exceeded bank balances.

Custodial credit risk – investments For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, shall be conducted on a delivery versus payment basis or commercial book entry system as utilized by the Federal Reserve and shall be protected through the use of a third-party custody/safekeeping agent.

Uncollateralized Deposits

As of September 30, 2024, the City held certificates of deposit totaling \$3,926,319. Of which, \$3,879,243 that were not secured by pledged collateral in accordance with state law and the City's investment policy. Public funds deposited in financial institutions must be collateralized in compliance with the provisions of the Public Funds Collateral Act. The uncollateralized balance represents a custodial credit risk, as it was not secured by either federal depository insurance or by collateral held by the City or its agent in the City's name.

City management is aware of the issue and is taking steps to ensure that all deposits are fully collateralized in future periods.

LOGIC

Local Government Investment Cooperative ("LOGIC") is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. LOGIC was created by contract among its participating governmental units and is governed by a board of directors. JPMorgan Fleming Asset Management (USA), Inc. and First Southwest Asset Management, Inc. act as co-administrators, providing investment management services, participant services, and marketing, respectively. JPMorgan Chase Bank and/or its subsidiary, J.P. Morgan Investor Services, Inc., provide custodial, transfer agency, fund accounting, and depository services.

LOGIC operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. LOGIC uses the amortized cost valuation technique, which generally approximates the market value of the assets, has been deemed to be a proxy for fair value. Accordingly, the fair value of the position in LOGIC are the same as the value of LOGIC shares. There were no limitations or restrictions on withdrawals.

B. Receivables

The following comprise receivable balances of the governmental activities at year end:

			Debt	ot Water &								
		General	 Service	Sewer		Sanitation		Airport			Total	
Property tax	\$	248,589	\$ 106,700	\$	-	\$	-	\$	-	\$	355,289	
Sales tax		460,246	-		-		9,448		-		469,694	
Franchise tax		53,016	-		-		-		-		53,016	
Municipal court		3,722	-		-		-		-		3,722	
Hotel occupancy taxe	s	3,073	-		-		-		-		3,073	
Lease		-	-		-		-		45,161		45,161	
Accounts, net		713	-		435,834		218,710		3,210		658,467	
Allowance		(278,214)	 (53,350)		(61,427)		(23,425)		-		(416,416)	
Total	\$	491,145	\$ 53,350	\$	374,407	\$	204,733	\$	48,371	\$	1,172,006	

The City entered several leases for the use of its airport facilities. The leases bear interest rates of 3.00% and maturity dates ranging from December 31, 2028, through November 30, 2038. As of September 30, 2024, the business-type activities lease receivable and offsetting deferred inflows amounted to \$45,161 and \$41,006, respectively. The annual principal and interest payments to be received over the life of the lease are as follows:

Buisness-Type Activities								
Year ending	Lease Receivable							
September 30,		Principal	Interest					
2025	\$	4,306	\$	1,355				
2026		4,435		1,226				
2027		4,568		1,093				
2028		4,705		956				
2029		2,892		814				
2030-2034		15,813		2,718				
2035-2039		8,442		461				
Total	\$	45,161	\$	8,623				

The following comprise receivable balances of the discretely presented component unit at year end:

	ł	Gilmer Economic					
	De	Development					
		Corp.					
Sales tax	\$	153,154					
Total	\$	153,154					

C. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

	Beginning Balances		Increases		ecreases/ assifications	Ending Balances		
Capital assets, not being depreciated:					 			
Land	\$	1,727,028	\$	-	\$ -	\$	1,727,028	
Construction in progress		406,287		814,173	-		1,220,460	
Total capital assets not being depreciated		2,133,315		814,173	 -		2,947,488	
Capital assets, being depreciated:								
Buildings and improvements		5,211,824		413,674	(413,674)		5,211,824	
Machinery & equipment		3,129,042		109,856	(188,399)		3,050,499	
Infrastructure		7,410,230		46,728	413,674		7,870,632	
Total capital assets being depreciated		15,751,096		570,258	 (188,399)		16,132,955	
Less accumulated depreciation								
Buildings and improvements		(2,359,016)		(436,536)	261,537		(2,534,015)	
Machinery & equipment		(2,332,793)		(161,575)	195,611		(2,298,757)	
Infrastructure		(4,337,548)		(57,403)	(268,749)		(4,663,700)	
Total accumulated depreciation		(9,029,357)		(655,514)	 188,399		(9,496,472)	
Net capital assets being depreciated		6,721,739		(85,256)	-		6,636,483	
Total Capital Assets	\$	8,855,054	\$	728,917	\$ -	\$	9,583,971	
Depreciation was charged to	gove	ernmental fur	nction	s as follows:				
General government						1,658		
Public safety					16	3,256		

General government	\$ 11,658
Public safety	163,256
Culture and recreation	136,714
Public works	 343,886
Total Governmental Activities Depreciation Expense	\$ 655,514

A summary of changes in business-type activities capital assets for the year end was as follows:

	Beginning Balances		Increases		creases/ ssifications	Ending Balances		
Capital assets, not being depreciated:								
Land	\$	5,413,638	\$	-	\$ -	\$	5,413,638	
Construction in progress		71,501		161,733	(48,876)		184,358	
Total capital assets not being depreciated		5,485,139		161,733	(48,876)		5,597,996	
Capital assets, being depreciated:								
Land improvements		5,187,269		-	-		5,187,269	
Infrastructure		16,267,178		319,657	(50,783)		16,536,052	
Buildings and improvements		944,942		-	-		944,942	
Mahinery, furniture, and equipment		1,168,331		306,377	39,399		1,514,107	
Total capital assets being depreciated		23,567,720		626,034	 (11,384)		24,182,370	
Less accumulated depreciation								
Land improvements		(2,247,845)		(76,030)	-		(2,323,875)	
Infrastructure		(8,380,333)		(282,930)	-		(8,663,263)	
Buildings and improvements		(342,763)		(16,379)	-		(359,142)	
Mahinery, furniture, and equipment		(883,673)		(341,540)	60,260		(1,164,953)	
Total accumulated depreciation		(11,854,614)		(716,879)	 60,260		(12,511,233)	
Net capital assets being depreciated		11,713,106		(90,845)	48,876		11,671,137	
Total Capital Assets	\$	17,198,245	\$	70,888	\$ -	\$	17,269,133	

Depreciation was charged to business-type functions as follows:

Water and sewer	\$ 573,353
Airport	 143,526
Total Governmental Activities Depreciation Expense	\$ 716,879

A summary of changes in component unit activities capital assets for the year end was as follows:

	I	Beginning			Decreases/	Ending
		Balances	Increases		Reclassifications	 Balances
Capital assets, being depreciated:						
Infrastructure	\$	4,800,000	\$	-	\$ -	\$ 4,800,000
Total capital assets being depreciated		4,800,000		-		 4,800,000
Less accumulated depreciation						
Infrastructure		(3,003,579)		(287,427)	-	(3,291,006)
Total accumulated depreciation		(3,003,579)		(287,427)		 (3,291,006)
Net capital assets being depreciated		1,796,421		(287,427)		 1,508,994
Total Capital Assets	\$	1,796,421	\$	(287,427)	\$ -	\$ 1,508,994

D. Deferred Charge on Refunding

A deferred charge resulting from the issuance of the 2013 general obligation refunding bonds has been recorded as a deferred outflow of resources and is being amortized to interest expense over the term of the refunded debt. Current year balances for business-type activities totaled \$95,198. Current year amortization expense for business-type activities totaled \$29,291.

A deferred charge resulting from the issuance of the 2020 general obligation refunding bonds has been recorded as a deferred outflow of resources and is being amortized to interest expense over the term of the refunded debt. Current year balances for business-type activities totaled \$63,954. Current year amortization expense for business-type activities totaled \$6,559.

A deferred charge resulting from the issuance of the 2021 general obligation refunding bonds has been recorded as a deferred outflow of resources and is being amortized to interest expense over the term of the refunded debt. Current year balances for component unit activities totaled \$52,158. Current year amortization expense for component unit activities totaled \$5,795.

E. Compensated Absences

The following summarizes the changes in the compensated absences balances of the primary government during the year. In general, the City uses the general and utility funds to liquidate governmental and business-type activities compensated absences, respectively.

Governmental Activities:		eginning Balance	A	dditions	R	eductions	Ending Balance	D	amounts ue within One Year
Compensated absences	\$	146,591	\$	152,827	\$	(146,591)	\$ 152,827	\$	137,544
Total Governmental Activities	\$	146,591	\$	152,827	\$	(146,591)	\$ 152,827	\$	137,544
Other long-term liabilities due in more than one year						\$ 15,283			
Business-Type Activities:									
Compensated absences	\$	15,628	\$	12,259	\$	(14,065)	\$ 13,822	\$	12,440
Total Business-Type Activities	\$	15 <i>,</i> 628	\$	12,259	\$	(14,065)	\$ 13 <i>,</i> 822	\$	12,440
Other long-term liabilities due	in n	nore than o	ne ye	ar			\$ 1,382		

F. Long-term Debt

The following is a summary of changes in the City's total long-term liabilities for the year ended. The City uses the general fund and debt service fund to liquidate governmental long-term liabilities.

	E	Beginning Balance	Ad	ditions	R	eductions	 Ending Balance	Dı	amounts 1e Within One Year
Governmental Activities:									
Certificates of Obligation	\$	6,203,836	\$		\$	(402,781)	\$ 5,801,055	\$	415,323
Note payables		24,848		-		(5,912)	18,936		6,109
Less: Deferred Amounts									
Premiums		612,199		-		(37,084)	 575,115		-
Total Governmental Activities	\$	6,840,883	\$	-	\$	(445,777)	\$ 6,395,106	\$	421,432
Long-term Liabilities Due in More tl	han	One Year					\$ 5,973,674		
-									
Business-Type Activities:									
Certificates of Obligation	\$	661,165	\$	-	\$	(162,218)	\$ 498,947	\$	164,677
General Obligation Bonds		4,170,000		-		(510,000)	3,660,000		530,000
Less: Deferred Amounts									
Premiums		328,724		-		(42,226)	286,498		-
Total Business-Type Activities	\$	5,159,889	\$	-	\$	(714,444)	\$ 4,445,445	\$	694,677
Long-term Liabilities Due in More tl	han	One Year					\$ 3,750,768		
Component Unit Activities:									
Sales Tax Refunding Bonds	\$	1,380,000	\$	-	\$	(125,000)	\$ 1,255,000	\$	130,000
Total Component Unit Activities	\$	1,380,000	\$	-	\$	(125,000)	\$ 1,255,000	\$	130,000
Long-term Liabilities Due in More tl	han	One Year					\$ 1,125,000		

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. The City intends to retire all of its general long-term liabilities, plus accrued interest, from property taxes and other current revenues from the debt service fund as has been done in prior years. The business-type long term debt will be repaid, plus accrued interest, from operating revenues of the water and sewer fund.

