

# FINANCIAL HIGHLIGHTS



Fiscal Year 2021/2022



# FINANCIAL HIGHLIGHTS



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# MESSAGE FROM CITY MANAGER

Dear White Settlement Residents,

I am pleased to present the City of White Settlement's Financial Highlights, also known as the Popular Annual Financial Report (PAFR), for the fiscal year ended September 30, 2022. The purpose of the report is to provide a snapshot of the City's financial performance and major initiatives as well as an overview of financial, economic, and demographic trends. Above all, it is designed to present a more easily understandable financial report. It also represents the City's ongoing commitment to keep the City of White Settlement residents informed about the City's finances and to be accountable in all aspects for the receipt and expenditures of public funds.

The financial information contained in this report has been derived from the Fiscal Year 2021-2022 City of White Settlement Annual Comprehensive Financial Report (ACFR), both which

are located on the City's website, <https://www.wstx.us/1383/Audited-Financials>. The ACFR is comprised of approximately 140 pages of detailed financial statements, notes, schedules, and reports. The ACFR was audited by Pattillo, Brown & Hill, LLP, and received an unmodified ("clean") opinion.

The Popular Annual Financial Report, which was prepared by the City of White Settlement Finance office, summarizes the financial activities of the primary government of the City of White Settlement. The reports and statements contained in the PAFR condense and simplify the City's Fiscal Year 2021-2022 Annual Comprehensive Financial Report for all of the City's funds. The information in this report is unaudited, and not in accordance with generally accepted accounting principles due to the condensed and simplified presentation and absence of notes to the financial statements as presented in the City's ACFR.

The City of White Settlement provides a wide range of municipal services, including fire and police protection, street maintenance, parks and recreation, library and senior services. The City also provides water, sewer, drainage, and solid waste services to its residents. Additional detailed financial information on these operations may be found in the City's ACFR in Notes 1 within the notes section to the financial statements.

As you review our Popular Annual Financial Report, I invite you to share any questions, concerns, or recommendations you may have. Those seeking a deeper understanding of the City's finances are encouraged to review a copy of the City's ACFR. Questions concerning any data provided in PAFR or requests for additional financial information should be addressed to the City of White Settlement's Finance Office, 214 Meadow Park Dr., White Settlement, Texas 76108 or by visiting the City's website at <https://www.wstx.us/172/Finance>

Jeffrey J. James  
City Manager



# Jeff James

CITY MANAGER  
White Settlement

# Organizational Chart



## CITY COUNCIL



Amber Munoz  
Place 3  
Mayor Pro Tem



Paul Moore  
Place 1



Alan Price  
Place 2



William Wright  
Place 4



Greg Geesa  
Place 5



Amy Arnold  
City Secretary



James Donovan  
City Attorney



Kenneth Gordon  
Prosecutor



Craig Magnuson  
Municipal Judge



Jeffrey J. James  
City Manager



Rich Tharp  
Community  
Services Director



Christopher Cook  
Public Safety  
Director



Fire Chief



Krystal Crump  
Finance Director



Larry Hoover  
Public Works  
Director



Shelley Poer  
Human Resources  
Director



Robert Nunley  
Building Official



Randy Rogers  
Court Marshal  
Fire Marshal

MIS  
Media  
Facilities  
Library  
Senior Center  
Recreation  
Parks  
Splash Dayz  
Convention Center

Administration  
Patrol  
Dispatch  
CID  
Crossing Guards  
P.A.W.S

Fire  
EMS  
Emergency  
Management

Finance  
Municipal Court  
Purchasing  
GF Non-Dept  
Utility Billing  
Debt Service  
Sanitation

Streets  
Meters  
Water  
Wastewater  
Environmental  
W/S Non-Dept

Human Resources

Code  
Permits

Marshal

## ABOUT US

White Settlement is a community that holds true to small-town values while nurturing major growth and advancements in both residential and commercial development.

# White Settlement

## MISSION

The government of the City of White Settlement exists to promote and sustain a superior quality of life. In partnership with the community and others, we pledge to deliver cost-effective services and quality facilities in a personal, responsive, and innovative manner.