Long-term debt at year end was comprised of the following debt issues:

Description	Interest Rates	Maturity Date		Original Balance		Current Balance
Governmental Activities:						
2021 Certificates of obligation	2.0% - 3.0%	10/1/2041	\$	5,945,000	\$	5,285,000
2015 Certificates of obligation	2.0% - 3.0%	8/15/2027		3,560,000		516,055
	Total Certificates	of Obligation	\$	9,505,000	\$	5,801,055
Nata Dava bla	2 25 9/	0/5/2027	ተ		¢	10.02/
Note Payables	3.25%	9/5/2027	\$	56,500	\$	18,936
	Total N	lote Payables	\$	56,500	\$	18,936
Business-Type Activities:						
2015 Certificates of obligation	2.0% - 3.0%	8/15/2027	\$	3,560,000	\$	498,947
	Total Certificates	of Obligation	\$	3,560,000	\$	498,947
2020 General obligation	2.0% - 4.0%	8/15/2034	\$	3,140,000	\$	2,540,000
2013 General obligation	2.0% - 3.0%	5/15/2027		4,250,000		1,120,000
	Total General Obligation Refu	inding Bonds	\$	7,390,000	\$	3,660,000
Component Unit Activities:						
2021 Sales tax refunding bonds	2.16%	10/1/2032	\$	1,620,000	\$	1,255,000
	Total Sales Tax Refu	inding Bonds	\$	1,620,000	\$	1,255,000

Governmental Activities								
	Certificates of							
Year ending	Obligation Bonds							
September 30,]	Principal	Interest					
2025	\$	415,323	\$	165,576				
2026		422,865		154,820				
2027		432,865		143,689				
2028		265,000		132,000				
2029		275,000		124,050				
2030		280,000		115,800				
2031		290,000		107,400				
2032		300,000		98,7 00				
2033		310,000		89,700				
2034		315,000		80,400				
2035		325,000		70,950				
2036		335,000		61,200				
2037		345,000		51,150				
2038		355,000		40,800				
2039		365,000		30,150				
2040		380,000		19,200				
2041		390,002		7,800				
Total	\$	5,801,055	\$	2,445,035				

The annual requirements to amortize governmental activities debt issues outstanding at year ending were as follows:

Governmental Activities								
Year ending	Note Payables							
September 30,]	Interest						
2025	\$	6,109	\$	525				
2026		6,310		323				
2027		6,517		115				
Total	\$	18,936	\$	963				

The annual requirements to amortize business-type activities debt issues outstanding at year ending were as follows:

		Business-Type Activities							
Certificates of									
Obligation Bonds									
Principal Interest									
164,677	\$	10,564							
167,135		7,270							
167,135		3,761							
498,947	\$	21,595							
	Obligatio Principal 164,677 167,135 167,135	Obligation Bon Principal I 164,677 \$ 167,135 167,135							

Business-Type Activities								
	General Obligation							
Year ending	Refunding Bonds							
September 30,	Principal Interest							
2025	\$	530,000	\$	107,150				
2026		550,000		89,550				
2027		570,000		71,250				
2028		255,000		54,150				
2029		275,000		46,500				
2030		280,000		38,250				
2031		285,000		29,850				
2032		300,000		21,300				
2033		305,000		12,300				
2034		310,000		6,200				
Total	\$	3,660,000	\$	476,500				

The annual requirements to amortize component unit activities debt issues outstanding at year ending were as follows:

Component Unit Activities									
	Sales Tax								
Year ending		Refu	ndin	g					
September 30,		Principal		Interest					
2025	\$	130,000	\$	27,108					
2026		135,000		24,300					
2027		135,000		21,384					
2028		135,000		18,468					
2029		140,000		15,552					
2030		140,000		12,528					
2031		145,000		9,504					
2032		145,000		6,372					
2033		150,000		3,240					
Total	\$	1,255,000	\$	138,456					

G. Interfund Transactions

Transfers between the primary government funds during the year were as follows:

	Transfer Out:								
			Debt		Water and				
Transfer In:	General		Service		Sewer	S	anitation		Total
General	\$ -	\$	-	\$	22,052	\$	25,000	\$	47,052
Debt service	363,720		-		-		-		363,720
Water and sewer	-		387,773		-		-		387,773
Nonmajor governmental	152,972		-		-		-		152,972
Total	\$ 516,692	\$	387,773	\$	22,052	\$	25,000	\$	951,517

Amounts transferred between funds relate to amounts collected by the governmental and enterprise funds for various operational and capital expenditures and principal and interest payments. During the year, the EDC transferred \$138,972 to the general fund.

The compositions of interfund balances as of the year ended September 30, 2024 were as follows:

		Due To: Pa				
Due From: Receivable Fund	General		Sanitation		Total	
General	\$	-	\$	49,379	\$	49,379
Nonmajor governmental		2,634		-		2,634
Total	\$	2,634	\$	49,379	\$	52,013

H. Fund Equity

The City records fund balance restrictions on the fund level to indicate that a portion of the fund balance is legally restricted for a specific future use or to indicate that a portion of the fund balance is not available for expenditures.

The following is a list of fund balances restricted/committed by the City:

		Restricted		Committed
Debt service	\$	42,747	\$	-
Capital projects		5,802,775		-
Public safety		22,600		-
Civic center		2,128		-
USDA revolving loan		128,966		-
Other purposes		-		254,679
To	tal \$	5,999,216	\$	254,679

I. Construction Commitments

A summary of the City's outstanding construction commitments as of yearend was as follows:

Governmental Activities

		Project					
		Budget		Total		Remaining	
Project	Appropriation			in Progress		ommitment	
Yamboree Park Playground	\$	433,224	\$	290,000	\$	143,224	
Yamboree Park Engineering		275,000		198,000		77,000	
Abney Park		946,400		716,260		230,140	
Roosevelt Park		36,000		15,000		21,000	
Total Construction in Progress	\$	1,690,624	\$	1,219,260	\$	471,364	

Business-Type Activities

		Project				
		Budget		Total	Remaining	
Project	Appropriation in P			Progress	Со	mmitment
Water Tank Modifications	\$	49,000	\$	24,800	\$	24,200
WWTP Bar Sceen		51,000		41,800		9,200
Wildlife Exclusion Fencing		203,638		106,633		97,005
Gilmer ISD Sewer Line		15,500		11,125		4,375
Total Construction in Progress	\$	319,138	\$	184,358	\$	134,780

V. OTHER INFORMATION

A. 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 for which the City participates along with over 2,800 other entities in the Texas Municipal League Intergovernmental Risk Pools. The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

B. Contingent Liabilities

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

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

C. Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed correctly, a substantial liability to the City could result. The City does anticipate that it will have an arbitrage liability and performs annual calculations to estimate this potential liability. The City will also engage an arbitrage consultant to perform the calculations in accordance with Internal Revenue Service's rules and regulations if indicated.

D. Pension Plans

Texas Municipal Retirement Systems

1. Plan Description

The City 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 Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com. All eligible employees of the City are required to participate in TMRS.

2. Benefits Provided

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

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

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

	<u>Plan Year 2022</u>	Plan Year 2023
Employee deposit rate	6.0%	6.0%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility		
(expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI
Employees covered by benefit term	ns	

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	49
Inactive employees entitled to but not yet receiving benefits	35
Active employees	49
Total	133

3. Contributions

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

Employees for the were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the were 13.62% and 14.85% in calendar years 2023 and 2024,

respectively. The City's contributions to TMRS for the year ended September 30, 2024, were \$368,405 and were equal to the required contributions.

4. Net Pension Liability

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

Actuarial assumptions:

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

Inflation	2.5% per year
Overall payroll growth	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

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

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2023 and first used in the December 31, 2022 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS. Plan assets are managed on a total return basis with an emphasis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real
		Rate of Return (Arithmetic)
Global Equity	35.0%	6.7%
Core Fixed Income	6.0%	4.7%
Non-Core Fixed Income	20.0%	8.0%
Real Return	12.0%	8.0%
Real Estate	12.0%	7.6%
Absolute Return	5.0%	6.4%
Private Equity	10.0%	11.6%
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.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability (asset) 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:

19	% Decrease	Curi	ent Single Rate	1% Increase			
5.75%		Ass	umption 6.75%	7.75%			
\$	3,580,837	\$	1,802,515	\$	349,576		

Changes in the Net Pension Liability:

	Total Pension Plan Fiduciary Net		Net Pension	
	 Liability (a)		Position (b)	 Liability (a) – (b)
Balance at 12/31/22	\$ 12,616,850	\$	10,300,346	\$ 2,316,504
Changes for the year:				
Service Cost	374,640		-	374,640
Interest	842,189		-	842,189
Change in benefit terms	-		-	-
Difference between expected and				
actual experience	73,321		-	73,321
Changes of assumptions	(135,243)		-	(135,243)
Contributions – employer	-		333,264	(333,264)
Contributions – employee	-		151,370	(151,370)
Net investment income	-		1,191,899	(1,191,899)
Benefit payments, including				
refunds of emp. contributions	(654,589)		(654,589)	-
Administrative expense	-		(7,584)	7,584
Other changes	-		(53)	53
Net changes	 500,318		1,014,307	(513,989)
Balance at 12/31/23	\$ 13,117,168	\$	11,314,653	\$ 1,802,515

Pension Plan Fiduciary Net Position:

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

5. <u>Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources</u> <u>Related to Pensions</u>

For the year ended September 30, 2024, the City recognized pension expense of \$392,562.

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

	Defer	red Outflows	Defei	rred (Inflows)
	of	Resources	of	Resources
Differences between expected and actual				
economic experience	\$	220,684	\$	-
Changes in actuarial assumptions		-		(97,780)
Difference between projected and				
investment earnings		282,096		-
Contributions subsequent to the				
measurement date		272,257		_
Total	\$	775,037	\$	(97,780)

The City reported \$272,257 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that 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:

Year ended December 31:	
2025	\$ 181,434
2026	119,772
2027	207,828
2028	(104,034)
2029	-
Thereafter	 -
	\$ 405,000

Texas Emergency Services Retirement System

1. <u>Plan Description</u>

The Fire Fighter's Pension Commissioner is the administrator of the Texas Emergency Services Retirement System (TESRS), a cost-sharing multiple employer pension system established and administered by the State of Texas to provide pension benefits for emergency services personnel who serve without significant monetary remuneration. At August 31,

2023, there were 241 member fire or emergency services departments actively participating in TESRS. Eligible participants include volunteer emergency services personnel who are members in good standing of a participating department.

At August 31, 2023, TESRS membership consisted of:

Retirees and Beneficiaries Currently	
Receiving Benefits	3,929
Terminated Participants Entitled to	
Benefits but Not Yet Receiving Them	1,689
Active Participants (Vested and	
Nonvested)	<u>3,343</u>
Total	<u>8,961</u>

Senate Bill 411, 65th Legislature, Regular Session (1977), created TESRS and established the applicable benefit provisions. The 79th Legislature, Regular Session (2005), recodified the provisions and gave the TESRS Board of Trustees authority to establish vesting requirements, contribution levels, benefit formulas, and eligibility requirements by board rule. The benefit provisions include retirement benefits as well as death and disability benefits. Members are 50% vested after the tenth year of service, with the vesting percent increasing 10% for each of the next five years of service so that a member becomes 100% vested with 15 years of service.

Upon reaching age 55, each vested member may retire and receive a monthly pension equal to his vested percent multiplied by six times the governing body's average monthly contribution over the member's years of qualified service. For years of service in excess of 15 years, this monthly benefit is increased at the rate of 6.2% compounded annually.

On and off-duty death benefits and on-duty disability benefits are dependent on whether or not the member was engaged in the performance of duties at the time of death or disability. Death benefits include a lump sum amount and continuing monthly payments to a member's surviving spouse and dependent children.

2. <u>Funding Policy</u>

Contributions are made by governing bodies for the participating departments. No contributions are required from the individuals who are members of the System, nor are they allowed. The governing bodies of each participating department are required to make contributions for each month a member performs emergency services for a department (this minimum contribution is \$36 per member and the department may make a higher monthly contribution for its members). This is referred to as a Part One contribution, which is the legacy portion of the System contribution that directly impacts future retiree annuities.

According to the state law governing the System, the state is required to contribute an amount necessary to make the System "actuarially sound" each year, which may not exceed one-third of the total of all contributions made by participating governing bodies in a particular year.

The board rule defining contributions was amended in 2014 to add the potential for actuarially determined Part Two contributions that would be required only if the expected future annual contributions from the state are not enough with the Part One contributions to provide an adequate contribution arrangement as determined by the most recent actuarial valuation. This Part Two portion, which is actuarially determined as a percent of the Part One portion (not to exceed 15%), is to be actuarially adjusted every two years based on the most recent actuarial valuation. Based on the August 31, 2024 actuarial valuation, the Part Two contributions are not required for an adequate contribution arrangement.

Additional contributions may be made by governing bodies within two years of joining the System, to grant up to ten years of credit for service per member. Prior service purchased must have occurred before the department began participation in the System.

A small subset of participating departments have a different contribution arrangement which is being phased out over time. In this arrangement, contributions made in addition to the monthly contributions for active members, are made by local governing bodies on a pay-asyou-go basis for members who were pensioners when their respective departments merged into the System. There is no actuarial impact associated with this arrangement as the pay-asyou-go contributions made by these governing bodies are always equal to benefit payments paid by the System.

Ultimately, the contribution policy also depends upon the total return of the System's assets, which varies from year to year. Investment policy decisions are established and maintained by the board of trustees. For the year ending August 31, 2023, the money-weighted rate of return on pension plan investments was 11.85%. This measurement of the investment performance is net of investment-related expenses, reflecting the effect of the timing of the contributions received and the benefits paid during the year.

3. <u>Contributions</u>

The contribution requirement per active emergency services personnel member per month is not actuarially determined. Rather, the minimum contribution provisions were set by board rule. For the fiscal year ending August 31, 2024, total contributions (dues and prior service) of \$4,172,237 were paid into TESRS by the political subdivisions served by the member volunteer emergency services personnel. The state appropriated \$1,292,763 for the fiscal year ending August 31, 2024.

The purpose of the biennial actuarial valuation is to test the adequacy of the contribution arrangement to determine if it is adequate to pay the benefits that are promised. The most recently completed biennial actuarial valuation as of August 31, 2022 stated that TESRS has an adequate contribution arrangement for the benefit provisions recognized in the valuation based on the expected total contributions, including the expected contributions both from the governing body of each participating department and from the state. The expected contributions from the state are state appropriations equal to (1) the maximum annual contribution (one-third of all contributions to TESRS by governing bodies of participating departments in a year) as needed in accordance with state law governing TESRS and (2) approximately \$675,000 each year to pay for part of the System's administrative expenses.

To the best of our knowledge, the actuarial information supplied in this section is complete, accurate and in compliance with GASB Statement No. 25. In our opinion, the assumptions used are reasonably related to the experience of the System and to reasonable expectations. The assumptions represent a reasonable estimate of anticipated experience of the System over the long-term future, and their selection complies with the appropriate actuarial standards of practice.

Valuation Date	<u>August 31, 2018</u>	<u>August 31, 2020</u>	<u>August 31, 2022</u>
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	Level dollar, open	Level dollar, open	Level dollar, open
Amortization	30 years	30 years	30 years
Asset Valuation Method	Market value	Market value	Market value smoothed
	smoothed by a 5-year	smoothed by a 5-year	by a 5-year deferred
	deferred recognition method with a	deferred recognition method with a	recognition method with a 80%/120%
	80%/120% corridor on market value	80%/120% corridor on market value	corridor on market value
Actuarial Assumptions:			
Investment Rate of Return *	7.75% per year, net of	7.50% per year, net of	7.5% per year, net of
	investment expenses	investment expenses	investment expenses
Projected Salary Increases *	N/A	N/A	N/A
* Includes Inflation at	3.50%	3.00%	3.00%
Cost-of-Living Adjustments	None	None	None

Asset Class	Target Allocation	Long-Term Expected Net Real Rate of Return
Equities:		
Large cap domestic	20%	5.83%
Small cap domestic	10%	5.94%
Developed international	15%	6.17%
Emerging markets	5%	7.36%
Global infrastructure	5%	6.61%
Real Estate	10%	4.48%
Multi asset income	5%	3.86%
Fixed income	30%	1.95%
Cash	0%	0%
Total	100.0%	4.61%

The target allocation for each major asset class is summarized in the following table:

Discount Rate:

The discount rate used to measure the Total Pension Liability was 7.5%. No projection of cash flows was used to determine the discount rate because the August 31, 2022 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 30 years using the conservative level dollar amortization method. Because of the 30-year amortization period with the conservative amortization method, the pension plan's fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

		Total Pension		Plan Fiduciary		Net Pension
Balance at 8/31/2022	\$	Liability (a)	\$	Net Position (b)	\$	Liability (a) – (b) 65,795
	Φ	265,186	Φ	199,391	Φ	65,795
Changes for the year:						
Service Cost		2,601		-		2,601
Interest (on the Total Pension Liab.)		19,571		-		19,571
Change in benefit terms		-		-		-
Difference between expected and						
actual experience		-		-		-
Changes of assumptions		-		-		-
Contributions – members		-		5,992		(5,992)
Contributions – state		-		2,025		(2,025)
Net investment income		-		11,100		(11,100)
Benefit payments, including						
refunds of emp. contributions		(13,680)		(13,680)		-
Administrative expense		-		(562)		562
Net changes		8,492	_	4,875	_	3,617
Balance at 8/31/2023	\$	273,678	\$	204,266	\$	69,412

4. Changes in the Net Pension Liability

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 7.5%, 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 (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

1% Decrease	Current Single Rate	1% Increase
6.5%	Assumption 7.5%	8.5%
\$ 107,480	\$ 69,412	

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TESRS financial report. That report may be obtained on the internet at <u>www.tesrs.com</u>.

5. <u>Pension Expense and Deferred Outflows of Resources and Deferred Inflows of</u> <u>Resources</u>

For the year ended September 30, 2024, the City recognized pension expense of \$13,902.

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

Deferred Outflows	D	eferred
of Resources	(Inflows	s) of Resources
\$ 20,767	\$	-
1,014		-
 -		(134)
\$ 21,781	\$	(134)
\$	of Resources \$ 20,767 1,014 -	of Resources (Inflows) \$ 20,767 \$ 1,014 - -

The City did not report deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending September 30, 2025.

Other amounts reported as deferred outflows related to the TESRS pension will be recognized in pension expense as follows:

Year ended August 31:	
2024	\$ 5,445
2025	5,654
2026	9,839
2027	709
2028	-
Thereafter	 -
	\$ 21,647

Supplemental Death Benefits Fund

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City 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.

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); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. 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 pre-fund retiree term life insurance during employees' entire careers.

1. Employees covered by benefit terms

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

Inactive employees or beneficiaries currently receiving benefits	31
Inactive employees entitled to but not yet receiving benefits	8
Active employees	49
Total	88

The City's contributions to the TMRS SDBF for the years ended 2023 and 2024 were \$4,995 and \$4,939, respectively, which equaled the required contributions each year.

Three-Year Contribution Information

	Annual Required	Actual Contribution	Percentage of
Plan/	Contribution	Made	ARC
Calendar Year	(Rate)	(Rate)	Contributed
2022	0.18%	0.18%	100.0%
2023	0.20%	0.20%	100.0%
2024	0.19%	0.19%	100.0%

2. Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2023, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

3. Actuarial assumptions:

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

Inflation	2.5% per year
Overall payroll growth	3.60% to 11.85%, including inflation per year
Discount rate	3.77%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the
	Pension Trust and accounted for under reporting
	requirements under GASB Statement No. 68

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas Mortality tables with male rates multiplied by 139% and female rates multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). For disabled annuitants, the gender-distinct 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

4. Discount Rate:

The discount rate used to measure the Total OPEB Liability was 3.77%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

5. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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

19	% Decrease	Curre	ent Single Rate	1	% Increase
_	2.77%	Assu	mption 3.77%	_	4.77%
\$	213,096	\$	180,032	\$	153,725

6. Changes in the Total OPEB Liability:

	Total OPEB
	 Liability
Balance at 12/31/22	\$ 163,060
Changes for the year:	
Service Cost	5,803
Interest	6,619
Difference between expected and	
actual experience	567
Changes of assumptions	9,029
Benefit payments	(5,046)
Net changes	 16,972
Balance at 12/31/23	\$ 180,032

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

For the year ended September 30, 2024, the City recognized OPEB expense of \$4,454.

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

	 ed Outflows Resources	red (Inflows) Resources
Changes in actuarial assumptions Difference between expected and	\$ -	\$ (26,594)
actual experience	-	(5,708)
Contributions subsequent to		
measurement date	 3,577	 -
Total	\$ 3,577	\$ (32,302)

The City reported \$3,577 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending September 30, 2025.

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

Year ended December 31:	
2024	\$ (6,799)
2025	(10,285)
2026	(13,963)
2027	(2,092)
2028	837
Thereafter	 -
	\$ (32,302)

E. Deferred Compensation Plan

The City offers its employees a deferred compensation plan (the "Plan") created in accordance with the Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. The Plan's trust arrangements are established to protect deferred compensation amounts of employees under the Plan from any other use than intended under the Plan (eventual payments to employees deferring the compensation) in accordance with federal tax laws. Amounts of compensation deferred by employees under Plan provisions are disbursed monthly by the City to a third-party administrator. The third-party administrator handles all funds in the Plan and makes investment decisions and disburses funds to employees in accordance with Plan provisions. Employee contributions totaled \$5,200 during the year.

F. Restatement

Due to the implementation of GASB 100 during the current year, the City corrected beginning fund balance/net position for the change in blended component unit, discrete component unit, and governmental activities. In addition, the City restated beginning fund balance/net position for the general fund, governmental activities, water and sewer fund, airport fund, and business-type activities for various reasons.

The restatement of beginning fund balance/net position for governmental and component unit activities is as follows:

	General Fund	Cor	Blended nponent Unit	G	overnmental Activities	Discretely nponent Unit
Prior year ending net position/fund	 					 - <u>F</u>
balance, as reported	\$ 3,446,128	\$	1,849,146	\$	13,442,233	\$ -
Change to financial reporting						
entity (blended to discrete)	-		(1,849,146)		(2,317,283)	2,317,283
Restate capital assets	-		-		218,087	-
Restate deferred court fines	-		-		(136,562)	-
Restate accrued interest payable	-		-		10,000	-
Restate franchise accrual	55,456		-		55,456	82,172
Restate sales tax accrual	164,344		-		164,344	-
Restate other receivables	 (19,408)	_	-		(19,408)	 -
Restated beginning net						
position/fund balance	\$ 3,646,520	\$	-	\$	11,416,867	\$ 2,399,455

The restatement of beginning fund balance/net position for business-type activities is as follows:

	Water and			Business-
	Sewer	Airport	Ту	pe Activities
Prior year ending net position/fund balance, as				
reported	\$ 13,436,239	\$ 3,046,024	\$	17,307,983
Restate interest accrual	13,358	-		13,358
Restate lease receivable	-	3,024		3,024
Restate capital assets	 -	 (452,332)		(452,332)
Restated beginning net position/fund balance	\$ 13,449,597	\$ 2,596,716	\$	16,872,033

G. New Accounting Pronouncements

The City has adopted the provision of Governmental Accounting Standard Board (GASB) Statement No. 100, entitled Accounting Changes and Error Calculations. The requirements of this statement are displayed within the government-wide and fund financial statements, where applicable.

H. Subsequent Events

There were no material subsequent events through May 9, 2025, the date the financial statements were issued.

REQUIRED SUPPLEMENTARY INFORMATION

City of Gilmer, Texas SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 1 of 2) GENERAL FUND For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Fir	iance with al Budget Positive Negative)
Revenues					
Property tax	\$ 1,668,200	\$ 1,668,200	\$ 1,706,108	\$	37,908
Sales tax	1,715,000	1,715,000	1,848,345		133,345
Franchise and local taxes	507,550	507,550	589,277		81,727
Other taxes	60,000	60,000	81,023		21,023
Penalty and interest	-	-	29,288		29,288
Intergovernmental revenue	136,800	136,800	279,253		142,453
License and permits	44,400	44,400	70,971		26,571
Fines and forfeitures	175,475	175,475	186,994		11,519
Rents and royalties	17,000	17,000	13,212		(3,788)
Investment income	15,500	15,500	54,541		39,041
Other revenues	11,900	20,473	56,731		36,258
Total Revenues	4,351,825	4,360,398	4,915,743		555,345
<u>Expenditures</u>					
Current:					
Current:					
General government	368,764	368,764	384,840		(16,076) *
Treasurer/finance	149,056	149,056	142,654		6,402
Streets	353,816	353,816	365,649		(11,833) *
Fire operations	887,489	887,489	844,350		43,139
Police operation	1,809,469	1,809,469	1,761,884		47,585
Municipal court	105,979	105,979	91,633		14,346
Parks	70,589	70,589	71,628		(1,039) *
Community	195,266	195,266	165,259		30,007
Lake	4,200	4,200	2,788		1,412
Council	40,714	40,714	29,155		11,559
Contingency	101,479	681,439	599,648		81,791
Total Expenditures	 4,086,821	4,666,781	4,459,488		207,293

City of Gilmer, Texas SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 2 of 2) GENERAL FUND For the Year Ended September 30, 2024

Revenues Over (Under) Expenditures	Original Budget 265,004	Final Budget (306,383)	Actual 456,255	Variance with Final Budget Positive (Negative) 762,638
Other Financing Sources (Uses)		(000,000)		
Transfers in	409,025	455,475	47,052	(408,423)
Transfers (out)	(152,430)	(768,414)	(516,692)	251,722
Total Other				
Financing Sources (Uses)	256,595	(312,939)	(469,640)	(156,701)
Net Change in Fund Balance	\$ 521,599	\$ (619,322)	(13,385)	\$ 605,937
Beginning fu	und balance, as pro	eviously reported	3,446,128	
		Error correction	200,392	
Beginning fu	und balance, as pro	eviously reported	3,646,520	
	Endi	ng Fund Balance	\$ 3,633,135	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

2. * Expenditures exceeded appropriations at the legal level of control (fund level).