## PRINCIPLES

- Continuous community and personal improvement
- Fact-based decisions
- Fairness and Integrity
- Fiscal responsibility
- A focus on progressive thinking and positive solutions
- A long-term perspective
- Open, accessible government, where citizen participation is vital and strongly encouraged
- Respect for Others
- Teamwork
- Win-win partnerships with other public and private entities

# By The Numbers



**18,269**  
Population



**5.2**  
Square Miles



**115 Full-Time**  
City Employees



**44,000**  
Population  
(per day)

## PARKS & RECREATION



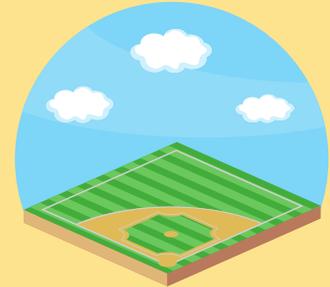
**203**  
Acreage



**7**  
Playgrounds



**30**  
Picnic Areas



**13**  
Fields



**53**  
Police Personnel  
**29,098**  
Calls for Service



**18**  
Fire Personnel  
**2,677**  
Calls for Service

## ECONOMIC INDICATORS



4.70%  
Unemployment  
Rate



18,261  
Per Capital  
Income



174,408  
Median Home  
Value

## PUBLIC WORKS



68  
Miles of Streets



89  
Miles of  
Water lines



71  
Miles of  
Sewer Lines



6,008  
Water  
Customers

## PROPERTY TAX INFORMATION



679,795,911  
Residential



553,417,503  
Commercial



71,253,952  
Industrial



121  
Permits  
Issued<sub>5</sub>

## FINANCIAL HIGHLIGHTS

# Statement In Net Position

This represents all of the City's assets and liabilities with the differences reported as net position. Over time, increases or decrease in net position may serve as a useful indicator of whether or not the financial position of the City is improving or declining. The statement of net position combines and consolidates governmental and business-type current financial resources with capital assets and long-term obligations.

	Government Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 37,110,685	\$ 28,152,115	\$ 29,197,164	\$ 26,589,748	\$ 66,307,849	\$ 54,741,863
Capital assets	30,659,066	30,366,074	36,317,544	36,714,934	66,976,610	67,081,008
<b>Total Assets</b>	67,769,751	58,518,189	65,517,708	63,304,682	133,284,459	121,822,871
Deferred outflows of resources	1,212,172	1,409,903	517,003	485,351	1,729,175	1,535,254
Long-term liabilities	35,724,457	34,156,636	11,059,668	11,224,339	46,784,125	45,380,975
Other liabilities	5,525,952	3,188,270	1,408,689	1,233,863	6,934,641	4,422,133
<b>Total Liabilities</b>	41,250,409	37,344,906	12,468,357	12,458,202	53,718,766	49,803,108
Deferred inflows of resources	1,716,983	730,605	429,514	178,562	2,146,497	909,167
Net investment in capital assets	5,496,505	4,507,546	31,465,145	32,920,642	36,961,650	37,428,188
Restricted	7,384,609	6,189,171	—	—	7,384,609	6,189,171
Unrestricted	13,133,417	10,795,864	21,668,695	18,232,627	34,802,112	29,028,491
<b>Total Net Position</b>	26,014,531	21,492,581	53,133,840	51,153,269	79,148,371	72,645,850

Most of the increase in total net position is due to a strong economy and growth which brings about more property tax revenue, sales taxes, and water and sewer charges for service.



# Changes In Net Position

The City continues to manage and plan for the continued growth as result of a strong economy in the Dallas Fort Worth area. New development is guided by design guidelines, 2019 Comprehensive Plan, and a Capital Improvement Plan. The City is working to attract high quality businesses and working with North Central Texas Council of Governments (NCTCOG) and the base to ensure long-term potential for the City. The City continues to benefit from its location in the metroplex.