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM Years Ended December 31, City of Gilmer, Texas

r unu s net position as a percentage or covered payroll	Plan fiduciary net position as a percentage of the total pension liability Covered payroll Fund's net nosition as a percentage of	Fund's net pension liability - ending (a) - (b)	Plan fiduciary net position - ending (b)	Plan fiduciary net position - beginning	Net change in plan fiduciary net position	Other	Administrative expenses	participant contributions	Benefit payments, including refunds of	Net investment income	Contributions - members	Contributions - employer	Plan fiduciary net position	Total pension liability - ending (a)	Total pension liability - beginning	Net change in total pension liability	participant contributions	Benefit payments, including refunds of	Changes of assumptions	actual experience	Differences between expected and	Interest	Service cost	Total pension liability	
	S	÷	÷									÷		÷	÷								\$		
71.45%	86.26% 2,522,827	1,802,515	11,314,653	10,300,346	1,014,307	(53)	(7,584)	(654,589)		1,191,899	151,370	333,264		13,117,168	12,616,850	500,318	(654,589)		(135,243)	73,321		842,189	374,640		2023
	\$	÷	\$									\$		÷	\$								÷	1	
98.61%	81.64% 2,349,142	2,316,504	10,300,346	11,303,196	(1,002,850)	8,520	(7, 140)	(621,593)		(825,123)	140,949	301,537		12,616,850	11,823,390	793,460	(621,594)		,	282,190		788,715	344,149		2022
	\$	÷	÷									÷		÷	æ								÷		
23.04%	95.60% 2,258,254	520,194	11,303,196	10,052,481	1,250,715	41	(6,064)	(491,946)		1,310,665	135,495	302,524		11,823,390	10,998,535	824,855	(491, 946)		,	247,836		737,002	331,963		2021
	\$	÷	\$									÷		÷	\$								÷		
43.71%	91.40% 2,164,495	946,054	10,052,481	9,446,257	606,224	(181)	(4, 640)	(524,684)		717,114	129,870	288,745		10,998,535	10,697,331	301,204	(524,684)		,	(208,736)		715,144	319,480		2020
	÷	÷	\$		ĺ							÷		÷	\$								÷		
57.00%	88.30% 2,194,903	1,251,074	9,446,257	8,208,981	1,237,276	(216)	(7,171)	(456,067)		1,269,294	131,694	299,742		10,697,331	10,181,627	515,704	(456,067)		46,124	(79,307)		682,742	322,212		2019
	÷	÷	÷									÷		÷	÷								÷		
91.49%	80.63% 2,156,138	1,972,646	8,208,981	8,398,788	(189,807)	(254)	(4,862)	(358,522)		(251,574)	129,368	296,037		10,181,627	9,769,595	412,032	(358,522)		ı	(202, 214)		657,972	314,796		2018
	\$	÷	÷	1	ĺ							÷		æ	\$								÷		
64.23%	85.97% 2,134,157	1,370,807	8,398,788	7,308,162	1,090,626	(266)	(5,249)	(334,623)		1,012,684	128,049	290,031		9,769,595	9,119,299	650,296	(334,623)		,	58,777		614,768	311,374		2017
	÷	÷	÷		ĺ							÷		÷	÷								÷		
85.34%	80.14% 2,122,206	1,811,137	7,308,162	6,746,506	561,656	(277)	(5,149)	(290,697)		456,045	127,332	274,402		9,119,299	8,472,334	646,965	(290,697)		ı	52,439		572,622	312,601		2016
	\$	÷	\$									\$		÷	æ								÷		
86.07%	79.63% 2,005,048	1,725,828	6,746,506	6,702,228	44,278	(298)	(6,024)	(353,280)		9,890	120,303	273,687		8,472,334	7,981,858	490,476	(353,280)		26,163	(18,474)		556,162	279,905		2015
	\$	\$	\$	~								\$		\$	\$								÷		N
66.12%	83.97% 1,935,190	1,279,630	6,702,228	6,339,825	362,403	(311)	(3,787)	(366,623)		362,730	116,111	254,283		7,981,858	7,719,663	262,195	(366,623)		·	(159,024)		536,347	251,495		2014

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						Yea	Years Ended:												
	9/30/2024	24	9/30/2023		9/30/2022		9/30/2021		9/30/2020		9/30/2019		9/30/2018	<u>.</u>	9/30/2017		9/30/2016		9/30/2015
Actuarially determined employer contributions	\$ 368,405		\$ 332,816	÷	295,582	÷	290,463	÷	300,042	÷	304,415	÷	299,244	÷	290,855	÷	282,331	÷	270,366
Contributions in relation to the actuarially																			
determined contribution	\$ 368,405		\$ 332,816	÷	295,582	÷	290,463	æ	300,042	æ	304,415	÷	299,244	÷	290,855	÷	282,331	÷	270,366
Contribution deficiency (excess)	\$	1	-	\$	1	÷		÷		÷		\$		\$		\$		÷	ı
Annual covered payroll	\$ 2,610,675		\$ 2,544,389	\$	2,224,327	\$	2,130,159	\$	2,199,804	\$	2,190,102	\$	2,151,563	\$	\$ 2,197,347	\$	\$ 2,104,321 \$ 2,002,551	\$	2,002,551
Employer contributions as a percentage of covered	d																		
payroll	14.11%	1%	13.08%		13.29%		13.64%		13.64%		13.90%		13.91%		13.24%		13.42%		13.50%
¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.	rement to sho	w info	rmation for ten	years	. However,	until	l a full ten-y	ear tre	end is compi	led, o	nly								
NOTES TO S	CHEDULE OI	FEMP	NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN	RIBU	TIONS TO	PEN	SION PLAN	2											
Valuation Date:																			
Notes	Actuarially d	leterm	Actuarially determined contribution rates are	on rat	es are														
	calculated as	of De	calculated as of December 31 and become	becon	Ie														
	effective in Ja	nnuary	effective in January 13 months later.	T.															
Methods and Assumptions Used to Determine Contribution Rates:	Contribution I	Rates:																	
Actuarial Cost Method	Entry Age Normal	ormal																	
Amortization Method	Level Percent	tage of	Level Percentage of Payroll, Closed	ď															

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN TEXAS MUNICIPAL RETIREMENT SYSTEM

City of Gilmer, Texas

Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on to an experience study of the period ending 2022.

Mortality

Retirement Age

Investment Rate of Return

6.75%

Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant

3.60% to 11.85% including inflation

2.5%

10 Year smoothed market; 12% soft corridor

22 Years (longest amortization ladder)

Inflation Salary Increases Remaining Amortization Period Asset Valuation Method

a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates

					Year	s End	led:										
~	3/31/2023	8	/31/2022	8	/31/2021	8	/31/2020	<u>9</u> 0	/31/2019	8/	31/2018	8/	31/2017	8/	31/2016	8/	8/31/2015 ¹
I				1		1		Í									
÷	2,601	÷	1,536	÷	1,556	æ	3,009	æ	2,967	\$	2,119	\$	1,912	÷	1,762	÷	2,033
	19,571		11,342		11,118		17,739		16,779		13,172		11,362		9,258		10,165
	ı		2,397		ı		4,820				3,758		ı		751		
	ı		2,458		ı		(3,169)		ı		(120)		ı		67		ı
	ı		(325)		ı		(109)		ı		ı		ı		926		ı
	(13,680)		(7,845)		(7,432)		(11,098)		(10,227)		(7,767)		(6,039)		(4,890)		(5,399)
	8,492		9,563		5,242		11,192		9,519	ĺ	11,162		7,235		7,874		6,799
\$	265,186	\$	153,616	\$	150,403	\$	231,433		218,648		171,732		147,711		120,142		131,826
\$	273,678	\$	163,179	\$	155,645	° \$	242,625	\$	228,167	\$	182,894	\$	154,946	\$	128,016	\$	138,625
\$	5,992	æ	3,995	æ	3,813	\mathbf{s}	6,056	æ	5,534	\$	5,451	æ	6,015	æ	3,602	æ	4,219
	2,025		1,246		1,329		2,144		2,113		1,768		1,901		1,647		1,965
	11,100		(17,509)		22,294		19,663		1,814		15,047		11,732		5,155		(3,951)
	(13,680)		(7,845)		(7,432)		(11,098)		(10,227)		(7,767)		(6,039)		(4,890)		(5,399)
	(562)		(238)		(268)		(517)		(361)		(210)		(221)		(174)		(259)
	4,875		(20,351)		19,736		16,248		(1,127)		14,289		13,388		5,340		(3,425)
	199,391		143,044		125,198		185,719		184,224		139,809		112,757		92,382		110,020
\$	204,266	\$	122,693	\$	144,934	\$	201,967	\$	183,097	\$	154,098	\$	126,145	\$	97,722	\$	106,595
÷	69,412	÷	40,486	÷	10,711	÷	40,658	÷	45,070	\$	28,796	\$	28,801	÷	30,294	\$	32,030
	74.64%		75.19%		93.12%		83.24%		80.25%		84.26%		81.41%		76.34%		76.89%
	3,394		3,379		3,571		3,634		3,702		3,927		4,046		3,634		4,036 ²
	0 1604%		12	\$	0 1000%	÷	11	÷	12	\$	7	\$	7	\$	35	\$	34
	0.1004 /0		0.0207 /0		0.1000/0		0.1013/0		0.0000 /0		0.0000 /0		0.0000/0		0.0000/0		0.0000 /0
requi	rement to sh	inw ii	nformation	for to	1			:					•				
	ି କାର୍କ୍ତ କ କାର୍ବ କାର୍କର କାର୍କ୍ତ କାର୍କର କାର୍କ୍ତ କାରକ	$\begin{array}{c c} 8/31/2023\\ \hline 8/31/2023\\ \hline 8/31/2023\\ \hline 19,571\\ -\\ -\\ -\\ -\\ -\\ -\\ -\\ -\\ -\\ -\\ -\\ -\\ -\\$	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	$8/31/2023$ $8/31/2022$ \$ 2,601\$ 1,53619,57111,342-2,458-2,458-2,458-2,458-2,458 $\frac{$ 265,186}{$ 265,186}$ \$ 163,179\$ 2,65,186\$ 163,179\$ 2,65,186\$ 163,179\$ 2,65,186\$ 1,53,616\$ 199,391(17,509) $(13,680)$ (7,845) $(13,680)$ (7,845) $(13,680)$ (7,845) $(13,680)$ (7,845) $(13,680)$ (17,509) $(13,680)$ (17,509) $(13,647)$ $(20,351)$ $(13,044)$ $(20,351)$ $(12,693)$ (238) $74,64\%$ $3,394$ $3,394$ $3,379$ 20 0.1604% 0.1604% 0.0987%	$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Year $8/31/2023$ $8/31/2022$ $8/31/2021$ \$ $2,601$ \$ $1,536$ $8/31/2021$ \$ $2,601$ \$ $1,536$ $8/31/2021$ \$ $2,601$ \$ $1,536$ \$19,571 $11,342$ $11,118$ $-$ - $2,458$ $ -$ - $2,458$ $ -$ - $2,458$ $ -$ - $2,397$ $ -$ - $2,397$ $ 8,492$ $9,563$ $5,242$ $8,492$ $3,995$ \$ $3,813$ $2,025$ $1,246$ $5,242$ $11,100$ $(17,509)$ $22,294$ $(13,680)$ $(7,845)$ $(7,432)$ $(13,680)$ $(7,845)$ $(7,432)$ $(13,680)$ $(7,845)$ $(7,432)$ $(13,680)$ $(7,845)$ $(7,432)$ $(13,680)$ $(7,845)$ $(7,432)$ $(13,680)$ $(17,509)$ $22,294$ $(13,680)$ $(17,509)$ $22,294$ $(13,680)$ $(7,845)$ $(7,432)$ $(13,680)$ $(12,693)$ (268) $(13,680)$ $(12,693)$ (268) $(13,680)$ $(2,351)$ (268) $(13,680)$ $(2,351)$ (268) $(13,680)$ $(2,351)$ $(2,351)$ $(14,924)$ $(2,12,693)$ $(2,68)$ $(12,693)$ $(2,351)$ $(2,351)$ $(13,68)$ $(3,379)$ $(3,379)$ $(14,944)$ $(3,379)$ $(3,371)$ $($	Years Enc $8/31/2023$ $8/31/2022$ $8/31/20211/2031$ $8/31/20211/2031$ $8/31/20211/2031$ $8/31/20211/2031$ $8/31/2021/20311/2031$ $8/31/2021/2031/2031/2031/2031/2031/2031/2$	Vertex Endet: $8/31/2023$ $8/31/2021$ $8/309$ $8/31/2021$ $8/309$ $8/31/2021$ $8/309$ $8/31/2021$ $8/309$ $8/31/2021$ $8/309$ $8/309$ $8/309$ $8/309$ $8/309$ $8/31/2021$ $8/309$ $8/31/2021$ $8/309$ $8/31/2021$ $8/309$ $8/31/2021$ $8/309$ $8/31/2021$ $8/31/2021$ $8/31/2021$ $8/31/2021$ $8/31/2021$ $8/31/2021$ $8/31/2021$ $8/31/2021$	Vers Endect: $8/31/2023$ $8/31/2021$ $8/31/2021$ $8/31/2021$ $8/31/2021$ $8/31/2021$ $8/31/2021$ $8/31/2020$	Vers Vers Vers Vers Notice No	Vears Endet: 8/31/2023 $8/31/2021$ $8/31/2021$ $8/31/2020$	Vers Endet: 8/31/2023 8/31/2021 8/31/2021 8/31/2020 8/31/2020 8/31/2021 3/3787 3/3787 3/378	Vers Ended: 8/31/2023 8/31/2022 8/31/2021 8/31/2020 8/31/202	Vers Endet: 8/31/2023 8/31/2021 8/31/2020	Vertex Ended: 8/31/2022 8/31/2021 8/31/2020 8/31/2020 8/31/2021	Vers Ended: 831/2023 831/2022 831/2022 831/2020 8/31/2020	e e e e e e e e e e e e e e e e e e e

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

City of Dayton, Texas

1) This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

 There is no compensation for active members, so number of active members is used instead.
 The System's net pension liability was measured as of August 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2023.