**\$1.98 MILLION**  
INCREASE IN TOTAL NET POSITION

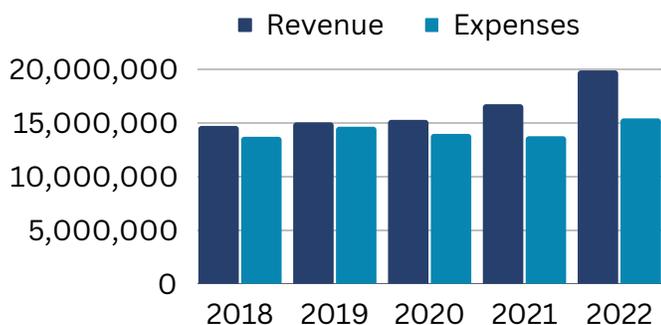
## Government Activities

	2018	2019	2020	2021	2022
Revenues	\$ 14,673,253	\$ 15,005,299	\$ 15,235,928	\$ 16,696,808	\$ 19,851,223
Expenses	13,663,837	14,598,922	13,935,077	13,720,063	15,385,114
Transfers + Extraordinary Items	(227,799)	1,376,6887	(13,272,709)	(135,803)	55,841
Change in Net Position	<u>781,617</u>	<u>1,783,064</u>	<u>(11,971,858)</u>	<u>2,840,942</u>	<u>4,521,950</u>

## Business-Type Activities

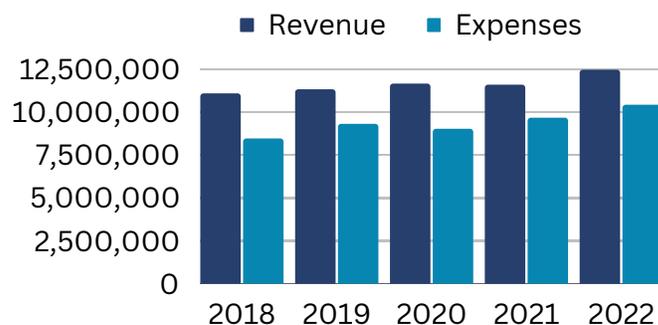
	2018	2019	2020	2021	2022
Revenues	\$ 11,068,705	\$ 11,306,6659	\$ 11,638,631	\$ 11,575,151	\$ 12,447,724
Expenses	8,447,753	9,297,667	9,011,754	9,655,437	10,411,312
Transfers + Extraordinary Items	227,799	(1,376,687)	14,447,709	135,803	(55,841)
Change in Net Position	<u>2,848,751</u>	<u>632,311</u>	<u>17,074,586</u>	<u>2,055,517</u>	<u>1,980,571</u>

### Government Activities



Governmental activities finance most of the City's services such as administrative services, police, fire, development services, streets, and community services. Examples of these activities are: Property Tax, Sales Tax, Franchise Fees, Building Permits, Fines & Forfeitures, and Charges for Services.

### Business-Type Activities



Business-Type activities pay for services such as water, sewer, draining, solid waste, and utility billing by charging user fees. Examples of these activities are: Utility bills.

# Property Values



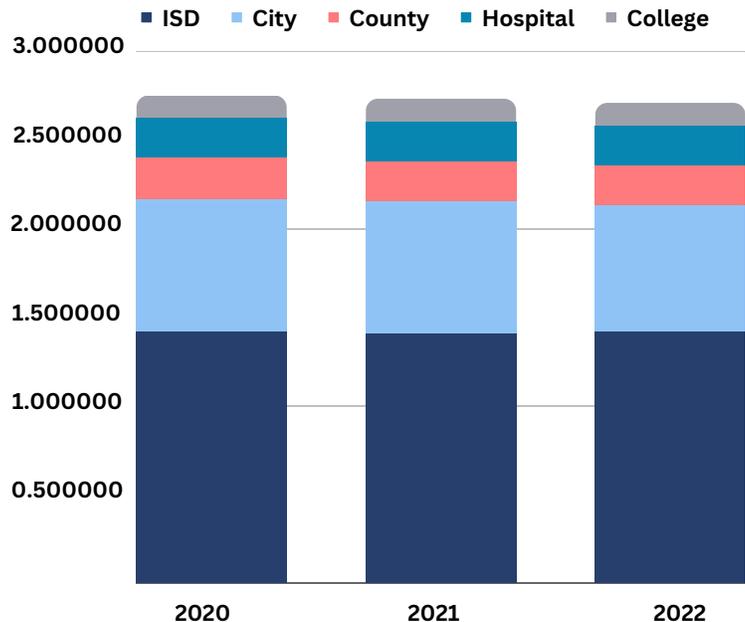
New construction is contributed \$9.7 million added to the tax roll which includes improvements and personal property. The City is primarily a bedroom community and is located at the crossroads of I-30 and I-820 on the west side of the metroplex which makes it convenient for residents.