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN **TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM** City of Gilmer, Texas

Years Ended:

Contribution deficiency (excess) determined contribution Contributions in relation to the actuarially Actuarially determined employer contributions Contributions per active member Active members ÷ S ŝ 9/30/2024 1 7,640 7,640 695 NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN ÷ ŝ 9/30/2023 5,200 11 5,200 473 s ŝ c n 9/30/2022 4,800 10 4,800480s 9/30/2021 7,360 7,360 10 736 ÷ ŝ c, 9/30/2020 5,602 5,602 13 431÷ ŝ ŝ 9/30/2019 148,335 8,335 595 ŝ ŝ ŝ 9/30/2018 13 7,585 7,585 583 s G ŝ 9/30/2017 12 7,244 7,244 604 ÷ G 9/30/2016 6,572 6,572 597 ŝ ŝ c, 9/30/2015 12 8,408 8,408 701 i

Valuation Date:

Notes

Contribution rates are determined by board rule and become effective August 31.

Methods and A ţ. ed to Det 3. 2 ntributio on Rati

Actuation Cost Mathod Entry Age Normal	Enter: A configuration Rates:
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	21 years
Asset Valuation Method	5 Year smoothed market; 20% soft corridor
Inflation	3.00%
Salary Increases	n/a
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to
	the City's plan of benefits.
Mortality	Mortality rates were based on the PubS-2010 (public safety) below-median income mortality tables for employees and for retirees, projected for
	mortality improvement generationally using projection scale MP-2019.

Other Information:

Notes

There were no benefit changes during the year.



City of Gilmer, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM SUPPLEMENTAL DEATH BENEFITS PLAN

Years Ended December 31,

Total OPEB liability \$ 5,803 \$ 10,571 \$ 10,388 \$ 8,225 \$ 6,146 \$ 6,684 \$ 5,762 Interest 6,619 4,470 4,384 \$ 13,884 \$ 8,225 \$ 6,146 \$ 6,684 \$ 5,762 Differences between expected and actual experience 567 (10,185) 5,654 5,655 (7,618) 5,702 5,589 5,499 Changes of assumptions 9,029 (77,34) 7,011 26,824 28,093 (10,733) 12,713 Benefit payments, including refunds of participant contributions (5,046) (4,228) (1,387) (1,317) (10,733) 12,713 Net change in total OPEB liability - beginning (5,046) (5,046) (23,060) (23,046) (3,342) (1,317) (1648) (23,660) Total OPEB liability - ending (5,0132) (13,032) (23,640) (23,940) (23,940) (23,640) (23,640) (23,640) (23,640) (23,640)	2020	2019	2018
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$			
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$			
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	5,111	5,702	5,589
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$			
$9,029$ $(77,334)$ $7,011$ $26,824$ $28,093$ $(10,733)$ 1 $1ds$ $(5,046)$ $(4,228)$ $(3,387)$ $(1,082)$ $(1,317)$ (861) $\frac{16,972}{$}$ $(76,706)$ $239,766$ $\frac{$}{$}$ $215,716$ $\frac{$}{$}$ $182,293$ $\frac{$}{$}$ $151,287$ $\frac{$}{$}$ $165,935$ $\frac{$}{$}$ $14,648)$ $\frac{$}{$}$ $180,032$ $\frac{$}{$}$ $163,060$ $\frac{$}{$}$ $239,766$ $\frac{$}{$}$ $215,716$ $\frac{$}{$}$ $151,287$ $\frac{$}{$}$ $165,935$ $\frac{$}{$}$ 14 $$$ $2,522,827$ $$$ $2,349,142$ $$$ $2,258,254$ $$$ $2,166,506$ $$$ $2,194,903$ $$$ $2,156,138$ $$$ $2,13$	(5,655)	(7,618)	(15,327)
nds(5,046)(4,228)(3,387)(1,082)(1,317)(861)	26,824	28,093	(10,733)
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $			
16,972 (76,706) 24,050 33,423 31,006 (14,648) \$ 163,060 \$ 239,766 \$ 215,716 \$ 182,293 \$ 151,287 \$ 165,935 \$ \$ 180,032 \$ 163,060 \$ 239,766 \$ 239,766 \$ 239,766 \$ 182,293 \$ 151,287 \$ 165,935 \$ \$ 2,522,827 \$ 2,349,142 \$ 2,258,254 \$ 2,166,506 \$ 2,194,903 \$ 2,156,138 \$ 2,	(1,082)	(1,317)	(861)
nning \$ 163,060 \$ 239,766 \$ 215,716 \$ 182,293 \$ 151,287 \$ 165,935 \$ ng \$ 180,032 \$ 163,060 \$ 239,766 \$ 239,766 \$ 215,716 \$ 182,293 \$ 151,287 \$ 165,935 \$ ng \$ 180,032 \$ 163,060 \$ 239,766 \$ 215,716 \$ 182,293 \$ 151,287 \$			
ng \$ 180,032 \$ 163,060 \$ 239,766 \$ 215,716 \$ 182,293 \$ 151,287 \$ 151,287 \$ 2,522,827 \$ 2,349,142 \$ 2,258,254 \$ 2,166,506 \$ 2,194,903 \$ 2,156,138 \$ 2,	33,423	31,006	(14,648)
\$2,522,827 \$2,349,142 \$2,258,254 \$2,166,506 \$2,194,903 \$2,156,138	33,423 \$ 182,293	H	
	33,423 \$ 182,293 \$ 215,716		
Fund's net position as a percentage 6.94% 10.62% 9.96% 8.31% 7.02% 7.78%	2,1	2,1	2,
entage 7.14% 6.94% 10.62% 9.96% 8.31% 7.02%	(5,655) 26,824 (1,082)	(7,618) 28,093 (1,317)	(15,327) (10,733) (861)
\$ 163,060 \$ 239,766 \$ 215,716 \$ \$ 180,032 \$ 163,060 \$ 239,766 \$ \$ 239,766 \$ \$ 180,032 \$ 163,060 \$ 239,766 \$ \$ \$ 2,522,827 \$ 2,349,142 \$ 2,258,254 \$	20	_	20

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

information is shown.



OTHER SUPPLEMENTARY INFORMATION



NONMAJOR GOVERNMENTAL FUNDS

City of Gilmer, Texas

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS September 30, 2024

		PD Seizure		Civic Center		USDA Revolving Loan		Total Nonmajor Governmental	
Assets									
Cash and cash equivalents	\$	22,600	\$	22,911	\$	128,966	\$	174,477	
Due from other funds		-		2,634		-		2,634	
Total Asset	s \$	22,600	\$	25,545	\$	128,966	\$	177,111	
<u>Liabilities</u>									
Accounts payable	\$	-	\$	3,392	\$	-	\$	3,392	
Accrued liabilities		-		20,025		-		20,025	
Total Liabilitie	s	-		23,417		-		23,417	
Fund Balances									
Restricted for:									
Public safety		22,600		-		-		22,600	
Civic center		-		2,128		-		2,128	
USDA revolving loan		-		-		128,966		128,966	
Total Fund Balance	s	22,600		2,128		128,966		153,694	
Total Liabilities	5								
and Fund Balance	s \$	22,600	\$	25,545	\$	128,966	\$	177,111	

See Notes to Financial Statements.

City of Gilmer, Texas

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

For the Year Ended September 30, 2024

						USDA		Total	
	PD		Civic		Revolving		Nonmajor		
	S	eizure		Center		Loan		Governmental	
Revenues									
Rents and royalties	\$	-	\$	50,509	\$	-	\$	50,509	
Investment income		19		-		1,287		1,306	
Other revenues		4,967		4,011	_	-	_	8,978	
Total Revenues		4,986		54,520		1,287		60,793	
Expenditures									
General government		1,156		-		-		1,156	
Civic center		-		200,435		-		200,435	
Debt service:									
Principal		-		5,912		-		5,912	
Interest		-		722		-		722	
Total Expenditures		1,156		207,069		-		208,225	
Revenues Over									
(Under) Expenditures		3,830		(152,549)		1,287		(147,432)	
Other Financing Sources (Uses)									
Transfers in		-		152,972		-		152,972	
Total Other Financing									
Sources (Uses)		-		152,972		-		152,972	
Net Change in Fund Balances		3,830		423		1,287		5,540	
Beginning fund balances		18,770		1,705		127,679		148,154	
Ending Fund Balances	\$	22,600	\$	2,128	\$	128,966	\$	153,694	
	-		_		-		-		

See Notes to Financial Statements.



City of Gilmer, Texas SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL DEBT SERVICE FUND For the Year Ended September 30, 2024

	Original Budget	Fianal Budget	Actual	Fir	riance with nal Budget Positive Negative)
<u>Revenues</u>					
Property tax	\$ 572,013	\$ 572,013	\$ 562,874	\$	(9,139)
Investment income	-	-	352		352
Intergovernmental	 397,700	 397,700	 -		(397,700)
Total Revenues	 969,713	 969,713	563,226		(406,487)
<u>Expenditures</u>					
General government	3,000	3,000	3,625		(625) *
Debt service:					
Principal	910,000	910,000	402,781		507,219
Interest and fiscal charges	 233,740	 233,740	 175,982		57,758
Total Expenditures	 1,146,740	1,146,740	 582,388		564,352
Revenues Over (Under)					
Expenditures	 (177,027)	 (177,027)	 (19,162)		157,865
Other Financing Sources (Uses)					
Transfers in	177,027	540,747	363,720		(177,027)
Transfers (out)	-	-	(387,773)		(387,773) *
Total Other					
Financing Sources (Uses)	 177,027	 540,747	 (24,053)		(564,800)
Net Change in Fund Balance	\$ _	\$ 363,720	(43,215)	\$	(406,935)
Beginning fund balance	 	 	85,962		
Ending Fund Balance			\$ 42,747		

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

2. * Expenditures exceeded appropriations at the legal level of control.

City of Gilmer, Texas SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CIVIC CENTER For the Year Ended September 30, 2024

	Original Budget	Fianal Budget	Actual	Fin I	iance with al Budget ?ositive Negative)
Revenues					
Rents and royalties	\$ 30,000	\$ 30,000	\$ 50,509	\$	20,509
Other revenue	15,109	15,109	4,011		(11,098)
Total Revenues	 45,109	45,109	 54,520		9,411
<u>Expenditures</u>					
Civic Center	\$ 190,906	\$ 196,156	\$ 200,435	\$	(4,279) *
Debt service:					
Principal	5,895	5,895	5,912		(17) *
Interest	738	738	722		16
Total Expenditures	 197,539	202,789	 207,069		(4,280)
Revenues Over (Under)					
Expenditures	 (152,430)	 (157,680)	 (152,549)		5,131
Other Financing Sources (Uses)					
Transfers in	152,430	157,680	152,972		(4,708)
Total Other	 	 	 		
Financing Sources (Uses)	 152,430	 157,680	 152,972		(4,708)
Net Change in Fund Balance	\$ -	\$ -	423	\$	423
Beginning fund balance			1,705		
Ending Fund Balance			\$ 2,128		

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

2. * Expenditures exceeded appropriations at the legal level of control.