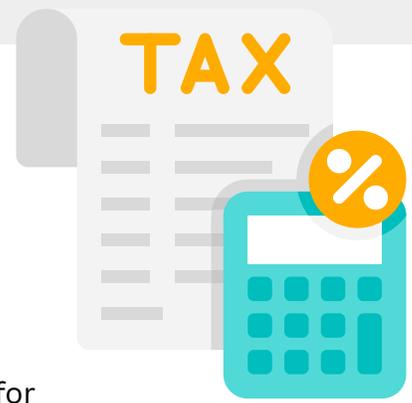
The City has maintained significant growth along with the rest of the DFW metroplex. Certified property valuations increased \$162 million or 16.56% for FY 2021-2022, from \$978 million to \$1.140 billion.

## Total Tax Rate

The City is only a portion of the total tax rate a resident pays. In addition, property owners pay Tarrant County, Tarrant County College District, Tarrant County Hospital District, and White Settlement ISD. The breakdown is shown below.



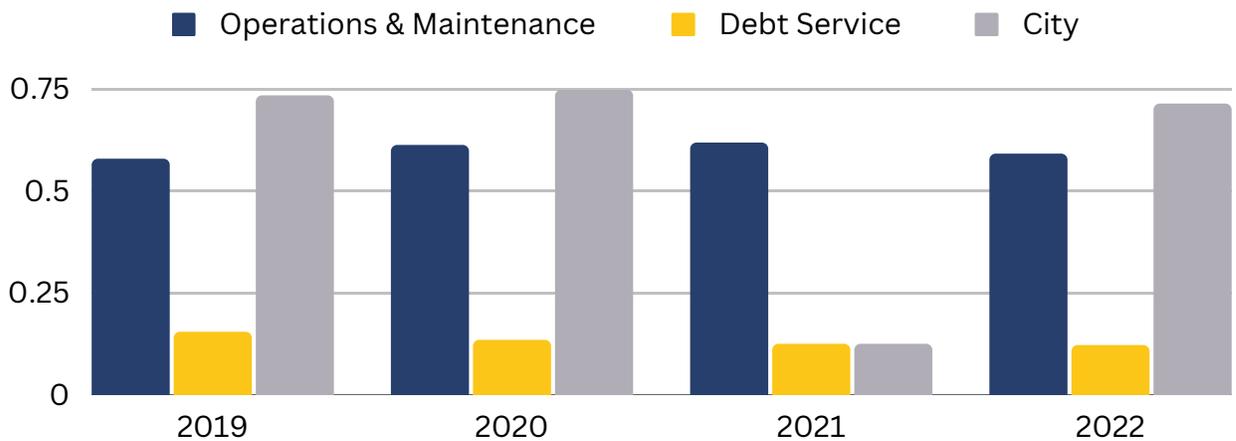
# 2022 CITY TAX Rate



The Operations & Maintenance (O&M) portion of the City's tax rate pays for daily operations if the City such as personnel, materials & supplies, and contractual services. The Debt Service (I&S) portion of the tax rate pays for the City's obligation for debt that has been issued for infrastructure improvements.



## Tax Rate History by Tax Year



Operations & Maintenance	0.577480	0.611145	0.616469	0.589803
Debt Service	0.154765	0.135055	0.125326	0.122312
Total	0.732245	0.746200	0.741795	0.712115

# Sales Tax Dollar Distribution

The State of Texas sales tax rate is 6.25% and is added to the City's 2% sales tax rate that is levied on all taxable sales within the City. Below shows are each sales tax dollar split and the distribution of the City's 2% sales tax rate.