City of Gilmer, Texas SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL PARKS CAPITAL PROJECTS For the Year Ended September 30, 2024

	Original Budget	Fianal Budget	Actual	Fin	iance with al Budget Positive Jegative)
Revenues					
Investment income	\$ -	\$ -	\$ 279,485	\$	279,485
Total Revenues	 -	 -	279,485		279,485
Expenditures					
Capital outlay	\$ 1,091,200	\$ 1,531,924	\$ 1,049,760	\$	482,164
Total Expenditures	 1,091,200	 1,531,924	1,049,760		482,164
Net Change in Fund Balance	\$ (1,091,200)	\$ (1,531,924)	(770,275)	\$	761,649
Beginning fund balance			6,573,050		
Ending Fund Balance			\$ 5,802,775		

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Gilmer, Texas SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL PD SEIZURE For the Year Ended September 30, 2024

		ginal & l Budget	F	Actual	Fina Po	ance with 1 Budget ositive egative)
<u>Revenues</u>						
Investment income		\$ -	\$	19	\$	19
Other revenue		2,000		4,967		2,967
	Total Revenues	 2,000		4,986		2,986
<u>Expenditures</u>						
General government		\$ 2,000	\$	1,156	\$	844
	Total Expenditures	 2,000		1,156		844
	Net Change in Fund Balance	\$ -		3,830	\$	3,830
Beginning fund balance		 		18,770		
	Ending Fund Balance		\$	22,600		

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Gilmer, Texas SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL USDA REVOLVING LOAN For the Year Ended September 30, 2024

						ance with 1 Budget
		Ori	ginal &		Р	ositive
		Final	l Budget	Actual	(N	egative)
Revenues						
Investment income		\$	3,921	\$ 1,287	\$	(2,634)
	Total Revenues		3,921	 1,287		(2,634)
	Net Change in Fund Balance	\$	3,921	1,287	\$	(2,634)
Beginning fund balance				127,679		
	Ending Fund Balance			\$ 128,966		

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).



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STATISTICAL SECTION

This part of the City's 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	100

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

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

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.

Demographic and Economic Information 107

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

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.

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City of Gilmer, Texas NET POSITION BY COMPONENT Last Ten Fiscal Years (accrual basis of accounting)

		2015		2016		2017		2018		2019		2020		2021		2022		2023		
Governmental Activities Net investment in																				
capital assets	\$	6,712,916	æ	6,702,490	÷	7,955,663	\$	7,358,654	æ	6,821,524	æ	7,039,867	æ	8,048,209	\$	7,809,291	÷	7,962,844	44	44 \$
Restricted		2,551,895		1,501,965		1,465,125		1,563,527		1,673,212		1,936,525		958,908		1,282,777		2,700,374	74	74
Unrestricted		(1,492,960)	1	(576,036)	1	(142,932)		357,574	1	916,400		913,340	1	1,605,938	1	2,685,857		743,649	49	49
Total Governmental Activities Net Position	£	7 771 851	£	7 638 419	£	0 777 856	£	9 779 755	£	0 411 136	£	9 889 737	£	10 613 055	£	11 777 975	£	11 406 867	5	67 A
	-		÷	. 10-01-00	-		÷		÷		÷		÷		÷		÷			
Business-type Activities Net investment in																				
capital assets	÷	9,885,063	$\mathbf{\hat{v}}$	5,907,504	÷	9,636,185	\$	10,209,670	÷	10,612,940	$\mathbf{\hat{v}}$	11,400,545	$\mathbf{\hat{v}}$	11,520,465	\$	11,842,507	æ	12,685,690	90	\$ 06
Restricted		108,512		109,518		109,835		110,099		109,639		89,166		724,942		89,273		90,562	2	2
Unrestricted		1,067,991		5,397,271		1,757,345		2,188,859	ĺ	2,436,261		2,917,649		3,335,438		4,881,995		4,095,781		
Total Business-type																				
Activities Net Position	÷	11,061,566	\$	11,414,293	÷	11,503,365	÷	12,508,628	\$	13,158,840	\$	14,407,360	\$	15,580,845	÷	16,813,775	\$	16,872,033	∥ ∽	\$
Primary Government Net investment in																				
capital assets	\$	16,597,979	÷	12,609,994	÷	17,591,848	\$	17,568,324	÷	17,434,464	æ	18,440,412	÷	19,568,674	\$	19,651,798	÷	20,648,534	4	4 \$
Restricted		2,660,407		1,611,483		1,574,960		1,673,626		1,782,851		2,025,691		1,683,850		1,372,050		2,790,936	6	6
Unrestricted		(424,969)		4,821,235		1,614,413		2,546,433		3,352,661		3,830,989		4,941,376		7,567,852		4,839,430	0	0
Total Primary	ĺ		Í		Í				ĺ		ĺ		Í							
Government Net	÷	18,833,417	÷	19,042,712	÷	20,781,221	÷	21,788,383	÷	22,569,976	÷	24,297,092	÷	26,193,900	÷	28,591,700	\$	28,278,900	00	\$ 00

Source: City's Audited Financial Statements

City of Gilmer, Texas CHANGES IN NET POSITION Last Ten Fiscal Years (accrual basis of accounting)

	2015	2016	2017	(accrual basis of accounting) 2018 2019	f accounting) 2019	2020	2021	2022		2023
Covernmental activities:										
	\$ 1,028,761 \$	947,749	\$ 968,971 \$		794,536 \$	758,804		\$	\$ 819,532 \$ 722,619	\$ 819,532 \$ 722,619 \$
Public safety	2,067,871	2,150,448	2,238,950	2,316,510	2,263,525	2,278,625	01 #	5 2,162,602	2	2,162,602 2
Community services	191,749	180,719	167,866	174,063	167,865	158,916	6		144,067	144,067 140,531
Civic Center	169,737	185,372	191,787	262,703	278,199	266,937	937		210,922	210,922 288,590
Interest and fiscal agent fees	237,449	210,818	211,190	201,809	198,267	17	174,782	4,782 333,255	333,255	333,255 183,572
Total governmental activities	4,154,771	4,574,786	4,350,634	4,424,628	4,641,484	4,	4,451,658	451,658 4,514,714		4,514,714
Business-type activities:										
Water and sewer	1,703,410	1,754,049	1,745,905	1,809,312	1,947,329	2,(2,041,456	041,456 1,767,271		1,767,271
Sanitation	652,295	644,852	669,563	682,409	697,238	7	727,774	27,774 763,210		763,210
Airport	69,340	72,915	88,715	79,790	123,348		81,711			211,130
Total business-type activities	2,425,045	2,471,816	2,504,183	2,571,511	2,767,915	2,8	2,850,941			2,741,611
Total primary government	\$ 6,579,816	\$ 7,046,602	\$ 6,854,817 9	\$ 6,996,139 \$	7,409,399 \$		7,302,599	302,599 \$ 7,256,325 \$	\$ 7,256,325 \$ 7,276,360	<u>\$</u> 7,256,325 <u>\$</u>
Program Revenues Governmental activities:										
Charges for services	\$ 400,584 \$	386,407	\$ 421,763 \$	3 403,071 \$	443,157 \$	ц ц	373,334	73,334 \$ 420,334 \$	\$ 420,334 \$ 424,190	\$ 420,334 \$
Operating grants and contributions	ı	1,831	1,686	7,627	6,953	22	288,446	38,446 41,090		41,090
Capital grants and contributions	29,000	100,000	1,468,902	58,937	15,882		I			529,175
Total governmental activities	429,584	488,238	1,892,351	469,635	465,992		661,780	661,780 461,424		461,424
Business-type activities:)				
Charges for services	2,772,382	2,840,434	3,018,087	3,179,677	2,976,975	2,	2,999,656	3,0	3,032,047 3,2	3,032,047 3,220,901 3,
Operating grants and contributions Capital grants and contributions	6,420 141,668	- 600,503	8,563 214,573	11,000 179,623	6,298 296,669		29,739 591,184	29,739 591,184 657,385		21,489 657,385
Total business-type activities	2,920,470	3,440,937	3,241,223	3,370,300	3,279,942	3,6	3,620,579			3,710,921
Total primary government	\$ 3,350,054 :	\$ 3,929,175	\$ 5,133,574 \$	5 3,839,935 \$	3,745,934 \$		82,359	÷	\$ 4,172,345 \$ 4,293,281	4,282,359 \$ 4,172,345 \$ 4,293,281 \$ 4,904,142 \$

CHANGES IN NET POSITION (Continued) **City of Gilmer, Texas** Last Ten Fiscal Years

(accrual basis of accounting)

Total primary government	Total business-type activities	Transfers, net	Gain(loss) on disposal assets	Other revenue	Investment earnings	Business-type activities:	Total governmental activities	Transfers, net	Gain(loss) disposal of assets	Investment income	Other revenue	Penalty and interest	Other taxes	Franchise and local taxes	Sales taxes	Property taxes	Taxes:	Governmental activities:	General Revenues	Total primary government	Business-type activities	Governmental activities	Net (Expense)/Revenue	
\$																\$				\$		÷		
3,667,410 \$	(606,011)	(618,157)	ı	ı	12,146		4,273,421	618,157	(46,375)	18,048	68,479	14,182	56,214	338,410	1,502,969	1,703,337 \$				(3,229,762) \$	495,425	(3,725,187) \$		2015
3,326,722	(616,394)	(64,628)	(563,485)	ı	11,719		3,943,116	64,628	ı	23,074	62,740	24,188	61,625	318,245	1,602,074	1,786,542 \$				(3,117,427) \$	969,121	(4,086,548) \$		2016
5 4,102,390	(5,330)	(74,834)	56,231	ı	13,273		4,107,720	74,834	80,277	17,858	72,395	21,520	56,213	319,980	1,649,954	3 1,814,689				(1,721,243)	737,040	(2,458,283)		2017
\$ 4,305,641	236,351	216,318	1,942	I	18,091		4,069,290	(216,318)	96,170	23,815	89,365	14,469	54,268	332,181	1,767,272	\$ 1,908,068				\$ (3,156,204)	798,789	\$ (3,954,993)		2018
\$ 4,484,415	177,541	57,072	39,770	62,270	18,429		4,306,874	(57,072)	8,808	38,871	67,646	16,235	61,302	322,465	1,900,238	\$ 1,948,381				\$ (3,663,465)	512,027	\$ (4,175,492)		2019
\$																\$				\$ (3		æ		N
4,747,354	478,880	421,192	24,926	14,204	18,558		4,268,474	(421,192)	(10,942)	32,299	78,456	18,233	54,022	392,935	2,105,042	2,019,621				(3,020,240)	769,638	(3,789,878)		2020
\$ 4,914,027	137,414	116,304	(2,990)	8,552	15,548		4,776,613	(116,304)	ı	39,224	73,229	29,990	62,348	407,668	2,253,551	\$ 2,026,907				\$ (3,083,980)	969,310	\$ (4,053,290)		2021
\$																\$				\$		\$		
5,380,879	362,164	334,759	ı	15,550	11,855		5,018,715	(334,759)	I	87,041	123,852	29,312	62,147	456,345	2,545,005	2,049,772				(2,983,079)	870,765	(3,853,844)		2022
\$ 5,919,775	108,648	81,929	ı	11,544	15,175		5,811,127	(81,929)	ı	228,538	56,321	34,253	77,589	537,131	2,744,074	\$ 2,215,150 \$				\$ (3,761,261)	385,559	\$ (4,146,820) \$		2023
\$ 5,274,952	400,895	340,721	I	I	60,174		4,874,057	(340,721)	I	335,684	65,709	ı	81,023	589,277	1,848,345	\$ 2,294,740				\$ (4,741,178)	(209,692)	\$ (4,531,486)		2024

Source: City's Audited Financial Statements

Business-type activities Governmental activities **Change in Net Position**

Total primary government

 \mathbf{s}

(110,586) 437,648 548,234

÷

 352,727
 731,710

 209,295
 \$ 2,381,147

\$

1,035,140 1,149,437

\$

820,950 \$ 1,727,114

\$

1,106,724 1,232,929 1,830,047 \$ 2,397,800

\$

2,158,514

÷

191,203 533,774

689,568 131,382

1,248,518 478,596

÷

÷

(143,432) \$

1,649,437

÷

114,297

÷

÷

 \mathbf{v}

723,323

÷

1,164,871

÷

1,664,307 494,207

÷

342,571

FUND BALANCES, GOVERNMENTAL FUNDS (modified accrual basis of accounting) City of Gilmer, Texas Last Ten Years