**6.25%**  
STATE



**0.50%**  
ECONOMIC DEVELOPMENT CORPORATION



**1%**  
GENERAL FUND

**0.50%**  
CRIME CONTROL & PREVENTION DISTRICT

## Sales Tax By Industry

The top four industries providing sales tax to the City of White Settlement are:



# Pensions

The City participates as one of over 900 plans in the nontraditional, joint contributory, hybrid defined benefit pension plans 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, Texas Government Code as an agent multiple-employer retirement system for municipal employees in the State of Texas. TMRS issues a publicly available comprehensive annual financial report that can be obtained at [www.TMRS.org](http://www.TMRS.org).

Balance 12/31/20	\$6,349,321
Changes for the year:	
Service Cost	\$1,179,159
Interest	2,553,500
Differences between expected and actual expenses	388,660
Contributions	(1,702,600)
New Investment Income	(4,131,794)
Administrative Expense	19,125
Other Charges	(131)
Net Changes	(1,694,081)
Balance at 12/31/21	<u>\$4,655,240</u>



FUNDED PENSION

**88.52%**

## ACTUARIAL ASSUMPTIONS

**2.50%**  
Per Year  
INFLATION

**2.75%**  
Per Year  
OVERALL PAYROLL GROWTH

**6.75%**  
Per Year  
INVESTMENT RATE OF RETURN

**24**  
Years  
REMAINING AMORTIZATION PERIOD

# Revenues & Expenditures Summary

The City of White Settlement maintains a General Fund that reflects the City's basic services, including public safety, public works, parks & recreation, development services, general government, etc. The chart below displays General Fund results for Fiscal Year 2022 in cents to provide an easy to understand summary of activity (ex. Property Taxes make up 47 cents of every \$1 received; Public Safety accounts for 60 cents of every \$1 spent; etc)

## Revenues



## Expenditures



# General Fund

The General Fund is the primary operating fund for City services. It is used for all activities except those legally or administratively required to be accounted for in other funds.

## Revenue

	2018	2019	2020	2021	2022
Property Taxes	\$ 4,476,893	\$ 5,187,925	\$ 5,901,810	\$ 6,404,351	\$ 6,926,375
Sales & Use Tax/Franchise Tax	3,683,324	3,283,821	3,142,268	3,531,780	3,908,350
Charges for Services	312,492	268,969	166,034	216,909	237,878
Licenses & Permits	360,522	412,687	324,089	344,706	409,641
Other	673,621	734,362	643,255	519,447	2,837,887
<b>TOTAL REVENUES</b>	<b>9,506,852</b>	<b>9,887,764</b>	<b>10,177,456</b>	<b>11,017,193</b>	<b>14,320,131</b>

## Expenditures

	2018	2019	2020	2021	2022
General Government	\$ 1,943,438	\$ 2,156,367	\$ 2,028,111	\$ 2,715,131	\$ 4,609,185
Public Safety	6,098,490	6,254,453	6,806,671	6,362,366	7,191,354
Public Works	494,650	679,576	634,357	596,284	613,315
Culture & Recreation	1,586,837	1,514,394	1,377,201	1,117,149	1,422,601
<b>TOTAL EXPENDITURES</b>	<b>10,123,415</b>	<b>10,604,790</b>	<b>10,846,340</b>	<b>10,790,930</b>	<b>13,836,455</b>

## Unassigned Fund Balance

The unassigned fund balance is an indication of the amount of available resources the City has a point in time to fund emergencies, shortfalls, or other unexpected needs. In this analysis, only the General Fund information is reported. The City's financial goal is to achieve and maintain an unassigned fund balance in the General Fund equal to 144 days or 40% of budgeted expenditures. The remaining funds are used to stabilize the City's budget over the coming years as we address the growth, fund the water park deficit, and fund much needed capital projects around the City.

UNASSIGNED FUND BALANCE  
**112%**

# Definition of Key Terms

## GENERAL FUND REVENUES

### CHARGES FOR SERVICES

Includes all revenues collected on services provided through the General Fund, such as parks and recreation fees, library and senior fees, and other fees.

### FINES & FORFEITURES

Includes all court fines and fees, warrants, and code and animal control fines.

### FRANCHISE TAXES

Includes fees assessed for private use of public property.

### INTERGOVERNMENTAL

Includes revenues received from other governmental agencies.

### INVESTMENT INCOME

Revenues earned on the City's investment portfolio in compliance with PFIA.

### LICENSES & PERMITS

Includes permits and licenses required by the City including occupational licenses, trades, fire permits, certificate of occupancy, sign, development and zoning fees, and plan reviews.

### MISCELLANEOUS

Items that are not covered by any of the aforementioned categories.

### PROPERTY TAXES

Property Taxes are based on the appraised values provided by Tarrant County Central Appraisal District. Taxes are levied by October 1 of each year. Unpaid property taxes become delinquent on February 1 of the following year. Penalty and interest is levied throughout the year. 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.

### SALES & USE TAXES

Of the two percent sales tax on taxable sales within the City, one cent is recorded as revenue in the General Fund. Use tax is if you have purchased items for use in Texas from retailers who do not collect Texas sales tax, you owe Texas use tax on those items. Use tax is paid by the buyer when the Texas sales tax has not been collected by the seller. This includes purchases made from out-of-state retailers whether by mail order, catalog, television shopping networks, radio, internet, phone or in person.

## GENERAL FUND EXPENDITURES

### CULTURE & RECREATION

Dedicated to the maintenance of parks, library, seniors, and recreation facilities throughout the city.

### GENERAL GOVERNMENT

Includes City Council, City Secretary, City Manager, Human Resources, Management Information Technology, Finance, Purchasing, Municipal Facilities, and Non-Departmental.

### PUBLIC SAFETY

Expenditures within the funds that supports the safety of our residents, such as police, fire, court, planning & development, marshals, code compliance, and P.A.W.S (animal control).

### PUBLIC WORKS

Upkeep with the streets, sidewalks, and signage. This includes basic street repair.