General fund: Nonspendable Restricted Committed Assigned Unassigned Total general fund	÷ ÷	2015 - \$ 1,820,752 - 64,694 1,106,046 2,991,492 \$	2016 7,362 \$ 585,414 - 67,930 801,510 1,462,216 \$	2017 9,929 \$ 388,551 - 173,460 990,025 1,561,965 <u>\$</u>	2018 - - - - - - - - - - - - - - - - - - -	2019 \$	2020 \$ 3,977 4 207,512 - 75,413 1,965,730 \$ 2,252,632 4	2021 \$ 4,175 9 238,058 - 64,592 2,612,671 \$ 2,919,496 9	2022 (1) - 176,682 239,701 106,723 3,047,422 5 3,570,528	2023 \$ 192 235 155 3,064 \$ 3,644	2023 - 192,333 235,277 155,861 3,063,049 3,646,520
ssigned	,	64,694 1,106,046	67,930 801,510	173,460 990,025	78,614 1,434,605	252,112 1,813,117		64,592 2,612,671	10 3,04	6,723 7,422	
Total general fund	æ	2,991,492 \$	1,462,216 \$	1,561,965 \$	6 1,833,587	\$ 2,255,956		\$ 2,919,496	5 3,570),528	3,528 \$ 3,646,520
All other governmental funds:											
Nonspendable	÷	۰ ج	۰ \$	۰ ج		÷			÷		\$
Restricted Unassigned		794,280 -	957,883 -	1,111,788 -	1,281,119 -	1,524,458	1,816,233 (8,444)	7,353,158 -	7,51	7,519,994 (1,851)	9,994 6,579,079 (1,851) -
Total all other governmental											

- - - (8,444) - (1,851) - 3 957,883 \$ 1,111,788 \$ 1,281,119 \$ 1,524,458 \$ 1,808,341 \$ 7,353,711 \$ 7,518,143 \$ 6,807,166	<u>- (1,851)</u> 1,281,119 <u>\$ 1,524,458</u> <u>\$ 1,808,341</u> <u>\$ 7,353,711</u> <u>\$ 7,518,143</u> <u>\$</u>
$\frac{-}{\$} \frac{(8,444)}{1,524,458} \frac{-}{\$} \frac{(1,851)}{1,808,341} \frac{-}{\$} \frac{-}{7,353,711} \frac{-}{\$} \frac{-}{7,518,143} \frac{-}{\$}$	<u>- (8,444)</u> <u>- (1,851)</u> <u>-</u>
(8,444) - (1,851) \$ 1,808,341 \$ 7,353,711 \$ 7,518,143 \$	(8,444) - (1,851) - \$ 1,808,341 \$ 7,353,711 \$ 7,518,143 \$ 6,807,166 \$
·) - (1,851) \$ 7,353,711 \$ 7,518,143 \$	<u>+)</u> <u>-</u> (1,851) <u>-</u>
(1,851) \$ 7,518,143 \$	(1,851) <u>-</u> \$ 7,518,143 <u>\$ 6,807,166</u> <u>\$</u>
(1,851) \$ 7,518,143 \$	(1,851) <u>-</u> \$ 7,518,143 <u>\$ 6,807,166</u> <u>\$</u>
\$	<u> </u>
- \$ 6,807,166	÷
	÷

Source: City's Audited Financial Statements

⁽¹⁾ Prior to 2023 the data includes the Economic Development Corporation which was previously reported as a blended component

unit. The EDC is now reported as a discretely presented component unit.

Ratio of total debt service expenditures to noncapital	Net Change in Fund Balances	Total Other Financing Sources	Sale of capital assets	Payment to refunded escrow agent	Premium on bonds issued	Debt issued	Transfers (out)	Transfers in	Other Financing Sources (Uses)	Revenues Over (Under) Expenditures		Capital outlay	Interest and fiscal charges	Principal	Deht service:	Civic center	Contingency	Council	Lake	Community	Parks	Municipal court	Police operation	Fire operations	Streets	Treasurer/finance	General government	Expenditures Current:	Total Revenues	Other revenue	Investment income	Rents and royalties	Fines and forgeitures	License and permits	Intergovernmental	Penalty and interest	Sales and other taxes	axes	Revenues						
12%	\$ 1,844,394	2,468,337	1	,	40,179	1,810,000	(817,946)	1,436,104		(623,943)	4,279,565		222,917	270,000		148,204		29,248		181,424	ı	92,867	1,484,964	544,512	364,801	170,028	770,600		3,655,622	29,000	18,048	50,184	259,838	24,633	60,809	14,182	1,502,969	\$ 1,695,959	CT07	2015					
8%	\$ (1,201,101) \$	64,629	1	,	1		(710,809)	775,438		(1,265,730)	5,810,126		234,909	254,228		137,523		26,940		166,289	500	86,969	1,350,877	692,493	2,116,784	156,835	585,779		4,544,396	329,142	23,075	45,948	235,210	26,856	73,540	24,188	1,981,945	\$ 1,804,492 \$	0102	2016					
8%	575,557 \$	260,796	129,462	1	,	56,500	(720,354)	795,188		314,761	5,847,233	1	215,235	277,022		1,431,960		30,005		140,512	138,559	84,075	1,340,591	638,413	823,721	163,758	563,382		6,161,994	1,879,606	17,858	38,800	216,953	23,784	122,954	21,520	2,026,147	1,814,372 \$	/107	2017			CHANGE		
12%	523,002	(85,988)	130,330	ı	ı		(1,177,360)	961,042		608,990	4,088,718	,	205,705	294,451		158,336	61.825	21,864		147,105	87,248	86,393	1,466,656	625,501	262,472	164,495	506,667		4,697,708	213,603	23,815	35,481	206,197	36,667	126,000	14,981	2,153,209	1,887,755	0107	2018	(modified a		S IN FUND B		
12%	\$ 751,360 \$	(48,264)	8,808	ı	I		(663,109)	606,037		799,624	4,086,112	1	196,540	307,303		147,134	,	25,693		156,308	128,495	83,700	1,443,036	660,257	301,282	174,276	462,088		4,885,736	171,302	38,871	38,595	231,699	39,581	126,000	16,235	2,284,005	\$ 1,939,448 \$	2013	2010	(modified accrual basis of accounting)	Last Ten Years	ALANCE, GO	city of Gilmer, Texas	
11%	658,673 \$	(421,192)	1	ı	ı		(683,095)	261,903		1,079,865	4,685,738	1	185,249	327,718		137,564		28,839		150,281	108,095	83,031	1,572,120	1,130,739	323,446	177,685	460,971		5,765,603	756,230	32,299	35,049	177,812	32,221	126,000	18,233	2,551,999	3 2,035,760 \$	0707	0000	accounting)		CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS	Iexas	
15%	6,324,194 \$	5,183,864	1	(2,939,544)	674,712	7,565,000	(665,898)	549,594		1,140,330	4,305,133	1	284,711	347,978		85,025		35,720		144,433	67,355	76,043	1,500,448	657,375	406,337	179,780	519,928		5,445,463	223,922	39,223	43,737	185,434	41,102	126,000	29,990	2,723,567	2,032,488 \$	1707	1606			L FUNDS		
16%	937,094 \$	(326,539)	8,220	ı	1		(1,275,358)	940,599		1,263,633	4,610,314		263,939	475,696		170,866		33,446		141,444	109,591	78,882	1,572,789	906,883	240,817	151,926	464,035		5,873,947	243,260	87,041	49,784	175,461	46,852	135,900	29,312	3,063,497	3 2,042,840 \$	2022	CCUC					
14%	1,013,768	(81,929)	ı	ı	ı		(972,861)	890,932		1,095,697	5,233,911	,	226,742	518,421		197,617		31,748		164,052	214,105	83,545	1,735,704	817,418	698,630	156,873	389,056		6,329,608	56,463	228,538	57,976	172,524	64,735	136,800	34,253	3,358,794	2,219,525	2023	2002					
12%	\$ (821,335)	(340,721)	ı	ı	,		(1, 136, 056)	795,335		(480,614)	6,299,861	1,049,760	176,704	408,693		200,435	599.648	29,155	2,788	165,259	71,628	91,633	1,761,884	844,350	365,649	142,654	389,621		5,819,247	65,709	335,684	63,721	186,994	70,971	279,253	29,288	2,518,645	\$ 2,268,982	£207	7000					

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Fiscal Year	Real Property		 Personal Property	 Less: Tax Exempt Property	As	Total Taxable ssessed Value	Total Direct Tax Rate
2015	\$	325,794,877	\$ 43,473,338	\$ 95,399,430	\$	273,868,785	0.62518
2016		323,168,586	47,687,558	84,167,301		286,688,843	0.62518
2017		328,670,990	45,896,314	85,044,175		289,523,129	0.62952
2018		351,194,101	46,390,103	91,157,570		306,426,634	0.62952
2019		353,503,327	47,450,001	90,578,472		310,374,856	0.62952
2020		359,023,018	50,803,168	88,236,724		321,589,462	0.62952
2021		349,621,253	54,085,924	85,450,921		318,256,256	0.63510
2022		383,817,715	62,005,203	116,343,021		329,479,897	0.62562
2023		461,714,309	91,770,804	166,278,329		387,206,784	0.57079
2024		519,546,746	107,184,372	183,849,617		442,881,501	0.51468

Note: Tax rates per \$100 of assessed valuation.

Source: City of Gilmer Budget Document. Upshur County Central Appraisal Districts.

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS City of Gilmer, Texas Last Ten Years

Total Upsher County Entities	Upshur County	Upshur ESD #1	Gilmer ISD	Overlapping Rates:	Total Direct Rate	œ	Direct Rates: City of Gilmer - Operating	
1.78160	0.56660	0.03000	1.18500		0.62518	0.21797	0.40721	2015
1.80840	0.55840	0.03000	1.22000		0.62518	0.20642	0.41876	2016
1.85980	0.56980	0.07000	1.22000		0.62952	0.19569	0.43383	2017
1.88500	0.59500	0.07000	1.22000		0.62952	0.18910	0.44042	2018
1.97500	0.59500	0.07000	1.31000		0.62952	0.19072	0.43880	2019
2.08400	0.61500	0.07000	1.39900		0.62952	0.18204	0.44749	2020
2.08400	0.61500	0.07000	1.39900		0.63510	0.17947	0.45564	2021
2.08400	0.61500	0.07000	1.39900		0.62562	0.16468	0.46094	2022
1.91310	0.59900	0.06460	1.24950		0.57079	0.14768	0.42312	2023
1.56600	0.49600	0.07000	1.00000		0.51468	0.12580	0.38888	2024

Tax rates per \$100 of assessed valuation.

Source: Upshur County Central Appraisal Districts.

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

	20	024		20	015	
Property Tax Payer	Taxable Assessed Value	Rank	% of Taxable Assessed Value	 Taxable Assessed Value	Rank	% of Taxable Assessed Value
Rob Roy Industries	\$ 17,098,930	1	3.86%	\$ 7,458,820	2	2.72%
Wal-Mart Stores Texas						
LLC US00146	9,543,654	2	2.15%	9,124,800	1	3.33%
AEP Southwestern Elec						
Power Co	9,209,690	3	2.08%	3,204,800	5	1.17%
Hixson Lumber Company						
LLC	6,811,940	4	1.54%	3,520,360	4	1.29%
Coil Specialist INC	6,611,280	5	1.49%	2,522,620	10	0.92%
Scout 5 Properties LLC	5,756,880	6	1.30%	-	n/a	-
Rob Roy Industries	5,669,320	7	1.28%	7,458,820	8	2.72%
Westco Family Properties						
LLC	5,583,820	8	1.26%	-	n/a	-
ETEX Telephone CoOp						
INC	5,211,860	9	1.18%	-	n/a	-
ETEX Telephone CoOp						
INC	4,742,530	10	1.07%	2,951,920	1	1.08%
Wesley Partners LTD	-	n/a	-	4,288,660	3	1.57%
Gilmer National Bank	-	n/a	-	2,907,980	7	1.06%
Dean Lumber Company	-	na	-	2,644,530	9	0.97%
Total	\$ 76,239,904	-	17.21%	\$ 46,083,310	-	16.83%
Total Assessed Valuation	\$ 442,881,501	=	100%	\$ 273,868,785	=	100%

Source: Tax Office.