# Long-Term Debt

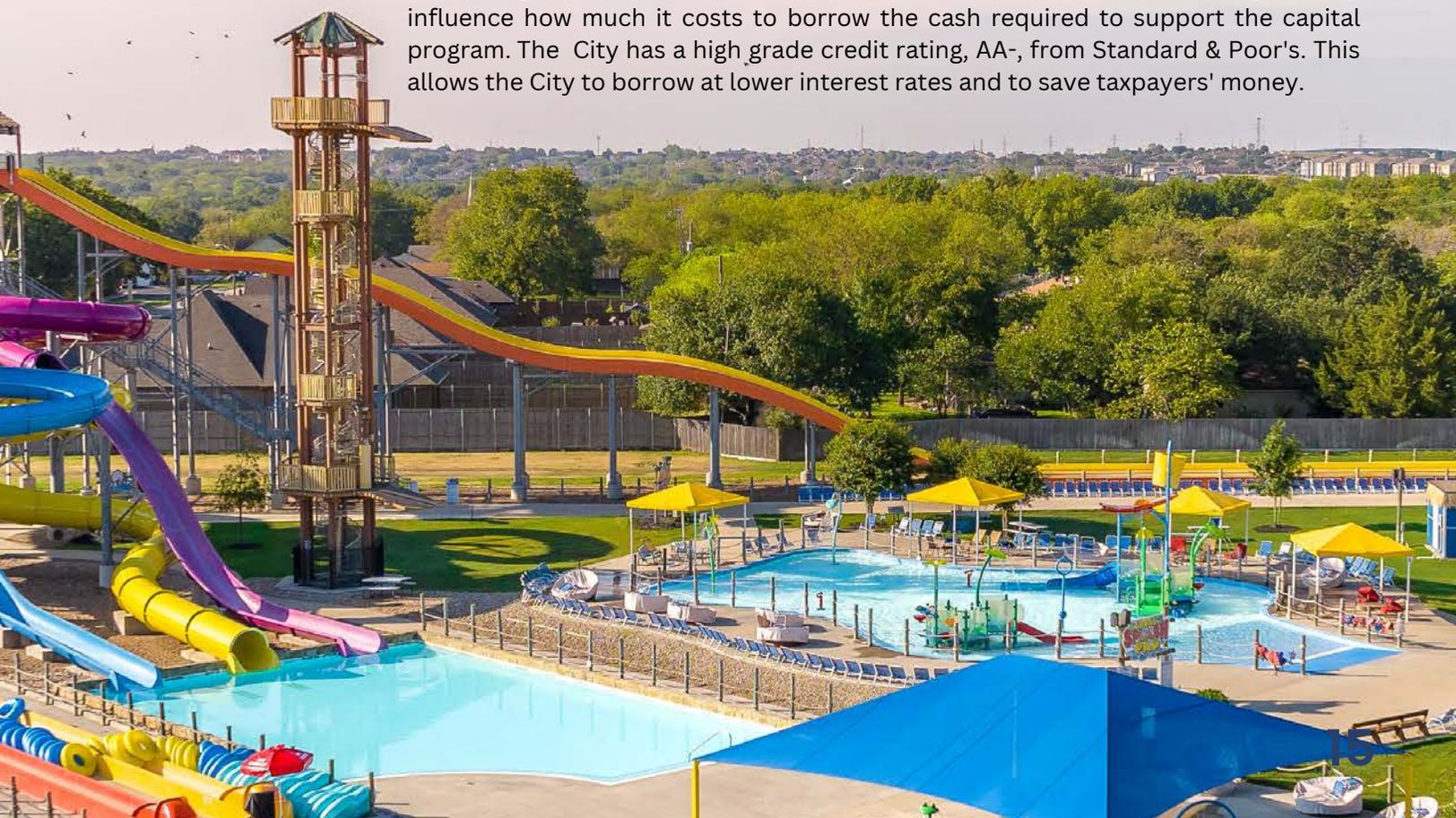
## Bond Financing

Bond financing is a type of long-term borrowing that the City uses to raise money, primarily for long-lived infrastructure assets. The City obtains money by selling bonds to investors. In exchange, the City promises to repay this money, with interest, according to specific schedules. For tax-exempt issuances, the interest the City has to pay investors on the bonds it uses for public infrastructure is exempt from their federal income tax, which make the City's interest cost on the bonds less than it would be otherwise.

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTALS		% of CHANGE
	2022	2021	2022	2021	2022	2021	
Compensated Absences	\$ 972,428	\$ 1,002,972	\$ 94,076	\$ 86,667	\$ 1,066,504	\$ 1,089,639	-2.12%
Bonds	29,235,000	26,175,000	9,635,000	9,450,000	38,870,000	35,625,000	9.11%
Bond Premium on Issuance	752,306	749,765	290,138	343,867	1,042,444	1,093,632	-4.68%
Right-to-use Leases	619,936	730,763	3,611	—	623,547	730,763	-14.67%
Total OPEB Liability	421,059	395,820	105,331	96,800	526,390	492,620	6.86%
Total Pension Liability	3,723,728	5,102,316	931,512	1,247,005	4,655,240	6,349,321	-26.68%
<b>TOTAL</b>	<b>35,724,457</b>	<b>34,156,636</b>	<b>11,059,668</b>	<b>11,224,339</b>	<b>46,784,125</b>	<b>45,380,975</b>	<b>3.09%</b>

## Credit Rating

Credit ratings are important because they define the universe of buyers for the debt obligations, the price that will be paid to obtain credit, and they heavily influence how much it costs to borrow the cash required to support the capital program. The City has a high grade credit rating, AA-, from Standard & Poor's. This allows the City to borrow at lower interest rates and to save taxpayers' money.



# Long-Term Debt

At the fiscal year, the City had \$38.87 million in outstanding debt which represents a \$2,570,675 increase or 7.2% increase from prior year. In 2022, the City issued \$5.23 million Certificates of Obligation.

## GOVERNMENTAL ACTIVITIES

Series Bonds and Obligations	Original Date	Final Maturity	Total
Series 2013 Sales Tax Revenue	11/2013	12/2033	\$ 9,275,000
Series 2015 CO	06/2015	02/2035	8,680,000
Series 2015 GO Refunding	06/2015	02/2035	1,035,000
Series 2015A CO	09/2015	02/2028	360,000
Series 2016 GO Refunding	12/2016	02/2029	2,700,000
Series 2018 CO	10/2018	02/2038	2,630,000
Series 2022 CO	09/2022	02/2042	4,555,000
			<b>\$ 29,235,000</b>

## BUSINESS-TYPE ACTIVITIES

Series Bonds and Obligations	Original Date	Final Maturity	Total
Series 2016 GO Refunding	12/2016	02/2029	\$ 3,080,000
Series 2021 CO	06/2021	02/2041	5,915,000
Series 2021A CO	12/2021	02/2041	640,000
			<b>\$ 9,635,000</b>

GOVERNMENT ACTIVITIES  
\$29,235,000



BUSINESS-TYPE ACTIVITIES  
\$9,635,000



TOTAL

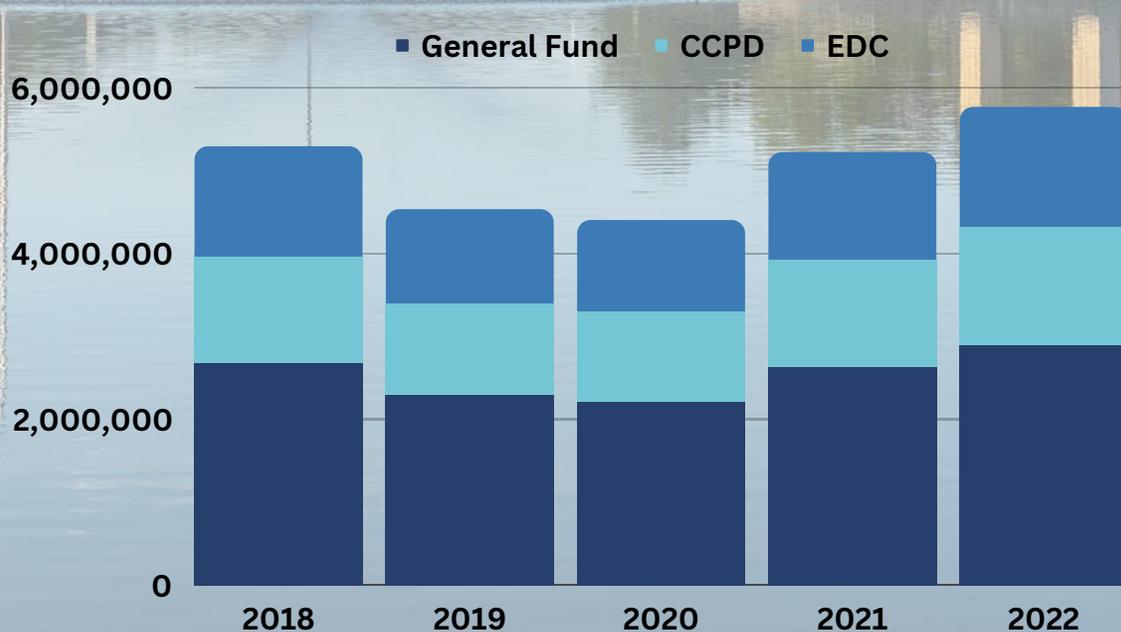
\$38,870,000

# Economic Outlook

The chart reflects the actual amount of sales tax received for the last five fiscal years ending September 30, 2022. The sales tax revenues collected for 2023 are trending 5% higher than prior years due to retail, wholesale and manufacturing increases from inflation. The Management Discussion & Analysis (MD&A) of the City's Annual Comprehensive Financial Report (ACFR) provides more information on economic growth.

## Sales Taxes by Fund

	2018	2019	2020	2021	2022
General Fund	\$ 2,670,942	\$ 2,286,432	\$ 2,205,492	\$ 2,620,807	\$ 2,881,929
CCPD	1,282,963	1,100,353	1,089,164	1,293,300	1,435,560
EDC	1,335,471	1,143,216	1,104,246	1,304,257	1,447,131
<b>Total Taxes</b>	<b>5,289,376</b>	<b>4,530,001</b>	<b>4,398,902</b>	<b>5,218,364</b>	<b>5,764,620</b>





# WHITE SETTLEMENT

The logo for White Settlement is centered over the park image. It features a large, stylized red letter 'W' with a blue five-pointed star at its base. To the right of the 'W' is a silhouette of a wagon wheel and a landscape with trees. Below the 'W' and wheel is a red arrow pointing to the right. The words 'WHITE SETTLEMENT' are written in a blue, outlined, serif font across the middle.