Note: Property is assessed as of January 1 and certified to the City by July 25 for taxable values.

City of Gilmer, Texas PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Years

Total collections as a percentage of levy	Total tax collections	Delinquent tax collections Penalty and interest	Percent of current tax collections	Current tax collected	Tax levy Penalty and interest	
	÷	\$ \$	0,	÷	e e	
99.3%	1,699,119 \$	42,527 \$ 16,599 \$	96.78%	1,656,592 \$	1,711,717 \$ 12,080 \$	2015
99.3%	1,774,335 \$	33,496 \$ 13,593 \$	97.38%	1,740,839 \$	1,787,675 \$ 15,904 \$	2016
99.1%	1,800,988	35,856 14,505	97.08%	\$ 1,765,132 \$	5 1,818,198 9 5 14,591	2017
98.9%	\$ 1,903,636 \$	\$	96.29%	\$ 1,853,508 \$	5 1,924,996 \$ 5 16,184 \$	2018
98.8%	1,926,282 \$	49,882 \$ 14,704 \$	96.21%	1,876,400 \$	1,950,290 \$ 12,542 \$	Fiscal Y 2019
98.8%	1,992,282 \$	31,510 \$ 10,908 \$	97.29%	1,960,772 \$	2,015,469 \$ 15,473 \$	Year 2020
98.9%	2,000,439	27,441 8,330	97.56%	1,972,998	2,022,288 15,166	2021
98.5%	\$ 2,026,297 \$	\$ 30,273 \$ 8,317	97.05%	\$ 1,996,024 \$	\$ 2,056,761 \$	2022
	æ	\$ \$		æ	\$ \$	
98.3%	2,171,004	19,112 4,304	97.39%	2,151,892	2,209,619 13,898	2023
	÷	\$ \$		\$	\$ \$	
96.9%	2,205,820		96.86%	2,205,820	2,277,281 14,823	2024

Source: Upshur County reports.

City of Gilmer, Texas RATIOS OF OUTSTANDING DEBT BY TYPE Last Ten Years

	Per capita (1)	Percentage of personal income (1)	Certificates of Obligation Premium Note Payable Business-type activities: General Obligation Bonds Certificates of Obligation Premium Total primary government	Covernmental activities
	\$		v v v	
	592 \$	26124.88%	1,810,000 \$ 21,184 - 8,315,000 \$ 1,750,000 282,712 12,178,896 \$	2015
	557 \$	24836.24%	1,705,722 \$ 18,899 - 7,820,000 \$ 1,649,228 261,120 <u>\$</u> 11,454,969 <u>\$</u>	2016
•	517	24059.01%	\$ 1,583,750 \$ 16,613 56,500 \$ 7,320,000 \$ 1,531,250 239,528 \$ 10,747,641 \$	2017
	\$ 419	27346.25%	1,454,101 14,327 51,698 6,815,000 1,405,899 217,934 9,958,959	2018
	\$ 385	25125.09%	\$ 1,316,826 12,042 46,670 \$ 6,305,000 1,273,174 196,342 \$ 9,150,054	2019
	\$ 342 \$	20086.32%	\$ 1,164,298 \$ 9,756 41,480 \$ 5,590,000 \$ 1,125,702 \$ 8,386,640 9	2020
	573 \$	24563.79%	\$ 6,951,685 \$ 686,368 36,115 \$ 5,135,000 \$ 973,314 <u>\$ 14,195,658</u> <u>\$</u>	2021
	531 \$	32090.08%	6,596,531 649,284 30,573 4,660,000 818,469 370,950 13,125,807	2022
	\$ 3,274 \$	27340.35%	\$ 6,203,836 612,199 24,848 \$ 4,170,000 \$ 4,170,000 \$ 661,166 328,724 \$ 12,000,773	2023
	\$ 2,873	26261.66%	\$ 5,801,055 575,115 18,936 \$ 3,660,000 \$ 3,600,000 \$ 3,600,0000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$ \$ 3,600,000\$	2024

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. (1) Personal income and population data is disclosed on page 104.

RATIO OF GENERAL BONDED DEBT OUTSTANDING City of Gilmer, Texas Last Ten Years

Note: Details regarding the City's oustanding debt can be found in the notes to the financial statements.	NET BONDED DEBT PER CAPITA	POPULATION	RATIO OF NET BONDED DEBT TO ASSESSED	Net Bonded Debt	NET BONDED DEBT (1) Gross bonded debt Less debt service funds	VALUE All property	
ty's ous	÷			\$		\$	
tanding debt	592	20,570	4.45%	12,178,896	12,178,896	273,868,785 \$ 286,688,843 \$ 289,523,129 \$ 306,426,634 \$	2015
can be	\$			\$ 1	1	\$ 286	
found in th	557	20,570	4.00%	11,454,969	11,454,969	5,688,843	2016
ie notes	\$			\$ 10	10	\$ 289	2
to the fina	517	20,780	3.71%	10,747,641	10,747,641	,523,129	2017
ancial s	\$			\$	5	\$ 306	2
tatements.	419	23,756	3.25%	9,958,959	9,958,959	5,426,634	2018
	\$			\$			
	385	23,756	2.95%	9,150,054	9,150,054	310,374,856	2019
	\$			\$		÷	
	342	24,554	2.61%	8,386,640	8,386,640	21,589,462	2020
	\$			\$		\$ ω	
	573	24,777	4.46%	14,195,658	14,195,658	18,256,256	2021
	\$			÷		(J)	
	531	24,720	3.98%	13,125,807	13,125,807	129,479,897	2022
	\$			÷		(J)	
	3,298	3,665	3.12%	12,086,735	12,000,773 85 962	321,589,462 \$ 318,256,256 \$ 329,479,897 \$ 387,206,784 \$ 442,881,501	2023
	\$			÷		\$	
	2,885	3,773	2.46%	10,883,298	10,840,551 42 747	142,881,501	2024

(1) This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2024

Governmental Unit	-	ross Bonded Debt ıtstanding (a)	Estimated Percentage Applicable (b)	Estimated Share of Overlapping Debt (a * b)			
Debt repaid with property taxes Gilmer ISD Subtotal, overlapping debt	\$	41,624,541	35.95%	\$	14,964,022 14,964,022		
City direct debt					6,395,106		
Total direct and overlapping debt				\$	21,359,128		

Sources: Taxing Entities and City, Upshur County Appraisal District.

* For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.



City of Gilmer, Texas DEMOGRAPHIC AND ECONOMIC STATISTICS Last Ten Fiscal Years

Estimated Year Population		Perso	nal Income	Р	r Capita ersonal ncome	School Enrollment	Unemploymen Rate		
							Grimes		
						Gilmer ISD	County		
2015	5,088	\$	46,618	\$	23,922	2,415	5.1%		
2016	5,148		46,122		22,455	2,421	5.2%		
2017	5,179		44,672		22,547	2,418	6.3%		
2018	5,210		36,418		22,790	2,418	4.3%		
2019	5,184		36,418		22,790	2,493	4.1%		
2020	5,229		41,753		22,790	2,585	3.8%		
2021	5,229		57,791		21,940	2,510	8.5%		
2022	5,158		40,903		21,940	2,678	5.6%		
2023	5,029		43,894		24,262	2,821	7.7%		
2024	5,147		41,279		24,763	2,920	8.3%		

Sources: Texas State Data Center and Office of the State Demographer Places.US.com Census.gov Texas Education Agency District Profile

PRINCIPAL EMPLOYERS Current Fiscal Year and Nine Years Ago

		2024				
			Percentage			Percentage
			of Total City			of Total City
Employer	Employees	Rank	Employment	Employees	Rank	Employment
Gilmer ISD	440	1	3.25%	350	1	4.23%
Custom Commodities	345	2	2.55%	108	5	1.31%
Upshur County	216	3	1.59%	236	2	2.86%
Walmart	211	4	1.56%	200	3	2.42%
Hixson Lumber Company	160	5	1.18%	120	4	1.45%
RobRoy Industries	122	6	0.90%	95	7	1.15%
Upshur Rural Electric	110	7	0.81%	99	6	1.20%
CSI	102	8	0.75%	50	9	0.60%
ETEX	100	9	0.74%	78	8	0.94%
City of Gilmer	50	10	0.37%	47	10	0.57%
Total	1,856		13.70%	1,383		16.73%
Total City Employment	13,544			8,266		

FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
City Administration	3	3	3	3	3	3	3	3	3	2.5
Finance	2	2	2	2	2	2	2	2	2	2
Municipal Court	1	1	1	1	1	1	1	1	1	1.5
Community development	1	1	1	1	1	1	1	1	1	1
Permits/Billing	3	2.5	2.5	2.5	3	3	2.5	2.5	2.5	3.0
Public Safety										
Police Administration	1	1	1	1	1	1	1	1	1	3
Police Officers	16	16	16	16	16	16	16	16	16	12
Civilians	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Animal Control	1	1	1	1	1	1	1	1	1	1
Firefighters and Officers	7	7	7	7	9	7	7	7	7	7
Public Works										
Public Works Administration	1	1	1	1	1	1	1	1	1	1
Public Works Employees	9	9	10	11	11	11	11	11	11	11
Civic Center										
Administration	1	1	1	1	1	1	1	1	1	1
Total	49	$\frac{1}{49}$	50	<u>1</u> 51	$\frac{1}{54}$	52	51	$\frac{1}{51}$	<u> </u>	<u> </u>
I otal	47	47	50	- 51	- 54	- 52	- 51	51	51	50

Sources: Various City departments.

City of Gilmer, Texas OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Service requests	Personal computers / laptops	Information Technology	Work orders	General Services	Cases processed	Municipal Court	(thousands of gallons)	Peak daily consumption	(thousands of gallons)	Average daily consumption	Water main breaks	New connections	Water	Potholes repaired	Street resurfacing (miles)	Highways and Streets	Inspections	Fires extinguished	Emergency responses	Fire	Traffic violations	Physical arrests	Police	Public safety	Building inspections conducted	Building permits issued	General government	Function/Program
59	20		2,078		3,551		1,278		713		35	б		300	8		23	174	423		2,331	718			165	145		2015
43	20		2,849		2,529		1,086		662		25	ы		300	1		21	132	434		1,696	494			166	157		2016
66	20		2,277		2,775		1,439		668		31	ы		300	1		24	133	481		1,825	479			116	115		2017
N/A	20		1,890		3,015		1,767		618		45	ы		300	I		94	201	593		2,935	385			196	66		2018
N/A	20		1,885		3,330		2,053		561		19	ы		1,500	1		55	117	456		2,739	478			240	20		2019
N/A																												2020
N/A	20		2,545		2,394		1,979		750		15	16		1,500	1		47	116	458		2,212	165			68	32		2021
N/A	20		3,405		2,398		3,502		983		11	N/A		1,500	2		52	190	526		3,081	278			69	31		2022
N/A	20		2,303		1,939		2,831		448		29	82		1,500	2		50	138	508		4,546	283			69	38		2023
N/A	20		2,092		2,363		1,504		699		34	87		3,000	2		56	113	511		4,724	376			64	36		2024

Sources: Various City departments.

City of Gilmer, Texas CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM Last Ten Years

General Services Facilities Fleet Vehicles Network servers	Wastewater Sanitary Sewer (miles)	Water Water mains Fire Hydrants Storage Capacity	Public works Streets-paved (miles)	Fire Fire stations Number of Vehicles	Public safety Police stations Police patrol units	Function/Program
4 11 2	53.2	56 282 2,075,000	41.4	1 10	6 1	2015
11 2	53.2	56 291 2,075,000	41.4	1 10	6 1	2016
¹ 4 2	53.2	56 291 2,075,000	41.4	11 1	6 1	2017
14 2	53.2	56 291 2,075,000	41.4	11	6 1	2018
14 2	53.2	56 291 2,075,000	41.4	11	6 1	2019
14 2	53.2			1 11	6 1	2020 2021 2022 2023 2024
14 2	53.2			11 1	6 1	2021
14 2	53.2	56 291 2,075,000	41.4	11	6 1	2022
14 2	53.2	56 291 2,075,000	41.4	11 1	6 1	2023
14 2	54.2	68 298 2,075,000	41.4	11 1	6 1	2024

Sources: Various City departments.

